



## INTERNATIONAL GOOD PRACTICES IN EIP POLICIES AND LEARNINGS FOR SOUTH AFRICA



Image: Integrated Agro-industrial parks | UNIDO

### POTENTIAL FOR EIPS IN SOUTH AFRICA

There are currently 27 industrial parks and 15 special economic zones (SEZs) in South Africa. A high number of smaller and privately-owned industrial parks (approximately 300), as well as municipality-owned industrial parks (approximately 100) operate in South Africa. There is significant potential within the existing policy environment for eco-industrial park (EIP) transformation and the adoption of EIP approaches.

The Department of Trade, Industry and Competition (**the dtic**) is in the process of drafting the Industrial Park Revitalisation Programme (IPRP) draft policy framework which aims to outline the guiding actions pertaining to this programme.

This aims at incorporating a clear action plan that the industrial parks in South Africa will support and facilitate regional industrial development.

Furthermore, it is catalysed by the work in the IPRP programme and conducted by the Chief Directorate: Regional Industrial Development (RID) in the Spatial Industrial Development and Economic Transformation branch (SID&ET) of **the dtic**.

Industrial parks (IP) are also positioned to roll out and further expand on green economy activities that have been taking place over the last decade.

### INTERNATIONAL GOOD PRACTICE

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.

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

EIPs enable companies to benefit from greater collaboration and exchanges within companies (between management, technical and environmental staff, finance, etc.), as well as between companies, government, and service providers.

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

Learnings on industrial park policies from international experiences:

- EIP government policies need to be customised to local situation;
- Governmental eco-industrial strategies are often incorporated into various policies;
- Apply collaborative approaches;
- Keep flexibility into industrial parks and policies; and
- Need for proactive and facilitating management agencies for industrial park.

Key roles of government:

- Law enforcement;
- Provide incentives and enabling conditions;
- Strategic planning of industrial parks; and
- Promotion of multi-stakeholder dialogues.

### INTERNATIONAL STANDARDS

International companies in some sectors require minimum standards to be adhered to in order to contract, such as ISO 14000 series accreditation.

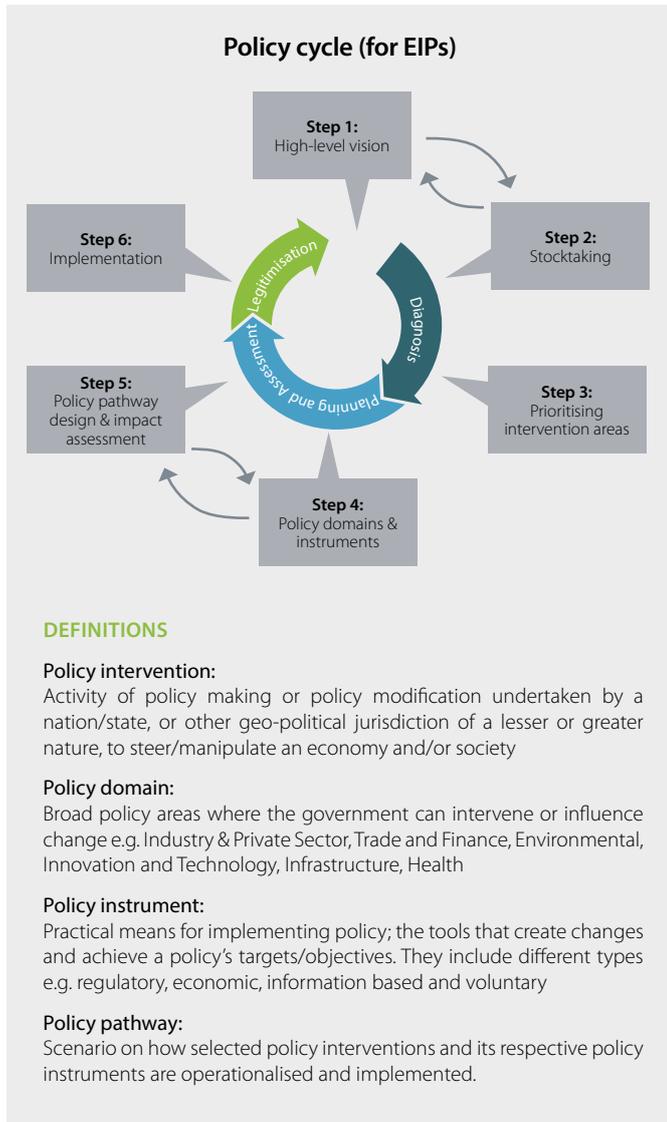
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# POLICY LEARNINGS FOR SOUTH AFRICA

Success factors for effective policy intervention:

- Policy effectiveness;
- Economic efficiency;
- Budget impact;
- Ability to implement and enforce; and
- Support from stakeholders.



EIP policy implementation could provide value-add services such as:

- Assisting tenant companies to increase their economic, environmental, and social performance.
- Reduce the risks of park and the companies as environmental and social risks are business risks.
- Create a more resource-efficient and cost-effective industrial park which is more competitive, attractive for investment.

The United Nations Industrial Development Organisation's (UNIDO) EIP **policy support tools** are available here



## GREEN ECONOMY GROWTH PATH

The current sustainability policies and environmental legislation makes it essential to incorporate the *Green Economy* growth path into the planning and marketing of industrial parks.

Activities such as resource efficient and cleaner production (RECP), industrial symbiosis and life cycle management need to be integrated into all tenant operations and processes.

The awareness and understanding of these mechanisms form an essential link into national targets for sustainability.

## GLOBAL ECO-INDUSTRIAL PARKS PROGRAMME

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 performances of businesses. GEIPP includes incentivisation of EIPs in policies and regulations and identification and implementation of EIP opportunities in selected industrial parks.

GEIPP South Africa is implemented from 2021 to 2023 through a collaboration of UNIDO with **the dtic** and the National Cleaner Production Centre South Africa (NCPC-SA). The GEIPP is made possible by funding provided by the Swiss Government through the State Secretariat for Economic Affairs of Switzerland (SECO).

