



Desktop Economic Profile: Nelson Mandela Bay

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Annex A: Sector Industrial Classification

POPULATION PROFILE

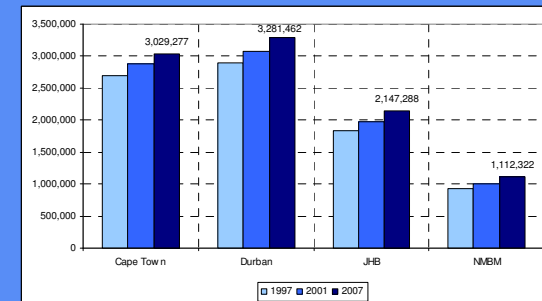
Key Population Indicators for Nelson Mandela Bay (2007)

Number of people	1,112,322
Number of households	328,499
Household size	3.4
Population density (people/km ²)	570
Household density (households/km ²)	168
Growth Rate (1997-2007)	1.78%
Growth Rate (2003 - 2007)	1.76%

Source: Based on Quantec, 2008

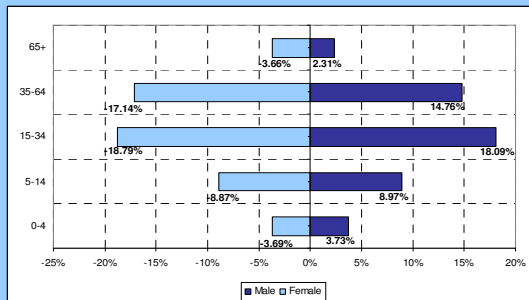
NMB Compared to Other Key Metros

Population Size



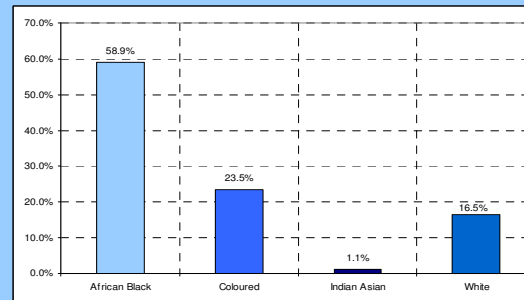
Source: Based on Quantec, 2008

NMB Age & Gender Profile



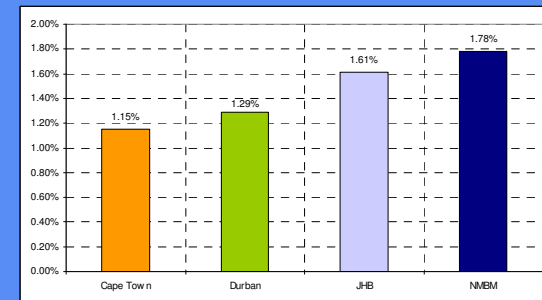
Source: StatsSA Census, 2001

NMB Race Profile



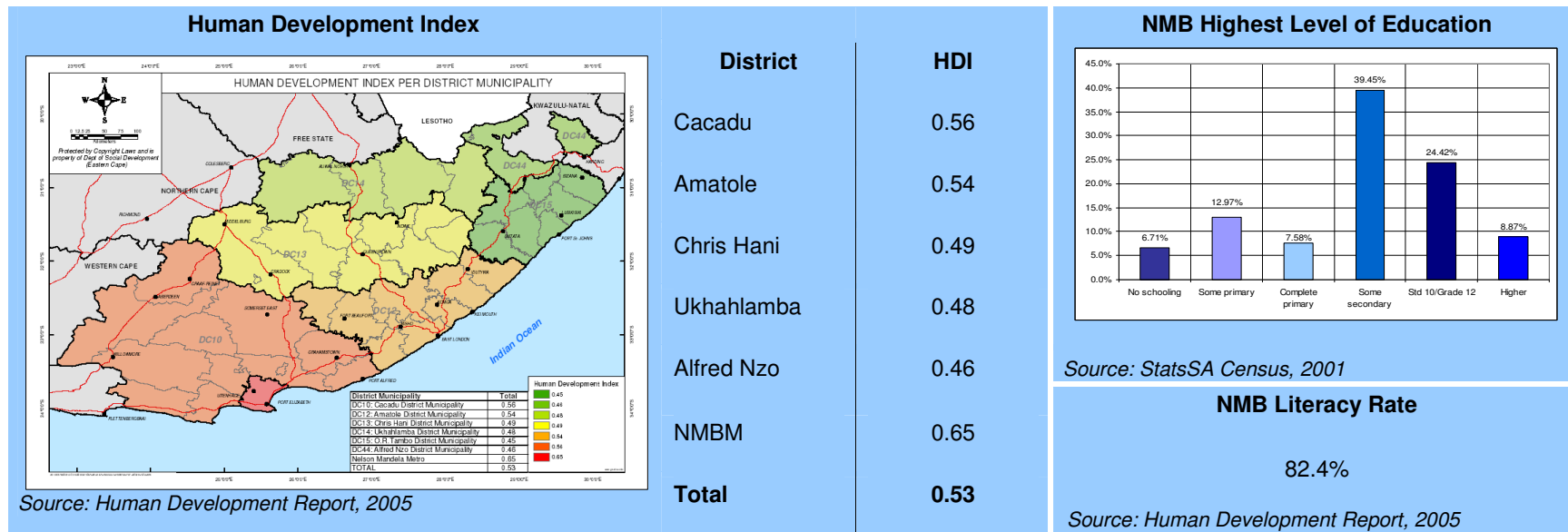
Source: StatsSA Census, 2001

Population Growth Rate (1997-2007)



Source: Based on Quantec, 2008

EDUCATION AND HUMAN DEVELOPMENT PROFILE



Definition of Human Development Index (HDI): HDI is a means of measuring **well-being** by considering factors such as life expectancy, literacy, education, standard of living and Gross Domestic Product per capita. The HDI index is measured from 0 to 1.0 with 0 indicating poorly developed areas and 1.0 indicating areas that are better developed (i.e. their population is better off).

EMPLOYMENT PROFILE

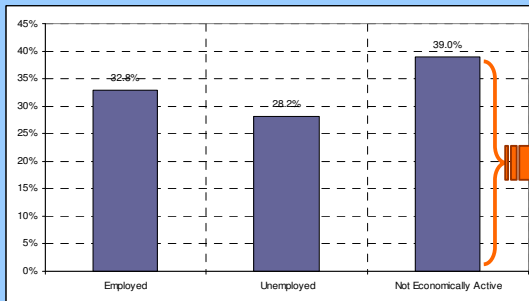
Total Employed in NMB (2007):

211,565

(Source: Quantec, 2008)

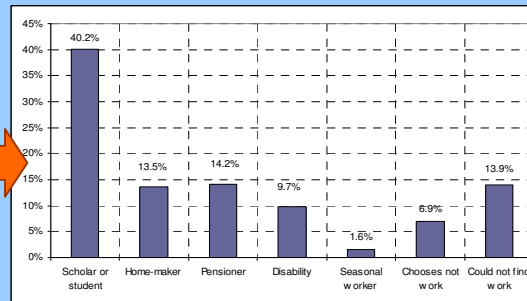
NMB Compared to Other Key Metros

NMB Employment Status



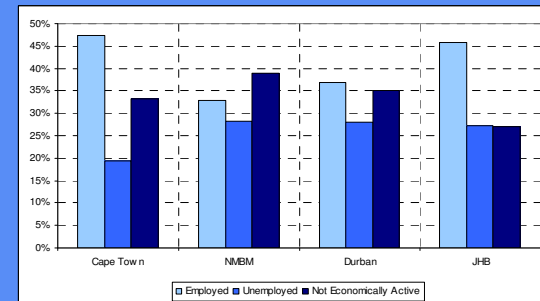
Source: StatsSA Census, 2001

Reasons For Not Working



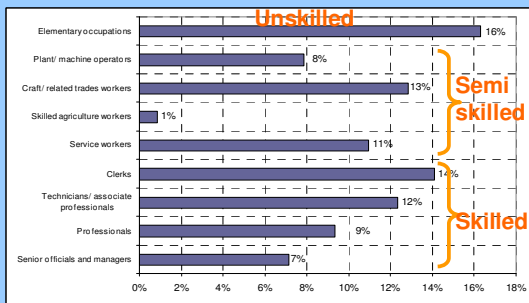
Source: StatsSA Census, 2001

Employment Status



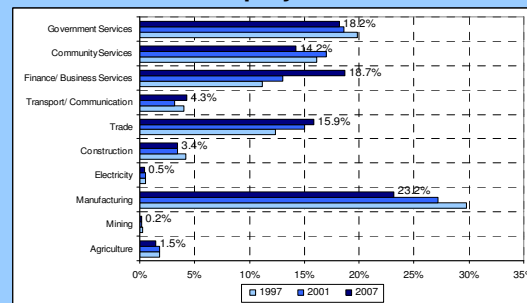
Source: StatsSA Census, 2001

NMB Occupation Profile



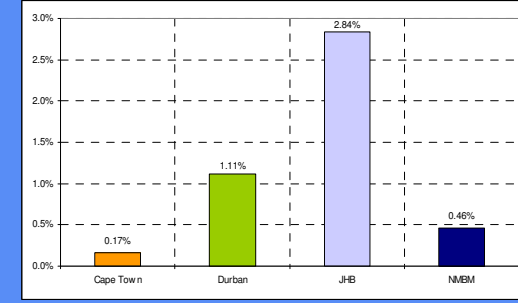
Source: StatsSA Census, 2001

NMB Sector Contribution to Formal Employment



Source: Based on Quantec, 2008

Employment Growth Rate



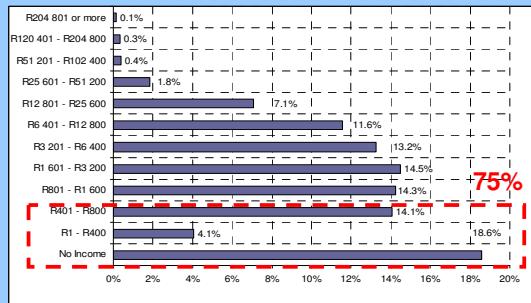
Source: Based on Quantec, 2008

HOUSEHOLD WEALTH PROFILE

Average Weighted Monthly Household Income in NMB (2001): R 5,964

Source: Calculations based on StatsSA Census, 2001

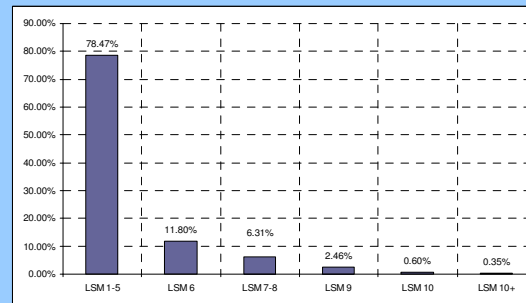
NMB Monthly Household Income



Poverty Line = R880 per hh per month

Source: StatsSA Census, 2001

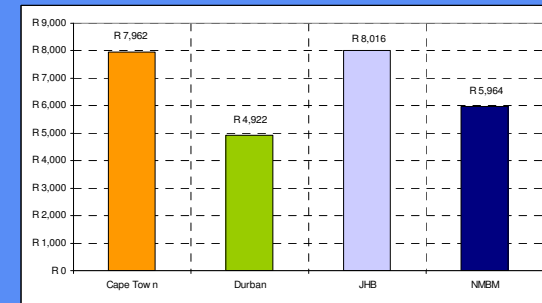
NMB Living Standard Measure Levels



Source: Calculations based on StatsSA Census, 2001

NMB Compared to Other Key Metros

Monthly Household Income



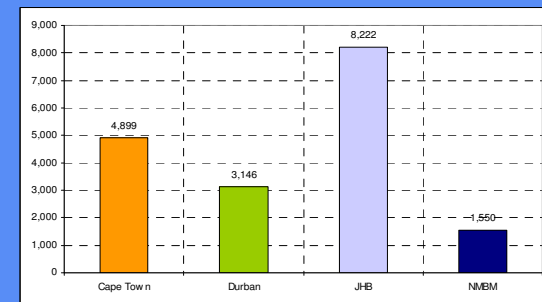
Source: StatsSA Census, 2001

What is Living Standard Measure?

The LSM system is a **wealth measure** based on **standard of living**, rather than income alone. The market is divided into ten LSM segments - **LSM 1** signifies the **lowest** standard of living and **LSM 10+** signifies the **highest** standard of living. The LSM categories are defined in terms of 29 variables.

1	Hot running water	11	PC in home	21	Deep freeze
2	Fridge/freezer	12	Electric stove	22	Water in home
3	Microwave oven	13	TV set	23	M-net/DSTV
4	Flush toilet	14	Tumble dryer	24	Dishwasher
5	No maid	15	Land line	25	Electricity
6	VCR	16	> 2 radio sets	26	Sewing machine
7	Vacuum cleaner	17	Hi-Fi	27	DVD player
8	No cell phone in hh	18	Rural outside	28	1 cell phone
9	Traditional hut	19	Kitchen sink	29	Own a car
10	Washing machine	20	Security		

Number of 'Millionaire' Households



Source: Calculations based on StatsSA Census, 2001

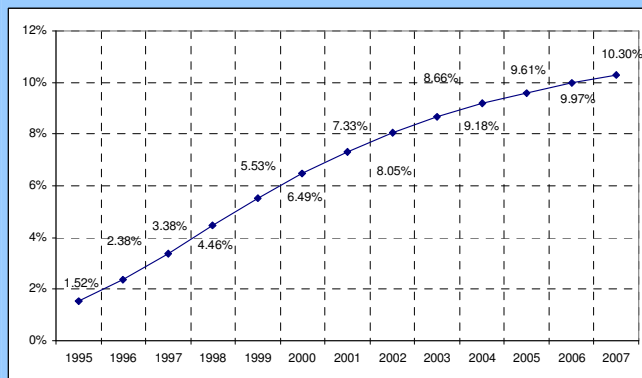
HEALTH PROFILE

Household Access to Basic Services in the Eastern Cape and NMB

INDICATOR	NELSON MANDELA BAY	EASTERN CAPE
Hospitals	79.5%	43.2%
Clinics	88.7%	69.6%
Ambulances	78.4%	42.6%

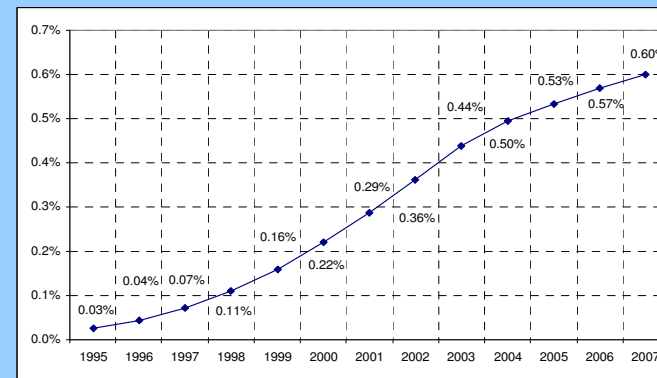
Source: Growth and Development Summit, ECSECC (2007)

NMB HIV/AIDS Prevalence Trends



Source: Calculations based on Quantec, 2008

NMB AIDS Related Death Trends



Source: Calculations based on Quantec, 2008

NOTE: The figures above are likely to be understated due to the fact that AIDS related deaths are often recorded as TB or other related illnesses and prevalence is difficult to measure. However the graphs illustrate an important trend of increasing HIV/AIDS Prevalence and AIDS related deaths.

ECONOMIC STRUCTURE OF NELSON MANDELA BAY

Key Economic Indicators for Nelson Mandela Bay (2007)

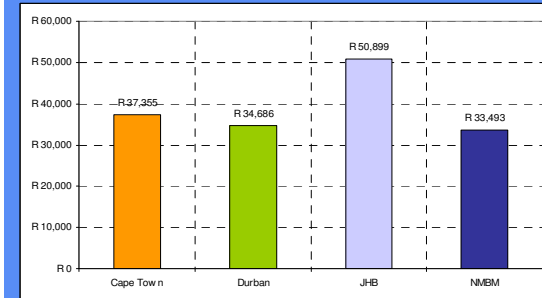
Value of GGP
 Percentage of Provincial Economy
 GGP Growth Rate (1997-2007)
 GGP Growth Rate (2003 – 2007)
 GGP per Capita

R 36,2 billion
 43.1%
 3.4%
 4.0%
 R33,493

Source: Calculations based on Quantec, 2008

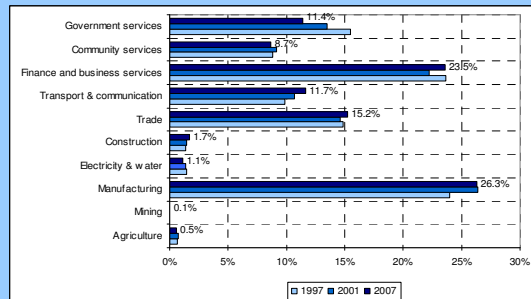
NMB Compared to Other Key Metros

GGP per Capita



Source: Calculations based on Quantec, 2008

NMB Sector Contribution to GGP



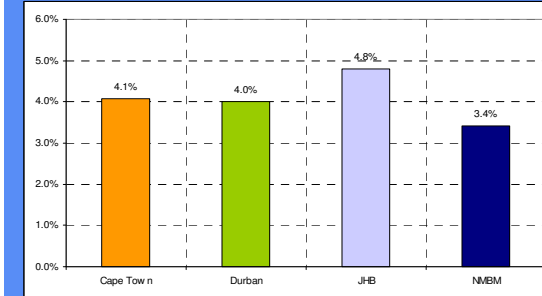
Source: Calculations based on Quantec, 2008

What is Gross Geographic Product (GGP)?

GGP is an indicator used to measure the size of an economy. The GGP of a particular area (i.e. province, region or city) amounts to the total value of goods and services produced within that economy in a given year.

NOTE: A simplified overview of the Sector Industrial Classification, which is used to classify business according to 9 economic sectors is attached as **Annex A**.

GGP Growth Rate (1997-2007)



Source: Calculations based on Quantec, 2008

MANUFACTURING SECTOR PROFILE

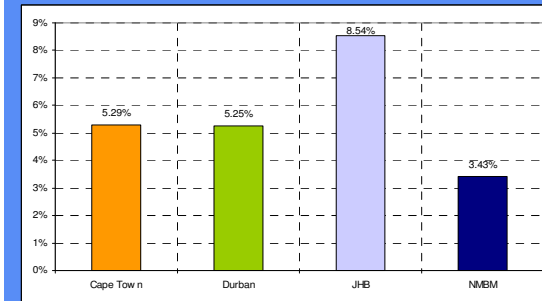
Key Indicators for Nelson Mandela Bay (2007)

Value of GGP	R9.5 billion
% of Total NMB Economy	26.3%
% of Provincial Manufacturing Sector	54.1%
Growth Rate of Sector in NMB (1997-2007)	3.4%
Growth Rate of Sector in NMB (2003 – 2007)	5.3%
Sector Employment	48,858
% of Total NMB Employment	23.2%
% of Provincial Manufacturing Employment	52%
Employment Growth Rate in NMB (1997- 2007)	-2.1%
Employment Growth Rate in NMB (2003 – 2007)	-0.53%

Source: Calculations based on Quantec, 2008

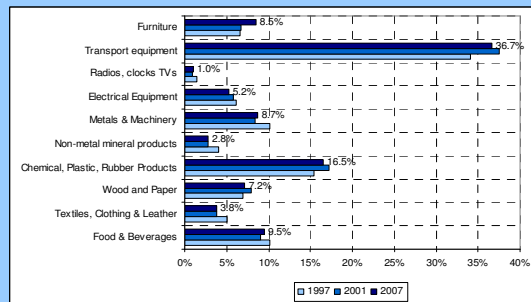
NMB Compared to Other Key Metros

Average Growth Rate of Sector (1997-2007)



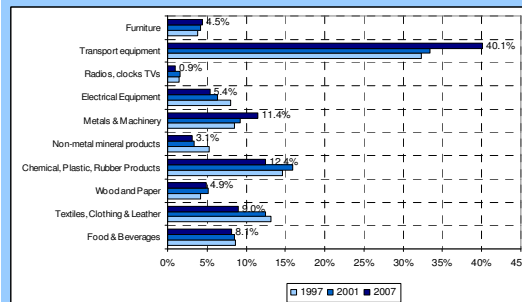
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Manufacturing GGP



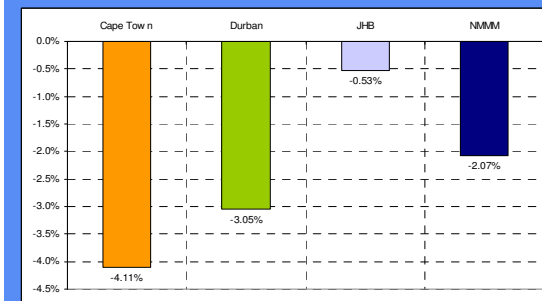
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Manufacturing Employment



Source: Calculations based on Quantec, 2008

Average Employment Growth (1997-2007)



Source: Calculations based on Quantec, 2008

TRADE SECTOR PROFILE

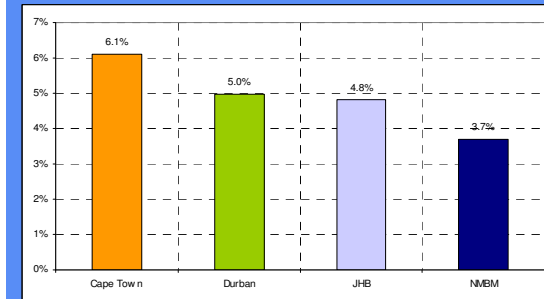
Key Indicators for Nelson Mandela Bay (2007)

Value of GGP	R5.5 billion
% of Total NMB Economy	15.2%
% of Provincial Trade Sector	41.8%
Growth Rate of Sector in NMB (1997-2007)	3.7%
Growth Rate of Sector in NMB (2003 – 2007)	4.4%
Sector Employment	33,650
% of Total NMB Employment	15.9%
% of Provincial Trade Employment	34.8%
Employment Growth Rate in NMB (1997- 2007)	3.0%
Employment Growth Rate in NMB (2003 – 2007)	3.3%

Source: Calculations based on Quantec, 2008

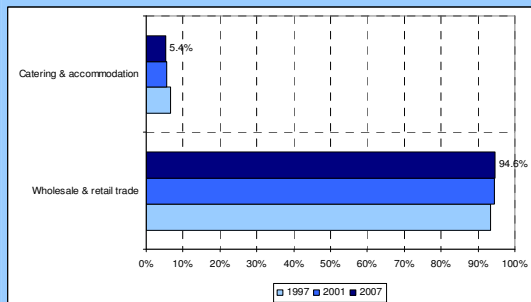
NMB Compared to Other Key Metros

Average Growth Rate of Sector (1997-2007)



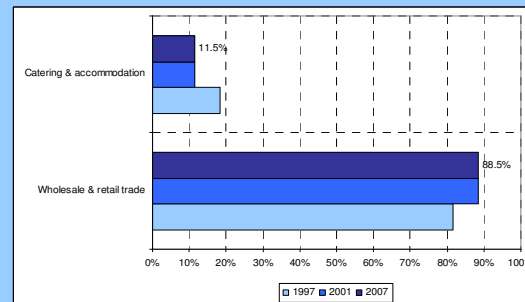
Source: Calculations based on Quantec, 2008

Sub- Sector Contribution to Trade GGP



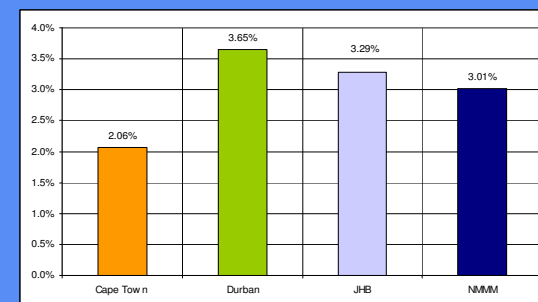
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Trade Employment



Source: Calculations based on Quantec, 2008

Average Employment Growth (1997-2007)



Source: Calculations based on Quantec, 2008

BUSINESS AND FINANCE SECTOR PROFILE

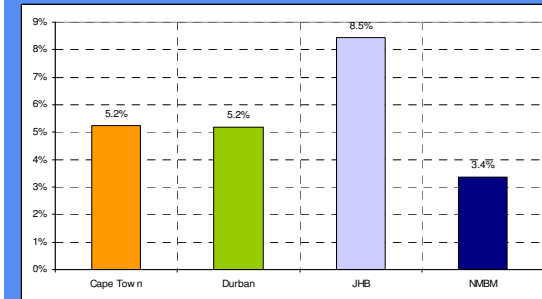
Key Indicators for Nelson Mandela Bay (2007)

Value of GGP	R8.5 billion
% of Total NMB Economy	23.5%
% of Provincial Business & Financial Sector	47.6%
Growth Rate of Sector in NMB (1997-2007)	3.4%
Growth Rate of Sector in NMB (2003 – 2007)	4.7%
Sector Employment	39,860
% of Total NMB Employment	18.7%
% of Provincial Business & Financial Employment	39.9%
Employment Growth Rate in NMB (1997- 2007)	5.9%
Employment Growth Rate in NMB (2003 - 2007)	9.3%

Source: Calculations based on Quantec, 2008

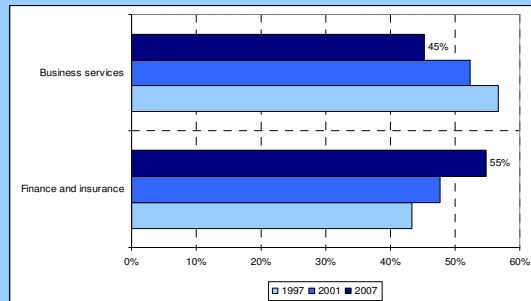
NMB Compared to Other Key Metros

Average Growth Rate of Sector (1997-2007)



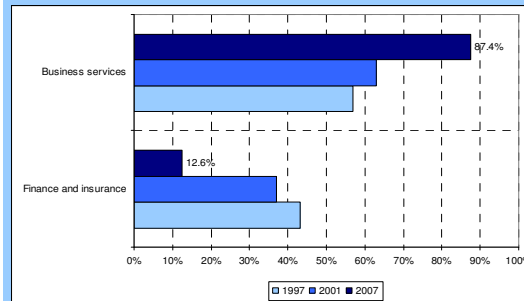
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Business & Financial Services GGP



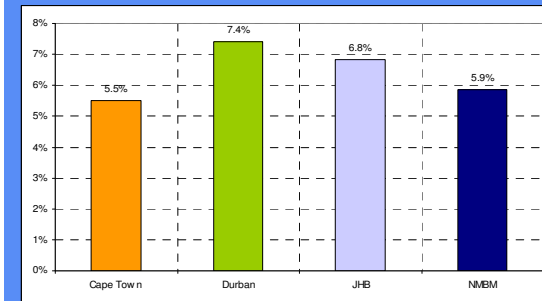
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Business & Financial Services Employment



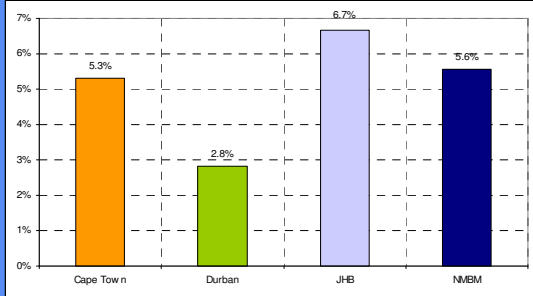
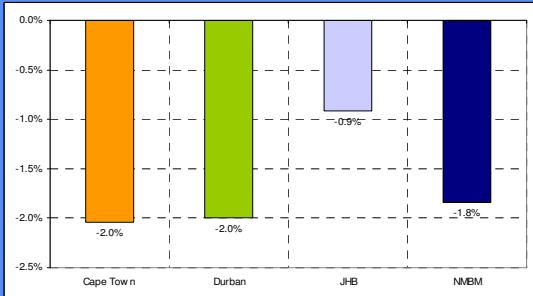
Source: Calculations based on Quantec, 2008

Average Employment Growth (1997-2007)



Source: Calculations based on Quantec, 2008

CONSTRUCTION SECTOR PROFILE

Key Indicators for Nelson Mandela Bay (2007)		NMB Compared to Other Key Metros
Value of GGP	R605 million	Average Growth Rate of Sector (1997-2007)  <p>Source: Calculations based on Quantec, 2008</p>
% of Total NMB Economy	1.7%	
% of Provincial Construction Sector	26.1%	
Growth Rate of Sector in NMB (1997-2007)	5.6%	
Growth Rate of Sector in NMB (2003 – 2007)	6.7%	
Sector Employment	7,130	
% of Total NMB Employment	3.4%	
% of Provincial Construction Employment	22%	
Employment Growth Rate in NMB (1997- 2007)	-1.8%	
Employment Growth Rate in NMB (2003 – 2007)	3.6%	
<i>Source: Calculations based on Quantec, 2008</i>		Average Employment Growth (1997-2007)  <p>Source: Calculations based on Quantec, 2008</p>

TRANSPORT AND COMMUNICATION SECTOR PROFILE

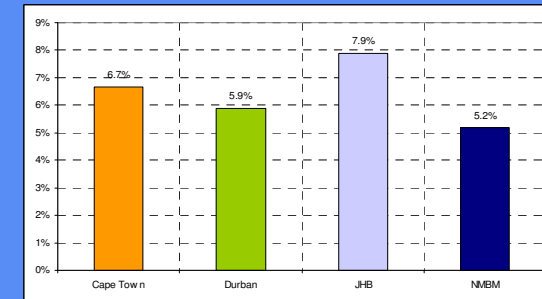
Key Indicators for Nelson Mandela Bay (2007)

Value of GGP	R4.2 billion
% of Total NMB Economy	23.5%
% of Provincial Transport & Comm. Sector	50.2%
Growth Rate of Sector in NMB (1997-2007)	5.2%
Growth Rate of Sector in NMB (2003 – 2007)	4.2%
Sector Employment	8,955
% of Total NMB Employment	4.3%
% of Provincial Transport & Comm Employment	45.6%
Employment Growth Rate in NMB (1997- 2007)	1.0%
Employment Growth Rate in NMB (2003 – 2007)	10.2%

Source: Calculations based on Quantec, 2008

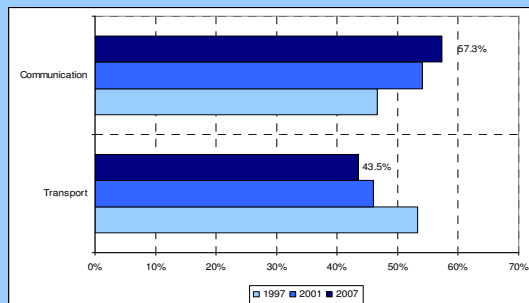
NMB Compared to Other Key Metros

Average Growth Rate of Sector (1997-2007)



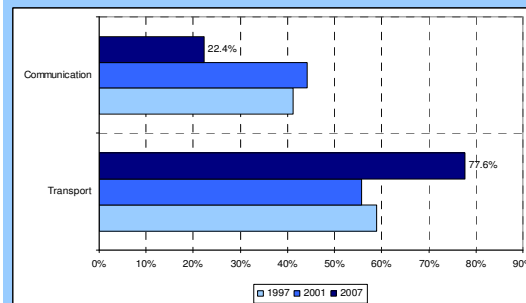
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Transport & Communications GGP



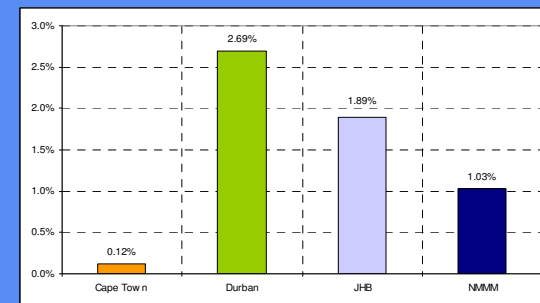
Source: Calculations based on Quantec, 2008

Sub-Sector Contribution to Transport & Communications Employment



Source: Calculations based on Quantec, 2008

Average Employment Growth (1997-2007)



Source: Calculations based on Quantec, 2008

TOURISM SECTOR PROFILE

Variable	International	Domestic
Visitor Numbers	<ul style="list-style-type: none"> • 347,000 • 412,200 (2004)¹ 	<ul style="list-style-type: none"> • 1,200,000/1,900,000²
Estimated Growth Rate Per Annum ³	<ul style="list-style-type: none"> • 5% 	<ul style="list-style-type: none"> • 5%
Origin	<ul style="list-style-type: none"> • UK • Germany • USA 	<ul style="list-style-type: none"> • 75% Eastern Cape • Gauteng, KZN Western Cape
Purpose of visit*	<ul style="list-style-type: none"> • 36% holiday • 21% shopping • 21% VFR • 8% other • 34,200 business visitors⁴(contributes to other) 	<ul style="list-style-type: none"> • 45% visiting family & friends (VFR) • 30% holiday • 25% business (i.e. 276,100)
Preferred accommodation*	<ul style="list-style-type: none"> • Family & friends • Hotels • Back packers • B&Bs 	<ul style="list-style-type: none"> • Family & friends • Self catering • Caravan • Hotels
Activities undertaken	<ul style="list-style-type: none"> • Nightlife activities • Shopping • Beach activities • Visiting natural attractions • Visiting wildlife attractions 	<ul style="list-style-type: none"> • Visiting family & friends • Beach activities • Shopping • Nightlife • Culture & heritage

¹ Source: KPMG MBDA SSIF: Tourism Market Assessment, 2004

² 1.2 million estimated by Urban-Econ Eastern Cape (2007), 1.9 million estimated by KPMG (2004)

³ Source: KPMG MBDA SSIF: Tourism Market Assessment, 2004, based on normal growth without large projects coming online in Nelson Mandela Bay (e.g. Statue of Freedom, Madiba Bay Leisure Park, Bayworld Redevelopment, etc.)

⁴ Source: KPMG MBDA SSIF: Tourism Market Assessment, 2004

* Information on the purpose of international visits and preferred accommodation of both international and domestic tourists is only available on a national level

Variable	International	Domestic
Money spent per day	<ul style="list-style-type: none"> • Holiday = R971 • Business = R2,934 • VFR = R631 • Other = R1,043 • All (average) = R1,548 	<ul style="list-style-type: none"> • Holiday = R2,588 • Business = R1,975 • VFR = R548 • Medical = R822 • Religious = R359 • All (average) = R969
Average length of stay in Nelson Mandela Bay	<ul style="list-style-type: none"> • 3.9 days 	<ul style="list-style-type: none"> • 5.6 days

Source: KPMG MBDA SSIF: Tourism Market Assessment, 2004

EXPORTS & IMPORTS OUT OF SOUTH AFRICAN PORTS (METRIC TONS PER MONTH)

	Richards Bay	Durban	Port Elizabeth**	Cape Town
Bulk Cargo Handled⁵				
Imports	666,016	2,473,261	31,562	175,209
Exports	6,710,123	398,078	333,162	79,816
Total Bulk Cargo Handled	7,376,139	2,871,339	364,724	255,025
Break-bulk Cargo Handled⁶				
Imports	10,130	368,935	30,908	3,923
Exports	285,381	197,080	25,104	7,283
Total Break-bulk Cargo Handled	295,511	566,015	56,012	11,206
Total Cargo Handled				
Imports	676,146	2,842,196	62,470	179,132
Exports	6,995,504	595,158	358,266	87,099
Total Cargo Handled	7,671,650	3,437,354	420,736	266,231

Source: National Ports Authority of South Africa, January 2008

⁵ Bulk is commodity cargo that is transported unpackaged in large quantities.

⁶ Break-bulk cargo is any loose material that must be loaded individually, and not in containers nor in bulk as with oil or grain.

** Excludes the Port of Ngqura, Coega IDZ

OCEAN GOING VESSEL ARRIVALS AT SOUTH AFRICAN PORTS (JANUARY 2008)*

	Richards Bay	Durban	Port Elizabeth**	Cape Town
General Cargo	402,512	728,583	96,776	392,197
Bulk Dry	3,148,707	1,108,658	250,832	761,107
Bulk Liquid	26,330	235,480	-	97,561
Containers Cellular	-	354,4973	1,210,029	2,029,502
Reefer Containers	-	9,797	-	114,292
Oil Tankers	136,983	825,722	42,661	115,603
Chemical Tankers	275,984	808,344	10,290	213,278
LPG Tankers	23,999	11,297		407,614
Bitumen Tankers	-	5,530	-	-
Passenger Vessels	59,181	284,055	16,927	34,090
Car / Vehicle Carriers	-	968,891	467,776	-
Roll on –Roll off vessels	-	81,773	-	15,635
Unidentified	38,352	22,599	-	-
Total Ocean-Going	4,112,048	8,635,702	2,095,291	4,180,879

Source: National Ports Authority of South Africa, January 2008

*NOTE: Gross Tonnage Expressed in Cubic Metres

** Excludes the Port of Ngqura, Coega IDZ

KEY DEVELOPMENTS IN NELSON MANDELA BAY

Project Name	Description	Total Budget
Beachfront Developments	Upgrading environmental and tourism potential of beachfront	R100 million
Bayworld Redevelopment	Upgrading of aquarium, dolphinarium, etc	R45 million
International Convention Centre	Construction of 900 seater conference centre	R250 million
2010 World Cup Stadium	Soccer stadium in North End	R350 million
Chatty and Swartkop River Development	Tourist, cultural and recreational sites	-
Freedom Statue	Provincial tourism showcase	R68 million
N2 Development	100 metre statue of Nelson Mandela	R342 million
Red Location Cultural Museum	Includes hotel	-
Community Services	Tourism village in Ibhayi	R27 million
Colchester Development	Tourism Attractions (not yet specified)	-
Van Der Klemp's Kloof	Hiking, picnics, etc	R20 million
Embizweni Bluewater Beach	Resort, cultural villages, residential, etc.	-
Gateway and Beautification	Improve image / aesthetics	R90 million
Madiba Bay Leisure Park	Wildlife based tourism development between NMMU and Schoenmakerskop	-
Mandela Bay Development Agency	Various projects linked to Urban Renewal of the Central Business District	-
Motherwell Urban Renewal Programme	Presidential Node Project, various projects planned and implemented	-
Coega Industrial Development Zone (IDZ)	11,500 ha of industrial land and Port of Ngqura, attracting international & domestic investors	-

Source: Growth and Development Summit, ECSECC (2007)