



enterprise ilembe
ECONOMIC DEVELOPMENT AGENCY

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CEO



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PRESIDENTIAL IMBIZO WORKSHOP,
2005/6



ILEMBE GROWTH AND
DEVELOPMENT SUMMIT, 2007



REVISED AND INTEGRATED LED
STRATEGY



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REVISED INTEGRATED DISTRICT LED

GEOGRAPHICAL BASIS

- Mandeni LED
- KwaDukuza LED
- Ndwedwe LED
- Maphumulo LED

SECTOR BASIS:

- Agriculture
- Tourism
- Manufacturing
- Services



INTEGRATED DISTRICT LED STRATEGY

EI BUSINESS STRATEGY





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***THE BIRTH..... STORY & FINALLY, the
BUSINESS.....***



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COMMUNITY SOCIAL FACILITATION



Vision

*To make iLembe District the Investment
Destination of Choice*



Mission



- ***To enable iLembe District Municipality to create a conducive environment for economic development by:***
 - By driving Socio Economic Development
 - Providing specific technical support to IDM LM's as appropriate.
 - Becoming self sustainable within three years

Our motto....

“Driving development through private sector efficiencies, with a government heart.”







NDWEDWE MUNICIPALITY



MAPHUMULO



KWADUKUZA





Roles and Responsibilities

Council / Leadership

- * Provide mandate for the project
- * Facilitate funding
- * Identify stakeholders
- * Allocate appropriate resources
- * Identify suitable land
- * Assist in establishing co-op/structure
- * Monitor, Evaluate, Support

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- * Identify sites from mandate of Council
- * Facilitate set-up of cooperatives
- * Manage the project and provide technical and professional skills
- * Assist cooperative to raise finance for the project
- * Facilitate business partners to project

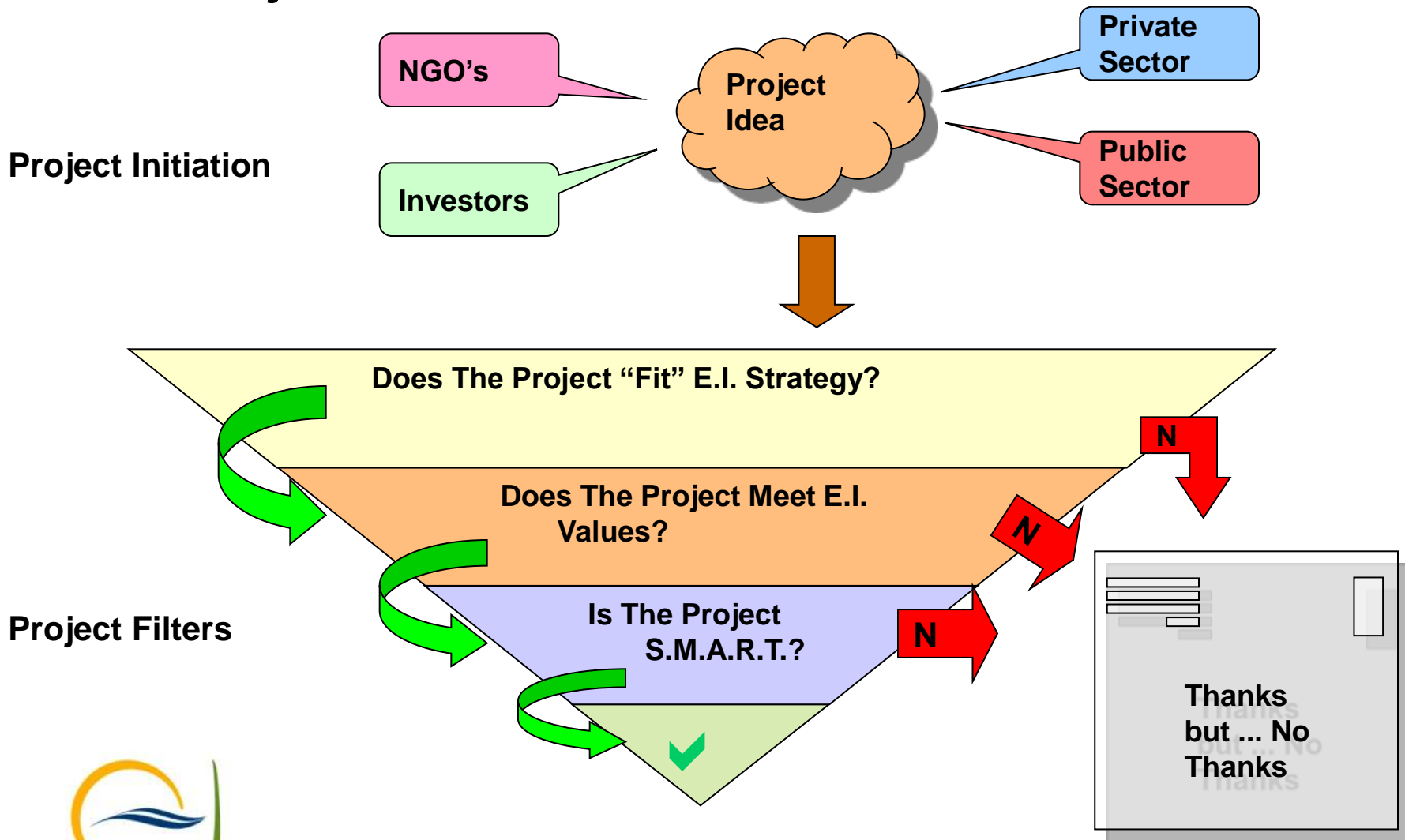
Community / Co-operative

- * Facilitate community support for project
- * Establish co-op or community trust
- * Provide human resources and land.
- * Actual operations (e.g. planting) – skills development plan
- * Facilitate community participation

Private sector partners

- * Commit to long-term partnership for broad-based empowerment
- * Bring in specialist skills and market
- * Provide technical management but with skills-transfer plan
- * Provide further funding for operations
- * Help community with planning for new value-adding business

Project Initiation & Qualification



Stakeholders/Partners

Current

- ILembe District Municipality (**IDM**)
- Provincial Dept Co operative Governance & Traditional Affairs (**COGTA**)
- Provincial Dept of Economic Development & Tourism (**DEDT**)
- Industrial Development Corporation (**IDC**)



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Stakeholders/Partners

Current

- I Lembe Chamber of Commerce, Industry & Tourism (**ICCIT**)
- Trade & Investment KZN (**TIKZN**)
- Tourism KZN (**TKZN**)



Negotiations Stakeholders/Partners



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- Small Business development Agency (**SEDA**)
- Provincial Dept of Agriculture
- KwaZulu Natal Growth Fund (**KZNGF**)
- iThala
- Provincial Dept of Rural Development & Land Affairs (**DRDLA**)



Current funding models

- Provincial Dept Co-operative Governance & Traditional Affairs (**COGTA**)
- iLembe District Municipality (**IDM**)
- Provincial Dept of Economic Development & Tourism (**DEDT**)
- Industrial Development Corporation (**IDC**)
- **DBSA, Ithala, SEDA**
- **Private Sector/Technical Partners**

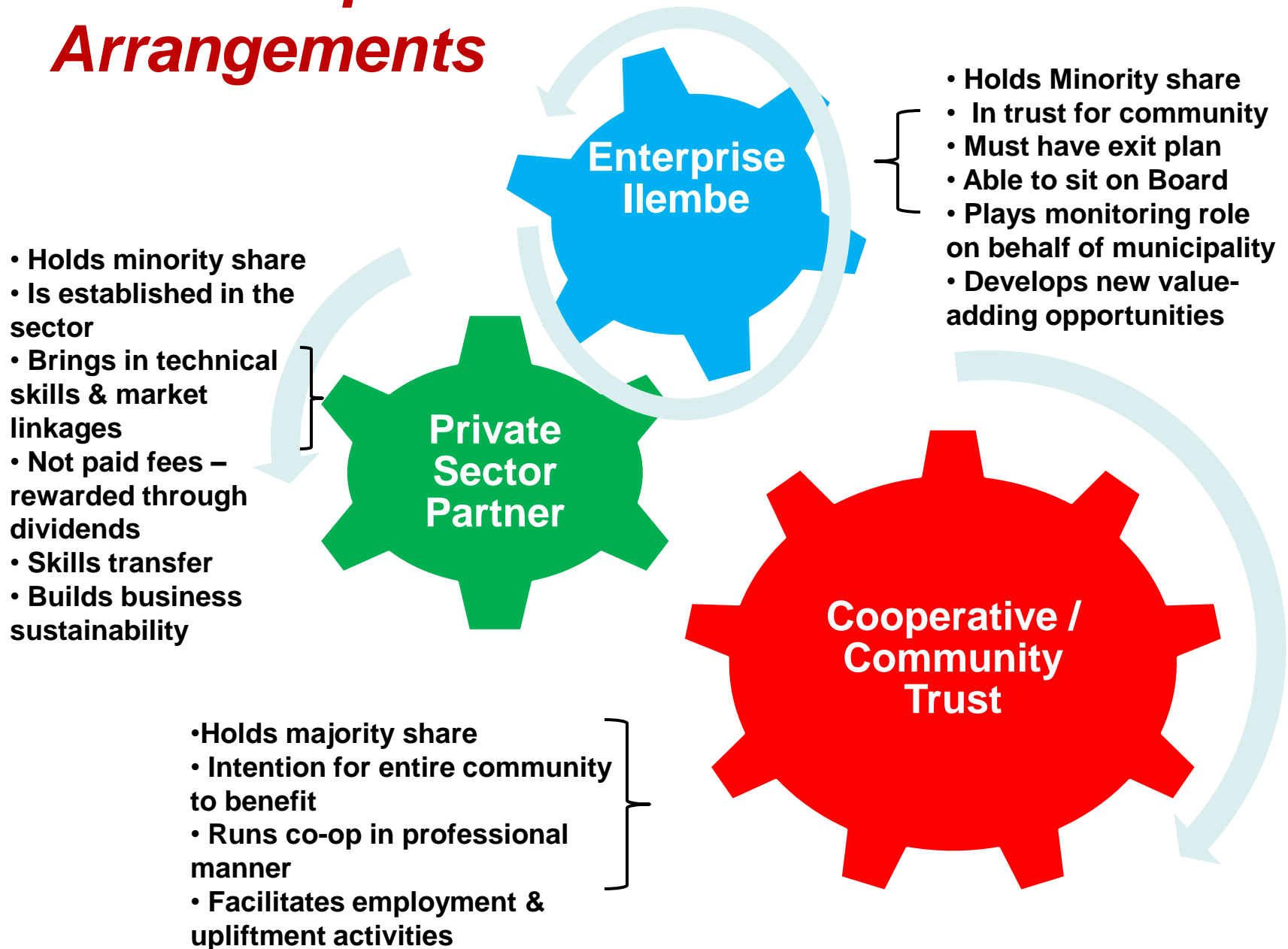


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Ownership and Institutional Arrangements



LED is about Business Retention & Investment Attraction



RESEARCH of LED

- ❑ The current socio-economic situation in iLembe; review initiatives undertaken in the District
- ❑ Review the District's LED progress in comparison the national & provincial progress;
- ❑ Assess the performance of each Local Municipality;
- ❑ Job creation, skills development and a movement from the 2nd – 1st economy.



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RELATIVE PROGRESS

□ GDP GROWTH

	2006	2007	2008	2009	Q1 2010	Q2 2010	Q3 2010
South Africa	6.2%	5.3%	2.2%	-1.5%	4.6%	2.8%	2.6%
Kwazulu-Natal	6.0%	5.5%	3.9%	-2.2%	2.5%	2.5%	2.5%
iLembe	6.4%	7.0%	3.8%	-2.1%	2.4%	2.4%	2.4%

iLembe district has performed above the provincial and national average from 2006-2007



RELATIVE PROGRESS

□ GDP GROWTH

- In 2008, when the recession started, IDM was still relatively sheltered with GDP growth around 3.8%.
- Recession took full effect in 2009, iLembe (along with the provincial and national economies) experienced negative GDP growth
- It was estimated that IDM will recover in 2010 with an average annual real GDP growth rate of approximately 2.4%, with this figure being around 2.5% for the province



DEVELOPMENT PROJECTS

□ **Successes to date**

- Projects created temporary & full time employment
- Created *skills & knowledge transfers (through new technology, irrigation techniques, etc);*
- *Formation of a number of co-operatives, who have received, & will continue to receive training;*
 - *128 people from 28 co-ops have been trained in business skills*
 - *8 craft co-ops have been trained in management & marketing*
 - *500 people received training in construction*
 - *500 people received learnerships*
- *Many of the projects have set up linkages between the 2nd and 1st economy by providing access to formal markets*



PROCUREMENT & CONCERNS

- Less than 15% of the contractors who were awarded government tenders were from the iLembe area
- Majority of contractors from Durban, offering professional services, indicating that there is a lack of skilled professional firms within the region.
- 52% of contractors had HDI status, while over 51% of the companies had a 100% HDI status
- 36% of companies had woman ownership, with only two companies consisting of 100% women ownership
- These figures do not necessarily indicate newly establish businesses, more work needs to be done to empower new HDI entrepreneurs
- Transfer of skills/capacity building in SMME's (useful/updated SMME's or database)



SUCSESSES

- Establishment of **Enterprise iLembe**
- Strengthening of the **iLembe & North Coast brand**
- Implementation of the **Agri – hubs, Broadband, Vineyards & KZN Integrated Craft Hub, iLembe Open Farms**
- Development of the **Sangweni Tourism Centre**
- Facilitation & support of **property development** along the N2 corridor
- Promotion of the region through events i.e. **Mr Price Pro, Prawn & Jazz Festival**



NEW EI FUNDED PROJECTS : 2010/11/12

NAME OF PROJECT	MUNICIPALITY	PROJECT BUDGET	% COMPLETION
Agri-Hubs : Phase 2 (+4 tunnels)	Ilembe	R6m	10%
Ilembe Biodiesel – Phase 2 (Moringa Plantations)	Ilembe	R3.5m	10%
Ilembe Vineyards – Phase 2 (Building of Winery)	Ilembe	R5m	10%
Nonoti Resort Feasibility	Ilembe	R0.4m	20%
Mambulu Titanium Feasibility	Ilembe	R0.7m	40%
Ilembe Blueberries Pilot Project	Ilembe	R1m	10%
Ilembe Nursery	Ilembe	R1.3m	10%
Ilembe Broadband Phase 2	Ilembe	-	0%

EI PIPELINE PROJECTS

NAME OF PROJECT	MUNICIPALITY	APPROX PROJECT BUDGET
Floriculture Project	Ilembe	R 6m
Conloo Project	Ilembe	R 3,5m
Provincial Disaster Management Centre	Ilembe	R 2,5m
Greenlands New Town Development/ Ballito ICC	Ilembe	R 800m
Blythedale Tented Camp	Ilembe	R 7m
Aquaculture project	Ilembe	R150m

CHALLENGES

- Increasing ‘non-economically active’ population
- Access to finance for SMME’s
- Access to education & skills development training
- Lack of co-ordination between district & local municipalities
- Skills migration
- Capacity constraints within IDM & Localities
- Lack of tertiary education facilities
- “REAL “capitalising from the King Shaka Heritage Route
- Slow pace of rural development



OPPORTUNITIES

- ❑ Infrastructure & logistics
- ❑ Supply chain with linkages to local SMME's
- ❑ Support to LED for the DM & LM's
- ❑ Establishment of educational facilities (schools and a university)
- ❑ Establishment niche tourism facilities
- ❑ Establishment ICT infrastructure
- ❑ Establishment/support to sanitation programme
- ❑ Establishment/support to alternate water solutions
- ❑ Diversify high-value, low-mass niche agric products for export



CONCLUSION

Enterprise ILembe's Plans :

1. Nurture new ideas which have commercial potential AND have high impact potential : poverty alleviation, jobs, empowerment
2. Build partnerships between public sector support institutions and private sector players
3. Effective finance facilitator for economic development projects
4. Build a strong **BUSINESS** that assists in bridging gap between 1st & 2nd economies through catalytic & high-impact projects.

THANK YOU



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