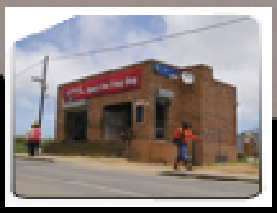
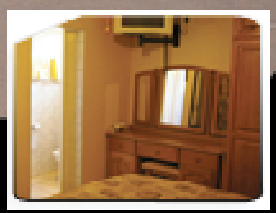
UMLAZI

Local Economic Development Plan 2008





ETHEKWINI MUNICIPALITY

EXECUTIVE SUMMARY

The Umlazi LED Plan is developed by the Economic Development Unit through assistance by the Neighbourhood Development Partnership Grant (NDPG) and KwaZulu-Natal Provincial Department of Economic Development (DED). This report presents a summary of the Umlazi Local Economic Development Plan. The Umlazi LED Plan eThekwini Municipality (EM) is committed to transforming service delivery, socioeconomic and spatial characteristics in Umlazi Township. Aligned to this commitment is the development of the Umlazi LED Plan which is an outcome of the eThekwini's Eight Point Plan and specifically, local economic development which seeks to incorporate the wider eThekwini Municipal Areas into the economy. As such, the Local Economic Development plan lays the roadmap for the development of strategic economic sectors and subsectors in Umlazi towards achieving an integrated economy and a better quality of life for the people in Umlazi.

This report presents key findings and recommendations for a strategic economic development framework and institutional arrangement are necessary to champion local economic development in Umlazi in an integrated and systematic way. The outline of this report is as follows, section one presents the introduction and background. Section two presents the characteristics of nodal/spatial areas in Umalzi. Section three summarises the status quo findings. Section four presents the recommendations for the strategic economic sectors followed by the institutional arrangements in section five. Lastly, ten catalytic projects are recommended to immediately jumpstart the LED process as part of an extensive implementation plan which identifies specific sector projects, budget, potential funder and implementer(s). Please refer to the full LED Plan should you wish to view the implementation plan which is aligned with the Integrated Development Plan (IDP) process.

TABLE OF CONTENTS

EXECUTIVE SUMMARY 2

SECTION 1: INTRODUCTION & BACKGROUND TO UMLAZI LED PLAN 5

SECTION 2: THE SPATIAL ECONOMY OF UMLAZI 6

SECTION 3: KEY SOCIOECONOMIC INDICATORS OF UMLAZI 8
3.1 Demographics 8
3.2 Educational Levels 8
3.3 Employment Status 8
3.4 Household Income 9
3.5 Modes of Transportation 9
3.6 Crime Statistics for Umlazi 9
3.7 Source of Energy for Lighting 9
3.8 Main Dwelling Type 10

SECTION 4: ECONOMIC SECTOR ANALYSIS 11
4.1 Introduction 11
4.2 Economic Growth in South Africa 11
4.3 The eThekwini Municipality Economy 11
4.4 Contribution to National Output 12
4.5 Structural Features of the Economic Sectors in Umlazi 12
4.6 Employment by Economic Sector in Umlazi 12
4.7 Economic Sector by Ward 13
4.8 Sector, Firms and Estimated Jobs 13
4.9 Informal Economy of Umlazi 14
4.10 Conclusion 14

SECTION 5: STRATEGIC ECONOMIC DEVELOPMENT FRAMEWORK 15
5.1 Strategy 1: To Promote and Support the Development of Agricultural Related Activities 15
5.2 Strategy 2: To Enhance the Efficiency in the Transport and Logistics Sector 16
5.3 Strategy 3: To Develop the Manufacturing Sector 17
5.4 Strategy 4: To Support and Develop the Services Industry 17
5.5 Strategy 5: Expand the Construction Industry 18
5.6 Strategy 6: To Strengthen the Wholesale and Retail Sector 18
5.7 Strategy 7: Skills Development 19
5.8 Strategy 8: Develop Business Support Services 19
5.9 Strategy 9: Encourage Investment in Umlazi 19
5.10 Strategy 10: Promotion of the Involvement of Special Groups in Economic Development 20
5.11 Strategy 11: To Achieve Adequate HIV/AIDS Support Mechanisms 20
5.12 Strategy 12: Promote ICT Access in Umlazi 21
5.13 Strategy 13: To support the Informal Sector 21

5.14 Summary of Strategic Economic Sectors 22

SECTION 6: RECOMMENDED INSTITUTIONAL FRAMEWORK 28
6.1 Rationale for the Institutional Framework 28
6.2 The Proposed Institutional Vehicle 28

SECTION 7: IMPLEMENTATION PLAN 29

SECTION 8: CONCLUSION 33

ANNEXURES……33

LIST OF TABLES

TABLE 4: STRATEGIC ECONOMIC SECTORS…….. 30
TABLE 5: CROSS CUTTING SECTORS 25
TABLE 6: SUMMARY OF 10 CATALYTIC PROJECTS FOR PRIORITISATION 30

DIAGRAMS

Diagram 1: Institutional Structure 28

SECTION 1: INTRODUCTION & BACKGROUND TO UMLAZI LED PLAN

The Umlazi Township, within the eThekwini Municipality is located approximately 17 kilometres South of Durban's Central Business District and immediately west of the Durban International Airport and the Southern Industrial Basin. The area of Umlazi is 4 481.7 hectares and forms part of eThekwini Municipality in KwaZulu Natal. The population is estimated at 550, 000 inhabitants according to data from the Demarcation Board which reflects an increase of 166 438 from 383 562 inhabitants captured in the Census 2001.
Umlazi has inherited the dismal effects of apartheid planning policies characterised by spatial and economic isolation. This area experiences the typical township problems; however they are magnified due to its extent (second largest township in South Africa). These problems are mainly:

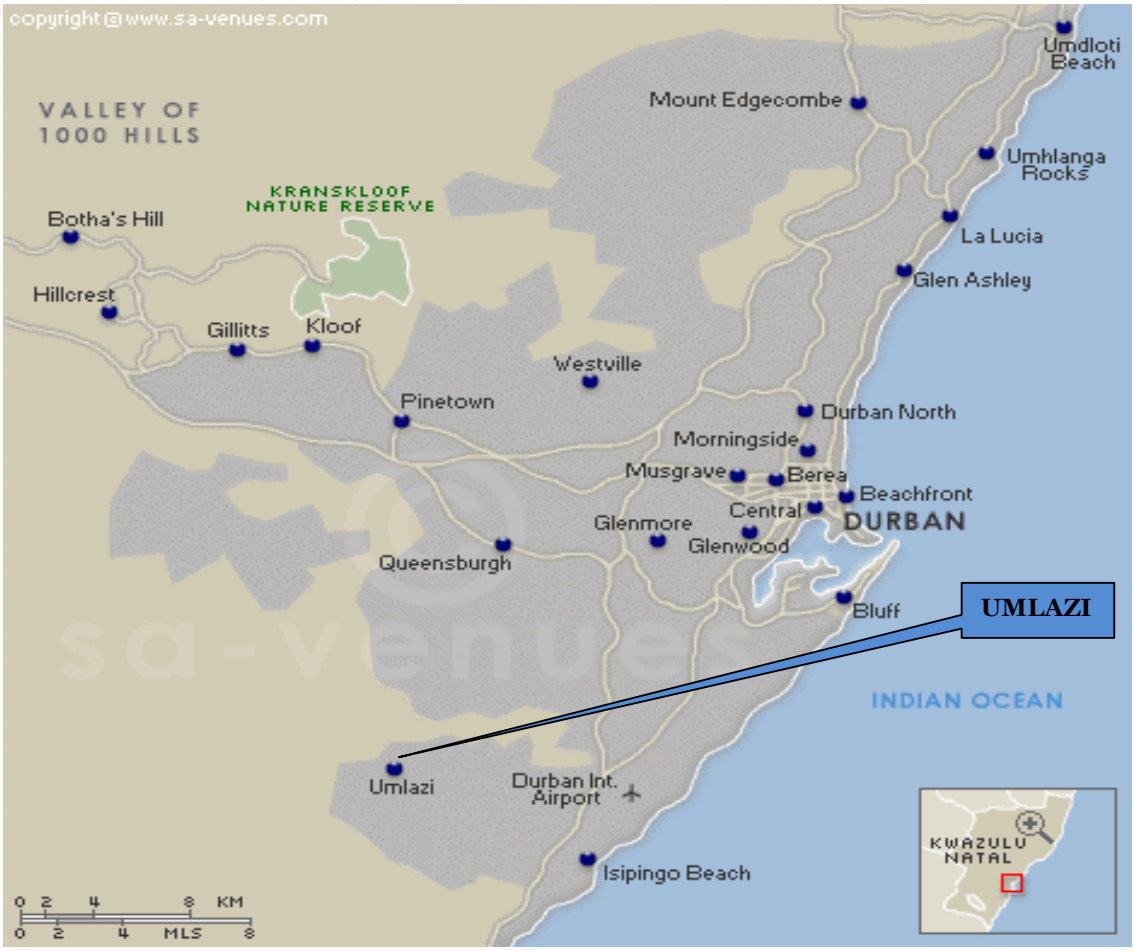
- Severe housing shortages;
- Major informal settlements;
- High level of unemployment
- Little economic development;
- High rates of unemployment;
- High crime rates;
- Etc.

As such, the aims and objectives to be achieved for the LED strategy as outlined in the Terms of Reference are to:

- Provide a clear direction on the economic future of Umlazi;
- Translate economic concepts in time – based on highest probability scenario(s);
- Identify key intervention areas, in terms of economic sector and space differentiated by types of intervention;
- Formulate supporting interventions strategies;
- Identify and conduct consultations with key stakeholders; and
- Provide recommendations on institutional processors to drive economic development.

SECTION 2: THE SPATIAL ECONOMY OF UMLAZI

Umlazi is strategically located to the west of the N2 freeway and east of the Durban International Airport. The Mangosuthu Highway corridor forms the primary artery that links to secondary roads leading to primary facilities in all 26 sections or 9 precinct areas comprising of Sections A to Z and Sections AA and CC. The most significant linkages of Umlazi with the rest of the eThekwini Municipal area to the east are the N2 and the MR197. As such, existing and envisaged future developments within the corridor east of Umlazi are of importance to the integration of Umlazi with the rest of the metropolitan area.



Source: http//www.sa-venues.com

In terms of the urban environment, Umlazi comprises mainly of mono-functional/low-density suburban development, which takes little account of the specific requirements of its pre-dominantly low-income population and provides little assistance for the residents to escape the cycles of poverty. There are various housing types in the area, which is indicative of the varying income levels of the people residing in this area. Despite the numerous efforts to improve the spatial and economic connectivity of the area to the surrounding areas, there is still a need for greater physical integration of the area into the greater Durban and surrounds and there is also need for new economic strategies and opportunities to be offered for the area.

Umlazi has five nodal areas identified as strategic areas to harness local economic development:

- Ezimbuzini/Glebe Node
- Umlazi V Node and
- Kwamyandu/ Mangosuthu Node
- Umlazi Station Node and
- W Node

The main characteristics of each node is summarised in the table below, which is described from the east to west of Umlazi:

Table 1: Characteristics of the Nodes of Umlazi

NAME OF NODE	CHARACTERISTICS
REUNION	The old railway houses are located here. This area is primarily a mixed use development area, with some light industrial activity. The area generally has very little economic activity. It is also not well linked to the rest of Umlazi.
GLEBE	Mainly occupied by the Community Residential Units (hostels). The eThekwini Municipality has plans to improve the area through housing infill and sustainable community development initiatives. The area has a variety of economic activities with Megacity and Prince Mshiyeni Hospital being in the area. There are also some informal businesses in the area.
EZIMBUZINI	This area is a hive of activity as it supports an array of formal and mainly informal businesses. This area has emerged and grown organically. There has been intervention by the eThekwini Municipality in developing markets for the livestock and muthi traders operating in the area.
V SECTION	Economic activity developed naturally in this area, which houses the Magistrate's Court, Ithala offices, a medical centre, sports facility and a police station. There are a number of businesses operating out of containers in this area, which require formalisation.
MANGOSUTHO	This is considered the educational node of the Umlazi area with a number of educational institutions in the area. There are also a number of container businesses in this node, which serve needs of the students. There are also some informal settlements in the area, which is not an ideal situation in the vicinity of an area that

NAME OF NODE	CHARACTERISTICS
	has potential to grow into a strong educational centre.
KWAMNYANDU	This area has a stadium which will be used as a training facility during the 2010 FIFA World Cup. Plans are currently underway, which look at developing the precinct around the stadium. A popular train station is also located here. Accessibility to the station is hampered by the extensive informal settlements in the area. There are a number of informal businesses that also operate out of these informal settlements.
W SECTION	This node has a hotel, civic centre, pension payout points etc, which used to serve as the old town centre. However, it does not function as well as was intended and other naturally occurring nodes work better in the area.

SECTION 3: KEY SOCIOECONOMIC INDICATORS OF UMLAZI

This section presents the socio-economic aspects that impact on the quality of life of the population residing in Umlazi to lay the basis from which to develop a context specific local economic development strategy.

3.1 Demographics

The population of Umlazi is estimated at 419 389. However, Council officials argue that there are approximately over one million residents of Umlazi. Based on an average of four (4) members per household, an estimate of 1, 677, 556 million inhabitants is plausible.

3.2 Educational Levels

According to the Census data 2001, 36% of the population have some secondary education while 26% completed grade 12 or standard 10. 10% of the population did not attend formal educational institutions. Completion of primary education stands at approximately 15% and 6% with some form of primary education. Higher educated individuals represent those whom have completed or have some form of tertiary, university or other trade specific training comprise 7% of the population.

3.3 Employment Status

Twenty-eight percent (28%) of the working age population in Umlazi are employed in the formal economy. The working age population includes the economically active age group 15-65. The high rate of unemployment at 38% includes people seeking work as well as those working informally that are not counted. The non-economically active represents 34% and comprise of youth below 15 years of age and retired workers and elderly. These employment figures do not distinguish between unskilled and semi-skilled and skilled workers.

According to the statistics employment levels in the formal economy is relatively low. This is attributed in part due to the fact that the majority of the population in Umlazi have a Grade 10 or below education level and is semi to unskilled. It is important to note, there is an increased level of informal activities over the past decade as local firm's restructuring of operations has resulted in major job losses and an increase of independent contractors as well as temporary and casual workers. As such, it is highly plausible that the unemployed working age group of Umlazi are engaged in informal activities outsourced by formal local firms in and around Durban metro area.

3.4 Household Income

Based on the statistics, almost 30% of the population reported having no income. It is important to note that the percentage of households with no income are also listed as unspecified as explained by Statistics South Africa and implies that while there is no formal remuneration from formal employment and other sources that were captured. However, there are high levels of informal activities which are not reported due to lack of registered businesses or business activities from household. The majority of the income earning households earn within the R 4 801 – R 9 600 (14.2%), R 9 601 – R 19 200 (17%) to R 19 201– R 38 400 (16.2%) categories and account for 47.4% of the households.

3.5 Modes of Transportation

The modes of transportation for an estimated half a million people clearly illustrate the low levels of transportation usage. The mode of transportation for Umlazi's population is primarily on foot at 20%. Approximately 9% of commuters use minibus/taxi similar to commuters of the public bus at about 8% followed by less than 5% for the trains. Given the extent of a youth population which comprises approximately 50% the mode of transportation is not applicable to households surveyed since commuters largely utilise the transportation system to travel to and from work and to conduct shopping in and outside of Umlazi.

3.6 Crime Statistics for Umlazi

The incidence of crime in Umlazi is unabated over the past six years, as there has been an increase in reported common assault crimes from 686 in 2001 to 1,170 and assault with intent to inflict grievous bodily harm from 895 to 1014 in 2006. Moreover, rape crimes reported over the same period have also increased from 361 to 406. In general, it may be reasonable to conclude that crime is comparable with communities like Pinetown or Chatsworth where Durban Metro is ranked number one for the incidence of crime in the wider eThekwini Municipality.

3.7 Source of Energy for Lighting

Electrification is primary source of energy among the population of Umlazi followed by candles which may be used in place of power failure and other related factors.

3.8 Main Dwelling Type

According to the Census data, 52.6% of the households are a house or brick structure on a separate stand. This is followed by 12.6% of the households living in informal/squatter settlements. 10.4% of the households live in a block of flats inside the yard, while 6,4% of the households live in traditional dwellings or structures made of traditional materials. Other forms of housing are very small. This shows that there are a number of types of housing in the area.

3.9 SWOT

The table below summarises the socio-economic indicators impacting Umlazi.

Table 2: Summary of Socio-economic Indicators

SOCIOECONOMIC INDICATORS	SUMMARY PROFILE
Population	Ethekwini and Umlazi population by number of persons and households has increased between 2001 and 2007 indicating an overall increasing trend
Age groups	More than 50% of the population are youths with the average age of the population is mid-twenties followed by a decline in the population age cohorts thereafter
Educational Institutional Enrolment	Data shows approximately 60% enroled at school indicating a large youth population and may be proxied to indicate low levels of overall skills levels
Educational Attainment	36% completed grade 12 and 26% have some secondary schooling compared with7% attained higher educational levels
Employment Status	High unemployment rate at 36%;
Household Income	More than 75% report as having no income
Employability	Population not trained or skilled in areas where potential demand may arise (such as construction or manufacturing)
Labour absorption	Potential is poor; Local economy has a labour surplus with the economically inactive population engaged in informal sector activity
Wages	Employment is primarily in unskilled or semi skilled sectors with low wages and an insignificant level of output to eThekwini municipal economy
Crime	High levels of crime has the potential to dampen inward investment
Mode of Transportation	Overall, Umlazi's residents use public transportation such as train, bus and informal taxis; Census 2001 data should be observed with caution

Energy for Light	Overall, Ethekwini has shown a 10% increase in electricity usage since the census 2001 and a decline in usage of paraffin and candles
Main Dwelling Types	Overall, there is an increase in house or brick structure and a slight decline in informal settlements according the Community Survey 2007

Source: Community Survey 2007, Statistics South Africa

SECTION 4: ECONOMIC SECTOR ANALYSIS

4.1 Introduction

This section presents a summary of the economic sector characteristics present in Umlazi. It is important to note that credible micro level data is poor and lacking present an accurate micro level analysis of the formal and informal economic activities in the Umlazi area. Therefore, data for this analysis is presented using the Census 2001, Community Survey 2007 and Ward Profile 2003 data from Statistics South Africa, www.statsa.gov.za website.

4.2 Economic Growth in South Africa

According to the Bureau for Economic Research's (BER) South Africa macroeconomic growth is expected to slowdown by 1.9% in 2009 which would be the weakest performance since 1998. This is has been demonstrated due to softer domestic demand, the dramatic deterioration in global growth prospects, combined with the plunge in the prices of SA's key exports, such as platinum. Despite this slowdown, South Africa's growth is expected to continue primarily in the construction and agriculture sector. Experience of the past ten years of sustained growth following the 1994 elections and excellent growth rates during the years following the East-Asian Crisis in the late 1990s have led to a rising tide of positive sentiment towards the South African economy, which is currently experiencing the longest period of sustained economic growth in the entire modern history of the economy.

4.3 The eThekwini Municipality Economy

According to 2004 estimates, the eThekwini Municipality is home to approximately 3.13 million people and has a 7% share of the total South African population, making the metropolitan area the second most populous municipality in the country. The metropolitan area is consequently one of the more significant regional contributors to the South African labour force. It is estimated that 7% of the 30 million working age adults in the country and 6% of South Africa's strictly defined labour force2 of 16 million participants live in the eThekwini Municipality.

4.4 Contribution to National Output

The eThekwini Municipality plays a major role in the South African economy. The metropolitan is the economic hub of KwaZulu-Natal, contributing just under 75% of its output in 2007. The GDP generated by eThekwini in 2005 amounted to R135 billion. In national terms, eThekwini is the third largest economic centre and accounts for 10% of South Africa's economic output. The economy of the eThekwini Municipality is centred on the transport and logistics activities of the Port of Durban. The metropolitan area contributes to the South African economy a greater share of the transport and communication sector (15.6%) when compared to the share contributed to any of the other officially recognised sectors. The metropolitan economy also has a strong manufacturing base; manufacturing industries generated 24.4% of the metropolitan's GDP in 2005 and this sector contributed 13.6% of South Africa's total manufacturing value added outputs.

4.5 Structural Features of the Economic Sectors in Umlazi

In light of the above analysis, it is important to mention that while the following sector activities have been identified, existing data of economic activities for Umlazi is extremely limited. Nonetheless, the following sectors and related activities are visible:

- Services
- Retail and wholesale
- Transportation,
- Community & social services
- Light Manufacturing
- Light automotive and
- Construction.

A summary analysis of the employment levels represented in each sector followed by wards is revealed below.

4.6 Employment by Economic Sector in Umlazi

Employment in Umlazi is concentrated primarily among community services and manufacturing sectors and is represented by 26% and 27%, respectively. Community services, manufacturing and wholesale and retail sectors comprise approximately 59% of formal employment with business services such as, commercial banking, property marketing, transport, communications and construction sectors representing a minuscule; 9.4%, 7.2% and 4.7% respectively.

It is important to note that the manufacturing sector's contribution to employment in Umlazi may be exaggerated as shown due to the fact that there is a relatively larger concentration of manufacturing firms in nearby Prospecton whose employment contribution may be reflected in the total employment in manufacturing in Umlazi

In sum, in relation to the population which is estimated to be more than half a million, less than 100 000 residents were employed in the formal economy in 2001. This finding implies that working population is engaged in informal activities and those figures have not been captured by Census.

4.7 Economic Sector by Ward

The economic sectors identified as most active include mining and quarring, construction and agriculture and related activities. Wards 84, 85 and 86 are concentrated in community services activities. The table below provides the actual figures of economic activity per ward. This table serves as an indication to the extent of economic sectors of Umlazi. However, it must be noted that data on current economic activities throughout the wards is nonexistent. It has been noted through discussions with members of the business forum that business activities have declined over the years basically due to lack of sustainability. Hence, while community services, agriculture and related and construction sector activities may have been prominent, there is a competitive disadvantage among key sectors along their respective value chains.

Table 3: Economic Sector by Ward

Economic Sector	Wards													
	76	77	78	79	80	81	82	83	84	85	86	87	88	89
Agric relate work	10.2	9.2	6.2	10.6	6.2	4.4	5.9	7.7	4.7	6.7	6.2	3.9	9.4	8.7
Mining, Quarrying	9.7	7.3	8.5	4.8	8.5	4.8	6.1	4.2	2.4	3.6	2.4	4.8	6.7	26.1
Manufacturing	8.2	8.8	7.2	9.1	6.4	6.6	6.9	7.7	5.1	6.7	6.3	6.8	8.5	5.8
Elec,gas,water	8.2	5.6	7.6	9.1	4.6	7.6	6.1	8.2	8.9	7.4	7.8	8.5	7.2	3.2
Construction	13.2	9.5	5.6	9.4	6.3	4.8	6.9	5.7	4.4	4.7	3.9	5.5	11.6	8.7
Wholesale, Retail	7.9	8.9	7.1	9.2	7.0	6.2	7.4	7.2	4.2	6.4	5.2	6.2	7.6	9.5
Transport, Comm	6.4	6.9	6.9	9.1	5.3	6.0	9.0	8.5	5.4	7.7	6.6	6.2	10.3	5.7
Business Services	7.4	8.0	6.2	7.7	5.8	6.4	8.2	7.8	5.6	7.7	6.1	6.9	9.9	6.1
Community Services	5.0	5.9	5.8	5.7	5.7	5.7	9.1	7.6	12.1	10.8	8.1	6.4	7.1	5.0
Private Household	3.1	10.3	5.8	12.9	8.4	4.7	7.9	6.3	5.7	6.3	5.1	6.9	7.0	9.6
Undetermined	6.2	10.5	10.3	6.3	7.4	4.4	5.3	9.0	6.4	8.8	5.0	6.5	7.1	6.9
Rep Foreign Gov	0.0	33.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	33.3	0.0	0.0	33.3	0.0

Source: Census 2001

4.8 Sector, Firms and Estimated Jobs

The information presented here is based on the Braby's Business Database and represents an estimate in terms of the numbers of firms and employment across sectors. In addition, this information on business activity presents an opportunity for value chain analysis among sectors to develop capacity in competitiveness among local businesses over time.

On the one hand, it is estimated that the economic sectors of Umlazi are housed within 242 firms which are represented largely by wholesale and retail, educational institutions, services and distribution and services such as banking and real estate. On the other hand, the estimated level of jobs centres squarely on automotive services as vehicular repairs in light of the proximity of Prospecton area to the East where automotive service industry is based. Interestingly, the taxi sector is reported (via personal communication) to perform exceedingly well in terms of revenue, yet it is largely informal as shown in the low numbers of formally registered firms. Relatively higher levels of jobs estimated by Braby's for Umlazi are concentrated in retail, educational institutions, medical services and services and distribution.

4.9 Informal Economy of Umlazi

The informal sector in South Africa is an increasingly important source of employment, poverty alleviation and economic development. According to the Labour Force Survey, the proportion of the employed who work in the informal sector has increased from 17.8% in September 2001 to 20% in September 2005 (LFS, Sep 05), and in the trade sector this proportion increases to over 50% (LFS, Feb 00). Other sources indicate that underreporting in the LFS may mean that as many as 25-30% of the employed work in the informal sector (Skinner, C & Lund, F. 2006).
Core informal sector trading activities are located primarily in Umlazi Industrial Park and in Embuzini node. The informal trading activities may be categoried into the following sectors.

- Transportation Sector
- Accommodation/B&B
- Wholesale and Retail and the Service Sectors
- Manufacturing Sector
- Housing Sector and
- Agriculture Sector

Throughout Umlazi and particularly along Mangusuthu Highway and to the West at Ezimbuzini and Glebe areas as well as throughout the entire area there are visible informal economic activities in the form of the following:

- Telephone containers
- Tuck and spaza shops
- Shoe repair
- Welding
- Auto services & repairs
- Informal housing by-products
- Goat traders
- Muthi traders
- Hair dressing and
- Other related activities

4.10 Conclusion

The economic sector indicators presented above highlight a snapshot of with regards to the levels of employment and types of economic activities. There is a large degree of informal sector activity throughout the area and compounds the extent of analysis herein. The subsequent sections present the recommendations for sector support and development in light of present conditions to further maximise the potential for competitiveness of specific advantageous sector activities identified in the area.

SECTION 5: STRATEGIC ECONOMIC DEVELOPMENT FRAMEWORK

The purpose of the economic development framework is to promote development of existing economic sectors to achieving competitiveness and innovation in niche markets. The strategic economic sectors are aligned with the EMA, provincial and national economic development programmes, specifically around promoting skills and sector development as well as investment promotions.

Broadly, the strategic economic development framework focuses on three areas; human capital development, small, medium and micro enterprise (SMMEs) business development and physical infrastructural development. Investment in the promotion of the thirteen strategies formulated and specifically key projects should prove critical toward the transformation process toward achieving economic growth and development in Umlazi. There are six strategic economic sectors and seven cross cutting sectors identified for the LED process. The table below shows the strategic economic sectors identified and is followed by a brief discussion of the status quo and recommended programmes to address the growth and development constraints and gaps.

5.1 Strategy 1: To Promote and Support the Development of Agricultural Related Activities

At present, many types of agriculture related and farming activities are visible as well as those activities that are home based. Entrepreneurs operate under the ambit of the informal sector, in cooperatives, closed corporations and associations primarily. These entrepreneurs trade in places such as, spaza shops, homes, Ezimbuzini marketplace, V Section industrial park and other areas along the Mangosuthu highway.
Some of the types of products produced, bought and/or sold are; juices, arts and craft, chocolate, soft drinks, milk products, rice packaging, goats and the likes. The scale of operations for many of these businesses is at subsistence levels and requires supply side interventions to upskill entrepreneurs as well as provision of infrastructural support to conduct trading related activities. In many instances, the operators of these businesses prefer to remain small-scale and usually do not have the resources to expand their operations. The

technology usages in these activities is unsophisticated and largely remain a mixture of manual and light hand held machinery.
The strategy for the overall agricultural related and farming activities lies specifically on promoting existing agro/food-processing and animal trading types of activities and livelihoods underpinned by investments in human capacity development that directly link with institutional channels for expansion of market linkages within the local community and within the region to market these products farther afield over time as required.

As such, the following programmes are required for **strategy 1**:

- To provide adequate demand-led quality control, business support training and financial resource mechanisms to entrepreneurs in this sector.
- To achieve a niche market & cluster of suppliers to specific target markets in the region and beyond.
- To embark on an outreach/branding campaign that will market products produced in Umlazi primarily to educate potential consumers and discard negative attitudes.

5.2 Strategy 2: To Enhance the Efficiency in the Transport and Logistics Sector

The transportation and logistics sector is one of the most important sectors in this local economy. In merging the two concepts, we essentially arrive at elements that ensure the transport and goods, services and people to marketplaces. In Umlazi, there are problems with the inadequate levels of transportation and hence the logistics involved primarily among commuters to and from their places of work, school, etc, which hinges on the extent of service afforded to commuters and the price paid for this service. It is especially important, as people residing and working in this area are primarily reliant on public transport. The main themes emerging from the present problem of transportation & logistics in Umlazi involves the following:

- Overcrowded taxis or minibuses
- Road connectivity is limited due to sprawling housing developments which creates inadequate transport routes
- Extensive queues at taxi ranks and much wasted time
- Poor working conditions of conductors and taxi drivers
- Rail stations are in need of redevelopment
- Inadequate freight/warehousing units in light of airport corridor to the East

The booming taxi industry is also aware of their importance but does very little or is unable to improve the service that they provide to the public.

The transport and logistics problem emerging is primarily one of hard and soft infrastructure and related problems. As such, the approach is mixed and combines redevelopment and upgrading of existing road and railway networks to promote efficiency. In addition, the inadequacy of efficient taxi and public transportation services is due to a lack of sufficient taxis, public buses, and others that operate within a specific timeframe. Moreover, the rate at which service is provided in the transportation system is poor. There is a need for an increase in the number of buses and taxis operating on a daily basis. A solution to this perceived problem (by Umlazi residents, personal communication via interviews) is to increase the fleet of buses that serve the community as well as adhere to regulations directed to the taxi

industry. In addition, a crucial element that must not be neglected is the extent and quality of services provided to consumers.
As such, the following programmes are required for **strategy 2**:

- To improve the taxi service in Umlazi
- To improve internal road linkages

5.3 Strategy 3: To Develop the Manufacturing Sector

The existing manufacturing sector in Umlazi may be characterised as micro and small subsector activities as a spin off to the extensive manufacturing activities taking place around the Isipingo area. They operate either formally or informally and furthermore, businesses do not have appropriate premises out of which to conduct their activities. In spite of the existing industrial park, tenants complain that the space is inadequate. Many people operate out of their homes, which in certain instances can be hazardous to the residential area. In addition, there is a need for the size and level of these businesses to be expanded so as to make a significant impact on the local economy over time. Of note, home-based art and craft cooperatives are organised informally and lend support to themselves through donations from churches and family members as well as the Department of Social Development.
The manufacturing operations in Umlazi comprise the following:

- Traditional garments, work wear
- Linen & curtains
- Footwear
- Art and Craft

The approach to support and promote the manufacturing sector in Umlazi rests on the virtue that many of these business operations are in dire need of adequate hard and soft infrastructure as well as market expansion linkages. The concept of infrastructure provision must extend to integrate existing structures to achieve efficiency and optimal reach of existing as well as potential markets. Consideration of the extent of interventions required for the various business groups with manufacturing should be on the basis of needs assessments.

As such, the following programmes are required for **strategy 3**:

- Establishment of an industrial hub to promote clustering activities
- Marketing of businesses in the industrial hub to wider industry via existing institutional structures
- Product innovation and expansion of business market

5.4 Strategy 4: To Support and Develop the Services Industry

The services industry represents 15% contribution toward gross domestic product. It is not clear what portion of this percentage is directly contributed from Umlazi. Furthermore, the present situation experienced by residents remains one which is characterised by a lack of access to necessary services and resources to conduct their daily lives in a convenient manner. Many services are accessible through travelling relatively far from home in comparison with residents in nearby townships. It is recognised that Umlazi has a large population as well as the vast square area. As such, access to services is critical to improve the quality of life for the residents throughout the area.

The approach to enable businesses to provide adequate levels of service by location should improve and promote the expansion of businesses in the services sector. This in turn will promote quality and accessible services that can positively impact on the quality of life of residents. A multi-sector support strategy which allows for the analysis of sector activities needs and the utility of buildings and land spatially throughout the key nodal areas is required to enhance municipal services as well as private services.

As such, the following programmes are required for **strategy 4** to promote the services sector activities to enhance residents' quality of life.

- Provision of adequate health, municipal and community services
- Investment Incentives Programme
- Food and Entertainment Facilities
- Sports and Recreation Programme

5.5 Strategy 5: Expand the Construction Industry

At the moment, the presence of construction industry involve municipal public works/capital redevelopment projects such as, traffic lights and road paving; residential building construction and maintenance and other related components. Developers working in the area are completing a current mall development in Philani Valley. The construction industry's presence in Umlazi is a fairly small, in terms of the amount of work available to emerging firms.

Firstly, in order to fully understand the how to engage the construction industry in Umlazi, it is necessary to audit the levels of skills available as well as the companies expertise areas for compilation and or annex to existing databases. It is important that emerging building and engineering contractor in the area part take in the prospective developments earmarked for Umlazi. Secondly, identification of redevelopment and new construction opportunities of existing infrastructure for a list of capital projects must focus on harnessing the following:

- Integrate present planned activities for capital re/new developments for the promotion of economic activities in the following areas:
  - Kwamnyandu Node
  - Mangusutho Node
  - Zwelethu/ V Section node
  - W Node
- Provision of upgraded skills training programmes to emerging contractors
- Provision of mandated direct linkages for emerging businesses with large construction companies through specific corporate programmes

As such, the following programmes are required for **strategy 5:**

- Identify Redevelopment and new Construction Opportunities prioritised by node area
- Business Networking
- Identification of Economic Activities along the Construction Value-Chain

5.6 Strategy 6: To Strengthen the Wholesale and Retail Sector

The whole sale and retail sector make up the third largest sector in Umlazi and although it cuts across many subsectors, many economic activities identified across these sectors such as agro-processing, manufacturing and others require efforts to strengthen the linkages with the

formal sector in terms of securing bulk buying/wholesale markets to maintain supply and demand balance for goods required throughout Umlazi community as the lack of availability and accessibility of wholesale goods to informal traders serves to their disadvantage in the short to long run.

Intervention to the problem of access and availability of wholesale goods to retailers should be countered via proactively engaging with suppliers to frequent goods to Umlazi location as per demand by retailers. It is important that emerging wholesale/retail traders in cooperatives and micro businesses have access to markets and are able to command/purchase goods via appropriate linkages with the formal sectors.
As such, the following programme is required for **strategy 6:**

- To support and extend access to wholesale and retail sector linkages

5.7 Strategy 7: Skills Development

One of the issues that have emerged from the research undertaken for this LED Plan is the fact that there is a need for the development of the skills levels of people living and working in the Umlazi area. Although people have a relatively high school education, their technical skills levels are not as well developed. As such, it is necessary for specific interventions to harness the overall potential in the area. In order for people to operate successful businesses, there is a need for them to possess the appropriate skills to manage and perform relevant tasks. As such, this strategy identifies a number of programmes that target skills development from various perspectives.

As such, the following programmes are required for strategy 7:

- Develop Mangosutho node as an education node
- Develop technical and management skills amongst SMMEs
- Develop Public Private Partnerships

5.8 Strategy 8: Develop Business Support Services

A major concern that has emerged through the consultative process for this LED Plan refers to the lack of business support services for SMMEs. Many people struggle with the initial set up of their businesses due to a lack of information and guidance. Various types of business support identified are; business planning, business management and training and access to finance. As such, people establish their businesses with many aspects being left unclear. In addition, during business operations, many businesses struggle due to the lack of information, lack of networks etc.
As such, the following programmes are required for **strategy 8:**

- Establish a business support centre
- Develop a local business/service provider database
- Facilitation of bulk buying

5.9 Strategy 9: Encourage Investment in Umlazi

Although entrepreneurship and self-sufficiency are important and encouraged throughout this LED Plan, it is also important to attract outside investment into the area to create employment and stimulate the local economy. However, given the current situation, Umlazi is not a natural choice for business location. Certain factors need to be addressed in order to be able to attract investment to Umlazi.
As such, the following programmes are required for **strategy 9:**

- Free up land for development
- Crime Reduction
- Formulate an incentive scheme for Umlazi

5.10 Strategy 10: Promotion of the Involvement of Special Groups in Economic Development

The LED Forum of Umlazi systematically and actively promotes the interest of special groups such as, businesses, potential non-resident investors and more so, empowerment of emerging entrepreneurs from all socioeconomic backgrounds from the area.
Interventions to support special interest groups must be dealt with in part through the economic sectors where these groups are concentrated. It is beneficial to integrate special groups support measures in order to leverage existing financial, human capacity and other related resources to assist in empowerment programmes. In addition, specific interest of youth related to employment must be addressed in educational and through corporate sponsorship programmes.

As such, the following programmes are required for **strategy 10:**

- Youth Development
- Gender Promotion

5.11 Strategy 11: To Achieve Adequate HIV/AIDS Support Mechanisms

HIV/AIDS has devastated the community. It is estimated that Umlazi has a youth population of approximately above 50%. The HIV epidemic is rife among youths and hence, it is not entirely clear what levels of infection rates are at this level. However, efforts must be scaled up to prevent the spread and stabilise the spread of this disease.
HIV/AIDS is a critical problem that affects the labour force. As such, efforts to stabilise the rate of infection ensure the provision of adequate clinics for counselling and testing as well as for the distribution of free condoms as business centres and industrial hubs. In addition, awareness raising of myths about this epidemic must take place to continue to dispel these myths and empower people with factual information to engage community members to be responsible for their actions and not promote censure of those infected.

As such, the following programmes are required for **strategy 11:**

- Promote HIV/AIDS Awareness
- Increase Establishment of Clinics for Pre and Post-test Counselling

5.12 Strategy 12: Promote ICT Access in Umlazi

Presently, the ICT Sector of Umlazi is underdeveloped and there is a limited amount of access to ICT facilities. Those that do have access to the facilities are students and those already computer literate. The majority of the population do not enjoy the same accessibility to communication technology. This also comes at a significant cost to the individual paying for the services at an Internet Café etc.

It is the approach of the strategy to improve the accessibility of the larger population of Umlazi to ICT facilities in the area. This will come through the provision of new facilities and to promote the IT literacy of the population, which will ensure that they will make use of the facilities and equipment.

As such, the following programmes are required for **strategy 12:**

- To promote access to ICT literacy
- To develop multi-purpose centres in Umlazi
- To develop IT hard infrastructure near central trading areas

5.13 Strategy 13: To support the Informal Sector

The informal sector of the Umlazi economy plays a significant role in the provision of employment and income generation for the area. The informal activities taking place area across economic sectors and include (but are not limited to) transport, service, manufacturing, housing and agriculture.

This sector plays an important role in the local economy and cannot be ignored. It is in many instances the sole source of income for many households and needs to be developed so as to ensure that entrepreneurs and entrepreneurship are also developed. As such, it is suggested that consultation be undertaken with the informal operators (across sectors) to establish what their needs are and how their business operations can be improved.

As such, the following programmes are required for **strategy 13:**

- To establish status quo and assess business support needs of the traders
- Provision of adequate trading space
- Set up forums for informal traders

5.14 Summary of Strategic Economic Sectors

The strategic economic sector framework is aligned with activities of existing sectors and specific support programmes for growth and development has been discussed. The main thrust of the economic development framework rests on national as well as provincial economic development priorities of sector, skills and specifically Small Medium and Micro Enterprise development (SMMEs). In order to promote growth of key sectors in Umlazi, it is important that specific interventions for sector support goes hand in hand with addressing constraints to growth areas are specific and relevant..

The table below presents the strategic economic sectors identified for the promotion of Local Economic Development (LED) in Umlazi. It presents the objective and related programmes from which projects have been identified for further development of the Umlazi economy.

TABLE 4: STRATEGIC ECONOMIC SECTORS

KEY STRATEGIC SECTORS	PROGRAMMES
STRATEGY 1: TO PROMOTE AND SUPPORT THE DEVELOPMENT OF AGRICULTURAL AND FARMING RELATED ACTIVITIES	1.1 To provide access to business support and financial resources for training. 1.2 To achieve a cluster niche market traditional and agro food processing activities to ensure medium to long term sustainability 1.3 To achieve a brand and awareness campaign
STRATEGY 2: TO ENHANCE EFFICIENCY IN THE TRANSPORT AND LOGISTICS SECTOR	2.1 To improve internal road linkages via road infrastructural upgrades & road safety measure (fire hydrants,etc). 2.2 To achieve efficient taxi services 2.3 To promote adequate transport safety standards.
STRATEGY 3: TO DEVELOP THE MANUFACTURING SECTOR	3.1 Establishment of an Industrial Hub 3.2 Marketing plan for manufacturing businesses 3.3 Product innovation and market expansion
STRATEGY 4: TO SUPPORT AND DEVELOP THE SERVICES SECTOR	4.1 To achieve adequate health, municipal and community services. 4.2 Formulation of an Incentive Programme 4.3 Food and Entertainment Facilities (W node, Mangosuthu & KwaMnyadu Nodes) 4.4 To develop sports and recreation programme
STRATEGY 5: EXPAND THE CONSTRUCTION SECTOR	5.1 Identification of redevelopment and new construction opportunities by node 5.2 To achieve networking of emerging businesses via Chamber of Commerce 5.3 To identify economic opportunities along the eThekwini construction value-chain with BSU

STRATEGY 6: TO SUPPORT THE WHOLESALE AND RETAIL SECTOR	6.1 To develop and support access to wholesale and retail sector linkages via integration of sector activities 6.2 To undertake a study on the value chain linking wholesale and retail sector activities

TABLE 5: CROSS CUTTING SECTORS

CROSSCUTTING SECTORS	
CROSSCUTTING SECTORS	**PROGRAMMES**
STRATEGY 7: TO PROMOTE SKILLS DEVELOPMENT	7.1 To develop and promote Mangosuthu node as an educational node 7.2 To achieve technical and business management skills among SMMEs 7.3 Establish private public partnerships
STRATEGY 8: TO DEVELOP AND INCREASE OUTREACH OF BUSINESS SUPPORT SERVICES	8.1 Establish a business support centre 8.2 Develop and Maintain a local business database 8.3 To facilitate bulk buying for retailers and cooperatives 8.4 To support wood and furniture related activities
STRATEGY 9: ENCOURAGE INVESTMENT IN UMLAZI	9.1 To free-up land for development (Ingonyama Trust) 9.2 Crime Reduction 9.3 Formulate an Investment Incentive Programme for Umlazi
STRATEGY 10: PROMOTION OF THE INVOLVEMENT OF SPECIAL GROUPS IN ECONOMIC DEVELOPMENT	10.1 Youth Development 10.2 Disabled Support 10.3 Gender Promotion 10.4 To promote the establishment of an LED Task Team

CROSSCUTTING SECTORS	
CROSSCUTTING SECTORS	**PROGRAMMES**
	10.5 To actively promote HIV/AIDS awareness among Entrepreneurs 10.6 To increase the numbers of pre/post test counseling facilities 10.7 Set-up of the Umlazi LED Task Team
STRATEGY 11: TO PROMOTE ICT ACCESS IN UMLAZI	11.1 To promote access to IT literacy 11.2 To establish multipurpose centres in Umlazi 11.3 To develop the IT (hard) infrastructure near central trading areas
STRATEGY 12: TO SUPPORT THE INFORMAL SECTOR	12.1 To establish status quo & assess business support needs of traders 12.2 Provision of adequate trading spaces 12.3 Set-up of Forums for traders

SECTION 6: RECOMMENDED INSTITUTIONAL FRAMEWORK

6.1 Rationale for the Institutional Framework

The institutional framework seeks to lay the foundation for coordination of the overall LED strategy, programmes, projects and activities for the development, support and promotion of the economy in Umlazi. An LED Task Team is recommended to collaborate, coordinate and monitor projects and activities related to the strategies, programmes and projects as per the relevant line departments to ensure backward and forward communication linkages with the Umlazi LED Forum. The rationale for a legitimate institutional framework for LED coordination is lies in promoting a shared vision for long term economic development of Umlazi Township.

The **vision** for economic development of Umlazi is:

To achieve a fully integrated and dynamic community characterised by empowered citizens, thriving businesses, culturally vibrant and sustainable livelihoods.

6.2 The Proposed Institutional Vehicle

The institutional framework proposed to promote LED in Umlazi is underpinned by a relationship linkage between eThekwini Municipality through the Economic Development Unit and other local governmental units such as the Umlazi Councillors Forum, provincial government and local community organisations, business stakeholders in the Umlazi and around the surrounding areas. It is recommended that an LED task Team be created to represent vested interests in the strategic sectors identified in the diagram, through the formation of an LED Task Team.

The diagram below sketches the proposed structure to drive the LED process.

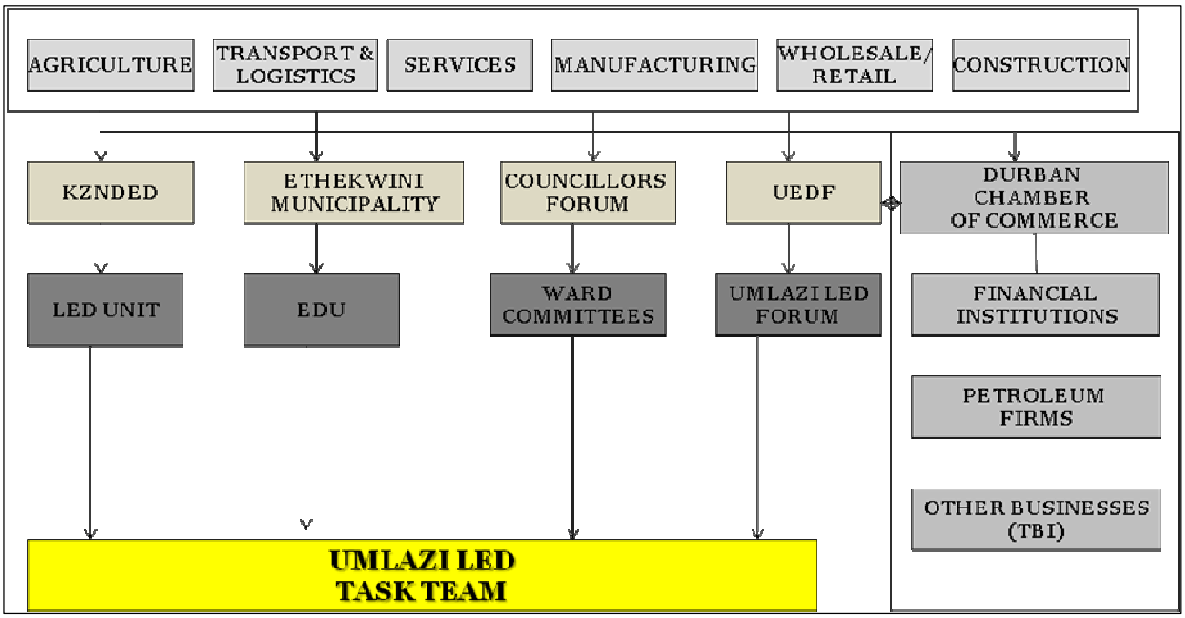
Core Function of the Umlazi LED Task Team:

It is suggested that the core function of the Umlazi LED Task team is to undertake the role of facilitator and LED champion. There are particular projects that the LED task team can champion, for example the capital projects such as establishment of a central business hub in Umlazi to promote centralised trading which the eThekwini Municipality may be able to lead in developing this project. The municipality and the LED task team may be able to ensure that adequate technical capacity for a feasibility study to be conducted and hence to guide the Umlazi LED Forum on further development around projects of this nature.
The Umlazi LED Forum is proposed to serve as a action and discussion forum where government, community and big business make decisions regarding key projects implemented toward creating a sustainable LED process. The main functions of the LED Task Team are to:

- Improve relationships between the eThekwini Municipality and business;
- Identify projects; and
- Grow partnerships between big businesses and local business stakeholders

- Engage in consultations with the Durban Chamber of Commerce to promote marketing opportunities for local businesses in Umlazi.

Diagram 1: Institutional Structure



The responsibilities, members, and programmes to be implemented by the Task Team are discussed within the main document.

SECTION 7: IMPLEMENTATION PLAN

The implementation plan formulated for this LED Plan is comprised of specific projects outlined for the programmes and overall strategic sectors identified during research and consultations with Umlazi stakeholders. The implementation plan seeks to promote the development of niche sectors through business support, promote utility of the land and physical infrastructure in the area. Key crosscutting projects identified are aligned with EMA and provincial sector development programmes toward increasing investment for the development of firms categorised across SMMEs and cooperatives as well as skills development and increasing local government service delivery.

This section of the implementation plan presents ten key catalytic projects identified for implementation in the immediate to short-term. A process of project prioritisation, through a set of criteria was undertaken in order to achieve this list. Each project from the comprehensive list of projects that have been identified within this LED Plan and has been provided in earlier sections of this report was assessed according to the criteria. The criteria used are as follows:

- **Multiplier effects**
- **Location**
- **The scale of the project in terms of**:

- Employment creation;
- Income generation; and
- Assets acquisition.

- **Sustainability of the project in three areas:**
  - Environmental;
  - Social; and
  - Institutional.
- **Timeframe of the project in terms of:**
  - Importance; and
  - Urgency.

The ten catalytic projects are shown in the table below.

TABLE 6: SUMMARY OF 10 CATALYTIC PROJECTS FOR PRIORITISATION

NO.	NAME OF PROJECT	PROJECT TYPE	STRATEGIC SECTOR	RESPONSIBILITY	ESTIMATED BUDGET	FUNDING SOURCE	TIMEFRAME
1	Set up an LED Task Team	Facilitation	Promotion of Special Groups Involvement in LED	EDU/LED TASK TEAM	Zero	Not Applicable	Immediate
2	Establish a niche cluster and incubation facility for agro/food processing and related agricultural products in the V Section or Ezimbuzini	Planning & Implementation	Agro-processing	Economic Development & Facilitation Unit	400,000	Industrial Development Corporation	Short-term
3	Formulation of a feasibility study and business plan for the establishment of a light manufacturing business park	Research	Manufacturing	Economic Development & Facilitation Unit	200,000	Dept. Trade & Industry	Short-term
4	To integrate 2010 construction value chain capital projects to serve as potential business opportunities for Umlazi developers/contractors via programme	Research/Planning	Cross Cutting: Investment	Economic Development & Facilitation Unit	160,000	eThekwini	Short to medium term
5	To conduct a socioeconomic household survey in Umlazi	Research	Cross Cutting: Investment	Economic Development & Facilitation Unit	400,000	eThekwini	Immediate to short term
6	To conduct a feasibility study and business plan for the implementation of a community bank	Research & Planning	Cross Cutting: Business Services	DIPA	250,000	Dept. Trade & Industry	Short to medium term
7	To conduct a feasibility study and business plan for the establishment of an ICT/Multi-Purpose Community Centre (MPCC)	Research & Planning	ICT Sector	Economic Development & Facilitation Unit	200,000	Dell Foundation & National Empowerment Fund	Short to medium term
8	Formulate an investment incentive programme	Programme Development	Cross Cutting: Investment	DIPA	300,000	Dept. Trade & Industry	Short to medium term

NO.	NAME OF PROJECT	PROJECT TYPE	STRATEGIC SECTOR	RESPONSIBILITY	ESTIMATED BUDGET	FUNDING SOURCE	TIMEFRAME
			Promotion				
9	To secure land for development via land purchase / leasing arrangements with the Traditional Authorities	Land acquisition	Agriculture & related	Economic Development & Facilitation Unit	800,000+	eThekwini	Short term
10	To determine the status quo of the extent of business support needs among SMMEs	Research & Planning	Cross Cutting: Business Support Services	Economic Development & Facilitation Unit	250,000	Dept. Trade & Industry	Short term
	SUB-TOTAL BUDGET ALLOCATION				**2,160,000.00**		

SECTION 8:

CONCLUSION

This executive summary has presented the background, spatial characteristics of Umlazi nodal areas, a summary of the status quo and economic conditions related to employment and types of economic sector activities. Furthermore, recommendations for the strategic economic development framework and the institutional vehicle to drive the LED process have been presented. Finally, for the implementation framework, ten catalytic projects identified to jumpstart the LED process thereby closing existing coordination gaps for the achievement of integration, information sharing and systematic coordination at government community and private sector toward a sustainable LED path are recommended.

The 10 catalytic projects for the implementation plan are viewed as the cornerstone to the holistic sustainable development of the Umlazi area and the quality of life of its residents. This plan builds on existing relationships, resources and activities to harness the potential of this area. Over time, and with the implementation of the full list of programmes and projects identified, the socioeconomic dynamics of the area are likely to change, which is expected is result in sustainable progress toward the contributing toward economic growth and an improved quality of life as envisioned by the leaders of the wider eThekwini Municipality. IT is recommended that the reader consults with the Umlazi LED Plan for an indepth view of specific projects identified for the implementation plan to align with the Integrated Development Planning processes for future short to long term development of Umlazi.

ANNEXURE

ANNEXURE 1: STRATEGIC ECONOMIC SECTOR GROWTH AREAS

SECTOR	OBJECTIVE	OVERALL OUTCOME	LOCATION	GROWTH AREAS
1. Agriculture	To support the development of agricultural and agri-processing activities	1. Improved access to business support resources & markets	Traditional Land Ezimbuzini Node V Section	Agro-processing, livestock & wholesale & Retail
		2. Establishment of a niche cluster in agri-processing of animal and herb byproduct-		
2. Manufacturing	To support and develop manufacturing sector activities	The establishment of a physical infrastructure that will support market expansion and clustering	V Section, W Section, Ezimbuzini Node	Packaging, furniture, textile & craft, shoemaking, toilet paper, aluminum and metals
		2. Increased market linkages		
3. Transport & Logistics	To upgrade and improve efficiency via infrastructure linkages	1. Upgrade transportation service points and to extend road linkages within Umlazi.	All Umlazi	construction & taxi service
4. Services	To support and develop the services sector	1. Increased access to various types of services in municipal, health, banking, retails services within Umlazi	W-Section, V-Section, Kwa Myandu & Mangosutho Nodes	banking, health, food and catering, ICTs, municipal services
5. Construction	To support the expansion of the construction sector	1. Integration of local contractors into municipal & CIDB 2. Access to skills upgrade 3. Equity in 2010 capital projects	Umlazi	Capital projects and retail infrastructure
6. Wholesale and Retail	To support the wholesale and retail sector	1. To support and extend linkages to wholesale markets	W-Section, V-Section Kwa Myandu & Mangosutho	Agro-processing, livestock, craft, home and personal care products,

ANNEXURE 2: CROSSCUTTING SECTOR GROWTH AREAS

CROSS-CUTTING SECTORS	OBJECTIVE	OUTCOMES	GROWTH AREAS
6. Skills Development	To increase skills levels of target groups via partnerships with private and public institutions	1. Increased skills delivery and facilitation for entrepreneurs in both formal and informal	Increased level of skills among local entrepreneurs potential increase in number of unemployed value added to existing labour force
		2.Increased opportunities for employment	
7. Business Support Services	To enhance access to business support services	1.Publish a local business database and business support centres registry	Access to market and related information Increased opportunities for sector growth and development, networking, business development

CROSS-CUTTING SECTORS	OBJECTIVE	OUTCOMES	GROWTH AREAS
		2. To establish an SMME support centre	
8. Investment	To increase inward investment	1.Maximize land & building utility via audits and capital projects	increased capital investments for infrastructure development specialised sector promotion and development
		2.An investment incentive package for Umlazi	Promotion of emerging niche sectors such as, agri-processing arts and craft, fashion design, furniture, tourism, sports and recreation
		3.Neighbourhood vigilante/Crime reduction forum programmes	

CROSS-CUTTING SECTORS	OBJECTIVE	OUTCOMES	GROWTH AREAS
9. Special Interest Groups	To promote the involvement of special interest groups in economic development	1. The establishment of Forums that will help drive and shape local economic development	Growth opportunities for social inclusiveness toward empowerment of special groups in poverty alleviation and in developing human capability
10. ICT	To increase access and usage of ICTs	1. Establishment of ICT centres in the community	Growth in ICT sector development and integration of ICT across economic sectors locally, fibre optic network infrastructure development/extension
11. Informal Economy	To support informal sector activities	1.Improved physical trading infrastructure and regional market linkages	Increased production in agri-processing activities increased niche market development

CROSS-CUTTING SECTORS	OBJECTIVE	OUTCOMES	GROWTH AREAS
		2.Access to business support and information	Increased enterprise development support Increased formal and informal market network and linkages via business registry

ANNEXURE 3: CONSULTATIONS WITH STAKEHOLERS

CONSULTATION TYPE	DATE
Inception Meeting and Orientation	30th November 2007
Phase one presentation to Umlazi Councillors Forum	17th January 2008
Phase one Presentation to Umlazi Economic Development Foundation at MegaCity	8th February 2008
Institutional Workshop (Umlazi Stakeholders)	26 February 2008
Planning & Nodal Regeneration Study team	6th March 2008
Institutional Workshop	29th February 2008
Business Workshop	12th March 2008
Situational, SWOT and Economic sector analysis	14th February 2008
Economic Development Framework	14th April 2008
Draft Implementation Plan	11th August 2008
LED Plan Presentation to Umlazi Councillors Forum	25th August 2008
LED Plan Presentation to internal stakeholders	3rd September 2008
LED Plan Presentation to Umlazi Economic Development Foundation	30th September 2008