



**the dplg**

Department:  
Provincial and Local Government  
REPUBLIC OF SOUTH AFRICA



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## **Nodal Economic Profiling Project**

# **Summary of Summaries of Nodal Profiles**

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## Summary of profile summaries

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- **Rural profiles**

- Urban profiles

# Key characteristics of the rural nodes

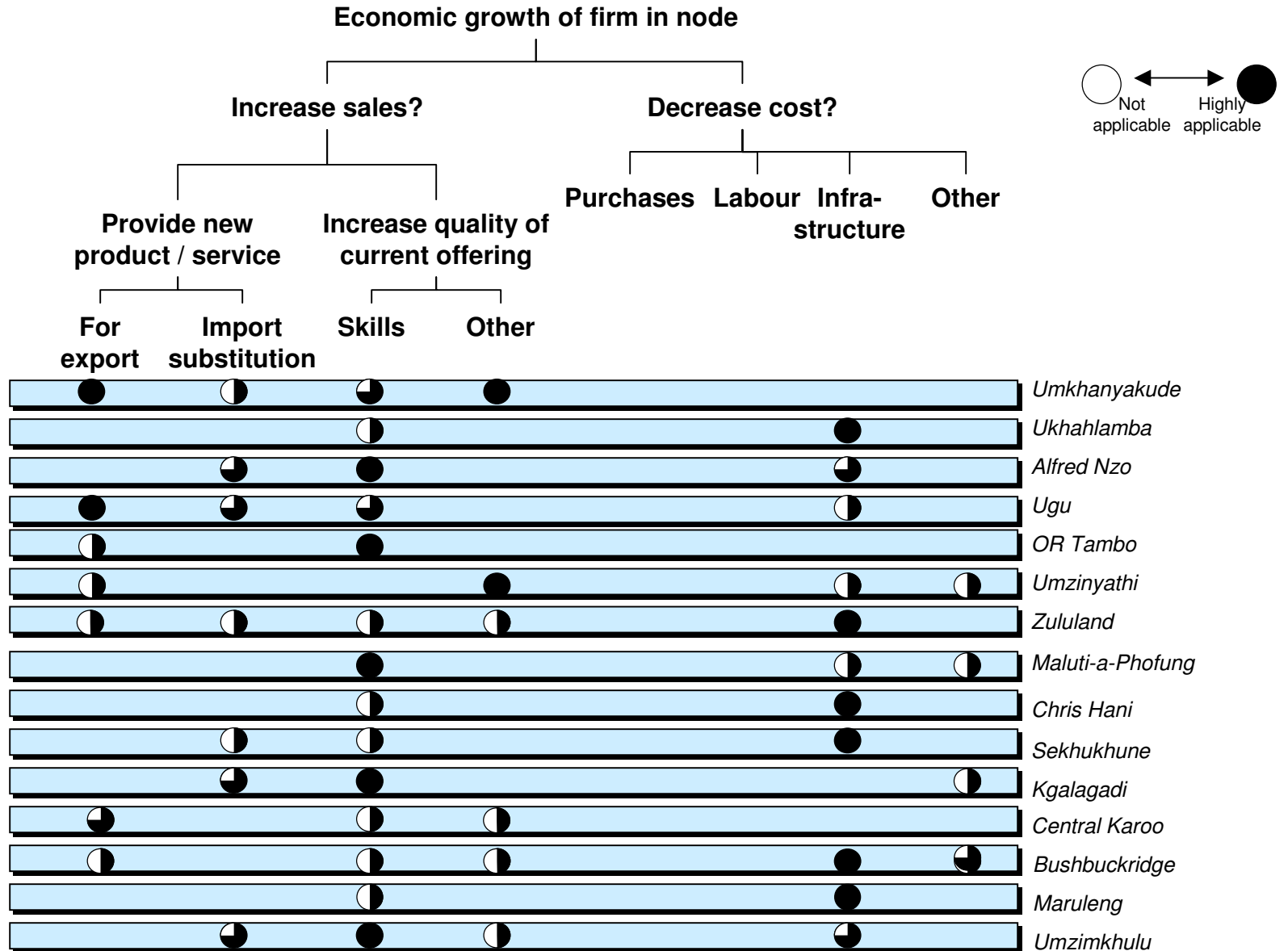
Pilot nodes		Phase III, Wave 1 nodes			Phase IV, Wave 2 nodes	
<i>Umkhanyakude</i>	<i>Ukhahlamba</i>	<i>Alfred Nzo</i>	<i>Ugu</i>	<i>OR Tambo</i>	<i>Umzinyathi</i>	<i>Zululand</i>
<i>Good potential, but mismanaged</i>	<i>Remote and vast, with poor infrastructure</i>	<i>Remote and disconnected, with unrealised potential</i>	<i>Good potential, but unskilled</i>	<i>Some potential, but poor and negatively perceived</i>	<i>Unskilled and mismanaged, but diverse</i>	<i>Large and underdeveloped, with untapped opportunities</i>
<ul style="list-style-type: none"> <li>• Huge potential</li> <li>• Mismanaged</li> <li>• "Investment ready"</li> <li>• Public-private animosity</li> </ul>	<ul style="list-style-type: none"> <li>• Remote location</li> <li>• Vast area</li> <li>• Lacks infrastructure</li> <li>• Mainly rural</li> <li>• Poor</li> <li>• Infrastructure constrains growth</li> <li>• Potential for tourism</li> <li>• Complementary services needed</li> <li>• No tourism strategy</li> <li>• Crop and Livestock farming</li> <li>• Remote location is a disadvantage</li> <li>• No value-added processing</li> </ul>	<ul style="list-style-type: none"> <li>• Remote</li> <li>• Disconnected</li> <li>• Poor</li> <li>• Undeveloped</li> <li>• Young</li> <li>• Unskilled</li> <li>• Dependent</li> <li>• Inactive</li> <li>• Lacking in infrastructure and services</li> <li>• Land-rich</li> <li>• Unrealised potential</li> </ul>	<ul style="list-style-type: none"> <li>• Tourism is the focal point of the economy</li> <li>• Black entrepreneurs need to be brought into tourism</li> <li>• Municipality needs to create incentives</li> <li>• Skills deficit needs to be addressed</li> </ul>	<ul style="list-style-type: none"> <li>• Negative perception</li> <li>• No commercial investment</li> <li>• Poor economy</li> <li>• Rural</li> <li>• Lacks infrastructure</li> <li>• Potential for tourism</li> <li>• No tourism strategy</li> <li>• Land tenure</li> <li>• Potential for crop and livestock farming</li> <li>• Mainly subsistence farming</li> <li>• Skills gaps</li> </ul>	<ul style="list-style-type: none"> <li>• Distinct regions with very different potential</li> <li>• Battlefields</li> <li>• Subsistence and commercial farmers</li> <li>• Low level of skills</li> <li>• Some agri-processing</li> <li>• Declining manufacturing sector</li> <li>• No understanding of local economic development</li> <li>• Examples of political mismanagement</li> </ul>	<ul style="list-style-type: none"> <li>• Large (1 million people)</li> <li>• Rural</li> <li>• Underdeveloped</li> <li>• Rich history</li> <li>• Heart of the Zulu culture</li> <li>• Large commercial agriculture sector</li> <li>• Struggling emerging farmers</li> <li>• Good base of tourism assets</li> <li>• Untapped opportunities</li> </ul>

# Key characteristics of the rural nodes (Continued)

Phase III, Wave 3 nodes			Phase III, Wave 4 nodes			Project extension	
<i>Maluti-a-Phofung</i>	<i>Chris Hani</i>	<i>Sekhukhune</i>	<i>Kgalagadi</i>	<i>Central Karoo</i>	<i>Bushbuckridge</i>	<i>Maruleng</i>	<i>Umzimkhulu</i>
<i>Distressed projects, but diverse with some potential</i>	<i>Remote and vast, with poor infrastructures</i>	<i>Large and dispersed, even undereducated</i>					
<ul style="list-style-type: none"> <li>Commercial and subsistence farming</li> <li>A number of distressed projects</li> <li>Low level of skills</li> <li>Limited understanding of LED</li> <li>Examples of mis-management of assets</li> <li>Examples of emerging black commercial farmers</li> <li>Growing manufacturing sector</li> </ul>	<ul style="list-style-type: none"> <li>Remote location</li> <li>Vast area</li> <li>Lacks infrastructure</li> <li>Mainly rural</li> <li>Poor infrastructure constrains growth</li> <li>Structure and strategy required to promote tourism</li> <li>Crop and Livestock farming</li> <li>Remote location is a competitive disadvantage</li> <li>No value-added processing</li> <li>Limited skills</li> </ul>	<ul style="list-style-type: none"> <li>Poor</li> <li>Large</li> <li>Rural</li> <li>Isolated</li> <li>Dispersed</li> <li>Under-educated</li> <li>Dry</li> <li>Dependent</li> <li>Mineral-rich</li> </ul>	<ul style="list-style-type: none"> <li>Commercial and subsistence farming</li> <li>Low level of skills</li> <li>Example of the mis-management of assets</li> <li>Growing mining sector</li> <li>Gravel roads in many areas</li> <li>Lack of tourism assets</li> <li>Desert-like environment</li> </ul>	<ul style="list-style-type: none"> <li>Vast semi-desert</li> <li>Low population density</li> <li>Dry climate</li> <li>Good access to infrastructure</li> <li>Drive-through region for people en route between Gauteng and Cape Town</li> <li>Karoo National Park is the major attraction</li> <li>Mainly sheep and goat farming</li> <li>Karoo lamb</li> <li>Agriculture produce exported to major SA markets for processing or export overseas</li> </ul>	<ul style="list-style-type: none"> <li>High population density</li> <li>Low employment (14%)</li> <li>High poverty levels (85%)</li> <li>Unskilled labour force</li> <li>Political wrangling affects many projects</li> <li>Undergoing rapid urbanisation/settlement but still effectively a rural area, especially owing to sprawl</li> <li>Land rights and tenure conflicts are a considerable constraint to development</li> <li>Inadequate water supply impedes development</li> <li>Untapped opportunities in tourism and agriculture</li> </ul>	<ul style="list-style-type: none"> <li>Relatively small population</li> <li>Pre-dominantly rural</li> <li>Services backlogs for poor households</li> <li>Poor infrastructure constrains growth</li> <li>Significant potential for tourism</li> <li>Significant potential for agriculture and agro-processing</li> <li>Area requires more effective branding and marketing</li> <li>Improved accessibility to region/transport linkages are essential</li> <li>Effective and speedy resolution of land claims are vital for all sectors</li> </ul>	<ul style="list-style-type: none"> <li>Rural</li> <li>Remote</li> <li>Poor</li> <li>Undeveloped</li> <li>Young</li> <li>Unskilled</li> <li>Dependent</li> <li>Infrastructure and service backlogs</li> <li>Land-rich</li> <li>Focus of agricultural development limited to communal farmers</li> <li>Limited focus on LED to date</li> <li>Stranded projects</li> <li>Untapped potential</li> </ul>

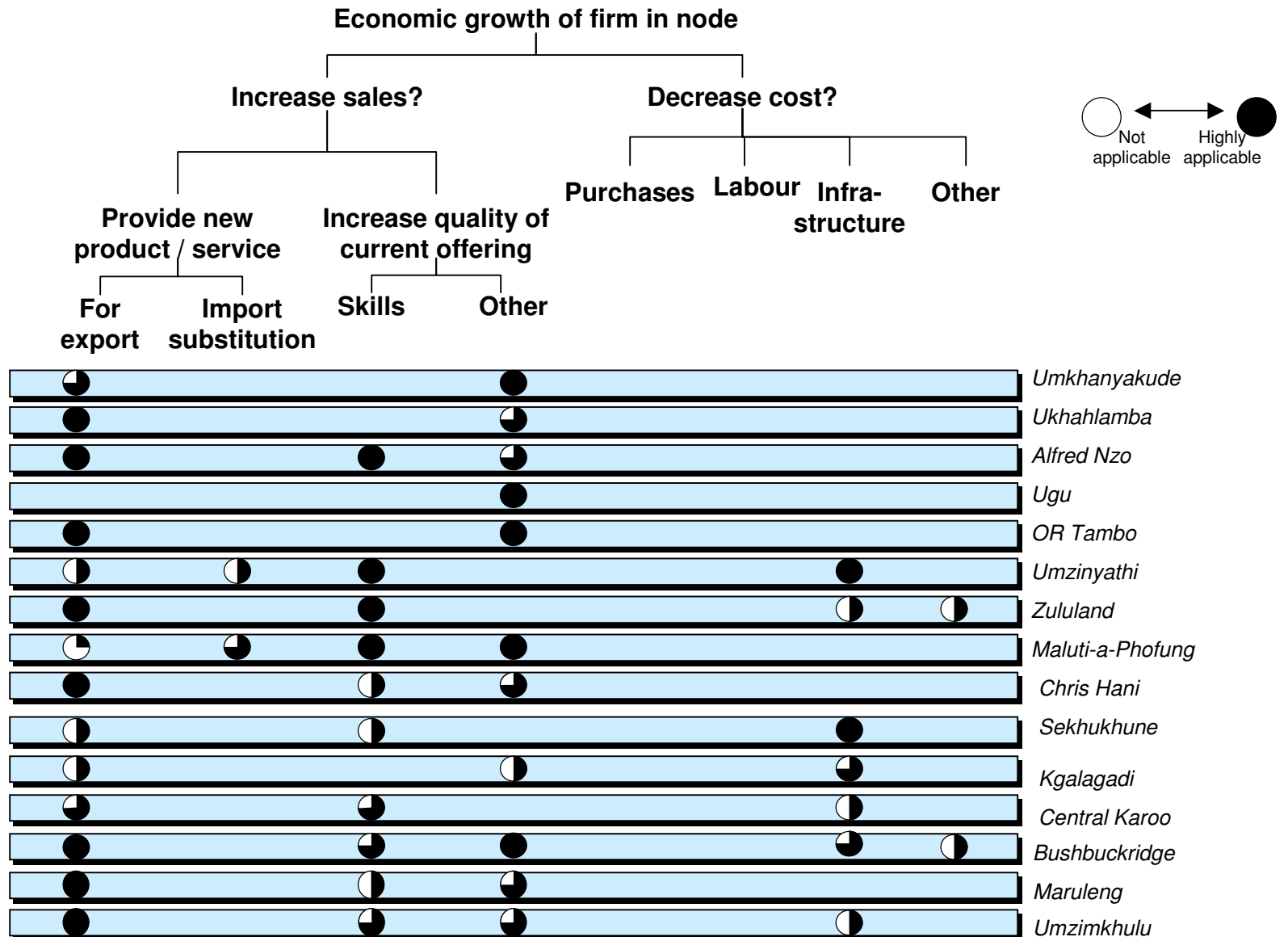
# Summary of profile summaries, rural nodes

## Potential sources of economic growth – Short term



# Summary of profile summaries, rural nodes

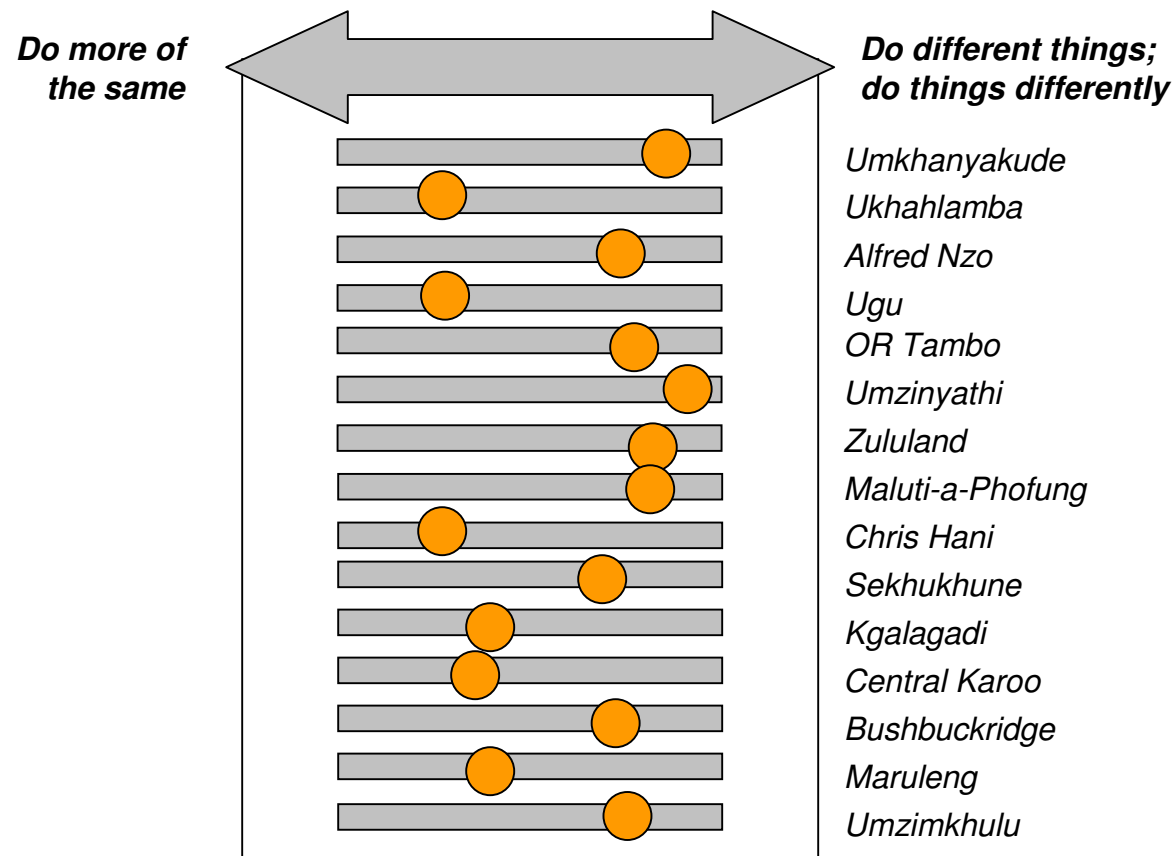
## Potential sources of economic growth – Long term



# Summary of profile summaries, rural nodes

## Assessment of current activities

*Discussion point: How to make this kind of summary / comparison useful to generate higher-level insight and respective action items?*



## Summary of profile summaries, rural nodes

### What needs to be done? Solutions to constraints / Investment opportunities

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<b>Umkhanyakude</b>	<ul style="list-style-type: none"><li>● A large, landmark tourism investment is needed to increase substantially the profile of the area. This will also have positive spin-offs for small businesses</li><li>● The agricultural potential of the area needs to be realised through provision of funding for local subsistence farmers to upscale to commercial ventures, and upgrading of infrastructure is needed, such as irrigation systems, market access routes, storage facilities, etc.</li><li>● Investments which provide direct revenue for the municipality will help to address public service backlogs. The proposed hydro-electric plant at the Jozini Dam is a prime example of this, since it will address electricity backlogs, and will also generate revenue through the sale of electricity to other parts of the country and neighbouring states</li></ul>
<b>Ugu</b>	<ul style="list-style-type: none"><li>● Investments in the tourism sector need to be supported and fast-tracked because this sector provides the multiplier effect for growth in the rest of the economy. Black entrepreneurs need to be educated and trained to be able to participate in this sector and reap rewards from it. This must be done in conjunction with creating new tourism initiatives in the rural area</li><li>● The district municipality needs to provide incentives for new investment, for example, by waiving reticulation fees, lowering planning fees, providing rates holidays (e.g. for the first five years), reducing the cost of water, electricity and waste removal to be more competitive, etc.</li><li>● Build a larger Chamber of Commerce, and become more integrated with the Durban Chamber of Commerce, to allow members to have better visibility on investment opportunities, and work together to capitalise on these</li></ul>
<b>Ukhahlamba</b>	<ul style="list-style-type: none"><li>● Improve basic road, water and electricity infrastructure</li><li>● Create a public-private sector model to incentivise private sector investment in agricultural value-added processing</li><li>● Obtain buy-in on a provincial level</li><li>● Develop a collective marketing strategy for the node and neighbouring nodes</li><li>● Create a forum for all types of farmers to share experiences, knowledge and networks</li><li>● Put in place an incentive structure for small and large farmers to form co-operatives or joint ventures between themselves</li></ul>

## Summary of profile summaries, rural nodes

### What needs to be done? Solutions to constraints / Investment opportunities (Cont)

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Alfred Nzo	<ul style="list-style-type: none"><li>• The area has the opportunity to produce a range of crops, livestock and forestry products; national demand conditions are particularly strong for meat and forestry products, however, there is strong local demand for grains, fruit and vegetables</li><li>• Investment opportunities in the area generally relate to agro-processing, including bio-fuel production, milling and hide processing, or are linked to eco-tourism</li><li>• Key constraints include low education and skill levels, high input costs, weak market access and, in the case of tourism, a lack of strategy and marketing efforts</li><li>• To address this, it is imperative that skilled mentors are made available to farmers, and that a collaborative body be developed to assist in sourcing inputs, marketing and transporting products</li><li>• Finally, an aggressive investment promotion programme should target the private sector</li></ul>
OR Tambo	<ul style="list-style-type: none"><li>• Improve basic road, water and electricity infrastructure</li><li>• Make the land-claim / tenure process more transparent</li><li>• Create a public-private sector model to incentivise private sector investment in the tourism and forestry sectors</li><li>• Develop a marketing strategy for the node</li><li>• Address skills gaps among subsistence farmers</li><li>• Address skills gaps within municipalities</li></ul>
Umzinyathi	<ul style="list-style-type: none"><li>• Put in place mentorship programmes to bridge the skills gaps between emerging and commercial farmers</li><li>• Make the land-reform process more transparent</li><li>• Create a public-private sector model to incentivise private sector investment</li><li>• Address skills gaps within municipalities</li><li>• Support manufacturing in Msinga</li></ul>

## Summary of profile summaries, rural nodes

### What needs to be done? Solutions to constraints / Investment opportunities (Cont)

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<b>Zululand</b>	<ul style="list-style-type: none"><li>● Create incentives for tourists and operators to come to the area: complete roads, build accommodation in eMakhosini, develop attractions and new products, etc.</li><li>● Work with tour operators and tourism businesses within and near the node to create and market attractive packages that link multiple destinations</li><li>● Support key investment opportunities, including the Pongolapoort Dam development and the construction of lodges in eMakhosini Valley</li><li>● Build a mentorship system between established and emerging farmers</li><li>● Create structures / organisations to aggregate emerging farmers and decrease input and transport costs</li><li>● Attract private investment – a key place to start is the opportunity for a sugar mill on the Makhathini Flats, which would be a great boost to emerging sugar farmers in Zululand</li></ul>
<b>Maluti</b>	<ul style="list-style-type: none"><li>● Address skills gap within municipalities</li><li>● Set up mentorship programmes to bridge the skills gap between emerging and commercial farmers</li><li>● Develop an effective marketing strategy and delivery mechanism for tourism<ul style="list-style-type: none"><li>– There is a need for supporting investments in the sector, because this is the sector that provides the multiplier effect for growth in the rest of the economy</li><li>– Black entrepreneurs need to be educated and trained to be able to participate in this sector and reap the rewards. This must be done in conjunction with creating new tourism products that highlight the area's scenic beauty</li></ul></li></ul>
<b>Sekhukune</b>	<ul style="list-style-type: none"><li>● Water, infrastructure and skills are all common constraints across most sectors</li><li>● Promising investment opportunities include:<ul style="list-style-type: none"><li>– Mining: Several new mines are to be developed, opening up opportunities for supporting industries (accommodation, housing, retail, restaurants / catering, processing)</li><li>– Agriculture: Bio-diesel production will supply mining industry; fruit and vegetable processing plant</li><li>– Tourism: Vacation property and resort development</li></ul></li></ul>

## Summary of profile summaries, rural nodes

### What needs to be done? Solutions to constraints / Investment opportunities (Cont)

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<b>Chris Hani</b>	<ul style="list-style-type: none"><li>● Improve basic road, water and electricity infrastructure</li><li>● Create a public-private sector model to incentivise private sector investment in agricultural value-added processing<ul style="list-style-type: none"><li>– Obtain buy-in at provincial level</li></ul></li><li>● Develop a collective marketing strategy for the node and neighbouring nodes</li><li>● Create a forum for all types of farmers to share experiences, knowledge and networks</li><li>● Put in place an incentive structure for small and large farmers to form co-operatives or joint ventures between themselves</li></ul>
<b>Bushbuckridge</b>	<ul style="list-style-type: none"><li>● A comprehensive tourism strategy must be developed and implemented</li><li>● A comprehensive agriculture and land-use plan must be developed and implemented (including development of veterinary support services, utilisation of natural resources, priority of agri-processing investment opportunities)</li><li>● Municipality and other government instruments can assist co-operatives and increase the viability of community projects</li><li>● Blockages and service backlogs in the system must be addressed</li><li>● Land claims must urgently be fast-tracked</li><li>● Bushbuckridge can exploit the fact that it is located in a UNESCO biosphere, but needs to integrate its tourism activities into the broader provincial tourism plans</li></ul>
<b>Central Karoo</b>	<ul style="list-style-type: none"><li>● Scale up current initiatives like Karoo Leather and Beaufort West Hydroponics</li><li>● Build a correctional facility outside Beaufort West</li><li>● Investigate the opportunity to introduce more game into the Karoo National Park</li><li>● Make Karoo lamb a protected brand to increase the value of meat produced in Central Karoo</li><li>● Upgrade the rail link between Gauteng and Cape Town</li></ul>

## Summary of profile summaries, rural nodes

### What needs to be done? Solutions to constraints / Investment opportunities (Cont)

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<b>Kgalagadi</b>	<ul style="list-style-type: none"><li>● The district and local municipalities must become more efficient in dealing with the private sector when potential investment opportunities are being undertaken (to reduce delays)</li><li>● Focus needs to be concentrated on a few specific opportunities that prove to be both viable and sustainable</li><li>● Key learning from past projects must be applied to guide future actions</li><li>● The municipality must initiate projects but ensure that the beneficiaries take control and responsibility for future activities</li></ul>
<b>Maruleng</b>	<ul style="list-style-type: none"><li>● Improve basic road, water and electricity infrastructure</li><li>● Actively facilitate and incentivise private sector investment in agricultural value-added processing, in co-operation with the district municipality as well as provincial departments and agencies</li><li>● Develop an effective branding and marketing strategy for the area in respect of both tourism and agricultural offerings</li><li>● Develop and implement a spatial development framework for the node to actively manage development and investment, and retain potential benefits</li></ul>
<b>Umzimkhulu</b>	<ul style="list-style-type: none"><li>● Fast-track the provision of basic services and infrastructure conducive to conducting business</li><li>● Develop municipal capacity, specifically in the areas of LED, agriculture and tourism</li><li>● Unlock land potential by resolving ownership issues so that agricultural self-sustainability and commercial production can be achieved</li><li>● Build strong farming co-operatives that include private and communal farmers, to facilitate the sourcing of inputs, improved marketing, transport services and the transfer of skills</li><li>● Develop tourism around current initiatives like birding, rail and cycle tourism<ul style="list-style-type: none"><li>– Focus on the tourism offering (accommodation, catering, activities) at Ntsikeni Nature Reserve</li><li>– Maximise the planned Umzimkhulu Gateway through careful planning around location and offering</li></ul></li></ul>

# Summary of profile summaries, rural nodes

## Stakeholders to involve to create action

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<b>Umkhanyakude</b>	<ul style="list-style-type: none"> <li>• District and local municipalities</li> <li>• KZN Department of Agriculture</li> <li>• Land Claims Commission</li> <li>• Large hotel and resort developers</li> <li>• Large supermarket chains</li> <li>• Department of Public Enterprises</li> </ul>	<b>Ukhahlamba</b>	<ul style="list-style-type: none"> <li>• Ukhahlamba Municipality</li> <li>• dplg</li> <li>• DTI</li> <li>• DEAT</li> <li>• Emerging Farmers Union</li> <li>• Large commercial farmers</li> </ul>
<b>Alfred Nzo</b>	<ul style="list-style-type: none"> <li>• Local government (district and municipal)</li> <li>• Department of Agriculture, Department of Water and Forestry, Department of Trade and Industry</li> <li>• Provincial bodies: Eastern Cape Development Corporation, Eastern Cape Tourism Board</li> <li>• Community leaders / traditional authorities</li> <li>• Local people</li> <li>• Private sector: potential producers and / or buyers</li> </ul>	<b>Ugu</b>	<ul style="list-style-type: none"> <li>• District and local municipalities</li> <li>• KZN Department of Agriculture and Environmental Affairs</li> <li>• Land Claims Commission</li> <li>• Tourism KZN</li> <li>• Large hotel and resort developers</li> <li>• Spoornet</li> <li>• Department of Public Works</li> </ul>
<b>OR Tambo</b>	<ul style="list-style-type: none"> <li>• OR Tambo Municipality</li> <li>• All local municipalities</li> <li>• dplg</li> <li>• DTI</li> <li>• DEAT</li> </ul>	<b>Central Karoo</b>	<ul style="list-style-type: none"> <li>• CSIR</li> <li>• Department of Correctional Services</li> <li>• National Government</li> <li>• SAN Parks</li> <li>• Department of Agriculture</li> <li>• Department of Transport</li> </ul>

# Summary of profile summaries, rural nodes

## Stakeholders to involve to create action (Continued)

<b>Zululand</b>	<ul style="list-style-type: none"> <li>• Local government (district and municipal)</li> <li>• Department of Agriculture, Department of Water and Forestry, Department of Trade and Industry</li> <li>• Community leaders / traditional authorities (Ingonyama Trust)</li> <li>• Private investors: agribusiness, developers, tour operators, etc.</li> <li>• CBOs and farming associations</li> <li>• Local people</li> </ul>	<b>Umzinyathi</b>	<ul style="list-style-type: none"> <li>• Department of Agriculture</li> <li>• Department of Land Affairs</li> <li>• Development Bank of South Africa</li> <li>• Umzinyathi district municipality and all local municipalities</li> <li>• KZN Tourism Authority</li> </ul>
<b>Maluti-a-Phofung</b>	<ul style="list-style-type: none"> <li>• Free State Department of Agriculture</li> <li>• Maluti-a-Phofung Municipality</li> <li>• Free State Tourism</li> <li>• Free State Nature Conservation</li> <li>• Free State Department of Arts and Culture</li> <li>• National Black Farmers Union</li> </ul>	<b>Chris Hani</b>	<ul style="list-style-type: none"> <li>• Ukhahlamba Municipality</li> <li>• dplg</li> <li>• DTI</li> <li>• DEAT</li> <li>• Emerging Farmers Union</li> <li>• Large commercial farmers</li> </ul>
<b>Sekhukhune</b>	<ul style="list-style-type: none"> <li>• Greater Sekhukhune District Municipality</li> <li>• Local municipality / government</li> <li>• Government departments (DoA, DWAF, DTI, etc.)</li> <li>• NGOs (Sekhukhune Farmers Development Trust)</li> <li>• Private sector (mining companies, commercial farmers, agri-businesses)</li> <li>• Local people / entrepreneurs</li> </ul>	<b>Kgalagadi</b>	<ul style="list-style-type: none"> <li>• Department of Agriculture Northern Cape</li> <li>• Department of Agriculture North West</li> <li>• Kgalagadi District Municipality</li> <li>• Department of Tourism Northern Cape</li> <li>• Kuruman Farmers Union</li> </ul>

# Summary of profile summaries, rural nodes

## Stakeholders to involve to create action (Continued)

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<b>Bushbuckridge</b>	<ul style="list-style-type: none"> <li>● Local government (district and municipal)</li> <li>● Department of Agriculture, Department of Water and Forestry, Department of Trade and Industry, Department of Environment and Tourism, Department of Land Affairs</li> <li>● Community leaders / traditional authorities</li> <li>● Private investors: agribusiness, developers, tour operators, etc.</li> <li>● Community co-operatives</li> <li>● Government support structures, MEGA, SEDA, MADC etc.</li> <li>● Local people</li> </ul>
<b>Maruleng</b>	<ul style="list-style-type: none"> <li>● Maruleng Municipality</li> <li>● Mopani District Municipality</li> <li>● Limpopo LED</li> <li>● dplg</li> <li>● DTI</li> <li>● DEAT</li> <li>● Local business (including farmers and tourism operators)</li> </ul>
<b>Umqimkhulu</b>	<ul style="list-style-type: none"> <li>● Local government (municipal and district)</li> <li>● Department of Local Government and Traditional Affairs, KZN; Department of Provincial and Local Government</li> <li>● SpoorNet, Eskom</li> <li>● Independent Development Trust</li> <li>● Department of Land Affairs, Department of Agriculture, Department of Water Affairs and Forestry, Department of Trade and Industry, Department of Economic Affairs and Tourism, Department of Transport</li> <li>● District tourism bodies, operators, experts</li> <li>● Local business people</li> </ul>

## Summary of profile summaries

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- Rural profiles
- **Urban profiles**

# Summary of profile summaries, urban nodes

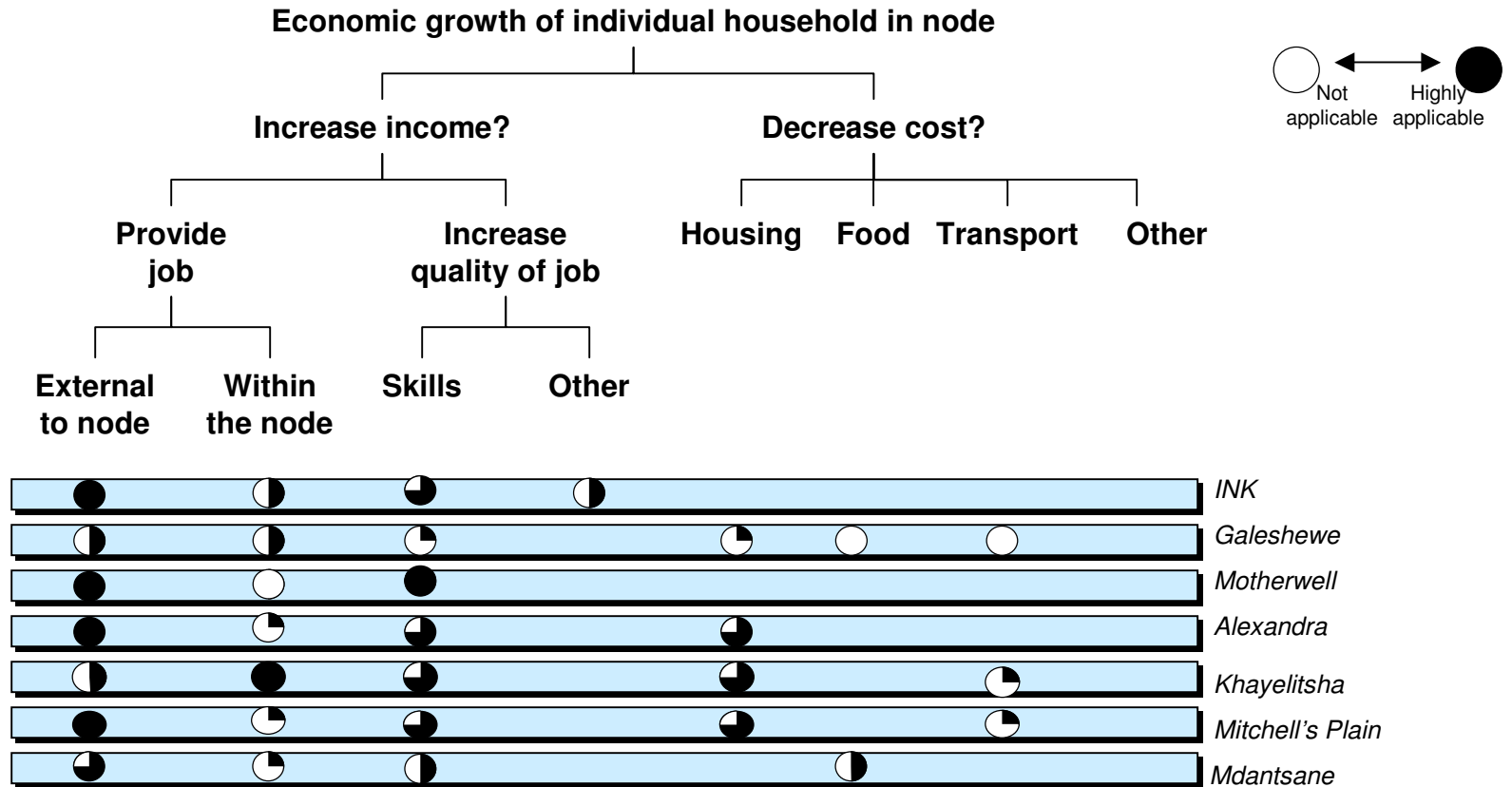
## Key characteristics of the nodes

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Pilot nodes		Phase III nodes				
<i>INK</i>	<i>Galeshewe</i>	<i>Motherwell</i>	<i>Alexandra</i>	<i>Khayelitsha</i>	<i>Mitchell's Plain</i>	<i>Mdantsane</i>
<ul style="list-style-type: none"> <li>• Big</li> <li>• Young population</li> <li>• Unskilled</li> <li>• Low economic activity</li> <li>• Dependent on city</li> <li>• Poor housing</li> <li>• Weak infrastructure and basic services</li> <li>• High unemployment</li> <li>• Ripening consumer economy but ...</li> <li>• ... no local ownership</li> </ul>	<ul style="list-style-type: none"> <li>• Dormitory suburb</li> <li>• High unemployment</li> <li>• Low income</li> <li>• Little economic activity in node</li> <li>• Dependent on the Kimberley economy</li> <li>• Dependent on public spending</li> <li>• Retailing constrained by size of market and proximity of CBD</li> <li>• Low-cost housing backlog</li> <li>• Pent-up demand for affordable housing</li> </ul>	<ul style="list-style-type: none"> <li>• Poor</li> <li>• Low density</li> <li>• Well established housing stock</li> <li>• Levels of business viability are low</li> <li>• Heavily dependent on external employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>• Well located</li> <li>• Dense</li> <li>• Problems with tenure in Old Alex</li> <li>• New developments, avoiding problems of past</li> <li>• Need for more rental accommodation</li> <li>• Vibrant commercial activity, limited by poverty</li> <li>• Need for better quality commercial infrastructure</li> <li>• Good physical linkages</li> <li>• Better virtual linkages needed</li> </ul>	<ul style="list-style-type: none"> <li>• Established in early 1980s</li> <li>• Far from Cape Town's CBD</li> <li>• Housing very informal and very dense</li> <li>• Housing crisis, worsened by migration</li> <li>• Development focused on transport hubs</li> <li>• Transport to town is available, but not co-ordinated</li> <li>• Better virtual linkages needed</li> </ul>	<ul style="list-style-type: none"> <li>• Suburban</li> <li>• Has reached critical mass</li> <li>• Far from Cape Town's CBD</li> <li>• Low to medium density</li> <li>• Hidden housing crisis due to overcrowding</li> <li>• Need for infill housing and new developments</li> <li>• Vibrant commercial centre with excellent infrastructure</li> <li>• Better virtual linkages needed</li> </ul>	<ul style="list-style-type: none"> <li>• Considerable urban sprawl</li> <li>• Little housing backlog</li> <li>• Moderately well connected to East London by transport</li> <li>• Growing middle class, as evidenced by commercial and housing market development</li> <li>• Diverse residents with regard to education and income levels</li> </ul>

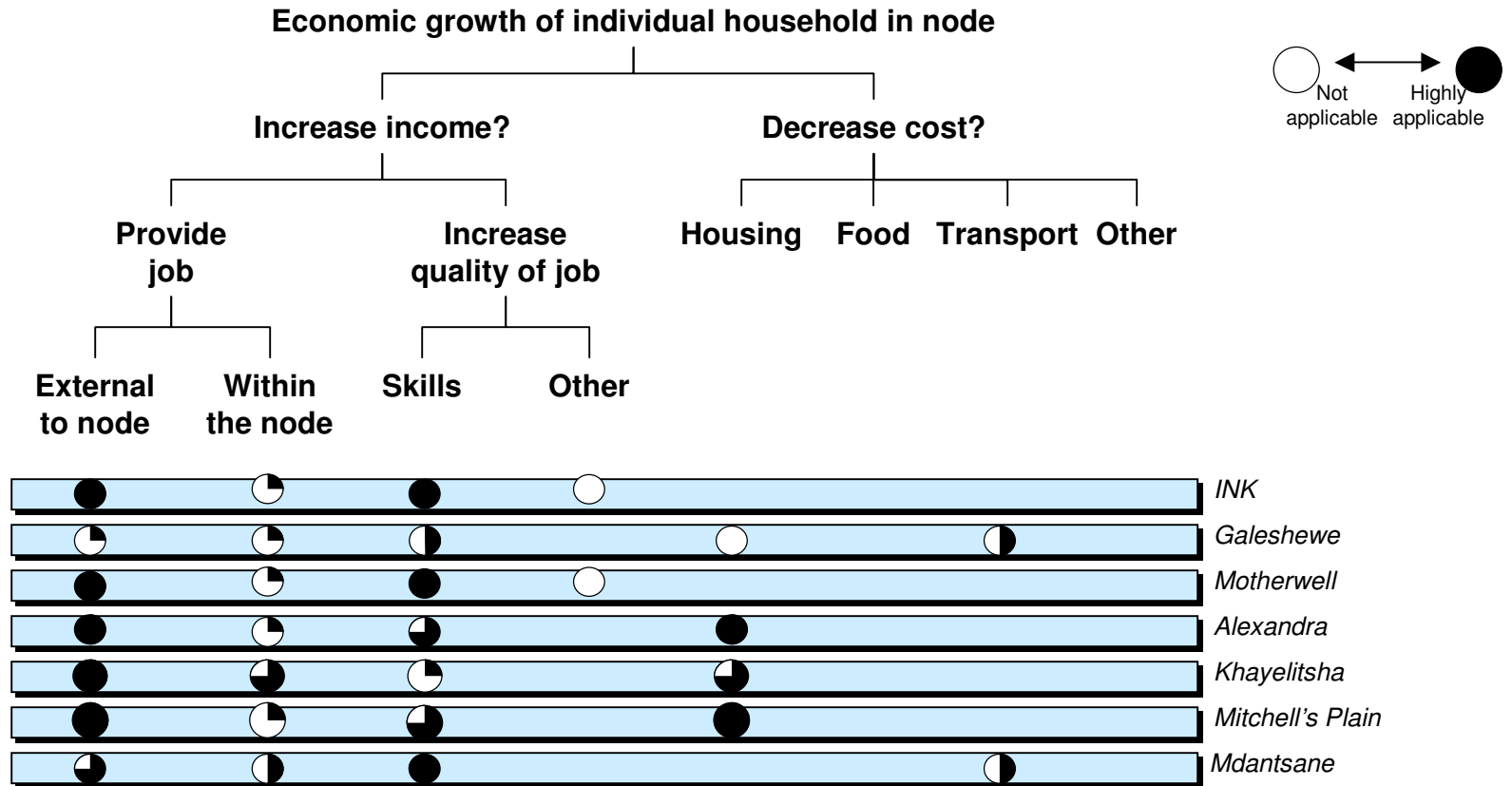
# Summary of profile summaries, urban nodes

## Potential sources of economic growth – Short term



# Summary of profile summaries, urban nodes

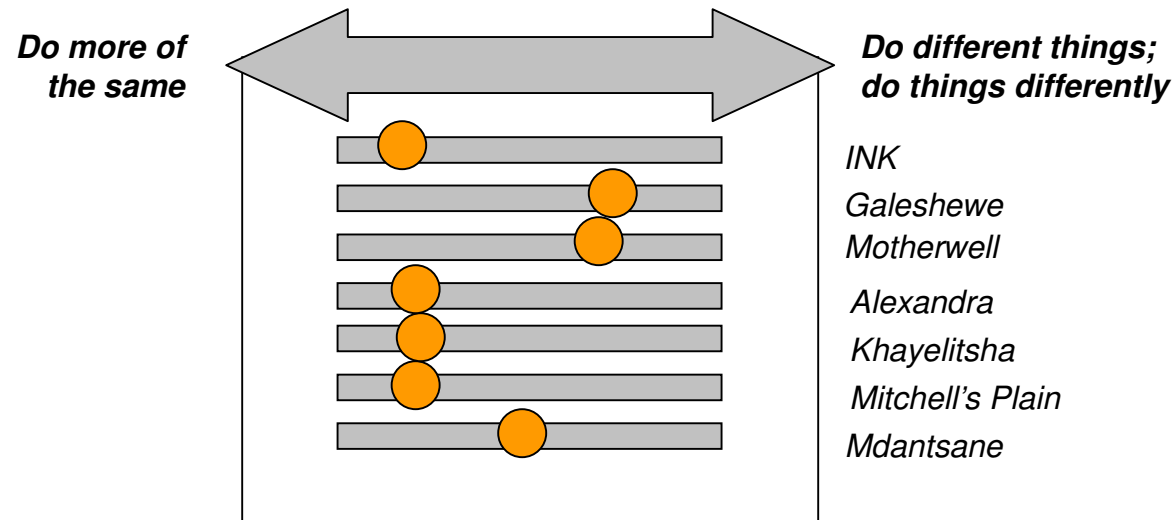
## Potential sources of economic growth – Long term



# Summary of profile summaries, urban nodes

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## Summary of profile summaries, urban nodes

### What needs to be done? Solutions to constraints / Investment opportunities

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INK	<ul style="list-style-type: none"><li>● Close skills gap: Raise quality of basic education, improve English language skills, establish tertiary institutions in area / trade schools, establish apprenticeship and internship programmes, etc<ul style="list-style-type: none"><li>– Target growth sectors in the Durban economy (knowledge industries, chemicals, metals, transport and logistics), as well as construction and trade skills to help workers access employment opportunities along the growing North Coast</li></ul></li><li>● Support local SMMEs: Reduce constraints to local business growth through an ongoing business support service that would provide mentorship and help entrepreneurs to create business plans, apply for funding and access larger markets. Also, build quality trading space located in high traffic, secure areas</li><li>● Market the area to large private investors and continue to improve the environment for external businesses</li></ul>
Galeshewe	<ul style="list-style-type: none"><li>● In the long term, Kimberley could be positioned as an important hub in the regional flow of goods between Johannesburg and Cape Town, and between Durban / Richard's Bay and the west coast of Southern Africa. This will require that investment strategies of entities in the national transport network are designed to achieve this</li><li>● In the absence of being able to reposition Kimberley in the national spatial economy, attention must be paid to upskilling residents for opportunities outside the area, and eliminating any obstacles to moving elsewhere</li><li>● Kimberley's short-term opportunities lie in mineral beneficiation, tourism and agro-processing. Given the Northern Cape's relatively high matric results, it is possible that further opportunities in the services space – e.g. call centres – exist</li><li>● In Galeshewe, the opportunities for meaningful job creation revolve around housing delivery and public sector construction</li></ul>
Motherwell	<ul style="list-style-type: none"><li>● The housing market is beginning to tick over, but concerns about the enforceability of property rights remain</li><li>● The area's business climate is poor and more work needs to be done to address the situation</li><li>● More attention needs to be paid to increasing residential densities</li><li>● Given Motherwell's proximity to Coega, attention should be paid to maximising the development potential in this area by (a) focusing skills training in Motherwell on the skills needed in Coega and (b) giving its residents preference when allocating employment from Coega</li></ul>

## Summary of profile summaries, urban nodes

### What needs to be done? Solutions to constraints / Investment opportunities (Cont)

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<b>Alexandra</b>	<ul style="list-style-type: none"><li>● Focusing on business upgrading and improving the business environment by building partnerships with businesses in the surrounding area</li><li>● Moving more swiftly on tenure issues will help to unlock Alexandra's potential</li><li>● Developing the franchised landlord model, as well as the other housing stock and tenure options which the ARP has developed, offers the prospect of real improvement in the area</li></ul>
<b>Khayelitsha</b>	<ul style="list-style-type: none"><li>● The erection of decent housing in the area is a continuing priority</li><li>● The transport infrastructure needs to be co-ordinated in order to increase the efficiency of public transport</li><li>● The development of the transport node at Kuyasa should be based on that of the Mitchell's Plain's Station Plaza in order to become a thriving commercial centre</li><li>● Many businesses in Khayelitsha are highly informal and assistance with formalisation would be helpful</li></ul>
<b>Mitchell's Plain</b>	<ul style="list-style-type: none"><li>● The transport infrastructure needs to be co-ordinated in order to increase the efficiency of public transport</li><li>● The Mitchell's Plain False Bay College branch is in need of funding from the province's Further Education and Training (FET) grant</li><li>● Social interventions are necessary to limit gang activity in Mitchell's Plain</li><li>● Informal businesses in Mitchell's Plain need to be educated about the benefits of formalisation</li></ul>

## Summary of profile summaries, urban nodes

### What needs to be done? Solutions to constraints / Investment opportunities (Cont)

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<b>Mdantsane</b>	<ul style="list-style-type: none"><li>• The Buffalo City Municipality must commit to the Mdantsane Urban Renewal Project (MURP) for the project to have full-scale benefits</li><li>• The Department of Labour could re-assess the role of the Border Training College, which could be used to upskill Mdantsane residents and prepare them for future employment at the industrial development zone (IDZ)</li><li>• National government departments need to accelerate their processes and establish when and where action is required, e.g. Mount Ruth development and providing vacant land for housing</li><li>• National government needs to recognise that Mdantsane can grow only if East London grows, which may require harbour upgrades</li><li>• A change in policies is required to improve the current human resource bottlenecks at MURP and at the municipality to speed up service-delivery and planning processes</li></ul>
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# Summary of profile summaries, urban nodes

## Stakeholders to involve to create action

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<b>INK</b>	<ul style="list-style-type: none"> <li>• Department of Education</li> <li>• Department of Labour</li> <li>• Department of Trade and Industry</li> <li>• eThekweni Municipality (Business Support Unit)</li> <li>• Industry leaders / associations</li> <li>• Local people</li> </ul>
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<b>Alexandra</b>	<ul style="list-style-type: none"> <li>• Urban Renewal Programme</li> <li>• Municipal and Provincial Government</li> <li>• Department of Housing and Local Government , Johannesburg's planning and housing officials</li> <li>• Community leaders and local people</li> <li>• Private sector: potential developers</li> <li>• SARS</li> </ul>
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<b>Galeshewe</b>	<ul style="list-style-type: none"> <li>• Engagement with national government, Transnet and SANRA on the shape of the transport network</li> <li>• To maintain and improve basic education and provide opportunities for tertiary education.</li> <li>• Engagement with industry institutions and businesses to identify investment opportunities in the tourism, agro-processing, services and beneficiation industries.</li> <li>• Developing a plan to address the backlogs in both low-cost and affordable housing.</li> </ul>
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<b>Khayelitsha</b>	<ul style="list-style-type: none"> <li>• Urban Renewal Programme</li> <li>• Municipal and Provincial Government</li> <li>• Department of Housing and Local Government, planning and housing officials</li> <li>• Community leaders</li> <li>• Local people</li> <li>• Private sector: potential developers</li> </ul>
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<b>Motherwell</b>	<ul style="list-style-type: none"> <li>• Provincial government</li> <li>• Nelson Mandela Bay Municipality's planners and housing officials</li> <li>• Coega, the dti, the Department of Labour and the SETAS</li> <li>• Community leaders, politicians and aw enforcement agencies (to ensure protection of property rights and buy-in for this)</li> </ul>
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<b>Mitchell's Plain</b>	<ul style="list-style-type: none"> <li>• Urban Renewal Programme</li> <li>• Municipal and Provincial Government</li> <li>• Department of Housing and Local Government, planning and housing officials</li> <li>• Community leaders and local people</li> <li>• Private sector: potential developers</li> <li>• SARS</li> </ul>
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## Summary of profile summaries, urban nodes Stakeholders to involve to create action (Continued)

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### Mdantsane

- BCM senior administration
- Department of Labour, IDZ
- National departments (SARCC, NRA, NDoLA, NDoT)
- Mdantsane Urban Renewal Programme

# Summary of profile summaries, urban nodes

## Summary of observations by theme

	The quality of residential life	Commercial activity	Linkages
<b>Galeshewe</b>	Low-cost housing situation is improving Lack of land for affordable housing	The township is too poor and too low density Competition from CBD is intense	Galeshewe is well located in Kimberley and transport links are reasonably good
<b>INK</b>	A property market is developing, but property rights, competition from “better” areas and backlogs must be addressed	Commercial activity is picking up, with new investments going into the area	Large distances mean heavy reliance on trains; transport within INK is costly Establishment of municipal and employment offices
<b>Motherwell</b>	There is a great deal of investment in low-cost housing and municipal infrastructure No affordable housing development	Density levels and urban structure make it difficult to establish viable commercial centres	Motherwell is far from town, and corridor development is unlikely to impact strongly on the township
<b>Alexandra</b>	Tenure issues in “Old Alex” make resolving the housing crisis there almost impossible	Density levels are high enough to create a vibrant, although informal, commercial environment	Alex is the best located township in the country
<b>Khayelitsha</b>	The lack of decent housing is the single most serious development challenge in Khayelitsha	Density levels are high and “pinch points” around transport hubs create commercial viability	Khayelitsha is far from the growing areas of Cape Town, but some opportunities exist in Phillipi and Faure
<b>Mitchell’s Plain</b>	The extent to which Mitchell’s Plain requires low-cost housing is uncertain	Mitchell’s Plain has by far the best commercial environment of all the nodes	Mitchell’s Plain is far from the fastest growing areas of Cape Town, but there are some local opportunities
<b>Mdantsane</b>	Housing backlog is small The property market seems to be functioning well	Growing middle class is driving investment in commercial infrastructure which should compete successfully with CBD	A corridor is being developed, but a lack of transport is hampering access to education and employment