

**KEYNOTE ADDRESS BY GAUTENG PREMIER DAVID MAKHURA: SENIOR EXPERTS DIALOGUE ON “AFRICAN CITIES AS INNOVATION HUBS FOR AFRICA’S TRANSFORMATION”. CITY OF TSHWANE.**

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Programme Director, Mr Victor Kgomoewana;  
Director General of Science and Technology, Dr Phil Mjwara;  
Dr Nwuke, UN Economic Commission on Africa;  
Ministers and Deputy Ministers;  
Members of the Diplomatic Community;  
Academics and Researchers;  
Members of Civil Society;  
Senior government officials;  
Ladies and gentlemen:

It is man honour to be invited to this enormously important Dialogue on “African Cities as Innovation Hubs for Africa’s Transformation”.

In April and May this year, I had the opportunity to participate in two public lectures at the Universities of Manchester and Wits, respectively, on the role of African Cities and City Regions in the Africa Rising discourse. Today, I will canvass some of the ideas I put forward during these two public lectures, as part of stimulating public debate on the potential and future of urbanisation in Africa.

One of my harshest criticism of the Africa Rising narrative is that it ignores the role Urbanisation and cities as forces for transformation and industrialization. African cities and urban centres must be centres of production and manufacturing, instead of limiting their role to centres of consumption. This is the subject of this Dialogue.

Ladies and gentlemen, the Urban Transition is one of the dominant trends of the twenty first centuries. The scale, complexity and rapidity of urbanisation is increasing at a much faster pace than policy makers and urban planners can cope with.

According to United Nations Population Fund report, the world is undergoing the largest wave of urban growth in history. More than half of the world’s population (currently standing at 7.3 billion) now lives in towns and cities, and by 2030 this number will swell to about 5 billion. History’s largest-ever urbanisation wave will continue for many years to come. Much of this urbanisation will unfold in Africa and Asia. These two regions will, over the next forty years, account for 86% of the world’s urban population growth. By 2030 Africa will have more than 50% of its population living in cities and by 2050 this number will increase to more than 60%.

According to Geoffrey West, cities are centres of wealth creation, creativity, innovation and invention. They are the exciting places. They are magnets of those seeking opportunities. Cities and city-regions are emerging as dominant players in their national space economies and key drivers of the global economy. Such is the significance of cities in national economies that it is estimated that 80% of the global economy is physically located in cities.

More profoundly, a 2015 study by Jonathan Woetzel titled: “Inclusive cities are productive cities” makes the point that *“Cities are productivity engines. They create productivity by enhancing the number and frequency of interactions. Higher population density equals higher frequency of interactions, and the more interactions there are, the more you can figure out what you’re good at and what you’re not good at. Then, we stop doing what’s not good, and we become better at the good. That’s specialization. That’s productivity. Doing that with as many people as you can, creates the opportunity for growth”*.

Scholars and students of urbanism, urbanisation and urban ecosystems would agree that the key driver of urban migration is the urban promise – the promise of a better life offered by cities and urban ecosystems of agglomeration of consumers, cluster of firms, skilled labour, infrastructure, innovation and opportunities. Urbanisation brings opportunities that need to be harnessed and challenges that need to be overcome.

Without effective planning and provision of adequate infrastructure, the urban promise can turn into a nightmare of urban squalor, poverty, inequality and crime, the common features of many urban centres in the developing world.

The Urban Transition is one of major forces that are transforming our continent. In fact, the discourse on Africa’s development – the “African Renaissance” and the “Africa Rising” narrative have not paid sufficient attention to the potential role of African cities in advancing the African Union Agenda 2063. My warning to you as African scholars and policy makers is that we ignore the role of cities and city regions at our own peril. Africa’s transformation prospects will be enhanced by a more inclusive and sustainable urban agenda and city development.

We live in a time in which even the most cynical Afro-pessimists acknowledge that more than any other time in our continent’s history, Africa is making tremendous progress in addressing social, economic and governance challenges.

To quote from a recent article in The Economist magazine: *“Africa’s 1.2 billion people hold plenty of promise. They are young: South of the Sahara, their median age is below 25...They are better educated than ever before: literacy rates among the young now exceed 70% everywhere except in the band of desert countries across the Sahara. They are richer: In sub Saharan Africa, the proportion of people living on less than 1.90 US Dollars a day fell from 56% in 1990 to 35% in 2015, according to the World Bank. And diseases that have ravaged life expectancy and productivity are being defeated.”*

With regards to the African economies, indications are that in 2015, Africa remained the second fastest growing economy in the world. This was despite a weak global economy, lower commodity prices and adverse weather conditions in some parts of the continent. Real GDP on the Continent grew by an average of 3.6%, higher than the global average growth of 3.1% and more than double that of the euro area.

Africa is the centre of gravity in terms of the future prospects of the global economy. It is richly-endowed with mineral resources. Collectively African countries have a GDP of \$ 1.8 trillion, expected to exceed \$ 2.6 trillion by 2020.

Our continent has a billion strong youthful, increasingly urbanised population and a growing middle class all of which translate into booming consumer and labour markets that will drive economic growth for many years to come. By 2040 Africa will have the largest workforce on the planet!

All of these developments not only point to the dramatically shifting narrative about our Continent, but also they speak to what former President Thabo Mbeki referred to as the “African Century”. Africa is a zone of opportunity. Part of this African opportunity derives from the rate and pace of urbanisation which is driven by a youthful, better educated and more entrepreneurial population.

Ladies and gentlemen, we live in a time in which African cities are also trying to assert their role in shaping the destiny of our continent. From Cape Town to Cairo; Accra to Addis Ababa; Lagos to Luanda; Durban to Dar eSalaam; Nairobi to Johannesburg; Kigali to Windhoek; the streets of our cities are buzzing with hope, innovation, ambition, diversity and entrepreneurship.

Many African cities are beginning to resemble what Ka Isaka Seme foresaw in 1906 – an Africa whose chains are dissolved; whose desert planes are red with harvest; whose Congo and Gambia are whitened with commerce; whose crowded cities send forth the hum of business – an Africa where all her sons and daughters are employed in advancing the victories of peace, that are greater and more abiding than the spoils of war. A brighter day has indeed dawned for Africa; led by her cities.

These African cities are not only economic entities, they are also dynamic cultural and intellectual spaces which have a huge potential to promote social cohesion and social integration amongst the diverse Afropolitans.

The importance of cities as innovation hubs that have the potential to drive Africa’s transformation towards prosperity, inclusive growth and sustainable development is particularly relevant and urgent for the Gauteng City Region.

As the most urbanised and industrialised city region in Sub-Saharan Africa, Gauteng has all the hallmarks of urban ecosystems in the developing world. We are the magnet that attracts more than 200 000 people migrants into our province annually due to the “urban promise.” We have relatively developed infrastructure but huge backlogs remain especially in the townships and slums. Rapid migration puts enormous pressure on the delivery of housing, healthcare and educational services and infrastructure.

Our Metros in particular are also major drivers of growth and employment in our national economy. For instance the City of Joburg contributes 15% to national GDP, Tshwane 9% and Ekurhuleni 7%. Our province is home to 24% of South Africa’s population.

Specifically our vision remains that of building Gauteng into a seamlessly integrated, economically inclusive, socially cohesive and globally competitive City Region; a leading economy in the continent with smart, innovation-driven, knowledge-based and ecologically sustainable industries of the future; an activist, accountable, responsive and clean government and an active citizenry.

Equally we must continue to strengthen infrastructure investment, ensure efficient service delivery, a reliable modern public transport system, decent housing, promote entrepreneurship and supporting innovation and effective land use to foster social and economic inclusion. These are matters we continue to be seized with.

Ladies and Gentlemen; the City of Tshwane in our Northern Development Corridor is our hub for innovation, research and development as well as the knowledge based economy. In this regard, one of the major investments we as the Gauteng Provincial Government have made in strengthening our innovation and invention capabilities is the development of the Gauteng Innovation Hub in Tshwane.

The Gauteng Innovation Hub has become the birth place of some of the most exciting innovations by the people of Gauteng, including township innovators. It is a place where ideas, inventions and innovations are nurtured into becoming sustainable businesses that can help us reach our goal of building new, smart, green industries and an economy of the future.

The Gauteng Innovation Hub has trained over 75 township entrepreneurs through Start-up Weekends and Bootcamps run in conjunction with eKasi Labs Innovation Centres in some of our big townships. Ekasi Labs focus on supporting entrepreneurs and youth with their innovations and fast track the establishment of sustainable and innovative businesses.

We are also delighted that due to the growing demand of the services provided at the Innovation Hub, the facility is now being expanded. The Hub is working closely with the CSIR and the University of Pretoria to maximise the impact of its work.

In September this year, working in partnership with the City of Johannesburg and the University of the Witwatersrand, we launched the Tshimologong ICT Precinct in Braamfontein, in the Johannesburg CBD.

Tshimologong has gone a long way in cementing the City of Joburg's position as the technological heartbeat of our country and beyond. It will also help strengthen our interventions to support technology enabled innovation.

The Tshimologong Precinct is also the location of the Gauteng Provincial Government's Design and Validation Centre, which we will use to evaluate and test new digital hardware and software as we roll-out more government services online. The Centre will also support the creation of new digital businesses based on ICT innovation.

We are intervening in this manner because to us innovation is central to the achievement of the goals we have set for ourselves. Without innovation, there is no meaning full progress, there is no sustainable development

Whilst economic growth is critical, it is the quality of growth that matters. We need the type of growth that is driven by industrialisation, innovation and infrastructure development and investing in people and talent development. We must diversify and modernise the African economies.

In this regard, this requires that whilst we are rich with minerals, we need to invest in re-industrialisation, manufacturing, and develop key industries that will ensure inclusive economic growth.

Programme Director, allow me to conclude by asserting that African cities need to be governed well if they are to be innovation hubs for Africa's transformation. We in the Gauteng City Region remain committed to working with our research institutes as well as our institutions of higher learning to take bold steps in driving innovation as we build an inclusive and globally competitive city region.

Cities need to invest in innovation ecosystems and inclusive infrastructure. Sound leadership and strong institutions are necessary to attract RDI FDI to African cities.

Thank you.