



**edtea**

**Department :**

Economic Development, Tourism and  
Environmental Affairs

**PROVINCE OF KWAZULU-NATAL**

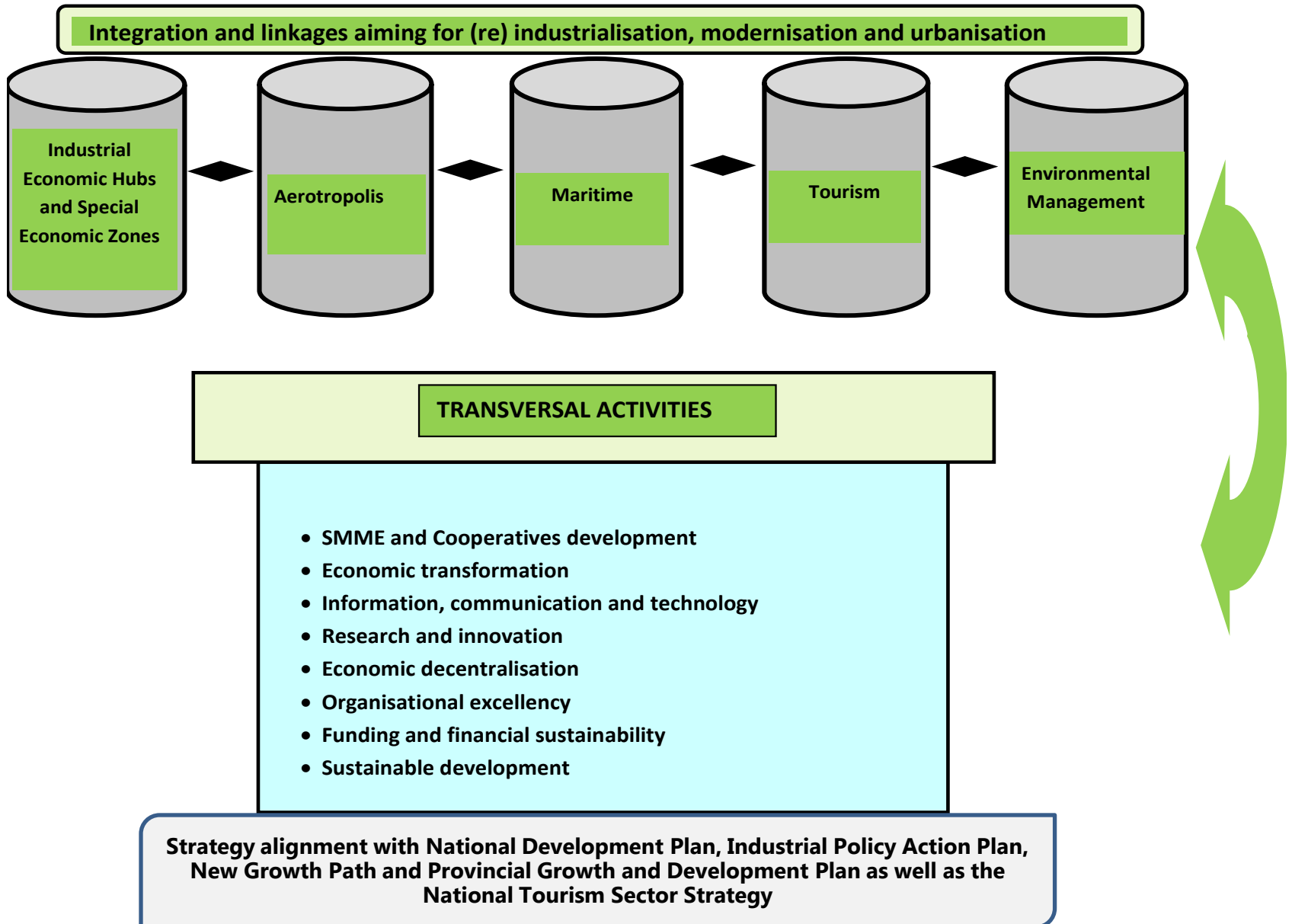
# Economic Opportunities

8 June 2016

# Contextual Environment

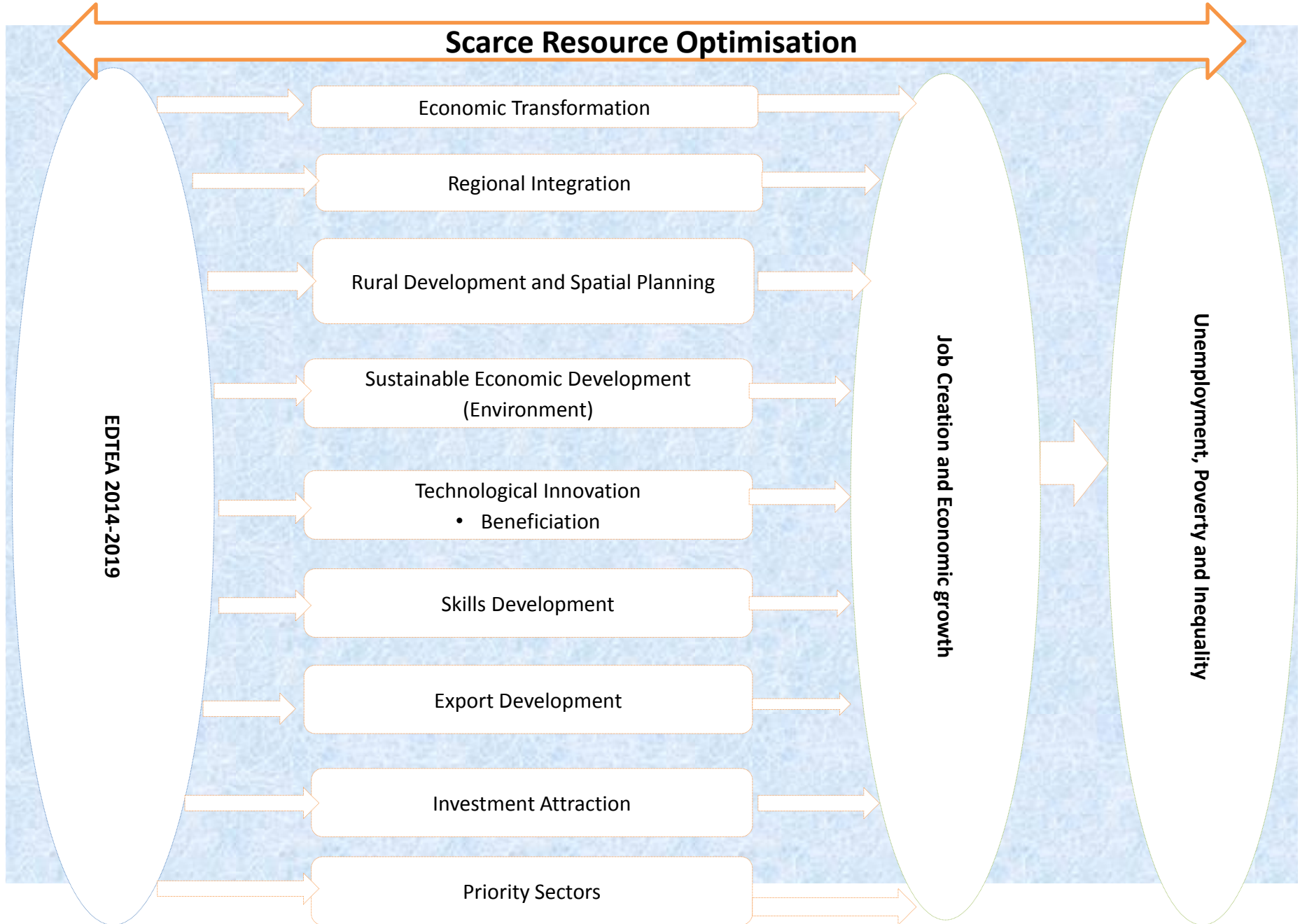
- Slowdown in China's economic growth- trade will diminish
- Steep depreciation of the Exchange rate (volatility)
- Low global commodity prices
- Fiscal pressure and increasing costs associated to rising debt- Austerity measures (constrained fiscus, recruitment)
- Credit rating sitting just above "junk status"
- High unemployment and poverty
- Declining trend in manufacturing
- Backlog in infrastructure and bulk service requirements
- Severe drought conditions
- Inflation ticking up –higher interest rate trajectory envisaged
- Business and consumer confidence levels are low

# EDTEA STRATEGY PILLARS



# Strategic Policy Thrust

Scarce Resource Optimisation



EDTEA 2014-2019

Economic Transformation

Regional Integration

Rural Development and Spatial Planning

Sustainable Economic Development  
(Environment)

Technological Innovation  
• Beneficiation

Skills Development

Export Development

Investment Attraction

Priority Sectors

Job Creation and Economic growth

Unemployment, Poverty and Inequality

# Priority Programmatic Interventions 2014-2019

## National Policies and Legislation

- National Development Plan (NDP)
- NIPF/IPAP
- National Growth Path
- Tourism Act
- Environmental Policies
- SEZ act
- Trade policy
- Investment
- Export promotion
- SIPS
- Aviation policies
- Regional airport

## Provincial Strategies

- PGDS
- PSEDS
- IDS
- Investment
- Export
- Maritime
- Aerotropolis
- Tourism
- SMME/Coops
- Environmental management

## strategic Programmes

- **Industrial Advancement**
  - Industrial Economic Hubs
  - Special Economic Zones (SEZs)- DTP and RBIDZ
  - Automotive supplier park
  - Beneficiation
- Aerotropolis
  - Master Plan (Land use, infrastructure, Airport city Model, Mapping of the Aerotropolis catchment area)
  - Aerotropolis Institute
  - Route development
- Tourism
- Environmental sustainability
- Economic Infrastructure
  - Multi modal logistics hubs
  - SIPS
  - Irrigation
  - Road, Rail
  - Regional Airports
  - ICT (Broadband)
  - Dube Trade Port Cargo optimisation
  - Harbours
- Rural Economic Integration
- Corridor and Nodal development
- Implementation of the Maritime strategy
- Regional Airports
- Techno hubs
- High Speed Rail (**Durban, Pietermaritzburg, Richards Bay, Port Shepstone**)
- Export promotion

- 2014-2019 Strategic Plans

# uMhlathuze PSEDS Catalytic Projects

<b>Comparative Advantage Sectors</b>	Forestry and Logging; Wood Processing; Water Transport; Mineral Mining; Metal Manufacturing; Non-metal heavy manufacturing; Construction and engineering
<b>Industrial Hubs</b>	Primary: Richards Bay IDZ (Metal Manufacturing; Resource beneficiation and ship building)
<b>Key Interventions/Projects</b>	<ol style="list-style-type: none"><li>1. Construct a container terminal at Richards Bay</li><li>2. Zone new land along the N2 near Nseleni for industrial development</li><li>3. Develop a refrigeration facility at the Port of Richards Bay</li><li>4. Capacitate the University of Zululand to offer engineering courses</li><li>5. Develop a ship-building industry in Richards Bay</li><li>6. Promote and market Route 66 Zulu Cultural Heritage Route</li><li>7. Support essential oils farming and processing</li><li>8. Richards Bay Airport upgrade</li><li>9. uMhlathuze International convention centre</li><li>10. The Ridge Estate Development</li><li>11. Regional Innovation and Technology Hub</li></ol>

# Maritime

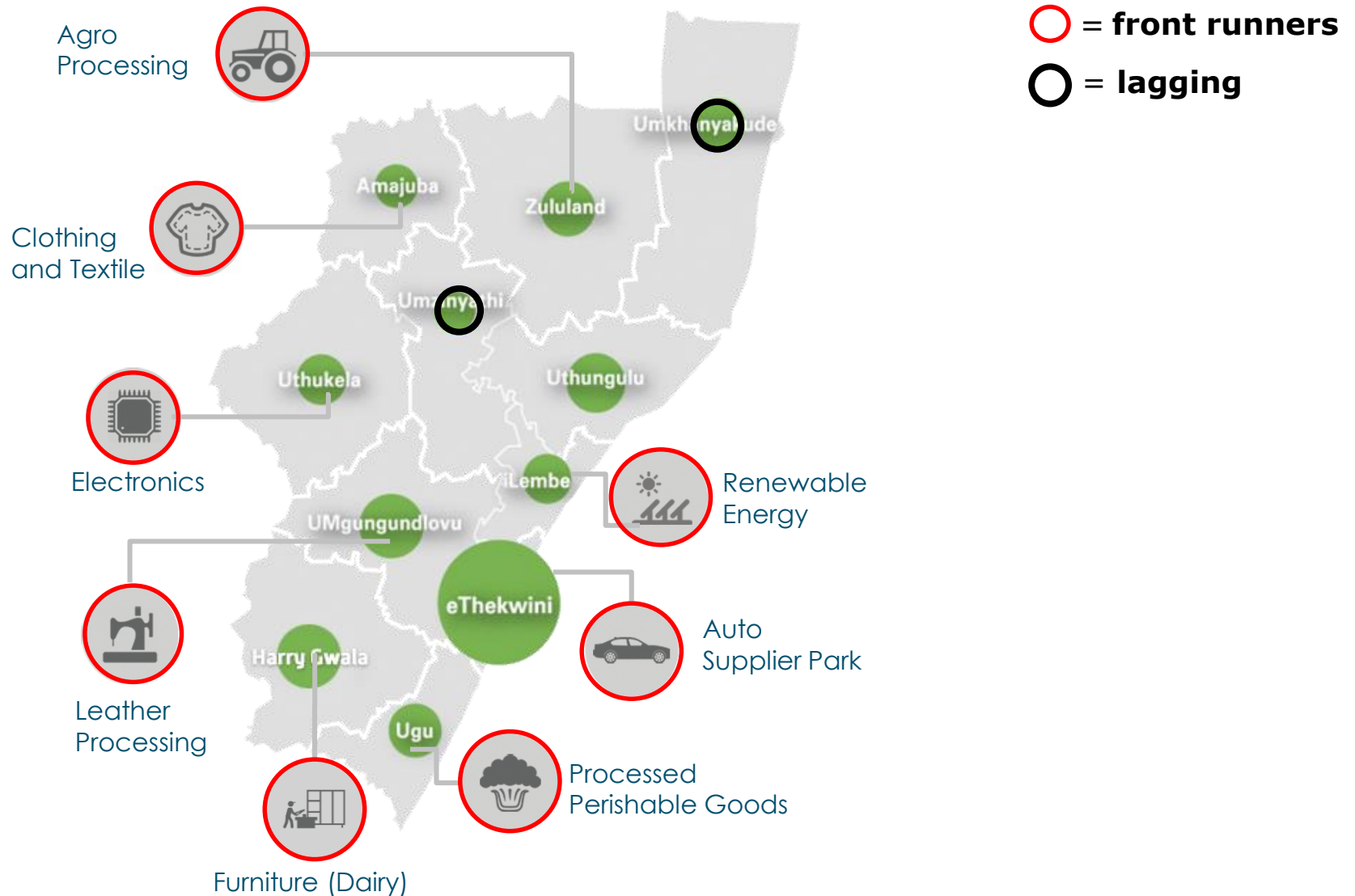
- Key planned maritime initiatives includes:
  - ✓ district maritime strategies to unlock economic potential within inland waterways surrounding rural communities
  - ✓ developing a fully-fledged oil and gas hub and gas support services in RBIDZ
  - ✓ development of catfish farming cooperatives in the province with the aim of identifying suitable culture sites
  - ✓ create Black Industrialists even in our white dominated maritime industry and are currently assisting black owned and managed fish farms to develop and grow their businesses as well as to meet market demand

# Economic rationale for IEH

1. Respond to adverse socio economic conditions in the province **(economic growth, unemployment, poverty, inequality)**
2. Address spatial development **(outside of Durban, Pietermaritzburg and Richards Bay)**
3. Radical transformation of economic structure **(intervene on the production side vs expenditure side)**
4. Provide economic opportunities for local development **(local partnerships are key to prevent leakage)**



# Industrial Economic Hubs in KwaZulu-Natal



# Tourism

- Key planned tourism initiatives includes:
  - ✓ Drakensberg Cable Way - business plan is currently being formulated
  - ✓ Isandlwana Cultural heritage
  - ✓ East 3 Route – SA, Mozambique, Swaziland & Sychelles
  - ✓ Investigate the viability for establishing a fund to support the bidding for major events and exhibitions (Tourism Levy).
  - ✓ Bhambatha Lodge – fencing and rehabilitation of the game reserve and sourcing funding to resuscitate the lodges
  - ✓ Ingodini Border Caves – construction of accommodation & cave precinct and Community Conservation Area.
  - ✓ Ndumo Lodge upgrade – refurbishment of existing chalets, ablution facilities and construction of accommodation facilities.
  - ✓ Operation and management of Ntsikeni & May the lodges
  - ✓ WOWZULU Marketplaces – establishment and operations of Emazizini, Ndumo and Khula Village Market places.
  - ✓ Simunye Tourism Information Centre – refurbishment and furnishing of the information Centre.

Thank you