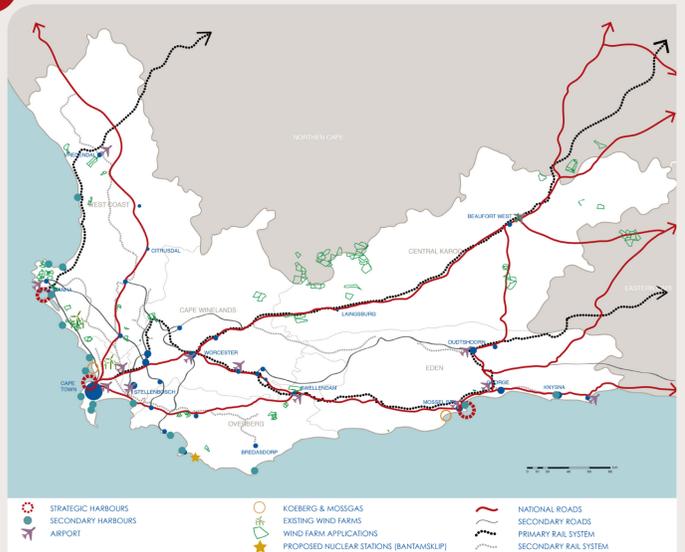


# OPENING-UP OPPORTUNITIES IN THE SPACE ECONOMY

The WCG's Provincial Strategic Plan comprises five Provincial Strategic Goals (PSG) as the vision of how Province aim to improve the lives of citizens. The PSDF serves as a framework to deliver on the PSG's and focuses on spatial transitions for growing the economy, building better environmental resilience and pursuing better inclusivity.

The Western Cape space-economy comprises all of the diverse economic activities in the Province's urban centres and its rural areas, and the relationship of these places and spaces to the infrastructure that connects and supports them. The space-economy includes the network of workplaces across the Province and their linkages with local, national and international markets.

E1

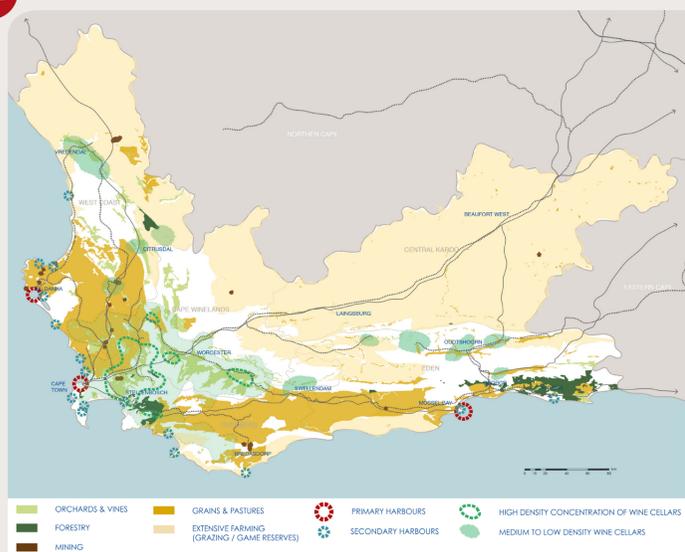


Government cannot grow the economy on its own or dictate to business how it must operate. But government can contribute to business success through the provision and maintenance of regional infrastructure, and how it organises economic activities in urban and rural space.

The 2013 Western Cape Infrastructure Framework (WCIF) advocates a new approach to infrastructure - "one that satisfies current needs and backlogs, maintains existing infrastructure, and plans proactively for a desired future outcome leading to resilient and inclusive growth en route to a vibrant, equitable and low-carbon society".

The PSDF promotes the consolidation and alignment of various regional economic infrastructure proposals and encourages the integration of the spatial component of bulk infrastructure master plans, public transport plans and housing plans into one spatial development framework at the appropriate scale.

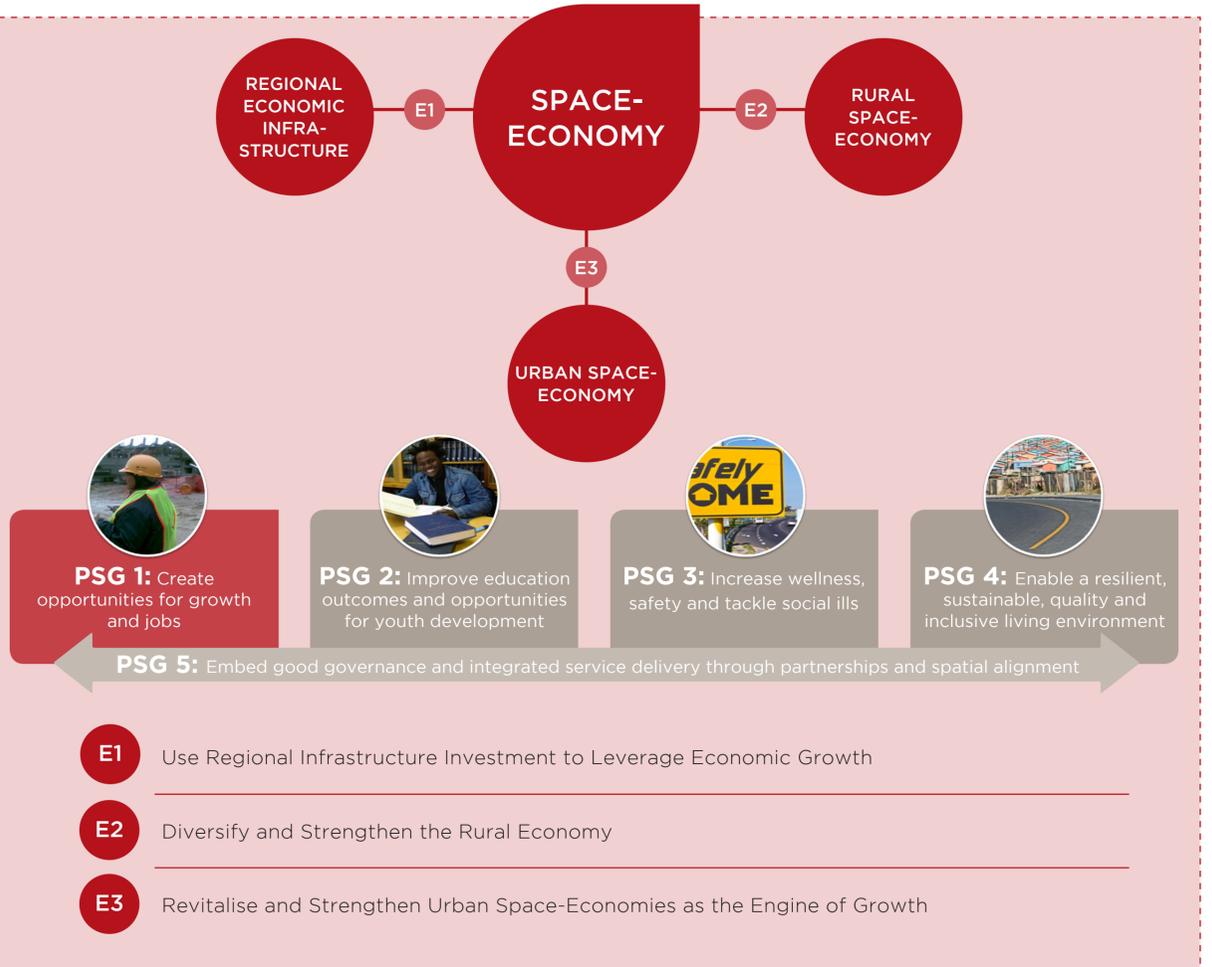
E2



Whilst the economy is essentially based on secondary and tertiary activities located mainly in the large urban areas, many of these activities relate to adding value to the outputs of rural activities.

The PSDF strategy for opening-up opportunities in the rural space-economy has two dimensions, namely:

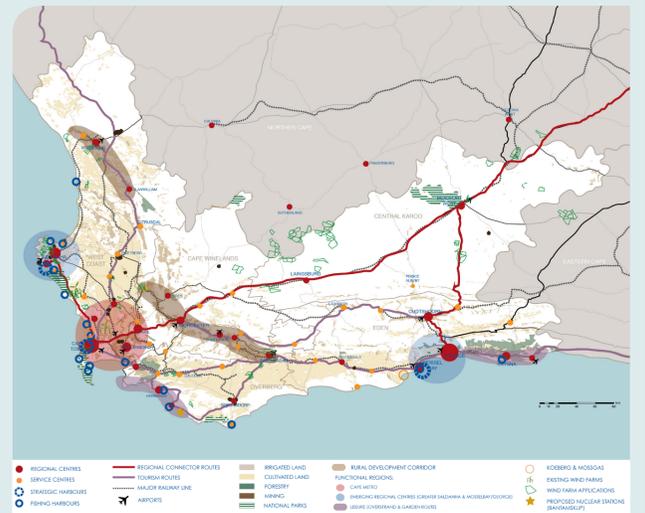
- Accommodating a greater diversity of compatible and sustainable land use activities on farms and in the rural landscape in general.
- Channelling public investment in rural development initiatives to areas where it can offer real and sustained improvements to beneficiaries and the rural community.



## SPACE-ECONOMY SYNTHESIS

Key concepts related to the space-economy policies:

- Reinforce the **Cape Metro region** as the Province's economic engine
- Use new regional and bulk economic infrastructure investment in the Cape Metro functional region and the emerging **regional centres** of Saldanha Bay/Vredenburg and George/Mossel Bay to leverage private sector and community investments (i.e. energy, water, transport and freight logistics, ICT)
- Build **'land assembly'** capacity in the urban space-economies and apply new land policy instruments (e.g. land banking, land value capture, etc.)
- Incentivise **mixed land use** and economic diversification in urban and rural land markets
- Regenerate and **revitalise existing economic nodes** in the urban space-economy (i.e. CBDs, township business centres, modal interchanges, fishing harbours, etc.)
- Prioritise **public transport** investment and higher order facilities in district centres
- Prioritise roll-out of the **'greener' economy**. Promote rural economic diversification using off-grid infrastructure technologies, and support land reform and integrated rural development
- Stabilise small towns**, invest in off-grid infrastructure technologies, and use the roll-out of ICT infrastructure to connect and economically empower across space



E3

The Western Cape's leading economic growth prospects lie in the urban space-economy, with public infrastructure investment forecast to be the leading driver of growth. Most of the economic sub-sectors that the WCG are targeting for growth are urban based:

- Agri-processing and agri-tourism - on farms and in settlements
- Niche manufacturing - primarily settlement based
- Renewable energy (low job creation potential) - on farms subject to consistency with biodiversity, heritage, scenic and agricultural requirements
- Gas - new LNG terminal facilities in Mossel Bay and between Saldanha Bay and Cape Town, associated gas power stations, and conversion of nearby industrial areas
- Financial services - based in larger urban centres
- Knowledge and creative industries - based in larger urban centres
- ICT, broadband - coverage extends across urban and rural areas
- Tourism - based in settlements and along regional tour routes, themed and focused on outdoor activities

