INDUSTRIAL SPATIAL STRATEGY

Presented by the Framework Planning Branch:
Development Planning and Environmental Management
to ECOD on 13 August 09
1. Methodology
2. Context & Strategic Intent
3. Industrial Sector Spatial Analysis
4. Scenarios
5. Unlocking Potential Industrial Land
6. Way Forward
PHASE 1:
Situational Analysis
Broad-Brush
Conceptualising

PHASE 2:
Detailed Planning
Interventions

What?

When?

Industrial Strategy
EDU

Industrial Spatial Strategy
Development Planning

Where?

How?

Infrastructure Planning and Budgeting
INDUSTRIAL SPATIAL STRATEGY METHODOLOGY

Phase 1: Strategic Assessment (complete)
- Detailed Land Audit – zoned land
- Analysis of key sectors
- Scenarios
- Identification of future industrial land

Phase 2: Testing Key Industrial Areas (underway)
- Industrial Strategy Interviews
- Presentations and engagements with municipal departments
- Formulating implementation proposals

Phase 3: Precinct Planning and Land Packaging
- Of identified priority areas
- Piloting plans and strategies

Phase 4: Implementation

Stakeholder Engagements: ongoing – All Phases
Approach been predominantly to permit industrial development in areas that are zoned for such activities and facilitating certain key investments/application driven.

There has been no overarching approach to industrial development within the city.

Industrial development is heavily dependant on the port.

Only a few large industrial companies.

Lack of available serviced industrial land.

Anti-competitive city.

Need consolidated approach to industrial development, can create the demand by providing supply.
To provide the city with a marketable product

OBJECTIVES

To identify eThekwini’s key industrial sectors based on growth prospects, employment and export contribution;

To ascertain the extent and location of industry clustering

To measure the likely impact of continued Port capacity expansion

To assess spatial development needs linked to Dube Trade Port

To identify key sectors and their needs i.t.o infrastructure, spatial requirements and essential local government support

To formulate a long-term strategy for the period 2010 to 2030 to guide planning and spatial development of the EMA, as well as to identify necessary local government interventions

To formulate long-term spatial development plans which will accommodate industrial growth, encourage clustering benefits, and create a cost-competitive and efficient operating environment
5 Main Industrial Areas

- South Durban Basin
- Inner West
- Outer West
- Durban Central
- North
Main Industries are:

- Textiles, Clothing & Footwear (24.6%)
- Chemical Products (22.6%)
- Automotive (11.3%)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Land zoned (ha)</th>
<th>Land occupied (ha)</th>
<th>Land available (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>1667.3</td>
<td>1541.2</td>
<td>136.1 (8%)</td>
</tr>
</tbody>
</table>
Main Industries are:

- Chemical Products (23.8%)
- Textiles, Clothing & Footwear (14.6%)
- Automotive (10.8%)
- Building Products (10.0%)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Land zoned (ha)</th>
<th>Land occupied (ha)</th>
<th>Land available (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>1367.0</td>
<td>1111.8 (81.3%)</td>
<td>255.2 (18.7%)</td>
</tr>
</tbody>
</table>
Main Industries are:

- Textiles, Clothing and Footwear (40%)
- Chemical Products (20%)
- Other (20.4%)
### Main Industries are:

- Textiles, Clothing and Footwear (40.0%)
- Chemical Products (12.8%)
- Other (23.5%)

### Land Use:

<table>
<thead>
<tr>
<th>Industry</th>
<th>Land zoned (ha)</th>
<th>Land occupied (ha)</th>
<th>Land available (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>1540.8</td>
<td>1540.5 (99.99%)</td>
<td>0.2 (0.01%)</td>
</tr>
</tbody>
</table>
Main Industries are:

- Textiles, Clothing and Footwear (43.8%)
- Furniture and bedding (11.4%)
- Other (21.4%)

<table>
<thead>
<tr>
<th>Industry</th>
<th>Land zoned (ha)</th>
<th>Land occupied (ha)</th>
<th>Land available (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>1045.6</td>
<td>733.9 (70.2%)</td>
<td>311.7 (29.8%)</td>
</tr>
</tbody>
</table>
KEY SPATIAL ISSUES

Existing available land poorly serviced

Existing rail linkages not optimised

Existing industrial areas have little/no room for expansion and are costly

Uncertainty wrt the future of the port expansion options

Aggressive industrial strategies being adopted by adjacent municipalities

Statutory requirements delay processes

Lack of integrated institutional facilitation
KEY SITE SELECTION - FOCUS

To PMB/Gauteng

To Richards Bay
SCENARIOS

SCENARIO 1: Incremental Changes Only
- No dig-outs at Bayhead or DIA
- TEUs maximised at 4.0 - 4.6m pa
- Minor economic growth experienced close to the port

SCENARIO 2: Limited Port Expansion
- Dig-out at Bayhead only
- TEUs increased to 6.5 – 7m pa
- Economic impacts of port expansion are experienced city wide

SCENARIO 3: Maximum Port Expansion
- Dig-out at DIA and Bayhead
- TEUs increased to 10 -15m pa
- Maximum Economic Growth for Durban
UNLOCKING POTENTIAL INDUSTRIAL LAND

1. Existing zoned areas that require unlocking
   • Cato Ridge and Mpumalanga

2. Reorganisation of key industrial sites
   • Back of Port, Pinetown, Hammarsdale

3. New opportunity areas to unlock
   • North, Shongweni
WAY FORWARD

1. Develop the spatial plan
2. Institutional Support for the plan
3. Formulate local government steering committee.
4. Immediate plans can be implemented in the short term (i.e. addressing the textiles industry in Hammarsdale)
5. Formulate database of existing industrial zoned land, and their existing services.
6. Develop and implement a strategy for infrastructural provision and Budgeting
7. Identify the appropriate locations for certain sectors and set mechanisms in place to accelerate planning applications.
8. Package land for development. E.G. detailed layout plans, master plans etc.
9. Develop package of incentives supportive of spatial intentions.
10. Market the strategy