PROJECT IMPLEMENTATION REPORT

Project ID:	10817
Project Name:	Sustainable energy systems for urban-industrial development in South Africa
Countr(ies):	South Africa
Implementing Agency:	UNIDO

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I. Overview

A. Description

Project name
Sustainable energy systems for urban-industrial development in South Africa

Country
South Africa

GEF ID	Implementing Agency
10817	UNIDO

Executing Entity
National Cleaner Production Centre of South Africa (NCPC-SA)

Trust Fund	Project Type
GET	MSP

PIR Submission	Fiscal Year , PIR Number
9/12/2026	FY 2026 , 3rd PIR

Objective
Reducing GHG emissions and other environmental and social impacts by accelerating the decarbonization of industrial parks addressing both the energy supply and demand side

B. Ratings and Disbursements

Implementation Progress	Development Objective
Moderately Satisfactory	Moderately Satisfactory

Overall risk
Moderate Risk

Project Financing	Cumulative Disbursement
1,335,596.00	733,795.00

C. Key Dates

CEO Endorsement/Approval	Agency Approval
8/16/2022	5/1/2024

Implementation Start	First Disbursement
10/31/2022	1/30/2024

Expected MTR	Actual MTR
9/30/2025	9/30/2025
Expected Completion	Actual Completion
10/31/2027	

II. PROGRESS STATUS AND ISSUES

A. Progress: Information on progress and outcomes of project implementation activities

- Output 1.1.2: Completed technical specifications for design of a web-based data system **(Annex A)**. An existing system was found in the CSIR that can be configured to deliver on the web-based data system.
- Output 1.1.3: All activities under this output are in progress with two service providers appointed.
  - The recommendations for best practices and guidelines are being developed by the CSIR Energy Centre and are overall 10% completed and expected to be done by November 2026.
  - The development of the Policy Roadmap commenced in March 2026, and the first draft delivery was submitted on gap analysis **(Annex B)**. The activity is 40% completed.
  - The Technical Roadmap: Integrated Energy Planning strategies for 3 selected municipalities are overall 16% completed with data collection stage in progress.
- Output 1.1.4: Four out of the six trainings have been completed, which took place at 2 IP's/SEZ's **(Annex C)**. The remaining trainings will take place online for all stakeholders to attend.
- Output 2.1.1: Feasibility studies for 3 pilot demonstration projects have commenced and are at 19% completion. Selection criteria was applied to the pilot demonstrations projects **(Annex D)**. One of the requested projects (Coega) was later changed at the request of the SEZ (see Coega TA request in **Annex I**).
- The Medium-Term Review was completed and the final report was shared with the NCPC-SA, CSIR and dtic.
- The first conference took place in October 2025 and a Roundtable discussion on the second day of the conference.
- A PSC meeting took place on 12 December 2025 (minutes attached as **Annex E**). The next PSC meeting is scheduled for 15 July 2026.
- As second Roundtable took place on 30 June 2026 as part of the Sustainable Industrial Spaces programmes of the NCPC-SA, where a presentation was done on the SESID and energy impact of industrial spaces.

B. Challenges: Information on challenges of project implementation activities

The project encountered the following challenges during 2026:

- Delays in implementation of pilot projects due to the time required for project identification, feasibility assessments, procurement processes, and alignment with participating industrial parks and municipalities. Several Component 2 activities remained in preparation stages before implementation could commence.
- Difficulty accessing reliable energy data from industrial tenants, largely due to availability and reluctance by some companies to share operational and energy consumption information required for audits and the planned energy database.
- Re-establishing relationships with key stakeholders in certain industrial parks, particularly Umbogintwini, required additional effort and time before technical activities such as audits and project pipeline development could progress effectively.
- Budgetary pressures arising from increased implementation costs, particularly for energy audits and technical assessments, required adjustments to planned budgets and resource allocations.
- Coordination across multiple stakeholders proved complex, involving municipalities, industrial park management, tenants, government departments, financial institutions and project partners, each operating with different priorities and timelines. The project team used the established coordination mechanisms to strengthen engagement with the various stakeholder groups and align the support provided to the selected industrial parks and SEZs.
- At some participating industrial parks, priorities changed during implementation, resulting in revisions to the projects initially presented and requests to adjust the scope of support. This required additional engagement and technical assessment to ensure that the revised interventions remained aligned with the project objectives and the current needs of the respective sites.

To address challenges related to implementation delays, the project is currently processing a 1 year no-cost extension. The extension is intended to provide sufficient time to complete activities and ensure that planned outputs and outcomes are achieved in line with project objectives. In particular, the extension is crucial to accommodate additional time needed for the implementation of pilot projects under Component 2 and the development of a robust pipeline of bankable energy efficiency and renewable energy projects under Component 3.

C. Stakeholder Engagement

- 28 November 2025: A Technical Working Group (TWG) meeting was convened to review the proposed pilot demonstration projects, discuss technical priorities, and prepare recommendations for submission to the Project Steering Committee (PSC).

- 12 December 2025: The fourth Project Steering Committee (PSC) meeting was held virtually. The PSC reviewed project progress, considered the Mid-Term Review recommendations, approved the revised logframe, endorsed the three pilot demonstration projects, approved the development of technical roadmaps, and supported the request for a 12-month no-cost extension.

- 20–21 October 2025: SESID participated in and co-hosted the Sustainable Industrial Spaces Conference and Roundtable, which served as the project's first annual conference and roundtable platform. The event brought together representatives from industrial parks, SEZs, Eskom, GIZ, UNIDO, government institutions, technical experts and industry stakeholders. A total of 257 delegates registered for the event, including virtual participants.

- 3–4 February 2026: Energy Management 101 training was conducted at Coega SEZ, with participation from 13 delegates (8 male and 5 female), strengthening awareness and capacity on energy management practices.

- On 3 March 2026, NCPC-SA hosted the side event, “Industrial Spaces as Sustainable Energy Hubs – The Potential and Challenges of Leveraging Industrial Parks, SEZs and IDZs in a Sustainable Energy Mix,” at the Africa Energy Indaba at the Cape Town International Convention Centre. The session brought together representatives from government, industry, development partners and industrial-space stakeholders to discuss the role of industrial parks, SEZs and IDZs in supporting South Africa’s energy transition (https://www.industrialefficiency.co.za/2026/02/20/invitation-to-industrial-spaces-as-sustainable-energy-hubs-at-africa-energy-indaba/)

- 9–11 March 2026: Resource Efficiency and Cleaner Production (RECP) training was delivered at Phuthaditjhaba Industrial Park, attended by 23 delegates (11 male and 12 female), focusing on resource efficiency and sustainable industrial production practices.

- 23–24 March 2026: Energy Management Systems (EnMS) Implementation training was conducted at Coega SEZ, attended by 13 delegates (7 male and 6 female), supporting the adoption of systematic energy management approaches within industrial facilities.

- 26–27 March 2026: A second Energy Management 101 training programme was presented at Phuthaditjhaba Industrial Park, attended by 19 delegates (9 male and 10 female).

- Throughout the reporting period, the project team conducted multiple site visits and technical engagements with participating industrial parks and SEZs, including ELIDZ, Coega SEZ, Phuthaditjhaba Industrial Park, Atlantis SEZ and Umbogintwini Industrial Park, to discuss project implementation, data requirements, pilot project development and technical support needs.

- 22 April 2026: A follow-up engagement was scheduled with ELIDZ to discuss formalisation of project cooperation through a Memorandum of Agreement and to support implementation of the selected SESID pilot project.

- Regular engagements were held with the CSIR Energy Centre during 2026 to support the development of technical roadmaps, integrated energy strategies, energy analysis methodologies, pilot project feasibility studies and the Web-Based Energy Data System.

- Continuous engagement took place with UNIDO, SANEDI, Eskom, GIZ, GEIPP and LC-PEIS partners to strengthen coordination across sustainable industrial development initiatives, align activities and share technical knowledge and lessons learned.

- During the reporting period, renewed engagement was undertaken with Umbogintwini Industrial Park management to address previous participation challenges, rebuild relationships and secure support for the planned energy audits and project pipeline development activities.

- The project engaged DBSA, IDC and IFC separately to explore potential support for investment mobilisation, project financing and the assessment of pilot-project bankability. These engagements will continue as the pilot projects are further developed and their financing requirements become clearer.

D. Gender Equality

- Continued monitoring of the Gender Action Plan (GAP) through the collection and monitoring of gender-disaggregated data for project meetings, workshops, training events and stakeholder engagements. Gender-sensitive indicators are used to track female participation across project activities.

- Maintained the project target of achieving at least 30% female participation in stakeholder engagements, training programmes and capacity-building activities, consistent with the project's gender-responsive design and results framework.

- Achieved strong female representation in governance structures, including Project Steering Committee (PSC) meetings, where female participation exceeded the minimum project target.

- Ensured gender-balanced participation in FY26 capacity-building activities, including Energy Management and Resource Efficiency training programmes conducted at Coega SEZ and Phuthaditjhaba Industrial Park. Female participation represented approximately 48% of total trainees across the four training interventions implemented during the reporting period.

- Established the Industrial Spaces Gender Mainstreaming Working Group (GM-WG) to provide oversight and guidance on integrating gender considerations into project implementation, monitoring and reporting, across all projects under NCPC-SA's industrial spaces portfolio. The working group consists predominantly of women (approximately 80%) and includes representatives from government, UNIDO, CSIR, NCPC-SA and gender specialists.

E. Knowledge Management

- Hosted the Sustainable Industrial Spaces Conference and Roundtable on 20–21 October 2025 at the CSIR International Convention Centre in Pretoria. The conference served as a major knowledge-sharing platform, bringing together industrial parks, SEZs, government departments, financiers, development partners and technical experts to discuss sustainable energy, industrial decarbonisation, financing mechanisms, gender inclusion and industrial competitiveness. Conference materials and presentations were made available to wider stakeholders.
  The information and recording from this conference are available in the NCPC-SA website (https://www.industrialefficiency.co.za/2025/10/27/ncpc-advances-the-conversation-on-sustainable-industrial-development-at-a-recent-conference/)

- Facilitated the first SESID knowledge-sharing roundtable, enabling exchange of lessons, experiences and best practices between industrial parks, SEZs and partner programmes including GEIPP and other Sustainable Industrial Spaces initiatives.

- Facilitated the second SESID knowledge-sharing roundtable, presentation done on Re-imagining industrial spaces as hubs for scaling renewable energy solution: harnessing energy data through the SESID project.

III: Minor Amendments

CONTEXT	
Result Framework	Based on the Mid-Term Review (MTR) recommendation to strengthen synergies and alignment with other industrial spaces initiatives (including GEIPP and LC-PEIS), the SESID project Results Framework was revised to enhance coordination, avoid duplication of efforts, improve resource efficiency, and maximize impact across industrial parks and SEZs. The revised Results Framework was approved by the PSC in December 2025 (see meeting minutes in Annex E). The revised Results Framework and justification are presented in Annex F.
Components and Cost	
Institutional And Implementation Arrangements	
Financial Management	
Implementation Schedule	A 12 month no-cost extension request was approved by the PSC and is currently being processed by UNIDO.
Executing Entity	
Executing Entity Category	
Minor Project Objective Change	
Safeguards	
Risk Analysis	
Increase of GEF Financing up to 5%	
Co-Financing	
Location of Project Activity	
others	

IV: Geographic Coordinates of Project Activities

Location Name	Latitude	Longitude	GeoName ID

Atlantis Special Economic Zone	-33.59432	18.47250	3,370,352

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Coega Special Economic Zone	-33.79603	25.6679	964,420

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
East London Industrial Development Zone (ELIDZ	-33.79603	25.6679	1,006,984

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
PhuthaditjhabaIndustrial Park	-28.52763	28.8965	965,401

Location Description:

Activity Description:

Location Name	Latitude	Longitude	GeoName ID
Umbogintwini Industrial Complex	-30.01657	30.90392	946,228

Location Description:

Activity Description:

V. ANNEX

Uploaded Document

Document Category	Title
M and E Document	Annex A - Tech Specs for design of web-based data system

Document Category	Title
M and E Document	Annex B - Gap Analysis Report
M and E Document	Annex C - Trainings reports
M and E Document	Annex D - Pilot Demo Project_Selection Report
M and E Document	Annex E - PSC Meeting Minutes - 12 December 2025
M and E Document	Annex F - Revised Results Framework
M and E Document	Annex G - Financial Report
M and E Document	Annex H - Workplan 3
M and E Document	Annex I - Coega SEZ request
M and E Document	10817_2026_PIR_UNIDO_South Africa