

Local Government Capacity | LGCP Programme

Building Municipal Capacity for Local Economic Development

Significant Change Stories from Municipalities involved in the Local
Government Capacity Programme South Africa



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Preface

VNG International, the international cooperation agency of the Netherlands Association of Municipalities, has been strengthening local governments and their associations for over twenty years. In 2012, VNG International launched its new flagship programme in ten countries called the Local Government Capacity Programme (LGCP). Given the long-standing relationships between the Netherlands and South Africa, as well as the existing partnerships between South African and Dutch municipalities, South Africa was a self-evident partner country within the programme. LGCP South Africa sought to support 12 municipalities within their mandate to cultivate a favourable environment for Local Economic Development (LED) and facilitate inclusive economic growth. This ensued through the provision and facilitation of workshops, training, coaching, benchmarks, technical assistance and peer-to-peer learning. The Centre for Municipal Research and Advice (CMRA), the Department of Cooperative Governance and Traditional Affairs (COGTA), the South Africa Local Government Association (SALGA) and the Dutch municipalities involved in the programme have been key partners in the implementation of LGCP South Africa.

In December 2016, we celebrate the closure of the Local Government Capacity Programme. We look back at five fulfilling years in which much has been achieved and notable change has been realised. This booklet captures some of the most significant change stories brought about by this programme without using predetermined indicators or measures. Instead these are stories shared by colleagues. This booklet contains stories from the municipalities of Dr Beyers Naudé, Ekurhuleni, Emalahleni, Emfuleni, Govan Mbeki, Langeberg, Naledi, Oudtshoorn and Saldanha Bay. We would like to thank all LGCP colleagues for their contributions!

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List of abbreviations

ASM	Anti- Silo Movement
CBD	Central Business District
CIB	Capacity and Institution Building
CLD	Central Living District
CMRA	Centre for Municipal Research and Advice
COGTA	Department of Cooperative Governance and Traditional Affairs
IDP	Integrated Development Plan
LED	Local Economic Development
LIFE	Langeberg Investment Forum Enterprise
LGCP	Local Government Capacity Programme
PPP	Public- Private Partnership
RDP	Reconstruction and Development Programme
SALGA	South Africa Local Government Association
SMMEs	Small, Medium and Micro-sized Enterprises
UCLG	United Cities and Local Governments

Introduction

Local economic development (LED) is a means to empower local governments to use the resources available, as to promote inclusive economic growth at a local level. Attracting businesses, exploiting local comparative advantages and stimulating the local economy to grow are key within this mandate, but should not overshadow the promotion of public participation, inclusion, local dialogue or the environment. As such, it should be seen as an instrument to improve the resiliency and quality of life for local communities.¹

National governments tend to opt for national approaches to enhance economic development, even though economic activity is shaped by the numerous people and businesses contributing and serving their local communities. The added value of local governments in this field is incrementally being acknowledged by different layers of government. As such, LED is receiving more and more attention. Its popularity is furthermore accelerated by the worldwide trend of decentralising governance.

Within the current framework, the national government coordinates policies and investment programmes, provincial governments in turn link national funding to integrated development plans and provide support to local governments, and finally, municipalities are in charge of cultivating a favourable environment for the local economy to prosper.²

Although it is unthinkable for municipalities to adopt a one-size-fits-all approach to LED, a certain trend can be identified. Generally, smaller and rural municipalities emphasise pro- poor LED, poverty alleviation and small scale projects; bigger and urban municipalities tend to target pro- growth intervention; and metropolitan municipalities focus on enhancing competitiveness and attracting large scale investments.³

Whatever the type, municipalities are quite new in assuming these roles and as such face considerable challenges. In the past five years, LGCP South Africa has supported 12 municipalities in translating their LED mandate to local realities and actions. Along the way, all parties involved gained a greater understanding of LED, but also encountered the inherent difficulties related to the mandate. Economic development is the sum of countless factors originating from businesses, citizens, civil society and all spheres of government. Local governments play a key role in bringing these actors together and facilitating participation in the local economy.

To mark the closure of LGCP South Africa in December 2016, the programme's team has assembled stories of nine local governments actively promoting inclusive economic growth in their communities through the programme.



¹ International Labour Organisation - Local Economic Development

² South African LED Network - LED in South Africa

³ South African LED Network - LED in South Africa

1 *Dr Beyers Naudé Local Municipality*

Dr Beyers Naudé Local Municipality is located in the Eastern Cape Province, encompasses almost 29,000 square kilometres and hosts nearly 80,000 people. The municipality was renamed to Dr Beyers Naudé after the local elections of August 2016. The new municipality consists of Baviaans Local Municipality, Ikwezi Local Municipality and Camdeboo Municipality. The latter has been an active partner in LGCP South Africa. Dr Beyers Naudé is located in the heart of the Karoo semi-desert area and is a significant market for agricultural produce, particularly ostrich, poultry, crops and red meat. Tourism is also an important contributor to its economy. The municipality houses the architectural heritage of Graaff- Reinet– South Africa’s fourth oldest town, enclosed by the popular tourist attractions of Camdeboo National Park and the Valley of Desolation. The story below is based on an interview with Ivor Berrington, Director of Technical Services at Dr Beyers Naudé Local Municipality.



A blooming neighbourhood through participatory processes

The most significant change attributable to LGCP has been the establishment of Umnyama Park. Faced by a backlog of approximately 5,000 houses for lower- income households, Camdeboo required creativity in terms of finding social housing solutions. Through its partnership with the Dutch Municipality of Winterswijk and the Rotterdam-based urban planning agency We Love the City, Camdeboo was able to design a fascinating new neighbourhood.

By means of a participatory process, involving 60 prospective tenants, a social housing institution, the Eastern Cape Province and some community-based organisations, ideas were generated for a new neighbourhood. Stakeholders were involved in virtually every aspect of this project. As a result, a significant amount of land was allocated for shopping, business and community purposes, ensuring an economically viable neighbourhood. The option of self- built lots was also made available. Being one of South Africa’s oldest towns, it also bears the scars of the country’s history. As such, the neighbourhood will occupy a vacant strip of land separating the town’s centre and the surrounding townships. Participants indicated to prefer a neighbourhood of mixed ethnicities and incomes. Naturally, the name of Umnyama Park was coined, as it means Rainbow Park in isiXhosa and symbolises a diverse but integrated community which bridges divisions of the past.



Participatory Planning of Umnyama Park with prospective tenants



Mr. Robert Lautenbach

Municipality of Winterswijk

“Training the staff of Dr Beyers Naudé in participatory processes as to build a new community has been very rewarding. It was great to see the enthusiasm and involvement of the staff and local community to work together and make a collective difference.”

Through the inclusion of future tenants in the development process, the neighbourhood will deviate from standard South African layout plans, both in design, housing sizes and mix of land use to better accommodate the needs of its inhabitants. The participatory nature of developing this neighbourhood empowered those involved and strengthened confidence and (financial) commitment.

Because of its deviation from existing South African standards, harmonisation and dialogue needed to be sought with other institutional stakeholders within the different spheres of government. Supported by LGCP, South African and Dutch partners worked actively together to get the buy-in of all involved parties for this ambitious project. The end of LGCP will also mark the completion of this process; construction of the first 220 low & middle income rental homes is planned to start in 2017.

Camdeboo’s innovative approach of meeting the increasingly diverse housing needs of South Africa’s population has not gone unnoticed. In 2014, the municipality was rewarded with the LGCP Award in The Hague and one year later it was approached by the Metropolitan Municipality of Buffalo City to share knowledge. Faced with a growing number of inhabitants, Buffalo City aspires to deliver 10.000 new green homes to the city’s tenants. It looks at the Umnyama Park team for support on developing an inclusive approach in the realisation of this housing project. To facilitate the exchange between both municipalities, a partnership will be signed at the closing celebration of the LGCP.



Ms. Eve Chavalala receiving a scarf from Mr. Walid Abu Alhalawa, advisor to the Palestinian Minister for Local Government

Ms. Eve Chavalala

LED Project Manager, LGCP, based at the Centre for Municipal Research and Advice, South Africa

“LGCP taught me the importance of partnerships! The successful implementation of a programme is heavily reliant on the quality of partnerships among stakeholders and beneficiaries. It has been an absolute joy to witness how instrumental LGCP has been in facilitating such partnerships and exchanges of experience among municipalities and the private sector. This, combined with the country-to-country learning within LGCP, has resulted in the implementation of grand ideas that will positively transform several municipal spaces and their local economies. I have thoroughly enjoyed being a project manager for this programme!”

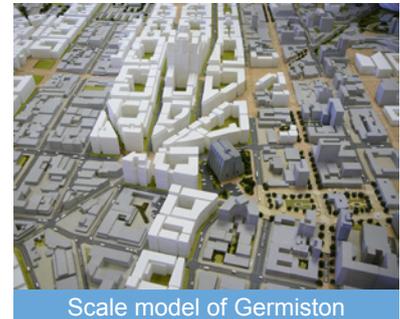
2 Ekurhuleni Metro Municipality

Ekurhuleni Metro Municipality is located in south-east of the Province of Gauteng, encompasses nearly 2,000 square kilometres and hosts about 3,2 million inhabitants. Due to its proximity to Johannesburg and the presence of OR Tambo International Airport, one of the continent's largest airports, manufacturing and aviation are important drivers of its economy. The stories below are based on both an interview with Ms. Eugenia Mwale, Divisional Head of Governance and Compliance at Ekurhuleni Metro Municipality, and the experiences of the Breda Municipality officials who helped to shape this partnership.



A partnership to break silos and build vibrant cities

To meet the needs and challenges of this dynamic municipality, Ekurhuleni built on their strong relationship with the Dutch Municipality of Breda. This partnership yielded significant results in the fields of social housing, urban renewal and LED. Some nice examples of this can be found in the town of Germiston. An urban renewal plan under the name of “Gear 2030” was developed for the town's centre, containing 15 billion Rand of investments to halt the degeneration of the Central Business District (CBD) and turn it into a vibrant Central Living District (CLD) with numerous job opportunities.



Scale model of Germiston

The first projects of Gear 2030 are under construction (the new theatre in the cultural precinct, reconstruction of offices in the civic precinct and housing projects along the central axes of the CBD), and plans are developed (a.o. an ambitious plan for the Germiston Station Area, the biggest railway hub in the southern hemisphere). In the broader Germiston region, plans were developed for 450 social housing units of which construction started in 2015. These houses were designed to meet the needs of the growing “gap market”, comprised of citizens who are not eligible for housing within the Reconstruction and Development Programme (RDP) and can also not afford the private market either.

In delivering these results, both municipalities noticed the limits of their own institutional structures: municipal officials were working mainly within their own departments even though the problems they were facing would transcend to the responsibilities of multiple departments. Officials were stuck in their departmental “silos” and encountered difficulties in linking up with other silos. To promote interdepartmental collaboration, the Ekurhuleni- Breda partnership launched the Anti-Silo Movement which rewards officials who manage to break through the municipal silos.

Ms. Barbara Seelt- De Boer & Mr. Hans Thoolen

Municipality of Breda

“Over the years, the ‘anti-silo movement’ became a well-known concept in the Ekurhuleni- Breda partnership. The ASM, as it was referred to, became the symbol of municipal departments working together in addressing shared challenges of Ekurhuleni. Since it also had to be little fun, an official anti- silo movement was established with its own champions. These champions received a hand-crafted pin for their collaborative efforts.”



Delegation of Ekurhuleni visiting the train station of Breda



Mr. Vilakazi and Mr. Thoolen

Logistical hubs sharing knowledge and supporting education

Both Ekurhuleni and Breda are regional logistical hubs; Ekurhuleni is positioned right at the centre of Johannesburg's manufacturing zone and houses the OR Tambo Airport while Breda is situated on the crossroads linking the harbours of Rotterdam and Antwerp to the rest of Europe. This similarity has led to various fruitful exchanges between both municipalities. In 2015, a delegation of Ekurhuleni and OR Tambo Airport visited the Schiphol Development Company, which is facilitated by Breda. Together they also collaborate on the development of an Aerotropolis: the transformation of OR Tambo Airport into an important economic hub, which could result in an additional 250.000 jobs for the region.

The partnership also spurred a collaboration with Breda University of Applied Sciences which provided scholarships to the 20 South African best performing students, who were selected through a competition involving assessments and interviews. The students are now enrolled for a four-year bachelor's programme in International Logistics and Economics or Logistics Engineering at Breda University. Upon graduation, they will be placed at logistics companies in Ekurhuleni for at least two years. The success of this pilot will determine whether a new batch of South African students will get this opportunity again.



Panel discussion on the Aerotropolis



Delegation of Ekurhuleni visiting the Schiphol Development Company



Delegation of Ekurhuleni visiting the Schiphol Development Company



The former Mayor of Ekurhuleni and the Mayor of Breda



Prime Minister of the Netherlands visits the Aerotropolis in Ekurhuleni

The partnership with Breda University also led to the establishment of the Ekurhuleni Centre of Excellence. The initiative was developed as Ekurhuleni does not have an institution for higher education, and establishing a university would take years through conventional regulations. Lecturers from Breda University and practitioners are to train South African lecturers on providing courses on logistics. When the centre is established, other areas of study, including marketing, entrepreneurship and enterprise development, will be included. Ekurhuleni expects that it will be popular as it provides for an alternative learning centre that employs low student fees. A feasibility study is still in progress, and as such, the particulars of the centre are still to be determined.

In addition, it has resulted in various spin-off projects, like the educational component as explained above. It is the intention of Ekurhuleni to remain engaged with Breda Municipality, as there is still room for more change. The outcome of this programme has exceeded the expectations of Ekurhuleni.

3 *Emalahleni Local Municipality*

Emalahleni Local Municipality is located in the east coast of the Eastern Cape Province, encompasses nearly 3,500 square kilometres and hosts about 120,000 inhabitants. Its name comes from the isiXhosa language and means “a place of coal”. It has a well- developed manufacturing base, especially the automobile sector. Community services and finance are important economic sectors as well. The story below is based on an interview with Mr. Nkululo Mntuyedwa, LED Officer at Emalahleni Local Municipality.



Increased capacity of and recognition for the LED department

A significant change that is attributable to LGCP occurred in the capacity of staff. Prior to Emalahleni’s involvement in the programme, Local Economic Development was an area lagging behind in comparison to other departments. As such, the municipality hired consultants to do the municipal work related to LED. Through active participation in LGCP workshops and peer-to-peer exchanges concerning public- private partnerships, red tape reduction, back to basics, LED strategies, mining and public participation, among others, the staff increased their expertise in these matters. As a result, the municipal staff is enabled to develop plans and to carry them out by themselves. In addition, through LGCP they feel free to call upon their counterparts in other municipalities, both in South Africa and in the Netherlands to seek for advice or when assistance is required. As such, the use of consultants has become minimal.

By applying what was learned, Emalahleni managed to identify potential growth areas within the municipality and to engage stakeholders to contribute to these plans. A first step for this was to formalise the business climate and to ensure that quality standards were adhered to, especially when it comes to small- scale mining. In order to do so, a community gathering will be organised in the near future which involves small- scale miners and municipal directorates. This initiative was inspired by the municipality’s participation in the mining workshop and got adapted to the situation in Emalahleni. Mr. Mntuyedwa is optimistic about this.

Other municipal departments now recognise, respect and appreciate the work done by the LED Department. This is important because LED plays a key role in much of the work done by other departments. Interdepartmental linkages and cooperation are now being further explored.



LGCP workshops on red- tape reduction, public- private partnerships and housing

Ms. Nomveliso Nyukwana

Mayor of Emalahleni

Champion of the CIB working Group



Preamble of United Cities and Local Governments

“Municipal International Cooperation and decentralised cooperation, twinning, international local government diplomacy, sister city links, and mutual assistance, through capacity building programmes and international municipal solidarity initiatives, are a vital contribution to the construction of a peaceful and sustainably developed world.”

In May 2013, the UCLG's Capacity and Institution Building working group published a policy paper on development cooperation and local government. To promote the messages of this paper, seven elected local government officials were asked to bring the findings to the attention of donors, international

organizations and national, regional and local governments. Ms. Nomveliso Nyukwana, Mayor of Emalahleni since 2011, is one of these champions, and strongly supports local governments to play a decisive role in development and encourages partnerships and cooperation for development between local governments.

Local priorities to tackle economic development challenges and fight poverty

Local governments must respond to the development challenges of our citizens. Our municipality's task is to think about innovative ways of job creation and food security. We need to localise our production, to ensure that for every product we produce, we are able to process it locally. A value chain within the municipality needs to be created.

As a municipality, we cannot employ all inhabitants, so many capable people with entrepreneurship skills leave if we do not provide them with opportunities. Our integrated development plan needs to initiate projects that can create sustainable jobs. If we manage to localise the production, we can create opportunities for entrepreneurship that will not depend on employment by the government.

In Emalahleni municipality it is important that we ensure education in relation to the economic demand of the area, and at the same time

work on the region's ability to attract businesses. This can also be done in partnership with development partners and our central government, but we at local government level need the capacity to create dialogue with these stakeholders.

There are various ways to strengthen local government capacity. Programmes implemented by the national government can strengthen decentralisation, possibly supported by international donors. Individual support can also come from partner local governments in the region or other parts of the world.

Emalahleni local municipality is supported through LGCP. This type of co-operation, in which Dutch municipal experts from the City of Dordrecht partner with experts from our municipality, complements other relevant support. The co-operation focuses on local economic development, a very important matter for my municipality.

I have found that this type of peer-to-peer decentralised co-operation has a high degree of relevance, efficiency, effectiveness and sustainability in comparison to other development co-operation programmes. The themes and issues addressed in the co-operation initiatives are based on the key priorities for the municipalities involved and on long-term relationships, which are based on trust, transparency and good dialogue.

4. **Emfuleni Local Municipality**

Emfuleni Local Municipality is located in the Province of Gauteng, encompasses nearly 1,000 square kilometres and hosts about 725,000 inhabitants. Its strategic position within the country, having access to a well-maintained road network, being positioned next to the Vaal River and having a rich history, offers many opportunities for tourism and other forms of LED. Manufacturing, community service and finance are the main economic sectors of Emfuleni. The story below is based on interviews with Ms. Mamokete Radebe and Mr. Mzukisi Ronyuza, both working in the LED Department of Emfuleni Local Municipality.



An informal trading area revitalised through inter-municipal exchange of good practices

A positive change resulting from LGCP is happening as we speak. Through the activities organized by the programme, like the various workshops and peer-to-peer exchanges, Emfuleni got further acquainted with other municipalities. Especially with Ekurhuleni Metropolitan Municipality, it built a warm relationship, partially because they are located in the same province and are in close vicinity. Throughout the exchanges and through multiple visits to each other's municipality, Emfuleni and Ekurhuleni both discovered that several successful projects could be duplicated in the other municipality as well.

Inspired by a project currently being implemented by Ekurhuleni, which formalises informal trading areas, Emfuleni is establishing infrastructure next to Sebokeng Township to do something similar. More concretely, it is planning to clean the area, to build stalls for the informal traders, to ensure the traders are registered, to guarantee that they comply with food hygiene standards and to maintain it. In return, eligible traders receive food hygiene certificates and can apply for grants. Emfuleni choose this area because, so far, it has been rather busy and disorderly. The area hosts a hospital, a court, a police station, other emergency services and numerous informal traders; it has a high influx of people coming for various reasons.

Tenders to facilitate the technical aspects of this change are already published. Therefore, next year the area is expected to be transformed into an organised and clean hub where people enjoy to visit and can easily and safely conduct business. Simultaneously, Emfuleni is cooperating with other municipalities to explore cross boundary projects and initiatives which could spark further positive change in the Municipality of Emfuleni and its surrounding areas.



Mr. Remember Tshesane

Project Officer, LGCP, based at the Centre for Municipal Research and Advice, South Africa

“LGCP contributed significantly in capacitating LED officials of the 12 participating South African municipalities. Through various workshops and peer-to-peer knowledge exchange sessions, we managed to convene LED officials from all over the country and expose them to relevant case studies. They were furthermore given the chance to share good practices as well as the associated lessons learnt. The LGCP workshops on Red-Tape Reduction and Public-Private Partnerships stood out for me.”

5 Govan Mbeki Local Municipality

Govan Mbeki Local Municipality is located in the Province of Mpumalanga, encompasses almost 3,000 square kilometres and hosts nearly 300,000 inhabitants. Mining and manufacturing are sectors that contribute significantly to its LED. The municipality is concentrating on furthering the industrialisation of the municipality, as it will attract companies able to produce inputs or provide services to Sasol and surrounding mining houses. Feasibility studies are underway and investments are being mobilised. Future projects will aim to promote tourism, warehousing and logistics, while also land is being partitioned to establish an education hub. It aspires to be a model city and centre of excellence. The story below is based on interviews with Mr. Mxolisi Fakude, LED Officer, and Mr. Sabelo Vilakazi, LED Manager, at Govan Mbeki Local Municipality.



Increased confidence by businesses though red-tape reduction

A significant change occurred in relation to the business climate of Govan Mbeki. Companies trying to settle in Govan Mbeki used to experience considerable red tape, as it took a long time for applications to circulate among the various departments. During an LGCP workshop on red tape reduction, several municipalities presented how they effectively decreased red tape, for example by establishing a committee in which all relevant departments dealing with business applications are represented.

Govan Mbeki replicated this model and it proves to function very well. The committee discusses each application and forms a coherent response within two weeks. As a result, the bureaucratic threshold for business entries has lowered and confidence of the private sector in the municipality has increased significantly. The short application period did not remain unnoticed as Govan Mbeki's practice had rapidly spread by word of mouth. This resulted in more investment and companies wanting to settle in Govan Mbeki. An industrial park was established to accommodate the volume of incoming enterprises, as was also identified in the reviewed LED strategy, supported by LGCP.

It is not only businesses that benefit from reduced red tape and an improved business climate; the community benefits from newly available jobs and the municipality benefits from increased tax income associated with increased economic activity. It is remarkable that something so simple can have such a huge impact.



LGCP red- tape reduction workshop
(Tshwane)



Mr. Fakude and Mr. Verkerk during
a site visit in East London



LGCP red- tape reduction
workshop (Cape Town)

6 Langeberg Local Municipality

Langeberg Local Municipality is located in the Western Cape Province, encompasses more than 4,500 square kilometres and hosts almost 100,000 inhabitants. Agriculture is currently the biggest economic driver. Its strong connection to the manufacturing sector strengthens this. Manufacturing and tourism have also grown substantially over the past five years. It is prospected that commercial opportunities will come along with these upward developments. This is very welcomed as there is considerable unemployment due to a changing job market. The story below is based on interviews with Mr. Peter Salman, LED Manager, and Ms. Celeste Matthys, Social Development Director at Langeberg Local Municipality.



Enhanced business climate through a municipal- business forum

A significant change attributable to LGCP can be found in Langeberg's enabling environment for entrepreneurship and investment. An LED Maturity Assessment facilitated by LGCP in the beginning of the programme highlighted the (various types of) valuable contributions different stakeholders can bring to the development of local economies. This inspired the Municipal Council of Langeberg to establish the Langeberg Investment Forum Enterprise, abbreviated by LIFE– a private equity organization mandated by Langeberg Local Municipality to facilitate business investment in, amongst others, agriculture, commerce, industry and tourism in the Langeberg Region.

This forum connects municipal officials with top management of industries and other stakeholders who are interested in partnering. These partnerships yield the potential to co-create solutions for societal issues and thereby stimulate the local economy. In practice, this initiative offers, amongst others, a one- stop- shop for businesses that would like to relocate to the area by means of providing hands- on assistance in dealing with local government processes, turn- around time for these processes and finding local staff. So far, this initiative has led to a higher availability of jobs, poverty alleviation, a stable environment and sustainable living conditions for residents.

An example of a successful initiative that happened through this forum was a skills audit that determined the available skill sets of people and the necessary skills within the local economy. This audit formed the basis for an intervention plan to develop local skills to match the local economy's need. Implementation commences in 2017. Led by the municipality, the initiative furthermore determined the propensity of corporates to outsource their non- core business processes to Small, Medium and Micro-sized Enterprises (SMMEs) to foster a sustainable entrepreneurial ecosystem. This led to a large manufacturing company of Langeberg & Ashton Canning to commit to purchase protective clothing from a local SMME.

The annual LED maturity assessment for municipalities held by the Western Province Government indicated that Langeberg's LED climate has improved significantly. It furthermore showed that this upward trend is likely to persist. Peter Salman believes that this is largely attributable to Langeberg's involvement in LGCP.



Municipalities of Rheden and Langeberg at the launch of the first Township Tour



Mr. Haouli and Mr. Landman collaborating with colleagues from Langeberg Municipality

Mr. Rachid Haouli & Mr. Frank Landman

Municipality of Rheden

“In addition to the above, the longstanding partnership between the municipalities of Langeberg and Rheden has shown some beautiful results. Building on the results of LGCP’s predecessor programme, in which we ensured hundreds of houses being built for historically disadvantaged people, established a waste station and thereby created many jobs, we have tried to incorporate the lessons learned in LGCP. We are currently working on increased community participation and enhanced economic development in townships. We are thankful for the beautiful friendship between the people from both municipalities. The strength of our relationship stems from equality and mutual respect. We hope to continue the good collaboration in the future!”



Dutch delegation visiting Langeberg



Site visit to a recycling plant

Ms. Anne-Marie Tosserams

Country Programme Director of LGCP South Africa, based at VNG International, the Netherlands

“When VNG International started with the Local Government Capacity Programme, it seemed to be a very natural transition to move from Housing (focus area of the predecessor programme of LOGO South) to Local Economic Development. The intent of the new programme (LGCP) was to integrate economic activities which would promote inclusive spatial planning. However, this transition turned out to be more challenging; the fact that LED is considered to be a cross cutting issue and an unfunded mandate, straight away highlighted the challenges faced by local governments in holistically defining and implementing LED. What really stood out for me is the varying degrees local governments were (not) able to sit in the driver’s seat when dealing with businesses and parastatals such as mining houses and port development authorities, whilst being mandated to drive economic development within their localities. I am therefore very pleased with the development of the Integrated Urban Development Framework; a new deal for South African cities and towns which seeks to achieve the primary thought behind LGCP South Africa!”



7 ***Naledi Local Municipality***

Naledi Local Municipality is located in the Province of North West, encompasses nearly 7,000 square kilometres and hosts about 70,000 inhabitants. While it is largely urban, it has spacious rural areas as well, and as such is known as the Texas of South Africa. Private business is the primary industry besides agriculture accruing into a value chain beneficiation including retail, legal and finance matters. Vryburg, one of the towns within Naledi Local Municipality, is the centre of Dr Ruth Segomotsi Mompati District and hosts several provincial and national department offices. It is a regional hub for business, economic and social activity. The story below is based on interviews with Mr. Paul Makobo, Stella Manager, and Tshepo Goralotse, LED Officer, at Naledi Local Municipality.



Increased LED capacity through training and workshops

The significant change for Naledi Local Municipality refers to the enhanced capacity of own staff to deliver upon its developmental objectives. From the onset of the programme, Tshepo Goralotse and Paul Makobo have been actively participating in LGCP South Africa, and as such feel that they have retained considerable knowledge and expertise.

The colleagues of Naledi are translating all they have learned through the workshops, seminars and study visits in practice. For example, Naledi engages more with stakeholders and is exploring what challenges can be addressed by means of Public- Private Partnerships (PPPs). They have come to appreciate the role businesses can play in pursuing common societal goals. Before a conducive environment for LED can be generated, the basic functioning of a municipality need to be ensured. This implies that municipalities need to deliver adequate basic services to its people and to ensure basic human rights. This calls for the need of having competent staff, even more so for a smaller municipality like Naledi.

Naledi is agricultural by nature and as such requires a considerably different approach to LED than urban areas. Implementing a holistic LED strategy and practices is challenging in a small municipality with limited resources and funding. Exposure to varying models and approaches from other municipalities kindled further insight in this regard.

Colleagues both within Naledi and from surrounding municipalities have noticed the positive change in LED policy. Even though Naledi is small, Mr. Makobo feels that Naledi has something to share with its neighbouring local governments, and it has been doing so. At the same time, Mr. Makobo acknowledges that there is still much more to learn, both on an individual and institutional level, mainly because LED is quite a new field in South Africa. Also, it can be quite challenging for municipalities to establish the necessary infrastructure for a good LED climate that can keep up with and benefit from a transforming global economy. The thematic knowledge of the Naledi colleagues has advanced, leading to enhanced practical application and confidence.



Mr. Alexander Verkerk

Intern for LGCP, based at the Centre for Municipal Research and Advice in South Africa

“It has been a pleasure to talk to the people involved in LGCP South Africa and note their enthusiasm about the programme. This journey of asking, listening and writing has elucidated the workings and benefits of international collaboration to develop local economies. Just like everyone else involved in the programme, I learned a lot.”

8 Oudtshoorn Local Municipality

Oudtshoorn Local Municipality is located in the Western Cape Province, encompasses approximately 3,500 square kilometres and hosts about 100,000 inhabitants. It is a semi- desert area with a unique and sensitive natural environment. 34 percent of the population is employed in the tourist sector. As such, it has multiple environmental and entertainment attractions. The story below is based on an interview with Mr. Greg Baartman, LED Manager at Oudtshoorn Local Municipality.



A foundation for future change through a comprehensive municipal vision

LGCP provided much information on the development of LED- related strategies and visions, which assisted in the development of a LED strategy, a five-year Integrated Development Plan and Vision 2030.

The development of Vision 2030, an economic growth & regeneration strategy of “Greater Oudtshoorn, a town to work, learn, play and prosper”, is a very important document as it guides municipal decisions in achieving economic growth and the regeneration of previously disadvantaged areas. It herein aspires to become a centre of learning and teaching with a strong focus on agriculture and tourism while acknowledging its vast economic challenges of high unemployment and poverty. This base allowed for the identification and elaboration of seven strategic focus areas that concern knowledge, touristic, infrastructural, social, agricultural, industrial, artistic and cultural aspects of the municipality it aspires to be.

In terms of knowledge, the vision outlines that there are major opportunities for it to become a learning and teaching town. It furthermore outlines the existing educational facilities that can be expanded and where there is room for new training centres. These will create jobs, provide services and purchase goods. Small, Medium and Micro-sized Enterprises (SMMEs) are encouraged to settle in Oudtshoorn and orient their business toward the expanding knowledge sector.

All municipal projects until 2030 will be based on this vision, meaning that its impact on the area will be significant. For Vision 2030 to be effective, an implementation plan and LED strategy were developed which already outline some concrete projects, for example the establishment of a wildlife and nature park for which private entities are welcomed to co- create. It is through LGCP South Africa that these ideas arose and that the elaborate vision was developed.



Colleagues from Oudtshoorn and Alphen aan den Rijn





Mr. Hans van Arkel

Municipality of Alphen aan den Rijn

“Silo thinking’ and ‘lack of implementation’ were key terms in the beginning of our partnership with Oudtshoorn. By means of developing a comprehensive and personalised Vision 2030 with local stakeholders, silo thinking was addressed. A few areas presented in this vision were touched upon by LGCP. Since then implementation has also progressed, looking at the development of a business model which now serves as the foundation for a fruitful partnership between Dutch horticulture growers and their counterparts in Oudtshoorn. We learned that the involvement and commitment of all partners is vital for success.”



Mr. Felix Braeckman

Project Manager, based at VNG International, the Netherlands

“LED is like making a puzzle with a tremendous amount of pieces. A trained workforce, adequate zoning, sustainable provision of energy, enforced land titles and accessible public services are just some of the pieces making local economic development happen. What has amazed me over the last years is seeing the determination of LED officials across South Africa to tirelessly look for all the pieces spread over the various departments and spheres of government, to ultimately bring them together and complete the LED picture.”



Mr. Walaza facilitating a workshop on public- private partnerships

Mr. Kanyiso Walaza

Director LED Policy and Practice, SA Department of Cooperative Governance

“The partnership between COGTA and LGCP revealed that municipalities are often weak in capacity as well as capability, for example when it comes to planning, implementation and monitoring. The partnership therefore focused on strengthening municipal capabilities to effectively drive local economic development programmes that contribute to the fight against triple challenges of poverty, unemployment and inequality. We aimed to do so by providing capacity building workshops on the basics for economic development, red tape reduction and municipal- business partnerships, to name a few. These have yielded notable improvements.”

9 Saldanha Bay Local Municipality

Saldanha Bay Local Municipality is located in the Western Cape Province, encompasses approximately 2,000 square kilometres and hosts about 100,000 inhabitants. Having a coastline of 238 kilometres, it is a popular tourist destination. Besides, it has the largest natural port in Africa, which is earmarked as a regional motor for development. Besides tourism and trade, Saldanha Bay's economic sectors evolve around oil and gas, aquaculture and steel fabrication. The story below is based on interview with Mr. Charles Barends, LED Manager, and Mr. Marius Meiring, Spatial Information Manager, at Saldanha Bay Local Municipality.



Increased municipal engagement with the port through fact-finding and strategising

A significant change for Saldanha Bay came via its involvement in the Port City Programme, a sub-programme of LGCP focusing on the economic development of coastal municipalities. Saldanha Bay focused on how the port and the municipality could improve their relationship and enter into a sustainable symbiotic relationship which stimulates Local Economic Development.

Prior to LGCP's intervention, the municipality had very limited contact with and authority over the port developments, as the national government controls it. This is a suboptimal situation since local conditions are often overlooked and the community is giving the municipality a hard time about disputes relating to the port. Moreover, the port is the key economic driver for the area, and as such, port developments need to be discussed and aligned with the municipality's plans and LED strategy. The municipality, being the provider of LED infrastructure, finds it challenging to plan for the necessary developments whilst not being kept fully in the loop. Ultimately, entrepreneurial inhabitants and the region suffer from this lack of connectivity.

Facilitated by LGCP, Saldanha Bay has been learning from other municipalities which harbour a port, including Richard's Bay and East London. Dutch expertise complemented the pool of knowledge gained during this programme. A fact-finding mission in combination with expertise produced a report outlining a better understanding of port operations. Awaiting the final report, the municipality is developing a strong foundation to implement the strategy. Charles Barends and Marius Meiring are confident that the report will yield great success.



High level Palestinian delegation during an LGCP study visit on LED to South Africa

Closing remarks and words of gratitude

The booklet illustrates some of the notable changes municipalities have experienced in various fields through their involvement in LGCP. It is believed that the programme touched upon practical and in- depth matters, and as such, all municipalities have achieved successes; whether large or small, expected or unexpected, each one of them being significant in their own way.

The programme looks back at five years of fruitful collaboration between South Africa and the Netherlands in achieving results and overcoming numerous challenges. In this regard, we would like to thank all colleagues of the involved municipalities for their willingness to learn and openness to share during this entire process. It was a joy and honour to collaborate and learn with you in this programme. Warm words of gratitude towards CoGTA and SALGA are also in place, in particular for their continued support and notable contributions. Finally, praise should go the Dutch Ministry of Foreign Affairs for making this programme possible. Both CMRA and VNG International foster great pride of having been part of this programme, and we aspire to continue contributing to further strengthening local democratic governance in South Africa.



Authors

Mr. Alexander Verkerk

Ms. Anne-Marie Tosserams

Mr. Felix Braeckman

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Mr. Mxolisi Fakude (Govan Mbeki Local Municipality)

Mr. Mzukisi Ronyuza (Emfuleni Local Municipality)

Mr. Nkululo Mntuyedwa (Emalahleni Local Municipality)

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