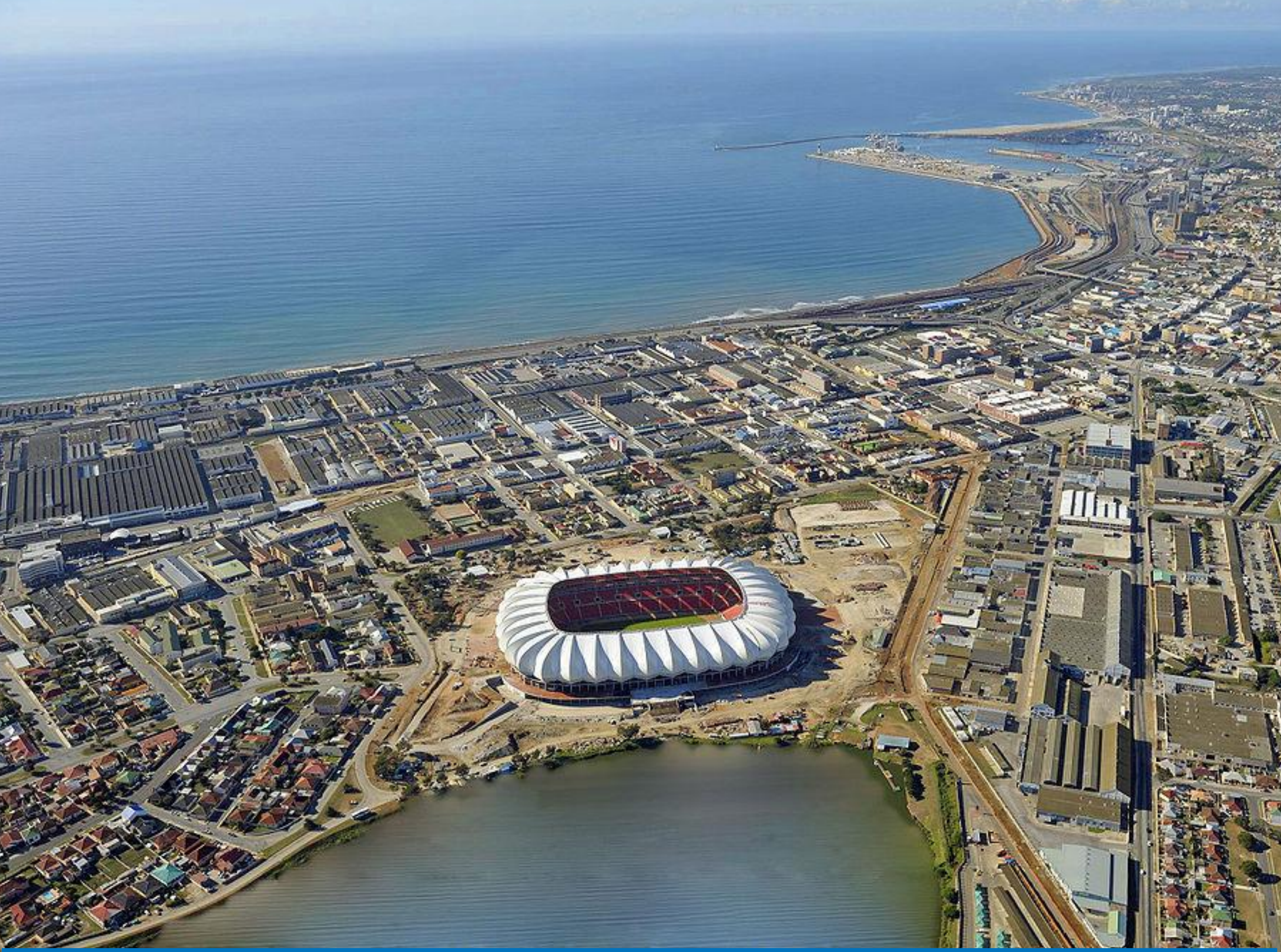

MBDA ECONOMIC IMPACT ASSESSMENT REPORT FOR 2025-2026

Central | North End | Kariega CBD

Deliverable 5: Final Assessment Report

9 June 2026

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INTRODUCTION

Since its establishment in 2003, the Mandela Bay Development Agency (MBDA) has, through its operations, positioned itself as the primary institution driving the revitalisation of key areas within the greater Nelson Mandela Bay (NMB). This has involved the MBDA implementing a range of capital investment projects across the NMBM.

To quantify the impact of these projects, the MBDA appointed a service provider in 2009 to develop an economic barometer for the Agency. The barometer served a dual purpose. Firstly, it aimed to measure the economic impact of the Agency's various capital projects on local business activity, GDP, and employment. Secondly, through surveys administered to businesses and residents, it sought to assess the effect of the MBDA's activities on perceptions of the areas in which these projects were implemented.

The survey was conducted over a three-year period and covered four areas, namely Gqeberha (Port Elizabeth) Central and the CBD, North End, King's Beach, and the Kariega (Uitenhage) CBD. The survey was repeated between 2014 and 2016 and expanded to include business and residential respondents in Helenvale and New Brighton.

The MBDA has subsequently conducted a similar type of economic barometer assessment using a smaller sample of respondents. These high-level economic impact snapshot studies were conducted in the Baakens River Valley in 2023; in Central, Schauderville, and South End in 2024; and in Central, North End, and Kariega (Uitenhage) in early 2025.

The scope of this snapshot study is to:

1. Identity and formulate suitable quantitative and qualitative impact criterion that can measure the direct and indirect consequences that have resulted from the MBDA's investment and management initiatives within the select project areas.
2. Review a data collection tool (questionnaires) that will be administered to a targeted set of property and/or business owners to test their sentiment regarding the MBDA's initiatives. The survey and direct engagements should have a specific focus on obtaining feedback from stakeholders where recent investments/upgrades have been made in MBDA precincts.
3. Use capital and operational expenditure data from the MBDA and from targeted business/property owners and use this to run an economic impact modelling analysis to quantify direct, indirect, and induced impacts that have resulted from the MBDA's involvement in each area.

The following document seeks to present the key outcomes of the surveys conducted in **Central, Kariega CBD and North End**. The snapshot results from these surveys have then been compared to the outcomes of the early 2025 MBDA Economic Impact Assessment Report for the same areas.

METHODOLOGY

The first step of the study was to review the survey collection tool developed in early 2025. These surveys were analysed to ensure that they met the MBDAs' current reporting needs. Where applicable, new indicators were added.

Given that the focus of the study was to generate a snapshot of business and residential perceptions within the respective areas no formal sampling was undertaken to obtain a statistically significant sample size. Instead, the study targeted a set number of randomised businesses, residents, and CBD users within close proximity to the MBDA's investments in each of the three areas.

Based on this approach, a total of **135 responses were targeted** across the three areas. This comprised 45 respondents in **Central** – 20 businesses and 25 residents; 20 businesses and 25 residential respondents in **North End**; and a further 20 businesses and 25 CBD users in the **Kariega CBD**. This was not intended to be a statistically significant sample, but rather to provide a snapshot of the view of the MBDA's activities in the respective areas through targeted inputs.

Following the updates and revisions to the survey, and the sample specification, the questionnaire was administered in the three selected areas in November 2025.

The subsequent step entailed a baseline profiling exercise of each area, based on the most recent (2024) statistical data published by Quantec. This was followed by quantifying the economic impact of the MBDA's various interventions across the three areas up to December 2025. These interventions include the MBDA-run, EPWP-funded cleaning programme in Central, North End, and the Kariega CBD, as well as the upgrading of the old railway sheds in Kariega. The economic impact was quantified using a Social Accounting Matrix (SAM) model for the Eastern Cape, which estimated the effects of MBDA investment on production, GDP, employment, and household income. These results were supplemented by investment data obtained from the various surveys

The final step in the methodology involved the compilation of a report presenting the key outcomes. The report profiled the businesses, residents, and CBD users surveyed; quantified the investment undertaken by the MBDA in each area; outlined the perceptions of businesses, residents, and CBD users of each area; and indicated the economic impact of the investment across the respective areas.

CENTRAL

Central is the historic core of Gqeberha (Port Elizabeth), recognised for its concentration of cultural landmarks such as the Campanile, Fort Frederick and Route 67 – the public-art trail through the suburb. The area reflects the city's layered architectural character, with Victorian, Edwardian and early modern buildings shaping its urban fabric.

Covering just over 1 000 hectares, Central hosts a blend of commercial and residential uses. Business activity is focused within the CBD and along Parliament Street, Rink Street, Westbourne Road and Govan Mbeki Avenue, where offices, retail and dining outlets are clustered. Residential areas lie mainly between Russell Road and Cuyler Street, incorporating Richmond Hill and the neighbourhood surrounding St George's Park.

R2.1 BILLION

Estimated GDP generated by the Central area in 2024 – a marginal decline from 2023 and representing **slightly less than 2%** of the NMB's total

6%

Increase in the estimated size of the area's GDP since 2020 at the height of the COVID-19 pandemic

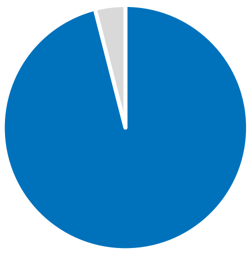
R584 MILLION

Generated by the finance and business services sector, equivalent to **28%** of the area's total GDP

RESIDENTIAL & BUSINESS PROFILE

12 905

Estimated number of people permanently living in Central in 2024, unchanged from 2023 suggesting a **stable population**



96%

Of Central residents indicated that they rent the property that they are staying in, compared to **92% in 2024**

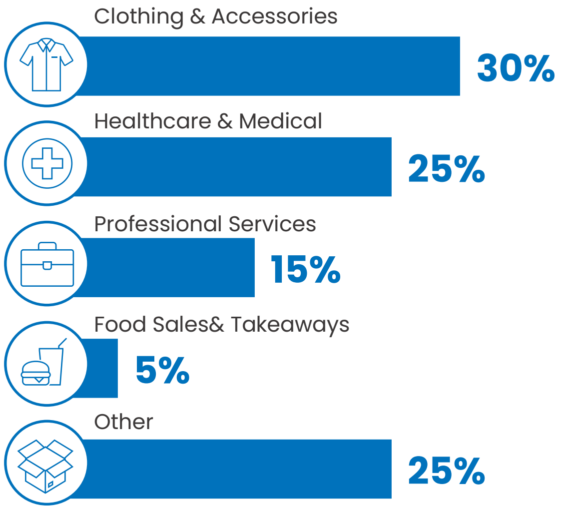
This population resides in approximately **6 572 households** which are typically multiple storey formal dwellings. This typology means that average household density is well above the NMB figure.

The **average household** size, at **2 people**, is also well below the NMB average of 3.6.

While many respondents were **long-term residents of Central**, just 4% indicated they owned the property they were currently staying in (2024: 8%).

The average resident has been living in Central for just 2.0 years (2024: 2.6 years), with just **12%** having been in the area **for five or more years**, highlighting the student-orientated nature of the area.

BUSINESS TYPES



Central accommodates a wide spectrum of businesses, although clothing and accessories stores, were the most common. The suburb also supports a strong food presence, with numerous takeaway vendors as well as restaurants and bars, many of which offer convenient quick meal options.

The retail environment combines established national chains, such as Spar, with independently operated spaza shops that typically stock everyday essentials.

Healthcare services, including medical practices, and dentists, are well represented in Central, particularly along Rink Street, facilitating the area's role as an accessible service.

Central also hosts a concentration of professional-service firms, most notably attorneys' offices clustered around the law courts in Bird Street.

6 YEARS

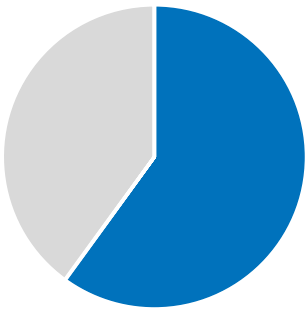
Average number of years a business has operated in the area

Approximately **45%** of businesses reported being in the area for two years or less (2024: 30%), while those present for over five years declined from 45% to **20%**. This suggests a strong **increase** in the number of **new businesses** in the area.

BUSINESS PERFORMANCE

5 EMPLOYEES

Average number of people employed per business (2024: 5 people). The area is characterised by small, independent owner-run and operated businesses, with **50%** of businesses employing **just 2 people**, one of whom was the owner. Surveyed businesses employed a total of **118 people, 92%** of whom **were permanent**.



60% of businesses indicated that their staff numbers had increased over the last year

Employment in Central businesses proved to be slightly less stable than that of firms in Kariega. As a result, **25% of Central businesses** have **retrenched** workers over the past five year (2024: 15%), compared to just 20% of firms in Kariega.

The survey sample indicates that **employment** among Central businesses has **risen by 39%** over the past year, with clothing and shoe retailers being the most likely to have increased their workforce.

39% Increase in total number of people employment by surveyed businesses over the last year

25% Of the surveyed business that had hired additional staff over the last year, have hired between **5 and 10 new staff**

Just over a third (35%) of businesses reported that their **turnover had increased** slightly over the past five years. In comparison, 55% of firms reported an increase in turnover in 2024. A larger proportion of firms in 2025, however, indicated that their turnover had remained unchanged (60%) compared to 2024 (30%).

Businesses attributed the improvements in turnover to **a sharp reduction in loadshedding**, **higher foot traffic** and an **improvement** in customer **sentiment** about Central. Respondents also indicated that the **upgrading of the area** had made it a more desirable destination for customers.

The most cited reason for firms seeing a reduction in their turnover was because of the frequent and often protracted **interruptions in power supply**.

CHANGE IN TURNOVER

35%
INCREASED

5%
DECREASED

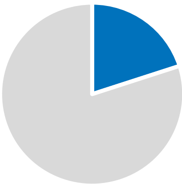
A further **60%** of businesses indicated that they had experienced **no change in their turnover** over the last five years.

PROPERTY IMPROVEMENTS

20%

Of businesses made improvements

2024: **35%**

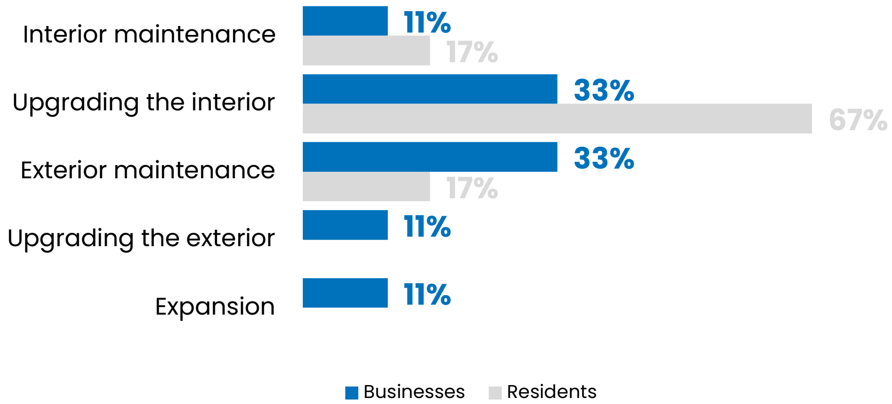


20%

Of residents made improvements

2024: **20%**

A fifth of businesses **made** some form of **improvements** to their premises **over the past five years**, compared to **20% of residential** respondents. The reduction in business improvements is a function of a greater number of upgrades in 2024.



NATURE OF IMPROVEMENTS

Given the high proportion of surveyed businesses and residents renting their premises, it is unsurprising that **44% of business improvements** and **84% of residential improvements** over the last five years were to the property's interior.

83% Of the businesses and residents that improved their property, spent **less than R50 000** in total

R83 000 Average value of improvements made by both businesses and residents

R500 000 Total estimated value of all improvements made by surveyed businesses (**R25 000**) and residents (**R475 00**) in Central over the last 5 years. This figure is **3% higher than** the total value of improvements recorded by both businesses and residents **in 2024**.

80%

Of surveyed businesses indicated that they plan to **make future improvements** to their property over the next five years (2024: 95%).

An equally large proportion **(85%) of residential respondents** indicated that they also planned to make improvements to their property over the same period.

A third of the businesses surveyed in Central indicated that the main reason for these future upgrades of their property was linked to the activities of the MBDA in the area. In comparison, **60%** of **residential** respondents, indicated that the MBDA was the **main reason** behind their upgrade decision.

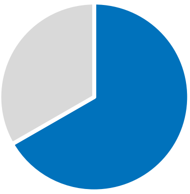
Comments expressed by respondents when asked what motivated them to invest in the area:

The area is very accessible for my customers and is kept nice and clean by the MBDA – it's the main reason I chose to invest!

It is a very affordable area to invest in and close to my customers.

The area is improving steadily – despite some problems, I am still positive about its growth prospects!

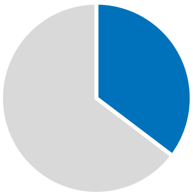
BUSINESS PERCEPTIONS



67%

Property values have increased

2024: **100%**

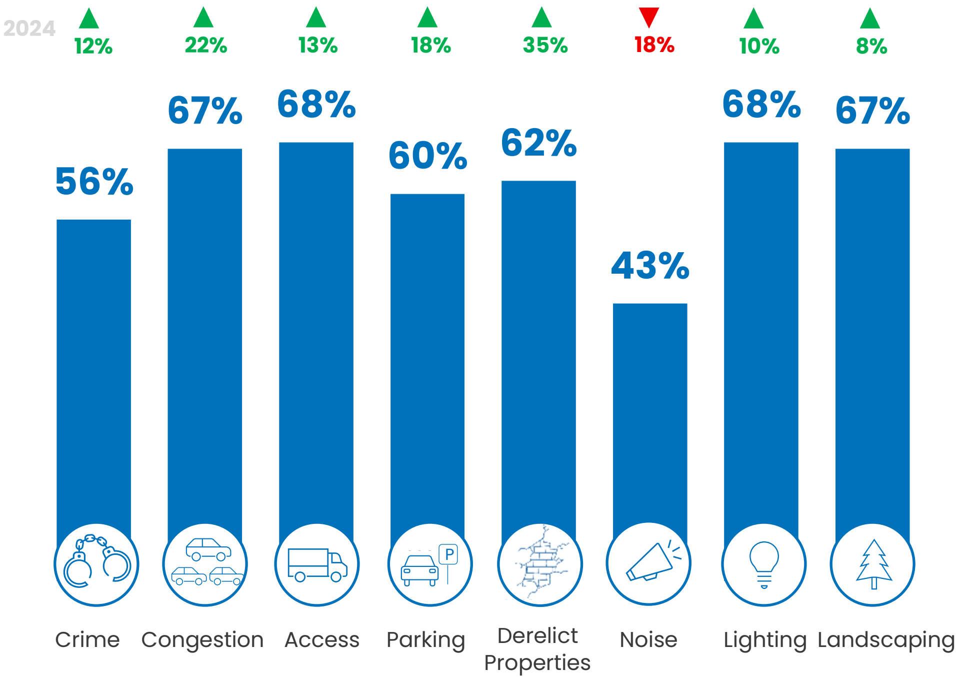


34%

Rental values have increased

2024: **61%**

Perceptions of businesses about property and rental value trends in the Central area over the **last five years**.

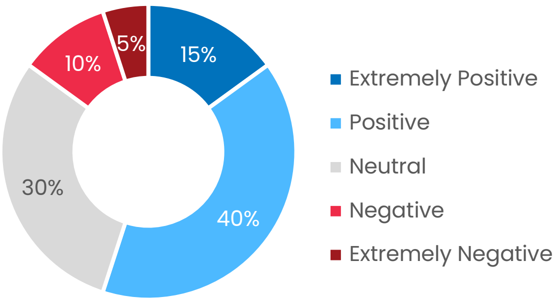


ENVIRONMENTAL FACTORS

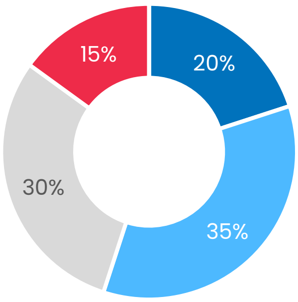
To establish how businesses feel about changes in various factors over the last two years, they were asked to rank key issues on a scale of one to five. A ranking of one (1) indicated no improvement, while a five (5) indicated significant improvement. These were then converted to a percentage.

Businesses felt all factors aside from noise levels improved since 2024. The greatest improvements where in derelict properties, congestion, and parking.

SECURITY PARTNERSHIP



CLEANING PROGRAMME



Businesses were also asked how they perceive the MBDA-supported, cleaning programme and Citywide Security services.

Views on **street cleaning** were extremely **positive**, with **55%** of businesses rating the service favourably (2024: 25%). Confidence in **security** services also **improved substantially**, with 55% of businesses viewing them positively (2024: 10%).

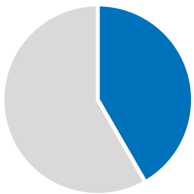
Types of interventions that business want for the area:

Crime & Safety	Youth Development	Cleaning & Recycling	Urban Renewal	Tourism Development	Business Support	Other
70%	55%	45%	40%	35%	30%	32%

Crime and safety, cleaning and recycling and urban renewal continue to be some of the most desired interventions by Central firms. The demand for youth development initiatives and programmes that support tourism development, have risen sharply since 2024, with youth development now the second most desired intervention by Central businesses.

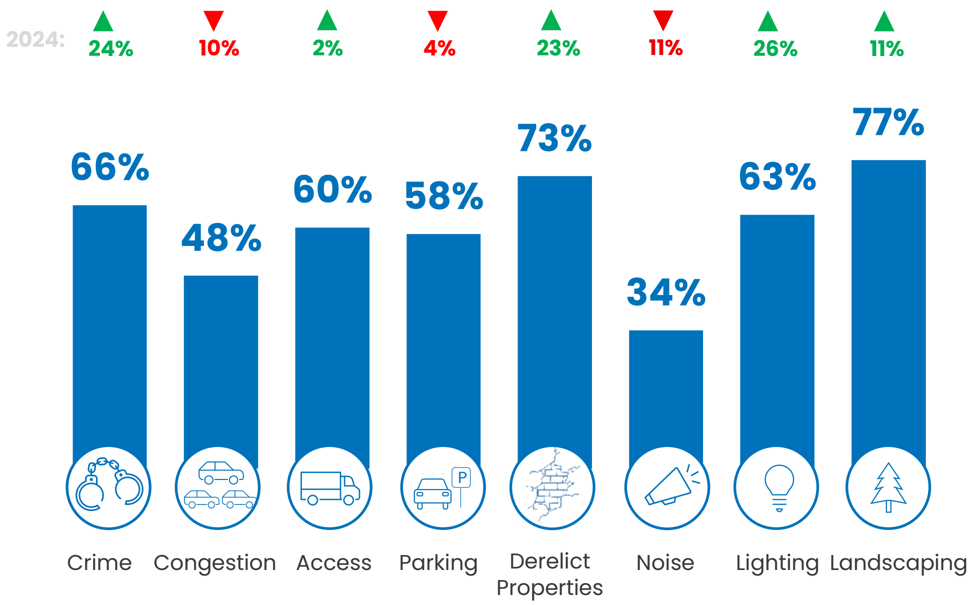
RESIDENTIAL PERCEPTIONS

0%
Property values have increased
2024: **100%**



42%
Rental values have increased
2024: **9%**

Perceptions of residents about property and rental value trends in the Central area over the **last five years**.

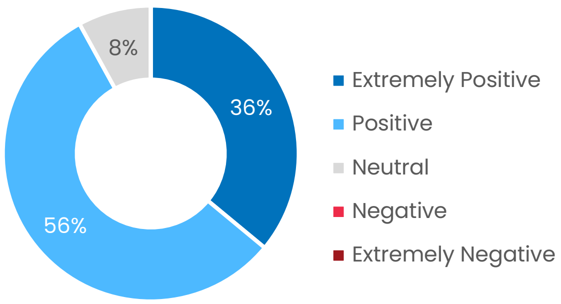


ENVIRONMENTAL FACTORS

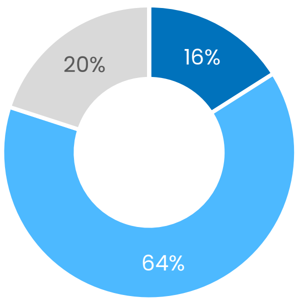
To establish how residents feel about changes in various factors over the last two years, they were asked to rank key issues on a scale of one to five. A ranking of one (1) indicated no improvement, while a five (5) indicated significant improvement. These were then converted to a percentage.

Like businesses, residents saw strong improvements in lighting, crime, and landscaping since 2024. Noise levels and congestion were the two areas that residents felt had deteriorated from 2024.

SECURITY PARTNERSHIP



CLEANING PROGRAMME



Residents were also asked how they perceive the MBDA-supported, cleaning programme and Citywide Security services.

Sentiments were overwhelmingly **positive about the street cleaning**, notable better than in 2024 when just 12% of residents expressed negative views. Residents also confident about **security**, with **92%** viewing them **positively** (2024: 12%).

Types of interventions that residents want for the area:

Urban Renewal **24%**

Youth Development **24%**

Arts, Culture & Events **24%**

Crime & Safety **20%**

Skills Training **16%**

Heritage Celebration **16%**

Other **16%**

Central residents expressed a strong desire for **urban renewal, youth development, and arts, culture and events**. The demand for arts, culture, and events-based interventions has risen sharply from 2024, when it was the tenth most desired intervention type. Other types of interventions requested include: cleaning and recycling (12%); and facilities and area management (12%).

ECONOMIC IMPACT

An economic impact is defined as an exogenous change in the local economy that has either a positive or negative effect on economic activity. In the Central area, this exogenous change has taken the form of the several operational programmes funded by the MBDA focusing on security and cleaning. These economic impacts are once-off and only arise for the duration of the construction period.

To quantify the anticipated direct, indirect, and induced impact on an exogenous change, several econometric models can be applied. For this study, the SAM-Leontief model was used. The SAM-Leontief model uses social accounting matrices as the underlying database. Coefficients are taken from the SAM and are used to calculate the open and closed Leontief inverses which are multiplied by the exogenous change to obtain direct, indirect, and induced impact on production. The change in production is then multiplied by direct multipliers to obtain specific impacts on GDP, employment, and income.

Using this approach, the total economic impact of the estimated **R1.8 million incurred in implementing the Baakens River Zipline (R346 086) and cleaning programme (R1.4 million)**, has been quantified.

R4 MILLION

Total additional **production** generated owing to the investments in the area

R2 MILLION

Increase in national **GDP** owing to the investments in the area

55

Number of **employment opportunities (FTE)** created because of the investments in the area

R1 MILLION

Rise in **total household income** due to the investments

Contribution of the area to municipal rates revenue

Using the growth trends in household numbers for NMB published by Stats SA, and data from the Census, it was possible to **estimate** the total **number of households in Central**.

Data from the Central Residential Survey was then applied to this figure to determine the estimated number of households in the area that own their property. The survey data was also used to calculate an estimated monthly rates payment per Central household (**R5 251**).

By using these two figures it was then possible to estimate the total **annual rates paid** by residential property owners to the NMB. This value – **R414 million** in 2024 – includes both property rates income as well as revenue derived by the NMBM from the sale of services (i.e. eater and electricity).

R414 MILLION

Estimated total annual property rates generated by residential properties in Central in 2024

NORTH END

At the centre of North End is the Nelson Mandela Bay Stadium – widely credited with stimulating renewed interest and investment in the area. Overlooking the North End Lake, the stadium benefits from a scenic natural setting, with the lake's grassy edges used for picnics, informal recreation, fishing and occasional paddling activities.

North End differs from Central in that it is predominantly industrial, characterised by warehouses, logistics operations, workshops, and light-manufacturing firms, particularly along Kempston Road and the surrounding industrial grid. The area also contains a modest middle- to low-income residential homes, concentrated around the stadium and west of Harrower Road in Kensington. These residential pockets introduce neighbourhood activity into an otherwise commercially focused environment.

R1.5 BILLION

Estimated GDP generated by the North End area in 2024, representing **slightly over 1%** of the NMB's total

6%

Increase in the estimated size of the area's GDP since 2020 at the height of the COVID-19 pandemic

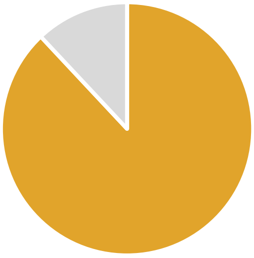
R226 MILLION

Generated by the manufacturing sector, equivalent to **15%** of the area's total GDP

RESIDENTIAL & BUSINESS PROFILE

10 597

Estimated number of people permanently living in North End in 2024, equivalent to less than 1% of the NMB's population



88%

Of North End residents indicated that they rent the property that they are staying in compared to **76% in 2024**

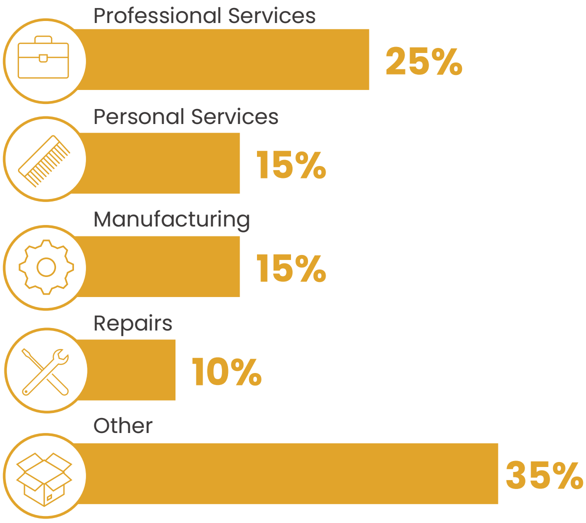
This population resides in approximately **3 158 households** which are typically single storey free standing homes. This typography means that average household density is in line with the broader NMB figure.

The **average household** size, at **3.3 people**, is slightly below the NMB average of 3.6.

Most (**64%**) surveyed residents had been living in North End for **less than two years** (2024: 60%) with **long-term residents** representing just **8%** of surveyed respondents.

The typical resident has therefore been living in North End for only 3 years, on average (2024: 3 years), suggesting a **robust residential property market**.

BUSINESS TYPES



North End hosts a mix of firms across several sectors, although professional services remain the most prominent. Many of these specialise in legal work due to the area's proximity to the Magistrate's Court, alongside a notable presence of property-management businesses.

Other types of businesses found in the area include childcare providers, hairdressers and other community and personal services-related businesses.

The area also hosts numerous automotive aftercare businesses, including parts suppliers, battery and tyre fitters, and repair workshops. Supporting this sector are manufacturing firms specialising in precision engineering, hydraulics, metal fabrication, and printing, creating an industrial cluster closely linked to the local automotive and vehicle-services industry.

7 YEARS

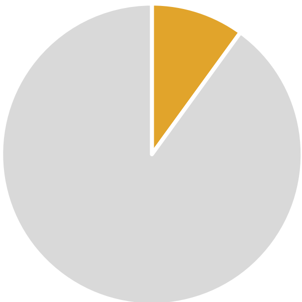
Average number of years a business has operated in the area

Approximately **45%** indicating they were new to the area, having been there for two years or less (2024: 42%). A similar proportion of respondents (**45%**), however, reported being in the area for more than 5 years.

BUSINESS PERFORMANCE

5 EMPLOYEES

Average number of people employed per business (2024: 5 people). The area is characterised by several medium and large business, resulting in higher average employment relative to other areas. Surveyed businesses employed a total of **105 people** of which **88% were permanent** and 12% were temporary workers.



10% of businesses indicated that their staff numbers had increased over the last year

Employment in North End proved to be far more resilient than either Central or Kariega. As a result, only **10% of North End businesses retrenched** workers over the past year (2024: 5%), compared to 25% of firms in Central.

The survey sample indicates that **employment** among North End businesses has **risen by 21%** over the past year, with professional services firms being the most likely to have increased their workforce.

21% Increase in total number of people employment by surveyed businesses over the last year

83% Of the surveyed business that had hired additional staff over the last year, have hired between **1 and 4 new staff**

The positive trends in employment growth were also borne out in businesses turnover. **Three-fifths (60%)** of businesses indicated that their **turnover had increased slightly** over the last five years – even after considering the impact of COVID-19. In comparison, 47% of firms reported an increase in turnover in 2024.

Businesses attributed the improvements in turnover to **increased involvement by the MBDA** in the area, **higher foot traffic**, and an **improvement** in customer **sentiment** about North End.

The most cited reason for firms seeing a reduction in their turnover was because of the **high cost of living** which negatively impacted customers' ability to spend. **Thefts and robberies** were also frequently cited as a key reason that businesses had seen a reduction in their turnover.

CHANGE IN TURNOVER

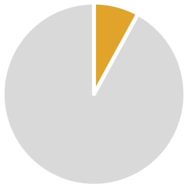
60% INCREASED

5% DECREASED

A further **35%** of businesses indicated that they had experienced **no change in their turnover** over the last five years.

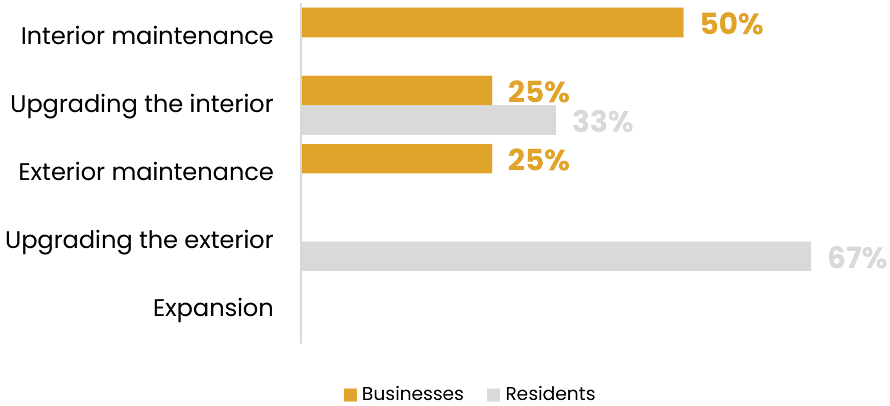
PROPERTY IMPROVEMENTS

37%
Of businesses made improvements
2024: **53%**



8%
Of residents made improvements
2024: **28%**

Only just over a third of businesses **made** some form of **improvements** to their premises **over the past five years**, compared to just **8%** of **residential** respondents. This difference can be attributed to the high proportion of residents that rent their property.



NATURE OF IMPROVEMENTS

Given the high proportion of surveyed businesses and residents renting their premises, it is unsurprising that more than half of both **business (75%)** and **residents (33%)** made improvements to their **property's interior** over the last five years.

88% Of the business and **67%** of residents who made improvements spent **less than R50 000**

R116 667
Average value of improvements made by residents, compared to **R59 370** for businesses

R825 000
Estimated value of all improvements made by surveyed businesses (**R475 000**) and residents (**R350 000**) in the North End area over the last 5 years. This figure represents a significant **55% decline** from the almost R2 million in investment value recorded **in 2024**.

85%
Of surveyed businesses indicated that they plan to **make future improvements** to their property over the next five years (2024: 89%).

Only **32% of residential respondents**, in contrast, indicated that they planned to make improvements to their property over the same period, vastly lower than in 2024 (84%).

Approximately **86% of businesses** surveyed in North End indicated that the reason for the historic upgrades to the property was linked to the activities of the MBDA in the area. In comparison, only **50% of residential** respondents, indicated that the MBDA had **some influence** on their upgrade decision.

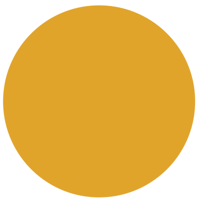
Comments expressed by respondents when asked what motivated them to invest in the area:

It's a busy area and there are more opportunities for my business to grow. It's also a central place and easy to reach.

My customers can easily access the area, it has a lot of amenities, and potential for growth.

The area makes it possible for my business to move forward.

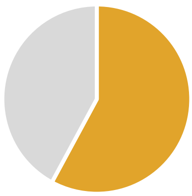
BUSINESS PERCEPTIONS



100%

Property values have increased

2024: **33%**

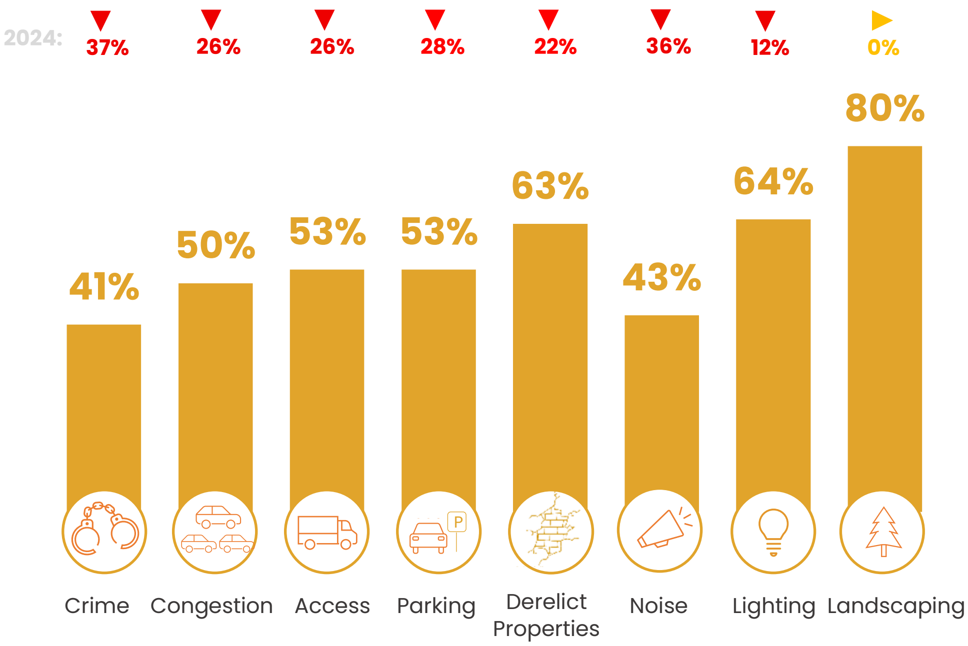


58%

Rental values have increased

2024: **44%**

Perceptions of businesses about property and rental value trends in the North End area over the **last five years**.



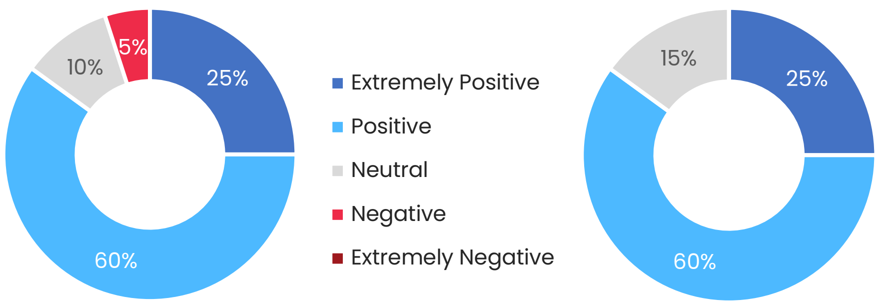
ENVIRONMENTAL FACTORS

To establish how businesses feel about changes in various factors over the last two years, they were asked to rank key issues on a scale of one to five. A ranking of one (1) indicated no improvement, while a five (5) indicated significant improvement. These were then converted to a percentage.

Businesses indicated that all environmental indicators have deteriorated since 2024, with the sharpest decline for crime, noise levels and parking.

STADIUM PRECINCT DEVELOPMENT

CLEANING PROGRAMME



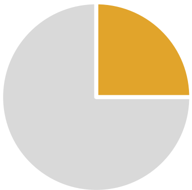
Businesses were also asked how they perceive the stadium precinct and the MBDA-run, EPWP funded, cleaning programme in the area.

Sentiments were overwhelmingly positive about the stadium development, with **85% of businesses** viewing this **positively** (2024: 63%). Businesses were equally positive about the permanent cleaners, with **85%** having a **positive** sentiment.

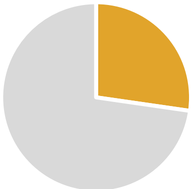
Types of interventions that business want for the area:

Youth development, crime and safety, tourism development, urban renewal and skills training were by far the most desired interventions by North End firms. Other types of interventions requested include: cleaning and recycling (25%); business support (25%); and investment promotion initiatives (25%).

RESIDENTIAL PERCEPTIONS

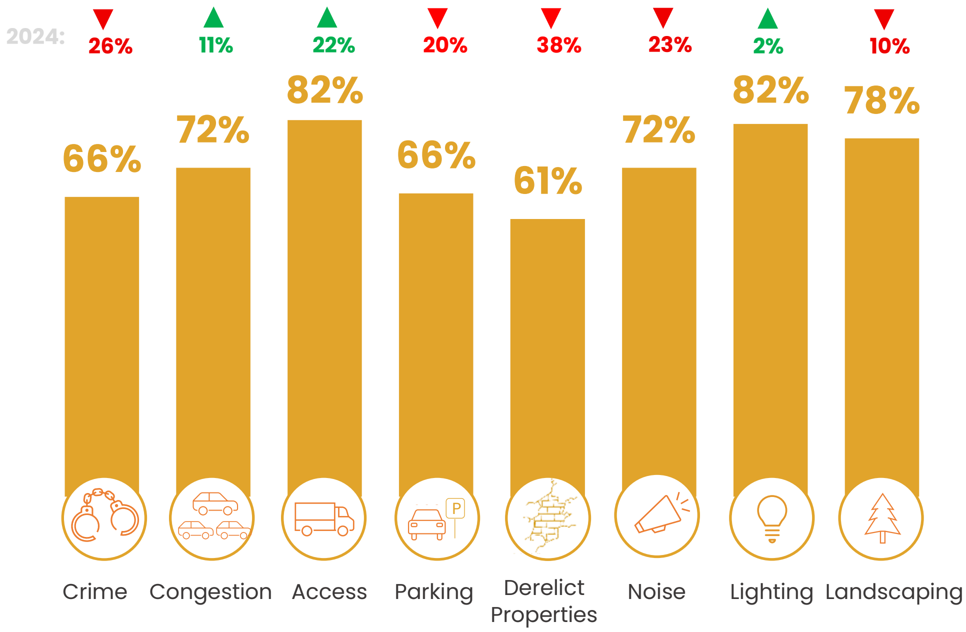


33%
Property values have increased
2024: **100%**



27%
Rental values have increased
2024: **26%**

Perceptions of residents about property and rental value trends in the North End area over the **last five years**.

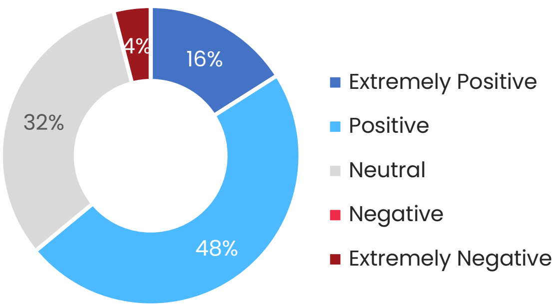


ENVIRONMENTAL FACTORS

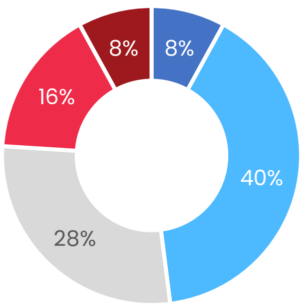
To establish how residents feel about changes in various factors over the last two years, they were asked to rank key issues on a scale of one to five. A ranking of one (1) indicated no improvement, while a five (5) indicated significant improvement. These were then converted to a percentage.

Residents saw the greatest improvements in access, congestions, and lighting, but limited improvements in derelict properties, crime and noise levels.

STADIUM PRECINCT DEVELOPMENT



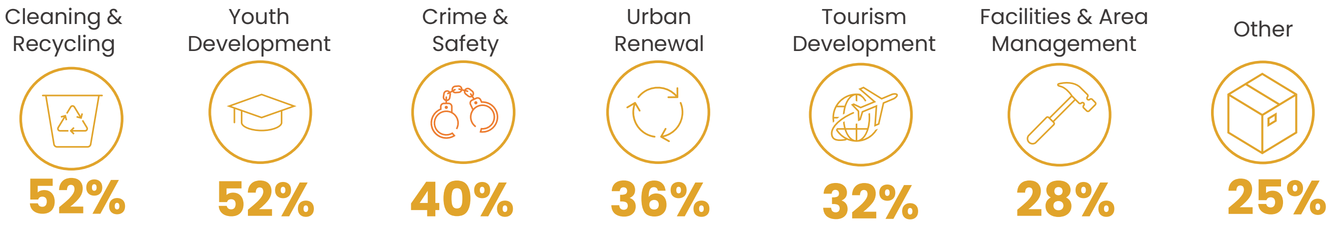
CLEANING PROGRAMME



Residents were also asked how they perceive the stadium precinct and the MBDA-run, EPWP funded, cleaning programme in the area.

Sentiments were less positive about the stadium development than in 2024, with **64% of residents** viewing it **positively** (2024: 88%). Residents were also less positive about the permanent cleaners, with **48%** viewing them **positively** (2024: 44%).

Types of interventions that residents want for the area:



Cleaning and recycling, youth development, crime and safety, and urban renewal were by far the most desired interventions by North End residents. Other types of interventions requested by residents included: tourism development (32%), facilities and area management (28%), and arts culture and events (28%).

ECONOMIC IMPACT

An economic impact is defined as an exogenous change in the local economy that has either a positive or negative effect on economic activity. In the North End area, this exogenous change has taken the form of a capital investment project undertaken by the MBDA that sought to uplift the local community. These economic impacts are once-off and only arise for the duration of the construction period.

To quantify the anticipated direct, indirect, and induced impact on an exogenous change, several econometric models can be applied. For this study, the SAM-Leontief model was used. The SAM-Leontief model uses social accounting matrices as the underlying database. Coefficients are taken from the SAM and are used to calculate the open and closed Leontief inverses which are multiplied by the exogenous change to obtain direct, indirect, and induced impact on production. The change in production is then multiplied by direct multipliers to obtain specific impacts on GDP, employment, and income.

Using this approach, the total economic impact of the estimated **R2.4 million incurred in developing the stadium amphitheatre and sculpture (R2.2 million) and cleaning programme (R113 908)**, prior to December 2025, has been quantified.

R6 MILLION

Total additional **production** generated owing to the investments in the area

R2 MILLION

Increase in national **GDP** owing to the investments in the area

11

Number of **employment opportunities (FTE)** created because of the investments in the area

R1 MILLION

Rise in **total household income** due to the investments

Contribution of the area to municipal rates revenue

Using the growth trends in household numbers for NMB published by Stats SA and data from the Census, it was possible to **estimate** the total **number of households in North End**.

Data from the North End Residential Survey was then applied to this figure to determine the estimated number of households in the area that own their property. The survey data was also used to calculate an estimated monthly rates payment per North End household (**R6 250**).

By using these two figures it was then possible to estimate the total **annual rates paid** by residential property owners to the NMB. This value – **R237 million** in 2024 – includes both property rates income as well as revenue derived by the NMBM from the sale of services (i.e. eater and electricity).

R237 MILLION

Estimated total annual property rates generated by residential properties in North End in 2024

KARIEGA CBD

Market Square forms the heart of Kariega's (Uitenhage) CBD, extending from Baird Street to Stow Road and bordered by Caledon and Durban Streets. In 2010, the MBDA revitalised the precinct, creating a lively, pedestrian-friendly civic space that reflects the town's rich historical and cultural heritage.

The CBD also accommodates Uitenhage's main taxi rank, a key hub in the local transport network, connected directly to Market Square via Uitenhage Mall, which hosts a range of established retail and service businesses.

Nearby, the historic Kariega railway sheds have been transformed by the MBDA into the Nelson Mandela Bay Science and Technology Centre, adding cultural, educational, and community value to the area.

R784 MILLION

Estimated GDP generated by the Kariega CBD in 2024, representing **less than 1%** of the NMB's total

14%

Increase in the estimated size of the area's GDP since 2020 at the height of the COVID-19 pandemic

R186 MILLION

Generated by the retail and wholesale trade sector, equivalent to **24%** of the area's total GDP

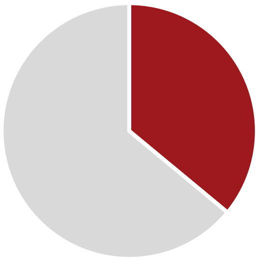
CBD USER & BUSINESS PROFILE

8 215

Estimated number of people permanently living in the Kariega CBD in 2024, equivalent to less than 1% of the NMB's population

This population reside in approximately **2 239 households** which are typically single storey free standing homes. This typography means that average household density is in line with the CBDs in other parts of the NMB.

The **average household** size, at **3.7 people** is slightly above the NMB average of 3.6.



36%

Of Kariega CBD users surveyed indicated they visit the area at least weekly compared to **64% in 2024**.

The strong transport linkages, especially the taxi rank, located in the Kariega CBD, means that the majority (**20%**) of CBD users surveyed **visit the area daily**.

A further **14%** of respondents indicated that they travel to the area **weekly**, further highlighting the pivotal role the **area plays as a transport hub** (2024: 24%).

BUSINESS TYPES

The Kariega CBD accommodates a wide variety of businesses, with well-known retailers such as Pep and Boxer, clothing stores, and food-service providers among the most prevalent.

Its proximity to the taxi rank and magistrate's court has encouraged numerous fast-food outlets (Hungry Lion, KFC) catering to the heavy foot traffic in the area. The retail mix also includes beauty and cosmetics shops, alongside general stores offering a diverse range of products.

Large wholesale businesses coexist with smaller retail outlets in the area, offering products including electronics, sound systems, phones, and computers.

The nearby residential suburb of Cannon Hill, on the CBD's outskirts, also provides a range of accommodation options.

6 YEARS

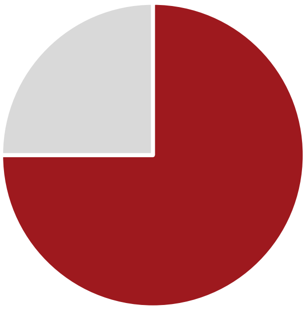
Average number of years a business has operated in the area

Most businesses in the area are well established, with **25%** indicating they had been in the area for more than 5 years (2024: 40%). An equally large proportion of respondents (**40%**) reported being in the area for between 3 and 5 years.

BUSINESS PERFORMANCE

9 EMPLOYEES

Average number of people employed per business (2024: 9 people). The area is characterised by several medium and large business, resulting in higher average employment relative to other areas. Surveyed businesses employed a total of **221 people** of which **84% were permanent** and 8% were temporary workers.



45% of businesses indicated that their staff numbers had increased over the last year

Despite this, the fluctuating nature of the retail trade sector that dominates the area, resulted in **20% of Kariega CBD businesses retrenching** workers over the past year (2024: 30%), compared to just 10% of firms in North End.

The net result of these lower job hires and retrenchments meant that total **employment** amongst surveyed businesses climbed by **23%** from 2024.

23% Increase in total employment amongst surveyed businesses over the last year

78% Of surveyed businesses hired between **1 and 4 staff** over the last year

The positive trends in employment growth were also borne out in businesses turnover. **Almost two thirds (65%)** of businesses indicated that their **turnover had increased** either slightly (55%) or significantly (10%) over the last five years (2024: 70%).

Businesses attributed the improvements in turnover to an overall **improvement in economic conditions**, more **positive sentiment** about the Kariega CBD, and **increased involvement by the MBDA** in the area.

The most cited reason for firm's turnover being unchanged was because of the **stabilisation** and improvement **in infrastructure**, **stagnant economic conditions** and poor and in some cases **negative perceptions** about the North End Area.

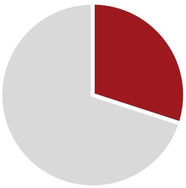
CHANGE IN TURNOVER

65% INCREASED

0% DECREASED

A further **35%** of businesses indicated that they had experienced **no change in their turnover** over the last five years.

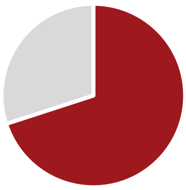
PROPERTY IMPROVEMENTS



30%

Made improvements

2024: **75%**

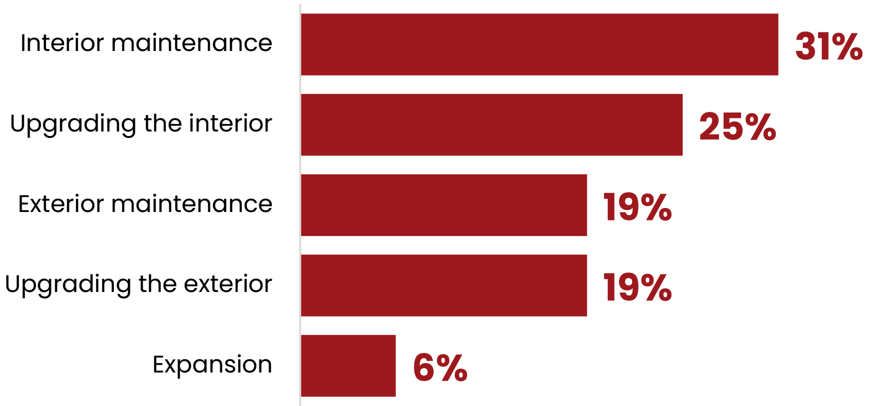


70%

Did not make improvements

2024: **25%**

Percentage of Kariega CBD business respondents that had made some form of improvement to their property over the **last five years.**



NATURE OF IMPROVEMENTS

Almost half (**50%**) of the improvements made by surveyed businesses in the Kariega CBD, were for **routine maintenance**. This was either to the interior or the exterior of the property. Approximately **6%** of respondents, however, indicated that they had **expanded** their property over the last five years.

50%

Of the improvements made by surveyed businesses were valued at **more than R250 000**

R500 000

Average value of improvements made, compared to **R256 667** in 2024

R3.0 MILLION

Estimated value of all improvements made by surveyed businesses in the Kariega CBD over the last 5 years. This figure is **24% lower than** the R3.9 million in improvements made **in 2024**.

80%

Of surveyed businesses in the Kariega CBD indicated that they plan to **make future improvements** to their property over the next five years (2024: 95%).

Two thirds (67%) of surveyed businesses indicated that the activities of the MBDA in the area had an influence on their investment decision, with **33%** citing the MBDA's upgrades as the **main reason for investment decision**.

Just **33%** of businesses surveyed in the Kariega CBD said that the MBDA activities in the area had no influence on their property investment decision.

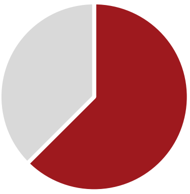
Comments expressed by businesses when asked what motivated them to invest in the area:

The environment has a lot of people for my business and it's easy to showcase my goods.

I am facing a lot of competition, so I need to invest to up my game!

The CBD is definitely open for business! It has quality amenities and lots of potential customers.

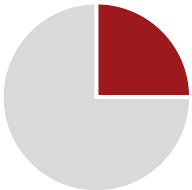
BUSINESS PERCEPTIONS



68%

Property values have increased

2024: **67%**

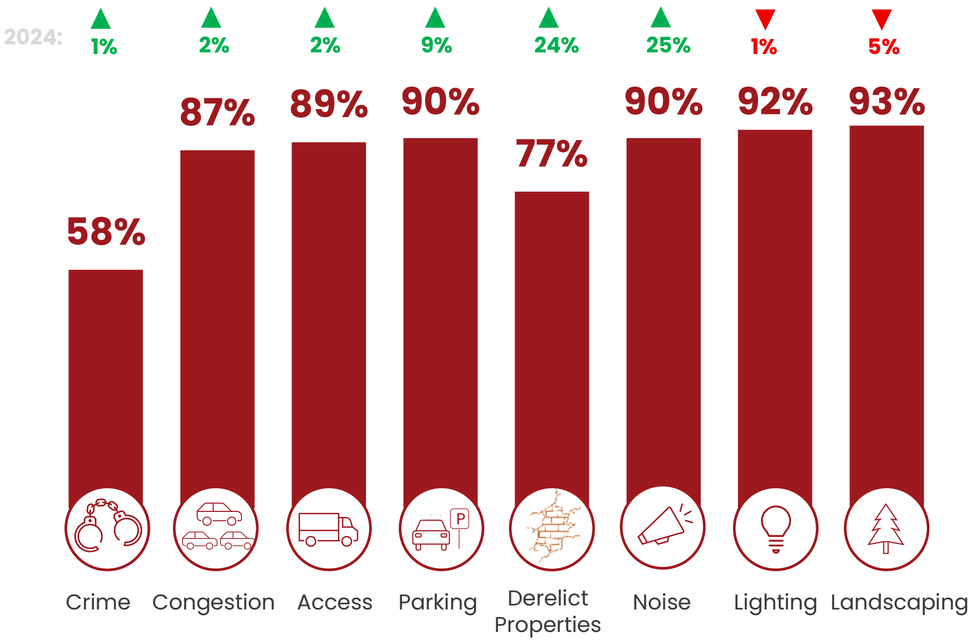


25%

Rental values have increased

2024: **73%**

Perceptions of businesses about property and rental value trends in the Kariega CBD area over the **last five years**.

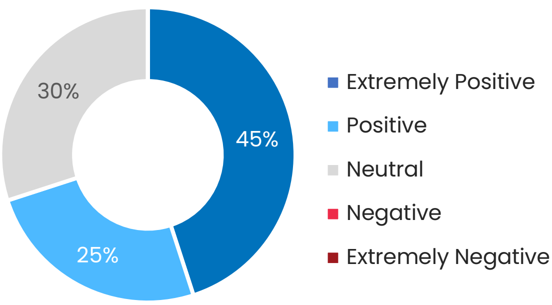


ENVIRONMENTAL FACTORS

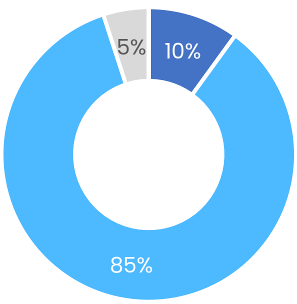
To establish how businesses feel about changes in various factors over the last two years, they were asked to rank key issues on a scale of one to five. A ranking of one (1) indicated no improvement, while a five (5) indicated significant improvement. These were then converted to a percentage.

Businesses saw the across all indicators except lighting and landscaping. These two indicators, however, still exhibit an exceptionally high level of satisfaction.

RAILWAY SHED UPGRADES



CLEANING PROGRAMME



Businesses were also asked how they perceive the railway shed upgrades and the MBDA-run, EPWP funded, cleaning programme in the area.

Sentiments were overwhelmingly positive about the railway shed redevelopment, with **74% of businesses** viewing this **positively** (2024: 89%). Businesses were equally positive about the permanent cleaners, with only **95%** viewing them **positively** (2024: 32%).

Types of interventions that business want for the area:

Crime & Safety	Skills Training	Cleaning & Recycling	Investment Promotion	Facilities & Area Management	Youth Development	Other
60%	40%	35%	35%	20%	20%	28%

Crime and safety, skills training, cleaning and recycling, investment promotion, facilities and area management, and youth development were by far the most desired interventions by Kariega CBD firms. Other types of interventions requested include: urban renewal (15%); business support (5%); arts and cultural initiatives (5%); and tourism development (5%).

CBD USER PERCEPTIONS

68%

Spend more time in the Kariega CBD

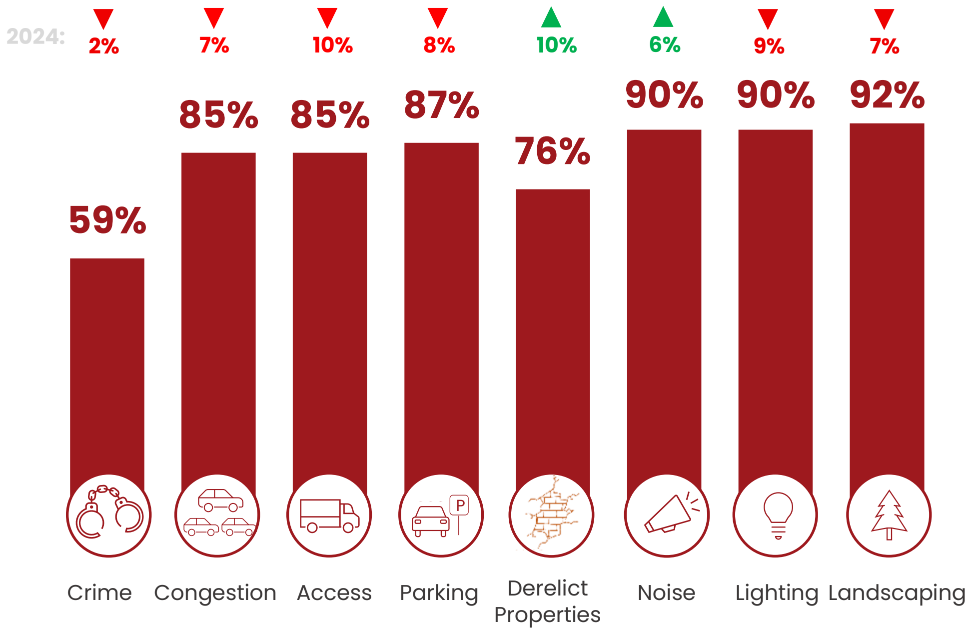
2024: **76%**

44%

Spend more money in the Kariega CBD

2024: **36%**

Percentage of Kariega CBD users that **spend more time** and **money** in the area **following the railway shed upgrades**.

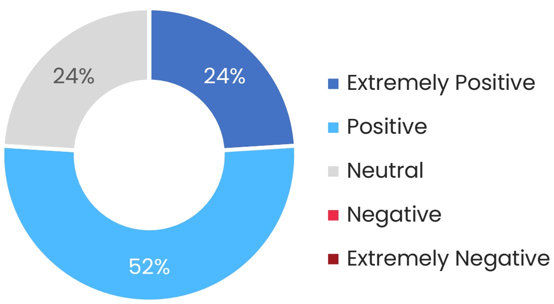


ENVIRONMENTAL FACTORS

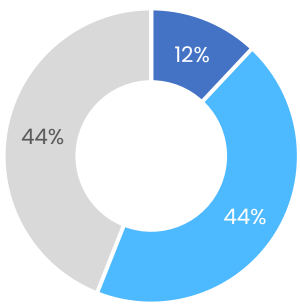
To establish how Kariega CBD users feel about changes in various factors over the last two years, they were asked to rank key issues on a scale of one to five. A ranking of one (1) indicated no improvement, while a five (5) indicated significant improvement. These were then converted to a percentage.

CBD users only saw improvements in derelict properties and nosie levels, with all other indicators deteriorating. Overall satisfaction, for all indicators except crime however remains high.

RAILWAY SHED UPGRADES



CLEANING PROGRAMME



Kariega CBD users were also asked how they perceive the railway shed upgrades and the MBDA-run, EPWP funded, cleaning programme in the area.

Sentiments were **overwhelmingly positive**, with no CBD users expressing negative sentiment toward either initiative. The railway shed upgrade was seen as particularly successful.

Types of interventions that CBD users want for the area:

Skills Training	Crime & Safety	Youth Development	Cleaning & Recycling	Tourism Development	Urban Renewal	Other
84%	**80%**	**56%**	**48%**	**16%**	**12%**	**8%**

Skills training, and **crime and safety** interventions are by far the most desired requests for the Kariega area amongst CBD users. Other types of interventions requested include: youth development (56%); cleaning and recycling (48%); tourism development (16%); urban renewal (12%); and investment promotion (12%).

ECONOMIC IMPACT

An economic impact is defined as an exogenous change in the local economy that has either a positive or negative effect on economic activity. In the Kariega CBD, this exogenous change has taken the form of the several capital investments projects funded or undertaken by the MBDA. These economic impacts are once-off and only arise for the duration of the construction period.

To quantify the anticipated direct, indirect, and induced impact on an exogenous change, several econometric models can be applied. For this study, the SAM-Leontief model was used. The SAM-Leontief model uses social accounting matrices as the underlying database. Coefficients are taken from the SAM and are used to calculate the open and closed Leontief inverses which are multiplied by the exogenous change to obtain direct, indirect, and induced impact on production. The change in production is then multiplied by direct multipliers to obtain specific impacts on GDP, employment, and income.

Using this approach, the total economic impact of the estimated **R11.5 million incurred in upgrading Kariega railway sheds (R10.4 million) and cleaning programme (R1.1 million)**, has been quantified.

R31 MILLION

Total additional **production** generated owing to the investments in the area

R9 MILLION

Increase in national **GDP** owing to the investments in the area

74

Number of **employment opportunities (FTE)** created because of the investments in the area

R4 MILLION

Rise in **total household income** due to the investments

Contribution of the area to municipal rates revenue

Using the growth trends in household numbers for NMB published by Stats SA and data from the Census, it was possible to **estimate** the total **number of households in the Kariega CBD**.

Data from comparable residential surveys was then applied to this figure to determine the estimated number of households in the area that own their property. This comparable survey data was also used to calculate an estimated monthly rates payment per Kariega CBD household (**R5 251**).

By using these two figures it was then possible to estimate the total **annual rates** paid by residential property owners to the NMB. This value – **R141 million in 2024** – includes both property rates income as well as revenue derived by the NMBM from the sale of services (i.e. water and electricity).

R141 MILLION

Estimated total annual property rates generated by residential properties in the Kariega CBD in 2024

CONCLUSION

The MBDA's 2025–2026 Economic Impact Assessment aims to be a clear, data-driven barometer of confidence, sentiment, and investment across Central, North End, and Kariega. The results capture both business and resident perspectives, providing a balanced and evidence-based assessment of the MBDA's performance across the three areas. The findings show that the **MBDA's place-based interventions matter**. Where conditions have improved, confidence and investment have followed. Where deterioration has begun to set in, confidence weakens and sentiment turns.

Central stands out as a **clear success** story. Investment by businesses and residents has risen steadily over the last three years, while negative views about **crime** in the area have dropped sharply and consistently, **falling 30 percentage points** since 2023. Perceptions about the area's overall cleanliness have also improved – although a lot remains to be done. The improved environmental conditions have contributed to greater confidence in Central. Cleaner, safer public spaces have likewise helped to attract more **private investment** which has **risen by 7% in real terms since 2023**.

North End, in comparison, has started to **decline**. Reported **investment** has fallen sharply, **dropping by 55%** over the last year, mainly due to lower investment by local businesses. Negative sentiment among both businesses and residents is increasing, with **crime**, **derelict buildings**, **noise**, and poor lighting seen as growing concerns in the area. Some positive signs, however, are still evident. Both businesses and residents point to the **MBDA as a key driver for their recent investment decisions**, while positive sentiment about the MBDA's **cleaning teams**, has **risen by 14 percentage points** since last year. These trends suggest that several core issues need to be addressed to prevent further deterioration.

Kariega remains broadly **stable**, though **early warning signals are evident**. Lighting, landscaping and congestion levels are still viewed favourably; however, these positive views have begun to soften. The role of the EPWP cleaning teams in Kariega have been particularly effective at shifting sentiment. Whereas views were largely negative last year, **73%** of **businesses** and **residents** now **express positive sentiment** regarding their performance. This improvement demonstrates that visible service delivery interventions can rapidly influence public perceptions. **Maintaining momentum will be essential** to prevent gradual erosion of confidence.

The overall picture is therefore mixed. Central is consolidating gains and building momentum from sustained interventions by both the Central Special Ratings Area and the MBDA. North End shows signs of deterioration but retains the potential for recovery through decisive action. Kariega remains stable but vulnerable if emerging weaknesses are not addressed proactively.

The findings point to a clear conclusion: consistent, visible urban management strengthens confidence, and sustained confidence supports investment and improved perceptions. These gains are not self-sustaining. They depend on ongoing partnerships with civic bodies and targeted interventions that address the core challenges identified in each area.

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