



EMTHANJENI LOCAL ECONOMIC DEVELOPMENT STRATEGY 2018 - 2022



Developed in Partnership between the
Emthanjeni Local Municipality and
Department of Economic Development and Tourism (DEDaT)

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ABBREVIATIONS

LED – Local Economic Development

NDP – National Development Plan 2030

IPAP – Industrial Policy Action Plan

SKA- Square Kilometre Array

IRP – Integrated Resource Plan 2010

EM- Emthanjeni Local Municipality

IDP- Integrated Development Plan

PGDS – Provincial Growth and Development Strategy

MIG- Municipal Infrastructure Grant

SDBIP -Service Delivery Budget Implementation Plan

LM- Local Municipality

DEDAT- Department of Economic Development and Tourism

DRPW- Department of Road and Public Works

DWS – Department of Water Affairs and Sanitation

DM- District Municipality

FOREWORD BY MAYOR

Emthanjeni Local Municipality has taken off on a new trajectory of sustainable growth and development through a coordinated approach with stakeholders. The municipality envisions to 'Transition Emthanjeni Municipality to be a services and value addition hub for central SADC'.

This seems the economic thrusts of the municipality as having a critical role in advancing transformation and social equality. It will contribute towards creating jobs; diversification of our economy and access to opportunities which is an aspiration built on the commitment of council and management as a whole.

Emthanjeni Local Municipality is located in the Pixley Ka Seme District and is home to the towns of De Aar, Britstown and Hanover. The area is grappled with challenges of high numbers of unemployment, poverty and inequality levels.

In addressing these challenges, Emthanjeni Local Municipality in partnership with the Department of Economic and Tourism embarked on a process of compiling a Local Economic Development (LED) strategy for Emthanjeni Local Municipality. The LED strategy aims to assist with the development of the area through strategic planning, coordination and facilitation of responsibilities which provides a tangible plan to address the economic challenges faced by the municipality. The development of the LED strategy was concluded in consultation with communities, business chambers, public and private stakeholders who all contributed to the long-term economic development plan of the Emthanjeni Local Municipality. Greater pragmatism in selection of initiatives combined with success of implementation should boost the credibility of LED, as an effective process for local stakeholders to participate in and contribute to shared growth of the local economy and employment creation.

The strategy is developed in line with the National, Provincial, District and local municipalities prescripts to achieve the long-term vision of creating a conducive business environment for local investment creating entrepreneurial and empowerment opportunities for improving the livelihoods of communities. The NDP emphasizes the need for a more inclusive, dynamic, diverse and equitable economy that is able to absorb labour and accelerate growth and in doing so decrease unemployment and poverty.

In light of the economic analysis the LED strategy development process of the Emthanjeni Local Municipality uncovered a number of economic opportunities in; agriculture and agro processing, transport and logistics, renewable energy, manufacturing, tourism and the knowledge economy sectors which are the focus areas of the local municipality that will attract investment and ensure job creation and ensure sustainable economic development for the communities of Emthanjeni local municipality. We urge public and private sector to join us to realize the opportunities available to achieve the National Development Plan vision.

On behalf of council and management we present the Emthanjeni LED Strategy 2018-2022.

The Chinese Philosopher Lao Tzu wrote that the journey of a thousand miles begins with the first step.

I thank you, Enkhosi , Baie dankie

Sipho Thomas Sthonga

Mayor

MUNICIPAL MANAGER EXECUTIVE SUMMARY

The Emthanjeni Local Municipality's journey towards economic development is encouraged by the need to develop a sustainable economy built on a coordinated approach by government, private sector, communities and knowledge partners.

"Local Economic Development (LED) is the process by which public, business, and nongovernmental sector partners work collectively to create better conditions for economic growth and employment generation with the objective of building up an economic capacity of a local area to improve its economic future and the quality of life for all".

In order for Local Economic Development (LED) to be effective, a community (local, ordinary people, entrepreneurs and local government) with the support of knowledgeable individuals and experts needs to identify and consider its own economic strengths, weaknesses, opportunities and threats and agree on a shared strategy.

The process of the LED strategy involves a participatory process identifying the resource base of the municipal area and opportunities to be explored.

The LED strategy is an economic road map that showcases the priority focus areas for the municipality and layouts the opportunities that will encourage investment and create job opportunities for the people of Emthanjeni Local Municipality.

The Emthanjeni LED strategy objectives are to:

- Conduct an analysis of development opportunities,
- Forecasting and projecting the economic trends,
- Identify key economic sectors and thrusts,
- Promote the creation of an enabling environment,
- Identify financing sources and investment options,
- Promote coordination and partnerships.

To achieve the above mentioned the Emthanjeni LED strategy follows the following methodology:

- Policy imperatives,
- Spatial analysis,
- Situational analysis,
- Visioning and Forecasting model,
- Opportunity analysis and
- Implementation plan.

Implementation of the LED strategy has already started with the commitment of drafting a credible LED strategy in partnership with Department of Economic Development and Tourism.

Management commits to initiate partnerships with stakeholders, ensure support to the LED unit, resourcing of the LED programme and ensuring the capturing of the LED component in the IDP of Emthanjeni Local Municipality that will attract investment proposals and funding sources for investment.

Mr I Visser
Municipal Manager

CHAPTER 1: INTRODUCTION AND POLICIES

1.1. Introduction

The Local Economic Development Strategy is an economic analysis of the Emthanjeni Municipal area. It plays a major role in allowing Emthanjeni Local Municipality to meet its constitutional obligations, to promote and drive economic development in the local community through creating economic and employment opportunities.

The approach for this strategy commenced with an analysis of the current economic and socio-economic analysis of the Emthanjeni Local Municipal area, followed by a participatory approach, encouraging input and participation from all interested parties to plot the current state of the economy and envisage the economic growth, employment, and economic equity in order to address the needs of community of Emthanjeni.

The outcome of the local economic development strategy is to achieve high economic growth, improved quality of entrepreneurship that will create economic growth, employment and be equitable. LED is an on-going process rather than a single project and is about continually upgrading the investment environment to improve competitiveness and generate economic development to ensure entrepreneurial and employment opportunities.

1.2. Defining Local Economic Development

The generic definition of Local Economic Development:

Local Economic Development (LED) is an outcome: It is a continuous developmental process based on local initiative and driven by local stakeholders. It involves identifying and using local resources ideas and skills to stimulate economic growth and development.

The aim of LED is to create employment and/or entrepreneurial opportunities for local residents, alleviate poverty and redistribute resources and opportunities to the benefit of all local residents.

“The purpose of Local Economic Development is to build up the capacity of a local area to improve its economic future and the quality of life for all. It is a process by which government, the private sector, labour and civil society work collectively to create better conditions for economic growth and employment generation”.

Local economic development encourages public, private and civil society sectors to establish partnerships and collaboratively find local solutions to common economic challenges. The LED process seeks to empower local participants to effectively utilize business enterprise, labour, capital and other local resources to achieve local priorities (e.g. to promote quality jobs, reduce poverty, generate municipal taxes etc). For LED to be successful, participants and practitioners should have knowledge of these actions and be committed to a process to achieve sustainable results. A LED strategy is process-oriented and should endeavour to incorporate:

- Local values (poverty reduction, basic needs, local jobs, integrating social and environmental values);

- Economic drivers (value-added resource use, local skills training, local income retention, regional co-operation); and
- Development (the role of structural change and quality of development).

From the above it is quite clear that LED is not about “quick fixes” or generating a list of “nice to haves”. Local economic development requires a practical understanding of what the local area does well at and what it has to offer, where its weaknesses and gaps lie, what outside threats and opportunities exist, and what the local areas want or need.

In pursuit of this ideal of addressing both poverty and entrenched inequality through LED strategies the following goals and objectives have been identified for local government:

- To establish a job creating economic growth path
- To embark on sustainable rural development and urban renewal; and
- To bring the poor and disadvantaged to the centre of development.

In order to achieve these objectives, local economic development needs to be holistic, innovative, creative and redistributive.

The core enablers of LED:

LED is about communities continually improving their investment climate and business enabling environment to enhance their competitiveness, retain jobs and improve incomes. Local communities respond to their LED needs in many ways, and a variety of approaches can be taken that include:

- Ensuring that the local investment climate is functional for local businesses;
- Supporting small and medium sized enterprises;
- Encouraging the formation of new enterprises;
- Attracting external investment (nationally and internationally);
- Investing in physical (hard) infrastructure;
- Investing in soft infrastructure (educational and workforce development, institutional support systems and regulatory issues);
- Supporting the growth of particular clusters of businesses;
- Targeting particular parts of the city/town/region for regeneration or growth (area-based initiatives);
- Supporting informal and newly emerging businesses;
- Targeting certain disadvantaged groups.

1.3. Methodology

To have economic development taking place one requires an IDP, budget, system and structure that is credible and based on the local competitive and comparative realities. This requires a credible LED strategy. The Northern Cape Framework for developing a credible LED Strategy is recommended to all municipalities in the province to assure synergy and alignment.

The study approach is divided into eight (8) main steps as portrayed by the diagram below.

Figure 1 - Study Approach



Table 1 : Structure of the LED strategy

Chapter 1:	Introduction and Policy overview	This section provides the introduction, methodology followed for the strategy and policy overview.
Chapter 2:	Spatial Analysis	This section provides an overview of the regional and geographic location of the study area of which the LED Strategy will be developed.
Chapter 3:	Situational Analysis	The situational analysis provides a demographic & economic overview of Emthanjeni Local Municipality with an outlook of what municipality aspires to achieve using a SOAR analysis through a public and private sector consultation with various stakeholders.
Chapter 4:	Visioning and Forecasting model	This chapter is a buildup on the SOAR analysis which provides the municipality with a strategic direction on the vision, mission and forecasting scenario using a trajectory model.
Chapter 5:	Opportunity Analysis	The opportunity analysis incorporates the outcome of the forecasting scenario with the potential opportunities which assists in creating an understanding with regard to the sectoral competitive advantages of the local economy linking to the thrusts, programs and projects.
Chapter 6:	Implementation plan	This section provides an overview of the current institutional structure of Emthanjeni Local Municipality, the ideal institutional arrangements the action plan linked to projects and the monitoring and evaluation mechanism.

1.4. Policy and regulatory framework

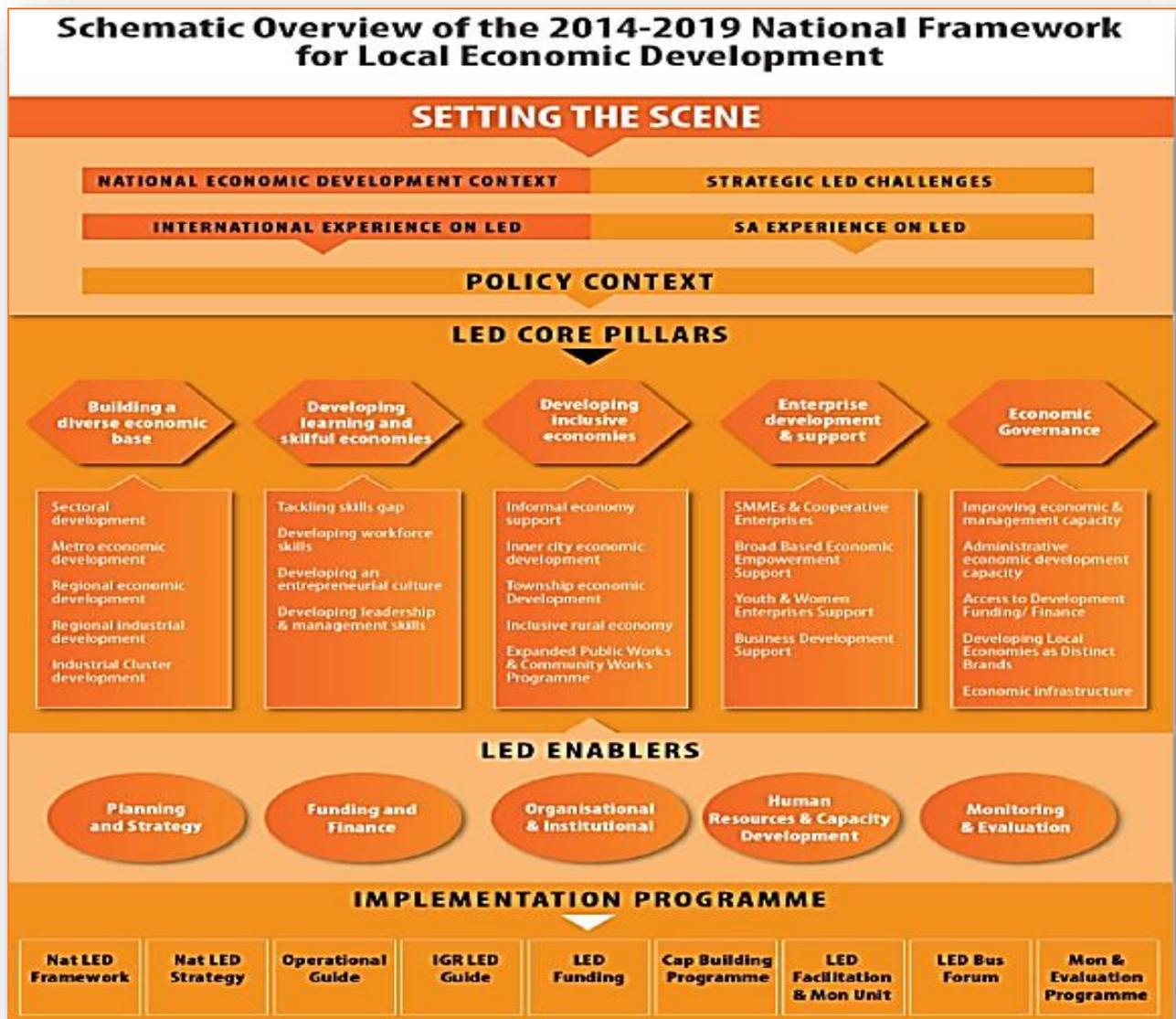
The most relevant national policies and legislation to the LED process are:

1.4.1. National legislation

- a) The Constitution of the Republic of South Africa
- b) New Growth Path
- c) National Development Plan 2030
- d) The Industrial Policy Action Plan (IPAP)
- e) Presidential Infrastructure Coordination Commission
- f) Spatial Planning and Land Use Management Act: (16 of 2013)
- g) National LED Framework

The National LED Framework was revised during March 2014 to stimulate and revitalise LED Planning, Coordination and Implementation, and the objectives were somewhat modified to fit the current LED prerequisites.

The Framework below outlines the core pillars and enablers. It is vital to note that any LED planning or project consideration must be based on the LED Pillars and that if the enablers, which is mainly institutional focused are not included, LED cannot be functioning optimally in any institution.



1.4.2. Provincial Legislation

a) The Northern Cape Provincial Growth and Development Strategy (NCPGDS)

The following sectorial documents have been developed in line with the PGDS:

1. Provincial LED
2. Provincial Tourism Strategy
3. Provincial SMME strategy
4. Provincial Trade and Investment Strategy
5. Provincial Incubation Strategy
6. Provincial Agriculture Strategy
7. Provincial Transport Strategy

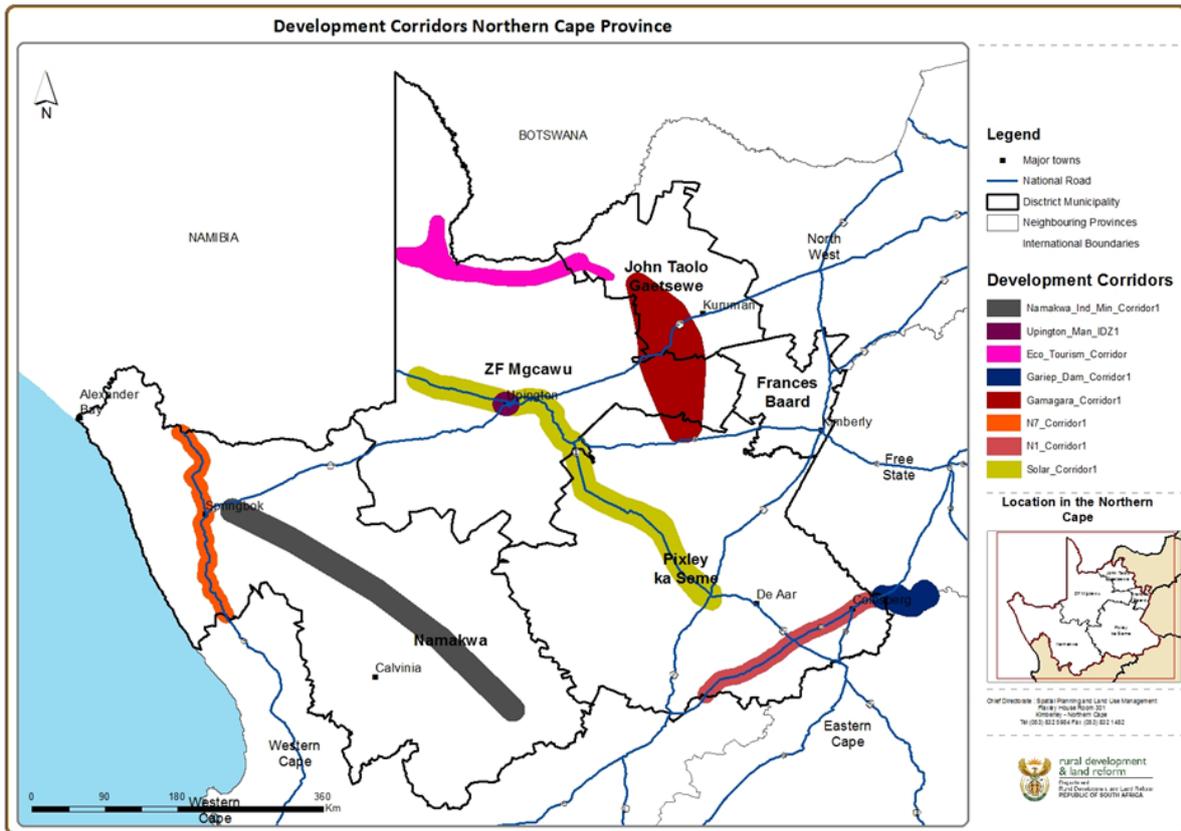
b) Provincial Spatial Development Framework (PSDF)

1.4.3. Municipal legislation

- a) The White Paper on Local Government.

2.2. Existing Development Corridors

Figure 4 - Development Corridors



Development corridors. (NC PSDF, 2012)

The development corridors constitute a clustering of nodes. The following are some of the corridors impacting the Emthanjeni Local municipality region:

Figure 5- Development Corridor Description

Corridors /Region	Description
Solar Corridor	The NC solar corridor extends from Emthanjeni Local municipality to the Dawid Kruiper Local municipality with solar PV and wind projects.
SKA Corridor	The Square Kilometre Array Telescope is an initiative which seeks to build the most sensitive Radio Telescope in the Southern Hemisphere located in Kereeberg with economic spill offs in Emthanjeni LM.
Pixley Ka Seme Agri Park	The Pixley ka Seme agri-park is a networked innovation system of agro-production, processing, logistics, marketing, training and extension services located in Vanderkloof. As a network it enables the growth of market-driven commodity value chains and contributes to the achievement of rural economic transformation.

2.3. Infrastructure Overview

Roads

There are six national routes that run through the Pixley ka Seme District, with the main routes being the N1 linking Colesberg to Cape Town/Johannesburg and the N12 linking Britstown to Cape town/Johannesburg. The national routes carry thousands of passengers and tons of goods daily to all parts of the country. The N9 and the N10 routes link Pixey ka Seme district to Namibia, as well as Port Elizabeth which is the nearest export harbour to the district. SANRAL is solely responsible for national road network maintenance and development ensuring statutory control and regulation of all development along the national road network. The development of road access facilities or side access along national roads is only permissible once all SANRAL regulatory compliance has been granted which is done through a 'full access study' at the cost the developer. SANRAL outsources routine road maintenance which is conducted in the form of a tender to a main contractor who subsequently sub contracts to small contractors. The following is per the SANRAL policy on the procurement of small contractors:

The procurement process for the appointment of small contractors is by public advertisement, prequalification, adjudication and award. Specifications include the targeting of local labour and women, thereby enhancing the principles of the Reconstruction and Development Programme. Project Liaison Committees (PLCs), comprising of members from SANRAL the engineering concern, the main contractor and members of the local community are established on these projects in order to oversee the socio-economic requirements. The establishment of PLCs thus ensures active community involvement and smooth running of the respective contracts'.

The procurement process of SANRAL outlines its commitment to the development of entrepreneurs through the contractor procurement model, through which the SMME's of the Emthanjeni are encouraged to tender for the various projects within the region.

Water

The Emthanjeni Water infrastructure supply and proposed interventions is currently as follows according to the Department of Water Sanitation reconciliation strategies for Emthanjeni Local Municipalities:

De Aar relies solely on groundwater abstracted from 55 boreholes, equipped with electrical and diesel-powered pumping units and monitored and controlled via a telemetry system. Four booster pump stations which pump water collected from the boreholes into the service reservoirs and directly into the reticulation network. About 150 km (average diameter of 200 mm) borehole collector mains and pumping mains link the boreholes to the distribution reservoirs.

Hanover Water abstracted from 3 boreholes is pumped into a 1.500 Mℓ ground level reservoir. A booster pump station pumps water from this tank directly into the reticulation network of the town. Water from the other borehole is pumped into a 0.400 Mℓ reservoir which directly feeds into the reticulation network of the town. The total length of borehole collector mains is about 9.24 km.

Britstown Water abstracted from the 10 production boreholes is pumped into 5 ground level water storage reservoirs. Three booster pump stations are employed to pump water from the ground reservoirs into 2 elevated reservoirs which feed the reticulation networks of Britstown and Mziwabantu Township. The boreholes are equipped with electrical motor driven submersible and Mono pumps. The total length of borehole collector mains is about 13 km and the reticulation network in Britstown and Mziwabantu is about 20 km long.

Emthanjeni Local municipality is not facing a water resource deficit at present. The combined sustainable yield of the existing production boreholes is sufficient to sustain the current and the projected future water requirements of the town over the planning horizon (until 2030), but care must be to avoid over exploitation of the groundwater units by adhering to the specified critical water level depths (early-warning trigger-levels as set in Aquimon for each production borehole).

There is a possibility to develop a groundwater aquifer situated about 12km outside De Aar with approximately 30 boreholes. A recommendation was made to prioritise this option ahead of the regional bulk water supply scheme from the Orange River. An implementation readiness study (IRS) for groundwater development in De Aar, using funds provided under the regional infrastructure grant (RBIG) programme is currently in progress.

The option to supply part of De Aar's bulk water requirements via the proposed 230 km long regional bulk water pipeline from the Orange River (from Vanderkloof Dam to Petrusville, Philipstown, De Aar, Britstown and Vosburg) should only be considered after the groundwater options have been exhausted. The Orange River pipeline could cost anything in region of R600 million to R800million which will include pump stations along the line.

Electricity Supply

The Emthanjeni Local Municipality Eskom energy supply is from the Hydra NDP area which covers the electricity network in Emthanjeni Local Municipality. The areas are supplied from Hydra 400/132KV MTS.

In 2017/2018 Emthanjeni local municipality will receive a New 5MVA substation at the Nonzwakazi township phase 3. (Source: Department of Energy, Integrated National Electrification Programme).

A number of renewable energy Wind and Solar PV plants are located in the De Aar area where the electricity generated is supplied to Eskom though the REIPPP Bid window regulated by the Department of Energy and Independent Power Producers(IPP) office. Opportunity is still present for the erection of Solar PV for the households and business own consumption at the cost each individual household or business.

CHAPTER 3: SITUATIONAL ANALYSIS

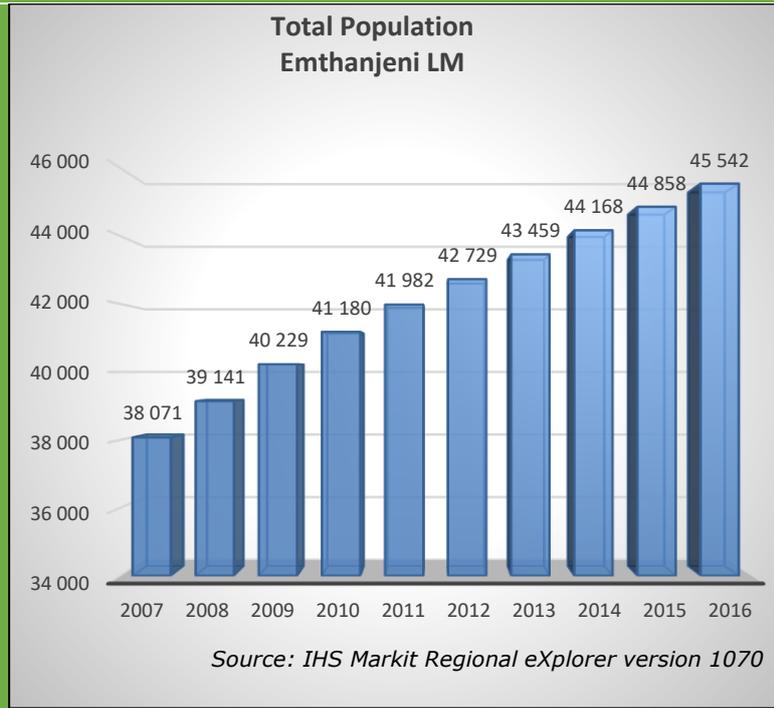
The situational analysis provides a solid foundation for which the Emthanjeni LED strategy needs to be aligned with, this analysis is based on research undertaken to gain an in-depth understanding of the economic, social, environmental dynamics of the study area.

The situational analysis comprises of a relative understanding of demographic and population characteristics, economic performance indicators, and development indicators trends with Strengths, Opportunities, Aspirations and Results (SOAR) analysis of the Municipal study area.

- *The demography and population characteristics* analysis of Emthanjeni Local Municipality will highlight will population trends, growth rate and densities.
- *The Economic performance indicators* will look at GDP contribution, annual disposable income and labour overview.
- *The development trends* will analyse the municipal service infrastructure capacity, the human development index (HDI) and Gini Coefficient.
- Lastly, the *poverty overview* will look at the share poverty line and growth rate percentage.

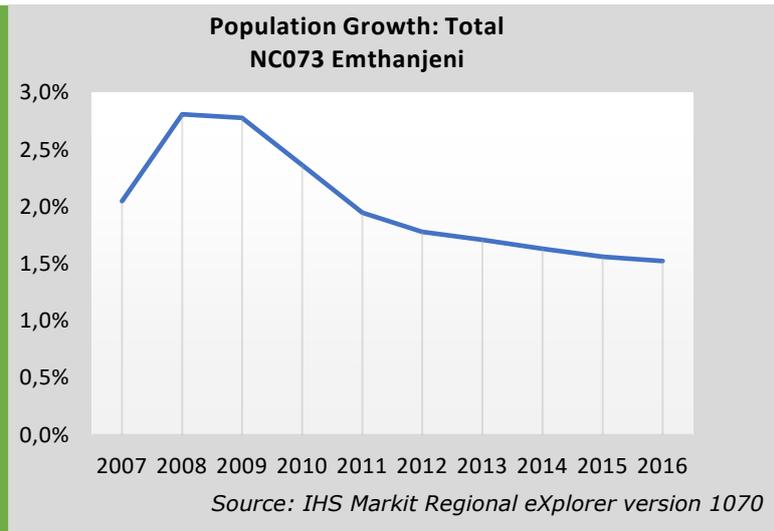
Figure 6- Demography and Population

3.1. Demography and Population Characteristics



1. The total population of Emthanjeni increased significantly throughout the years.
2. Total population was at 38 071 people in 2007 and reached its peak of 45 542 people in 2016.

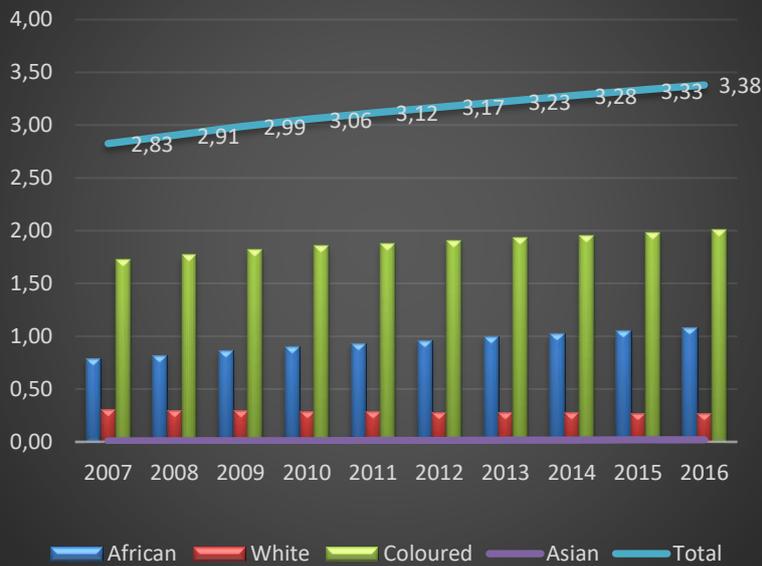
These trends are as results influx due to the Hospital construction, Solar projects contractors, ESKOM contractors were doing upgrading, government departments intake and few number of students who are attending De Aar Technical College.



1. The total population growth rate was at (2%) in 2007. In 2008, it reached its peak at (2.8%), which was a total of number of 1 070 people who migrated to Emthanjeni municipal area.

Though total population increased over the years, it only increased by a small percentage. Between 2014-2015 and 2015-2016 the percentage increased by 1.6% and 1,5% respectively.

Population density (number of people per km²)
Emthanjeni LM

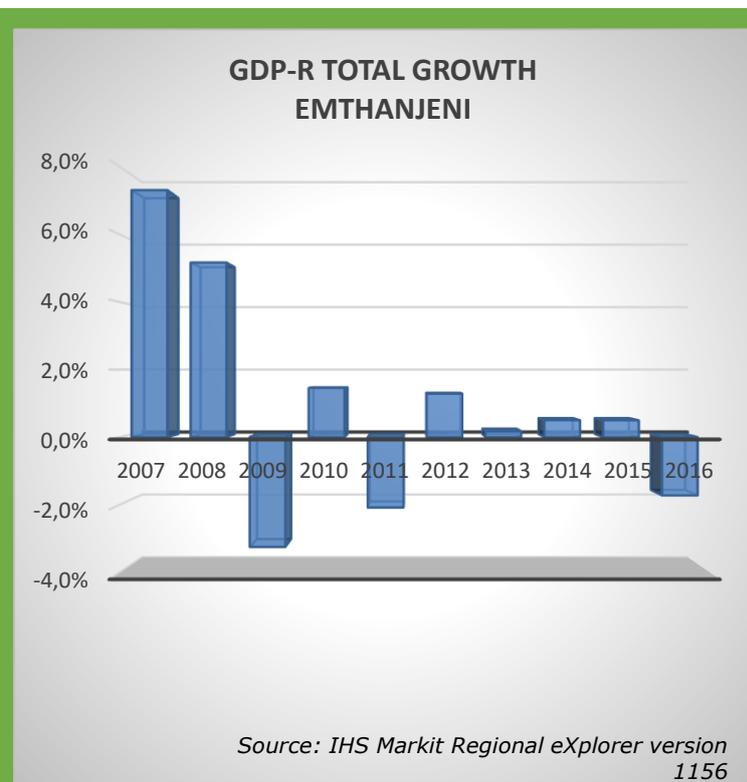


Source: IHS Markit Regional eXplorer version 1070

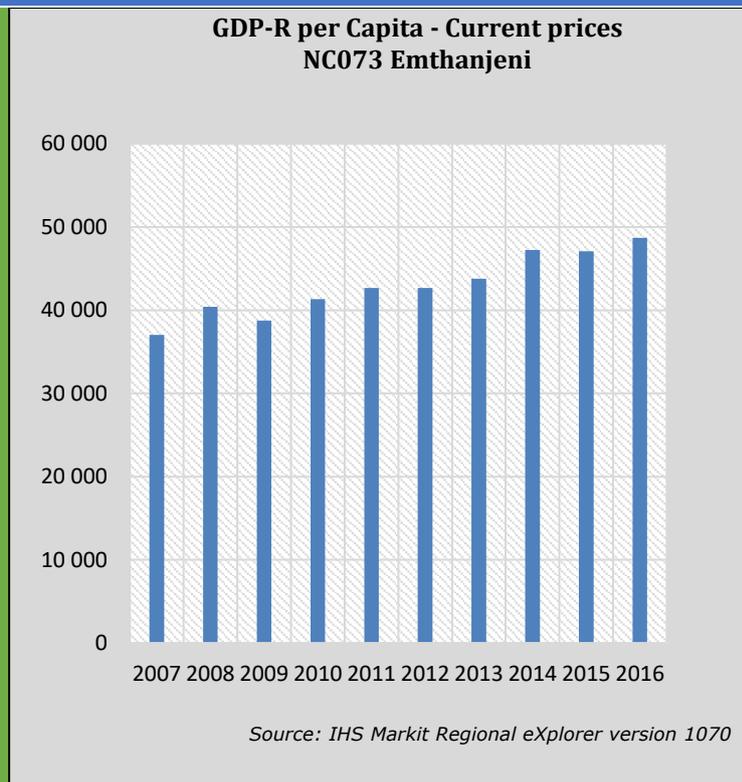
1. Population density is the number of people per unit of area, usually quoted per square kilometer or square mile. It provides a demographic basis for distinguishing rural and suburban land use.
2. It is evident that the Coloured group has a higher density (land use) followed by African group and White group respectively. This has been the trend throughout the years.
3. The total population density shows an upward trend and was at 3.38 in 2016. This is evident that people who migrated into the area are now permanent residents.

3.2. Economic Performance Indicators

Figure 7- Economic Indicators



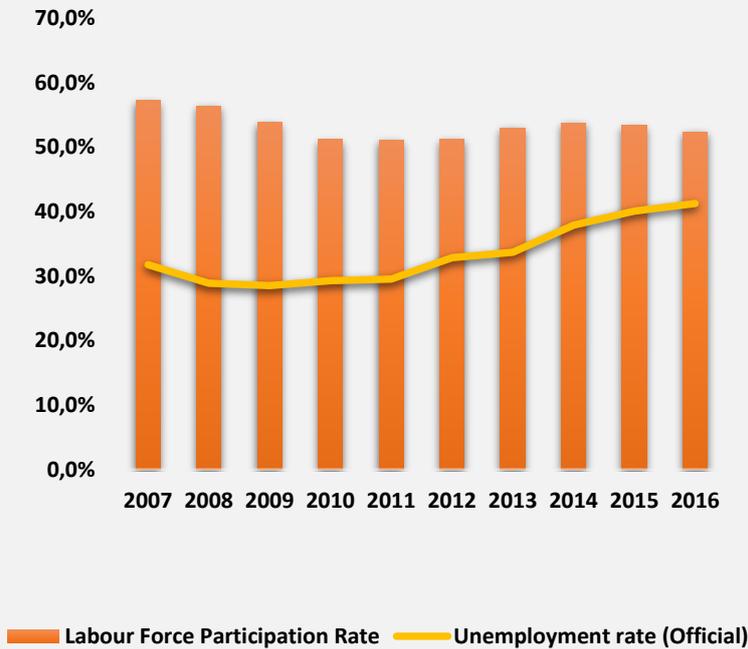
1. Emthanjeni experienced a positive growth in 2007 (7.3%) which declined to (5.2%) in 2008, this is attributed to the global recession which negatively affected growth to a (-3.3%) in 2009.
2. There was a positive growth in 2010 of (1.4%) which was influenced by the construction of Solar Farms and the construction of the Hospital. However, this did not sustain the area for long due to temporary work opportunities. This resulted to a negative growth of (-2%) in 2011.
3. In 2012, there was an improvement in growth (1.3%) which later declined to (0,2%) in 2013.



1. The graphs show that for the most part, the annual total disposable income grow faster than GDP per capita (current prices).
2. The GDP per capita showed a relatively upward trend from 2007 to 2016, and reached a peak of 50 000 in 2016.
3. The uninterrupted rise in living standards is due to government spending (job creation and real salary increases) and welfare payments.

The Transnet upgrade and construction of renewable energy contributed positively in the growth of the area.

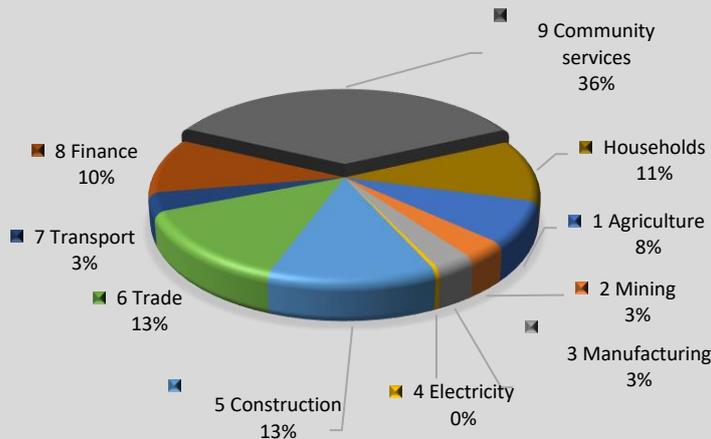
Labour Overview, Total NC073 Emthanjeni



Source: IHS Markit Regional eXplorer version 1070

1. About (57%) of the working-age population were employed or seeking employment. The participation rate declined from 2008 (56%) to 2012 (51%). The global recession played a role in 2008/9 as people got discouraged seeking employment due to slow economic activities.
2. Unemployment rate for Emthanjeni declined from (31%) in 2007 to 28% in 2008. For the period 2007 – 2011, the rate increased and reached a peak of 41% in 2016.
3. The increase in unemployment rate could be a good thing suggesting that at least some previously discouraged workers — those who had given up their job search and started looking for work again.

**Total Employment Composition
NC073 Emthanjeni, 2016**



Source: IHS Markit Regional eXplorer version 1070

1. The community services sector employs the most people which accounted 36% in 2016.

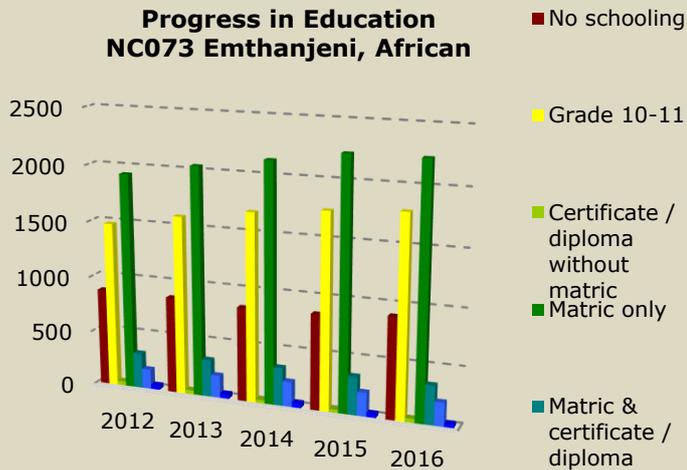
2. Trade sector and Construction sector are the second employer at 26% collectively.

3. Household is third at 11%.

Employment is created mostly under tertiary sector particularly community services which portrays an element of dependency on Government grants and services

3.3. Development Indicator Trend

**Progress in Education
NC073 Emthanjeni, African**

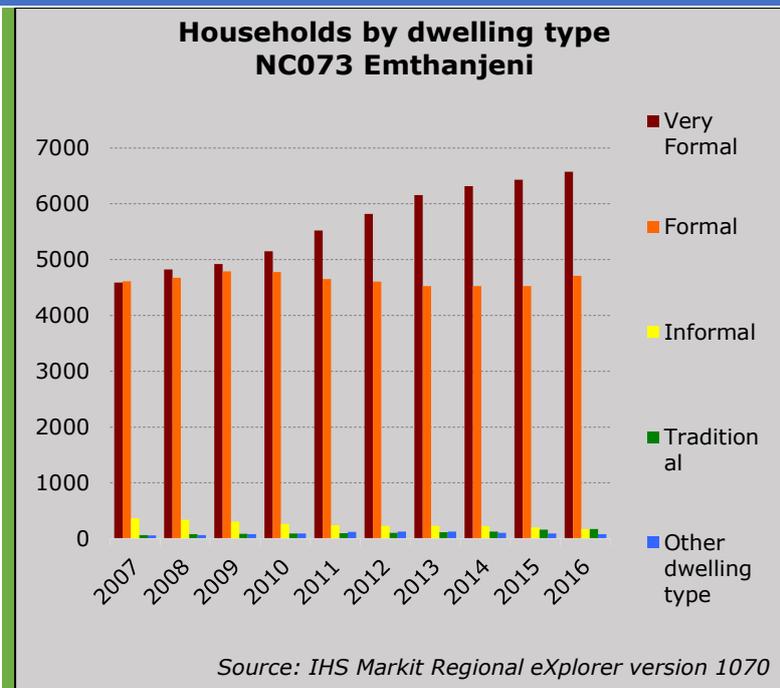


Source: IHS Markit Regional eXplorer version 1070

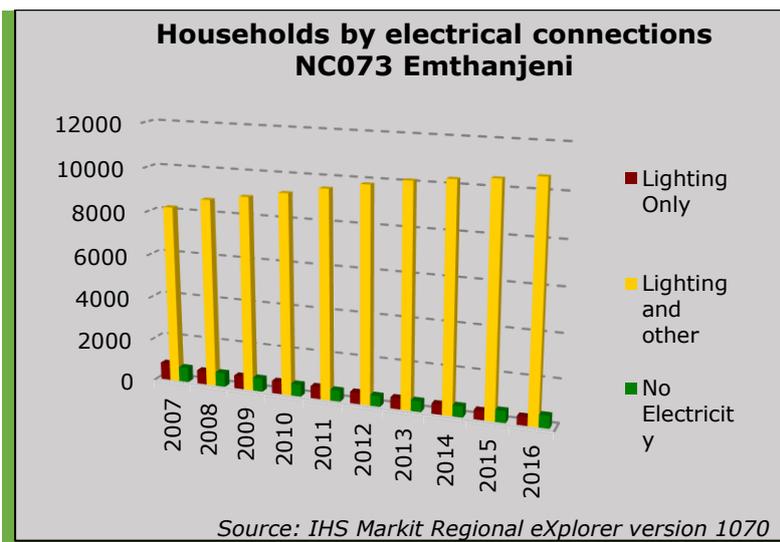
1. The graph shows that most individuals of Emthanjeni Municipal area holds a Matric only. This has been the trend throughout the years.

2. A total of 211 individuals achieved Matric and Bachelor's Degree/ Postgraduate Degree by 2016.

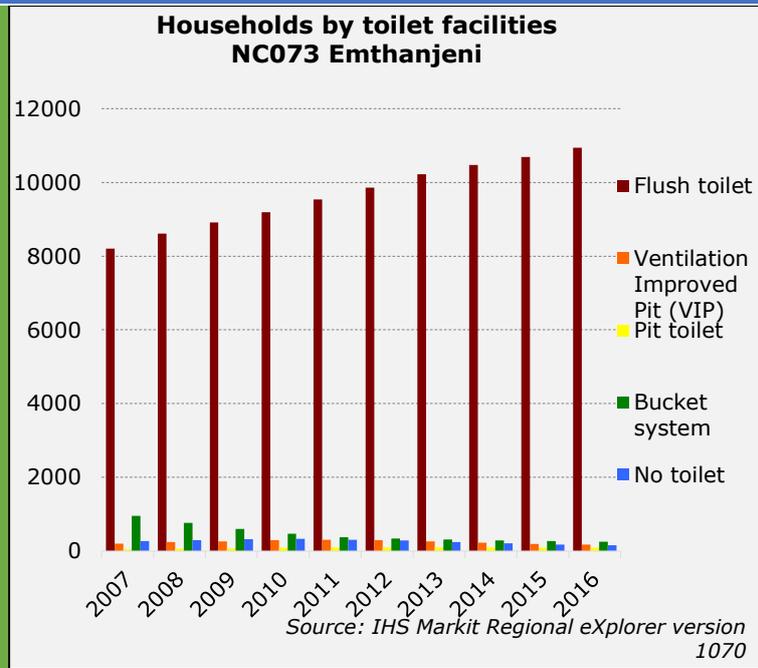
This is evident that the area is exposed to low level of skills.



1. According to dwelling type, it is evident that very formal households has increased over the years.
2. The number of households under formal dwelling type has been between 4 000-5 000 from 2007-2016.
3. The number of informal and traditional dwelling has stayed below 1 000 since 2007 to 2016.
4. It is evident that majority of the households in Emthanjeni Municipal area are very formal and formal.

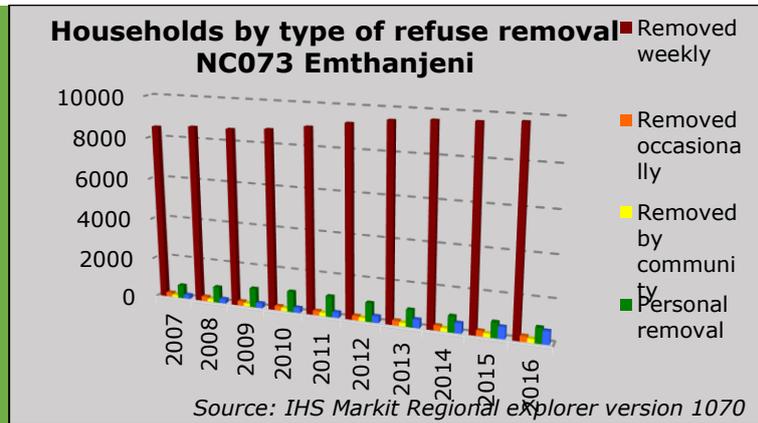


1. The households by electrical connections by lighting and other shows an upward trend between 2007 and 2016.
2. Households with access to electricity only/ and no electricity stayed constantly below 1 000 since 2007.
3. This shows that most households have access to electricity.



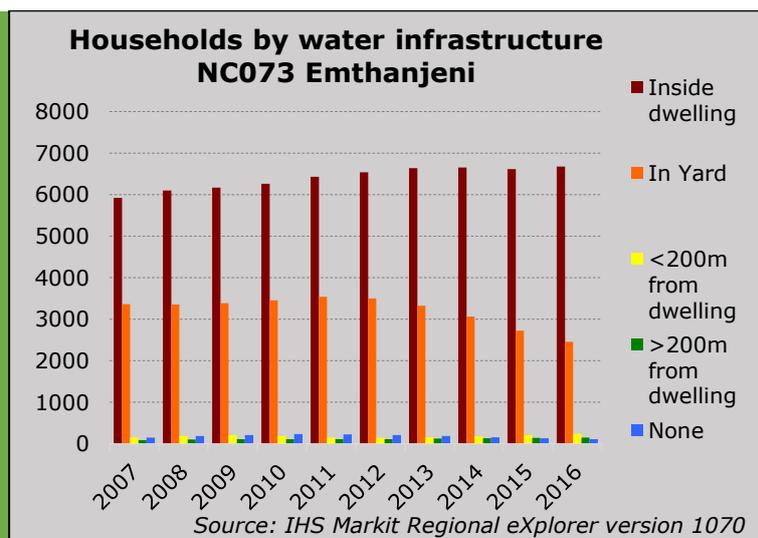
1. The households by toilet facilities shows an upward trend between 2007 and 2016. The number of households by flush toilet for 2016 was at 10 941.
2. Bucket system have dropped from 951 households in 2007 to 156 households in 2016.
3. Ventilation improved pit and pit toilets have remained below 100 households from 2007 to 2016.

This shows that sewerage infrastructure is key for the Municipality.



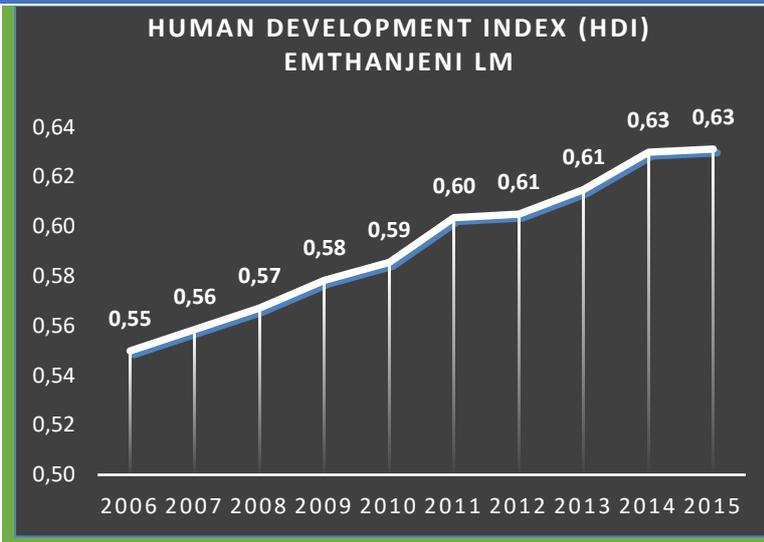
1. The households with refuse removal shows an upward trend between 2007 and 2016.

The refuse removed occasionally, removed by community, personal removal and no removal stayed below 1 000 households from 2007 to 2016.

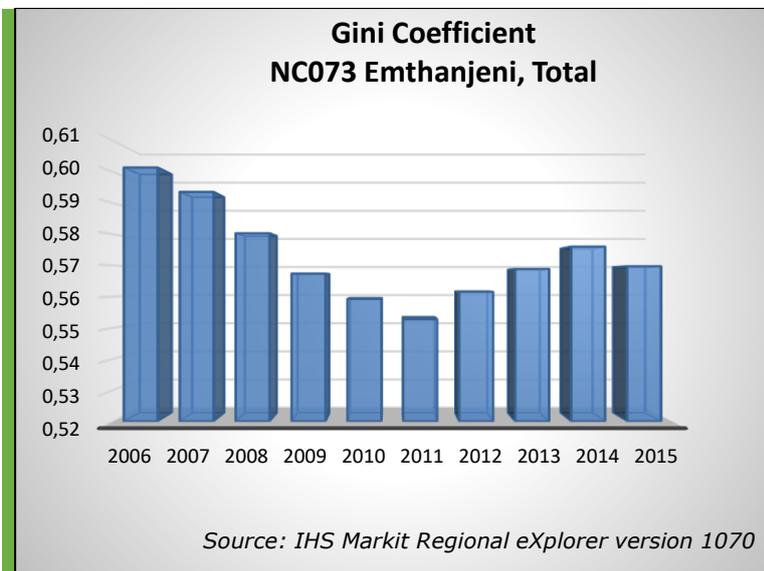


1. The households with water infrastructure inside dwelling shows an upward trend between 2007 and 2016. The number stood at 6 678 in 2016.

2. The water infrastructure in yard declined from 2011 (3 537) to (2 456) in 2016. This is an indication that households are migrating to water inside dwelling.

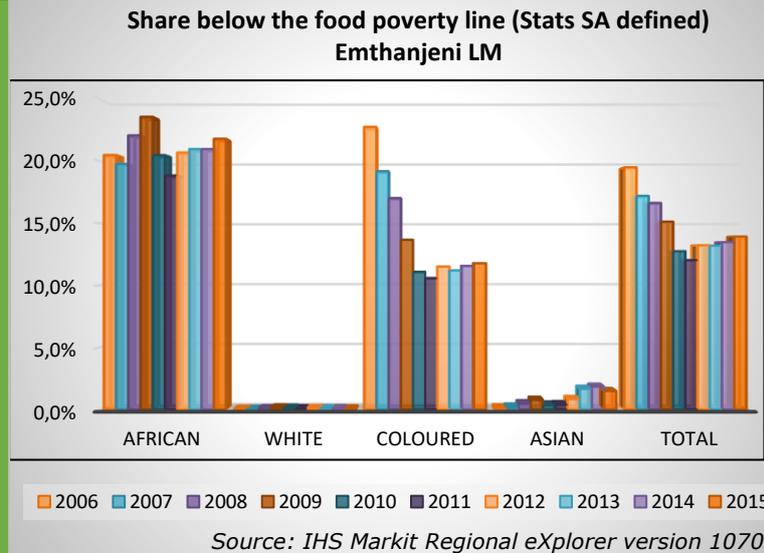


1. The Human Development Index (HDI) is used to measure social and economic dimensions such as the health of people, their level of education attainment and their standard of living.
2. The index from 2006/15 is between 0.55-0.63, which means medium development for the area.

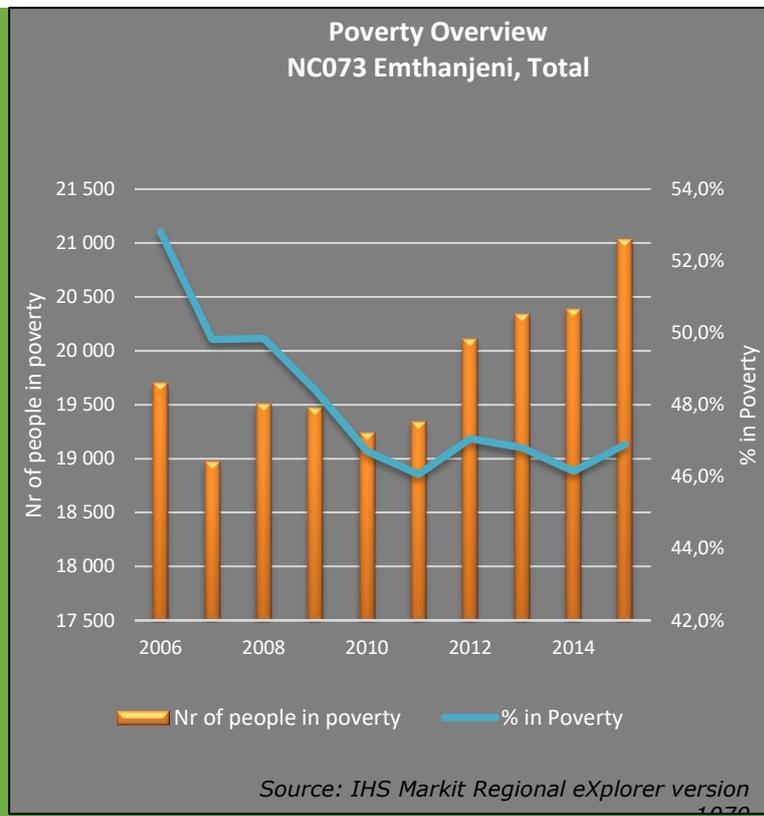


1. The Gini coefficient is a measure of inequality of an income distribution, with 0 representing perfect equality and 1 representing perfect inequality.
2. The graph shows that inequality was higher in 2006 at 0.6. The area is generally exposed to being close to perfect inequality.

3.4. Poverty



1. The experience of poverty varied significantly between races. Poverty was much deeper in African as compared to Coloured.
2. The total food poverty line was at (20%) in 2006. It showed a downward slope from 2007 to 2011 where it reached its lowest of (12%).
3. From 2012 to 2015, the total food poverty line varied between 13.2% to 13.9%.



1. During 2006, the number of people in poverty was just above 19 500 and declined to 19 000 people in 2007. Between 2010/11 the decreased proportionally to the increase in economic activities created by the construction of the new hospital.
2. From 2012-2015, the number showed an upward trend reaching a peak of 21 000 people in living in poverty during 2015. This is evident individuals who migrated to area for temporary jobs have settled and are putting burden on Government grants and services as indigents.

3.5. SOAR

DEFINING SOAR (STRENGTHS, OPPORTUNITIES, ASPIRATIONS, RESULTS):

‘SOAR’ is a strategic planning framework with an approach that focuses on strengths and seeks to understand the whole system by including the voices of the relevant stakeholders.

It Utilizes a “5 - I approach” which is to Initiate, Inquire, Imagine, Innovate & Inspire to Implement in developing a strategic plan.

SOAR- Strengths, Opportunities, Aspirations and Results:

- Is a more strength-based approach than SWOT (Strengths, Weaknesses, Opportunities and Threats). A strategic planning framework that:
 - Focuses on strengths,
 - Seeks to understand the whole system by including the voices of the relevant stakeholders.
- Helps organization focus on:
 - What they are doing well,
 - What skills can be improved and,
 - What is most compelling to stakeholders.
- It pushes an organization to develop strategic plans that are more dynamic, creative and optimistic.

A stakeholder consultation process was followed merely for the purpose of the SOAR methodology research. The following stakeholders were engaged as part of participatory process:

- ✚ Hanover community,
- ✚ Britstown community,
- ✚ Nonzwakazi and Barcelona,
- ✚ Renewable energy companies,
- ✚ Transnet,
- ✚ Other public and private sectors.

The following table depicts the outcomes of the SOAR consultation process:

STRENGTHS	OPPORTUNITIES
<ul style="list-style-type: none"> ▪ Strategic Spatial location and transport network along the N1 and N10, linking to major cities. ▪ The De Aar Railway line linkage to major cities ▪ Farming value chain. ▪ N1 as enabler for traders due to traffic passing through the area. ▪ Abundant Human capital and labour in the area, ▪ Committed Leadership – Administrative and Politically, ▪ 3rd ranking municipality in terms of audit outcome. ▪ De Aar is the Service node for Emthanjeni. ▪ De Aar History and Tourism destination due to the N12 and N1 ▪ Land availability and open wide spaces for development. 	<ul style="list-style-type: none"> ▪ Value chain of transport ▪ One stop shops and truck depot. ▪ Repairs and service centre of trucks. ▪ Business stalls for rental along the N1. ▪ Wool production. ▪ Small scale farming production units. ▪ Packaging and processing of existing agri-produce. ▪ Expansion and formalising Piggery farming ▪ Prickly pear farming: For fruits food source and biomass. ▪ Farming and Expansion – Poultry, Ostrich, cattle, sheep ▪ Hydroponics- Crops and Aquaponic ▪ Development of Accommodation and Flats ▪ Meat processing (organic).

EMTHANJENI LOCAL ECONOMIC DEVELOPMENT STRATEGY

- Hard Infrastructure available (Buildings, bulk services).
- Recreational facilities available.
- Tranquillity scenery of De Aar.
- Vocational facility for artisans.
- Municipal Cleanliness and maintenance of services.
- Broadband Connectivity.
- Natural Radiation for alternative energy.
- Strategic location for renewable energy.

- Identify and upgrade of heritage and tourism sites.
- Charcoal manufacturing
- Brick manufacturing: Formalise and ensure compliance to SABS standards
- Steel works manufacturing : Transnet and SKA.
- Upgrade of sports infrastructure and events infrastructure like Stadium renovation (Nonzwakazi, De Aar East)
- Construction and maintenance of roads.
- Quarry for mining activities
- Township development
- Trade centre – Expand existing centre.
- ICT – applications, web design, video conferencing
- Tourism opportunity due to history, heritage sites and architectural sites.
- Small Town Development: De Aar, Hanover, Britstown.
- Abattoir and transportation.
- Local supplier development.
- Airport establishment – seen as De Aar is located far from cities.
- Operational space for SMME's.
- To market the open space to attract investors.
- Trade centre : Vocational training
- Film studio.
- Youth development
- Technical skilling for renewable energy trade
- Auto bun- To attract automotive companies passing through the area.
- Renewable energy value chain: Solar Geysers maintenance, grass cutting & PV maintenance.
- Removal of non-operational panels for disposal.
- Recycling non-operational panels.
- Fixing of faulty panels.
- Motor mechanics.
- Hanover Off Ramp
- To compliment the geo spatial location of goods and cargo passing the area.
- Ecological assets (Vanderkloof dam)
- Infrastructure development
- Retail outlets (clothing and textile)
- Manganese stock piling

ASPIRATIONS

- SMME support service for enterprise development.
- Development of infrastructure to attract tourist such as guesthouses, retail outlets etc.
- Cleaning and greening of town
 - Upgrade access routes and entries to town.
- Productive use of available land.
- LED Officials that service all three towns of Emthanjeni Municipal area.
- Renewable energy Technical centre with Solar education.

RESULTS

- Upliftment of all strategic entry points to Hanover to attract tourists.
 - Signing boards to make tourists aware of Hanover.
- Wildlife hunting.
- Local procurement spending.
- Land availability for development.
- Small scale farmers:
 - Access to land.
 - Access to funding for infrastructure and livestock.

- Solar component manufacturer supplying the global market.
- Link Railway line with renewable energy.
- Create vehicle testing zones feeding to Port Elizabeth vehicle manufacturers.
- World class Agricultural processing facility.
- Exploration of energy efficiency solutions using natural radiation of Emthanjeni.
- ICT as catalyst for development.
- Test models for reduction of cost storage for energy.
- Regional Shopping centre servicing Emthanjeni
- Develop De Aar to become a mega city.
- Industrial park focussing on
 - Biotechnology,
 - ICT,
 - Agri-processing.
- Air Field – Easy access to region.
- Off the grid city
 - Emthanjeni to become first city to utilise renewable energy for own consumption (Electricity efficiency).
- Capacity building
 - Skills training for municipal officials.
 - Training residents to build and renovate houses in the municipality.
 - Up-skill unemployed youth.
 - Training electrical engineers in TVET college.
- Access to nutrition, education and housing
- Maintaining existing infrastructure in order to use them to uplift and improve municipal competency, skills and the economy
- Monitoring and evaluation plan.
- Sustainable enterprises.
- Sustainable community in terms of health and education.
- Willingness to commit towards implementation of the Emthanjeni LED Strategy.
- Resource centre
 - Central hub servicing the development around the area.
- Municipality financial accountability.
- Good road network.
- Job creation through enterprise development.
- Collaboration with other investors to address infrastructure challenges in the Province.
- Access to water and agriculture support services.
- Road maintenance.
- SMME support.
- Water infrastructure upgrade.
- Good infrastructure for residential and business sites.
- Land availability for infrastructure and business development.
- Vertical building system to cater for industry development.
- Town planning to create value chain linkages between the three towns.
- Skills development.
- Energy efficient city.
- Off the grid city using renewable energy solutions.
- Solar capital of the world.
- Solar component manufacturer.
- Mega city.
- Tourist destination.
- Transport (Logistic) hub and service centre.
- Improved Municipal capacity.
- Clear communication channels.
 - Coordinated communication.
 - Identify suitable municipal contact person to respond to queries, point of engagement.
- Partnership with the Municipality and a shared IPP Forum.
 - IPP forum established.
 - Improvement of synergies.
 - Shared vision with competitors
 - Outcomes (sustainable) based forum and not impact (compliance) based. This can be benchmark with IPP's Forum in the Eastern Cape, whose monitoring and evaluations have specific outcomes and timelines.
- Participation in the Municipal IDP development process to ensure that planned initiatives are captured.
- Decent housing for the community.
- Intellectual Property and innovation.
- Placement of bursary holders.
- Manufacturing hubs.

CHAPTER 4: VISIONING AND FORECAST MODEL

This chapter is a build up from the SOAR analysis and focuses on the visioning and forecasting of Emthanjeni Local Municipality based on the resource base of the municipality and the summary of the status quo analysis which is used to develop a vision, mission and forecasting scenarios to direct the development of the Emthanjeni Local economy.

4.1. Visioning

Vision

'Transition Emthanjeni Municipality to be a services and value addition hub for central SADC'.

Mission

To diversify Emthanjeni's primary resource and services-based economy towards the 4th industrial revolution through:

- *Renewable energy and green economy,*
- *Agriculture and Agro-processing,*
- *Optimise and expand the tourism resource,*
- *Leveraging from Road, rail and telecommunication infrastructure,*
- *Spatial central location in terms of SADC,*
- *Quadro-Helix approach for sustainable economic development in terms of mineral and knowledge economy towards the 4th industrial revolution.*

4.2. Forecasting Model

Key Modelling elements

Data Modelling:

Data model is an abstract model that organizes elements of data and standardizes how they relate to one another and to properties of the real-world entities.

Forecasting:

A process of making predictions of the future based on past and present data and most commonly by analysis of trends.

Economic forecasting is the process of making predictions about the economy. This involves the use of statistical models utilizing economic indicators.

Scenario Sketching:

It is a structured way for organisations to think about the future through developing a small number of scenarios about how the future might unfold and how this might affect an issue that confronts them. Scenario sketching assists in recognising and adapting to changing aspects of our present environment.

Inputs to Scenarios

Socio -Economic trajectory

Figure 8- Economic Trajectory

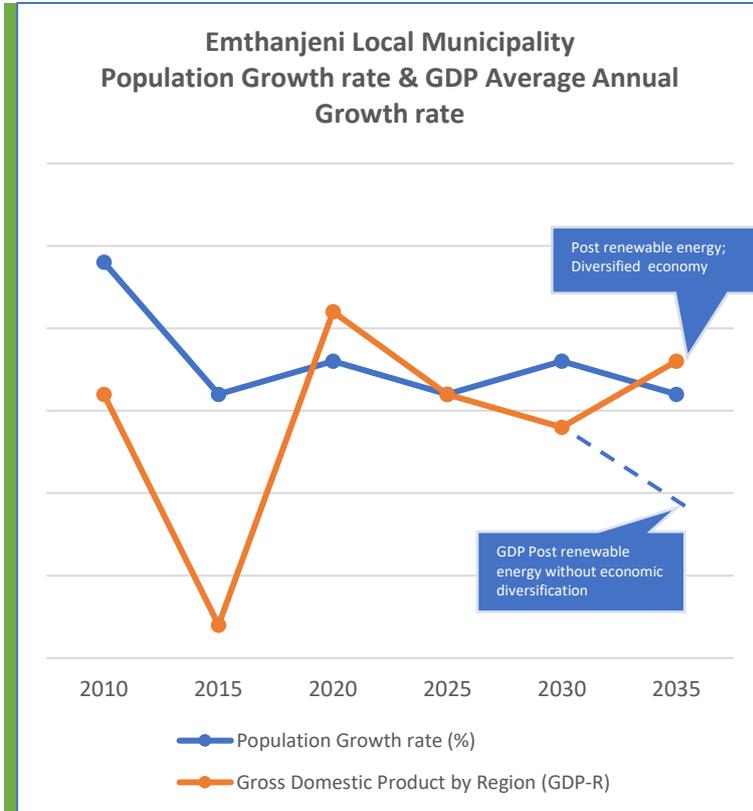
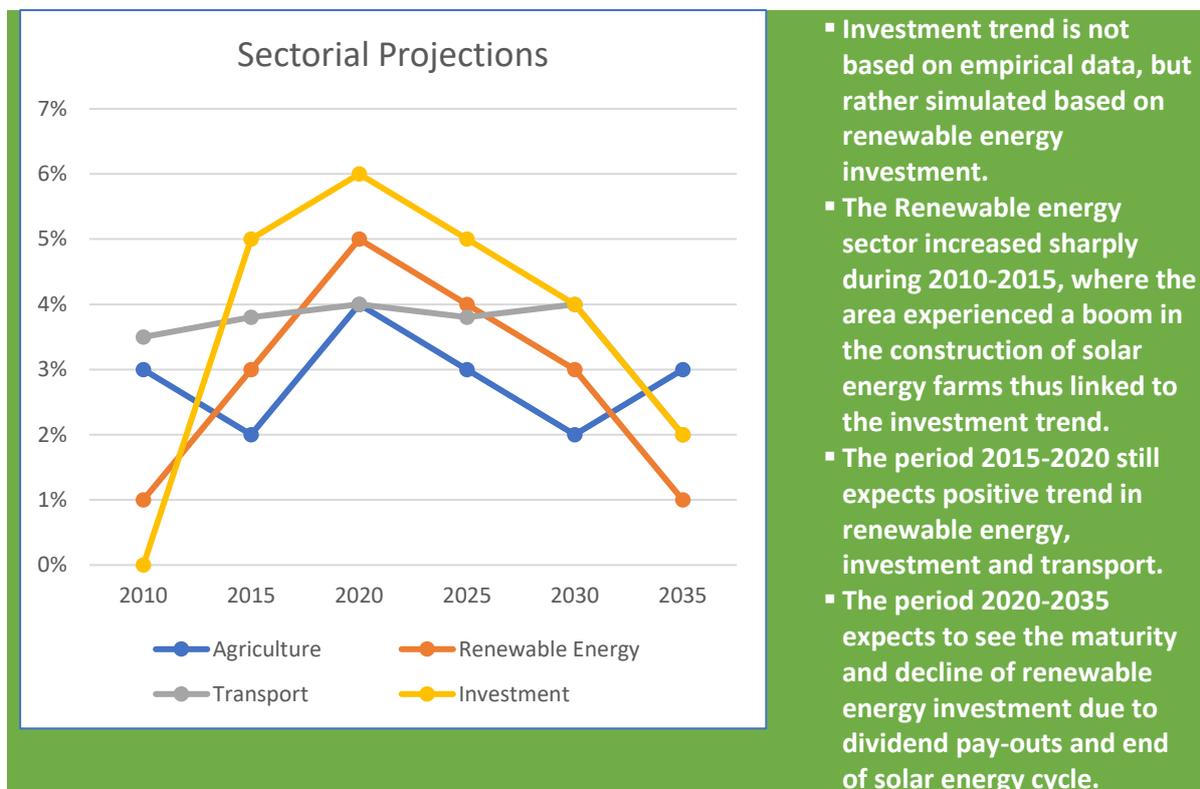


Figure 4.1 GDP and Population Forecast trends 2010-2035

Population Growth Rate average for 2010 was 2.4% while in 2015 it declined to 1.6% according to IHS global insight. The projected population growth for 2020 to 2035 is based on past annual growth rate fluctuations and assumptions . GDP growth rate of 2010-2015 decreased due to the low economic activities due to the global economic crises and dependency on government services. The GDP for the period 2015-2020 has a positive increase due to the renewable energy construction. The period 2020 - 2030 projections are based on post renewable energy construction and end of life of projects which slows economic growth. The period 2030-2035 will either be post renewable energy with diversification or without diversification which will be determined by strategies in implemented from 2018.

Sectoral trajectory



- Investment trend is not based on empirical data, but rather simulated based on renewable energy investment.
- The Renewable energy sector increased sharply during 2010-2015, where the area experienced a boom in the construction of solar energy farms thus linked to the investment trend.
- The period 2015-2020 still expects positive trend in renewable energy, investment and transport.
- The period 2020-2035 expects to see the maturity and decline of renewable energy investment due to dividend pay-outs and end of solar energy cycle.

Table 2 -Based on Trajectory model

2010-2015	2016-2020	2021-2025	2026-2030	2031-2035
<ul style="list-style-type: none"> ▪ IRP 2010 adopted. ▪ Renewable energy construction. ▪ REIPPP programme launched. ▪ SKA project launched ▪ Transnet Enterprise Hub established. 	<ul style="list-style-type: none"> ▪ Agri Parks programme implementation ▪ Rural Development Plan Adopted ▪ REIPPP phase 2 ▪ Logistic Warehouse Hub ▪ RE forum & coordination ▪ Water provision for Agriculture sector. ▪ Solar Geyser, Solar panels & maintenance ▪ Off-Grid street lights & others ▪ Science technology and Innovation prog 	<ul style="list-style-type: none"> ▪ Green Economy ▪ End of RE construction. ▪ RE: Trust SED & ED Expenditure. ▪ Strengthen Agriculture sector – Agri parks and Rural Development Plan. ▪ Transnet Cargo Hub ▪ Hanover Off ramp ▪ Manganese Stock Pilling ▪ Skills Development ▪ Science technology and Innovation prog 	<p>RE Dividend pay-outs. Realisation of vision 2030 goals focusing on:</p> <ul style="list-style-type: none"> - Agriculture and Agro processing - Manufacturing - Transport and logistics centre - Railway and Road network, - Highly active Tourism industry. 	<ul style="list-style-type: none"> ▪ Post vision 2030 ▪ Post Renewable Energy production cycle. ▪ Skilled and Semi-skilled economy ▪ Diversified economy -

<ul style="list-style-type: none"> ▪ Innovation reward & 2 project funded. ▪ Wild Hunting ▪ Aquaponic ▪ Hydroponic 	<ul style="list-style-type: none"> ▪ Brick making manufacturing ▪ Quarry 		
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4.3. Spatial (infrastructure, resource and market) MAP

The spatial developments are as follows:

4.4. Conclusion

Taking cognisance of the life of renewable energy that is regulated by the Independent Power Producers (IPP) the Emthanjeni economy is pressured to diversify the economy using Socio Economic Development spend and gearing for post-production phase of renewable energy projects. The renewable energy production phase has a potential lifespan (based on IPP) till year 2030 which is based on The Integrated Resource Plan (IRP) 2010 which developed the preferred energy mix with which to meet the electricity needs over a 20-year planning horizon to 2030.

The revenue/income through SED and ED benefit created by this sector must be utilized to invest, strengthen and expand the Emthanjeni Local Municipality in terms of:

- Localisation of procurement - Municipal expenditure, Provincial government, Transnet, Solar Companies etc.
- Value addition to local produced goods i.e. mutton, wool.
- Skills development
- Manufacturing- Renewable energy components, brick making.
- ICT and technological advancements – SKA linkage
- Agriculture and agro-processing, Hydroponic and Aquaponic
- Tourism -N1 and N12 linkages,
- Regional services and logistic centre – Integrate road and Rail based on rail revitalisation programme.
- Review municipal contractual lease agreements.
- Science technology and Innovation programmes
- Off-Grid projects.

CHAPTER 5: OPPORTUNITY ANALYSIS

The purpose of this section is to provide a sector overview, conduct a potential analysis and to identify the thrusts, programmes and opportunities available in Emthanjeni Local Municipality based on the SOAR analysis and the visioning and forecasting model as detailed in the previous sections.

The opportunity analysis will identify the Emthanjeni LM opportunities based on the gap existing and developmental potential by reviewing the current economic sector overview and matching with the SOAR analysis and visioning

The section is structured to focus on the:

- Current Economic sector overview,
- Sector Overview and potential analysis,
- Thrusts, Programmes, Project.

5.1. Current Economic sector overview

The economic sector overview depicts the current economic sectors of Emthanjeni Local Municipality taking note of the primary, secondary and tertiary economic spread. The aim is to highlight the structure of the economy.

Figure 9- Economic sector overview

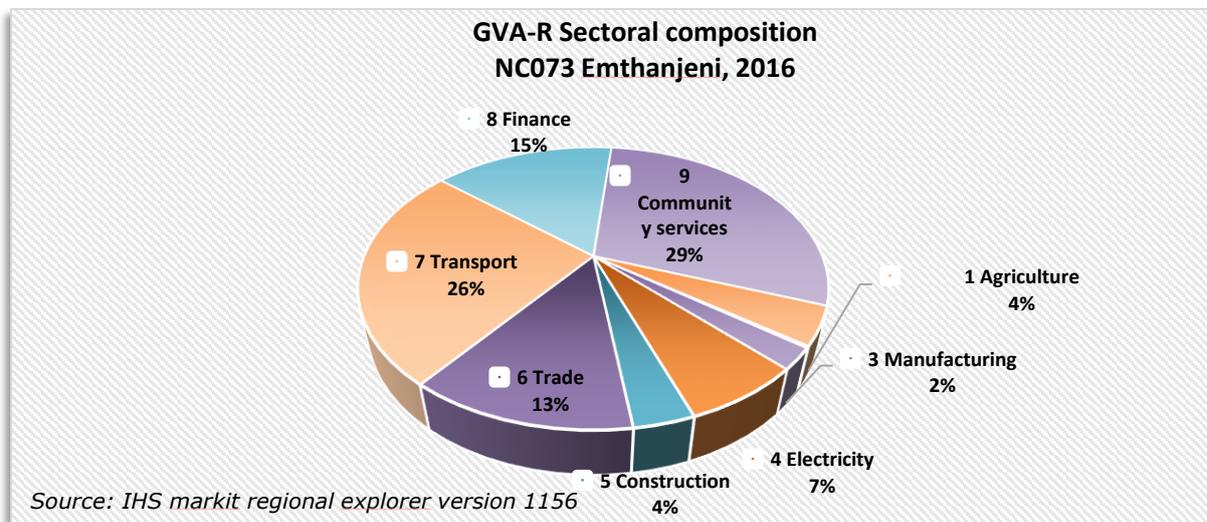


Table 3- Economic sector overview

Primary Sector	Secondary	Tertiary
<ul style="list-style-type: none"> ▪ Agriculture ,4% - Agriculture forms the backbone of Emthanjeni economy and accounts for the largest labour/ employment contributor to date. The towns of Emthanjeni lie in an extensive stock farming area with the emphasis on sheep, mutton and wool farming, especially Merino’s. - Sheep, wool and mutton are the main farming activities in Britstown while hunting of small game (Springbuck) is also very popular. 	<ul style="list-style-type: none"> ▪ Manufacturing ,2% - Stone crushers specialize in the manufacturing of sand, bricks, cements and rocks. - Abattoir for meat processing. Apart from meat production, the sheep farms around De Aar are also major suppliers of wool. 	<ul style="list-style-type: none"> ▪ Community Services ,29% The services sector consists of the various government institutions, NGOs, CBO’s and NPO’s that resides within the Emthanjeni area. ▪ Finance ,15% It also serves as the regional service centre for medical and banking services for example ABSA, FNB, STANDARD BANK and CAPITEC. ▪Trade ,13% Emthanjeni host a number of retail stores for goods and services such as Checkers, Shoprite, Mr Price, Foschini, Truworths, Sheet Street, etc. and serve as the regional retail centre for Pixley ka Seme district.
	<ul style="list-style-type: none"> ▪ Construction ,4% The local uptake and accrual is low if one takes the extensive renewable energy in the area into consideration. 	<ul style="list-style-type: none"> ▪ Transport ,26% Rail Infrastructure - Emthanjeni, and especially De Aar, is renowned for its central location on the main railway line between Johannesburg, Cape Town, Port Elizabeth and Namibia.

		<ul style="list-style-type: none"> ▪ Electricity ,7% Renewable energy – this sector shows potential of growth through the introduction of renewable energy projects in De Aar and surrounding areas. Some of the renewable energy projects is already connected to the grid which mean they are supplying solar energy to ESKOM as part of addressing scarcity of energy in our country.
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5.2. Sector Overview and Potential Analysis

The purpose of this section is to provides an overview of the dominant sectors with potential within the Emthanjeni municipal area. The sectors are subject to a potential identification criterion.

Potential Identification Criteria

The potential identification criterion is the process of identifying the areas strengths in order to develop potential programmes and projects. As part of the potential analysis a value-chain gap analysis has to be conducted. In the business environment the value chain could be seen as a linked set of value adding processes that convert basic input materials into products or services for the final consumer.

To identify projects that possess the potential to be developed and have a significant impact on the economy, it is necessary to establish a criterion that will facilitate the project identification and assessment process. This criterion will allow for the identification of projects that are sustainable, whilst ensuring future economic upliftment and growth. First and foremost, in order to determine and discuss the development potential in the Emthanjeni Local Municipality, it is important that the concepts of potential and development be clearly defined.

Table 4- Evaluation criteria

Measurable Indicators		Evaluation Criteria
		Description of Indicators
Availability of raw materials and resources	Raw material/local resources are regarded as the primary production factor. Without these materials, no product or service can be manufactured and/or delivered. The availability of raw materials and other resources make local development promotion much easier, more feasible, viable and sustainable. Depending on the nature and extent of the resources/materials, these can also be a major tourist attraction. Apart from attracting tourists to an area, many raw materials/resources can be used in local beneficiation and value-adding processes.	
Economic linkages	Refers to the various interactive relationships that exist between the various economic sectors with a region’s economy. These interactions and relationships can be observed in various forms and may take place on a mixture of scales. Linkages are important for an economy and its activities to be sustainable. One economy in general cannot provide in all local needs and therefore need to interact with neighbouring or nearby economies. Linkages can be defined and placed into two categories:	

	<ul style="list-style-type: none"> ▪ Backward Linkages This type of economic interaction refers to the raw material or intermediate products required as inputs into the delivering of the end product or service. In many cases the inputs required in the local economy cannot be delivered by the same economy and need to be imported from other economies. In other cases, the inputs are available, but it is cheaper to obtain the same inputs from other outside economies. ▪ Forward Linkages The supply of intermediate products as inputs into the production process, in order to deliver the final product and/or service when the production process is complete. This would typically constitute the utilization of an area’s own resources that are processed, packed and sold (or distributed).
Market trends	This criterion is consumer-related and the most difficult of all to map and determine. Market trends refer to the consumption trends and preferences of the general market. It indicates where there is potential for an increase in the production of a specific product and/or delivering of a specific service, or it can indicate that there is a need for change in products and service delivery. For instance, a new trend can be observed in South Africa with respect to the consumption of more organically-farmed products than traditional products. This therefore, indicates that the agriculture sector should focus more on producing organic products than traditional products.
Logistics / Nodal point function	To determine if the area has potential for delivering a logistics or nodal point function, one needs to answer the following question: Can the area serve as a distribution point for specific products or services?
Regional service delivery function	This criterion refers to the ability and capability to provide for both the local and regional requirements. This will typically involve a situation where enough is produced in the economy to disperse and provide for the wider region.
Availability of labour	Following closely the category of raw materials/local resources is that of available labour. The labour force is vital to the production process as a primary driver of production. When considering potential within the local labour pool, the determining factors include the quantity and quality of the labour force. Quantity refers to the size of the labour force and quality refers to the educational and skills level of the labour force. If the education and skills level of the local labour force meets the requirements for manufacturing development, the potential for development is high, from a labour point of view.
Technology change	This is the most dynamic of the entire set of criteria. Technology changes refer to the changes in the ways we produce goods and services. Good examples are genetic manipulated products, the Internet, etc. The changes in technological techniques and methods increase the potential for developing an incubator in the area. Incubators provide collective services (i.e. training and facilities) required by industries and also individual people to become self-sustained in their newly adopted economic activities.
Enabling policy environment	Potential for development can also be identified when considering the policy environment. Various policies stimulate, support and encourage development, whereas others inhibit development. A good example of supporting policy is the SMME development programme of SEFA Enterprises that provide funding and other necessary inputs for upcoming SMMEs.
Constraints	The constraints that affect the sector due to market conditions , labour , skills and policy.

Sector Overview

Agriculture and Agro processing

Agriculture and Agro processing are important economic sectors in the Emthanjeni area. The sector contributes to 4% of the GVA – R and is the backbone of the primary sector in the area. Livestock farming is the most dominant agricultural practice in Emthanjeni due to the largely semiarid and arid environment in the municipality and the fertile land that supports the production of some of the country’s finest quality agricultural products. According to the *Rural Development Plan of Pixley ka Seme*, the area has the largest sheep abattoir with a capacity of up to 2000 sheep slaughtered per day.

The huge potential for the region lies in adding value to the products within the area. At present products are leaving the areas in unprocessed form. The district is the largest wool-producing region in South Africa and provides the potential to expand and complete the value chain within the Pixley Ka Seme district to ensure all within the district benefit economically.

An abundance of high quality goats and sheep exist within the district and expanding the goat and sheep farming could become important due to the high demand for meat and once beneficiation processes in terms of value addition begins (dairy products, leather goods, wool etc.) within the district.

There are two agricultural research stations and one is for crops in the Riet River and the other one for animal production in Carnarvon. The two institutions are providing technological development and training for farmers. The benefit for Emthanjeni is for the two agricultural research stations to provide the technical research to maximise output production for the red meat production and value addition activities.

The challenges faced by agricultural sector include but not limited to the increasing scares water resources and bulk services availability especially in Emthanjeni and the Karoo.

The NDP makes the following detailed recommendations, in achieving the goal of 1 million new jobs by 2030. *‘Substantially increase investment in water resources and irrigation infrastructure where the natural resource base allows and improves the efficiency of existing irrigation to make more water available.’*

Farming is a mainly water dependent sector and with the challenge of water shortage for agricultural produce in Emthanjeni this hampers the expansion and development of agricultural produce for the area. The proposed way to mitigate the risk is for the construction of Water pipeline from the Orange river to service the Emthanjeni region which could cost anything from R400 -R800 million.

Late initiative in Agriculture can be Wild Hunting, Lucerne business, Aquaponic and Hydroponic for consideration.

Development Potential

Table 5- Agriculture Evaluation

Criterion	Status
Availability of raw materials and resources	<ul style="list-style-type: none"> ▪ The area is mostly identified by semi-arid and arid areas towards the Orange River and Vanderkloof Dam. ▪ The region is known for the quality of meat namely the Karoo lamb. ▪ Sheep and goats are the main livestock commodity. ▪ Land dominated by non-arable low potential grazing land ▪ Land has low to moderate potential for agricultural development ▪ Intensive agricultural activities are dependent on irrigation schemes from the Orange River. ▪ Extensive livestock farming in the area is more suitable for the with more water provisions required.
Economic linkages	<p>The agricultural sector has a number of economic linkages, namely</p> <p>Backward Linkages:</p> <ul style="list-style-type: none"> ▪ Manufacturing sector with the production of agricultural machinery and fertilizers for the agricultural production. ▪ Transport sector for agricultural inputs. ▪ Municipal services/DWA for the provision of adequate water supplies to farmlands for irrigation and other processes.

	<ul style="list-style-type: none"> Unskilled and Semi-skilled labour for agricultural production and machinery operations. <p>Forward linkages:</p> <ul style="list-style-type: none"> Manufacturing sector for mainly value adding processes such as meat processing, Agri-processing, packaging and distribution. Tourism industry for Agri tourism, tours of farming activities, etc. Training and support for farm workers as well workers in value adding processes
Market trends	The market is moving towards positioning itself to be the prime producer of the Karoo lamb. Opportunity for wool production exists depending on the volume of inputs from agricultural inputs.
Logistics / Nodal point function	The agricultural activities are dispersed throughout the Emthanjeni Local Municipality. However, there is a concentration of agricultural activities within De Aar due to the sheep abattoir.
Regional service delivery function	The Emthanjeni Local Municipality has a comparative advantage in the production of Karoo lamb which could be supplied to the surrounding areas of Northern Cape. This is further emphasized in the high output of the De Aar abattoir which slaughter on average 2000 sheep per day.
Availability of labour	Emthanjeni Local municipality is grappled with unemployed and these are mostly semi- and unskilled people. This indicates that there is an ample labour for the activities within the agricultural sector. There is a lack of specialized skills in the area in order to expand the value adding activities. It is therefore important that the training and support programs be focused on the specialized skills needed to expand the agricultural sector.
Technology change	Technological change in the Emthanjeni region focuses on opportunities in the agricultural sector, but also to investigate potential improved technology changes that could improve the quality of produce as well as the production methods. Technology changes to investigate include, but are not limited to, hydroponics, aquaculture, new products, etc
Enabling policy environment.	The Northern Cape Province has a strategy focusing on Agriculture which is the Agri Parks Master Plan which will address the agricultural developments aligned to the National and provincial policies such as the NDP 2030.
Constraints	<ul style="list-style-type: none"> Lack of a Water pipeline from the Oranje River mainly dependent on borehole water. Water shortage for the operations of the Sheep abattoir Intensive farming activities are dependent on irrigation of water which is scarce and constrains agricultural production. Extreme temperatures have a number of risks for livestock farming in summer and frost in winter. Lack of specialized labour Lack of financial services and support for emerging farmers

- Lack of representation of local farmers interests
- Insufficient infrastructure
- Lack of high technology advances

Transport

The transport sector one of the most important sectors in the Emthanjeni municipality area. The sector constitutes of mainly rail and road transport. Rail transport in the area has a rich history due to the De Aar railway network. De Aar has a major potential for upgrade of transport network due to existing rail infrastructure. Emthanjeni connects to central South Africa and coastal areas and SADC regions. According to a business case study by Tisen Investments on a *De Aar Logistics/Warehouse*, the large commercial miners and irrigation farmers are the major owners of concessions on rail networks and access to ports. The study suggests that De Aar becomes a consolidation point for freight as a result of its centrality, accessibility as well as the rail and road infrastructure that are available. The proposed business case is largely dependent on Transnet and volume of goods moved along the railway network.

The road network in of Emthanjeni consist to two national routes namely the N1 at Hanover and the N12 at Britstown. Freight movement along the National routes pass by daily from Johannesburg to Cape and visa verse. The distances travelled by trucks and tourist are long haul distances and it is therefore proposed that an offramp be established at the Hanover N1 by pass that will attract tourism and become a One stop centre and depot centre offering vehicle and truck maintenance, arts and craft centre, refreshment centre etc. Based on historical trends the estimated cost of the Hanover offramp development amounts to R20million, but for an accurate estimate a feasibility study and business plan needs to be drafted in consultation with SANRAL and Northern Cape Department of Public Works.

Table 6 - Transport Evaluation

Criterion	Status
Availability of raw materials and resources	Emthanjeni has an established road and rail network which connects to most major economic hubs such as Johannesburg, Cape Town, Port Elizabeth and SADC countries. The rail network is an integral railway line of Transnet linking goods from land to Nguga port.
Economic linkages	The Transport sector has a number of economic linkages: Linkages with the agricultural, manufacturing, and finance, business services sector and community services: <ul style="list-style-type: none"> ▪ Engineering services and construction services for infrastructure development. ▪ Transport of raw materials and value adding products. ▪ Storage of the raw materials and value adding products before transporting to markets De Aar Logistics Hub. ▪ Transportation of commuters to and from the area. ▪ Transport provides network for tourism promotion.
Market Trends	The transport sector market trends are based on the N1 and N12 national routes and the De Aar Railway line from
Logistics / Nodal point function	The transport sector in Emthanjeni Local municipality plays an important role in the economy mainly due to the De Aar railway network. The road network which comprises of two major routes namely the N1 and N12 in Hanover and Britstown respectively has the potential to become the storage and distribution center combining both the railway network and Road network.

Regional service delivery function	The transport sector has the potential be the regional service delivery node for the Pixley Ka Seme District with the utilization of the railway and road network of Emthanjeni and De Aar specifically.
Availability of labour	The labour requirements for the transport sector is mainly unskilled and semi-skilled labour which is predominately for truck driving and railway services. Skilled labour is required for the infrastructure development and construction engineering services for road and railway infrastructure.
Enabling policy environment	NDP. National and Provincial Transport sector policies

Renewable Energy

Northern Cape has one of the highest radiation levels in the world where the Emthanjeni local municipal area has an array of Solar and wind Farms established in the local municipality converting the rich sunlight into energy which is to be transferred to the national grid. The National Development Plan (NDP 2030) envisions South Africa to invest in strong network of economic infrastructure whereby Renewable Energy is one of the energy mix used in the country where energy infrastructure is a critical component. The renewable energy sources currently available vary between wind energy and solar PV energy sources where one of the largest solar farm in Southern Hemisphere is located in De Aar.

Emthanjeni Local Municipality is home to Eight (8) REIPPP projects with a total electrical output of 483MW. According to the IPP Quarterly Report June 2017 for the Northern Cape, the cumulative jobs over the construction and projected operational life is valued at 7159 jobs over the 20-year production life.

Due to need of off-grid initiatives by communities the Department of Energy had approved 5000 Solar Geysers for implementation in 2019/20 financial year with local intention to leverage on this and incorporate maintenance which enterprise be establish to leverage on this initiative.

Socio-Economic Development (SED) and Enterprise Development (ED).

Socio Economic Development and Enterprise Development programmes are intended to obligate IPPs to contribute to the upliftment of the area of operation within a 50km radius around the solar farm. The aim is to identify Socio - economic development and enterprise development opportunities in the area for support and development.

IPPs are required to contribute a percentage of projected revenues accrued over the 20-year project operational life toward SED initiatives. The minimum compliance threshold for SED contributions is 1% of revenue with 1.5% the targeted level over the 20-year project operational life

The Independent Power Producers (IPP) office requires two types of reporting on SED and ED. This in the form of annual plans as well as quarterly reports. The annual plan is a forecast of the types of programmes and individuals to be supported in the coming year as well as the estimated budgets for each intervention. The monetary sum of interventions must equate to the project’s obligated spend on SED and ED, relative to the forecasted revenue for that year. On a quarterly basis, the IPP Office requires historical reporting to evidence that the spend which has taken place which complies with the committed amounts and has been directed mostly at the host communities.

In the Northern Cape, the expenditure on SED and ED initiatives to date under the IPPPP have been focused on: education and skills development, social welfare, healthcare, general administration and enterprise development. (REIPPP Provincial Report June 2017).

It is therefore important that Emthanjeni Local Municipality and the IPP’s establish an integrated forum which deals with the alignment of Municipal project priorities and IPP SED and ED projects. Projects and programmes implemented in a municipal area need to be reflected in the IDP, as to ensure that the necessary support and services are aligned and directed to the project.

Community Trust

Part of requirement in those IPP was the creation of trust for community beneficiation which still had its challenges in all this local IPP’s.

Table 7- Renewable Energy evaluation

Criterion	Status
Availability of raw materials and resources	The renewable energy sector is growing sector which requires radiation for its existence. The raw materials required for the construction of solar and wind panels are not readily available in Emthanjeni LM therefore they are sourced from other areas.
Economic linkages	Renewable energy is governments plan to secure and source alternative energy mix in meeting the current and future energy demand. The economic linkages from the sector is from skills development, transportation of components, Socio economic development and enterprise development.
Market trends	The trend is moving towards renewable energy sources as well as looking at water saving methods in terms of industries and households. Emthanjeni Local Municipality has been identified as one of the high potential area for solar plant and wind plant developments. Wind power is one of the cleanest energy resources of electrical energy, but it also requires a place to store its energy (i.e. in batteries) and it usually needs a constant wind that comes from one direction at a time.
Logistics / Nodal point function	The climate conditions within the Emthanjeni municipal area are favorable for solar and wind plant developments however, the concentration of activities are along the De Aar area and within the Solar Corridor as identified by the Northern Cape PSDF 2012.
Regional service delivery function	The Emthanjeni Local Municipality currently has a comparative advantage in the renewable energy sector which has great potential to expand and diversify the economy of the region providing regional renewable energy service delivery function.
Availability of labour	A large portion of the labour is unemployed in the Emthanjeni Local Municipality and are mostly concentrated in the semi- and unskilled employment activities. There is a lack of specialized skills in the area in order to tap into the sector. There is a need for specialized engineering skills, project management skills, highly specialized construction skills, etc.
Enabling policy environment.	The renewable energy strategy aims to improve the Northern Cape Province’s environment, and alleviate energy poverty, whilst promoting economic development and job creation in the province whilst developing its green economy.
Constraints	<ul style="list-style-type: none"> ▪ Lack of information and support to local businesses ▪ High influx of foreign & international labour

- Lack of appropriate infrastructure
- Shortage of skilled labour
- Stakeholder involvement and participation
- Lack coordination for SED and ED projects.

Manufacturing

The contribution of the Manufacturing sector to the economy of Emthanjeni has been less than significant over the past five years when compared to the Primary and Tertiary sectors. It is however believed that strong potential for manufacturing exist in the Northern Cape with the ability to contribute significantly to employment creation. This is so due to the availability of raw produce such as manganese, iron ore, diamonds, lime, granite, gem stones as well as agricultural produce. A well-established Primary sector in the Northern Cape is in line with growing consumer demand for manufactured goods locally. The existence of the agricultural sector, renewable energy and SKA projects in the Pixley Ka Seme districts provides a market for the manufacturing of components and machinery. The railway network which transports iron ore and manganese through to Ngqura in the Eastern Cape could be halted at De Aar for beneficiation or value addition.

Table 8- Manufacturing evaluation

Criterion	Status
Availability of raw materials and resources	The manufacturing sector is focused on value adding of agricultural products, mining products, construction and renewable energy products.
Economic linkages	<p>The manufacturing sector has established linkages with the agricultural, construction and mining sectors. The following linkages could be linked to the manufacturing sector:</p> <p>Linkage to the agricultural sector:</p> <ul style="list-style-type: none"> ▪ Input materials and machinery could be manufactured in the region. ▪ Agro-Processing of produce and meat has great potential within the district as a whole. ▪ Production of packaging materials. <p>Construction sector:</p> <ul style="list-style-type: none"> ▪ Production of building materials. ▪ Production of renewable energy plants equipment. ▪ Assemble of steel pipes. ▪ Welding of storage equipment. <p>Other sectors:</p> <ul style="list-style-type: none"> ▪ Utilities sector – manufacturing of wind and solar equipment ▪ Transport sector – vehicles, infrastructure requirements, etc.
Market trends	Market trends in the manufacturing sector of Emthanjeni Local Municipality is to promote the manufacturing of Solar panels and SKA components within the boundaries of the municipality. This in effort to diversify the economy.
Logistics / Nodal point function	The manufacturing activities are mainly concentrated within the De Aar area and consist mainly of agro processing activities.

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Regional service delivery function	The manufacturing sector in Emthanjeni currently does not have a regional service delivery footprint which is minimum in comparison to other sectors.
Availability of labour	Labour availability is high for unskilled and semi-skilled in the manufacturing sector.
Technology change	Technology changes have had a great impact on the manufacturing sector. The main advances have been in the production functions focusing on the planning and control of processes. These advances have had a number of impacts namely: increased efficiency, improved utilization of production, improved time management, improved customer services and improving information technology. One of the main disadvantages of technology changes in the manufacturing sector is the loss of jobs due to less labour intensive activities taking place and automation.
Enabling policy environment.	National and Provincial government has placed much emphasis on the need to expand the manufacturing sector and has the potential to create opportunities. Policies include but not limited to: NDP, IPAP,
Constraints	<ul style="list-style-type: none"> ▪ Lack of information and support to local businesses ▪ Rising electricity prices place high risk to manufacturing activities ▪ Lack of water in the area which places a constraint on some manufacturing processes ▪ Lack of appropriate infrastructure ▪ Shortage of skilled labour ▪ Distances to access markets

Tourism

The tourism sector is recognised for its potential and significant contribution to the economy. Government identifies tourism as an important sector which is explained in the Industrial Policy Action Plan (IPAP, 2007), the New Growth Path (NGP, 2010) and the National Development Plan (NDP, 2013). Through those various policy documents the sector is expected to contribute to job creation and the growth of the economy. It is therefore important for Emthanjeni Local Municipality to plan for tourism development and promotion in alignment with the National Tourism Sector Strategy.

Table 9- Tourism evaluation

Criterion	Status
Availability of raw materials and resources	Emthanjeni has a rich history which is one of its greatest assets in attracting tourists to the area.
Economic linkages	<p>As indicated the tourism sector has a number of linkages with other economic sectors.</p> <p>Linkages with the Agricultural Sector: The main activities are Agri tourism farming activities, game viewing, hunting, etc. There is a need to develop proper tourism packages to promote these types of tourism activity in the municipal area.</p> <p>Linkage with Utilities Sector: The development of the renewable energy sources or solar parks opens an opportunity to develop specific tourism packages that include tours of the</p>

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	<p>renewable energy plants as well as providing information on the background and functioning of these plants.</p> <p>The tourism industry also has strong linkages with the major routes (routes between Johannesburg, Cape Town and Eastern Cape province as well as with other countries such as Namibia and Botswana).</p>
Market trends	<p>People want to experience culture, nature and destinations. The trend is to break away from the hustle and bustle of the city to tranquil areas that offer a unique experience. The tourism trend has not been doing so well in the Emthanjeni area, therefore much emphasis is needed to boost the industry.</p>
Logistics / Nodal point function	<p>The tourism activities are dispersed throughout the Emthanjeni Municipality, and it is therefore critical that integrated tourism packages are created in order to ensure that tourism as a whole grows throughout the District.</p>
Regional service delivery function	<p>The tourism industry has shown significant contribution and growth recently in Emthanjeni as well as great potential to expand and diversify its economy.</p>
Availability of labour	<p>The tourism industry has low barriers to entry therefore it requires unskilled and semi-skilled workers. The skills set required for the industry are abundantly available.</p>
Technology change	<p>Technological changes impact the tourism industry in a positive way. The ability for tourists to use technology to make bookings, and research destinations creates a global interconnectedness.</p>
Enabling policy environment	<p>NDP, National Tourism Strategy, PGDS, DGDS</p>
Constraints	<ul style="list-style-type: none"> ▪ Accessibility through air transport. ▪ Tourist are usually passer-by tourists. ▪ Tourism sector in the region is small. ▪ Lack of Accommodation.

Knowledge Economy

The OECD describes “The knowledge-based economy” as an expression coined to describe trends in advanced economies towards greater dependence on knowledge, information and high skill levels, and the increasing need for ready access to all of these by the business and public sectors. The Knowledge Economy is recognised as the driver of productivity and economic growth, leading to a new focus on the role of information, technology and learning in economic performance. The term “knowledge-based economy” stems from this fuller recognition of the place of knowledge and technology in modern OECD economies.

The sector is identified as thrust in Pixley Ka Seme District due to the establishment of the SKA project and the Renewable Energy in the district. The SKA spinoffs create opportunity for secondary industries such as component manufacturing for science and technology industries.

Renewable energy in particular has developed a corridor in the Northern Cape extending from ZF Mgcau District down to the Pixley Ka Seme District as described in Chapter 2.

Table 10 - Knowledge Economy evaluation

Criterion	Status
Availability of raw materials and resources	The knowledge economy is a new sector in the region with limited to non-availability of raw materials.
Economic linkages	The economic linkages are in the

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	<ul style="list-style-type: none"> ▪ Science and Technology space. ▪ The SKA project also has linkages to the tourism sector. ▪ The manufacturing sector
Market trends	The market trends are limited to the construction and operation of the SKA and renewable energy sector.
Logistics / Nodal point function	Carnavona and De Aar are the nodal point function with SKA and Renewable energy.
Availability of labour	Unemployment in the Emthanjeni is mostly concentrated in the semi- and unskilled. The knowledge economy requires skilled and specialized skills and in order to expand the sector. It is therefore important that the training and support programs be focused on the specialized skills needed which can service the knowledge economy.
Enabling policy environment	NDP
Constraints	<ul style="list-style-type: none"> ▪ Lack of specialized skills ▪ Lack of training facilities ▪ Underdeveloped sector in the region ▪ Access to other markets

5.3. Thrusts, Programmes and Projects

This section of the LED strategy links the Thrusts identified in the SOAR analysis with those identified in the visioning and forecast model. These are identified as the catalyst thrusts based on the current economy which will ensure that the linkages between the programme and projects are integrated for the successful implementation of Local Economic Development. The Thrusts are unpacked in the implementation plan linked to the National LED framework.

Table 11- Transport and logistics

Thrust 1: Transport and logistics: Road, Rail and Air network		
Description	Programme	Project
Goods and passenger transportation through road and railway infrastructure.	De Aar Cargo Rail hub	Cargo Storage and distribution centre
	Manganese Stock Pilling	Manganese stock pilling and package to containers and taken to the port for shipping.
	N1 and N12 Road maintenance	SME sub-contractor development
	N1 Hanover Offramp	Offramp for tourism facility at cost of developer within SANRAL limitations and regulations.
	De Aar assembly plant	De Aar Assembly plant feasibility study enabled through road and rail infrastructure that geographically locate in central SADC
	One Stop Depot: Hanover and Britstown	Fuel Station, Bed and Breakfast, truck maintenance centre and goods storage

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		facility, arts and crafts and food vendors.
	Air Transport	Air Strip Pilot training Aviation Training

Thrust 2: Manufacturing

Description	Programme	Project
The production or assembly of goods such as Renewable energy components, SKA components, Agriculture machinery etc.	Manufacturing Skills development	Trade skills development - Electrician, Boilermaker etc.
	Manufacturing Technical incubator	Trade incubator programme for SMME's in manufacturing sector
	Solar PV and SKA component assembly line	Solar PV and SKA solar assembly centre
	Brick making manufacturing	Manufacturing of bricks by SMME's
	Equipment /goods manufacturing and maintenance.	Brick Manufacturing Charcoal manufacturing Steel Work manufacturing of SKA components and Solar

Thrust 3: Agriculture and Agro- Processing

Description	Programme	Project
Primary production farming and value addition farming.	Agri parks	Agri park
	Farmer support programme / Emerging farmer support	<ul style="list-style-type: none"> ▪ Sheep, goat and cattle farming ▪ Abattoir for meat processing ▪ Wool production. ▪ Small scale farming production units. ▪ Packaging and processing of existing produce. ▪ Poultry farming. ▪ Piggery farm ▪ Prickly pear farming (business plan developed by not supported by Government). ▪ Hydroponics- Crops and Aquaponic. ▪ Promote ostrich production and processing as secondary hub to Oudtshoorn. ▪ Expansion of small scale and artisanal farming through land ownership. ▪ Animal hides and processing of hides (Tannery).
	Packaging and processing vegetables.	Hydroponics farming
	Small scale farming	<ul style="list-style-type: none"> ▪ Communal farming.

		▪ Artisanal farming.
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Thrust 4: Knowledge Economy

Description	Programme	Project
Information and Communications Technology (ICT),	ICT Training and Skills development	Innovation /Trade centre
	Leveraging of Renewable energy and SKA industries.	Renewable energy technical skills SKA Training
	Science and Technology	De Aar Wifi Zone to enable broader access and innovation.

Thrust 5: SMME Development

Description	Programme	Project
Small Medium and Micro Enterprises development and support through financial and non-financial mechanisms.	Preferential procurement	Localisation of Procurement of goods and services i.e. Municipality, Transnet, Solar companies etc.
	Financial and non-financial support	SMME one stop centre – Based in De Aar with satellites.
	One Stop Enterprise Hub	Consolidate FDI into a one stop centre for SMME’s. Renewable energy virtual incubator.

Thrust 6: Construction

Description	Programme	Project
Construction work and supply of goods and services. Sub contract labour localisation.	Upskilling contractors and subcontracts for construction contracts	Contractor Incubation – DPW
	R388 Provincial route upgrade	Road upgrade
	Upgrading and maintenance of community infrastructure and sport facilities	Sports field maintenance Community library maintenance and upgrade. Community Hall upgrade and maintenance.
	De Aar Railway Industrialisation	Railway revitalisation

Thrust 7: Tourism

Description	Programme	Project
The activity of traveling to a place for pleasure: the	Tourism Promotion	De Aar Tourism route
		Promote Business Tourism

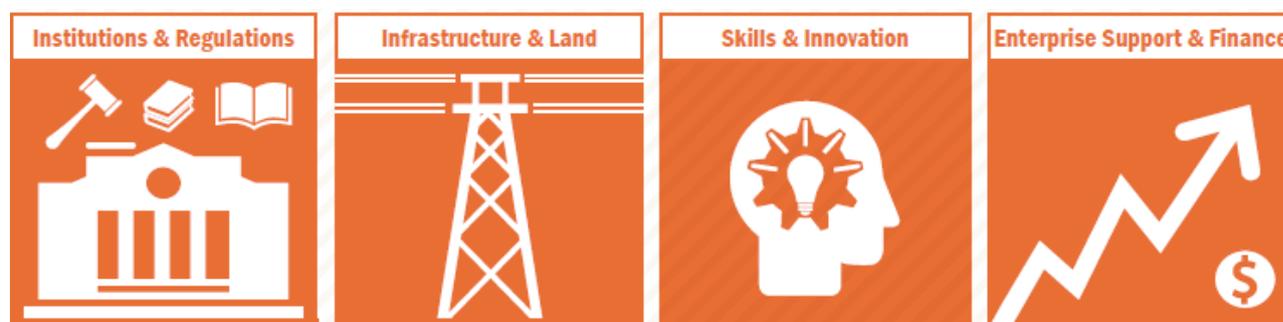
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business of providing hotels, restaurants, entertainment, etc., for people who are travelling.	Tourism Development	Tourism Attraction and promotion for N1 and N12 through the one stop depot.
		Restoration and listing of heritage sites
		Railway Museum
		Establishment of hunting route and a springbok festival
		Steam Locomotive tourism
		Star parties
		Development of N10 corridor linked to the national solar route
		Upgrading of Museum

CHAPTER 6: IMPLEMENTATION PLAN

The implementation Plan is the final step of the strategy which investigates the practical solutions for the implementation of the strategy.

According to the World bank, cities can facilitate the growth of jobs, productivity and incomes through four categories of intervention:



The implementation plan is categorised into three sub categories namely:

- The institutional arrangements - the analysis the current institutional arrangements and proposed ideal institutional arrangements in an effort to mitigate the shortfalls of current institutional arrangements.
- Implementation Plan (action plans) - the implementation plan is the actual action plan of the programmes and projects linked to the resourcing requirements.
- Monitoring and Evaluation

6.1. Institutional Arrangements

6.1.1. Purpose

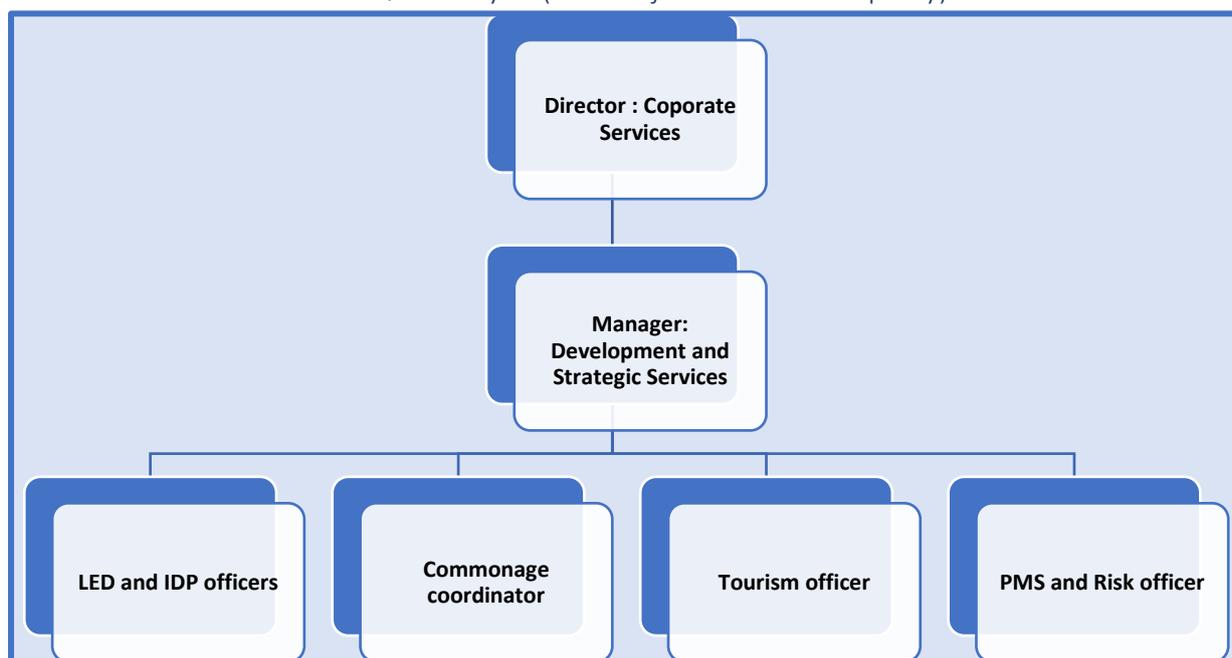
The institutional arrangement framework is key to creating an enabling environment and ensuring the successful implementation of the municipal LED Strategy. The purpose of this section is to ensure an effective and efficient LED structure exists to implement the LED structure.

6.1.2. Background

This pillar is intended to establish and direct a more capable LED unit which will facilitate development effectively. The aspects of institutional arrangements, human capital and resources are of paramount importance in ensuring the implementation of the LED Strategy. Municipalities’ institutional arrangements include Planning and reporting, human capital and resources whereby they draw on public and private resources in a specific geographic specific area locked in a range of different instruments into their localities.

All levels of government have a role to play and a responsibility to facilitate and coordinate LED initiatives in their areas of jurisdiction. Local municipalities are key implementation agencies of government and therefore play a significant role in local economic development.

6.1.3. Placement of Status Quo Analysis (Emthanjeni Local Municipality)



The current LED structure is as follows:

The LED unit consist of one LED Officer who reports to the Manager Development and Strategic Services who is also responsible for Tourism, IDP, PMS and Commonage. The Manager Development and Strategic Services further report to the Director Corporate Services. This is evident that the human resources dedicated for the implementation of LED initiatives are very limited, therefore, there is no sufficient capacity to address LED issues and promote LED projects.

In terms of the LED unit position within the municipal organogram, the unit currently falls under the office of Director Corporate Services. Emthanjeni LED institutional capacity status quo is as follows:

Planning and Reporting:

The current LED planning and reporting structure has a Planning and Development Manager and a LED officer who reports to the Director: Corporate Services and LED committee.

Unit meetings are conducted once monthly to discuss LED issues. The LED committee meetings are held quarterly and quarterly reports are submitted to the Municipal Manager who further reports to council.

Consultation:

There is no functional/ operational LED Forum. The Emthanjeni Local Municipality needs to form part of the District and Provincial LED Forum, which meets on a quarterly basis.

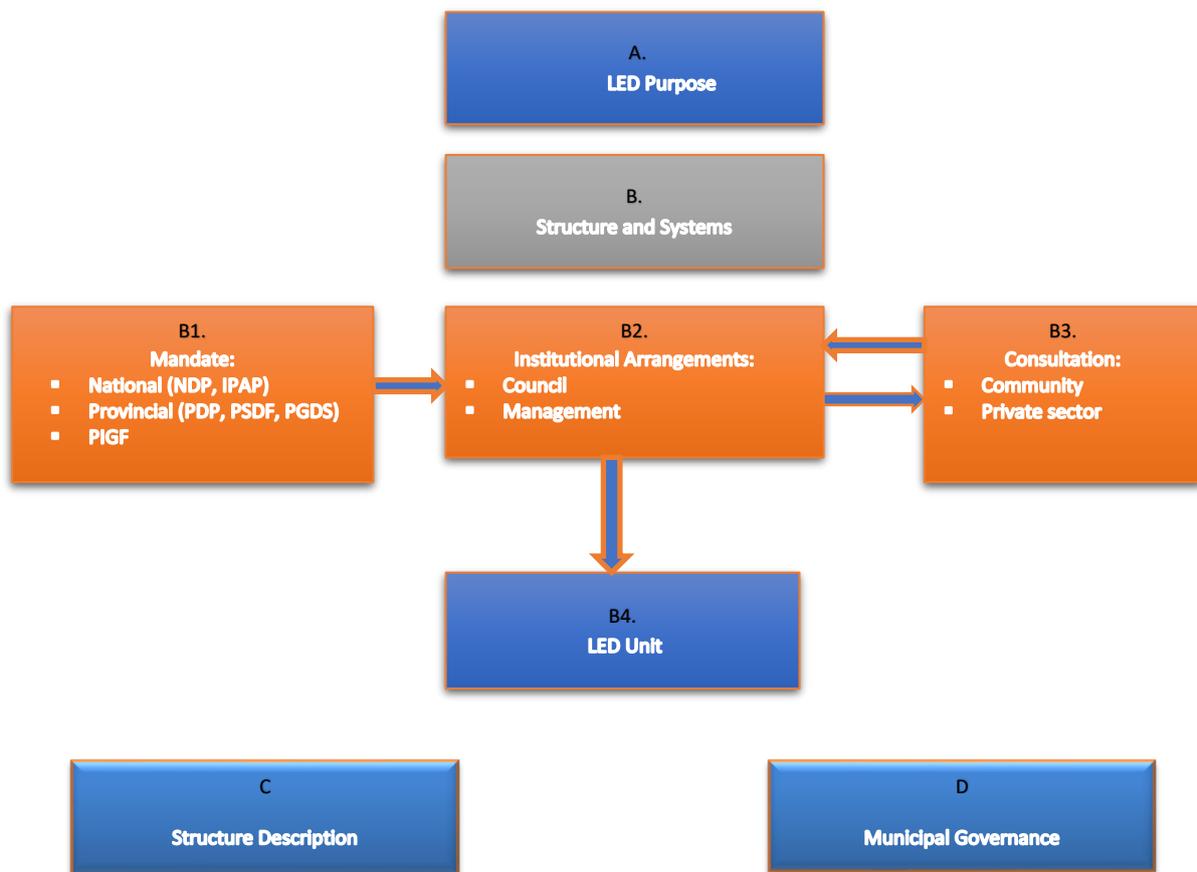
Human Capital:

The unit staff complement consists of a Planning and Development Director and the LED officer. Little is placed on LED by the municipality, therefore the unit is hampered in performing its mandate of community and economic development due to lack of capacity.

Resources:

There is too much limited LED budget. Currently, the LED unit don't have funding for any project . Support institutions such as IDC, the dti have not been utilised as yet. There is room for external investors in terms of land, water, electricity.

In terms of other resources such as water the challenge is internal engagement with partners that currently excludes the LED unit in discussions concerning infrastructure. There is a lack of communication and synergy between the unit and external partners. These partners consult the technical unit and council rather than the LED unit. The same challenge exists pertaining the availability of land for LED projects from the partners there is insufficient infrastructure to support beneficiation and investment like electricity and water.



A. Purpose of LED

The purpose of Local Economic Development is to build up the sustainable development capacity of a local area to improve its economic future and the quality of life for all. It is a process by which

government, the private sector, labour and civil society work collectively to create better conditions for economic growth, investment and employment generation”.

B1. Mandate

National government provides an overall policy for economic development and strategic mandates for LED at provincial and local government levels.

Provincial government provides a strategic LED vision for the Province through the Provincial Development Plan (PDP) and the sector strategies, specifically the Provincial LED Strategy, Provincial LED Forum and Spatial Development Framework.

Local municipalities are tasked with the “on-the-ground” facilitation of local economic development and therefore local government has a clear mandate to facilitate economic development as per the Local Government Whitepaper 1998. The key LED responsibility of local government is strategic planning for LED, i.e. the compilation and annual review of an LED strategy / plan, aligned to district, provincial and national planning initiatives and thus creating an enabling environment for LED.

The key elements for effective institutional resourcing are as follow:

- Provide in municipal strategic documents for LED ranging from cleaning and greening, marketing, infrastructure, municipal rates and taxes.
- Provide at the very least for a LED operational budget and if possible the development of programmes and thrusts.
- Having LED capacity with the prerequisite competency to implement LED i.e. LED manager and or official/s.
- Have LED as standing item for management and council meetings.
- Have LED planning documents.
- Thrust, programmes and potential projects to be advanced with investment promotion.

B2. Institutional Arrangements

The institutional arrangements for LED start from the National mandate right up to the local level. This need to be enabled in the municipality on the principles of structure follows strategy and budget follows function. LED is not conducted in isolation by a particular municipal unit. It is an integrated strategy that involves a number of key role players, who are responsible for a variety of activities that are important to the potential success of any LED strategy. This range from entering the town in terms of astatic, cleanliness, cleaning and greening, rates and taxes, availability of services, land, business and investment support.

Council Committee

Municipalities are encouraged to establish a dedicated Council committee dealing with LED and reporting to council on economic development. In terms of Section 80 for planning for Local Economic and Rural Development, of the Municipal Structures Act of 199, the committee must facilitate oversight across all relevant departments in the municipality, taking into consideration the transversal nature of LED.

LED-related functions of a dedicated council committee on planning and Local Economic and Rural Development must include:

- Provide political direction and oversight over the development of the municipality’s LED strategy and the implementation thereof across all departments in the municipality;
- Mobilise external and local stakeholders with the aim of encouraging inward as well as local investment in strategic projects;

- Mobilise communities by fostering a cohesive vision and understanding of local economic and rural development within the community that will energise the community into entrepreneurial action.

Municipal Management Committee

LED is affected by all municipal mandates including cost of services, access to land and services and operating in municipal space, therefore LED must be a standing matter on the municipal management committee.

The purpose of the Management Committee is to prepare for, as well as process, inputs from the LED stakeholders, i.e. national, provincial government and private sector in other words, do the more collective strategic thinking and planning as internal and external partners and then have it implemented on operational level. LED is very wide ranging and need dedicated focus and enablement i.e. incentives, consultation forums, promotion and marketing as an investment destination.

Objectives of the Municipal Management Committee:

- Ensure that the LED strategy speaks to the SDF and other sector plans, as conceptualized in the Integrated Development Plan (IDP) of the municipality.
- Take responsibility for the development of the cross-cutting municipal LED Strategy and the implementation thereof.
- Cooperate with other similar structures on formulating regional appropriate strategies and work mechanisms to meet the challenges of globalization, namely economic liberalization, privatization, intellectual property and partnerships to enhance competitive and comparative advantage.
- Monitor the impact of service delivery challenges on the local economy and resolve challenges that impact negatively.
- Analyse the economic trends within the municipality, assess the impact of the economic strategies of the municipality.
- Serve as a monitoring mechanism of the municipality on the implementation of the economic development projects and policies (Monitoring).
- Development and implement thrust and programmes.
- Facilitate access to funding for the implementation of the thrust, programmes and projects identified through the IDP processes (Leveraging) i.e. developing and submitting business plans and having a credible IDP that can be presented to socio-economic development mandate spending and funding available.

B3. LED Stakeholder Forum

An LED Stakeholder Forum can be defined as a platform (institutional arrangement) where residents (individuals, private organizations, government, NGO's, CBO's, traditional authorities, knowledge partners) within a particular locality gather, with an aim to share information and experiences, pool resources and solve problems related to economic development in the municipal area.

The purpose of the broad stakeholder forum therefore is to engage as many community-based public and private stakeholders as possible in order to mobilise social, structural and investment capital for LED.

B4. LED Unit/Official

Taking the above broader and cross-cutting understanding of LED, in other words, that the promotion of local economic development is everyone's business, one can now begin to look at the organizational structure requirements of the LED Unit within a municipality. These might differ from municipality to

municipality, depending on the size of the municipality, the organizational structure of the municipality, and the vibrancy of economic development within the municipal area.

Proposed functions:

It is proposed that the LED Unit be responsible for the following functions:

- Act as knowledge bank and champion on economic issues within the municipal space;
- Mobilise internal stakeholders and developing a cohesive internal vision and understanding of LED, for example the Executive Managers for Technical and Community Services, the CFO (incentives), officers appointed to advance the empowerment of women, youth and persons with disabilities, the communication officer, urban planning, health inspectorate etc.;
- Coordinate the development and implementation of the LED Strategy and Annual Implementation Plan;
- Review, monitor and update progress on the LED Strategy;
- Coordinate the implementation of LED thrusts, programmes and projects in the municipality;
- LED stakeholder management and coordination;
- Investment promotion;
- Sectoral support;
- Improve access to business advisory services by coordinating the availability of economic support services provided by government and public entities to local stakeholders;
- Provide advice to and network businesses and/or individuals that are interested in starting a business;
- Monitoring and evaluation of the impact of economic support within the municipality;
- Mobilise communities and vulnerable sectors such as women, young people and people with disabilities in particular, to become economically active;
- Provide secretariat services to the LED Technical Committee, the LED Reference Group as well as the LED Stakeholder Forum.

Competency/skills requirements of LED Unit

It is important that municipalities identify the core competency and skills requirements that are needed within the administration to effectively advance local economic development within a municipality, taking into consideration the envisaged functions described.

This will enable municipalities to determine the organizational structure required for LED, both in terms of the type and level of LED posts, as well as the placement of an LED Unit within the organizational structure of the municipality.

An LED manager and/or official must have the following core competencies (qualifications, skills and experience):

- Socio-economic development facilitation,
- Investment and marketing facilitation,
- Planning and policy development,
- Monitoring and evaluation,
- Project management and administration,
- Economic profiling and strategy development,
- Business promotion,
- Business planning and entrepreneurial support,
- Emotional intelligence that include management and leadership skills.

C. Organisational structure for LED

LED is not simply about project management of community development projects. It is also about being strategic and driving a vision for a local economy. It is about influencing decisions and the operations of the municipality as a whole.

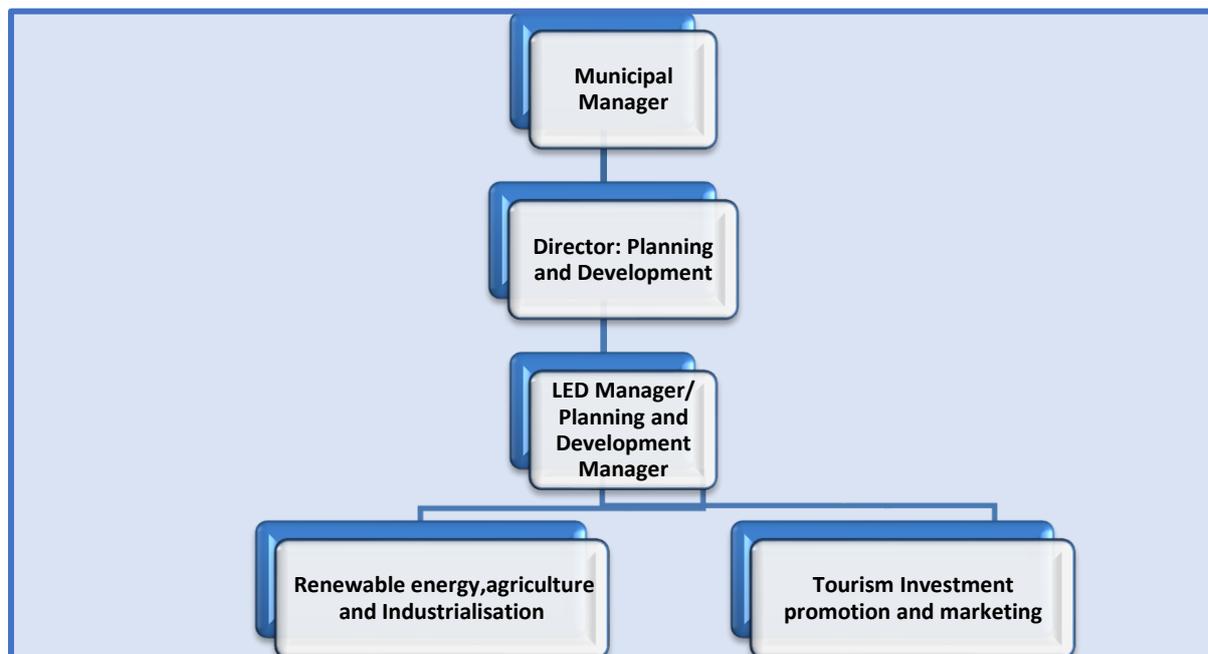
Whilst the cost of establishing an effective and capacitated LED Unit should be considered within the context of the significant financial constraints municipalities are under, this should be balanced with the cost of doing nothing, in other words, the cost of a static indigent register, lost inward investment or business retention/expansion, which would've not only created/saved jobs (and raised the ability of ratepayers to pay for services), but would also have increased income for the municipality through rates and taxes.

Whilst different size municipalities, different competitive advantage within municipalities and financial status of municipalities will impact on the placement and final structure for LED within respective municipalities, it is advised that the following be considered:

- There should be a direct link between the LED unit and the IDP/SDF unit of a municipality to ensure alignment of strategies;
- There should be a direct link between the LED unit and units created for the advancement of youth, women and persons with disabilities;
- The LED Manager (strategic level) should be appointed at a level that will allow for competent incumbents to be attracted and allow for sufficient authority to influence senior and/or executive managers within and outside the municipality;
- The LED Coordinator should focus on stakeholder mobilization, in particular liaising with social partners and mobilizing and coordinating provincial and national public-sector support for economic development initiatives in the municipality;
- The LED Officer(s) should focus on implementation of the LED Implementation Plan (project facilitation, support and monitoring);
- The LED unit should be able to influence strategic planning and business processes within directorates/departments such as technical services, financial services, and community services;
- There should be a clear distinction between staff responsible for coordinating support or project managing poverty alleviation projects viz a vie LED officials responsible for LED facilitation.

Taking into consideration the Emthanjeni Local Municipality economy provision has to be made for at least a dedicated responsible LED Manager and 2 officials to support the programmes, thrusts and projects that include Renewable energy SED and ED + coordination, agriculture, tourism and industrialization.

The following is an ideal example for an LED unit:



D. LED/IDP inclusion (component)

Good practice provides evidence that it is advisable that municipalities divide strategic and operational components and this can be either depending on size of the municipality in terms of reporting or actual LED units. For example, in a smaller municipality with only one official the Council and Municipal Manager will be the strategic and approving authority. In a bigger municipality the Development, IDP or LED Manager/Director will have the strategic mandate.

The Integrated Development Plan (IDP) is a process by which municipalities prepare strategic plans in consultation with communities and stakeholders. These plans seek to promote integration through planning within social, economic and ecological pillars of sustainability without compromising the institutional capacity required in the implementation, and by co-coordinating actions across sectors and spheres of government.

The alignment of the LED and IDP involves the inclusion of the LED in the IDP in a format that will enable implementation. This entail physically having a developed LED Strategy on hand that identifies the LED mandate, socio-economic status quo, competitive and comparative profile, key initiatives, enablers and projects.

6.2. Action Plan

The action plan provides tangible programmes and targets for the strategic LED plan of Emthanjeni Local Municipality.

THRUSTS	PROGRAMME	PROPOSED PROJECTS	RESPONSIBILITY	STATUS QUO	WAY-FORWARD
Sector Plans	SPLUMA Compliance for Economic Development	Spatial Development Framework and Land Use Management	EM, RE, Private Sector.	Document is old and need to be review to reflect present economic challenges.	Need for funding to reviewal SDF& LUM to be SPLUMA compliance
	Land Audit	Commission the compilation of Land Audit.	DRDLR, EM, Private Sector.	Old Land Use Management for municipal development	Assist with compilation of Land Audit.
Institutionalisation programme	Single Enterprise Development for SMME empowerment and capacitation	De Aar SEDA Incubator vehicle for Enterprise Development for training centre, SMME empowerment and responsible for SMME Database.	DEDAT, DSB, EM, Private	Each IPP and Transnet had their own Enterprise Development which don't assist municipal and SMME's priorities and continue to use outside consultant taking money out the area.	De Aar SEDA Incubator as centre Enterprise Development centre supported by all IPP's and Transnet Hub for service.
Agriculture	Commonage and agriculture	Support and maintenance of commonage for Emerging Farmers (fencing of their camps, Windmills for water, expose to market.	DRDLR, EM	Farmers are not well supported and infrastructure is dilapidated.	The emerging farmers to support the Abattoir and purification of water and lobby funding for their infrastructure.
	Lucent Business	Lucent project to support emerging farmers during drought and maintenance.	DRDLR, Private	Farmers are struggling during drought.	Municipality to avail land for this project and this project will assist farmers during drought.

		Abattoir for meat processing.	DEA, Private, RE	Challenges of water.	
	Refurbishment of De Aar Water Treatment Plant – Phase 2	Refurbishment of De Aar Water Treatment Plant for De Aar Phase 2	MIG, DEA, Private	Cleaning the underground water.	Business Plan for water purification for consumer consumption.
	New Reservoir in Britstown.	New Reservoir in Britstown	MIG, DEA, Private	None	Business Plan for new Reservoir.
	Emerging Farmer Support.	Mentorship programmes for emerging Farmers. Development of water provision infrastructure to communal land.	RE /EM, Dept of Agriculture Department of Agriculture & Water Affairs	Relationship between Solar’s ED, EM & SEDA Incubator Farmers. Business Plan to be developed for funding.	Municipality and Solar companies to assist emerging farmers with assistance from Department of Agriculture.
Sanitation	Replace sewerage pumps	▪ Sewerage Pumps replacement – De Aar electrical maintenance	MIG, Dept of Water Affairs, EM	The replacement of sewerage pumps as part of maintenance is still needed.	Funding is the challenge for this project.
	Improve sewerage infrastructure in De Aar	▪ Sewerage Pumps replacement – De Aar electrical maintenance	MIG, DWA, Private	Modernise the sewerage system	Replace sewerage pumps and modernise the system.
	Waterborne sewerage	▪ Waterborne sewerage for Hanover, Phase 2 and Britstown	MIG, Private	Britstown and sewerage system is not hygienic and can diseases.	Business plan to fund this project.
Roads	Tarring and Paving of streets	▪ Tarring and Paving of streets Main streets in townships of Emthanjeni Municipality – annually, about 15 Km of roads needs to be tarred or Paved.	MIG, DPW, EPWP, EM	Lot of untarred and pave streets	Necessary to tarred or pave street for accessibility.

Housing	Planning for service sites and houses for whole municipality (1441)	De Aar 400 Site Hanover 185 Houses ▪ Britstown 150 Site	COGSHTA, EM	No service sites in De Aar and Britstown, there's need to 1441 houses in the municipality.	Municipality to service sites and build houses.
Community Services	Clean our communities to attract investors	Acquiring of refuse bins for the entire community	EM, Private	Communities are dirty	Complete acquiring of refuse bins
Infrastructure	Completion of rehabilitation of sport facility in Nonzwakazi	Rehabilitation of existing sports facility in Nonzwakazi	EM, DEA, Lotto, Private Sector.	The Stadium not rehabilitated fully and still need more to be done.	Develop Business Plan for funding in order to complete rehabilitation of this sport facility.
Infrastructure	Rehabilitate reticulation network in De Aar.	Rehabilitation of old reticulation network in De Aar and replace old steel pipes in the CBD	MIG, DWA, EM	The infrastructure is old and need replacement.	Business plan need to be prepared for Funding.
Electricity	Provision for street lights	Provision of sufficient street lights for dark areas (backlog exist)	MIG, DPW. EPWP. EM.	There is some dark area in the municipality.	Provision of street lights and safety for community.
Electricity	Increase of NMD bulk electricity supply	Increase notified maximum Removal(NMD) Bulk electricity Supply by 6 (or 4.2) MVA	DE, EM, Private Sector	Limitation of electricity capacity to meet possible development	In order to supply electricity for possible development and developing community.
	Solar Heater	Solar Heater and their maintenance company	DE, IPPs, EM	No Solar Heater in whole area.	Installation of Solar Heater for indigent people in the municipality and establishment of maintenance SMME.
Electricity/Energy	Infrastructural Development	Energy Tool Kits	DRDLR, Dept of Energy	Indigent Community are suffer including old age.	Support with Energy Tool Kits even Solar

					Panels for Indigent Communities.
Transport and logistics: Road and Rail network	Revitalisation of rail / De Aar Cargo Rail hub (De Aar assembly plant)	<ul style="list-style-type: none"> Transnet Logistic Cargo Storage and distribution centre. De Aar Assembly plant feasibility study 	DTSL, Transnet, EM & Private sector.	<p>The project still need to be register as PPP and need funding.</p> <p>The project is continuing but lack cooperation from Transnet and Treasury.</p>	<p>Upgrade of road and rail infrastructure. Municipality participate at Steering Committee, avail alternative land, approval of land transfer from Transnet board and Treasury deal with the TA1 process.</p>
	N1, N10 and N12 Road maintenance	<ul style="list-style-type: none"> SME sub-contractor development 	SANRAL, SEDA Incubator, ED's, EM	SME sub-contractors need recognition and support.	Create cooperatives for opportunities from SANRAL, IPP's and Municipality.
	N1 Hanover Offramp	<ul style="list-style-type: none"> Offramp for tourism facility at cost of developer within SANRAL limitations and regulations. 	DEDAT, EM, Private	No such development	Business Plan are prepared for this initiative to be funded
	One Stop Depot: Hanover/ Britstown	<ul style="list-style-type: none"> Fuel Station, Bed and Breakfast, truck maintenance centre and goods storage facility, arts and crafts and food vendors. 	EM, RE, Private sector	Potential not used for SMME benefit.	Encourage investors to develop the area.
	Tourism Freight School	<ul style="list-style-type: none"> Revive Land Strip for Tourism Freight School. 	Private, EM, DTSL, DPE	No infrastructure only municipal land available.	Application to host the Freight School for employment, development, unscheduled freights,

					<u>infrastructure, accommodation and buying power.</u>
Infrastructure Development (Transnet)	Transnet and Public Work building and land	<ul style="list-style-type: none"> Process for engagement of Transnet and Public Work to transfer property and land to municipality for development and houses for rental. 	EM, DPW, Transnet	Land and property available from Transnet and Public Works and not used.	Land can be used for Development and building of houses, property can be charge for future development, rental houses and for SMME.
LED Development	SMME / Arts & Crafts Village or Renewable Energy Tourism Hub	SMME/ Arts and Crafts Village / Renewable Energy Tourism Hub	EM, RE, Private	Municipality is facilitating for such initiative.	RE Tourism Hub will market IPP's initiatives and programmes and community to get information and get contact with them. Business Plan for funding.
LED Development	Scarcity of Accommodation	Development of accommodation flats, Town Houses and rental houses.	Private Sector	Scarcity of accommodation.	Need for accommodation business.
LED Development	Conference Centre	Development of auditorium or Conference Centre	Private Sector	No accommodation to host conferences, meetings and workshops.	Need for development of Conference Centre or Auditorium.
LED Development	Washing of Solar PV Panels, Grass Cutting and maintenance.	Washing of Solar PV Panels, Grass Cutting and maintenance.	Private, RE, EM	Only one company present.	Establishment of SMME company for maintenance by washing Solar PV Panels and grass

					cutting separate companies.
SMME / Entrepreneurship Development	Preferential procurement	Localisation of Procurement of goods and services i.e. Municipality, Transnet, Solar companies etc.	EM, DTI, Department of Small Business	30% commitment on all procurement be localised and report yearly.	SMMEs should be linked to government incentives to ensure local procurement and employment.
	Financial and non-financial support	SMME one stop centre – Based in De Aar with satellites.	SEDA Incubator, Transnet Hub and Solar's ED & SED support, EM	The Transnet Hub lack support and no funding.	Transnet to work with DEDAT and Emthanjeni to revive and be used for Enterprise Development working with other stakeholders.
	Entrepreneur Development	Hydroponics Plant	Private, EM, Dept of Agriculture	SMMEs should be linked to government incentives as much as possible to ensure local procurement and employment.	Community Trust coordinate entrepreneurs with shareholding.
	Entrepreneur Development	Aquaponic plans instant of food community garden	Private, EM, Dept of Agriculture	Community garden had fail and they use lot of water with no business model.	Community Trust coordinate entrepreneurs with shareholding.
Farming	Ostrich Farming	Ostrich Farming	Private	Possible training of unemployed individuals in Ostrich farming and support of current famers to grow and sustain their businesses.	To create market for this business
	Commercialisation of Goats/ Sheep's	Establishment of Cooperatives for farming Goats and Sheep's	Department of Agriculture, Private	Farmers are individually farming without business idea and support.	Encourage farmers to establish goat and sheep cooperatives to maximise their output

					with support needed to support Abattoir.
Three plantations	Maringa project /program	Maringa project /program	Department of Agriculture, Private	None	Secure Municipal land, establish a Trust secure funding for this project.
Manufacturing	Technical incubator for SMME programme	<ul style="list-style-type: none"> Trade skills development – Engineering, artisans, etc. 	Private, DEDAT, EM	Technical College has terminated Engineering studies and relocated to Upington.	Northern Cape TVUT College be engaged for one class of Electrical and or Artisan in De Aar Campus so that can link with Solar PV Assembly Centre.
	Equipment /goods manufacturing and maintenance.	<ul style="list-style-type: none"> Solar PV assembly centre Brick Manufacturing Charcoal manufacturing. 	Private, DEDAT, EM	Only one provider limiting other SMME to benefit. There’s need to regulate Brickmaking sector.	Identification of SMME who can register and be mentored for Solar PV maintenance with municipality availing land for Assembly Centre. Brickmaking and Charcoal be explored.
Knowledge Economy	ICT Training and Skills	<ul style="list-style-type: none"> Innovation /Trade centre. ICT Centre for maintenance of government systems. 	Telkom, DEDAT, EM, Private	The programme still not progressing and neglected local SMME in their project rather outside the province SMME are been used.	Train local SMME on installation of DSTV’s and other ICT material, use Incubators or Youth Centre as the ICT Centre. Train local SMME for

					maintenance of government system.
Construction	Capacitate Contractors and cooperative	<ul style="list-style-type: none"> ▪ Upskilling contractors and subcontracts for construction contracts 	Contractor Incubation, DPW, EM	Most sub-contractors need assistance in registering their businesses, not capacitated and need mentoring.	Need to train sub-contractors and mentor them
	Upgrading and maintenance of community infrastructure, swimming pools and sport facilities	Sports field maintenance Community library maintenance and upgrade. Community Hall upgrade and maintenance.	MIG, Private, Department of Sport	Municipal community facilities are damaged and need repair which municipality can't renovate.	Renovate and maintenance of Swimming pools, Libraries, Community Halls, Sport facilities and other infrastructure.
Tourism	Tourism Promotion	<ul style="list-style-type: none"> ▪ Tourism /Information Centre be promoting to the Renewable Energy Hub 	EM, RE, Department of Tourism	<ul style="list-style-type: none"> ▪ Lack of funding to promote of centre and upgrade to be a Renewable Energy Hub. 	These thrusts are aimed at exploring the potential of Emthanjeni Local Municipality to become a leading tourism destination
	Tourism Committee	Establishment of Tourism Committee to coordinate Tourism activities.	DEDAT	Lack of Coordination of Tourism activities.	Establishment of Tourism Committee.
	Tourism Development	<ul style="list-style-type: none"> ▪ Tourism Attraction and promotion for N1 and N12 one stop depot. 	EM, RE, Department of Tourism	No Tourism route	Establishment of Tourism Route jointly with the Department.
		<ul style="list-style-type: none"> ▪ Railway Museum 	EM, RE, Department of Tourism, Transnet	Transnet Board not responding on allowing for this initiative.	Establishment of Railway Museum using old train.
		<ul style="list-style-type: none"> ▪ Restoration and listing of Heritage museum 	EM, Department of Tourism	No Heritage museum and its needs renovations.	Renovation and restoration of Heritage museum in Britstown.

	Information Centres	<ul style="list-style-type: none"> Renovation of De Aar Tourism/ Information Centre and establishment of Hanover/Britstown Information Centre 	EM, Department of Tourism, private sector.	The Tourism/ Information Centre is struggling to reach out with no material and Tourism Officer which is vacant.	Renovation of De Aar Information Centre and establishment of Hanover Information Centre. Provide funding for Tourism Officers to mend the offices.
Developing Inclusive Economies	Wildlife economy	<ul style="list-style-type: none"> Game farming and Development of Hunting route and Springbok festival 	EM, DEA, private sector	<ul style="list-style-type: none"> Hunting of small game such as Springbok is very popular around the Britstown area. Emthanjeni Municipality should look into economical viable sectors that are untapped. Major contributor to wildlife economy is hunting. Wildlife hunting is defined as the consumptive use of wildlife that is found in their natural habitat or under farmed conditions. 	Training of SMME's in order to become licensed hunters and protectors of the wild life.

6.3. Resourcing of LED programmes and projects

Emthanjeni LM	Municipal LED operational budget	Budget for programs and projects.
IPP's	Enterprise Development and Socio-economic Development.	Identify key priority area. Develop proposals for ED and SED funding in partnership with IPP's
Private Sector	Private funding private businesses	Own funding.

Department of Sport	Municipal support Infrastructure grants	Sport renovation and recreational centres.
Department of Rural Development	Infrastructure funding grants	SMME Support Quick projects facilitate by municipality
Department of Small Business	Enterprise Development Grants Incentives	Support SMME's Start-up funding
Department of Agriculture	Infrastructure funding	Small farmers, Hydroponic and Aquaponics and others Infrastructure support
Department of Economic Development and Tourism	EGDF Grant Enterprise Development support. LED support. Trade and investment facilitation and support. Tourism development.	Municipality to facilitate businesses and SMME's to apply for funding and support.
Department of Water and Sanitation	Water and sanitation infrastructure	Develop proposals for Water and sanitation provisions.
Department of Cooperative Governance and Traditional Affairs	Municipal support Housing infrastructure	Maintain and support municipal governance. Construction of housing.
DTI	Funding , Incentives and Grants	Municipality to facilitate businesses and SMME's to apply for funding and support.
Transnet	Enterprise development facility Procurement	Establish a one stop enterprise centre for SMME's
Eskom	Procurement	

6.4. Monitoring and Evaluation

Monitoring and Evaluation is an important step to ensure that plans are being implemented and achieve the desired developmental impact. This will ensure that resources are being efficiently and effectively utilised to achieve an outcome-based approach in Local Economic Development. The Integrated Development Plan (IDP) sets out the development plan for the municipality linked to a Performance Management System which measures and evaluates the extent of achievement thus assisting the community to inspect plans vs the outcomes.

Local Economic Development is a Key performance area in the IDP which therefore suggests that the monitoring and evaluation of projects is aligned to the Service Delivery Budget Implementation Plan (SDBIP).

Local Economic Development plans need to have a prioritization matrix which can be used to identify projects the municipality can prioritize in the IDP and LED strategy.

The prioritization matrix is based on the following:

1. Strategic importance

The strategic importance criterion is based on the potential impact of the project on the local economy. This criterion considers factors such as the scale of the project, the chances of being duplicated elsewhere and the effect the project will have on the comparative advantage on the local economy as a whole.

2. Economic Impact

The economic impact criterion refers to the sum of the projects influence on the local economy. The different impacts taken into account are as follows:

- Increased/additional levy income.
- New business sales.
- Foreign direct investment.

3. Feasibility of the Project

The implementation of a project is dependent on the financial feasibility of the project, and it is important to include financial feasibility indicators in the assessment of the project. Aspects to be taking into account are:

- Existing research on the project topic.
- Availability of resources, skills and technology.

4. SMME Development & Skills Development

This criterion is based on aspects such as providing support and training to small, medium and micro enterprises; and supporting companies that actively promote development and skills transfer to their employees.

Project Name	
1. STRATEGIC IMPORTANCE OF THE PROJECTS	
Overall Weighting: 30	Extent
	Weight
1. Strengthen sectoral competitive advantage	40%
2. Strengthen linkages with other sectors	35%
3. Alignment with other initiatives	25%
Sub Total	100%
2. ECONOMIC IMPACT OF THE PROJECT	
Overall Weighting: 30	Extent
	Weight
1. Potential of Job Creation	45
2. Long term sustainability	30
3. Income stimulation	25
Sub Total	100
3. FEASIBILITY OF THE PROJECT	
Overall Weighting: 20	Extent
	Weight
1. Risk level	20%
2. Capital requirements	20%
3. Level of competition	15%
4. Barriers to enter	10%
5. Demand for Product & Services	35%
Sub Total	100
4. SMME DEVELOPMENT & SKILLS DEVELOPMENT	
Overall Weighting: 20	Extent
	Weight
1. Create opportunities for new business development	55
2. Assist in skills development/capacity building	45
Sub Total	100

CRITERIA		PROJECT #1	PROJECT #2	PROJECT #3	PROJECT#4
Strategic Importance	Comparative advantage				
	Multiplier effect				
Economic Impact	Number of jobs created				
	Job creation sustainability				
	Income stimulation				
Feasibility	Low level of business risk				
	Minimal capital requirements				

	Little competition in industry				
	Few / no barriers to entry				
	High demand for product / service				
SMME Development	SMME development				
	Skills development				
Potential Anchor Project					
TOTAL SCORE					

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