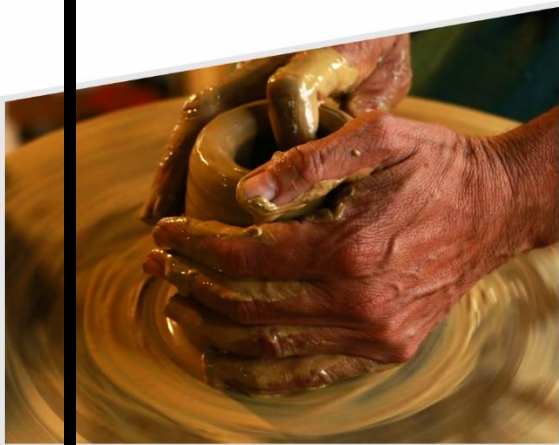
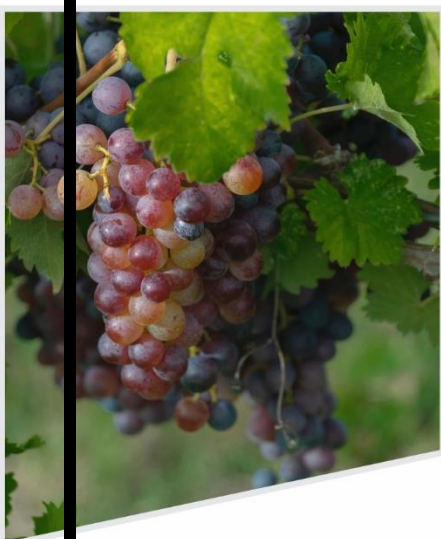




**KANNALAND**  
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## **2022 – 2027 LOCAL ECONOMIC DEVELOPMENT STRATEGY**



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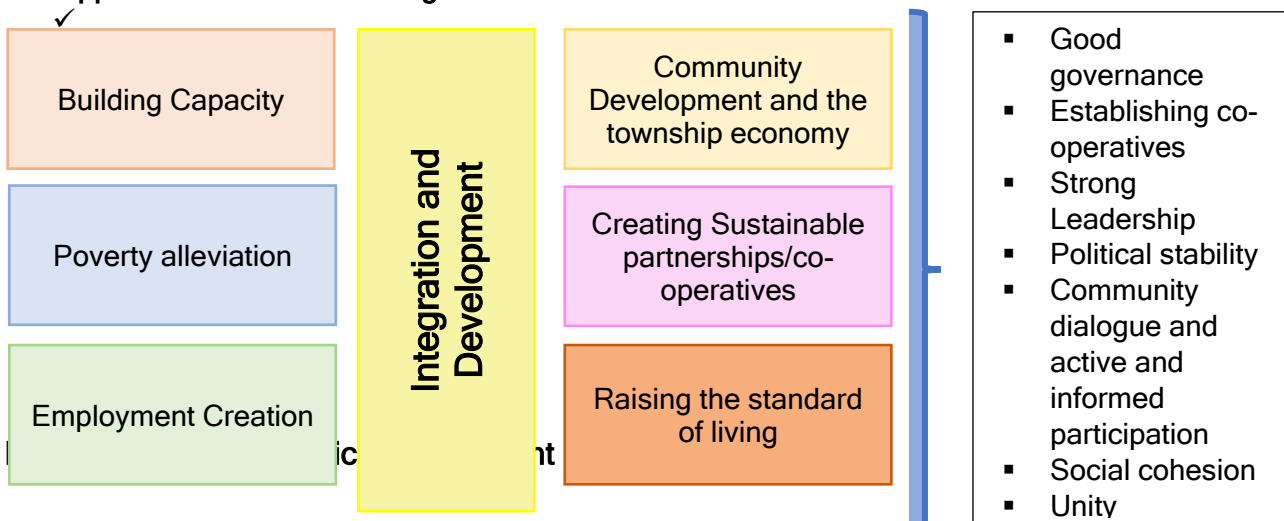
## Foreword by Municipal Manager

The Communities of Kannaland is the Municipality’s most important asset. It for this reason the Municipality decided to embark on a process to formulate a Comprehensive and Inclusive Local Economic Development [LED] Strategy to be finalized by the end of June 2022.

Because our communities live in conditions of economic hardship and social uncertainty; this Strategy will be aimed at, providing the Municipality with mechanisms to alleviate burdening poverty and create meaningful and sustainable employment opportunities for the deprived communities of Kannaland. The Municipality is also mindful of the fact that the private, public and community sectors have an important role to play in developing the economy of Kannaland; therefor it will encourage and engage in regular dialogue with business and community leaders, including National and Provincial Departments, in order to build a foundation that will address our economic and social development gaps. This has already commenced in Kannaland who actively participates on different platforms such as the LED Forum; the Business Chamber Forum; The Informal Traders Forum and the Skills MECCA.

This Local Economic Development [LED] Strategy presented here is a step in the process of charting a new path for Kannaland. Our plan is to change the life chances of underprivileged communities residing in Kannaland; life chances that currently remain underdeveloped.

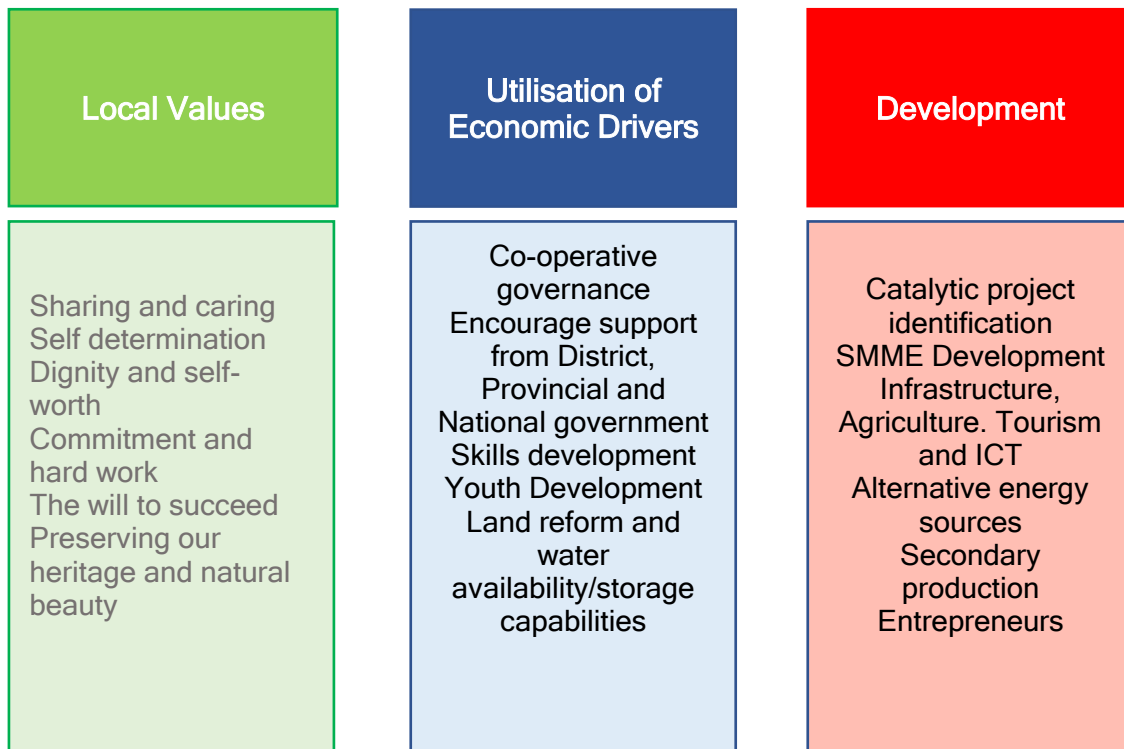
### Our approach to economic change:



Local economic development [LED] is a participatory process in which local people from all sectors work together to stimulate local commercial activity, resulting in a resilient and sustainable economy. It is a mechanism to facilitate the creation of meaningful and sustainable employment opportunities and improve the quality of life for everyone, including the poor and marginalised.

Local economic development [LED] further encourages the public, private and civil society sectors to establish sustainable and productive partnerships and collaboratively find local solutions to common economic challenges.

Creating a LED strategy is an integrated, process-oriented and non-prescriptive endeavor. It should fundamentally embrace the following:



LED is based on the principle that wealth in local communities is created not by government but by private enterprise which depends on favourable local business conditions to create prosperity. Local governments have the key role in creating favourable environments for business success

[Source: LED Tools-An Introduction for Municipalities and LED Service Providers in Bosnia Herzegovina: 2011]

**Kannaland Business Chamber Directive**

The Kannaland IDP and Public Participation unit attended a meeting with the Ladismith Ratepayers

Association on where the undermentioned catalytic projects, needs and priorities were put forward by the Ladismith Business Chamber:

### **Catalytic Item 1:**

Water security is the number one intervention that will have long term benefits for growth & development for the next 50 years in Ladismith. Urgent implementation of the Klein Swartberg water reservoir (dam) project should commence in year one of the 5TH Generation IDP and measurable implementation goals should be attached to the IDBIPP process so that an operational reservoir are commissioned before the end of this IDP in 2027. Attaining those goals should be part of the Municipal Manager's quarterly performance assessments and reviews. One of our members is a qualified Civil Engineer and the Ladismith Business Chamber nominate Mr. Nel Kotzé (B.ENG (Civil) (US)) to be our representative on the technical working committee of the planning and implementation workgroup.

### **Catalytic Item 2:**

With the Fourth Industrial Revolution imminent, fast, reliable, and affordable broadband internet connections are a pre-requisite for economic growth and youth development. Fibre optic cable installation in Ladismith, both FFTH (fibre to the home) and FTTB (fibre to the business), should be implemented. Identification of a wholesale fibre partner such as Dark Fibre Africa or Openserve should be identified, and a memorandum of intent must be signed during the first year of the 5th Generation IDP. Fibre installation should commence in at least the Second Year of the IDP.

### **Other items under each key performance area:**

#### **KPA1: Reliable Infrastructure**

##### **➤ Item 1: Upgrade the electricity supply network:**

- 1.1 Commission a qualified Electrical Engineer to assess the Ladismith Power Network and to compile a Network Distribution Upgrade Plan to be completed in a 4-year timeframe.
- 1.2 Upgrade the overhead electricity cables that dates from the 1970's to modern below ground cables and distribution transformers in line with current best practices and standards. (This trenching can be done in conjunction with the laying of Fibre optic cables)
- 1.3 Upgrade transformers for distribution.
- 1.4 Implement 'n standardised maintenance plan to continuously upgrade and maintain the power network.
- 1.5 Implement the Western Cape Provincial Government plan for small scale, grid tie, home electricity generation.

##### **➤ Item 2: Upgrade the Ladismith Road Network.**

- 1.6 Commission a qualified Civil Engineer to assess the Ladismith Road Network and to compile an

upgrade and repair plan to complete road infrastructure upgrades in a 4-year timeframe.

- 1.7 Until completion of the Road upgrade project continue with pothole filling. Service standards should be agreed with potholes reported repaired within 48h00. Monthly assessments of the Road network should be undertaken, and potholes not reported should be identified and repaired within 7 days.
- **Item 3: Repair/upgrade Ladismith Central Business Area Pavements, street lighting/ drainage.**
- 1.8 Commission a qualified Town Planner to assess the Van Riebeeck Street, Queen Street and Church Street pavements in order to repair and upgrade the pavements, water drainage and street lighting in a style sympathetic to the Victorian Period Style of the buildings.
- 1.9 Redevelop the area in front of the Town Hall to make herringbone-diagonal parking available in the congested area in front of the Council Offices in Queen Street.
- **Item 4: Clean up all public spaces by removing dumped refuse, broken fittings, dead trees and broken road signs.**
- 1.10 Clean-up of Public spaces, Road sides and Public land in and around Ladismith Town should be done on a monthly basis by well supervised EPWP workers and the Municipalities own employees. Ladismith Business Chamber can assist with supervision and identification of areas to be cleaned on a monthly basis.
- **Item 5: Delivery and supply of clean water of an acceptable quality complying with National Norms and Standards as well as in sufficient quantities under workable pressure.**
- 1.11 Repair of the water collection channel (Syfer sloot en pyp) beneath the Little Swartberg River should be completed to ensure 24h00 per day water delivery to the Town water treatment works. This must be completed in the first year of the 5th Generation IDP.
- 1.12 All water pipes, channels and man holes should be inspected and repaired to standard specifications in order to minimize water losses and to safeguard the water supply infrastructure.
- 1.13 The water reservoir known as the “Goewermentsdam” that is already enclosed with security fencing, should be locked with strict access control to prevent tragic drowning such as the recent tragic drowning in late 2021.
- 1.14 Water treatment should be done in accordance with National Norms and Standards with independent quality monitoring. Compliance should be part of the Municipal Manager’s quarterly performance review, and quality reports should be published monthly on the Municipal website.

## **KPA2: Service Delivery**

- **Item 1: Refuse collection and management of land fill site.**

2.1 Kannaland Municipality should purchase a dedicated, build-for-purpose refuse collection truck.

- 2.2 Refuse collection should be planned to be done in sections of the town on a specific day and time of the week. This service should be ultra-reliable, and function even on public holidays.
- 2.3 Refuse sorting & recycling should be implemented at the landfill site. Opportunities for local economic development exist in recycling, and the Municipality should put out the recycling of a percentage of the refuse on a 5-year tender.
- 2.4 Landfill site should be operated in accordance with best practices and National regulations and quarterly reports to the community should highlight compliance or non-compliance with regulations.

➤ **Item 2: Water treatment works.**

- 2.5 Water Treatment Works must be upgraded in accordance with the project plan for the treatment facility that was already compiled.
- 2.6 Treated water must comply with National Norms and Standards, must be monitored monthly and be reported on publicly on the Municipal website. Compliance with National Norms and Standards must be part of the Municipal Manager's quarterly performance reviews.

### **KPA3: Safer Communities**

➤ **Item 1: Visible Traffic and Municipal Law enforcement actions.**

- 3.1 Municipal Law enforcement patrols in Ladismith Town to enforce road traffic infringements, specifically motorists not stopping at stop streets, making U-turns illegally, driving unroadworthy vehicles, driving vehicles with expired licenses and foreign registrations that have lapsed. Be in visible attendance 4 days per week for a minimum of 4 hours per day.

➤ **Item 2 Construction of a driver's license testing facility in Ladismith.**

- 3.2 Construction and commissioning of a facility to test drivers for motorcycle, passenger vehicle and heavy vehicle licenses in Ladismith. Planning and construction must start during year 2 of the 5th Generation IDP and must be completed by the 4th year of the IDP - that is 2026.

### **KPA4 Socio-economic development**

➤ **Item 1 Funding for Tourism Bureau in Ladismith**

- 4.1 Funding of the current Bureau should be increased and a development plan be funded to develop future tour guides, tourism operators and tourism officials.

➤ **Item 2 Upgrading the Tourism Potential of Ladismith Town**

- 4.2 Removal of all dead trees in town and on access roads to town during year 1 of the 5th Generation IDP.
- 4.3 Plant 1 000 watrwise indigenous trees in and around Ladismith, with a minimum of 200 trees to be planted each of the 5 years. The Ladismith Business Chamber can assist with expertise in this regard and green funding is available to realise this goal.

## KPA5 Effective and Efficient Governance

- **Item 1 Appointment of competent, qualified, experienced senior managers with clean track records.**

- 5.1 Ensure that a competent qualified engineer with the required experience is appointed to be the Technical Director of Kannaland.
- 5.2 Ensure that the required qualified artisans are appointed such as qualified electricians.
- 5.3 Ensure that the Municipal Manager that is appointed has the required qualifications, experience, and clean track record to ensure efficient governance.
- 5.4 Ensure that the Financial Manager and Corporate Services Manager that is appointed has the required qualifications, experience, and clean track record to ensure efficient governance.
- 5.5 Ensure that an independent audit and risk committee is established in line with the Municipal Structures Act, and that they function independently.

## KPA6 Efficient Workforce

- **Item 1 Ensure alignment of duties, responsibilities, delegations, and functions of workforce.**

- 6.1 Ensure that a comprehensive organogram of the workforce is drawn-up, showing the different post levels, lines of reporting, funded and un-funded posts, filled and unfilled posts, and names of persons filling each post.
- 6.2 Council should determine each year which posts should be funded in line with the expected budget, and the Municipal Manager should ensure that 95% of funded posts are filled with qualified, competent personnel after an objective Recruitment & Selection Process.

- **Item 2 Ensure the implementation of a Performance Agreement and Evaluation Dispensation for all levels of Employees.**

- 6.3 All employees should have Individual Performance Plans and should be evaluated at least 3 times

per year against the agreed Performance Standards. Performance Plans should include key metrics such as:

“Number of potholes repaired within 48h00 after reporting per quarter” or “ Number of illegal dumping reports successfully resolved per month” or “ Response time to repair water leaks or power outages” Consequence management with Disciplinary Action should be part of the Performance Plan. Global Performance evaluation ratings should be published annually. eg. Overall rating of All workers, Top level rating, MM rating, technical personnel rating etc

- **Item 3: All role players should accept as principle that rates & taxes, service delivery fees and all other costs should be broadly in line with our neighbouring municipalities in order to attract investments, new business and new employers.**

- 6.4 In order to increase revenue, the Municipality should endeavour to become more efficient, to recover a larger percentage of outstanding debt from service fees, to make use of the support mechanisms available from National Government and to attract more investment into the area. The two catalytic items mentioned at the beginning can attain this.

### **KPA7 Financial Sustainability**

- Item 1: Compile and publish a Municipal asset register
- Item 2: Ensure effective governance in the Supply Chain section with specific regards to the tender processes and the compliance thereof with the Municipal Finance Management Act.



# KANNALAND MUNICIPALITY'S LOCAL ECONOMIC AND TOURISM DEVELOPMENT STRATEGY

Creating meaningful and sustainable employment opportunities

## PART ONE: SECTION ONE

### 1.1 INTRODUCTION

#### 1.1.1 Legislative Framework

The adoption of the final constitution marks a significant new phase in the local government transition process. Municipalities now form a distinctive sphere, with a mandate to govern, to provide services and to promote social and economic development. These responsibilities require that each municipality develop distinctive policies aimed at meeting the particular needs of its communities.

#### **S152 (1) The objects of local government are:-**

- (a) to provide democratic and accountable government to local communities;
- (b) to ensure the provision of services to communities in a sustainable manner;
- (c) to promote social and economic development;
- (d) to promote a safe and healthy environment; and
- (e) to encourage the involvement of communities and community organisations in the matters of local government.

#### 1.1.2 Background

The Municipality of Kannaland has embarked on a Local Economic Development Strategy that will speak to and ultimately reduce Poverty and enhance Job Creation and Business opportunities in its jurisdiction. Faced with the challenges of being a smaller rural municipality, its access to investment and industries has been limited, yet the need to ensure standards of excellence in service delivery and maintaining fiscal discipline, remains paramount. It also like many other municipalities lives with the presence of huge defaults in collections of service fees as a consequence of unemployment and dire poverty. It is also mindful of the call by National Government for local municipalities to be the catalyst for sustainable economic growth. It is thus the aim of this document to set forth a Strategy of how the municipality would potentially harness its own limited resources and those of the Business and broader community, to create practical and sustainable local economic development.

The Strategy also talks to best practice models applied by the international community in dealing

with these challenges as well as aligning itself with the policies and guidelines as set out in the National and Provincial Governmental frameworks. It also draws on the strength of various incentive models of Donor and funding agencies in an attempt to be able to subscribe to programs and initiatives which will almost immediately be available for support and funding in its implementation phase.

### **1.1.3 Methodology**

Whilst it would be fair to say that the economic structure and patterns of ownership in Kannaland broadly reflect that of South Africa at large, there are many other variables that give Kannaland's Local Economy a different complexity. In order to have captured some of the specificities of the Local Economy, this strategy is informed by an economic survey conducted though out Kannaland; informal process of consultation with key economic stakeholders, such as organised established business, individual black businesses, key public sector decisionmakers and other community leaders. The rationale for having garnered the views of these stakeholders and role-players in the Kannaland Local Economy were to ensure the relevance of the economic strategy to the needs of local economic participants. At the same time, this process is intended to incorporate all views and opinions and neither to be fully comprehensive. The LED strategy will be advertised for public comment so as to ensure inclusivity and buy in from all concerned citizens within its borders.

### **1.1.4 Scope**

This Strategy should not be misconstrued as the panacea for all the developmental problems of Kannaland. It aims to bring about higher levels of economic activity in Kannaland by placing a great emphasis on the catalytic role of the Municipality in making this possible and in so doing hopes to make a contribution to sustainable employment creation, poverty alleviation and broad-based black Economic empowerment in Kannaland. It represents the start of an economic development process and focuses on laying the foundation for the long-term economic success of Kannaland. A caution should be issued from the outset that Local Economic Development is not about the planning of the geographic distribution of economic activities. This has therefore often been confused with town planning and spatial development which is been dealt with in Kannaland's Integrated Development Plan. The latter activities however do have a bearing on Local Economic Development and vice-versa e.g. identifying business-zoned sites for further development of business operations.

### 1.1.5 Roadmap to this Kannaland Local Economic Development [LED] Strategy

The following roadmap makes available a short outline of the sections which are contained within this Local Economic Development [LED] Strategy.

<b>PART ONE</b>	
<b>Section One</b>	Introduction, which sets the strategic direction for the Strategy by way of a background, methodology, scope and roadmap
<b>Section Two</b>	Clarification of Local Economic Development Roles and Responsibilities
<b>Section Three</b>	The current economic milieu, which provides an analysis of global economic conditions, the South African and District economies
<b>PART TWO</b>	
<b>Section Four</b>	Locating the Municipality within the domain of Local Economic Development, which focuses on the strategic role of the Municipality in economic development, sets vision and mission for the Municipality and determines the strategic economic priorities [Sector Focus] for the Municipality
<b>Section Five</b>	Strategic Imperatives and Programmes, which inter alia deals with the role of the Municipal budget, procurement, its legislative and regulatory authority and infrastructure in Local Economic Development
<b>Section Six</b>	Identification of Economic Development Projects, which sets the framework and selection criteria for identifying the appropriate Local Economic Projects
<b>Section Seven</b>	Poverty Alleviation Mechanisms with regard to the Community Work Programme and Expanded Public Works Programme
<b>Section Eight</b>	Co-operatives Development-A Case for Promoting the Establishment of Co-operatives in Kannaland
<b>Section Nine</b>	The Green Economy and Implications for Kannaland
<b>Section Ten</b>	Monitoring and Evaluation Mechanisms-Institutionalisation of LED Monitoring and Evaluation
<b>Section Eleven</b>	District and Local Alignment
<b>Section Twelve</b>	Conclusion
<b>Section Thirteen</b>	Proposed Local Economic Development Projects
<b>Section Fourteen</b>	Project Implementation Guidelines

## PART ONE: SECTION TWO

### 2.1 CLARIFICATION OF LED ROLES AND RESPONSIBILITIES

By its nature LED is a partnership which involves government, the private sector and civil society. It is not a specific action or programme but occurs when a spectrum of stakeholders harness their individual resources and ideas to strive for a better economic status within a locality. Thus all the stakeholders have responsibilities and roles to play in the process. As such, the roles and responsibilities of the various spheres of government as well as civil society in local economic development are outlined below (Resource Book for Municipal Councillors and Officials, 2001):

#### 2.1.1 National Government

- Co-ordinate and align support to municipalities for LED through their IDP process
- Provide support to municipalities to implement their developmental mandate
- Provide the overall legislative and regulatory framework for LED
- Maintain strong inter-governmental relationships and institutions
- Provide the necessary resources to Municipalities for the implementation of LED
- Disseminate information to Provincial and local government about LED
- Increase administrative efficiency (such as access to land and finances), and
- Monitor the outcomes and impact of municipal-led LED activities.

#### 2.1.2 Provincial Government

- Align LED initiatives with National and local priorities
- Strengthen and support the capacity of local government
- Make available financial and technical resources to implement and sustain LED
- Share information regularly (Provincial economic trends, land use, investment, new developments) with municipalities, and
- Monitor and evaluate the impact of LED initiatives provincially.

#### 2.1.3 District Municipalities

District municipalities are better positioned to provide a coordinator and supporting role to the local municipalities within their broad geographic area. They have the following direct responsibilities:

- Plan and co-ordinate LED strategies within the frameworks of IDP
- Establish the LED structure comprising of the District and local municipalities, to foster co-operation and co-ordinate LED policies, strategies and projects within the District
- Identify lead LED sectors that can kick-start development within Districts by undertaking economic research and analysis

- Promote joint marketing, purchasing and production activities
- Promote networking of firms within the District (e.g. tourism routes)
- Collect and disseminate information to assist local municipalities with LED policies
- Identify resource availability [e.g. grants, land and infrastructure etc.]
- Maintain a strong relationship with the province, and
- Provide the necessary training to municipalities.

#### **2.1.4 Local Municipalities**

The local municipalities are the key LED implementation agencies of government. They have a more direct impact on LED in terms of their potential influence on issues and factors such as by-laws, tender and procurement procedures and other regulations, access to land and the necessary infrastructure and services, promoting a positive image of their area, making their environment more appealing and welcoming of investors and visitors, facilitating skills development and by being responsive to the needs of the local and potential business concerns. Local authorities therefore need to be proactive in promoting economic development.

#### **2.1.5 Civil Society**

The new developmental form of local government puts emphasis on civil society involvement in local government activities. For civil society involvement to have the desired effect however, the representatives should have the legibility and respect of the people or organisations they represent. Civil society should also share a common LED vision with the local municipality within which they reside.

#### **2.1.6 The Private Sector [Organised Business]**

Policy Inputs with regard to: → Macro Economic → Exchange Rate → Trade Policy → Labour Market Policy → Transport/Infrastructure → Taxation → B-BBEE → Mining/Energy → Agriculture and Land Reform → Safety and Environment

#### **2.1.7 Roles and Responsibilities of Captains of Industry:**

Value Chain delineation  
 Opportunity Identification  
 Development of Opportunities  
 Provision of Markets  
 Management  
 Technical Expertise  
 Capital - Operationalisation

## PART ONE: SECTION THREE

### 3.1 REGIONAL ECONOMIC REVIEW AND OUTLOOK (Mero 2021)

#### 3.1.1 Introduction

The GRD is well known for its coastal holiday towns and vast farmlands. The District has seven local municipalities, five of which (Hessequa, Mossel Bay, George, Knysna and Bitou) are adjacent to the coast, while the other two (Kannaland and Oudtshoorn) are inland. The District is 23 331km<sup>2</sup>, constituting 18.0 per cent of the Western Cape's geographical area.<sup>1</sup>

This chapter provides a macroeconomic outlook of the GRD in terms of GDP performance and employment trends. The period under review for MERO 2021 is between 2015 and 2020,<sup>2</sup> with an outlook regarding GDP for 2021 and 2022 also being provided.

#### 3.1.2 Economy and Labour Market Performance

##### Sectoral Overview

In 2019, the economy of Kannaland was valued at R1.3 billion (constant prices) and employed 10 110 people. Historical trends between 2015 and 2019 indicate that the municipal area realised an average annual growth rate of 0.9 per cent. This was largely driven by growth in the tertiary sector of 2.9 per cent per annum. Both the primary (-4.1 per cent) and the secondary sector (-0.2 per cent) experienced annual average contractions from 2015-2019. The economy contracted in 2020 in response to the COVID-19 related restrictions on economic activity. The economy realised an estimated growth rate of -4.2 per cent. The sectors that experienced the largest declines in economic activity include construction (20.2 per cent with 56 job losses); manufacturing (10.1 per cent with 55 net job losses); and wholesale and retail trade, catering and accommodation (-10.1 per cent with 147 job losses). Overall the economy lost 583 jobs. The only sector that registered positive growth in 2020 was the agriculture, fishing and forestry sector (10.6 per cent) due to favourable commodity prices and little to no restrictions placed on the sector. It however experienced jobless growth, as 128 net jobs were lost despite the high GDP growth within the sector.

##### Formal and Informal Employment

It is estimated that Kannaland's total employed will in 2020 amount to 9 627 workers, of which 5 977 (62.7 per cent) are employed in the formal sector, while 3 550 (37.3 per cent) are informally employed. Employment in the formal sector had an annual average decline of 0.8 per cent from

<sup>1</sup> (MDB, 2018).

<sup>2</sup> Stats SA will only release official regional indicators for 2020 in 2022.

2016 to 2020, while the informal sector suffered an annual average decline of 2.5 per cent over this period. This indicates that the informal sector workers are more vulnerable during times of economic recession. Most of the formally employed consisted of low-skilled (47.2 per cent) and semi-skilled (35.0 per cent) workers. The skilled category only contributed 17.9 per cent to total formal employment but it was the only category to experience positive growth in employment (1.1 per cent) from 2016 to 2020. Low-skilled and semi-skilled employment declined by 2.1 per cent and 0.1 per cent respectively. The growth in the skilled category reflects the market demand for more skilled labour, especially with the growing tertiary sector in the Kannaland municipal area, as well as their ability to continue working during the economic restrictions. Upskilling the low and semi-skilled workers are therefore imperative.

### Unemployment

Kannaland, at 8.7 per cent, has the second lowest unemployment rate in the GRD, and is below the District (15.4 per cent) and Western Cape (18.9 per cent) unemployment in 2020. Unemployment remained below 8.5 per cent from 2009 - 2018, but increased slightly from 8.5 per cent in 2018 to its peak of 9.2 per cent in 2019. The drop to 8.7 per cent in 2020 was largely due to an increase in discouraged work seekers and a decline in the labour force participation rate during 2020 when it was difficult to find employment after the economic recession and resultant job losses.

### Growth in GDP performance

This section briefly discusses the size of the GRD's economy by unpacking the average GDP contribution and growth rates in the various municipal areas in the District.

#### GDP performance per municipal area

Municipality	R billion value 2019	Trend 2015 – 2019	2020e	2021f	2022f
Kannaland	R1.3 billion (2.8%)	0.9%	-4.2%		
Hessequa	R4.0 billion (8.7%)	0.7%	-5.6%		
Mossel Bay	R8.0 billion (17.2%)	0.7%	-6.8%		
George	R18.6 billion (40.1%)	1.5%	-6.4%		
Oudtshoorn	R5.9 billion (12.8%)	1.0%	-5.7%		
Bitou	R3.4 billion (7.3%)	0.7%	-6.2%		
Knysna	R5.1 billion (11.0%)	0.2%	-6.6%		
Garden Route District	R46.3 billion (100.0%)	1.0%	-6.3%	4.9%	2.7%
Western Cape	R611.9 billion	1.0%	-6.7%		

Table GDP contribution and average growth rates per municipal area, Garden Route District

The GRD economy was valued at R46.3 billion in 2019, contributing 7.6 per cent to the economy of the Western Cape during the year. Between 2015 and 2019, the District economy realised an average annual growth rate of 1.0 per cent. This rate is similar to that of the provincial economy

over the same period.

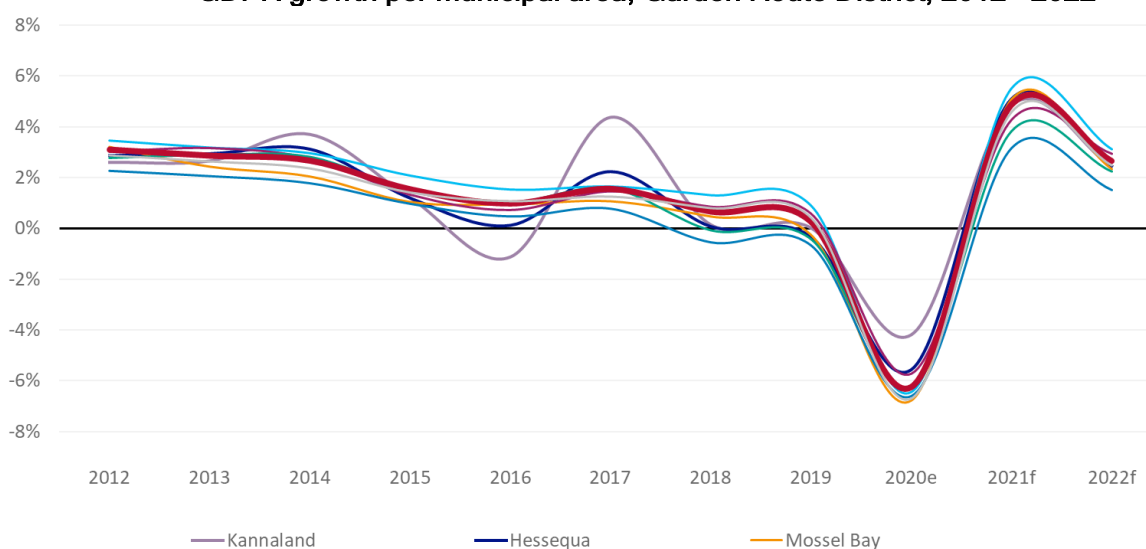
In 2019, the George municipal area was the leading contributor to GDP, at 40.1 per cent. This was followed by the Mossel Bay and Oudtshoorn municipal areas, with contributions of 17.2 per cent and 12.8 per cent respectively. The Knysna municipal area was the fourth-largest contributor to the District economy in 2019 at 11.0 per cent, while the Hessequa municipal area was the fifth-largest contributor, at 8.7 per cent.

### GDPR Growth per municipal area

The Bitou and Kannaland municipal areas were the smallest contributors to GDP in 2019, at 7.3 per cent and 2.8 per cent respectively.

An overview of the historical growth trends of the municipal areas in the District is provided in the Figure below in addition to the annual growth rates of the GRD and the Province.

GDPR growth per municipal area, Garden Route District, 2012 - 2022



GDPR growth per municipality	2012	2013	2014	2015	2016	2017	2018	2019	2020e	2021f	2022f
Kannaland	2.6%	2.7%	3.7%	1.2%	-1.1%	4.4%	0.1%	0.0%	-4.2%	4.8%	2.4%
Hessequa	2.9%	3.0%	3.1%	1.2%	0.1%	2.2%	0.1%	-0.3%	-5.6%	5.1%	2.5%
Mossel Bay	3.2%	2.4%	2.0%	1.0%	0.9%	1.1%	0.5%	-0.3%	-6.8%	5.1%	2.3%
George	3.5%	3.2%	3.0%	2.1%	1.5%	1.7%	1.3%	0.9%	-6.4%	5.5%	3.1%
Oudtshoorn	3.0%	3.2%	2.8%	1.3%	0.7%	1.5%	0.9%	0.6%	-5.7%	4.3%	2.9%
Bitou	2.8%	2.9%	2.8%	1.5%	1.0%	1.6%	-0.1%	-0.4%	-6.2%	3.8%	2.2%
Knysna	2.3%	2.1%	1.8%	1.0%	0.5%	0.8%	-0.5%	-0.7%	-6.6%	3.2%	1.5%
Garden Route District	3.1%	2.9%	2.7%	1.5%	1.0%	1.6%	0.7%	0.3%	-6.3%	4.9%	2.7%
Western Cape	2.9%	2.6%	2.4%	1.4%	1.1%	1.2%	0.8%	0.4%	-6.7%	4.6%	2.5%

Between 2012 and 2019, the GRD economy experienced an overall downward trend in annual growth, despite recording a year-on-year improvement between 2016 and 2017. Furthermore, over the eight-year period, GDPR growth closely followed that of the provincial economy.

Growth in the GRD continued to slow in 2013 and 2014, with growth rates of 2.9 per cent and 2.7



per cent being registered during the respective years. In 2015, growth across all municipal areas registered declines. Subsequently, growth in the GRD declined to 1.5 per cent during the year. This rate was marginally higher than that of the Province during the same year (1.4 per cent). GDPR growth continued to decline in 2016, with the District economy registering a growth rate of 1.0 per cent. This was possibly as a result of declines in commodity prices, periods of load-shedding in South Africa and drought conditions in the Province. In addition, national tourism performance deteriorated in 2015 owing to the imposition of new visa regulations, terror acts across the African continent and economic crises in source countries.

In 2017, growth in the District economy increased to 1.6 per cent, while the provincial economy experienced a marginal improvement in annual growth during the same year. This demonstrates the effect of load-shedding on economic performance, as no significant load-shedding was experienced during the year. However, growth in the GRD slowed significantly in 2018, with all municipal areas registering either contractions or near stagnant growth rates. During the year, the George municipal area registered the highest annual growth rate (1.3 per cent).

GDPR growth declined to 0.3 per cent in 2019, with four out of the seven municipal areas registering contractions during the year. The deterioration of GDPR performance in both 2018 and 2019 may be attributed to the poor performance of the national economy and periods of load-shedding. However, the George municipal area realised an annual growth rate higher than that of the GRD in both 2018 and 2019.

In 2020, GDPR growth in the GRD and Province is expected to have deteriorated significantly as a result of the COVID-19 pandemic and the national lockdown measures to contain its spread. During the year, GDPR growth in the District is expected to have registered a contraction of 6.3 per cent. This rate is lower than that of the provincial economy, with an estimated contraction of 6.7 per cent in 2020. Furthermore, all municipal areas within the GRD are estimated to have registered contractions in 2020, with the Mossel Bay municipal area registering the largest contraction, at 6.8 per cent during the year. The Kannaland municipal area is anticipated to have realised the smallest contraction in GDPR, at 4.2 per cent. However, this is likely because of the Kannaland municipal area's small economy.

Forecasts for 2021 indicate a strong recovery in GDPR growth across the District. However, these high growth rates are not sustainable in the long term, as growth in 2021 originated from the constrained economic base of 2020. The GRD is expected to realise a GDPR growth rate of 4.9 per cent in 2021, with the George municipal area registering the highest annual growth rate in the GRD. With a growth rate of 3.2 per cent, economic recovery in the Knysna municipal area is anticipated to be slower in 2021 compared with the other municipal areas in the GRD. In 2022, GDPR growth in the District is expected to slow to 2.7 per cent, slightly higher than the growth rate

of 2.5 per cent estimated for the provincial economy.

### Kannaland Sectoral growth, employment and skills

The Kannaland municipal area is also located in the Little Karoo and covers 4 765 km<sup>2</sup>.<sup>3</sup> The area stretches from the Swartberg Mountains in the north to the Bitou Mountains in the south. It is bordered by the Anysberg and Gamkaberg Mountains in the west and east. The main economic node in the Kannaland municipal area is Ladismith, while smaller towns include Calitzdorp (known as the port wine capital), Zoar, Van Wyksdorp and Hoeko.

### GDPR and employment performance

**Table Kannaland GDPR (current prices) and employment, 2019 and 2020**

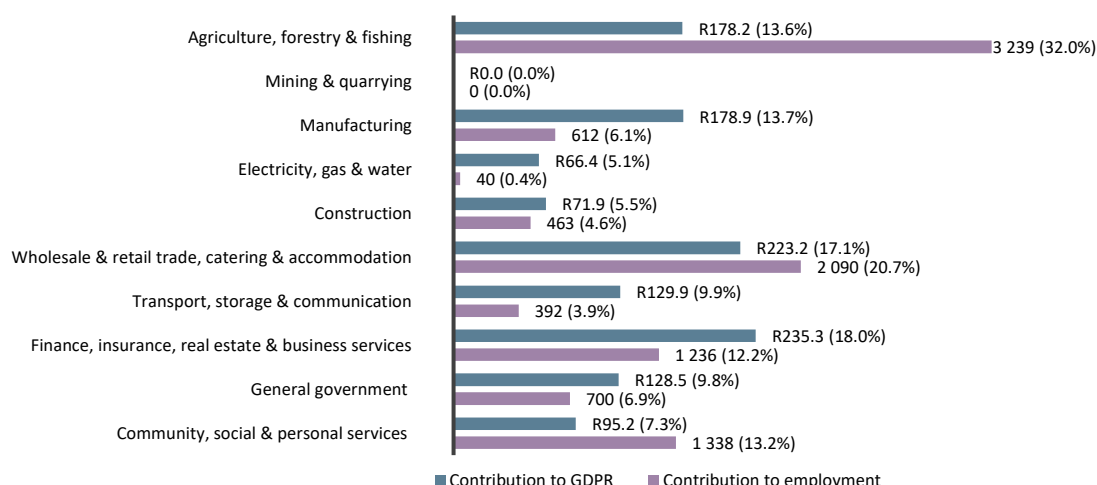
	GDPR	Jobs
<b>2019</b>	R1.3 billion	10 110
<b>2020e</b>	R1.3 billion	9 527
	Change/growth	
<b>2020e</b>	-4.2%	-583
2021f	4.8%	
2022f	2.4%	

Source: Quantec Research, 2021 (e denotes estimate, f denotes forecast)

The Kannaland municipal area's GDPR was valued at R1.3 billion (current) in 2019 and is estimated to have contracted by 4.2 per cent in 2020 in real terms. However, it is important to note that the stagnation in current prices is due to inflation. It is estimated that 583 jobs were shed in the municipal area in 2020, bringing the total number of employed people in the region to 9 527 in 2020. It is forecast that the GDPR will increase by 4.8 per cent in 2021 and 2.4 per cent in 2022. Figure 2.25 illustrates the GDPR and employment contribution per sector in the Kannaland municipal area in 2019.

<sup>3</sup> (MDB, 2018).

## Kannaland sectoral GDPR (R million) and employment contribution (%), 2019



Source: Quantec Research, 2019

The finance, insurance, real estate and business services (18.0 per cent), wholesale and retail trade, catering and accommodation (17.1 per cent) and manufacturing (13.7 per cent) sectors were the largest contributors to the municipal area's economy in 2019. The biggest contribution to employment in the Kannaland municipal area in 2019 was the agriculture, forestry and fishing sector, which contributed 32.0 per cent of all employment in the area. This was followed by the wholesale and retail trade, catering and accommodation sector (20.7 per cent) and the community, social and personal services sector (13.2 per cent).

The sector that was the most capital-intensive in the municipal area was the manufacturing sector, and the agriculture, forestry and fishing sector was the most labour-intensive sector in 2019. These two sectors are linked through agro-processing activities.

Table below outlines the Kannaland municipal area's GDPR and employment performance per sector.

## Kannaland GDPR and employment performance per sector

Sector	GDPR		Employment	
	Trend 2015 – 2019	Real GDPR growth 2020e	Average annual change 2015 – 2019	Net change 2020e
<b>Primary sector</b>	-4.1%	10.6%	55	-128
Agriculture, forestry & fishing	-4.1%	10.6%	55	-128
Mining & quarrying	0.0%	0.0%	0	0
<b>Secondary sector</b>	-0.2%	-11.6%	-7	-112
Manufacturing	-0.7%	-10.1%	-12	-55
Electricity, gas & water	0.3%	-6.1%	0	-1
Construction	1.2%	-20.2%	4	-56

<b>Tertiary sector</b>	2.9%	-5.6%	97	-343
Wholesale & retail trade, catering & accommodation	1.5%	-10.1%	49	-147
Transport, storage & communication	3.2%	-13.4%	13	-6
Finance, insurance, real estate & business services	6.8%	-1.8%	47	-41
General government	-1.7%	-1.7%	-10	-2
Community, social & personal services	1.2%	-2.6%	-2	-147
<b>Total Kannaland</b>	<b>0.9%</b>	<b>-4.2%</b>	<b>145</b>	<b>-583</b>

Source: Quantec Research, 2021 (e denotes estimate)

The total Kannaland municipal area had marginal growth of 0.9 per cent between 2015 and 2019. The tertiary sector was the driver in the municipal area in terms of GDP growth between 2015 and 2019, with an increase of 2.9 per cent. The best annual growth out of all the sectors in the municipal area was in the finance, insurance, real estate and business services sector (6.8 per cent). This was followed by the transport, storage and communication sector (3.2 per cent). Both the primary and secondary sectors contracted on an annual basis for the reviewed period, with contractions of 4.1 per cent and 0.2 per cent respectively. The agriculture, forestry and fishing sector is critical to the region's economy, especially in terms of local manufacturing and job creation. The lack of water security affected not only the primary production but also agro-processing, particularly in the town of Ladismith. The sector contracted by 4.1 per cent between 2015 and 2019.

It is estimated that the economy of the municipal area contracted by 4.2 per cent in 2020. The construction sector is estimated to have contracted the most (20.2 per cent), followed by the transport, storage and communication sector (13.4 per cent). The municipal area's largest sector, the finance, insurance, real estate and business services sector, is estimated to have contracted

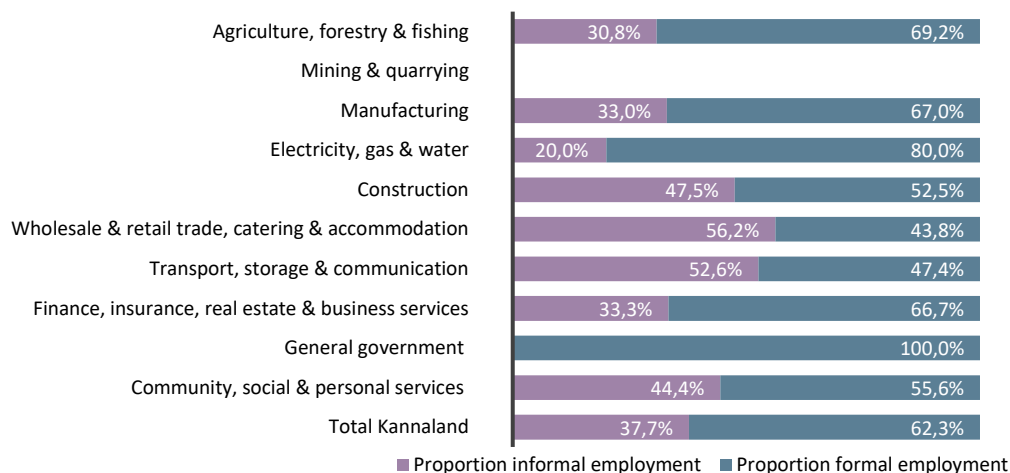
by 1.8 per cent. The tourism industry in the municipal area was significantly affected by the impact of COVID-19 and the regulations enforced by the Government. The wholesale and retail trade, catering and accommodation sector is estimated to have contracted by 10.1 per cent in 2020. It is believed that several restaurants and small trade shops closed down as a result of the decline in the tourism industry and travel restrictions. The manufacturing sector is estimated to have contracted by 10.1 per cent, as agro-processing was impacted and restricted in 2020 as a result of COVID-19 regulations, and the Ladismith Cheese Company was also affected in the municipal area. The only sector that is estimated to have had positive growth in 2020 was the agriculture, forestry and fishing sector, with a 10.6 per cent increase. This could be the result of improved weather conditions and higher commodity prices.

The municipal area created 145 jobs on an annual basis between 2015 and 2019. The sector that

experienced the biggest employment growth in the Kannaland municipal area between 2015 and 2019 was the agriculture, forestry and fishing sector, which created 55 jobs annually. This was followed by the wholesale and retail trade, catering and accommodation sector (49 jobs) and the finance, insurance, real estate and business services sector (47 jobs). Jobs were shed in the manufacturing sector (12 jobs), general government sector (10 jobs) and the community, social and personal services sector (two jobs). Due to the economic downturn, an estimated 583 jobs were lost in the municipal area in 2020. All sectors shed jobs with the tertiary sector contributing the most to the number of jobs lost (343 jobs). The wholesale and retail trade, catering and accommodation sector and the community, social and personal services sector are estimated to have lost the largest number of jobs, shedding 147 jobs each. The agriculture, forestry and fishing sector is estimated to have shed 128 jobs in 2020.

As illustrated informal employment accounted for 37.7 per cent of the Kannaland municipal area's total employment in 2019.

Figure below illustrates Kannaland informal employment distribution, 2019 (%)



Source: Quantec Research, 2021

The wholesale and retail trade, catering and accommodation sector and the transport, storage and communication sector had a larger proportion of informal employment than formal employment, with informal employment accounting for 56.2 per cent and 52.6 per cent of the sector's total employment respectively. Other prominent sources of informal employment were the construction sector (47.5 per cent) and the community, social and personal services sector (44.4 per cent).

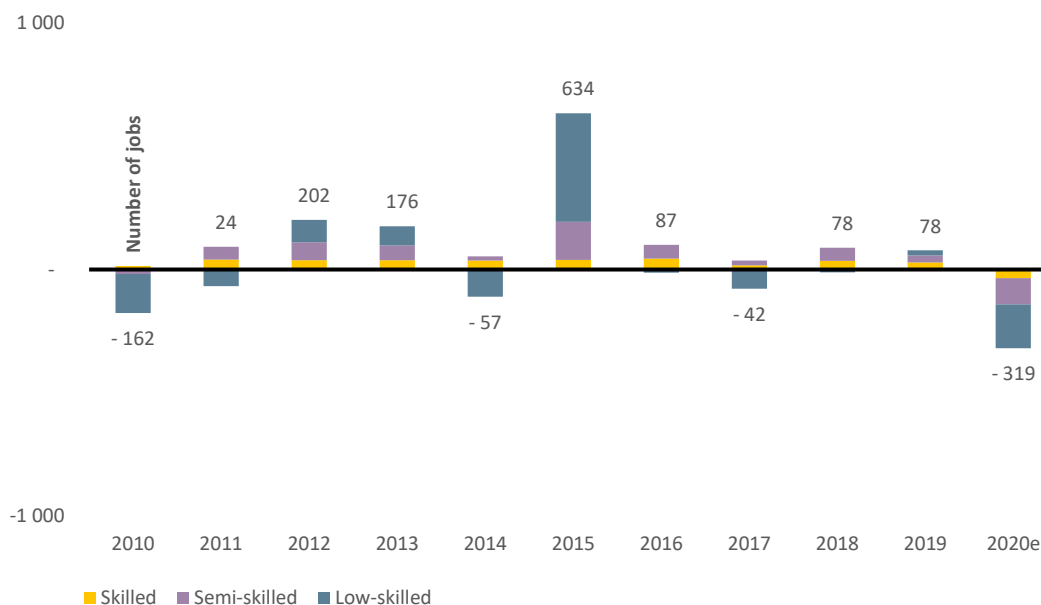
The municipal area had 62.3 per cent formal employment in 2019, with the general government sector being the largest contributor to formal employment. The electricity, gas and water sector contributed 80.0 per cent to formal employment, followed by agriculture, forestry and fishing, with 69.2 per cent.

### Skills analysis

Figure below illustrates the changes in formal employment by skill levels in the Kannaland

municipal area between 2010 and 2020.

**Figure: Kannaland employment growth by skill levels, 2010 - 2020**



Source: Quantec Research, 2021 (e denotes estimate)

The municipal area experienced formal job losses in 2010 as a result of the aftermath of the 2008 financial crisis. Other years in which the municipal area lost formal jobs were 2014 and 2017. A net total of 1 018 jobs were created in the municipal area between 2010 and 2019.

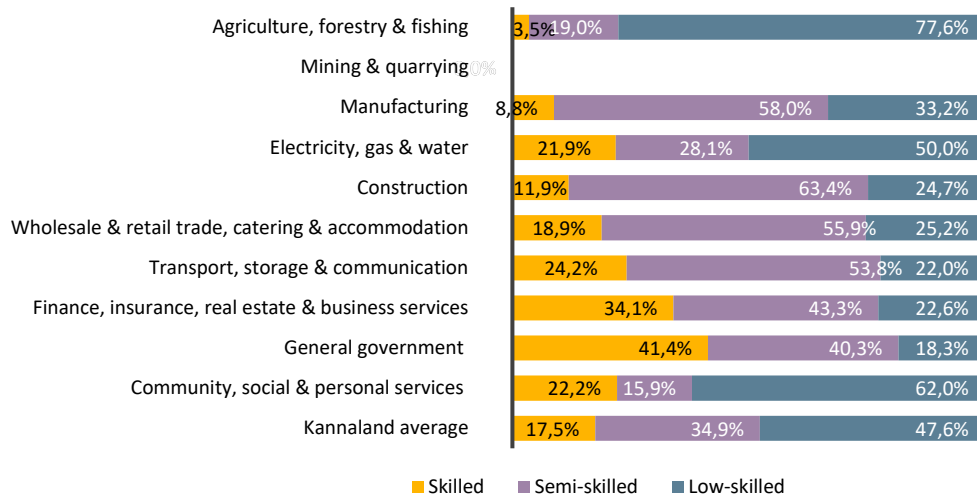
Low- and semi-skilled employees in the Kannaland municipal area were impacted by job-shedding during the aftermath of the 2008 global financial crisis. Low-skilled employees shed jobs in 2010 and 2011, and again in 2014, 2016, 2017 and 2018. In 2015, there was a surge in low-skilled employment in the area. This indicates that low-skilled employment in the municipal area is fragile when there are difficult economic conditions. The total net employment created for the low-skilled workforce in the municipal area between 2010 and 2019 was 192 jobs. Semi-skilled employment recovered better than low-skilled employment between 2011 and 2019. Apart from in 2015, more employment opportunities were created in semi-skilled employment than low-skilled employment. Between 2016 and 2019, more people were in semi-skilled employment than in skilled or low-skilled employment in the Kannaland municipal area. A net total of 495 semi-skilled jobs were created between 2010 and 2019. Skilled employment showed remarkable resilience during the aftermath of the 2008 global financial crisis. Skilled employment recovered faster than low- and semi-skilled employment, and showed growth from 2010, having a net total of 331 jobs created between 2010 and 2019.

It is estimated that a total of 319 formal jobs were lost in 2020 owing to the impact of COVID-19. A total of 178 jobs were lost in the low-skilled workforce, followed by 106 jobs in the semi-skilled workforce, and 35 skilled employees lost their jobs.

Figure below provides a sectoral overview of the skill levels for formal employment in the

Kannaland municipal area.

**Figure: Kannaland skill levels per sector, 2019 (%)**



Source: Quantec Research, 2021

Within the municipal area, 17.5 per cent were skilled employees, 34.9 per cent were semi-skilled employees and the majority of employment was classified as low-skilled in 2019. Low-skilled employment was best absorbed in the agriculture, forestry and fishing sector (77.6 per cent). Other sectors that absorbed a large share of low-skilled employees were the community, social and personal services (62.0 per cent) and electricity, gas and water (50.0 per cent) sectors. The sector that had the largest share of semi-skilled workers was the construction sector (63.4 per cent), followed by the manufacturing sector, with 58.0 per cent semi-skilled workers.

The general government sector employed the most skilled workers (41.4 per cent). Other sectors that absorbed a large share of skilled employees in 2019 were the finance, insurance, real estate and business services (34.1 per cent) and transport, storage and communication (24.2 per cent) sectors.

The high number of low-skilled workers in the municipal area and the severe impact that COVID-19 had on employment will result in a decrease in municipal revenue, and the need for additional basic services will increase.

Within all of the GRD municipal areas, the tertiary sector is the largest contributor to GDP. The secondary sector also plays a significant role in all municipal regions, accounting for a quarter of GDP in each municipality. The primary sector is small in all municipal districts and is mostly dependent on agriculture, forestry and fishing's GDP contribution to the sector, which, despite its small size, is very important to the local economy, particularly as an input for the manufacturing sector (agro-processing) and job creation.

In 2019, informal employment in the GRD varied from 24.9 per cent in George to 37.7 per cent in Kannaland. The wholesale and retail trade, catering and accommodation sector supplied the most informal job opportunities in all municipal areas of the GRD. Construction; transport, storage and communication; and community, social and personal services were consistently among the top three sectors that supplied informal job opportunities in each municipal area.

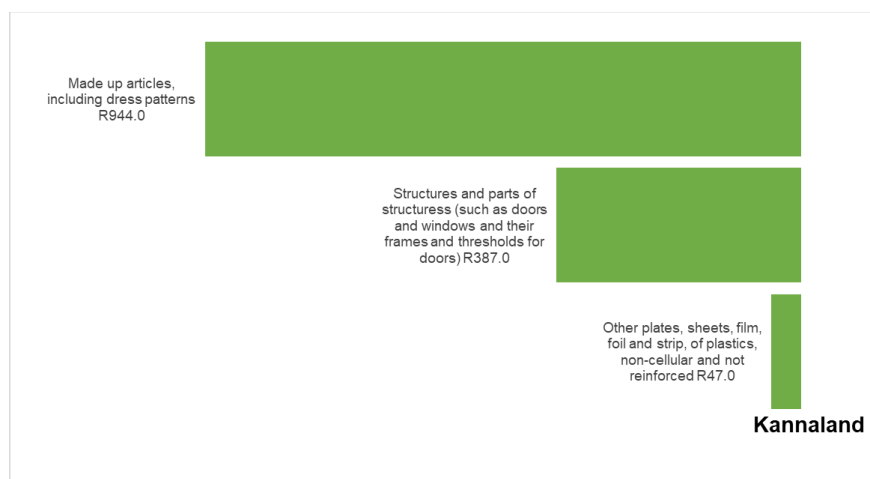
During the aftermath of the 2008 global financial crisis, low- and semi-skilled workers in all municipal regions across the GRD experienced the burden of job losses. Low-skilled employment grew at a slower rate than skilled and semi-skilled employment across the GRD municipal areas. Between 2010 and 2011, skilled employment outperformed low- and semi-skilled employment in terms of resilience and recovery. Between 2011 and 2019, skilled or semi-skilled employment was the primary driver of employment in all municipal regions, with the exception of 2015, when low-skilled employment saw a considerable increase in numbers. In six of the seven municipal areas, semi-skilled employment was the main skill level. Only in Kannaland was low-skilled employment the main skill level, while it also had the fewest skilled employees. Low-skilled employment was best absorbed in the community, social and personal services sector and the agriculture, forestry and fishing sector in most municipal areas in the GRD in 2019.

The estimates for 2020 in terms of GDP in all the municipalities in the GRD contracted due to COVID-19 and the associated impacts. The wholesale and retail trade, catering and accommodation sector contributes strongly in all the municipal areas, the poor performance of the tourism industry impacted this sector significantly. The majority of the municipal areas are forecasted to show resilience and initiate recovery in 2021, except Bitou municipality, as it will further contract with 1.7 per cent. The agriculture, forestry and fishing sector, was the only sector that had significant growth in 2020. This could be the result of improved weather conditions, higher commodity prices and the fact that this sector was exempted to operate under strict lockdown level-5 regulations in 2020.

### **Municipal imports and exports**

Imports and exports are a catalyst for economic growth and development. Importing goods is often required for individual consumers and in other cases, it's required for production in a given value chain.



**Figure Imports and exports per municipal area, Garden Route District, 2020**

Source: Quantec Research, 2021

The Kannaland municipal recorded very little international trade in 2020, with only imports worth R1 378.0 and no exports. Imported articles include made-up articles including dress patterns, structures such as door and window frames and plates, sheets or film of plastic.

### Municipal socio-economic analysis

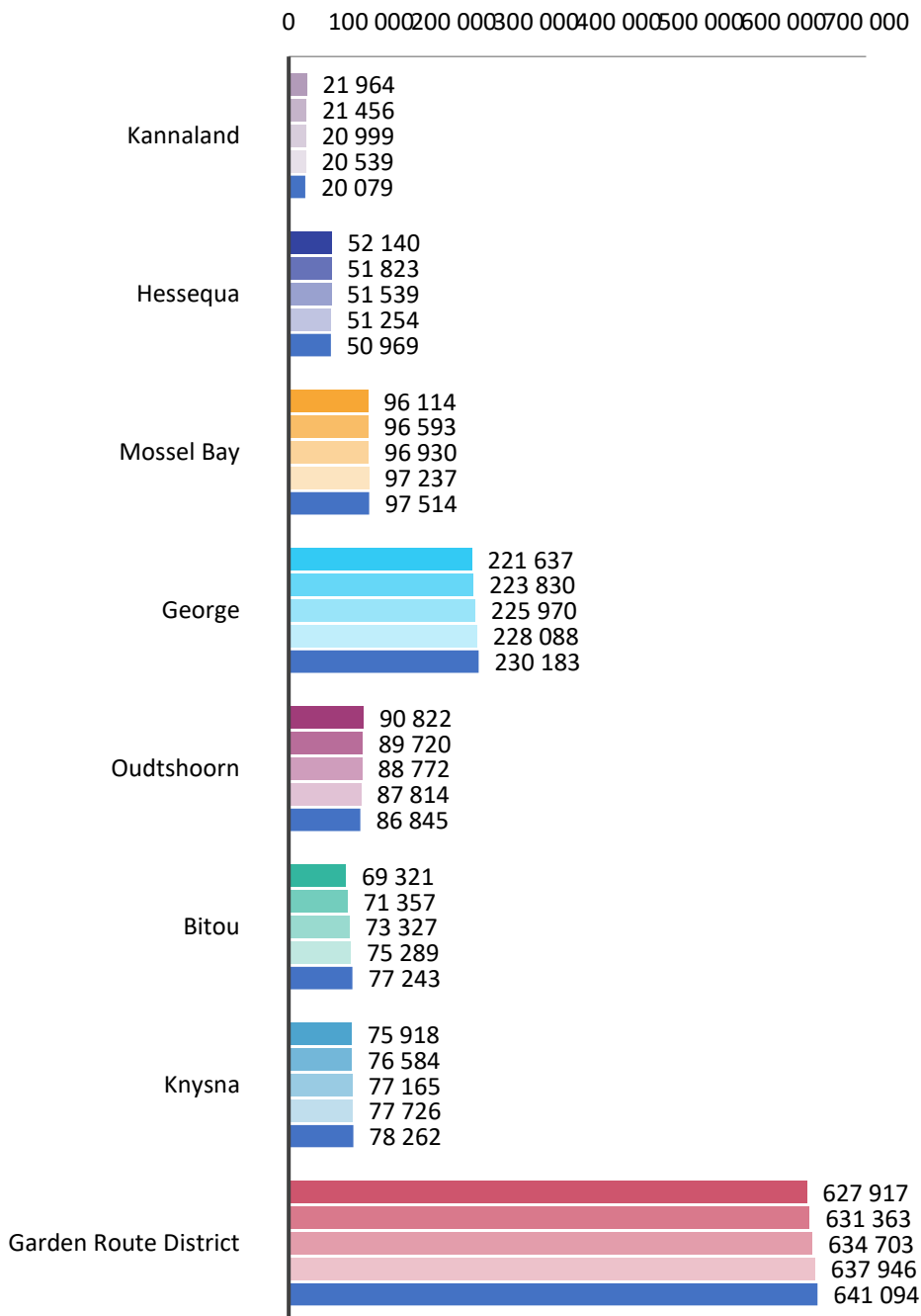
#### Introduction

The purpose of this chapter is to describe the socio-economic environment in the GRD. This includes an analysis of population and household dynamics such as projected population and household growth, GDP per capita, household income and the Gini coefficient, as well as human development within the region assessed using indicators such as the Human Development Index (HDI), education, health, dwelling types, crime and access to basic services.

### Population profile

Figure illustrates the projected growth of the population in the GRD between 2020 and 2024.

**Figure: Future population growth, Garden Route District, 2021 – 2025**

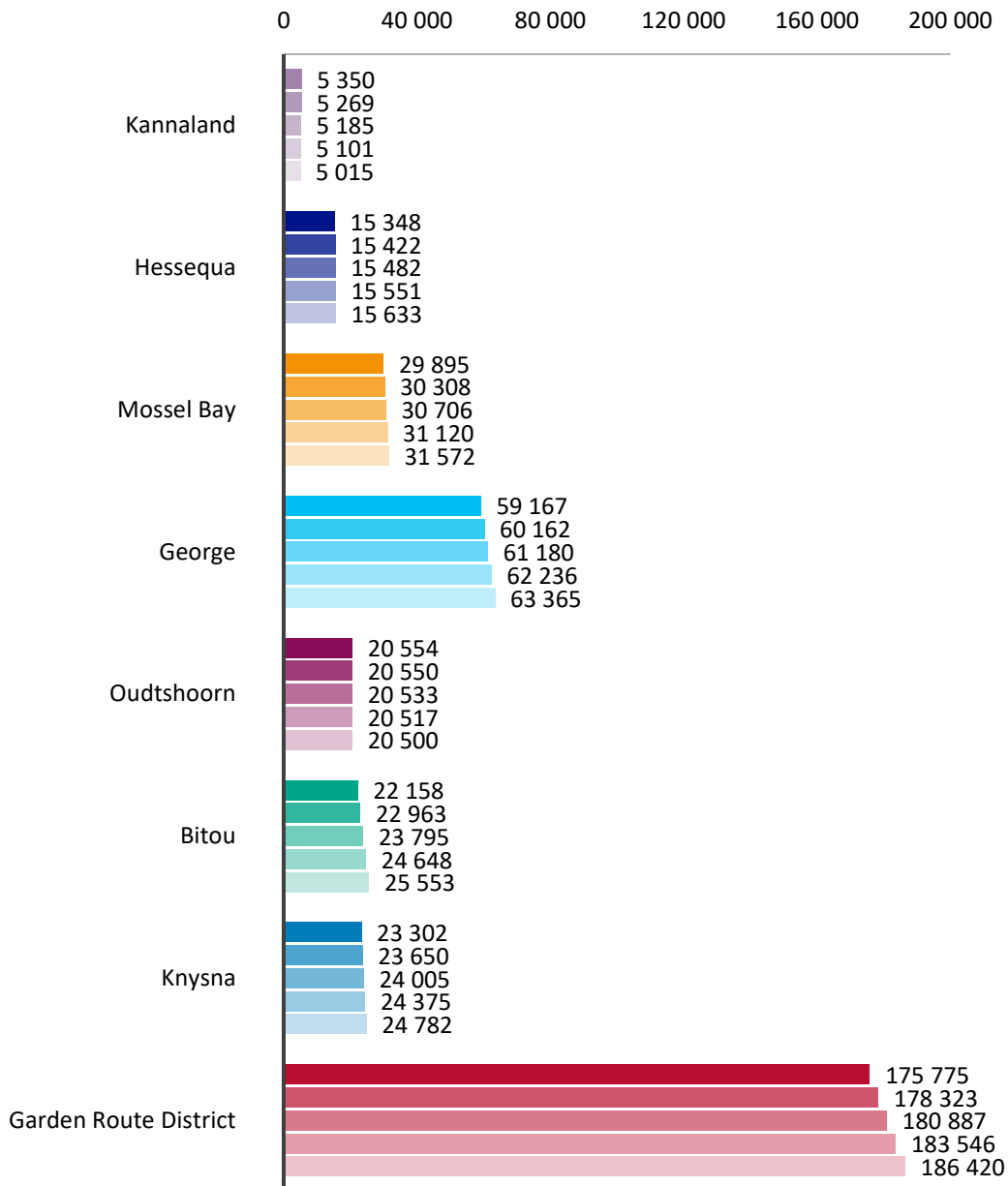


The GRD is the third most populated district in the Western Cape, after Cape Metro and the Cape Winelands District. The population in the GRD is expected to increase by an annual average growth of 0.5 per cent from 627 917 people in 2021 to 641 094 people in 2025. The slow District population growth is a result of expected population declines in the Kannaland, Hessequa and Oudtshoorn municipal areas. The population in these municipal areas are expected to decline by an average annual rate of 2.1 per cent, 0.5 per cent and 1.1 per cent respectively for the period between 2021 to 2025.

This could be attributed to young people seeking job opportunities elsewhere. The decline in the working-age population has a negative implication for future economic growth in these municipal areas as a lack of labour will influence production capabilities.

Figure below illustrates the projected household growth in the GRD between 2021 and 2025.

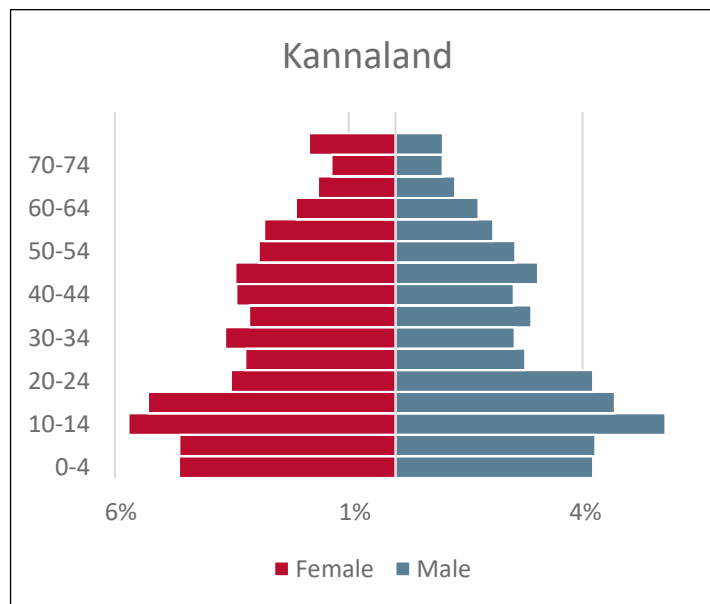
**Figure: Future household growth, Garden Route District, 2021 – 2025**



Source: Western Cape Government PPU, 2021. Provincial, district and local municipality population estimates by sex and age (2002-2036) based on StatsSA MYPE series 2021 and 2020

The number of households in Kannaland and Oudtshoorn is expected to decrease by an average annual rate of 1.6 per cent and 0.1 per cent respectively.

Figure below uses population pyramids to illustrate the gender and age cohorts of the municipal areas in the GRD in 2020.

**Figure: Gender and age dynamics, Garden Route District, 2020**

Source: Western Cape Government PPU, 2021. Provincial, district and local municipality population estimates by sex and age (2002-2036) based on StatsSA MYPE series 2021 and 2020

The population of the Kannaland municipal area consist largely of people between the ages of 35 and 64 (32.7 per cent), followed by those between the ages of 15 and 34 (29.9 per cent). There is, however, a large dependency on those of working-age population, as 29.2 per cent of the population is made up of people younger than 14. Population growth forecasts for the Kannaland municipal area indicate a large decline in the youth and child population in the Kannaland municipal area. This will have an impact on future labour supply in the Kannaland municipal area.

### 8.3.7.3 Human development

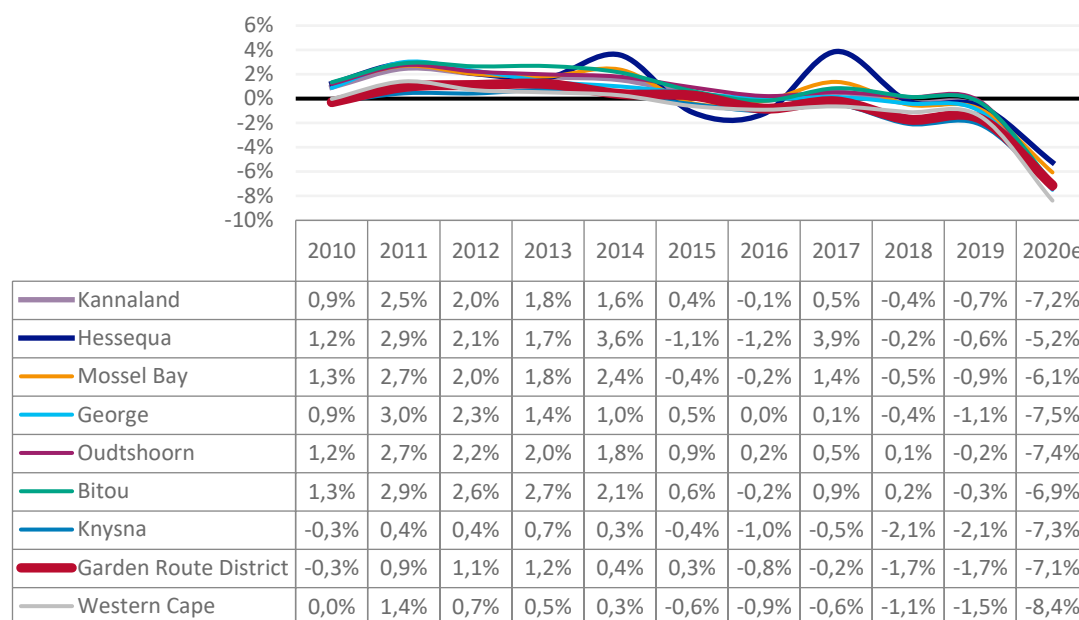
Economists expect economic growth to result in improvements in human development, and economic decline to have an adverse effect on human development. The United Nations uses the HDI to assess the level of socio-economic development in countries. The performance of the economy plays a major role in determining the quality of life for citizens, which is measured by the standards of education, health, dwellings, access to basic services and crime levels.

### 8.3.7.4 Income

In 2019, the GRD had a lower GDP per capita of R74 902.8 compared with the province's R88 953.0. The municipal areas with the highest GDP per capita include George (R88 929.8) and Mossel Bay (R82 141.6).

Figure below illustrates the GDP per capita growth for the GRD and its municipal areas between 2010 and 2020.

Figure: GDP per capita growth, Garden Route District, 2010 - 2020



In the GRD, the GDP per capita experienced a significant GDP per capita decrease of 7.1 per cent, which was less than the Western Cape’s 8.4 per cent decrease in 2020. The GDP per capita experienced major decreases in all municipal areas which could be attributed to the COVID-19 pandemic and the associated lockdown regulations and restrictions imposed on movement and labour and have led to many job losses or decreased household income and thereby affecting the GDP per capita. The GDP per capita growth for all municipal areas follows a similar trend between 2010 and 2020.

Table below illustrates the average monthly household income of the GRD and its municipal areas in 2019.

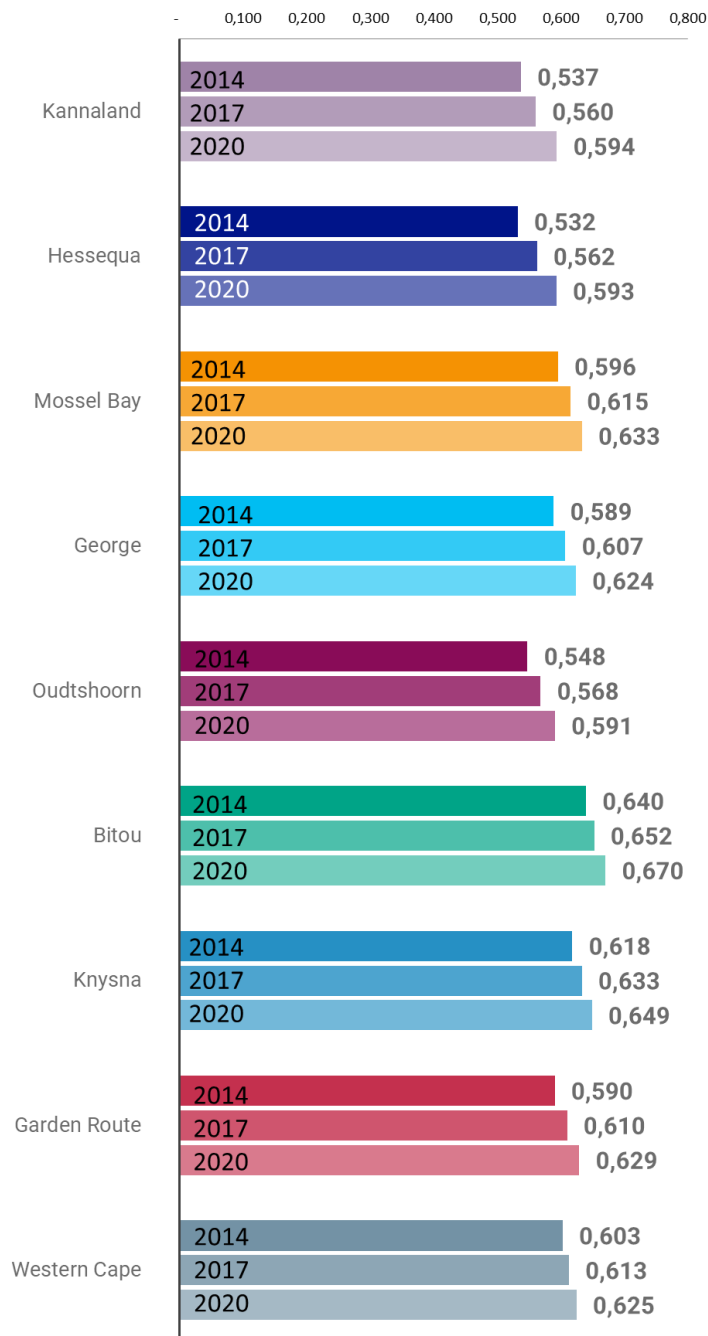
Table: Average monthly household income (current prices), Garden Route District, 2019

Municipality	Average household income	Trend
	2019 current prices	2015 - 2019
Kannaland	R13 524	0,7%
Hessequa	R16 079	1,5%
Mossel Bay	R18 731	1,3%
George	R20 650	0,8%
Oudtshoorn	R20 199	0,8%
Bitou	R13 259	0,7%
Knysna	R16 694	0,1%
<b>Garden Route District</b>	<b>R18 253</b>	<b>0,7%</b>
<b>Western Cape</b>	<b>R19 430</b>	<b>-0,3%</b>

Source: Urban-Econ calculations based on Quantec Research, 2021

In 2019, the average household income in the GRD (R18 253) was lower than that of the Province (19 430). However, the average household income experienced a 0.7 per cent average annual increase between 2015 to 2019 in the GRD, while that of the Province declined by an average annual rate of 0.3 per cent. The Kannaland municipal area recorded the lowest average household income in 2019 (R13 524).

Figure: Gini coefficients, Garden Route District municipal areas, 2014 - 2020



The Gini coefficient is an indicator of income inequality and ranges between 0 and 1, with 0 representing complete equality and 1 representing complete inequality.

The Oudtshoorn municipal area had the lowest income inequality of all municipal areas in the District, with a Gini coefficient of 0.591 in 2020. This is followed by Hessequa, Kannaland and George municipal areas with Gini coefficients of 0.593, 0.594 and 0.624 respectively in 2020. The income inequality in all municipal areas increased between 2014 and 2020.

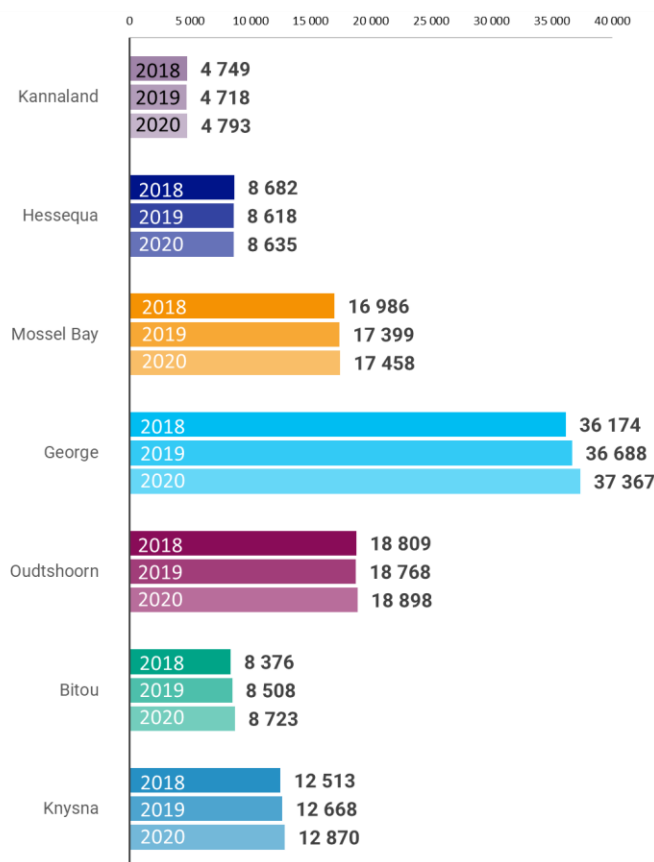
The job losses as a result of the COVID-19 pandemic would have contributed to income inequality.

Workers that were able to work from home would have been able to continue earning an income, while those who were unable, either due to the lack of connectivity or those with jobs that require physical labour would have been left without income. This also emphasizes the importance of COVID-relief measures such as the temporary employee relief scheme (TERS).

### Education

This section discusses the extent of improvement in educational circumstances of households in the GRD using data on learner enrolment, the Grade 10 to 12 retention rate, matric pass rates and learner-teacher ratios.

Figure: Learner enrolments, Garden Route District, 2018 - 2020



Source: Western Cape Education Department, 2021

An important indicator for the demand for schools, learner transport and educators within a municipal area is enrolment numbers.

Learner-teacher ratios are indicative of the capacity of schools to accommodate more learners. Learner-teacher ratio upper limits of 40:1 in ordinary primary schools and 35:1 in ordinary high schools is set by the Department of Education.<sup>4</sup> Lower learner-teacher ratios are associated with more interaction between teachers and learners, which could contribute to better quality education.<sup>5</sup>

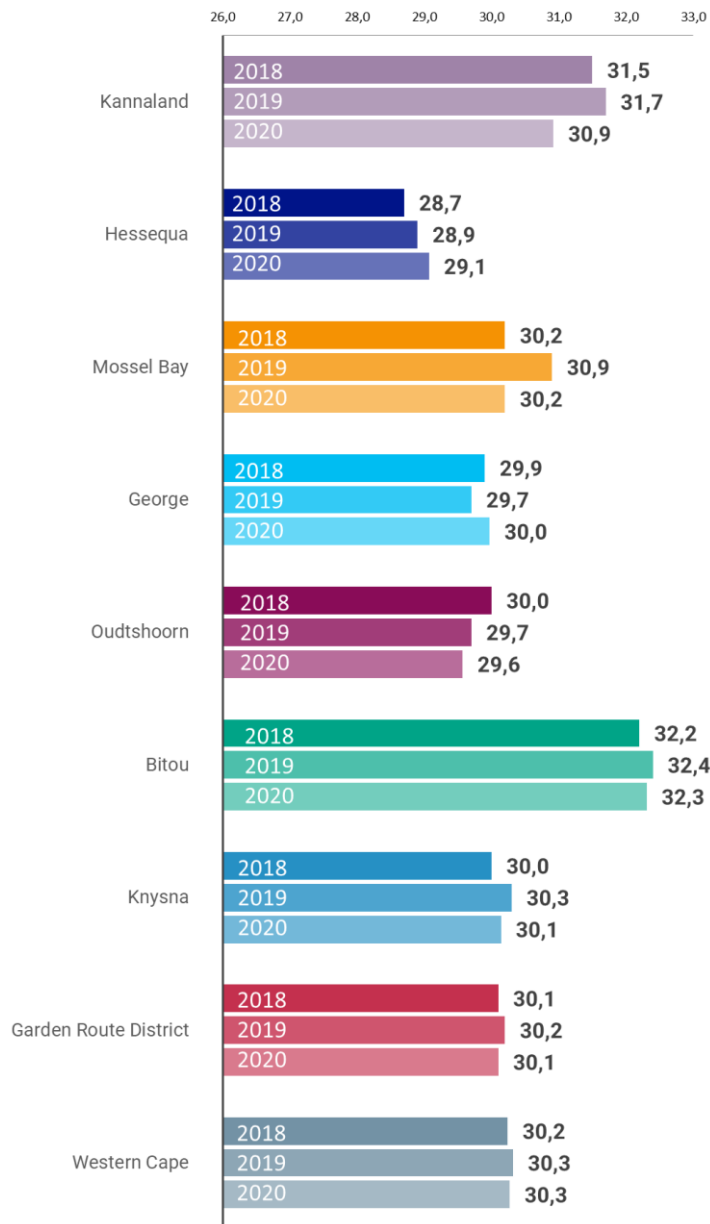
<sup>4</sup> (Sephton, S, 2017).

<sup>5</sup> (Southern and Eastern Africa Consortium for Monitoring Educational Quality, 2011).



Figure below illustrates the learner-teacher ratio within the Western Cape, the GRD and its municipal areas between 2018 and 2020.

**Figure Learner-teacher ratio, Garden Route District, 2018 – 2020**

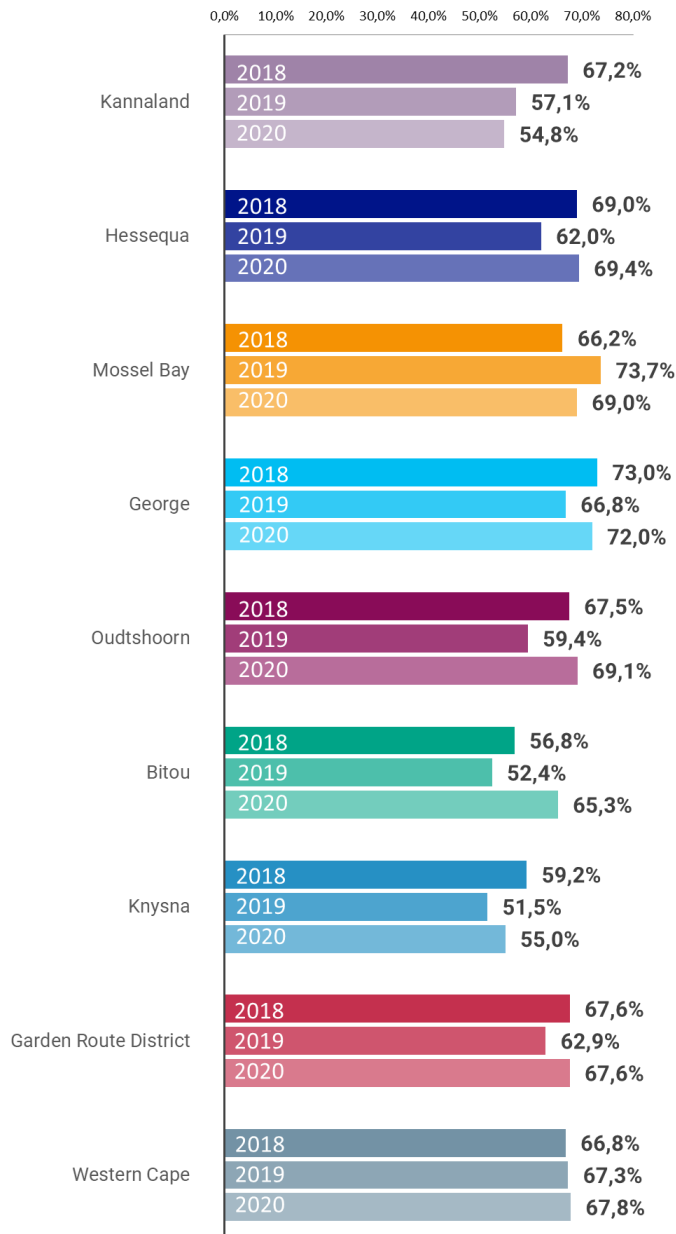


Source: Western Cape Education Department, 2021

The learner-teacher ratio in Kannaland, Mossel Bay, Oudtshoorn, Bitou and Knysna municipal areas improved from 2019 to 2020, showing that the number of educators increased sufficiently to accommodate the increased number of learners. Throughout this period, the learner teacher ratio for the GRD remained lower than the Western Cape’s ratio meaning that there are fewer learners per teacher, more focused and personalised teaching which should translate into improved academic achievements. The learner-teacher ratio in Kannaland, Mossel Bay, Oudtshoorn, Bitou and Knysna municipal areas improved from 2019 to 2020, showing that the number of educators increased sufficiently to accommodate the increased number of learners.

Figure below illustrates the retention rate of students from Grade 10 to 12 in the Western Cape, the GRD and its municipal areas between 2018 and 2020.

**Figure: Grade 10 to 12 retention rate, Garden Route District, 2018 - 2020**



Source: Western Cape Education Department, 202

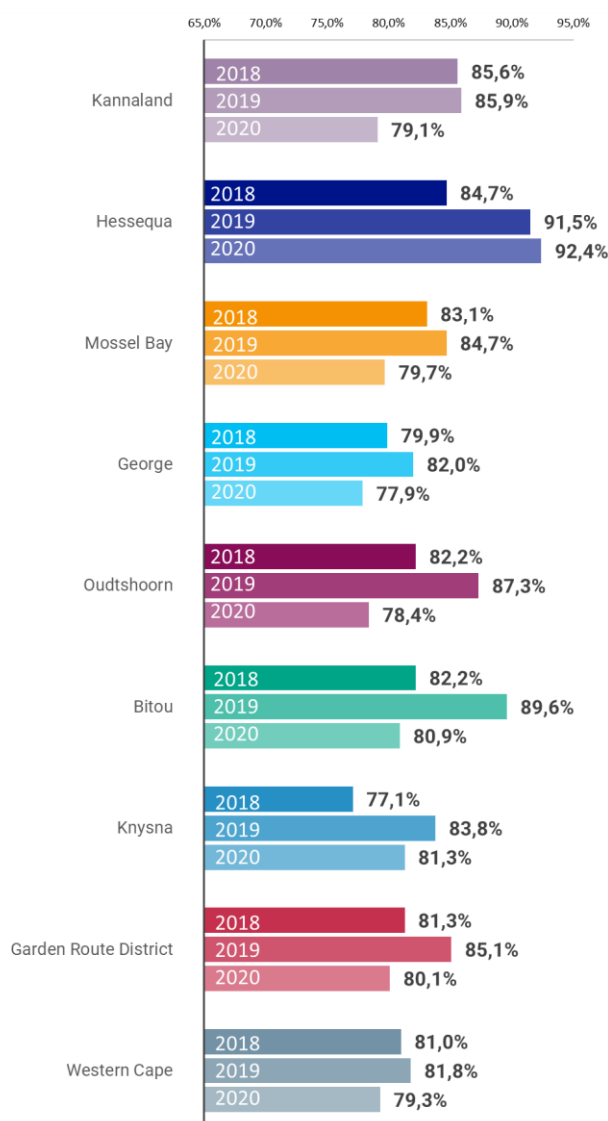
The Grade 10 to 12 retention rate is determined by obtaining the proportion of Grade 12 learners in a particular year compared with the number of Grade 10 learners two years prior. This shows the proportion of students who progressed to Grade 12, compared with those enrolled in Grade 10 two years before.

The retention rate in Kannaland and Mossel Bay municipal areas declined between 2019 and 2020 by 2.3 percentage points and 4.7 percentage points respectively. Access to education is an

important indicator for labour market skills and access to economic opportunity. Local challenges that result in learners leaving school before Grade 12 need to be assessed, especially considering that most sectors require semi- and skilled labour.

Together with several other variables not considered in this section, learner enrolment, learner-teacher ratios and Grade 10 to 12 retention rates all contribute towards an area's Grade 12 pass rate. Figure 4.9 illustrates the matric pass rate of Grade 12 students in the Western Cape, the GRD and its municipal areas between 2018 and 2020.

**Figure: Matric pass rate, Garden Route District, 2018 – 2020**



Source: Western Cape Education Department, 2021

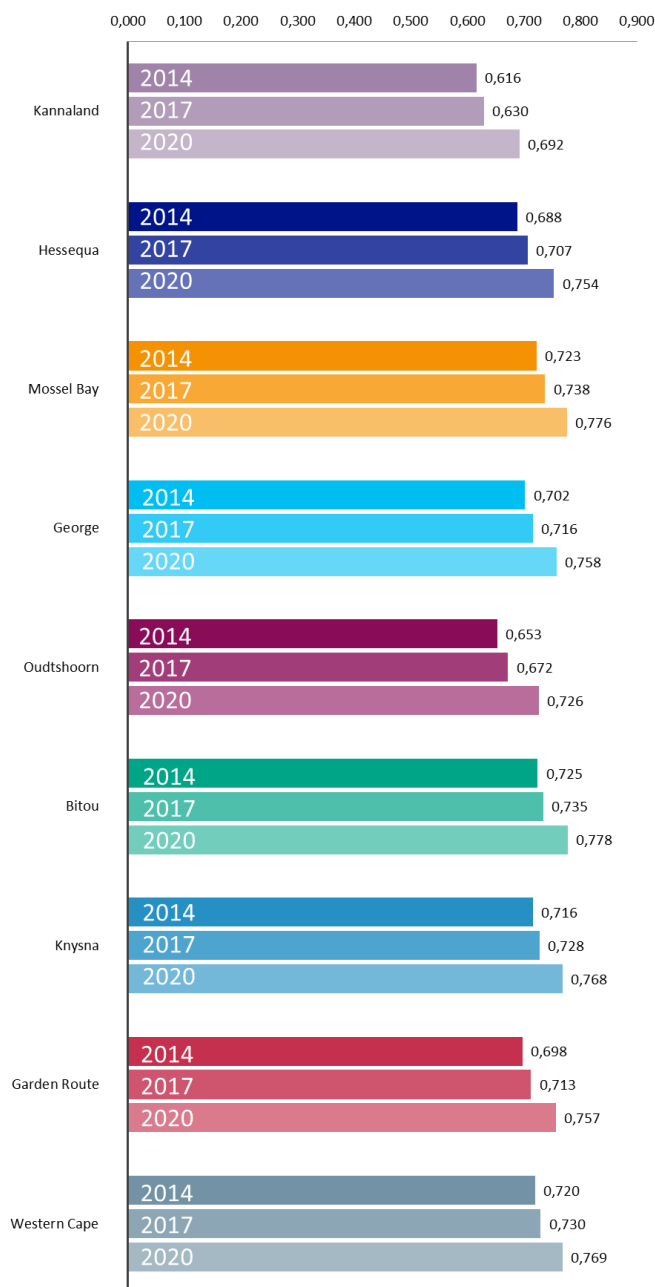
Oudtshoorn municipal area experienced the largest decrease in the matric pass rate (8.9 percentage points), followed by the Bitou (8.7 percentage points), Kannaland (6.8 per cent) and Mossel Bay (5.0 percentage points) municipal areas. The decrease in the matric pass rate can significantly affect the learners' ability to access higher education and thereby also improve their chances of better employment opportunities and a better income.

### 8.3.7.6 Human Development Index

The United Nations uses the HDI - a composite indicator reflecting education levels, health, and income - to assess the relative level of socio-economic development in countries. Economic performance plays an important role in determining the quality of life of citizens; economists expect economic growth to result in improvements in human development and economic decline to have an adverse effect on human development.

Figure below illustrates changes in the HDI between 2014 and 2020.

**Figure: HDI per municipal area, Garden Route District, 2014 - 2020**



Source: IHS Markit, 2021

The HDI is a measure of people's ability to live a long and healthy life, to communicate and participate in the community, and to have sufficient means to afford a decent standard of living. The HDI is represented by a number between 0 and 1, where 1 indicates a high level of human development and 0 represents no human development.

For the period under review, the HDI in the GRD was lower compared to the Western Cape's HDI. However, an improvement in the HDI level is evident in the GRD, increasing from 0.698 in 2014 to 0.757 in 2020. All municipal areas have improved in terms of their HDI. Bitou municipal area had the highest HDI whereas Kannaland has the lowest.

## PART TWO: SECTION FOUR 4.

### 4.1 THE ROLE OF THE MUNICIPALITY IN LOCAL ECONOMIC DEVELOPMENT

The role of the Municipality in the local economy has been accentuated by Government who sees its role as pivotal given the current global and local market conditions. “Where market failures are identified government will intervene through transparent, regulatory and other carefully defined and time delineated mechanisms...”

It is therefore incumbent upon the Municipality to seek to play a pro-active role in economic development through various forms of constructive inventions in the local economy. Kannaland Municipality however recognises the importance of the private sector in economic growth and development and in the creation of meaningful and sustainable employment opportunities. Its strategic economic intent is therefore to enable the private sector to play its role in economic development and through mild incentives and partnerships seek to lower the risks for the private sector to take up economic opportunities in the area and invest in the local economy of Kannaland.

According to the White paper on Local Government, 1998, section b 1.1: “Local Government is not directly responsible for creating employment. Rather it is the responsible for taking active steps to ensure that the overall economic and social conditions of the locality are conducive to the creation of” meaningful and sustainable employment opportunities.

Kannaland Municipality therefore remains committed to uphold the Constitutional values and recognises the role of these values in promoting economic growth and development. Public discontent with economic progress is often the result of a lack of communication with economic stakeholders. It is therefore cardinal that Kannaland Municipality communicate its activities pertaining to Local Economic Development to its constituencies on a regular basis.

#### 4.1.1 LED Vision 2022

Through various constructive inventions launch within a five year time frame five commercially viable projects with a capitalisation requirement of R 5 million and with meaningful community participation and Broad-Based Black Economic Empowerment involvement, in participation with the private sector and other role-players in the key sectors of Kannaland’s regional economy.

#### 4.1.2 LED Mission

To utilise the resources of Kannaland Municipality as the catalyst for Local Economic Development and to establish working partnerships with the Private Sector, Provincial and National Government institutions and agencies and to bring these partnerships to service of the local economy of Kannaland.

#### 4.1.3 LED Strategic Objectives

The strategic objectives listed below can only be achieved in partnership with the economic and social actors in Kannaland's Local Economy:

- Meaningful and sustainable employment creation
- Training and Development of Local People [Skills Development]
- Establishing Productive and Sustainable Partnerships/Co-operatives with Government and the Private Sector
- Small, Medium and Micro Enterprise Development
- Advancing the Informal Trade Sector

#### 4.1.4 LED Strategic Targets

In order to concretely realise advances with respect to these strategic priorities, Kannaland Municipality boldly embraces the statement of intent made for each strategic objective below:

##### 4.1.4.1. Meaningful and Sustainable Employment Creation

Meaningful and Sustainable Employment creation is the pre-eminent priority for Kannaland Municipality. This will be the foremost consideration in any economic initiative of the Municipality. It should be underscored, however that there are limitations to the ability to spearhead meaningful and sustainable employment. The Municipality therefore recognises the key role of the private sector in the creation of meaningful and sustainable employment opportunities and economic growth in the area and will establish active working partnerships with the business community of the area. In the taking the first steps, Kannaland Municipality will make every effort to ensure that its own activities leads to meaningful and Sustainable Employment Creation.

##### 4.1.4..4.2. The training and development of local people

It can reasonably be assumed that most established businesses in Kannaland source their skills from outside the area. At the same time, the vast majority of skilled and semi-skilled inhabitants of Kannaland commute to surrounding areas for work or have completely relocated elsewhere where

employment opportunities are better. This situation added significantly to the problem of the skills base in Kannaland.

Kannaland Municipality recognises that in order to have an impact on skills development, it will have to do this at sectoral level. It will work closely with the relevant Sector Education and Training Authorities [SETA's] and other role-players to roll out skills development programmes in the key sectors of the area.

Community training needs has been conducted throughout Kannaland Municipality. This has been done through interviews and also through a local survey conducted throughout Kannaland Municipality by the IDP and Public Participation unit.

Kannaland Municipality also serves on various district platforms such as the District Business Chamber and the District Skills Mecca and the district support in furthering the skills gap dilemma is welcomed through their one district approach of skills grant application submissions. It is however disappointing that the SETAs have rejected the applications previously submitted as application submissions take up much time and effort from an already shrinking workforce.

#### **4.1.4.3. Establishing Productive and Sustainable Partnership and Co-operatives with Government and the Private Sector**

Local Economic Development is not exclusively the domain of Local Government; indeed this Local Economic Development Strategy is based on a Partnership ethos. Kannaland Municipality intends to establish partnerships straddling the entire economic spectrum of businesses. In so doing it will have regular interactions with organised formations of businesses, other relevant economic actors and business leaders where organised formations are non-existent. The Ladismith Business Chamber is extremely active in IDP processes and this Draft LED Strategy shall be workshopped with Council and all business partners for further input. Strong partnerships are required for the rollout of catalytic projects to be identified by council at its strategic workshop planned for 7 April 2022. Kannaland Municipality shows that over 70% of the population are categorised as low skilled. Much effort and momentum in upskilling our population is required. Grant applications can certainly not be denied to the people of Kannaland and all grant funding shall be spent.

#### **4.1.4.4. Small, Medium and Micro Enterprises [SMME] Development**

One way of getting employment in this National, Provincial and Local climate of dire unemployment is to create conditions conducive to establishment and development of Small, Medium and Micro Enterprises [SMME's]. Encouraging entrepreneurs to start up small businesses is one of the most important mechanisms to counter-unemployment, experts say, especially as labour market policies like subsidised wages, training programmes and apprenticeships have a limited effect on the



increasing number of people out of work.

**It is widely accepted that:**

- SMME's can serve as the foremost employment creating sector in the country
- SMME development can lead to higher levels of competition and can act as vehicle to break the high levels of concentration in the Economy
- SMME's can serve as a useful catalyst for redistribution to address the highly unequal income distribution patterns
- SMME development is a vital component of Local Economic Development

In recognition of this near economic axiom, Kannaland Municipality will endeavour to incorporate an SMME Development component into all its Local Economic Development initiatives. Over and above this it will develop its contacts database to assist and as to allow Small, Medium and Micro Enterprises [SMME's] in Kannaland to access those that can provide finance and those that make business services available to this market segment.

#### **4.1.5. Sector focus**

##### **4.1.5.1. Focus on Agriculture**

The need to build out the Agro-Industries in the Kannaland area cannot be overly emphasised. This is principally illustrated that one has the presence of two cheese manufacturing plants situated in an area like Ladysmith. By its very nature one is pointed in the direction that the potential must exist for more Agro-industries to establish themselves in the region. These current plants are operating profitably and have both expressed the desire to increase their current potential footprint. The need to exploit supporting industries has not even begun and this must be viewed as a potential to build out the existing industry to its full potential. Related and supporting industries need to be identified and established. There is also the opportunity to create small scale farming initiatives and it is evident from the current practices, that there is a high concentration on Game farming in the area. The ancillary industries such as tour guides and rangers etc. should be more fully explored. It also becomes apparent that from the consultative processes undertaken, that the challenges in these industries also need to be spoken to. The fact that there is adequate rainfall in the area but a huge shortage of water, identifies the need for a review of the basic infrastructure requirements and functionality.

##### **4.1.5.2. SMME- Private Sector Joint Ventures and Outsourcing**

Having spoken to the larger corporate in the Kannaland area, it was obvious that there were various

ways in which these industries could support the local communities in mutually beneficial projects.

One of these initiatives involved the manufacturing of cheese by community cooperatives for example. In this instance the established business had access to skills, packaging and markets. It could outsource the manufacturing of various product lines to the community and implement training and quality programs that would enable the community co-ops to engage in the manufacturing and marketing of these products. Funding for training would need to be sourced, but this industry because of its private sector partners, could become hugely beneficial to the community in terms of job creating and sustainable development. Joint initiatives can be further developed into a Tourism opportunity with for example a cheese festival or creating export markets for the local co op cheese through the support and assistance of the larger corporate. One would need to perhaps drive this initiative through the local business chamber where the focus would be on ascertaining how the private sector and the SMME's could collaborate for mutual benefit and to also interrogate outsourcing opportunities from the private sector. These opportunities would have to be well managed in sustainable entities with oversight and support being provided from the private /NGO sector.

Significant outsourcing opportunities also exist within the municipal compact. Various smaller works and services could be given to smaller SMME's in a managed capacity. Examples of these could be the beautifying of the area, maintaining curb sides and verges, painting of street markings etc.

#### **4.1.5.3. Tourism as an Economic Driver for Kannaland**

The Objectives of tourism is to maximise the potential income streams and social benefits flowing into the economy whilst also minimising the negative impacts on the natural, historical, social and cultural landscape. It would appear that from our initial discussions with the municipality and various private sector organisations, that Tourism should be one of the chief economic drivers in the Kannaland area. The Tourism sector not only lent itself to huge job creation prospects but would also be a catalyst to bridging the divide in a racially segmented community and thereby contribute to building up the social fabric of the greater Kannaland area. There is a positive disposition from the established private sector to join forces with an emerging SMME's who would be mostly from the PDI communities to jointly exploit the myriad of Tourism opportunities. It is apparent that the formal sector possessed the necessary Capital and Skills and the emerging PDI market had access to the Opportunities but lacked the former resources. These could well be combined to create effective joint ventures which would be sustainable and profitable to all parties.

This modest allocation by the municipality for tourism should be seen against the context of the broader package of municipal programs (e.g. keeping local towns clean, enhancing the aesthetic

appeal of the built and natural environment and its planning framework).

Kannaland LM will develop a Tourism Masterplan that could amongst others unlock local economic opportunities through:

- Proper Spatial Planning – e.g. promoting economic growth along the R62, agri-tourism, adventure tourism, etc;
- Development of an Art, Culture and Heritage Plan; which will identify sites of architectural, heritage significant areas and resources which will be able to contribute to the unique selling proposition of the area and attract people to the Kannaland region through cultural tourism;
- Leveraging assets such as the upgrade to the existing caravan park in Ladismith, through either alienation or public private partnership which could stimulate economic activity.
- Restore heritage sites
- Repair hiking trails
- Establishing an aesthetics committee
- Keeping Kannaland clean and green

Kannaland's local economy is built on the opportunities created by tourists visiting the area. It is essential that the tourism industry be further developed and investment into this industry be promoted to ensure continuous growth. The aim is that each town to have a tourism bureau satellite office which will reside under the Kannaland Tourism umbrella with each town having its unique economical setup and programs.

At present, two such bureaus (Ladismith Tourism Bureau and Calitzdorp Tourism Bureau) have been established, are fully functional and are being funded by Kannaland Municipality.

#### Tourism Priority Statement

A priority need exists to create two similar tourism bureaus in Zoar and Van Wyksdorp. Tourism Business and action plans have been developed for these 2 priority tourism bureaus. The Garden Route District Municipality will be approached through the One District Plan (JDMA) to consider funding the two additional envisaged tourism bureaus.

The 2 funded local tourism bureau offices currently maintain and operate two websites:

- Ladismith: <http://www.ladismith.org.za>
- Calitzdorp: <http://www.calitzdorp.org.za>

## 4.2 STATUS OF KANNALAND TOURISM BUREAUS

### Ladismith and Claitzorp Tourism Bureaus established

As at 30 June 2022. The Ladismith Tourism Bureau and the Calitzdorp Tourism Bureau are established, fully functional and Memorandum of Agreements have been entered into between these Tourism Bureaus and Kannaland Municipality. Furthermore action plans have been developed and project implementation is well underway. These mentioned action plans may be perused in the Office of the Manager: IDP and PMS.

### Zoar and Van Wyksdorp Tourism Bureaus to be established

With reference to the Zoar and Van Wyksdorp Tourism Bureaus, Memorandums of Agreements have not yet been entered into with either of these two Tourism Bureaus. Action plans have however been developed and projects identified shall be implemented during 2022. MOAs shall be developed and entered into with these two Tourism Bureaus within 2022/2023 financial year.

The figure below (SDF - Figure 3.4.13.1) illustrates the main tourism and cultural attractions in the municipality (ENPAT, 2003). These are made up of various cultural tourism sites (grave/burial sites, monuments, etc) and 2 local hiking trails:

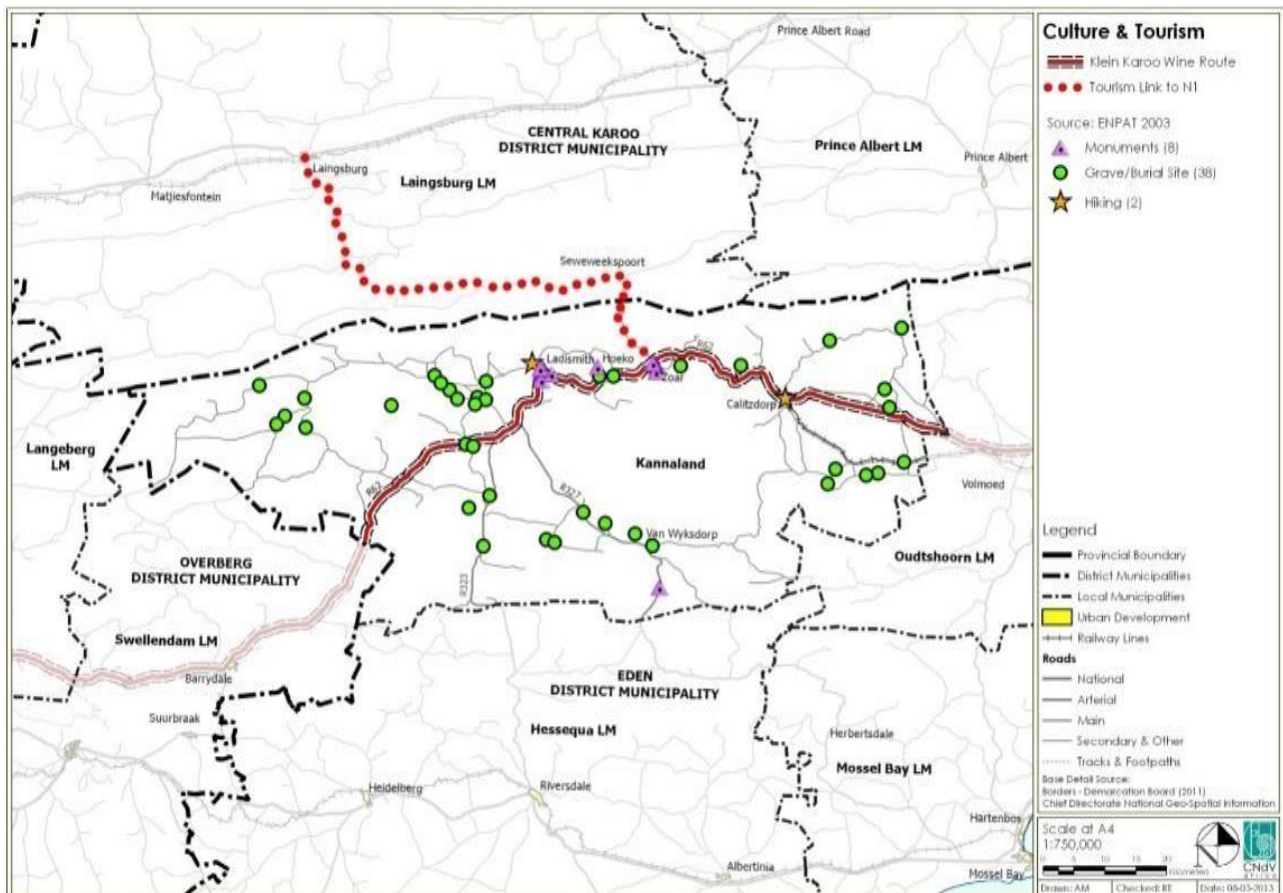


FIGURE 17: TOURISM AND CULTURE ATTRACTION – REFER TO FIGURE 3.4.13.1 IN SDF TOURISM AND CULTURE ATTRACTION

Tourism is one of the key economic sectors in the municipality, calling for the development of a tourism master plan or a municipal wide tourism strategy. The local tourism offices needs urgent support from the government department to assist in either funding of programs or the development of each town – as mentioned a masterplan is needed. The tourism sector can contribute significantly to the reduction of unemployment. The urban areas along the R62 tourism route should maximize their exposure on this route as a means of enhancing economic growth

The Calitzdorp tourism office successfully held the port (wine) and winter festival which bring out the culture of the town to the tourist as well neighboring municipal places.

### **Major Tourism Destinations**

- Ladismith, Calitzdorp and van Wyksdorp B&Bs, guesthouses, restaurants and places of interest;
- Ladismith Cheese factory shops;
- Ladismith has its own building style, known as the Ladismith Style (a simplified Georgian style)
- There are some wonderful old buildings that have been restored, some of which are now National Monuments.
- There are also plenty of magnificent churches!
- The Tourism Bureau is housed in the Neo-Gothic Otto Hager Church, built in 1874, while the Lutheran Church, built in 1856 has Bible texts painted on its inner walls.
- The old Synagogue is probably the only example of Lithuanian style in South Africa and it was here that Jewish children were taught Hebrew in the afternoons.
- There are also “feather boom” houses, the most famous being The ‘Volstruis Paleis’ (Ostrich Palace).
- If you fancy staying in a National Monument from the ostrich era, Albert Manor is a beautifully restored guesthouse that was built in 1892 for an ostrich baron.
- The wallpaper is the original wallpaper, while the windows still have the original handmade glass imported from Holland.
- No expense was spared in building this home with its cast iron broekie lace and Oregon pine ceilings and floors.
- Public and Private nature reserves and eco-resorts for hiking and MTB;
- Port and Wine Cellars;

- Scenic routes for self-drive and guided tours, especially Seweweeks Poort, R62, R327 and district road from Ladismith to Calitzdorp via Van Wyksdorp;
- Potential mission route and cultural tourism opportunities including Lutheran mission complex and church in Ladismith, SA Mission society church in Zoar and Berlin Mission Society church in Amalienstein;
- Zoar as potential cultural tourism centre along Hoof Street with B&Bs and cafes; Khoi San rock paintings and Amalienstein mission as termination of Seweweeks Poort pass;
- Ensure that new development responds positively to the layout of historic settlements; and,
- There are no cultural landscapes with the Garden Route district which have any formal protection status. Various examples of representative cultural landscapes were identified in the Heritage and Scenic Resources and museums:

Each of the 4 major towns in Kannaland appear to have unique features around which the tourism sector could be further exploited and also used to develop other support industries which lead to exponential growth of several business ventures and job creation. Kannaland Municipality has entered into Memorandum of Agreement with two tourism bureaus namely Calitzdorp Tourism Bureau and the Ladismith Tourism Bureau. The GR District is being approached to support and fund the remaining two tourism bureaus in Zoar and Van Wyksdorp. Business and action plans have already been drawn up in collaboration with the latter and implementation is projected for 2022/2023.

**Some of these specific value offerings are:**

- Ladismith Cheese factory shops; Goergian style architecture; heritage synagogue and church buildings
- Calitzdorp Port and wine estates as well as spring water from SPA Gamka Mountain reserve (Cape Mountain Zebra)
- Zoar and Amalienstein Historic mission stations offering donkey cart and hiking trails through vineyards and orchards, including indigenous cultural festivals
- Seweweekspoort Mountain biking, hiking, fynbos and protea flowers [also the National Flower]
- Vanwyksdorp Fynbos processing, donkey cart rides to Anglo- Boer/ SA War grave sites. Funding was sent previously for the upgrade and maintenance to these sites. This needs to be further investigated and allocated to Van Wyksdorp for the maintenance of these historical heritage site.
- The profile of the area must be improved to ensure that Kannaland is not seen as just a

region through which the traveller should pass in order to get to their final destination. The transformation of the entire area will ensure that tourists spend longer periods in the Municipal area.

- There are also various tourist attraction initiatives which have been launched and which could be further supported as illustrated in the tables hereunder:

### 4.3 CORE COMPONENTS

#### **The marketing of the area:**

Although marketing and branding of Kannaland is discussed elsewhere in the document, the marketing of Kannaland's unique selling points [USP], should receive high priority.

The creation of other tourism products throughout Kannaland will support the improvement of the tourism profile. The core of tourism development in the area lies in the creation and strengthening of tourism products.

#### **The Importance of an improved Tourism profile**

As Kannaland is presently utilising its tourism potential to its full extent, the improvement of the profile will serve the function of "opening up" the area for the development of tourist activities and therefore to a larger portion of potential tourists. It can be foreseen that these areas will in future experience an increase in the number of visitors. This will however only happen if the quality of sufficient services is developed in order to ensure tourist convenience and satisfaction.

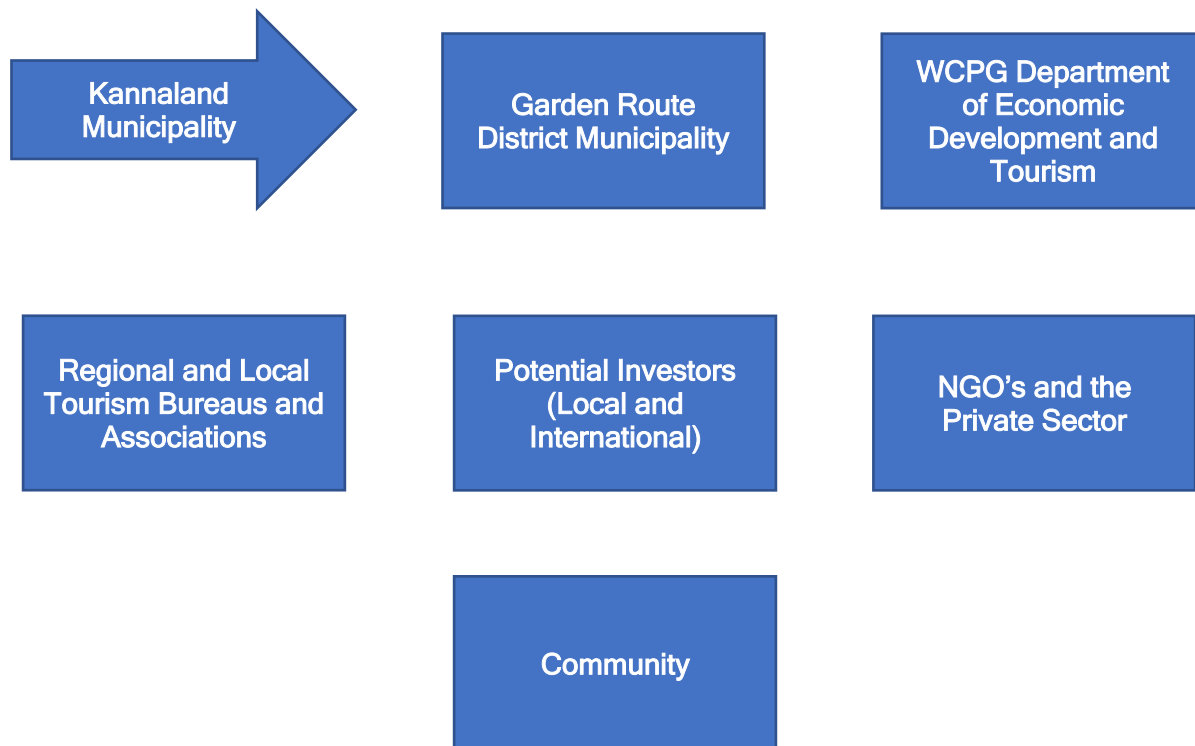
#### **The Impact will be as follows:**

*Spatial Impact* The specialisation of certain nodes in tourism activities will result in the concentration of economic activities. The provision of overnight facilities and other supporting services will also ensure traveller convenience

*Social Impact* Unemployment can be addressed by training vulnerable community members to respond to tourism needs. The attraction of tourist buying power will strengthen the economic and social base of these communities

*Economic Impact* The various segments of this LED strategy will not only result in the broadening of the economic base of Kannaland, but also create economies of scale in which a number of linkages can be created. Tour operator training is identified as a skills need.

### Key Role Players





The improvement of the Tourism Profile is an undertaking that must have political commitment and buy-in from all stakeholders. A specific champion is needed to perform the different steps to facilitate the coordination of activities. The Municipality should further facilitate the matchmaking of development opportunities with identified investors in order to implement the activities required to improve the Tourism Profile of Kannaland.

### **Project facilitation Activities**

1. Solicit Community Support
2. Establish PPP's amongst role-players
3. Compile data base on available tourism packages, facilities, services and operators
4. Involve relevant organisations in order to compile a strategy for business and educational tourism

### **R62 West**

- Increase brand marketing of R62 with public facilitation and resources where possible;
- Intensive farming areas should enjoy the highest level of protection, particularly where they are in easy transport access of settlements;
- Promote protection of CBAs along river corridors and on the Touwsberg through stewardship and strictly controlled wilderness tourism developments to be informed by design guidelines to minimize visual and ecological impacts.

### **R62 East**

- Increase brand marketing of R62 with public facilitation and resources where possible;
- Incentivise and promote Zoar and Amalienstein residents to take advantage of the tourism potential along the R62;
- Ensure all future BNG housing does not detract from the visual quality of the settlement;
- Intensive farming areas should enjoy the highest level of protection, particularly where they are in easy transport access of settlements.

### Key support programmes and initiatives that can be adopted

- Eco-farm homestay/resorts and getaways
- Hiking
- Bird-watching
- Organised and informal mountain biking; and
- Self-drive and motorcycle touring;
- Agriculture and its associated industries including wine and dairy represent another tourism market
- Wine and Rural Tourism
- Wine tourism being one of the fastest growing areas in the tourism sector could be one of the chief targets in the Kannaland area with its world acclaimed PORT and related wine products [Port Festival / Wine Routes]
- Funding could be accessed for the development of rural areas which was identified by government as a priority area under the national policy for Rural Tourism.
- Poverty Relief Funding The Department of Tourism has set aside funding for the development of SMME's and job creation. They have also supported poverty alleviation via the EPWP Hospitality Youth Initiative The government launched the HYI initiative which is aimed at creating jobs for youth in the hospitality industry. Industry Transformation In line with the Tourism BEE Charter and Scorecard

Some of the increased funding from provincial government is spent on local workers' salaries and supplies from local producers. Local suppliers and employees in turn spend some of their additional funds on local goods and services still creating more jobs. Although Kannaland Municipality is not directly responsible for the provision of primary health care facilities, the Municipality can play an important role in the negotiation for more health care funding and additional facilities.

#### The following are important considerations in this regard:

- The Municipality and the local health care facilities must develop a common development vision
- Economic development officials must be present on health care forums
- Health care officials must be present at LED Forum meetings
- Provide clinics or other health care facilities with information on relevant businesses. These businesses may include for e.g. the provision of food and laundry services Tourism Enterprise Partnership (TEP) TEP is a small business development agency promoting job creation, transformation and small business sustainability in the tourism sector

## **Social/Community Services Sector**

This sector includes the general activities of National, Provincial and Local Government such as health and social work, education, infrastructure provision, community organisations, recreational, cultural and sporting activities and other community, social and personal services.

### **Community Services in Kannaland**

The Community services sector, which includes the Government sector, contributes some 20.4% to local production while accounting for a significant number of formal employment opportunities in Kannaland. This sector is mostly concentrated around Ladismith, due to the government facilities located there. The above figure indicates the importance of this sector in employing local people. It is believed that this sector will continue to play a major role in the local economy, as these services will continually be in demand. Future, investment in this sector is, however dependant on National and Provincial Government investment in Kannaland.

### **Health Care and Local Economic Development**

Increasing the number of employment opportunities in local health care facilities contributes to overall poverty reduction/alleviation in an area. This is why, it will be beneficial to Local Economic Development [LED]; if local health care facilities can be expanded and upgraded. LED is about attracting, retaining and recruiting businesses to the area. In rural South Africa, healthcare facilities are always significant and often one of the largest businesses and employers. The number of local job opportunities is increased directly through the expansion of local health care facilities through the employment of clinic personnel and related professions'. Expanding jobs in health care facilities will also have multiplier effects on employment in other local companies. Some of the increased funding from provincial government is spent on local workers' salaries and supplies from local producers. Local suppliers and employees in turn spend some of their additional funds on local goods and services still creating more jobs. Although Kannaland Municipality is not directly responsible for the provision of primary health care facilities, the Municipality can play an important role in the negotiation for more health care funding and additional facilities.

#### **The following are important considerations in this regard:**

- The Municipality and the local health care facilities must develop a common development vision
- Economic development officials must be present on health care forums
- Health care officials must be present at LED Forum meetings
- Provide clinics or other health care facilities with information on relevant businesses. These businesses may include for e.g. the provision of food and laundry services
- Health care facilities must express their need for goods and services to local businesses first,

before purchasing it from outside the boundary' of the Municipality. This can be facilitated by including health care officials responsible for procurement on local business forums

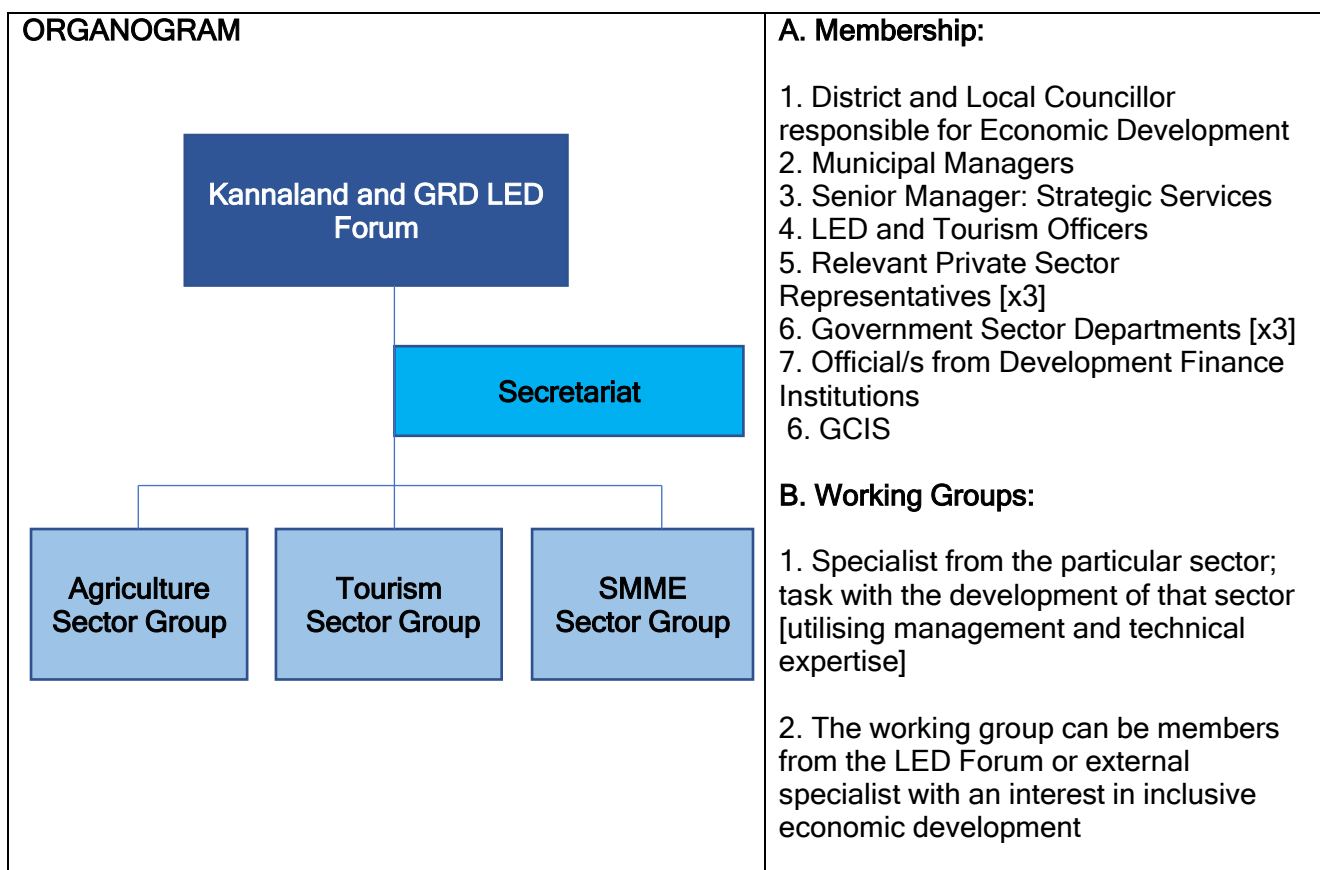
- Encourage health care facilities to employ local people

### **Institutional Architecture**

The success of this Strategy will to a large extent depend on the partnerships and the establishment of focus groups (Development Associations). Kannaland Municipality will be able to establish with meaningful role-players in economic development. The existing institutional structure/s is too fragmented and devoid of any serious financial muscle to carry the responsibility of the Local Economic Development Strategy. We will need to call for expression of interest for investment partnering.

This institutional structure/s in its present form nevertheless has a vital role to play in terms of ensuring the support of business organisations and leaders, and civil society at large for this LED Strategy. Moreover, the projects that need to be realised out of the LED Vision 2022 will only take off if an adequate high-level team is established based on the requirements of these projects. The idea is to get early buy-in and support of financiers and investors; in the projects the Municipality aim to develop as part of LED Vision 2022. This therefore serves as the primary factor in having decided on the composition of the proposed Kannaland Local Economic Development Forum. Amongst other things the forum will seek to encourage dialogue on economic policies of Government between, Private sector, Non-governmental organisations and academia. This will be in addition to discussing LED Implementation issues affecting the municipality. Moreover, the forum will contribute to the process of finding appropriate solutions, through conveying recommendations to decision makers in both the executive and legislative authorities and to the business associations. Other factors include representation and technical expertise. It is further proposed that the Forum be composed in the following manner:

**Organogram:**



The membership to Kannaland Local Economic Development [LED] Forum shall not exceed fifteen members for the sake of expeditious decision-making. The LED Forum will have a tenure decided by members; but not exceeding three years. The mandate of the Kannaland LED Forum will be to bring to fruition Vision 2022 and to ensure the implementation of said LED Strategy Municipal department (Strategic Services) responsible for Local Economic Development will serve as interim secretariat for the Forum and be responsible for day-to-day implementation of the LED Programme.

**Improving the Economic Management Capacity of the Municipality**

The success of any economic development strategy depends to a large extent on the economic management capacity of the institution responsible for driving that strategy. The current capacity available in Kannaland Municipality is woefully inadequate to deliver single-handedly on the objectives and targets of this Strategy. To build this capacity in the short-term is also not feasibility.

It is recommended that the Municipality fill the undermentioned critical vacancies to drive this LED Strategy to augment the capacity of the Municipal Administration for implementation:

- Senior Manager: Strategic Services
- IDP/LED/PMS Manager
- PMS/LED Project Coordinator
- Senior Communication/LED Officer
- Public Participation Officer
- Admin Clerk

**NOTE:**

There are currently no dedicated LED staff appointed at Kannaland Municipality. The function is being carried out by the IDP unit.

**Implications for Kannaland Municipality:**

1. Facilitate the implementation of the identified LED catalytic projects to enable job creation and alleviate poverty.
2. Develop tourism as a main component in generating economic growth within the Kannaland Municipality.
3. Repair municipal owned heritage buildings as fulcrums for art and craft centres and tourism points of interest.
4. Focus on primary agricultural production as well as secondary agro-processing factories.
5. Investigate the cannabis potential and hemp industry.
6. Attract investment and establish markets and malls.
7. Promote the arts and culture industry.
8. Ensure increases in the participation of Kannaland Municipality's population in production, by means of equity, ownership, development and social pacts – co-operatives- between government, the labour force and business.
9. Consider developing policies to address inequalities from the past.
10. Create cooperatives and partnerships to address the socio-economic challenges of the municipality.
11. Identify economic development skills set and needs for training interventions and set-up a skills database to ensure available skills within the municipality are used and retained.
12. Set-up a data base of education services and facilities available which can be made available to members of the community in order to facilitate education and skills training.
13. Develop Kannaland Municipality as a brand emphasizing the municipality as a destination for eco- and adventure tourism, culture and heritage, health and wellness, the Port capital of South Africa and retirement. In order for this to be achieved, the limited health care facilities need to be addressed.
14. Develop a medical Centre in Vanwyksdorp
15. Extend the Thusong Centre to serve as a business hub
16. Establish ECD Centre in Zoar

The LED strategy proposed the following developmental projects that should be implemented in the Municipality. It is important to note that the purpose of the developmental projects is to create jobs and alleviate poverty.

Catalytic Project and description	Jobs Created	Skills developed	WARD
Business premises in Ladismith - Occupation Preference to business owners in Nissenville	200 jobs per annum	Construction; Bricklaying; carpentry, plumbing, electrical, building; architectural; tiling; cashiers; book keeping; sales; marketing; retail management; supervisory; paving; advertising; graphic design; photography; IT; culinary skills; costing; buyers; painting; glass fitting	1
Jeugvaardigheidsontwikkeling en voeding skema - Nissenville	30 jobs per annum	Cullinary skills; educators - facilitators; moderators and assessors (in fields of ABET; artisan training); NPO establishment training; culinary skills; counseling	1
Opreimings veldtog in Varkieskloof, Donsonlaan en David straat met verwydering van doringbossies en die oprigtiging van spreiligte in Rothman straat om veiligheid te bevorder. - Nissenville	Y1 - 20 jobs Y2 - 20 jobs Y3 - 20 jobs Y4 - 20 jobs Y5 - 20 jobs Of the total 200 EPWP	Fire-fighting; environmental law enforcement; electrical	1
Ladismith Klein Boere Vereniging (31 small farmers)	150 jobs	Identify land for livestock and agricultural farming 135Ha; 20x 20ft containers; water tanks x 20; animal feed; pig stys; fencing; barn yards	1
Opgradering van Gemeenskapsaal in Nissenville	Y1 - 20 jobs	Painting; tiling; plumbing; carpentry; electricians; glass fitters;	1
Caravan and camping site upgrade	Y1 - 20 jobs	Construction of reception, braai and ablution facilities; tiling; electrical; lighting; plumbing; carpentry.	4
Verbeterde sport infrastruktuur - Rugbybaan en swembad in Ladismith	Y1 - 20 jobs	Construction; building; bricklaying; plumbing; electrical; carpentry; Grass laying; tiling	4
Repairs and maintenance to Heritage building - Synagogue for cultural school - art and craft development centre	Y1 - 20 construction Y2 - 20 Y3 - 20 Y4 - 20 Y5 - 20	Construction; building; bricklaying; plumbing; electrical; carpentry; Grass laying; tiling; nursery; hospitality; sales; mini market;	

Catalytic Project and description	Jobs Created	Skills developed	WARD
Algemene opgradering van Infrastruktuur (Paaie, Riool stelsel, water infrastruktuur, elektrisiteits voorsiening) in all wards with high mast lighting in Van Wyksdorp, Zoar and Kerkplaas	MIG Projects INEP; WSIG; to be determined through PMU	Engineering; road paving; taring; regravell; pot hole road repairs; electrical.	ALL
Commence with construction of the Swartberg Dam as feasibility studies and EIA already completed.	Y1 - 150 jobs Y2 - 150 jobs Y3 - 150 jobs Y4 - 150 jobs Y5 - 150 jobs	Engineering; construction; labour; mechanical; electrical; plumbing; fitter and turner	4
Construct Netball field in VWD	Y1	Construction; fencing; electrical lighting	4
General Infrastructure (VWD)	Y1 - Y5 30 jobs each year	New sewerage plant outside VWD33 Upgrade existing treatment works Lighting in VWD	4
K53 License testing centre	Y2 - To be determined	Licensing;	4
Upgrading of community hall in Calitzdorp Y1	Y1 - 20 jobs	Painting; tiling; plumbing; carpentry; electricians; glass fitters;	2
Securing land for factories - 5 hectares in Calitzdorp	1000 by Y5	Construction; Bricklaying; carpentry, plumbing, electrical, building; architectural; tiling; cashiers; book keeping; sales; marketing; supervisory; management; paving; advertising; graphic design; photography; IT; culinary skills; costing; buyers; painting; glass fitting; bottling; packaging	2
Identification of building to house art and culture development centre in Calitzdorp	Y1 - 30 jobs Y2 - 60 jobs Y3 - 90 jobs Y4 - 120 jobs Y5 - 150 jobs	Pottery; dancing; fine art painting; drama; jewellery making; printing; glazing; clothing textiles; knitting; sewing; ceramics; woodwork; glass blowing;chimes; curios; corporate gifting; picture framing; weaving; Tshirt silk screening; sign writing	2
Maxis Hall repairs and maintenance	Y1 - 20 jobs	Plumbing; fencing; welding	2



Catalytic Project and description	Jobs Created	Skills developed	WARD
Water security - Zoar and Calitzdorp	PMU unit to determine	PMU unit to determine	2
Establish a taxi rank in Calitzdorp	No of Taxi operators to be determined	Traffic law enforcement; Traffic wardens; Traffic officers	2
Tourism bureaus to be established in VWD and Zoar (Already established in Calitzdorp and Ladismith)	Indirect - 4000 (to be confirmed) Direct - 8 jobs	Computer; graphic design; photography; culinary skills; tour guiding; hospitality; office administration; reception front desk; book keeping; record keeping; financial administration; housekeeping; handyman; sign writing	All
Amalienstein Land transfer and development - agricultural and livestock farming; nursery, composting; tourism; market; clinic expansion; agricultural school	Direct - 100 Indirect - 1000 Entrepreneurial	Farming; composting; bee keeping; hospitality; culinary; retail; cheese making; baking; book keeping; front desk reception;	3
Compost for Kannaland: a place at sewerage centres where raw materials (manure) are converted into compost	Three entrepreneurs could be employed at each of the sewerage plants; o A total of 12 jobs could be created.	Business skills Composting Waste management skills Entrepreneurial skills Networking skills centred upon new relationships between participating private businesses, farmers and new entrepreneurs.	All
Waste for the "Poor": A multi-faceted recyclable waste buy-back centre which is supported by a network of local waste managers and participating community waste entrepreneurs.	The centre in Ladismith could employ one manager with one administrative staff for support; Several manual labourers will be required to sort, package and compact the recyclable waste; o In the smaller towns like Van Wyksdorp, Zoar and Calitzdorp two people respectively would be able to manage the project; A team of two drivers would be required to transport	Business skills Basic waste management skills Capacity building and community education creation skills	All

Catalytic Project and description	Jobs Created	Skills developed	WARD
	the waste from the various towns and then deliver it to Oudtshoorn where it will be collected by South Cape Recycling.		
Aloe Project: A small nursery where the seeds are germinated and the plants grown in bags could be established (possibly through the assistance of Dept of Agriculture (Land Care section). Once they have developed into small plants, these plants could then be planted in the orchards.	Sustainable jobs for 10 - 20 people	Business skills Harvesting skills Entrepreneurial skills; Networking skills centred upon new relationships between participating private businesses (buyers).	All
Invasive Alien Plant Species Control: the control and management of invasive plant species	Approximately 10 permanent jobs could be created.	Business skills o Harvesting skills (Cutting the Spaans Riet) o Entrepreneurial skills o Networking skills centred upon new relationships between participating private businesses (buyers) and individuals./Environmental law enforcement	All
Homestay Initiative: a living arrangement offered by a host or host family that involves staying in their furnished, private, shared room, house, apartment, or suite.	Jobs created in the local community in tourism sectors and sub-sectors and support services, e.g. drivers, security, clean-up and recreation, transport, accommodation, attraction sections, field guides, oral historians, archeology, architecture and historical buildings, mentors, trainers	Business Skills Networking Skills Sales and Marketing Skills Skills related to the service industry Skills for the tourism industry Skills for related sectors e.g. Driving and guiding Assisting and mentoring existing small tourist/veld/game guides Event/festivity co-ordination Graphic design for new brochures, maps,newsletter and website design and tourism signage in VWD Hospitality and catering General Office administration; Front desk/Reception	3

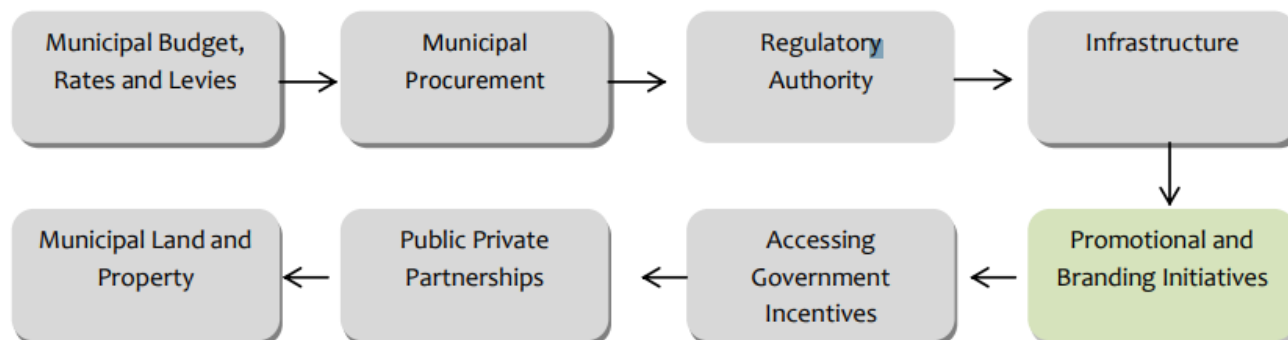
Catalytic Project and description	Jobs Created	Skills developed	WARD
	and teachers of skills and languages	Office administration Reservations/hospitality Guest relations/Tour operators/guides/Financial administration - Invoicing Catering/culinary skills/cheese making Housekeeping/Jam making/Konfyt/Chutney - local agricultural produce/Skills facilitator/Moderator and assessor - Education and Training Practitioner	
Bee keeping	Jobs created in agriculture; local production of honey products	Networking for land space Construction and erection of beehives' Producing hoiney and by products	2; 3; 4
New Medical Centre (VWD) Extension of existing clinic (Amalienstein)	<b>VWD:</b> Construction - 20 15 fulltime jobs <b>Amalienstein:</b> Construction - 20 15 Fulltime jobs	Artisan plumbing; tiling; bricklaying; painting; electrical; fencing; security; front desk reception; office administration; record keeping; nursing; health practitioner; cleaner; home care;	3; 4

**NOTE:**

Approximately 2000 jobs could be created each year if catalytic/project implementation is successful.

## SECTION FIVE

## 5. Strategic Imperatives and Programmes

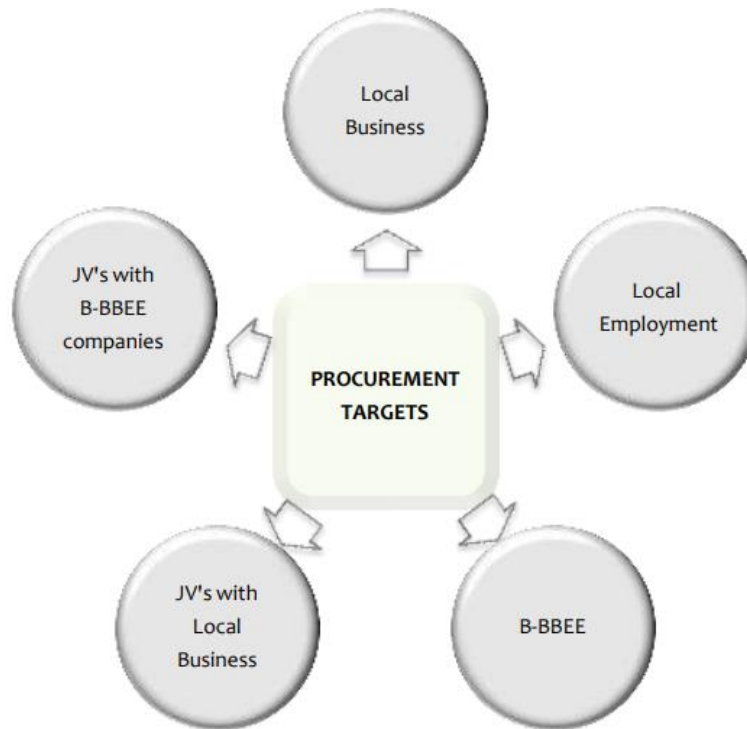


## Municipal Budget, Rates and Levies

The Municipal Budget should specifically allocate funding for Local Economic Development [LED]. The Municipality should be seen to be the driver of LED by leading the process with the most effective and efficient utilisation of its own resources applying its in areas of greatest need and greatest potential for economic development. Kannaland Municipality should undertake to maintain cost-effective and competitive rates and levy dispensation so as to make the cost of doing business in Kannaland, affordable for existing business and attractive for potential investors.

## Municipal Procurement

Municipal Procurement should be recognised as a direct enabler of Local Economic Development. Municipal Budget, Rates and Levies Municipal Procurement Regulatory Authority Infrastructure Municipal Land and Property Public Private Partnerships Accessing Government Incentives Promotional and Branding Initiatives Procurement targets could be set according to the following guidelines:



The Municipality should however be obliged to ensure the overall cost-effectiveness of its procurement activities.

In promoting an enabling environment for Local Economic Development the Municipality should embark on a process of setting procurement targets for each Department in the Municipal Administration and a general policy guiding exceptions to these targets upon the adoption of said LED Strategy

Infrastructure Municipal and other infrastructure is the backbone of the local economy of Kannaland. The provision of infrastructure does not only enable businesses to operate and influence the cost of production, but could also serve to stimulate economic activity. The Municipality should encourage labour intensive methods of construction during the delivery of infrastructure, as to promote local employment and ensure B-BBEE participation in the award of infrastructural contracts.

The table below illustrates the investment and spending in Kannaland Municipality on the following Infrastructure grant funded projects:

1. MIG
2. MSIG
3. Drought Relief Fund

The use of local labor in projects is a good starting point. However in order to see an increase in

income levels in Kannaland, the low skilled workforce needs to be capacitated in order to contribute to and obtain more meaningful work.

### 2022/2023 LED and Infrastructure Grant Funded Projects:

The MIG infrastructure project allocation for the 2022/2023 financial year is R10 528 850.00. According to the DoRA MIG Framework all project should be registered and approved by Council for implementation.

The priorities identified by Management for the 2022/2023 financial year is as follow:

Ladismith Waste Water Treatment Works	R 1 074 463
Ladismith Water Treatment Works	R 2 440 804
Zoar Sport Field Lighting	R 1 980 496
Zoar Upgrade Sewer Works	R 3 000 000
Van Wyksdorp Upgrade Sewer Works	R 1 033 087
Van Wyksdorp Upgrade Water Works	R 1 000 000
<b>Total</b>	<b>R10 528 850</b>

### **ADDITIONAL FUNDING APPLICATION FOR MIG PROJECT: ZOAR NEW SPORT FIELD LIGHTING**

During the 2021/22 financial year the abovementioned project was prioritized to be implemented, but due to the estimated budget limit it could not commence. We received one tender back after the second time of advertisement and the tender came in higher than the anticipated budget. The project was registered during the 2013/2014 financial year and the cost estimated was based on rates for that year. The increase of budget is due to the inflation over an 8 year period and the escalated construction cost over this time. We submitted a request that the initial approved amount to be contributed by MIG for the direct and indirect cost be increased with the amount of R787 212.75. Please see table below:

Items	Original Budget 2013/14 (R)	Budget adjustment 2021/22 (R)	Requested budget increase with (R)
Direct Cost	992 000.00	1 601 872.83	609 872.83
Indirect Cost	156 000.00	230 660.00	74 660.00
<b>Sub Total</b>	<b>1 148 000.00</b>	<b>1 832 532.83</b>	<b>684 532.83</b>
VAT (14% / 15%)	160 720.00	274 879.92	102 679.92
<b>Total</b>	<b>1 308 720.00</b>	<b>2 107 412.75</b>	<b>787 212.75</b>

This increase will only effect the budget for the project, but will be funded by the MIG.

## SECTION SEVEN

### Poverty Alleviation Mechanisms

Unemployment and Poverty are a National challenge and Kannaland Municipality is not immune to this. It is to this reason that the Municipality aims to ensure that poverty alleviation will be impacted upon by most of its strategic objectives and closely linked with meaningful and sustainable employment creation. Apart from the traditional Local Economic Development approaches/programmes discussed in this Strategy, the following two National Programmes have been identified, as short-term mechanisms that can in addition support the Municipality in its efforts to alleviate poverty within its boundaries:

The Community Work Programme [CWP] and;  
Expanded Public Works Programme [EPWP]

#### **A brief description of the Community Work Programme [CWP]**

The Community Works Programme [CWP] was initiated to address the high unemployment rate in South Africa and contributes to key strategic objectives of government in addressing poverty and unemployment. It is based on the recognition that policies to address unemployment and the creation of meaningful and sustainable employment will take time to reach people living in marginalised and impoverished areas with a small number of opportunities at their disposal. The CWP does not replace government's social grants programme but supplements this

#### **A brief description of the Expanded Public Works Programme [EPWP] as Poverty Alleviation as mechanism**

The Expanded Public Works Program [EPWP] is a National Government strategy aimed at addressing unemployment and poverty in South Africa. As local government, Kannaland Municipality is now expected to develop an EPWP policy/framework in alignment with its Integrated Development Plan. EPWP projects and programmes must be identified within each of the Municipality's departments, which can be implemented using labour-intensive or community based service delivery methods, with predetermined key deliverables over a given timeframe in the Infrastructure, Environmental, and Social & Economic Sectors & in terms of the following legal framework:



What makes the CWP different is that it is also a community programme. The work must be 'useful work'. It must improve the area and the quality of life for the people living there. This includes fixing community assets like schools, road and parks, and setting up food gardens. It also includes training people. People living in the area help to decide on the kind of work that is needed, and what is most urgent; this could include for example:



#### Features of the Community Works Programme [CWP]

- The Community Work Programme provides access to a minimum level of regular work - i.e. 2 days a week = 100 days a year
- It is an area-based programme, intended to be ongoing; this allows it to target the poorest areas: where market-based jobs are unlikely to come any time soon
- The CWP uses community participation to identify 'useful work' and priorities
- Work' is decided in Ward Committees or local development area ; it is multi-sectoral and contributes to public/community goods and services
- Start-up scale: 1,000 participants per site with CWP sites having a 65% labour intensity

Stimulating Kannaland's Local Economy through the Community Work Programme The significance of the programme for alleviating poverty goes beyond the people working at sites. The programme provides work to a minimum of 1 000 people [with a Looking after orphans and vulnerable children Helping sick and elderly people Assisting teachers at schools Looking after children while their parents are at work Working with the local police to improve safety and reduce crime Caring for the environment and rehabilitating land and waterways 55 start up intake of 300] at a site; the money



earned can have a wider multiplier effect. Money going into the community circulates around the local economy which can support a variety of microenterprises from building and transport to hairdressing, shoe repairs and equipment repair. Local markets can also prosper with informal traders setting up markets to sell goods and services on CWP pay days for example in Koppies in the Free State Province, CWP participants report that small informal businesses; that were previously closed have opened again

#### **A brief description of the Expanded Public Works Programme [EPWP] as Poverty Alleviation as mechanism**

The Municipality should also take note that the Expanded Public Works Programme [EPWP] is about the reorientation of line function budgets [capital and operations & maintenance] so that expenditure results in increased employment opportunities and training, particularly for the unemployed and unskilled labour residing in the area.

**The primary of objectives of the EPWP is to create an enabling environment to:**

- Create employment opportunities for the unemployed within local communities
- Develop skills within communities through EPWP training programmes
- Develop SMMEs to execute EPWP work by facilitating the transfer of technical, managerial and financial skills through relevant SETA & DoL courses.

The following EPWP sectors can assist the Municipality in its poverty alleviation efforts

<b>EPWP Infrastructure Sector</b>	<p>Increasing the labour intensive construction of public infrastructure projects:</p> <ul style="list-style-type: none"> <li>▪ Low volume roads</li> <li>▪ Sidewalks</li> <li>▪ Storm-water management</li> <li>▪ Trenching</li> <li>▪ Materials supply</li> </ul>
<b>EPWP Environmental Sector</b>	<p>Creating employment opportunities in public environmental, agriculture and arts programs:</p> <ul style="list-style-type: none"> <li>▪ Alien plant removal</li> <li>▪ Working for wetlands</li> <li>▪ Domestic waste collection</li> <li>▪ Agri-business initiatives</li> </ul>
<b>EPWP Social Sector</b>	<p>Creating employment opportunities through the public sector social programs of Early Childhood Development and Home Based Care</p>
<b>EPWP Economic Sector</b>	<p>The development of informal businesses utilising Municipal expenditure on goods and services such as</p> <ul style="list-style-type: none"> <li>▪ Catering</li> <li>▪ Security</li> <li>▪ Uniforms</li> <li>▪ Cleaning</li> </ul>

The EPWP Incentive Grant The EPWP Incentive Grant is a performance based incentive paid to provincial and municipal bodies implementing their Infrastructure and Environment and Culture programmes using EPWP principles and in accordance with EPWP Guidelines; as a reimbursement of the cost of minimum wages for work created. The intention of the EPWP Incentive Grant is to increase work creation efforts by public bodies by providing a financial performance reward. The more work created, the higher the portion of the incentive reward, that will be disbursed

The undermentioned information relates to the appointment of 123 EPWP workers and a further 109 PWP and the functions/departments they are currently assisting in for future training needs identification.

Project Name	Start date and completion date	(department)	Total workers	Functions undertaken
IG Fire and Rescue And Law Enforcement	04 October 2022 - 30 May 2023	Community Services	Ladismith (6) Calitzdorp (2) Zoar (2)	Fire protection as well as community crime prevention

IG Covid Screening At Municipal Buildings & HR & Financial Interns	04 October 2022 - 30 May 2023	Corporate Services	Van Wyksdorp (2) Ladismith (6) Calitzdorp (2) Zoar (2) Van Wyksdorp (2)	Screening at municipal building for covid-19 regulations. Internships within financial and hr department
IG Cleaning Towns and Community of Kannaland	04 October 2022 - 30 May 2023	Community Services	Ladismith (7) Calitzdorp (7) Zoar (7) Van Wyksdorp (4)	Cleaning the towns of kannaland area, maintaining a clean environment
IG Waterworks and Sewerage Cleaning	04 October 2022 - 30 May 2023	Technical Services	Ladismith (9) Calitzdorp (9) Zoar (9) Van Wyksdorp (7)	Cleaning around water and sewerage works as well all technical areas
IG Clearing illegal Dumpsites and Waste Minimization	04 October 2022 - 30 May 2023	Community Services	Ladismith (6) Calitzdorp (6) Zoar (6) Van Wyksdorp (4)	Waste minimization and illegal dumping clearance
IG Beautification of Parks in Kannaland	04 October 2022 - 30 May 2023	Community Services	Ladismith (6) Calitzdorp (6) Zoar (6)	Beautification of parks

### **EPWP Challenges**

#### **Recruitments**

Participants leaving program early (due to that FTE Targets are not met)

### **EPWP Future Appointments**

Only replacements on those participants who left the program before end date. Departments wishing to appoint EPWP in future may contact the unit during April to submit project plan applications.

Training programmes in environmental law enforcement will go a long way in caring for our earth.

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
MIG	1, 2, 3, 4	Kannaland: Installation of Water Meters	Faulty and by-passed meters was identified to be replaced and installed. A total of 516 meters was listed to be replaced within all four towns of Kannaland Municipal area. A local contractor was appointed on 17 May 2021 to implement this project.	577 517,00	456 491,87	121 025,13	79%	6	In construction 85% completed
MIG	3	Zoar: Upgrade new Cemetery	The new cemetery in Zoar was upgraded with an access road and access gate, fencing and an ablution facility. This upgradings include a septic tank and soak away installation with a sewer line from the ablution facility. A 75mm water pipeline was also installed with a fire hydrant and a chamber. The contractor was appointed on 06 May 2021 and completed the project on 10 September 2021.	1 688 015,00	1 564 631,90	123 383,10	93%	15	Project completed, in retention period

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
MIG	1,4	Ladismith: New Waste Water Treatment Works	The Waste Water Treatment Works (WWTW) in Ladismith was implemented to improve the treatment process. These works included the installation of a new grit channel walkway, the cleaning of the humus tank and the maturation ponds. The Primary Settlement Tank (PST) was refurbished and this included installing a new weir and scum baffle plates. The wheels on the humus tank and PST rotating bridges were replaced. The upgrade also included the removing and replacing of the bio-filter media. The contractor was appointed on 22 June 2021, but final appointment letter was only issued on 13 July 2022. The completion date for the project is set for April 2022.	6 422 209,00	5 333 646,20	1 088 562,80	83%	4	In construction 85% completed

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
MIG	1,4	Ladismith: Upgrade Water Treatment Works	The Water Treatment Works (WTW) project in Ladismith consists of removing and replacing the sand in the five existing sand filters at the plant. The five tanks were cleaned the corrosion within the tanks was repaired. All five tanks' nozzles were replaced and two new sand filter tanks were installed. The installation of the two new tanks includes the replacement of the filter media and installation of all fittings. The contractor was appointed on 22 June 2021, but final appointment letter was only issued on 13 July 2022. the project is currently at practical completion stage.	1 376 559,00	997 689,48	378 869,52	72%	1	In construction 95% completed

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
WSIG	2	Calitzdorp: Deep Boreholes	A borehole with a depth of 500m was planned to be drilled and equipped for Calitzdorp. The project was implemented in the 2020/21 FY and rolled-over to the 2021/22 FY. The borehole was drilled at 301m already and yield tests was conducted. Fresh water was found at this depth, but in order to penetrate the required Peninsula Formation aquifer as planned drilling will continue. The borehole construction is designed to handle artesian flow conditions and that is what is expected when we penetrate the Peninsula aquifer. The contractor was appointed on 06 May 2021 and the planned completion date is 30 June 2022.	10 000 000,00	3 382 817,65	6 617 182,35	34%	0	In construction, 40% completed

GRANT	WARD	Project Name	Description of project	Budget	Expenditure until March 2022	Still to spend	% Spend	Jobs Created	Status/ Progress/Comment
Drought Relief	1,4	Ladismith: Boreholes	The existing twelve boreholes was refurbished which included the replacement of pumps and fittings. This works also includes the installation of control boxes, electrical cabling and pipework. The wellfield should further be monitored and the water use license application is still to be completed. The contractor was appointed on 22 June 2021, but final appointment letter was only issued on 13 July 2022. The project reached practical completion on 23 November 2021. A final completion inspection was done on 13 December 2021, but some snags should still be dealt with.	2 600 000,00	1 886 929,22	713 070,78	73%	0	In construction, 90% completed



## Municipal Land and Property

Land and Property can be used as an incentive for investment in the Kannaland area, it can also be utilised to encourage optimal land use. Moreover it creates a number of opportunities for land reform. In instances where the municipality is an arrangement with private sector companies or individuals leasing key municipal land or property, it is often found that these assets are not being used optimally. In order to prevent the sub-optimal use of land and property, Kannaland Municipality can prepare a special by-law to encourage the economically optimal use of municipal land and property [where this is not currently the case]. The strict principles of Broad-Based Black Economic Empowerment [B-BBEE] and community participation should then also be applied for future leasing arrangements’.

## Human Settlement projects to boost economic opportunities

### ***Human Settlements Plan Project.***

The Municipality has initiated the process with the Department Human Settlements where the development of a HSP was completed. The plan should be reviewed annually as data tend to change.

The Municipality undertakes to conduct the planning for the following housing projects which have been developed as part of a ten-year plan for housing for the Kannaland municipal area:

LOCATION	HOUSING UNITS	FUNDING SOURCE
Calitzdorp: Bergsig	692	DoHS MIG
Ladismith: Parmalat	280	DoHS MIG
Van Wyksdorp	TBD	DoHS MIG
Zoar UISP	65	DoHS MIG
ZOAR Infill	100	DoHS MIG

**TABLE 39: PROPOSED HOUSING PROJECTS - SOURCE: ASLA**

**Proposed Calitzdorp Bergsig Housing Project**

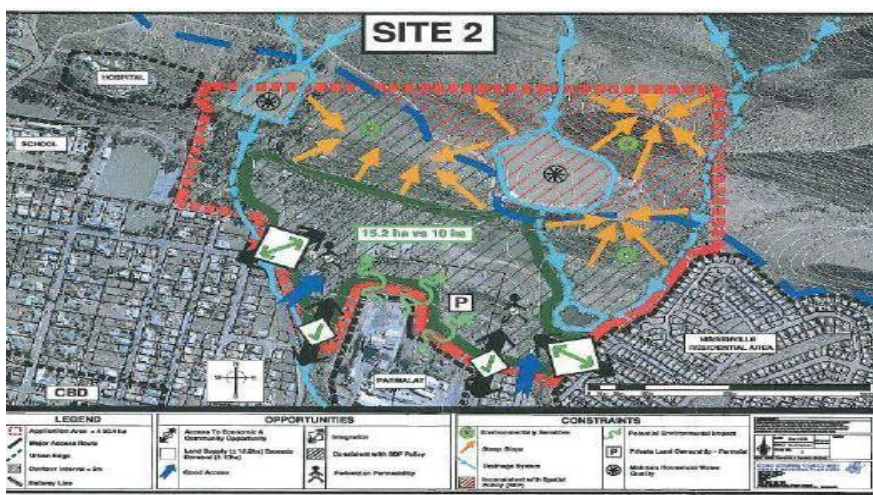
There are currently still 179 top structures to be constructed during the 2023/2024 financial year. Calitzdorp has sufficient water and sewerage availability. The only challenge is locating the qualifying beneficiaries for the top structures.



**FIGURE 36: CALITZDORP BERGSIG HOUSING PROJECT**

The first phase of 250 houses has been completed. The second phase was completed (251). The third phase currently comprises 179 units and this shall be completed during the 2023/2024 - 2024/2025 financial years, resulting in a final 680 housing units being completed in Calitzdorp. A planning and implementation plan will be developed as part of the Integrated Human Settlements Plan.

**Proposed Ladismith Housing Project: Parmalat**



**FIGURE 37: LADISMITH HOUSING PROJECT: PARMALAT**

The Ladismith, Parmalat project is currently in the planning phase and initially entailed

530 housing opportunities but was downscaled to 280 housing units due to space constraints. The bulk services need to be upgraded before implementation of the project can commence.

**Proposed Ladismith Housing Project: Schoongezicht Project**



**FIGURE 38: LADISMITH HOUSING PROJECT: SCHOONGEZICHT PROJECT**

The Schoongezicht project is currently on hold until further clarity is obtained with a suitable alternative for housing opportunities. 195 housing opportunities were previously identified. The bulk services need to be upgraded before the project can commence. Given the creative management application in devising and launching the Nissenville GAP Project (supra - p.146) the successful reification of this Schoongezicht vision is a realistic prospect for the longer term.

**Proposed housing Project: Van Wyksdorp**



**FIGURE 39: HOUSING PROJECT: VAN WYKSDORP**

The Van Wyksdorp project is currently in the planning phase. The housing plan provides for 200 houses for the Van Wyksdorp area. The bulk services for the project stills need to be upgraded and the preferred site acquired from the Provincial Government. A sewage processing plant has been established in Van Wyksdorp. The boundaries of erf 110 should be extended in the SDF in order to accommodate for the 100 units. Erf 110 is used as a site to host the informal settlement.

Provide for the needs of indigent households through improved services.

***Service delivery strategy project***

During the 2022/2023 financial year the Municipality will seek funding to appoint a service provider to develop a service delivery strategy for rural areas and for decaying or underserviced urban areas and to ensure that sufficient infrastructure and bulk services capacity is available to create an environment conducive for development and economic growth. The WCPG has seconded an engineer to assist with updating all infrastructure related master plans.

***Reduction of backlogs assessment project***

The Municipality will review the data on the access to services by households in the municipality in order to determine the impact of reduction of backlogs. This will be initiated in the 2018/19 financial year in partnership with the Provincial Government and updating of the housing demand database is ongoing.

***Zoar: Upgrading of Informal Settlements***

Program/Project Description		2016-2017 Medium Term Revenue & Expenditure Framework			Project Information
		Budget Yr 2022/23	Budget Yr 2023/24	Budget Yr 2024/25	Ward Location
ZOAR	Dept of Human Settlement	95 000			3

**TABLE 40: ZOAR INFORMAL SETTLEMENTS PROJECT**

This project will provide basic services in accordance with the Municipality's Constitutional Mandate and to reduce the backlogs in the provision of basic services to informal settlements.

**2022/23: R 1,800 000- HUMAN SETTLEMENT DEVELOPMENT GRANT (HSDG)**

Kannaland Municipality	2022/23 Planned		
	Sites	Units	Funding R'000
EHP Fire Kits	0	0	1,000
Ladismith Parmalat (280)	0	0	800
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>1,800</b>

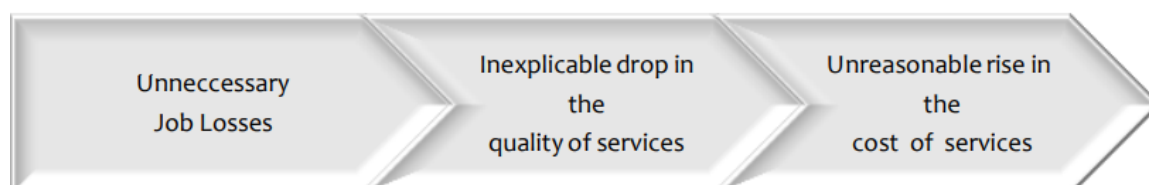
The Departments confirms that Kannaland Municipality has no planned targets and funding allocation on the **2022/23 ISUPG Business Plan**.

The Department hereby notes your budget for the 2022/23 financial year totalling **R 1,800 000**.

For any Business Plan enquires, kindly contact the Regional Director: Garden Route, Mfundo Taliwe at [Mfundo.Taliwe@westerncape.gov.za](mailto:Mfundo.Taliwe@westerncape.gov.za).

### Public-Private Partnerships

Public-Private Partnerships [PPP's] can be a useful mechanism to deliver services in sustainable manner according to business principles at a local level. It can also be a tool for unlocking participation by the local private sector and B-BBEE groups in service delivery. However, the Municipality must guard against relinquishing strategic areas of service delivery to the private sector for the sake of practicality. Some municipal property lends itself to public-private partnership arrangements. This could also be considered for certain areas of service delivery. In pursuing public-private partnerships the Municipality need to guard against the following; apart from being generally guided by the Department of Co-operative Governance and Traditional Affairs "Municipal Services Partnership Policy" or any amendments made there to.



### Accessing Government Incentives

There is plethora of economic incentives available to companies across the economic spectrum from a host of institutions. Kannaland Municipality will establish working relationships with these institutions in order to ensure direct contact for potential beneficiaries of these incentives in the Kannaland area. Most of these incentives will further be packaged in a user-friendly format in an information brochure and will be freely available. The Municipality will furthermore arrange workshops where institutions offering the incentives will be invited to inform the business community of Kannaland of the modalities of the respective incentives.

### Promotional and Branding Initiatives

Kannaland Municipality is practically unknown in the universe of brands. Branding initiatives of non-existing brands are normally costly and run over prolonged periods. Kannaland would be better served by giving impetus to existing brands of the area in the form of already known towns and products originating from there. Kannaland as a brand will develop naturally on this basis of this. This does not preclude the Municipality from promoting itself and the region which it governs. A critical need exists to develop promotional material pertaining to the attractions of Kannaland and investment opportunities. This could take the form of promotional brochures and internet website.

### 6th Karoo Small Town Regeneration Conference: Institutional and Governance Arrangements For The Karoo Regional

SALGA together with its partners drive the Small Town Regeneration (STR) Programme to address the decline and/ or underperformance of small towns across South Africa. As part of the STR Programme, SALGA together with its partners are currently implementing the Karoo STR Programme, which is a strategic partnership between public, private, academic, non-government and community-based organisations within the Karoo across four (4) provinces (Eastern Cape, Western Cape, Northern Cape and Free State).

The Karoo STR Programme is centred on formal bottom- up collaboration (inter-municipal cooperation) amongst forty (40) municipalities that form a single biophysical and socio-economic functional region, namely the Karoo Region. The Karoo STR Programme aims

to increase inclusive economic growth and sustainable development across local municipalities, districts and provinces through inter-municipal cooperation across the Karoo region. The Karoo STR Programme through a sub-national regionalism lens to identify and respond to regional trends, threats and opportunities which municipalities within the Karoo need to respond to collectively to ensure economic development.

To date six (6) Karoo STR Conferences have been held across the Karoo in the Eastern Cape, Free State, Northern Cape and the Western Cape. The most recent conference was held on 16-17 May 2022, where SALGA together with its partners and Oudtshoorn Municipality successfully hosted the 6th Karoo Small Town Regeneration Conference at Surval Olive Boutique Estate.

At the conference, the Department of Agriculture, Land Reform and Rural Development together with the Department of Cooperative Governance presented two options for Institutional and Governance Arrangements for the Karoo Region. The institutional and governance arrangements are necessary to formalise inter-municipal cooperation given that the Karoo region has been proclaimed as a region according to Section 18 of the Spatial Planning and Land Use Management Act (Act 16 of 2013).

## SECTION EIGHT : IMPLEMENTING AGENTS/STRUCTURES

### Introduction

Kannaland Municipality will use Co-operative/Development Association model as the preferred structure for implementing projects. Youth Councils shall also be established and sector focus groups shall consist of all these structures for planning, collaborating and implementing projects identified in consultation with the Ward Councilor and Ward Committee members elected.

### Co-operatives/Development Associations in Kannaland

Background Policy makers and community developers are increasingly interested in alternative models that will be both responsive to community needs as well as stimulate local economic growth. The co-operative form of business should be an obvious choice. Cooperatives have the potential to foster economic growth at the community level, building on the spirit of co-operation that is often prevalent in rural areas. Co-operatives also play a major self-help role in rural areas, particularly where private businesses are unable to go and public authorities do not provide adequate basic services. They are instrumental in providing opportunities for meaningful and sustainable employment, while giving a stronger “voice” to rural communities.

Definition of a Co-operative Co-operatives in this context and strategic plan is used synonymously with the concept of Development Association and has a universal definition, set of values and principles that have been established formally. The universally accepted definition of co-operatives has been promoted by the International Co-operative Alliance, the International Labour Organisation and the National Government Policy Framework which states that: “A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise”

#### In essence co-operatives are:

- Voluntary institutions based on conscious and free choice to associate by individuals;
- People centred and based on collective solidarity to achieve its objectives;
- Places member and worker owner needs at the centre of the activity of the institution;
- Economic, social and cultural institutions depending on the activity performed;



- Owned by its members for the benefit of all its members;
  - Empowers every member/worker owner to input into the decision-making by an equal distribution of power through the principle of one-person-one-vote;
- Are member controlled, leadership driven and self- managed.

#### ***Strength of the Co-operative-Model***

From a local development perspective, a critical feature of the co-operative model is that it can be owned and controlled by community residents. Therefore, a co-operative is more likely to be interested in promoting community growth than an investor-owned enterprise controlled by local or non-local investors. Since community residents control the enterprise they can ensure their own objectives are met, and not those of people who live elsewhere.

A case for promoting the establishment of Co-operatives in Kannaland Co-operatives.

- Create opportunity for employment, income generation, and increase the availability of goods and services, all of which also contribute to local economic growth;
- Are strongly rooted in their community, and are thus more likely to positively influence it;
- Are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity; as well as ethical values of honesty, openness, social responsibility, and caring for others;
- Can transform survival-type activities into legally protected and productive work;
- Balance the need for profitability with the broader economic and social development needs of their members and the larger community, because members are both producers and beneficiaries;
- Help address many social and economic concerns such as community identity and strengthen the social fabric;
- Offer an economic future for the youth in Kannaland;
- Are particularly valuable for women as they compensate for their often limited resources, mobility and “voice.” This also applies for disadvantaged groups such as disabled persons and the elderly.

The Role of the Municipality in promoting the establishment of Co-operatives/Development Associations

The Municipality has a very important role to play in promoting the establishment of Cooperatives. In particular the Municipality has to ensure the following: ♣ Establish institutional administrative capacity in support of Co-operatives development; ♣ Align co-operatives development with the Municipality's poverty alleviation plans, IDPs and other developmental interventions; ♣ Establish participatory forums to build strong partnerships with the Public Sector [with regard to funding and support] including technical support and community organisations; 61 ♣ Facilitate partnerships with the private sector for access to markets and information; ♣ Co-ordinate its Co-operatives Development efforts very closely with National and Provincial Government; ♣ The Municipality may also encourage functional co-operatives in the area, to tender for municipal work. This principle should be captured in the municipality's IDP; ♣ The Municipality to consider developing a directory/data base of co-operative support organisations, mentors and trainers in the [National] Province and District; ♣ Municipality should also consider providing preferential municipal rates for services like water and electricity for co-operatives. This would assist in bringing down operating costs and creating a conducive environment for the establishment of cooperatives.

**Note:** Kannaland Municipality intends establishing co-operatives/development associations.

### **Establishment of a Kannaland Youth Council**

Kannaland Municipality shall establish a Youth Council during 2022/2023. Development of a Youth Policy shall guide this process.

## SECTION NINE: THE GREEN ECONOMY

### The Green Economy and the Implications for Kannaland

The emergence of the green economy represents the next stage in the evolution of the environmental sector and is growing in step with increasing public awareness of environmental impact. It can be said that the green economy has experienced rapid growth, in part, as the result of changing demand, where greater emphasis is placed on the sustainability of products and services. Greater public awareness, together with government policy, regulatory requirements and financial incentives influence organisations to embrace green technology and adopt greener practices. Municipalities and Kannaland is no exception is now considering the 'greenness' of their operations in decisions that differentiate their services, realising that in many cases their decisions present long-term cost saving opportunities.

### The Impact of the Green Economy on Employment

There is no doubt that greening of Kannaland's economy can involve large scale investments in new technologies, equipment, buildings and infrastructure and therefore will be a major stimulus to employment. Based on the definition, the green economy has an impact on employment through (a) the adaption and reallocation of existing jobs; and (b) the creation of new jobs.

### Opportunities in the Green Economy

Kannaland Municipality can explore In energy efficiency, there is the local manufacture [or assembly] and installation of solar water heaters, including collectors, metal frames, glass, geysers and piping. In recycling, there are significant opportunities for the creation of small enterprises aimed at beneficiating waste at landfill sites-building rubble into bricks, plastic into planks and garden compost and agricultural fertiliser, extracting and using landfill gas. Waste management provides another source of opportunity in extracting re-usable resources from industrial waste streams. Retrofitting Municipal buildings with energy efficient equipment replacing incandescent lamps with compact fluorescent [CFL] lamps or next-generation light emitting diodes [LED] has job creation potential while contributing to energy saving.

## SECTION TEN: PROPOSED MONITORING AND EVALUATION MECHANISMS

Introduction

A monitoring and evaluation plan is needed so that Kannaland Municipality can monitor and evaluate and report the findings on how well the local economy is performing against certain set benchmarks. The evaluation component is also intended to incorporate lessons learnt into the decision-making process of implementing further development programmes. In order to monitor and evaluate the effective implementation of the LED Strategy, the following Monitoring and Evaluation template has been developed setting out different development indexes:

INDEX	INDICATOR	2022	2023	2024
<b>LED Implementation Index</b>	→ The number of LED projects successfully implemented			
	→ The number of LED actions successfully facilitated			
	→ The number of direct permanent employment opportunities created			
	→ The number of direct temporary employment opportunities created			
<b>SMME Development Index</b>	→ Number of SMME registered			
	→ Number of new SMME's and Co-operatives registered			

	→ Overall employment, formal and informal			
<b>Agricultural Sector Development Index</b>	→ Number of emerging farmers			
	→ Number of operational farmer/agricultural co-operatives			
	→ Agriculture Sector GDP			
	→ Agro-processing Employment			
	→ Agro-processing GDP (i.e. manufacturing)			
	→ Agriculture Sector Employment			
	<b>Tourism development and promotion index</b>	→ Number of B-BBEE/Emerging tour operators		
→ Number of Emerging tour guides				
→ Number of established accommodation tourism products				
→ Number of events held annually				
→ Number of employment opportunities created according to tourism products				
<b>Skills Development Index</b>	→ Skills Audit			
	→ Number of LED training workshops undertaken			
	→ Number of LED awareness workshops undertaken			

## SECTION ELEVEN: DISTRICT AND LOCAL ALIGNMENT

## Garden Route District Growth and Development Strategy

### Introduction

Kannaland Municipality shall seek to improve alignment with the Garden Route District Growth and Development Strategy. For the region overall to become more resilient, economic diversity within towns and between towns needs to increase. As a district, there is a need to consolidate existing and emerging regional economic nodes, as they offer the best prospects for generating jobs and stimulating innovation. This strategy provides a framework for growth and development planning in the Garden Route District for 2019-2039. It applies a coherent, risk-driven approach to growth and development planning. There is a need to consolidate the area into a coherent system which promotes economic development. An integrated approach to risk management, across towns within the Garden Route, allows for more comprehensive scanning for and monitoring of risks. It also allows for a coordinated response, which is more effective and uses limited resources optimally. Organising collaboration around shared risks can help to identify areas of collaboration, while allowing for the distinct development of each of the local municipalities in the region without collapsing any of the differences and unique strengths that characterise these areas. Effective planning, measuring and monitoring performance, public reporting, and periodic review and evaluation are key elements towards integrated development planning, service delivery and improved results. Integration between local governments, led by district municipalities, also helps to build a culture of information-sharing and accountability. This all leads to better identification, monitoring and management of risks. Pooling information, knowledge and understanding means more and better data to enable evidence-based decision-making. This, in turn, means better-informed planning, decision-making and learning.

The structure of the GRD Growth and Development Strategy is shaped by regional priorities, which are the thematic focus areas listed below, selected through a combination of research, policy analysis and stakeholder engagement:

- 1) A water secure future
- 2) A circular economy
- 3) Resilient agriculture
- 4) Sustainable tourism
- 5) Supporting wellbeing and resilience

- 6) A connected economy: transport and rural-urban integration and ICT
- 7) Sustainable local energy transition

These priorities have been identified based on a long-term vision for the Garden Route, as well as on the existing work, strengths, and potential of the region as a whole. Each one is also aligned to existing policies and strategies. In particular, this strategy draws on the significant work that went into the Regional Spatial Implementation Framework (RSIF).

In addition to these priority focus areas, there are core principles - ways of thinking and working - that cut across each of these areas:

- **People-oriented:** people are at the centre of development and growth planning in this strategy, and all actions should be tested against the requirements of inclusivity and generating economic opportunities and employment. Safety and security, and crime prevention for citizens and investors, are also included in this principle. The interventions that form part of the Garden Route Growth and Development Strategy will be geared towards promoting greater participation by black people, women, youth and persons with disability at all economic levels. Effective gender mainstreaming will be ensured through the participation and mobilization of women at all levels. Young people, women, and persons with disability will be encouraged and supported to form cooperatives in key economic sectors such as retail, agriculture and agro-processing, financial services (Cooperative Financial Institutions), manufacturing and infrastructure development. In addition, young people, women and persons with disability will be prioritized in accessing funding for initiatives that will drive the goals of the strategy.
- **Valuing cultural and ecological heritage:** this strategy aims to work with, conserve, and celebrate the people, places and natural systems that make the Garden Route unique.
- **A partnering approach:** the process for creating, implementing, maintaining, and adapting this strategy should involve all impacted and interested parties, and draw in the right people and resources relevant to each issue.
- **Innovation and responsiveness:** this strategy recognises that the challenges and uncertainties facing the region will require novel solutions in many forms.
- **Sustainability and resilience:** any short term gains in growth and development will be undermined if the ecological base of the region is eroded, or if the risks from existing ecological destruction and climate change are not managed.

- **Good governance:** transparency and accountability are conditions for democracy, as are effective monitoring, learning, and adaptation. Efficient, effective, and integrated management, and good administration and governance, are critical to attract investment to the region.
- **Working within what is possible:** this strategy recognises and works within current possibilities and constraints to ensure that plans are implementable and goals are achievable. State-owned assets and regulatory frameworks are critical to local development and growth.
- **Managing connectivity and change:** the Covid-19 pandemic has made it clear that the region's interdependence and interconnection with the Western Cape Province, South Africa as a whole, and other countries need to be managed to optimise flows of resources and demand, as well as to ensure local resilience. Tracking changing variables over time is critical to this process.

These principles have been identified as critical to the successful implementation of growth and development activities, and will need to be operationalised in the process of implementation of this strategy.

As part of the 2020 update of this strategy, four cross-cutting enablers were identified, as a mechanism for supporting the implementation of the Garden Route Growth and Development Strategy.

**The cross-cutting enablers are:**

- **Jobs potential:** What are the specific challenges hindering the jobs potential of this priority area?
- **Skills development:** What are the skills requirements/ challenges that constrain this priority area?
- **Safety and wellbeing:** What are the safety, inclusion, and wellbeing challenges that present within this priority area?
- **Energy:** How do current (and future) energy challenges affect this priority area?

## A WATER SECURE FUTURE



Covid-19 impact	Status	Possible responses
Short-term	<p>Access to clean water is critical in infection prevention and control.</p> <p>Infrastructure to support infection control is insufficient, e.g. tanks for additional water supply cannot be kept full, rainwater harvesting tanks need maintenance, etc. Infrastructure is also not consistently provided.</p>	<p>Informal arrangements to supply water to rural areas and informal settlements.</p> <p>Infrastructure plans (more tanks, better tank availability, boreholes) to be implemented.</p>
Medium-term	<p>Water safety and accessibility will continue to impact disease progression, prevention and control.</p> <p>High levels of uncertainty may delay or postpone medium- and longer-term infrastructure projects.</p>	<p>Reconnecting water supply for households cut off due to unpaid bills.</p> <p>Monitor water consumption patterns and impact of reduced business usage and increased household consumption.</p> <p>Develop a regional approach, and regional solutions, for water access.</p>
Long-term	<p>Impact on water usage and revenue variables.</p> <p>Covid-19 will impact global and local economy and interest rates, impacting the financial viability of infrastructure projects.</p> <p>Risk of investing in large- scale infrastructure</p>	<p>Improving intergovernmental cooperation</p> <p>Implementation of the National Water and Sanitation Master Plan</p> <p>Assess changes in water consumption patterns.</p> <p>Reassess water and water-related infrastructure investments.</p>

Like most of South Africa, the Garden Route is a water-stressed region. The problem has ecological and social components. There is reduced surface water availability due to decreased rainfall, as well as the increased chances of drought due to multiple supply and demand factors in the region. Mountain catchments may come under threat from unplanned or unsustainable development. Increased demand from agricultural users also threaten the water security of the region. Overgrazing and desertification remains a real concern in water scarce areas such as the Klein Karoo (north of the Outeniqua Mountains), and could contribute to catchment hardening and decreased infiltration when rainfall does occur.

In terms of infrastructure, there is a lack of water storage, supply, and capacity in the region due to topographical constraints. Similarly, shared bulk water systems and water transfer schemes in the region are aged and limited, which could further undermine the robustness of water security. in the Klein Karoo. The design of government administrations and mandates has led to developmental silos that are at odds with the ecological and built bulk infrastructure functions and requirements. A lack of systems thinking results in inefficient and uncoordinated planning that cannot balance the needs of the environment against

agricultural and domestic users' needs. Coordination is necessary to accurately cost infrastructure for conservation, maintenance and new investments, and to price water affordably and equitably for different kinds of water consumers. A water-secure future is a future in which there is equitable water access for all residents and in which water access supports health and wellness, vibrant and safe community life, and resilient local economic development. Access must be facilitated across different kinds of neighbourhoods. These outcomes must be facilitated within the fiscal constraints of the region to ensure their long-term sustainability.

### Water security challenges related to cross-cutting enablers.

Enabler	The Challenge
<b>Jobs Potential</b>	The opportunities for jobs through water security, or the pursuit of water security, have not been adequately explored.
<b>Skills Development</b>	There has been little innovation in developing the skills and creating institutions to develop these skills, to match the progress made in terms of technological innovations.
<b>Safety and Wellbeing</b>	Safe and reliable water access to all residents requires innovative solutions to infrastructure delivery and maintenance (particularly in informal settlements) as well as a district—level water service mandate.
<b>Energy</b>	The current constraints and challenges to the Eskom power system there is a risk of not having a stable energy supply to run critical water infrastructure.

## A CIRCULAR ECONOMY

Covid-19 impact	Status	Possible responses
Short-term	<p>Operational impact on recycling services.</p> <p>Business uncertainty is likely to impact on support for any new waste initiatives.</p> <p>Economic impact has meant that suppliers in this area may have closed down, skills have been lost, and there are few resources to address circular economy issues.</p>	<p>Support existing services in acquiring appropriate personal protective equipment (PPE) and implementing health and safety measures.</p> <p>Communicate between industries to help streamline standardised Covid requirements and documentation</p>
Medium-term	<p>Uncertain exit from lock down and lifting of travel restrictions will impact production, consumption and waste.</p> <p>Many waste companies will struggle to survive, given lower levels of economic activity and business focus away from waste concerns.</p>	Support/assist green entrepreneurs.
Long-term	<p>COVID-19 will impact global and local economy and interest rates, impacting financial viability of businesses and projects.</p> <p>Licensing issues need to be resolved, e.g. for treatment of hazardous waste at landfills</p>	<p>Significant opportunity costs of not pursuing a circular economy should be considered in decision-making.</p> <p>Reassess projects to determine viability in new macro-economic conditions.</p> <p>Assess different waste operational and financing models, including the longer-term effects of climate change</p>

Municipalities manage an estimated R16 billion of South Africa's waste material. Currently, most of the waste generated in South Africa goes into landfills, with only 10% diverted into recycling (11). Not only does this waste have severe ecosystem impacts, as well as climate change and human health risks, but most of this 'waste' is could be reused, or processed to create goods to create economic opportunities. As the limits of landfill space are reached, the cost of implementing sorting, recycling and energy solutions looks increasingly attractive, affordable and sustainable (12). In the Garden Route, the majority of landfills are at or near full capacity in the region. Additionally, the current funding mechanisms do not optimise the management of risks or opportunities related to waste, as they incentivise individual local municipal solutions for a district-wide problem. Currently, local planning is not sufficiently sensitive to the need for significant waste reduction and management at a regional scale. Many SDFs in the Garden Route are silent on the waste management crisis affecting the region and on its high-cost implications.

## Circular economy challenges related to cross-cutting enablers

Enabler	The Challenge
<b>Jobs Potential</b>	The informal waste economy offers many opportunities for job creation, but further work needs to be done to understand mechanisms and levers for supporting and enabling this sector.
<b>Skills Development</b>	There are currently no institutions that offer the much-needed skills realise the potential opportunities and fully activate the circular economy as an economic sector.
<b>Safety and Wellbeing</b>	While the potential of the informal waste economy is clear, there is a lack of clarity in terms of how to engage with this sector to ensure safety and health protocols are established and effective.
<b>Energy</b>	The waste resources currently available for alternative energy, including biofuels and diesel, are still largely under-utilised, and not well understood.

## RESILIENT AGRICULTURE

Covid-19 impact	Status	Possible responses
Short-term	<p>Operational impact on agriculture and agriculture supply-chains.</p> <p>Perceived inequality of relief distribution between agricultural sectors and areas.</p> <p>Impact of Covid-19 felt disproportionately in some agricultural sectors (e.g. wine)</p>	<p>Support existing businesses to acquire appropriate personal protective equipment (PPE) and implementing health and safety measures</p>
Medium-term	<p>Supply chain and agricultural value chain disruptions may influence food prices, business viability and food availability.</p> <p>Uncertain disease progression may reduce food demand and alter consumer behaviour and consumption patterns.</p> <p>Disparity between national, regional and local focus areas for agricultural response to Covid-19 (e.g. development of food gardens for greater food security)</p>	<p>Municipal support through reduced utility bills, business networking.</p> <p>Better understanding of Covid-responsive transport requirements for agricultural products</p> <p>More localised fresh produce markets</p>
Long-term	<p>COVID-19 will impact the global and local economy and interest rates, Long-term equilibrium food prices may impact local business prospects as well as food security.</p> <p>Sustained consumer behaviour and consumption patterns changes.</p> <p>Inequity in water rights and energy may increase</p>	<p>Municipal processes related to business 'red-tape' to be streamlined where possible.</p> <p>Faster turnaround for business owners re-entering the market.</p> <p>Regional planning required with a focus on addressing water and energy inequities</p>

Long-term economic growth for the region is constrained by a mismanaged, resource-ineffective use of its limited agricultural assets. Forestry and agricultural output are underperforming and shedding jobs due to inadequate links to local and international markets and a lack of agri-processing. This problem is connected to ecological issues, as well as urban development. The agricultural economy of the region is intrinsically tied to the natural environment and associated resource base of the region, which provides the necessary resources, sources and sinks such as water, fertile soils, offshore gas reserves and landscapes of outstanding natural beauty which draw people to the region. There is a clear clash between the demands of agriculture and the need to protect rare and endangered plant species and habitats. There is a need for more productive agricultural techniques that are less polluting and use less water. The state of the natural environment, wetlands, lakes, and rivers is being degraded in areas adjacent to agricultural areas. There is a particular clash between agricultural activities, and river corridors and their preservation. Agricultural value chains are underdeveloped, and there is a need to diversify activities, including agri-processing.

## Resilient agriculture challenges related to cross-cutting enablers

Enabler	The Challenge
<b>Jobs Potential</b>	There is a dual need to attract more skilled labour towards adopting sustainable practices in this sector, as well as to find mechanisms to secure current jobs against shocks and stressors such as fires, drought and energy insecurity.
<b>Skills Development</b>	There is a mismatch between skills currently available and being developed, and the skills that will be required in the future, for this sector.
<b>Safety and Wellbeing</b>	Farming communities are exceptionally vulnerable to crime and violence, which causes a knock-on effect with costs of security mechanisms threatening the livelihoods of farmworkers.
<b>Energy</b>	The current instability of the Eskom power system presents a challenge for agriculture practices that require the consistent operating of machinery and agro-processing equipment.

## SUSTAINABLE TOURISM

Covid-19 impact	Status	Possible responses
Short-term	<p>The tourism sector is among the most significantly impacted.</p> <p>Opportunities for tourism related businesses will be limited as long as travel restrictions and social distancing requirements remain in place.</p> <p>Additional waves of Covid-19 will lead to further lockdowns and travel bans or limitations</p> <p>Businesses may not be compliant with Covid-related health and safety protocols</p>	<p>Utility relief for SMMEs to support business continuity.</p> <p>Increased focus on local tourists, with</p> <p>Tourism establishment relief packages (Municipal services)</p> <p>Consider establishing a 'Safety Status' declaration for tourism-related events</p>
Medium-term	<p>Uncertainty in the progression and impact of the disease, coupled with uncertainty about exiting from lock down and about the lifting of travel restrictions.</p> <p>Changes to consumer behaviour may be sustained beyond formal lifting of regulations, and health and safety assurances will be key.</p> <p>In the medium term, limited relaxation of travel and social distancing requirements may offer opportunities for local tourism.</p> <p>Remote, rural and luxury tourism and related goods and services may begin to recover.</p> <p>Marketing efforts not aligned to market the region more vigorously</p>	<p>Support existing services in acquiring appropriate personal protective equipment (PPE) and implementing health and safety measures.</p> <p>Rethink tourism with respect to:</p> <ul style="list-style-type: none"> <li>• Better integrating the community</li> <li>• Better connectivity</li> <li>• A standardised reporting / control template for all tourism establishments, for Covid-related requirements</li> <li>• Increasing outdoor offerings</li> <li>• More regular communication to enable information exchange and create room for adaptation</li> <li>• Better communication of relevant Covid-related regulation</li> </ul>
Long-term	<p>Support for innovation and entrepreneurship will be necessary to develop new opportunities and build resilience in the sector.</p> <p>Coordinated responses with other sectors significantly impacted such as cultural, film and other creative sectors.</p>	<p>Expand regional tourism strategy to prioritise and manage connectivity between constituent industries of the tourism.</p> <p>Reducing red-tape and improving municipal administrative turnaround times may be critical in facilitate new business start-ups as entrepreneurs look to enter and re-enter the industry as prospects improve.</p> <p>Establishment of destination marketing organisation</p>

The tourism sector constitutes a set of industries that facilitate traveling for leisure and business by providing necessary and desired infrastructure, products and services. The sector will both affect and be affected by the socio-economic and environmental performance and impact of several industries including hospitality, attractions and

recreation, entertainment, transport and retail. This interconnectedness may, however, offer opportunities for coordinated strategies with other sectors to provide innovative new products and serve new markets.

The region's natural and cultural assets are not used in a way that promotes sustainable tourism to its full potential. Related benefits for livelihoods, contributing to a sense of place or funding for conservation are therefore also underdeveloped. There are several aspects to the problem.

Agricultural areas and urban development have been - over the years - slowly eroding key critical biodiversity corridors and fragmenting these assets. Natural areas are maintained predominantly in the mountain catchment areas and drier veld areas where agriculture is not viable. Similarly, forestry production areas have to an extent replaced some indigenous forests. Increasing pressure for high-income, low-density development is undermining landscapes of great beauty and urban development imperatives such as densification and compaction. Pristine natural coastal corridors do still exist, providing stunning scenic views and encapsulating the Garden Route sense of place. Ensuring the continuity of the critical biodiversity areas and mountain catchment areas is also critical from water management perspective. The lack of water storage capacity and supply of water resources is of concern for tourism development. Additionally, there is a regional waste crisis as the majority of landfill sites in the region are at full capacity, with the potential for recycling, waste reduction, and a new landfill site still unresolved.

In addition, the modernisation of historic buildings in rural areas and large infrastructure developments, are further degrading the sense of place, rural character, and tourism potential of the region. The need for greater awareness of residents of the value of their cultural assets and experiences has been raised, as a way of counteracting these trends. Funding sources for restoration of rural heritage buildings belonging to the local municipality remains a challenge. In addition, private farmland situated adjacent to heritage sites require an inter collaboration approach to ensure access to heritage treasures.



### Tourism challenges related to cross-cutting enablers

Enabler	The Challenge
Jobs Potential	A jobs resilience analysis and plan needs to be undertaken, drawing on lessons from the Covid-19 pandemic. There needs to be a better understanding of the extent to which jobs potential is derived from local, regional, and international tourism, and where the sensitivities in the sector lie.
Skills Development	Skills development in the tourism sector needs to be an adaptable strategy. The Garden Route needs to be sensitive to the ways in which the tourism sector is responsive to shocks, like Covid-19, and long-term constraints, like changing attitudes to travel, etc.
Safety and Wellbeing	Tourist safety and community/citizen safety are inextricably linked. This means that dealing with the issue of tourist safety, requires a Whole of Society Approach that creates safe spaces for all.
Energy	Visitors travelling to the Garden Route expect a certain standard of services and infrastructure. With the current energy crisis in South Africa, the challenge is to find mechanisms through which businesses can be supported in delivering on these expected standards.

### SUPPORTING WELLBEING AND RESILIENCE

Covid-19 impact	Status	Possible responses
Short-term	<p>Social norms are being challenged due to social distancing and travel restrictions.</p> <p>Economically vulnerable residents and community members will face significant pressures, e.g. food insecurity, increased domestic violence, and increased youth unemployment.</p> <p>There is a lack of coordination between government and NGOs in response to these challenges</p>	<p>Informal arrangements to vulnerable and indigent residents.</p> <p>Better communication and coordination between NGOs, and between NGOs's and government, should be a priority</p>
Medium-term	<p>Uncertainty in the progression and impact of the disease will impact exit from lock down and lifting of travel restrictions.</p> <p>Family units and communities may be significantly impacted.</p> <p>Certain aspects of social assistance will be disproportionately affected, e.g. early childhood development, education, food relief, mental assistance.</p>	<p>Monitor and assess impact on communities e.g. child carers, economically active participants.</p> <p>Support for indigent and vulnerable communities.</p> <p>Social relief efforts within government should coordinate across departments</p>
Long-term	<p>COVID-19 impact on local economy will impact community resilience.</p>	<p>A community specific response that prioritises risk management and allocation of resources to key risks identified.</p>

Supporting wellbeing and resilience refers to the capacity of a system to maintain and enhance the well-being of people and eco-systems in the face of short-term shocks (e.g. floods) and longer-term or structural shifts (e.g. climate change). Broadly speaking, it is a robustness in the face of all kinds of change. But it is not only that. Dysfunctional systems and patterns can be very 'resilient', resisting significant attempts to shift them. Examples are structural unemployment or gender-based violence - deep systemic issues that require systemic responses.

This approach to resilience implies not only mitigating or adapting to known risks, but also seeking to reframe risks as opportunities, to improve the way that social-ecological systems function. One way of thinking about this is to increase the range of options available for future development, in the context of uncertainty driven by economic, population and climatic variability. Fundamentally, building resilience in the context of a transition toward a more sustainable future requires transformation in the way resources are managed, conserved, accessed and distributed. The resilience of the region is closely tied to its overall risk profile, which is undermined by the poor management and quality of the natural environment, which exposes urban environments to risks through development decisions. Activities such as coastal ribbon development, riverine and flood prone development, and development in fire risk areas expose people to disproportionately high risks that municipalities will struggle to manage under fiscal constraints and the added pressure of climate change. There is a need for more complete disaster risk management, natural resource management and climate change adaptation.

In South Africa, it falls largely to municipal governments to provide the services that mitigate social and ecological risks and bolster community resilience.

**There are several challenges in this regard.**

- The slow speed of housing delivery, the increase in informal housing, and the growing service and housing backlogs of the region need to urgently be addressed. This will be more challenging, given a growing population in the region, and the subsequent increase in demand for social facilities and housing, particularly in the larger urban areas.
- There is undeniable pressure between infrastructure development and environmental asset protection, as such

- development as signification impact on municipal financial sustainability and resilience.
- For the urban and rural poor, the degraded state of the environment undermines potential economic and social development, in urban areas due to poor quality open space systems, and in the rural areas due to inadequate access to environmental resources to facilitate economic development and growth.
- Low-density settlements reinforce a segregated economy and difficulty to access formal economy opportunities.
- Community safety remains a complex challenge, driven by multiple systemic factors.
- Food security is an issue in some communities in the region and may take on a different character as climate change continues to impact agriculture in the Garden Route and surrounding regions.

#### Wellbeing and resilience challenges related to cross-cutting enablers.

Enabler	The Challenge
Jobs Potential	Although not unique to this priority area, the challenge is to create and enable meaningful employment, particularly for women, youth, disabled persons, and other vulnerable groups.
Skills Development	There is a mismatch between skills development opportunities currently offered, and the current and future skills needs of the economy. A skills analysis, detailing the current and future skills needs should be conducted.
Safety and Wellbeing	There is a lack of integration within government (across various mandates), as well as between government, NGOs and the private sector around the complex challenges that lead to crime and violence, including gender-based violence, food insecurity and poverty.
Energy	Ensuring the electrification and access to energy within all communities will require the adoption of innovative and alternative solutions to energy generation and service delivery.

A CONNECTED ECONOMY: TRANSPORT AND RURAL - URBAN INTERGRATION AND ICT

Covid-19 impact	Status	Possible responses
Short-term	<p>Travel restrictions and social distancing requirements remain in place.</p> <p>Negative financial impact on public transport institutions and businesses.</p> <p>ICT accessibility limitations brought to the fore as education systems</p>	<p>Focus on increasing ICT connectivity</p> <p>Ensure safety of rural-urban public transport</p>
Medium-term	<p>Uncertainty in the progression and impact of the disease, coupled with uncertainty about the exit from lock down and the lifting of travel restrictions.</p>	<p>Monitoring and assessing changes to transport patterns.</p> <p>Expand connectivity in public spaces and buildings, and on public transport</p>
Long-term	<p>Reconfigured working norms may emerge</p> <p>Failure to contain and prevent Covid-19 or the emergency of similar infections may permanently alter social movement and travel.</p>	<p>Prioritising of ICT infrastructure investment and public access for the public good.</p> <p>Reconfiguring transport infrastructure to reflect changes in consumer behaviour and new social norms e.g. increases in remote working</p> <p>Increase the options for travel by rail</p>

One of the most basic requirements for integrated development planning and implementation is connection, which allows for the movement, distribution and exchange of people, ideas, information, resources, and capabilities. The current situation is one of disconnection across all these areas. The informal and rural sectors of the economy are disconnected from urban and formal centres. This is an effect of and also reinforces the illegitimacy of informal and rural economic activities. The potential for the rural character of the region to contribute to sustainable growth and a sense of place has generally both been neglected and taken for granted.

There is competition between the need for new infrastructure development and existing infrastructural maintenance, resulting in an ever-expanding infrastructure base and poor infrastructure maintenance. In terms of roads, secondary route accessibility is not as good as it could be, and uncertainty in terms of waste and electricity infrastructure hinders future growth opportunities. Existing transport infrastructure is vulnerable to extreme weather events. Keeping the natural environment, wetlands, lakes and rivers in pristine condition is key to future resilience and tourism appeal. Low-income areas are spatially

disconnected from economic opportunity and economic opportunity is scarce in low income areas. Low-density sprawl and commercial decentralisation are threatening the economic vitality of settlements in the region, a large proportion of which are identified as being high-growth/high-need. There is a need to increase internet connectivity and access as an enabler of information access, education, economic opportunity and more effective and efficient communications for a range of issues (including disaster risk response).

**Connected economy challenges related to cross-cutting enablers**

Enabler	The Challenge
Jobs Potential	The current over-regulation of the transport sector makes it difficult for new investments to land that could lead to new jobs. More work is needed to understand the components of regulation that specifically limit investment, and possible “work-arounds” or solutions to these challenges.
Skills Development	There is a mismatch between skills development opportunities currently offered, and the current and future skills needs of the economy. A skills analysis, detailing the current and future skills needs should be conducted.
Safety and Wellbeing	Insufficient protection services for transport users stems from a combination of issues, including the underutilisation of security technology, such as cameras, as well as a complex and unclear mandating environment between law enforcement and transport institutions.
Energy	While the possibilities of virtual and ICT connection have been made clear during the Covid-19 pandemic, the lack of access to, and inconsistent availability of, energy makes it difficult to fully realise the opportunities for connectivity through ICT.

SUSTAINABLE LOCAL ENERGY TRANSITION

Covid-19 impact	Status	Possible responses
Short-term	COVID-19 has resulted in increased unemployment and lack of income for many resident households. Similarly businesses have contracted and shut down during this time. The result is pressure of revenue collection, as well as an increased demand for subsidised energy.	Ensure that all qualifying households are able to access their subsidised electricity allocation.  Continue with implementation of the Municipal Electricity Master Plan (MEMP).
Medium-term	It is not clear what the long-term fiscal implications of the current COVID-related economic contraction will be. The interaction between COVID-19 and Eskom's load-shedding places further strain on the availability and affordability of energy to support local economic development (LED).	Explore alternative financial mechanisms to facilitate appropriate local renewable energy investments.  Continue with implementation of the MEMP.
Long-term	Over the short, medium and long term, National Government has been considering various COVID-recovery strategies in which renewable energy has been identified as a significant lever.	Ensure that implementation of the MEMP aligns to National policy and budgetary priorities in order to maximised the impact of local investments for post-COVID economic recovery.

South Africa is in the process of a national energy transition, which encompasses (a) decarbonisation of the national energy system and decommissioning of Eskom’s coal fleet, (b) the uptake of renewable energy at different scales, and the exploration of economic opportunities for green industrialisation across different sectors. These are not only technical processes. They are also political processes in which the way that different actors, including local governments, are able to participate in and shape the national energy system through local policy and investments.

Currently, the national energy supply is under significant strain. Eskom is in the midst of an operational and financial crises. It is also in the process of restructuring and preparing for a more dynamic and open energy system. In parallel, the national policy environment and regulatory framework allows local governments to facilitate private and public sector investments in distributed renewable energy. The aim is to add to the resilience and flexibility of a sustainable, affordable electricity supply for towns, and for the national system overall. Sustainable national and local energy transition planning and investment must work together to ensure just outcomes overall. For municipal governments, there are two chief concerns. The first is to ensure affordable, sufficient and sustainable energy access for all residents and businesses. The second is to maximised the local economic development potential and contribution of energy planning and investments. The South African Economic Reconstruction and Recovery Plan (14) highlights specific interventions

that are relevant for the Garden Route, including the facilitation of small-scale embedded generation (SSEG), and electricity procurement from non-Eskom power producers.

The Garden Route has commissioned an Energy Master Plan and is in its first draft phase (15). The plan will drive this pillar once adopted. District-level planning is critical for electricity and energy, more broadly, because many investments will require collaboration, sharing resources, and knowledge transfer to ensure feasibility.

**Key interventions include :**

- Waste to Energy solutions, therefore minimising landfill requirements
- Converting alien invasive species to biofuels
- Exploring the following Renewable Energy Resources:
  - Solar thermal (for heating), and solar photovoltaic electricity generation
  - Wind electricity generation
  - Biomass (heating, cooking, electricity and, in particular, liquid fuels for transport and cleaner cook stoves).
  - Landfill gas (methane)
  - Wave Power
  - Hydro Power

The implementation of the Energy Master Plan will ensure the diversification of the Garden Route’s energy sources which also embraces new entrants and capacity into the energy space.

**Energy challenges related to cross-cutting enablers**

Enabler	The Challenge
<b>Jobs Potential</b>	There is significant potential for job creation associated with renewable energy value chains; however, significant work is needed to understand where and how these jobs will be supported and what the particular opportunities (e.g. for the installation and maintenance of SSEG) are most relevant to the Garden Route and what is required to realise this potential.
<b>Skills Development</b>	There has been limited progress in the region to develop the skills needed to respond to opportunities in the sustainable energy transition at a national and local scale. Both public and private TVET colleges to be included to maximise access.
<b>Safety and Wellbeing</b>	Sustainable and affordable energy access for all residents requires innovative solutions to infrastructure delivery and maintenance (particularly in informal settlements) .

**ALIGNMENT WITH GARDEN ROUTE SKILLS MECCA (GRSM)**

## **GRSM Concept Roll Out**

### **Short Term: April 2021 -March 2023**

For the period April 2021 to March 2023 March 2023, considered the short term period, the GRSM will be primarily led by the appointed Service Provider and progressive capacity built within internal municipal staff as part of the GRSM Task team as well as where possible with external GRSM Forum members. Current deliverables will be delivered, monitored and evaluated through a formal implementation plan that is continually adjusted with inputs from ManCom and Council. During this period options for resources to support the GRSM in medium and long term will also be identified an where possible confirmed.

### **Medium Term: March 2023 -June 2030**

Interim GRSM resourcing options that will be identified and initiated during short term (2021-2023) period will need to put in place to allow the GRSM to operate in the medium term period from April 2023 to June 2030 to continue with the development of processes for a permanent, sustainable resource solution that is in place before but at the latest by June 2030.

**Interim and possibly even long-term resourcing options include but are not limited to:**

- GRDM Funding; or
- GRDM and B Municipality Funding; or
- Project Based Funding where % of each funded project is ring fenced for GRSM operations; or
- Partnership Based Funding; or
- A Garden Skills Mecca Levey Fund; or
- GRSM is established as a District based public entity; or.
- GRSM is established as a membership driven non-profit organisation; or
- A combination of one or more of above options

### **Long Term: Beyond June 2030**

By and beyond June 2030 the GRSM needs to be a permanent and institutionalised mechanism within the Garden Route District, the outcome of the process described in the medium-term period above.

## **THE SKILLS STRATEGY**



The skills strategy will be reoriented to be more demand led and responsive to the changing nature of work as well as to, in the immediate term, focus SETA skills training on addressing the impact of Covid-19.

The skills priority is focused on increasing the capability of youth by addressing constraints related to work readiness, appropriately skilled workers and suitable experiences as demanded by private sector business. In giving expression to the recovery plan the skills intervention will ensure that there are 2500 work placements through internships designed to develop soft skills and required experience as well as technical skills development.

- Develop skills that can attract investment especially from knowledge-based economy sectors (e.g. BPO)
- Establish the Garden Route Skills Mecca as the custodian of skills development - establish steering committee and appoint a project manager to ensure implementation
- Identify, verify, list and prioritise skills and training opportunities and projects that will have impact
- Complete a full database on existing accredited training providers and map them to identify gaps in accessibility and skills shortage areas to avoid duplication of efforts and congestion in certain areas
- Liaise and interact with Seta's to maximize regional impact with regards to funds disbursed
- Contract private sector to maximize local host employer status in line with Buy Local campaign
- Expand apprenticeship model beyond typical apprenticeships - e.g. Swiss / German models
- Re-skilling and training of workforce in partnership with business
- A comprehensive skills audit to ascertain the Garden Route's skills requirements and to determine what skills are already available will be undertaken.

**Skills Impact:** Increase youth employment by 25% for up to 24-year-old cohort

**Skills target:** 2500 work placements through internships and skills development interventions.

**KANNALAND MUNICIPALITY RESPONSE / PARTICIPATION IN GRSM PROGRAMME**

**COVID ECONOMIC RECOVERY SURVEY**

With the assistance of CDWs, a Covid Economic Recovery Survey was conducted throughout Kannaland and the survey was distributed to and completed by 20 businesses in all wards. The information was shared with the GRSM and various training needs were identified by the various businesses. Businesses in Kannaland indicated a willingness to accommodate for and employ additional staff attached to learning opportunities in various industries. Hereunder is a summary of the training needs identified by the various businesses,

**KANNALAND BUSINESS TRAINING PROPOSAL**

<b>NAME OF ORGANISATION</b>	<b>TRAINING PROGRAMME</b>	<b>ACCREDITED /NOT ACCREDITED</b>	<b>NO OF LEARNERS</b>	<b>OCCUPATIONAL LEVEL</b>	<b>EXIT STRATEGY</b>
CACUCO /TOURSM	Reception Guest Relations	Not	2	Gr11	Tourism Development in Kannaland
Beavercreek Farm T/A Rooiberg Lodge	In house	Not	1	Food and Beverage dept	Self employed with possibility to be absorbed
Beavercreek Farm T/A Rooiberg Lodge	In house	Not	1	House keeping	In house
Beavercreek Farm T/A Rooiberg Lodge	In house and training of current staff	Not	4	General Office administration	Currently employed
Khoi san army	Safety and security/Law enforcement/ First Aid	Yes	200 (50 per ward)	NQF 2-4	Self employed/at businesses willing to absorb
Amalienstein Farm	Agriculture/bee keeping	Yes	50	NQF 2 - 4	Self employed
Kla Gesukkel Homestay	As listed below	Accredited for international standard	4	Housekeeping Guest relations Reservations Front desk Office administration Hospitality Tour guide/Cooks/Kitchen staff	Possibility of employment/self employment
Tannie Poppies	As listed	Accredited	4	Housekeeping	Possibility of

NAME OF ORGANISATION	TRAINING PROGRAMME	ACCREDITED /NOT ACCREDITED	NO OF LEARNERS	OCCUPATIONAL LEVEL	EXIT STRATEGY
Homestay	below	for international standard		Guest relations Reservations Front desk Office administration Hospitality Tour guide/Cooks/Kitchen staff	employment/self employment
Poppies Homestay	As listed below	Accredited for international standard	2	Housekeeping Guest relations Reservations Front desk Office administration Hospitality/Tour guide/Cooks/Kitchen staff	Possibility of employment/self employment
Zoasis Backpackers	As listed below	Accredited for international standard	6	Housekeeping Guest relations Reservations Front desk Office administration Hospitality/Tour guide/Cooks/Kitchen staff	Possibility of employment/self employment
Amalienstein Guesthouse	As listed below	Accredited for international standard	4	Housekeeping Guest relations Reservations Front desk Office administration Hospitality/Tour guide/Cooks/Kitchen staff	Possibility of employment/self employment
Barn 62	As listed below	Accredited for international standard	10	Housekeeping Guest relations Reservations Front desk Office administration Hospitality/Tour guide/Cooks/Kitchen staff	Possibility of employment/self employment
Parkside Guesthouse	In-House Training and	No	1	Reception Housekeeping	Permanently Employed

NAME OF ORGANISATION	TRAINING PROGRAMME	ACCREDITED /NOT ACCREDITED	NO OF LEARNERS	OCCUPATIONAL LEVEL	EXIT STRATEGY
	as described hereunder			Food and Beverage Department	
Parkside Guesthouse Laundry	In-House Training and as described hereunder	No	1	Laundry Housekeeping	Permanently Employed
DISH on Main	In-House Training and as described hereunder	No	1	Food and Beverage	Permanently employed
Parkside Guesthouse	In-House Training	No	2 unemployed	Reception Housekeeping Food and Beverage Department	Possibility of employment.
Parkside Guesthouse Laundry	In- House Training	No	1 unemployed	Laundry Housekeeping	Possibility of employment
DISH on Main	In House Training	No	3 unemployed	Food and Beverage	Possibility of employment
Elku Enterprises Reg no 2017/050470/07	Tourism Training Programme As listed below	Accredited for international standard	1	General Housekeeping Guest relations Reservations Front desk Office administration Hospitality Tour guide/Cooks/Kitchen staff	Possibility of employment depending on whether the guest house becomes more viable
Elku Enterprises Reg no 2017/050470/07	Agriculture/Livestock Farming Training Programme As listed below	Accredited for international standard	2 Currently Employed And 2 Unemployed youth intake	Agriculture/Livestock Farmer	Possibility of employment/self employment
GENESIS RURAL DEVELOPMENT	General office administration	Accredited	50	Office administrator	Employ
NPO No 213/541	Entrepreneurs hip	Accredited	50	Office administrator	Self employ
Jonathan Jantjies (Director)	Business Plan writing	Accredited	50	Office administrator	Self employ
Katjiespierungweg 8 Blaklaagte Zoar	Financial administration	Accredited	50	Financial Officer	Self employ

NAME OF ORGANISATION	TRAINING PROGRAMME	ACCREDITED /NOT ACCREDITED	NO OF LEARNERS	OCCUPATIONAL LEVEL	EXIT STRATEGY
6656					
Genesis Rural Dev 0748100997	Conducting of meetings	Non accredited	100	Office administration	Self employ
Genesis Rural Dev 0748100997	Conflict resolutions	Non accredited	100	Office administration	Self employ
Genesis Rural Dev 0748100997 Jantijies88@gmail.com	Manipulation of plants	Accredited (required for farming compliance)	100	Agricultural practitioner/ farmer	Employ
Genesis Rural Dev 0748100997	Handling of poisonous substances	Accredited (Compliance)	50	Agricultural practitioner: Poison handling	Employ
Genesis Rural Dev	Early childhood development		20	ECD Practitioner	Social Development Employ/Self employ
Genesis Rural Dev	Fencing		50	Agriculture/ farmer	Self employed
Genesis Rural Dev	Brick making		50	General worker	Self employed
Genesis Rural Dev	Needlework		50	Seamstress	Self employed
Genesis Rural Dev	Small Business ** Compliance Mentorship	Accredited/ Non Accredited	50	Office administration	Self employed
Klein Karoo Slaghuis	General office administration	Accredited	1 (u) 2(e)	Office administrator	Employ
Klein Karoo Slaghuis 1995/033709/23	Sales	Accredited	1 (u) 13(e)	Office administrator	Employ
Klein Karoo Slaghuis	Marketing	Accredited	1 (u) 2 (e)	Office administrator	Employ
Klein Karoo Slaghuis	Financial administration	Accredited	1 (u) 2 (e)	Supervisor	Employ
Klein Karoo Slaghuis	Occupational health and safety	Non accredited	1(u) 2(e)	OHS Officer	Employ
Klein Karoo Slaghuis	First Aid	Non accredited	1(u) 2(e)	OHS Officer	Employ
Klein Karoo Slaghuis	Culinary Skills - Blockman - Culinary cutting of the meat/Butcher	Accredited	3(u) 3(e)	Blockman	Employ
Klein Karoo Slaghuis	Culinary Skills – Preparing meat products e.g., Spicing of wors/sausages	Accredited (Compliance)	2(u) 5(e)	Sales person	Employ

NAME OF ORGANISATION	TRAINING PROGRAMME	ACCREDITED /NOT ACCREDITED	NO OF LEARNERS	OCCUPATIONAL LEVEL	EXIT STRATEGY
	/polonies/patties/display of products/Storage/keeping				
Klein Karoo Slaghuis	Slaughtering skills and meat inspections – abattoir	Accredited	2(u) 3(e)	Slaughter Masters/Driver	Employ
Klein Karoo Slaghuis	Driver's License same youth as slaughtering skills and meat inspections	Accredited	2(u) 1(e)	Slaughter Masters/Driver	Employ
Klein Karoo Slaghuis	Skills development facilitator/Assessor/Moderator – Education and Training Practitioner	Accredited	1(e)	Manager	Employ
Klein Karoo Slaghuis	Business Strategy	Accredited	1(e)	Manager	Employ
Klein Karoo Slaghuis	Basic numeracy	Accredited	2(u) 2(e)	Till operators	Employ

### **Training Programmes**

There has been request for the following skills as identified in the Covid economic survey

General Office administration;

Front desk/Reception

Office administration

Reservations

Guest relations

Tour operators/guides

Financial administration – Invoicing

Catering/culinary skills

## CONCLUSION

From the above 1028 training opportunities have been identified with a willingness from business to accommodate unemployed as an exit strategy.

It is imperative that funding needs to be secured from the SETAs before businesses pull out of their commitments indicated above. Much time and effort went into conducting the survey and interviewing businesses in Kannaland and it would be a wasteful exercise if training does not commence shortly.

## SECTION TWELVE: CONCLUSION

### Conclusion

LED is now recognised as a key component in broader efforts to alleviate poverty. There is also an emerging consensus that LED cannot bring about effective poverty alleviation without incorporating clear poverty easing actions. Therefore, a key challenge is to ensure the pursuit of inclusive economic development that provides for both the promotion of local wealth creation and poverty alleviation; this ensures that those traditionally left out are active participants and have access to opportunities resulting from development. This stresses the importance of implementing projects in Kannaland that are focused on poverty alleviation and human development.

### Recommendations

→	Make use of experts for the drafting of the relevant project business plans, including the responsible parties, the amount of funding required, the timeframes for implementation, resources and equipment needed for implementation, etc.
→	Use the tourism and agricultural sectors as economic catalysts for stimulating development across all sectors of the local economy
→	Start LED by implementing the programmes and projects with the fastest anticipated impact on job creation, poverty alleviation, B-BBEE, SMME development, increase in living conditions, human development, etc, followed by those with a medium and long term effect
→	Make sure all financial sources, equipment, human resources, etc are in place and available before starting with the implementation of a programme and/or project
→	Focus on stimulating economic development and empowerment of local people at the same time
→	Make sure that the implementation of projects are executed by local people and not imported labour



## SECTION 13: ECONOMIC DEVELOPMENT PROJECTS

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities-Funding Requirement	Time Frame
P001	Establish strategic partnerships to lead LED in Kannaland; in which stakeholders are represented	To partner the Municipality with meaningful and productive role-players in Economic Development [Membership: National & Provincial Government incl. the District, the Municipality, The established Private Sector in Kannaland and DFI representatives]	Kannaland Municipal Area	To be determined through projects identified and implemented by the Partnership arrangement	DCOG, DBSA, the Municipality in form of administrative resources, and IDC  [R 400,000-00] TOR to be Formulated	4 Months
P002	[The Establishment] of a Kannaland Emerging Businesses Forum	To organise Entrepreneurs/SMME's into one structure in order for them to derive benefit from projects identified and implemented by the KLF and the Municipality and to have one unified voice representing SMME's	Kannaland Municipal Area	The Municipality to be secretariat [to have administrative function]	To be established concurrently with P001  TOR to be Formulated	
P003	Upgrade of Caravan Park	The re-development of Caravan Park-creating quality overnight accommodation, picnic/play spaces for locals and tourist and a cultural village [Developing break-away packages]	Ladismith	10 [direct] 10 [indirect] Will also provide opportunities to Local Construction SMME's during the re-construction phases	DTI's Tourism Support Programme or a PPP  Initial R 250,000-00 for a Feasibility study to be conducted and TOR to be formulated [incl. Public consultations]	3 Months

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities-Funding Requirement	Time Frame
P004	Neighbourhood Street Markets [The iKasi Experience]	Income generating initiative for poor neighbourhoods [communities]	Kannaland Municipal Area	Can create temporary income for families	The Private sector and the Municipality [Partnership]  [R 200,000-00]	Annually
P005	The Establishment of Renaissance Farms	The establishment of a mechanism that will assist emerging farmers in Kannaland to develop into more commercialised farmers. The establishment of co-operatives is a potential vehicle that can be utilised to capacitate communities who lack the financial resources and technical expertise	Kannaland Municipal Area	10 Emerging Farmers	Dept. Of Agriculture the Landbank and the DTI [Co-op Incentive Scheme]	
P006	Procurement and Promotion of SMME activities	Establishment of business linkages (funding access, technology, business opportunity, etc.), emerging entrepreneurial business forums [with ref to P002]	Kannaland Municipal Area		Various Sector Departments	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P007	Community Capacity Building	Skills audit, incubation associated with development potential of the municipality; training of the community on LED and its benefits; SMME training, co-operatives training; mentorship projects	Kannaland Municipal Area		Various Sector Departments /National Skills Development Fund  [R300,000-00]	Bi-annually
P008	Tourism Sector Development	This project aims to cluster the available Tourism opportunities in Kannaland. Economic opportunities in tourism will be matched with available Emerging entrepreneurs. These opportunities include tour operations, accommodation establishments and the promotion of eco-tourism	Kannaland Municipal Area	Project to include Unemployed Youth through training and capacity building	The Dept. Of Tourism, the Tourism Seta and NYDA  [R 500,000-00]	Annually
P009	The cleaning and Greening of Towns	The beautification/landscaping of Towns in Kannaland as one of the mechanisms to unlock Tourism and increase visitation	All Towns in Kannaland	Contract Employment for emerging entrepreneurs	DCOG's Cleaner Cities and Towns Project, CWP and the Cities support programme	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P010	Waste Management and Recycling	The creation of small enterprises aimed at beneficiating waste at landfill sites- building rubble into bricks plastics into planks and garden compost and agricultural fertiliser. Waste management can also provide another source of opportunity in extracting reusable resources from residential and industrial waste streams	Towns to be identified	Dependent on the size of the Small enterprise created	The IDC , the Dti and Dept. Of Mineral Resources	
P011	Arts and Craft development	The indigenous arts and craft trade has a role to play in economic development in that, is has a relatively high labour absorption potential and it can be used by the poor, rural women and marginalised groups as a means for survival. It will therefore provide an opportunity for commercialisation and development of small medium and micro enterprises (SMME's)	Kannaland Municipal Area	Dependent on the size of the Small enterprise created	The Dept. Of Arts and Culture and Dept. Of Tourism  [300-000-00]	6 Months

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P012	Urban Regeneration	The town of Ladismith serves as a regional service centre and an economic development hub. However, the visual character and quality of the environment remains the same. It was thus suggested that an urban renewal programme targeting the town area be initiated. The programme focus areas are the following: → Infrastructure upgrading in selected precincts and Town entrance areas → Landscaping → Urban design	Ladismith	Contract Employment for emerging entrepreneurs  [Increased work for local contractors]	DCOG's Cleaner Cities and Towns Programme, the Private Sector and Neighbourhood development programme	
P013	The marketing of festivals and local villages as Tourist attractions		Kannaland Municipal Area	The creation of small scale enterprises	The private sector [Business Chambers], The Municipality and Department of Tourism	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P014	Upgrade of "Liggiepad" and "Towersig" pad	Hiking plays a big part in our community. The "Liggiepad" is a well know road by not only locals but also internationally	Ladismith	The training of unemployed youths as tour guides	SAN Parks, NYDA and other funding agencies to be determined	
P015	Ladismith "Lekka" weekend/ naweek	This is a community based festival with the big celebration on the 31 <sup>st</sup> of May - 50 years of the "Liggie" in the Elandsberg. The festival looks closely at how to inform the community of Kannaland how to be eco friendly and display some art, culture and experience extreme 4X4	Ladismith	Temporary employment for local youths	The Private Sector , The Municipality and other funding agencies to be determined	
P016	ABSA Calitzdorp Port en Wine festival	Exploring the wine and port from Calitzdorp-spin-off projects can also be initiated e.g. local arts and crafts , the sale of indigenous food and beverages and township tours	Ladismith and Calitzdorp	Temporary employment	The Private Sector , The Municipality and other funding agencies to be determined	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P017	The marketing of the Zoar Heritage Festival	Community awareness about their heritage.	Zoar	Temporary employment	The Dept. Arts and Culture and the Private sector	
P018	SMME Incubation	The established private sector in Kannaland to incubate smaller related enterprises/ Training and Mentoring of these SMME's/Technology transfer/Management advice and services/Finance in the form of loans and providing markets	Kannaland Municipal area	Will enable SMME's to grow at a sustainable rate hence employing more people	To further engage the Private Sector	
P019	Kannaland Investment Summit	One of the objectives of this summit is to create a platform for LED partners to engage on possible investment options for Kannaland. This summit must identify and promote such options.	Ladismith		The Municipality, Private Sector and other relevant Government Departments	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P020	Medium Scale Arts and Craft Manufacturing Centre	The main aim of this project is to formalise the arts and crafts sector in Kannaland, thereby providing employment opportunities and inclusion of the second economy into the mainstream economy	Abandoned farmhouses on the opposite sides of the road between Ladismith and Calitzdorp	To be determined	The Department of Arts and Culture and The DTI [Landowner also to be determined and engaged with]	

Business Competiveness						
Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
P021	SMME Development in Kannaland  <b>Linkages</b> Development of twinning relationships  SMME Publicity Campaigns	<b>Tender Reform:</b> → Investigate the splitting or unbundling of contracts to promote small business access → Develop simplified tender documentation and conditions where feasible → Widely Publicise tenders and contracts to ensure maximum exposure → Support Training and Capacity Building of emerging entrepreneurs	Growth orientated Small Businesses in Kannaland		The Municipality and the Private Sector	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
<b>Business Competiveness</b>						
P022	Graduate Into Business Programme	This programme is aimed at addressing the graduate entrepreneurial deficit across the Municipality by offering an integrated approach to supporting entrepreneurship, which will stimulate and promote an enterprising culture, increase levels of new start up businesses , and encourage existing new businesses to develop and grow through targeted support and access to information, advice and business networks	Graduates in Kannaland	New jobs can be created for the youth segment of the community	National Youth Development Agency, the Private Sector and other relevant Government Agencies	
P023	Retail Development Programme	This project is aimed at encouraging local retailers to participate in local business development and training initiatives	Ladismith and Calitzdorp	To be determined	The Municipality and The Private Sector	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
<b>Business Competiveness</b>						
P022	Graduate Into Business Programme	This programme is aimed at addressing the graduate entrepreneurial deficit across the Municipality by offering an integrated approach to supporting entrepreneurship, which will stimulate and promote an enterprising culture, increase levels of new start up businesses , and encourage existing new businesses to develop and grow through targeted support and access to information, advice and business networks	Graduates in Kannaland	New jobs can be created for the youth segment of the community	National Youth Development Agency, the Private Sector and other relevant Government Agencies	
P023	Retail Development Programme	This project is aimed at encouraging local retailers to participate in local business development and training initiatives	Ladismith and Calitzdorp	To be determined	The Municipality and The Private Sector	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
<b>Agricultural Diversification</b>						
P024	Diversification into non-agricultural activities	This measure will assist farm households to diversify into non agricultural activities on farm and, as a consequence maintain or increase the income of farm households and create employment opportunities	Farms in the Kannaland area	Self employment for farm households	National and Provincial Departments of Agriculture/ Farmers in the Kannaland area	
<b>Additional Projects</b>						
P025	Municipal Information Access Point	Online help-desk/query point for business start-ups for municipal related issues. Structured as an informative webpage added to the Kannaland Municipal website. The page would include contact details of municipal services branches as well as links to useful sites like SEDA	Promotion of municipal required information and the details of municipal offices and services for businesses at start-up phase	Additional information can result in the ease of opening of new businesses within the municipality	Internal	

Project Reference Number	Project Name [Programmes]	Project/Programme Description [abridged]	Project/Programme Location/Purpose	Local Employment Opportunities/ Project Outcomes	Possible Funding Mechanisms/Entities and Other	Time Frame
<b>Additional Projects</b>						
P026	Proudly Kannaland Buy-Local Campaign	Marketing campaign to raise awareness of local goods and services on offer in Kannaland Municipality, services advertising booklet and/or an annual calendar	Raise awareness of and encourage usage of local service providers and goods manufacturers	Share of Kannaland driven business increases as percentage of turnover for local industrial sector	Internal	
P027	Work in Kannaland Campaign	Three phased publicity campaign approach incorporating both a learners' retention strategy and annual job fair and hire local campaign:- → A school goes campaign of visits to senior classes around the Municipality by SEDA and similar Organisations → Incentives for Local Businesses to hire local labour → Annual Jobs fair highlighting existing opportunities across all sectors	Counter the emigration of skills out of Kannaland and act as an attraction factor for the immigration of skilled labour into Kannaland	Kannaland becomes viewed as an attractive municipality in which to work and attracts local skilled labour to remain in the area and take up economic opportunities	The Private Sector/NYDA and SEDA/Internal	

**Section Thirteen [b]: To Grow SMME Participation within the Tourism Sector**

Emerging entrepreneurs in Kannaland find entry into the tourism market exceedingly difficult due to a range of constraints – most notably the lack of access to capital and relevant skills is prohibitive. In response to this, the scope for enhancing SMME potential within the Tourism sector is broken into five key programmes, which are detailed in the table below:

Goal	Objectives	Programmes	Actions
To Grow SMME participation within the Tourism Sector	Improve skills of entrants into the sector	1. <b>Internships</b> [Estimated Cost-R 20,000]	<ul style="list-style-type: none"> <li>Identify existing businesses in the Municipality that will be able to absorb short term interns</li> <li>Promote the use of local interns</li> </ul>
	Assist established SMMEs with growing their skills base	2. <b>Mentorships</b> [Estimated Cost-R 15,500]	<ul style="list-style-type: none"> <li>Identify established tourism businesses in the municipality that would be willing and able to provide mentorship to an emerging tourism businesses</li> <li>Run a mentorship workshop with both <b>established and emerging tourism businesses</b> in Kannaland</li> <li>Identify specific SMME's to partner specific businesses</li> </ul>
	Assist emerging SMMEs in accessing funding	3. <b>Funding Access</b> [Estimated Cost-R 30,000]	<ul style="list-style-type: none"> <li>Generate data base of available funders and their full contact details</li> <li>Make data base available to the Kannaland Tourism Office and satellites</li> <li>Provide training for SMME's formal funding requests [e.g. letter writing and business plan formulation]</li> <li>Provide assistance to SMME's in drafting formal letters of request</li> </ul>

Goal	Objectives	Programmes	Actions
To Grow SMME participation within the Tourism Sector	Growing the number of participants in this aspect of tourism	4. <b>Tour Guiding</b> [Estimated Cost-R 45,000]	<ul style="list-style-type: none"> <li>Identify training partner [THETA]</li> <li>Seek partnership with WESGRO , National Dept of Tourism , Provincial Department of Economic Development and Tourism and the Dti</li> </ul>
	Improving the management of existing sites by raising awareness of the opportunities for SMME involvement	5. <b>Site Management</b> [Estimated Cost-R 100,000]	<ul style="list-style-type: none"> <li>Identify training partners</li> <li>Seek partnership with WESGRO , National Dept of Tourism , Provincial Department of Economic Development and Tourism and the Dti</li> <li>Identify specific sites that require upkeep</li> </ul>