

**The OR Tambo International Airport SEZ:  
PGM beneficiation, Fuel cells and Hydrogen  
Component Manufacturing opportunities at  
the Springs Precinct**



# ABOUT THE GAUTENG IDZ

Gauteng IDZ Company is an SPV 100% owned by the Gauteng Growth and Development Agency ("GGDA"). It was established to manage the establishment and operationalization of the OR Tambo International Airport SEZ (OR Tambo SEZ)



**GAUTENG**  
THE OR TAMBO SEZ  
Special Economic Zone

# BENEFITS OF LOCATING A BUSINESS IN AN SEZ



Sectoral & value chain cluster facilitation and support



Infrastructure development



Enhanced Security



Enhanced ease of doing business



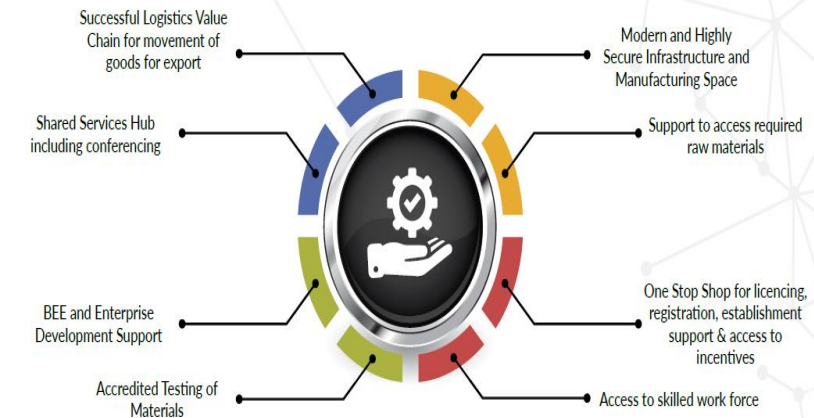
Access to incentives



# THE OR TAMBO SEZ VALUE PROPOSITION

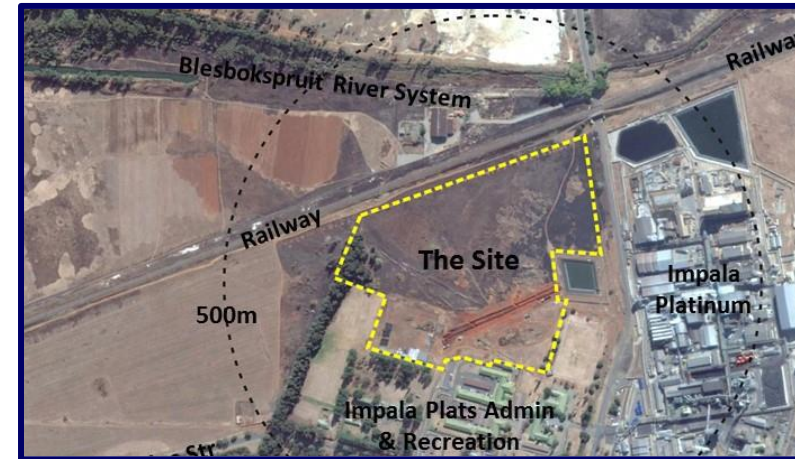
- The OR Tambo SEZ's value proposition is **centred around its competitive location at or in proximity to OR Tambo International Airport facilitating ease of access to the global and African Market**

- It also includes the following :
  - Supporting concomitant supply and value chain relationships located in Ekurhuleni;
  - Incentives including employment tax incentive, VAT exemption and duty-free importation of production related material and assets
  - Serviced land
  - Supplier development support
  - One-stop shop management arrangements including a single poi of contact.



# THE OR TAMBO SEZ LOCATIONS AND INDUSTRIES OF FOCUS

Multi-site developmental approach with all three sites designated as the ORTIA SEZ



## ORTIA PRECINCT 1

**Size:** 7.5ha

**Land ownership arrangement:** 45 year

**Notarial lease with ACSA**

**Focus sectors:**

**Metals-** Jewellery and Diamonds

Agro-processing

**Status:** Partly operational, partly in construction

## ORTIA PRECINCT 2

**Size:** 29ha

Land ownership arrangement: Finalisation of Notarial lease in progress with GDID

**Focus sectors:**

Perishables: Agro-processing, Medicaments

**Advanced Manufacturing: Medical devices and components**

**Status:** EIA and Township establishment process underway

## SPRINGS PRECINCT

**Size:** 13.9ha

Land ownership arrangement: Finalisation of Notarial lease in progress with Impala Platinum

**Focus sectors:**

**Metals-** PGM beneficiation and advanced manufacturing; capital equipment

**Status:** EIA and Township establishment process underway

# WHY PGM BENEFICIATION VALUE-ADD?

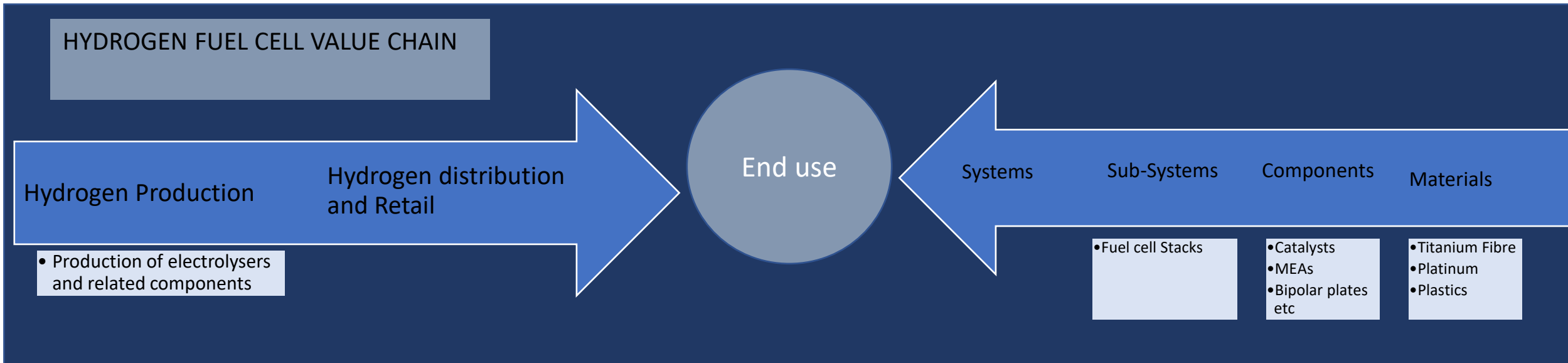
- South Africa is a **major producer of PGMs**, accounting for approximately 75% of the world's platinum supply, 40% of the world's palladium production & 81% of the world's rhodium supply.
- Downstream value-add activities can contribute significantly to the country's **socio-economic aspirations** of industrialisation and creating sustainable jobs.
- PGM's have various applications ranging from medical to industrial due to their unique chemical composition, therefore market opportunities are vast.
- With the global transition in the energy sector from fossil fuels to zero-carbon emission energy such as hydrogen, PGMs are to play a crucial role in the development of this technologies.

# PGM BENEFICIATION OPPORTUNITIES FOR LOCATION AT THE SPRINGS PRECINCT

## A. OPPROTUNITIES IN VARIOUS STREAMS OF APPLICATION

AUTOMOTIVE	MEDICAL	INDUSTRIAL	ELECTRONICS	ADDITIVE MANUFACTURING
Auto Catalysts	Dental, Medical Devices, etc	Thermometers, Glass Fibre, etc.	Electrical contacts and electrical resistance wires, Computer hard disks	3D Printing

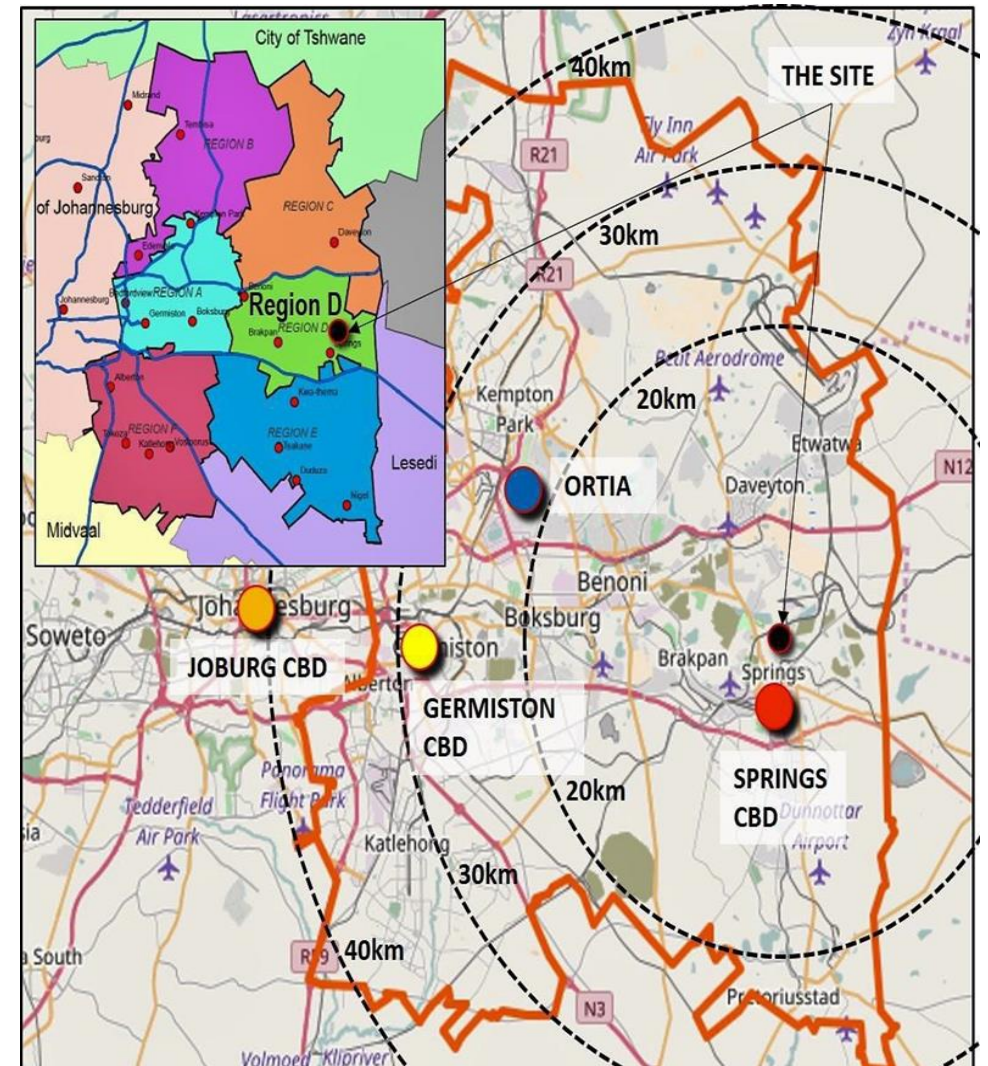
## B. OPPORTUNITIES TO SUPPORT THE EMERGING HYDROGEN ECONOMY





# LOCATIONAL ADVANTAGES OF THE SPRINGS PRECINCT

- The site forms part of the Impala Platinum refinery land holding, making it a competitive location for value addition activities in PGMs including the recycling of platinum
- The site is located on the northern fringes of the Springs urban area – approximately 3.5km north of the CBD and approximately 30km from O R Tambo International Airport. This makes it easily accessible to OR Tambo International Airport, making Springs ideal for the production and export of PGM & fuel cell related products via air-freight.
- The Springs Precinct is in proximity to a gas pipeline, thereby ensuring ease of access to natural gas and hydrogen.





# DEVELOPMENT STATUS

## PREPARATORY WORK

Master Plan & Development Financial Model:  
**done**

EIA Approval: **in progress**

Township Establishment : **in progress**

Bulk Design Works to support bulk  
infrastructure roll out: **in progress**

## DEVELOPMENT PARAMETERS (63 000sq.m. GLA)

FAR per site: 0.6 Coverage: 60%

Height: 1 storey

Parking: 4 bays / 100 office 2/warehouse

## Phase 1

Site Area Erf 1: 1,0745ha

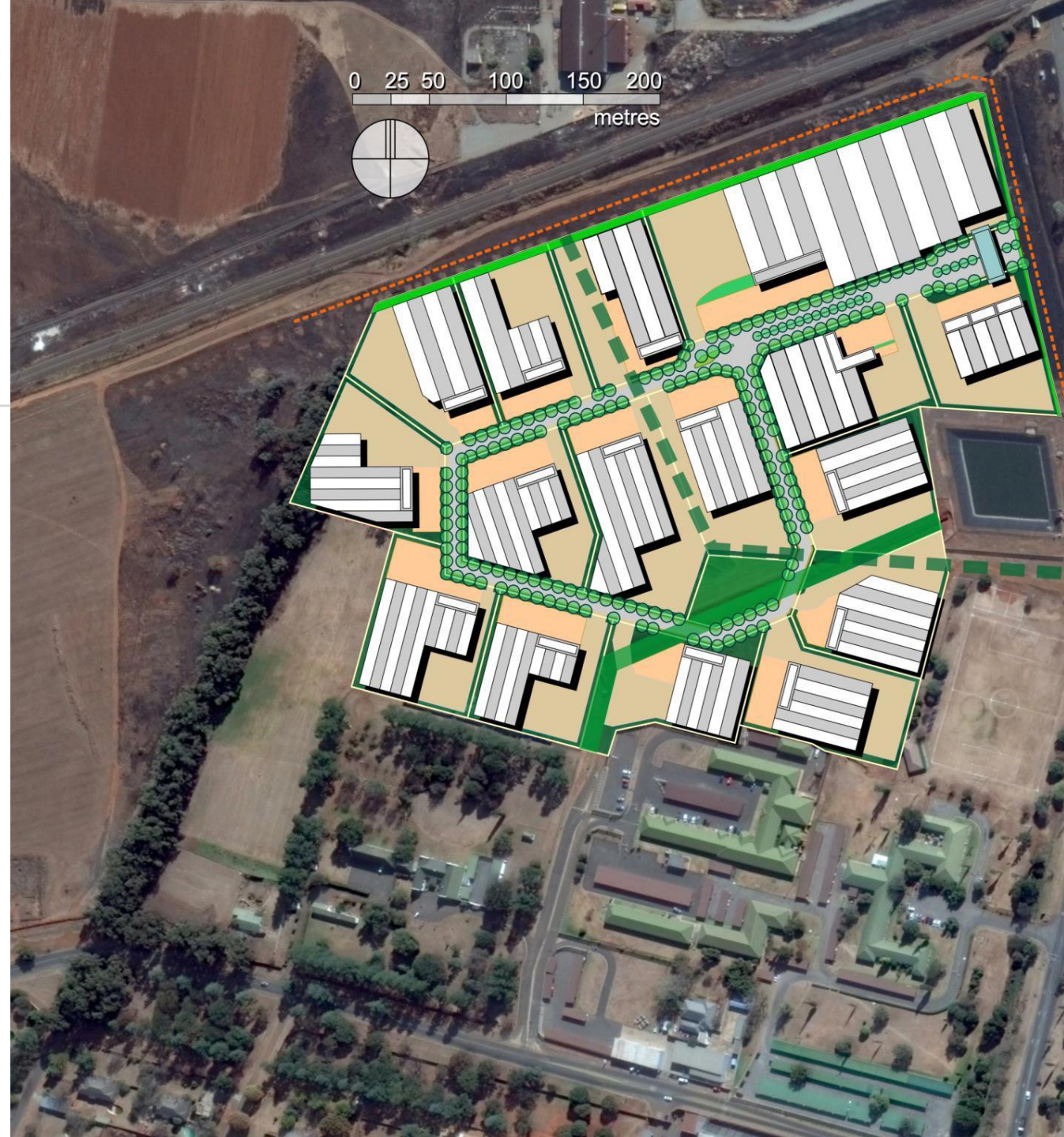
Building Area: 3 900m<sup>2</sup> Coverage: 36,29%

Site Area Erf 2: 0,7780ha

Building Area: 3 400m<sup>2</sup> Coverage: 43,70%

Site Area Erf 3: 0,7794ha

Building Area: 3 400m<sup>2</sup> Coverage: 43,62%

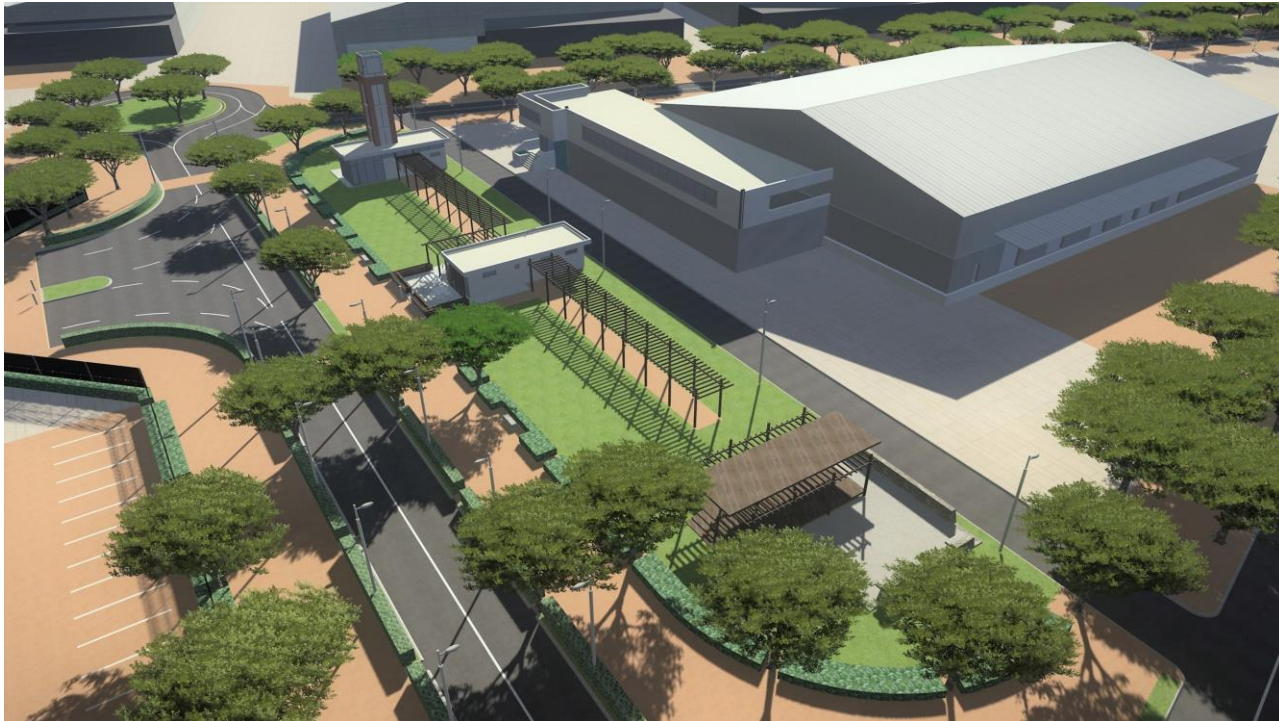




# INVESTMENT OPPORTUNITIES

- Manufacturing Investment Opportunities
  - Facility Lease Arrangements
  - Land Lease Arrangements

GIDZ will provide serviced land in either option



**Building sizes**

**Modular building design ranging from 200m<sup>2</sup> to 5 000m<sup>2</sup>**

Tenant Lease term

10 years

**Rental rates:**

Land lease - Investor is responsible for constructing the top infrastructure

R10/m<sup>2</sup>  
Annual escalation of 7% or CPI which ever is higher

Facility lease

R70-100/m<sup>2</sup>  
Annual escalation of 7% or CPI which ever is higher

Service Contribution / Levies

R15/m<sup>2</sup>  
Annual escalation of 8,5% or CPI which ever is higher

**Overall IRR (Before Tax)**

Benchmark  
20-Year Government Bond ~10%

**12,75%**



# IN SUMMARY, WHY THE SPRINGS PRECINCT

- The ORTIA SEZ is an excellent base for access to the regional and global markets, given its excellent business institutional arrangements, well established infrastructure and linkages.
- The Springs Precinct has access to applicable SEZ Incentives
  - VAT and Customs Relief – Businesses within customer-controlled areas will qualify for VAT and customs relief
  - Employment Tax Incentive – Employers in any SEZ will be entitled to this incentive.
  - Corporate Income Tax of 15% and accelerated building depreciation – subject to approval by the National Minister of Finance





# INVESTOR PROFILE

PGM fabricating local and foreign investors

Global and local players in the hydrogen and fuel cell value chain

Emerging Industrialists in the PGMs, hydrogen and fuel cell industry



- Interested in operations within an 18-24 month lead time
  - This provides opportunities for input into the design of the top infrastructure as well as collaboration on funding
- Long term tenancy in the form of lease agreements guaranteeing rights over a defined period
- Looking to expand into Africa and capitalize on Africa's growth trajectory in the selected industries
- Looking to expand their already established operations by working with government to realise growth potential
- Looking to forge partnerships and collaborations with government and other key stakeholders including established local players

Thank You

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## Website

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