AMATHOLE LOCAL ECONOMIC DEVELOPMENT STRATEGY

2017
XI. ACKNOWLEDGEMENTS

Sincere acknowledgements are hereby extended to various stakeholders, in the form of Sector Forums, whose contributions was made during the major reviews process of all Sector Plans that constitute the ADM Local Economic Development Strategy, such as:

- Co-operative Forum
- District Agricultural Stakeholders Forum
- Heritage Forum
- Environmental Forum
- District Tourism Organization Forum
- Enterprise Development Forum
- EPWP Forum

A special gratitude goes to all Managers under ADM LED Division, for their concerted efforts and commitment they displayed throughout the process of developing this document, without whom this LED Strategy could not have been done successfully.
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1. INTRODUCTION AND BACKGROUND
Based on concerted efforts to analyze the current Strategy used by ADM regarding economic development, commonly known as Amathole Regional Development Strategy (AREDS). It has come to the realization that AREDS does not have all the elements of LED Strategy as required by COGTA, hence ADM has embark on the development of the Amathole Local Economic Development Strategy (ALEDS) to address this concerns.

2. DEFINITION OF LOCAL ECONOMIC DEVELOPMENT
Local Economic Development is a strategy for employment promotion through micro and small enterprise development, support of social dialogue and development planning for the betterment of ADM community livelihood. Local Economy is also defined as the concept for promoting jobs creation and poverty alleviation.

At the center of the approach is the creation of public-private partnerships that bring together stakeholders in the local economy, including representatives of regional and local government, employers’ and workers’ organizations, Chambers of Commerce, cooperatives, producers’ associations, women organizations and other NGOs.

Based on the rational use of local capacities and resources, the stakeholders will define common priorities for the development of their region taking into account the social and environmental contexts.

The partnership can be developed in a forum or institutionalized in a Local Economic Development Agency (LEDA).

This will reinforce the capacities to raise public awareness on the development needs of the region and to establish linkages at the national and international level.

Especially in countries disrupted by conflict or in social and economic transition, experience has shown that the LED approach has a potential to contribute to the ongoing reconciliation, decentralization and democratization processes.

3. ADM ’S VISION
“Commitment towards selfless, excellent and sustainable service to all our communities”.

4. ADM ’S MISSION
“Ensuring equal access to socio-economic opportunities, building the capacity of local municipalities within ADM’s area of jurisdiction, subscribing to a culture of accountability and clean governance, sound financial management, political and administrative interface to
enhance good service delivery, contributing to the betterment of our communities through a participatory development process”.

5. STRATEGIC OBJECTIVES OF ADM STRATEGY

The following are the strategic objectives of this document:

- Shifting towards a more strategic approach to the development of local economies and overcome challenges and failures in respect of instances where local municipalities themselves try to manage non-viable projects.
- Supporting local economies in realizing their optimal potentials and making local communities active participants in the economy of the country.
- Waging the national fight against poverty more effectively through local level debates, strategies and actions.
- Improving community access to economic initiatives, support programmes and information.
- Improving the coordination of economic development planning and implementation across government and between government and non-governmental actors.
- Building greater awareness about the importance and role of localities and regions which globally are playing an increasingly significant role as points of investment facilitated by supportive national policies.

6. LEGISLATIVE MANDATE FOR LED

It is worth highlighting that LED as one of government’s priority programmes that is aimed at enhancing local economies is governed by a series of pieces of legislation, as outlined in ensuing sections:

- The National Spatial Development Perspectives
- Broad Based Black Economic Empowerment
- Framework for Economic Development: Department of Provincial and Local Government
- Local Government Municipal Systems Act
- White paper on local government 1998
- Skills Development Act (Act 97 of 1998)
- Development Facilitation Act 1999
- National framework for local economic development (2012)
- Integrated Sustainable Rural Development Strategy (ISRDS)
- Regional Industrial Development Strategy (RIDs)
6.1. STATUTORY REQUIREMENTS FOR LED

6.1.1. The Constitution of the Republic of South Africa (Act 108 of 1996). Chapter 7 Section 152 (1) outlines the objectives of local government as follows:

- To provide democratic and accountable government for local communities
- To ensure the provision of services to communities in a sustainable manner
- To promote social and economic development
- To encourage the involvement of communities and community organizations in the matters of local government.

(2) A municipality must strive within its financial and administration capacity, to achieve the objectives set out in subsection (1)

Developmental duties of the municipalities

153 A municipality must;
(a) Structure and manage its administration and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community; and
(b) Participate in national and provincial development programmes.

6.1.2. The National Spatial Development Perspective (NSDP) was adopted in 2006 in order to address the distortions of the past apartheid space economy, the National Spatial Development Programme (NSDP) was adopted in 2006.

This perspective programme provides an indication of potential in different geographic spaces across the country and is used as an instrument that informs the respective development plans of the national, provincial and local government, which include Integrated Development Plans (IDPs), Provincial Growth and Development Strategies (PGDSs) and the Medium Term Strategic Framework (MTSF).

The NSDP is to fundamentally reconfigure apartheid spatial relations and implement spatial priorities that meet the Constitutional imperative of providing basic services and alleviating poverty and inequality. It provides a set of principles and mechanisms for guiding infrastructure investment and development decisions. The NSDP serves as a tool for identifying key areas of tension and/or priority in achieving positive spatial outcomes.

The NSDP identified six categories of developmental potential which cover the spectrum of economic functions in a modern economy:

- Innovation and experimentation
- High value, differentiated goods
- Labour-intensive, mass-produced goods-(EPWP)
• Public services and administration
• Retail and services
• Tourism

6.1.3. **Broad Based Black Economic Empowerment that encapsulates** a broad definition of BEE. It is an integrated and coherent socio-economic process, located in the context of the country’s national transformation programme (i.e. the Reconstruction and Development Programme).

It is aimed at redressing the imbalances of the past by seeking sustainable and equitable transfer and confers the ownership, management, and control of South Africa’s financial and economic resources to the majority of its citizens.

It further seeks to ensure broader and meaningful participation in the economy by black people to achieve sustainable development and prosperity.

6.1.4. **Framework for Local Economic Development: Department of Provincial and Local Government** that makes provision for a shared understanding of LED in South Africa and put into context the role of local economies in the national economy. It seeks to mobilize local people and local resources in an effort to fight poverty.

This Framework lays the basis for deepening community access to economic initiatives, support programmes and information for the coordination of economic development planning and implementation across government and between key role players.

6.1.5. **Government Municipal Systems Act** (Act 32 of 2000) lists the duties of a municipal council, within its financial and administrative capacity, as follows in Section 4(2):

• The Municipal Systems Act (2000), which made integrated development planning compulsory, and legislated a number of key LED functions, roles and responsibilities. The aim of the Act is “To provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities.”

6.1.6. **Local Government Municipal Systems Act** (Act 32 of 2000) lists the duties of a municipal council, within its financial and administrative capacity, as follows in Section 4(2):

• Exercise the municipality’s executive and legislative authority and use the resources of the municipality in the best interests of the local community.
• Provide, without favour or prejudice, democratic and accountable government.
• Encourage the involvement of the local community.
• Strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner.
• Consult the local community about
• The level, quality, range and impact of municipal services provided by the municipality, either directly or through another service provider;
• The available options for service delivery.
• Give members of the local community equitable access to the municipal services to which they are entitled.
• Promote and undertake development in the municipality.
• Promote gender equity in the exercise of the municipality’s executive and legislative authority.
• Promote a safe and healthy environment in the municipality.
• Contribute, together with other organs of state, to the progressive realization of the fundamental rights contained in sections 24, 25, 26, 27 and 29 of the Constitution.

6.1.7. **The Integrated and Sustainable Rural Development Strategy (ISRDS)** is designed to realize a vision that will “attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who are equipped to contribute to growth and development”.

The ISRDS presents the proposed institutional arrangements, which will operate in the political and operational areas and it lists the key elements of implementation as follows:

• institutional arrangements
• establishment of an information and knowledge base
• development of planning and monitoring systems
• establishing mechanisms of coordination
• Stakeholder mobilization.

6.1.8. **Regional Industrial Development Strategy (RIDS)** calls on all regions to build their industrial economies based on local competitive advantages and opportunities. It aims to bridge the first-second economy gap in South Africa based on the spatial development principles of the NSDP.

Such a strategy focuses fundamentally on addressing the key obstacles to the functioning of the economy, primarily through infrastructural interventions which will better enable all regions to access markets and resources.

6.1.9. **Skills Development Act (Act 97 of 1998) provides** for an institutional framework to devise and implement national, sector and workplace strategies to develop and improve the skills of the
South African workforce; to integrate those strategies within the National Qualifications Framework contemplated in the National Qualifications Framework Act, 2008; to provide for learnerships that lead to recognised occupational qualifications; to provide for the financing of skills development by means of a levy—financing scheme and a National Skills Fund; to provide for and regulate employment services; and to provide for matters connected therewith.


Policy, administrative practice and laws should promote efficient and integrated land development in that they—

(i) promote the integration of the social, economic, institutional and physical aspects of land development;

(ii) promote integrated land development in rural and urban areas in support of each other


The White Paper on Local Government (1998), which introduced the concept of “developmental local government”, defined as:

“Local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs, and improve the quality of their lives.”

7. PRINCIPLES OF LOCAL ECONOMIC DEVELOPMENT

National and Provincial government provides support for municipalities in developing local economic strategies

The Department of Provincial and Local Government has identified the following as key principles underlying LED:

- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritize job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalized communities and geographical regions, black economic empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country
- There is no single approach to LED. Each locality may develop an approach that is best suited to its local context
- LED promotes local ownership, community involvement, local leadership and joint decision making
• LED involves local, national, and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build local areas
• LED uses local resources and skills and maximizes opportunities for development
• LED involves the integration of diverse economic initiatives in an all-inclusive approach to local development
• LED relies on flexible approaches to respond to changing circumstances at local, national and international level

8. ADM SOCIO-ECONOMIC PROFILE

8.1. Overview

The purpose of this section is to provide the ADM’s broad economic and socio-economic analysis of the regional and local economy of the Amathole District Municipality.

The Amathole District stretches from the Indian Ocean coastline in the south to the Amathole Mountains in the north, and from the Mhhashe River in the east to the Great Fish River in the west. It is a land of rivers and fertile floodplains, undulating grasslands, valley bush, estuaries, beaches, forests and waterfalls. The biodiversity of the district is often remarked upon, together with possible implications for future socio-economic developments and competitive advantages.

With Buffalo City Municipality (“BCM”) became a metropolitan municipality in 2010/2011, (“Metro”), and fusion of two local municipalities that is Nkonkobe and Nxuba Local Municipalities, to formulate Raymond Mhlaba Municipality, the ADM now consists of six (6) local municipalities. Namely; Ngqushwa, Great Kei, Amahlathi, Mquma, Mhhashe and Raymond Mhlaba Local Municipalities.

In order to assess the potential for economic development in the district, it is necessary to understand the trends that are occurring in the larger context in which the District finds itself.

The social and economic trends at National, Provincial and Local level will impact the development path of the district. A better understanding of these changes and trends will improve the quality of the LEDS and ultimately enable improved economic development for the district.

The terms utilised in this analysis are briefly defined hereunder:

- **Employment** measures the proportion of the Economically Active population that is currently employed.
- **Unemployment** measures the proportion of the economically active population that is actively seeking work, excluding those who did not work for 7days prior to the interview
and have not taken active steps to look for work or start some form of self-employment in the four weeks prior to the interview.

- **Participation** indicates the percentage of the economically active population that is part of the labour force. Statistics SA defined the labour force participation rate as the proportion of the working age population (between 15 and 65) that is economically active (employed or unemployed). Excluded are people of working age who are not available for work – amongst them pupils, students, full-time home workers, those who are retired, and those unwilling or unable to work. This is an important measurement of the absorption capacity in an area, which is the ability of an economy to absorb the supply of labour.

- **Dependency rate** measures the number of people who are dependent on the people actively participating in the Labour Force (Employed plus the unemployed).

- **Basic Employment** is a measure of the contribution of a sector to the income of a region. Basic Employment is responsible for bringing in new income and employment into a region, while Non Basic Employment is responsible for maintaining and recalculating wealth in a community.

- **Gross Domestic Product** of a region is a measure of the income generated in that region. The GDP is one of several measures of the size of a region’s economy. The Gross Domestic Product of a region is defined as the market value of all final goods and services produced within a country in a given period of time. The higher the Gross Domestic Product the higher the income in the Region.

- **Multiplier effect** is a measure of the indirect and induced employment that is created by increasing employment in a sector by one.

- **Location Quotient** is a means of comparing the performance of regions against a benchmark region, usually the Province of the Nation. It compares how a sector is performing in a region compared to the performance of the same sector in the benchmark region. A Location Quotient of 1 means that the regions are performing equally, where as a Location Quotient of less than 1 means that the study region is not performing as well.

- **Industrial Mix** measures the share of regional economic change that could be attributed to the benchmark region’s industry mix. It reflects the degree to which the local region specializes in industries that are fast or slow growing in the benchmark economy. A positive industry mix reveals that a region specialises in provincial fast growing industries, whereas a negative mix reveals that the region specialises in provincial declining industries.

- **Differential Share** is reflected in the difference between the industry’s local regional growth rate (or rate of decline) and the industry’s benchmark region growth rate. Some regions and some industries generally grow faster than others, even during times of overall prosperity.
- **Carvalho Scale** combines the Location Quotient, industrial mix and differential share to give a sectoral breakdown of a region’s potential for growth and its potential strengths and weaknesses.

The Amathole district was established after the first transformed local government elections in December 2000 and takes in the former homeland areas of the Ciskei and Transkei, as well as the former Cape Provincial Administration areas. The population’s quality of life is deteriorating as measured by the **Human Development Index (HDI)**. This is largely because life expectancy has decreased as a result of the HIV/AIDS pandemic. Nevertheless, the Amathole district’s HDI is higher than the provincial average but less than South Africa’s in general. The district’s poverty rate is higher than the provincial average, it is relatively high with an estimated 627 755 people living in poverty.

The economy of the Amathole District Municipality is relatively small compared to the metropolitan areas. Its GDP per capita is higher than the provincial average and the tertiary sector is the largest contributor to the municipality’s economy. The district has a relatively high propensity to export and accounts for more than two-thirds of the Eastern Cape’s export sales. Although the illiteracy rate in Amathole is relatively high with 20.8% of the population being functionally illiterate, this district has the highest literacy rate in the Eastern Cape. Unemployment is high. With just over 136 589 unemployed people, the unemployment rate is 26.4%. In addition, there are nearly 627 755 people living in poverty in Amathole (This represents just over a third of the district’s local population. Nevertheless, the number of people living in poverty is declining and has declined by an annual average of -2% since 2005. ECSECC, 2014 Socio Economic Profile).

### 8.2 Total Population and Geographic Share.

According to data provided by Global Insights, Amathole DM had, approximately and estimated population of 898 000 people in 2013, which is a 0.9% increase from 2011, 0.6% decrease from 2007 and 4.4% decrease from 2000 (Source Global Insight).

A significant part of the former Ciskei homeland is located within Amathole District, and this has influenced the region’s population growth. Population density is high in settlements along major transportation routes including the N2 (Butterworth & Duty), the R72 (Peddie), the R63 (Alice) and the N6 (Stutterheim). The population is spread across the ADM in the following LM’s. The Amathole District constitutes 13.6% (898 000 people) of the Eastern Cape’s population (6.6 million people).

The local municipalities are proportioned as shown in figure above.

- The Mbhashe LM has the highest population followed closely by the Mnquma LM with 28.4% and 28.2% respectively. This could be attributed to the fact that these municipalities are composed of vast rural areas.
Population Distribution by race

### 8.2.1. Population Characteristics | Population by Race & Nationality.

<table>
<thead>
<tr>
<th>Municipality</th>
<th>African</th>
<th>White</th>
<th>Coloured</th>
<th>Asian</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mbhashe</td>
<td>99.83%</td>
<td>0.6%</td>
<td>0.10%</td>
<td>0.08%</td>
</tr>
<tr>
<td>Mquma</td>
<td>99.66%</td>
<td>0.11%</td>
<td>0.15</td>
<td>0.02%</td>
</tr>
<tr>
<td>Great Kei</td>
<td>91.83%</td>
<td>7.12%</td>
<td>1.03%</td>
<td>0.02%</td>
</tr>
<tr>
<td>Amahlathi</td>
<td>96.58%</td>
<td>2.23%</td>
<td>1.18%</td>
<td>0.01%</td>
</tr>
<tr>
<td>Ngqushwa</td>
<td>99.70%</td>
<td>0.15%</td>
<td>0.15%</td>
<td>0.05%</td>
</tr>
<tr>
<td>Raymond Mhlaba</td>
<td>95.16%</td>
<td>1.00%</td>
<td>3.78%</td>
<td>0.10%</td>
</tr>
</tbody>
</table>

Mquma is the most concentrated because of its townships and the presence of some industries and tertiary institutions in the area. There rest of the municipalities have smaller population ratios as illustrated in the above graphic.

With the Buffalo City Municipality becoming a Metro, it means that the ADM has a relatively decreased population overall.

Be that as it may, the ADM together with its social partners has to develop ways and means of controlling population growth rates. These will increase from their current level as it is clear from the above graphic, on local municipal basis.

Almost 98% of the total ADM’s population is black, with other races (Coloureds, Asians & Whites) constituting of 2% in almost similar proportions. The district experienced marginal growth between 2008 and 2013 of 0.5%. However, the ADM has experienced negative growth in population since 2000 (-4.4%). The local municipalities with the lowest growth rates were the Great Kei and Ngqushwa municipalities with -0.5% and -0.4% respectively in the 2008-2013 period.

The local municipalities with consistent growth are the Mbhashe and Raymond Mhlaba municipalities, growing 1% and 2.4% since 2008.

A significant part of the former Ciskei homeland is located within Amathole District, and this has influenced the region’s population growth. Population density is high in settlements along major transportation routes including the N2 (Butterworth & Dutywa), the R72 (Peddie), the R63 (Alice) and the N6 (Stutterheim). The population is spread across the ADM in the following LM’s. The Amathole District constitutes 13.6% (898 000 people) of the Eastern Cape’s population (6.6 million people).

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• The Mbhashe LM has the highest population followed closely by the Mnquma LM with 28.4% and 28.2% respectively. This could be attributed to the fact that these municipalities are composed of vast rural areas.

8.3. Population Distribution by race:

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The local municipalities with consistent growth are the Mbhashe and Raymond Mhlaba municipalities, growing 1% and 2.4% since 2008.

8.4. Demographic composition of ADM.

The ADM is composed of the following local municipalities:

<table>
<thead>
<tr>
<th>#</th>
<th>Name of Urban Nodes</th>
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<tr>
<td>ADM LOCAL ECONOMIC DEVELOPMENT STRATEGY</td>
<td>15</td>
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</tbody>
</table>
The illiterate levels are marginally low compared to the literacy levels. Because of the existing government education programmes, the illiteracy levels have dropped by 5% from 1995 to 2009.

Academic institutions in the district include the University of Fort Hare, Walter Sisulu University, Lovedale Technical and Vocational Education and Training (TVET), King Hintsa TVET College, and a number of good high schools (ADM GDS, 2007, ADM 2009 Economic Profile, Urban-Econ).

The primary challenges facing the tertiary institutions, many of which are historically disadvantaged institutions, include, but not limited to the following:

- Curriculum transformation through diversification and upgrading of course offerings;
- Funding constraints;
- Improvement of standards.
- Institutional transformation and the integration of multiple institutions;
- Question of access and equity;

Factors which fuel these challenges include income levels of poor households, bursary access and the transformation of secondary education. Poor secondary education standards and language challenges also impact on the institutions.

The following points further sum up the ADM’s Human Capital:

- Basic grounding in science, maths and logical reasoning skills;
- Higher literacy rates and quality;
- Increase in Skills suitable for participating in the economy;

ADM LOCAL ECONOMIC DEVELOPMENT STRATEGY

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• Increased secondary or tertiary level skills;
• Positive economic and cultural values in a diverse population;
• Programmes such as “Seeds for the future” civil-society support programme, are actively addressing non-academic development for a quality future workforce and build “social” capital.
• Reduce risks from environmental and social disasters and crime;
• There are a number of good schools producing sports, academic, business and political leaders in the ADM;


The population’s sexual distribution reflects the following composition;

The Amathole district has the majority of the population in the less than 4 years age cohort for both genders. Only 31% of the population (281 000 people) is over 40 years of age. There are more women in the district than men, which is in line with national and provincial trends.

There is a universal consensus that women have a longer life expectancy than males, therefore given the current male to female ratio, various programmes and campaigns need to be put in place in order to empower women in the short to medium term.

The other fact is in society at large, there are more women-headed-households than the contrary owing to various human circumstances, thus the argument of women empowerment need to be started and intensified.

Such empowerment, when properly conceived and implemented will also curb population growth, which is perceived as an outcome of women’s lack of economic opportunities.

If women’s health, education and economic well-being are improved along with their role and status in the community, the empowerment of women will inevitably lead to smaller families and lower or manageable population growth.

8.6 Population Characteristics | Population by Age.

The Amatole DM currently has a population of children from age 0-14 constituting 34% while it has a teen and early adult-hood population of age group between 15–24 constituting 23% of the total population in all its demographic forms. The working population of age group between 25-64 constitutes 36% whilst the older population of 65 and above constitutes 7% of the population.
The current age profile implies that the active labor-force (25-64) which constitutes 36% of the population has to work and support 64% of the population as the age group of 0-14, age group 15-25 and age group of 65 and above are an economically dependent burden in the sense that they are non-productive members of the society and must be supported by the economically active labour-force and the state in the case of old age grant earners.

8.7. Literacy Rate

The majority of the people in the district have little or no education, and the rate of growth still remains negative. Since 2000, there has been no significant change in the number of people with Grade 12. Between 1995 and 2000, the number of pupils that have a Bachelor’s degree and a Diploma’s doubled, and there was 85% growth in the number of people who pursued an Honours degree. On the other hand, the growth rate of illiterate pupils has also been negative.

The number of people with Grade 0 or no schooling at all has been decreasing. This could be attributed to various factors, such as urbanization, free basic education as well as adult basic education programmes that have been introduced by government.

Grade 12 pass rates have fluctuating up-and-down from 1995 to 2009. The Grade 12 Pass Rate is a national problem and it has been prioritized by the National Government. Various factors have contributed to the poor pass rate whilst various efforts have been put in place to improve it.

Despite the fact that ADM is endowed with and is close proximity to TVET and Tertiary institutions, there has been a notable decrease in a number of people with Matric plus Higher/TVET Certificates. This is a factor of the decrease in Matric Pass Rate as well as lack of access to resources by some poor households in the region.

9: OVERVIEW OF ADM LED ISSUES

Economic investment in South Africa has historically been focused on the Minerals-Energy Complex (MEC) in around Gauteng, and on the linkages between that economy and the rest of the world. Investment in the MEC has to some extent been balanced by investment in agriculture, particularly massive irrigation schemes.

Amathole District not only has no significant mineral resources, but also has not benefited from investment in major irrigation developments. This lack of investment in economic infrastructure and systems has been compounded by the establishment of Transkei and Ciskei, which also did not receive adequate investment in economic infrastructure, human capital or social infrastructure.
The result is that not only does the District lag behind the national average in terms of economic activity and average per capita income, but it faces declining job numbers, relocation or closure of companies and decline in number of commercial farms. Because of the historic lack of, or inappropriate, investment the District faces considerable challenges to economic development because of;

- low level of human capital development,
- under-developed infrastructure and
- Ineffective governance.

The participatory analysis across sectors and across the district has provided a long list of specific issues that are considered barriers to economic growth. These can be grouped into the following categories:

- **Infrastructure** – Outdated, inadequate and poorly maintained infrastructure is an impediment to cost effective enterprise. This issue is a very high priority because of the distance of the district from markets and the lack of raw materials locally.
  - Investment promotion and industrialization- non utilization of existing structures for business purposes

- **Land related issues** – this includes the resolution of land ownership and use rights, land use planning and land use management to exploit (where applicable) and protect (where applicable) the environment. The land issue relates to both rural and urban localities. In the former, it relates to use for agriculture and settlements, while in the latter it relates to land for investment in production facilities, offices and housing.

- **Lack of competitiveness of the sectors and localities.** This resolves into two key aspects:
  - Support systems and services – there is inadequate technical and systemic (eg: for maintenance, provision of supply, production) support across all the sectors.
  - Skills – all sectors and area raised the issue of inadequate and inappropriate skills as a constraint to growth.

- **High unemployment rate.** A final issue which must be taken into account is the need to broaden the economic base to ensure that historically disadvantaged communities and people gain access to the economy at the levels of employment, ownership of productive resources and ownership of equity in enterprises. The bulk of these issues have been captured in commitments made in the Amathole Growth and Development Summit Agreement held in 2005.

**10. COMPETITIVE ADVANTAGES OF THE AMATHOLE REGION**

ADM just like any other municipality has its own and unique competitive advantages for LED success, as outlined below.

- Almost approximately 90% of ADM is rural and as such there is huge land parcels available for agricultural development.
• The area is very rich in heritage resources (both tangible and intangible) and is conducive for cultural heritage tourism development.

• Some of Local Municipalities within ADM lie along the coast which make them more competitive for any economic development initiatives that are likely to emerge in those areas.

• The area is full of existing business infrastructure (currently unutilized) that could be utilized by foreign investors.

• Flora and Fauna is also amongst the competitive advantage of the district.

11. KEY ECONOMIC DRIVERS FOR ADM

Based on the competitive advantages cited above, it is clear that the key economic drivers for the district are as follows;

• Agriculture

• Tourism

• Mining, although this is not fully exploited

• Construction (reference)

• Ocean Economy

12. MAIN ECONOMIC CONTRIBUTORS TO ADM LOCAL ECONOMIC DEVELOPMENT

Below there are additional sectors that contributes to economic development:

• Heritage Resources

• SMME and Informal Trade

• Co-operatives

• Rural Development

• Film Industry Development

• Extended Public Works Programme

• Environmental Management

13. LED SECTORS SITUATION ANALYSIS

During the past 5 years of implementing the ALED Strategy, which guides the implementation of all the Sector Plans cited previously under ALED, all the programmes that were identified and
included in the IDP were implemented successfully with the assistance of both internally and externally Resources.

However, in doing the major review of the ALED Strategy through the ADM LED Forums, the following have been identified per sector.

14. LED STRATEGY ALIGNMENT TO OTHER DEVELOPMENTAL STRATEGIES

ADM LED Strategy and Developmental strategies alignment is as follows:

- National spatial development perspective
- National Growth Path
- National framework for Local Economic Development
- The national development plan: vision for 2030
- Integrated Sustainable Rural Development Strategy
- Eastern Cape Provincial Jobs Strategy
- Provincial Industrial Development Strategy
- Broad Based Black Economic Empowerment
- Provincial Development Plan
- Amathole Rural Development Strategy
- Amathole Regional Economic Development Strategy
- Regional Industrial Development Strategy

| National spatial development perspective | The NSDP 2006 provides a systematic overview and framework for understanding and interpreting the national space economy. It provides detailed analysis to enhance its role of providing a basis for strategic dialogue with government about where to focus infrastructure investment and development spending and optimize inter-governmental impact within specific localities. The NSDP should be understood both as a policy directive in terms of its methodology and an indicative tool in terms of its content. That is:
  - The principles and methodology of the NSDP should inform the development plans, policies and programmes of all spheres and agencies of government as a matter of policy |

ADM LOCAL ECONOMIC DEVELOPMENT STRATEGY

21
• The details of economic potential and demographic patterns in localities to be the subject on ongoing dialogue amongst state and non-state actors; and
• Districts and metropolitan areas should be positioned as the geographical units for building an understanding of the nature of distribution of potential and demographic patterns across the country.

In order to contribute to the broader growth and development policy objectives of government, the NSDP puts forward a set of five normative principles:
• Principle 1: Rapid economic growth that is sustained and inclusive is a prerequisite for the achievement of other policy objectives, among which poverty alleviation is key
• Principle 2: Government has a constitutional obligation to provide basic services to all citizens (e.g. water, energy, health and educational facilities), wherever they reside. The NSDP 2006 provides
• Principle 3: Government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private-sector investment, to stimulate economic activities and to create long term employment opportunities
• Principle 4: Efforts to address past and current social inequalities should focus on people, not places. In localities where there are both high levels of poverty and demonstrated economic potential, this could include fixed capital investment beyond basic services to exploit the potential of those localities. In localities with low demonstrated economic potential, government should, beyond the provision of basic services, concentrate primarily on human capital development by providing
education and training, social transfers such as grants and poverty-relief programmes. It should also reduce migration costs by providing labour-market intelligence to give people better information, opportunities and capabilities, to enable them to gravitate – if they choose to – to localities that are more likely to provide sustainable employment and economic opportunities

- Principles 5: In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channeled into activity corridors and nodes that are adjacent to or that link the main growth centres. Infrastructure investment should primarily support localities that will become major growth nodes in South Africa and the Southern African Development Community (SADC) region to create regional getaways to the global economy.

Furthermore, the NSDP, reconfigure apartheid spatial relations and implement spatial priorities that meet the Constitutional imperative of providing basic services and alleviating poverty and inequality. It provides a set of principles and mechanisms for guiding infrastructure investment and development decisions. The NSDP serves as a tool for identifying key areas of tension and/or priority in achieving positive spatial outcomes.

The NSDP identified six categories of developmental potential which cover the spectrum of economic functions in a modern economy:

- Innovation and experimentation
- High value, differentiated goods
- Labour-intensive, mass-produced goods-(EPWP)
- Public services and administration
- Retail and services
- Tourism

Implications for the Amathole Economic Development Strategy: The AELDS should align with the principles and methodology of the NSDP and aim to alleviate poverty and inequality through considering spatial relations.

### National growth path

The National Growth Path (NGP) sets out critical markers for employment creation and growth and identifies where viable changes in the structure and character of production can generate a more inclusive and greener economy over the medium to long run. The NGP proposes strategies:

- To deepen the domestic and regional market by growing employment, increasing incomes and undertaking other measures to improve equity and income distribution; and
- To widen the market for South African goods and services through stronger focus on exports to the region and other rapidly growing economies

The NGP identifies areas with the potential for creating employment on a large scale ("job drivers") as follows:

- Substantial public investment in infrastructure both to create employment directly, in construction, operation and maintenance as well as the production of inputs, and indirectly by improving efficiency across the economy
- Targeting more labour absorbing activities across the main economic sector – the agricultural and mining value chains, manufacturing and services
- Taking advantage of new
opportunities in the knowledge and green economies
- Leveraging social capital in the social economy and the public services
- Fostering rural development and regional integration

Implications for the Economic Development Plan: The AELDP should focus on employment creation through alignment with the identified areas of employment.

| National framework for Local Economic Development | The National Framework for LED in South Africa aims to support the development of sustainable local economies through integrated government action. This government action is developmental and stimulates the heart of the economy which comprises those enterprises that operate in local municipal spaces.

The framework is underpinned by an appreciation of the evolving practice of LED internationally and is based on the unique South African context and challenges. It contextualises the move towards “new institutionalism” that breaks down the distinction between economy and society, showing how economic decision-making and action is shaped by the shared values, norms, beliefs, meanings, and rules and procedures, of the formal and informal institutions of society. The normative agenda of the New Institutionalism is to develop shared meaning and values, and to strengthen the networks of social interaction. This has also been variously described as building social capital, or developing social cohesion. |
There are ten (10) guiding principles identified for the framework. This framework supports the Strategic Agenda for Local Government and the 5-year Local Government Implementation Plan (2006-2011). LED is one of the five Key Performance Areas (KPAs) for Local Government. As a key performance area, LED as an outcome, is strongly interrelated and dependent on the other four KPAs. These include: Municipal Transformation and Organisational Development, Basic Service Delivery, Municipal Financial Viability and Management, and Good Governance and Public Participation.

Local Economic Development (LED) offers local government, the private sector, the not-for-profit sectors and the local community the opportunity to work together to improve the local economy. It aims to enhance competitiveness and thus encourage sustainable growth that is inclusive.

**Guiding Principles**

Flowing from the evolving practice of LED described above and the South African National context described below, there are ten (10) principles identified that guide this framework.

**The following are the principles of local economic development:**

1. Through a developmental approach, Government has a decisive and unapologetic role to play in shaping the economic destiny of our country.

2. Creating an environment in which the overall economic and social
conditions of the locality are conducive to the creation of employment opportunities is the responsibility of Local Government.

3. Local Economic Development is an outcome of actions and interventions resulting from local good governance and the constant improvement and integration of national priorities and programs in local spaces.

4. Inward investment from the state or private sector will only be effective where the potential and competitive advantages of each area are known and exploited.

5. Promoting robust and inclusive local economies requires the concerted, coordinated action of all spheres and sectors of government centred on the application and localisation of the principles espoused in the National Spatial Development Perspective (NSDP).

6. Locally owned appropriate solutions and strategies must emerge to support national frameworks in both rural and urban local spaces and should promote sustainable development and sustainable human settlements.

7. South Africa competes in a global and increasingly integrated world economy whose threats must be minimised and whose opportunities must be exploited.

8. Private companies, including social
enterprises and cooperatives, form the heart of the economy and have a crucial role to play as partnerships with public and community role players that will ultimately stimulate robust and inclusive local economies.

9. People are the single greatest resource and including all citizens in development and increasing their skills leads to increased opportunities for stimulating local economies.

10. Local initiative, energy, creativity, assertive leadership and skills will ultimately unlock the latent potential in local economies and will shape local spaces.

**Implications for the Amathole Economic Development Plan:** The ALEDp should align with the principles and methodology of the NFLED and aim to promote inclusive economic growth and economic transformation.

<table>
<thead>
<tr>
<th>The National Development Plan: vision for 2030</th>
<th>The National Planning Commission has recently created the draft National Development Plan 2030. The Plan focusses on the following goals;</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Decent employment through inclusive growth</td>
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<td></td>
<td>Skilled and capable workforce to support an inclusive growth path</td>
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<td></td>
<td>An efficient, competitive and responsive economic infrastructure network.</td>
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<td></td>
<td>Comprehensive rural development and food security.</td>
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<td></td>
<td>Environmental assets and natural</td>
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</tbody>
</table>
| Integrated Sustainable Rural Development Strategy | The strategy is designed to realize a vision that will “attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who are equipped to contribute to growth and development”. The ISRDS presents the proposed institutional arrangements, which will operate in the political and operational areas and it lists the key elements of implementation as follows:

- institutional arrangements
- establishment of an information and knowledge base
- development of planning and monitoring systems
- establishing mechanisms of coordination
- Stakeholder mobilization. |
| **Eastern Cape Provincial Jobs Strategy** | The sets out to identify the cause and extent of the jobs crisis experienced by the EC province and to provide and indication of how the Provincial Government intends responding to the crisis. The strategy has |
five pillars namely to:

- Return existing Jobs
- Stimulate new Jobs in priority Sectors
  - Agriculture
  - Fishing and Aquaculture
  - Tourism
  - Forestry
  - Minerals and Energy
- Build Social Economy
- Increase the pace of Provincial Economic Infrastructure
Invests in critical areas. The following are the critical area;
  - Communication
  - Transportation
  - Logistics Networks and Energy supply Systems
- Radically improve skills development processes

Implications for the Economic Development Plan: The ALEDP should focus on employment creation through alignment with the identified areas of employment.

<table>
<thead>
<tr>
<th>Provincial Industrial Development Strategy</th>
<th>The strategy emphasizes the need for synergy and linkages between PIDS, the PGDP and a host of other support strategies for industrialization such as Local and Regional Economic Development Strategy, SMME Strategy, Tourism Master Plan, Rural Development Strategy and the Cooperatives Strategy.</th>
</tr>
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<tbody>
<tr>
<td>Broad Based Black Economic Empowerment</td>
<td>A broad definition of BEE. It is an integrated and coherent socio-economic process, located in the context of the country’s national transformation programme (i.e. the Reconstruction and Development Programme). It is aimed at redressing the imbalances of the past by seeking sustainable and</td>
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</table>
equitable transfer and confers the ownership, management, and control of South Africa’s financial and economic resources to the majority of its citizens.

It further seeks to ensure broader and meaningful participation in the economy by black people to achieve sustainable development and prosperity.

<table>
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<tr>
<th>Provincial Development Plan</th>
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| The provincial vision and long term plan is intended to mobilise all citizens and sectors of the Eastern Cape around a common vision. The aim is to provide an opportunity for revisiting social partnerships and develop common goals among citizens, civil society, the state and the private sector. The plan also seeks to promote mutual accountability between stakeholders and to enable coherence of the three spheres of the state. Based on the National Development Plan, the Provincial Development Plan seeks to outline a development path for the province.

The development agenda and priorities for the next 15 years (2015-2030), building on the Provincial Growth and Development Plan of 2004-2014. It proposes key programmes and projects for implementation up to 2030 and suggests institutional arrangements for implementation, monitoring and reporting. Departing from a premise that the province must confront the Structural features hobbling the provincial economy; privilege social and economic justice; be culturally sensitive; encourage Citizen participation and co-responsibility for development; promote ethical, integrated multi-agent action; respect evidence And critical deliberation; and take accountability... |
seriously, the following goals are core to the Eastern Cape Provincial Development Plan:

1) Redistributive, inclusive and spatially equitable economic development and growth - prioritising investments in, and The development of, rural regions to address need and structural deficiencies, as well as tap potential.
2) Quality health - fundamental to human functionality and progress.
3) Education, training & innovation - pivotal to Human Development, societal well-being and a regenerative, self-sustaining civilisation.
4) Vibrant, cohesive communities - with access to decent housing, amenities and services.
5) Institutional capabilities - important to underpinning the developmental agency of both state and non-state Institutions. Rural development bias until spatial equity is established.

Implications for the Economic Development Plan: The ALEDS should focus on economic transformation through encouraging of procurement to black owned businesses and SMME’s.

Amathole Rural Development Strategy

Amathole District Municipality forms part of the largest province’s geographically, it is still viewed as behind in becoming the economic powerhouse of South Africa and is one of the poor performing province (and districts) in terms of economic activity, contributing less than 15.1% to the national Gross Domestic Product (GDP) for 2007. However, there remain socio-economic challenges within Amathole District
Municipality such as persistent high levels of poverty and unemployment. Various policies have been implemented over the past decade to address these challenges.

The essence of rural development lies in creating the capacity of the people, especially the rural poor, for sustained self-development.

The objectives of rural development are as follows:

- Increase in production and productivity;
- Equity in access to opportunities to earn income,
- in access to public services,
- in access to productive inputs
- Gainful employment
- People’s participation in the development process
- Ecological balance, i.e. proper management of physical resources such as land, water, etc.

The overall objective of the Amathole District Municipality Rural Development Strategy is to provide a strategic framework that will facilitate the co-coordinated implementation of sector policies and strategies concerned with the development of rural communities.

In particular, the Rural Development Strategy will support the implementation of poverty alleviations mechanisms and create a development environment that will contribute to enabling rural communities and households to achieve sustainable livelihoods.

In this respect, the Amathole District Municipality Rural Development Strategy has identify short- and medium-term priorities that will support the goal of sustainable livelihoods, and contribute to
the short medium and long-term goal for sustainable economic growth.

| Amathole Regional Economic Development Strategy | The focus of the AREDS is growth and economic development. This does not imply that poverty alleviation and social safety net activities should be abandoned or neglected. On the contrary, the purpose of developing the economy is to enable the unemployed to find work and thus reduce poverty. Furthermore, a number of activities which target poverty alleviation have a complementary funding of improving economic development prospects. Such actions which align with poverty alleviation and social safety net actions, but which are necessary for economic growth, are presented in this strategy but are not fleshed out or programmed in detail. These include aspects such as health, education and safety and security.

AREDS study provides a framework which guides the multiple economic role players in the Amathole District when planning and undertaking interventions that impact the economic development of the district. The purpose of the Strategy itself is as follows:
The desired outcome of the Amathole Regional Economic Development Strategy is to increase the number of households that earn an income, and to increase the income per household to above the minimum living level. Below table illustrate the economic Sector Insights 1.2.16 Tourism, recreation and sport

The main concentrations are in the two cities and Hogsback, with secondary nodes at Port Alfred and Grahamstown. There is also considerable GVA in Mthatha and Queenstown. There is surprisingly little GVA generated along the Wild Coast. |
1.2.17 Agriculture, forestry and fishing
The greatest production in the province lies in the western half and the East London area, with a node at Mthatha. Secondary nodes are found at Adelaide, in Cacadu district and in Ukhahlamba. Lower GVA values are dispersed throughout the Province.

1.2.18 Mass produced manufacturing
The main production areas are again East London and NMMM, with a number of nodes along the main arterials.

1.2.19 Transport, water, energy, construction
The greatest concentrations are on the two cities, with some activity in Mthatha area and close to a handful of small towns some of the local municipal centres between Grahamstown and Queenstown.

1.2.20 High value differentiated goods
The greatest GVA in this sector is located in the NMMM area, with smaller representation in Buffalo City Municipality, Mthatha and Queenstown. There are also eight small nodes of production throughout the province, on the major arterials.

1.2.21 Public services
The greatest GVA for this sector is found in the two cities and in the ex-homeland areas.

1.2.22 Mining and quarrying
There is insignificant activity in the province.

1.2.23 Trade, Financial, Real estate and Business services
Well distributed throughout the province, with greatest value in NMMM, Amathole, Mthatha, Queenstown and Butterworth. These services are found where there are great numbers of people, and strongest where the disposal income is greatest.

In summary: the bulk of the GVA in the province is centred on the two major cities. Mthatha is a third focus point, followed by
| Regional Industrial Development Strategy | Advantages and opportunities. It aims to bridge the first-second economy gap in South Africa based on the spatial development principles of the NSDP. Such a strategy focuses fundamentally on addressing the key obstacles to the functioning of the economy, primarily through infrastructural interventions which will better enable all regions to access markets and resources.

The strategic objectives may be summarized as follows:

• Attempt, as far as possible, to reduce economic disparities between regions, address the needs of both the first and second economies, and narrow the gap between them.
• Pay particular attention to the needs of those regions which are lagging behind the national norms
• Enhance current regional strengths and lead sectors of the economy.
• Promote sustainable economic growth and employment in provinces and municipalities.
• Build regional competitive capabilities and firm-level support measures.
• Enhance regional performance in attracting foreign direct investment. |
### 14.1. KEY ISSUES EMANATING FROM THE SITUATION ANALYSIS

<table>
<thead>
<tr>
<th>KPA</th>
<th>KEY ISSUE (core problem)</th>
<th>CAUSES</th>
<th>EFFECTS</th>
<th>DEPARTMENTS AFFECTED</th>
<th>INTERVENTION (remedial action)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LED</td>
<td>Infrastructure</td>
<td>Outdated</td>
<td>Loss of economic impact and opportunities.</td>
<td>LHSED, ENGINEERING, ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENT, DEPARTMENT OF ROADS, PUBLIC WORKS</td>
<td>Linkage with the Provincial and National Departments Promotion of PPP</td>
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<td></td>
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<td>Inadequate</td>
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<td>Poorly maintained</td>
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<td></td>
<td>Underutilization</td>
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<tr>
<td>Land related issues</td>
<td>Land ownership disputes</td>
<td>Underutilization of land to favour local economic development</td>
<td>Losing promotion due to land disputes</td>
<td>LHSED, DRDLR, DRDAR</td>
<td>Consultation with DRDLR</td>
</tr>
<tr>
<td>Human Capital</td>
<td>Inadequate human capital within local municipalities and businesses.</td>
<td>Inability to implement effective LED programmes</td>
<td>Institutions of Higher Learning and Private Sectors</td>
<td></td>
<td>Human capital support to local municipalities and businesses</td>
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<tr>
<td>High unemployment rate.</td>
<td>Economic trends</td>
<td>Crime</td>
<td>Local Municipalities</td>
<td>Stimulation of jobs</td>
<td>Create partnerships with private sector. RETENTION</td>
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<td></td>
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<td>Lack of sustainable businesses</td>
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<td>Lack of skills</td>
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<td></td>
<td>Lack of job</td>
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<td>opportunities</td>
<td>strategy</td>
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<tr>
<td>High prevalence of poverty</td>
<td>Creation of job opportunities Food security programmes</td>
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<tr>
<td>Unemployment Illiteracy</td>
<td>Social Development, LHSED, SAPS, ALL Departments.</td>
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<tr>
<td>Unhealthy people Crime</td>
<td>Promotion of sustainment development</td>
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<td></td>
<td>Promotion of integrated Rural Development.</td>
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15. REMEDIAL PLANS UNTIL 2030

Six key economic drivers identified will help identify essential components of the emerging vision. They are as follows:

1. **Environmental Sustainability** – there is a commitment to reversing the environmental degradation that has taken place within the district and to adopt a “green” approach to all public and private sector activity within the region. The intention will be to consider all investment in terms of the 3 P’s – people, profit and planet – and ensure that trade-offs are made in terms of the long-term interests of the region.

2. **Strategic Infrastructure Investment** – the intention is to utilize investment in infrastructure in order to spatially reconfigure the district, generate jobs and to boost economic activity.

A district Spatial Development Framework have been completed but Infrastructure audit has to be conducted in order to guide this investment.

Government, in fulfilling its mandate of creating an environment conducive for society and business, must drive investment in infrastructure, with support from private sector partners. Land and tenure security is a major constraint that needs urgent attention.

3. **Economic Development and Support** – Amathole DM should partner with key sectors such as tourism, agriculture, agro-processing furniture, rural development etc. through jointly managed action-research projects that identify value-chain investment opportunities and support needs within these industries. Joint implementation plans are being agreed to in order to maximize their shared growth and job creation potential in the region.

4. **Education and Skills development** – the idea is to mobilise all key stakeholders around a single Human Resource Development Strategy for the region that addresses life-long and quality learning throughout the district with the aim of ensuring higher employment, productivity and entrepreneurship levels in our community.

5. **Safety and Empowerment of Communities** – social development requires investment into the physical and mental health and security of the district population, not to mention ensuring poverty alleviation and a conscious transformation towards economic empowerment. Mobilization of stakeholders, particularly NGOs and CBOs, is crucial to ensuring that citizens are sufficiently housed, protected against the social ills of society, and are actively engaged in improving communities.

6. **Institutional Development** – this driver will address the need to strengthen and build collaborative partnerships within government, and amongst the public, private and civil society sectors. The acknowledgement is that better co-ordination, collaboration, good governance and
creation of an enabling environment for businesses and institutions to thrive will be essential for development in the region.

16. IMPLEMENTATION PLAN OF ADM’S LED STRATEGY

In order to give effect to successful implementation of this LED Strategy the following programmes and projects have been identified; Furthermore, implementation of the following programmes will also be done in collaboration with relevant stakeholders.

<table>
<thead>
<tr>
<th>PROGRAMMES</th>
<th>PROJECTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Input Supply</td>
<td>Provision of production Inputs (seedlings, seeds, chemicals, fertilizer, feed for poultry and piggery, Broilers &amp; Layers)</td>
</tr>
<tr>
<td>Livestock Improvement</td>
<td>Provision of animal feed, medication and breeding stock, Removal of alien plant species, Renovation of or construction of dipping tanks</td>
</tr>
<tr>
<td>Emerging Farmer Support</td>
<td>Emerging Farmer Support: Hosting of 2017 Agricultural Expo and provision of support to Bee-Keeping, hosting of agri market days</td>
</tr>
<tr>
<td>Rural Development Strategy</td>
<td>Provision of agricultural infrastructure, wind energy initiatives, provision of agro processing equipment, Fencing of arable lands, Reconstruction of roads, Water-harvesting techniques &amp; infrastructure</td>
</tr>
<tr>
<td>Database of ADM heritage resources</td>
<td>Development of ADM heritage resources and their current state.</td>
</tr>
<tr>
<td>Grading and declaration of heritage sites.</td>
<td>Assisting with nomination and declaration of heritage sites within Amathole jurisdiction for heritage tourism enhancement.</td>
</tr>
<tr>
<td>Conservation Management Plans for respective heritage sites.</td>
<td>Development of Conservation Plans for heritage sites that will result in the development within the respective sites for local economic development.</td>
</tr>
<tr>
<td>Annual ADM Heritage Expo</td>
<td>A strategic investment in awareness</td>
</tr>
<tr>
<td><strong>Recollection of ADM Heritage property from outside ADM Jurisdiction</strong></td>
<td>Identification and facilitation of repatriation of any heritage property whose original habitat is within Amathole District Municipal jurisdiction.</td>
</tr>
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<td>---</td>
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</tr>
</tbody>
</table>
| **Tourism Growth & Development Support** | • Community Tourism Projects  
• Tour Guides  
• Grading  
• Tourism Directional Signage  
• Mentorship and Capacity building initiatives  
• Tourism Youth support |
| **Tourism Marketing (Tourism Events, Tradeshows/ Festival Support)** | • Tourism Website  
• Brochure Development  
• Online Tourism Magazine (Mapping of all tourism attractions and accommodation)  
• Tourism DVD  
Events, Trade Shows and Festivals  
• Grahamstown National Arts Festival  
• Xmas in July  
• Wild Coast Jikeleza Festival  
• Tourism Month Event  
• Bedford Garden Festival  
• Hamburg Splash Festival  
• Amahlathi Craft Mania |
- Great Kei Summer Festival
- National Events
  - Tourism Indaba
  - Horse Racing
  - MACUFE
  - Rand Easter Show
  - Getaway Show
  - Countdown
  - Buyeleka Khaya

| Craft Development Support | • Product development  
| | • Craft Centre  
| | • Market access |

| Film and Creative Industry Development. | • Provision of support towards emerging film makers and creative industry role-player.  
| | • Access to markets.  
| | • Capacity building programme. |

| Informal Trade Development | Provision of Informal Trade support (capacity building, market access working material, institutional capacity) |

| SMME Support | Provision of SMME support (capacity building, market access working material, institutional capacity) |

| Contractor Incubator Development | Capacitating contractors between level 1-7 and providing mentorship and skills training. |

| Cooperatives Support | • Cooperatives Awareness  
| | • Coop Registration  
<p>| | • Access to finance |</p>
<table>
<thead>
<tr>
<th>Annual Cooperatives Indaba</th>
<th>Hosting of Annual Cooperatives Indaba</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperatives Development Centre</td>
<td>Implementation of capacity building programmes for coops</td>
</tr>
<tr>
<td>Environmental Education (Community empowerment)</td>
<td>Four statutory environmental awareness campaigns</td>
</tr>
<tr>
<td>Climate change (Mitigation and adaptation)</td>
<td>Implementation of two climate change projects</td>
</tr>
<tr>
<td>Renewable Energy (Under-utilization of natural resources)</td>
<td>Implementation of two renewable energy projects</td>
</tr>
<tr>
<td>Air quality</td>
<td>Implementation of two Air quality projects</td>
</tr>
<tr>
<td>Blue flag program</td>
<td>Implementation of Blue Flag Program</td>
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<tr>
<td></td>
<td>• Application Form</td>
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<td></td>
<td>• Water Testing</td>
</tr>
<tr>
<td></td>
<td>• Blue Flag Awareness Campaigns</td>
</tr>
</tbody>
</table>
17. REFERENCE LIST

A. LEGISLATIVE FRAMEWORKS

- The National Spatial Development Perspectives
- Broad Based Black Economic Empowerment
- Framework for Economic Development: Department of Provincial and Local Government
- Local Government Municipal Systems Act
- White paper on local government 1998
- Skills Development Act (Act 97 of 1998)
- Development Facilitation (Act of 1999)
- National framework for local economic development (2012)
- Integrated Sustainable Rural Development Strategy (ISRDS)
- Regional Industrial Development Strategy (RIDS)

B. ADM SECTOR PLANS

- Agricultural Development Plan
- Tourism Master Plan
- Film Industry development Strategy.
- EPWP Plan
- Rural Development Strategy
- Heritage Resources Management Plan
- Integrated Environmental Management Plan
- SMME Strategy
- Informal Trade Strategy
C. RESEARCH INSTITUTIONS

- Global Insight
- Statistics South Africa.
- Eastern Cape Socio Economic Consultative Council.