



Swartland Economic Development Plan



May 2023

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1. INTRODUCTION

Neither the public sector, nor the private sector on their own, has all the insights and answers. However by combining insights, power of influence and resources, much more is possible. This strategy aims to establish improved economic development cooperation amongst stakeholders – to systematically identify and utilise more beneficial economic opportunities.

This strategy is a response to the need to improve performance of the local economy, to benefit local citizens. Economic Development is an ongoing process by which key stakeholders and institutions from all spheres of society, the public and private sector as well as civil society, work jointly to create a unique advantage for the locality and its firms, tackle market failures, remove bureaucratic obstacles for local businesses and strengthen the competitiveness of local firms/SMEs.

Sustainable jobs are created mainly in the private sector, which creates wealth from markets. To grow the economy, businesses need to increase their revenues by competing successfully in markets, which are increasingly contested by global competitors. To grow the local economy, competitive local firms need to earn more revenue from external markets, and spend much of this locally, for more money to flow into the local economy. In addition, improved competitiveness of local firms in local markets ensures that less money flows out of the economy. Distribution within the economy takes place through wages and purchases from other businesses.

The Economic Development Plan is in line with the vision and goals in Swartland Municipality's Integrated Development Plan, which are as follows.

Vision:

Swartland forward-thinking 2040 - where people can live their dreams

Swartland vooruitdenkend 2040 - waar mense hul drome kan uitleef

Goals:

Strategic Goal 1 - Community Safety and Wellbeing

Strategic Goal 2 - Economic Transformation

Strategic Goal 3 - Quality and Reliable Services

Strategic Goal 4 - A Healthy and Sustainable Environment

Strategic Goal 5 - A Connected and Innovative Local Government

2. CONTEXT

Unless indicated otherwise, the economy information below was obtained from Provincial Treasury's *2022-2023 Municipal Economic Review and Outlook (MERO) and 2022 Socio-Economic Profile (SEP) Reports*.

2.1 Economic Context

(a) Growth and GDP contribution

The municipal area's economy was valued at R9.0 billion in real terms in 2020, and this is estimated to have increased by 6.6 per cent to R10.0 billion in 2021. The manufacturing sector was the leading contributor in 2020, with R2.0 billion, followed by the trade sector (R1.5 billion) and the agriculture sector (R1.4 billion). It is forecast that the economy of the municipal area will increase by 2.5 per cent in 2022, and 1.6 per cent in 2023.

The largest contributors to GDP in the Swartland municipal area in 2020 were the manufacturing sector (21.5 per cent), the agriculture sector (16.6 per cent) and the trade sector (15.3 per cent). The municipal area has a considerable agro-processing industry with several wine cellars, especially in the Malmesbury region. Darling Romery, a creamery, is also a large economic contributor to the manufacturing sector for the municipal area. The agriculture sector's economic contribution increased by 2.9 percentage points from 2011 to 2020. This could be as a result of higher grain (wheat) prices and improved weather conditions. The main commodities in the Swartland municipal area are dairy, wheat, canola and olives.

GDP PERFORMANCE PER SECTOR, Swartland


SECTOR	Trend		Annual real GDP growth		
	2011 – 2020	2016 – 2020	2019	2020	2021e
PS Primary Sector	3.7%	2.1%	-9.7%	13.7%	8.4%
Agriculture, forestry & fishing	3.7%	2.1%	-9.8%	13.8%	8.5%
Mining & quarrying	2.2%	1.9%	-1.0%	8.0%	-13.5%
SS Secondary Sector	0.4%	-1.2%	1.0%	-9.9%	7.1%
Manufacturing	1.2%	0.2%	2.8%	-7.6%	9.5%
Electricity, gas & water	-2.6%	-3.3%	-3.4%	-8.0%	2.4%
Construction	-1.8%	-6.1%	-4.7%	-20.5%	-3.4%
TS Tertiary Sector	1.8%	0.3%	1.4%	-5.6%	5.8%
Wholesale & retail trade, catering & accommodation	1.3%	-1.4%	0.8%	-12.8%	8.1%
Transport, storage & communication	-0.7%	-3.5%	-2.1%	-18.6%	5.2%
Finance, insurance, real estate & business services	2.1%	2.0%	2.2%	0.5%	4.2%
General government	3.3%	2.3%	2.6%	1.3%	3.0%
Community, social & personal services	2.1%	1.0%	2.1%	-1.4%	8.2%
Total Swartland	1.6%	0.1%	-0.5%	-4.1%	6.6%

The municipal area's economy is estimated to have increased by 6.6 per cent in 2021. The manufacturing sector is estimated to have increased by 9.5 per cent, which is the largest growth estimate for 2021. This could be the result of manufacturing businesses operating at full capacity after the country eased the COVID-19 restrictions. The trade sector is also estimated to have increased in 2021 (8.1 per cent), with travel restrictions being lifted and the tourism industry being opened for international and domestic tourists. The agriculture sector is estimated to have realised a lower growth rate in 2021 than in 2020. This could be the result of some farmers in the Swartland area being unable to plant malting barley because of storage issues at AB InBev, linked to the longer-term effect of the alcohol bans in 2020.

(b) Swartland Employment by Sector

The tertiary sector (24 211 jobs) was the largest contributor to employment in 2020, followed by the primary sector (12 212 jobs) and the secondary sector (6 777 jobs). Between 2011 and 2020 the municipal area created 682 jobs annually, with the most jobs created in the trade sector (192 jobs). The municipal area lost 296 jobs annually between 2016 and 2020 owing to the large number of jobs shed in 2020 as a result of the COVID-19 pandemic. The only sectors that created jobs between 2016 and 2020 were the manufacturing sector (eight jobs), the trade sector (75 jobs), the finance sector (82 jobs) and the general government sector, which created 54 jobs annually.

EMPLOYMENT PERFORMANCE PER SECTOR,
Swartland

SECTOR	Number of jobs 2020	Average annual change		Annual change in employment		
		2011 – 2020	2016 – 2020	2019	2020	2021e
 Primary Sector	12 212 (28.3%)	121	-461	-91	-1 050	-314
PS Agriculture, forestry & fishing	12 193 (28.2%)	121	-460	-90	-1 049	-313
Mining & quarrying	19 (0.0%)	-0	-1	-1	-1	-1
Secondary Sector	6 777 (15.7%)	88	-25	-42	-339	-177
SS Manufacturing	4 812 (11.1%)	61	8	81	-128	-66
Electricity, gas & water	129 (0.3%)	1	-0	-1	-3	-3
Construction	1 836 (4.3%)	26	-33	-122	-208	-108
Tertiary Sector	24 211 (56.0%)	472	190	416	-1 594	-248
TS Wholesale & retail trade, catering & accommodation	8 656 (20.0%)	192	75	203	-888	-306
Transport, storage & communication	1 000 (2.3%)	15	-6	14	-123	-81
Finance, insurance, real estate & business services	4 102 (9.5%)	112	82	88	-108	-41
General government	2 932 (6.8%)	81	54	67	-3	58
Community, social & personal services	7 521 (17.4%)	72	-15	44	-472	122
Total Swartland	43 200 (100.0%)	682	-296	283	-2 983	-739

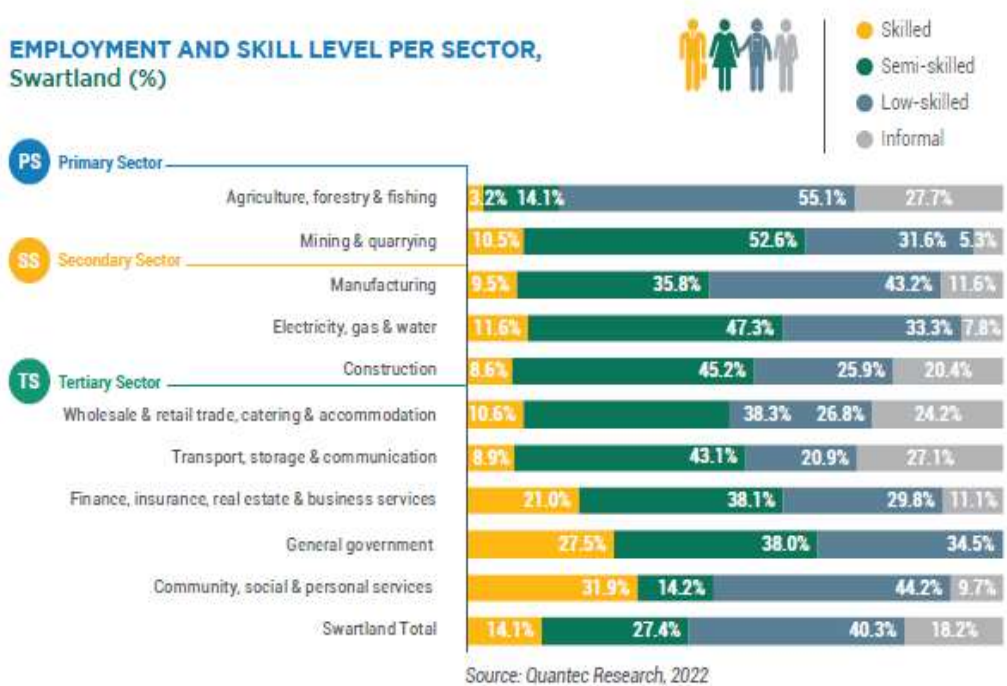
Source: Quantec Research, 2022 (e denotes estimate)

It is estimated that the effect of COVID-19 continued to result in job losses in 2021, with a total of 739 jobs lost. The sector with the most job losses was the agriculture sector, with 313 jobs lost. The

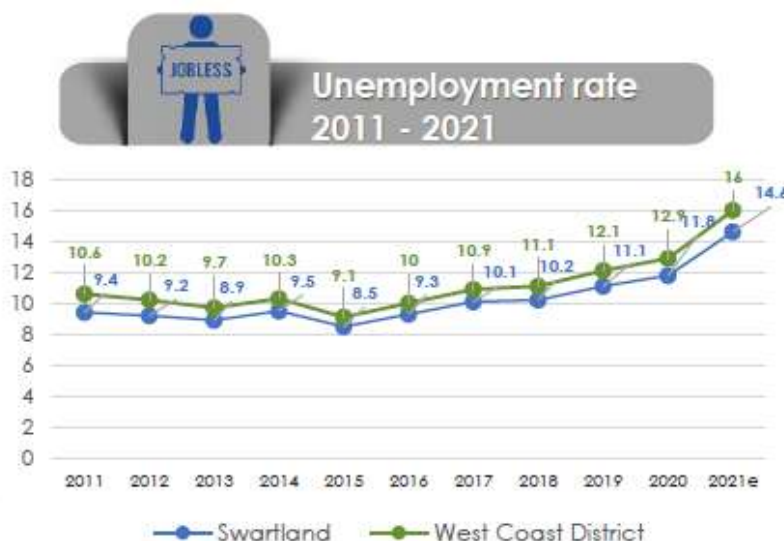
only sectors that are estimated to have created jobs in 2021 were the general government and community services sectors.

(c) Skills level (formally employed)

The agriculture sector had the largest portion of low-skilled workers at 55.1 percent in 2020. The Swartland municipal area comprised 14.1 percent skilled workers in 2020, whereas the general government (27.5 percent) and community services (31.9 percent) sectors were the largest employers of skilled workers. The municipal area will need to focus on skills development to ensure that low-skilled workers can seek jobs in other sectors. The agriculture sector had the most informal workers in 2020, with 27.7 per cent, followed by the transport sector with 27.1 percent.



(d) Unemployment Rates (%)



Swartland area’s unemployment rate has been on an upward trend since 2015 (8.5 per cent). The proportion of the not economically active population has also increased from 2020 to 2021 as job losses and an insufficient supply of jobs have led to an increasing number of discouraged work-seekers. Unfortunately, most job losses affected informal workers who are

more vulnerable to living in poverty during times of tough economic times. Up-skilling of the labour force, implementation of levers such as local economic development strategies are all key in order to increase potential employment opportunities and boost economic growth in the area.

2.2 Main competitive advantages and disadvantages

No matter how much growth is needed and desired, business and citizens will choose to locate in places that offer better economic opportunity. An economy's relative strengths and weaknesses, therefore determine the viable growth options. The stronger the competitive advantages (strengths), the easier it is to attract businesses. The competitive disadvantages (weaknesses) combined with threats, discourage potential investors. The main findings are therefore presented as follows:

(a) Competitive advantages

Strategic location for business

- The Cape Town Metro is expanding northwards due to sensitive urban edges at Paarl and Stellenbosch.
- Close enough to Cape Town to serve the markets there, draw on expertise if required, or purchase specialised items or services. Malmesbury provides quicker access to the city than Paarl. The N7 less congested than N1 and N2.
- The road network provides 8 entry points to the Metro.
- Land is available and affordable.
- Some large (>R billion turnover) firms already choose to operate from here.
- Many firms serve the national market from Swartland, even some retailers.
- Strong agricultural - and agro-processing sectors with associated supplier and distribution channels.
- Some strong networks to leverage.

Lower costs

- Clear evidence of how the cost advantage is used to penetrate markets. Even some retailers and services firms compete as far as Polokwane via online sales.
- Cost of land and property. Cost of property development.
- Cost of living.
- Staff costs and statutory wage rates.

Lower risk

- Safer: less crime and therefore less security costs.
- Quality of labour with a good work ethic.
- Good social cohesion. Politically stable.
- Good race relations. There exists a sense of community.
- Local government that works and is reliable.

A municipality that values business

- Municipality is competent, positive and supportive of business
- Services are effective. Infrastructure is reliable.
- Quick approvals: EIAs, engineering approvals, building and development plans.
- Can get things done.

Growing investor confidence

- Some large (>R billion turnover) firms already choose to operate from here
- Numerous investors planning to develop.

A good place to live

- Country lifestyle and city close when wanted
- Mountains, beaches, hills and valleys – variety of options.
- Lower cost of living
- Good schools
- Less crime than city

(b) Competitive disadvantages (including constraints to growth)

Limited access to business information.

- Some small businesses feel excluded and want to be better informed.
- In almost all cases the municipality was able to confirm that the services or information was available. The issue is the chain of provision, flow and access.

Agriculture employment is declining

- Agricultural input costs are increasing faster than prices of goods sold.
- Price pressures are forcing economy of scale in production and associated automation.
- To compete in commodity markets, farmers need to “go big or go home”.
- This results in fewer farm owners, more automation and fewer employees.

Appearance of towns

- Swartland towns are not attractive vs other places in WC. For instance compared to Paarl, Franschhoek and Stellenbosch.

Technical skills difficult to attract

- Some businesses find it difficult to attract specialist technical expertise from cities.

Shortage of certain types of housing and rentals

- Lower income, mid lower income and up to the range of R1 million.
- Makes it hard to attract artisans / technical skills.

Red-tape and regulatory uncertainty

- Businesses complain about government red-tape including:
 - National government: DoA, SARS duties, land reform, BEE
 - Provincial government: The Spatial Development Framework stifles the logical farm transition towards tourism, as happened in Stellenbosch and Drakenstein.
 - Municipality: Small businesses, tourism signage, town beautification, markets.

Safety & security in pockets

- Crime is increasing in some places. Still lower than metro.
- Farms close to town suffer from theft

Transport

- No public transport (train too slow) for commuting cost to and from Cape Town.

Limited investment promotion

- Investment promotion mainly by municipal leaders with limited time.

Limitations in schools

- Applicable mainly to the poorer population, too few taking higher grade maths & science and school drop-out rates are still high.

Facilitation of economic development

- Institutional effectiveness is questioned by business: Chamber, Ward Committees, Tourism, small business support.
- Limited engagement and collaboration with the private sector and sector associations regarding economic development constraints or priorities.

(c) Threats identified

- Competitors to Swartland for investment e.g. Atlantis
- Inadequate marketing
- New malls will place pressure on existing retail in town/s (Opportunity and a threat)
- Development that makes towns less attractive

3. NATIONAL AND PROVINCIAL POLICY DIRECTIVES

3.1. National Development Plan 2030

THE PLAN IN BRIEF

By 2030

- Eliminate income poverty – Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39% to zero.
- Reduce inequality – The Gini coefficient should fall from 0.69 to 0.6.

Enabling milestones

- Increase employment from 13 million in 2010 to 24 million in 2030.
- Raise per capita income from R50 000 in 2010 to R120 000 by 2030.
- Increase the share of national income of the bottom 40% from 6% to 10%.
- Establish a competitive base of infrastructure, human resources and regulatory frameworks.
- Ensure that skilled, technical, professional and managerial posts better reflect the country's racial, gender and disability makeup.
- Broaden ownership of assets to historically disadvantaged groups.
- Increase the quality of education so that all children have at least two years of preschool education and all children in grade 3 can read and write.
- Provide affordable access to quality health care while promoting health and wellbeing.
- Establish effective, safe and affordable public transport.
- Produce sufficient energy to support industry at competitive prices, ensuring access for poor households, while reducing carbon emissions per unit of power by about one-third.
- Ensure that all South Africans have access to clean running water in their homes.
- Make high-speed broadband internet universally available at competitive prices.
- Realise a food trade surplus, with one-third produced by small-scale farmers or households.
- Ensure household food and nutrition security.
- Entrench a social security system covering all working people, with social protection for the poor and other groups in need, such as children and people with disabilities.
- Realise a developmental, capable and ethical state that treats citizens with dignity.
- Ensure that all people live safely, with an independent and fair criminal justice system.
- Broaden social cohesion and unity while redressing the inequities of the past.
- Play a leading role in continental development, economic integration and human rights.

Critical actions

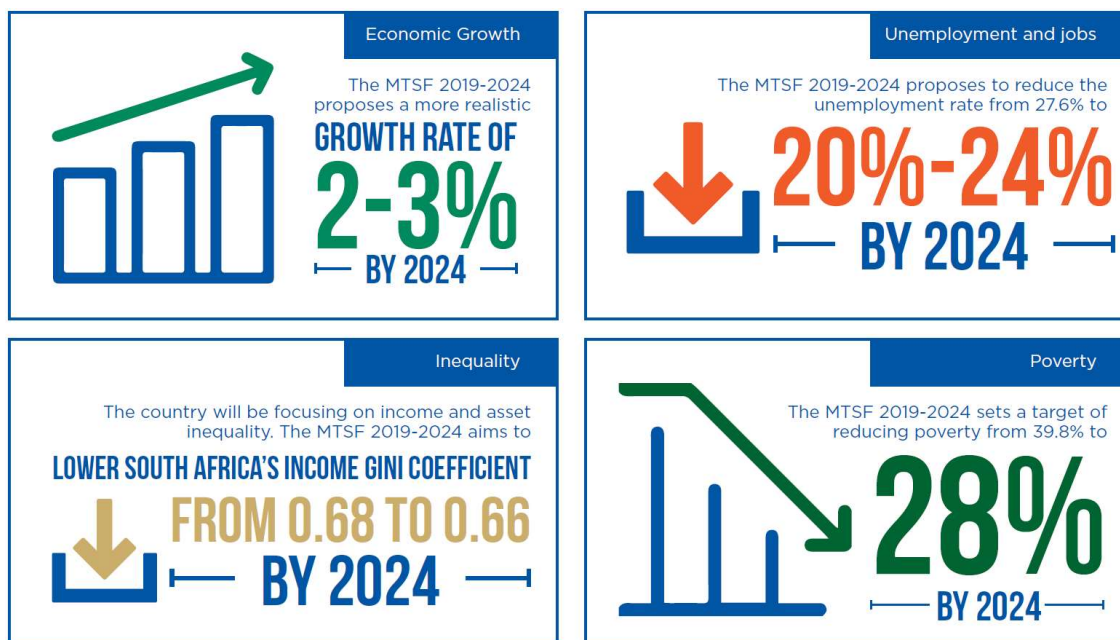
1. A social compact to reduce poverty and inequality and raise employment and investment.
2. A strategy to address poverty and its impacts by broadening access to employment, strengthening the social wage, improving public transport and raising rural incomes.
3. Steps by the state to professionalise the public service, strengthen accountability, improve coordination and prosecute corruption.
4. Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers.
5. An education accountability chain, with lines of responsibility from state to classroom.
6. Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.
7. Public infrastructure investment at 10% of gross domestic product (GDP) financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water.
8. Interventions to ensure environmental sustainability and resilience to future shocks.
9. New spatial norms and standards – densifying cities, improving transport, locating jobs where people live, upgrading informal settlements and fixing housing market gaps.
10. Reduce crime by strengthening criminal justice and improving community environments.

STRATEGIC OUTCOMES

1. Economy and employment (Chapter 3)
2. Economic infrastructure (Chapter 4)
3. Environmental sustainability and resilience (Chapter 5)
4. Inclusive rural economy (Chapter 6)
5. South Africa in the region and the world (Chapter 7)
6. Transforming human settlements (Chapter 8)
7. Improving education, training and innovation (Chapter 9)
8. Health care for all (Chapter 10)
9. Social protection (Chapter 11)
10. Building safer communities (Chapter 12)
11. Building a capable and developmental state (Chapter 13)
12. Fighting Corruption (Chapter 14)
13. Nation building and social cohesion (Chapter 15)

(a) Revised Medium Term Strategic Framework

2024 TARGETS



(b) National District Development Model and One Plan

Cabinet approved the District Development Model (DDM) as an All of Government and Society Approach providing a method by which all three spheres of government and state entities work in unison in an impact-oriented way to speed up service delivery so ensuring that municipalities are properly supported and adequately resourced.

The DDM is an intergovernmental approach focusing on 44 districts and 8 metropolitan spaces for more effective joint planning, budgeting and implementation over multi-year planning and electoral cycles. Although each sphere, sector or entity has its distinct constitutional powers, functions and responsibilities, they cooperate and undertake collaborative planning, budgeting and implementation processes converging developmental efforts at the district/metropolitan level.

The objectives of the DDM are to:

- solve the silos at a horizontal and vertical level;
- maximise impact and align plans and resources at our disposal through the development of "One District, One Plan and One Budget";
- narrow the distance between people and government by strengthening the coordination role and capacities at the district level;
- ensure inclusivity through gender-responsive budgeting based on the needs and aspirations of our people and communities at a local level;

- build government capacity to support to municipalities;
- strengthen monitoring and evaluation at district and local levels;
- implement a balanced approach towards development between urban and rural areas;
- ensure sustainable development whilst accelerating initiatives to promote poverty eradication, employment and equality; and
- exercise oversight over budgets and projects in an accountable and transparent manner.

Nationally, the DDM is expressed through the development of a One Plan. The One Plan is defined as an intergovernmental plan setting out a 25-30 years long-term strategic framework (consisting of short, medium and long-term actions) to guide investment and delivery in relation to each of the districts and metropolitan spaces. This plan for each space is to be jointly developed and agreed to by all three spheres of government.

3.2. Provincial Strategic Plan 2019 – 2024



The Provincial Strategic Plan (PSP) sets out the Western Cape Government's (WCG) vision and strategic priorities.

The WCG commits to building a values-based competent state that enables opportunity and promotes responsibility in a safer Western Cape.

- We will live and be held accountable to our values as a government, and we will continue to build the capable state on this foundation.
- We will continue delivering opportunities to our people and we will expect them to take responsibility for improving their own lives.
- We will make this Province safer under the Rule of Law.

The Western Cape Government is focusing on the following five priorities over the period 2019 - 2024:



WHAT WILL WE DO TO MAKE THIS HAPPEN?

- Increase the effectiveness of policing
- Strengthen programmes aimed at reducing family violence and assisting youth who could break the law
- Make the places that we live safer
- Reduce gender-based violence and gangsterism



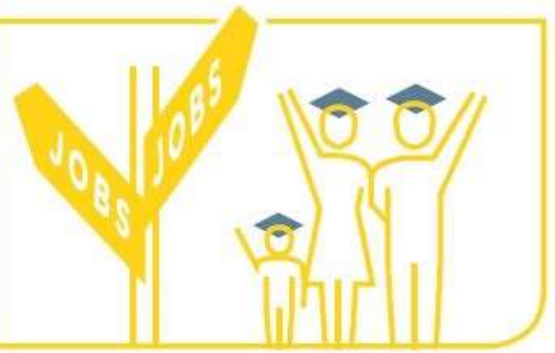
WHAT WILL WE DO TO MAKE THIS HAPPEN?

- Make it easier for the smallest township businesses to the largest foreign investors to do business in our Province
- Maintain our infrastructure and build new infrastructure
- Help our businesses to export more of their products
- Create opportunities for job creation through skills development
- Manage our water and energy resources and reduce our waste

EMPOWERING PEOPLE

3

Residents of the Western Cape have opportunities to shape their lives and the lives of others, to ensure a meaningful and dignified life.



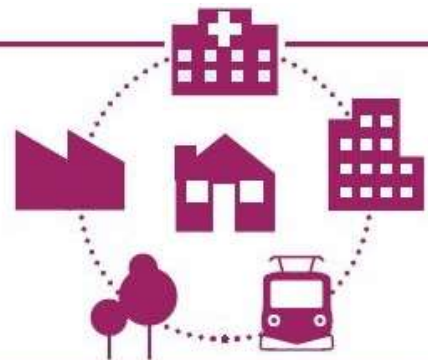
WHAT WILL WE DO TO MAKE THIS HAPPEN?

- Provide specialised support to children up to the age of 5, and to their families
- Schools must provide a safe, positive environment where learners receive the skills that they will need in the future
- Providing our young people (15-24) with the skills and opportunities to enter the world of work
- Improve health care services further and encourage people to make healthy lifestyle choices

MOBILITY AND SPATIAL TRANSFORMATION

4

Residents live in well-connected, vibrant, and sustainable communities and move around efficiently on safe, affordable, low carbon public transport.



WHAT WILL WE DO TO MAKE THIS HAPPEN?

- Connect places better through public transport
- Provide more housing and economic opportunities in good locations
- Improve the places where people live

INNOVATION AND CULTURE

5

Government services are delivered to the people of the Western Cape in an accessible, innovative, and citizen-centric way.



WHAT WILL WE DO TO MAKE THIS HAPPEN?

- We will focus on you, the residents
- If something is not working, we will work with you to improve and find new ways to deliver to you
- Bring all the programmes of government together in one area
- Build on our track record of good governance

4. SWARTLAND INTEGRATED DEVELOPMENT PLAN

The Economic Development Plan is aligned with the Swartland’s Integrated Development Plan (IDP), which is a municipality’s principal strategic plan that deals with the most critical development needs of the municipal area (external focus) as well as the most critical governance needs of the organisation (internal focus).

4.1. Our dream for Economic Transformation

- We dream of a Swartland where the economy has grown and attracted private and global investment. Where everyone has a job and where economic growth is sustained through education, skills development and entrepreneurial opportunities.
- We see an abundance of vendors and entrepreneurs. No loitering and beggars on the streets. Small, medium and micro enterprises (SMME’s) are mentored to be sustainable.
- We see skills transfer centres in all our areas and also on-line.

4.2. Swartland Municipality’s Strategic Initiatives and KPI’s

Strategic Initiatives	KPI's
2.1 Skills development	Investigate the establishment of a skills development centre by June 2025
2.2 Global networks and an active participant in global knowledge exchange	Investigate global partnerships and submit a proposal to the Mayoral Committee by June 2025
2.3 Investment Promotion / Marketing	(1) Collaborate with other levels of government and other organisations to promote Swartland as a preferred destination for business and investment and report bi-annually to the management team.
	(2) Improve investment by creating an online platform by June 2026 to share information with investors
2.4 Assist and support SMME	(1) Ensure the development of an SMME Policy and submit to Council by June 2024
	(2) Ensure the organisation of an annual SMME summit or Indaba
	(3) Ensure the investigation of SMME hubs in the Swartland area and submit report to Mayoral committee by June 2025
2.5 Improving the ease of doing business	Create one stop shop for all business enquiries by June 2025

5. STRATEGY

5.1. Points of departure

The following points of departure are important in the identification of potential interventions for the economic development of Swartland Municipal Area:

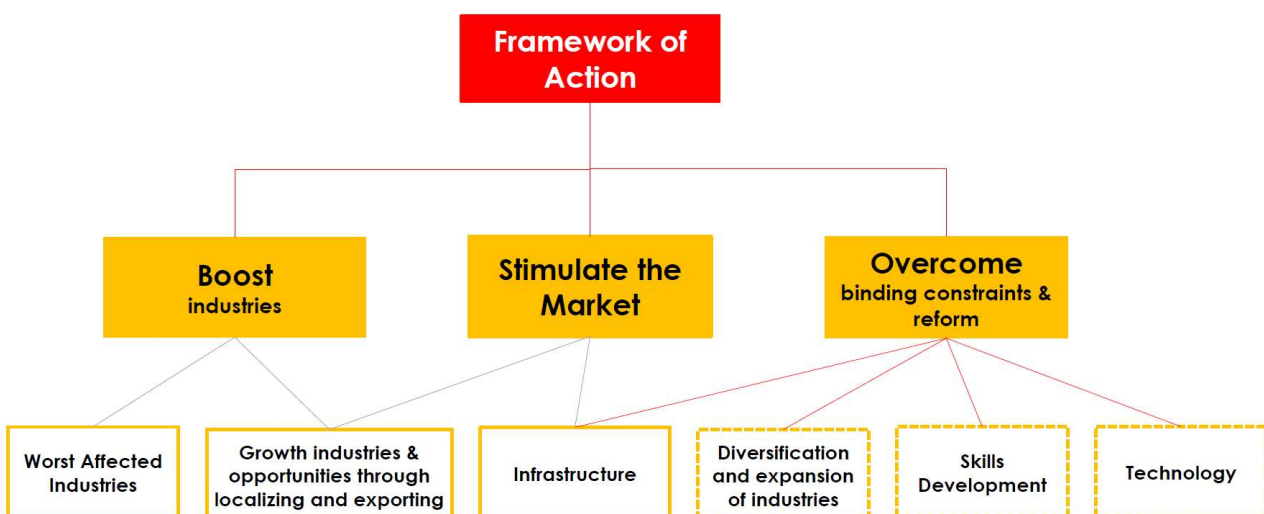
- All interventions must be realistic and implementable to have an impact.
- Distinguish between short, medium and long term interventions.
- Support worst-affected sectors such as agriculture.
- Be responsive to businesses in crisis through information, communication, guidance, support to access funding and advocacy.
- Government does not have the fiscal resources to effect the economic plan and it requires other stakeholders and resources from private sector to contribute.
- An integrated aligned approach that includes all three spheres of government will be needed.

5.2. Approach to economic development

In support of the above National and Provincial directives, the Swartland municipality aims to stimulate sustained growth in the Swartland jurisdiction, by promoting and implementing a set of mutually supportive economic-, spatial- and social-development initiatives.

The main aim is to increase employment - which leads to increased quality of life, social cohesion and sustainability. Employment is a consequence of increased investment by the private sector and/or by the public sector institutions. To stimulate growth, Swartland must compete effectively with the alternatives, to secure such investment. In addition, growth can also be enhanced by attracting persons employed in other municipalities, to live in Swartland.

5.3. Framework of action



(a) Boost affected sectors

The focus is on -

- sectors that have been worst affected because:
 - The industries represent a large contributor towards the Swartland's employment
 - The industries are unlikely to recover without some support from government
- sectors of growth as a result of COVID-19 because:
 - Already momentum and simply need to maximise opportunities for the Swartland
 - Limited 'window of opportunity' to exploit as will be filled by other players
 - Lays strong foundation for improved resilience and preparedness for future shocks

(b) Stimulate the market

The focus is on infrastructure because:

- Construction industry can quickly absorb jobs and has high multiplier impact on the economy
- Already a pipeline of projects – imperative is to fast-track this
- Opportunity to leverage PPP and develop new models of collaboration
- Additional benefit if focused on infrastructure which addresses competitiveness and productivity

(c) Overcome binding constraints

If we want to grow the economy, we HAVE to improve competitiveness and productivity. A few points:

- Levers of Swartland Municipality are limited and fiscal scope severely constrained
- Need to maximise the tools we do have
- Need to note the strong interplay between a number of binding constraints
- Need to relook supply chain legislation and policies

5.4. The South African Economic Reconstruction and Recovery Plan

(a) Principles

- Protection for low-income workers, the unemployed and vulnerable groups
- Enhance the capacity of the economy to grow and create decent jobs is enhanced
- Ensuring that local communities, particularly historically marginalized communities, are removed from the vicious cycle of under-development.
- Strengthening of the productive capacity of the economy
- Maintaining the planned levels of investment in public infrastructure
- Ensure localized procurement of key inputs, in order to strengthen and deepen backward and forward linkages within the domestic industrial base
- Strengthening the capacity of the state to intervene in the economy and to deliver on social services
- Crafting employment-intensive ways in which a turnaround can be achieved

(b) Focus Areas

To achieve these goals, the Plan prioritises high impact employment interventions with the following specific areas of focus:

- Infrastructure roll out
- Localization through Industrialization
- Energy security
- Food security
- Support for tourism
- Green economy interventions
- Public employment programs
- Micro-economic policy interventions

(c) Enablers

The following enablers to the success of the plan have been identified:

- Ensuring optimal revenue collection, fiscal sustainability, improved efficiency of spending, elimination of wastage and corruption and improved state capacity to collect revenue
- Increased access to finance: Ensuring expanded access to the R200 billion Covid-19 credit facility
- Establishment of a state bank & the amendment of Regulation 28 of the Pension Funds Act in order to unlock funding for long term infrastructure projects and high impact capital projects, as well as facilitate direct access to pension funds pool of resources by Development Finance Institutions (DFIs)
- Increased issuing of green infrastructure bonds as a critical step in reducing carbon footprint and in order to secure the funding of infrastructure at concessional cost. Increased capacity for project preparation, to develop projects to bankability
- Regulatory changes to reduce the cost of doing business and facilitate ease of doing business
- Building a state that is equipped to deliver
- A social compact for fair choices and sustainable trade-offs
- Skills development and a population that is equipped for the new normal
- Communication and the digital economy
- Economic Diplomacy and further integration into the African continent

5.5. Western Cape Economic Recovery Plan

The economic recovery plan is mindful of economic context described above and the fundamental economic challenges that brought about an economy that has been underperforming for more than a decade. Informed by the understanding of the existing economic challenges, a number of themes require intervention in order to create jobs and grow the Western Cape economy. The interventions will be applied within a spatial context.

THEMES					
Accelerate Ease of Doing Business	Boost Investment and exports	Boost infrastructure	Support SMMEs and the informal sector	Scaling up work opportunities and skills for people without jobs	Economic resilience
OBJECTIVES					
Enable the ease of doing business by "attacking" significant constraints on economic growth	Boost private sector investments. Promote and support exports	Stimulate the economy by boosting infrastructure investment and job creation in the public sector	Support SMMEs and the Informal Sector	Boost employment for people without work through accelerating skills supply and work placement initiatives	Enable energy and water resilience
TRANSVERSAL THEMES					
Spatial - Rural Economies and Towns					
Business and Stakeholder Eco-system					

The following paragraphs unpack each of the themes.

(a) Accelerate ease of doing business target

- Red tape reduction support for municipalities. Examples include land use applications, like rezoning and departure; building plan approvals; heritage management; event permitting and regulation of liquor trading hours.
- Efficiency improvement in government procedures and administrative systems across a range of sectors including SMMEs, formal and informal businesses as well as the tourism sector.
- Legislative reform
- Innovative business support

(b) Boost investment and exports target

Investments:

- Red tape support to remove administrative and legislative blockages
- Increase investment promotion initiatives

- Lobby national government to remove investor-unfriendly policy
- Drive improvements in the planning and approvals system
- Support and facilitate economic infrastructure

Exports:

- Promote trade in key destination markets including trade with the rest of Africa
- Increase exports through widening exportable products through productivity growth and product complexity
- Unblock export constraints such as in the ports
- Support tourism and trade through developing Air Access routes
- Stimulate key export sectors such as tourism, BPO and agriculture

(c) Boost infrastructure target:

- Identify and guide the planning and execution of major public infrastructure interventions
- Support municipalities to drive government spending on the development, maintenance and protection of core infrastructure, particularly on labour intensive projects.
- Focus on identifying the necessary enabling infrastructure gaps
- Mobilise and direct new infrastructure investments

(d) Support SMMEs and the informal sector target:

- Improve SMME access to WCG initiatives and opportunities
- Support growth through facilitating access to finance
- Provide support to businesses (e.g. advisory services and training)

(e) Scaling up work opportunities and skills target:

- Increase employment through internships and skills programmes
- Improve access to skills opportunities specifically focused on the capability of youth by addressing constraints related to work readiness, appropriately skilled workers and suitable experience as demanded by private sector business.
- Improve the skills ecosystem

(f) Economic resilience target:

- Support businesses and municipalities through technical, regulatory and financial knowledge development, sharing and partnerships
- Unlock general barriers to green investment and resource resilience

5.6. Wesgro initiatives

(a) Export Advancement Programme and Export mission plan

The Export Advancement Programme is a vocational training tool in international trade designed to build export competence within companies globally. This programme provides the expertise,

knowledge and network needed to help businesses grow internationally and offers a blend of company best practice, export coaching in local seminars in standardised training modules.

To benefit from this valuable opportunity companies must have a product or service that is currently supplied to the domestic market, have been in business for about two years and have a reasonable turnover.

The Export Advancement Programme runs several times each year. For further information, please contact the portfolio manager Ms Sibylle Pfeiffer – sibylle@wesgro.co.za.

(b) Municipal Capacity Building

An important component within investment promotion value chains is investment facilitation. Effectiveness with dealing with investor queries, applications and by extension creating an overall investment friendly business climate can significantly benefit the pursuits of municipalities in seeking development and job creation through investment.

Relevant teams are trained on the importance of effective internal processes and systems in economic terms along the investment facilitation life cycle. We have thus arranged for the Economic Promotion e-learning programme via Wavteq.

(c) Event Support

Event Sponsorship. Wesgro's role is to attract visitors, both international and domestic to visit the Western Cape. Our event partnership provides various levels of support to leisure events where opportunities exist to promote the Western Cape as an attractive destination.

We work with event organisers, regional and local tourism offices, government and industry and media partners to maximise the marketing of the event where possible and within our available resources.

5.7. Western Cape Department of Agriculture (WCDoA)

- The WCDoA has expanded its alien clearing programme in the entire Western Cape in order to stimulate and create additional employment.
- The Agricultural Producers Support and Development Programme within WCDoA has embarked on the establishment of additional food gardens as part of our food security programme.
- In terms of our support to the tourism sector the Department has supported the wine tourism economy by registering 1165 employees in the Wine Tourism sector and securing a wine tourism workers support stipend to the amount of R12 million in attempt to sustain jobs.
- The Department is currently as part of its contribution towards the economic recovery in the process to appoint 120 unemployed graduates in the Agricultural sector.

6. BASIS FOR THE DEVELOPMENT OF IMPLEMENTATION COMMITMENTS

6.1. National and provincial initiatives to which local government can contribute

National	Provincial
<p>National Development Plan</p> <ul style="list-style-type: none"> ▪ Establish a competitive base of infrastructure, human resources and regulatory frameworks. ▪ Realise a developmental, capable and ethical state that treats citizens with dignity. ▪ A social compact to reduce poverty and inequality, and raise employment and investment ▪ Boost private investment in labour-intensive areas, competitiveness and exports, with adjustments to lower the risk of hiring younger workers ▪ Public infrastructure investment at 10% of gross domestic product (GDP) financed through tariffs, public-private partnerships, taxes and loans and focused on transport, energy and water <p>SA Economic Reconstruction and Recovery Plan</p> <ul style="list-style-type: none"> ▪ Ensuring optimal revenue collection, fiscal sustainability, improved efficiency of spending, elimination of wastage and corruption and improved state capacity to collect revenue ▪ Increased access to finance: Ensuring expanded access to the R200 billion Covid-19 credit facility ▪ Regulatory changes to reduce the cost of doing business and facilitate ease of doing business ▪ Skills development and a population that is equipped for the new normal 	<p>Western Cape Strategic Plan</p> <ul style="list-style-type: none"> ▪ Building and maintaining infrastructure ▪ Creating opportunities for job creation through skills development ▪ Creating an enabling environment for economic growth through resource resilience <p>Western Cape Economic Recovery Plan</p> <ul style="list-style-type: none"> ▪ Red tape support to remove administrative and legislative blockages ▪ Drive improvements in the planning and approvals system ▪ Efficiency improvement in government procedures and administrative systems across a range of sectors including SMMEs, formal and informal businesses as well as the tourism sector. ▪ Support municipalities to drive government spending on the development, maintenance and protection of core infrastructure, particularly on labour intensive projects. ▪ Focus on identifying the necessary enabling infrastructure gaps. ▪ Improve SMME access to WCG initiatives and opportunities ▪ Support growth through facilitating access to finance ▪ Provide support to businesses (e.g. advisory services and training) ▪ Increase employment through internships and skills programmes

National	Provincial
<ul style="list-style-type: none"> ▪ Communication and the digital economy 	<ul style="list-style-type: none"> ▪ Improve access to skills opportunities specifically focused on the capability of youth. ▪ Support businesses and municipalities through technical, regulatory and financial knowledge development, sharing and partnerships

6.2. Initiatives in this document to which local government can contribute

- Support to stimulate demand as businesses are challenged to remain operational. Particularly, businesses in the retail and trade, construction and general services sectors generated no revenue over the lockdown period.
- Consider municipal utilities and tax relief or reprieves (like interim concession on carbon tax, PAYE, etc.).
- Support people and businesses to access the economic relief measures.
- Support businesses to learn about any opportunities that may exist in their sector.
- Communication initiatives are still not optimally reaching businesses and increased awareness of websites hosting business information and support available, needs to occur.
- Introduce digital / online marketing strategies relevant to the businesses' target market, e.g. social media marketing, google for business etc.
- Introduce diversification of good and services provided, such as promoting Agri-tourism in the Swartland area.
- Businesses need to be fed tips and be given assistance on how they could take their business digital.
- Effectiveness with dealing with investor queries, applications and by extension creating an overall investment friendly business climate can significantly benefit the pursuits of municipalities in seeking development and job creation through investment.
- Wesgro's role is to attract visitors, both international and domestic to visit the Western Cape. Our event partnership provides various levels of support to leisure events where opportunities exist to promote the Western Cape as an attractive destination.
- Buy local from struggling businesses and strengthen SME supply chain inclusion – without hampering effectiveness and efficiency principles.

6.3. How the community can contribute

Communities can contribute to economic transformation in several ways:

- Be informed of the process of starting a registered business.
- Participate in the municipal planning processes.
- Communities can support local businesses, such as through buying locally sourced goods or services, to promote economic growth and sustainability.
- Communities can create an environment that supports entrepreneurship, such as through providing access to funding or resources, to promote innovation and job creation.
- Communities can invest in infrastructure, such as transportation or broadband networks, to improve access to markets and increase economic activity.
- Collaboration with neighbouring communities, businesses, and organizations can help to create a more diverse and resilient regional economy.
- Communities can promote sustainable economic practices, such as supporting environmentally friendly businesses or promoting energy efficiency, to support long-term economic growth and stability.

7. CONCLUSION AND THE WAY FORWARD

Swartland Municipality is committed to support economic development in order to attract investments and make the Swartland an area of choice to do business. The Municipality cannot grow the economy or create jobs. Therefore, to implement this plan, a collaborative partnership between the public and private sector is inevitable.

The national, provincial and other initiatives identified above provides a framework within Swartland Municipality can develop its own implementation commitments, i.e., how and where the Municipality can become involved or provide support to economic development and recovery initiatives.

With the intended commitment on implementation, key performance indicators and targets have been developed and included in the five-year IDP for 2022-2027. The Municipality's economic development is aligned with goal 2, which is Economic Transformation and has further been included in the municipal budget.

The above-mentioned KPIs will be expanded on at a later stage after workshop sessions have been held with community and business representatives. Action plans to ensure the implementation of the strategic initiatives will then follow. The Municipality will ensure that it heads in a direction where economic development is centred around collaboration and partnerships.