



**LEDA**

LIMPOPO ECONOMIC  
DEVELOPMENT AGENCY

AN AGENCY OF THE LIMPOPO  
PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

**ROOTED IN THE FUTURE**

# **IMPACT OF REFURBISHMENT OF LEDA INDUSTRIAL PARKS WITH THE ASSISTANCE OF THE DTIC**

**21 SEPTEMBER 2020**

LEDA Group of Companies:  
Risima Housing. Great North Transport. Corridor Mining Resources.

# Statistical information of six LEDA's Industrial Parks

Area	Number	Occupancy	Jobs Created
Thohoyandou	62	88%	1 225
Seshego	76	79%	1 154
Nkowankowa	89	73%	3 708
Mkhuhlu ( Mpumalanga Province) This factories are part of the assets to be disposal off	21	91%	347
Lebowakgomo	16	68%	63
Giyani	6	91%	66
<b>Total</b>	<b>270</b>	<b>82% Average occupancy</b>	<b>6 563</b>

# Nkowankowa Industrial Park

## BACKGROUND

- Nkowankowa Industrial Park is situated in the Mopani District Municipality, approximately 15 kilometres from Tzaneen CBD (Central Business District). It is in a favourable location as it is situated along the Phalaborwa Corridor, which connects Tzaneen to the Maputo Corridor, and the deep-water port in Mozambique. It is between on R36 to Hoedspruit and R71 to Phalaborwa.
- It is located within closer range to Nkowankowa township, Dan and Mohlaba village thus availability of workforce.
- The park is 161 hectares and having 89 developed factories with 73% occupancy rate
- 126 551 m<sup>2</sup> is developed and 91 766 m<sup>2</sup> is occupied, thus 73% occupancy rate
- The target market for this portfolio is primarily the Small, Medium, and Micro enterprises, however to a smaller percentage LEDA investment property portfolio housed both National and International tenants, such as Peppadew and BS Dried fruit are housed in the Park.
- A total of 46 tenants are occupying Nkowankowa Industrial Park and are classified as reflected in the table below.
- The indirect jobs created and maintained within the park stands at 3 708 employees.

## Industrial Park approved for refurbishment - Nkowankowa Industrial Park

<b>Total factories</b>	<b>89</b> ( <i>126 551 m<sup>2</sup> developed and 91 766 m<sup>2</sup> is occupied</i> )
Occupancy	73% occupancy rate
Number of tenants	46 tenants
Employment contribution	3 708 total jobs
Manufacturing tenants	13 (467 jobs Created)
Agro Processing Tenants	6 (2841 jobs Created)
Others	22 (400 jobs Created)

# Contribution made to the park's refurbishment by The DTIC to date

An investment of R40 million was injected by The Dti to put-up security features.

- R 23 million was used for security features which included:
  - Installation of Clear view Fencing and pedestrian gates and boom gates.
  - Installation of CCTV and control room.
  - Guard houses.
  - Refurbishment of High Mast Lights.

The saving of R17 million was used to refurbish 3 factories, and those factories are Factory NO. 277, No.190 and No. 282.

- Impact
  - Total of 11 SMMEs were appointed
  - The project created 125 jobs.
  - New tenants are waiting to move in once ESKOM connects electricity
- Phase I of the refurbishment is completed and
- we are in the process of applying funding for second phase of refurbishment, which will cover top structures including the Digital Hub.
- The Industrial parks are Regionally managed



# Refurbished factory No 282 at Nkowankowa Industrial Park



AFTER  
RENOVATI  
ONS

# Seshego Industrial Park



## BACKGROUND

- Seshego Industrial Park is situated in the Capricorn District Municipality, approximately 11 kilometres from Polokwane City and has a direct access, the industrial park is located within close proximity to the Gateway International Airport and railway lines traversing the Province from the South to the North into Zimbabwe.
- It is located within closer range to Seshego township, Moletjie and Matlala village thus availability of workforce.
- The park is 154 hectars and having 76 developed factories with 79% occupancy rate
- 151 015 m<sup>2</sup> is developed and 118 862 m<sup>2</sup> is occupied, thus 79% occupancy rate
- The target market for this portfolio is primarily the Small, Medium, and Micro enterprises, however to a smaller percentage Sehego Industrial Park is used by different Government Departments for storage including the pharmaceutical Depot of the Province.
- A total of 57 tenants are occupying Seshego Industrial Park and are classified as reflected in the table below.
- The indirect jobs created and maintained within the park stands at 1 154 employees.

## Industrial Park approved for refurbishment - Seshego Industrial Park

<b>Total factories</b>	<b>76</b> ( <i>151 015 m<sup>2</sup> is developed and 118 862 m<sup>2</sup> is occupied</i> )
Occupancy	79% occupancy rate
Number of tenants	57 tenants
Employment contribution	1 154 total jobs
Manufacturing tenants	22 (424 jobs Created)
Agro Processing Tenants	1 (200 jobs Created)
Others	38 (530 jobs Created)

## Contribution made to the park's refurbishment by The DTIC to date

- An investment of R35 million was injected by DTIC to cater for security features which included :
  - Installation of Clear view Fencing and pedestrian gates and boom gates.
  - Installation of CCTV and control room.
  - Guard houses.
  - Refurbishment of High Mast Lights.
- Impact
  - The project employed 61 workers.
  - Total of 8 SMMEs were appointed.
  - Four new tenants moved into the park after first phase refurbishment, thus contribute to job creation
- First phase 1A and 1B is completed.
- DTIC further approved funding of R49.9 million for second phase, which include the Digital Hub and the project is at tendering level.
- The Industrial parks are Regionally managed

# Clear view fencing at Seshego Industrial Park



# Challenges and Opportunities of refurbishment of Industrial Parks

Challenges	Opportunities
<ul style="list-style-type: none"> <li>Communities up- rise against illegal foreign nationals being employed in the Industrial parks</li> </ul>	<p>To modernize the industrial Parks infrastructure and upgrade security features to ensure a safe and secure working environment for both firms and clients.</p>
<ul style="list-style-type: none"> <li>In- security of investors within the parks, as a result of the communities up – raise.</li> </ul>	<p>To redesign the industrial park layout and enhance the visual appeal of park for investor attractiveness</p>
<ul style="list-style-type: none"> <li>In-sufficient funds to recapitalise portfolio</li> </ul>	<p>To firm up the industrial park boundaries to curb encroachment and prevent environmental hazards.</p>
<ul style="list-style-type: none"> <li>Low rental income, due to pricing model - This is attributable to legacy pricing models that were subsidised</li> </ul>	<p>New tenants will invest into the parks and in turn creates jobs and rental revenue for LEDA</p>
<ul style="list-style-type: none"> <li>Our property portfolio being used as storage - Occupancy and rental increases but no direct impact on unemployment reduction</li> </ul>	

THANK YOU

and

Q & A