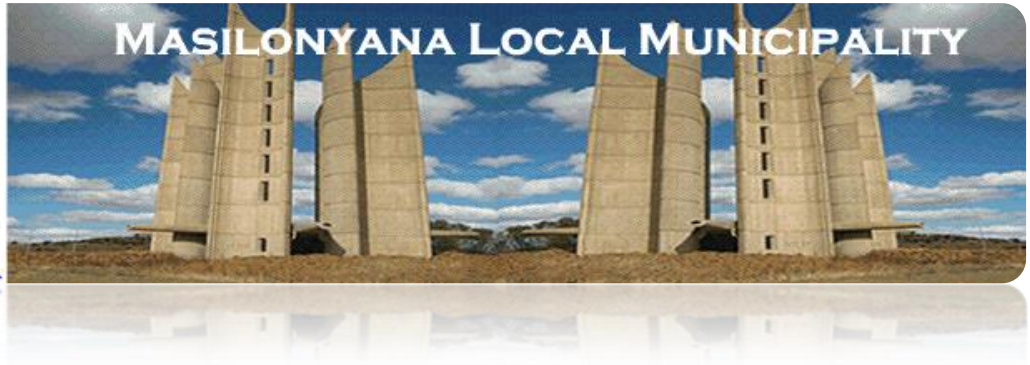


# Local Economic Development Strategy 2014/15 Review



## MASILONYANA LOCAL MUNICIPALITY

Prepared by:  
KTP Management Consulting

2014/2015



## Table of Contents

The LED Definition .....	7
LOCAL ECONOMIC DEVELOPMENT VISION FOR MASILONYANA LOCAL MUNICIPALITY .....	16
The 2014 – 2019 Vision.....	16
Investment .....	16
Work .....	16
Learning.....	17
Visit .....	17
Liveability.....	17
Distinct Brands .....	17
Population growth.....	20
Employment status.....	20
Global economic context: trends and implications .....	23
Trade Reform and Export Orientation .....	24
Economic Blocs .....	24
Foreign Direct Investment .....	25
Technology.....	25
Entrepreneurial and Developmental Focus.....	25
Implications for Local Economic Development .....	26
Localised Economic Development Challenges.....	28
<i>The National Development Plan</i> .....	30
4.1.2 The New-Growth Path .....	31
4.1.3 <i>The Industrial Policy Action Plan (IPAP)</i> .....	31
4.1.4 <i>Regional Industrial Development Plan</i> .....	32
4.1.5 <i>Local Government Turnaround Strategy and Outcomes Based approach</i> .....	32
2.1 PROVINCIAL ECONOMIC DEVELOPMENT CONTEXT .....	34
<i>Inclusive Economic Growth and Sustainable Job Creation</i> .....	9
<i>Driver 2: Minimise the impact of the declining mining sector and ensure that existing mining potential is harnessed</i> .....	15
Lejweleputswa Growth and development strategies at a glance .....	0
FACTORS IN DEVELOPMENTAL ANALYSIS .....	1
Agriculture.....	1

The Integrated Development Plans .....	16
The Spatial Development Frameworks .....	16
The Local Economic Development Plan/ Strategies .....	16
6.1 Sector Plans .....	17
THE LED FUNDING SUPPORT MECHANISMS .....	18
The Challenge of Funding LED .....	18
Funding Support for LED in South Africa .....	19
7.1 New Funding Proposals .....	20
Private and Parastatal Sector Involvement, and Effective Partnerships.....	21
Current Institutional Landscape.....	22
THE MONITORING AND EVALUATION SUPPORT FOR LED.....	23
10.1 Broad Monitoring and Evaluation Indicators .....	23
IMPLEMENTATION PROGRAMME.....	73

## **ACCRONYMS AND ABBREVIATIONS**

BBC	Black Business Council
BUSA	Business Unity South Africa
CBOs	Community Based Organisations
DCOG	Department of Cooperative Governance and Traditional Affairs
CRDP	Comprehensive Rural Development Programme
DBSA	Development Bank of Southern Africa
DCoG	Department of Cooperative Governance
DFID	Department for International Development (United Kingdom)
DIPA	Durban Investment Promotion Agency
DTI	Department of Trade and Industry
EDD	Economic Development Department (Department of Economic Development)
EPWP	Expanded Public Works Programme
GDS	Growth and Development Strategy
IDC	Industrial Development Corporation
IDP	Integrated Development Framework
IDT	Independent Development Trust
ILO	International Labour Organisation
IPAP	Industrial Policy Action Plan
JDA	Johannesburg Development Agency
JPC	Johannesburg Property Company
LED	Local Economic Development
TIKZN	Trade and Investment KwaZulu-Natal
M&E	Monitoring and Evaluation
MIG	Municipal Infrastructure Grant
MTEF	Medium Term Expenditure Framework
MTSF	Medium Term Strategic Framework
MSA	Municipal Systems Act of 2000
NAFCOC	National African Federated Chamber of Commerce and Industry
NDP	National Development Plan
NDPG	Neighborhood Development Partnership Grant
NDPW	National Department of Public Works
NGOs	Non-Governmental Organisations
NGP	New Growth Path
NT	National Treasury
PGDS	Provincial Growth and Development Strategy
PoA	Programme of Action
SACCI	South African Chamber of Commerce & Industry
SALGA	South African Local Government Association
SEFA	Small Enterprise Development Agency
SDF	Spatial Development Framework
SMME	Small, Medium and Micro Enterprises

## PREFACE

Masilonyana Local Municipality has appointed KTP Management Consultancy to assist in developing the LED Strategy for its area of jurisdiction and the 2014/15 review thereof

The purpose of the LED strategy is to collate all economic information and investigate the coordinated and integration options and opportunities available to broaden the economic base of the Masilonyana Municipality. This will be packaged as a strategic implementation framework in order to address the creation of employment opportunities, investment and business development and the resultant positive spin-off effects throughout the economy of the Municipality.

Furthermore, it is also aimed at ensuring that the municipality can efficiently and effectively facilitate the creation, of an appropriate enabling environment conducive to economic development and investment. This can, however, only be done if, and when the current development situation in the area is understood. This analysis aims to provide the foundation by assessing the current **demographic, socio-economic** and **economic** characteristics and trends of the area, and by highlighting the main challenges that the area face.

The purpose of this report is therefore to provide an overview of the socio-economic features of the study area. Such an overview is provided in a manner that will indicate the development needs of the local communities and municipality in terms of capacity. The following specific features are discussed:

1. Demographic features
2. Socio-economic features
3. Economic features
4. municipal profile

## LED Roles and Responsibilities

LED involves government, the private sector and civil society. It is not a specific action or programme, but occurs when a spectrum of stakeholders harness their individual resources and ideas to strive for a better economic status within a locality. Thus, all the stakeholders have responsibilities and roles to play in the process.

District municipalities are better positioned to provide a coordinating and supporting role to the local municipalities within their broad geographic areas. Local municipalities on the other hand are the key LED implementation agencies of government.

They have a more direct impact on LED in terms of their potential influence on issues and factors such as by-laws, tender and procurement procedures and other regulations.

They also have a more direct influence on access to land, the necessary infrastructure and services, promoting a positive image of their area, making the environment more appealing and welcoming for investors and visitors, facilitating skills development and being responsive to the needs of the local and potential business concerns. Local authorities, therefore, need to be proactive in promoting economic development. In view of the above, local municipalities have the following responsibilities.

The involvement of the civil society should also be taken into account as the new developmental form of local government, puts emphasis on civil society involvement in local government activities. For civil society involvement to have the desired effect, representatives should have the legibility and respect of the people or organisations that they represent. Civil society should also share a common LED vision with the local municipality within, which they reside.

## The LED Definition

Whilst the definitions of Local Economic Development abound, there is a general consensus that LED is a process of developing local economies. *“Local Economic Development is process-oriented. That is, it is a process involving the formation of new institutions, the development of alternative industries, the improvement of the capacity of existing employers to produce better products, the transfer of knowledge, the identification of new markets and the nurturing of new firms and enterprises<sup>1</sup>”*.

Given the largely participatory, consultative, collective and consensus nature of the planning process in South Africa, the World Bank adaptation of LED has been adopted:

***“Local Economic Development (LED) is the process by which public, business and nongovernmental sector partners work collectively to create better conditions for economic growth and employment generation with the objective of building up an economic capacity of a local area to improve its economic future and the quality of life for all<sup>2</sup>”***

Local governments are becoming increasingly involved in local economic development programmes: government-supported programmes that seek to increase local jobs or the local tax base by measures such as providing assistance to individual businesses. Local economic development is increasingly regarded as a major local government responsibility with regards to:

- Bringing about economic development is a major responsibility of local governments;
- Increasing jobs located in the community, and
- Increasing the local tax base and diversifying the local economy.

Generally, the intended outcomes from LED are employment of more people in quality jobs; the building of economic sectors and vibrant economic institutions; leveraging on comparative advantages to build local competitive advantages and using knowledge as an economic generator in the local economy.

Local Economic Development (LED) is a collaborative effort focusing on economic development, by encouraging a policy of mutual effort from local players with a common goal - achieving sustainable economic growth. The overall intention of LED is economic improvement of the municipal or local area, encouraging job creation, addressing poverty, and providing better living standards in these areas. LED is the result of joint planning by a municipality, its community and business sectors. This means that all economic forces in the local situation have to be brought on board to and the best ways

of making the local economy fully functional, investor friendly and competitively productive. The “local” in economic development, according to the COGTA, indicates that the local government sector is the most suitable place and vehicle for economic intervention.

Local economic development (LED) was originally a term that referred to deliberate intervention to promote economic development in a specific area that is not the national area from a very small neighbourhood through to fairly large subnational region.

Approaches to LED have developed and changed as local economies have had to respond to the changing local impacts of the global economy. The emphasis in LED has grown beyond a preoccupation with local self-sufficiency towards understanding, developing and exploiting economic linkages from district and national, through to the global level



<b>Roles of the Various Tiers of Government in Local Economic Development</b>			
<b>National Government</b>	<b>Provincial Government</b>	<b>District Municipality</b>	<b>Local Municipality</b>
<p>1. Co-ordinate and align support to municipalities for LED through their IDP process;</p> <p>2. Provide support to municipalities to implement their developmental mandate;</p> <p>3. Provide the overall legislative and regulatory framework for LED;</p> <p>4. Maintain strong inter-governmental relationships and institutions;</p> <p>5. Provide the necessary resources to municipalities for the implementation of LED;</p> <p>6. Disseminate information to provincial and local government about LED;</p> <p>7. Increase administrative efficiency (such as access to land and finances); and</p> <p>8. Monitor the outcomes and impact of municipal-led LED activities.</p>	<p>1. Align LED initiatives with national and local priorities;</p> <p>2. Strengthen and support the capacity of local government;</p> <p>3. Make available financial and technical resources to implement and sustain LED;</p> <p>Share information regularly (provincial economic trends, land use, investment, new developments) with municipalities; and</p> <p>5. Monitor and evaluate the impact of LED initiatives provincially.</p>	<p>1. Plan and co-ordinate LED strategies within the frameworks of Integrated Development Planning (IDP);</p> <p>2. Establish the LED structure comprising of the district and local municipalities, to foster co-operation and co-ordinate LED policies, strategies and projects within the district;</p> <p>3. Identify lead LED sectors that can kick-start development within districts by undertaking economic research and analysis;</p> <p>4. Promote joint marketing, purchasing and production activities;</p> <p>5. Promote networking of firms within the district (e.g. tourism routes);</p> <p>6. Collect and disseminate information to assist local municipalities with LED policies;</p> <p>7. Identify resource availability (e.g. grants, land, infrastructure, etc.);</p>	<p>1. Ensure that social and economic development is prioritised within the municipal Integrated Development Plan.</p> <p>2. Conduct local economic regeneration studies as part of the IDPs;</p> <p>3. Establish capacity within the municipality to promote interdepartmental collaboration;</p> <p>4. Establish an LED forum within the community to mobilise the efforts and resources of local stakeholders around a common vision;</p> <p>5. Build and maintain an economic database to inform decisions and act as an early warning system for the municipality;</p> <p>6. Identify and market new economic opportunities;</p> <p>7. Create an enabling environment for local businesses through efficient and effective service and infrastructure</p>

		<p>8. Maintain a strong relationship with the province; and</p> <p>9. Provide the necessary training to municipalities.</p>	<p>delivery;</p> <p>8. Improve the quality of life, and facilitate economic opportunities for the local population by addressing infrastructure and service delivery backlogs;</p> <p>9. Develop an understanding and communicate the complex local economic relations, limitations and advantages to role players;</p> <p>10. Network with key sectors and role players to create partnerships and projects;</p> <p>11. Motivate and support individuals, community groups and local authorities to initiate and sustain economic initiatives;</p> <p>12. Mobilise civil society to participate in LED and encourage public participation; and</p> <p>13. Establish sector linkages and clustering of</p>
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## EXECUTIVE SUMMARY

### The Shifts in Economic Policy

Since the release of South Africa's first National Framework for LED in 2006, the context for the planning of LED has changed in several critical dimensions. A number of major shifts have occurred within the landscape of national economic policy and national development planning which together recast the context for the practice and policy focus for LED in South Africa. These shifts have necessitated that a revised National Framework be formulated, and this document presents the LED strategy of **Masilonyana Local Municipality** as per the revised Framework.

The purpose of this strategy document is to elaborate and reconfirm the key themes which remain relevant to Local Economic Development dynamics in Masilonyana and capture the overview from the Province and the district perspective. The second objective is to influence the delivery and enhance the impact of Local Economic Development (LED). In doing so to contribute to National, Provincial and District Government programmes aimed at increasing incomes and wealth and reducing unemployment, poverty, and inequality.

This policy is structured in such a way that it allows the national LED framework to guide its main developmental objectives and programmes. In this context, therefore, this LED strategy also seeks to acknowledge the importance of relevant stakeholders such as, national government departments, provincial government, private sector and civil society, in ensuring that Masilonyana LM's local economies develop and contributes to the national development agenda

### Legislative framework

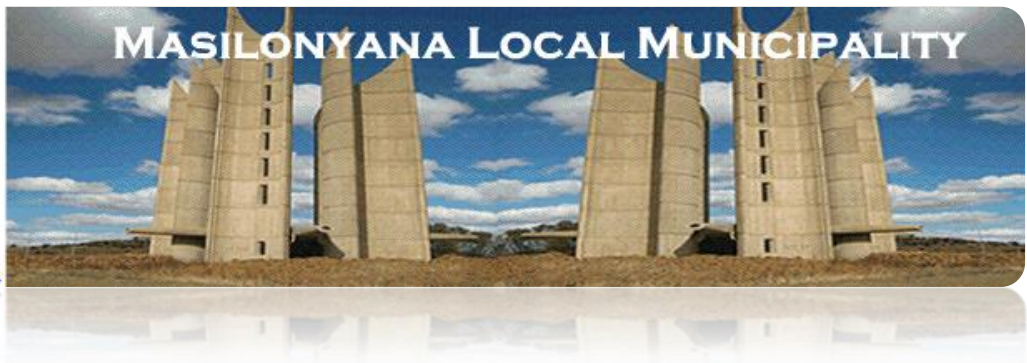
The Constitution of South Africa places a responsibility upon municipalities to facilitate the development of local economies<sup>3</sup>. The 1998 White Paper on Local Government and ultimately the Municipal Systems Act of 2000 provide a legislative framework as to how municipalities should execute this responsibility. The earlier Framework, covering the period 2006-2011 described an approach to develop and stimulate sustainable local economic growth based upon a number of strategic thrusts aimed at influencing the local economy through the action of District and Local Municipalities. These included:

- Improving good governance, service delivery, public and market confidence in municipalities,
- Exploiting the comparative advantage and competitiveness of Districts and Metros,
- Enterprise support and business infrastructure development
- Sustainable community investment programs focusing on organizing communities for development and public spending

The 2006-11 Framework makes a substantial contribution to the LED agenda such general acceptance that LED should be driven by a strategic perspective rather than be dominated by many small and unrelated projects; an increased technical articulation and level of debate in LED; a greater maturity within municipalities on LED and attitudes to its delivery, especially in respect of working with the private sector; and other gains mentioned in this document.

The revised National Framework for Local Economic Development must build on the 2006-11 Framework. In addition, taking into account the new National Development Plan, and other relevant plans such as the New Growth Path, as an overarching framework to help the country address the triple challenges of poverty, inequality and unemployment, it was important that the revised Framework also sharpen the thrusts/pillars of the old framework. As a result, some elements of the thrusts or pillars in the old framework are reconfigured in the revised Framework and new pillars are also added in order to help address development challenges the country faces.

The revised Framework also includes components supporting Core Pillars and the LED process, namely: **planning and strategy, funding and finance, organisational and institutional arrangements, human and capacity development and monitoring and evaluation**. These were included in order to address some of the key strategic challenges for LED identified in studies<sup>4</sup> conducted to review of LED in South Africa and the old National Framework.



## Framework for Local Economic Development



## CHAPTER ONE: INTRODUCTION

The 2014–2019 National Framework for Local Economic Development (LED) is intended as a *strategic coordination, planning and implementation guide* that provides and enhances a commonly shared understanding of LED in South Africa. It is a *progressive development on the 2006 – 2011 National Framework for Local Economic Development in South Africa and as such is a new and revised iteration of the old Framework rather than a completely new policy framework.*

*As a Framework for Masilonyana Local Economic Development, the focus of this document is on creating a commonly shared understanding of provincial, and local economic challenges facing Masilonyana LM, It further outlines the core pillars and various key LED enabling components that anchor the economic development potential of the Municipality.*

This Local Economic Development strategy, builds on the new country's policy imperatives, namely: the **National Development Plan (NDP)**, **New Growth Path (NGP)**, the latest iteration of the Industrial Policy Action Plan (IPAP), Comprehensive Rural Development Programme (CRD), Strategic Infrastructure Programme (SIPs) and the Integrated Urban Development Framework (UDF).

As a strategic coordination, planning and implementation guide, this strategy document will seek to draw together current national, provincial and district and planning patterns and practices regarding Local Economic Development through the following key pillars

- a) **The Policy Component:** provides policy grounding of LED with particular emphases placed on the National Development Plan, the New Growth Path and the Industrial Policy Action Plan. Moreover, the Vision, Objectives, Principles and Key Pillars of LED.
- b) **The Planning and Strategy Component:** highlights the importance of contextualizing, locating and embedding LED within intergovernmental planning and strategy instruments such as the Provincial Growth and Development Strategies (PGDSs), The Integrated Development Plans (IDPs), The Spatial Development Frameworks (SDFs), and various Sector Plans (Tourism, Manufacturing, Green Economy, Agriculture, Transport and others). At this level, the pertinence of individual business/project/implementation planning plus monitoring and evaluation to LED is highlighted.
- c) **The Funding and Financing Component:** considers existing current approaches to LED funding, highlights the significance of the contribution and involvement of private and parastatal sectors in LED and recommends some proposals for consideration in funding LED.

- d) **The Organisational and Institutional Component:** builds intergovernmental relations (IGR) business case on the functional division of responsibilities across the spheres of government for effective implementation of and support to LED. Beyond government, a justification is made for structured government-business engagement on LED. The emphasis of this component, therefore, is collaborative partnerships that are required to support local economic development.
- e) **The Human Resources and Capacity Building Component:** recognizes that viable LED should be anchored by a developmental and capable cadre of professionals and units. The roles of academic and training institutions, setting up a communication programme, developing operations guide and an incentives / rewards programme should be highlighted with a view to building a strong capacity for LED.
- **Action:** Municipality should seek to partner with development agencies of government such as the IDC, DBSA , SEDA and other related partners to enhance the Human resource component of the Municipality and stakeholders
- f) **The Monitoring and Evaluation Component:** calls for the need to monitor and evaluate effectiveness of the implementation of the LED strategy through IGR Forums and the LED forums. Also broad M&E indicators should be identified

## LOCAL ECONOMIC DEVELOPMENT VISION FOR MASILONYANA LOCAL MUNICIPALITY

### The 2014 – 2019 Vision

**National Vision:** “Local Economies are inclusive, world-class and dynamic places and brands in which to invest, work, learn, visit and live; and the most successful in creating wealth that is widely shared and benefiting the majority of its local people.”

### Masilonyana Local Municipality Vision

*To be an integrated, developmental and viable municipality*

The preceding vision is founded on the following vision elements, based on the comparative and competitive advantages of the country’s economy:

#### Investment

Local economies are truly diverse and have a dynamic economic base comprised of labour absorbing and productive growth industries. Diversity is anchored by industries in manufacturing, **agriculture, mining, tourism**, services, and new industries (green economy)<sup>5</sup> subject to local area economic analysis. Innovation of local economies is an important facet of efforts aimed at leveraging on the knowledge-based economy.

More investment opportunities must be directed to the industries and sectors that are the main economic contributors for the Masilonyana Local Municipality, such as Mining, Agriculture and tourism.

Tourism development in the area can be of an important economic contributor based on the rich history of the areas in the Municipality. The Flamingo route passes through 2 towns of Masilonyana Local Municipality, and that can be exploited to benefit economic spinoff for the Municipality and the towns.

#### Work

Local economy of Masilonyana is characterised by centres of new and growing businesses across a range of industries and provide an unrivalled choice of employment and career opportunities. Though many people are out of work, the local economy is inclusive and characterised by productive employment and successful enterprises in the fields of farming, mining and tourism products such as guesthouses and tourist attraction sites.



## Learning

Many students, who are highly skilled, qualified and enthusiastic about working in their own local areas, end up migrating to neighbouring places such as Welkom and Bloemfontein to find better opportunities.

There is a need of an increased linkages and networks between businesses and education institutions to firmly embed entrepreneurship into the normal working culture, and ensure that best practices accruing from this culture are widely shared. This can be achieved via partnerships between the Municipality and learning institutions such as universities and FET colleges around the province

## Visit

Trade and tourism are recognised as one of the most important and major economic drivers within the Masilonyana Local Municipality. There is a wide variety of the highest leisure, cultural, sports and nature based experiences plus business opportunities off which trade can takes place. Historic monuments of the municipality must be marketed vigorously to attract international, national and local visitors.

Tourism and trade offerings should be underpinned by skilled staff and competitive service delivery which ensures that excellent visitor experience is achieved, resulting in a significant boost for visitor numbers, repeat visits, increased tourism spend and length of stay.

## Liveability

The diversity of local economies – geographically, culturally, socially and economically – is recognised as providing a high quality and vibrant areas to live in. The varieties of residential offerings, from rural to semi-urban and urban, offer both global and local citizens a wide range of choices compatible with their lifestyle and economic preferences. The municipality can also explore the possibility of developing high class retirement villages in the areas of Winburg and Brandfort.

## Distinct Brands

Local economies recognised for their ability to communicate a coherent economic message with respect to their strengths, opportunities and needs – both within and outside their immediate environments. Their abilities to influence both national and international economic development decisions are of the premier level. Their competence and professionalism in selling their economic

## 2.2 Municipal Background

Masilonyana Local Municipality is situated between the province's biggest municipality (Mangaung Metropolitan Municipality in the south) and the second-biggest municipality (Matjhabeng Local Municipality in the north). The former administration of the following greater Transitional Local Councils: Theunissen, Brandfort, Winburg, Soutpan and Verkeerdevlei, were amalgamated into the local municipality of Masilonyana. It is an impoverished semi-urban area with a high unemployment rate.

The municipality prides itself on its tourist destinations, such as the Florisbad National Quaternary Research Station. ***This is where the first human skull was discovered.***

There are also cooperatives in Soutpan working on the salt lakes to produce salt. The municipality plays host to two toll plazas on two major roads in the province; the Verkeerdevlei Plaza on the N1 is the last before entering Bloemfontein from the north, and the Brandfort Plaza on the former R30 (now ZR Mahabane Road) is situated between Brandfort and Bloemfontein. Brandfort is also known for its rich political history, which includes the National Military Museum on a farm that used to be a concentration camp during the Anglo-Boer War and the Winnie Mandela House, where Mandela was sentenced to House Arrest during the State of Emergency in the 1980s.

Theunissen is also situated on the ZR Mahabane Corridor between Bloemfontein and Welkom, and hosts the three mines within the municipal jurisdiction. ***Winburg has economic potential because of its location***, which is 100km west of Bloemfontein, and its linking of Bloemfontein with Johannesburg, Cape Town and Durban. It prides itself with the Voortrekker Monument as its Heritage Site, and Masilonyana boasts several game reserves across all its towns.

**Cities/Towns: Brandfort, Soutpan, Theunissen, Verkeerdevlei, Winburg**

### **Main Economic Sectors:**

- **Agriculture,**
- **mining,**
- **community services,**

**Area: 6 796km<sup>2</sup>**

## SUMMARY OF DEMOGRAPHICS

Population	63 334
Population under 15	29.80%
Population 15 to 64	64.40%
Population over 65	5.80%
Dependency Ratio Per 100 (15-64)	101.90
Population growth per annum	-0.17%
Lour market	
Unemployed rate	38.80%
Youth Unemployment rate	49.80%
Education ( 20+)	
No schooling	8.80%
Higher Education	4.50%
Matric	23.10%
Household Dynamics	
Households	17 575
Average household size	3.30
Female Headed Households	42.70
Formal dwellings	82.90
Housing owned	62.30
Household services	
Flush toilets connected to sewage	70.50%
Weekly refuse removal	53.90%
Piped water inside dwelling	28.90%
Electricity for lighting	93.20%

SOURCE: STATS SA CENSUS 2011



## SOCIO ECONOMIC PROFILE

An Analysis of Masilonyana Socio Economic divulges the following Demographic Indicators

### Population composition

Group	Percentage
Black African	91.6%
Coloured	1.1%
Indian/Asian	0.3%
White	6.7%
Other	0.3%

Source: Stats S.A)

### Population migration-education

This information was conducted on persons who are 20 years and older

%	Level completed
7,6	primary school,
34,7	secondary education
23,2	completed matric
4,5	form of higher education

### Population growth

Population Growth gradually grows at a -0.17% per annum.

### Employment status

Employment indicates the following findings

EMPLOYMENT STATUS	NUMBER
Employed	11406
Unemployed	7227
Discouraged Work Seeker	2763
Not Economically Active	19381

In addition; with regards to Employment status it as found that **Youth unemployment is 49,8% while Unemployment - 38,8%** (Including both youth and adult persons)

## SPATIAL OVERVIEW

### Theunissen:

The town is situated 11 kilometer from north of the Vet River and 102 kilometer north-east of Bloemfontein, Free State Province South Africa. It was laid out in 1907 on the farms Smaldeel and a portion of Poortjie and attained municipal status in 1912. At first the town was known as Smaldeel, later was renamed after Commandant Helgaart Theunissen who obtained permission for its establishment. The town has only wine estate, the Theunissen Wine Farm.

- The Municipal head office is located in this town
- This town is 50km from Welkom and 90km from Bloemfontein
- It is situated next to the former R30 (ZR Mahabane road) and next to all three mines in Masilonyana Local Municipality
- This is the biggest town in the Municipality

Its Economic potential revolves around the following economic sectors

- Agriculture,
- Mining,
- Tourism,
- Hiking ,
- Biking

This town has 3 mines Joel Mine (Harmony), Beatrix (Goldfields) and Star Diamond mine (Petra diamonds)

Theunissen town also has rural areas with good Agricultural Soil and rainfall.

Agricultural activities greatly contributes to the economy of the municipality

### Brandfort Town:

The town is situated 56 km north-east of Bloemfontein and 115 km south-west of Winburg. It was established on the farm Keerom on the 30 October 1866 by Jacobus van Zijl and after he established a church, he invited President J.H. Brand, the fourth President of The Republic to visit the community, shortly afterwards the town was named in his honour. The town was proclaimed in 1874 and municipal status was achieved in 1884. It is sometime claimed that the town was so called

The graves yard of soldiers that died in Anglo Boer war is situated on the hilltop in Brandfort where houses were build led by Jan Brandt leader of the Voortrekker during the Anglo-Boer War in 1899 –1902.

The hill where the Soldiers were buried is next to the hill with the communication tower. On one foot of the mountain, there are graves of black and white people that died during the Anglo-Boer War in the concentration camps.

Their tombstones were laid by the former President Mr. Thabo Mbeki in 2000. These cemeteries fall under the National Military Museum. This grave site can play an important role in uniting people of South Africa and the world. This is where the remains of both black and white ancestors lay in a monument opened in 2000 by a President that has united different races in the world.

This monument is in the same town that the former wife of Ex-President Nelson Mandela was banished by the apartheid regime.

There is the Winnie Mandela house in Brandfort, and the building next to it was utilized as a clinic. The residents in the area developed community based projects such as planting of vegetables in the garden of that house. There are plans to renovate the house by the Department of Arts Culture Science and Technology as part of the National Monument strategy

## **Winburg Town**

The town is situated 116 km north-east of Bloemfontein and 51 km south-west of Ventersburg, it is again situated along N1 Highway which links Cape Town to Johannesburg and it is in the centre between the Orange and Vaal rivers. It was established out on the farm Waaifontein in 1841 and it was proclaimed town in 1837 and became a municipality in 1872. The name Winburg, originally spelt Winburg, means “town of winning”; it may refer to a military victory over the Matebele at Mosega on 17 January 1837, or to the triumph of the protagonists of Waaifontein as site of the town.

When the Voortrekker reached the area of Winburg, there were no other tribes or inhabitants. The nearest community was that of a Tswana tribe under Chief Makwana at ThabaNchu, 60 km south-east of the town and the Basotho tribes in the mountains of the current Lesotho, 100 km east of the town. The trade of cattle for land between the Vaal and Vet Rivers, undertaken by Andries Pretorius and the Bataung Chief Makwana in 1836, led to the settlement of a dispute between the black tribes. Winburg acted as settlement and religious centre and it was originally selected for the main Voortrekker Monument but Pretoria won favor and a five tiered secondary Voortrekker(settler) monument was built on the outskirts of Winburg instead, in the 1950's, it carries the names of the Voortrekker (settler) Leaders: Uys, Potgieter, Pretorius, Retief and Maritz.

## STRATEGIC LOCAL ECONOMIC DEVELOPMENT CHALLENGES

A snapshot overview of the global and national economic development context and key challenges for Local Economic Development is pivotal in better framing the National Framework imperatives.

### Global economic context: trends and implications

Following decades of the country's isolation from the rest of the world, in 1994 South Africa began a process of reintegrating with the global economic system. The result was that the processes of *globalisation* - the expansion and deeper integration of international economies - became inextricably linked to the South African economy. Whilst trading in goods and services as well as labour and capital flows has been taking place in the past, the intensities of these are relatively a recent phenomenon and it is the level of intensification process which makes globalisation such a distinct economic process.

The isolation placed upon South Africa during the apartheid era put the country at a disadvantage in terms of understanding and even seizing economic opportunities associated with globalisation. During that period, the economic policy focus of South Africa was on the domestic market - a phenomenon that was largely characterised by dependence on primary commodity production and import-substituting industrialization. The ultimate effects of these were inefficient production (in the form of raw and non-beneficiated materials for exports); limited market size (mainly the upper income white and low income black consumer markets with limited consideration for the agglomeration economies); technological primitiveness and limited access to the global market thus frustrating the country's opportunities for eventually becoming globally competitive.

The democratic dispensation has been the catalyst for allowing the country's economy to seize upon global opportunities whilst at the same time attempting to maintain its local strengths. At the same time, it is worth noting that a number of industries and sectors have also faced a challenge of fierce competition from global players in this era.

Competing within the global economy and realizing the potential benefits of globalisation require a change of attitude in terms of policy responses, strategies and projects. Over and above these, familiarity with processes and trends associated with the global economic system is crucial:

## Trade Reform and Export Orientation

The liberalization of trade is a significant underpinning of global economic development. This process started in earnest in the post-World War II period with the advent of the General Agreement on Tariffs and Trade (GATT) trade regime, which has culminated in the formation of the World Trade Organisation (WTO). The World trade regime as encapsulated in the WTO entails, among others, the following: trade reforms involving the reduction of tariff and non-tariff barriers; reform of GATT rules; extension of multilateral rules to new areas of trade in services, and institutional reforms. In simple terms, these reforms are about allowing access of international goods and services to wider global markets by various economic role-players. Openness to the global economy in terms of the reforms means that there has to be a certain level of reduction in the protection afforded locally produced goods. *Masilonyana Local Municipality should conduct a well refined research and carry out programmes that will support its Agricultural and Mining sectors to have an impact in Global economy dynamics.*

*The Municipality should create programmes that will ensure beneficiation through the Agricultural Sector and Mining in areas of Brandfort, Soutpan, Theunissen, Verkeerdevlei, and Winburg so as to globally challenge itself in economic opportunities,*

*The Municipality should focus and direct its LED (Local Economic Development) so as to successfully trade with other countries through export and benefited competitive products. (Agriculturally and Mining)*

## Economic Blocs

The emergence of economic blocs is an important aspect of globalisation. International examples include the European Union (EU), North American Free Trade Association (NAFTA), Southern Cone Common Market (Mercosur) and the Southern Africa Development Community (SADC). At a continental level, South Africa is at the forefront of driving the New Partnership for Africa's Development (NEPAD). Among the critical elements of NEPAD, is the importance of promoting intra-continental trade, especially products in which the continent is good at— among these are agricultural products.

The Municipal economic bloc will include the organised business and trade groupings in the province the district of Lejweleputswa. These will be formations such as the South African Chamber of mines, AfriForum, Business unity South Africa, National Farmers Union. The provincial economic bloc can also include government initiatives such as Operation Hlasela, Letsema and the recent one by the DETEA in the Free State province, on entrepreneurial development initiative in partnership with International Labour Office (ILO) in the Free



## Foreign Direct Investment

Foreign direct investment (FDI) and trade are integral components in the organization of global production system. FDI is thus considered important in assisting the integration of domestic production into global supply chains. Transnational Corporations are the principal conduits through which FDI is occurring.

The importance of FDI lies mainly in the generation of employment, income enhancement, government revenue generation, and foreign exchange from export related ventures. Furthermore, global companies with world class technology and their own established markets have a competitive advantage in terms of elevating productivity and efficiency of domestic industries— a locomotive effect. It is within this context that Transnational Corporations are considered important agents in building and shifting nation's comparative advantages.

The Municipality should then take an advantage of the Foreign Direct investments agreements such as the South Africa – China and the Korea – Free State to activate some potential economic activities of the Municipality

## Technology

Within the context of technology, major advances are centred on the information and communication sector. Milestones in technological advances include the World Wide Web (Internet); Computer Aided Design (CAD), Geographical Information System, Cellular telecommunication, Computer Aided Manufacturing (CAM), Computer Integrated Manufacturing (CIM) and so on.

*The availability of broadband and satellite technology in the towns of Masilonyana can assist the town to increase its business activities and revenue base.*

*Winburg and Theunissen can use technology to position itself in the economic mainstream of the communications sector, through initiatives such as the Emergency call centres in Winburg, and the Internet stop in Theunissen.*

## Entrepreneurial and Developmental Focus

The heartbeat of every successful economic environment is its business activities and Entrepreneurial activities through SME and SMMEs. The development of these activities and initiatives through entrepreneurial initiatives should be highly supported by municipalities. In its development priorities, the municipality must budget adequately for SMME development. Further than that the municipality should also partner with *Business Development agencies such as SEDA, SEFA, NYDA and Free State Development Corporation (FDC)*

## Implications for Local Economic Development

The following challenges need to be carefully considered in the local economic development planning processes:

- The openness to the economy as a result of reduced protection afforded to locally produced goods allows the opportunity for intense competition from producers worldwide. Such a restructuring process has enormous effects in terms shrinking job opportunities, reduced sectorial output by particularly primary sectors and business closures.

A journey along the Flamingo Route will take you through a proud history and a rich variety of landscapes and cultures. Situated in the Lejweleputswa District at the heart of South Africa agricultural belt, the region is also a well-known gold-producing area. The combination of golden fields and mine headgear creates some breath-taking sights.

It also lends itself to a great variety of leisure activities such as exploring the depths of a local gold mine, viewing the countryside from a steam train, game-spotting at a local nature reserve or visiting key historical sites.

The route includes the following towns:

- Bothaville
- Welkom
- Ventersburg
- **Winburg – Brandfort**



The Masilonyana Local Municipality should take advantage of this rote rich history and improve dynamics of the LED in the municipality's towns.

- Whilst traditional advantages linked to spatial development (location) still have resonance, their weight has been reduced since competition is now determined largely by technology, innovative quality and advanced telecommunication systems. The new global supply chain paradigm has to large degree re-determined competitive advantages in various sectors.
- Increasing emphasis is also shifting towards beneficiated and high-tech value added manufacturing. ***This phenomenon must be such as the brick manufacturing initially supported by Beatrix mine and Petra Diamonds***
- Within this context the need for making appropriate levels of trade-offs between what is profitable to produce and what customers demand is important. For example, whilst farming is an important sector, there is however a need to consider beneficiation opportunities of agricultural produce for targeted consumers worldwide.



## Localised Economic Development Challenges

The analysis of key LED challenges is based on the *Strategic Review of Local Economic Development*<sup>6</sup> and the *Review of the National Framework for Local Economic Development (2006 – 2011)*<sup>7</sup>. Both reviews identify the problem statement or “key strategic challenges” for Local Economic Development as follows:

- a) ***The meaning of Local Economic Development:*** There is a need for local government and municipalities to provide greater clarity as to the meaning of LED, with particular emphasis placed on guiding LED activities and planning in small towns and poorer municipalities such as Masilonyana Local Municipality.
- b) ***Poor intergovernmental relations on LED:*** strengthening greater integration and closer cooperation amongst LED stakeholders and sector departments involved is pivotal for effective implementation of LED. Such integration should extend to all economic development stakeholders including the spheres of government, business sector and community sector.
- c) ***Productive partnerships:*** LED should be structured and organized in such a manner that it maximizes the potential for credible and productive partnerships between private and public sector. Equally important is the building of an effective private sector business development services sector to enhance local competitiveness through benchmarking and the upgrading of industrial clusters;
- d) ***A clear communication and knowledge sharing programme:*** Disseminating good practice is as much important as communicating worst practice in LED so that the latter are avoided and former encouraged. Moreover, building LED networks and sustainable knowledge platforms are crucial for enhancing high level hands-on systemic learning.
- e) ***Capacity constraints:*** The capacity of staff, improving the profile and professionalization of LED require significant investment. This is more so in urban and metropolitan municipalities wherein there is greater tendency of trivializing and equating LED to an insignificant and “back-bencher” aspect of broader municipal development.

- f) ***Differentiated approach on LED support:*** The practice of LED in large cities, small towns and poorer municipalities is not the same and so too is the scale of LED initiatives across these municipalities. Evidence based and contextually relevant differentiated LED support package and approach needs to be applied at various municipalities.
  
- g) ***Funding for LED:*** Addressing the financing and financing challenges of LED, especially for less well-resourced municipalities outside of the major cities is an important consideration for the National Framework design. Funding should be geared towards the targeting of investments and their coordination, be aimed at better coordination of fragmented funding sources, and be better defined with its products better packaged.
  
- h) ***Poor investment in economic information:*** Improving economic data for understanding local economies, identifying competitiveness and enhanced LED planning are vital for effective LED.
  
- i) ***Dedicated focus on supporting the “Second Economy”:*** Second economy programmes such as Urban Renewal, informal economy, Expanded Public Works Programme, Integrated Rural Development, Small Medium Enterprises, Youth development and other related programmes need to occupy the centre stage of LED since they are intrinsic to the nationwide job creation agenda.

## STRATEGIC NATIONAL DEVELOPMENT AGENDA

### *The National Development Plan*

The overall purpose of the National Development Plan (NDP) is to develop an economy that will create more jobs, is more inclusive, more dynamic and in which the fruits of growth are shared equitably and poverty is eliminated. The plan envisages an economy that serves the needs of all South Africans and proposes the creation of 11 million jobs by 2030 by means of:

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

The contribution of LED towards the achievement of the NDP vision could be summarized as follows:

- Sector diversification of the economy is crucial for local economic development;
- Small business development (small, medium and micro enterprises) should anchor local economies;
- Inclusive rural economies<sup>8</sup> anchored by land reform, agriculture and job creation are crucial for regional economic development;
- Spatial economic transformation (through Spatial Development Frameworks) is crucial in bringing about increased urban population densities, providing reliable and affordable transport and moving investments towards dense townships.
- Uniformity of effort and competence on local economic development across the entire public service is indispensable.

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<sup>8</sup>The NDP, however, recognises the need for developing non-agricultural activities (e.g. mining, tourism and marine fisheries) in some rural areas as a source of addressing local economic development needs. In this respect, the Rural Tourism Strategy and the Policy for Small Fisheries for South Africa are also of critical importance, as an example.

### 4.1.2 The New-Growth Path

The New Growth Path (NGP) seeks to contribute towards the creation of decent work, reduction of inequality and winning the war on poverty through the restructuring of the country's economy so that there is an improvement in its performance in terms of labour absorption, as well as the composition and rate of growth.

The NGP aims to maximize the creation of decent work opportunities by means of jobs drivers and a macro and micro economic policy package. The main economic indicators of success will be *jobs* (quantity and quality of jobs created), *growth* (the rate, labour intensity and composition of economic growth), *equity* (lower income equality and poverty redress), and *environmental outcomes* (a shift towards green economy).

The NGP seeks to grow employment by five million jobs by 2020 by means of the following jobs drivers:

- Investment in infrastructure: construction, operation, and maintenance, and production of inputs;
- Sectoral labour-absorption: agricultural and mining value chains, manufacturing and services;
- New investment opportunities in the knowledge and green economies;
- Leveraging social capital in the social economy and the public services, and
- Promoting rural development and regional integration.

It is anticipated that the likely contribution of LED towards the NGP objectives could be explained in terms of the following interventions:

- The job creation, reducing poverty and redressing inequality are central to local economic development;
- The diversification of local economies in terms of sectors is crucial for broader economic development;
- Public infrastructure investment, support for small business, skills development, working with the industry/ business sector and rural development are crucial instruments for effective local economic development, and
- The sustainable development agenda is a critical pillar for productive current and future economies.

### 4.1.3 The Industrial Policy Action Plan (IPAP)

The Industrial Policy Action Plan purpose is three-fold: to promote labour-absorbing industrialization; to broaden participation and economic transformation, and to raise competitiveness with manufacturing as the key anchor for dynamising employment and growing the economy

The IPAP is premised on a continuous engagement with industry stakeholders to effect continuous improvements identified transversal and sector-specific interventions required to unlock industry growth. Moreover, longer term opportunities and policy instruments are identified and inform research and extensive preparatory work for future anchoring of the IPAP.

Within the context of IPAP, the value addition of LED would lie in the following imperatives:

- Ongoing strengthening government-business-labour engagement;
- Investment in skills development – more so on those that are demanded by the economy;
- Strengthening the substantive contribution and involvement of Development Finance Institutions and the Parastatal Sector in economic development;
- Expanding functional economic linkages beyond the borders of RSA so as to leverage on neighboring countries;
- DCOG to strengthen the governance and intergovernmental agenda of local economic development;
- The DTI and EDD to deepen the sectoral and industrial cluster agenda of local economic development;
- National Treasury to provide funding resources for economic development policy implementation - this extending to the private sector as well, and
- Local economic development to be anchored by identified priority sectors; industry clusters and value chains, and exploit new economy opportunities and invest in the realization of the long term advanced capabilities.

Across all these policies, there is recognition that while some progress has been made in reducing poverty, poverty is still pervasive. Insufficient progress has been made in reducing inequality and millions of South Africans, particularly the youth are trapped in unemployment.

#### **4.1.4 Regional Industrial Development Plan**

This is one of the key pillars of regional integration, with the SEZ being one of the instruments coming out of the RIDS. The dti is in the process of coming up with a Regional Industrial Development Fund which will be a key instrument of setting up clusters and value chains prioritizing marginalized areas.

#### **4.1.5 Local Government Turnaround Strategy and Outcomes Based approach**

Within the DCoG, there is recognition that its work has to contribute in the implementation of the Local Government Turnaround Strategy. In this respect, municipalities of different types face different challenges. Accordingly, each municipal type will need a differentiated support to turn its service delivery around. In this context, therefore, the LED Framework should be seen as a policy response to contributing to Local Government Turnaround Strategy in that successful implementation of the National Framework and LED Strategies should contribute to addressing many challenges that local government faces. Furthermore, it has to be noted that in 2009, the new government adopted an outcome based approach. In this regard, the Minister of Cooperative Governance has to ensure the attainment of Outcome 9: A Responsive, accountable, effective and efficient local government system. Outcome 9 imperatives should result in local government that thrives on economic governance, and the latter is central to local economic development as shown by the fact that economic governance constitutes a pillar on its own in this revised framework. Lastly, the Framework presented herein will contribute to the Medium



Term Strategic Framework (MTSF) following national and provincial government in 2014. The revision of the revised Framework should also, therefore, be seen in this context.

## 2.1 PROVINCIAL ECONOMIC DEVELOPMENT CONTEXT

<b>DRIVER 1: DIVERSIFY AND EXPAND AGRICULTURAL DEVELOPMENT AND FOOD SECURITY</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
Expand and diversify sustainable agriculture production and food security.	<ul style="list-style-type: none"> <li>• Protect agricultural land for agricultural land use in line with SDF.</li> <li>• Align all agricultural initiatives with the Provincial Spatial Development Framework.</li> <li>• Identify research and promote competitive products.</li> <li>• Enhance profitable and market-related production.</li> <li>• Improve agricultural market intelligence.</li> <li>• Promote sustainable agricultural practices to protect the environment and sustainable resources.</li> <li>• Improve the safety net protecting the sector against unforeseen disasters.</li> <li>• Expand the establishment of agricultural-related Local Economic Development projects.</li> <li>• Expand and transform small-scale agriculture and improve access to inputs.</li> </ul>
Accelerate post settlement support programmes for emerging farmers.	<ul style="list-style-type: none"> <li>• Implement human resource development programmes for emerging farmers.</li> <li>• Intensify Comprehensive Agriculture Support Programmes and land care programmes.</li> <li>• Improve institutional support and accelerate the process of land restitution.</li> <li>• Unlock financial support for emerging farmers.</li> <li>• Establish appropriate agri-marketing, information systems and social networks for emerging farmers.</li> </ul>
Strengthen agricultural research, knowledge and skills.	<ul style="list-style-type: none"> <li>• Market and promote agriculture as a professional career.</li> <li>• Establish, maintain and equip agri-schools with skilled and qualified teachers.</li> <li>• Revitalize agric and Further Education and Training (FET) colleges.</li> <li>• Strengthen the linkages between universities, farmers and government.</li> <li>• Align and develop training and curriculum programmes with the changing and future needs of the agricultural sector.</li> <li>• Infuse agricultural training with entrepreneurial focused training and development programmes.</li> <li>• Implement voluntary internship programmes for final year and post graduate students.</li> <li>• Revitalise and expand extension and advisory services.</li> <li>• Develop a farm worker career path and appropriate training system.</li> </ul>

<b>DRIVER 1: DIVERSIFY AND EXPAND AGRICULTURAL DEVELOPMENT AND FOOD SECURITY</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
	<ul style="list-style-type: none"> <li>Strengthen agricultural research capacity in the provincial department of agriculture and tertiary institutions.</li> </ul>
Improve and maintain agro- logistics.	<ul style="list-style-type: none"> <li>Priorities and fund the upgrading and maintenance of road and rail infrastructure at strategic agricultural nodes to ensure effective and efficient distribution of agricultural products.</li> </ul>
Establish and fast track value adding agro-processing.	<ul style="list-style-type: none"> <li>Identify growth points for value adding programmes and align with spatial development framework.</li> <li>Unlock agro-processing potential by implementing incentives to draw-in investments.</li> <li>Implement relevant and applicable grain and livestock beneficiation programmes.</li> </ul>
Strengthen rural security of farm communities.	<ul style="list-style-type: none"> <li>Reinforce cross-border protection activities.</li> <li>Establish and maintain rural security and safety systems.</li> <li>Implement appropriate animal identification, monitoring and traceability systems.</li> <li>Implement farm worker development programmes.</li> <li>Strengthen bio-security of animal diseases.</li> </ul>
<b>DRIVER 2: MINIMISE THE IMPACT OF THE DECLINING MINING SECTOR AND ENSURE THAT EXISTING MINING POTENTIAL IS HARNESSSED</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
Support the life of existing mines and create new mining opportunities.	<ul style="list-style-type: none"> <li>Invest in key infrastructure programmes that are secondary to mining.</li> <li>Open up opportunities for new mining initiatives.</li> <li>Market opportunities through new mining business profiles.</li> <li>Curb crime which impacts negatively on the mining industry.</li> <li>Promote small-scale mining in sandstone, clay, salt, diamonds and other commodities.</li> </ul>
Develop a post-mining economy for mining areas.	<ul style="list-style-type: none"> <li>Develop and support partnerships with social partners.</li> <li>Re-use mining infrastructure in line with spatial development plans.</li> <li>Implement mine tourism initiatives.</li> </ul>
Ensure rehabilitation of mining areas.	<ul style="list-style-type: none"> <li>Coordinate mining rehabilitation concerns (road construction) (waste recycling).</li> <li>Institutionalise an agreed upon funding model for mining rehabilitation.</li> <li>Empower local entrepreneurs to benefit from mining aggregates.</li> <li>Re-mining of existing slime dams and dumps.</li> </ul>

**DRIVER 3: EXPAND AND DIVERSIFY MANUFACTURING OPPORTUNITIES**

FSGDS Long-term Programmes	Strategies
Invest in the growing petro-chemical industry and other knowledge-intensive manufacturing industries.	<ul style="list-style-type: none"> <li>• Identify and research potential of downstream activities.</li> <li>• Facilitate the development and maintenance of local and provincial infrastructure to support knowledge-intensive industries.</li> <li>• Facilitate and support downstream activities, especially in support of the agro-manufacturing complex..</li> <li>• Provide appropriate and adequate Information and Communication Technology (ICT) infrastructure.</li> <li>• Partner with higher education institutions in commercializing research.</li> </ul>
Invest in key manufacturing subsectors.	<ul style="list-style-type: none"> <li>• Identify and research potential niche markets.</li> <li>• Revitalize existing but less successful subsectors such as textile, food and beverages through access to markets, skills and finance.</li> <li>• Build capacity for local manufacturers, e.g. improve access to technology, maintenance services and skills.</li> <li>• Provide access to information on provincial and national government funding and other support programmes.</li> </ul>
Ensure an enabling environment for manufacturing	<ul style="list-style-type: none"> <li>• Ensure that enabling basic services are planned for and maintained at local government level for manufacturing.</li> <li>• Facilitate the availability of appropriate technical skills through the revitalization of the FET colleges and technical schools.</li> <li>• Assist manufacturing enterprises with market intelligence and access.</li> <li>• Develop a one-stop institutional approach to assist new investments, business retention and business expansion.</li> <li>• Facilitate black economic empowerment in the manufacturing sector.</li> <li>• Programme to ensure that local manufacturers are aware of national programmes and incentives.</li> </ul>

<b>DRIVER 5: HARNESS AND INCREASE TOURISM POTENTIAL AND OPPORTUNITIES</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
Implement a government support programme for tourism development and growth.	<ul style="list-style-type: none"> <li>• Support and maintain local tourism infrastructure.</li> <li>• Develop and implement a tourism-network strategy within the province and across provincial borders</li> <li>• Enhance local government capacity for tourism development.</li> <li>• Ensure adequate budgeting for local tourism support.</li> <li>• Strengthen local and provincial tourism business forums.</li> <li>• Ensure after-hours information and tourism access at tourism office.</li> </ul>
Improve tourism marketing.	<ul style="list-style-type: none"> <li>• Compile a comprehensive database of tourism products.</li> <li>• Establish an integrated tourism website.</li> <li>• Market tourism events (e.g. festivals, sports, education, medical, conferences) throughout the province.</li> </ul>
Expand tourism products and product range.	<ul style="list-style-type: none"> <li>• Develop tourism routes.</li> <li>• Support differentiated tourism product development in conferencing, adventure tourism, education, medical, exhibitions, sport, mining, agriculture and small town attractions.</li> </ul>
Increase and build human capacity for tourism development and service excellence.	<ul style="list-style-type: none"> <li>• Introduce basic training and skills development programme for tourism.</li> <li>• Align the school curriculum for Tourism with provincial tourism needs.</li> <li>• Capitalize on FET colleges and training institutions to provide appropriate tourism skills.</li> </ul>

<b>DRIVER 6: ENSURE AN APPROPRIATE SKILLS BASE FOR GROWTH AND DEVELOPMENT</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
Improve educator performance.	<ul style="list-style-type: none"> <li>• Intensify and expand school management and performance programmes to ensure effective and efficient teaching ethics and environment.</li> <li>• Improve qualifications and performance of existing educators through bursaries, continuous professional development, mentoring and coaching focusing on mathematics and physical science.</li> <li>• Ensure that universities produce demand-driven qualified educators.</li> <li>• Intensify early childhood hub of service programme.</li> </ul>
Promote an enabling environment to increase educational performance.	<ul style="list-style-type: none"> <li>• Expand and intensify: <ul style="list-style-type: none"> <li>○ School infrastructure programme (new schools and schools related</li> </ul> </li> </ul>

**DRIVER 6: ENSURE AN APPROPRIATE SKILLS BASE FOR GROWTH AND DEVELOPMENT**

FSGDS Long-term Programmes	Strategies
	<ul style="list-style-type: none"> <li>○ facilities)</li> <li>○ Comprehensive school maintenance programme</li> <li>○ Rural/farm school development programme</li> <li>○ School nutrition programme</li> <li>○ Transport services</li> <li>○ Comprehensive wellness programme</li> <li>○ Libraries / mobile libraries</li> <li>○ No-school fee schools</li> <li>● Ensure provision of adequate and timeous learning materials and equipment.</li> <li>● Capacitate school governing bodies of schools to play integral role in improving education.</li> <li>● Revitalize extramural activity programmes in schools.</li> </ul>
<p>Promote flexible and specialized learning systems.</p>	<ul style="list-style-type: none"> <li>● Institutionalize mother tongue education for foundation phase to address numeracy and literacy.</li> <li>● Develop and implement a specialized programme for mathematics and physical science for targeted schools.</li> <li>● Extend early childhood development programmes to as many pre-school children as possible.</li> <li>● Promote and implement e-learning approaches and programmes.</li> <li>● Reposition the system of special schools and schools of industry.</li> </ul>
<p>Create an environment and relationships in which post-school education institutions / training agencies respond to the educational and skills demands in line with growth and development needs.</p>	<ul style="list-style-type: none"> <li>● Improve the ability of the intermediate sector (Nursing college, Agricultural college, FET colleges) to: <ul style="list-style-type: none"> <li>○ improve post-Grade 12 vocational training quality and results</li> <li>○ increase work place experience</li> <li>○ Continuous vocational training.</li> </ul> </li> <li>● Position the FET colleges to: <ul style="list-style-type: none"> <li>○ Provide Grade 10-12 vocational training</li> <li>○ Ensure bridging opportunities for non-qualified out-of-school youth.</li> </ul> </li> <li>● Establish an operational, inclusive support system to foster collaboration between educational institutions, work places and the public sector.</li> <li>● Ensure continuous responsive curriculum development in line with provincial inclusive growth and development needs.</li> </ul>

**DRIVER 7: CURB CRIME AND STREAMLINE CRIMINAL JUSTICE PERFORMANCE**

FSGDS Long-term Programmes	Strategies
Prevent and reduce contact crime, property and other serious crimes through more efficient police action.	<ul style="list-style-type: none"> <li>• Extend the implementation of the anti-rape strategy.</li> <li>• Expand youth crime prevention and capacity building programmes.</li> <li>• Enforce the Domestic Violence Act.</li> <li>• Intensify and roll out victim empowerment programmes to all municipalities.</li> <li>• Ensure sector policing at high contact crime police stations.</li> <li>• Provide property-related protection.</li> </ul>
Enhance relationships between the SAPS and communities.	<ul style="list-style-type: none"> <li>• Intensify and expand the community policing forum programme.</li> <li>• Improve consultation, communication and information services between communities and SAPS.</li> </ul>
Improve the performance of the SAPS.	<ul style="list-style-type: none"> <li>• Improve administration and management through training, capacity building and performance management systems.</li> <li>• Improve information and communication systems through the expansion of IS/ICT to end-users.</li> <li>• Enhance capacity by providing adequate human resources and equipment.</li> <li>• Expand visible policing to enhance crime prevention.</li> <li>• Improve detective services through improved forensic evidence, criminal record centres and crime intelligence.</li> <li>• Improve and expand borderline security including the management thereof in collaboration with social partners.</li> <li>• Establish specialised units in line with provincial needs.</li> <li>• Expand the utilisation of reservists.</li> </ul>
Improve prosecutorial efficiency and the overall criminal justice processes.	<ul style="list-style-type: none"> <li>• Intensify programmes to improve court performance, court and case flow management, case backlogs and priority crime litigations.</li> <li>• Prioritise and strengthen the operations of the National Prosecuting Authority.</li> <li>• Improve whistle-blowing and witness protection programmes.</li> <li>• Implement innovative and alternative ways of delivering justice through technology, witness preparation, specialised prosecution, community justice and public awareness.</li> <li>• Seize criminal assets that are proceeds of crime or have been involved in the committing of an offence.</li> </ul>

## DRIVER 8: EXPAND AND MAINTAIN BASIC AND ROAD INFRASTRUCTURE

FSGDS Long-term Programmes	Strategies
Maintain and upgrade basic infrastructure at local level.	<ul style="list-style-type: none"> <li>• Develop water, sanitation and electricity master plans for municipalities.</li> <li>• Dedicate funding for maintenance of current infrastructure.</li> <li>• Establish partnerships in selective municipalities for service delivery with regard to yellow fleet, waste management and water service delivery.</li> <li>• Establish partnerships in all municipalities for electricity delivery.</li> </ul>
Provide new basic infrastructure at local level (water, sanitation and electricity).	<ul style="list-style-type: none"> <li>• Identify and facilitate the implementation of infrastructure by municipalities for development in the recognized growing municipal areas.</li> <li>• Develop policies for private developers which will include incentives to encourage development.</li> </ul>
Provide and upgrade Bulk Services.	<ul style="list-style-type: none"> <li>• Ensure compliance of waste water treatment (new and upgraded) with the Green Drop standards in all towns and new developments.</li> <li>• Address electricity bulk infrastructure backlog.</li> <li>• Ensure compliance of water treatment works and water storage, including bulk in towns with blue drop standards for new development areas.</li> </ul>
Implement alternative sanitation, water and electricity infrastructure.	<ul style="list-style-type: none"> <li>• Promote and facilitate solar water heating and arial / street lighting for energy saving.</li> <li>• Promote and facilitate alternative sanitation and water infrastructure.</li> </ul>
Improve technical capacity of local municipalities for sustainable local infrastructure.	<ul style="list-style-type: none"> <li>• Provide training on compliance, operations and maintenance in line with the terms of the relevant Act.</li> <li>• Train management and administrative levels to ensure an understanding of the technical processes of service delivery.</li> <li>• Roll out laboratories and consolidate capacity in existing laboratories to assist with water quality programme.</li> <li>• Recruit, employ and retain qualified technical staff.</li> <li>• Implement mentorship programmes.</li> </ul>



**DRIVER 9: FACILITATE SUSTAINABLE HUMAN SETTLEMENTS**

FSGDS Long-term Programmes	Strategies
<p>Accelerate and streamline township establishment processes and procedures to ensure sustainable settlement.</p>	<ul style="list-style-type: none"> <li>• Improve the quality of Spatial Development Frameworks to include master planning in areas of interest, town planning schemes, availability of services.</li> <li>• Establish private-public sector planning structures and processes to improve the quality of planning services.</li> <li>• Identify and acquire land parcels for integrated inclusive human settlement development in close proximity to employment opportunities.</li> <li>• Release surplus government land for human settlements.</li> <li>• Ensure law enforcement in the planning and property development environment.</li> <li>• Curb and manage informal land invasion.</li> </ul>
<p>Ensure those municipalities, councillors, officials, the community at large and private sector role players are capacitated to accelerate sustainable human settlement development.</p>	<ul style="list-style-type: none"> <li>• Increase awareness amongst officials, councillors and other social partners on the New Comprehensive Plan for Sustainable Human Settlements.</li> <li>• Improve basic town planning / engineering services at provincial level.</li> <li>• Educate communities with regard to housing rights, market values of their properties and planning and regulation.</li> <li>• Establish a province-wide housing construction agency to drive the provision of decent housing to optimise job-creation and local provincial procurement.</li> <li>• Improve the quality of contractors through effective training programmes, grading and ranking of contractor performance and contractor registration with the National Home Building Regulatory Council.</li> <li>• Enhance opportunities for capacity building in town planning, project management, engineering, urban design and property management.</li> </ul>
<p>Provide individual subsidies and housing opportunities to beneficiaries in accordance with various housing programmes.</p>	<ul style="list-style-type: none"> <li>• Improve the research and data collection at municipalities to ensure access to subsidies for low-income households.</li> <li>• Establish the provincial credit authority to improve a credit linked housing programme.</li> <li>• Establish, capacitate and monitor community resource organisations to facilitate the Enhanced People’s Housing Process</li> <li>• Improve regulatory policy and procedures including the establishment of a provincial social housing regulatory authority and institutions for Social Housing programmes and Community Residential Units housing programme.</li> <li>• Improve the functionality of the rental housing</li> </ul>

**DRIVER 9: FACILITATE SUSTAINABLE HUMAN SETTLEMENTS**

FSGDS Long-term Programmes	Strategies
	<p>environment.</p> <ul style="list-style-type: none"> <li>• Speed up the decentralisation of the housing subsidy system through the demand database to local municipalities.</li> <li>• Facilitate an intervention programme amongst the farmers, farm workers, Departments of Agriculture and Human Settlement to improve the conceptualisation, understanding and implementation of the farm worker residence programme.</li> </ul>
<p>Promote and support integrated, inclusive, sustainable human settlement development.</p>	<ul style="list-style-type: none"> <li>• Expand the public-private partnership approach for sustainable human settlements.</li> <li>• Improve access to the Integrated, Residential Development Programme for basic infrastructure.</li> <li>• Promote socially integrated human settlements in order to support social cohesion.</li> <li>• Put emphasis on densification of new developments, to improve overall settlement efficiency and resource utilization.</li> <li>• Improve access to the basic social and economic amenities programme.</li> <li>• Facilitate the implementation of the communal land right programme.</li> <li>• Intensify the informal settlements upgrading programme.</li> <li>• Research and promote alternative building methods and material for eco-friendly environments.</li> </ul>

**DRIVER 10: PROVIDE AND IMPROVE ADEQUATE HEALTH CARE FOR CITIZENS**

FSGDS Long-term Programmes	Strategies
Strengthen health care programmes to address the burden of critical diseases.	<ul style="list-style-type: none"> <li>• Improve and expand the CCMT (HIV/AIDS) programme to reduce HIV and AIDS related deaths.</li> <li>• Improve and expand TB Management Programmes.</li> <li>• Improve maternal and child health programmes.</li> <li>• Improve and expand non-communicable disease programmes in the four main critical areas of mental health, cancer, diabetes, and heart disease.</li> <li>• Intensify general health promotion and lifestyle programmes.</li> </ul>
Re-engineer primary health care system.	<ul style="list-style-type: none"> <li>• Employ, train and retain community health workers for PHC teams.</li> <li>• Ensure adequate funding for PHC.</li> <li>• Conduct monitoring and research.</li> </ul>
Improve and maintain health care infrastructure.	<ul style="list-style-type: none"> <li>• Build new health care facilities, children’s hospital (chronic dispensing unit, community health centres, nursing colleges, laundries, accommodation for health professionals).</li> <li>• Maintain and upgrade hospitals.</li> <li>• Equip and maintain clinics (including mobile clinics).</li> <li>• Strengthen emergency medical services.</li> </ul>
Strengthen, build, retain and develop human resources for effective health services.	<ul style="list-style-type: none"> <li>• Develop an inclusive, long-term provincial health recruitment and retention strategy to ensure adequate health care capacity.</li> <li>• Increase the intake of dentists, pharmacists, community health workers, nurses, medical practitioners, and medical specialists.</li> <li>• Develop and implement an appropriate incentive scheme for health workers in rural areas.</li> <li>• Expand capacity of existing tertiary training institutions to train medical professionals.</li> <li>• Establish private sector partnerships to increase training opportunities.</li> <li>• Strengthen hospital management capacity.</li> </ul>
Strengthen health governance and information systems.	<ul style="list-style-type: none"> <li>• Expand and improve the comprehensive district health information system (incorporating public, private, and community indicators).</li> <li>• Implement a strong multilevel monitoring and evaluation system.</li> <li>• Invest in district-focused health research.</li> </ul>

**DRIVER 11: ENSURE SOCIAL DEVELOPMENT AND SOCIAL SECURITY**

FSGDS Long-term Programmes	Strategies
Recruit and retain Social Workers and complementary Social Service Practitioners.	<ul style="list-style-type: none"> <li>• Increase the number and develop the capacity of auxiliary social workers, community development workers and lay counsellors.</li> <li>• Identify and implement a recruitment and retention strategy in order to alleviate the vacancy situation of qualified social workers.</li> </ul>
Improve the regulatory environment in order to foster the expansion and quality of services rendered by NGOs.	<ul style="list-style-type: none"> <li>• Implement an improved legal framework suitable for the development and expansion of NPO/NGO services, with emphasis on laws that consider protection, empowerment and regulation.</li> <li>• Improve the capacity of the provincial government to provide support and monitor and evaluate the implementation of the regulatory framework for NGOs.</li> </ul>
Strengthen Cooperatives to promote sustainable livelihoods.	<ul style="list-style-type: none"> <li>• Align and integrate poverty alleviation initiatives with sector departments, including municipalities.</li> </ul>
<p>Strengthen and expand household and community development programmes in respect of:</p> <ul style="list-style-type: none"> <li>• <i>Substance Abuse, Prevention and Rehabilitation</i></li> <li>• <i>Care and Services to Older Persons</i></li> <li>• <i>Crime Prevention and Support</i></li> <li>• <i>Services to Persons with Disabilities</i></li> <li>• <i>Child Care and Protection Services</i></li> <li>• <i>Victim Empowerment</i></li> <li>• <i>HIV and AIDS</i></li> <li>• <i>Social Relief</i></li> <li>• <i>Care and Support Services to Families</i></li> </ul>	<ul style="list-style-type: none"> <li>• Prioritise roll-out programmes to all areas of need in the province.</li> <li>• Strengthen collaboration and coordination between all sector departments, NGOs, and municipalities to increase the impact and effectiveness of these programmes.</li> <li>• Ensure the mainstreaming of vulnerable groups such as women, youth, children and people with disabilities as priority groups during the implementation of these programmes.</li> <li>• Deepen the approaches of prevention and community-based, services reduction of dependency in all these programmes.</li> </ul>

**DRIVER 12: INTEGRATE ENVIRONMENTAL CONCERNS INTO GROWTH AND DEVELOPMENT  
PLANNING**

FSGDS Long-term Programmes	Strategies
<p>Improve water quantity and quality management.</p>	<ul style="list-style-type: none"> <li>• Intensify the monitoring and evaluation of river health and water quality (both surface and ground water).</li> <li>• Improve the standards of drinking water treatment (Blue Drop).</li> <li>• Improve waste water management (Green Drop – enforcement).</li> <li>• Enhance the standard of catchment management practices through improved soil conservation and land care.</li> <li>• Monitor and mitigate the impact of acid mine drainage to minimise the effects thereof on both surface and groundwater quality.</li> <li>• Optimise water management practices, especially in the agricultural sector through the improvement of soil and water management.</li> <li>• Optimise urban water management practices, through the improvement of water-saving infrastructure.</li> <li>• Optimise groundwater use and reuse through the implementation of water recycling schemes and aquifer recharge.</li> <li>• Implement economic incentives for environmental protection</li> </ul>
<p>Mitigate the causes and effects of climate change.</p>	<ul style="list-style-type: none"> <li>• Reduce Green House Gas emissions in industries through alternative methodologies and processes.</li> <li>• Adopt and integrate alternative energy approaches (solar, wind, hydro and biofuels) to reduce the carbon footprint of the province’s energy requirements.</li> <li>• Adopt the sustainable development approach of a ‘Green Economy’ by increasing the use of green energy, waste recycling schemes, facilitation of ecotourism opportunities and the advocacy of labor-intensive economic development.</li> <li>• Develop climate change mitigation strategies pertaining to the core functions of provincial departments.</li> </ul>
<p>Conserve and consolidate functional natural areas.</p>	<ul style="list-style-type: none"> <li>• Improve protection to the riparian zones of the Free State rivers.</li> <li>• Increase protection status afforded to wetlands (vleis, marshes and pans) and grasslands in the Province.</li> <li>• Merge natural areas through Public Private Partnerships, as conservancies or private nature reserves.</li> </ul>

<b>DRIVER 12: INTEGRATE ENVIRONMENTAL CONCERNS INTO GROWTH AND DEVELOPMENT PLANNING</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
Broaden environmental capacity and skills in the environment sector and in the cross-sectorial situation.	<ul style="list-style-type: none"> <li>• Expand responsible extensive wildlife ranching with local species in marginal agricultural areas as a business unusual alternative.</li> <li>• Advocate and encourage the production of alternative crops in dry land areas.</li> <li>• Improve the capacity of the DETEA to enforce its cross-sectorial mandate.</li> <li>• Increase the numbers of suitably qualified environmental officials in government and civil society.</li> <li>• Increase the awareness and formal knowledge of law enforcers and the judiciary regarding environmental issues.</li> <li>• Encourage and support the increase of formal environmental skills training through tertiary educational institutions.</li> </ul>

<b>DRIVER 13: MAINSTREAM RURAL DEVELOPMENT INTO GROWTH AND DEVELOPMENT PLANNING</b>	
<b>FSGDS Long-term Programmes</b>	<b>Strategies</b>
Facilitate land reform, redistribution and agricultural reform.	<ul style="list-style-type: none"> <li>• Intensify the land reform programme while providing beneficiaries with technical skills and financial resources to productively use the land.</li> <li>• Review the effectiveness of the existing land redistribution programme and introduce measures to speed up land reform.</li> <li>• Expand the agrarian reform programme focusing on the systematic promotion of agricultural co-operatives.</li> </ul>
Support agrarian transformation; develop value-chains for livestock and crop farming and diversification.	<ul style="list-style-type: none"> <li>• Provide adequate skills, finance and markets to promote the emergence of new value-chains.</li> <li>• Improve access to inputs such as machinery, equipment, seeds by rural-based enterprises.</li> <li>• Provide adequate, affordable and reliable transport and storage facilities for rural-based enterprises.</li> <li>• Provide targeted incentives e.g. through procurement and subsidised basic services for agro-processing enterprises</li> </ul>

**DRIVER 14: MAXIMISE ARTS, CULTURE , SPORTS AND RECREATION OPPORTUNITIES AND PROSOPECTS FOR ALL COMMUNITIES**

FSGDS Long-term Programmes	Strategies
<p>Promote the full diversity of arts (visual and performing), culture and heritage services in the province with the aim of developing skills, creating jobs, alleviating poverty and supporting education and recreation.</p>	<ul style="list-style-type: none"> <li>• Encourage the use and development of indigenous languages.</li> <li>• Facilitate access to external funding for deserving and emerging artists.</li> <li>• Establish collaborative relationships between major provincial theatres and the Drama Department at the University of the Free State.</li> <li>• Make provision for the appointment of full-time cultural officers at municipal level.</li> <li>• Make provision for the appointment of full-time art managers, art administrators and artists at selected provincial art centres.</li> <li>• Establish working relationships between provincial libraries, arts and cultural institutions (art centres and theatres) and schools to enhance grassroots mass participation.</li> <li>• Implement and expand a range of arts and culture programmes and develop upcoming artists through:             <ul style="list-style-type: none"> <li>○ The Macufe annual event</li> <li>○ Musicon Singing Competition</li> <li>○ Provincial choir festivals</li> <li>○ Strings programmes</li> <li>○ The Wednesday School Programme promoting, among other things, dance, music and theatre</li> <li>○ The Internship Programme for Multilingual Information Development Project</li> <li>○ Capacity building programmes (particular focus on administrative and financial capacity) for artists.</li> </ul> </li> </ul>
<p>Provide free, equitable and accessible library and information services to make provision for the learning, information, cultural and recreational needs of the province.</p>	<ul style="list-style-type: none"> <li>• Provide access to government information by means of archival and records-management services.</li> <li>• Improve the safeguarding of library buildings and equipment.</li> <li>• Improve collaboration between communities and library services to address improved communication and community aspirations.</li> <li>• Optimise the use ICT programmes in libraries with particular focus on rural and small towns.</li> <li>• Establish partnerships between the Department of Sport, Art, Culture, and Recreation and other departments; in particular, the Department of Education regarding the sharing of technical responsibilities.</li> </ul>

**DRIVER 14: MAXIMISE ARTS, CULTURE , SPORTS AND RECREATION OPPORTUNITIES AND PROSPECTS FOR ALL COMMUNITIES**

FSGDS Long-term Programmes	Strategies
	<ul style="list-style-type: none"> <li>• Implement and expand a range of library programmes such as:               <ul style="list-style-type: none"> <li>○ A Re Ithuteng Reading Programme</li> <li>○ The Read Your Way through the Alphabet Programme</li> <li>○ The National Symbols Programme</li> <li>○ Library community awareness programmes to promote a sense of ownership and belonging</li> <li>○ Basic computer skills training programmes for library users</li> <li>○ Formal learning programmes between libraries and schools</li> </ul> </li> </ul>
<p>Promote effective and efficient sport and recreation development.</p>	<ul style="list-style-type: none"> <li>• Expand talent development programmes and high performance capacity academies to groom talented and international athletes.</li> <li>• Facilitate the development and maintenance of multi-purpose sport and recreation facilities by amongst other things, ring fencing 15% of Municipal Infrastructural Grant funds for sports infrastructure development and maintenance.</li> <li>• Expand mass participation in sports and recreation programmes.</li> <li>• Strengthen coordination and collaboration amongst provincial sport structures and between provincial and local sports structures.</li> <li>• Expand inter-provincial school sport competitions.</li> <li>• Ensure that sport facilities in all local municipalities become affordable in terms of hiring costs.</li> <li>• Upgrade selective infrastructure to host national and international events.</li> <li>• Strengthen and support provincial sport federations.</li> </ul>



**DRIVER 15: FOSTER GOOD GOVERNANCE TO CREATE A CONDUCTIVE CLIMATE FOR GROWTH AND DEVELOPMENT**

FSGDS Long-term Programmes	Strategies
<p>Establish a strong and capable political and administrative management cadre.</p>	<ul style="list-style-type: none"> <li>• Institutionalise practices to ensure recruitment and appointment of competent people in managerial posts.</li> <li>• Develop leaders and managers in collaboration with Public Administration Leadership and Management Academy (PALAMA) and institutions of higher learning.</li> <li>• Expand the international and national leadership and management exchange programme.</li> <li>• Implement mentorship, succession planning and Learnership programmes in leadership and management.</li> <li>• Foster collaboration across different spheres to ensure the deployment of competent managers where necessary.</li> <li>• Ensure that exit interviews are conducted at senior management level.</li> <li>• Promote integrated development orientation through a shared vision and development trajectory and work towards a single public service guided by the same regulations.</li> <li>• Develop mechanisms to extend the ‘lifespan’ of competent heads of department, municipal managers, and chief financial officers.</li> <li>• Develop leaders by delegating and decentralising functions to appropriate levels.</li> <li>• Put measures in place to prevent the manipulation of organograms.</li> </ul>
<p>Strengthen an integrated development orientation and planning approach in governance.</p>	<ul style="list-style-type: none"> <li>• Develop an integrated planning framework for the province (including municipalities).</li> <li>• Establish appropriate integrating and inter-governmental relations planning structures at all levels in line with the framework.</li> <li>• Reconfigure the planning unit in line with national directives and best practice to render an efficient integrated planning service including research and policy coordination.</li> <li>• Develop and strengthen integrated sector strategies pertaining to the economic drivers: agriculture, mining, tourism, transport and distribution and manufacturing.</li> <li>• Develop a provincial spatial development framework in line with the FSGDS.</li> <li>• Institutionalise a mechanism in the Office of the Premier to improve the credibility of IDPs.</li> </ul>

**DRIVER 15: FOSTER GOOD GOVERNANCE TO CREATE A CONDUCTIVE CLIMATE FOR GROWTH AND DEVELOPMENT**

FSGDS Long-term Programmes	Strategies
	<ul style="list-style-type: none"> <li>• Strengthen planning and research capacity in municipalities.</li> <li>• Define the role and contribution of public entities in planning and implementation.</li> <li>• Undertake an analysis of the legislative environment created as enabling frameworks for growth and development.</li> <li>• Investigate the viability of existing municipalities.</li> </ul>
<p>Improve the link between citizens and the state to ensure accountability and responsive governance.</p>	<ul style="list-style-type: none"> <li>• Improve community communication structures and feedback mechanisms</li> <li>• Implement complaint management systems. including rapid response on municipal level</li> <li>• Improve the level and quality of political oversight by strengthening the capacity and role of the oversight structures</li> <li>• Evaluate and reconfigure coordinating structures such as clusters, Premier’s Coordinating Forum (PCF) and other intergovernmental relations structures.</li> </ul>
<p>Develop a skilled and capable public service workforce to support the growth and development trajectory for the province</p>	<ul style="list-style-type: none"> <li>• Develop a provincial HRD plan aligned with sector skills plans.</li> <li>• Ensure linkages between HRD plan, skills development plan, employment equity plan, work place skills plan, personal development plan and skills audits.</li> <li>• Facilitate an integrated framework for recruitment, selection and retention of critical / scarce skills including Head of Departments, Municipal Managers and Chief Financial Officers (provincial and municipal).</li> <li>• Strengthen the collaboration between Services Training Authorities, private trainer providers, universities, FET colleges and the Free State Training and Development Institute (FSTDI) to enhance training and development.</li> <li>• Institutionalise an integrated framework for Monitoring and Evaluation of Provincial Training and Development.</li> <li>• Reconfigure the FSTDI to be in line with PALAMA at a national level.</li> </ul>

**DRIVER 15: FOSTER GOOD GOVERNANCE TO CREATE A CONDUCTIVE CLIMATE FOR GROWTH AND DEVELOPMENT**

FSGDS Long-term Programmes	Strategies
<p>Improve the overall financial management in governance structures in the province to ensure clean audits and appropriate financing towards the growth and development of the province.</p>	<ul style="list-style-type: none"> <li>• Improve and enforce the implementation of all supply chain management requirements.</li> <li>• Introduce early warning systems in all municipalities and provincial departments.</li> <li>• Streamline funding models in line with long term growth and development priorities.</li> <li>• Establish and ensure that financial oversight committees (internal and external) and subcommittees are functional such as:               <ul style="list-style-type: none"> <li>○ Internal audit (departments and municipalities)</li> <li>○ Risk management</li> <li>○ Tender committees</li> <li>○ Anti-corruption committees</li> <li>○ Finance committee and legislature</li> </ul> </li> <li>• Create units to investigate and finalise cases of financial mismanagement.</li> <li>• Ensure compliance with Treasury guidelines in respect of budget transfers, roll-overs and deviations in supply chain management system.</li> <li>• Review equitable share formula at provincial and local government level.</li> </ul>
<p>Assess and enhance the efficiency, effectiveness and accountability of institutions and social partners to deliver against outcomes and other mandates.</p>	<ul style="list-style-type: none"> <li>• Improve and expand collaboration with all relevant social partners to improve collective/joint accountability for performance outcomes in the Province.</li> <li>• Establish joint responsibility for the development of performance indicators by planners and performance monitoring and evaluation practitioners.</li> <li>• Build the necessary systems and tools to pro-actively provide validated data and information that will inform performance monitoring and evaluation efforts.</li> <li>• Institutionalise norms and standards and processes for performance monitoring and evaluation practices.</li> <li>• Build the necessary monitoring and evaluation capacity in provincial departments and municipalities.</li> <li>• Mainstream regulation on monitoring and evaluation into a uniform set of regulations for all spheres of government.</li> </ul>

**Driver1: Diversify and expand agricultural development and food security**

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• Increase investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers.</li> <li>• Put in place a regulatory framework for land use, to ensure the conservation and restoration of protected areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Expand and diversify sustainable agriculture production and food security.</li> </ul>	<ul style="list-style-type: none"> <li>• Protect agricultural land for agricultural land use in line with SDF.</li> <li>• Align all agricultural initiatives with the Provincial Spatial Development Framework.</li> <li>• Identify, research and promote competitive products.</li> <li>• Enhance profitable and market-related production.</li> <li>• Improve agricultural market intelligence.</li> <li>• Promote sustainable agricultural practices to protect the environment and sustainable resources.</li> <li>• Improve the safety net protecting the sector against unforeseen disasters.</li> <li>• Expand the establishment of agricultural-related Local Economic Development projects.</li> <li>• Expand and transform small-scale</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement spatial development frameworks as the basis to guide rural land use planning and development and to address spatial inequities.</li> <li>• Implement the comprehensive food security and nutrition programs</li> <li>• Develop under-utilised land in communal areas and land reform projects for production.</li> <li>• Expand land under irrigation.</li> <li>• Provide support to smallholder producers in order to ensure production efficiencies.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.</li> <li>Maintain a positive trade balance for primary and processed agricultural products.</li> </ul>	<ul style="list-style-type: none"> <li>Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments</li> <li>Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers.</li> </ul>	<ul style="list-style-type: none"> <li>Accelerate post settlement support programmes for emerging farmers.</li> </ul>	<p>agriculture and improve access to inputs.</p> <ul style="list-style-type: none"> <li>Implement human resource development programmes for emerging farmers.</li> <li>Intensify Comprehensive Agriculture Support Programmes and land care programmes.</li> <li>Improve institutional support and accelerate the process of land restitution.</li> <li>Unlock financial support for emerging farmers.</li> <li>Establish appropriate agri-marketing, information systems and social networks for emerging farmers.</li> </ul>	<ul style="list-style-type: none"> <li>Develop under-utilized land in communal areas and land reform projects for production.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• Increase investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>• Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers.</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen agricultural research, knowledge and skills.</li> </ul>	<ul style="list-style-type: none"> <li>• Market and promote agriculture as a professional career.</li> <li>• Establish, maintain and equip agri-schools with skilled and qualified teachers.</li> <li>• Revitalise agri and Further Education and Training (FET) colleges.</li> <li>• Strengthen the linkages between universities, farmers and government.</li> <li>• Align and develop training and curriculum programmes with the changing and future needs of the agricultural sector.</li> <li>• Infuse agricultural training with entrepreneurial focused training and development programmes.</li> <li>• Implement voluntary internship programmes for final year and post graduate students.</li> <li>• Revitalise and expand extension and advisory services.</li> <li>• Develop a farm worker career path and appropriate training system.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote skills development within economic development potential.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
			<ul style="list-style-type: none"> <li>Strengthen agricultural research capacity in the provincial department of agriculture and tertiary institutions.</li> </ul>	
<ul style="list-style-type: none"> <li>An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>Consolidate and selectively expand transport and logistics infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Improve and maintain agro-logistics.</li> </ul>	<ul style="list-style-type: none"> <li>Prioritise and fund the upgrading and maintenance of road and rail infrastructure at strategic agricultural nodes to ensure effective and efficient distribution of agricultural products.</li> </ul>	<ul style="list-style-type: none"> <li>Improve transport infrastructure and public transport</li> </ul>
<ul style="list-style-type: none"> <li>An additional 643 000 direct jobs and 326 000 indirect jobs in the agriculture, agro-processing and related sectors by 2030.</li> <li>Maintain a positive trade balance for primary and processed agricultural products.</li> </ul>	<ul style="list-style-type: none"> <li>Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</li> <li>Create tenure security for communal farmers, especially women;</li> </ul>	<ul style="list-style-type: none"> <li>Establish and fast track value adding agro-processing.</li> </ul>	<ul style="list-style-type: none"> <li>Identify growth points for value adding programmes and align with spatial development framework.</li> <li>Unlock agro-processing potential by implementing incentives to draw-in investments.</li> <li>Implement relevant and applicable grain and livestock beneficiation programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Promote sustainable rural enterprises and industries in areas with economic development potential.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• Increase investment in new agricultural technologies, research and the development of adaptation strategies for the protection of rural livelihoods and expansion of commercial agriculture.</li> </ul>	<p>investigate different forms of financing and vesting of private property rights to land reform beneficiaries that does not hamper beneficiaries with a high debt burden.</p> <ul style="list-style-type: none"> <li>• Channel public investment into research, new agricultural technologies for commercial farming, as well as for the development of adaptation strategies and support services for small-scale and rural farmers.</li> </ul>			
<ul style="list-style-type: none"> <li>• In 2030 people living in living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk</li> </ul>	<ul style="list-style-type: none"> <li>• The National Rural Safety Strategy Plan must be implemented in high risk areas involving all role-players and stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthen rural security of farm communities</li> </ul>	<ul style="list-style-type: none"> <li>• Reinforce cross-border protection activities.</li> <li>• Establish and maintain rural security and safety systems.</li> <li>• Implement appropriate animal identification, monitoring and traceability systems.</li> <li>• Implement farm worker development programmes.</li> <li>• Strengthen bio-security of animal diseases.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement crime prevention strategies/actions.</li> </ul>



NDP Objectives	NDP Actions	FSGDS Long-term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<p>freely in the street and the children can play safely and the children can play safely outside.</p>	<ul style="list-style-type: none"> <li>Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments</li> </ul>	<ul style="list-style-type: none"> <li>Extend social service delivery to farm- worker communities .</li> </ul>	<ul style="list-style-type: none"> <li>Design and implement an integrated approach to improve access to social service delivery for all farm workers.</li> </ul>	<ul style="list-style-type: none"> <li>Eradicate infrastructure backlog.</li> <li>Provide access to piped water in rural areas.</li> <li>Provide access to sanitation services in rural areas.</li> <li>Provide access to energy in rural areas.</li> </ul>

*Driver 2: Minimise the impact of the declining mining sector and ensure that existing mining potential is harnessed*

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• Broaden ownership of assets to historically disadvantage groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the benefit to the country of our mineral resources by: giving clear certainty over property rights (the right to mine) increasing rail, water and energy infrastructure, structure a taxation regime that is fair, equitable and predictable and that recognises the non-renewable nature of mineral resources.</li> <li>• Remove the most pressing constraints on growth, investment and job creation, including energy generation and distribution, urban planning etc.</li> <li>• Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</li> </ul>	<ul style="list-style-type: none"> <li>• Support the life of existing mines and create new mining opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in key infrastructure programmes that are secondary to mining.</li> <li>• Open up opportunities for new mining initiatives.</li> <li>• Market opportunities through new mining business profiles.</li> <li>• Curb crime which impacts negatively on the mining industry.</li> <li>• Promote small-scale mining in sandstone, clay, salt, diamonds and other commodities.</li> </ul>	<ul style="list-style-type: none"> <li>• Mining Beneficiation Action Plan (MAP) developed, implemented and reviewed regularly in terms of impact on growth, employment.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• Broaden ownership of assets to historically disadvantage groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the benefit to the country of our mineral resources by: giving clear certainty over property rights (the right to mine) increasing rail, water and energy infrastructure, structure a taxation regime that is fair, equitable and predictable and that recognises the non-renewable nature of mineral resources.</li> <li>• Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a post-mining economy for mining areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and support partnerships with social partners.</li> <li>• Re-use mining infrastructure in line with spatial development plans.</li> <li>• Implement mine tourism initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>• Mining Beneficiation Action Plan (MAP) developed, implemented and reviewed regularly in terms of impact on growth,</li> </ul>
<ul style="list-style-type: none"> <li>• Broaden ownership of assets to historically disadvantage groups.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the benefit to the country of our mineral resources by: giving clear certainty over property rights (the right to mine) increasing rail, water and energy infrastructure, structure a taxation regime that is fair, equitable and predictable and that recognises the non-</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure rehabilitation of mining areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Coordinate mining rehabilitation concerns (road construction) (waste recycling).</li> <li>• Institutionalise an agreed upon funding model for mining rehabilitation.</li> <li>• Empower local entrepreneurs to benefit from mining aggregates.</li> <li>• Re-mining of existing slime dams</li> </ul>	<ul style="list-style-type: none"> <li>• Mining Beneficiation Action Plan (MAP) developed, implemented and reviewed regularly in terms of impact on growth, employment, incomes, investment.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
	<p>renewable nature of mineral resources.</p> <ul style="list-style-type: none"> <li>Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</li> </ul>		and dumps.	

**Driver 5: Harness and increase tourism potential opportunities**

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</li> </ul>	<ul style="list-style-type: none"> <li>Implement a government support programme for tourism development and growth.</li> </ul>	<ul style="list-style-type: none"> <li>Support and maintain local tourism infrastructure.</li> <li>Develop and implement a tourism-network strategy within the province and across provincial borders.</li> <li>Enhance local government capacity for tourism development.</li> <li>Ensure adequate</li> </ul>	<ul style="list-style-type: none"> <li>Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
			budgeting for local tourism support. <ul style="list-style-type: none"> <li>• Strengthen local and provincial tourism business forums.</li> <li>• Ensure after-hours information and tourism access at tourism office.</li> </ul>	
	<ul style="list-style-type: none"> <li>• Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve tourism marketing.</li> </ul>	<ul style="list-style-type: none"> <li>• Compile a comprehensive database of tourism products.</li> <li>• Establish an integrated tourism website.</li> </ul>	<ul style="list-style-type: none"> <li>• Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.</li> </ul>
	<ul style="list-style-type: none"> <li>• Rural economies will be activated through improved infrastructure and service delivery, a review of land tenure, service to small and micro farmers, a review of</li> </ul>	<ul style="list-style-type: none"> <li>• Expand tourism products and product range.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop tourism routes.</li> <li>• Support differentiated tourism product development in conferencing, adventure tourism, education,</li> </ul>	<ul style="list-style-type: none"> <li>• Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
	<p>mining industry commitments to social investment, and tourism investments.</p>		<p>medical, exhibitions, sport, mining, agriculture and small town attractions.</p>	
<ul style="list-style-type: none"> <li>Expand the college system with a focus on improving quality. Better quality will build confidence in the college sector and attract more learners.</li> </ul>	<ul style="list-style-type: none"> <li>Build the capacity of FET institutions to become the preferred institutions for vocational education and training. Learners should be able to choose vocational pathway before completing Grade 12. Expand the geographical spread of FET institutions.</li> <li>Build a strong relationship between the college sector and industry. SETAs have a crucial role in building relationships between education institutions and the employers.</li> <li>Rural economies will be activated through improved infrastructure and service delivery, a review of land</li> </ul>	<ul style="list-style-type: none"> <li>Increase and build human capacity for tourism development and service excellence.</li> </ul>	<ul style="list-style-type: none"> <li>Introduce basic training and skills development programme for tourism.</li> <li>Align the school curriculum for Tourism with provincial tourism needs.</li> <li>Capitalise on FET colleges and training institutions to provide appropriate tourism skills.</li> </ul>	<ul style="list-style-type: none"> <li>Tourism Strategy implemented and reviewed regularly in terms of impact on growth, employment, investment, output, exports and African regional development.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
	<p>tenure, service to small and micro farmers, a review of mining industry commitments to social investment, and tourism investments.</p>			







## Pillar 2: Education, Innovation and Skills Development

### Diver 6: Ensure an appropriate skills base for growth and development

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>About 90 per cent of learners in grade 3, 6 and 9 must achieve 50 per cent or more in the annual national assessments in literacy, maths and science.</li> <li>Between 80-90 per cent of learners should complete 12 years of schooling and or vocational education with at least 80 per cent successfully passing the exit exams.</li> <li>Increase the number of students eligible to study towards maths and science based degree to 450 000 by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>The interest of all stakeholders should be aligned to support the common goal of achieving the educational outcomes that are responsive to community needs and economic development.</li> <li>Educational institutions should be provided with the capacity to implement policy. Where capacity is lacking, this should be addressed as an urgent priority.</li> <li>Teachers should be recognized for their efforts and professionalism. Teaching should be highly valued profession.</li> <li>Introduce incentive schemes linked to the annual national assessments to reward schools for consistent improvements</li> <li>Top performing schools in the public and private sectors must be recognized as national assets. They should be supported and not saddled with unnecessary burdens.</li> <li>Strengthen and expand Funza Lushaka and ensure that graduates of the programme are immediately absorbed into schools. It should not be left to graduates to find placements in schools.</li> </ul>	<ul style="list-style-type: none"> <li>Improve educator performance.</li> </ul>	<ul style="list-style-type: none"> <li>Intensify and expand school management and performance programmes to ensure effective and efficient teaching ethics and environment.</li> <li>Improve qualifications and performance of existing educators through bursaries, continuous professional development, mentoring and coaching focusing on mathematics and physical science.</li> <li>Implement a focused recruitment programme to attract suitable candidates for the education profession.</li> <li>Ensure that universities produce demand-driven qualified educators.</li> </ul>	<ul style="list-style-type: none"> <li>Implement a more effective teacher development programme and develop teacher competency.</li> <li>Increased accountability for performance in schools.</li> <li>Strengthen monitoring system and capacity of districts.</li> <li>Establish effective schools accountability linked to learner performance.</li> <li>Use an improved ANA for holding schools and district accountable.</li> <li>Establish functioning district offices that are able to support schools.</li> <li>Assess teachers' content knowledge in the subjects they teach.</li> <li>Absorb Funza Lushaka bursary holders into teaching posts.</li> <li>Replenishing the current stock of teachers.</li> <li>Change the process of appointing principals so that only competent individuals are appointed.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
	<ul style="list-style-type: none"> <li>• Investigate introducing professional certification. Newly qualified teachers would need to demonstrate certain competencies before they are employed in schools, and after that they would be offered preliminary or probationary certification, to be finalized based on demonstrated competence. The professional certification of all teachers would need to be renewed periodically.</li> <li>• Change the appointment process to ensure that competent individuals are attracted to become school principals.</li> <li>• Candidates should undergo a competency assessment to determine their suitability and identify the areas in which they would need development and support.</li> <li>• Eliminate union influence in promoting or appointing principals. The Department of Basic Education and provincial department of education must ensure that human resources management capacity is improved and recruitment undertaken correctly.</li> <li>• Implement an entry level qualification for principals.</li> </ul>			

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>Eradicate infrastructure backlogs and ensure that all schools meet the minimum standards by 2016.</li> </ul>	<ul style="list-style-type: none"> <li>The interest of all stakeholders should be aligned to support the common goal of achieving the educational outcomes that are responsive to community needs and economic development. <ul style="list-style-type: none"> <li>Educational institutions should be provided with the capacity to implement policy. Where capacity is lacking, this should be addressed as an urgent priority.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Promote an enabling environment to increase educational performance.</li> </ul>	<ul style="list-style-type: none"> <li>Expand and intensify: <ul style="list-style-type: none"> <li>School infrastructure programme (new schools and schools related facilities)</li> <li>Comprehensive school maintenance programme</li> <li>Rural/farm school development programme</li> <li>School nutrition programme</li> <li>Transport services</li> <li>Comprehensive wellness programme</li> <li>Libraries / mobile libraries</li> <li>No-school fee schools</li> </ul> </li> <li>Ensure provision of adequate and timeous learning materials and equipment.</li> </ul>	<ul style="list-style-type: none"> <li>Infrastructure complying with minimum standards and norms.</li> <li>Increase access to quality reading material.</li> </ul>
<ul style="list-style-type: none"> <li>Make early childhood development a top priority among the measures to improve the quality of education and long term prospects of future generations. Dedicated resources should be channelled towards ensuring that all children are well cared for from early age and receive appropriate emotional, cognitive and physical development stimulation.</li> <li>All children should have at least 2 years of pre-school education.</li> </ul>	<ul style="list-style-type: none"> <li>Design and implement a nutrition programme for pregnant women and young children, followed by a childhood development and care programme for all children under the age of 3.</li> <li>Increase state funding and support to ensure universal access to two years of early childhood development exposure before grade 1.</li> </ul>	<ul style="list-style-type: none"> <li>Promote flexible and specialised learning systems.</li> </ul>	<ul style="list-style-type: none"> <li>Institutionalise mother tongue education for foundation phase to address numeracy and literacy.</li> <li>Develop and implement a specialised programme for mathematics and physical science for targeted schools.</li> <li>Extend early childhood development programmes to as many pre-school children as possible.</li> <li>Promote and implement e-learning approaches and programmes.</li> <li>Reposition the system of special schools and schools of industry.</li> </ul>	<ul style="list-style-type: none"> <li>Set the qualifications of Grade R practitioners to NQF level 6.</li> <li>Ensure each learner attends Grade R and has access to grade R LTSM.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>Expand the college system with a focus on improving quality. Better quality will build confidence in the college sector and attract more learners.</li> <li>Provide 1 million learning opportunities through Community Education and Training Centres.</li> <li>Improve the throughput rate to 80 per cent by 2030.</li> <li>Produce 30 000 artisans per year.</li> </ul>	<ul style="list-style-type: none"> <li>Support the development of specialised programmes in universities focusing on training college lectures and provide funding for universities to conduct research on the vocational education sector.</li> <li>Build the capacity of FET institutions to become the preferred institutions for vocational education and training. Learners should be able to choose the vocational pathway before completing Grade 12. Expand the geographical spread of FET institutions.</li> <li>Build a strong relationship between the college sector and industry. SETAs have crucial role in building relationships between education institutions and the employers.</li> </ul>	<ul style="list-style-type: none"> <li>Create an environment and relationships in which post-school education institutions / training agencies respond to the educational and skills demands in line with growth and development needs.</li> </ul>	<ul style="list-style-type: none"> <li>Improve the ability of the intermediate sector (Nursing college, Agricultural college, FET colleges) to: <ul style="list-style-type: none"> <li>Improve post-Grade 12 vocational training quality and results</li> <li>increase work place experience</li> <li>Continuous vocational training.</li> </ul> </li> <li>Position the FET colleges to: <ul style="list-style-type: none"> <li>Provide Grade 10-12 vocational training</li> <li>Ensure bridging opportunities for non-qualified out-of-school youth.</li> </ul> </li> <li>Establish an operational, inclusive support system to foster collaboration between educational institutions, work places and the public sector.</li> </ul>	<ul style="list-style-type: none"> <li>Create a post-school system that provides a range of accessible alternatives for young and older people in all post- school institutions.</li> <li>Strengthen the governance and management of post school institutions.</li> <li>Encourage and support measures to improve access and success in post school institutions.</li> <li>Map out the information and knowledge needs of the system, to build on what is already taking place.</li> <li>Build capacity of college teaching staff, and develop effective professional development for lecturers, counsellors, administrators and mentors.</li> <li>Integrated work-based learning within the VCET system.</li> <li>Reform the skills development system to improve its relevance and alignment within the post school sector.</li> <li>Support carefully structured institutional-level programmes that provide opportunities for the Next Generation of academics.</li> <li>Manage a structured, well-supported systematic national programme of building a Next Generation of academics.</li> <li>Enhance innovation capacity.</li> </ul>

## Pillar 3: Improved Quality of Life

### Driver 7: Curb crime and streamline criminal justice performance

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is well resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice.</li> </ul>	<ul style="list-style-type: none"> <li>Mobilise youth for inner city safety to secure safe places and spaces for young people.</li> <li>The National Rural Safety Plan must be implemented in high risk areas involving all role-players and stakeholders.</li> <li>All schools should have learner safety plans.</li> </ul>	<ul style="list-style-type: none"> <li>Prevent and reduce contact crime, property and other serious crimes through more efficient police action.</li> </ul>	<ul style="list-style-type: none"> <li>Extend the implementation of the anti-rape strategy.</li> <li>Expand youth crime prevention and capacity building programmes.</li> <li>Enforce the Domestic Violence Act.</li> <li>Intensify and roll out victim empowerment programmes to all municipalities.</li> <li>Ensure sector policing at high contact crime police stations.</li> <li>Provide property-related protection.</li> </ul>	<ul style="list-style-type: none"> <li>Collect accurately assessed and timeously analysed information in order to have a meaningful impact on policing.</li> <li>Implement crime combating strategies/actions for serious and violent crime.</li> <li>Reduce repeat offending or recidivism.</li> <li>Implement social crime prevention strategy.</li> </ul>
<ul style="list-style-type: none"> <li>In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is well resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice.</li> </ul>	<ul style="list-style-type: none"> <li>Safety audits done in all communities focusing on crime and safety conditions of most vulnerable in the community.</li> <li>All schools should have learner safety plans.</li> <li>Increase community participation in crime prevention and safety initiatives.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance relationships between the SAPS and communities.</li> </ul>	<ul style="list-style-type: none"> <li>Intensify and expand the community policing forum programme.</li> <li>Improve consultation, communication and information services between communities and SAPS.</li> </ul>	<ul style="list-style-type: none"> <li>Promote community participation in crime prevention and safety initiatives.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is well resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice.</li> </ul>	<ul style="list-style-type: none"> <li>Demilitarise the police force and train all police personnel in professional police ethics and practice.</li> </ul>	<ul style="list-style-type: none"> <li>Improve the performance of the SAPS.</li> </ul>	<ul style="list-style-type: none"> <li>Improve administration and management through training, capacity building and performance management systems.</li> <li>Improve information and communication systems through the expansion of IS/ICT to end-users.</li> <li>Expand visible policing to enhance crime prevention.</li> <li>Improve detective services through improved forensic evidence, criminal record centres and crime intelligence.</li> <li>Improve and expand borderline security including the management thereof in collaboration with social partners.</li> <li>Establish specialised units in line with provincial needs.</li> <li>Expand the utilisation of reservists.</li> </ul>	<ul style="list-style-type: none"> <li>Implement crime prevention strategies/actions</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>In 2030 people living in South Africa feel safe and have no fear of crime. They feel safe at home, at school and at work, and enjoy an active community life free of fear. Women can walk freely in the street and the children can play safely outside. The police service is well resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence, and respect the rights of all to equality and justice.</li> </ul>	<ul style="list-style-type: none"> <li>A judiciary-led independent court administration must be developed.</li> <li>Compulsory community service must be extended to all graduates to enhance access to justice and provide opportunities for graduate lawyers.</li> </ul>	<ul style="list-style-type: none"> <li>Improve prosecutorial efficiency and the overall criminal justice processes.</li> </ul>	<ul style="list-style-type: none"> <li>Intensify programmes to improve court performance, court and case flow management, case backlogs and priority crime litigations.</li> <li>Prioritise and strengthen the operations of the National Prosecuting Authority.</li> <li>Improve whistle-blowing and witness protection programmes.</li> <li>Implement innovative and alternative ways of delivering justice through technology, witness preparation, specialised prosecution, community justice and public awareness.</li> <li>Seize criminal assets that are proceeds of crime or have been involved in the committing of an offence.</li> </ul>	



## Driver 8: Expand and maintain basic and road infrastructure

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest.</li> <li>The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW.</li> <li>At least 20 000MW of this capacity should come from renewable sources.</li> <li>Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water.</li> <li>Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating.</li> <li>Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital.</li> <li>A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres.</li> <li>Timely development of several new water schemes to supply urban and industrial centres.</li> <li>Create regional water and waste water utilities, and expand mandates of the existing water boards.</li> </ul>	<ul style="list-style-type: none"> <li>Maintain and upgrade basic infrastructure at local level.</li> </ul>	<ul style="list-style-type: none"> <li>Develop water, sanitation and electricity master plans for municipalities.</li> <li>Dedicate funding for maintenance of current infrastructure.</li> <li>Establish partnerships in selective municipalities for service delivery with regard to yellow fleet, waste management and water service delivery.</li> <li>Establish partnerships in all municipalities for electricity delivery.</li> </ul>	<ul style="list-style-type: none"> <li>Develop the Integrated Energy Plans</li> </ul>
<ul style="list-style-type: none"> <li>The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest.</li> <li>The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW.</li> </ul>	<ul style="list-style-type: none"> <li>Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating.</li> <li>Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply),</li> </ul>	<ul style="list-style-type: none"> <li>Provide new basic infrastructure at local level (water, sanitation and electricity).</li> </ul>	<ul style="list-style-type: none"> <li>Identify and facilitate the implementation of infrastructure by municipalities for development in the recognised growing municipal areas.</li> <li>Develop policies for private developers which</li> </ul>	<ul style="list-style-type: none"> <li>Establish formal structures to foster collaboration between government, Eskom, Transnet, Sasol, IPPs and the coal industry:</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• At least 20 000MW of this capacity should come from renewable sources.</li> <li>• Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water.</li> <li>• Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030.</li> </ul>	<p>resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital.</p> <ul style="list-style-type: none"> <li>• A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres.</li> <li>• Timely development of several new water schemes to supply urban and industrial centres.</li> <li>• Create regional water and waste water utilities, and expand mandates of the existing water boards.</li> </ul>		<p>will include incentives to encourage development.</p>	

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest.</li> <li>• The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW.</li> <li>• At least 20 000MW of this capacity should come from renewable sources.</li> <li>• Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water.</li> <li>• Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>• Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating.</li> <li>• Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital.</li> <li>• A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres.</li> <li>• Timely development of several new water schemes to supply urban and industrial centres.</li> <li>• Create regional water and waste water utilities, and expand mandates of the existing water boards.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide and upgrade Bulk Services.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure compliance of waste water treatment (new and upgraded) with the Green Drop standards in all towns and new developments.</li> <li>• Establish regional water and waste-water utilities to support municipalities</li> <li>• Ensure compliance of water treatment works and water storage, including bulk in towns with blue drop standards for new development areas.</li> </ul>	

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• The proportion of people with access to the electricity grid should rise to at least 90 percent by 2030, with non-grid options available for the rest.</li> <li>• The country would need an additional 29 000MW of electricity by 2030. About 10 900MW of existing capacity is to be retired, implying new build of more than 40 000MW.</li> <li>• At least 20 000MW of this capacity should come from renewable sources.</li> <li>• Ensure that all people have access to clean, potable water and that there is enough water for agriculture and industry, recognising the trade-offs in the use of water.</li> <li>• Reduce water demand in the urban areas to 15 percent below the business-as-usual scenario by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>• Move to less carbon-intensive electricity production through producing at least 20 000MW of renewable energy, increased hydro-imports from the region and increased demand-side measures, including solar water heating.</li> <li>• Ring-fence the electricity distribution businesses of the 12 largest municipalities (which account for 80 percent of supply), resolve maintenance and refurbishment backlogs and develop a financing plan, alongside investment in human capital.</li> <li>• A comprehensive management strategy including an investment programme for water resource development, bulk water resource development, bulk water supply and wastewater management for major centres.</li> <li>• Timely development of several new water schemes to supply urban and industrial centres.</li> <li>• Create regional water and waste water utilities, and expand mandates of the existing water boards.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement alternative sanitation, water and electricity infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Promote and facilitate solar water heating and arial / street lighting for energy saving.</li> <li>• Promote and facilitate alternative sanitation and water infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>•</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>Staff at all levels has the authority, experience, competence and support they need to do their jobs.</li> </ul>	<ul style="list-style-type: none"> <li>Establish a formal graduate recruitment scheme for the public service with provision for mentoring, training and reflection. Formulate long term skills development strategies for senior managers, technical professional and local government staff.</li> </ul>	<ul style="list-style-type: none"> <li>Improve technical capacity of local municipalities for sustainable local infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>Provide training on compliance, operations and maintenance in line with the terms of the relevant Act.</li> <li>Train management and administrative levels to ensure an understanding of the technical processes of service delivery.</li> <li>Roll out laboratories and consolidate capacity in existing laboratories to assist with water quality programme.</li> <li>Recruit, employ and retain qualified technical staff.</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>

## Driver 9: Facilitate sustainable human settlement

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<ul style="list-style-type: none"> <li>• Strong and efficient spatial planning system, well integrated across the spheres of government.</li> <li>• Upgrade all informal settlements on suitable, well located land by 2030.</li> <li>• More people living closer to their places of work.</li> <li>• More jobs in or close to dense, urban townships</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> <li>• Reform to the current planning system for improved coordination.</li> <li>• Provide incentive for citizen activity for local planning and development of spatial compacts.</li> <li>• Introduce mechanisms that would make land markets work more effectively for the poor and support rural and urban livelihoods.</li> </ul>	<ul style="list-style-type: none"> <li>• Accelerate and streamline township establishment processes and procedures to ensure sustainable settlement.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the quality of Spatial Development Frameworks to include master planning in areas of interest, town planning schemes, availability of services.</li> <li>• Establish private-public sector planning structures and processes to improve the quality of planning services.</li> <li>• Identify and acquire land parcels for integrated inclusive human settlement development in close proximity to employment opportunities.</li> <li>• Release surplus government land for human settlements.</li> <li>• Ensure law enforcement in the planning and property development environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement spatial development frameworks to address spatial inequities.</li> <li>• Fast track release of well-located land for housing and human settlements targeting poor households.</li> <li>• Include access to basic infrastructure and services in new development.</li> <li>• Address infrastructure and basic services backlog in existing settlements.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
			<ul style="list-style-type: none"> <li>• Curb and manage informal land invasion.</li> </ul>	
<ul style="list-style-type: none"> <li>• Strong and efficient spatial planning system, well integrated across the spheres of government.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide incentives for citizen activity for local planning and development of social compacts.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that municipalities, councillors, officials, the community at large and private sector role players are capacitated to accelerate sustainable human settlement development.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase awareness amongst officials, councillors and other social partners on the New Comprehensive Plan for Sustainable Human Settlements.</li> <li>• Improve basic town planning / engineering services at provincial level.</li> <li>• Educate communities with regard to housing rights, market values of their properties and planning and regulation.</li> <li>• Establish a province-wide housing construction agency to drive the provision of decent housing to optimise job-creation and local provincial procurement.</li> <li>• Improve the quality of contractors through</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement appropriate programmes to increase technical capacity</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
			<p>effective training programmes, grading and ranking of contractor performance and contractor registration with the National Home Building Regulatory Council.</p> <ul style="list-style-type: none"> <li>• Enhance opportunities for capacity building in town planning, project management, engineering, urban design and property management.</li> </ul>	
<ul style="list-style-type: none"> <li>• Upgrade all informal settlements on suitable, well located land by 2030.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct a comprehensive review of the grant and subsidy regime for housing with a view to ensure diversity in product and finance options that would allow for more household choice and greater spatial mix and flexibility. This</li> </ul>	<ul style="list-style-type: none"> <li>• Provide individual subsidies and housing opportunities to beneficiaries in accordance with various housing programmes.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the research and data collection at municipalities to ensure access to subsidies for low-income households.</li> <li>• Establish the provincial credit authority to improve a credit linked housing programme.</li> <li>• Establish, capacitate and monitor community resource organisations to facilitate the Enhanced</li> </ul>	



NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
	<p>should include a focused strategy on the housing gap market, involving banks, subsidies and employer housing schemes.</p>		<p>People's Housing Process</p> <ul style="list-style-type: none"> <li>• Improve regulatory policy and procedures including the establishment of a provincial social housing regulatory authority and institutions for Social Housing programmes and Community Residential Units housing programme.</li> <li>• Improve the functionality of the rental housing environment.</li> <li>• Speed up the decentralisation of the housing subsidy system through the demand database to local municipalities.</li> <li>• Facilitate an intervention programme amongst the farmers, farm workers, Departments of Agriculture and Human Settlement to improve the conceptualisation,</li> </ul>	

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
			understanding and implementation of the farm worker residence programme.	
<ul style="list-style-type: none"> <li>• Strong and efficient spatial planning system, well integrated across the spheres of government.</li> <li>• Upgrade all informal settlements on suitable, well located land by 2030.</li> <li>• More people living closer to their places of work.</li> <li>• More jobs in or close to dense, urban townships.</li> <li>• Better quality public transport.</li> <li>• Our vision is a society where opportunity is not determined by race or birth right; where citizens accept</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a strategy for densification of cities and resource allocation to promote better located housing and settlement.</li> <li>• Substantial investment to ensure safe, reliable and affordable public transport.</li> <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> </ul>	<ul style="list-style-type: none"> <li>• Promote and support integrated, inclusive, sustainable human settlement development.</li> </ul>	<ul style="list-style-type: none"> <li>• Expand the public-private partnership approach for sustainable human settlements.</li> <li>• Improve access to the Integrated, Residential Development Programme for basic infrastructure.</li> <li>• Promote socially integrated human settlements in order to support social cohesion.</li> <li>• Put emphasis on densification of new developments, to improve overall settlement efficiency and resource utilization.</li> <li>• Improve access to the basic social and economic amenities programme.</li> <li>• Facilitate the</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the supply of housing using different tenure types to ensure the diversity necessary for addressing different social, economic and cultural needs.</li> </ul>

NDP Objectives	NDP Actions	FSGDS Long term programmes	FSGDS Actions	Lejweleputswa and Masilonyana Actions
<p>that they have both rights and responsibilities. Most critically, we seek a united, prosperous, non-racial, non-sexist and democratic South Africa.</p>			<p>implementation of the communal land right programme.</p> <ul style="list-style-type: none"> <li>• Intensify the informal settlements upgrading programme.</li> <li>• Research and promote alternative building methods and material for eco-friendly environments.</li> </ul>	

## Lejweleputswa Growth and development strategies at a glance

1. Strengthening of the economy - Diversification of the economy from mining i.e. industrial and commercial based economy
2. Increase the multiplier effect of the economy
3. Develop the gold mining and jewellery business case as it supports the national beneficiation program and the jewellery industry in the district
4. Increase the focus on the information and financial services sector
5. Exploring markets for industries that have been wholly dependent on the mining sector
6. Convert labour force from unskilled workers to skilled workers
7. Develop strong business activity in the previously disadvantaged areas
8. Increase accessibility of business to local communities
9. Expanding the economic concentration throughout the district manufacturing, mining- Re-usage of existing mining infrastructure
10. Alternative development of mining land
11. Supporting innovation and by-products from Mining products
12. Support and Develop post mining economic strategies

## FACTORS IN DEVELOPMENTAL ANALYSIS

### Agriculture

A decade after the demise of apartheid, it appears that very little concrete improvement in rural people's livelihoods has taken place. Research confirms this by showing that rural people constitute over 70 percent of the poorest people in South Africa.

However, the post-apartheid government has been actively attempting to reverse the plight of the rural poor. Amongst several strategies employed by government to reduce poverty in rural areas are land-based development strategies, including agriculture.

Despite a lack of consensus on which of these land-based economic development strategies work best to eradicate poverty in rural South Africa, agriculture is generally accepted as a crucial element. However, the enthusiasm over the potential of agriculture to boost local economic development that is evident in policy circles is not necessarily matched by evidence from research conducted on this subject in rural areas.

The key research question underpinning this study, therefore, relates to the dichotomy of the government's enthusiasm for the role that agriculture can play in uplifting the economy of rural communal areas, on the one hand, and the evidence from research indicating its past and current poor performance, on the other hand.

The research question can further be captured in these two queries: (i) Other than reasons already known for the decline of agriculture in rural areas of South Africa (e.g. poor extension services, poor soils, lack markets, and so forth), what other fundamental reasons may be there for the poor performance of agricultural production in the communal areas of the of the previously white dominated areas such as Winburg (ii) What role, positive or negative, has government and its agencies played since 1994, in respect to agricultural development in communal areas? The aim of this strategy is to explore the role and the prospects of smallholder agriculture as local economic development in the Masilonyana towns.

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The strategy seeks to explore the role of agriculture in contributing to local economic development and the upliftment of the poor. A secondary aim is to explore the role that government and its agencies have played and could play in stimulating agricultural development in the area of Masilonyana. The study utilizes both qualitative and quantitative research methods, including observations, semi-structured interviews, a short survey, as well as extensive review of secondary literature.

The key conclusion emanating from this LED strategy and the study conducted is that the resources are a major limiting factor, that there are a number of socio-economic hindrances, and that the population of Masilonyana has outstripped the potential for agriculture as a key economic driver, with respect to commercial maize production. The study concludes that the double barrel approach of using agriculture for poverty reduction, on the one hand, and commercialization, on the other, is not working and cannot work under the current circumstances.

## **Development Model for Agriculture in Masilonyana**

Growth development can be maximised by promoting development along the entire value chain. Several agro-processing related cluster sectors such as meat processing from livestock and the production of clothing and textiles from non-edible animal products such as leather and wool.

Other clusters include the production of food products from grains, oil seeds and vegetables combined with the production of chemicals, plastics and animal feeds from the remains.

The purpose of a value chain analysis is to identify chain linkages that can be strengthened and identify possible gaps in the value chain. The value chain analysis was conducted for a selection of the key agricultural sub-sectors namely livestock, grains and oil seed.

### **Livestock value chain**

The most important role players are:

- Primary producers
- Marketing channels
- Markets and transport
- Providers of animal feed
- Abattoirs
- Leather tannery and wool processing
- Wholesale and retail outlets.



The above value chain players are used anywhere in the world, Masilonyana Local Municipality must close the following list of gaps to ensure growth in this value,

The majority of the production is focused on primary production. Primary products with limited value added are exported to be processed and refined outside of the Masilonyana Local Municipality only to be imported as final consumer products.

- Production of **value added products**, focus should be on the encouragement of the processing stages of the primary products as well as packaging, and marketing and exporting of these value added products.
- **Access to markets**, the road infrastructure in the Xhariep District is sufficient to form an effective distribution network, however more capacity is required in terms of logistic services and cooling facilities to effectively export produce from the local agricultural industry.
- The **availability of finance** to promote mechanization and produce high quality agricultural produce suitable for the export market.
- Promote the participation of **emerging farmers**.

### **Grain value chain**

The key role players in grain production are:

- Primary producers
- Input suppliers
- Storage facilities
- Milling and other processing industries
- Animal feed industry

The gaps identified in the Masilonyana Local Municipality grain value chain comprise the following:

- **Limited beneficiation or value addition** to primary grain produce is evident.
- **Domination of large scale commercial farming enterprises**, the portion of grain produced by emerging farmers is greatly overshadowed by the large scale production of commercial farmers.
- The majority of **inputs are imported**; especially chemicals such as pesticides and seeds required for agricultural production.

To expand the income of Masilonyana grain industry the inclusion of beneficiation processes are required to produce value added products. The involvement of emerging farmers should be strengthened to assure that the agricultural industry provides an income for the extended population of Masilonyana.

### **Oil seed value chain**

The key role players are:

- Input providers
- Primary producers
- Harvesters
- Milling industry
- Processing and Packaging
- Distribution
- Trades

### **Agricultural Development opportunities in Masilonyana**

<p>Expansion of existing agricultural produce with the application of:</p> <ol style="list-style-type: none"> <li>1. Advanced technologies</li> <li>2. Skills development</li> <li>3. Incorporation of effective production techniques</li> <li>4. Cost and production management</li> </ol>	<ul style="list-style-type: none"> <li>• Grains</li> <li>• Corn</li> <li>• Wheat</li> </ul> <p><b>Oilseeds</b></p> <ul style="list-style-type: none"> <li>• Sunflower</li> <li>• Peanuts</li> </ul> <p><b>Livestock</b></p> <ul style="list-style-type: none"> <li>• Cattle</li> <li>• Sheep</li> <li>• Pork</li> <li>• Poultry</li> </ul> <p><b>Fruit and Vegetables</b></p> <ul style="list-style-type: none"> <li>• Grapes</li> <li>• Potatoes</li> </ul>
<p>Potential new products</p>	<p>Expansion of current agricultural base to include:</p> <p><b>Oilseeds</b></p> <ul style="list-style-type: none"> <li>• Soy</li> </ul> <p><b>Fruit</b></p> <ul style="list-style-type: none"> <li>• Prickly Pear</li> </ul> <p><b>Livestock</b></p> <ul style="list-style-type: none"> <li>• Ostrich</li> <li>• Emoe</li> </ul>
<p>Aquaculture</p>	<p>Aquaculture practices to produce:</p> <ul style="list-style-type: none"> <li>• Fresh water fish such as trout, catfish and carp</li> <li>• Plankton (fish feed)</li> </ul>



	<ul style="list-style-type: none"> <li>• Manure rich water which can be utilised to fertilise crops at adjacent irrigation schemes.</li> </ul>
<p>Development of irrigation systems for intensive production</p>	<p>Vegetables</p> <ul style="list-style-type: none"> <li>• Pumpkin</li> <li>• Carrots (etc.)</li> </ul> <p>Niche Products</p> <ul style="list-style-type: none"> <li>• Olives</li> <li>• Mushrooms</li> <li>• Cut flowers</li> </ul>
<p>Value chain development and linkages with e.g. manufacturing industry.</p>	<p>Agro-processing, beneficiation and value addition to agricultural</p>



## **Manufacturing**

Masilonyana manufacturing opportunities exists mostly in mining by-products such as mine dumps, Gold dusts, these products can be used for Jewellery making and brick making projects

## **Technology**

Mechanisation processes enhance output frequency and capacity

Incorporate advanced sophisticated raw production material to produce high quality outputs.

Patents and the production of new production methods can be sourced from the nearby University of the Free State

## **Market Trends**

International high growth industries include personal health care, cosmetics, sophisticated pharmaceuticals.

The demand for natural products such as bio-degradable materials, natural supplements and herbal remedies and cosmetics have increased significantly.

## **Policy environment**

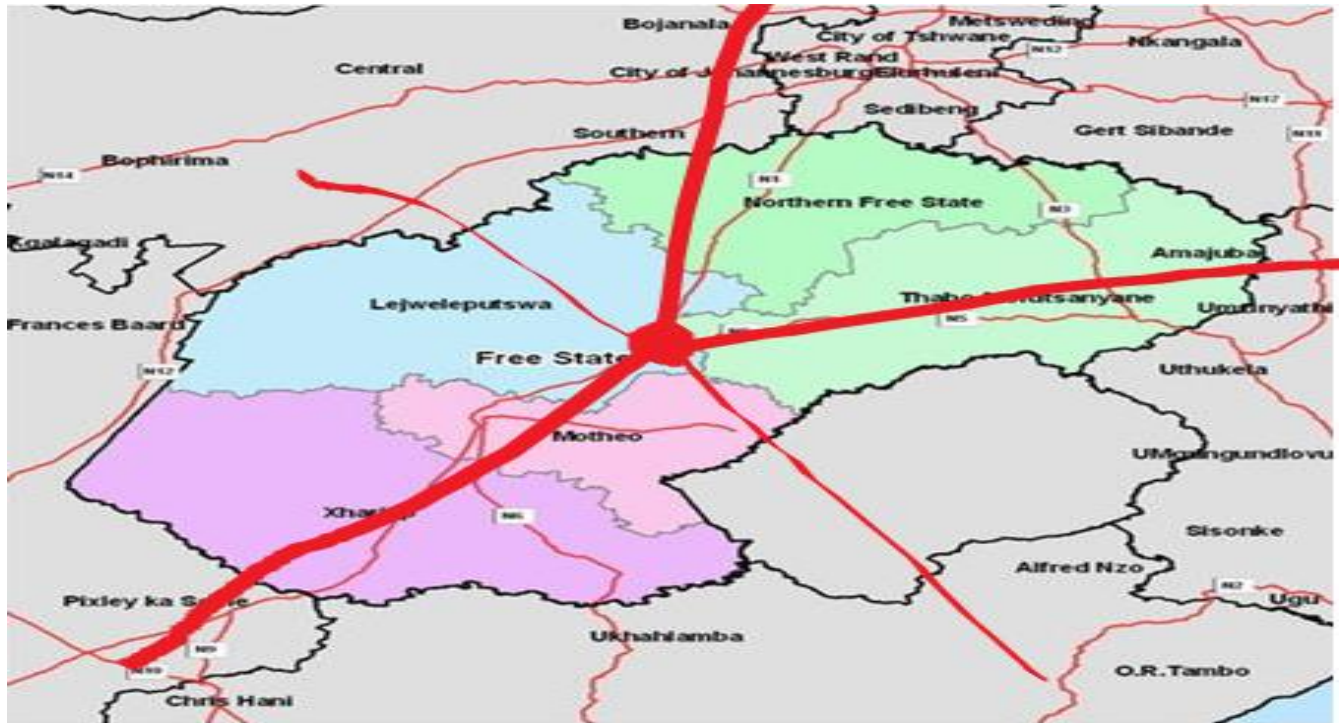
Integration with the regional industrial development programmes such as the National Industrial Policy Framework (NIPF) and the Industrial Policy Action Plan (IPAP) and other growth programmes such as ASGI-SA.

## **Development opportunities**

The method to effectively generate momentum for the manufacturing sector is to focus and build on the foundation of products currently evident in the region. Masilonyana LM is mainly focused on agriculture and Mining. For this reason the majority of manufacturing activities should be focused on the beneficiation of agricultural and mining produce. Thus mean that the following challenges must be addressed

- Agricultural Mechanisms to counter precarious weather conditions, and market conditions.
- Financial problems experienced by commercial farmers
- Job losses due to mechanization of most farmers
- Migration of farm workers to urban areas.
- Promote business supporting agriculture in smaller towns
- Improvement of irrigation scheme
- Promotion of bio-fuel industry
- Create linkages between the SMME development sectors through the following: promotion of urban agriculture; promotion of small scale farming, intensive farming;

## **Transport**



The transport sector in Masilonyana is relatively strong with a location quotient of 1.3 when compared to the Free State. The transport sector has experienced the second highest average annual growth in production (GDP) of approximately 5.9%.

## Factors in the analysis of potential

### Key economic linkages

- N1 national road.
- N5 national road.

### Cross-cutting sector linkages

- **Agriculture**, transportation of local agricultural produce.
- **Manufacturing**, transportation of local agro-processing and value added products.
- **Storage and Distribution**, storage and distribution of primary and secondary products produced outside the municipal area.
- **Tourism**, persons travelling from Gauteng to the Cape Town, Cape Town to Durban (stop and stay over tour )

## Enabling Environment

- **Transport infrastructure**, unavailability of sufficient transport infrastructure to link internal nodes.
- **Public transport**, limited public transport is available (approximately 43.7% of the population travel on foot daily to work and school).
- **Poor condition** of gravel roads, regular maintenance is required.

### Market trends

- Telecommunication technology is one of the fastest growing industries worldwide, including data transfer, the internet and cell phone technologies.

### Development Opportunities

<b>Upgrading of roads</b>	<b>Potential Projects</b>
Development of sufficient internal transport to assist the development of economic linkages between local industries	Upgrading of gravel roads
Utilisation of existing rail networks and stations	Existing rail networks for trade
Development of transport related industries and services along national roads. (N1, N5)	Storage facilities and warehouses. Distribution networks to and from the Cape Provinces, Kwa- Zulu Natal and Gauteng.

### Utilities and construction

The growth performance of the utility and construction sector usually correlates well with the growth in the economy as growth is dependent on growth demand, for utilities and construction.

The performance of the utilities and construction sector reflects the provision of infrastructure within the Municipality. The utility sector has grown on average at approximately 2.9% per year with the annual growth of the construction sector at approximately 0.4%. The location quotient of the utility and construction sector is relatively high at 1.1 and 1.2 respectively indicating that the municipality has the required potential economic mass to render development in this sector viable.

### Development potential

#### Economic growth

- The expansion of economic activities often results in additional demand for additional buildings or facilities to house economic activities and an increased demand for utilities for production purposes or to be utilised by residences and offices.

### **Availability of resources**

- Water scarcity
- Water quality is an important factor especially for human consumption and the production of food products.

### **Enabling environment**

- The provision of utility services and construction is extremely important factors in creating an enabling environment for economic development.
- Electricity and water shortages have negative influences on production and investment.

## **Mining**

The mining sector includes the extraction and beneficiation of minerals occurring naturally, including solids, liquids, crude petroleum and gasses. It also includes underground and surface mines quarries

### **Overview of Mining**

This mining sector in Masilonyana contributes significantly to the total GDP of the Lejweleputswa District; Mining activities are concentrated mainly on diamond mining and some other associated precious and semi-precious minerals.

## **Factors in the Analysis of Mining Potential**

### **Availability of extractable reserves**

The market value of minerals and subsequently profitability of mining activities is an enabling factor allowing further exploration and new projects.

### **Market Trends**

Increased value of minerals has positive implications for the mining industry. However the value of commodities such as gold is a fluctuating factor which indicates that the value of minerals such as diamonds could also fluctuate in accordance to market trends.

### **Economic linkages**

Economic linkages such as beneficiation from locally mined products such as manufacturing of jewellery and instruments. Currently very little beneficiation is evident from products extracted from local mines. Products are mostly exported out of the municipality to be processed elsewhere.

Technology is a key enabling factor influencing especially extraction costs, efficiency and the capacity. However initial capital expenditure on mining technology is very high which could severely influence the profitability of this sector

### **Policy alignment (Enabling environment)**

National strategic directives, such as the National Industrial Policy Framework (NIPF), ASGISA and the Industrial Policy Action Plan (IPAP) has a strong emphasis on the development of beneficiation on local mineral produce from the mining sector.

### **Development Opportunities**

The most prominent applications of valuable minerals such as diamonds are precious stones in jewellery; however diamonds have numerous industrial applications such which include uses in industrial tools such as grinding, polishing, cutting and abrasive tools as well as drill bits and tungsten welding instruments. Diamonds also have applications in sophisticated instruments such as tweeter membranes in high end loud speakers, phonograph needles, ultrasound abrading, cold electron emitters, x-ray windows, lithography masks and research instruments such as the diamond anvil cell. Other common uses of diamonds are to develop wear resistant components and coatings to lengthen the production-life of expensive instruments and parts.

<p><b>Mining Development Potential Processing and beneficiation of primary mineral products (diamonds)</b></p>	<p><b>Primary processing and beneficiation activities include:</b></p> <ul style="list-style-type: none"> <li>• Grading</li> <li>• Cutting</li> <li>• Bruting</li> <li>• Polishing</li> </ul> <p><b>Secondary processing activities:</b></p> <ul style="list-style-type: none"> <li>• Jewellery design and manufacturing</li> <li>• Manufacturing of parts for precision tools and instruments</li> </ul>
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## **IMPLEMENTATION GUIDELINES**

### **Purpose**

The purpose of this phase is to guide the implementation of LED projects in the Municipality. This document will serve as an LED manual for the LED unit.

In this phase projects identified in the potential analysis will be recapitulated followed by the public sector actions that are required to establish and maintain a favorable environment for economic growth. The end objective is to provide general guidelines for project implementation and will be provided by means of a projects matrix with variations for Masilonyana projects.

### **General Guidelines**

This sub-section is comprised of an overview of projects identified in the potential analysis phase of this project, distinguishing between private and public sector projects. The

remainder of the sub-section provides an overview of the process involved with the implementation of LED projects.

### Projects from Potential Analysis

The identified opportunities and gaps from the potential analysis phase are broken down into individual LED projects for the municipality as illustrated in Table 2.1 below indicating the project and a short description of the project. Please note that the Municipality is not directly responsible for the implementation of private sector projects but rather to provide assistance and ensure that the environment is conducive to production.

### Anchor Projects

SECTOR	PROJECT	LED PROJECT	POSSIBLE SOURCE OF FINDING	LOCATION	TIME FRAME
TRADE AND INDUSTRY	Whole sale/Tuck shop	HIGH	FDC NYDA COGTA SEFA	Verkeerdevlei Theunissen Brandfort Soutpan	Period of 12 months
	Funeral Poulor	HIGH	FDC NYDA COGTA	Verkeerdevlei Theunissen Brandfort	Period of 12 months
	SEWING	HIGH	FDC NYDA COGTA	Verkeerdevlei Theunissen Brandfort	Period of 6 months
	LAUNDRY/CLEANING SERVICES	HIGH	FDC NYDA COGTA	Verkeerdevlei Theunissen Brandfort	Period of 6 months
	1. Supply for health and Sanitary goods ( Non- Profit Project)	HIGH	FDC NYDA COGTA	Verkeerdevlei Theunissen Brandfort	Period of 3 months



SECTOR	PROJECT	LED POTENTIAL	POSSIBLE SOURCE OF FUNDING	LOCATION
<b>TOURISM</b>	Conference Facilities	H	Tourism & Economic Affairs, Lotto & DTI	
	Maintain Concentration Camps and the Historic Cemeteries	H	Tourism & Economic Affairs, Arts & Culture	
	Revitalize Dams	VH	Water Affairs & Agriculture	
	Upgrade Caravan Parks	H	Tourism & Economic Affairs	
	Establish Sports & Recreational Centres	VH	Sports & Lotto	
	Renovate Historical Buildings	H	Arts & Culture	
	Renovate Sporting Facilities, Golf Courses	H	Sports & Lotto	
<b>ARTS &amp; CRAFTS</b>	Establish Arts & Crafts Centre	H	Arts & Culture	
<b>AGRICULTURE</b>	Aquiculture	H	Agriculture & Rural Dev	
	Livestock Farming	VH	Agriculture & Rural Dev	
	Grain Farming	VH	Agriculture & Rural Dev	
<b>MINNING</b>				
	Gold	VH	Mineral & Energy	
<b>MANUFACTURING &amp; RETAIL</b>	Water Harvesting	VH	Water Affairs	
	Leathering	H	FDC	
	Toilet Paper	H	IDC& DTI	
	Shoe & Cloths Manufacturing		IDC & NEF	
	Shopping Complex	H	FDC & IDC	
	Abattoir	H	Agriculture & FDC	
<b>CONTRACTION</b>	Roads Construction	VH	MIG	
	SMME Hub	H	Own Funds	
	Rail Revitalization	H	Public Works	

	Towm Renewal	H	Public Works	
	Prioritize Emerging Contractors	H	Own Funds	
OTHER	Solar Hub	VH	Energy, Environmental Affairs & IDC	
	Waste Management	VH	Environmental Affairs	
	Recycling	VH	Environmental Affairs	
	Greening Projects	VH	Environmental Affairs	
	Taxi Ranks	H	Transport	
	Crime Prevention	VH	Police	



## **The Integrated Development Plans**

The IDP is a comprehensive plan for the development of the municipal area. The IDP is a statutory requirement in terms of the Municipal Systems Act of 2000, to guide integrated development planning across the municipality. In the process, municipalities are required to allow and encourage public participation. Local economic development is an important component of the IDP and the participatory process facilitates the building of consensus around the vision of local economic development in a municipal area. Moreover, there is also a strong relationship between the IDP, PGDS and Business Planning processes

It is important, therefore, that LED Strategies of municipalities are part of integrated planning to address development needs of a locality and as part of a municipality to manage the process of achieving its developmental responsibilities.

## **The Spatial Development Frameworks**

In terms of section 26(e) of the Municipal Systems Act of 2000 municipalities are required to compile Spatial Development Frameworks as a core component of Integrated Development Plans. In this regard, the SDF is a core component of a Municipality's economic, sectoral, spatial, social, institutional and environmental vision and thus it is a tool to achieve a desired spatial form of the Municipality. The municipal development interventions must be informed by its own as well as provincial spatial development profile and priorities, noting that the provincial spatial profile would also be aligned to the national spatial perspective. The LED strategy of a municipality must therefore be informed and also inform the municipal SDF.

## **The Local Economic Development Plan/ Strategies**

Section 26(c) of the MSA, 2000 provides for the need of the council to include in the IDP the council's development priorities and objectives for its elected term, including its local economic development aims. The LED Strategy is therefore one of the key strategies in the IDP intended to contribute to the development objectives of the council as envisaged in the Act.

There are a number of tasks and phases that are involved in the LED planning process. As a general rule, these tasks or phases are as follows<sup>9</sup>:

- *Data Gathering and Sector Analysis*: which involve determining an economic base, assessing current employment structure, evaluation employment needs, examining opportunities for and constraints on economic development, and examining institutional capacity;

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<sup>9</sup>Blakely (2002): Planning Local Economic Development – Theory and Practice.

- *Selecting a Local Economic Development Strategy:* which is about establishing goals and criteria, determining possible courses of action, and developing a targeted economic strategy;
- *Selecting Local Economic Development Projects:* which entails the identification of possible projects, and the assessment of projects' viability in terms of community, locational, commercial and implementation considerations;
- *Building Action Plans:* in terms of pre-assessing project outcomes, developing project inputs, establishing financial alternatives, and identifying project structures;
- *Specification of Project Details:* such as conducting feasibility studies, preparing business plans, and developing monitoring and evaluation programmes, and
- Overall Development Plan Preparation and Implementation Programme: comprising of project plan implementation schedule, an overall development programme, targeting and marketing of community assets and marketing financial needs.

It must, however, be noted that there is no one size fits all. Accordingly, the LED Strategies will be largely informed by what makes each locality teak. As an example, metropolitan municipalities and district municipalities will be different based on resource endowments that each type of municipality possesses. It is in this regard, that a differentiated approach must be adopted in the LED processes and support.

## **6.1 Sector Plans**

Sector plans are essentially the building blocks of a municipal Integrated Development Plan. Each municipal council must embark on an intensive process to identify sector plans that are relevant to their own situation in order to achieve its priorities and long-term objectives. In the process of drafting each sector plan, the municipality has to take into account various relevant stakeholders such as the community including private sector, relevant national and provincial departments.

Based on priorities and development objectives of the council, the typical Sector Plans that form part of the IDP include the following examples:

- Local economic development plan,
- Housing sector plan,
- Infrastructure and services,
- Integrated Transportation plan,
- Public safety plan,
- Disaster Management plan,
- Spatial development management plan / Spatial development framework,
- Financial sustainability plan,
- Environment management plan,
- Waste service management plan and so on.

It is important to note that the actual sector plans that form part of each municipality's IDP are informed by the priorities of the municipality.

## **THE LED FUNDING SUPPORT MECHANISMS**

The Funding and Financial Component for LED is intended to ensure that there is greater targeting of investments so that the currently fragmented sources of funding by different spheres of government achieve better coordination and enhance the potential for leveraging private sector and state-owned enterprise resources.

### **The Challenge of Funding LED**

The critical challenge that relate to the funding of LED could be explained as follows:

- There are many sources of funding LED, ranging from donor funding, the DBSA LED Fund and the Jobs Fund, national sector support from various government departments such as the Municipal Infrastructure Grant, the Neighbourhood Development Partnership Grant, Cities Support Programme, Expanded Public Works Incentive Grant, various incentives within the Department of Trade and Industry, local government own revenue and equitable share funds. Within this context, the argument that LED is an “unfunded mandate” does not hold water anymore. It is the government-wide coordination of access to these funding instruments that remains a major concern for LED.
- The other worrying factor in access to development finance - especially outside the more well-resourced environment of the metropolitan municipalities (some of which can access finance from commercial markets) - is that smaller municipalities frequently struggle to access available sources of funding due to their internal capacity constraints such as weak credit ratings, limited revenue base, and the competition of LED with other municipal priorities such as infrastructure, community development, health, public safety and others.
- The lack of awareness of available funding sources is worsened by the insufficient advocacy on available funding mechanisms, such as those through the dti, National Treasury, donor community and other development finance institutions such as the Development Bank of Southern Africa, National Empowerment Fund, the Industrial Development Corporation as well as other structures such as Provincial Development Agencies. However, a note has to be made that some government departments such as the dti have made serious attempts to address this challenge.
- Given the developmental capable state mandate, high unemployment, inequality and huge poverty, the issue of whether LED funding should take the form of direct grants, loans, be provided on a competitive bidding process, be channeled into single or multiple sources and how to ensure that there is effective participation of the private and community sectors in economic development are all considerations that government must confront and resolve.

## Funding Support for LED in South Africa

There are a number of funding sources for LED which include DFIs, national sector support from government departments, MIG, NDPG, donor funding, local government own revenue and the equitable share. In sourcing funds for LED, cognisance should be taken of the following potential sources of funds/finance:

**Table 1: Potential sources of LED Funding**

Sources of Funds/Finance	Motivation / Comments
Department of Trade and Industry Incentives <sup>10</sup>	These range from the broadening participation cluster, competitiveness investment cluster, manufacturing investment cluster, services investment cluster, and infrastructure investment cluster
Municipal Infrastructure Grant (MIG)	Provides support to municipalities to supply basic infrastructure development and improve service delivery.
National Treasury's Neighbourhood Development Partnership Grant (NDPG) and  The Cities Support Programme (CSP)	The NDPG was established in 2006 by National Treasury with the primary focus to stimulate and accelerate investment in poor, underserved residential neighbourhoods such as townships by providing technical assistance and grant financing for municipal projects that can leverage private sector investment in the project.  The CSP was established in 2012 to respond to the implementation support needs of cities in four critical areas of the built environment: governance and planning; human settlements management; public transport and climate resilience.
Development Finance Institutions (DFIs): Industrial Development Corporation, Development Bank of Southern Africa's Development Fund and Jobs Fund, Independent Development Trust, National Empowerment Fund, NDA, Public Investment Corporation Isibaya Fund	DFIs are set up by government and in the South African context are largely solely owned by government. Each DFI has a specific mandate and they are established to address market failures in making finance available for the development needs related to its mandate. They all need a business plan to consider financing a project.

Private Sector investors, including Venture Capitalists	These will invest in viable and feasible economic projects which are likely to offer a return on investment. Long term profitability of a business venture is critical in the investment decision. Venture capital funds normally provide not only loan finance but also take equity in the investment and take more active participation in running of a business venture.
Commercial financial institutions	These are in business of providing loan finance for investment in economic development projects and will charge an interest (cost of capital) on loan capital. They need a business plan to consider before taking a financing decision.
Donors (include official development assistance—ODA—and private foundations, Corporate Social Investment (CSI))	The Donor community such as the European Union, Japan, Germany, USA, UK, and other donor member countries, make funding available for development needs of targeted communities, in a form of technical advisors, project funding, and dedicated programme funds.  Private donors/foundations also target certain sectors that are in line with their prioritised areas of participation / activity.  CSIs funding has flourished as a result private sector firms wanting to comply with the triple bottom line (a call made in the King Code of Governance). CSIs may provide finance for economic development projects in some instances where there is a fit between projects and company objectives.
SMME funding	A number of financial support agencies exist and provide funding avenues through the various government programmes i.e. Small Enterprise Finance Agency, DTI informal business and chamber support, National Youth Development Agency, Provincial Development Banks and NGOs running micro-finance programmes are in place. Commercial banks and Venture Capital companies also provide another avenue for funding for SMME development.
Financial Sector Charter (FSC) Funds (Socially desirable investments)	The financial services sector approved an FSC towards the end of 2012 and in terms of this Charter, there is an opportunity to leverage funds that financial services sector players are willing to invest in socially desirable investments such as those presented in LED opportunities.
NDPW—EPWP	Funding of labour intensive projects to support employment creation and Vuk’uphile Contractor Development Programme to support labour intensive construction building methods.

## 7.1 New Funding Proposals

The provision of funding to Masilonyana Local Municipality needs to be supported by the broader objective of what the local economy is and how to ensure growth, job creation and poverty alleviation. Within this context and the challenges identified in respect of funding LED, serious consideration should be given to the following proposals by government:



## **Technical Assistance Fund:**

- *LED Knowledge management:* No funds are readily allocated for knowledge management within line budgets and other public funds. Institutional memory and lessons learnt in implementation need to be documented and packaged into information for sharing. The dedicated funds need to be used for this purpose.
- *Specialist capacity procurement:* There are many instances where projects have been delayed or abandoned because of a lack of funding to procure specialist capacity whose need was not anticipated during budgeting. Dedicated funds could come in handy in such situations.
- *Trouble shooting:* Unanticipated and unbudgeted for problems arise during implementation which need funding to be resolved within the project cycle particular in smaller and poor municipalities. Without dedicated funds, intervention is impossible leading to delays and sometimes cancellation of projects.
- *Project packaging and rapid business planning:* The need for rapid packaging of projects in the middle of budget cycle is not uncommon. The availability of dedicated funds can ensure that such opportunities are not missed such as the requests that come from the Jobs Funds, various Foundations, National Lottery and so on. Opportunities for capital funding usually present themselves with requirements for submission of business plan in the middle of a budget year. The availability of dedicated funds could rescue the situation and act as leverage for substantial amounts of capital funds.
- *Private sector mobilisation:* The need for mobilising private sector involvement and investment cannot be over emphasised. Dedicated funds at the discretion of LED officials need to be applied to finance the coordination of local partnership forums for that purpose. No immediately identified sources of funding for this purpose other than dedicated funds are obvious.

The dti's LED Mentorship Programme and National Treasury's NDPG could, perhaps, be used to address some of the elements of the proposed Technical Assistance Fund listed above.

## **Private and Parastatal Sector Involvement, and Effective Partnerships**

The role that the private sector and parastatal organisations could play in assisting LED has been extremely limited. This is partly due to the fact that no inventory of available private and parastatal funds for the LED programme exists, in addition to limited capacity to engage in marketing projects to the private sector, and restricted capacity to engage and make deals with these external organisations.

Investment incentives for the private sector and parastatal organisations have not to date been explicitly stated, and failure to do so can result in significant opportunity losses. Public budgets are also seldom structured to leverage private investment, to the detriment of LED. Therefore, encouraging institutional partnerships with the private sector and parastatal organisations in the support and implementation of LED is important. The central focus should be on creating an environment for private sector investment through appropriate public sector investment. That is, parastatals to crowd in the private sector through their investment in infrastructure.

The private sector is a key partner and driver of economic development and is central to future activity in LED. Government should consider the private sector an equal partner in this field. The building of trust and partnerships with the private sector offers a critical resource for funding LED. Interfacing with the private sector should start at the local level and cascade up. Traditionally, it has been the other way around with high level interaction but less communication at the local level.

## **THE ORGANISATIONAL AND INSTITUTIONAL ARRANGEMENTS**

There is a plethora of government and non-governmental organisations which are active in LED. Compounding this is a lack of clear definitions of roles and responsibilities with respect to LED. This includes the definition of roles between district and local municipalities and between the strategic and implementation aspects of LED. There are often misunderstandings between government and other role players in LED across all spheres. These role players include business, community groupings and non-governmental organisations. It is in this context that an Organisational and Institutional Component is providing suggestions on the roles of various spheres of government and non-governmental in LED.

### **Current Institutional Landscape**

## **Inset organogram**

## THE MONITORING AND EVALUATION SUPPORT FOR LED

The core components of the National Framework for LED that will need to be monitored and evaluated to assess effectiveness of the implementation of the Framework can be summarised as follows:

- The LED Policy Component;
- The Planning and Strategy Component;
- Funding and Financial Component;
- Organisational and Institutional Component; and
- Human Resources and Capacity Development Component.

The point needs to be made here that this section deals with the monitoring and evaluation of the National Framework for Local Economic Development as opposed to the monitoring and evaluation of LED Strategy that is implemented by a municipality. The objective is to assess the extent to which the municipalities are conducting formulation and implementation of their strategies in line with this National Framework for Local Economic Development.

### 10.1 Broad Monitoring and Evaluation Indicators

To enable monitoring and evaluation of the implementation of the National Framework, it is important that indicators for each core component of the Framework are identified and agreed by all role-players.

**M&E Indicators for National Framework<sup>11</sup>**

Framework Component	Broad Indicators
1) LED Policy Component	<ul style="list-style-type: none"> <li>▪ Alignment of LED Strategy with National Economic Development imperatives</li> <li>▪ The extent to which pillars and drivers of the LED Strategy are in line with the local economy (allow for differentiated approach)</li> <li>▪ Extent of relevance of prioritised sectors to the local economy</li> </ul>
2) Planning and Strategy	<ul style="list-style-type: none"> <li>▪ Alignment of LED Strategy with National, Provincial and other Local Sector Plans</li> <li>▪ Soundness of project plans</li> <li>▪ Use of Monitoring and Evaluation Instruments on LED Strategy</li> </ul>

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3) Funding support	<ul style="list-style-type: none"> <li>▪ Success of LED projects to source funding from government—local, provincial and national Departments.</li> <li>▪ Private sector entrepreneurs investment in LED projects</li> <li>▪ Private financial institutions financing of LED projects</li> <li>▪ Development Finance Institutions funding/financing of LED projects</li> </ul>
4) Organisational and Institutional Arrangements	<ul style="list-style-type: none"> <li>▪ Nature of support received from government: <ul style="list-style-type: none"> <li>○ National role-players</li> <li>○ Provincial role-players</li> <li>○ Local role-players</li> </ul> </li> <li>▪ Nature of support from non-government role-players such as: <ul style="list-style-type: none"> <li>○ Private sector (Business Chambers or Industry organisations)</li> <li>○ Civil society organisations</li> </ul> </li> </ul>
5) Capacity building	<ul style="list-style-type: none"> <li>▪ Involvement of academic and training institutions in LED Training Programmes</li> <li>▪ Quality and impact of LED training programmes</li> <li>▪ Communication programme for LED Programme established and the extent of its implementation nationally</li> <li>▪ Learning networks formed in all provinces</li> <li>▪ Operations Guide completed and widely used by practitioners</li> <li>▪ Coaching and Mentoring Programme established and implemented</li> <li>▪ LED Retention Strategy for LED practitioners completed and implemented</li> </ul>

The broad indicators proposed above will need to be fine-tuned and further unpacked in detail in the National LED Strategy so that indicators that can allow for inter-municipal comparisons can be identified. Care will need to be made so that when inter-municipal is made, comparison is made between municipalities that are comparable as the LED Framework and LED Strategy must allow for a differentiated approach in local economic development, based on local economic assessment and capacity to manage LED process within the municipality and participation of the private sector and other role-players.

## IMPLEMENTATION PROGRAMME

The implementation of LED is largely driven and facilitated at local government level. However, strong support, coordination and instruments design are mainly the competence of the national government sphere, with some roles also shared with the provincial sphere. In this respect, a high level programme of action (PoA) is presented hereunder as part of pulling together policy proposals contained in this Framework document; and in the process facilitate quick-wins in the implementation of the National Framework.

### a) LED Strategy Development & Approval Processes

The table below will seek to demonstrate the implementation plan for all LED strategies and projects

Key Performance Area	The Process Activity	Timeline	Key Players