

# BERGRIVIER MUNICIPALITY



## REVISED ECONOMIC DEVELOPMENT STRATEGY

MAY 2019

## Table of Contents

CHAPTER 1: INTRODUCTION & PURPOSE OF (LOCAL) ECONOMIC DEVELOPMENT STRATEGY	4
1.1 BACKGROUND	4
1.2 PURPOSE OF THE (LOCAL) ECONOMIC DEVELOPMENT STRATEGY	4
1.3 METHODOLOGY/STRUCTURE IN DRAFTING THE ECONOMIC DEVELOPMENT STRATEGY	5
1.4 ROLE CLARIFICATION	5
CHAPTER 2: AN EXECUTIVE SUMMARY	6
2.1 A SYNOPSIS OF THE SITUATIONAL ANALYSIS OF BERGRIVIER MUNICIPAL AREA:	6
2.2 AN OVERVIEW OF THE PROGRAMMES FACILITATED OR TO BE FACILITATED:	11
CHAPTER 3: ALIGNMENT OF ECONOMIC DEVELOPMENT STRATEGY WITH GLOBAL, NATIONAL, PROVINCIAL & LOCAL STRATEGIES	18
3.1 ALIGN WITH SUSTAINABLE DEVELOPMENT GOALS	18
3.2 ALIGN WITH NATIONAL DEVELOPMENT PLAN	19
3.3 ALIGN WITH WESTERN CAPE GOVERNMENT STRATEGY	21
3.4 INTEGRATED DEVELOPMENT PLAN OF BERGRIVIER MUNICIPALITY	24
3.5 VISION & STRATEGIC OBJECTIVES FOR ECONOMIC DEVELOPMENT	26
CHAPTER 4: STRATEGIC INTERVENTIONS AND PROJECTS	27
4.1 STRATEGIC DEVELOPMENT PILLARS	27
4.1.1 Agriculture and Agro-Processing	27
4.1.2 Enterprise development	27
4.1.3 Tourism	27
4.1.4 Infrastructure and Industrial Development	27
4.2 HIGH LEVEL STRATEGIC AND POLICY INTERVENTIONS	27
4.2.1 Availability of Skills & Knowledge	28
4.2.2 Available Energy	28
4.2.3 Development Incentives	28
3.2.4 Available Primary Resources	30
3.2.5 Value propositions of each town in Bergrivier Municipal Area	30
4.3 CURRENT AND FUTURE PROGRAMMES AND/OR PROJECTS	30
4.3.1 Integrated programmes for Bergrivier Municipal Area	31

4.3.2	Projects per town	33
4.2.1	Porterville	33
3.3.2.2	Piketberg	35
4.3.2.3	Velddrif	36
4.3.2.4	Goedverwacht	37
4.3.2.5	Wittewater	37
343.2.6	Aurora	37
4.3.3.7	Redelinghuys	37
4.3.3.8	Eendekuil	38
<b>CHAPTER 5: MONITORING, EVALUATION &amp; IMPLEMENTATION MECHANISMS</b>		<b>39</b>
<b>5.1</b>	<b>MONITORING AND EVALUATION</b>	<b>39</b>
<b>5.2</b>	<b>IMPLEMENTATION MECHANISMS</b>	<b>45</b>

## **CHAPTER 1: INTRODUCTION & PURPOSE OF (LOCAL) ECONOMIC DEVELOPMENT STRATEGY**

### **1.1 BACKGROUND**

An Economic Strategy was approved in 2015 and the purpose of this strategy is firstly to serve as an update and secondly to outline the strategic short, medium and long term priorities and programmes for economic development.

The foundation for municipal (Local) Economic Development is to be found in the National Development Plan and the Provincial Economic Strategy for the Western Cape. The municipal (Local) Economic Development Plan should also be linked to the international Sustainable Development Goals and this strategy will outline the alignment with the above. Alignment with the above strategies need to ensure a high impact of the local economic development strategy.

### **1.2 PURPOSE OF THE (LOCAL) ECONOMIC DEVELOPMENT STRATEGY**

Local) Economic Development is an approach to sustainable economic development that needs to lead to an improvement in the quality of life for all in the local community through attracting investment, business development and direct and indirect job creation. The purpose of LED is to enhance economic growth to ensure an improvement in the quality of life for all its residents firstly and secondly to enhance the revenue of the municipality. It is a process where the public sector, business and non-governmental sector collectively apply focussed attention and energy to create an environment conducive for economic growth and employment generation and improve the sustainability of the local economy based on a local competitive and comparative economic profile.

One of the national perspectives for economic development is the distinction between the First Economy, the Second Economy and the Third Economy and as LED is a mechanism to reduce poverty systematically through all these 3 levels, clearly defined short term to long term interventions are required. It will also be critical to clearly identify the beneficiaries per strategy as the focus will necessarily have to be on all levels: from SMME development, enterprise development, a focus on ensuring that no retention on existing businesses occurs and to direct job creation.

The main objectives of the LED strategy are therefore:

- i. To provide a situational analysis of the economy of Bergrivier municipal area to serve as baseline information for the LED strategy;
- ii. To define and describe the institutional mechanism for implementation; and
- iii. To identify and describe potential short, medium and long term projects to commence with a process towards achieving the strategic objective of LED;

- iv. As Economic development has been mainstreamed in the municipality through the establishment of a focused Portfolio Committee on Economic Development, the strategy also needs to outline the mandate and activities of the Portfolio Committee.

In working towards achieving the LED objectives, the following points of departure in the drafting of the strategy, include:

- i. It must be realistic and be able to manage expectations;
- ii. Stakeholders participation must be by choice;
- iii. Over ambitious plans tend to result in LED losing credibility; and
- iv. The identified strategy and plans must be able to meet with available resources and capacity for implementation.

### **1.3 METHODOLOGY/STRUCTURE IN DRAFTING THE ECONOMIC DEVELOPMENT STRATEGY**

The Economic Development Strategy consists out of

- An Executive Summary (Chapter 2)
- An alignment of the Economic Development Strategy with Global, National, Provincial and District Strategies and Bergrivier Municipality's Integrated Development Plan (Chapter 3)
- An overview of the programmes facilitated or to be facilitated (Chapter 4)
- The development of Key Performance Indicators to monitor and evaluate the implementation of the Economic Development Strategy and institutional mechanisms (Chapter 5).

Whilst the above will be based upon a situational analysis of the economy and general socio-economic profile of Bergrivier Municipal Area, the situational analysis itself is attached as an Annexure. In the event of the situational analysis changing, it may mean that the strategy may have to be reviewed. It needs to be emphasized that the risk in developing any economic development strategy is the reliability of data obtained to develop the situational analysis. For these purposes, the annual MERO (Municipal Economic Review Outlook) is used as the baseline information for the situational analysis.

### **1.4 ROLE CLARIFICATION**

It is of critical importance to emphasize that the municipality do not have the capacity to implement projects. The role of the municipality is to create an environment conducive for economic growth through the facilitation of strategies. The implementation of programmes of projects should preferably be done by service providers and/or investors.

## CHAPTER 2: AN EXECUTIVE SUMMARY

This chapter consists out of 2 sections, namely a synopsis of the situational analysis of Bergrivier municipal area and an overview of the programmes facilitated or to be facilitated to enhance economic development.

### 2.1 A SYNOPSIS OF THE SITUATIONAL ANALYSIS OF BERGRIVIER MUNICIPAL AREA:

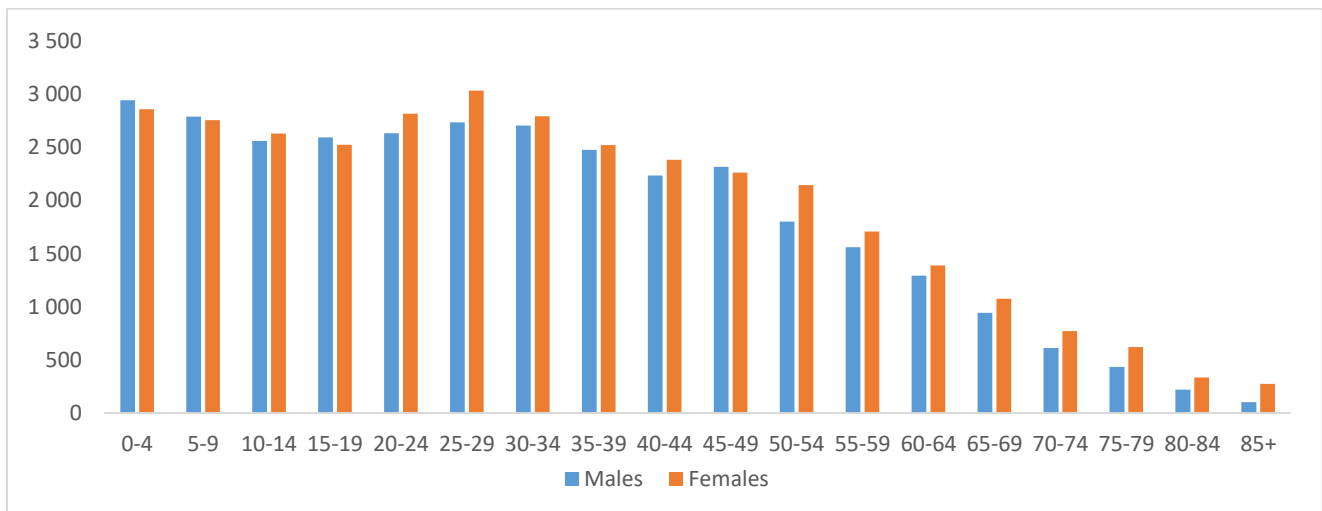
Bergrivier Municipality has in essence 2 major pillars for economic development, namely agriculture and tourism. Both these pillars, and necessarily other initiatives, need to address:

- Alleviate poverty through job creation;
- Created small businesses (SMME’s) in the value chain; and
- Focus on skills development

The reason for addressing the above challenges is to be found in the socio-economic profile of the Bergrivier Municipal Area and can be summarized as follows:

- **Age Profile**

Almost 58% of the population of Bergrivier Municipal Area is younger than 35 years of age and most of these young people do not either have a sustainable job/income and/or applicable skills for the labour market.



- **Dependency Ratio**

The dependency ratio in Bergrivier Municipal Area is growing steadily and the expectation is that it will be above 48% by 2023. This means that 50 % of the population is dependent upon social grants and do not have a sustainable income.

YEAR	CHILDREN 0-14 YEARS	WORKING AGE 15 – 65 YEARS	AGED 65+	DEPENDENCY RATIO
2011	15 431	42 1348	4 328	46.9
2017	16 528	45 896	5 383	47.7
2023	17 420	49 170	6 644	48.9

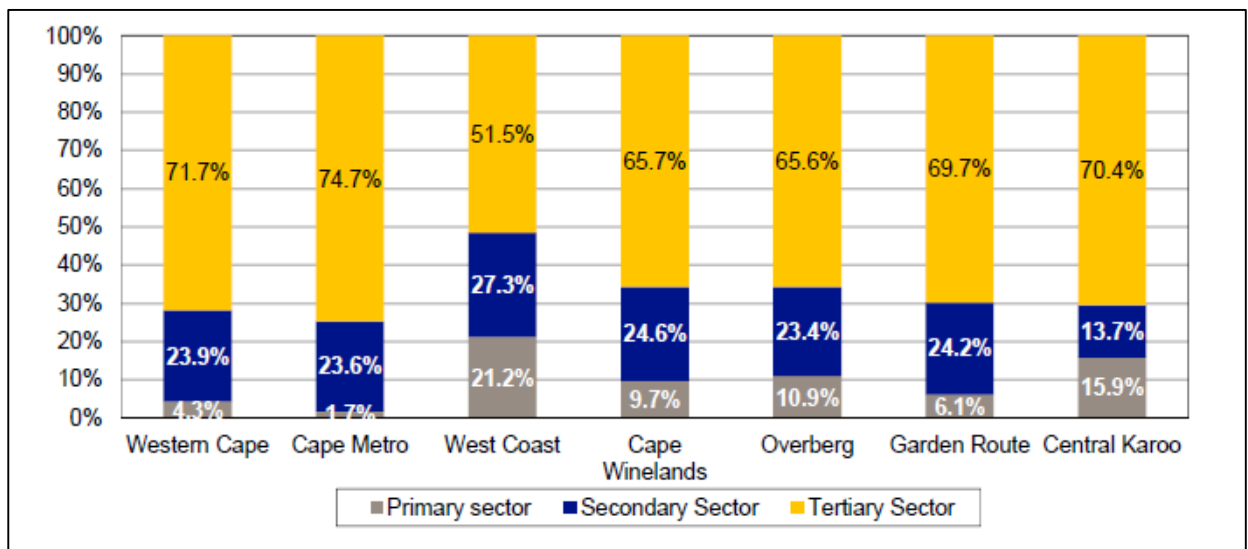
• **GDPR contribution per main sector**

The primary sector in the West Coast is the highest of all 5 districts in the Western Cape (21.2 %) and the secondary sector (27.3 %) is predominantly due to the agro-processing businesses in the district.

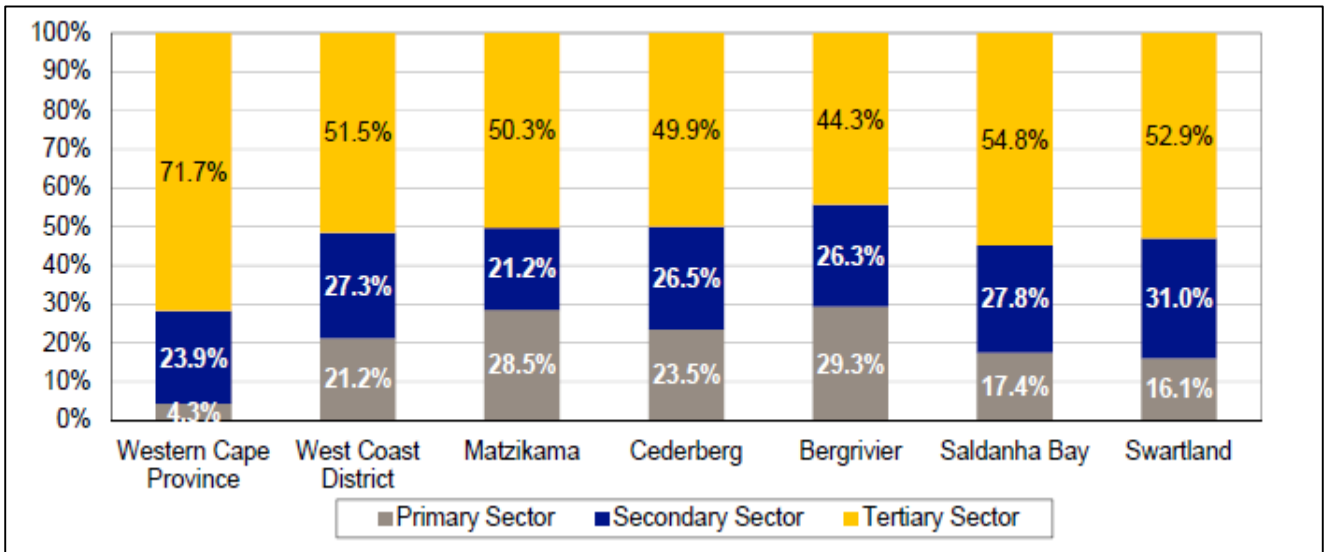
Note: The various sectors are as follows:

Primary sector	Secondary Sector	Tertiary Sector
Agriculture, forestry & Fishing	Manufacturing	Wholesale & retail trade, catering & accommodation
Mining & Quarrying	Electricity, gas & water	Finance, insurance, real estate & business services
	Construction	General government
		Community, social and personal services

Overview of the GDPR contribution per sector per district in the Western Cape Province:



Overview of the GDPR contribution per sector per municipality in the West Coast District:



Given the above, it is clear that the primary sector in Bergrivier Municipal Area is the highest in the West Coast District and has a high potential for expanding agro-processing in the secondary sector.

- **Highest Education Levels**

Most workers in the West Coast District are low-skilled workers, which is in line with the large proportion of people employed in the agriculture, forestry and fishing sector. The continued job shedding of this sector in 2015 and 2016 meant that low-skilled workers were laid off which led to broader socio-economic implications for the West Coast District. Bergrivier Municipal Area is characterised by serious challenges in education and readiness for employment market that is exacerbated by low literacy rate. The literacy rate is calculated as the proportion of persons 14 years and older who have successfully completed a minimum of 7 years of formal education. Bergrivier municipality’s literacy level was 76.4 % in 2011. (Provincial & District norms of 87.2 % & 79.1 %. Increased by 6 % since 2001.) Skills development is a serious challenge as the youth is not prepared for the potential employment market. The overall picture with regard to skills is that 55.5 % of the population is considered “low-skilled”.

Skills level	Matzikama	Cederberg	Bergrivier	Saldanha Bay	Swartland	West Coast District
Skilled	3.8	4.3	4.3	6.4	4.3	4.8
Semi-skilled	18.8	22.7	20.1	40.2	19.6	25.3
Low-skilled	77.3	73.0	75.6	53.4	76.1	69.9
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

*Source: Quantec Research, 2018 (e denotes estimate)*



Formal employment by skill	Skill level contribution (%)	Average growth (%)		Number of jobs	
	2016	2006 - 2016	2013 - 2017e	2016	2017e
Skilled	13.8	2.6	2.8	3 063	3 070
Semi-skilled	30.7	-0.3	1.6	6 826	6 717
Low-skilled	55.5	-1.7	2.7	12 322	12 081
<b>Total Bergrivier</b>	<b>100</b>	<b>-0.8</b>	<b>2.4</b>	<b>22 211</b>	<b>21 868</b>

*Source: Quantec Research, 2018 (e denotes estimate)*

Given the above and the following ad hoc observations, focussed programmes need to be facilitated to address the serious socio-economic challenges in Bergrivier Municipal Area:

- Bergrivier municipal area is a medium growth potential municipality with a potential for development around economic infrastructure and around building an inclusive rural economy.
- The growth potential for the settlements Aurora, Redelinghuys and Goedverwacht is defined as a low growth potential.
- Piketberg, Velddrif, Dwarskersbos and Eendekuil have a growth potential rating of medium, while Porterville has a high growth potential rating.
- It is estimated that the economy of the WCD performed better in 2017 than in 2016, growing at an estimated rate of 3.2 % in 2017. However, the estimated sector growth rates are lower than the five-year average in all sectors except in the agriculture, forestry and fishing sector; the mining and quarrying sector; and the manufacturing sector.
- It is estimated that all local municipalities that shed jobs in 2016, recovered these jobs in 2017, except the Bergrivier municipal area that continued to shed jobs. The agriculture, forestry and fishing sector and the general government sector shed jobs in all municipal areas. The wholesale and retail trade, catering and accommodation sector and the community, social and personal services sector contributed the most to employment creation in 2017.
- The construction, wholesale and retail trade, catering and accommodation, transport, storage and communication, finance, insurance, real estate and business services and community, social and personal services sectors have experienced some growth.
- The reality of Bergrivier Municipal Area is that it is not an area for highly industrial development as infrastructure and land are limited. The potential is in tourism, agriculture, fishing and small business development.
- One of the major aspects of rural economy is the role of the **informal sector**. According to Provincial studies, the informal sector grew in number, but not in turnover. Foreigners dominate the formal and informal retail sector in most of the smaller towns. These businesses do not necessarily create job opportunities and

do not necessarily integrate into the socio dynamics of a community. The main motivation for informal sector participation is lack of employment opportunities and a means for survival. Most opportunities in the informal sector are in construction, wholesale, retail, catering, accommodation

- The major challenges for the growth of the economy include:
  - ✦ Varying levels of available Infrastructure (Study available of current levels of infrastructure);
  - ✦ Water resource shortages;
  - ✦ Renewable energy as a source of alternative energy to release pressure on conventional energy;
  - ✦ Seasonal workers placing pressure on already inadequate infrastructure;
  - ✦ Climate change to have a negative impact on agriculture;
  - ✦ High ratio of drug related crime and other social ills; and
  - ✦ Transport for residents affecting mobility of potential work seekers.

## **2.2 AN OVERVIEW OF THE PROGRAMMES FACILITATED OR TO BE FACILITATED:**

This section is a summary of the programmes facilitated or to be facilitated as outlined in Chapter 4:

ECONOMIC DEVELOPMENT STRATEGY

Sector	SO	Programmes	Description	Key Performance Indicator	Target & Financial Year	Responsible	
Tourism	2	Tourism model for Bergrivier Municipality	It is important to develop a new tourism model for Bergrivier Municipality. This is especially relevant with the role of social media in marketing and a rethinking of the role of tourism offices.	The development of a new tourism model for Bergrivier Municipality	2019/2020	BTO	
	2	Marketing of Bergrivier Municipal Area	New tourism packages and/or routes need to be developed to increase the number of tourists	The marketing of Bergrivier Municipal Area must lead to increased number of visitors to the area and higher occupancy levels at existing businesses.	Increase the number of visitors to Bergrivier Municipal Area by 10 % on an annual basis	Annual	BTO
	2			Development of 1 new tourism package for Bergrivier Municipal Area	Annual	BTO	
	2			Development of the R 44 route through Porterville	2019 – 2021	BTO	
	2			Increase occupancy levels by 10 % in 2020	Annual	BTO	
	2			Events and Festivals	Events and Festivals are important mechanisms to attract more visitors to the area.	Facilitate the inclusion of Monte Bertha in the annual Arts Festival	Annual
	2	Develop a Festival for .....				BTO	
	2	Transformation of the tourism industry	The tourism industry needs to be utilized to ensure the transformation of the economy of Bergrivier Municipal Area through the establishment of new BEE small businesses in the tourism industry	Increase the number of new BEE small businesses in tourism in Porterville	2019 – 2021	BTO and Strategic Services	
	2			Develop at least 3 new BEE small businesses in tourism in Velddrif	2019 – 2021	BTO and Strategic Services	
	2			Develop at least 3 of new BEE small businesses in tourism in Redelinghuys	2019 – 2021	BTO and Strategic Services	
	1			Develop the Mosaic Route in Monte Bertha, Porterville	2019 - 2020	BTO and Strategic Services	
	1 & 2			Develop a strategy for Bokkomlaan	2019	BTO and Strategic Services	
	1 & 2	Tourism Infrastructure	The design of the regeneration of the main road in Porterville has been completed and funding needs to be sourced.	Source funding for the business plan for the regeneration of the main road in Porterville	2019	Strategic Services	
	1 & 2			Some tourism infrastructure in Velddrif is important to develop or upgrade as it will	Develop Pelican Harbour as a prime tourism space	2019 – 2020	Community Services

	1 & 2		enhance Velddrif given it has considerable potential for tourism	Investigate the feasibility of a Khoisan Village in Redelinghuys	2019 – 2020	Strategic Services	
	4		Improve the signage of Velddrif, especially in the entrance of the town				
	4		Develop public ablution facilities, picnic and braai areas in Velddrif		Community Services		
	4		Upgrade the bird hide on the flamingo route		BTO		
Agriculture	1 & 2	Primary Agriculture	The establishment of a food processing plant guarantees a market for small scale farmers. For these purposes, the small scale farmers need to be organized and assured they have equipment to farm.	Structuring the small scale farmers in each town of Bergrivier Municipal Area	Annual	Strategic Services	
	1 & 2			Ensure that at least 100 small scale farmers will participate in the programme	Annual	Strategic Services	
	4			Facilitate a process with stakeholders to ensure that small scale farmers have equipment to farm.	Annual	Strategic Services	
	1		A process needs to be facilitated for households to participate in the programme to produce food firstly for food security and secondly to sell to the food processing plant. This is necessarily an incremental process that will occur over more than 1 financial year.	Ensure that households in every town has the opportunity to participate in the programme to produce for the food processing plant or to produce for own food security.	Annual	Strategic Services	
	5	Agroprocessing	A food processing plant is to be established in Piketberg and it needs to be emphasized that it is a private sector initiative. The role of the municipality can only be to create the enabling environment for the private investor.	Facilitate a process to ensure the enabling environment for the investor to establish a food processing plant in Piketberg	2019 – 2020	Strategic Services	
	1 & 2			Ensure that local labour and local contractors are being used in the establishment and running of the food processing plant	2019 – 2020	Strategic Services	
	5			An aquaponics farm is to be established in Porterville and it needs to be emphasized that it is a private sector initiative. The role of the municipality can only be to create the enabling environment for the private investor.	Facilitate an enabling environment in the establishment of an aquaponics farm in Porterville	2019 – 2020	Strategic Services
	1 & 2			Ensure that local labour and local contractors are being used in the establishment	2019 - 2020	Strategic Services	

				and running of the aquaponics farm.		
	5		There is potential to develop fish farms in the Velddrif area with investors and it needs to be investigated	Create an enabling environment for investors to develop fish farms in Velddrif.	2019 - 2021	Strategic Services
	1 & 2			Ensure that local labour and local contractors are being used in the establishment and running of the fish farms.	2019 – 2021	Strategic Services
Industrial development and manufacturing	4 & 5	Industrial development		Piketberg’s location on the N7 is ideal for the development of industries and the further expansion of industrial land needs to be implemented.	Develop industrial land in Piketberg and invite potential businesses to establish their industries in the area.	
	5		The Saldanha SEZ has potential to establish manufacturing plants in Velddrif based on the value chain opportunities of the new investments in Saldanha Bay.	Investigate the value chain opportunities from the developments in the Saldanha SEZ for manufacturing plants in Velddrif	2019 – 2020	Strategic Services
	5	Marine Industrial Development	The boat building industry is a significant industry and the potential to develop Velddrif into a boat building industry needs to be investigated.	Investigate the potential to develop a boat building industry in Velddrif	2019 – 2020	Strategic Services
Small Business Development	2	Role of West Coast Business Development Centre	The WCBDC currently experience financial strain and a new business model is to be explored to deliver services to the SMME’s in Bergrivier Municipal Area	Investigate potential business models to deliver the services to the SMME’s currently being delivered by the WCBDC	2019	Strategic Services
	2	Structuring the SMME	There is a clear need to structure the collective of the SMME’s in the Bergrivier Municipal Area. It should be done per town as the dynamics of each town differ and SMME’s don’t always have the financial means to travel. Forums have been established in Porterville, Piketberg, Velddrif and Redelinghuys	Facilitate the incorporation of SMME’s in Eendekuil and Auroral into the current structures in Porterville, Piketberg, Velddrif and Redelinghuys.	2019	Strategic Services
	2	Database of SMME’s	The WCBDC has a database of registered SMME’s in Bergrivier Municipal Area and the information is crucial to implement the preferential procurement targets. It will be important to ensure that the database is updated regularly for these purposes.	Facilitate the update of the database of SMME’s in Bergrivier Municipal Area on a quarterly basis	Annual	Strategic Services
	2			Undertake an assessment of the business readiness of SMME’s per sector in Bergrivier Municipal Area	2019	Strategic Services
	2 & 3			Develop the database of SMME’s into a Yellow Pages	2019 – 2020	Strategic Services

				that is available electronically for the public.		
	2 & 3	Preferential Procurement	The municipality approved a policy on local targets in the Preferential Procurement Policy. Systems need to be developed to ensure that the targets are being reached.	Develop systems to ensure that the local targets for small businesses in Bergrivier Municipal Area are being reached on an annual basis	2019	Financial Services
	2			Facilitate an awareness campaign within the municipality to make use of local small businesses.	2019	Financial Services
	2	Enterprise Development and BEE Scorecards	The BEE scorecards of corporate business can be improved through enterprise development. A process to sensitize corporate business with the opportunities need to be developed	Develop a programme to sensitize corporate business on the improvement of BEE scorecards through enterprise development by using local small businesses in Bergrivier Municipal Area	2019 – 2020	Strategic Services
	6	Empowerment Programmes	An extensive empowerment programme has been implemented in Porterville in 2018 and a similar programme is currently being developed for Velddrif and Redelinghuys	Develop and implement the empowerment programme for Velddrif	2019 – 2020	Strategic Services
	6			Develop and implement the empowerment programme for Redelinghuys	2019 – 2020	Strategic Services
	4	Informal Trading	There is a definite need for the further development of informal trading areas in Bergrivier Municipality and funding needs to be sourced	Facilitate the identification of informal trading areas in the towns of Bergrivier Municipality and source funding for the development of such sites.		Corporate Services
Transport	4	Enhance the mobility of the communities in Bergrivier Municipal Area	One of the constraints for the community is mobility in the towns and between the towns. This is especially relevant for poorer households. Discussions with Mellowcab is currently taking place to be a service provider that can address mobility.	Facilitate the process to pilot Mellowcab in Porterville and Velddrif to enhance mobility	2019	Strategic Services
Availability of Skills & Knowledge	6	Skills development in agriculture	The development of the Virtual Agri-Academy will enable practical online skills development, in predominantly the agricultural sector.	Facilitate the enabling environment for the establishment and implementation of the Virtual Agri-Academy in Bergrivier Municipal Area	2019 – 2020	Strategic Services
	6	Technical skills development for learners	The development of the Saldanha Bay Special Economic Zone may lead to work and business opportunities and a technical school in Velddrif needs to be considered to prepare the youth for these opportunities.	Facilitate an enabling environment for the establishment of a technical school in Velddrif	2019 – 2021	Strategic Services

	6	SMME Training	The continuous training of SMME's will be important to ensure sufficient business acumen and technical skills to develop as small businesses	Facilitate an enabling environment for the a training programme for SMME's in Bergrivier Municipal Area	Annual	Strategic Services
Development incentives	5	Investment strategy	There is a need to develop an investment strategy for Bergrivier Municipal Area as to attract investors in the various sectors	Facilitate the drafting of an investment strategy for Bergrivier Municipality.	2019 – 2020	Strategic Services
	4	Land and building	The sale, transfer or rental of land, building and/or other facilities owned by Bergrivier Municipality or any other organ of state on concessionary terms should be investigated. This will firstly ensure that investors can develop in the municipal area within the parameter of the relevant legislation(s) and secondly assist small scale farmers in accessing land to participate in the agriculture programme..	Facilitate a process to draft policies on the sale, transfer of land, buildings and/or other facilities on concessionary terms to ensure an environment conducive to investment.		Corporate Services
	2 & 4			Facilitate a process to identify land for small scale farmers to participate in the agricultural development programme	Annual	Strategic Services
	3	Regulatory reform: Ease of doing business	Red tape is often hampering corporate business to invest in a municipal area or too cumbersome for small businesses to make the business grow. This could mean fast tracking zoning applications, building plan approvals, or a more development approach towards small business, especially in the informal sector, etc.	Facilitate the identification of the various aspects required for a regulatory framework that will enhance business development and draft the regulatory framework.		Strategic Services, Financial Services, Corporate Services, Technical Services
	5	Protection of cultural, historical and natural significance	One of the most important aspects in especially the tourism industry, will be to protect the cultural, historical and natural significance of Bergrivier Municipal Area. A policy framework for the protection of these areas need to be drafted. This include the identify of Goedverwacht, Velddrif (Bokkomlaan), Verlorenvlei, Porterville main road etc.	Facilitate the drafting of a policy for the protection of the cultural, historical and natural significance of certain areas in Bergrivier Municipal Area		Corporate Services
	1 & 2	Value proposition of each town	The 9 communities in Bergrivier Municipal Area each have their own dynamics and economic potential. It will be important to undertake a study on the value proposition of each of these towns	Facilitate a study on the value propositions of each town in Bergrivier Municipality to determine the economic potential of each town	2019 – 2020	Strategic Services
	Infrastructure	4	Energy	The current challenges in the continuous supply of electricity remains a high level of concern as it affects the confidence of investors to develop in the area. The current infrastructure levels also need to be monitored as to ensure sufficient infrastructure for future developments	Facilitate a process to ensure that sufficient energy is available for future development.	Annual



	4	Water	The experience with the drought led to an awareness on the scarcity of water and any future developments will have to ensure sufficient water	Facilitate a process to ensure that sufficient water is available for any future developments.	Annual	Technical Services
Alternative	5	Funding models for Economic Development	It will be important to know the various funding sources and/or funding models for various programmes.	Investigate the potential funding sources and/or funding models for various development programmes	2019	Strategic Services
Institutional Arrangement	5	Bergvriew Economic Development Forum	The BEDF, established in 2015, plays an important role in informing corporate business, other state departments and organized small business on economic initiatives	Conduct an annual feedback session on the economic initiatives to the BEDF	Annual	Strategic Services

## **CHAPTER 3: ALIGNMENT OF ECONOMIC DEVELOPMENT STRATEGY WITH GLOBAL, NATIONAL, PROVINCIAL & LOCAL STRATEGIES**

It is of the utmost importance to align the Economic Development Strategy of Bergrivier Municipality with a number of stakeholder strategies as to ensure a high impact. These stakeholder strategies include the Sustainable Development Goals, the National Development Plan, the Western Cape Provincial Strategy, the strategy of the West Coast District Municipality and the Integrated Development Plan of Bergrivier Municipality itself. It needs to be emphasized that some of the programmes Bergrivier Municipality are busy with has the potential for a provincial impact. The following is a short overview of each strategy and the relevancy to the Economic Development Strategy is highlighted:

### **3.1 ALIGN WITH SUSTAINABLE DEVELOPMENT GOALS**

This Agenda is a plan of action for people, planet and prosperity. It seeks to strengthen universal peace in larger freedom. The plan recognises that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development. All countries and all stakeholders, acting in collaborative partnership, need to implement this plan. The 17 Sustainable Development Goals and 169 targets demonstrate the scale and ambition of the new universal Agenda. The focus is also on the human rights of all and to achieve gender equality and the empowerment of all women and girls as it is integrated and indivisible and balance the three dimensions of sustainable development: the economic, social and environmental. The goals and targets will stimulate action over the next fifteen years in areas of critical importance for humanity and the planet:

- **People**

The plan aims to end poverty and hunger, in all its forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity, equality and in a healthy environment.

- **Planet**

The plan aims to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.

- **Prosperity**

The plan aims to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.

- **Peace**

The plan aims to foster peaceful, just and inclusive societies which are free from fear and violence. There can be no sustainable development without peace and no peace without sustainable development.

- **Partnership**

The plan aims to mobilize the means required to implement this Agenda through a revitalised Global Partnership for Sustainable Development, based on a spirit of strengthened global solidarity, focussed in particular on the needs of the poorest and most vulnerable and with the participation of all countries, all stakeholders and all people.

The above goals and discussion can be outlined as follows:



### 3.2 ALIGN WITH NATIONAL DEVELOPMENT PLAN

The National Development Plan: Vision 2030 (NDP) is a long term plan for the nation which was released in November 2011 and which focuses on “writing a new story for South Africa”. The NDP identified 9 primary challenges:

1. ***Too few people work;***
2. The quality of school education for black people is poor;
3. Infrastructure is poorly located, inadequate and under-maintained;
4. ***Spatial divides hinders inclusive development;***
5. ***The economy is unsustainably resource intensive;***
6. The public health system cannot meet demand or sustain quality;
7. Public services are uneven and often of poor quality;
8. Corruption levels are high; and

**9. South Africa remains a divided society.**

The NDP focuses on **reducing poverty and inequality** by putting in place the basic requirements that people need, to take advantage of available opportunities. The plan prioritises **increasing employment and improving the quality of education** while advocating an integrated approach to addressing these challenges. The table below contains an extract from the NDP and shows the objectives and actions that impact on local government and to which the Municipality can make a contribution.

**Table 1.: OUTCOMES, OBJECTIVES AND ACTIONS OF THE NDP**

\*Numbering corresponds with NDP

CHAPTER	OUTCOME	OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	RELATED ACTIONS*
3	Economy and employment	<b>Public employment programmes should reach 1 million by 2015 and 2 million people by 2030</b>	<b>Remove the most pressing constraints on growth, investment and job creation</b> , including energy generation and distribution, urban planning, etc Broaden expanded public works programme to cover 2 million fulltime equivalent jobs by 2020.
4	Economic infrastructure	<ul style="list-style-type: none"> <li>○ The proportion of people with access to the electricity grid should rise to at least 90% by 2030, with non-grid options available for the rest.</li> <li>○ <b>Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry</b>, recognising the trade-offs in the use of water.</li> <li>○ Reduce water demand in urban areas to 15% below the business-as-usual scenario by 2030.</li> <li>○ <b>Competitively priced and widely available broadband.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ <b>Move to less carbon-intensive electricity production</b> through procuring at least 20 000 MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating.</li> <li>○ <b>Establishing a national, regional and municipal fibre-optic network to provide the backbone for broadband access; driven by private investment, complemented by public funds required to meet social objectives.</b></li> </ul>
5	Environmental sustainability and resilience	<ul style="list-style-type: none"> <li>○ Absolute reductions in the total volume of waste disposed to landfill each year.</li> <li>○ At least 20 000 MW of renewable energy should be contracted by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>○ Carbon price, building standards, vehicle emission standards and municipal regulations to achieve scale in stimulating renewable energy, waste recycling and in retrofitting buildings.</li> </ul>
6	<b>Inclusive rural economy</b>	Will have a direct impact due to the programmes for rural development	
8	Transforming human settlements	<ul style="list-style-type: none"> <li>○ <b>Strong and efficient spatial planning system</b>, well integrated across the spheres of government.</li> <li>○ Upgrade all informal settlements on suitable, well located land by 2030.</li> <li>○ <b>More people living closer to their places of work.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ Reforms to the current planning system for improved coordination.</li> <li>○ Develop a strategy for densification of cities and resource allocation to promote better located housing and settlements.</li> </ul>

CHAPTER	OUTCOME	OBJECTIVES IMPACTING ON LOCAL GOVERNMENT	RELATED ACTIONS*
		<ul style="list-style-type: none"> <li>○ <b>More jobs in or close to dense, urban townships.</b></li> </ul>	<ul style="list-style-type: none"> <li>○ Introduce spatial development framework and norms, including improving the balance between location of jobs and people.</li> </ul>
9	<b>Improving education, training and innovation</b>	Make early childhood development a top priority among the measures to improve the quality of education and long-term prospects of future generations.	
11	Social protection	<ul style="list-style-type: none"> <li>○ Ensure progressively % through multiple avenues that <b>no one lives below a defined minimum social floor.</b></li> <li>○ All children should enjoy services and benefits aimed at facilitating access to nutrition, health care, education, social care and safety.</li> </ul>	<ul style="list-style-type: none"> <li>○ <b>Pilot mechanisms and incentives to assist the unemployed to access the labour market.</b></li> <li>○ <b>Expand existing public employment initiatives to create opportunities for unemployed.</b></li> </ul>
15	Nation building and social cohesion	<ul style="list-style-type: none"> <li>○ Our vision is a society where opportunity is not determined by race or birth right; where citizens accept that they have both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non - sexist and democratic South Africa.</li> </ul>	<ul style="list-style-type: none"> <li>○ Improving public services and spaces as well as building integrated housing and sport facilities in communities to ensure sharing of common spaces across race and class.</li> <li>○ Promote citizen participation in forums such as IDP's and Ward Committees.</li> <li>○ <b>Work towards a social compact for growth, employment and equity.</b></li> </ul>

### 3.3 ALIGN WITH WESTERN CAPE GOVERNMENT STRATEGY

The Provincial Strategic Plan sets out the Western Cape Government’s vision and strategic priorities for their term of office. It is informed by and aligns to the NDP. The Province’s Vision for 2040 is:

***“a highly skilled, innovation-driven, resource-efficient, connected, high-opportunity society for all”.***

The Provincial Strategic Plan has 5 strategic goals, focuses on “less for more” (fewer goals, select catalytic initiatives) and has 11 strategic objectives. The following figure sets out the 5 strategic goals of the Provincial Strategic Plan.

**FIGURE 1: WESTERN CAPE PROVINCIAL STRATEGIC GOALS (2014-2019)**



The following table provides an overview of the alignment between the Provincial Strategic Goals, Objectives and Game Changers.

**Table 2.: TABLE 10: ALIGNMENT BETWEEN PROVINCIAL STRATEGIC GOALS, OBJECTIVES AND GAME CHANGERS**

PSG NO	PROVINCIAL STRATEGIC GOAL	OBJECTIVES	GAME CHANGERS
1	<b>Create opportunities for growth and jobs</b>	<ul style="list-style-type: none"> <li>○ <b>Accelerating economic growth and job creation in our region.</b> <ul style="list-style-type: none"> <li>- <b>Grow the economy and create jobs through Tourism.</b></li> <li>- <b>Grow the economy and create jobs through Agri-processing.</b></li> <li>- Grow the economy and create jobs through Oil &amp; Gas.</li> <li>- <b>Energy security for Western Cape business and investment growth.</b></li> </ul> </li> </ul>	1) Project Khulisa (“to grow”)
2	<b>Improve education outcomes and opportunities for youth development</b>	<ul style="list-style-type: none"> <li>○ Improve the level of language and maths.</li> <li>○ <b>Increase the number and quality of passes in the NSC.</b></li> <li>○ <b>Increase the quality of education provision in poorer communities.</b></li> <li>○ <b>Provide more social and economic opportunities for our youth.</b></li> <li>○ Improve family support to children and youth and facilitate development.</li> </ul>	2) E-Learning 3) After School/ Engaged Youth
3	<b>Increase wellness, safety and tackle social ills</b>	<ul style="list-style-type: none"> <li>○ Healthy communities.</li> <li>○ Healthy workforce.</li> <li>○ Healthy families.</li> <li>○ Healthy youth.</li> <li>○ Healthy children.</li> </ul>	4) <b>Reduce the impact of alcohol</b>

PSG NO	PROVINCIAL STRATEGIC GOAL	OBJECTIVES	GAME CHANGERS
4	Enable a resilient, sustainable, quality and inclusive living environment	<ul style="list-style-type: none"> <li>○ <b>Enhanced management and maintenance of the ecological and agricultural resource-base.</b></li> <li>○ <b>Improved climate change response.</b></li> <li>○ <b>Sustainable and integrated urban and rural settlements.</b></li> <li>○ <b>Better living conditions for households, especially low income and poor households.</b></li> </ul>	5) Water and sanitation for all 6) New living model (Live-Work-Play)
5	Embed good governance and integrated service delivery through partnerships and spatial alignment	<ul style="list-style-type: none"> <li>○ Enhanced governance (including strategic partnerships).</li> <li>○ Inclusive society.</li> <li>○ Integrated management.</li> </ul>	<b>7) Broadband</b>

### 3.3 ALIGNMENT WITH THE WEST COAST DISTRICT MUNICIPALITY STRATEGY

The IDP of Bergrivier Municipality aligns to the strategic direction of the West Coast District Municipality (WCDM) as set out in its IDP and SDF. The vision of the West Coast District Municipality is **“A quality destination of choice through an open opportunity society”** and the mission of the West Coast District Municipality is **“To ensure outstanding service delivery on the West Coast by pursuing the West Coast District Municipality’s strategic objectives”**

The strategic objectives of the West Coast District Municipality are:

1. To ensure the environmental integrity of the district is improved.
2. **To pursue economic growth and the facilitation of job opportunities.**
3. To promote the social well-being of residents, communities and targeted social groups in the district.
4. To provide essential bulk services to the district.
5. To ensure good governance and financial viability

Furthermore, the West Coast District Municipality has a number of regional strategies which Bergrivier Municipality recognizes in the planning process. These regional strategies include:

- **Regional economic development strategy;**
- **Tourism strategy;**
- Integrated environmental strategy;
- Estuary management plan and Integrated coastal management plan;
- **District spatial development framework;**
- Bulk Infrastructure Master Plan;
- Integrated Transport Plan;
- Feasibility study on alternative water sources;
- **Regional Climate change strategy.**



### 3.4 INTEGRATED DEVELOPMENT PLAN OF BERGRIVIER MUNICIPALITY

The vision of Bergrivier Municipality as approved by the Council of Bergrivier Municipality in the Fourth Generation Integrated Development Plan is:

*“Bergrivier: a prosperous community where all want to live, work, learn and play in a dignified manner”.*

The **mission** of Bergrivier Municipality as approved by Council is:

*“Commitment to sustainable development and the delivery of services that are responsive to the developmental needs of all communities in Bergrivier Municipality”*

The above vision and mission for the municipality includes the principles of (Local) Economic Development and this strategy is therefore aligned with the broader vision of the municipality.

#### Strategic Goals and Objectives

The following are the strategic goals and objectives of the municipality as outlined in the Fourth Generation Integrated Development Plan (2017 – 2022):

The table following outlines the game changers identified per strategic goal and objective:		
STRATEGIC GOAL	STRATEGIC OBJECTIVES	(NEW) GAME CHANGERS
Strengthen Financial Sustainability and further enhancing Good Governance	To budget strategically, grow and diversify our revenue and ensure value for money-services	Thorough financial planning based directly on community needs
		Affordable tariffs
		Ensure 100% revenue collection
	To create an efficient, effective, economic and accountable administration	A stable administration and continuity in senior management
	To provide a transparent and corruption free municipality	Zero tolerance to corruption
	To communicate effectively with the public	Well-functioning ward committee system
Develop a well-functioning communications department		
Sustainable service delivery	To develop and provide bulk infrastructure	Proper planning for all bulk services
		Building innovative partnerships with government to ensure the timeous development of infrastructure



		Promote Bergrivier as a destination for investors and establish partnerships with investors for the co-development of infrastructure.
	To maintain existing bulk infrastructure and services	The development of a maintenance plan for all services
		The development of innovative methods to manage droughts and water supply
		The development of innovative methods to manage energy supply and/or alternative means of energy
<b>Facilitate an enabling environment for economic growth to alleviate poverty</b>	<b>To improve the regulatory environment for ease of doing business</b>	<b>Use procurement policy and procedures to stimulate the domestic economic development, redistribute wealth and promote social justice</b>
		<b>Establish an Economic Development Portfolio Committee to ensure the mainstreaming of economic development in the organisation</b>
	<b>To facilitate an environment for the creation of jobs</b>	<b>Develop a programme for SMME development with municipal opportunities such as clear public open spaces, manufacturing of pavers and hardening of pavements, EPWP programmes.</b>
		<b>Develop an investment programme to fast track new business development</b>
	<b>To improve transport systems and enhance mobility of poor isolated communities in partner-ship with sector departments</b>	<b>Develop an Integrated Transport Plan</b>
		<b>Implement a programme to enhance local mobility through business development</b>
	<b>To alleviate poverty</b>	<b>Develop a programme for food security in conjunction with sector departments and investors.</b>
<b>Promote a safe, healthy, educated and integrated community</b>	To promote healthy life styles through the provision of sport and other facilities and opportunities	Development of a Sport Programme
		Local Drug Action Campaign
	To promote a safe environment for all who live in Bergrivier	Develop a zero-tolerance programme for law transgressions
	To create innovative partnerships with sector departments for improved education outcomes and opportunities for youth development	Establishment of Youth Cafés
		Develop and implement a Youth programme
		Link responsibilities to free basic services and amendment of the policy for an indigent family to provide proof that the child is at school to enhance a learning culture and cut back on the drop-out rate

A sustainable, inclusive and integrated living environment	To develop, manage and regulate the built environment	<p>100% enforcement of building regulations</p> <p>Lawful and dignified services to backyard dwellers</p> <p><b><i>RSEP programme in Piketberg</i></b></p> <p><b><i>Precinct Plan in Velddrif</i></b></p> <p><b><i>Precinct Plan in Porterville</i></b></p>
	To conserve and manage the natural environment and mitigate the impacts of climate change	Develop Bergrivier as the first municipality that has a zero-carbon footprint in collaboration with sector departments

### 3.5 VISION & STRATEGIC OBJECTIVES FOR ECONOMIC DEVELOPMENT

Given the above alignment, it is important to articulate the vision and strategic objectives for economic development in Bergrivier Municipal Area and for Bergrivier Municipality as an organisation. The vision for Bergrivier Municipality in enhancing economic development is:

***“Facilitate an enabling environment for economic growth”***

The strategic objectives for economic development will be:

- Strategic Objective 1: To alleviate poverty through job opportunities;
- Strategic Objective 2: To create an enabling environment for business opportunities;
- Strategic Objective 3: To ensure the ease of doing business;
- Strategic Objective 4: To ensure sufficient infrastructure for economic growth
- Strategic Objective 5: To ensure a conducive economic environment for investment;
- Strategic Objective 6: To ensure the development of applicable skills for the labor and business market.

## CHAPTER 4: STRATEGIC INTERVENTIONS AND PROJECTS

This chapter provides firstly a description of the potential high level strategic and policy design processes required to facilitate (Local) Economic Development and secondly describes projects that have been in various stages of implementation and needs to be incorporated into the Economic Development Strategy.

### 4.1 STRATEGIC DEVELOPMENT PILLARS

The integrated approach for stimulating economic growth and development within Bergrivier municipal area is based on the following *strategic development pillars*:

#### 4.1.1 Agriculture and Agro-Processing

The recession of 2008 had the most severe effect on the agricultural sector and a growing sense developed on rethinking the agricultural sector with a strong focus on agro-processing without neglecting agriculture as the primary sector pillar. Agribusiness can furthermore be enhanced through agribusiness enterprises by identifying upstream and downstream opportunities. Agribusiness is a typical businesses involved in the production, storage, processing and distribution of agro-based products.

#### 4.1.2 Enterprise development

Enterprise development is an important aspect of (local) economic development due to the employment creation opportunities. The main aim would be on development of new SMME's and the support of existing and newly emerged businesses. The focus would therefore be on utilisation of government programmes aimed at Enterprise Development, networking, training and matchmaking and channelling of information. The value chain opportunities for small businesses from the corporate industry could be explored as part of enterprise development.

#### 4.1.3 Tourism

It is clear that considerable opportunities for Bergrivier municipal area are in the tourism industry as was seen in the development processes followed in and for Porterville. The main aim would therefore be on tourism marketing and development and on the transformation of the tourism industry as to ensure equal access to opportunities.

#### 4.1.4 Infrastructure and Industrial Development

Infrastructure and Industrial Development refers to the expansion of current industrial activities and optimising the use of local resources and assets. This, in short, implies the attraction of new investment to Bergrivier municipal area, retaining existing resources and industries and encouraging local capital to invest locally. This requires linking local and regional opportunities, markets and technology effectively. An example of this could be the potential for a boat building industry in Velddrif and/or the manufacturing of products required for the Saldanha Special Economic Zone.

### 4.2 HIGH LEVEL STRATEGIC AND POLICY INTERVENTIONS

Any Economic and Development Planning Framework centres on the following critical underlying questions:

- Available skills and knowledge
- Available energy
- Available development incentives
- Available primary resources

A municipality needs to “set the scene” for enhanced (local) economic development and it needs to be emphasized that economic development is not restricted to a department within the organisation, but is cross cutting throughout the municipality as a whole. Creating the environment conducive for economic growth can be done inter alia through the following principles and/or interventions:

#### **4.2.1 Availability of Skills & Knowledge**

As can be seen in the Situational Analysis, Bergrivier municipal area has a high level of unskilled labour and skills development will have to be a critical component of the (Local) Economic Development Strategy. One of the interventions is the development of agricultural training facilities and working closely with training service providers to ensure that skills levels can be improved. It is also very important to determine the *applicable/required* skills per sector for future use in the context of the Fourth Industrial Revolution taking place internationally and the skills levels and requirements for the Saldanha Special Economic Zone.

#### **4.2.2 Available Energy**

The level of electricity delivery is high and almost all households and businesses in Bergrivier municipal area have access to electricity. However, any new developments will have to consider alternative energy as to ensure that no additional pressure is put on the existing infrastructure. Bergrivier municipal area has the potential for further solar energy projects and it is important that the municipality plays a facilitation role in any such development. (The current threat of load shedding is recognised in the strategy, but not incorporated as the frequency and/or impact is not within the ambit of Bergrivier Municipality).

#### **4.2.3 Development Incentives**

The local authority can offer a number of local investment incentives to potential developers. Although municipalities in South Africa are legally not allowed to provide discounts on VAT or other national taxes, it is recommended that Bergrivier Municipality considers the following types of incentives:

- *Infrastructure*

Infrastructure concessions often involve provision of serviced industrial and commercial sites in certain areas to respond to the needs of prospective investors.

- *Land and building*

An incentive package may involve the sale, transfer or rental of land, buildings or other facilities owned by the local authority on concessionary terms in order to attract investment. The local authority has to ensure that, in the event of making some of its own assets available, the process is in compliance with National legislation on the disposal of public assets, especially in terms of the Public Finance Management Act.

- *Regulatory reform*

These concessions involve special efforts by the local authority to reduce constraining regulation and zoning that may obstruct potential business development. This aspect implies an accurate and speedy system to supply information relation to, and the approval of potential investment. The fast tracking of re-zoning applications and issues of zoning certificates are important.

It is important to make a distinction between a regulatory framework for the formal sector and a development framework for the informal sector. A specific focus on the informal sector therefore needs to be given. The main aim of the informal sector should be to grow businesses and to become part of the formal sector. This means a more developmental approach versus a regulatory approach from a municipal perspective. The manner in which the development approach can be implemented is to be found predominantly in preferential procurement policies, alignment between provincial and local infrastructure development projects, small enterprise credit, facilities to trade, etc.

- *Approval process*

One of the most basic incentives involves facilitating prompt decision such as approval of building plans and re-zoning applications. Prospective investors will lose interest if local authorities take too long to approve plans and applications.

- *Policy on Sale of Land*

The municipality has to develop a policy for the sale of land given the historical context of either limited interest when business erven are available for development and/or developers buying municipal land but then speculating with the land and/or where unsolicited bids are not allowed.

- *Policy on protection of certain Settlements*

An economic catalyst for growth and development is often the protection of the intrinsic cultural, historical and natural significance of certain settlements. In the case of Bergrivier, a policy framework for the protection of the identity of Velddrif and Goedverwacht may be necessary as to protect the significance of the settlements. In order to address the above, a policy on architecture needs to be developed for Goedverwacht, but in the absence of town establishment, it may not be possible to develop enforceable policies.

- *Finance*

Some international cities provide financial support in the form of special grants, access to start-up capital, bridging finance and credit, loan guarantees or the underwriting of risks. South African local authorities are currently prohibited from undertaking in these activities. However, it is still important for the municipality to understand where to access potential funding to support (local) economic growth and to facilitate access to these funding sources.

- *Institutional Arrangements*

A Portfolio Committee for Economic Development has been established as to streamline LED cooperation and to secure commitment of leaders. This structure will also establish a process to assess the potential of economic initiatives and improve responsiveness, also the responsiveness of the municipality.

- *Organised sectors*

Although it is not the mandate of the municipality to organise sectors, such as organised agriculture or organised business chambers, it remains a given that the active participation of such structure ensures public participation and sector input. It is therefore in the interest of the municipality to facilitate such processes as a shared vision and good practise can assist in creating mechanisms to identify and resolve bottle necks in the business environment. This approach must also unlock economic opportunities through partnerships.

### 3.2.4 Available Primary Resources

The following primary resources are available in the Bergrivier Municipal Area:

- Land for agriculture;
- Coastline for tourism development;
- Coastline for aquaculture development;
- Pristine rural areas for rural tourism; and
- Significant opportunities for agricultural beneficiation.

### 3.2.5 Value propositions of each town in Bergrivier Municipal Area

It is clear that the 9 communities in Bergrivier Municipal Area each have their own dynamics and economic potential. Whilst this strategy attempts to unlock the natural potential of each town, it will be important to undertake a study on the value proposition of each of these towns.

## 4.3 CURRENT AND FUTURE PROGRAMMES AND/OR PROJECTS

The following is a brief discussion on the current projects already in different phases of planning and/or implementation as well as potential future projects. The following notes on this section are important to notice:

- The purpose of this section is not to discuss each programme in detail as each programme has its own detailed business plan(s);

- The strategy is not intended to give an overview of all the potential opportunities for economic growth, but rather on the current and future achievable programmes given the limited capacity within the municipality to facilitate the strategy;
- Bergrivier Municipal Area is vast and the economic drivers of the towns differ from one another. For these reasons, the first component is a discussion of projects that will affect Bergrivier municipal area as a whole and the second section will be on projects per town.

#### 4.3.1 Integrated programmes for Bergrivier Municipal Area

- Development of small, medium and micro enterprises (SMME's):

The development of SMME Forums enjoyed considerable attention as to ensure that small businesses can speak with one voice. Forums have already been established in Piketberg, Porterville, Redelinghuys and Velddrif. The history of South Africa is a history of human rights infringements and has until today had an impact on communities moving around in the 2<sup>nd</sup> and 3<sup>rd</sup> Economies instead of moving upwards to the 1<sup>st</sup> Economy. This has a real impact on SMME's who need to move out of their circumstances and world views to become sustainable businesses. ***It is however critical to state that the role of the municipality is not to provide the SMME's per se with the opportunities, but to create an environment in which small businesses can create their own opportunities.***

The following projects need to be undertaken with regard to SMME:

- ✚ The West Coast Business Development Centre is an important partner for the municipality in ensuring the structuring of the forums, training interventions and compliance matters. The future model of the WCBDC needs to be unpacked and a model suitable for Bergrivier municipality needs to be explored;
- ✚ The structuring of small farmers, training of small farmers and accessing land to participate in the agricultural programme is going to be important with regard to small business development;
- ✚ The development of a database of small businesses in Bergrivier municipal area needs to be developed in conjunction with the WCBDC. This could be in the format of an electronic Yellow Pages as to give all inhabitants of Bergrivier municipal area access to the database.

- BEE score card and enterprise development

The BEE scorecard for all sectors can be enhanced through enterprise development. For these purposes, it is planned to visit each agricultural sector and discuss the value chain opportunities and skills required. Rooibos tea, potatoes, fruit, flowers, wheat and canola are examples of the discussions intended. It is anticipated to explore the value chain opportunities for the small businesses as per the database of the WCBDC.

- Preferential procurement of the municipal sources

The preferential procurement policy has been adopted to include an annual target on spend on small businesses. The municipality can also play a most important role in spending local and keeping money in circulation. Unpacking projects to be managed by the municipality versus appointing contractors should also be explored as opportunities for subcontractors may become more available. A campaign of “adopting a subcontractor” should also be considered.

- Programme for small scale farmers

A comprehensive programme for small scale farmers have commenced, including securing a market for the small scale farmers and households in Bergivier municipal area. A range of workshops are currently being held with the small scale farmers as to determine their access to infrastructure, land, equipment, etc. The market being secured is the food processing plant in Piketberg (See discussion on Piketberg). Detailed information on the small scale programme is available on request.

- Skills development.

Although skills development is not per se an economic development function, it will be imperative for Bergrivier municipality to apply considerable attention to this matter. Bergrivier municipal area is known for its low skills levels and with economic growth, attention will have to be paid to the improvement of skills levels of our own communities. A Virtual Agricultural College has been launched and the detailed planning for the implementation is currently being done by the investors. Information on the virtual Agri-college is available on request.

The Saldanha SEZ has the potential to provide career and/or job opportunities for the youth in especially Velddrif. For these purposes, lobbying for a vocational/technical training school has commenced for Velddrif.

- Tourism as a catalyst for economic development:

Following the successes achieved in Porterville in ensuring that PDI SMME's become part of the main stream of tourism in Porterville, it was realised that the tourism industry in Bergrivier municipal area needs to be revisited and a potential new model developed. The major reason is that tourism is a catalyst for economic development and transformation and has the potential for SMME's to enter the market in a sustainable manner. Social media also lead to a debate on marketing mechanisms for the future and the role of the tourism offices in each town. The transformation of Tourism Associations is also an important matter to be addressed.

- Funding models for Economic Development Programmes

Various funding models internationally exist and each project requires its own funding model. It will be important to develop an understanding of the various funding models potentially available.

- Identification of land for economic development



A critical component will have to be the continuous alignment of the Spatial Development Framework with the Economic Development Strategy and to ensure that potential land is available for investment and/or other means of economic development with specific reference to the current agricultural programme.

- Empowerment of small businesses

Considerable attention has been given to the development of small businesses. An agreement with the West Coast Business Development Centre ensures that SMME's can receive assistance with compliance matters as well as with training opportunities. For these purposes, Small Business Forums have been established in Piketberg, Porterville, Redelinghuys and Velddrif. A comprehensive empowerment programme is currently being rolled out in Porterville and Velddrif with the SMME's and information on this programme is available on request.

- Ease of doing business

An audit of matters influencing business development and/or growth and that is within the influence sphere of government, should be done and solutions should be developed. This can include:

- Time frames for building plans
- Time frames for zoning and subdivisions
- Time frames for business licenses
- Compliance framework of health inspections, especially for small businesses;
- Cost of doing business
- Venues for informal trading.

#### 4.3.2 Projects per town

##### 4.2.1 Porterville

The economic pillars for Porterville are predominantly agriculture and tourism. Considerable work was already done and include the following:

- Tourism

A process to establish Porterville as a tourism destination of choice started in October 2017 when the ward committee members of Wards 1 & 2 visited Franschhoek to learn how Franschhoek succeeded in turning a small rural agricultural village into a tourism destination of note. In order to facilitate the spatial and economic transformation process, a workshop with relevant role players in the town was held on 1 December 2017 and the outcome of the workshop was the establishment of 3 working committees. The working committees consist out of artists, business owners, ward committee members, councillors, municipal officials, tourism organisation and Wesgro and are the following:

*i. Working Committee on the Regeneration of Voortrekker road, the market square and the development of a tourism route through Monte Bertha:*

This Working Committee did considerable work by launching a competition on the best design of the main road and market square and on the development of a tourism route through Monte Bertha. A winning design was already selected and funding for the infrastructure development is currently being sourced. Information on this programme is available on request. The tourism route in Monte Bertha has also been designed and application for funding has been submitted. Detailed information on this programme is available on request.

*ii. Working Committee on Route and Product Development:*

The Working Committee drafted a report on the products available and gaps have been identified. The report is available on request

*iii. Working Committee on integrating Porterville in international, national and provincial tourism strategy:*

The Working Committee still need to commence with its mandate, but it was decided to commence on completion of the work of Working Committee 1.

Parallel to the above, a comprehensive programme was also followed on the development of small businesses in Porterville, with a specific focus to include PDI SMME's in the main stream of tourism in Porterville. Considerable successes were achieved and lessons learnt. A detailed case study has been written on this programme and is available on request. This programme also led to the transformation of the institutional tourism industry in the town as an unexpected outcome as both the Tourism Association and the committee responsible for the annual Arts Festival in town have been transformed as it include members of the PDI SMME's now as well.

- **Agriculture and Agro-processing**

Considerable work was done over the last 36 months to ensure an investor in the agriculture and agro-processing industry. An aquaponics plant is to be established in Porterville guaranteeing local employment opportunities, a link to the agricultural school in Porterville and business opportunities in the value chain of the aquaponics farm. The time frame for the establishment of the aquaponics farm is 2019 and funding has been secured from private funders and the DTI.

Access to the commonage in Porterville may unleash opportunities for the small scale farmers to participate in the programme and also to unleash other mega-scale investment programmes in agriculture.

- **Retail/Services**

The regeneration of the main road in Porterville should stimulate the retail industry, especially to ensure that interesting tourism shops, coffee shops etc. would expand. The regeneration of the main road should also lead to

the upgrade of the facades of buildings in the main road as there was clear degrading of a number of these buildings over the last years.

- Transport

Negotiations are currently in an advanced stage with a company to provide cost effective transport to both the residents of Porterville as well as for the tourists coming to Porterville. The company is based in Stellenbosch and the business model implies no cost for the municipality and potential business opportunities for the small businesses.

### **3.3.2.2 Piketberg**

- Agriculture and Agro-processing

The biggest impact on job creation and enterprise development will be the establishment of the food processing plant in Piketberg. Negotiations are in an advanced stage to establish the food processing plant in Piketberg as it is located on the N7. Food produced by small scale farmers and households will be processed at the plant and sold to the national retailer and/or exported. Traceability, quality and quantity of produce will be managed and coordinated by the food processing plant.

Access to land for small scale farmers and households in Piketberg will have to be investigated as to ensure that local farmers can also be beneficiaries of the programme.

- Retail

Piketberg is the main retail destination in the Bergrivier municipal area and most service sector businesses are located in Piketberg. The location on the N7 makes it also more attractive for service sector businesses. However, the gap between the formal and informal sector is still of such a nature that infrastructure needs to be made available for the informal sector, with specific reference to Ward 4.

- Industrial Development

Given the location of Piketberg on the N7, there is potential for further industrial development especially regarding agroprocessing. The need for packaging plants, transport companies etc. need to be investigated.

- Tourism

It is clear that the “way of living” in Piketberg is one of the major attractions for tourism, as well as the incredible view from the town over the valley. Potential projects such as more festival, the development of Longstreet into a tourism hub with arts and craft markets, etc. should be investigated.

- Transport

The geographic layout of Piketberg means that local residents need to commute long distances and uphill to move around in the town. The enhancement of mobility of the local residents can also be investigated by the company doing the feasibility study in Porterville. However, as Piketberg is the main centre for shopping and doing business, cost-effective transport between the smaller towns and Piketberg should also be investigated.

#### 4.3.2.3 *Velldrif*

Each town in Bergrivier municipal area has its own dynamics and potential for economic development. Velldrif is unique in Bergrivier municipal area as it is a town located at the sea, it has the potential of the Bergriver flowing into the ocean in Velldrif with magnificent views, but it also has land available for the development of the marine industry and a review of the future of the fishing industry in and for the area.

- Tourism

Velldrif has the biggest potential for tourism and the following have been identified as to enhance growth in the tourism industry:

- Signage needs to be improved, especially in the entrance of the town.
- Changes in zoning – zoning must be correct for the minimum standard accreditation, especially for the food and liquor industry;
- “Homestays” is not per se a guest house and forms part of the informal sector. The categorization of these types of accommodation need to be regulated;
- Public ablution facilities, picnic and braai areas need to be developed;
- The upgrade of the bird hide on the flamingo route;
- Beautification of the town, especially with regards to the greening of the town;
- Pelican Harbour needs to be addressed as to ensure that it is utilised to the maximum and that its general appearance is being enhanced given that it is a prime tourism space;
- The upgrading and conservation of Bokkom Laan is priority and infrastructure, parking etc. need to be upgraded.

- Agriculture and Agro-processing

Whereas towns such as Porterville may have access to more land for the participation of small scale farmers in the agricultural programme, it will be important to source land for small scale farmers in Velldrif to participate in the programme. The potential for aquaculture should be explored in the area as well as current sources of fish are depleting. Mariculture is not necessarily an option due to the different changes in water temperature from the Bergrivier flowing into the ocean, but the utilisation of potential resources, such as unused dams of Cerebos, should be investigated.

- Marine Industrial Development

The development of a boat building industry in Velddrif should be investigated as it has significant potential value for economic growth in the area.

- Informal Sector

A need for a Business Park for the informal sector in specifically Noordhoek needs to be investigated.

#### **4.3.2.4 Goedverwacht**

- Tourism

One of the settlements with the most potential in tourism development is Goedverwacht. Three major activities form part of the tourism strategy, including the famous snoek and patat festival, the celebration of slavery on Heritage Day (sermon at grave of slave, traditional food, a play on the history of Goedverwacht, etc.) and the Easter Celebrations where flowers are being sold that has been grown locally and a play on the crucifixion is being done in the street.

There are clear opportunities for overnight facilities such as chalets, caravan parks, walking trail etc. and a number of homestays have been opened and is in operation since 2018.

- Agriculture and Agro-processing

Due to land and water being available in Goedverwacht, participation in the agricultural project will be of paramount importance. However, it would appear that land tenure is a stumbling block and needs to be facilitated with all the relevant role players.

#### **4.3.2.5 Wittewater**

Wittewater is also a private settlement belonging to the church. The major constraint of Wittewater is the lack of water. The most immediate opportunity for Wittewater's economic growth will be active participation in the agricultural project.

#### **4.3.2.6 Aurora**

Aurora is a fairly isolated village, although set in a beautiful landscape with potential for adventure tourism, including horse riding, 4x4 routes, motor biking and mountain biking. However, due to the lack of basic services such as medical services, and limited buying power in the town itself, local residents tend to relocate. Aurora has however been characterized over the last few years of the influx of English speaking people retiring in Aurora due to the attractive lifestyle.

Aurora also has significant potential to participate in the agricultural project given that the small scale farmers can be organised into a structure through which communication can take place.

#### **4.3.3.7 Redelinghuys**

Redelinghuys is clearly a weekend retreat and with the upgrading of the roads, it is anticipated that more visitors may visit Redelinghuys. The major advantage of Redelinghuys is that it is en route to Elands bay and adjacent to Verlorenvlei, the Ramsar area of conservation. The major economic activity is therefore tourism and should be explored. Redelinghuys can also play a significant role on cultural tourism as it has a rich history of the Khoisan in and from the area.

Given the availability of land, Redelinghuys also has potential to participation in the agricultural programme.

#### *4.3.3.8 Eendekuil*

Eendekuil is the village with the least tourism potential, but perhaps potential to contribute to agroprocessing. If land is available for small scale farmers to participate in the agricultural programme, then Eendekuil can contribute. Agroprocessing in rooibos tee, packaging plants etc. can be further explored in Eendekuil. The location of the town next to the N7 should be utilised to develop Eendekuil as a resource for agroprocessing.

## **CHAPTER 5: MONITORING, EVALUATION & IMPLEMENTATION MECHANISMS**

### **5.1 MONITORING AND EVALUATION**

It is important to draft a potential framework to identify the mechanism to monitor the implementation of the Economic Development Strategy and the following could be a potential framework for measuring the success of the strategy during implementation:

Sector	Programmes	Description	Key Performance Indicator
Tourism	Tourism model for Bergrivier Municipality	It is important to develop a new tourism model for Bergrivier Municipality. This is especially relevant with the role of social media in marketing and a rethinking of the role of tourism offices.	The development of a new tourism model for Bergrivier Municipality
	Marketing of Bergrivier Municipal Area	The marketing of Bergrivier Municipal Area must lead to increased number of visitors to the area and higher occupancy levels at existing businesses.	Increase the number of visitors to Bergrivier Municipal Area by 10 % on an annual basis
		New tourism packages and/or routes need to be developed to increase the number of tourists	Development of 1 new tourism package for Bergrivier Municipal Area
			Development of the R 44 route through Porterville
	Events and Festivals	Events and Festivals are important mechanisms to attract more visitors to the area.	Increase occupancy levels by 10 % in 2020
			Facilitate the inclusion of Monte Bertha in the annual Arts Festival
	Transformation of the tourism industry	The tourism industry needs to be utilized to ensure the transformation of the economy of Bergrivier Municipal Area through the establishment of new BEE small businesses in the tourism industry	Develop a Festival for .....
			Increase the number of new BEE small businesses in tourism in Porterville
			Develop at least 3 new BEE small businesses in tourism in Velddrif
			Develop at least 3 of new BEE small businesses in tourism in Redelinghuys
			Develop the Mosaic Route in Monte Bertha, Porterville
	Tourism Infrastructure	The design of the regeneration of the main road in Porterville has been completed and funding needs to be sourced.	Develop a strategy for Bokkomlaan
			Source funding for the business plan for the regeneration of the main road in Porterville
		Some tourism infrastructure in Velddrif is important to develop or upgrade as it will enhance Velddrif given it has considerable potential for tourism	Develop Pelican Harbour as a prime tourism space
			Investigate the feasibility of a Khoisan Village in Redelinghuys
Improve the signage of Velddrif, especially in the entrance of the town			
Develop public ablution facilities, picnic and braai areas in Velddrif			
Upgrade the bird hide on the flamingo route			



Agriculture	Primary Agriculture	The establishment of a food processing plant guarantees a market for small scale farmers. For these purposes, the small scale farmers need to be organized and assured they have equipment to farm.	Structuring the small scale farmers in each town of Bergvriervier Municipal Area
			Ensure that at least 100 small scale farmers will participate in the programme
			Facilitate a process with stakeholders to ensure that small scale farmers have equipment to farm.
		A process needs to be facilitated for households to participate in the programme to produce food firstly for food security and secondly to sell to the food processing plant. This is necessarily an incremental process that will occur over more than 1 financial year.	Ensure that households in every town has the opportunity to participate in the programme to produce for the food processing plant or to produce for own food security.
	Agroprocessing	A food processing plant is to be established in Piketberg and it needs to be emphasized that it is a private sector initiative. The role of the municipality can only be to create the enabling environment for the private investor.	Facilitate a process to ensure the enabling environment for the investor to establish a food processing plant in Piketberg
			Ensure that local labour and local contractors are being used in the establishment and running of the food processing plant
		An aquaponics farm is to be established in Porterville and it needs to be emphasized that it is a private sector initiative. The role of the municipality can only be to create the enabling environment for the private investor.	Facilitate an enabling environment in the establishment of an aquaponics farm in Porterville
			Ensure that local labour and local contractors are being used in the establishment and running of the aquaponics farm.
		There is potential to develop fish farms in the Velddrif area with investors and it needs to be investigated	Create an enabling environment for investors to develop fish farms in Velddrif.
			Ensure that local labour and local contractors are being used in the establishment and running of the fish farms.
Industrial development and manufacturing	Industrial development	Piketberg's location on the N7 is ideal for the development of industries and the further expansion of industrial land needs to be implemented.	Develop industrial land in Piketberg and invite potential businesses to establish their industries in the area.
		The Saldanha SEZ has potential to establish manufacturing plants in Velddrif based on the value chain opportunities of the new investments in Saldanha Bay.	Investigate the value chain opportunities from the developments in the Saldanha SEZ for manufacturing plants in Velddrif
	Marine Industrial Development	The boat building industry is a significant industry and the potential to develop Velddrif into a boat building industry needs to be investigated.	Investigate the potential to develop a boat building industry in Velddrif

Small Business Development	Role of West Coast Business Development Centre	The WCBDC currently experience financial strain and a new business model is to be explored to deliver services to the SMME's in Bergrivier Municipal Area	Investigate potential business models to deliver the services to the SMME's currently being delivered by the WCBDC
	Structuring the SMME	There is a clear need to structure the collective of the SMME's in the Bergrivier Municipal Area. It should be done per town as the dynamics of each town differ and SMME's don't always have the financial means to travel. Forums have been established in Porterville, Piketberg, Velddrif and Redelinghuys	Facilitate the incorporation of SMME's in Eendekuil and Auroral into the current structures in Porterville, Piketberg, Velddrif and Redelinghuys.
	Database of SMME's	The WCBDC has a database of registered SMME's in Bergrivier Municipal Area and the information is crucial to implement the preferential procurement targets. It will be important to ensure that the database is updated regularly for these purposes.	Facilitate the update of the database of SMME's in Bergrivier Municipal Area on a quarterly basis
			Undertake an assessment of the business readiness of SMME's per sector in Bergrivier Municipal Area
			Develop the database of SMME's into a Yellow Pages that is available electronically for the public.
	Preferential Procurement	The municipality approved a policy on local targets in the Preferential Procurement Policy. Systems need to be developed to ensure that the targets are being reached.	Develop systems to ensure that the local targets for small businesses in Bergrivier Municipal Area are being reached on an annual basis
			Facilitate an awareness campaign within the municipality to make use of local small businesses.
Enterprise Development and BEE Scorecards	The BEE scorecards of corporate business can be improved through enterprise development. A process to sensitize corporate business with the opportunities need to be developed	Develop a programme to sensitize corporate business on the improvement of BEE scorecards through enterprise development by using local small businesses in Bergrivier Municipal Area	
Empowerment Programmes	An extensive empowerment programme has been implemented in Porterville in 2018 and a similar programme is currently being developed for Velddrif and Redelinghuys	Develop and implement the empowerment programme for Velddrif	
		Develop and implement the empowerment programme for Redelinghuys	
Informal Trading	There is a definite need for the further development of informal trading areas in Bergrivier Municipality and funding needs to be sourced	Facilitate the identification of informal trading areas in the towns of Bergrivier Municipality and source funding for the development of such sites.	
Transport	One of the constraints for the community is mobility in the towns and between the towns. This is especially relevant for poorer households. Discussions with Mellowcab is currently taking place to be a service provider that can address mobility.	Facilitate the process to pilot Mellowcab in Porterville and Velddrif to enhance mobility	

Availability of Skills and Knowledge	Skills development in agriculture	The development of the Virtual Agri-Academy will enable practical online skills development, in predominantly the agricultural sector.	Facilitate the enabling environment for the establishment and implementation of the Virtual Agri-Academy in Bergrivier Municipal Area
	Technical skills development for learners	The development of the Saldanha Bay Special Economic Zone may lead to work and business opportunities and a technical school in Velddrif needs to be considered to prepare the youth for these opportunities.	Facilitate an enabling environment for the establishment of a technical school in Velddrif
	SMME Training	The continuous training of SMME's will be important to ensure sufficient business acumen and technical skills to develop as small businesses	Facilitate an enabling environment for the a training programme for SMME's in Bergrivier Municipal Area
Development incentives	Investment strategy	There is a need to develop an investment strategy for Bergrivier Municipal Area as to attract investors in the various sectors	Facilitate the drafting of an investment strategy for Bergrivier Municipality.
	Land and building	The sale, transfer or rental of land, building and/or other facilities owned by Bergrivier Municipality or any other organ of state on concessionary terms should be investigated. This will firstly ensure that investors can develop in the municipal area within the parameter of the relevant legislation(s) and secondly assist small scale farmers in accessing land to participate in the agriculture programme..	Facilitate a process to draft policies on the sale, transfer of land, buildings and/or other facilities on concessionary terms to ensure an environment conducive to investment.
			Facilitate a process to identify land for small scale farmers to participate in the agricultural development programme
	Regulatory reform: Ease of doing business	Red tape is often hampering corporate business to invest in a municipal area or too cumbersome for small businesses to make the business grow. This could mean fast tracking zoning applications, building plan approvals, or a more development approach towards small business, especially in the informal sector, etc.	Facilitate the identification of the various aspects required for a regulatory framework that will enhance business development and draft the regulatory framework.
	Protection of cultural, historical and natural significance	One of the most important aspects in especially the tourism industry, will be to protect the cultural, historical and natural significance of Bergrivier Municipal Area. A policy framework for the protection of these areas need to be drafted. This include the identify of Goedverwacht, Velddrif (Bokkomlaan), Verlorenvlei, Porterville main road etc.	Facilitate the drafting of a policy for the protection of the cultural, historical and natural significance of certain areas in Bergrivier Municipal Area
Value proposition of each town	The 9 communities in Bergrivier Municipal Area each have their own dynamics and economic potential. It will be important to undertake a study on the value proposition of each of these towns	Facilitate a study on the value propositions of each town in Bergrivier Municipality to determine the economic potential of each town	
Infrastructure	Energy	The current challenges in the continuous supply of electricity remains a high level of concern as it affects the confidence of investors to develop in the area. The current infrastructure levels also need to	Facilitate a process to ensure that sufficient energy is available for future development.

		be monitored as to ensure sufficient infrastructure for future developments	
	Water	The experience with the drought led to an awareness on the scarcity of water and any future developments will have to ensure sufficient water	Facilitate a process to ensure that sufficient water is available for any future developments.
Alternative Financing	Funding models for Economic Development	It will be important to know the various funding sources and/or funding models for various programmes.	Investigate the potential funding sources and/or funding models for various development programmes
Institutional Arrangements	Bergvriew Economic Development Forum	The BEDF, established in 2015, plays an important role in informing corporate business, other state departments and organized small business on economic initiatives	Conduct an annual feedback session on the economic initiatives to the BEDF
	Organised sectors	It is important to organize some sectors as to ensure sector input. The most important is to organize small businesses as to have a single voice	Ensure the proper organization of the small business sector to ensure continuous input from the sector.

## 5.2 IMPLEMENTATION MECHANISMS

The implementation of the Economic Development Strategy remains an open debate due to limited capacity and/or budgetary constraints. The predominant responsibility for the facilitation of the strategy lies within the Department of Strategic Services, but it needs to be emphasized that the strategy is cross cutting and effect all directorates. An active awareness of the importance of Economic Development will have to be driven to ensure that all maximise the opportunities as outlined in the strategic objectives of the Economic Development Strategy.

One of the other mechanisms created was the establishment of the Bergrivier Economic Development Forum in November 2015 and was intended to bring corporate business in Bergrivier municipal area and the public sector, including the municipality and provincial and national departments together to discuss the economic strategy of the municipal area. The BEDF has already met on 2 occasions and was a remarkable success. It can be argued that the momentum built from these occasions led to the trust of investors investing in the Bergrivier municipal area.

The Points of Departure for the BEDF are still relevant and include:

- i. Council has a legal obligation to compile and implement a (local) economic development strategy. Council is primarily responsible to create an environment conducive to economic growth;
- ii. A long term strategy with clearly defined projects for implementation will ensure that residents and interest groups have a clear understanding and insight into the economic potential and future of the municipal area of jurisdiction;
- iii. A long term strategy must give investor confidence in Bergrivier Municipal Area;
- iv. Council and the corporate sector need to debate on how to create sufficient institutional capacity to implement the economic strategy.

The debate on the implementation of the strategy is therefore still an open debate and to be determined by either the development of a financial model and/or the level of capacity created to implement it to its fullest consequences.