



ECO-INDUSTRIAL PARK IMPLEMENTATION IN SOUTH AFRICA

WHAT IS AN ECO-INDUSTRIAL PARK?

An eco-industrial park (EIP) is “A community of manufacturing and service businesses located together on common property. Member businesses seek enhanced environmental, economic, and social performance through collaboration in managing environmental and resource issues.

By working together, the community of businesses seeks a collective benefit that is greater than the sum of individual benefits each company would realize by only optimizing its individual performance.” (Lowe, 2001)

In short, the EIP concept is about creating more resource efficient and cost-effective industrial parks which are more competitive, attractive for investment, and risk resilient.

The uptake of EIPs is rapidly increasing internationally and in South Africa.

The transformation of traditional industrial parks into EIPs presents a valuable opportunity to tackle economic, environmental, and social challenges and capitalise on opportunities for sustainable industrial development.

INTERNATIONAL EIP FRAMEWORK

GIZ, UNIDO and the World Bank Group have collaborated to develop an international framework which provides guidance on what constitutes an EIP and how an industrial park can work towards becoming an EIP.

The framework is based on four key categories:

- Park management performance;
- Environmental performance;
- Social performance; and
- Economic performance.

Each of these categories covers several topics, as shown in the following table:

PROCESS OF CONTINUOUS IMPROVEMENT: GOING BEYOND THE EIP PERFORMANCE REQUIREMENTS

Core EIP Categories and Topics				
EIP Performance Requirements	Park management performance	Environmental performance	Social performance	Economic performance
	<ul style="list-style-type: none"> • Park management services • Monitoring • Planning & zoning 	<ul style="list-style-type: none"> • Environmental management & monitoring • Energy management • Water management • Waste & material use • Natural environment & climate resilience 	<ul style="list-style-type: none"> • Social management & monitoring • Social infrastructure • Community outreach & dialogue 	<ul style="list-style-type: none"> • Employment generation • Local business & SME promotion • Economic value creation
Compliance with local/national regulation & alignment with international standards				

The requirements within each category are divided into prerequisites and performance indicators, that can be verified and measured in qualitative or quantitative terms.

The prerequisites highlight the basic requirements for EIPs, and the performance indicators describe expected performance levels that an EIP must meet.

As a baseline, industrial parks must comply with all applicable local and national regulations.

The International EIP Framework is not a certification or audit scheme. The framework is a practical means to:

- Understand the current status and intentions of an industrial park with regards to their EIP transformation.
- Identify a set of practical promising opportunities for the park through a process of continuous improvement.

Download the **International EIP framework** here.



BENEFITS OF EIPs

International good practices illustrate that the types of economic, environmental, and social benefits from EIPs vary greatly and go well beyond the conventional business case benefits.

Benefits are not just commercial but also strategic, leading to reduced risk exposure, increased competitiveness, business development, production continuity and a better reputation with key stakeholders.

EIPs enable companies to benefit from greater collaboration and exchanges between internal departments within companies for example management, technical and environmental staff, finance, etc.).

There is also greater collaboration between companies, government, and service providers.

Companies are enabled collectively to turn environmental problems into business solutions by using resources efficiently and through shared infrastructure.



SUPPORT TO INDUSTRIAL PARKS IN SOUTH AFRICA

INDUSTRIAL PARK REVITALIZATION PROGRAMME

The Department of Trade, Industry and Competition (the dtic) launched its industrial park revitalization programme (IPRP) in 2015 throughout South Africa, primarily within historically disadvantaged areas.

The implementation of the programme is divided into five progressive phases, i.e.

- Security infrastructure upgrades, top structures, critical utility infrastructure;
- Compliance to regulatory requirements, renewable energy, and resource efficient operations;
- New infrastructure development;
- Capacity building, business expansion, and investment promotion; and
- Development of sustainable industrial clusters and parks.

The objectives (in short) of the IPRP are to:

- Support economic development;
- Support job creation;
- Remove barriers related to infrastructure, market access, and institutional support;
- Provide new opportunities and support growth in townships, rural and distressed areas;
- Assist regions to build, strengthen and develop industrial capabilities; and
- Develop sustainable industrial clusters on the back of industrial assets in those regions.



GEIPP SUPPORT IN SOUTH AFRICA

The Global Eco-Industrial Parks Programme (GEIPP) demonstrates the viability and benefits of greening industrial parks by improving resource productivity and economic, environmental, and social performance of businesses and thereby contributing to inclusive and sustainable industrial development in participating developing and transition economies.

This includes Country Level Interventions (Phase 1) and Global Knowledge Development (Phase 2). GEIPP South Africa (Phase 1) is being implemented from 2021 to 2023 through a collaboration of UNIDO with the dtic and the National Cleaner Production Centre of South Africa (NCPC-SA).

The GEIPP (2019-2023) is made possible by funding provided by the Swiss Government through the State Secretariat for Economic Affairs of Switzerland (SECO).



More information on the GEIPP is available here.

