



Local Economic Development Strategy Review/ Economic
Transformation and Job Creation Roadmap

LED STRATEGY





CITY OF

UMLATHUZE

VISION INTO ACTION

Contents

1.	Introduction	1
1.1	Background and Purpose	1
1.2	Aims and Objectives.....	2
1.3	Review Approach and Method	2
1.3.1	Desktop Research and Data Collation.....	3
1.3.2	Stakeholder Engagement and Consultation: Participatory action research.....	4
1.3.3	Sectoral and Spatial Approach	5
1.4	Report Outline.....	6
2	Understanding LED.....	7
2.1	The Six Strategic LED Issues	8
2.2	Sector Support	10
2.3	Spatial Economy.....	10
2.4	Clear Policy Alignment	11
2.5	Inclusivity: Public/ Private Partnering For Growth	11
3	LED Policy Environment	12
3.1	Review of key National Policy documents	12
3.1.1	Sustainable Development Goals (SDGs)	12
3.1.2	National Development Plan (NDP).....	16

3.1.3	National Framework for Local Economic Development in South Africa (2018-2028)	17
3.1.4	Industrial Policy Action Plan (IPAP)	19
3.1.5	Comprehensive Rural Development Programme	20
3.1.6	Operation Phakisa	21
3.1.7	South African Economic Reconstruction and Recovery Plan	21
3.2	Review of key Provincial policy documents	22
3.2.1	Provincial Growth and Development Strategy (Draft as of February 2021)	23
3.2.2	Provincial Growth and Development Plan	25
3.2.3	Provincial Spatial Economic Development Strategy (PSEDS)	25
3.2.4	Provincial Local Economic Development Plan	26
3.2.5	KZN Radical Agrarian Socio-economic Transformation (RASET)	27
3.2.6	KwaZulu-Natal Industrial Development Strategy	28
3.2.7	KZN Investment Strategy	30
3.2.8	KZN Small Enterprise Development Strategy	31
3.2.9	KZN Economic Reconstruction and Transformation Plan	31
3.3	Review of key District and Local policy documents	33
3.3.1	King Cetshwayo District Development Model	33
3.3.2	uMhlathuze Integrated Development Plan (IDP)	34
3.3.3	uMhlathuze Spatial Development Framework (SDF)	35
3.3.4	uMhlathuze Vision 2030 Strategic Economic Roadmap	36

3.3.5	uMhlathuze Economic Recovery Plan.....	36
3.3.6	National Ports Plan 2019.....	37
3.3.7	Richards Bay Industrial Development Zone Strategic Plan	41
3.4	Synopsis: Principles from the Policy Review	42
4	Assessment and Status Quo of the current uMhlathuze LED Strategy	45
4.1	Challenges in implementing LED.....	46
4.2	Review of institutional plan	48
4.2.1	Capacity Analysis for LED Programmes.....	48
4.2.2	Resourceful Partnerships Established.....	48
4.2.3	LED Budgeted Proposed projects.....	49
4.3	Red tape reduction/ease of doing business	50
5	uMhlathuze Local Municipality Overview.....	51
5.1.1	Nodes and Corridors	55
6	Sectoral and Spatial Analysis.....	59
6.1	Socio Economic Profile and Status.....	59
6.1.1	Demographics	59
6.1.2	Poverty and Inequality	64
6.1.3	Employment.....	67
6.1.4	Skills development/Education	72
6.1.5	Infrastructure Support	73

6.1.6	Land Development Patterns	76
6.2	Economic Profile and Context.....	79
6.2.1	Agriculture and agro processing	81
6.2.2	Manufacturing, Industry and Logistics.....	85
6.2.3	Wholesale and Retail Trade	87
6.2.4	Tourism	88
6.2.5	Mining	92
6.2.6	Informal Sector	94
6.2.7	Small to Medium Enterprises.....	96
6.2.8	Rural Economy	97
6.2.9	Township Economy.....	98
6.2.10	Digital Economy, ICT, and Innovation: City of uMhlathuze as a Smart City	100
6.2.11	Green Economy and Sustainability	101
6.2.12	Maritime and Blue Economy.....	102
6.3	Preliminary identification of key intervention areas based on socio-economic profile and trend analysis.....	103
6.4	Concluding SWOT Analysis.....	105
7	Strategic Framework and Interventions	111
7.1	Vision and Goals.....	111
7.2	Strategic Drivers.....	112

7.2.1	Development of Enterprises And Emerging Economies	113
7.2.2	Infrastructure Development And Support	114
7.2.3	Partnerships And Social Compacts.....	116
7.2.4	Access To Markets And Wider Value Chains.....	119
7.2.5	Access To Finance And Funding	120
7.2.6	Rural And Township Economic Revitalisation.....	121
7.2.7	Ease Of Doing Business	123
7.2.8	Skills Development.....	124
7.2.9	Support For The Tourism Sector	128
7.2.10	Agricultural Support And Development.....	130
7.2.11	Development Of Innovative Economies	132
7.2.12	Manufacturing And Logistics.....	134
7.3	Strategic Interventions.....	136
7.3.1	Programmes and Projects	136
8	Implementation Framework	141
8.1	Implementation Plan	141
9	Monitoring and Evaluation Plan	147
Annexure 1: Stakeholder Engagement Plan		i

Abbreviations

BEE – Broad Based Economic Employment	SETA - Sector Education and Training Authority
CBO- Community Based Organisation	NDP – National Development Plan
GVA – Gross Value Add	NGO- Non-Governmental Organisation
DAFF- Department of Agriculture Forestry and Fisheries	NIPF- National Industrial Policy Framework
DM- District Municipality	NYDA- National Youth Development Agency
DMR -Department of Mineral Resources	PDI – Previously Disadvantaged Individuals
DRDLR- Department of Rural Development and Land Reform	PGDS- Provincial Growth and Development Strategy
DSBD- Department of Small Business Development	PPP- Public Private Partnerships
DTI- Department of Trade and Industry	RASET – Radical Agrarian Socio-Economic Transformation
EDTEA- Economic Development	SDF – Spatial Development Framework
FPSU- Farmer Production Support Unit	SDGs – Sustainable Development Goals
GDS – Growth Development Strategy	SEDA – Small Enterprise Development Agency
IDP- Integrated Development Plan	SMME – Small Medium and Micro Enterprises
IPAP - Industrial Policy Action Plan	SPLUMA- Spatial Planning and Land Use Development Plan
YEEP – Youth Economic Emancipation Programme	

List Of Tables

Table 1: Background documents used to inform the LED Strategy formulation are drawn	3
Table 2: Relevant Policy Framework Documents Within the Economic Dimension	12
Table 3: Municipal Response and Vision on SDGs	14

Table 4: Focus Areas and Principles emerging from the policy review.	42
Table 5: Review of implementation of priority projects identified in the current uMhlathuze LED Strategy	46
Table 6: City of uMhlathuze Nodes.....	56
Table 7: Comparative population sizes and changes in population in King Cetshwayo DM per local municipality.....	60
Table 8: population growth scenarios 2021 - 2030	61
Table 9: City of uMhlathuze age breakdown	62
Table 10: Comparison between 2007, 2012 and 2017 in respect to economic active population	63
Table 11: City of uMhlathuze formal and informal employment	69
Table 12: Per sector GDP contribution	70
Table 13: Per sector contribution in employment terms	70
Table 14: Comparative educational levels	72
Table 15: City of uMhlathuze Infrastructure Support.....	74
Table 16: Land Ownership Breakdown	76
Table 17: City of uMhlathuze land potential	78
Table 18: Broad performance of economic sectors in GVA terms	80
Table 19: Broad performance of economic sectors in employment terms	80
Table 20: Summary SWOT Analysis of uMhlathuze Local Municipality.....	107
Table 21: Programmes and Projects for Implementation	138
Table 22: Implementation Plan.....	142

Table 23: Monitoring and Evaluation Plan.....	149
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List of Figures

Figure 1: Stakeholder Engagement Approach	5
Figure 2: Sustainable Development Goals (SDGs)	13
Figure 3: HDI for uMhlathuze Local Municipality	65
Figure 4: City of uMhlathuze Gini coefficient	65
Figure 5: City of uMhlathuze poverty headcount	66
Figure 6: City of uMhlathuze intensity of poverty	66
Figure 7: City of uMhlathuze poverty	67
Figure 8: City of uMhlathuze unemployment rates	68
Figure 9: City of uMhlathuze unemployment rates by gender	69
Figure 10: City of uMhlathuze employment by sector	69
Figure 11: Persons with no schooling	73
Figure 12: GDP contribution by uMhlathuze Municipality comparing to other local municipalities within King Cetshwayo District	80
Figure 13: Tourism categories in uMhlathuze	89
Figure 14: Tourism Spend in uMhlathuze R1000 current prices	91
Figure 15: Tourism as a % of GDP (current prices)	91
Figure 16: The Strategic Framework	111

Figure 17: Strategic Vision and Goals.....	112
Figure 18: 12 Strategic Drivers	113

List of Maps

Map 1: City of uMhlathuze regional context	51
Map 2: City of uMhlathuze spatial structure	53
Map 3: City of uMhlathuze accessibility context	54
Map 4: City of uMhlathuze economic nodes and corridors	56
Map 5: City of uMhlathuze nodes and corridors	58
Map 6: Population Growth Pressure by 2050.....	59
Map 7: City of uMhlathuze population distribution	61
Map 8: City of uMhlathuze land ownership patterns.....	77
Map 9: City of uMhlathuze land potential.....	79
Map 10: uMhlathuze tourism offerings and possible areas of tourism development and expansion.....	90

1. Introduction

1.1 Background and Purpose

The unique location and setting of the City of uMhlathuze presents several economic advantages and has set the City as a hub of industrial development and investment in the region. uMhlathuze has become a regional driver of economic development for the benefit of the local economy including local enterprises and entrepreneurs. However, these advantages have only been partly translated to real and beneficial opportunities for all uMhlathuze's residents.

As reflected in the City of uMhlathuze Integrated Development Plan (IDP), the municipality is currently grappling with a number of challenges impacting negatively on local economic development in the municipality. These challenges include low levels of economic growth, high rates of unemployment, low sustainability of industries, low levels of skills development and literacy, high levels of poverty, limited access to basic household and community services, high levels of crime, and infrastructure degradation, among others. It is on this basis that uMhlathuze Local Municipality is undertaking a review and development of its Local Economic Development (LED) Strategy and Economic Transformation and Job Creation Roadmap to alleviate the effects of these challenges on the municipality's local economy.

This LED Strategy is envisaged to set the direction for local economic development in the municipality by providing a clear blueprint for addressing challenges which have been heightened by the impact of COVID19 pandemic and further compounded by the violent protests, rampant looting and civil unrest that occurred in KwaZulu Natal and parts of Gauteng in July 2021.

It will serve as a catalyst to drive and propel economic development in the municipality, guide private investment, and become a development guide for the municipality. The LED Strategy sets out interventions that are robust, practical and implementable, transformational, and forward looking. The LED Strategy focus is in relation to the prioritised three key areas of 1) local economic development, 2) transformation, and 3) job creation. The LED Strategy also clarifies the Municipality's role in driving economic development and transformation with a view to creating a conducive environment for inclusive economic growth, and ease of doing business with and within the City.

The LED Strategy is framed within an integrated framework together with other key economic development strategies and plans, such as the Integrated Development Plan (IDP) of both the local and district municipalities, the District Growth and Development Plan (DGDP), and other existing local and

district economic planning strategies and programmes. Furthermore, the LED Strategy incorporates the overarching themes of the Provincial Growth and Development Strategy (PGDS) and National Development Plan (NDP). The Strategy will also consider the approved National Framework for Local Economic Development (NFLED) and the latest frameworks provided by KZN COGTA in the formulation of the LED Plans and implementation frameworks for projects identified.

In addition, the LED Strategy will also focus on:

- township and rural economy modernisation and revitalisation
- targeted support of small medium micro enterprises (formal and informal).
- the initiatives within the green economy, and the maritime sector.

1.2 Aims and Objectives

The review and formulation of this LED Strategy aims to develop a practical, implementable, and solutions-oriented roadmap to address economic development, transformation, and job creation in the City of uMhlathuze. To this end, the following sub objectives emerge namely:

1. To analyse, unpack, and consolidate economic data and trends in relation to the City of uMhlathuze
2. To align the strategy to national, provincial and district economic development plans and strategies.
3. To identify and package strategic economic sectors to be championed and supported by the City.
4. To identify and recommend business support interventions and initiatives.
5. To prepare an implementation plan in terms of short-, medium- and long-term deliverables for the City.
6. To identify and recommend investment attraction and incentive packages.

1.3 Review Approach and Method

The Strategy review and approach method follows a three-pronged approach which incorporates desktop research, a consultative approach as well as a sectoral and spatial approach. These aspects are unpacked in detail in the following sub sections.

1.3.1 Desktop Research and Data Collation

Desktop research was undertaken by reviewing all relevant and available documentation related to local economic development within the City of uMhlathuze. A library of documentation was compiled for this purpose and divided into the following main categories: national policies and strategies; provincial policies and strategies, district and local municipal related policies and strategies; and other background research. The method involved thoroughly reviewing the documents as a body of knowledge from which key aspects to inform the LED strategy formulation were drawn.

Background documents that provided insight into the economy of the City of uMhlathuze included:

Table 1: Background documents used to inform the LED Strategy formulation are drawn

NATIONAL DOCUMENTS	PROVINCIAL DOCUMENTS	DISTRICT AND LOCAL MUNICIPAL DOCUMENTS	OTHER BACKGROUND RESEARCH
National Framework for Local Economic Development (NFLED)	Provincial Spatial Economic Development Strategy (PSEDS)	The City of uMhlathuze IDP 2019/20	South African Cities Network & SALGA, 2021. Rethinking LED: Local Economic Development in intermediate cities.
National Development Plan (NDP)	Provincial Growth and Development Plan and Strategy (PGDP/S)	The City of uMhlathuze SDF 2019/20	Moleko and Swilling, 2021. New wine into new wineskins: An alternative economic strategy for South Africa's economic reconstruction.
	KZN Economic Recovery and Transformation Plan	Current City of uMhlathuze LED Strategy 2013 -2017	
		uMhlathuze Economic Recovery Plan 2020	
		uMhlathuze Vision 2030 Strategic Economic Roadmap	
		City of uMhlathuze Long Term Strategy 2018	

Other key sectoral documents:

- City of uMhlathuze Agricultural Support Plan 2020
- uMhlathuze Tourism Marketing Strategy 2018

- uMhlathuze EPWP 2014
- Integrated Skills Audit Plan
- uMhlathuze Service Delivery and Budget Implementation Plan
- City of uMhlathuze Multi Stakeholder Engagement Framework
- Draft uMhlathuze Rural And Township Economy Revitalization Strategy
- uMhlathuze Youth Economic Emancipation Programme 10 Thousand Concept

1.3.2 Stakeholder Engagement and Consultation: Participatory action research

One of the critical requirements for the development and review process of the uMhlathuze LED Strategy is the assurance that all public and private sector role-players who have an interest in the development of uMhlathuze are fully involved. The formulation of the LED Strategy thus hinges strongly on public participation and stakeholder engagement to identify issues and coordinate consensus around priorities and strategies.

This LED Strategy is developed with a participatory approach to build an ‘on the ground’ understanding of the dynamics and realities within the municipality. In this way, all role players work together to understand the issues, and appreciate the value of and being part of a process to reimagine the LED function at municipal level. The purpose, and therefore the compilation of the stakeholder list, is to involve all levels of stakeholders including government officials, provincial and district departments, private sector, and civil society representative organisations in the formulation of the LED Strategy

A database of stakeholders was therefore compiled. The database makes provision for cross sectoral stakeholder involvement including skills development, education and training, mining, industry and logistics, manufacturing, agriculture, tourism, micro-enterprise, and the informal sector. The detailed stakeholder list and engagement plan is available in Annexure 1 attached.

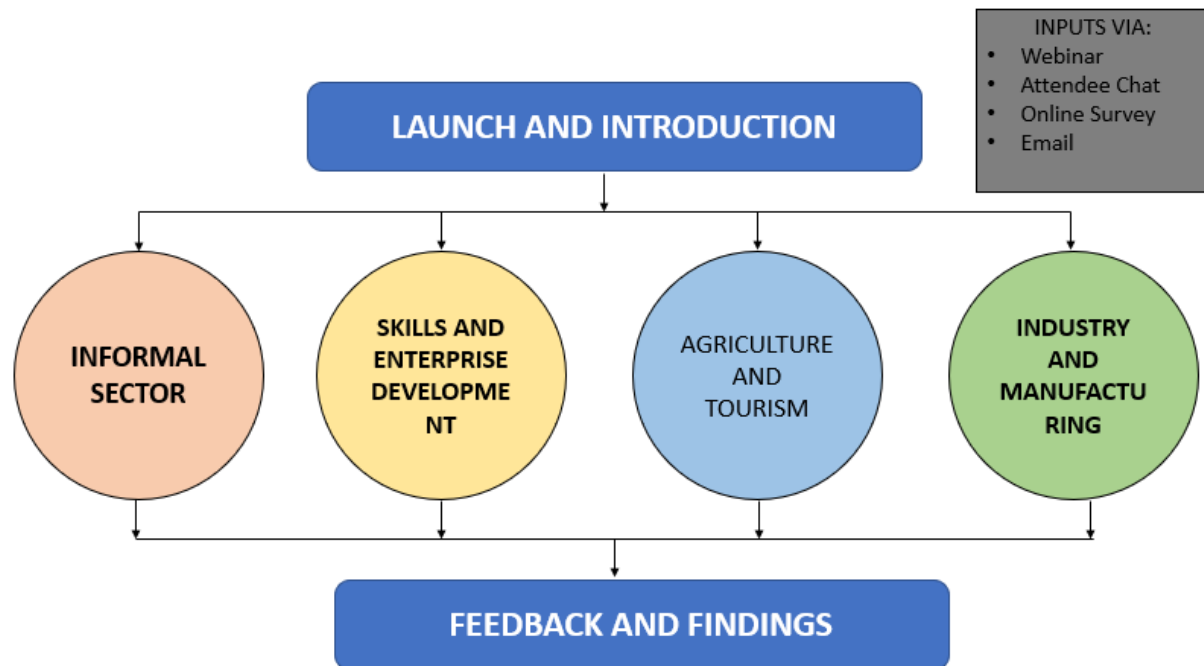
The database of stakeholder is not designed to be complete but to be representative of all the main interest groups and the list is continuously updated and refined throughout the LED Strategy development process. The database is used during the research process to invite stakeholders to make submissions of inputs, distribute an on-line questionnaire, and to extend invitations to virtual workshops.

Due to COVID-19 implications, the envisaged stakeholder workshops were substituted by online webinars. Three themed webinars and one in person workshop with the Informal Sector stakeholders were held to

share information and source comments from stakeholders. There were designed to allow the stakeholders maximum opportunity to participate in the planning process.

The Stakeholder Engagement approach is schematically depicted in the figure below:

Figure 1: Stakeholder Engagement Approach



The webinars provided and confirmed several issues facing the municipality, which have been consolidated and informed the development of this Strategy.

1.3.3 Sectoral and Spatial Approach

The review and formulation of the uMhlathuze LED Strategy follows a strategic planning systems approach to long-term integrated municipal planning. The emphasis has been placed on an integrated planning approach, in line with the KZN Provincial Growth and Development Strategy and KZN Provincial Development Plan.

This incorporates an implementation orientated approach that aligns economic data and trends to potential municipal responses, thus developing a short-, medium- and long-term range of activities for the Municipality to undertake in supporting their LED strategy and achieving increased localised employment, investment, and ultimately socio-economic benefit and growth in the Municipality.

Key elements of this approach are:

- Mainstream economic considerations
- Use municipal levers to support the economy.
- Build economic intelligence.
- Strengthen economic strategies.
- Develop economic partnerships.
- Create appropriate institutional arrangements.

In essence, this allows for the integration of a range of key components including:

- New policy direction,
- Spatial economic considerations,
- Inclusivity and support of all economic actors (formal and informal, women, youth and disabled),
- Positive private and public sector partnering for economic growth,
- LED integration into Municipal Planning,
- Sector support,
- Integration into Provincial Planning Processes.

1.4 Report Outline

Following this introductory section, the following section will unpack the concept of LED providing context to the development of the Strategic Framework. This is followed by a comprehensive review of the relevant national, provincial, district and local economic planning documents in relation to LED principles. An assessment of the status quo of the current City of uMhathuze LED Strategy follows this policy section. An overview of the City of uMhathuze as well as a detailed sectoral and economic profiling is in the following section which then forms the basis of the Strategic Framework comprising of the proposed Strategic Interventions, Implementation Plan and Monitoring and Evaluation Plan.

2 Understanding LED

LED as an approach to development is intended to induce economic development and growth in a locality by realising a locality's full comparative advantage. LED is intended to maximize the economic potential of the municipality and, to enhance the resilience of the macro-economic growth through increased local economic growth, employment creation and development initiatives within the context of sustainable development. In order to be successful a critical requirement of LED is effective collaboration between the municipality and stakeholders to identify resources, understand needs and formulate plans to make the local economy fully functional, investor friendly and competitively productive. Thus, LED recognises that people, business, and governments at local levels are best able to restructure economic conditions that will stimulate growth required to create jobs and to reduce poverty.

The City of uMhlathuze's IDP identifies local economic development as one of the key performance areas of the Municipality and a strategic intervention for promoting socio-economic development, alleviating poverty, and improving the quality of life within the municipality area of jurisdiction. As such, the need for an LED Plan within a municipality goes beyond meeting the constitutional and legal obligations and encompasses the practical implementation of programmes designed to create an environment conducive to economic development, economic transformation, and social upliftment.

Accelerating progress in LED has become more compelling in the light of limited economic growth and employment creation and the devastating impact of COVID 19 on lives and livelihoods manifesting at a local level. Through enhanced implementation, LED can make an important contribution to improved economic growth, employment creation, poverty reduction and addressing inequality at a local level. This has also been further compounded by the impact of the violent protests, rampant looting and civil unrest that occurred in KZN and parts of Gauteng in July 2021.

A study by SALGA and SACN (2019)¹ found that LED is an ambiguous concept that includes both pro-poor and predevelopment economic development approaches. Within municipalities, LED departments often lack resources and capacity, and produce strategic plans that tend to be disconnected from reality, lack

¹ SALGA & SACN. 2019. *Rethinking LED: "Local Economic Development" in Intermediate Cities*. Johannesburg: South African Cities Network. Available online at www.sacities.net

strong economic rationale, or make simplistic assumptions about the economic value chains, and assume that funding will come from other spheres of government. In many cases, the private sector is also not aligned with the municipality. Furthermore, the municipalities depend heavily on national grants but have little or no say in the plans developed and policy decisions taken by national (and provincial) government, although these plans and decisions affect their local economies.

This LED strategy recognises that the local economic development function needs to be reimagined. This LED Strategy is based on a new approach which requires the municipality to facilitate the setting up of institutional arrangements and creation of an enabling environment for business development. The following is an unpacking of the principles and strategic issues that underlie the reimagined uMhlathuze LED Strategy.

2.1 The Six Strategic LED Issues

1. Local governments should mainstream economic considerations into their sectoral departments and into the accompanying strategies of those departments.

What does this mean practically?

- Employ more people with economic and business skills.
- Educate other departments to understand the relationship between the services they deliver and economic development.
- Develop long-term plans and vision, based on the municipality's competitive advantages and economic assets.

2. Local governments need to use municipal levers, such as land-use planning, to support their economies.

What does this mean practically?

- Introduce proactive rezoning and more flexible land-use regulations, especially during times economic decline.
- Relax zoning parameters to allow for higher coverage or use performance-based zoning.
- Rapid land release
- Infrastructure investment and incentives

3. Municipalities should do more to build economic intelligence, with the assistance of other spheres of government.

What does this mean practically?

- Tackle the business red tape.
- Develop a database of business closures, changes, and confidence levels.
- Assist other departments (e.g., planning, finance) to develop scenarios for periods of economic growth and decline.
- Use municipal information (e.g., land use applications, clearance certificates) to build economic intelligence.

4. Local governments should strengthen economic strategies that are appropriate for their specific economic context and based on solid economic intelligence.

What does this mean practically?

- Develop sector forums.
- Appoint an economic development advisory body.
- Build a comprehensive understanding of local economic drivers and assets.

5. Local governments should develop economic partnerships, as municipalities need to facilitate, not drive, economic development.

What does this mean practically?

- Train people to work within social compacts.
- Ensure municipal councils understand the relationship between private sector and government.
- Establish LED agencies.

6. Local governments should create appropriate institutional arrangements that support economic development.

What does this mean practically?

- Appoint subcommittees for economic analysis and risk identification.

- Rethink the structure and functions of economic development departments/units.
- Employ people with economic, statistical, and business skills.

2.2 Sector Support

Developing a detailed sectoral focussed LED Strategy is critical to assisting the Municipality in achieving its developmental goals of both urban and rural economic development, opportunities for emerging businesses, micro-enterprises as well as meaningful large-scale investment.

Importantly, there must be Sectoral and Policy Alignment Processes which are critical to the success and usability of the final LED Strategy of the Local Municipality. Briefly, the following economic sectors are considered as important to the uMhlathuze economy:

- *Manufacturing/ Industry and Logistics*
- *Agriculture, agro processing and rural economy with high potential for expansion and growth*
- *Tourism*
- *Maritime & Blue Economy*
- *Wholesale, retail, trade, and services*
- *Mining and beneficiation*
- *Township economy*
- *Green Economy and Sustainability*
- *ICT & Innovation*

2.3 Spatial Economy

There are a range of spatial considerations, including access to transport networks and services that need to be considered in the spatial planning for LED. In addition to this, identified projects must be spatially represented to assist the municipality in the future planning for infrastructure and support services, particularly beyond the existing nodes and be particularly aware of the placement of housing projects, to best align economic opportunities close to where residents reside.

2.4 Clear Policy Alignment

The LED development will be undertaken in the alignment with all existing national, provincial, and local policies including among others the following:

- The National Development Plan 2030
- COGTA National Framework for Local Economic Development
- The Comprehensive Rural Development Programme
- The National Industrial Policy Framework
- South African Economic Reconstruction and Recovery Plan
- Operation Phakisa
- KZN Provincial Growth and Development Strategy and Plan
- KZN Provincial Spatial Economic Development Strategy
- KZN SMME Strategy
- KZN Cooperative Development Strategy

2.5 Inclusivity: Public/ Private Partnering For Growth

A key requirement of the LED support is the identification of suitable ways to attract and promote inward investment. One aspect of the investment support mechanism will be the development of suitable mechanisms to encourage private sector interaction. The local businesses will be key partners in supporting this function of the Municipal LED Strategy.

3 LED Policy Environment

This section provides a comprehensive review of the most relevant policies within the economic dimension that pertain to LED. With the goal of identifying the most important principles from the policy to direct the formulation of this LED Strategy. The intention of the analysis is not to provide detail on the principles within the various policy documents but to isolate those ones that are most important to the formulation of the LED Strategy.

The following is a list of the documents within the economic dimension which are taken into account in completing this review. This is not a comprehensive list of all national, provincial, and local policies and strategies but are the most important ones to underscore the principles for local economic development.

Table 2: Relevant Policy Framework Documents Within the Economic Dimension

Policies and Strategies	
National Level	<ul style="list-style-type: none">• National Development Plan• Operation Phakisa• National LED Framework 2018• Comprehensive Rural Development Programme• Industrial Policy Action Plan II• District Development Model (Draft)• South African Economic Reconstruction and Recovery Plan
Provincial Level	<ul style="list-style-type: none">• Provincial Growth and Development Plan 2019• Draft Provincial Growth and Development Strategy, 2021• KZN Reconstruction and Transformation Plan• Provincial Spatial Economic Development Strategy 2017• RASET• KZN Industrial development Strategy• KZN Investment Strategy• KZN Small Enterprise Development Strategy
Local Level	<ul style="list-style-type: none">• Municipal Integrated Development Plan• Municipal Spatial Development Framework• Draft Municipal Economic Recovery Plan• Municipal Vision 2030 Strategic Economic Roadmap

3.1 Review of key National Policy documents

3.1.1 Sustainable Development Goals (SDGs)

There is alignment with the SDGs and the uMhlathuze Strategic Framework. The Sustainable Development Goals is a universally shared common global vision of progress towards a safe, just and sustainable space for all human beings to thrive on the planet. 17 Sustainable Development Goals (SDGs) are intended to be action-oriented, concise and easy to communicate, limited in number, aspirational, global in nature

and universally applicable to all countries, while taking into account different national realities, capacities and levels of development and respecting national policies and priorities.

Figure 2: Sustainable Development Goals (SDGs)



In partnership with its social partners, the Municipality has embarked on a process of localising the SDGs in the uMhlathuze context. This initiative is at its infancy stage and as such, broader consultation with various stakeholders and role-players is yet to be achieved. As part of the first attempt to localisation, the following localisation framework has been agreed to namely:

- Viable Economic Growth And Development.
- Stimulate key sectors that promote economic growth and create jobs
- Safe and Healthy living environment
- Improving Citizens Skills levels and Education
- Promoting economic growth by providing employment opportunities for women and youth.
- Integrated infrastructure and efficient services
- Viable Economic Growth and Development
- Integrated infrastructure and efficient services
- Viable economic growth and development

- Integrated Urban and Rural Development
- To promote the achievement of a non-racial, integrated society, through the development of sustainable human settlement.
- Optimal management of natural resources and commitment to sustainable environmental management
- Democratic responsible, transparent , objective, and equitable municipal governance

Table 3: Municipal Response and Vision on SDGs

Sustainable Development Goal	Response	Vision
No Poverty	Creating a concessive environment for investors, this in turn will lead to the creation of employment opportunities for local communities	By 2030, we should have created an environment that is conducive for employment and efficient livelihoods
Zero Hunger	Within the broader economic development imperative: by using agriculture to include communities in the economy can result in an agriculture support plan.	The municipality should ensure that local communities have an opportunity to participate in the municipality's economy through the agricultural industry
Good health and wellbeing	Co-ordinate with the Department of Health and various stakeholders. Operation Sukuma Sakhe provides access to housing and healthcare. Promoting healthier lifestyles through sport and recreational facilities. Promoting good nutrition through urban gardening	By 2035, HIV/AIDS and lifestyle diseases (i.e. heart disease, obesity and diabetes) statistics should be reduced by 50%.
Quality education	Local Economic Development (LED) will result in achieving achieve social and economic development. Forming partnerships with educational, training institutions and industries to create living labs of learning. Local government should be restricted to a facilitation role.	A city attracting citizens for quality educational institutions promoting inclusive and equitable learning opportunities for all through partnerships with institutions and industries.
Gender equality	Empowerment through: Education and skills development Employment SCM processes Leadership Mentorship	Attaining gender equality by promoting women and girls have the same opportunities
Clean water and sanitation	Conserve water resources such as lakes and rivers Provide basic sanitation (i.e. VIP toilets).	By 2030, all households should have access to basic services such as potable water and sanitation.
Affordable and clean energy	Building sustainable energy generation infrastructure: Solar energy Gas to power energy Waste to energy Wind energy	By reducing the dependency on coal for electricity generation by 30%.

	Public participation exercises are required for community's investment	
Decent work and economic growth	Promote and incentivise investments	To promote and incentivise investments.
Industry, innovation and infrastructure	By upgrading the municipality's infrastructure as the agenda for smart cities.	By 2030, increase/expand municipal areas (inclusive of marginalised) with contemporary and innovative infrastructure.
Reduced inequalities	Identify community members in need of employment opportunities to alleviate poverty and increase skills development training programs (Operation Sukuma Sakhe).	Reduce inequality within the municipality
Sustainable cities and communities	Planning integrated human settlements Incorporate functional recreational spaces within human settlements Create catalytic economic activities outside of core urban areas	Ensure integrated and inclusive planning for human settlements
Responsible consumption and production	Reduce consumption of nonrenewable resources through introduction of waste usage (By Product)	Moving away from using of non-renewable resources Minimization of waste to by product (feedstock)
Climate action	Reduce emissions by enforcing the By-law to industries and introduce against idling stationary vehicles. Recycling program: Every household and Municipal building should have bins for recyclable and nonrecyclable waste bins Recycle water	Reduce greenhouse gases while adapting to climate change
Life below water	To sustainably deliver services to communities. Master drainage plan Regulate urban renewal Efficient management by Environmental Department Partnerships with TNPA/ Municipalities/ Environmental Awareness Involvement in Operation Phakisa	To conserve the marine life by sustainably using resources provided by the ocean. Effective partnerships, awareness campaigns and enforcing Bylaws.
Life on land	Identify conservation areas in the Spatial Development Framework (SDF). Partnerships with environmental authorities, civil society and businesses. Promote tourism opportunities with natural assets.	No net loss of sensitive ecosystems (to be declined).

Source: Umhlathuze Municipality Final Human Settlements Plan Review 2021/2022 (May 2021)

3.1.2 National Development Plan (NDP)

The National Development Plan (NDP) is South Africa's over-arching comprehensive long-term development plan to ensure that all South Africans attain a decent standard of living through the elimination of unemployment and poverty and reduction of inequality. It sets out the national objectives and targets to be achieved by 2030 and is based upon a detailed diagnosis of issues and challenges that confront the country. All national, provincial, and local policies, strategies and objectives are to be aligned to the NDP. Other functional and sectoral policies and strategies augments the NDP and provides greater detail and focus to the implementation of the NDP.

The NDP aims to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

The NDP also outlines a number of strategic priorities to address these issues. Among these are the following:

- Economic development
- Job creation.
- Expanding infrastructure.
- Responsible use of resources
- Inclusive planning
- Build a capable developmental state.
- Building an inclusive and integrated rural economy.
- Improving education, innovation, and training.
- Safe and healthy communities
- Environmental sustainability (transitioning to a low carbon economy)
- Transforming human settlements.

Apart from this, a strong focus will also be placed on a more inclusive, dynamic economy, skills development, increased investment, and an acceleration of the growth of the economy.

To bring this about the NDP proposes:

1. Realising an environment for sustainable employment and inclusive economic growth
2. Promoting employment in labour-absorbing industries
3. Raising exports and competitiveness
4. Strengthening government's capacity to give leadership to economic development.
5. Mobilising all sectors of society around a national vision

In this regard the NDP also highlights the need for infrastructure development, reducing the cost of regulatory compliance, a more effective innovation system, and support for SMMEs, skills development, better access to finance and higher rates of investment.

Each of these is critical for the future development of uMhlathuze Local Municipality and should be mainstreamed in the LED Plan for the municipality.

To bring this into perspective, according to StatsSA Community Survey (2016), uMhlathuze had a population of 410 465 people and the country at approximately 51 900 000 people in 2016. This equates to uMhlathuze having a 0.73% of the country's population. Given that uMhlathuze is a centre of employment and economic activity it can be expected that the area should be providing at least 0.73% of the employment targeted by 2030 as per the NDP. This equates to just over 82 500 employment opportunities by 2030. Generally, employment creation will address the majority of the NDPs milestones, i.e., Gini-coefficient, income per capita, ownership, quality of services and education etc.

Other, non-income and employment elements, that require ongoing attention from the Municipality in relation to the NDP relate filling of managerial posts, energy supply, public transport, primary health care and water quality.

3.1.3 National Framework for Local Economic Development in South Africa (2018-2028)

The newly developed National Framework for Local Economic Development: Creating Innovation-driven Local Economies 2018 – 2028 developed by COGTA in 2018 sets the scene for LED Implementation and for what needs to be delivered through the following pillars:



According to the vision of the NFLED (2018):

“LED will seek to create competitive, sustainable, diverse, innovation driven and inclusive local economies that are vibrant places in which to live, invest, work, innovate, maximise local opportunities, address local needs, and contribute to South Africa’s national development objectives, including sustainable ways of utilizing local resources and expand learning”.

In the process, there should be improved infrastructure, skills, state, and municipal revenue, reduced poverty and inequality, improved living spaces and fulfilled livelihoods.

The vision encompasses the following strategic objectives:

- To launch a radical fight against poverty, inequality, and unemployment, and enhance the quality of life for all through developing innovative and inclusive and competitive local economies.
- To support the potential of local economies to grow and develop the national economy.
- To raise greater awareness of the significance of regions, metropolitan municipalities, and localities as focal points for generating national prosperity.
- To intensify the support for local economies to realise and build their economic potential, diversity, levels of employment and the creation of decent work for their communities.
- To strengthen intergovernmental coordination for the planning of inclusive economic development between government and non-governmental sectors.

Despite some pockets of excellence, much work lies ahead, especially given the institutional shortcomings revealed through a review of the 2006–2011 framework:

- The lack of a shared conceptual understanding of what LED is.
- A lack of integration of sectoral plans as part of LED planning and implementation.
- Limited funding and financing for municipal LED programmes.
- The lack of a differentiated approach as regards LED implementation.
- The project approach to developing local economies.
- A skills deficit and general human resource challenges.

The National Framework acknowledges that municipalities allocate insufficient funding to LED activities, do not see the value of improved local economies in relation to their municipal income, and have not fully recognised the potential role of science and technology in promoting LED. It contains several proposals, including.

- The reintroduction of LED finance through some supporting systems: the Technical Assistance Fund (to improve the quality of LED plans and support knowledge creation around LED), a growth fund (to support the funding of catalytic projects) and a business-enabling fund.
- A more prominent role for district municipalities in respect of LED

3.1.4 Industrial Policy Action Plan (IPAP)

The Industrial Policy Action Plan (IPAP) was introduced as an overarching approach to industrial development, and is essentially a means to:

- Facilitate diversification beyond the current reliance on traditional commodities and non-tradable services;
- Facilitate the long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy;
- Promote a more labour-absorbing industrialisation path with a particular emphasis on tradable labour-absorbing goods and services and economic linkages that catalyse employment creation.
- Promote a broader-based industrialisation path characterised by the increased participation of historically disadvantaged people and marginalised regions in the mainstream of the industrial economy; and
- Contribute to industrial development on the African continent, with a strong emphasis on building its productive capacity.

The key sectors of this programme are clustered into three (3) areas, with a key action programme developed for each sector.

Cluster 1 relates to new areas of focus such as 'green' and energy-saving industries, and agro-processing linked to food security.

Cluster 2 is intended to broaden interventions in existing IPAP sectors such as automotive, pharmaceuticals and chemicals, Clothing and textiles, biofuels and forestry, paper, pulp and furniture. It also seeks to strengthen linkages between traditional industries and tourism.

Cluster 2 priority areas relate more closely to uMhlathuze's economic structure.

3.1.5 Comprehensive Rural Development Programme

City of uMhlathuze has a vast rural population residing within its municipal area. The Comprehensive Rural Development Programme (CRDP) should also be aligned to its LED Strategy. The CRDP is focused on enabling rural people to take control of their lives, with support from government.

The programme aims to deal with rural poverty effectively through the optimal use and management of natural resources through an integrated agrarian transformation and the strategic investment in economic and social infrastructure that will benefit rural communities.

The CRDP is aimed at being an effective response against poverty and food insecurity by maximizing the use and management of natural resources to create vibrant, equitable and sustainable rural communities. The strategic objective of the CRDP is therefore to facilitate integrated development and social cohesion through participatory approaches in partnership with all sectors of society.

The vision of the CRDP is to create vibrant, equitable and sustainable rural communities include: contributing to the redistribution of 30% of the country's agricultural land; improving food security of the rural poor; creation of business opportunities, de-congesting and rehabilitation of over-crowded former homeland areas; and expanding opportunities for women, youth, people with disabilities and older persons who stay in rural areas.

The ultimate vision of creating vibrant, equitable and sustainable rural communities will be achieved through a three-pronged strategy based on:

- a coordinated and integrated broad-based agrarian transformation.
- strategically increasing rural development; and
- an improved land reform programme.

Central to the three-pronged CRDP is a job creation model. The job creation model will create development specialists at ward level that will be equipped to train, and mentor selected community members so that they become gainfully employed.

3.1.6 Operation Phakisa

On account of City of uMhlathuze's unique position as a port city and its location along the coast of KZN Operation Phakisa is of great importance and relevance to harnessing local economic development in the municipality. Operation Phakisa is an initiative of the South African government, which is intended to fast track achievements related to the target of the NDP. Operation Phakisa focuses on unlocking the economic potential of South Africa's oceans, which could contribute up to R177 billion to the GDP by 2033 and between 800 000 and 1 million direct jobs. It is an overarching, integrated ocean governance framework for sustainable growth of the ocean economy that will maximise socio-economic benefits while ensuring adequate ocean environmental protection. The focus areas of Operations Phakisa include:

- Oceans Economy.
- Health; Information and Communication Technology in education.
- Mining.
- the Biodiversity economy,
- Chemical and Waste Economy; and
- Agriculture, Land Reform and Rural Development.

The methodology consists of eight sequential steps. It focusses on bringing key stakeholders from the public and private sectors, academia as well as civil society organisations together to collaborate in: detailed problem analysis; priority setting; intervention planning; and delivery.

3.1.7 South African Economic Reconstruction and Recovery Plan

No overview of the national policies is complete without addressing the long-term impacts of the current COVID-19 pandemic. All national policies and plan currently focus on short-term responses to the

devastating economic impact of the pandemic and are implementing short-term interventions and incentives to augment the national economy and its productive sectors.

The long-term impact of the pandemic is most likely to play out in the most deprived areas of the country i.e., the rural areas and the townships. Although the short-term impacts are currently mainly experienced in the cities and larger towns, these areas and nodes are likely to recover in time due to their inherent growth potential. The rural areas and townships are likely to experience in the longer-term, should no corrective policy interventions be introduced, increases in unemployment and an out-migration trends as households and communities seek to address the economic impact of the pandemic.

Areas of focus that will most likely increase in importance in the longer term:

- food security,
- rural development,
- women empowerment,
- job creation and
- equitable spatial development.

3.2 Review of key Provincial policy documents

The collection of provincial policies aligns generally to national policy by specifying the provinces' development needs and opportunities. Based on the profile of the province and a deep understanding of the nature and extent of poverty and inequality in the province, provincial policy places significant emphasis on spatial analysis and planning. Incorporating spatial planning into an economic development framework allows economic development plans to provide guidance to planners and policy makers in developing economic activity nodes and routes (corridors) that link them.

Provincial policy sets targets against which the performance of the economy could be measured in its effectiveness in addressing issues of poverty and inequality in the province. These targets are inter alia to halve poverty, illiteracy, unemployment, and HIV Aids prevalence in terms of the province's projected population by 2014, as well as a range of other economic performance targets.

Provincially, a range of new strategies and approaches to agricultural development e.g. - Agriculture Policy Action Plan (APAP), Agri-hubs, RASET and the KwaZulu-Natal Agri-processing strategy, all incorporated into the October 2020 draft KZN Agriculture and Agro-Processing Master Plan, rely on a commodity-based

approach, requiring value chain interventions with spatial implications. The following value chains related to spatial focus areas are identified in the draft Master Plan: grain value chain, red meat value chain, white meat value chain, horticulture value chain, sugarcane value chain, and the cotton value chain.

The revitalisation of the provincial small towns, rural and township areas is a current focus area of provincial policy. Detailing socio-economic interventions, strategies are currently being developed and interventions planned to coordinate existing government programmes in focused spatial areas. The strategies are aligned to existing policy and spatially identified focus areas. Important is all the policies is the development of facilities to enable rural and urban communities to access digital services. The future development of the towns and rural areas will be seriously disadvantaged if access to digital capabilities is not sustained. The Digital Centre programme is therefore important in this respect.

Economic sectors that are priorities in the Recovery Plan are: land and agriculture, industrial development, pharmaceuticals (health innovation and manufacturing), clothing and textile, automotive, mining, oceans economy, tourism, informal economy, creative industry, sports and culture, renewable energy, telecommunication and digital economy, investment and trade, and infrastructure.

3.2.1 Provincial Growth and Development Strategy (Draft as of February 2021)

Aligned to the NDP, the KwaZulu-Natal Provincial Growth and Development Strategy (KZN PGDS) bolsters the Province's commitment to achieving the vision of KwaZulu-Natal (KZN) as a "Prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the world".

The 2021 reviewed draft PGDS provides a strategic framework for accelerating and sharing the benefits of an inclusive growth through deepened, meaningful, effective, and sustainable catalytic and developmental interventions.

The PGDS recognises that the growth and development of KZN is the collective responsibility of government, business, labour, and civil society. The Seven Priorities in the 2021 KZN PGDS require strong collaboration and partnership among various social partners, in particular, business, organised labour, civil society and the different spheres of government and State-owned Enterprises (SOEs) under the leadership of the KZN Government.

The 2021 PGDS is fully aligned to the National Development Plan (NDP) and the national priorities as reflected in the 2019 – 2024 Medium Term Strategic Framework (MTSF). The PGDS also recognises,

together with all relevant international, National and Provincial Plans, that the District Development Model (DDM) is a new approach to district level integration.

This 2021 version of the PGDS takes due cognisance of the impact of the COVID-19 pandemic, whilst at the same time focusing on a longer term and post COVID-19 reality. The pandemic has highlighted the need to accelerate appropriate and reliable infrastructure, including water, sanitation, waste removal, and the need to accelerate access and ability to use technology and information systems. The functionality and accessibility of public facilities and services, including schools and hospitals, and lack of infrastructure to these services were exposed further, as well as the need for safe working and living conditions.

The outcomes that the PGDS identifies are extensive and have been changed from the 2016 PGDS and 2019 PGDP to now align to the Priorities of the MTEF. The following Seven Priorities are stated:

- Priority 1: Building a capable, ethical and developmental state.
- Priority 2: Economic transformation and job creation.
- Priority 3: Education, Skills and Health.
- Priority 4: Consolidating the social wage through reliable and quality basic services.
- Priority 5: Spatial integration, human settlements and local government.
- Priority 6: Social cohesion and safe communities.
- Priority 7: Better Africa and World.
- Cross-cutting priorities
 - Youth
 - Women
 - People with Disabilities.

In addition, other cross cutting goals and objectives relate to the development of strategic infrastructure such as roads and rail, ensuring demand-driven skills development and training, ensuring efficient coordination between all developmental stakeholders, and promoting spatial equity through spatial concentration.

The Priorities are interpreted and provincialized in the PDGS in the form of Impact Statements, Outcomes, Interventions, and Indicators to align to the structure of the MTSE. The lists of Outcomes, Interventions, and Indicators in the PGDS are extensive and will need to be taken into account in the formulation of the uMhlathuze LED Strategy.

The PGDS is a key planning document which should direct the development of the uMhlathuze LED Strategy. Alignment is critical for the LED Strategy to direct interventions to meet the provincial strategic goals and vision. The uMhlathuze LED strategy should integrate the principles and strategic goals outlined within the PGDS and customise them to find meaning in the local context, thus making the LED Strategy not just a tool for coordinating development locally, but also a means for the practical implementation of governments economic development programmes.

3.2.2 Provincial Growth and Development Plan

The Provincial Growth and Development Plan (PGDP) provides for the implementation of the Provincial Growth and Development Strategy (PDGS). It outlines activities to be undertaken towards the attainment of each of the strategic goals and objectives. Therefore, it clearly stipulates indicators and targets, strategic interventions and catalytic projects in support of the interventions. The aim of the PGDP is therefore to translate the strategy into a detailed implementation plan, inclusive of a detailed activity level framework with targets and responsibilities assigned to the appropriate government department.

In addition to the more detailed focus on the interventions identified, the PGDP proposes specific milestones/targets that will have to be achieved in priority sectors. It proposes indicators by which to measure success in achieving the goals and objectives of the PGDP and in doing this, also proposes how the growth trajectory could be shaped with targets to the year 2020 and to 2030.

3.2.3 Provincial Spatial Economic Development Strategy (PSEDS)

The Provincial Spatial Economic Development Strategy (PSEDS) main aims are to address the legacies of the apartheid space economy, to promote sustainable development, and to bring about the eradication of poverty and the creation of employment. It provides a spatial context for the PGDS and 'reflects national strategic developmental and spatial imperatives and priorities, whilst at the same time providing a framework for the development of municipal spatial development strategies.

The PSEDS directs its fixed infrastructure investments to areas of greatest economic development potential as well as areas of greatest need based on poverty densities. The PSEDS reviewed the competitive and comparative advantages of the Province's economy to identify the sectors that have the greatest potential to drive growth and impact on poverty and unemployment. It has been used as a guide to inform the municipal Integrated Development Plan (IDP) and LED planning and implementation frameworks.

The PSEDs identifies water and electrification ‘as critical levers for the Province’s economic and social development, along with the logistics and transport sector (including rail)’.

The PSEDs highlights problems arising from the unplanned and uncontrolled rural settlement that is taking place in many areas of the Province in respect of service provision and the loss of land of potential value for agricultural or economic development. The PSEDs notes the need for effective land-use management strategies for larger cities, and an urban development framework ‘to assist in identifying urban growth areas and how to effectively engage with these areas. This framework will also assist in the orderly development of emerging areas and nodes.’

The PSEDs incorporates the Province’s Industrial Development Strategy. It ‘assists some Local Municipalities (LMs) in aligning their transport and implementation strategies and addressing their land-use management systems’.

3.2.4 Provincial Local Economic Development Plan

The Provincial Local Economic Development Plan has been developed with Project Book per District aligned to the Provincial Growth and Development Plan (PGDP) and National LED Framework. In the development of the Provincial LED Plan, emphasis has been placed on alignment of the plan to the PGDP goals and objectives along with alignment to the Provincial Spatial Economic Development Strategy (PSEDs).

The Provincial Local Economic Development Plan suggested a number of key areas and recommendations to support local economic development initiatives in the local municipalities. These include the following:

Provincial Local Economic Development Plan, 2018 recommendations

Recommendation	Components/activities
Development of sound policies and strategies	<ul style="list-style-type: none"> • a vision • strategic plan • situational analysis • prioritisation • invest in what is already working • Single strategy for the district
Promotion of the partnerships	<ul style="list-style-type: none"> • PPPs • collaboration
Provision of resources	<ul style="list-style-type: none"> • help leverage resources • build skills • get people to take ownership

	<ul style="list-style-type: none"> • develop soft infrastructure • support building and asset mapping
Improving the institutional frameworks	<ul style="list-style-type: none"> • define roles for stakeholders • stakeholder forums
Promotion of employment	<ul style="list-style-type: none"> • localise work opportunities • create work in labour intensive sectors
Improving the economy	<ul style="list-style-type: none"> • export based products • strengthen clusters • focusing on sectors • invest in economic multipliers
Promotion of capacity building	<ul style="list-style-type: none"> • support small business • empower farmers • invest in people already engaged in economic opportunity
Supporting municipalities with tools	<ul style="list-style-type: none"> • use of ICT • database of projects • toolkits • guidelines • templates
Promotion access to funding	<ul style="list-style-type: none"> • funding sources

3.2.5 KZN Radical Agrarian Socio-economic Transformation (RASET)

The KZN Radical Agrarian Socio-Economic Transformation (RASET) Programme is one of the low hanging fruits that the uMhlathuze LED Strategy can take advantage of. The strategic objective of RASET is to enable Previously Disadvantaged Individuals (PDI) to participate in the production, processing, and distribution of food within the various food value chains and more specifically, to provide access to markets.

Agriculture has substantial potential, but government has a ‘piecemeal approach’ to development. Black farmers’ roles and share in agriculture remain negligible. Additionally, KZN agriculture was already constrained prior to COVID-19 due to a series of droughts, low inclusivity caused by high entry barriers for new players, biosecurity issues, rising input costs induced by the weakening local currency, and deteriorating market, logistics, processing, and research infrastructure.

The strategic objectives of the RASET Implementation Plan are as follows:

1. To quantify and consolidate demand of Government Departments and present it in planning-friendly matrices.

2. To quantify and consolidate supply of PDI producers and present it in planning friendly matrices.
3. To facilitate the implementation of a dynamic and integrated systemic infrastructure that has the capacity of handling financial and logistical transactions in the most effective and efficient manner which also has the capability of carrying out various activities.
4. To organize PDI suppliers in terms of existing legislation and gearing them up to access and service continuously at least 30% of the market of all food consumed by Government beneficiaries in KwaZulu-Natal by 2023 as well as ensure compliance and viability of farms by any measure.
5. To facilitate the identification of opportunities for the rationalization of government resources for the purpose of supporting the objectives of the RASET Programme as well as solving the economic problem of the majority of the population of KwaZulu-Natal.
6. To consolidate various capacity building programs from individual Departments into a concerted series of progressive competency acquisition modules and facilitate their institutionalization in favour of PDI enterprises, entrepreneurs, agents, and operators of government assets.
7. Securing capital for running the operations of the RASET Programme.

Some of the projected benefits arising from the programme are listed below.

- Inclusive growth.
- Job creation.
- Poverty alleviation.
- Redress of inequality.
- Harnessing the use of resources among government departments and entities.
- Maximization of the economic activities of PDI communities.
- Lowering of the average unit cost of food stuffs in general.
- Activation of underutilized and unused government facilities.
- Harnessing cooperation between public and private institutions.

3.2.6 KwaZulu-Natal Industrial Development Strategy

The IDS aim at developing KZN's manufacturing industry and related services. In doing so it sets out the short to medium term programmes that have been identified by the Department of Economic

Development, Tourism and Environmental Affairs (EDTEA) to address these issues. Through the Strategy, it was identified that the Province needs to:

1. Pursue policies designed to ensure macroeconomic stability, growth, low inflation, and high employment to the extent possible.
2. Increase emphasis on investment.
3. Increase effective delivery of - skills, infrastructure, research and development, and innovation - especially vocational and scientific/technical education.
4. Continue with its active industrial policy to protect and enhance modern manufacturing capacity but should also focus heavily now on re-organisation of agencies and resources in partnership with business and labour, for significant improvements in the speed and quality of implementation.
5. Ensure that funds be made available and administered appropriately, to fund the training and retraining of workers who have been made redundant or whose skills need updating.

The strategy seeks to increase the level of development diversity in the provincial economy. The strategy identifies two critical issues which must form the overall focus of the Province in achieving industrial development, namely, productive growth and job creation. In order to achieve this, the human capital potential of the provincial economy will need to be further enhanced, thus sustainable sector development in less developed and rural areas is a priority.

Vision- "A Productive and competitive KwaZulu-Natal that creates employment for all".

Focused view of economic growth around three clusters: (1) infrastructure, (2) skills development, job creation and entrepreneurship, and (3) productive industrial growth.

Aims to Stimulate and Fast Track Productive Growth and Job Creation in KwaZulu-Natal by:

- Providing an Industrial Development Strategy for KwaZulu-Natal to focus resources for the best return.
- Providing a Framework for Implementation which will ensure prioritisation, action, accountability, and measurement.
- Focus on new Industries: Green Economy, Chemicals and Pharmaceuticals, Agro- Industry and Agri processing, Water & Waste Management

- Attract investment in: Automotive, Transport & Logistics, Construction, Capital Equipment & Green Electronics, Training Service Industry- Nurses, Teachers, Artisans
- Retain and expand: Metals, Chemicals, Building Materials, Agriculture

3.2.7 KZN Investment Strategy

The KZN Investment Strategy was developed as to pool all stakeholder to assist in attracting and facilitating foreign and domestic investment in KwaZulu-Natal. The objective of the Strategy is to enable all stakeholders in the province to work together in promoting, attracting and facilitating foreign and domestic investment both of a public and private sector nature into productive industries (income and asset creation) driven by the comparative advantages of the province in order to stimulate job creation and income generation.

It provides a framework for the promotion, attraction, and facilitation of both foreign and direct investment into productive sectors of the economy. The main strategic thrusts include institutional coordination, focussed investment promotion, information, and research synergies, creating an enabling environment, and ensuring skills and resource requirements. The strategy notes that that local government must continue to reduce red tape and other bureaucratic bottlenecks. The priority sectors for inward investment are manufacturing, agriculture and agro-processing, transport and logistics, tourism, and the knowledge, innovation, and green economy sectors.

The key areas of focus of the strategy are:

- Improving structures and systems of investment promotion and facilitation and working together.
- Attracting investment to meet job targets.
- Channelling resources to where they have the greatest impact (i.e.: foreign countries, geographic areas, economic sectors).
- Ensuring that competitive advantages are utilised to the fullest and building on these.
- Alignment and integration with national, provincial, and local policies, strategies and programmes (incl. Richards Bay IDZ).
- Maximisation of job creation and retention through business retention & expansion.
- Gaining optimal benefit from incentives such as DTI sector-based Incentives and service & utility incentives.

- Public sector investment into infrastructure to lead the private sector (incl. rural and small towns).

The LED strategy for uMhlathuze must be developed with these above principles in mind, i.e.: ensuring that the municipality creates a conducive environment to ensure effective promotion and attraction of investment, as well as efficient facilitation of investment. To this end, the LED strategy must:

- Make firm suggestions on improving the business environment in uMhlathuze.
- Seek to improve coordination between key stakeholders who are required to work together to promote and facilitate investment.
- Identify key sectors and focus areas for inward investment (based on comparative advantages); and
- Promote the sharing and development of research and information.

3.2.8 KZN Small Enterprise Development Strategy

The purpose of the Small Enterprise Development Strategy is to formulate a provincial wide framework that will assist in coordinating, orientating, and guiding all small enterprise development programmes and related activities in the province of KwaZulu-Natal. Through this strategy, all stakeholders will be able to align their programmes and actions and therefore support and add value to the development of emerging small enterprises.

The key objective of the strategy is the implementation of a comprehensive and integrated programme for the development and growth of small enterprises in the province. This will be achieved by:

1. Developing entrepreneurship skills.
2. Facilitating easy access to local and international markets.
3. Facilitating access to finance.
4. Providing relevant and effective training to small enterprise operators; and
5. Facilitating a mentoring and incubation programme for all small enterprises in KZN

3.2.9 KZN Economic Reconstruction and Transformation Plan

The KwaZulu-Natal Covid-19 Economic Reconstruction and Transformation document is a plan of the Economic Sectors, Investment, Employment, and Infrastructure Development (ESIEID) Cluster of the

Executive Council of the provincial government and is a response to the impacts of the Covid-19 pandemic. The goal of the plan is to resuscitate and transform the economy in order to achieve sustainable economic growth. The plan seeks to devise a programme of action to address the socio-economic challenges caused by Covid 19 crisis and to avert further economic impact on the economy.

1. Economic transformation- The re-modelling of the KwaZulu-Natal economy post Covid 19 crisis should ensure the inclusivity and transformation of the economy. The contours of economic transformation in the province have been mapped with the formulation of programmes such as Operation Vula, Black industrialist programme, RASET, revitalisation of townships and targeted procurement.
2. Spatial Economic Transformation- The re-calibration plan should therefore endeavour to invest in infrastructure (Broad band, Road, water, sanitation, Housing) needed to modernise the regional economies. The plan should attempt to provide KwaZulu-Natal residences with the opportunity to participate in and benefit from an economy that is productive, sustainable, and inclusive.
3. Economic Modernisation - There is therefore a need to build resilient, smart and sustainable infrastructure that support the development of smart or ubiquitous cities and towns in the province through efficient and smart infrastructure, Global connectivity, Highly skilled and productive labour, innovation and strong and revitalised district economies amongst other factors.
4. Localisation- focuses on building local capacity in human capital, value chain through partnerships with local organisations and businesses for talent and infrastructure development. It is an opportune time to promote localisation in the province to take advantage of disrupted global value chains.
5. Beneficiation and value addition- The re-calibration of the KwaZulu-Natal regional economy will need to implement opportunities for beneficiation of minerals and metals prior to export.
6. Export focused industrial development- Key to the re-calibration of the economic landscape in KwaZulu-Natal is export development and taking advantage of opportunities bequeathed by regional integration, particularly within SADC and AfCFTA.
7. Investment Promotion- The province will need to step up efforts in both domestic and international investment attraction in priority sectors.

8. Innovation- There is need for KwaZulu-Natal's re-calibration strategy to focus on science, technology, and innovation to build economic resilience to economic shocks brought about by the Covid 19 crisis.
9. Research and Development- Increasing investment in research and development will create innovation and discovery of new information and technology.
10. Robust Public Private Partnerships- The implementation of the Economic Reconstruction and Transformation plan requires robust public/private partnerships in a number of areas such as infrastructure delivery, investment and local economic development.
11. Commonality of Purpose/ Goal Congruence- The Covid 19 crisis has highlighted the need for social partners to work towards a single goal in the fight against the coronavirus pandemic.

The KZN Covid-19 Economic Reconstruction and Transformation Plan is extensive and deals with the implementation of a large number of projects in all the sectors throughout the Province.

3.3 Review of key District and Local policy documents

3.3.1 King Cetshwayo District Development Model

The 2019 announced District Development Model (DDM), often referred to as the One Plan, prioritises the need to address the triple challenge of poverty, inequality and unemployment and rid our society of segregation, exclusion, discrimination, marginalisation of most of our people from the benefits of democracy. Although mainly an institutional intervention, the DDM is likely to have in future significant spatial planning impacts through the transformation of the local economies, improved service delivery and coordination.

The President in the 2019 Presidency Budget Speech (2019) identified the “pattern of operating in silos” as a challenge which led to “to lack of coherence in planning and implementation and has made monitoring and oversight of government’s programme difficult”. The President further called for the rolling out of “a new integrated district-based approach to addressing service delivery challenges [and] localise[d] procurement and job creation, that promotes and supports local businesses, and that involves communities...”

The proposed New District Level model seeks to utilise the existing legal framework and implementation machinery, which includes the Intergovernmental Relations (IGR) Framework Act which provides for the Minister (and department) responsible for cooperative governance to provide “a framework for

coordinating and aligning development priorities and objectives between the three spheres of government” as well as the development of “indicators for monitoring and evaluating” the implementation of the framework.

Thus, the Model utilises and enhances these frameworks and the existing implementation machinery by facilitating for joint planning, implementation as well as monitoring and evaluation, between and amongst all spheres of governance wherein the term District is seen to refer to locality rather than the District Municipality, which no doubt forms an important part of the planning, delivery as well as Monitoring and Evaluation architecture.

The Single Joined-Up plans or so-called One Plan will take the form of prioritised spatial expressions over the long term and will be divided into 5 and 10-year implementation plans supported by annual operation plans which will be based on commonly agreed diagnostics, strategies and actions. Each sphere and sector department will have to elaborate in more detail their own plans and actions.

The one-plan approach is currently being piloted in KwaZulu-Natal led by the KZN COGTA department

3.3.2 uMhlathuze Integrated Development Plan (IDP)

The IDP for the five-year cycle takes a medium to long-term development perspective with the five-year plans and the annual reviews being a mechanism for a progressive and incremental move towards the ideal situation. It provides for the local implementation of the national and provincial development initiatives as outlined in the National Development Plan and the Provincial Growth and Development Strategy. It also presents a short to medium term strategic agenda and a detailed five-year programme.

The IDP outlines a number of economic development issues and notes the strategic location of the City of uMhlathuze LM, as well as the associated comparative advantages. It commits the municipality to developing strategies and implementable programmes to facilitate industrial development, promote tourism and stimulate rural development. It adopts a strategic approach with the following vision:

“The Port City of uMhlathuze offering a better quality of life for all its citizens through sustainable development and inclusive economic growth”.

The IDP has a number of goals linked to the NDP as follows:

1. Goal 1: Democratic, Responsible, Transparent , Objective and Equitable Municipal Governance

2. Goal 2: Integrated infrastructure and efficient services
3. Goal 3: Viable Economic Growth and Development
4. Goal 4: Public Safety and Security
5. Goal 5: Safe and Healthy Living Environment
6. Goal 6: Social Cohesion
7. Goal 7: A municipality that is resourced and committed to attaining the vision and mission of the organisation
8. Goal 8: Sound Financial and Supply Chain Management
9. Goal 9: Integrated Urban and Rural Development
10. Goal 10: Immovable Property Management

The Municipality has identified key development interventions within its nodes. The main objective of these current and planned interventions is to address social, economic and infrastructure challenges. In the primary nodes, the main objectives to the revitalize the urban centres in order to attract investment.

3.3.3 uMhlathuze Spatial Development Framework (SDF)

In Support of the above Municipal wide (IDP) vision, the uMhlathuze Municipal Spatial Development Framework Vision is:

“Progressive and sustained socio-economic transformation poised for equal distribution of opportunities to all citizens.”

The uMhlathuze Municipality abides by sound spatial planning principles as extracted hereunder: ☐

- Environmental awareness and sensitivity with due consideration to EMF and ESMP.
- Promotion of sustainable communities and the realization of restructuring zones in respect of human settlement projects. ☐
- Urban integration and densification to decrease economic cost of travel specifically. ☐
- Introduction of urban development boundary as a measure to achieve spatial concentration. ☐
- Development of rural framework plans being initiated.

3.3.4 uMhlathuze Vision 2030 Strategic Economic Roadmap

During 2017, a Strategic Roadmap for the uMhlathuze Municipality was compiled with a special focus on the identification of critical levers to optimize growth and inclusive development opportunities in the Municipality. The key motivation was formulation of compelling yet practicable strategic goals capable of propelling the city to its next level.

The following strategic initiatives were agreed upon:

1. Improvement of Basic Services
2. Advancing Inclusive Economic Development and Private Sector Investment
3. Social Regeneration and Upliftment
4. Create Environmentally Sustainable Development
5. Cross Cutting Initiatives

3.3.5 uMhlathuze Economic Recovery Plan

The uMhlathuze Economic Recovery Plan outlines measures that will be undertaken by the City of uMhlathuze in assisting businesses in distress as a result of COVID-19 pandemic; and facilitating access to new business opportunities.

The economic recovery plan of the city will look into a range of interventions, big or small with the view to ensure survival and sustainability of businesses in the city. The plan seeks to furthermore re-position the economy for emerging opportunities that have arisen from the COVID19 pandemic and related Disaster Management Regulations. The economic recovery plan thus also seeks to forge a new economic compact by leveraging on green economy opportunities whilst simultaneously being resilient to the impacts of Climate Change.

The plan responds to the following 5 pillars which are necessary for the rejuvenation of the City's economy:

1. Access to COVID-19 support
2. Enterprise Development & support
3. Investment Aftercare
4. Job Creation & Reskilling

5. Financial Relief Proposals To Grow The Economy

The municipality will also adopt a priority-based budgeting model to fund seven programs of the Economic Recovery Plan that are:

- ? Monitoring and responding to the municipality's financial position and health of the economy
- ? Facilitating the City's share of national support
- ? Re-starting the tourism sector
- ? Protecting and building the rural, township and informal economy
- ? Ease of doing business
- ? Expediting City Procurement
- ? Promoting Economic Transformation and creation of new economic opportunities

3.3.6 National Ports Plan 2019

The National Ports Plan includes developmental plans for the South African ports which includes Richards Bay, Durban, the proposed Durban Dig-Out Port, East London, Ngqura, Port Elizabeth, Mossel Bay, Cape Town, Saldanha Bay and Port Nolloth.

The Port of Richards Bay is one of the main dry bulk ports in South Africa. While serving the hinterlands of Northern KwaZulu-Natal, Gauteng and Mpumalanga, the port is the largest exporter of coal in South Africa. By tonnage, the port has the largest Dry Bulk terminal in South Africa and handles approximately 54% of South Africa's total dry bulk cargo demand.

In general, the port currently focuses on four major activities: exporting coal, dry bulk, break bulk and liquid bulk. Other services include bunkering, minor ship repairs and providing facilities for services and recreational craft. LNG import facilities are planned for Richards Bay, Ngqura and Saldanha Bay. In addition to providing bulk facilities for the hinterland, the port plays an important role in the local economy of the City of uMhlatuze's growing industrial base.

The Port of Richards Bay aspires "to be a premier dry bulk and liquid bulk port with diversification in other segments". It desires to be a growing, effective, economic, efficient and integrated port. It intends to grow the business by investing in infrastructure and improving terminal and supply chain efficiencies. The Port of Richards Bay has reached the milestone in handling over 100 million tons of cargo during

2017/18. This truly positions the Port of Richards Bay as the bulk port of choice in the Southern African region.

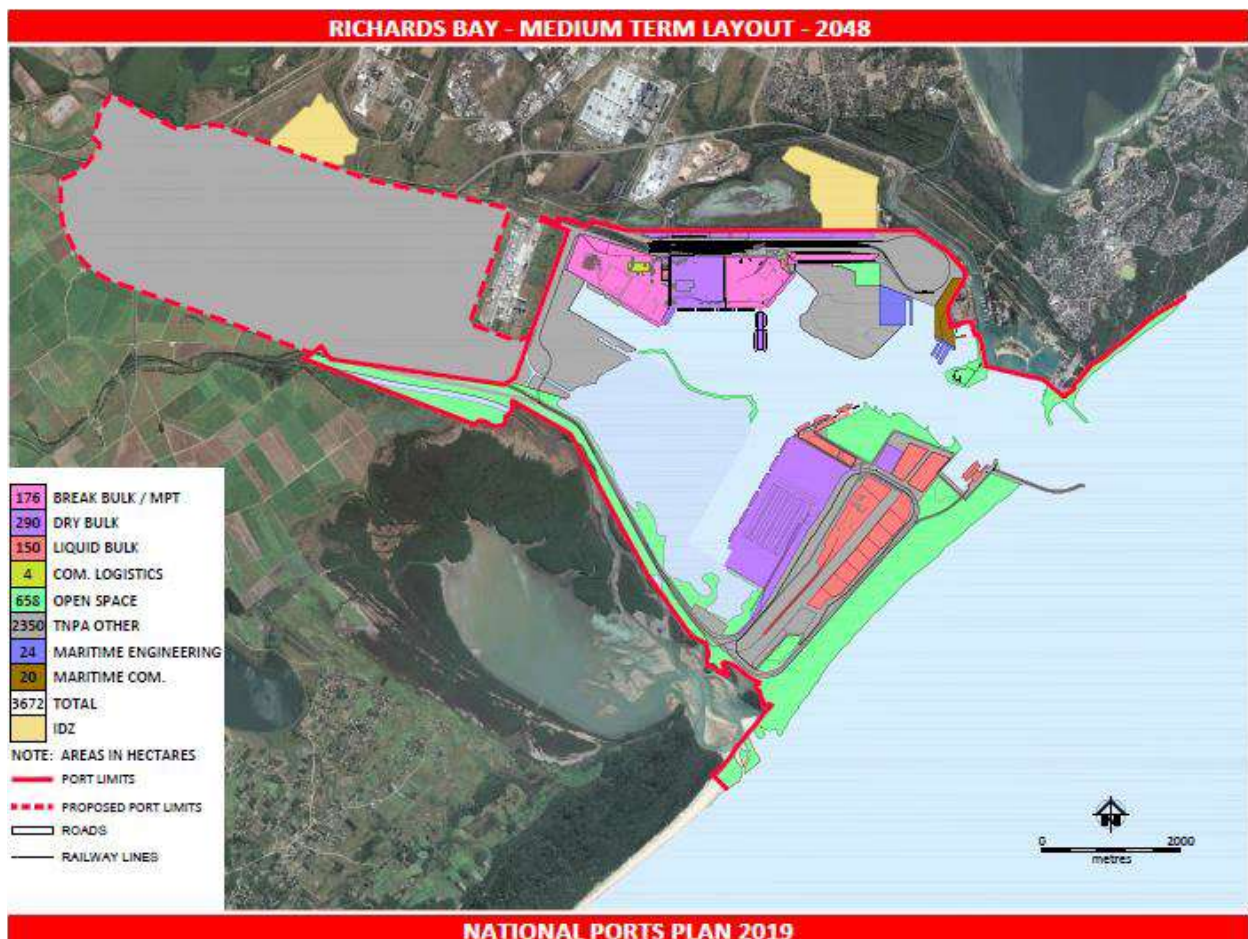
Furthermore, the signing of the MOU between uMhlathuze Municipality, Richards Bay Industrial Development Zone (RBIDZ) and Transnet National Ports Authority (TNPA) has ensured that the port is positioned to be a natural location for bulk handling capabilities. With the two phases of RBIDZ that are juxtaposed with first class industry while the deep-water Port of Richards Bay provides substantial volume for beneficiation opportunities for investments.

With strategic projects such as Richards bay Expansion Project, additional liquid bulk terminals and the upgrading of roads and services will see the port take advantage of the N2 Business corridor links to provinces such as Gauteng, Mpumalanga and Limpopo and further into East Africa.



From the current to short-term layout, the following changes are foreseen:

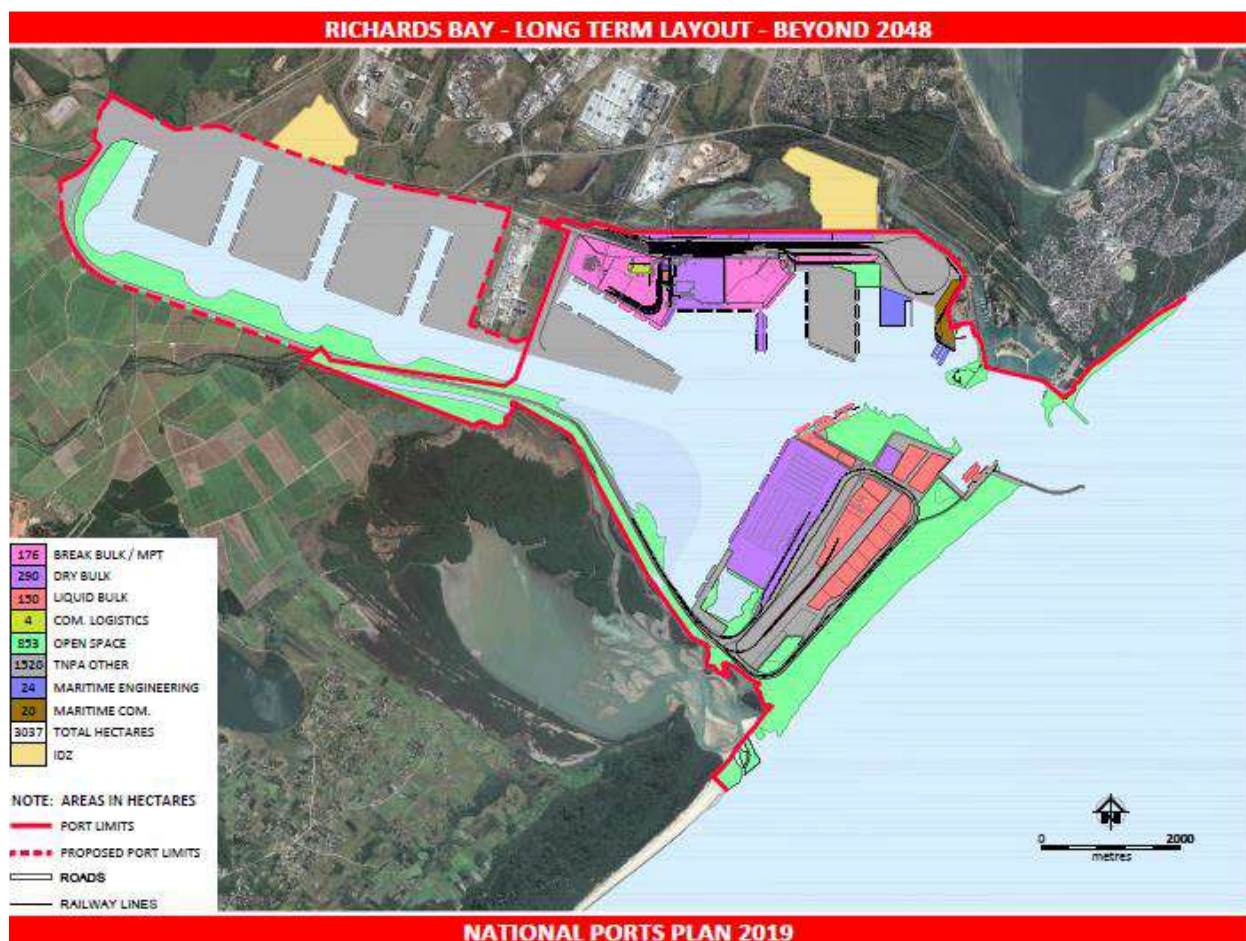
- a) At the South Dune Precinct TNPA other land changes to liquid bulk. Therefore the available liquid bulk land area increase from 76 ha to 110 ha.
- b) A new LNG berth (Berth 207) becomes available.
- c) A Floating Storage and Regasification Unit (FSRU) is indicated to be permanently moored at Berth 207.
- d) Maritime engineering commences providing 2 ha land in the short-term for ship repairs.
- e) At the back of the repair quay land area changes from commercial logistics to maritime commercial land area.
- f) TNPA other land acquisition. Total proposed TNPA land areas increased form 1102 ha to 1979 ha.



The following changes are predicted from the short-term to the medium-term port layout:

- a. At the Bayvue Precinct TNPA other land area converts to break bulk. Available break bulk land area increase by 95 ha.
- b. Dig-out at the Bayvue Precinct for the provision of two additional berths.

- c. Dry bulk land area increase by an additional 5 ha for additional storage capacity next to the railway lines.
- d. The LNG facility relocates. A new dig-out basin will be constructed next to the entrance channel of the port at the South Dunes Precinct.
- e. Berth 207 converts to a liquid bulk berth
- f. Liquid Bulk storage area increases by 40 ha at the South Dune Precinct.
- g. Maritime engineering increases: additional facilities at the repair quay together with the construction of a dry dock facility at Newark Precinct.
- h. TNPA other land acquisition. Total proposed TNPA land areas increased from 1979 ha to 2350 ha



With reference to the medium term layout, the following changes are envisioned for the long-term layout at the Port of Richards Bay:

- a) Additional quay length with two more berths at the South Dune Precinct next to the coal terminal.
- b) Additional dig-out at the Bayvue Precinct for the provision of additional quay lengths and berths.
- c) Dig-out inside the new proposed port limits for additional port activities.

- d) TNPA land area between the break bulk (MPT) terminal and the proposed dry-dock, land to be converted to additional quay lengths and berths.

3.3.7 Richards Bay Industrial Development Zone Strategic Plan

The company's purpose, summarised, ultimately guides the strategic direction of the Organisation. The purpose of the RBIDZ is to develop a Special Economic Zone, in order to:

- Attract local and foreign investors who will benefit South Africa's raw materials,
- Create production capacity,
- Provide services, and
- Create employment and improve the skills base.

Vision: "To be the preferred Special Economic Zone for quality investments, whilst delivering value to our stakeholders"

Key Strategic Targets

Informed by the provincial and national development priorities and key strategic considerations, the RBIDZ commits to fulfil its mandate through the guidance of the Strategic Plan 2018-2023. In order to achieve the strategic outcomes, the RBIDZ will focus on the highlighted performance targets and goals extensively articulated in the RBIDZ Strategic Plan namely:

1. Investments

- i. Secure operational investors with the cumulative value of R430 million
- ii. Increase cumulative permanent employment opportunities by investors to 189
- iii. Provide investor support and care to ensure 100% retention of operational investors
- iv. Improve investor support and care to increase customer satisfaction to 80%

2. Land Acquisition

- i. Secure land parcels for RBIDZ's footprint expansion
- ii. Create 1 000 cumulative construction employment opportunities

3. Economic Transformation

- i. Enhance impact of investments on local communities and SMMEs
- ii. Create linkages with the local economy to improve socio-economic conditions
- iii. Achieve 18% of procurement spend on black women-owned enterprises
- iv. Achieve 15% procurement spend on black youth-owned enterprises

3.4 Synopsis: Principles from the Policy Review

In overall terms, the policies at all levels of Government sets out to achieve the following fundamental objectives:

1. Economic growth and job creation, education and skills development and establish a capable and developmental state
2. Formulation of social compacts to reduce poverty and inequality and raise employment and investment.
3. To address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport, and raising rural incomes.
4. To professionalise the public service, strengthen accountability, improve coordination, and prosecute corruption.
5. To boost private investment in labour-intensive areas, competitiveness, and exports, with adjustments to lower the risk of hiring younger workers.
6. Establish an education accountability chain, with lines of responsibility from state to classroom.
7. To phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals, and reducing the relative cost of private health care.
8. To intensify public infrastructure investment through public-private partnerships, taxes and loans and focused on transport, energy, and water.
9. To ensure environmental sustainability and resilience to future shocks.
10. To introduce spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
11. To reduce crime by strengthening criminal justice and improving community environments.

Particular to the City of uMhlathuze, the following are the fundamental areas of focus and principles emerging from the policy review:

Table 4: Focus Areas and Principles emerging from the policy review.

ECONOMIC AREAS OF FOCUS	PRINCIPLES FROM POLICY
Transformation of spatial-economic equity	<ul style="list-style-type: none">• Universal access to facilities and services.• Rural nodes and corridors of potential economic development.• Small town and townships development.• Driving a strong and inclusive economy.

ECONOMIC AREAS OF FOCUS	PRINCIPLES FROM POLICY
	<ul style="list-style-type: none"> • Integrated human settlement development linked to migration trends to urban areas. • New and emerging nodes and town development
Agriculture and agri-processing	<ul style="list-style-type: none"> • Agri-parks /hubs, industrialisation and agri-processing. • Farmer production services centres – service centres, logistic points and community commercial nodes. • High potential agricultural land areas. • Coastal areas – transformation of the sugar cane grower areas. • Forestry areas – small growers; access to infrastructure especially local road networks. • Livestock areas – emerging small-scale farmers • Grain areas – agri-processing. • Sustainable food production for national food security.
Rural development and land transformation	<ul style="list-style-type: none"> • Land ownership transformation. • Access to productive land in townships. • Township proclamations and land title transformation. • Small scale industrialisation and provision of facilities and services. • Protection of environmental sensitive areas.
SEZ and industrial development	<ul style="list-style-type: none"> • SEZ development supported with infrastructure and logistical networking. • Revitalisation of existing industrial estates. • Incubator and SMME development support in towns and smaller towns and settlements. • Rural industrialisation. • Black industrialist development support
Green and Blue economic development inclusive of renewable energy and recycle economies	<ul style="list-style-type: none"> • Maritime and marine areas. • Harbours and small-scale harbours development – linking to back-stream infrastructure. • Coastal area development and protection. • Environmentally sustainable mining and natural resource use. • Supporting eco-production and eco-entrepreneurs
Innovation and the digital economies	<ul style="list-style-type: none"> • Distribution of digital infrastructure in small towns and rural areas (agri-hubs and farmer support service centres. • Support to establish smart towns and cities. • Access to digital infrastructure along the main corridors.
Tourism development	<ul style="list-style-type: none"> • Business tourism (bleisure) • Significant cultural and heritage areas. • Adventure tourism. • Nature and game reserves • Coastal areas and beaches. • Urban and town areas: retail and commerce.

ECONOMIC AREAS OF FOCUS	PRINCIPLES FROM POLICY
Rural and township revitalisation	<ul style="list-style-type: none"> • Revitalisation of high priority rural areas and townships

4 Assessment and Status Quo of the current uMhlathuze LED Strategy

uMhlathuze Municipality in 2016 developed the LED Plan which is regarded as council's roadmap to economic transformation. This plan is in line with the NDP, PGDS and DGDP. The plan was adopted in October 2016.

As a hub of industrial development and investment, the City prioritized economic development, transformation, and job creation by developing a practical roadmap with the outcomes listed below:

- Job creation
- Improving citizen's skills levels/ education
- Increased competitiveness and investment in the city
- Transformation within the Public and Private sector
- Economic growth through job creation
- Stimulate rural development
- Sustainable Environmental Management
- Consistent spatial Development Framework
- Improved productivity and resource management
- Strengthened collaboration amongst key industry partners that will grow and sustain the city's job creation, economic growth and transformation efforts, in a collective manner

Consequently, implementation of this job creation, economic development and transformation roadmap is critical to impact the output of the economy and jobs to be created. The greater the success of its implementation, the greater would be its impact on the local economy of uMhlathuze.

The development of the job creation, economic development and transformation roadmap has been crystallized by focusing on key industries in uMhlathuze. The industries identified are a result of the needs of the economy, competitive advantage of uMhlathuze.

The key industries identified are:

- Agriculture, agri-processing and rural economy
- Tourism
- Maritime & blue economy

- Manufacturing
- Township economy
- Mining and beneficiation
- Built environment
- Wholesale, retail, trade and services
- ICT and innovation

4.1 Challenges in implementing LED

The LED Strategy identified a number of priority projects cutting across multiple sectors. The table below details the progress thus far in the implementation of the projects.

Table 5: Review of implementation of priority projects identified in the current uMhlathuze LED Strategy

Industry	Completed Projects	Projects Underway	Deferred Projects	Total Projects
SECTOR WIDE PRIORITY PROJECTS				
Business Enterprise Development	5	0	2	7
Knowledge Management	0	1	0	1
Spatial Planning	1	0	0	1
Investment Promotion	0	3	0	3
Green Economy	4	4	1	9
AGRICULTURE AND AGRO PROCESSING				
Farmer Development/Enterprise Development	1	Undetermined/Incomplete Information	1	4
Aggregation/Access to Markets* ²	1	1	3	7
Climate-resilient agriculture	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	2
Access to Finance	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	1
Public private partnerships	0	0	1	1
Agri Processing	0	0	1	1
TOURISM				

² Incomplete information on total completed projects and those that are ongoing/underway

Industry	Completed Projects	Projects Underway	Deferred Projects	Total Projects
Enterprise Development	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	1
Access to markets	1	Undetermined/Incomplete Information	Undetermined/Incomplete Information	2
Tourism Infrastructure development	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	2
Product packaging	1	0	0	1
Institutional Strengthening	0	2	0	2
MARITIME				
Industry Collaboration	District Function	District Function	District Function	5
Enterprise Development	0	0	1	1
Maritime skills development* ³	1			2
MANUFACTURING				
Business/Enterprise Development	Undetermined/Incomplete Information	Undetermined/Incomplete Information	1	2
Investment Promotion Support	0	2	0	2
Export Development		1 (coordinated by TIKZN)		1
TOWNSHIP ECONOMY				
Economic Development	0	1	2	3
Enterprise Development	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	3
Infrastructure Development	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	1
Access to markets	Undetermined/Incomplete Information	1	Undetermined/Incomplete Information	2
MINING BENEFICIATION				
Localisation of mining value chain	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	3
ICT AND INNOVATION				
Infrastructure Development	0	1	0	1
Skills Development	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	1

³ One project classified as a district function

Industry	Completed Projects	Projects Underway	Deferred Projects	Total Projects
ICT as an enabler for innovation	Provincial Initiative	Provincial Initiative	Provincial Initiative	1
WHOLESALE, RETAIL TRADE AND SERVICES				
Access to markets	Undetermined/Incomplete Information	2	Undetermined/Incomplete Information	4
Informal Trading	0	1	0	1
OTHER (ALTERNATIVE ENERGY AND WATER SECURITY)				
Adoption and incremental implementation of long-term alternative energy supply	Undetermined/Incomplete Information	1	Undetermined/Incomplete Information	2
Water security	Undetermined/Incomplete Information	Undetermined/Incomplete Information	Undetermined/Incomplete Information	1

Source: uMhlathuze Local Municipality: Final IDP Review 2019/2020

A total of 81 projects were identified. 15 (about 19%) of the projects have been completed while 20 (about 25%) of the projects are underway and 13 (about 16%) have been deferred. In some cases, there was incomplete information in terms of the implementation status of some identified projects.

4.2 Review of institutional plan

4.2.1 Capacity Analysis for LED Programmes

The uMhlathuze Municipality's organogram provides for an LED Unit, the LED Unit is housed with other functions that includes Tourism under HOS: Economic Development. The LED Unit for the purposes of uMhlathuze Municipality is named Business Support and Markets. The staff compliment includes, Deputy Manager Business Support and Markets, Chief Tourism Officer, Chief Business Support Officer, X2 LED Officers and other supporting staff. About 98% of the approved LED posts in the organogram are filled. LED and Tourism reports are served before the City Development portfolio committee. According to the uMhlathuze IDP 2019/20 the LED Unit is fully capacitated with no constraints to in assuming its functions.

4.2.2 Resourceful Partnerships Established

The Municipality has partnership agreements with the following partners:

- University of Zululand – Research
- SEDA

- ? EDTEA
- ? NYDA

The following are the stakeholders that the municipality is partnering with in developing SMMEs and improving the informal trading sector within the city:

- ? Foskor
- ? Mondi
- ? iThala Bank
- ? SEDA
- ? EDTEA
- ? COGTA
- ? NYDA
- ? University of Zululand

The following are projects resulting from the strategic partnerships with above stakeholders:

- ? SMME Park – construction, MERSETA and UMfolozi TVET to come on board.
- ? ESikhaleni Construction Incubator - establishment in partnership with SEDA Construction.
- ? eSikhaleni Automotive Hub - feasibility in partnership with EDTEA and
- ? Empangeni SMME One-Stop-Shop in partnership with NYDA, ABSA, SEDA and Ithala Bank

4.2.3 LED Budgeted Proposed projects

- Development of a tourism website
- Deployment of tourism information kiosks at the airport, N2 Garage and Shopping Malls and other potential locations
- Host Beach Festival
- Attend 3 Tourism Trade Shows
- Driving Lessons for 60 young people
- Leather Skin Processing project - shoe manufacturing
- Establishment of 2 jobseeker centers
- Facilitate establishment of a bakery in KwaDlangezwa
- Facilitate establishment of a fish farming project in KwaDube -Lake Icobhu
- Facilitate development of an SMME Box Mall in Mzingazi
- Facilitate development of 2 agro-processing projects.
- Alienate land for primary agriculture.
- Develop Eskhaleni Business Center
- Develop 1 informal trading market stall.
- Upgrade Meerensee Market Stalls
- Organize Business Training Programs for SMME One-Stop-Shop
- Finalize Informal Trading Bylaws and Policy review

- Established Structures

The following structures have been established and are fully functional: -

- uMhlathuze Community Tourism Organisation (UCTO)
- Zululand Chamber of Commerce and Industry (ZCCI)
- Informal Traders Forum

4.3 Red tape reduction/ease of doing business

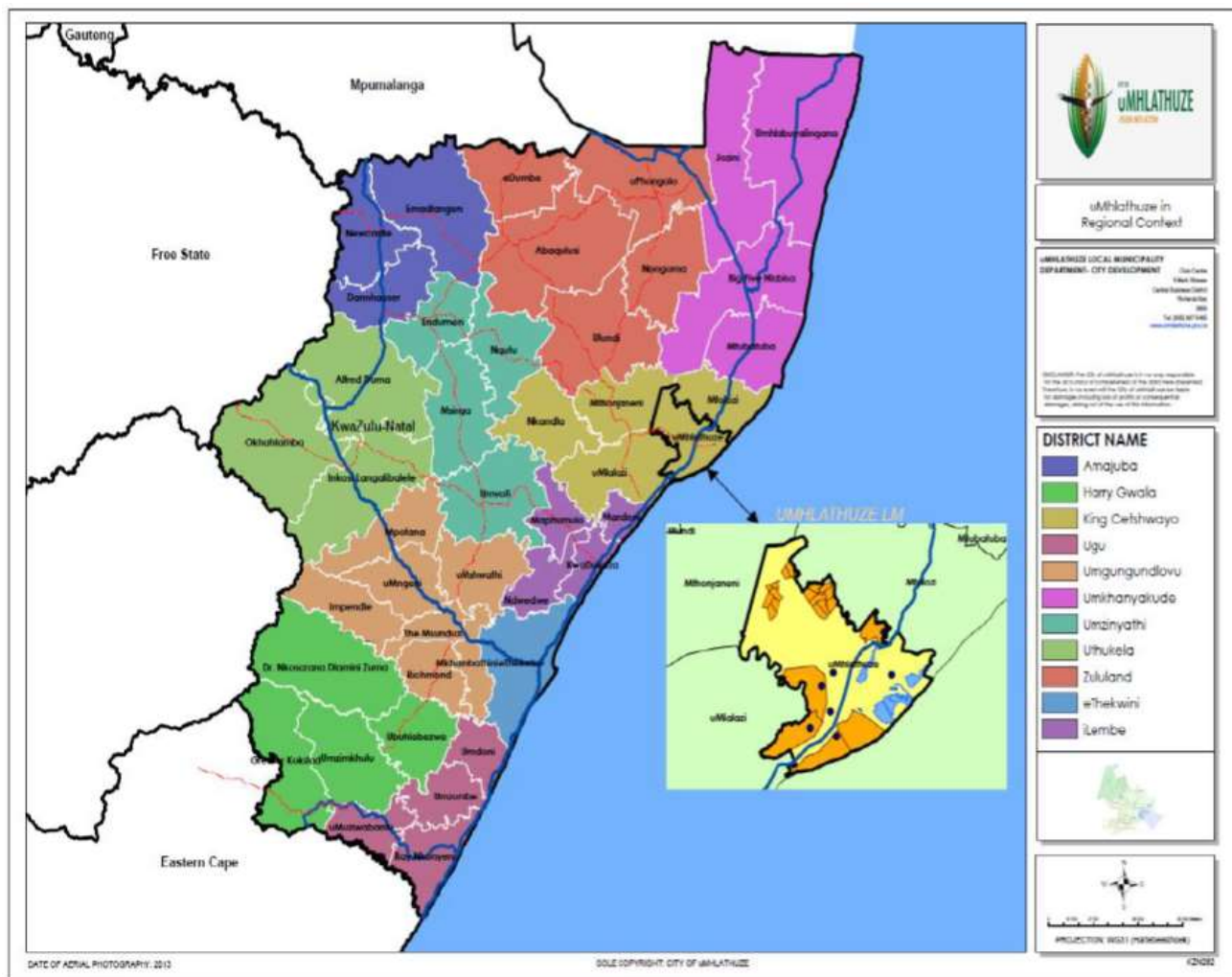
Reducing Red Tape has become a prominent topic in Public Sector Promotion in recent years. Responding to the growing demand for practical approaches to address Red Tape, the municipality has developed a facilitation model for Red Tape reduction. The model aims at supporting property developers and investors in the reduction and avoidance of bureaucratic costs by facilitating a multi-stakeholder discussion and a joint action process through a Tripartite Agreement that was signed by TNPA, RBIDZ and City of uMhlathuze.

For the city to remain a preferred location for business, it needs to reconsider its business processes, in particular the development approval processes. The speed at which development is approved will amongst others determine the competitiveness of the municipality as an investment destination. It becomes critical therefore that business continuity measures are undertaken for the departments that are charged with this responsibility.

5 uMhlathuze Local Municipality Overview

The City of uMhlathuze local municipality is situated on the north-east coast of the province of KwaZulu-Natal, about 180 kilometres north-east of Durban and approximately 600km southeast of Johannesburg. The municipality is demarcated by 30 wards. The region lies in proximity of the Indian Ocean Coast. It is one of five local municipalities in King Cetshwayo District Municipality as shown in the map below.

Map 1: City of uMhlathuze regional context



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

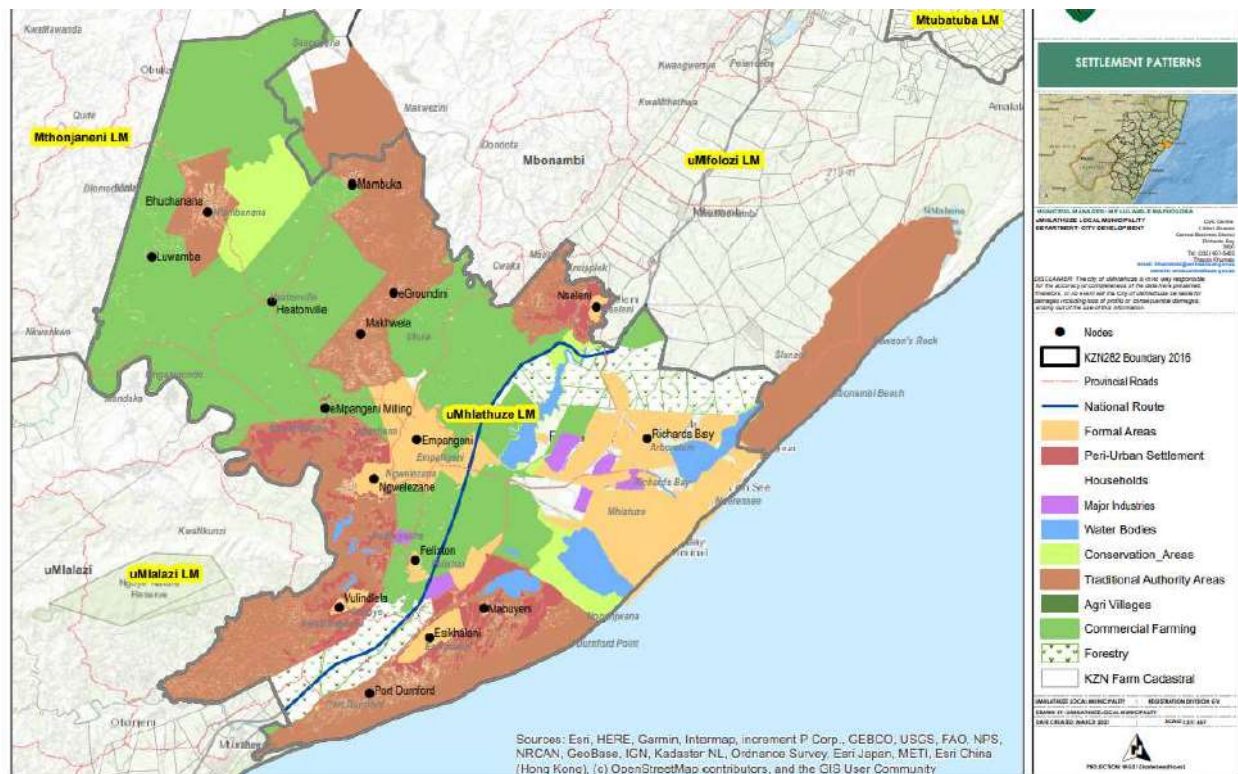
The uMhlathuze land area covers 123 325Ha and incorporates Richards Bay, Empangeni, eSikheleni, Ngwelezane, eNseleni, Felixton, Vulindlela, Bhucanana and Heatonville as well as the rural areas under Traditional Councils namely, Dube, Mkhwanazi, Khoza (Bhejane), Zungu (Madlebe), Somopho (Mthembu), Obuka (Biyela) and Obizo (Cebekhulu).

The uMhlathuze Municipal area is comprised of settlements of three types, urban, peri-urban, and rural. Richards Bay and Empangeni are the most significant economic centres in the Local Municipality and in the District Municipality. Empangeni is an important commercial and service centre for the sub-region. Empangeni's role mainly as a commercial and service centre to the settlements of Esikhaleni, Eshowe, Nkandla, Buchanana and other rural settlements attracts many people to the range of higher order services available in the town.

Richards Bay is, however, rapidly becoming of similar standing as a commercial node. Richards Bay, as a harbour and industrial town, attracts people from surrounding towns, rural settlements and from beyond the district. It is considered as the fastest growing secondary city in South Africa. The town attracts people from surrounding towns, rural settlements and from beyond the district. As the main economic attraction of the area, the port is the priority for stimulating the local economy. The port is also a provincial priority in that it is the growth engine for one of the primary provincial growth nodes.

Within the urban fabric of these main urban centres there are formal residential areas (including high-rise flats), former R293 towns (the old townships), and recently constructed low-income residential areas. Felixton, Ngwelezane, eSikhawini, and Nseleni are smaller urban centres in the Municipality. The urban areas are surrounded by large tracts of land under traditional authorities. Traditional authority areas are characterized by dense unplanned settlement, particularly on the borders of towns, driven by ad hoc land allocation through the Amakhosi. Some of these densely settled rural areas are, in effect, urban.

Map 2: City of uMhlathuze spatial structure



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

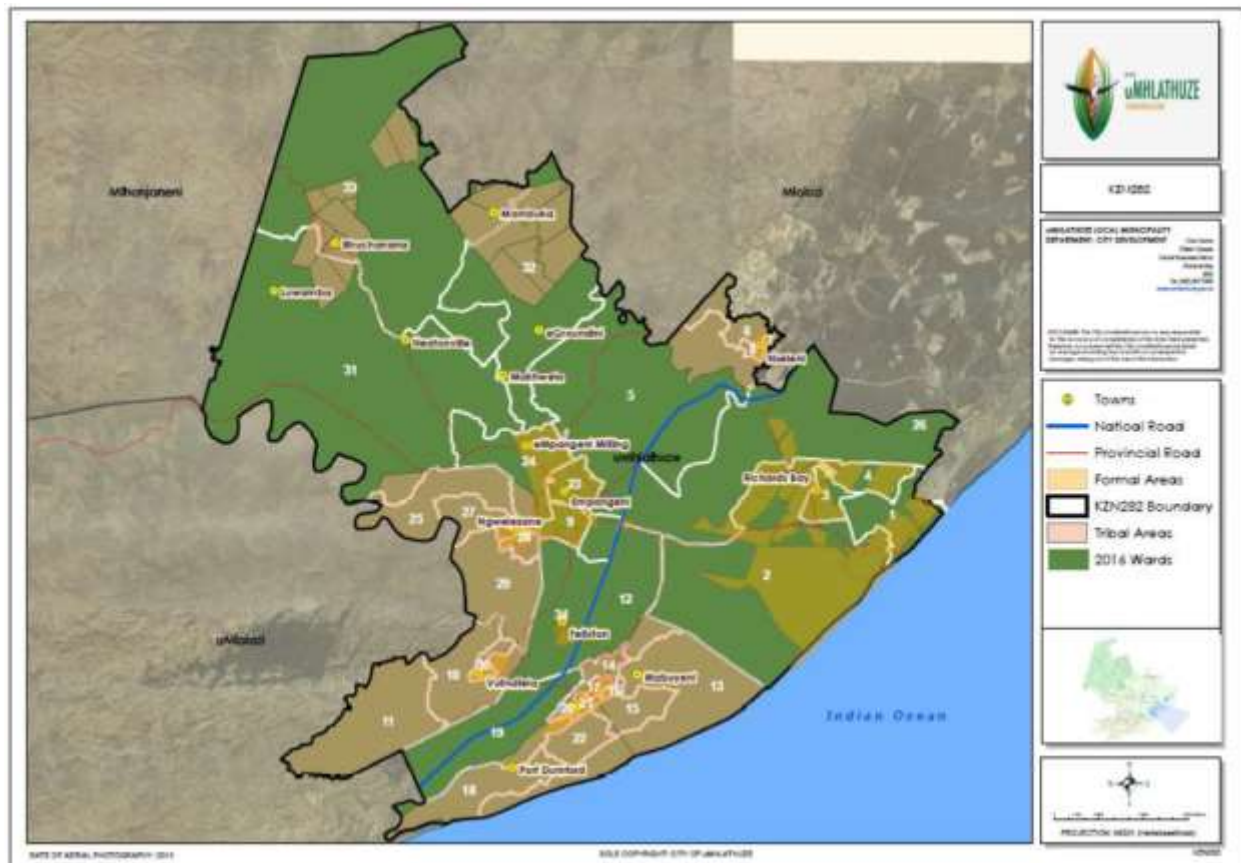
uMhlathuze Municipality has the most developed economy of all the municipalities in the King Cetshwayo District and is the major contributor to the District GGP (it is the third largest local economy in KwaZulu-Natal). Although it has the smallest surface area, it has the largest population of the municipalities in the District. It has the characteristics of a highly industrialized urban complex. Its most important industries are in Richards Bay: these are Richards Bay Minerals, BHP Billiton Aluminium, Mondi, and SAPPI.

However, the Municipality is faced with a number of development challenges, including pollution from major industries, unplanned settlement in traditional authority areas, illegal invasion of state land, shortage of housing for all income levels, urban degeneration, and an historical legacy of giving preference to the provision of hard infrastructure over social development.

The main access into the municipal area is via the N2 in a north south direction. The N2 highway traverses the uMhlathuze Municipality in a north-east direction towards the Swaziland border and south-west towards Durban. It effectively forms a division between Empangeni and Richards Bay. The R34 provides a second main access route in an east west direction from Ntambanana and passes through Empangeni towards Melmoth. Other significant roads in the area include the MR431 (that provides a northerly entry

into Richards Bay from the N2) as well as the Old Main Road that straddle the N2. Railway lines are prevalent in the municipal area but do not provide a passenger service, only a commercial/industrial service is provided. There is one airport and a couple of land strips in the municipal area however there is an airport relocation and expansion project streamlined for development.

Map 3: City of uMhlathuze accessibility context



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

The municipality has the benefit of bordering a coastline that spans approximately 45 kilometres of which about 80% is in its natural state. Linked to its coastal locality is the Richards Bay deep-water port that has been instrumental in the spatial development of the area in the past and will impact on the areas' future spatial development. uMhlathuze Municipality has an important role to play in the national, Provincial, and District economies on account of the bulk-handling harbour facilities at Richards Bay that enable international trade links to be forged. Richards Bay is the largest deepwater port in Africa and handles the bulk of South Africa's exports. Its development has provided the impetus for large-scale industrial growth.

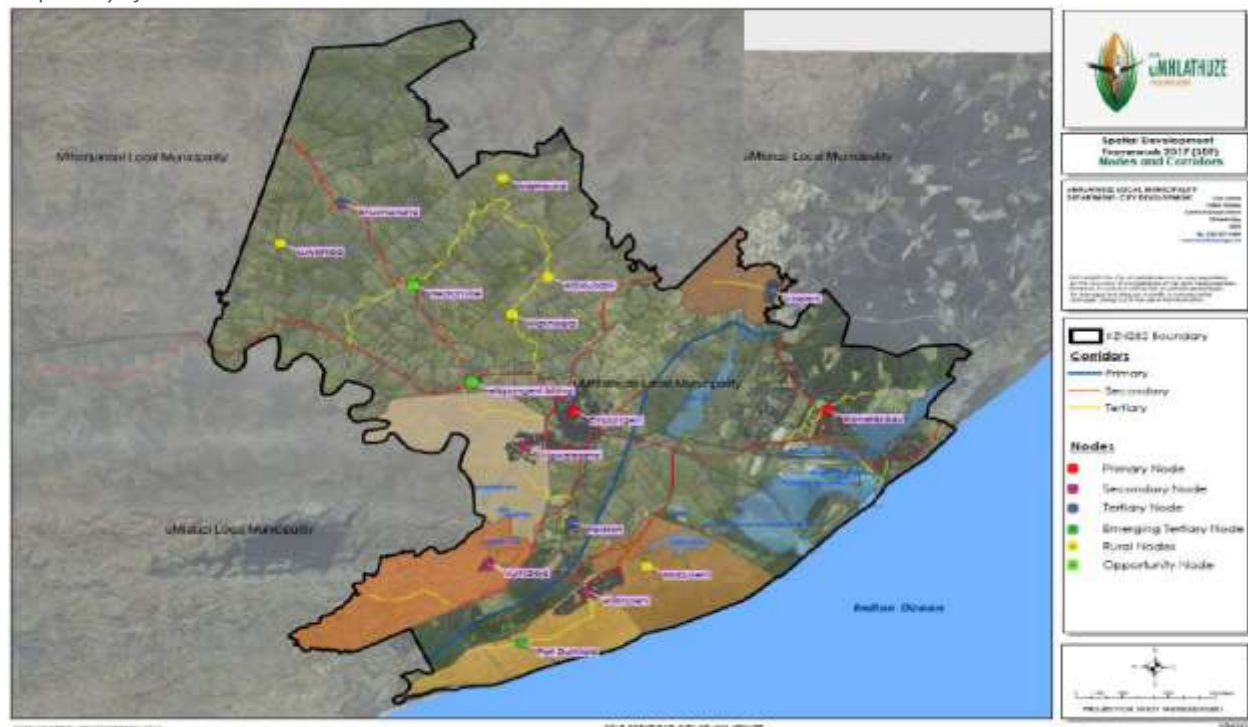
There are a number of natural and man-made phenomenon that have shaped and continue to shape the uMhlathuze Municipality. The area is inundated with a system of wetlands and natural water features such as Lakes Cubhu, Mzingazi, Nsezi and Nhlabane. Major rivers include the Mhlathuze, Nsezi and Ntambanana. Apart from the areas of natural significance, large tracts of land are under commercial agricultural production. Commercial farmland is under sugar cane and timber.

uMhlathuze's climate is characterized by a warm to hot and humid subtropical climate, with warm moist summers. Average daily maximum temperatures range from 29 °C in January to 23 °C in July, and extremes can reach more than 40 °C in summer. The average annual rainfall is 1 228 mm and most (~80%) of the rainfall occurs in the summer, from October to March, although rainfall also occurs in winter (~20%). The Richards Bay area is generally very flat and is situated on a coastal plain and whilst going west towards Empangeni the terrain rises and becomes undulating.

5.1.1 Nodes and Corridors

The City of uMhlathuze has identified various nodes within its area of jurisdiction. These nodes were identified by their spatial characteristics, primary land use characteristics, roles as well as the functions of the node to the Municipality and the larger region. The identified nodes are classified as Primary, Secondary, Tertiary, Opportunity, and Rural nodes. Each identified node contains several opportunities for development and constraints to development.

Map 4: City of uMhlathuze economic nodes and corridors



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

Table 6: City of uMhlathuze Nodes

Description	Typical Intervention	Nodes
Primary Nodes Primary Nodes are centres of economic activity and provide employment, as well as range of social facilities to an extended hinterland.	Continued economic growth to be ensured by ensuring maintenance, and upgrade, of critical infrastructure and, where required, urban regeneration studies. Primary nodes are inherently accessible locations and appropriate measures are needed to ensure convenient access to these areas.	Empangeni Richards Bay
Secondary Important regional role, especially regarding administration, transportation, and social services. Generally, provides a combination of mixed used development, i.e., educational and medium-lower income residential (urban & peri-urban living), health facilities, small-scale commercial facilities. In time, secondary nodes should evolve into primary nodes.	Important to manage land use and development pressure to ensure sustainability and attraction of secondary nodes. Continual efforts to upgrade service provision to maintain attractiveness of nodes for more investment for future investment thereby ensuring the local economy becomes more sustainable.	Esikhaleni Ngwelezane Vulindlela Felixton
Tertiary A socio-economic node that offers sustainable mixed use development		Felixton Nseleni Buchanana

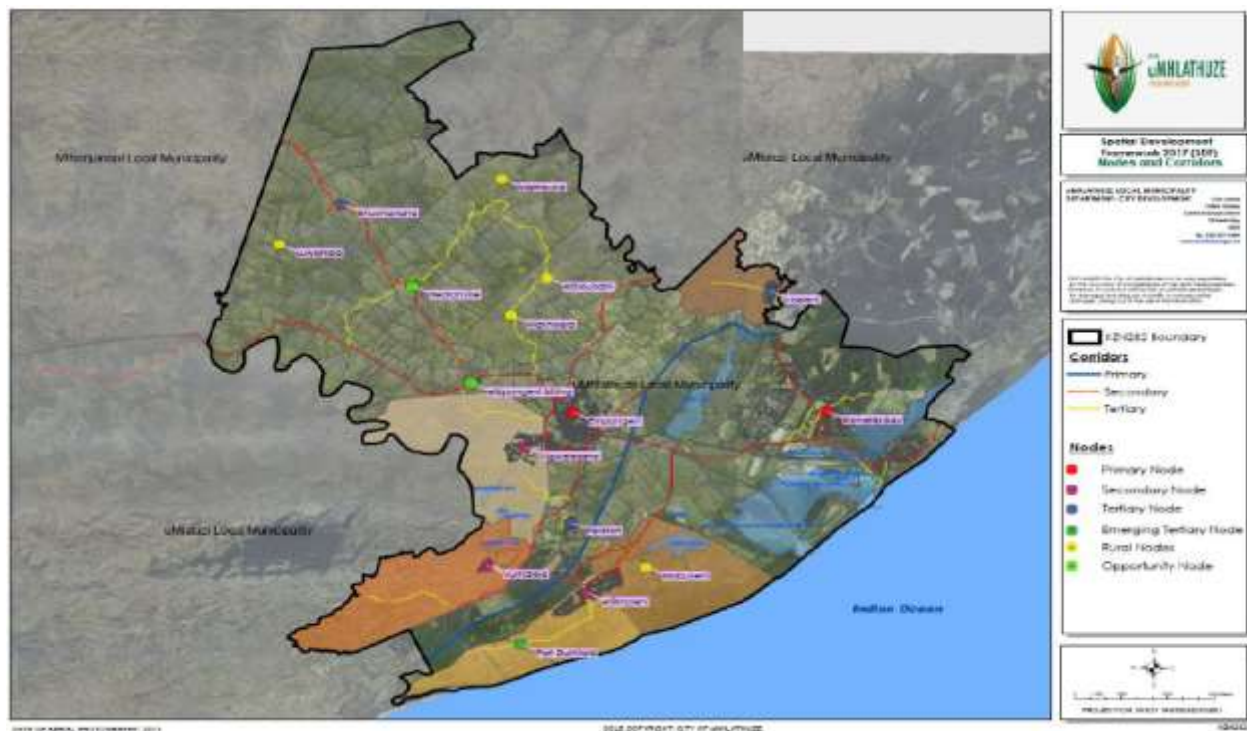
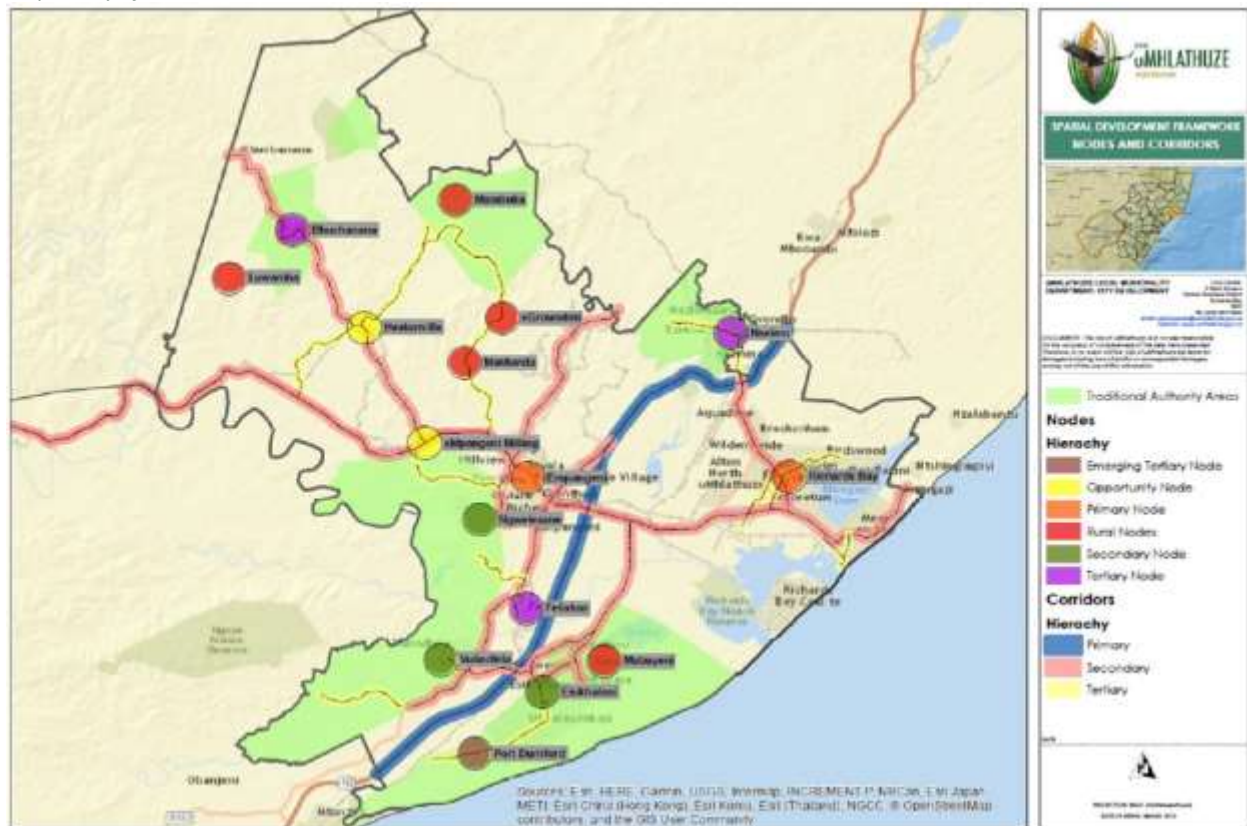
Description	Typical Intervention	Nodes
opportunities based on a human scale principle such as educational, low income residential (urban & peri-urban living), health facilities, and small scale commercial facilities.		
Emerging Tertiary A node that is already fulfilling a local need and has the potential to further develop, or is moving toward, being a tertiary node.		Port Durnford
Rural Nodes Socio-economic nodes that offer tailor-made mixed-use development opportunities closer to their surrounding communities.	Specific planning and development interventions are required to identify community services that are to be encouraged at these nodes. To this end, Municipality has embarked on process of preparing Nodal Framework Plans.	Hluma Matshana Mabuyela Luwamba Makwela eGroundini Mambuka
Opportunity Nodes By virtue of their location at a major intersection or significant passing trade, these areas offer opportunities that not necessarily of a residential nature.		Empangeni Milling Heatonville

Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

The above eighteen (18) nodes were identified by their spatial characteristics, primary land use characteristics, roles and functions to city and the region. Generally, well defined corridor hierarchy exists in the municipal area. In most instances, nodal areas have access via at least two major corridors but when the functionality of one of the main access corridors is hampered access is affected due the overall increase in road transport volumes.

Corridors provide access/connectivity to the various nodes or specific points of interest listed above. To this end, corridors as transport routes have to be maintained, and interventions are needed to make them accessible as well. With the latter it is implied that routes, such as pedestrian routes, should be created and facilities provided, i.e., gathering points (public transport points) under cover. Importantly, the levels of interventions for corridors are informed by the function and status of the corridor.

Map 5: City of uMhlatuze nodes and corridors



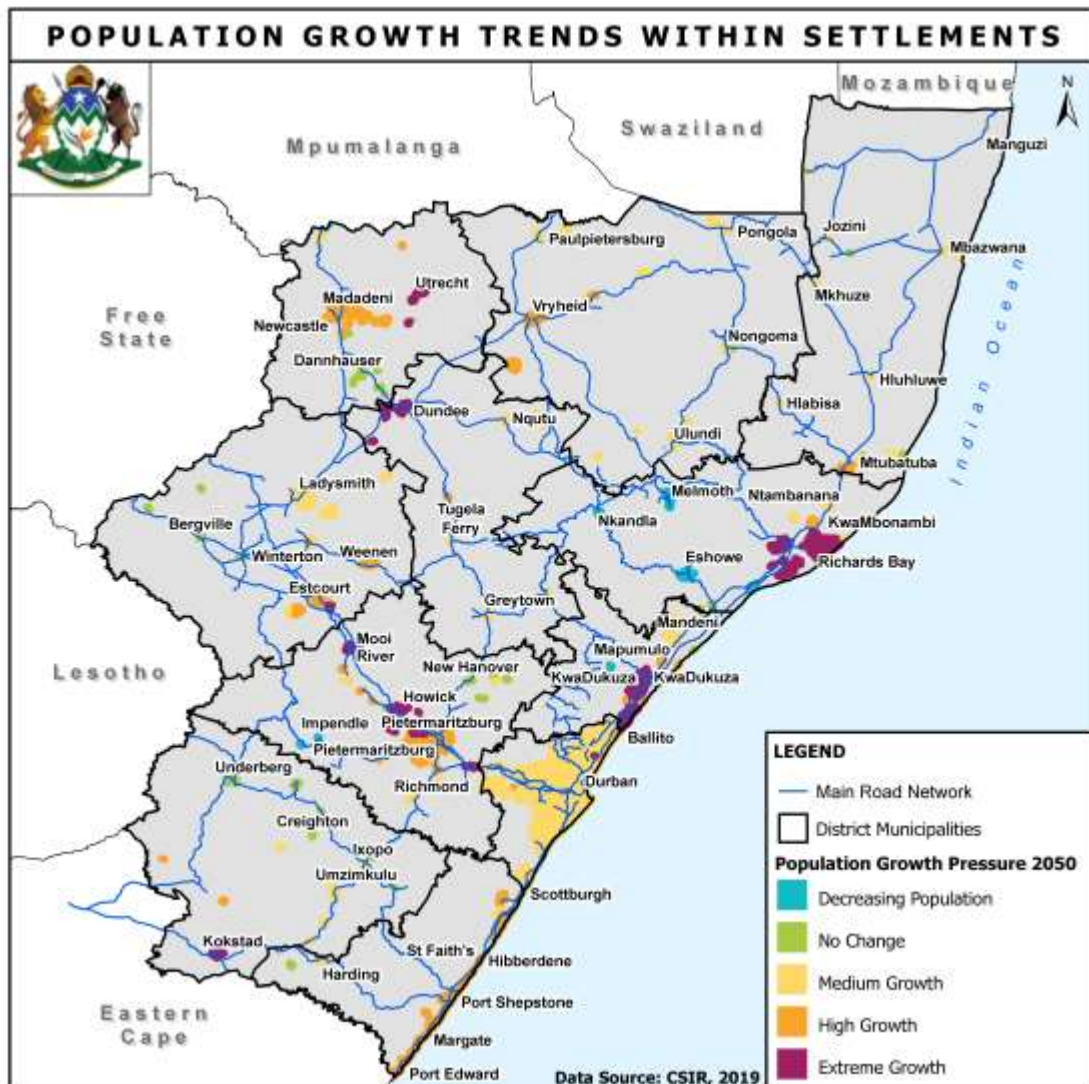
6 Sectoral and Spatial Analysis

6.1 Socio Economic Profile and Status

6.1.1 Demographics

The uMhlathuze IDP data estimates the population of uMhlathuze at 410 456 persons (StatsSA Community Survey 2016). This is up from 334 459 given by the Census 2011. This is a significant population increase of just over 22% in just 5 years between 2011 and 2016 signifying the exponential growth of the uMhlathuze population. According to projections by the CSIR (Greenbook, 2019), uMhlathuze is one of 6 KZN municipalities that are set to experience extreme population growth and pressure by 2050 as shown in the map below.

Map 6: Population Growth Pressure by 2050



30% of the total population growth expected for cities and large regional centres in KZN is projected for Richards Bay as shown in the map above.

According to the latest information in the King Cetshwayo DDM , in 2019, uMhlathuze accounted for the highest proportion of the District's population at 421 000. The King Cetshwayo DDM estimates that the City of uMhlathuze had the second highest population growth with an average annual growth rate of 1.51%. The total population of uMhlathuze makes up 42.3% of the total district population which is the largest proportion of all the local municipalities in King Cetshwayo District Municipality.

The number of households increased from 86 609 in 2011 to 110 503 as per Community Survey 2016.

The comparative population sizes and changes in population in King Cetshwayo District, broken down per municipality is indicated in the table and explanatory figure herewith.

Table 7: Comparative population sizes and changes in population in King Cetshwayo DM per local municipality

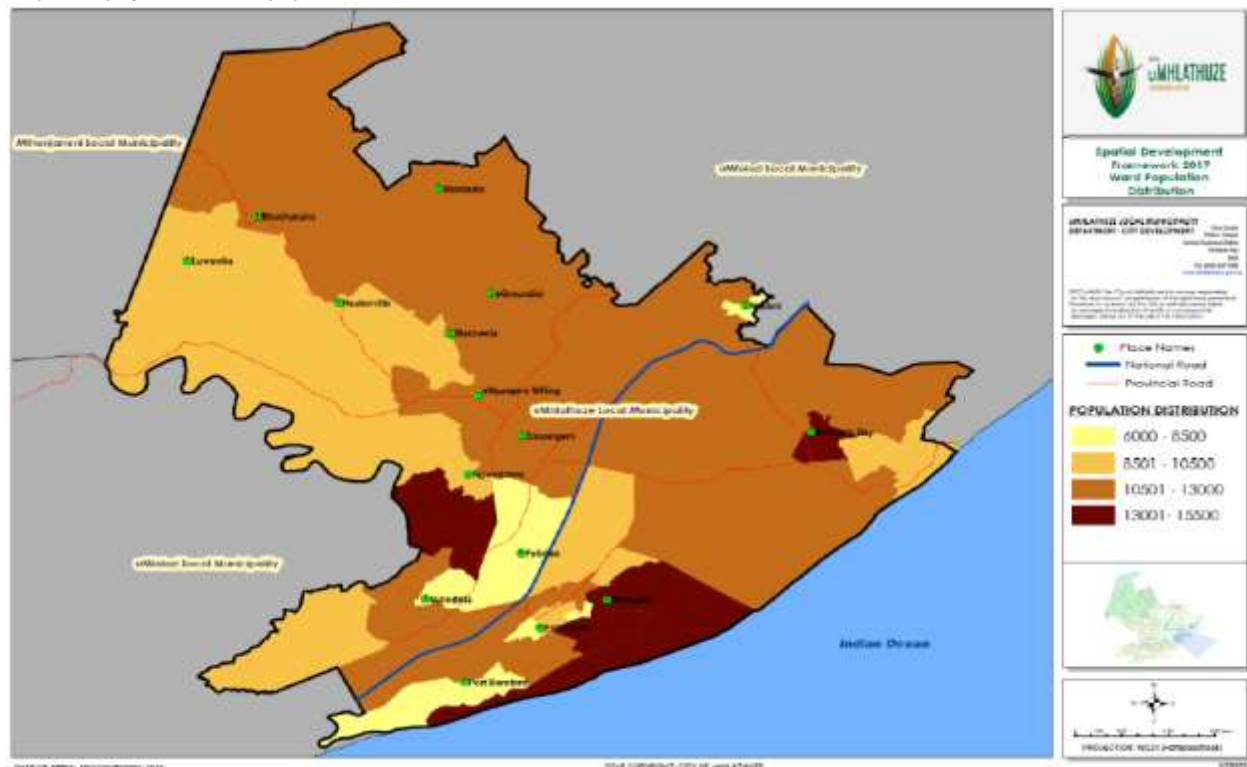
	KCDM	IMFOLOZI	UMHLATHUZE	UMLALAZI	MTHONJANENI	NKANDLA
2011	907 519	122 889	334 459	213 601	47 818	114 416
2016	971 135	144 363	410 465	233 140	78 883	114 284
% Growth	7,01%	17,47%	22,73%	9,15%	64,97%	-0,12%
% of DM pop	100.0%	14.9%	42.3%	24.0%	8.1%	11.8%

Source: uMhlathuze IDP 2019/20, Census 2011 & Community Survey 2016

In context of the above, it is important to note that a portion of the population increase may in part be the result of an enlarged municipal area following the inclusion of three (3) wards from the former Ntambanana local municipality post the 2016 Local Government Elections. However, Municipal planning should be cognisant of the potential population pressure on resources going forward.

More than 40% of uMhlathuze's population resides in dense settlements in rural and traditional authority areas adjacent to Empangeni and Richards Bay. The municipal wards that have the highest population numbers are wards 5, 13, 18, 24, 25 and 29. Some of the population growth in the Municipality may be attributed to expectations of employment prospects. This is illustrated in the map below.

Map 7: City of uMhlathuze population distribution



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

Population growth scenarios have been applied to the base figure from the 2016 Community Survey. Adequate data and research is not available at this time to apply a historic growth trend. This is because the composition of the municipality, in terms of boundaries and wards, has changed post the Local Government Elections of 2016. The following base data has therefore been used:

- A baseline population in the uMhlathuze Municipality of 410 465 people in 2016 as per the Community Survey
- A calculated household size of 3.95 as derived from 2011 census data.
- A total number of 103 915 households in the municipal area derived from the above Community Survey.

Table 8: population growth scenarios 2021 - 2030

Scenario	2021	2022	2023	2024	2025	2030
1.5% increase						
Population	442 187	448 120	455 552	462 386	469 322	505 593
Households	111 946	113 625	115 330	117 060	118 816	127 998
5% increase						
Population	523 869	550 062	577 565	606 444	636 766	812 693
Households	132 625	139 256	146 219	153 530	161 207	205 745

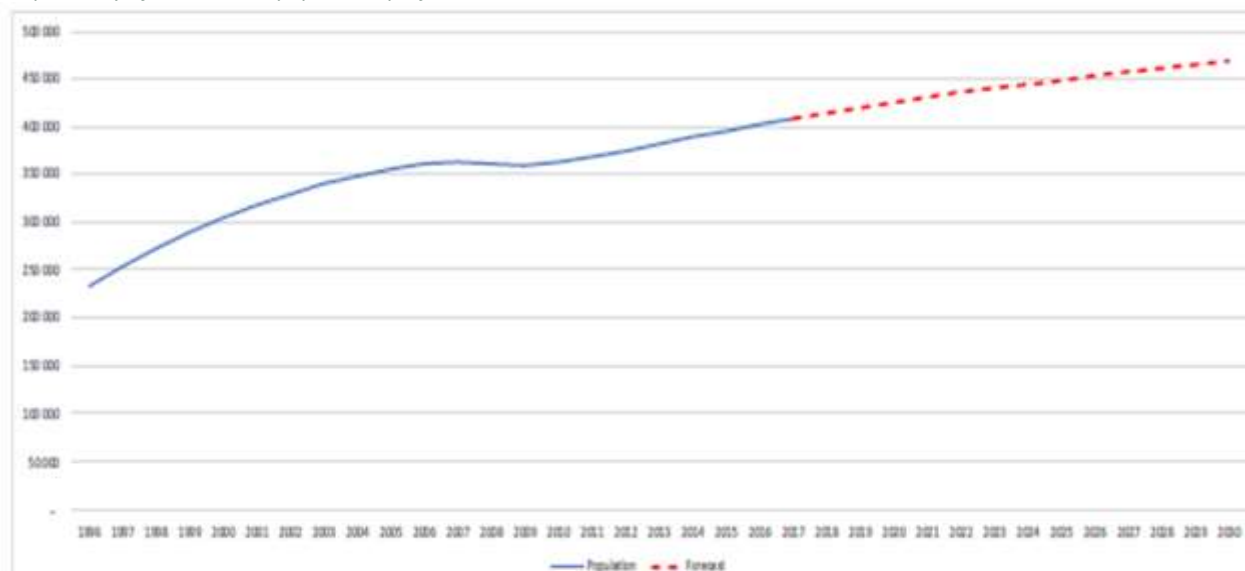
Source: uMhlathuze IDP 2019/20

From the above, the following is highlighted:

- At a steady population increase of 1,5% per annum, the municipal population will surpass 500 000 people by 2030.
- At a 5% per annum population growth rate the number of households in the municipality will double by 2030.

This trajectory is broadly illustrated by the graph below.

Graph 1: City of uMhlathuze population projections



Source: uMhlathuze IDP 2019/20

In line with national and provincial trends, there are more females than males in the Municipality. The number of Female headed Households has increased from 2001 from 36.29 % to 40.70% in 2011. While about 5% of uMhlathuze Households are Child and Adolescent Headed Households.

In terms of age breakdown, the 0 – 14 years age group has slightly increased while the elderly age group (65 years +) has remained steady over time. The 20 – 34-year age group has also remained relatively unchanged over time while there is a slight increase in the 35 – 64-year age group as shown in the table below.

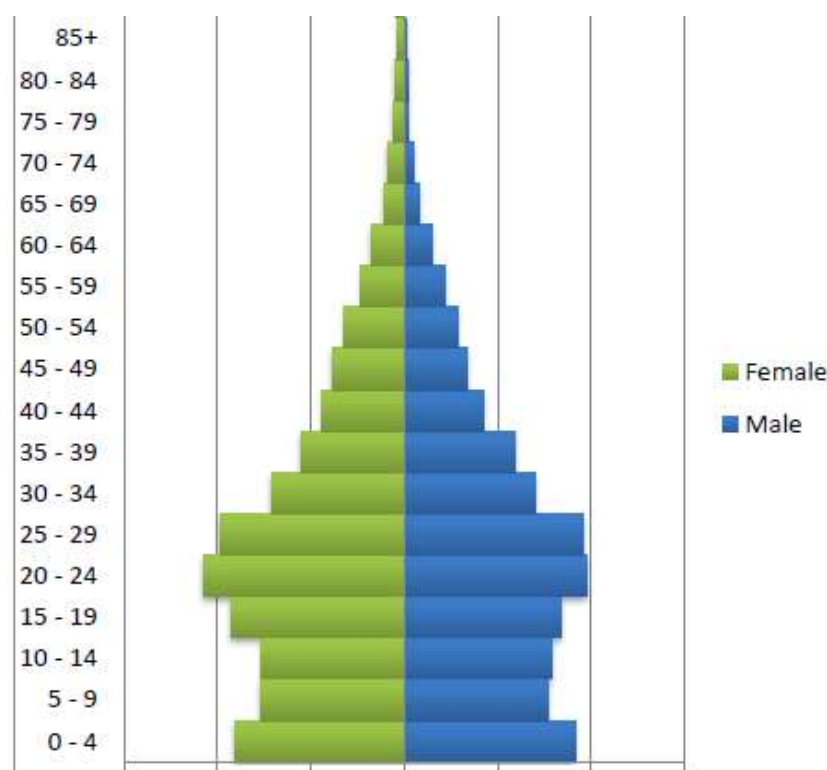
Table 9: City of uMhlathuze age breakdown

Age group	0 – 14 years		15 - 19 years		20 - 34 years		35 - 64 years		65+	
Year	2011	2016	2011	2016	2011	2016	2011	2016	2011	2016

uMhlathuze	29.9%	30.3%	10.7%	9.3%	31.8%	31.4%	24.3%	25.7%	3.3%	3.3%
King Cetshwayo	34.8%	35.2%	11.8%	10.2%	26.6%	26.4%	22.3%	23.7%	4.5%	4.5%

Source: CSIR Mesozone Data 2018

The figure below shows the population pyramid for uMhlathuze.



The Figure and the table above indicate that Municipality is dominated by a young population in terms of age.

It is imperative that the municipality develop programs and projects that will respond to youth issues. Further strategies for youth development, in terms of empowering youth in different skills must take priority in municipality's strategies.

Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

Functional age groups indicate the level of the potential work force in the region. Therefore, the key age group relates to individuals aged 15 to 64 years. The following tables provide a comparison between 2007, 2012 and 2017 in respect to economic active population for uMhlathuze and the other municipalities in the King Cetshwayo District.

Table 10: Comparison between 2007, 2012 and 2017 in respect to economic active population

	Total Economically Active Population			EAP Growth Rate (%)			Average Annual Growth (%) (2007 – 2017)
	2007	2012	2017	2007	2012	2017	
South Africa	18 007 069	18 739 171	21 839 604	2,8	2,2	2,5	1,95
KwaZulu-Natal	3 296 129	3 027 883	3 473 626	1,1	1,8	2,8	0,53
King Cetshwayo	258 037	226 303	273 446	0,4	1,9	2,9	0,58
uMfolozi	32 477	29 595	37 115	1,8	2,5	3,6	1,34
uMhlathuze	142 413	131 468	156 315	0,9	1,8	2,8	0,94

uMlalazi	44 316	37 266	45 957	0,1	1,7	2,9	0,36
Mthonjaneni	22 044	16 339	19 483	-1,9	1,2	2,5	-1,23
Nkandla	16 787	11 635	14 576	-2,8	2,6	3,9	-1,40

Source: uMhlathuze IDP 2019/20, IHS Markit, 2018

6.1.1.1 Settlement Densities and Patterns

A total population of 58% resides within Tribal areas, followed by Urban Area where 39% of the total population resides, thirdly is small percentage of the population of 3% resides in Farmland. Settlement densities are highest in the formal urban areas, namely Empangeni, Richards Bay, eSikhaleni, Ngwelezane, eNseleni, Vulindlela and Felixton. The municipality has a huge area, classified as tribal. It is therefore important that programs like Rural Development are fully employed by the municipality to improve service standards in those areas. Further it is important that a municipality maintains a good relationship with traditional leaders within uMhlathuze, so that service delivery will not be comprised.

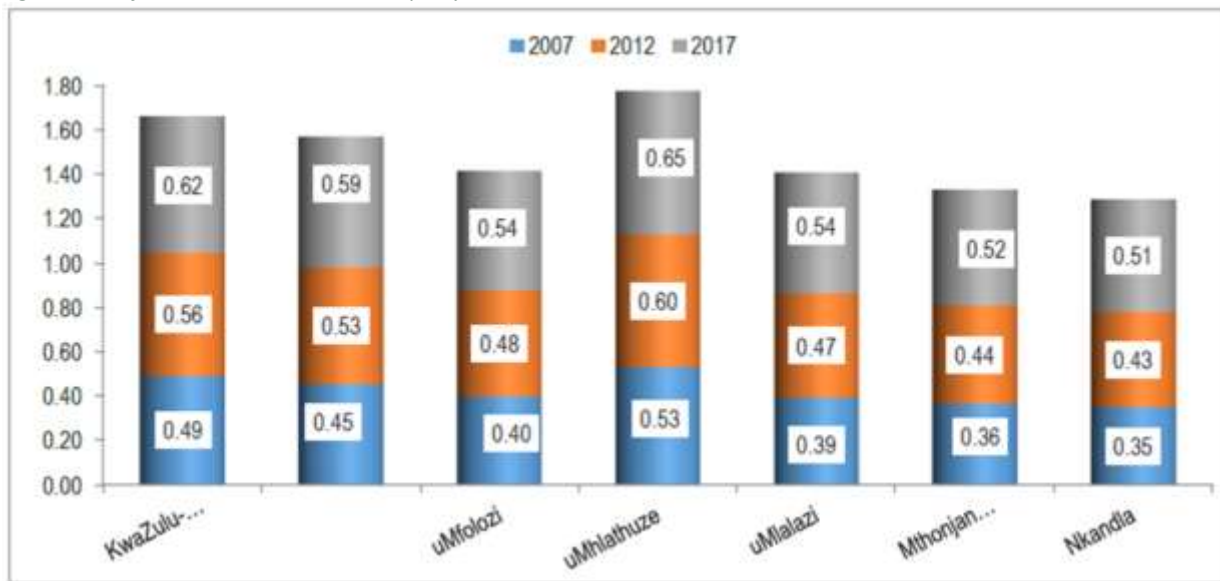
Historically, the areas directly adjacent to the above formal urban areas namely the conventional peri-urban areas, have also been experiencing increasing settlement densification. However, this trend has changed in the Traditional Council areas of the municipal area. Areas of denser settlement in the rural (Traditional Council) areas have developed at further distances from the formal urban areas. Such settlement is seemingly happening on an ad hoc basis given land allocation in the rural areas without pre-planning, i.e., settlement planning. It is imperative to obtain the buy-in from the Ingonyama Trust Board to ensure settlement planning is undertaken in the rural areas to, amongst others, ensure more sustainable service provision and the most efficient use of scarce productive agricultural lands.

6.1.2 Poverty and Inequality

Measuring the life expectancy, literacy rates and income levels as proxy of quality of living, the Human Development Index (HDI) of uMhlathuze Municipality has remained the same since 2009 to 2015, at 0.63. The Human Development Index (HDI) is defined as a “composite, relative index which attempts to quantify the extent of human development of a community. It is based on measures of life expectancy, literacy and income”. The HDI can assume a maximum value of 1, indicating a high level of human development, and a minimum value of 0.

The following figure provides the HDI for uMhlathuze Local Municipality over a given period of time.

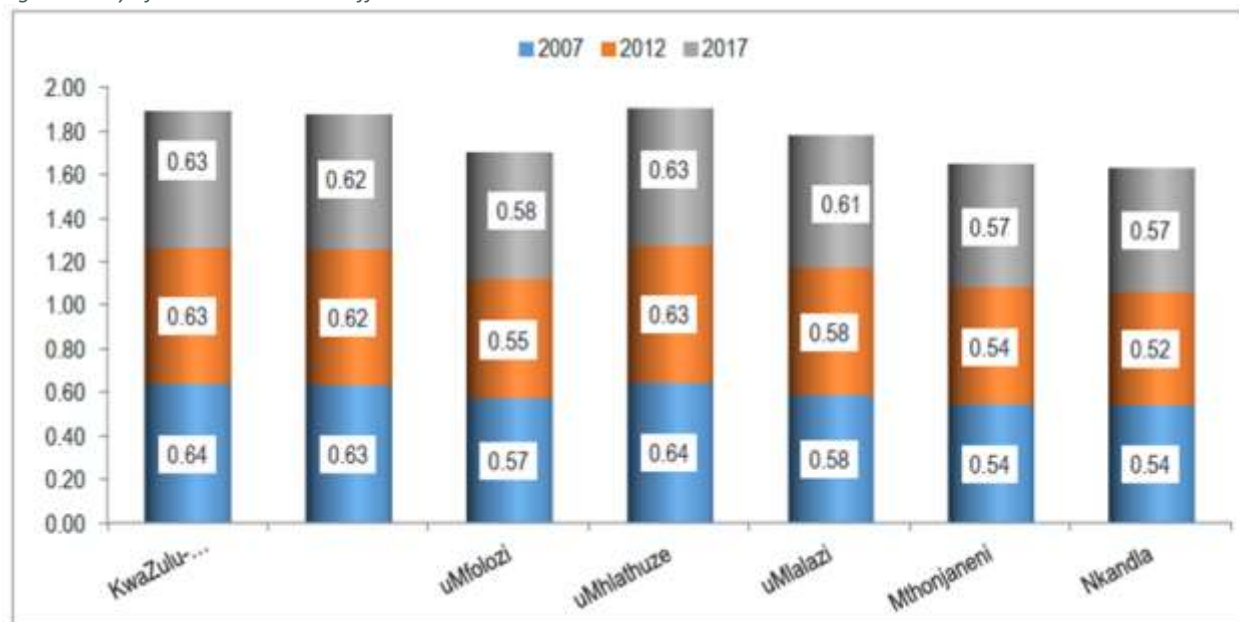
Figure 3: HDI for uMhlathuze Local Municipality



Source: IHS Markit, 2018, IDP 2019/20

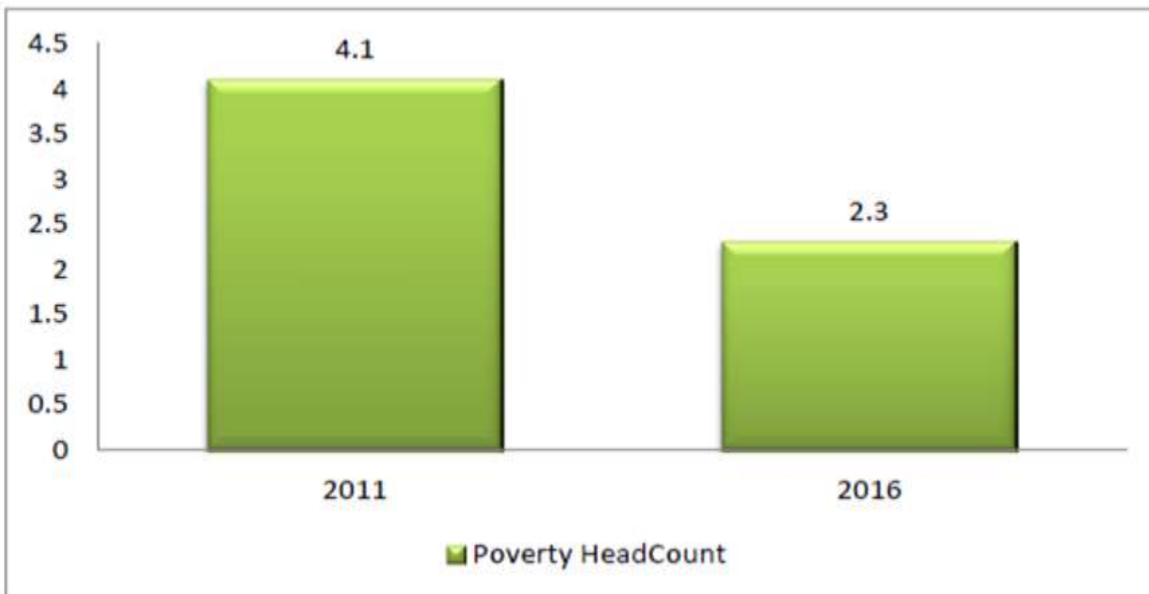
Income inequality is indicated by the Gini-coefficient. Income inequality in the King Cetshwayo District and Province has become less equal over time – from 0.64 in 2007 and decreased to 0.63 in 2012 up to 2017 in uMhlathuze Municipality.

Figure 4: City of uMhlathuze Gini coefficient



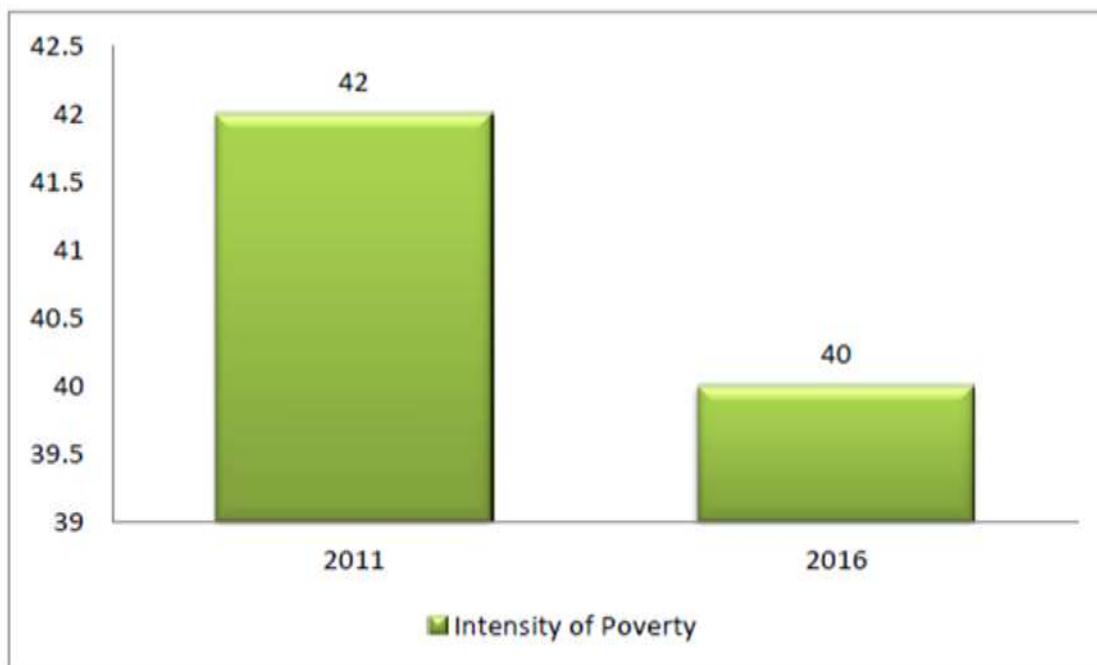
Source: IHS Markit 2018. IDP 2019/20

Figure 5: City of uMhlathuze poverty headcount



Source: Global Insights 2015; IDP 2019/20

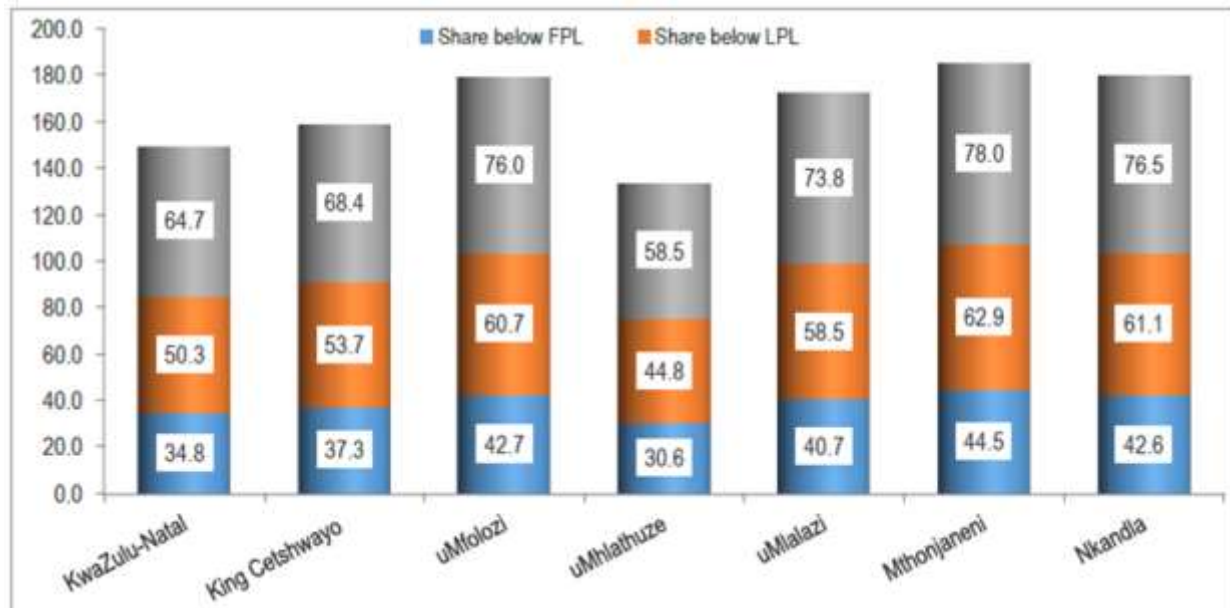
Figure 6: City of uMhlathuze intensity of poverty



Source: Global Insight 2015

There is a noticeable decrease in poverty headcount, whereas the extent of intensity of poverty remains relatively high comparatively.

Figure 7: City of uMhlathuze poverty



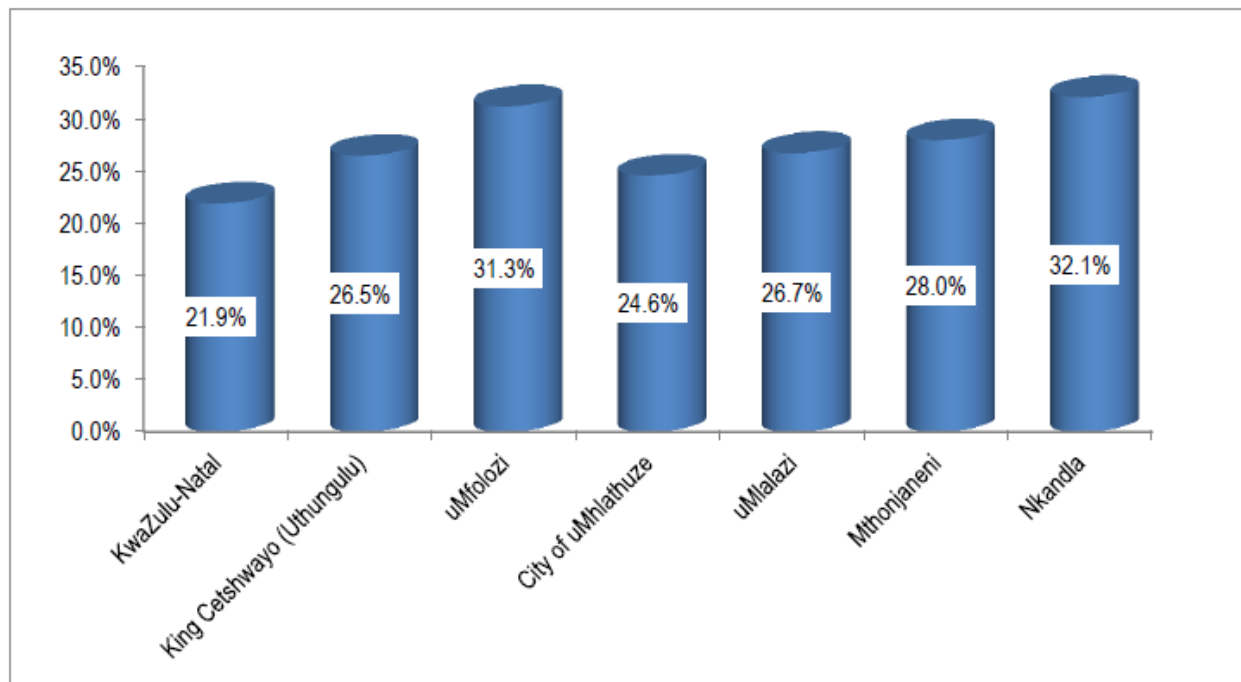
Source: IHS Markit, 2018; IDP, 2019/20

6.1.3 Employment

High unemployment undermines the equitable distribution of income and underpins poverty. Employment is one of the main desired outcomes of economic growth and is currently a major focus of government policy at the national level. The figure below indicates percentage of unemployment in King Cetshwayo District. The City of uMhlathuze is at 24.6% with regards to unemployment as per the recent Global insight statistics. The picture is better if compared with other municipalities within the region; however, it is still relatively higher when compared with 21.9 % of the province.

Job creation is not the core competency of the municipality however City of uMhlathuze is committed to radical economic transformation which entails making the environment conducive for investors.

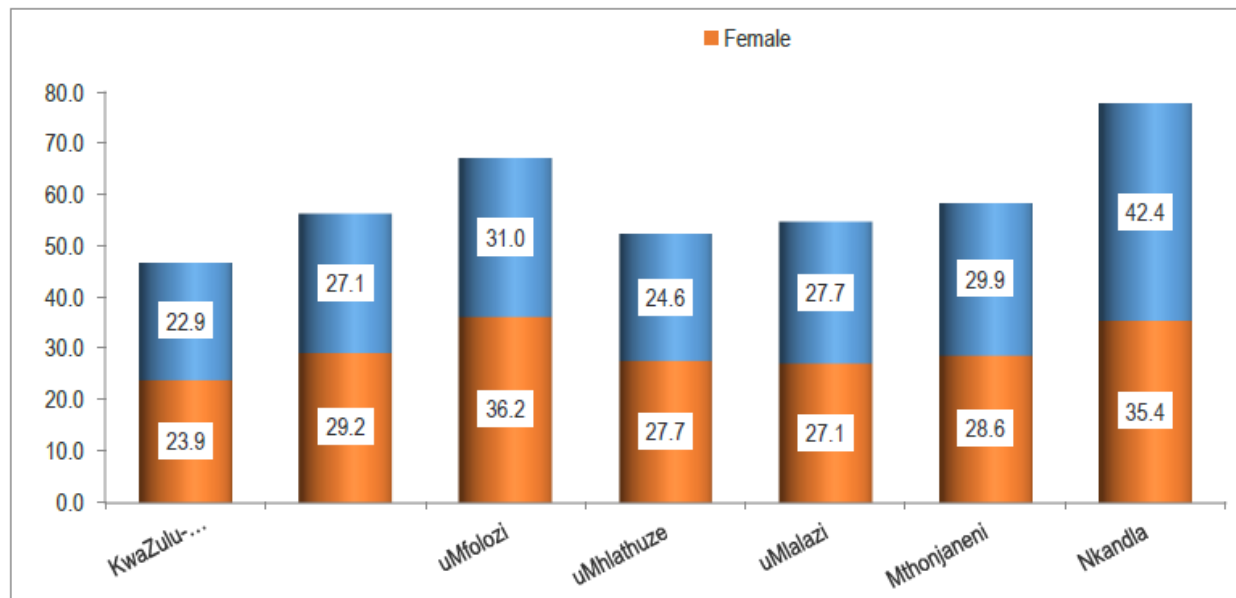
Figure 8: City of uMhlathuze unemployment rates



Source: Global Insight 2015

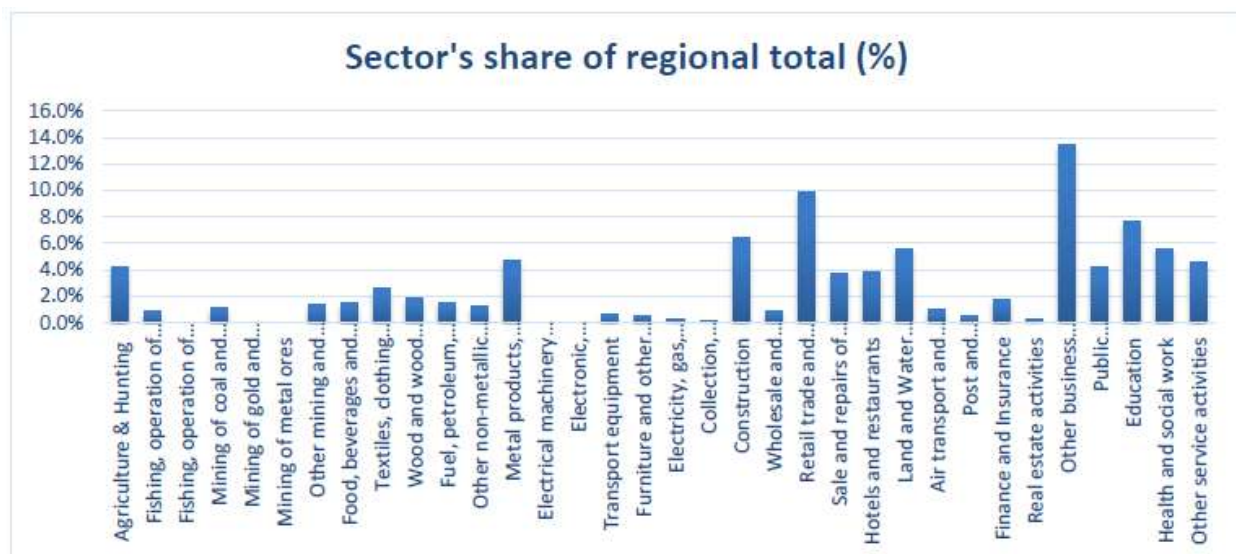
The figure above indicates that the majority of employed within the district are males. This leaves a challenge for uMhlathuze Municipality that through its projects and programs women must be develop and empowered to stand a better equal that that of males when it comes to job opportunities.

Figure 9: City of uMhlathuze unemployment rates by gender



Source: IHS Markit, 2018, IDP 2019/20

Figure 10: City of uMhlathuze employment by sector



Source: IHS Markit, 2018; IDP 2019/20

Table 11: City of uMhlathuze formal and informal employment

	Formal employment	Informal employment	Total employment	% share of King Cetshwayo formal employment	% share of King Cetshwayo informal employment

King Cetshwayo (uThungulu)	155,150	37,965	193,114	100	100
uMfolozi	31,984	8,579	40,563	20.6	22.6
City of uMhlathuze	76,488	17,158	93,646	49.3	45.2
uMlalazi	27,721	7,631	35,352	17.9	20.1
Mthonjaneni	11,213	2,729	13,941	7.2	7.2
Nkandla	7,744	1,868	9,612	5.0	4.9

Source: IHS Markit, 2018; IDP 2019/20

uMhlathuze is contributing 49.3% towards formal employment within the King Cetshwayo District and about 45.2% of informal employment. Because of the economic position uMhlathuze is contributing more to the regional employment

Table 12: Per sector GDP contribution

	KWAZULU NATAL	KING CETSHWAYO	uMHLATHUZE
Primary sector	8,4%	5,1%	9,3%
Agriculture	5,4%	4,8%	7,6%
Mining	3,0%	0,4%	1,7%
Secondary sector	18,5%	20,7%	24,2%
Manufacturing	10,3%	12,2%	12,4%
Electricity	0,6%	0,4%	0,2%
Construction	7,6%	8,1%	11,5%
Tertiary sector	73,2%	74,2%	66,6%
Trade	21,5%	22,1%	18,8%
Transport	5,3%	6,0%	7,0%
Finance	16,8%	13,5%	13,3%
Community services	21,5%	23,6%	20,3%
Households	8,1%	8,9%	7,1%

Source: IHS Markit, 2018; IDP 2019/20

To be noted in 2010 there was a decline in the mining sector; however, we are noting an increase within the year 2015. Manufacturing is not doing well; this is confirmed by the declining trend seen over the years from 32.5 in 2005 and 30.5 in 2015. There is almost a double increase within the community services sector from 15.6% in 2005 to 28.2% in 2015.

Table 13: Per sector contribution in employment terms

	2005	2010	2015
Primary sector	14.4%	13.3%	15.4%
Agriculture	3.3%	3.7%	3.9%
Mining	11.1%	9.7%	11.5%
Secondary sector	38.3%	37.4%	36.2%
Manufacturing	32.5%	31.3%	30.5%
Electricity	2.1%	1.8%	1.6%

Construction	3.8%	4.2%	4%
Tertiary sector	47.3%	49.2%	48.4%
Trade	9.4%	9.7%	9.7%
Transport	11.7%	12.6%	12.9%
Finance	10.5%	11.3%	14.8%
Community services	15.6%	15.6%	28.2%

Source: IHS Markit, 2018; IDP 2019/20

Expanded Public Works Programme (EPWP)

Section 152 (1c) of Chapter 7 of the Constitution of South Africa mandates the local spheres of government to promote social and economic development. It stipulates that these development efforts should address the basic needs of the community and promote employment creation for local people. Fulfilling this obligation requires high levels of service delivery, infrastructure provision, education and business support by government institutions. The City of uMhlathuze has therefore identified the EPWP as a critical tool for poverty alleviation and improving the employability of marginalized residents in the community. EPWP is part of the national government's short to medium-term strategy to reduce unemployment and poverty.

Though the City of uMhlathuze has successfully implemented the Expanded Public Works Program (EPWP) since its introduction in 2010, concerns have been expressed about the absence of a comprehensive EPWP policy to provide a framework for the implementation of the Expanded Public Works Programme within the City of uMhlathuze, which includes the activities of all the departments/units and facilitate greater alignment with other government policies and programmes.

EPWP policy framework

The City of uMhlathuze adopted an EPWP Policy Framework in May 2018. The policy framework was prepared in-house and draws its legal mandate from the following laws and regulations as amended from time to time:

- The South African Constitution, 1996;
- The City of UMhlathuze Integrated Development Plan (IDP);
- Basic Conditions of Employment Act, 1997 (Act No. 75 of 1997);
- Employment Equity Act, 1998 (Act No. 55 of 1998);
- Code of Good Practice for Employment and Conditions of Work for Special Public Works Programmes;

- Ministerial Determinations 4: 4th May 2012, Expanded Public Works Programmes, issued in terms of Section 50 of the Basic Conditions of Employment Act 1997
- Division of Revenue Act (DoRA) 2017;
- Intergovernmental Governmental Relations (IGR) Framework Act, 2005 (Act No.13 of 2005);
- Local Government: Municipal Systems, 2000, (Act No 32 of 2000);
- Local Government: Municipal Finance Management Act, 2003, (Act No. 56 of 2003), (MFMA);
- Unemployment Insurance Act, 2001, (Act No. 63 of 2001) and;
- Compensation for Occupational Injuries and Diseases Act, 1993, (Act No.130 of 10 1993).
- Any other laws which may be applicable from time to time

The policy aligns with a number of overarching strategic documents that inform the City's priorities, such as the:

- National Development Plan
- Ministerial Determination and the Code of Good Practice for EPWP, 2012
- KZN Provincial Growth and Development Strategy, 2035
- City of uMhlathuze's Integrated Development Plan
- City of uMhlathuze's Strategic Roadmap for Economic Development, Transformation and Job Creation

6.1.4 Skills development/Education

Education levels are provided for the 2001 and 2011 census years. Comparisons are made with the levels in King Cetshwayo District. The following table provides a summary of the situation while more explanatory figures are provided hereafter of specific situations.

Table 14: Comparative educational levels

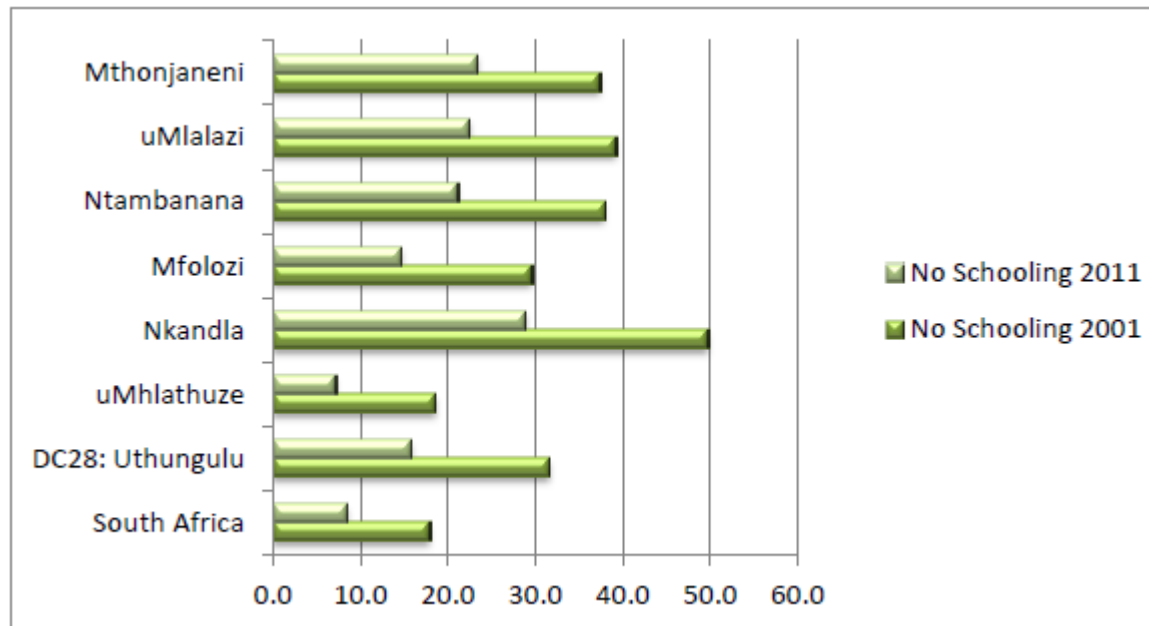
	No Schooling		Higher Education		Matric		Primary Education Enrolment	
	2001	2011	2001	2011	2001	2011	2001	2011
uMhlathuze	18.5%	7.2%	10.9%	7.3%	27.6%	37.9%	90.1%	91.7%
King Cetshwayo	31.6%	15.7%	5.8%	4.2%	18.3%	29.5%	88.3%	89.6%

Source: uMhlathuze IDP 2019/20

Although there has been a slight increase in the primary enrolment levels at national and district level, it remains concerning that, in some instances, nearly 10% of children of school going age, are not attending

school. Reasons could relate to access, affordability and other poverty related factors such as HIV/Aids for this. The number of persons that do not have any education (no schooling) has declined between 2001 and 2011 as indicated in the figure below.

Figure 11: Persons with no schooling



Source: uMhlathuze IDP 2019/20

A number of Skills training and financing of SMMEs is available in KZN. What becomes a challenge though for some is accessibility thereof as well as contextualisation in certain localities. Given the high unemployment rate and the anticipated thereof post Covid-19, incubation services and entrepreneurial skills will be much needed for both existing and forthcoming generation of entrepreneurs with tailor made support to revive and upscale their businesses, respectively. These services need to address a variety of businesses with tailor made support including but not limited to legal compliance, basic business skills, access to funding opportunities, etc. Focus should also be on innovation to enter new markets and or be able to compete in the existing markets that will have a great impact on job creation and multiplying effect on the economy.

6.1.5 Infrastructure Support

According to the report released by the National Planning Commission (NPC) on the review of the National Development Plan, local government has an important role to play in the roll out and maintenance of

basic services infrastructure across the country. The ability of all municipalities to develop and to maintain local infrastructure is a key component of the NDP's goal of addressing spatial inequality and ensuring access for all households to a package of basic service.

The NPC further argues that the deteriorating state of local government finances – notably the low and declining rates of revenue collection – is the main reason for the low level of infrastructure maintenance, together with significant skills gaps in respect of technical planning and project management.

The NPC states that the backlog in infrastructure maintenance threatens to undermine what has already been achieved to date. Infrastructure maintenance in local government requires special attention.

Infrastructure development has been noted in the PGDS as one of the key interventions to drive KZN to Vision 2035. To this end, the Province has identified the types of infrastructure below as high priority for the period up to 2035 and beyond:

- Airports,
- Harbours,
- Roads,
- Rail,
- Electricity,
- Information Communication Technologies,
- Water and Sanitation,
- Education Facilities,
- Health Facilities,
- Human Settlement.

The following table outlines the municipalities infrastructure status.

Table 15: City of uMhlathuze Infrastructure Support

Port and related infrastructure	As the main economic attraction of the area, the port is the overarching priority for stimulating the local economy. It is also a provincial priority in that it is the growth engine for one of the primary provincial growth nodes. Port and related infrastructure is classified as Strategic Important Developments, and such is important for the national economy. Port expansion options are addressed in the Port Development Framework (2007) which has been integrated with the City's IDP and SDF and form parts of the City's Local Economic Development Strategy.
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Transport	The City's Arterial Road Framework and Airport Framework Plan are under review (2009). The John Ross Parkway is currently being upgraded. Over the long-term it may need to be rebuilt to accommodate the proposed port layout plan, encroaching into land earmarked for development for the IDZ.
Rail infrastructure	Rail infrastructure links the port with the hinterland to ensure the flow of resources. The National Infrastructure Plan makes provision for expansion and upgrades of transport networks.
Industrial development	The Richards Bay Industrial Development Zone has been designated as a national priority for stimulating growth in the manufacturing sector. The manufacturing sector is important in the province (largest contributor to PGDP). The City promotes "competitiveness in the manufacturing sector whilst advancing downstream value-adding opportunities that are labour intensive".
Commercial activities	National Government: Promote Local Economic Development Initiatives The City's IDP promotes a diversity of economic activities, and the Local Economic Development Plan makes provision for growth in the commercial sector by encouraging new initiatives for emerging businesses, the informal sector and SMMEs.
Agriculture	Agriculture is a provincial development priority (food security). The focus of the City's Agricultural Development Strategy and Plan is on traditional authority areas and addressed emerging farmers. There are no local priorities for agriculture expansion within the study area.
Tourism	The region within which the study area is located has been identified as a provincial tourism priority. The City's IDP acknowledges the tourism potential of the area and promotes the enhancement of this potential.
Mining	Mining of mineral resources is an important economic activity in the region. There is only one mine in the study area while mining rights have been assigned to the south of the area.
Energy	The City has an Energy Strategy (2009) to "minimise the local and global environmental impacts of energy use by adopting and promoting efficient demand-side practices and by encouraging the uptake of renewable energy options within all sectors". The strategy defines objectives for the environmental, social, economic and institutional sectors. It also sets demand side and supply side targets for the municipality. Existing electric overhead power lines serves the city and the aluminium smelters. These power lines may need to be relocated further north to accommodate the proposed port layout plan, encroaching into land earmarked for development for the IDZ.
Housing	Sustainable human settlements are a national policy goal. Private land ownership, lack of suitable infrastructure, environmentally sensitive wetlands, geotechnical and environmental considerations limits suitability. A number of potential land parcels have been identified with housing potential and urban densification is receiving attention. An increasing need for housing within or close to the CBD is projected. The greatest need for housing occurs in rural/tribal areas and the removal of slums and informal settlements is a priority. Land tenure is a major challenge.
Waste Services and Infrastructure	The management and minimisation of waste streams in the study area is a concern due to a lack of adequate disposal infrastructure and services. The City has an Integrated Waste Management Plan (2017) to "protect natural resources by managing and minimising waste streams" in the study area. In view of future potential industrial expansion, the Plan may need to be reviewed and strategies need to be devised, in cooperation with the District Municipality who is responsible for addressing the inadequate landfill capacity to serve the area over the short-term.

Water and sanitation services and infrastructure	The uMhlathuze Municipal area is supplied with potable water from Lake Mzingazi, Lake Cubhu, Nseleni river (Nsezi Lake) and Mhlathuze river. There are concerns about the long-term sustainable supply of water to sustain economic growth. The priorities for water and sanitation provision are specified in the City's Water Services Management Plan (2013) where the focus is predominantly on the "provision of safe, sustainable and affordable water services, the right of access to basic water supply and sanitation". The Plan acknowledges the threats of diseases and environmental problems posed by water and sanitation backlogs in the rural areas. UMhlathuze is the process of reviewing the WSDP in 2018. The Plan does will consider the supply of water to meet future growth demands and suggest ways to optimise use of existing water resources
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Source: uMhlathuze IDP 2019/20

There are no dedicated champions to drive key construction/ built environment projects, which hinders the progression of key projects and frustrates investors, as well as the construction industry. 'Soft' infrastructure is viewed as important to strengthening the investment attractiveness of uMhlathuze. The proposed airport development is essential for long-term development planning for uMhlathuze and investment attractiveness of the region. Alternative funding structures need to be explored.

6.1.6 Land Development Patterns

The following table provides a breakdown of the land ownership in terms of hectares.

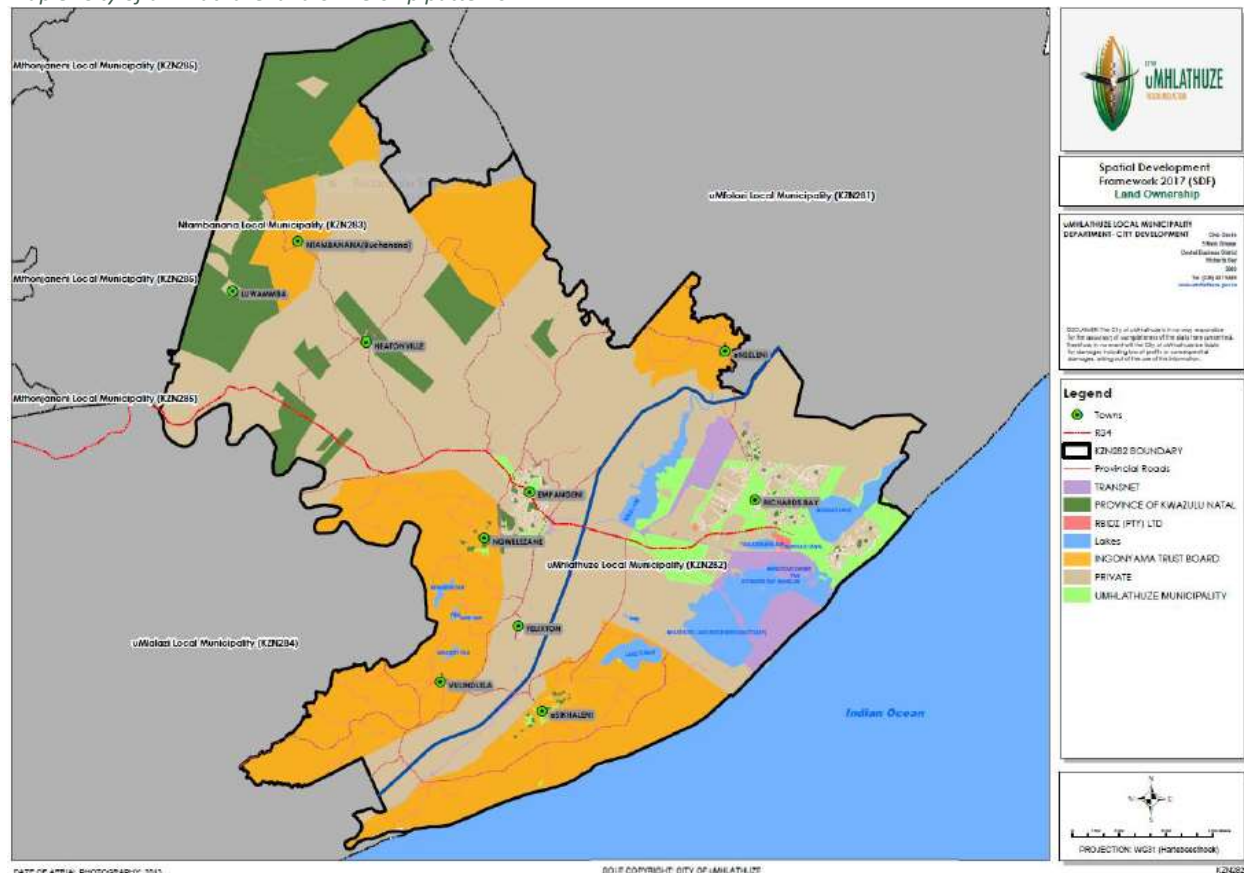
Table 16: Land Ownership Breakdown

Landowners	Area(Hectares)
Province of KZN	14 167
City of uMhlathuze	4 259
Transnet	2 989
IDZ	107
Ingonyama Trust Board	63 795
Private	32 467
Lakes	5 541
Total	123 325

Source: uMhlathuze IDP 2019/20

One of the biggest Municipal challenges in relation to land ownership is the distribution and allocation of land in the Ingonyama Trust Board land which is mainly administered by Traditional Authorities. Such distribution is common in the peri-urban and infill areas. This situation led to formation of unplanned settlements which put pressure to the Municipality from services provision perspective.

Map 8: City of uMhlathuze land ownership patterns



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

Only 50% of land within the City of uMhlathuze is suitable for development. The industrial expansion plans do not match the size of available land. This may constrain manufacturing and other commercial activities targeted for the City in the medium to long-term. On the other hand, exponential population growth poses capacity challenges on available land.

Also, there remains a need to optimise the use of protected land for tourism expansion. This is a strategic challenge and balance requiring attention of the current and future leadership teams.

Unplanned peri-urban settlements impose a unique set of challenges to the city's service provision infrastructure. These settlements are located on floodplanes, wetlands and under powerlines. They are organised in relatively high densities and are therefore difficult to provide with services and public facilities.

The spatial planning interventions aimed at addressing some of these challenges are sceptically perceived by some communities as the Council's ploy for land dispossession and imposition of rates and taxes.

Additionally, there seems to be limitations to the municipality's ability to enforce bylaws and compliance with SPLUMA provisions, especially in rural settlements. The municipal funding model does not cater for collection of rates and taxes from households in rural settlements, while service expectations remain high amongst them.

The corridor development inclusive of Esikhaleni-Vulindlela, Airport City Initiative and Nseleni Interchange are notable projects on the journey to spatial restructuring and integrated access to social and industrial services. Linked to these developments is integrated urban network strategy providing for spatial connectivity and public transport.

6.1.6.1 Land Capability

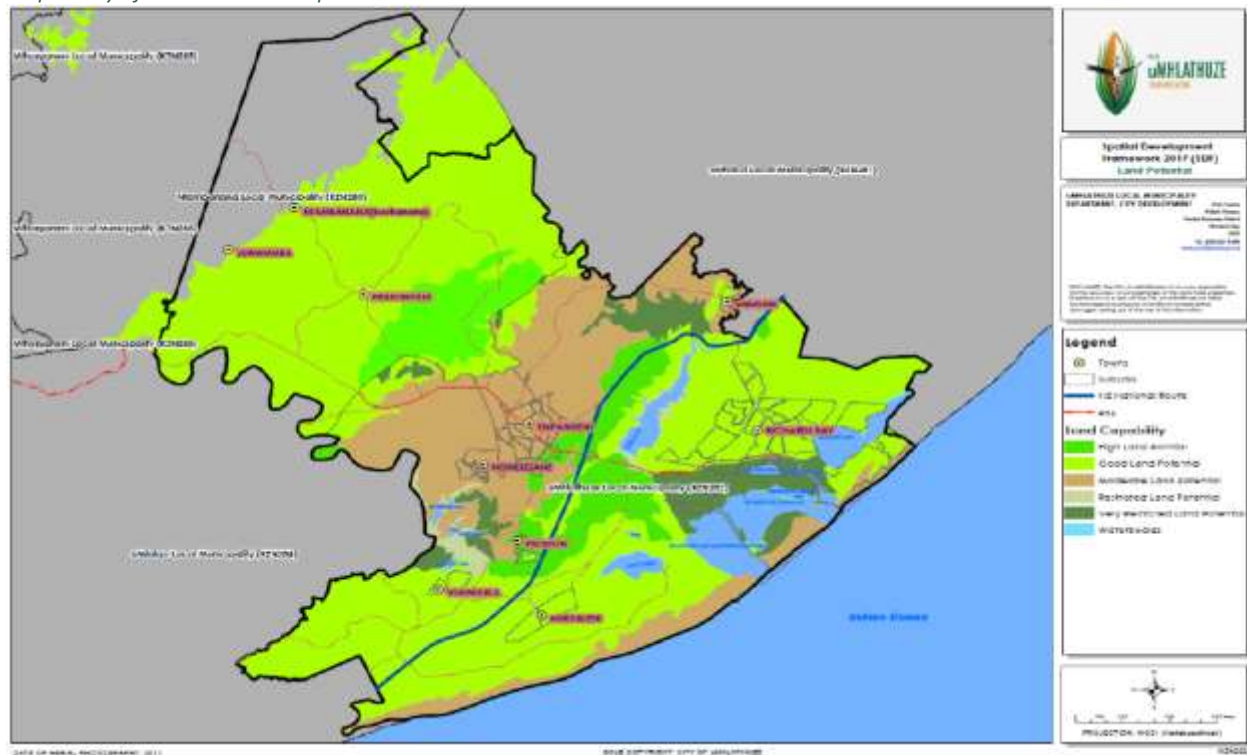
The following table and map provide a breakdown of land potential/capability in terms of hectares and percentages.

Table 17: City of uMhlathuze land potential

	Size (hectares)	Percentage (%)
High Land Potential	6 959ha	9%
Good land Potential	3 9519ha	50%
Moderate Land Potential	2 1565ha	27%
Restricted Land Potential	2 259ha	3%
Very Restricted Land Potential	7 632ha	10%
Waterbodies	1 400ha	1%
Total	7 9334ha	100%

Source: uMhlathuze IDP 2019/20

Map 9: City of uMhlathuze land potential



Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

6.2 Economic Profile and Context

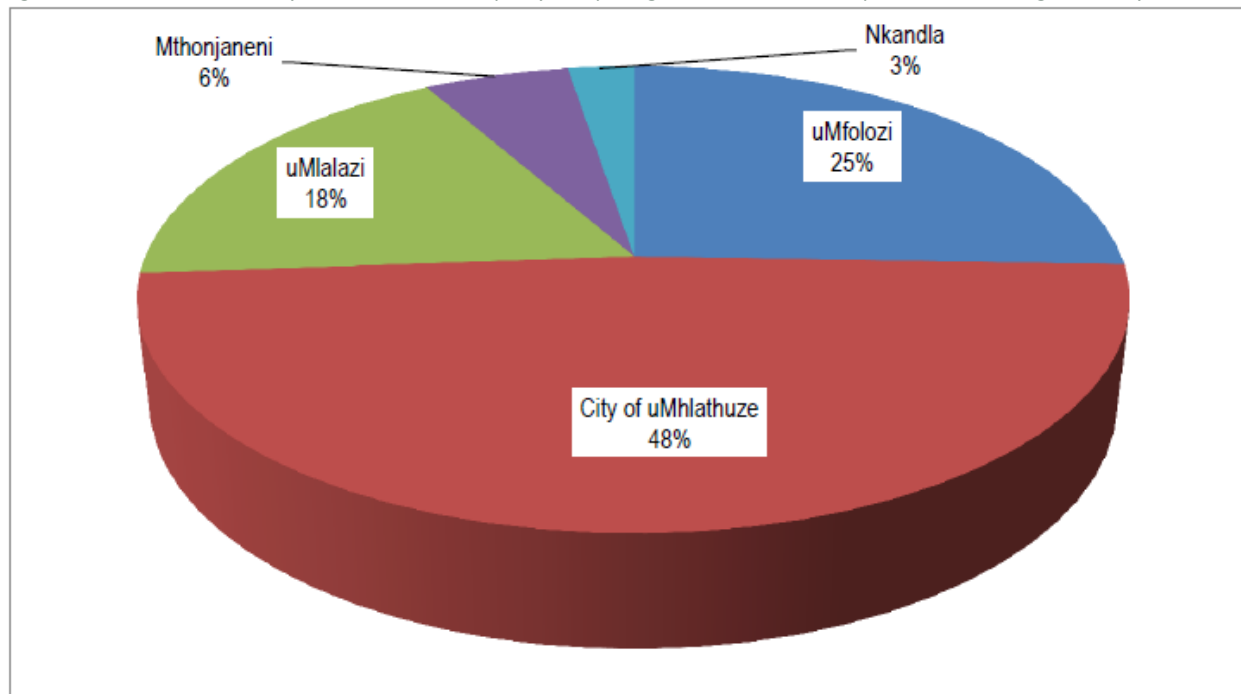
The municipality has an important role in the national, provincial and district economies on account of the bulk-handling harbour facilities at Richards Bay that enable international trade links. Richards Bay is the largest deep-water port in Africa and handles the bulk of South Africa's exports. Its development has provided the impetus for large-scale industrial growth.

uMhlathuze has the most developed economy of all the municipalities in the district and is the major contributor to the District GDP (it is the third largest economy in KwaZulu-Natal). In 2016 uMhlathuze was contributing 48% towards GDP within the King Cetshwayo District.

Its most important industries are BHP Billiton Aluminium, Mondi, SAPPI, RBCT, Tata Steel and Bell Equipment.

The following chart indicates the GDP contribution by uMhlathuze Municipality comparing to other local municipalities within King Cetshwayo District.

Figure 12: GDP contribution by uMhlathuze Municipality comparing to other local municipalities within King Cetshwayo District



Source: Global Insight 2015, IDP 2019/20

Table 18: Broad performance of economic sectors in GVA terms

	2005	2010	2015
Primary sector	14.4%	13.3%	15.4%
Agriculture	3.3 %	3.7%	3.9%
Mining	11.1 %	9.7%	11.5%
Secondary sector	38.3%	37.4%	36.2%
Manufacturing	32.5%	31.3%	30.5%
Electricity	2.1 %	1.8%	1.6%
Construction	3.8 %	4.2%	4%
Tertiary sector	47.3 %	49.2%	48.4%
Trade	9.4 %	9.7%	9.7%
Transport	11.7 %	12.6%	12.9%
Finance	10.5 %	11.3 %	14.8%
Community services	15.6 %	15.6%	28.2%

Source: IHS Markit 2018, IDP 2019/20

Table 19: Broad performance of economic sectors in employment terms

	KZN	King Cetshwayo	uMhlathuze
Primary sector	8,4%	5,1%	9,3%
Agriculture	5,4%	4,8%	7,6%
Mining	3,0%	0,4%	1,7%
Secondary sector	18,5%	20,7%	24,2%

Manufacturing	10,3%	12,2%	12,4%
Electricity	0,6%	0,4%	0,2%
Construction	7,6%	8,1%	11,5%
Tertiary sector	73,2%	74,2%	66,6%
Trade	21,5%	22,1%	18,8%
Transport	5,3%	6,0%	7,0%
Finance	16,8%	13,5%	13,3%
Community services	21,5%	23,6%	20,3%

Source: IHS Markit 2018, IDP 2019/20

6.2.1 Agriculture and agro processing

Agriculture has been identified as a top sector with the greatest job-creating/ labour absorption potential. Forestry, wood, and wood products provide a far more sustainable presence since this industry operates with a renewable commodity with Mondi being the biggest player. The sugar industry was one of the first commercial undertakings in the area. Large tracts of fertile river valley land as well as the undulating hills on both sides of the current N2 have for decades been under sugar cane. Most producers provide cane for the mill at Felixton.

The major strengths of the uMhlathuze are its beautiful natural resources. There are perennial rivers, deep soils and the warm climate which are basic requirements for good agricultural production. uMhlathuze climate is very suitable for most used commodities and in the coastal areas the temperature does not go below 12 degrees thus can plant throughout the year. This climate also presents an opportunity for faster growth in plants as cold factor inhibit growth. uMhlathuze has very deep soils in the coastal areas which makes it suitable not only for vegetables but also for tree plants like macadamia. Shallow soils start appearing inner around Mevamhlophe area and disappear to deep soils in the Heatonville area. The uMhlathuze has perennial rivers that have been underutilized by the previously disadvantaged communities. The Ntuze, Mangezi, Mhlathuze, Nseleni etc. are not effectively used by these communities for agricultural purposes. There are no irrigation schemes for these communities. Water security is a strength of the municipality to sustainable agricultural production. (City of uMhlathuze Agricultural Support Plan).

Key projects in this sector includes National School Nutrition Programme (NSNP), agri-parks, goat farming, poultry farming and incubation programs for farmers in partnership with district, province, and national departments.

However, drought has significantly impacted the job creation potential of this industry, as well as absorbing fewer jobs in the past year or so. Under-utilisation of arable land is a key challenge for uMhlathuze. The agro-processing potential of uMhlathuze has not yet been fully explored. Emerging farmers appear to be stagnant and are not growing their enterprises and creating scalable businesses. There appear to be few new entries into the agricultural value chain. Farming is not attractive to youth, which represent 72% of the populous of uMhlathuze.

Some weaknesses include poor market linkages. The disadvantaged farmers in commodities other than cane are not properly linked to existing markets. The vegetable farmers are affected by the inactivity of the King Cetshwayo District Municipality's Fresh Produce Market which has placed further strain. The retail and hospitality industry are not promoting sourcing from the district and the public institutions have not effectively promoted development of local farmers. Livestock farmers have no proper auctioning facilities and stalls for goats. There is no value adding facilities available for beef producers and poultry.

There is also a lack of production infrastructure. The production infrastructure requirements for both plant and animal production is the basis for sustainable production. Plant production requires irrigation, pack houses, refrigerated trucks, sheds for fertilizer storage. Livestock requires water, feedlots, camps, livestock trucks, auctioning facilities and implements. There is not enough land for commercial veld beef production.

In terms of skills the uMhlathuze agricultural development has been skewed to cane production. This lack of diversified production has resulted in skills training related to cane growing. Any promotion of other commodities needs detailed training of beneficiaries.

Current challenges being experienced in the sector relate to the following:

- Economic stagnation due to unresolved or unprocessed land claims and failed redistribution projects.
- Underutilization of good agricultural land in the traditional council areas.
- Loss of good agricultural land in the traditional council areas to unplanned settlement.
- In the traditional council areas where the land falls under the Ingonyama Trust, and where land is held under communal tenure, subsistence agriculture prevails, except for small-scale farming in the sugar and timber.
- Failure to realize the potential for value adding through agro-processing.

- Volatile world markets which affect prices for some agricultural commodities, for example, sugar.
- The demise of the South African Sugar Association's credit facility for small-scale cane growers.
- The disadvantaged farmers in commodities other than cane are not properly linked to existing markets.
- Emerging farmers appear to be stagnant and are not growing their enterprises and creating scalable businesses
- There appear to be few new entries into the agricultural value chain
- Farming is not attractive to youth, which represent 72% of the populous of uMhlathuze
- lack of production infrastructure such as irrigation, pack houses, refrigerated trucks, sheds for fertilizer storage, water, feedlots, camps, livestock trucks, auctioning facilities and implements etc.
- skills development in the uMhlathuze agricultural development has been skewed to cane production due to lack of diversified production
- Poor market linkages
- Drought (climate change) has significantly impacted the job creation potential of this industry, as well as absorbing fewer jobs

The City of uMhlathuze presents various opportunities not fully utilized for the benefit of agri-business value chain. The natural resources, marketing infrastructure, logistics infrastructure, Radical Agrarian Socio-Economic Transformation and Social Plans funding.

Based on the findings outlined in the uMhlthauze SDF, much of the communal land falls under 'good land potential' category. Currently there is a lot of primary agriculture activities taking place in the communal areas in the form of crop production, egg production, broiler production and livestock (goats and piggeries), small scale fisheries, aquaponics, and seedling production. There exists a lot of potential within the communal areas to build on these opportunities further. There needs to be a detailed situational analysis conducted on agricultural activities taking place in communal lands combined with well-coordinated efforts from developmental agencies and government departments including private and public partnerships.

Other opportunities include the King Cetshwayo Fresh Produce Market housed in uMhlathuze. However, the market has not been fully utilized by local farmers and is currently no longer functional. Possible plans are to use the space for the District Development Agency program in future. The Richards Bay and

Empangeni towns have various retail and hospitality companies that are sourcing their vegetables and meat outside this district. The public institutions which include hospitals, correctional facilities, tertiary institutions also provide an opportunity for marketing agricultural products. The uMhlathuze proposed container city will also provide space for marketing agricultural goods.

The City of uMhlathuze has a positive profile of necessary infrastructure needed in the agricultural products value chain. There local areas are linked to district roads which are gravelled; the district roads are linked to regional roads which are tarred. The regional roads link directly with National Toll Road (N2). The municipality is also home to Richards Bay harbour, which can be a proper gateway for agricultural produce export. The municipality also is planning to expand the airport to also include airfreight infrastructure. This infrastructure is an opportunity underutilized and available for moving agricultural goods to markets.

RASET is a low hanging fruit which the municipality can take advantage of. The programme aims to stimulate linking disadvantaged black farmer communities with both public and private markets. This was adopted by KZN Cabinet and is now chaired by Premier office and championed through Operation Vula of Economic Development Tourism and Environmental Affairs Department. This aims to ensure that government uses its buying power to source directly from black farming communities.

In addition, the Department of Rural Development and Land Reform is establishing a FPSU in Ngwelezane area at a cost of R20 million. The municipality could establish its own to service the south side of the municipality. The areas that can be serviced are KwaDlangezwa, Esikhaleni, Vulindlela, Port Dunford etc.

Strategies to realize opportunities in this sector relate to the following:

- Food security and food sovereignty should be promoted.
- Various opportunities not fully utilized for the benefit of agri-business value chain include the natural resources, marketing infrastructure, logistics infrastructure, Radical Agrarian Socio-Economic Transformation and Social Plans funding
- An Agribusiness Development Agency has been established in KwaZulu-Natal under the auspices of the Department of Economic Development and Tourism. The primary aim of this institution is to identify failed land redistribution projects that have some potential for revitalization. The Agency puts in place the appropriate mechanisms to assist the land reform beneficiaries of these projects to turn projects around so that they become viable farming enterprises.

- Small-scale farmers should be encouraged to add value to their produce.
- Key projects in this sector includes National School Nutrition Programme (NSNP), agri-parks, goat farming, poultry farming and incubation programs for farmers in partnership with district, province, and national departments
- Much of the communal land falls under 'good land potential' category
- Currently there is a lot of primary agriculture activities taking place in the communal areas in the form of crop production, egg production, broiler production and livestock (goats and piggeries), small scale fisheries, aquaponics, and seedling production. There exists a lot of potential within the communal areas to build on these opportunities further
- Infrastructure needed in the agricultural products value chain including good road linkages, Richards Bay port which can be a proper gateway for agricultural produce export and airport expansion to also include airfreight infrastructure. This infrastructure is an opportunity underutilized and available for moving agricultural goods to markets.
- The Department of Rural Development and Land Reform is establishing a FPSU in Ngwelezane area

6.2.2 Manufacturing, Industry and Logistics

The City of uMhlathuze promotes "competitiveness in the manufacturing sector whilst advancing downstream value-adding opportunities that are labour intensive". (KZN TopBusiness). The manufacturing sector is important in the province (largest contributor to PGDP) (KZN TopBusiness). One of the key advantages in the manufacturing, Industry and Logistics realm in uMhlathuze is the Richards Bay Industrial Development Zone (RBIDZ). The RBIDZ has been designated as special economic zone and is a national priority for stimulating growth in the manufacturing sector.

The potential of the RBIDZ is key in considering the development of industry and manufacturing in uMhlathuze. The land within the IDZ has been subject to a number of agreements through which some of the ecologically sensitive land had been returned to the Municipality.

The benefits to industries located in the IDZ include:

- Existing efficient deep-water port
- Suited to export-orientated production
- Customs controlled area

- VAT and import duty exemption
- Same time zone as Europe
- Strategic location to access world markets
- Allowance for 100% foreign ownership
- Established local and service industries
- Down-streaming opportunities with respect to: Aluminium, Heavy Metals,
- Chemicals, Wood, Paper, Pulp and various agricultural products

The positioning of RBIDZ is of critical importance in stimulating and attracting investment opportunities, building local industrial capabilities, creating commodities for local and foreign trade, boosting employment, and providing platforms for small and large business development in the City. This Strategy recognises that harmonised planning and facilitation of current and future opportunities between the City and RBIDZ is vital towards unleashing the City's potential.

The scope of opportunities facilitated by RBIDZ has been identified as follows:

- Metals beneficiation: Aluminium, Titanium, Iron ore
- Agro-processing: Pulp, Horticulture and meat production
- Port optimization: Containerization, Ship/rig building and repair, Oil and Gas
- Renewable and Clean energy: Solar, Fuel cells, Biomass, Liquefied Natural Gas
- Information and Communications Technology: Techno-parks, Innovation Hub

There are various committed private sector projects that provide the platform to generate economic growth, transformation, and job creation within the Manufacturing sector. Currently, there is not a dedicated focus on end- to- end investment promotion championed by local businesspeople. Skills development for new industries is not well understood and supported. The skills development initiatives need to be aligned to the provincial skills programs. There is not a dedicated focus on small business development with regards to manufacturing within uMhlathuze, which creates barriers to entry by local SMMEs and entrepreneurs.

The City will establish a Manufacturing Cluster to encourage interaction between the municipal official and companies that trade in this sector. The City will work with the private sector to develop manufacturing plants in the following projects

- Gas to Power Project
- Ship Repair Project
- Airport Relocation Project
- Beneficiation of existing minerals resources, e.g., aluminium and titanium
- Manufacturing of automotive components

The City will explore mechanisms to improve business opportunities around Port Durnford and, in partnership with Transnet, will work towards the improvement of Richards Bay Port.

6.2.3 Wholesale and Retail Trade

uMhlathuze has the potential to be a trade gateway of choice, in particular for the surrounding rural areas. The main urban centres Empangeni and Richards Bay attract many people from surrounding rural areas even as far as Jozini providing retail and trading services. For example, Empangeni's role mainly as a commercial and service centre to the settlements of Esikhaleni, Eshowe, Nkandla, Buchanana and other rural settlements attracts many people to the range of higher order services available in the town. There are also a large number of small to large retail centres that provide services. However, the recession has had a negative impact on trade business in the main centres of the Municipality as is evident from the number of businesses that have closed down in the area.

Further, this sector has few linkages with the township/rural economy where a number of small-scale retail spaza shops and local convenient stores are located. As a result, there are severe leakages of resources and people from rural areas to larger urban centres in uMhlathuze. Additionally, marginalized individuals (women, youth, people with disabilities) occupy a very small percentage of mainstream retail, wholesale, trade, and services real estate.

Some of the principles to support the Wholesale and Retail Trade sector relate to the following:

- Local government needs to commit to facilitating the retention and growth of business within its area of jurisdiction.
- Once issues that negatively impact on businesses are identified, the Municipality should follow through by addressing these, where possible and appropriate.
- An important intervention is to assess the status of business in the two main centres within uMhlathuze Municipality so that steps can be taken to assist businesses faced with different challenges.

- The City of uMhlathuze should facilitate a Business Retention and Expansion process in Empangeni and Richards Bay.
- A Business Retention and Expansion process was undertaken in Empangeni but the proposals were not implemented. As such, an action plan should be formulated and implemented to address the challenges facing the business community

The City does not consist of the biggest shopping centres in the province; however, with effective marketing tools implemented the available retail outlets may have potential to draw in a pool of individuals who travel from the nearby countries such as Mozambique just for shopping.

6.2.4 Tourism

The City of uMhlathuze has the potential to become one of the driving forces in the tourism sector in KwaZulu Natal. uMhlathuze is a growing city, and therefore possess great potential to expand the tourism sector with the available extensive land for development. The Municipality offers a diversity of tourism offerings making it an ideal holiday destination for local and international visitors.

uMhlathuze is well known for its natural warm beaches and as a business and industrial hub. The beaches are significant tourism assets for the municipality, attracting an Annual Beach Festival a hosting beach event at Alkanstrand, and providing a seasonal holiday destination and on-going recreational amenity. Additionally, ideal weather and good road conditions make it possible for tourists to visit at any time of the year however, the footfall numbers fluctuate in each month. The Industrial Zone also has enormous potential to draw in large school groups for educational tours.

The City of uMhlathuze has amongst others the following key tourism areas:

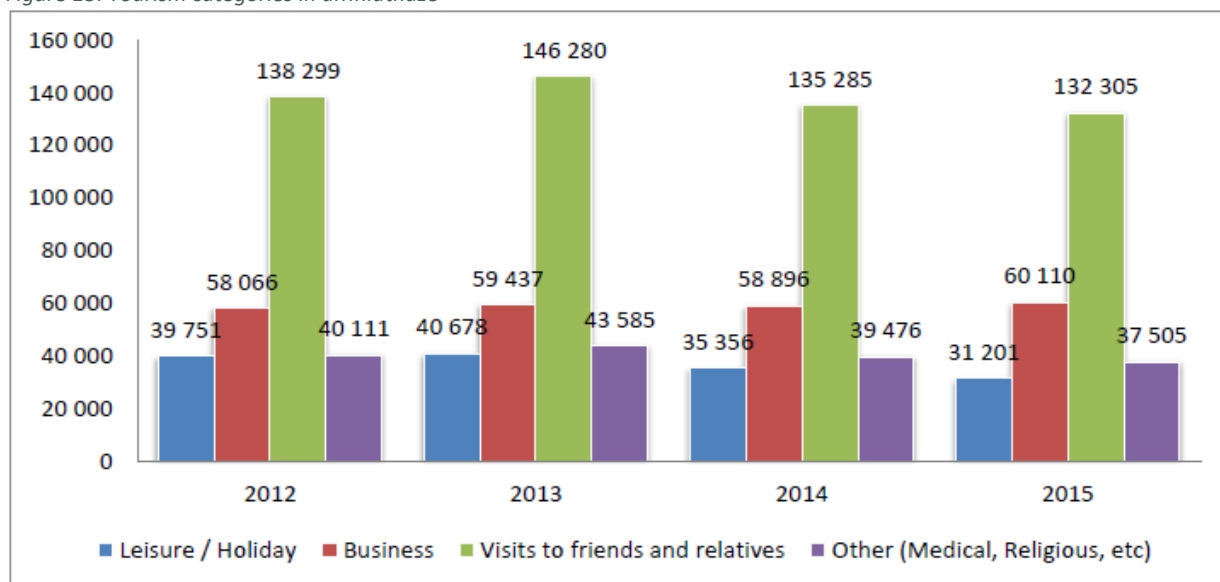
- The Harbour
- The eNseleni Nature Reserve,
- Various City Parks
- The Arts and Crafts Centre
- The Empangeni Arts and Culture History Museum
- B+B dealers
- Port Durnford Beach
- King Cetshwayo Monument

- Thulasihleka Bird Sanctuary
- The small Craft Harbour as well as
- Alkanstrand Beach.

Other tourism assets worthy of preservation are the area's lakes and forests, heritage sites, conservation areas around Mzingazi River, and the estuary found south of the Port. Proximity to the world known tourist attractions also provides additional benefits. uMhlathuze is a gateway to some of the KZN province's most popular eco-tourism attractions such as Hluhluwe-Umfolozi, Sodwana and the Isimangaliso Wetland Park and cultural and historical attractions such as the battlefields of Ulundi as well as Gingindlovu and the Shakaland cultural park. This, therefore, creates opportunities to associate itself in any new development plans for these sites. Inland, there are a number of game ranches and lodges that attracts a significant number of visitors annually. There is great potential for development of a tourism route which may be inclusive of the neighbouring World Heritage Sites.

The figure below shows the different tourism categories and footfalls in uMhlathuze.

Figure 13: Tourism categories in uMhlathuze



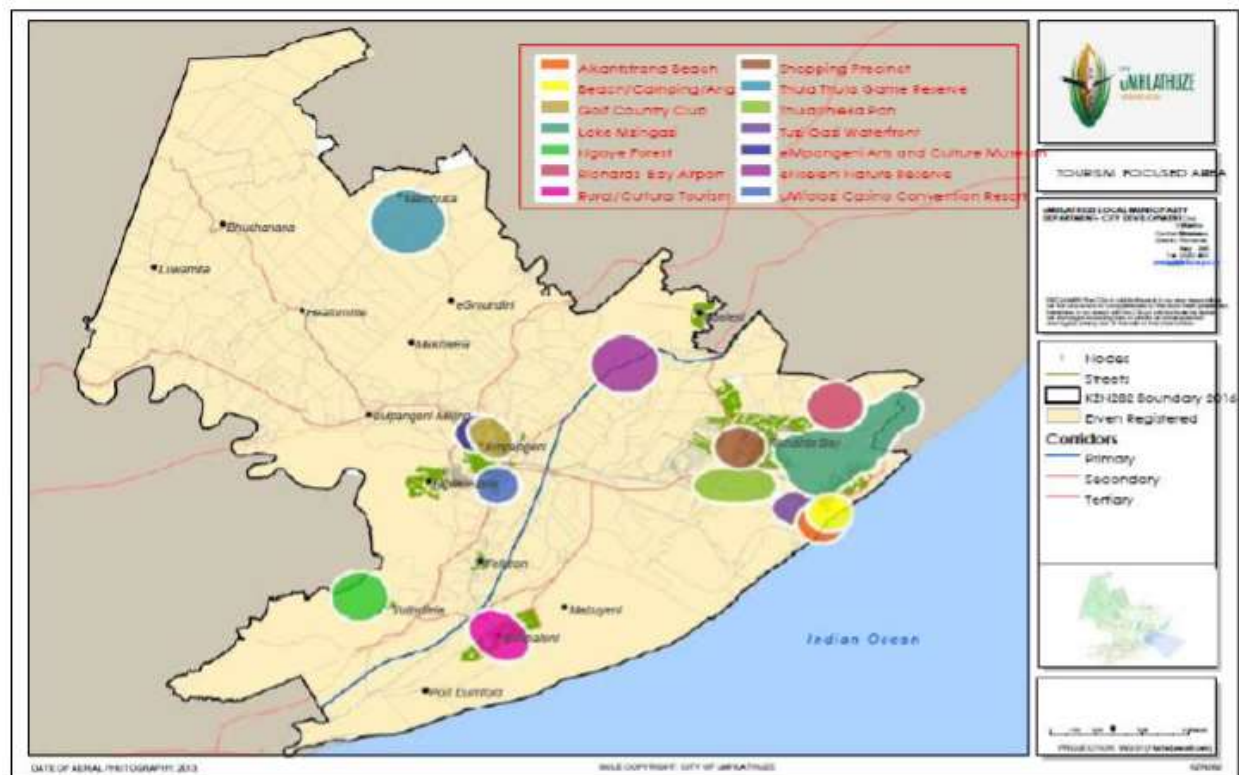
Source: Global Insights 2015; IDP 2019/20

Tourism in uMhlathuze is largely dominated by the domestic market with minimal visits from the international market. Visits to friends and relatives is the majority of visitors totalling almost half of all tourists in uMhlathuze (42%). Business tourism occupied second place, contributing 24% of all tourists. This tourist market comprises of largely the corporate market. This is significantly due to the high

concentration of large industries located within Richards Bay which, consequently, generate investment and business opportunities. If careful attention is given and measurable plans are implemented, there is high potential for growth in Industrial Tourism. Given the vast number of business dealings occurring in this area, there are numerous opportunities in conferencing events and trade shows which will contribute to the economy of the region and the surrounding areas and increase market share. Leisure tourism makes up 21% attributable to uMhlathuze's reputation for frequent sporting activities and miscellaneous events. Thus, the leisure market and the sports market are also at the forefront. While medical/religious tourism came in at fourth place with 13%. Given the suitable health care facilities and the number of health specialists that exist, uMhlathuze has the potential to tap into Medical Tourism.

The Map below highlights the tourism offering that uMhlathuze has as well as possible areas of tourism development and expansion.

Map 10: uMhlathuze tourism offerings and possible areas of tourism development and expansion.

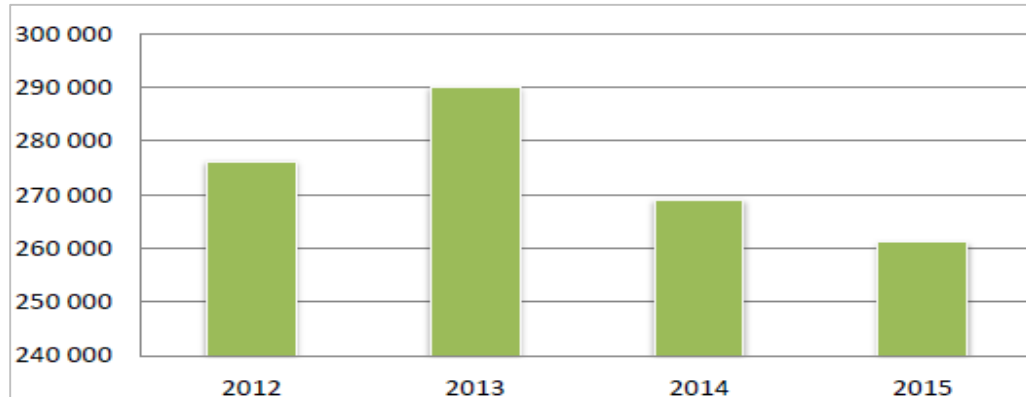


Source: uMhlathuze SDF: Fourth Review 2017/2018 – 2021/2022 (March 2021)

Tourism spending patterns in uMhlathuze are slowly declining. This could be attributed by many factors. It could be the economic climate which is affecting not only uMhlathuze but the rest of the country. It

could also be lacks of facilities for tourist spend, lack of marketing and many other factors may contribute to such patterns.

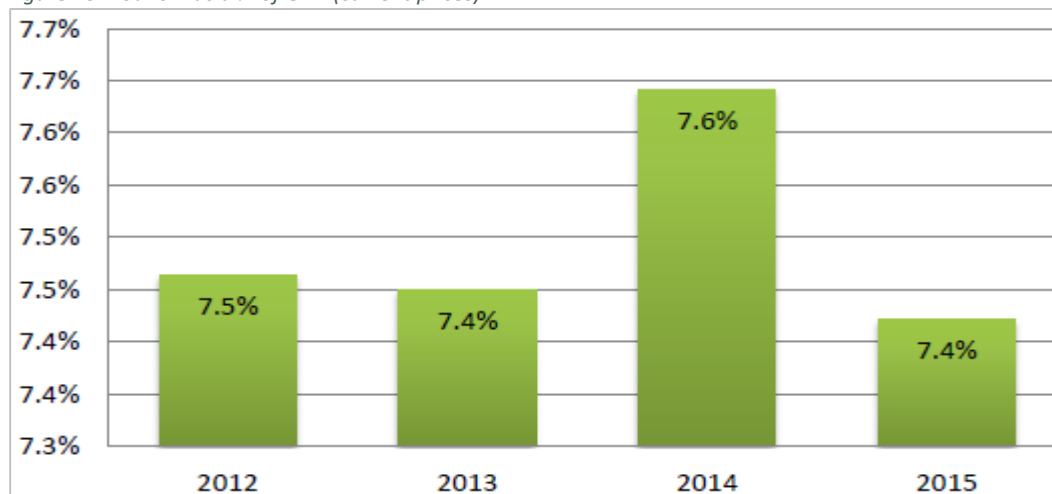
Figure 14: Tourism Spend in uMhlathuze R1000 current prices



Source: uMhlathuze IDP 2019/20

According to the statistics released by South African Tourism, the majority of tourists visiting KwaZulu Natal are concentrated in Durban (70%). This means that the rest of the province then has to fight for market share for the remaining 30%. As per the stats, Zululand (under which uMhlathuze is located) received only 5.2%. Much can still be done for tourism development in the region (uMhlathuze Tourism Marketing Strategy 2018). This is reflected in the contribution of Tourism to GDP as shown in the graph below with Tourism contributing only 7.4% of total uMhlathuze GDP annually.

Figure 15: Tourism as a % of GDP (current prices)



Source: uMhlathuze IDP 2019/20

uMhlathuze Municipality has a high potential for tourism, however, this potential has not been optimised fully. Tourism awareness in uMhlathuze is relatively low and the poor integration in the tourism products also adds to the problem. Established marketing efforts have been implemented within the area and surrounding region, however, these marketing efforts do not reach the target audience but merely attract a smaller portion. Social networks are the most efficient marketing platforms used currently by different industries; however, this platform is neglected in the area. Published online videos for tourism marketing purposes are neglected after publication, hence, receiving less views. Appropriate use of Social Media could create great leverage on marketing the area as a tourist destination.

The cost of flights to and from Richards Bay is highly expensive which therefore makes family trips unaffordable and consequently, not viable. However, the proposed airport relocation and expansion project will likely mitigate this problem and attract more tourism to uMhlathuze.

Some of the facilities in uMhlathuze with great tourism potential are poorly developed. Without sufficient maintenance, these facilities remain less conducive for tourist use and therefore remain unused to maximum potential. Minimal attention has been paid to Industrial Tourism (a significant niche for Educational Tours). Though the area receives large volumes of the corporate market, there are limited facilities for hosting very big conference events or trade shows. However, the current development plans for a Convention Centre in Richards Bay may help address this issue.

Currently, uMhlathuze has a functional Community Tourism Organisation (UCTO) which comprises of local tourism stakeholders whose role is to ensure that all tourism activities and implementation processes run smoothly. The UCTO also has the responsibility of ensuring growth and expansion in the tourism's current status quo.

6.2.5 Mining

Mining of mineral resources is an important economic activity in the region. The coastal dunes contain heavy minerals that are sought after for mining, which is a key sector in the context of regional economic development and national plans. It is the second largest sector in uMhlathuze's economy making up about 11% of the municipality's economy and bringing in billions annually. Mining companies are also very important for the uMhlathuze economy in terms of their corporate social responsibility often assisting

communities with social aid, food, and education grants.⁴ Major mining companies include Richards Bay Minerals, South32, Fokso, Tronox, Richards Bay Coal among others.

Lower global commodity prices will have/ is having a negative impact on the micro economy of uMhlathuze. Even with the global downturn in commodity prices, there are still some key expansion projects in the local mining sector. For example, Richards Bay Minerals is expanding with a further mining lease, located along a 20km stretch of coastline to the south of Richards Bay and the uMhlathuze River and north of Port Durnford, the Zulti South Mine Lease Area (ZSMLA). However, this initiative has been temporarily halted following security threats and civil unrest incidents in the area.

The launch of a R4 billion titanium beneficiation project for the manufacturing of titanium pigment at the RBIDZ is a significant milestone in South Africa's mineral beneficiation and industrialisation paths. The project saw Nyanza Light Metals, a South African company, establishing a plant to extract titanium from waste steel slag and beneficiating it to produce titanium dioxide pigment which is a critical ingredient in paint manufacturing. The project is the largest single investment in the Richards Bay IDZ.

Diversified miner South32 has also invested R74-million in a seawater desalination plant to supply the Hillside Smelter with water. Hillside is the largest aluminium smelter in the southern hemisphere with a capacity of 720 kilo tons of aluminium per annum. The plant uses membrane technology to produce cooling process water for its smelter. The desalination plant will remove minerals from seawater extracted from the Richards Bay harbour.⁵ However the impact of beneficiation, especially with respect to exported materials and imported input for local industries, is not fully understood.

Additionally, the contribution of mining in employment terms is very small at only 1.6% of uMhlathuze's total employment. The capital-intensive corporate companies dominate the local economy but provide few employment opportunities because of their capital-intensive nature. In addition, there are few meaningful linkages between major industry and the development of local businesses. A report by University of Stellenbosch also documented "limited, if any, community consultation and participation"

⁴ Mining Weekly. Lietke, S. 2020. Richards Bay Minerals continues to assist communities. Online. Available: <https://www.miningweekly.com/article/richards-bay-minerals-continues-to-assist-communities-2020-05-28>.

⁵ KZN TopBusiness. City of uMhlathuze Profile. Online. Available: <https://kzntopbusiness.co.za/site/umhlathuze-municipality>.

in the planning of initiatives.⁶ Environmental sensitivity is of concern in relation to spatial planning and development relating to mining and beneficiation.

6.2.6 Informal Sector

The Municipality has conducted several surveys and has a register for Informal traders in a form of a database. According to the updated database the total number of Informal Traders stands at 2254 and only 1445 of these have informal trading permits.

There was also concern that damage was being done within public spaces and that trader stalls were untidy and unsightly. Traders do not locate in demarcated areas but set up wherever good opportunities for trade present themselves. The City is not unsympathetic to informal traders and recognizes that under harsh economic conditions, the sector enables people to generate some sort of livelihood, however modest. Instead of tolerance and, in some instances, clamp down, the City needs a proactive and supportive informal trader policy. Informal traders own and run very modest businesses. However, the potential exists for these businesses to grow if they are appropriately supported. This would create opportunities for small businesses to enter the formal sector from below.

The City recognizes that the informal sector is here to stay in both urban and rural contexts. Since 2011 the City has provided substantial support to the informal traders. The Municipality needs to strengthen the relationship of trust with informal traders and their structures. A positive relationship would facilitate the provision of appropriate infrastructure and support.

Challenges faced by informal traders themselves include:

- Limited access to training,
- Limited access to finance, funding, and capital owing in part to the informal nature of their operations
- Lack of necessary support infrastructure including storage facilities, ablution facilities, water, and electricity

⁶ University of Stellenbosch Business School Newsletter, Ganson B, 2020. Time to take mining companies to task. Online. Available: https://www.usb.ac.za/usb_news/time-to-take-mining-companies-to-task/.

- Low incomes with household expenses competing with business needs such as maintaining stock levels, and lack of capital for business expansion.

Strategies to realize opportunities in the Informal Economy relate to the following:

- Support for the informal economy is reflected in Municipal planning documents such as the IDP.
- Facilitate the smooth operation of the informal actors' chamber as a means of engaging with informal economy actors.
- Continue regular contact with informal economy organizations and actors
- Register all informal traders.
- Continue to provide basic infrastructure and services for informal traders.
- Take account of informal trader interests in the context of approving new developments.

It is important that the following measures to promote the informal sector be designed by the City of uMhlathuze be introduced:

- Putting in place policies that make it easier for informal businesses to thrive such as informal trade grant funding;
- Reduction of licence fees; and licences.
- Construction of trading centres in the cities, towns and rural areas (prioritise improving the informal trading conditions in the CBD of Richards Bay and Empangeni and the municipality to prioritise the implementation of Empangeni revitalisation project
- Incentivise the sector.
- Opportunity awareness and assistance with accessing those opportunities
- Encourage the informal sector to comply with relevant regulations
- Facilitate business management and other skills development program for the sector
- Create an enabling environment for the informal traders as well as other businesses to co-exist thus providing opportunities for small businesses to operate within the space of mainstream economy.

6.2.7 Small to Medium Enterprises

Small- and medium-sized businesses are an important source of dynamism and employment, as well as opportunity for new entrants. Yet their share of output, employment, and exports in uMhlathuze has diminished further worsened by the impact of Covid19 on the local economy. Attention is required to:

- Stimulate entrepreneurship especially in historically disadvantaged communities.
- Strengthen support mechanisms for SMEs, including business and skills development.
- Ensure the regulatory regime is conducive to small business needs and abilities.

SMMEs in uMhlathuze are involved in many business ventures across the following activities: tourism, catering & accommodation, retail trade, construction, manufacturing, restaurant & tavern, general dealer, supermarket, butcher, financial services, bricks/ blocks manufacture, burial services, liquor retail, consumer sales, motor repairs, beauty salon, arts and crafts, bakery, cleaning services, computer repairs, electrical appliance, hardware retail, laundry services, light engineering services, radio & TV repairs, clothing and textile, and security services.

The City has availed one of its buildings to house the SME One-Stop-Shop-All that will make it easy for entrepreneurs and individuals looking for employment support to navigate and make use of service organisations and practitioners' services and resources.

The objectives of establishing an SME One-Stop-Shop-All in the City are to stimulate the creation of locally owned businesses by linking entrepreneurs with resources, capital, skills and opportunities; develop human capital, addressing the needs of the business community (e.g. innovation support, small-business skills development, career support and placement programmes); and make the City of uMhlathuze a more competitive business environment by providing better support to incubate and grow local business and attract others.

The municipality has proactively prioritized LED projects that are aimed at assisting SMMEs in various ways. At the core of the municipality's strategy, it is to build capacity of SMME's, hence uMhlathuze Municipality has a database with more than 136 SMMES within uMhlathuze that are registered. This database also provides the level of skills that each SMMEs has. uMhlathuze Municipality in ensuring that SMMEs are supported has also revised its procurement policy to include a clause in all tenders that:25% of work for big tenders is subcontracted to local SMMEs.

The municipality should introduce a special entrepreneurship program that will help with the identification, development and profiling of young entrepreneurs that are running businesses (small and informal) that have a potential to create jobs in the townships and rural areas.

Focused support should be given to small businesses, in particular Spaza Shops & Informal Sector. Spaza shops are particularly important, as they are in themselves offer self-employment and job creation at economic entry level whilst also improving the circulation of money within townships and rural areas. They also serve as a market for locally produced goods, and they provide convenience shopping for the local community.

6.2.8 Rural Economy

The urban areas are surrounded by large tracts of land under traditional authorities namely rural areas, of KwaDube (Inkosi Dube), KwaDlangezwa (Inkosi Mkhwanazi), KwaBhejane (Inkosi Khoza), KwaMadlebe, (Inkosi Zungu), Buchanana (Inkosi Mthiyane and Inkosi Biyela), Obizo (Inkosi Cebekhulu), Somopho (Inkosi Mthembu in Macekane), Luwamba and Fatima (Inkosi Biyela). Traditional authority areas are characterized by dense unplanned settlement, particularly on the borders of towns, driven by ad hoc land allocation through the Amakhosi.

The agricultural sector is of major importance for rural economies. The main economic activity in rural areas is farming and agriculture. However, this is mainly traditional agriculture with much of the production being for subsistence purposes. Agricultural supply chains need improvement and reform to move from traditional to modern methods of agricultural production are needed. Improved access and ownership regarding agricultural land in rural areas, is critical for rural development.

Although rural towns are considered potential growth points for development, the perception is that rural areas and rural towns have been neglected when compared with urban and metropolitan areas in uMhlathuze. Rural uMhlathuze has deteriorated consistently over the last few decades and rural areas, including rural towns, are experiencing an economic decline. Rural towns are struggling to provide the basic level of service delivery required, and there are limited efforts to provide an enabling local economic development environment by local government. As a result there are severe leakages of resources and people from rural areas to larger urban centres in uMhlathuze. For example, Empangeni's role mainly as a commercial and service centre to the settlements of Esikhaleni, Eshowe, Nkandla, Buchanana and other rural settlements attracts many people to the range of higher order services available in the town.

Rural areas generally lag on economic performance indicators, such as economic growth, labour force participation rates, unemployment, education attainment and life expectancy at birth. Challenges include insufficient skills and educational performance, socio-spatial inequalities, infrastructure deficits, housing backlogs, environmental issues, an ageing population and health disparities.

There are also issues such as the underutilisation and sustainable use of local natural resources; poor access to socio-economic facilities, public services, infrastructure and other essential services; the low levels of skills; unresolved land reform and land ownership issues; and the unexploited opportunities in labour intensive industries such as agriculture, tourism, mining and manufacturing. Other challenges exist in terms of establishing small businesses as communities often rely on social services for support and to provide for their own basic needs. Poor infrastructure and low availability of government services limit the type of manufacturing activities that can be conducted which is also exacerbated by the lack of viable markets to participate in the economy.

As a result of the above identified characteristics the cost of living in rural areas is high due to accessibility challenges to goods and services. This poses major challenges to service delivery agents and policy makers. Another major challenge of these settlements is that some of the households and /or public facilities developed on land that is not suitable for development. Resource challenges have led to development challenges or low levels of development in rural areas.

Rural areas are competing with larger cities such as Richards Bay and Empangeni, with comparative and competitive advantages, identified as engines of growth due to skewed resource allocation.

6.2.9 Township Economy

Transforming the uMhlathuze economy relies on promoting and securing the full participation of township and rural economies within the mainstream economy. The “township economy” generally refers to all the economic activities occurring in formally promulgated urban areas known as townships.

Township enterprises are diverse, with high rate of informality and provide a range of goods and services to meet the needs of township communities. The township economy in uMhlathuze is characterised by small-scale, labour-intensive, largely unregulated and unregistered wide and diverse economic activities, ranging from spaza shops, street vending, hair salons, shebeens, minibus taxis, to mechanical services, manufacturing, burial societies, stokvels, waste pickers and recyclers and childcare services.

These are largely micro-enterprises with low capital and low skills base. The main township economic activities include agriculture, manufacturing, retail, personal and household services, business services, transportation and tourism. Economic activity of many townships is generally limited to retail trade (frequently informal trade), transportation, and government services. Growth in these sectors is often stifled by lack of access to land, funding, economic infrastructure, low skills and educational levels and poor transport systems.

The entrepreneurs in this sector are often not registered, do not pay taxes, have no trading license and thus are not included in mainstream economy; and as such they are not able to benefit from the support programmes of government. It is however labour-intensive sector often completed by individuals or cooperatives. For example, the waste picking business in uMhlathuze is listed amongst informal activities that could create many jobs if formalized. In KCDM there are approximately 277 waste pickers working in various sites, of which the majority is in the City of uMhlathuze, and most have IDs and contact numbers but no bank accounts and informal trading permits; therefore, making it difficult for government agencies to assist with relevant interventions.

Township businesses are not graduating from small and survivalist businesses into sustainable SMMEs that can compete in the formal marketplace. New entrants require support to grow and strengthen their businesses to fully access the mainstream economy, especially marginalised groups. There is little Enterprise Development/ Supplier Development spend in the township economy. There are no buy local campaigns underway to encourage civic pride and consumerism. The township economy is not being measured and evaluated on a continuous basis.

The municipality working in partnership with the Department of Small Business Development's has been working on the formalisation of township and rural economies for the purposes of improved traceability, support, government planning and budgeting across the sector. Formalisation allows for improved accuracy in measuring the contribution of township SMMEs to South Africa's economy. Formalisation will be promoted for informal and micro businesses including spazas and general dealers, newly launched personal care facilities (hair and beauty salons, massage parlours), informal and micro restaurants and shisanyamas, and fruit and vegetable vendors. More than 500 informal businesses were assisted to register on the database of SMMEs in 2020 November.

The KZN Department of Economic Development, Tourism, and Environment Affairs through Operation Vula also approved numerous township and rural programmes to promote local competitiveness, through

the production of goods and services in effective sectoral value chains. These are segmented across the following categories:

- Panel beaters, motor mechanics, auto, auto-fitment centres
- Small scale bakeries, confectionaries
- Clothing, leather and textiles
- Butcheries
- Markets
- Trading spaces
- Release of land

6.2.10 Digital Economy, ICT, and Innovation: City of uMhlathuze as a Smart City

Over the past several decades, the world has undergone a transition from a traditional economy (e.g., agriculture or industrial based) to a digital economy that is based on digital technologies. This process of transformation has changed business models (e.g., e-business), people's everyday lives (e.g., communicating through social media), and transformed government policies and practises (e.g., offering e-government services). This industry provides an attractive platform for the inclusion of youth into the mainstream economy.

Key critical ICT infrastructure projects such as broadband roll out and the RBIDZ Techno hub have been planned but have not yet been realised. The City of uMhlathuze Technology Park aims to establish a health technology hub, accommodating firms, government, and academia in the healthcare industry. The City has already identified land for the development of the Techno Park which will be developed through partnership agreements with EDTEA, UMfolozi TVET, University of Zululand and National Department of Science and Technology

ICT infrastructure is needed to allow the City to roll out its Smart city concept, which is central to their Vision. The broadband fibre-optic network programme will construct a fibre-optic communication network within the City of uMhlathuze to realise service delivery as well as social and economic benefits by providing access to affordable telecommunication infrastructure on an open-access basis.

In addition to providing enhanced services, more bandwidth will allow new services to be rolled out to areas that previously did not have access to these due to the lack of connectivity. Ultimately, the network is intended to cover the entire city.

6.2.11 Green Economy and Sustainability

The green economy is defined as an economy that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities. A green economy approach recognises that the environmental system has that the economic sub-system should be embedded within, and shaped by, the environmental assets and services available in a particular region. A shift to the green economy thus involves the restructuring of business, infrastructure, and institutions towards more sustainable (green) production, consumption, and distribution processes, creating new economic opportunities and green jobs.

The Green economy in uMhlathuze has been identified by the IDP as a niche sector with tremendous opportunities for growth for the local economy. Preliminary investigations have begun into water re-use initiatives and a possible desalination plant. There are opportunities to invest in alternative energy generation. For example, electricity co-generation through Felixton Sugar Mill. The municipality is also blessed with abundant sugar and timber resources, all located in rural areas, which via waste to energy programmes, could produce energy for local consumption and create jobs.

The smart city and green city concepts have much in common in terms of their origins and mutual influence on progress. Waste management is an important element in the concepts of both smart and green cities in order to solve problems such as adapting to climatic change in terms of intelligent security systems and protecting and conserving the urban ecosystem.

To ensure alignment of the two the following projects are recommended as the starting point:

- Provide support to informal recycling by assisting those that are participating with PPE, trolleys and land.
- Create space for green economy through training of young people on clean energy and its associated businesses.
- Establish partnership with stakeholders that are in Research and Development to unlock economic opportunities that are in both green and blue economy.
- Circular economy
- Food security
- Green energy initiatives

The City of uMhlathuze considers the green economy to be an important sector that could lead to new jobs and local economic development. The Municipality must in this regard aggressively pursue funding opportunities from National and Provincial Departments.

6.2.12 Maritime and Blue Economy

A sustainable blue economy can support the municipality's goals on poverty, hunger, jobs, gender equality, partnerships, resilient communities, and climate change. It drives economic growth and development, while supporting livelihoods and the health of the ocean. The municipality has the benefit of bordering a coastline that spans approximately 45 kilometres of which about 80% is in its natural state.

Linked to its coastal locality are several opportunities in the Blue economy including:

- Richards Bay deep-water port. Richards Bay is the largest deepwater port in Africa and handles the bulk of South Africa's exports
- Coastal mining. Coastal dunes contain heavy minerals that are sought after for mining.
- Offshore gas to power
- Coastal beach tourism. Beach tourism was identified as a priority niche that uMhlathuze needs to capitalise and focus on.
- Fishing, fisheries, and aquaculture. These have huge potential, but deep changes are needed for these industries to become sustainable.
- Marine, ship repair and boatbuilding
- Maritime school

The port is a flagship asset for uMhlathuze and complements the other geographic specific advantages of being the economic gateway to the province and the country. Port efficiency and productivity are critical ingredients to increase utilisation and volume of the port. Currently, the Port has spare capacity and is handling less cargo than it has in past years. This is largely driven by the commodities slump being experienced globally.

Another boost is the proposed Gas to Power plant to be located in the RBIDZ which boasts an estimated investment value in the region of R47-billion. The RBIDZ has been allocated 2000 megawatts of the 3126 megawatts allocated to the Gas to Power programme as part of the gas Independent Power Project. The allocation will result in a multi-billion-rand investment in Richards Bay, in both a gas fired power station, as well as gas infrastructure to gasify liquefied natural gas brought into the harbour by ship and piped into

the power plant and other uses.⁷ This plant will create the opportunity for new and existing industries in the Richards Bay to make use of an alternative energy.

The land along the coast has high potential for Aquaculture and Mariculture and this does not exclude fishing activities taking place on Lake Mangezi, Lake Cubhu, Mpangeni River and Lake uMhlathuze. These freshwater bodies are located within the highly economically vulnerable rural areas within uMhlathuze and have the potential to change the socioeconomic condition of the rural communities in uMhlathuze.

Developing a vibrant blue economy is feasible. Collaboration is the secret to success. Regional solutions exist, and when linked to global cooperation, it is a clear win-win, for the ocean, the economy, gender equality and social inclusion. But to move from commitment to action, governments and the private sector need clear incentives to take sustainability seriously.

6.3 Preliminary identification of key intervention areas based on socio-economic profile and trend analysis.

High potential industry sectors were considered to be Tourism, Transportation and Logistics, Construction, Manufacturing, Agri-business and ICT/Electronics. Business areas with high potential were regarded as Warehousing and Logistics, Supply Chain, Distribution and Marketing, Production, Back Office Functions, and Sales.

In order to stimulate the growth and development of the local economy, development in the following catalytic sectors has been identified as critical:

- Formalisation of township and informal economies for SMME development
- Agro-processing
- Maritime and blue economy
- Rural economy
- Smart city and digital technology
- The green economy, including energy from gas and waste.

⁷ KZN TopBusiness. City of uMhlathuze Profile. Online. Available: <https://kzntopbusiness.co.za/site/umhlathuze-municipality>.

- Tourism and events. Eventing is viewed as low hanging fruit to increase occupancy and grow jobs in the short-term horizon. Business tourism is currently the backbone of the local tourism value chain but requires more support from uMhlathuze or Provincial and National Tourism structures.

The following key enablers (applying across all proposed key economic sectors for uMhlathuze) will be considered in developing the job creation, economic development transformation roadmap.

- Setting up an end-to-end business support infrastructure
- Access to capital for informal and township entrepreneurs
- SMME development/ support
- Investment promotion
- Skills development
- Reducing red tape/ bureaucracy
- Public-private partnerships & stakeholder engagements
- Driving inclusiveness and transformation
- Spatial development (Environmental, EIA, carbon-footprint & land management)
- Infrastructure (including soft infrastructure)
- Access to information
- Localisation of economy

Possible development in these sectors will be investigated in partnership with Province and the private sector to determine how and when it will be rolled out in the city.

Measures that will improve investment attraction, and they are:

- management and service delivery;
- administrative procedures and minimization of red tape approvals;
- safety and security;
- more investment in infrastructure;
- more investment incentives;
- more skills development, education and training;
- more support services for potential investors.

6.4 Concluding SWOT Analysis

Key socio-economic elements that are important are identified and are summarised below to provide context to the formulation of the LED Strategy. From the research, it is established that the uMhlathuze local economy is contending with a myriad of challenges. There are also major competitive advantages which the City of uMhlathuze enjoys as a port city, and which represent platforms for major growth opportunities. These competitive advantages include its location, and large deep-water port. It is important to develop the Strategy within this context and background understanding.

The advantages are briefly enumerated below:

- Located along the N2 route. This route connects Durban and Mozambique; and represents several logistics, warehousing, and port access potential.
- Industrial hub and regional commercial centre.
- Thriving secondary city attracting many people to make use of the commercial higher order facilities available.
- Largest contributor to King Cetshwayo District Municipality economy and third most important regional economy behind Durban and Pietermaritzburg
- Most urban of the local municipalities in King Cetshwayo District municipality
- Located along a 45km stretch of coastline of which 80% is in its natural state.
- Good rail & road connectivity into Africa
- Largest deep-water port of Richards Bay

On the other hand, there are some challenges that hamper optimisation of uMhlathuze as a port city including:

- Deteriorating and ageing infrastructure in the Municipality
- Lack of funding and access to capital for projects
- Skills development and education
- High levels of unemployment
- Low economic growth and sustainability of industries
- Low investment attraction and retention
- Poverty and low household incomes
- Low coordination amongst stakeholders (working in silos)

- Low levels of communication amongst stakeholders
- Low access to productive commercial and agricultural land
- Limited transformation and economic growth in townships and rural areas
- Impact of COVID-19 on the local and regional economy
- Lack of Municipal Incentives: Tax on bulk contributions, no local authority incentives, building approvals take long (up to 6 months).
- Bureaucracy
- Red tape and corruption
- Crime, safety, and security issues

The following table provides a detailed breakdown of the strengths, weaknesses, opportunities and threats for the City of uMhlathuze emerging from the findings of the situational analysis.

Table 20: Summary SWOT Analysis of uMhlathuze Local Municipality

SECTOR	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Socio-economic	<ul style="list-style-type: none"> Most urban local municipality in King Cetshwayo DM Regional economic hub 	<ul style="list-style-type: none"> Relatively high rate of poverty, unemployment and functional illiteracy. High representation of households with low disposable income. 	<ul style="list-style-type: none"> Government support programmes exist which could be further tapped into 	<ul style="list-style-type: none"> Increased population growth rate which adds pressure on infrastructure and available resources Traditional authority areas are characterized by dense unplanned settlement, particularly on the borders of towns, driven by ad hoc land allocation through the Amakhosi.
Manufacturing /Industry	<ul style="list-style-type: none"> The Richards Bay Industrial Development Zone (RBIDZ) is a national priority for stimulating growth in the manufacturing sector. The manufacturing sector is the largest contributor to GDP 	<ul style="list-style-type: none"> Poor linkages between large dominant companies and local manufacturers and SMMEs Dominated by a few large organisations. 	<ul style="list-style-type: none"> Location in relation to Richards Bay deep water port for ease of freight and logistics in exports and imports Proximity to Dube Trade Port. Airport relocation project to improve transport, freight and logistics 	<ul style="list-style-type: none"> Economic recession. Covid19 restrictions on transport and movement Continued community unrest which affects some manufacturing activities (e.g., disruption of operations at Richards bay Minerals)
Mining	<ul style="list-style-type: none"> Coastal dunes with heavy minerals that are sought after for mining. Large contributor to local GDP 	<ul style="list-style-type: none"> Dominated by a few large organisations. Largely capital-intensive little influence on local job creation 	<ul style="list-style-type: none"> Collaboration with municipality to develop local communities 	<ul style="list-style-type: none"> Environmentally sensitive areas may be affected by mining operations
Wholesale and retail trade	<ul style="list-style-type: none"> Main urban centres Empangeni and Richards Bay attract many people from surrounding rural areas even as far as Jozini providing retail and trading services. 	<ul style="list-style-type: none"> Relatively low buying power in poorer areas outside of Richards Bay and Empangeni 	<ul style="list-style-type: none"> Customised low rates to attract business. Well established and effective business chamber in uMhlathuze 	<ul style="list-style-type: none"> Foreign ownership of local convenient shops. Development of shopping malls in township areas

SECTOR	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
	<ul style="list-style-type: none"> Large number of local small shopping facilities 			
Tourism	<ul style="list-style-type: none"> The beach and coastal area Conservation areas Rich cultural heritage. Strategically located land for upmarket and holiday resort developments. 	<ul style="list-style-type: none"> Low demand for tourism Tourism in uMhlathuze is largely dominated by the domestic market with minimal visits from the international market 	<ul style="list-style-type: none"> Location within the Zulu-Heritage Route. Location along the coastline. Airport relocation project a boost to regional and international tourism with direct access to uMhlathuze 	<ul style="list-style-type: none"> Potential has not been optimised due to poor coordination and documentation. Tourism awareness in uMhlathuze is relatively low and the poor integration in the tourism products also adds to the problem.
Agriculture	<ul style="list-style-type: none"> Identified as a top sector with the greatest job-creating/ labour absorption potential Sugar-cane plantations and sugar-mills. Good potential agricultural land in communal areas and along the coast. Farmers associations. perennial rivers, deep soils and the warm climate which allow for year round agricultural activity 	<ul style="list-style-type: none"> Poor access to farm implements and finance by small scale farmers. Inactivity of the King Cetshwayo District Municipality's Fresh Produce Market Low access to good productive land in communal/rural areas 	<ul style="list-style-type: none"> RASET and Bulk Buying government programmes Small scale farmer support programmes. Establishment of a FPSU Create link or social compact with traditional authorities to facilitate access to land An Agribusiness Development Agency has been established in KwaZulu-Natal under the auspices of the Department of Economic Development and Tourism 	<ul style="list-style-type: none"> Climate Change Poor performance and uncertain future of the sugar industry. Inaccessibility of productive rural land to communal farmers Loss of good agricultural land in some traditional council areas due to unplanned settlements
SMMEs	<ul style="list-style-type: none"> Informal trading stalls and infrastructure provision Organized informal traders associations and groups 	<ul style="list-style-type: none"> Lack of SMME sufficient infrastructure. Lack of SMME and informal trading policy and management systems. 	<ul style="list-style-type: none"> Provincial SMME development programmes. Urban renewal programmes 	<ul style="list-style-type: none"> Informalisation of most SMME operations Increase in foreign owned small enterprises.

SECTOR	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
Informal Sector	<ul style="list-style-type: none"> • uMhlathuze Municipality has an Informal Economy Policy • Support for the informal economy is reflected in IDP 	<ul style="list-style-type: none"> • low incomes with household expenses competing with business needs such as maintaining stock levels, and lack of capital for business expansion. • lack of registration of informal traders 	<ul style="list-style-type: none"> • establishment of an informal actors' chamber as a means of engaging with informal economy actors. 	<ul style="list-style-type: none"> • limited access to training, • limited access to finance, • lack of support infrastructure such as storage facilities, ablution facilities, water and electricity
Rural and Township Economy	<ul style="list-style-type: none"> • Large tracts of rural land with agriculture potential • Many small-scale diverse township enterprises 	<ul style="list-style-type: none"> • Poor infrastructure • Lack of support for rural and township businesses • Enterprises are largely small and informal • Poor external linkages with external markets 	<ul style="list-style-type: none"> • Formalisation of rural and township enterprises • Integration into mainstream economy with support from government and developmental agencies 	<ul style="list-style-type: none"> • Lack of access to funding and capital • Lack of access to external markets and value chains • Crowding out of smaller rural and township businesses by larger firms/foreign owned businesses
Blue Economy	<ul style="list-style-type: none"> • Location along coastline • uMhlathuze has several perennial rivers and freshwater bodies 	<ul style="list-style-type: none"> • Still a largely niche sector that needs to be integrated into mainstream economy • Difficulties of minorities to partake in the sector • Industry is capital intensive, and the available grants and loans are not sufficient 	<ul style="list-style-type: none"> • Availability of freshwater opportunities including small scale fishing activity on lakes (uMhlathuze, Mangezi, Mzingazi etc) • Creation of fishing communities on the freshwater lakes • Largest deep-water port of Richards Bay 	<ul style="list-style-type: none"> • Low awareness of opportunities
Smart City/Digital Innovation	<ul style="list-style-type: none"> • Development plans for a Convention Centre 	<ul style="list-style-type: none"> • Lack of sufficient broadband infrastructure • Low availability of skills base specialising in technology and innovation 	<ul style="list-style-type: none"> • Digital Centre programme roll out across the province • Special Economic Zone (SEZ) Richards Bay IDZ 	<ul style="list-style-type: none"> • Initiatives are capital intensive • Widening skills gap
LED Institutions	<ul style="list-style-type: none"> • LED unit within the municipality. 	<ul style="list-style-type: none"> • Inadequate capacity. • Lack of funds. 	<ul style="list-style-type: none"> • Provincial and District support. 	<ul style="list-style-type: none"> • Delayed programme implementation

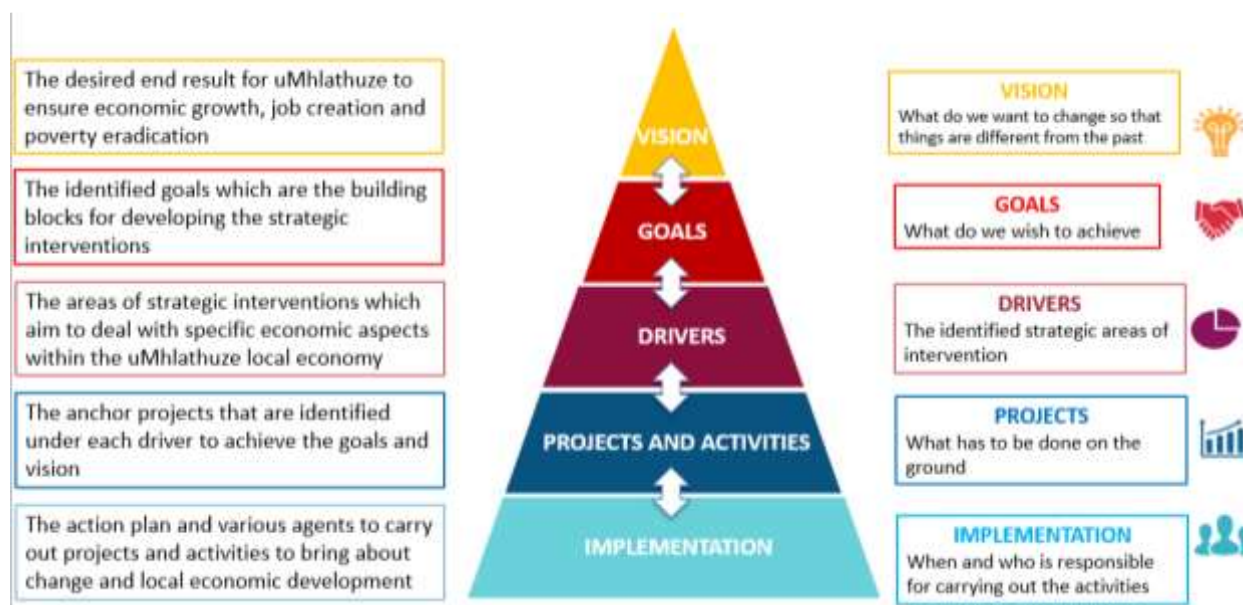
SECTOR	STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS
		<ul style="list-style-type: none"> Poor coordination among stakeholders. 		

7 Strategic Framework and Interventions

Following from the SWOT and underlying situational analysis, to develop a meaningful strategic framework for LED in uMhlathuze, it is important to ensure that the current challenges are translated into potential opportunities, while the existing opportunities are strengthened to drive LED. This will require identification of a strategic framework that promotes the existing strengths, converts the weaknesses into potential opportunities, and diversifies the current activities to ensure expanded and productive growth in the local municipal economy.

The strategic framework provides an outline and a blueprint on how the strategy will operate to achieve its goals and vision. The vision is refined into goals, drivers, projects, and activities in terms of the logical frame presented in the figure below.

Figure 16: The Strategic Framework



7.1 Vision and Goals

The vision for the City provides a point of reference to keep the stakeholders and the Municipality focused on the important issues and gear towards the right direction. The vision provides an opportunity for the community and relevant stakeholders to think in broad and general terms about the future. As such, the

vision statement defines the City of uMhlathuze's medium to long-term goal and pledges a future characterised by an improved quality of life, inclusive economic growth, and increased opportunities to the people of uMhlathuze and all other interested and affected parties.

The vision paints a picture of a bright future for uMhlathuze, indicates the way stakeholders, both internal and external, should perceive the uMhlathuze area and sets a clear direction and expectations within which the entire LED Strategy is framed.

To realise the vision of the province, four strategic goals were identified to guide policymaking and resource allocation as shown in the figure below.

Figure 17: Strategic Vision and Goals



The vision of the City of uMhlathuze mirrors the essence of the Provincial vision. The strategic initiatives adopted by the City are further aligned to the scope of the vision and goals set out in the City of uMhlathuze Long Term Strategy document, the municipal IDP and the SDF.

7.2 Strategic Drivers

From the challenges affecting the local uMhlathuze economy as well as the directives emerging from the analysis of policy and socio-economic factors, 12 strategic drivers are developed. These 12 drivers are the foremost strategies and thrusts behind local economic development in uMhlathuze. From these, the subsequent high impact programmes and projects for implementation are drawn out.

The following figure gives the 12 Strategic Drivers of local economic development for uMhlathuze LM.

Figure 18: 12 Strategic Drivers



The following is an unpacking of the strategic Drivers of the Strategy and the associated high impact programmes and projects.

7.2.1 Development of Enterprises And Emerging Economies

The emerging economy, as defined in this report, incorporates:

- Informal Activities⁸,
- Co-operatives,
- Entrepreneurial development and
- Small Medium and Micro Enterprises (SMMEs) development.

⁸ The major activities of the informal trading in the municipality include among others the following: rural and agricultural gardens, mielie cookers, suppliers of wood and water to mielie cookers, newspaper vendors, taxis drivers, minibus drivers, live chicken sellers, second hand clothes dealers, hairdressers, fruit sellers, street food vendors, street non-food products vendors, informal builders, tavern and shebeen operators, spaza shop owners and workers, traditional medicine practitioners and muthi traders and others

Promotion of enterprises, particularly informal, small, and medium, represent a significant vehicle to address the challenges of job creation, economic growth, and equity. Enterprise development and support is an initiative which should be prioritised to empower local communities in uMhlathuze.

Businesses in uMhlathuze (informal, small and medium) need to be elevated to levels that enable them to compete with established larger companies as well as in the wider provincial marketplace. This driver recognises that catalysing entrepreneurial behaviour is important and regards it as critical to create an inclusive economy in KZN.

This driver envisages support through market development, commercial business services, social enterprise, finance, entrepreneurship development, investment, and growth in SMMEs, formalising the informal economy, including initiatives that range from enabling the start-up of small businesses to providing business skills development through training, mentoring and coaching. Beneficiaries of enterprise development are SMMEs from a broad range of firms, from traditional family businesses to survivalist self-employed individuals. It is also important that, under this programme, the municipality facilitates support for informal economy actors.

The projects/programmes under this strategy are:

1. Develop a business aftercare programme for new and existing businesses.
2. Provide up to date information on investment opportunities via an online information portal on the uMhlathuze Local Municipality website
3. SMME One-Stop-Shop at eMpangeni CBD with NYDA offices, NDA and Zikhulise Community Development Organisation covering the entire King Cetshwayo region, Zululand, and some parts of uMkhanyakude districts

7.2.2 Infrastructure Development And Support

Good quality and sustainable infrastructure are the backbone of any successful economy and community. Economies need access to energy, transport, sanitation, hospitals, and schools to grow and develop. The economic growth of economies is often hindered by limited access to infrastructure and resources required to achieve scale and scope economies. The lack of support in terms of economic infrastructure also limits the ability of small enterprises to grow and scale their operations.

Within many parts of uMhlathuze there are severe infrastructure backlogs. Infrastructural services included under this Driver are:

- Water
- Sanitation
- Road and related transport and logistic facilities such as taxi ranks and bus termini.
- Rail infrastructure
- Richards Bay Port Infrastructure
- Electricity and alternative green energy facilities
- ICT infrastructure
- Housing and human settlements
- Education
- Health
- Community facilities
- Sport and recreation facilities
- Arts and cultural facilities

The emphasis of this strategic driver is on increasing economic productive activity in uMhlathuze through improved infrastructure provision and support. Infrastructure development and urban revitalisation is key to provide opportunities in wholesale, retail, trade, and services.

Key Recommendations:

- Creating an enabling environment for infrastructure development through dedicated champions to drive key construction/ built environment projects.
- A focus on standardising and limiting turnaround times for standard approvals.
- The development of critical support infrastructure as well as appropriate soft infrastructure.
- Formalise unplanned settlements to ensure compliance and access to basic services such as water and electricity.
- Regularly review the state of social and economic infrastructure in uMhlathuze.
- Review existing public infrastructure which can be converted into manufacturing, business parks as well as sectoral incubation centres.
- Identify and upgrade key infrastructure including roads and broadband infrastructure.
- Provide adequate infrastructure for informal traders including shelters, stalls, ablution facilities, waste collection, storage space and a clean working environment.

The projects/programmes under this strategy are:

1. Construction of trading centres in the cities, towns and rural areas (prioritise improving the informal trading conditions)
2. Constant urban infrastructure upgrades including roads, streetlights, taxi rank upgrading and water
3. Land packaging and servicing for economic development
4. Precinct planning to unlock viable commercial land for development for example
5. Developing additional water resources through wastewater treatment, which will become available for industries

7.2.3 Partnerships And Social Compacts

uMhlathuze municipality is host to several multi-national companies whose businesses have been operating for several years. It is also hosting one of the thriving Special Economic Zones in the country, the Richards Bay Industrial Development Zone and has the deepest Port in the SADC region. This presents the city with many opportunities for economic growth and local empowerment. At the same time, there are growing frustrations from the local communities due to the rise in unemployment and economic meltdown generally. There is also a mounting pressure on industry to demonstrate that the locals access the downstream benefits and employment opportunities. In recent times, the city has been engulfed by protests, from local businesses and labour forums. The growing impatience on the ground has prompted government to engage with the affected parties with a view to find a workable solution to the issues raised.

Many institutions in both private and public sector operate in silos without sufficient co-ordination. The need for collaboration both within and between sectors is important. Through enhancing coordinated planning and implementation, and enhancing the functionality of existing structures and relationships, local economic development goals may be achieved.

Building public private and civic partnerships especially with traditional authorities in the case of rural areas is important for inclusive economic development. Collaboration between the public and private sector will enable opportunities to be unlocked.

This driver aims to mobilise and alignment of the resources, knowledge and skills of the stakeholders and partners to focus on the local uMhlathuze economy. The building of partnership relationships that leverage resources is a core element of this Driver. As part of this driver a formal structure known as uMhlathuze Multi- Stakeholder Forum (UMSF). Which is a multi-stakeholder meeting of Captains of

Industry, Labour and Business Forums, leadership of the District and Local Municipality aimed at engaging stakeholders on a variety of issues, which is mainly centred on access to business development, procurement and employment opportunities and general socio-economic empowerment opportunities for the local communities. The UMSF is a systematic way of dealing with the identified issues and aids in establishing a formalised way of engagement between industry and the forums.

7.2.3.1 Multi Stakeholder Engagement Framework

The purpose of the UMSF is aimed at addressing the ongoing concerns about community upliftment and economic empowerment. The terms of references therefore are:

- a. The forum is constituted as an integrated platform for engagement that will act as a conduit through which stakeholders will discuss matters of concern;
- b. The forum has subcommittees to deal with matters related to the following 4 pillars:
 - i. Employment and recruitment
 - ii. Skills development
 - iii. Business opportunities in procurement spend of the companies including enterprise and supplier development
 - iv. Corporate Social investment.
- c. The forum develops implementation plans on the above 4 pillars in consultation with all parties.
- d. The forum monitors and tracks progress on the implementation plans through the established committees and report timeously to the UMSF.

The USFM is composed of members constituted by rational representation of Municipalities, Public Sector Institutions, Amakhosi and organised labour and Industry as follows:

- The Municipality of uMhlathuze as a convener.
- The District Municipality.
- The Department of Economic Development, Tourism and Environmental Affairs.
- The State-Owned Enterprises, namely, Richards Bay Industrial Development Zone and Transnet National Port Authority (TNPA – represented by the Port of Richards Bay).

- Industry, duly represented at the level of managing Director or Chief Executive Office.
- Zululand Chamber of Commerce (ZCCI).
- The Business Forum Executive.
- The Labour Forum Executive.
- Amakhosi.

The USFM reports all activities of the forum to their respective constituencies with no confidential information disclosed.

To the above effect some key recommendations are as follows:

- Develop a social compact with the Ingonyama Trust Board to gain their support and commitment for communal land development.
- Foster and support networks to strengthen one voice across sectors and their representative organisations.
- Enhancing the functionality of existing structures and relationships.
- Ensuring transparency between private and public-sector institutions.
- Facilitate consumer organisations: stokvels; street trader associations; community safety forums.

The programmes/projects under this strategy are:

1. Develop a central platform for frequent engagement, information sharing and project feedback between municipal officials relevant stakeholders
2. Tripartite agreement with RBIDZ and Transnet National Ports Authority to promote integrated planning and management of projects, resulting in regional economic growth.
3. Facilitate partnerships between local SMME's and local big companies through the the uMhlathuze Multi Stakeholder Engagement Framework initiative

7.2.4 Access To Markets And Wider Value Chains

As part of this Driver, there is a need to ensure linkages are established in the supply chain by connecting enterprises in uMhlathuze with production networks in the larger provincial and national mainstream economy.

Many enterprises, with exceptions, remain outside of the main circuits of market exchange. The primary source of their goods and services remains local community markets and they have played an important role in structuring these markets. Difficulties to access competitive markets is a critical and important dimension of local economic development.

For Micro enterprises flea markets are very beneficial, cost-effective access to the economy. **Flea markets** are important spaces for connection and local **economic** development. The connections that are made between buyers and sellers promote a sense of place, which is a crucial component for individuals to feel anchored within their own communities. Establishing this feeling is important as individuals become more likely to continue circulating their money within the region.

Key recommendations:

- Support formation of consumer cooperatives
- Support formalisation of small, rural and township informal enterprises
- Promote local enterprise linkages with mainstream businesses
- Develop strategies to support efforts to breakdown monopoly domination in various sectors of the economy
- Identify, promote, and support new opportunities for production of goods and services by local enterprises
- Supporting initiatives that establish internal township linkages between producers and sellers;
- Government procurement spend and special provisions for township enterprises to be investigated;
- Regulation of township retail business (for example – formal recognition/registration of a residential-based spaza shop model as a convenient store) by the municipality; and
- Infrastructure support

The projects/programmes under this strategy are:

1. Formalising enterprises that are not already formalised which includes helping new businesses with the registration and compliance processes
2. Facilitate flea markets and other markets on a rotational basis in the main consumer points/economic hubs
3. Buy Local Charter Campaign to encourage local companies to prioritise local products when procuring services.
4. Supply Chain Management 40-40-20 Set Aside Policy Amendment to spend capital budget to benefit the historically disadvantaged sectors such as the Youth, Women, Disabled and Black Military Veterans - 40% of a capital project to women, 40% to youth and 20% to disabled persons
5. Opportunity Tuesday Initiative
6. Partnership with Richards Bay Industrial Development Zone to host Business Expo/Fair events annually

7.2.5 Access To Finance And Funding

A major stumbling block for enterprises in uMhlathuze is access to financial support from both public and private finance providers. At present, many enterprises are under-capitalised and struggle to access external finance (private and to certain extent public), particularly for start-ups and expansion. Access to finance is one of the top barriers to starting a new business.

This demonstrates the reality of financial exclusion in uMhlathuze. There is a distinct financing need for many enterprises. This is also coupled by a lack of enterprise understanding of equity and limited exit paths. There are some funding opportunities though this funding is being underutilised.

Significant enterprise support is needed to ensure that enterprises are investable however existing support services are expensive and underutilised. Ensuring appropriate finance and funding instruments are available is a key to broadening financial inclusion and enabling the local economy to develop and grow.

The projects/programmes under this strategy are:

1. Compile a database of all potential funding sources for LED implementation as well as previous examples of funding applications
2. Assist SMMEs in packaging funding applications to existing funds for manufacturing opportunities

7.2.6 Rural And Township Economic Revitalisation

This driver aims to facilitate the revitalisation of rural and township economies in uMhlathuze local municipality. uMhlathuze local municipality is characterised by large tracts of rural communities as well as large townships where the majority of the population reside. The economic revival of these is therefore of paramount importance in the local economic development of uMhlathuze local municipality.

Rural areas and townships in uMhlathuze and across KZN have been facing economic decline over a long period. Many of these areas have deteriorated drastically and are plagued with issues of poor infrastructure, poor service delivery, inequality, poverty, and high unemployment. This has been compounded by the negative impact of the COVID-19 pandemic which disrupted the functioning of the uMhlathuze economy and is having serious socio-economic effects on the KZN regional economy and on the rural and township areas.

It is estimated that more than 20 000 households live in the Township areas, historically removed from areas of economic potential and incurring extensive economic costs to commute to areas of employment and higher order social and economic activity.

Most of the township businesses are micro-enterprises, born out of sheer necessity as a response to the problems of poverty and unemployment. They are necessity enterprises dominated by women who are trying to make a living and/or supplementing their incomes because there are no other alternatives. Although poverty characterizes township entrepreneurship (low skills, low capital and low income) not all township entrepreneurs are poor.

Currently the Township economy aside from the Mall developments could be defined as mainly informal; i.e. spaza shops, street vendors, catering, street mechanics, informal hair salons, shebeens, car washes, taxi industry, light industries (upholstery, welding, carpentry, brick making). The growth of the businesses hindered in most cases by lack of access to financial services/support, affordable infrastructure, and business mentorship.

Furthermore, the entrepreneurs who have thrived in the township before through trading activities in both formal and informal settings have been choked off by the influx of foreign national entrepreneurs in the traditional township economic activities. Foreign national entrepreneurs are better organized and

possess a competitive edge over local entrepreneurs through networks, bulk buying and ultimately offers goods and services at competitive prices.

An important dimension is the largely informal rural and township businesses which have felt the brunt of the protest actions and are severely affected. The impact of the violent protests have had a negative impact on the rural and township economy of the province. This is largely because the protests have targeted key economic centres and infrastructure including shopping malls, trucks, and major arterial routes such as the N2 and the N3. As a result of shutting down operations, destruction of property, physical loss of goods and working hours, the cost to the economy will run into billions of rand. The economy was already buckling under other pressures such as load-shedding and, most recently, the extension of lockdown measures in response to the spread of the doubly infectious COVID 19 Delta variant.

In summary these are the main challenges of the township economy:

- Domination of economic sectors throughout the value chain by few monopoly players.
- There is no “One stop shop” for small business as the primary platform to drive and champion the township economy.
- Township businesses are not graduating from small and survivalist businesses into sustainable SMMEs that can compete in the formal marketplace. New entrants require support to grow and strengthen their businesses to fully access the mainstream economy, especially marginalized groups
- Limited entrepreneurial and productive activity
- There is little Enterprise Development/ Supplier Development spend in the township economy
- There are no buy local campaigns underway to encourage civic pride and consumerism
- The township economy is not being measured and evaluated on a continuous basis

Key Recommendations:

- Roll out of broadband to townships to create an enabling environment for innovation and entrepreneurialism.
- Physical resources including increasing technology use and investment.
- Improve access to and cost of available finance.

- Networking and outside collaboration
- Improving quality of the human resource through learning, training and capacity and skills building
- Work towards branding and quality standards for rural and township enterprises
- Encourage home improvements and shack upgrades
- Neighbourhood Watch initiatives: Streetlights and visible policing: to target crime prevention
- Urban infrastructure upgrade: roads, streetlights and water; upgrade and renovate old, dilapidated shopping centres
- Promote rural and township economy enterprise linkages with mainstream businesses
- Develop strategies to support efforts to breakdown monopoly domination in various sectors of the economy

The programmes/projects under this strategy are:

1. Develop a robust Rural and Township Economic Revitalisation Strategy for uMhlathuze to prioritise the development of rural and township economies
2. Identify township spaza shops and working with partners start a process of formalizing the spaza shops as legal business entities
3. Provide and ensure safety and security for township and rural enterprises such as lighting and patrols

7.2.7 Ease Of Doing Business

uMhlathuze has emerged as a regional economic hub within its district and in the province. However in order to remain a preferred location for business and to attract new investment, the municipality needs to reconsider its business processes, in particular the development approval processes. The speed at which development is approved will amongst others determine the competitiveness of the municipality as an investment destination. It becomes critical therefore red tape reduction and the ease of doing business in uMhlathuze becomes a major consideration.

Responding to the growing demand for practical approaches to address Red Tape, the municipality has developed a facilitation model for Red Tape reduction. The model aims at supporting property developers and investors in the reduction and avoidance of bureaucratic costs by facilitating a multi-stakeholder discussion and a joint action process through a Multi-Stakeholder Engagement Framework.

Key recommendations:

- Develop a bold investment incentive strategy that should help with the retention of business and development of new economic precincts.
- Establish a municipal Real Estate Company to manage the land assets and future partnerships on behalf of the municipality.
- Establish dedicated committees working on applications to prioritise strategic infrastructure development and business development projects.
- Collaboration with other government departments to coordinate the statutory approval processes.

The programmes/projects under this strategy are:

1. Targeted reduction of red-tape and municipal administrative processing times
2. Provide preferential treatment for local enterprises to benefit from such as informal trade grants funding, licensing incentives

7.2.8 Skills Development

Education, training, skills development, and capacity building all play an important role in local economic development. Skills are central to improving employability and livelihood opportunities, reducing poverty, and enhancing productivity.

Overall, inadequate capacity and low skills level are major gaps in the uMhlathuze Local Municipality. The Finance, insurance, real estate, and business services sector, as well as the size of the informal economy suggest that uMhlathuze's future economic performance will depend on skill levels of the population. Efforts need to be made to improve the quality of skills development in uMhlathuze, and where relevant, strengthen links between formal and informal skills training.

Given the high unemployment rate entrepreneurial skills are much needed for both existing and forthcoming generation of entrepreneurs. There is also need for tailor made support and after care to start and upscale their businesses, respectively. Focus should also be on innovation to enter new markets and or be able to compete in the existing markets that will have a great impact on job creation and multiplying effect on the economy.

In light of these challenges the City has developed the Youth Economic Emancipation Programme (YEEP) initiative outlined below.

7.2.8.1 Youth Economic Emancipation Programme (YEEP)

Among other challenges uMhlathuze 10 Thousand seeks to alleviate the following:

- Unprecedented youth unemployment
- Poor or irrelevant skills in relation to industry demands
- Poor coordination of interventions
- Lack of formalised partnerships with private sector
- Unstructured opportunity pipeline management
- No comprehensive profiling of job seekers, emerging entrepreneurs etc.
- Unstructured on-the-job training, work experiences, internships and learner ships
- Poor alignment of initiatives
- Ad-hoc solutions & lack of monitoring

Key fundamentals of uMhlathuze 10 Thousand to provide window of opportunity for the youth are outlined as follows:

- Develop innovative solutions
- Demand led skills revolution
- Impact driven partnerships
- Sharing of job creation & SMME support burden with the private sector & other spheres of govt
- Network of systems and people that connect the dots for young people who would otherwise not know where to start and what to do next (Best-Fit)
- Matching young people to pathways based on their skills and level of education
- Giving young people a second chance

Approach To Umhlathuze 10 Thousand

- It is a pathway based diversion programme where applicants are registered and profiled and guided in terms of appropriate pathways until ultimately allocated a pathway. The programme targets dropouts to unemployed graduates and is exclusive to uMhlathuze youth
- Each participant is then monitored along the pipeline until linked to pertinent opportunity

- At least 100 young people to be at various segments of the pipeline at a time of which the ultimate target is 10 thousand
- The Programme relies on both internal and external partners and a network of systems and companies

The City has been contributing to the youth development in different units as outlined in the below for the period 2002/2021. Some of the programmes rolled out by the City are :

- Matric Support
- Free Public Wi-fi Hotspots
- On the Job Training
- Youth in Business
- City of uMhlathuze One- Stop- Shop

Matric Support

Council decided to support academically deserving matriculants from low-income families in all 34 wards. Since 2016, Council has assisted more than 400 matriculants in registering in institutions of higher learning. _ is has always been done transparently by publishing advertisement in local media and sharing information through all Councillors. Arming young people should begin with educating them.

Free Public Wi-Fi Hotspots

One significant achievement targeting the City of uMhlathuze young people is implementing the Council resolution to empower youth with free public Wi- Fi hotspots providing free access to the internet near them. This support assists them in unlocking business opportunities, seeking employment, completing schoolwork and advancing their different skills and talents. Since 2016, 58 public Wi-Fi hotspots have been installed and are working. These hotspots are in public facilities such as all libraries in rural and urban areas, community halls, Thusong Centres, community parks and swimming pools. Over R3 million has been spent over this term of office in rolling out free public Wi-Fi hot spots. New hotspots focusing mainly on rural areas are on the cards in the 2021-2022 financial year.

On the Job Training

Since 2016, through working with institutions of higher learning and the Sector of Education and Training Authorities (SETAs), the City of uMhlathuze has created space for 539 learners to do practical training. These opportunities span from administrative fields to highly technical sections such as ICT, electricity and water related functions. Some of the young people have been absorbed within the organisation on a full-time basis.

- 2016-2017 Financial Year: 73 Trainees
- 2017-2018 Financial Year: 133 Trainees
- 2018-2019 Financial Year: 86 Trainees
- 2019-2020 Financial Year: 81 Trainees
- 2020-2021 Financial Year: 83 Trainees
- 2021-2022 Financial Year: 83 Trainees

Youth in Business

Council took a brave decision to amend the Supply Chain Management Policy to allow it to spend its capital budget to benefit the historically disadvantaged sectors such as the Youth, Women, Disabled and Black Military Veterans. Initially, 40% was set aside for youth and was later reduced to 30% to accommodate ex-combatants. Young people with SMME in different sectors of business have since utilised this opportunity to their benefit.

- 2016-2017 Financial Year: R131 million: 94% spent on youth-owned businesses.
- 2017-2018 Financial Year: R134 million: 102% spent on youth-owned businesses.
- 2018-2019 Financial Year: R139.3 million: 140% spent on youth-owned businesses.
- 2019-2020 Financial Year: R66.29 million: 78% spent on youth-owned businesses.
- 2019-2020 figures were severely affected by the Covid-19 pandemic, which closed down almost all sectors for over six months.

The role of on-going skills programmes cannot be overemphasised. Programmes should focus on basic business skills and should focus on SMMEs as well as informal traders. These programmes should be run in conjunction with stakeholders such as SEDA, SETA's as well as tertiary institutions will need to be networked with both formal and informal businesses to ensure that programmes are aligned with industry demand.

Key Recommendations:

- Establish a panel of companies that are accredited by SETAs for implementation of training programs.
- Set aside at least 5% of the capital budget for training of employees that are sourced from communities as temporary employees by contractors, especially EPWP employees.
- Implementation of Community Works Program should also be aligned with the municipal indigent policy.
- Perform skills Demand Analysis: industry sector competency requirements – mapped to current and emerging opportunities.
- Set up community-based education and training centres/hubs that provide free online learning venues with computers and good Wi-Fi .
- Provide aftercare services for trained graduates .

The projects/programmes under this strategy are:

1. Establish a platform for engagement between tertiary institutions and business to ensure programmes are aligned with industry demand
2. Development of a database/portal/digital platform where graduates can register their training and qualifications CVs for employment opportunities
3. Partnership with SEDA Construction Incubator for the recruitment of young entrepreneurs
4. Partnerships with institutions of higher learning and the Sector of Education and Training Authorities (SETAs) for learners to do practical training
5. Youth Economic Emancipation Programme (YEEP) through strategic partnerships with all industries within the City and Institutions of Higher Education within the City

7.2.9 Support For The Tourism Sector

uMhlathuze Local Municipality has a strong potential to present tourism opportunities for local economic development and growth. There are various tourism activities within uMhlathuze, potential exists to enhance the sector through development of new activities and attractions. This driver aims to facilitate as well as identify opportunities to enhance the tourism sector. A critical element to this is the revival of the sector which has been hard hit by the impact of the COVID19 lockdown restrictions.

This driver provides solutions specifically identified in order to address the challenges surrounding information and marketing of tourism products, destinations, and attractions. The challenges within the tourism sector include the need for a one-stop information centre that is easily accessible and well

marketed, the need for diversification of the tourism sector, the need for marketing of the region and the need for tourism infrastructure upgrades.

Key recommendations:

- Develop a one stop shop for tourism industry to drive enterprise development for tourism businesses in UMhlatuze.
- Development of a detailed marketing plan for uMhlatuze Tourism and driving of an events calendar to increase visitor numbers.
- Prioritise key strategic tourism infrastructure projects in the City.
- Packaging and marketing of tourism offerings.
- Strengthen and capacitate the CTO and Tourism Forums to improve effectiveness of these important institutions.
- Upgrade Thulasihleka Birds Pan which entails:
 - Construction of 60 meters boardwalk
 - Construction of the birds hide
 - Upgrade of 3 km access road leading to the site.
- Upgrade of Southern Sanctuary Birds Pan which entails:
 - Construction of 4 km boardwalk
 - Construction of the birds hide.
 - Upgrade of the recreational area.
- This is because the City of uMhlatuze is one of the South Africa's top water birds and it is the hot spot for nature. The upgrade of the above-mentioned facilities will give the City an added advantage of being KZN's biggest avitourism destination.

The projects/programmes under this strategy are:

1. Increase the marketing around the current tourism products by assisting tourism product owners to establish an online presence
2. Maintenance of strategic municipal tourism products through private sector participation and collaboration
3. Take advantage of low hanging fruit such as eventing, rural equine races and 'bleiusre' tourism

7.2.10 Agricultural Support And Development

Based on the (Spatial Development Framework page 111 Land Capability Map) it shows that within rural nodes of the Municipality there are vast portions of land with Good Land Potential thus this driver focuses on unlocking the potential of agriculture and Agro-Processing as a driver of local economic development in the municipality. The driver aims to promote and unlock agricultural sector as a feasible and sustainable contributor to economic development of the city.

uMhlathuze's agricultural sector however faces a large number of challenges, the most significant of which are underinvestment in bulk infrastructure, a lack of diversification, a need for stronger relationships between stakeholders, limited small-scale farmer support and assistance, and the need for redevelopment/regeneration of vacant farms.

In order to address these challenges, a number of strategic interventions are required that specifically target the major challenges faced by both commercial and emerging farmers. This includes significant investment into infrastructure such as access roads, identification of new potential agricultural opportunities, improving and strengthening the institutional relationships and partnerships between stakeholders, and provision of support and assistance to the agricultural sector, particularly small-scale farmers.

A critical element of this driver is the issue of underutilization of good agricultural land in the traditional council areas. An opportunity exists for the commercialization of agricultural production in the communal areas where there is currently mostly small-scale subsistence farming. Small-scale farmers should be assisted to add value and capture urban markets. It is important to engage with the ITB and Traditional Authorities and facilitate the drawing up of a social compact with Traditional Authorities to release land and give access to productive rural land for agricultural production and agri processing.

Key recommendations:

- Farmer development to be prioritised, with support from Provincial and local agencies, in order to graduate emerging farmers into viable, commercial enterprises, through skills development and mentorship.

- Feasibility studies to be conducted into Agri-Parks in the City to drive agro-processing and further opportunities along the agricultural value chain.
- Aggregation and facilitation of access to market for emerging farmers e.g.
 - municipal supported live-stock auctions such as the uMhlathuze Goat Auction through Department of Rural Development
 - a rotational market hosted and organised by participating stakeholders,
 - Dube Aquaponics project funded by Richards Bay Minerals
- Identification of export opportunities for existing commercial farmers and potential new products
- Ring-fenced fund for access to capital
- Ensuring the functioning of an Agricultural forum to drive support for the Agricultural Industry in uMhlathuze
- Capacity building of small farmers on business processes and sector specific processes

This driver has been identified as low-hanging fruit on the basis readily available support and funding presented through RASET. The structuring of opportunities and participation will align to RASET guidelines and further develop from this point. In addition, partnership with other role players such as DAFF, Department of Agriculture, TIKZN, NAMC, SEDA, EDTEA, Department of Small Business Development, Richards Bay IDZ, King Cetshwayo District Municipality, Trade Investment Kwa-Zulu Natal, and private sector players is crucial.

To this end, strategic programmes are identified which pave the way for the identification of related projects aimed to tackle the challenges. The programmes identified within this strategy are identified below:

1. Develop a social compact/social contract with the ITB and Traditional Authorities to release land for communal land development
2. Facilitate the establishment of digital networking applications/platforms where farmers can create linkages, share knowledge and other resources
3. Farmer development to be prioritised, with support from Provincial and local agencies, in order to graduate emerging farmers into viable, commercial enterprises, through skills development and mentorship.

7.2.11 Development Of Innovative Economies

This sector refers to new innovations such as:

- The Green Economy
- Blue/Maritime Economy,
- Circular Economies,
- ICT and other new innovative initiatives related to the fourth and even the fifth industrial revolution.

The basis of this sector is often the development and implementation of new technologies and the creation of new innovative linkages between traditional economic activities.

The key sectors are increasingly recognised as important and integral to the health and wellbeing of sustainable local economies in order to meet their environmental, social and economic needs. In planning for a sustainable future local economy, the uMhlathuze Municipality has to strategically identify, implement and support practical innovative economy strategies for the community. For instance, the Municipality already has an untapped source of renewable energy within the immediate vicinity of Richards Bay and Empangeni. The Felixton Sugar Mill (the largest mill in the Southern Hemisphere) generates electricity for its own use by burning bagasse. The City could advocate for connection of the sugar Mill to the grid at a national level.

The development of information, communication, and telecommunication infrastructure (ICT) is one of the strategic objectives of the Province. The KZN Provincial government has through the Moses Kotane Institute embarked on an initiative to establish Digital Centres that will spur the economic growth of the province and serve as a catalyst for job creation, investment attraction and innovation. The programme is currently being implemented in the following areas across the province:

- Bergville;
- Mfolozi;
- Kokstad;
- Dube Trade Port/ La Mercy;
- Phongolo;
- Jozini;
- Inkosi Langalibalele.

With innovation being such a critical pillar for economic growth and the advancement of a knowledge economy, it cuts across the other activities and sectors in the uMhlathuze economy and will drive economic growth.

Key recommendations include:

- Build on existing Industry Collaboration to drive the development of the Maritime Industry in Richard's Bay
- Development of Maritime specific skills in the City through partnerships with Transnet and tertiary institutions
- Focus on development of maritime infrastructure to provide opportunities for economic growth, transformation, and job creation in the City
- Broadband rollout is key critical infrastructure to create an enabling environment for ICT sector, especially in relation to opportunities for Youth, as well as a driver for innovation in the City
- Skills development in the ICT sector is key to provide opportunities for e-entrepreneurs. Partnerships with key learning institutions are key.
- Develop a blueprint for the virtual economy
- Alternative energy generation opportunities to be prioritised
- Rural electrification through private sector alternative green energy initiatives such as hydrogen energy, fuel cell technologies, wind, solar and waste to energy.

The projects/programmes under this strategy are:

1. Migrate to an on-line system for municipal processes and services such as the submission of applications and building plans
2. Establishing a City Application (APP) which will easily connect customers and citizens with services without carrying any costs of travelling to City offices.
3. Facilitate the establishment of digital centres in townships to create new smart cities/towns in uMhlathuze
4. Smart City and the Free Public Wifi Hotspots Rollout in public spaces, libraries, community halls, Thosong Centres
5. Lobby national government for the conversion of existing waste from sugar milling into renewable green energy for local consumption

7.2.12 Manufacturing And Logistics

This Driver encourages expanding the productive capacity of value-added manufacturing industries of manufacturing, transport and logistics by identifying and promoting new opportunities for locally based production for goods and services as way to concentrate development.

It recognises the productive potential of the uMhlathuze economy, especially in light manufacturing, industrial cooperatives as well as to the localisation and procurement programmes of locally produced goods and services. The history and potential of the Industrial Development Zone is key in considering the development of industry and manufacturing in uMhlathuze.

Despite the potential of the manufacturing sector of uMhlathuze the sector however still faces a large number of challenges, the most significant of which are the current protests action/unrest in Richards Bay, a lack of manufactured products diversification within the sector; a lack of support for industry by local government (in terms of lobbying with provincial and national government and SOEs); a need for investment into new technology and renewable energy products and a need for improving SMME participation within the manufacturing sector.

This focus area is not a standalone; it links to the provision of economic infrastructure and access to finance for its success. In the Operation Vula manufacturing is identified as a driver for the revitalization of townships.

Automotive Hubs

The City has a large number of informal mechanics that require infrastructure, technical and Business incubation. The City started an initiative in Richards Bay SMME Park of providing infrastructure, and through its partners provide training to informal mechanics. Through this project, it has been realized that a technical mentor who is qualified and a registered mechanic is required for the centre to achieve accreditation, sustainability, and job creation. A model ran by SATEC (Seda Automotive Technology Centre) has been identified as one that has the same goals as the City. The model could be piloted in Richards Bay, and thereafter rolled out to the Townships, where parcels of municipal owned land still exist.

Business Parks / Light Industries

The City of uMhlathuze is faced with a challenge of the individuals operating their businesses on the streets and in residential areas. Some of the businesses are making a turnover that would allow them to be SMME's and be able to pay rental which is not market related but subsidized rent. As the rate of unemployment is rapidly increasing members of the public who cannot be absorbed into the formal sector end up operating on the street illegally. The Business Parks / Light Industry Parks would assist in providing the much-required infrastructure to support the manufacturing sector.

Key Recommendations:

- Prioritise existing pipeline projects to realise benefits in the near term, specifically including opportunities identified in the RBIDZ and developing a business case for automotive industry.
- Focus on incentives for / promotion of exports.
- Identify, promote, and support new opportunities for production of goods and services by rural and township enterprises.
- Involvement in new sectors such as cannabis (and its subsequent value addition in the pharmaceutical industries).
- Develop programmes to support manufacturing and productive capacity of existing and new enterprises.
- Invest in high technology manufacturing.
- Prioritise the development of industrial and manufacturing cooperatives.
- Invest in human capital (skills development) to drive a successful productivity strategy and empower the workforce to benefit from the opportunities created by the production and value addition.
- Advocate for good regulatory practices at a provincial level including sound policy to support value addition.
- Customised uMhlathuze Investment Promotion Toolkit to attract investment, through offering of new, local incentives, as well as leveraging off national incentives and priorities.
- Identifying and supporting existing productive capacities of township economy enterprises.
- Identifying new opportunities for production (and related services) that can be supported to meet the needs of the township market and beyond. This will include but not limited to food (agro-processing), and household items, production of uniforms and linen (textile and clothing), recycling (green economy), urban agriculture, and automotive components; and

- Clustering township enterprises as way of concentrating public and private support for growth in productive activities.

The projects/programmes under this strategy are:

1. Assist roadside light industrial activities to access resources, funding and markets for increased production
2. Establishment of Light Industrial and Manufacturing nodes/hubs using Land Release as a key lever to unlock this

7.3 Strategic Interventions

Under each of the 12 Strategic Drivers there are high impact programmes and projects that may be implemented as part of the application of each of the strategic drivers. These are the multi-dimensional and multi sectoral projects that are to be implemented in the immediate short-term period (1 – 5 years) of the strategy operation.

These are envisioned to be projects and interventions that focus on immediate action and the attainment of short-term goals. They are envisioned to directly stimulate and leverage much higher levels of development and have a substantial impact and broader transformation impact.

The high impact projects together provide the necessary platform from which long term local economic development can deliver on the long-term vision. The main objective of these current and planned interventions is to address social, economic and infrastructure challenges to the revitalize the local economy in order to attract investment.

7.3.1 Programmes and Projects

In the design of the priority programmes/projects, the LED Strategy took cognisance of the development priorities set out for the local government, cascading these from the national and provincial development agenda. It also aligns itself to the programmes and projects set out in various municipal strategic planning documents including:

- The Draft City of uMhlathuze Economic Recovery Plan 2021
- The City of uMhlathuze Vision 2030 Strategic Roadmap 2018

- The existing City of uMhlathuze LED Strategy 2013 - 2017
- City of uMhlathuze Strategic Roadmap for Economic Development, Transformation and Job Creation 2016
- City of uMhlathuze Youth Economic Emancipation Programme 10 Thousand Concept
- uMhlathuze Multi Stakeholder Engagement Framework

The existing City of uMhlathuze LED Strategy 2013 - 2017 lists the following Budgeted Proposed projects which are at various stages of implementation as outlined in Section 4.1 preceding:

1. Development of a tourism website
2. Deployment of tourism information kiosks at the airport, N2 Garage and Shopping Malls and other potential locations
3. Host Beach Festival
4. Attend 3 Tourism Trade Shows
5. Driving Lessons for 60 young people
6. Leather Skin Processing project - shoe manufacturing
7. Establishment of 2 jobseeker centers
8. Facilitate establishment of a bakery in KwaDlangezwa
9. Facilitate establishment of a fish farming project in KwaDube -Lake Icube
10. Facilitate development of an SMME Box Mall in Mzingazi
11. Facilitate development of 2 agro-processing projects.
12. Alienate land for primary agriculture.
13. Develop Eskhaleni Business Center
14. Develop 1 informal trading market stall.
15. Upgrade Meerensee Market Stalls
16. Organize Business Training Programs for SMME One-Stop-Shop
17. Finalize Informal Trading Bylaws and Policy review
18. Established Structures

As part of the review of the LED Strategy, the following programmes and projects for implementation are proposed:

Table 21: Programmes and Projects for Implementation

DRIVER	PROGRAMMES AND PROJECTS
1. DEVELOPMENT OF ENTERPRISES AND EMERGING ECONOMIES	Develop a business aftercare programme for new and existing businesses.
	Provide up to date information on investment opportunities via an online information portal on the uMhlathuze Local Municipality website
	SMME One-Stop-Shop at eMpangeni CBD with NYDA offices, NDA and Zikhulise Community Development Organisation covering the entire King Cetshwayo region, Zululand, and some parts of uMkhanyakude districts
2. INFRASTRUCTURE DEVELOPMENT AND SUPPORT	Construction of trading centres in the cities, towns and rural areas (prioritise improving the informal trading conditions)
	Constant urban infrastructure upgrades including roads, streetlights, taxi rank upgrading and water
	Land packaging and servicing for economic development
	Precinct planning to unlock viable commercial land for development for example
	Developing additional water resources through wastewater treatment, which will become available for industries
	Relocation of Richards Bay Airport to help improve and reduce the cost of travelling for local businesses
3. PARTNERSHIPS AND SOCIAL COMPACTS	Develop a central platform for frequent engagement, information sharing and project feedback between municipal officials' and relevant stakeholders
	Tripartite agreement with RBIDZ and Transnet National Ports Authority to promote integrated planning and management of projects, resulting in regional economic growth.
	Facilitate partnerships between local SMME's and local big companies through the uMhlathuze Multi Stakeholder Engagement Framework initiative
	Partnership with the Richards Bay Industrial Development Zone to make parcels of land for development for the benefit of several locals through SMME beneficiation and employment
4. ACCESS TO MARKETS AND WIDER VALUE CHAINS	Formalising enterprises that are not already formalised which includes helping new businesses with the registration and compliance processes
	Facilitate flea markets and other markets on a rotational basis in the main consumer points/economic hubs
	Buy Local Charter Campaign to encourage local companies to prioritise local products when procuring services.
	Supply Chain Management 40-40-20 Set Aside Policy Amendment to spend capital budget to benefit the historically disadvantaged sectors such as the Youth, Women, Disabled and Black Military Veterans - 40% of a capital project to women, 40% to youth and 20% to disabled persons
	Opportunity Tuesday Initiative
	Partnership with Richards Bay Industrial Development Zone to host Business Expo/Fair events annually to: Raise awareness of Business Opportunities and Employment Opportunities Establish formal linkages between the Municipality, Government Departments, Big Businesses and Local SMME's

DRIVER	PROGRAMMES AND PROJECTS
5. ACCESS TO FINANCE AND FUNDING	Compile a database of all potential funding sources for LED implementation as well as previous examples of funding applications
	Assist SMMEs in packaging funding applications to existing funds for manufacturing opportunities
6. RURAL AND TOWNSHIP ECONOMIC REVITALISATION	Develop a robust Rural and Township Economic Revitalisation Strategy for uMhlathuze to prioritise the development of rural and township economies
	Identify rural and township enterprises and working with partners provide support
	Provide and ensure safety and security for township and rural enterprises such as lighting and patrols
	Address the issues of access to commercially viable land in townships for example social compacts with Ithala for release of land in townships
7. EASE OF DOING BUSINESS	Targeted reduction of red-tape and municipal administrative processing times
	Provide preferential treatment for local enterprises to benefit from such as informal trade grants funding, licensing incentives
8. SKILLS DEVELOPMENT	Establish a platform for engagement between tertiary institutions and business to ensure programmes are aligned with industry demand
	Development of a database/portal/digital platform where graduates can register their training and qualifications CVs for employment opportunities
	Partnership with SEDA Construction Incubator for the recruitment of young entrepreneurs
	Partnerships with institutions of higher learning and the Sector of Education and Training Authorities (SETAs) for learners to do practical training
	Youth Economic Emancipation Programme (YEEP) through strategic partnerships with all industries within the City and Institutions of Higher Education within the City
9. SUPPORT FOR THE TOURISM SECTOR	Increase the marketing around the current tourism products by assisting tourism product owners to establish an online presence
	Maintenance of strategic municipal tourism products through private sector participation and collaboration
	Take advantage of low hanging fruit such as eventing, rural equine races and 'bleiusre' tourism
10. AGRICULTURAL SUPPORT AND DEVELOPMENT	Develop a social compact/social contract with the ITB and Traditional Authorities to release land for communal land development
	Facilitate the establishment of digital networking applications/platforms where farmers can create linkages, share knowledge and other resources
	Farmer development to be prioritised, with support from Provincial and local agencies, in order to graduate emerging farmers into viable, commercial enterprises, through skills development and mentorship.
11. DEVELOPMENT OF INNOVATIVE ECONOMIES	Migrate to an on-line system for municipal processes and services such as the submission of applications and building plans
	Establishing a City Application (APP) which will easily connect customers and citizens with services without carrying any costs of travelling to City offices.
	Facilitate the establishment of digital centres in townships to create new smart cities/towns in uMhlathuze
	Smart City and the Free Public Wifi Hotspots Rollout in public spaces, libraries, community halls, Thosong Centres
	Lobby national government for the conversion of existing waste from sugar milling into renewable green energy for local consumption

DRIVER	PROGRAMMES AND PROJECTS
12. MANUFACTURING AND LOGISTICS	Establishment of Light Industrial and Manufacturing nodes/hubs using Land Release as a key lever to unlock this
	Assist roadside light industrial activities to access resources, funding and markets for increased production

8 Implementation Framework

8.1 Implementation Plan

The Project Implementation Plan provides a time-based perspective of the projects proposed for implementation. The implementation plan and arrangements is broadly described as the systems, processes and mechanisms that will be used to plan and manage activities efficiently and to efficiently coordinate with others in order to fulfil the mandate of the LED Strategy. The implementation plan maps out how to bring the strategic framework to life by breaking it into identifiable action steps on a set timeline and how to effectively manage it as it gets put into place.

It should be noted that a number of projects are encouraged to be complete in the short term but the potential for achieving this should be reconsidered based on resources, including human capacity and funds in the Local Municipality.

An estimated timeframe has been allocated to each project based on the duration that it would take to complete the project. These timeframes are based on the following:

- Short term: 1-2 years
- Medium term: 3-5 years
- Long term: 6-10 years
- Continuous.

The LED Strategy will operate by drawing in all the Departments and stakeholders to provide an integrated response (economic, spatial, social, and environmental). The building of partnership relationships that leverage resources is therefore a core element of this LED Strategy. In particular to prioritise limited government resources and mobilise other partners on a clustered development approach focusing on sector and spatially directed support rather than on individual and isolated initiatives.

In formulating the structures and mechanisms through which the partnership relationship will be established, due cognisance is given to the existence of existing structures. The Strategy aligns itself to other existing strategic interventions and programmes already in play in the province so that full synergy benefits can be achieved.

The table below provides a time-based perspective of the projects proposed for implementation.

Table 22: Implementation Plan

DRIVER	PROGRAMMES AND PROJECTS	TIMEFRAME	SUPPORTING PARTNERS	Short Term		Medium Term			Long Term				
1. DEVELOPMENT OF ENTERPRISES AND EMERGING ECONOMIES	Develop a business aftercare programme for new and existing businesses.	Continuous	EDTEA, TIKZN, private sector										
	Provide up to date information on investment opportunities via an online information portal on the uMhlathuze Local Municipality website	Short term	Private sector, TIKZN, EDTEA										
	SMME One-Stop-Shop at eMpangeni CBD with NYDA offices, NDA and Zikhulise Community Development Organisation covering the entire King Cetshwayo region, Zululand, and some parts of uMkhanyakude districts	Short term	EDTEA, private sector										
2. INFRASTRUCTURE DEVELOPMENT AND SUPPORT	Construction of trading centres in the cities, towns and rural areas (prioritise improving the informal trading conditions)	Long term	COGTA, KCDM, DSBD										
	Constant urban infrastructure upgrades including roads, streetlights, taxi rank upgrading and water	Continuous	COGTA, KCDM, DoT										
	Land packaging and servicing for economic development	Short Term	DoS, COGTA										
	Precinct planning to unlock viable commercial land for development for example	Continuous	COGTA,										
	Developing additional water resources through wastewater treatment, which will become available for industries	Medium term	DTI, COGTA										
	Relocation of Richards Bay Airport to help improve and reduce the cost of travelling for local businesses	Long Term	DoT, COGTA										
3. PARTNERSHIPS AND SOCIAL COMPACTS	Develop a central platform for frequent engagement, information sharing and project feedback between municipal officials relevant stakeholders	Short Term	Private sector										

DRIVER	PROGRAMMES AND PROJECTS	TIMEFRAME	SUPPORTING PARTNERS	Short Term		Medium Term		Long Term			
	Tripartite agreement with RBIDZ and Transnet National Ports Authority to promote integrated planning and management of projects, resulting in regional economic growth.	Short term	Private sector, TIKZN, EDTEA								
	Facilitate partnerships between local SMME's and local big companies through the the uMhlathuze Multi Stakeholder Engagement Framework initiative	Short to Medium Term	Private sector, education institutions								
	Partnership with the Richards Bay Industrial Development Zone to make parcels of land for development for the benefit of several locals through SMME beneficiation and employment	Long term	RBIDZ, private sector								
4. ACCESS TO MARKETS AND WIDER VALUE CHAINS	Formalising enterprises that are not already formalised which includes helping new businesses with the registration and compliance processes	Medium Term	COGTA, EDTEA								
	Facilitate flea markets and other markets on a rotational basis in the main consumer points/economic hubs	Short term	Bulk Buying, Operation Vula and RASET.								
	Buy Local Charter Campaign to encourage local companies to prioritise local products when procuring services.	Continuous	Private sector								
	Supply Chain Management 40-40-20 Set Aside Policy Amendment to spend capital budget to benefit the historically disadvantaged sectors such as the Youth, Women, Disabled and Black Military Veterans - 40% of a capital project to women, 40% to youth and 20% to disabled persons	Continuous	Private sector								
	Opportunity Tuesday Initiative	Short term	RBIDZ, EDTEA, TIKZN, private sector								
	Partnership with Richards Bay Industrial Development Zone to host Business Expo/Fair events annually	Continuous	RBIDZ, ZCCI, private sector								

DRIVER	PROGRAMMES AND PROJECTS	TIMEFRAME	SUPPORTING PARTNERS	Short Term		Medium Term		Long Term			
5. ACCESS TO FINANCE AND FUNDING	Compile a database of all potential funding sources for LED implementation as well as previous examples of funding applications	Continuous	SETA, COGTA, EDTEA, Enterprise iLembe, SEDA								
	Assist SMMEs in packaging funding applications to existing funds for manufacturing opportunities	Short to medium Term	SETA, COGTA, EDTEA, SEDA								
6. RURAL AND TOWNSHIP ECONOMIC REVITALISATION	Develop a robust Rural and Township Economic Revitalisation Strategy for uMhlathuze to prioritise the development of rural and township economies	Short Term	SEDA, COGTA, EDTEA, TIKZN								
	Identify rural and township enterprises and working with partners provide support	Short Terms	SETA, COGTA, EDTEA, TIKZN								
	Provide and ensure safety and security for township and rural enterprises such as lighting and patrols	Continuous	SAPS								
7. EASE OF DOING BUSINESS	Targeted reduction of red-tape and municipal administrative processing times	Continuous	COGTA								
	Provide preferential treatment for local enterprises to benefit from such as informal trade grants funding, licensing incentives	Short to Medium Term	EDTEA, SEDA, TIKZN, SETAs								
8. SKILLS DEVELOPMENT	Establish a platform for engagement between tertiary institutions and business to ensure programmes are aligned with industry demand	Short Term	Educational institutions,								
	Development of a database/portal/digital platform where graduates can register their training and qualifications CVs for employment opportunities	Short Term	DACT, Zikhulise, Educational Institutions								
	Partnership with SEDA Construction Incubator for the recruitment of young entrepreneurs	Short term	SEDA, private sector								
	Partnerships with institutions of higher learning and the Sector of Education and Training Authorities (SETAs) for learners to do practical training	Short term	SETAs, private sector, educational institutions								

DRIVER	PROGRAMMES AND PROJECTS	TIMEFRAME	SUPPORTING PARTNERS	Short Term		Medium Term		Long Term			
	Youth Economic Emancipation Programme (YEEP) through strategic partnerships with all industries within the City and Institutions of Higher Education within the City	Short term	UniZulu, TVET, Zikhulise, ZCCI, private sector								
9. SUPPORT FOR THE TOURISM SECTOR	Increase the marketing around the current tourism products by assisting tourism product owners to establish an online presence	Short to Medium Term	uCTO, TKZN, EDTEA								
	Maintenance of strategic municipal tourism products through private sector participation and collaboration	Medium Term	EDTEA, TKZN, COGTA, Private Sector								
	Take advantage of low hanging fruit such as eventing, rural equine races and 'bleiusre' tourism	Continuous	EDTEA, TKZN, COGTA,								
10. AGRICULTURAL SUPPORT AND DEVELOPMENT	Develop a social compact/social contract with the ITB and Traditional Authorities to release land for communal land development	Short term	ITB, CPAs, COGTA, DARD								
	Facilitate the establishment of digital networking applications/platforms where farmers can create linkages, share knowledge and other resources	Short term	COGTA, DARD, Private Sector								
	Farmer development to be prioritised, with support from Provincial and local agencies, in order to graduate emerging farmers into viable, commercial enterprises, through skills development and mentorship.	Short to Medium term	DARD, PDIs								
11. DEVELOPMENT OF INNOVATIVE ECONOMIES	Migrate to an on-line system for municipal processes and services such as the submission of applications and building plans	Short Term	COGTA ,private sector								
	Establishing a City Application (APP) which will easily connect customers and citizens with services without carrying any costs of travelling to City offices.	Short term	Private sector, MKI								
	Facilitate the establishment of digital centres in townships to create new smart cities/towns in uMhlathuze	Short term	TIKZN, TKZN, MKI								

DRIVER	PROGRAMMES AND PROJECTS	TIMEFRAME	SUPPORTING PARTNERS	Short Term		Medium Term		Long Term				
	Smart City and the Free Public Wifi Hotspots Rollout in public spaces, libraries, community halls, Thusong Centres	Short to medium term	KCDM, MKI, EDTEA, private sector									
	Lobby national government for the conversion of existing waste from sugar milling into renewable green energy for local consumption	Long Term	COGTA									
12. MANUFACTURING AND LOGISTICS	Establishment of Light Industrial and Manufacturing nodes/hubs using Land Release as a key lever to unlock this	Short to medium term	DTI, COGTA, RBIDZ									
	Assist roadside light industrial activities to access resources, funding and markets for increased production	Short Term	DTI, SEDA, EDTEA									

In order to implement the Strategy careful attention has to be given to drivers, institutional arrangements and existing capabilities. The lack of institutional capacity and coordination has been identified as a critical weakness in LED implementation. This has resulted in poor uncoordinated planning and implementation of LED within the municipality which has largely hindered development and growth of the local economy.

To ensure that effective LED implementation takes place, there needs to be effective and optimal institutional support, coordination and cooperation between all stakeholders. There needs to be efficient and effective cooperation and coordination across all levels of government (i.e. National, Provincial, District and Local); private sector; both formal and informal businesses; community members; the Amakhosi; higher education and research institutions; state owned enterprises; and other NGOs. These stakeholders play a critical role in building organisational capacity, assist in mobilising resources and providing assistance and support to the Local Municipality in executing strategic programmes and strategic projects identified within this LED strategy.

Implementation processes can be strengthened with specific commitments and contributions of all stakeholders. Therefore, this LED Strategy provides some guidelines in terms of roles and responsibilities and structures that are expected to enhance coordination through a Multi Stakeholder Engagement Framework outlined in detail below.

9 Monitoring and Evaluation Plan

The monitoring and evaluation (M&E) process is always seen as an essential component used in the process of developing and implementing projects/programmes. The objectives of the monitoring and evaluation mechanisms are to:

- Ensure that the correct milestones, as planned, are being achieved;
- Act as an early warning system in cases where targets are unlikely to be achieved;
- Provide regular information to all stakeholders on progress of the projects and an informed basis for any reviews;
- Ensure the continuous sharpening and focusing of strategies and assist in the mobilisation of appropriate interventions.

It should be noted that monitoring and evaluation of the programmes/projects would be a continuous implementation review function to provide the main stakeholders with early indications of progress or lack thereof in the achievement of objectives and outputs.

The municipality should make use of the following project specific tools and indicators.

Table 23: Monitoring and Evaluation Plan

DRIVER	PROGRAMMES AND PROJECTS	SUPPORTING PARTNERS	TIMEFRAME	KEY PERFORMANCE INDICATORS
1. DEVELOPMENT OF ENTERPRISES AND EMERGING ECONOMIES	Develop a business aftercare programme for new and existing businesses.	EDTEA, TIKZN, private sector	Continuous	Established programme, completed follow ups/testimonials
	Provide up to date information on investment opportunities via an online information portal on the uMhlathuze Local Municipality website	Private sector, TIKZN, EDTEA	Short term	Established portal, Digital footprint
	SMME One-Stop-Shop at eMpangeni CBD with NYDA offices, NDA and Zikhulise Community Development Organisation covering the entire King Cetshwayo region, Zululand, and some parts of uMkhanyakude districts	EDTEA, private sector	Short term	Operation and expansion of the One Stop Shop
2. INFRASTRUCTURE DEVELOPMENT AND SUPPORT	Construction of trading centres in the cities, towns and rural areas (prioritise improving the informal trading conditions)	COGTA, KCDM, DSBD	Long term	Feasibility studies/Business plans
	Constant urban infrastructure upgrades including roads, streetlights, taxi rank upgrading and water	COGTA, KCDM, DoT	Continuous	Mapping and documentation of upgrades
	Land packaging and servicing for economic development	DoS, COGTA	Short Term	Register of viable commercial land
	Precinct planning to unlock viable commercial land for development for example	COGTA,	Continuous	Developed precinct plans
	Developing additional water resources through wastewater treatment, which will become available for industries	DTI, COGTA	Medium term	Operational plan
	Relocation of Richards Bay Airport to help improve and reduce the cost of travelling for local businesses	DoT, COGTA	Long Term	Feasibility studies/Business plans
3. PARTNERSHIPS AND SOCIAL COMPACTS	Develop a central platform for frequent engagement, information sharing and project feedback between municipal officials and relevant stakeholders	Private sector	Short Term	Established portal,
	Tripartite agreement with RBIDZ and Transnet National Ports Authority to promote integrated planning and management of projects, resulting in regional economic growth.	Private sector, TIKZN, EDTEA	Short term	Minutes of meetings

DRIVER	PROGRAMMES AND PROJECTS	SUPPORTING PARTNERS	TIMEFRAME	KEY PERFORMANCE INDICATORS
	Facilitate partnerships between local SMME's and local big companies through the the uMhlathuze Multi Stakeholder Engagement Framework initiative	Private sector, education institutions	Short to Medium Term	Minutes of meetings, Forum reports, UMSF annual reports
	Partnership with the Richards Bay Industrial Development Zone to make parcels of land for development for the benefit of several locals through SMME beneficiation and employment	RBIDZ, private sector	Long term	Completed action plan and guideline plans
4. ACCESS TO MARKETS AND WIDER VALUE CHAINS	Formalising enterprises that are not already formalised which includes helping new businesses with the registration and compliance processes	COGTA, EDTEA	Medium Term	Register of formalised businesses
	Facilitate flea markets and other markets on a rotational basis in the main consumer points/economic hubs	Bulk Buying, Operation Vula and RASET.	Short term	Detailed action plan/business plans
	Buy Local Charter Campaign to encourage local companies to prioritise local products when procuring services.	Private sector	Continuous	SCM documents
	Supply Chain Management 40-40-20 Set Aside Policy Amendment to spend capital budget to benefit the historically disadvantaged sectors such as the Youth, Women, Disabled and Black Military Veterans - 40% of a capital project to women, 40% to youth and 20% to disabled persons	Private sector	Continuous	SCM policy
	Opportunity Tuesday Initiative	RBIDZ, EDTEA, TIKZN, private sector	Short term	Business plan/Action plan
	Partnership with Richards Bay Industrial Development Zone to host Business Expo/Fair events annually	RBIDZ, ZCCI, private sector	Continuous	Hosting of the expo,
5. ACCESS TO FINANCE AND FUNDING	Compile a database of all potential funding sources for LED implementation as well as previous examples of funding applications	SETA, COGTA, EDTEA, Enterprise iLembe, SEDA	Continuous	Established database
	Assist SMMEs in packaging funding applications to existing funds for manufacturing opportunities	SETA, COGTA, EDTEA, SEDA	Short to medium Term	Completed action plan and guideline plans

DRIVER	PROGRAMMES AND PROJECTS	SUPPORTING PARTNERS	TIMEFRAME	KEY PERFORMANCE INDICATORS
6. RURAL AND TOWNSHIP ECONOMIC REVITALISATION	Develop a robust Rural and Township Economic Revitalisation Strategy for uMhlathuze to prioritise the development of rural and township economies	SEDA, COGTA, EDTEA, TIKZN	Short Term	Development of Strategy, SLAs,
	Identify rural and township enterprises and working with partners provide support	SETA, COGTA, EDTEA, TIKZN	Short Terms	Situational Analysis report to identify rural and township enterprises
	Provide and ensure safety and security for township and rural enterprises such as lighting and patrols	SAPS	Continuous	Document planned patrols
7. EASE OF DOING BUSINESS	Targeted reduction of red-tape and municipal administrative processing times	COGTA	Continuous	Reduced administrative processing time
	Provide preferential treatment for local enterprises to benefit from such as informal trade grants funding, licensing incentives	EDTEA, SEDA, TIKZN, SETAs	Short to Medium Term	Established database, List of potential funders
8. SKILLS DEVELOPMENT	Establish a platform for engagement between tertiary institutions and business to ensure programmes are aligned with industry demand	Educational institutions,	Short Term	Established portal, Digital footprint records
	Development of a database/portal/digital platform where graduates can register their training and qualifications CVs for employment opportunities	DACT, Zikhulise, Educational Institutions	Short Term	Established portal, Digital footprint records
	Partnership with SEDA Construction Incubator for the recruitment of young entrepreneurs	SEDA, private sector	Short term	Document recruitments
	Partnerships with institutions of higher learning and the Sector of Education and Training Authorities (SETAs) for learners to do practical training	SETAs, private sector, educational institutions	Short term	Minutes of meetings, List of participants
	Youth Economic Emancipation Programme (YEEP) through strategic partnerships with all industries within the City and Institutions of Higher Education within the City	UniZulu, TVET, Zikhulise, ZCCI, private sector	Short term	Minutes of meetings, List of participants
9. SUPPORT FOR THE TOURISM SECTOR	Increase the marketing around the current tourism products by assisting tourism product owners to establish an online presence	uCTO, TKZN, EDTEA	Short to Medium Term	Visibility of tourism link on the uMhlathuze website

DRIVER	PROGRAMMES AND PROJECTS	SUPPORTING PARTNERS	TIMEFRAME	KEY PERFORMANCE INDICATORS
	Maintenance of strategic municipal tourism products through private sector participation and collaboration	EDTEA, TKZN, COGTA, Private Sector	Medium Term	Upkeep records, Feasibility and business plans
	Take advantage of low hanging fruit such as eventing, rural equine races and 'bleiusre' tourism	EDTEA, TKZN, COGTA,	Continuous	Completed action plan and guideline plans
10. AGRICULTURAL SUPPORT AND DEVELOPMENT	Develop a social compact/social contract with the ITB and Traditional Authorities to release land for communal land development	ITB, CPAs, COGTA, DARD	Short term	Meeting minutes, attendance registers
	Facilitate the establishment of digital networking applications/platforms where farmers can create linkages, share knowledge and other resources	COGTA, DARD, Private Sector	Short term	Established portal, Digital footprint records
	Farmer development to be prioritised, with support from Provincial and local agencies, in order to graduate emerging farmers into viable, commercial enterprises, through skills development and mentorship.	DARD, PDIs	Short to Medium term	Completed action plan and guideline plans
11. DEVELOPMENT OF INNOVATIVE ECONOMIES	Migrate to an on-line system for municipal processes and services such as the submission of applications and building plans	COGTA ,private sector	Short Term	Visibility of online system, Digital footprint records
	Establishing a City Application (APP) which will easily connect customers and citizens with services without carrying any costs of travelling to City offices.	Private sector, MKI	Short term	Feasibility and business plans
	Facilitate the establishment of digital centres in townships to create new smart cities/towns in uMhlathuze	TIKZN, TKZN, MKI	Short term	Business plans/feasibility studies
	Smart City and the Free Public Wifi Hotspots Rollout in public spaces, libraries, community halls, Thosong Centres	KCDM, MKI, EDTEA, private sector	Short to medium term	Mapping and documentation of hubs
	Lobby national government for the conversion of existing waste from sugar milling into renewable green energy for local consumption	COGTA	Long Term	Completed action plan and guideline plans
12. MANUFACTURING AND LOGISTICS	Establishment of Light Industrial and Manufacturing nodes/hubs using Land Release as a key lever to unlock this	DTI, COGTA, RBIDZ	Short to medium term	Business Needs Surveys/ Reports,

DRIVER	PROGRAMMES AND PROJECTS	SUPPORTING PARTNERS	TIMEFRAME	KEY PERFORMANCE INDICATORS
				business plans, feasibility studies
	Assist roadside light industrial activities to access resources, funding and markets for increased production	DTI, SEDA, EDTEA	Short Term	Business plans/feasibility studies

Annexure 1: Stakeholder Engagement Plan

<u>Stakeholder</u>	<u>Engagement Method</u>	<u>Timing</u>	<u>Means of Engagement</u>
ALL	Introductory Email	Beginning of Phase 2: Situational Analysis	Email sent out with Introductory Letter
ALL	Webinar	Strategy Development Phase	MS Teams virtual webinar/workshop
Informal Sector	Workshop	Strategy Development Phase	Physical workshop/meeting
<i>Traditional Authorities (if necessary)</i>	<i>Workshop</i>	<i>Strategy Development Phase</i>	<i>Physical workshop/meeting</i>

GROUPING	ORGANISATION	PERSON	NOTES	NATURE OF ENGAGEMENT	MEANS OF ENGAGEMENT
Agriculture Organisations	Department of Agriculture and Rural Development	Mrs Sibongile Mondo	Acting Deputy Director : Umhlathuze Agricultural Office	Introductory email + virtual webinar/workshop	emails/MTeams
Mining Organisations	Richards Bay Minerals	Mr Paul Makhanya	Principal Adviser Community Development and Projects	Introductory email + virtual webinar/workshop	emails/MTeams
	South 32	Mr Craig Ullbricht	Corporate Affairs	Introductory email + virtual webinar/workshop	emails/MTeams
	Richards Bay Coal Terminal (RBCT)	Ms Melinda Forbay	Corporate Affairs Manager	Introductory email + virtual webinar/workshop	emails/MTeams
	Foskor	Thembile Jobe	Corporate Social Investment Manager	Introductory email + virtual webinar/workshop	emails/MTeams
	Tronox	Mr Nick Bulunga	CSI Manager	Introductory email + virtual webinar/workshop	emails/MTeams
	Richards Bay Alloys	-	-	Introductory email + virtual webinar/workshop	emails/MTeams
Tourism Organisations	uMhlathuze Community Tourism Organisation (uCTO)	Ms Sphesihle Ngubane	Chairperson of cut	Introductory email + virtual webinar/workshop	emails/MTeams

GROUPING	ORGANISATION	PERSON	NOTES	NATURE OF ENGAGEMENT	MEANS OF ENGAGEMENT
	KZN Sharks Board	Nombuso Msomi	Acting Marketing Manager	Introductory email + virtual webinar/workshop	emails/MTeams
	TKZN	Abie Wentzel	Project manager: Tourism Development		
Business Chambers/ associated representative organisations.	Zululand Chamber of Commerce & Industry (ZCCI)	Vanessa Ncobela	Chamber Manager	Introductory email + virtual webinar/workshop	emails/MTeams
Economic development/investment promotion	Department of Economic Development, Tourism and Environmental Affairs (EDTEA)	Mr Lethukuthula Mkhonza Mr Khaye Bele	King Cetshwayo District Coordinator : Cooperatives King Cetshwayo District Coordinator : SMME	Introductory email + virtual webinar/workshop	emails/MTeams
	Trade & Investment KZN (TIKZN)	Mr Innocent Hlongwana Mr Sihle Ngcamu Donny Pethan	Investment Promotion Executive Manager for Investment Business Retention and Expansion	Introductory email + virtual webinar/workshop	emails/MTeams
Education, training, skills development	University of Zululand	Mammusa Lekoa	Community Engagement officer	Introductory email + virtual webinar/workshop	emails/MTeams
	Umfolozi TVET College	Ntombifuthi Gumede	Skill Development Coordinator	Introductory email + virtual webinar/workshop	emails/MTeams
	Downstream Aluminium Centre for	Ms Zanele Khoza	Centre Manager	Introductory email + virtual webinar/workshop	emails/MTeams

GROUPING	ORGANISATION	PERSON	NOTES	NATURE OF ENGAGEMENT	MEANS OF ENGAGEMENT
	Technology (DACT)	Ms Cynthia Mtshali	Business Development Officer		
	Zikhulise Community Upliftment Project NPC	Ms Julie Jonson	Director	Introductory email + virtual webinar/workshop	emails/MTeams
SMME development	National Youth Development Agency (NYDA)	Mr Jabulani Dlala	Branch Coordinator	Introductory email + virtual webinar/workshop	emails/MTeams
	National Development Agency (NDA)	Ms Bukiwe Mashiyane	Development Practitioner	Introductory email + virtual webinar/workshop	emails/MTeams
	Department of Small Business Development (DSBD)	Taboos Rapopo	-	Introductory email + virtual webinar/workshop	emails/MTeams
Manufacturing organisations	Bell Equipment	Johan van Wyn Gaardt	Group H R Director	Introductory email + virtual webinar/workshop	emails/MTeams
	Mondi Kraft	Hlengiwe Mvubu	CSI Manager	Introductory email + virtual webinar/workshop	emails/MTeams
	Industrial Development Zone (IDZ)	Thandazile Nene	Economic Development Manger	Introductory email + virtual webinar/workshop	emails/MTeams
Transport organisations	Transnet	Ms Sinamile Zuma	Marketing Manager	Introductory email + virtual webinar/workshop	emails/MTeams
Local Government	King Cetshwayo District	Dr Zandile Nhlabathi	Senior Manager District Economic Development	Introductory email + virtual webinar/workshop	emails/MTeams
Informal Sector representatives	TBD	-	-	Introductory letter + in person workshop	Physical meetings/telephone calls
Traditional Authorities	TBD	-	-	Introductory letter + in person meeting	Physical meetings/telephone calls

uMhlathuze LED Strategy Stakeholder Engagement Virtual Workshops

SESSION 1 DAY 1 - SKILLS AND ENTERPRISE DEVELOPMENT	SESSION 2 DAY 1 - PUBLIC ENTITIES	SESSION 1 DAY 2 - INDUSTRY AND MANUFACTURING
DATE: 23 JUNE 2021	DATE: 23 JUNE 2021	DATE: 24 JUNE 2021
TIME: 10:00am	TIME: 14:00pm	TIME: 14:00pm
VENUE: MS TEAMS	VENUE: MS TEAMS	VENUE: MS TEAMS
1. UniZulu – Educational Institution	1. uCTO - Tourism	2. Richards Bay Minerals – Mining
2. Mfolozi TVET – Educational Institution	3. KZN Sharks Board - Tourism	4. South 32 – Mining
3. DACT – Training Facility	5. DARD - Agriculture	6. Richards Bay Coal Terminal – Mining
4. Zikhulise – Community Development	7. EDTEA – Economic Development	8. Foskor – Mining
5. NYDA – Small Business Development	9. TIKZN – Investment	10. Tronox – Mining
6. NDA – Small Business Development	11. TKZN - Tourism	12. Richards Bay Alloys – Mining
7. DSBD – Small Business Development	13. COGTA – Economic Development	14. Bell Equipment - Manufacturing
	15. KCDM – Local Government	16. Mondi Kraft – Manufacturing
	17. ZCCI – Business Chamber	18. Industrial Development Zone
		Transnet – Transport/logistics
INFORMAL SECTOR		
DATE: 15 JUNE 2021		
VENUE: EMPANGENI COUNCIL CHAMBERS		