



cooperative governance  
& traditional affairs

Department:  
Cooperative Governance and Traditional Affairs  
REPUBLIC OF SOUTH AFRICA

# Transformative Local Economic Development Of Action

9-10 November 2017



# The Power of LED to Transform Local Communities



**A lesson of  
achievement  
through  
Consistency**



# Sharing practical experiences and knowledge gained from our work in 164 LM/DM and 7 Provinces



- Values
- Principles
- Approaches
- Processes
- Skills
- Lessons
- Doing things differently  
which make LED work

# LED –basic principles



- Mobilising intellectual **and** relational capital
- **Changing behaviours**
- Knowledge management
- Strengthening networks
- Facilitating a joint agenda around mutual opportunity
- **Application of appropriate LED Systems**
- **Stakeholder Collaboration/Dialogue**
- Professional Facilitation Processes
- SMART
- Practical solutions “**Keep It Simple Smart**”
- **Bottom up, inclusive**

# NDP key ingredients for success



- Active efforts of all South Africans
- Growth, investment and employment
- An effective, capable Government
- **Collaboration/Dialogue between Public and Private sector**
- Leadership from all sectors of society

# People. Planet. Sustainability.



**Nurture** a legacy of economic renewal and sustainable, inclusive livelihoods.

**Facilitate** behaviour change through an obsession with consistency, performance, accountability, efficiency, transparency

**Facilitate action** for sustainable and inclusive development, connecting Public- Private and Civil Society sectors, as partners

# Changing Behaviour



- Strong Brave Leadership
- Peak Performance
- Accountability
- Efficiency
- Transparency
- Consistency
- Responsibility
- Learning from mistakes
- Collaboration to enhance knowledge, expertise and understanding
- Insisting on sound appropriate systems
- Admitting we don't know everything

# Efficient Systems





# Business Environment: factors influenced by Local Government

## Regulatory system

Bye-laws & regulations	Administrative procedures
Taxes & levies	Management
Planning/ zoning	Decision making
Environment & health	Reporting
Licensing & registration	Record keeping

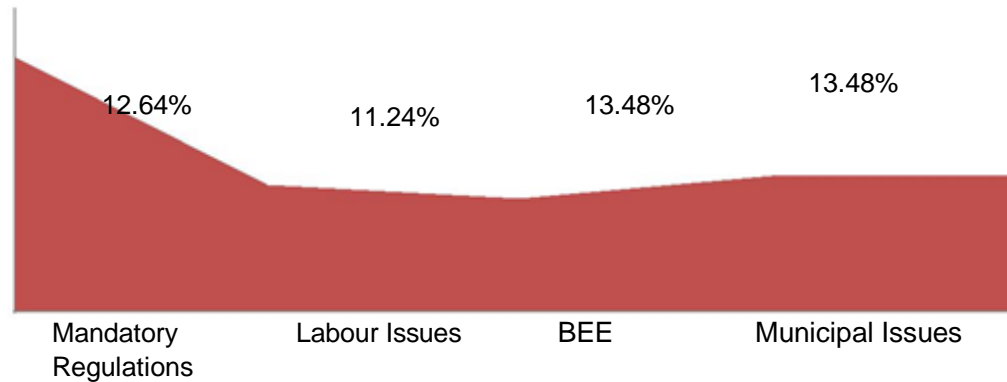
## Service delivery

Infrastructure	Social services	Business services
Transport infrastructure	Residential quality	Non-financial business dev.
Municipal services	Education	Financial services
Property	Health	
ICTs	Recreation & culture	

# Red Tape

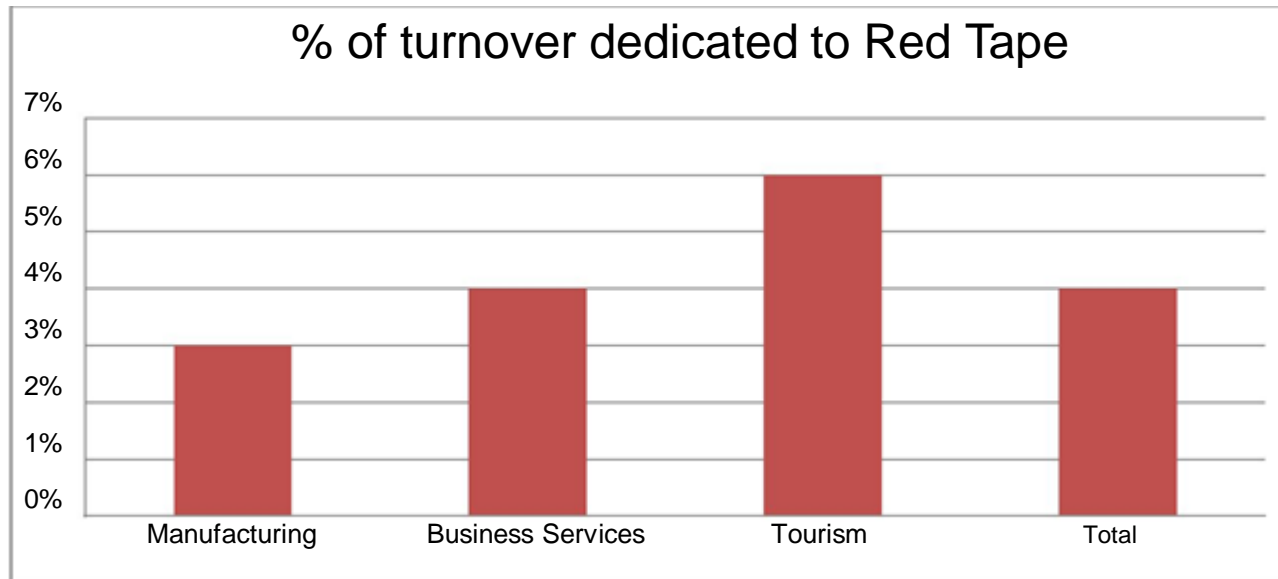


Top five most costly and frustrating Red Tape issues over past year



Business Environment Specialists 2013

# Red Tape



# SMART LED



- Specific
- Measureable
- Achievable
- Relevant
- Time bound

# Role of Local Govt'



- Create a conducive environment for enterprise development
- Provide strategic economic infrastructure
- Deliver new types of public goods (networks, skills & technology, innovative development & spatial redevelopment)
- Provide appropriate regulatory framework
- Municipalities as 'connectors'
  - Link local, provincial, national & global spheres
  - Facilitate growth of social capital (mobilising stakeholders & forming economic governance institutions)
- Support formation of local partnerships
- Access funds from various departments

# Role of Private Sector



- To organise effective, collective action to initiate and undertake LED initiatives,
- To participate in decision taking and implementation processes in public sector investment programmes,
- To support the promotion of social enterprises
- To collaborate with local government to identify win-win opportunities.

# LED Collaboration LED & Building Trust

## Public-Private Collaboration brings:

**Growing trust & joint action lead to:**  
upward spiral of improved service delivery  
economic growth & poverty reduction

### Government brings:

- Service provision
- Knowledge of systems
- Public resources
- Power to cut **Red Tape**
- Stakeholder collaboration
- Business environment
- Policies

### Business brings:

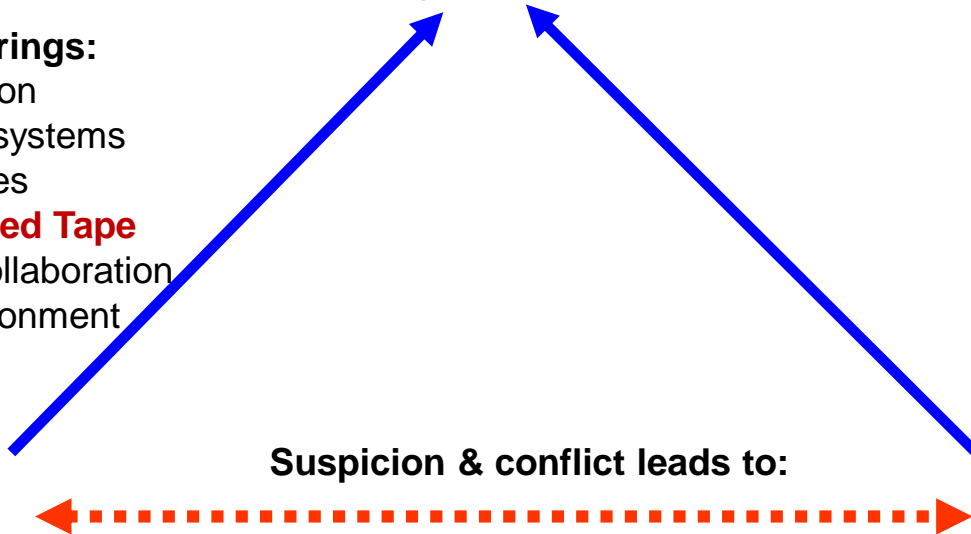
- Work opportunities
- Good Governance
- Technical expertise
- Tax revenue
- Aversion to **Red Tape**
- Ideas on how to cut **Red Tape**

Local  
Government

Private  
Sector

### Suspicion & conflict leads to:

downward spiral of red tape application &  
aversion, rising costs, deteriorating business environment,  
declining economic activity & rising poverty



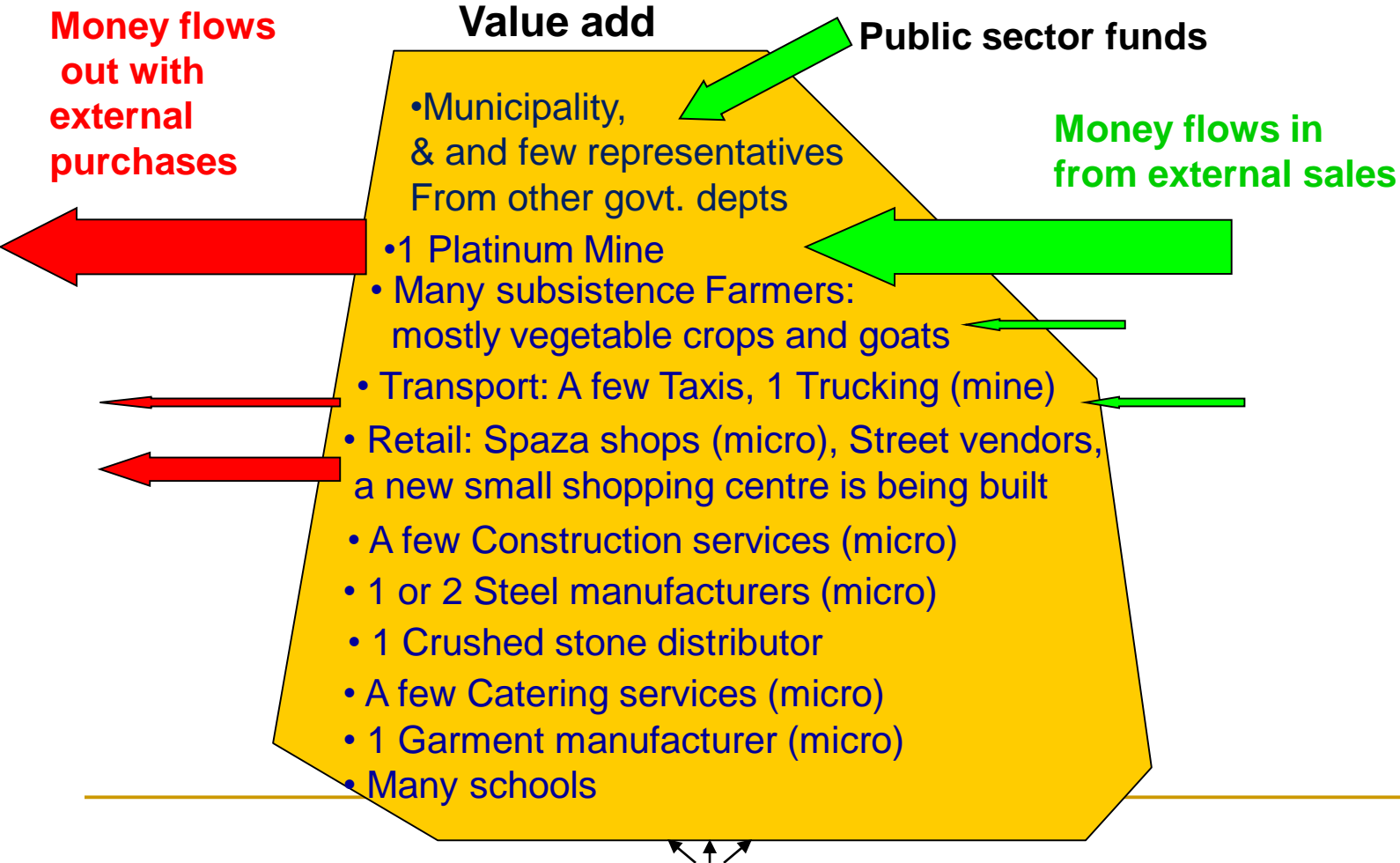
# Circular Economy



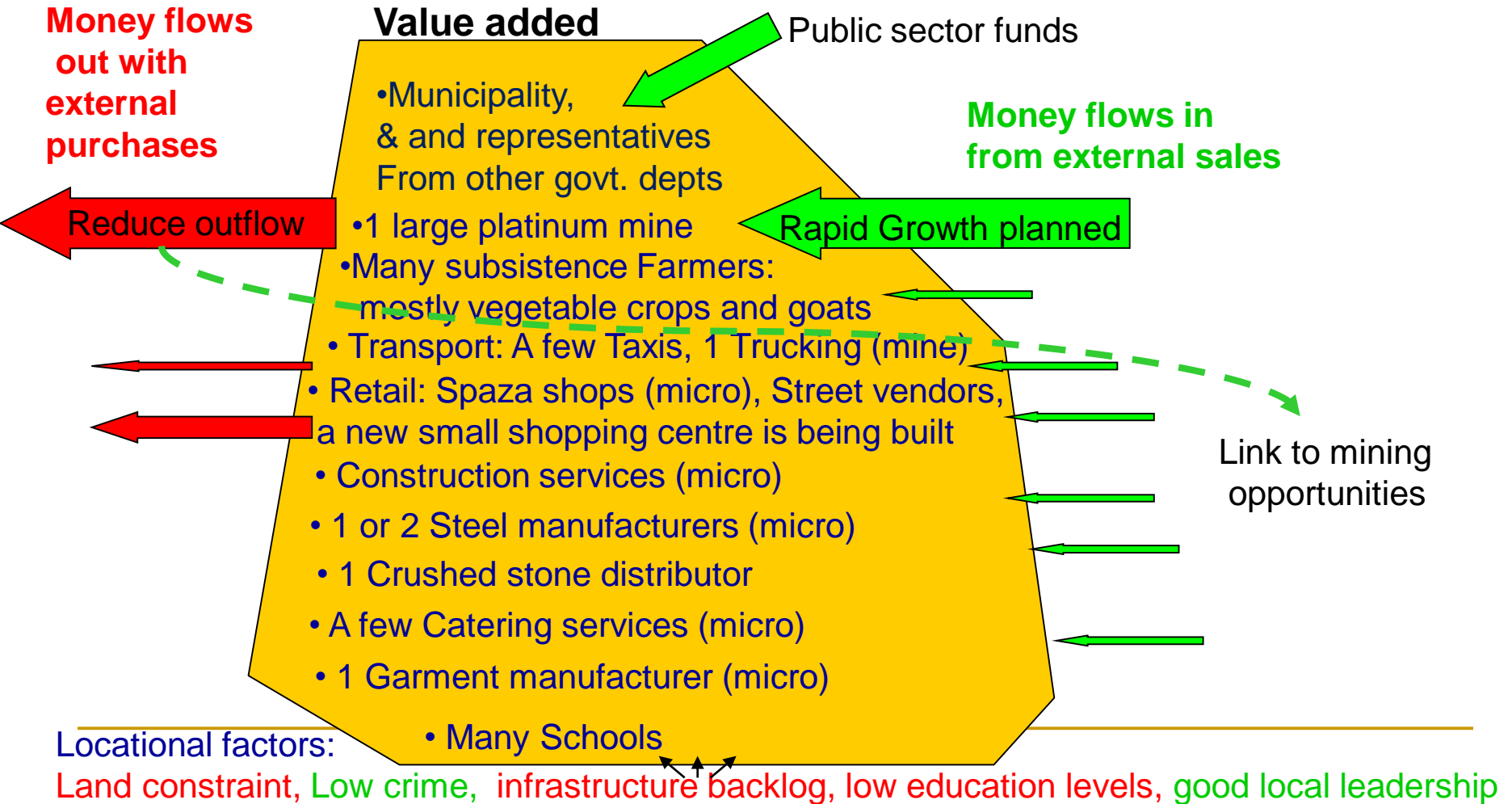
- A circular economy is restorative and regenerative by design,
- aims to keep products, components, and materials at their highest utility and value at all times
- Distinguishes between technical and biological cycles, the circular economy is a continuous, positive development cycle.
- It preserves and enhances natural capital, optimises resource yields, and minimises system risks by managing finite stocks and renewable flows. A circular economy works effectively at every scale.
- In contrast to traditional 'industrial' economies whereby socio-economic processes work as a linear flow of goods and resources: resources are extracted to produce energy and goods, which end up in the bin.



# A Local Economy in action



# A Local Economy in action





Facilitate the development of a forest of enterprises in your local municipality, **through consistency of excellence, for the sake of our people**

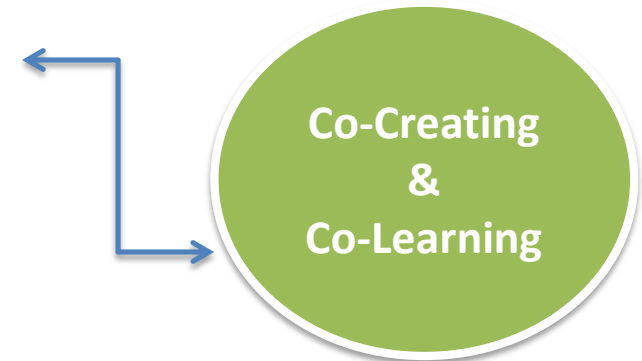
# The Integral Process Capacitating Government



**Facilitating** individuals inclusive of the public and private sectors in the municipal jurisdiction to “uncover” their competencies and experiences as a collective.

**Building** trust in order to allow them to become co-active members in their LGED communities.

**Developing** a new, integral research methodology that explores the complexities of Local and Green Socio-Economic Development through a transformative trajectory which leads towards integral innovation and renewal.



Current Afilead methodology - recognised by industry as “the preferred methodology” since 2011.

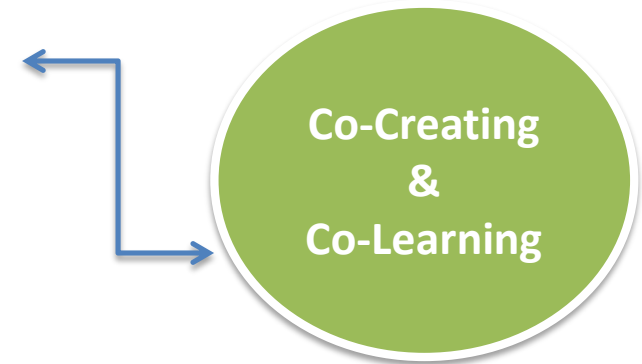
# The Integral Process Capacitating Government



## AFlead Local and Green Economic Development (LGED) Methodology

- The LGED Maturity Assessment
- LGED Leadership and Governance Short Learning Programme
- Participatory Appraisal for Competitive Advantage (PACA)
- Populate LGED Strategy
- Red Tape Reduction
- Business Retention and Expansion
- Local Business Environment Assessment
- Value Chain Analysis

[View short video series](#) on AFlead's product offerings.








Facilitate groups of individuals representative of the public and private sectors in municipal jurisdiction regions.



# UN Sustainable Development Goals (2016)



Our guide to Green LED:

SDG No.		Goal Description
#12		Responsible Consumption & Production: Ensure sustainable production and consumption patterns
#13		Climate Action: Take urgent action to combat climate change and its impacts
#14		Life Below Water: Conserve and sustainably use the oceans, seas and marine resources for sustainable development
#15		Life On Land: Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat deforestation, and halt and reverse land degradation, and halt biodiversity loss.
#17		Partnerships For The Goals: Strengthen the means of implementation and revitalise the global partnership for sustainable development

# Focus on Development Behaviour : More than Indicators



Figure 1: The Doughnut of social and planetary boundaries:  
Raworth 2017

# Practical and Applied Green LED



## **Municipalities:**

Adopt a range of green technologies (lighting, waste resources, water heating) by 2030.

## **Business:**

Mid-high level sustainability goals aligned to municipalities.

## **Residents:**

Mid-high level adoption of lighting, heating, cooking technologies.



# Green LED Facilitation through Inter Governmental Relations



Facilitate **alignment** between national and provincial departments on green policy, government behaviour change and achieving Sustainable Development Goals by target dates.

Facilitate **improved** communication between provincial and local government.

*“Facts on their own are not effective communication devices but when paired with solutions, facts boost engagements and support for evidence based programmes and policies.”*

N. Kendall-Taylor, CEO of Frameworks Institute.

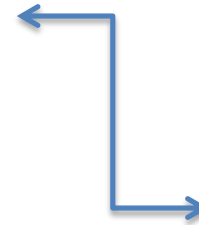
# The Integral Process Mobilising Communities



## **Asset Based Community Development:**

Building communities from the inside out

- Community driven development through asset focused methodology (needs vs assets)
- Community situational analysis
- Community engagement and participatory processes
- Design, development and implementation of relevant socio-economic development strategies, programmes and interventions
- Monitoring and evaluation
- Impact measurement



Communities are empowered to constructively hold government accountable for the effective implementation of IDP

# The Integral Process Creating Techno-Social Innovation



“Drawing on the experiences of developing economies in Asia and Latin America, the **1996 White Paper on Science and Technology** acknowledged that an exclusive focus on technical innovation was insufficient and that social innovation should be included in the national innovation strategy.

Unfortunately, in the subsequent years **little progress** was made in ensuring the place of social innovation in the National System of Innovation and society generally”.

Human Sciences Research Council, March 2014

Creating  
Techno-Social  
Innovation:  
The Burning  
Issue

Social innovation should address priorities arising from unemployment and poverty.

It must have social purposes and involve the full range of societal actors, including the public sector, private sector, civil society and the poor themselves.

Ministerial Review on Science, Technology  
and Innovation

# The Integral Process

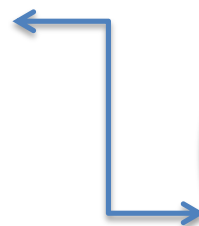
## Creating Techno-Social Innovation



### Information silo's:

- Government strategies
- Corporate CSI implementation and BEE supply chain management
- SMME's/assets in local communities
- Sustainable Monitoring, Evaluation and Impact Measurement

Gap: Technology not being applied to create synergy, sustainable development and responsive intelligence between above processes.



Creating Techno-Social  
Innovation:  
The Burning  
Issue

The Internet of Things refers to the system of connected devices that enables smart technology — technology that learns and adapts in response to data collected. Many development professionals believe this connected system could increase efficiency in a number of other ways, and some are already harnessing it as part of their projects and programs in developing countries.

Devex - Global Development Community Platform.

# The Integral Process SED and Green Monitoring & Evaluation



## Online SED M&E Toolkit based on Balanced Scorecard principles

- To contribute to the design of interventions → Performance
- To assist in the efficient allocation of resources → Accountability
- To improve the quality of interventions → Efficiency
- To report on the achievements of interventions → Transparency
- To improve the quality of interventions → Intelligence

Dynamic SED  
and green  
auditing instead  
of after-the-fact  
and re-active  
reporting

A M&E programme is essential for the sustainable implementation of SED and green initiatives. It not only provides business intelligence, but also promotes ongoing engagement, collaboration and management between stakeholders.

# The Integral Process

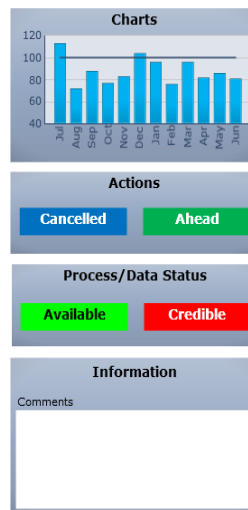
## SED and Green Monitoring & Evaluation



### Detailed Scorecard

SED Focus Areas: Health

Drill	Metric	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD
	no of people educated on health and heigene	●	●	●	●	●	●	●	●	●	●	●	●	●
	no of people with access to sanitary facility	●	●	●	●	●	●	●	●	●	●	●	●	●
	no of people connected to public waste treatment facilities	●	●	●	●	●	●	●	●	●	●	●	●	●
	acceptability of current water supply	●	●	●	●	●	●	●	●	●	●	●	●	●
	no of water and sanitation related infections reported	●	●	●	●	●	●	●	●	●	●	●	●	●
	no of water and sanitation related infections treated	●	●	●	●	●	●	●	●	●	●	●	●	●



Dashboards enabling reporting to facilitate ownership and accountability

The Scorecard outputs business intelligence (financial, education and growth, internal processes, stakeholder relationships) based on inputs, outcomes and outputs/impacts.

# Approaches embedded in Green Economy



**AFlead is subsidiary of Clean Energy Africa Holdings** - International Renewable Energy Investors

Host of companies:

- Biomass
- Energy Efficiency
- Engineering
- Agriculture
- Social Development
- Transmission Trading
- Waste-to-Energy
- Wind Energy



CEA acquires controlling positions in African renewable energy projects.  
Provides equity funding for own development projects, investing in new initiatives and seeking to acquire growth companies.

<http://cleanenergyafrica.co.za/>

# Sustainable Transformation



## CLIENTS:

- Consumers of services
- Political elite sees themselves as being in control of assets (corruption)
- Destructive civic behaviour and state-citizen interactions



## CITIZENS:

- Active participation
- Take collective ownership of assets
- Active public debate
- Intensive political debate - accountability



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