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**The Chairman**  
**KOUGA Business Forum**  
**Jeffreys Bay | Humansdorp | St Francis Bay | Hankey | Patensie | Loerie | Thornhill**  
**KOUGA Region**  
**Eastern Cape**  
**South Africa**

**Attention: Mr Dries du Preez**  
Via email: [office@KOUGAbusinessforum.com](mailto:office@KOUGAbusinessforum.com)

Dear Sir,

RE: FINAL REPORT - PARTICIPATORY APPRAISAL OF COMPETITIVE ADVANTAGE  
(PACA) FOR THE KOUGA LOCAL MUNICIPAL REGION

### About this document

This document contains the results of a highly participative local stakeholder exercise involving both public and private sector participants and that sought to identify priority opportunities with potential for promoting job creation and poverty reduction. The results of this process have a high level of local ownership, contain action plans which are practical in nature, and as a result have good prospects for implementation and impact.

The KOUGA Business Forum provided funding support for a participatory local stakeholder exercise to identify key economic opportunities and initiatives to unlock these. The PACA approach to LED seeks pragmatism rather than idealism. The perfect academic strategy has no value if not executed successfully. The PACA approach therefore seeks both “Economic potential” and matching, “Stakeholder competency and commitment to implementation” from proposed initiatives.

Whereas economic potential is based on inherent and potential competitive advantage, this merely defines scope of possibility. Realisation of actual improvement requires successful implementation by committed stakeholders. PACA is often criticised from persons that only consider “economic potentials”, that feel certain potentials are not included. But this feature in particular is what makes the PACA approach more pragmatic, with higher implementation success rates, assuming public sector facilitation and leadership remains enabling.

*The result of this PACA process successfully executed in the KOUGA region, is recorded in this document.*



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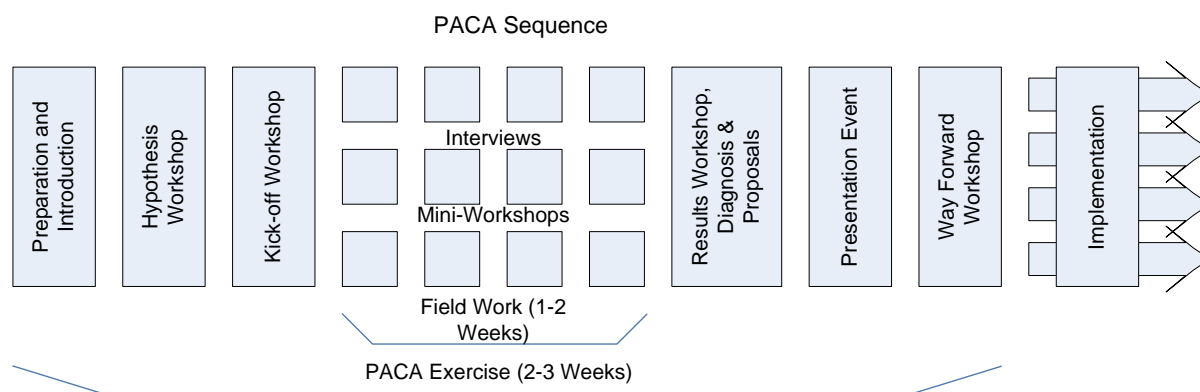


## Approach

The terms of reference specifically called for the application of the PACA process in the KOUGA Local Municipal Jurisdiction in the Sarah Baartman District Municipality (previously Cacadu District Municipality) situated in the Eastern Cape Province. The KOUGA Local Municipality consists of nine towns, namely, Jeffreys Bay, Humansdorp, St Francis Bay, Cape St Francis, Oyster Bay, Patensie, Hankey, Loerie and Thornhill, as well as various smaller settlements and agricultural nodes.

PACA stands for Participatory Appraisal of Competitive Advantage. In a narrow sense PACA is a methodology to prepare an action-oriented diagnostic of the local economy to launch a local economic development initiative and to assess and refocus on going local economic development activities. It is also a methodology to motivate local stakeholders to take an active role in LED initiatives. In a wider sense PACA is a business- and opportunity-driven approach to the job creation aspect of local economic development. PACA is a tried and tested approach and methodology which is quick-win and opportunity driven and builds sentiment and momentum in sectors and/or localities. PACA looks at the opportunities for quick, visible results, not at big issues and main bottlenecks and has strong involvement of private sector and civil society – existing and especially developing.

*The PACA process is as follows:*



## Methodology

PACA is a tool that can be applied in a number of ways. It can be a methodology to accumulate and filter a large volume of data and apply a process of organising and prioritising to distil the relevant information that is needed to identify and agree on project priorities. On the other hand, it can be applied in an interactive manner where participants in the workshop discuss the location, sector or sub-sector in a small group conversational manner. It is plausible that the volume of information that



is gathered during the conversational approach may not be as great but there is the benefit of engaging people in a creative manner that connects (or reconnects) them in a creative and dynamic manner so that they emerge feeling energised and more enthusiastic about the area they live in and its future.

In the case of the KOUGA process where economic activity through various sectors for example tourism, agriculture, manufacturing, ocean, and green economies et all and sub-sectors are relatively mature but where there is evidence that participation and interaction may not be as inclusive as it could be, it was considered just as important to build social capital as it was to gather extensive data. For this reason, the question/answer through a card system methodology was used during the workshops.

## Process

The schedule of events pre-planned for the process was as follows:

Date	Venue	Sector
10 April 2021 09:00 – 12:00	Moore Auditors	Green and Alternative Energy
12 April 2021 09:00 – 12:00	Cape St Francis Resort	Ocean and Water Economies
12 April 2021 14:00 – 17:00	Moore Auditors	Emerging Economy and SMME
13 April 2021 09:00 – 12:00	Patensie Church Hall	Agriculture, Agro-processing, Forestry, Emerging Farmers, Citrus Producers
13 April 2021 14:00 – 17:00	Moore Auditors	Agriculture, Agro-processing, Forestry, Emerging Farmers, Dairy Industry
14 April 2021 09:00 – 12:00	Mentors Conference Centre	Manufacturing and Construction
14 April 2021 14:00 – 17:00	Mentors Conference Centre	Transport and Automotive
15 April 2021 09:00 – 12:00	Mentors Conference Centre	Tourism, Recreational, Cultural
15 April 2021 14:00 – 17:00	Mentors Conference Centre	Trade (wholesale and Retail), Finance
16 April 2021 09:00 – 12:00	Mentors Conference Centre	Real Estate, Development
16 April 2021 14:00 – 17:00	Mentors Conference Centre	Government, Public Sector, Education, Health



*A number of interviews were also undertaken with the tourism and other sector people who were unable to attend the various workshops by Meritus International, contracted by Milan Consulting to do so. This assessment of potential projects and blockages was specifically contracted to have an independent and objective supportive reporting function, to support motivation for potential available funding as Foreign Direct Investment into KOUGA region.*

## Outcomes

The results of the kick-off workshop and the 11 individual sector workshops have been captured in the following individual sector reports. The process and data will also be used by Milan Consulting to inform or clarify the status quo baseline and insights for the development of a Local Economic Impact Development Growth Strategy for KOUGA

### *PACA Mini Workshop – 12 April 2021 – Ocean and Water Economy Sector*

#### **Sector Participants Present, Attending and Participating at Cape St. Francis Resort, 9:00 to 12:00:**

1. Willie Oosthuizen
2. Johan Strydom
3. Wayne Furphy
4. Franklin Hendricks
5. Frank Ellis

#### **Question 1:**

What are the current most important trends in the market with regard to your sector?

- Institution Challenges:
  - A challenge with less sea-time – Government Restrictions hinder growth.
  - Can't export, because of current restrictions – Corona Virus Influence. Decline in economic income.
  - Local versus International contentions for fishing Resources.
  - Unemployment and Poverty increase.
  - Drought – Water Security Drive and Need.
  - Water Scarcity unlocked increases in tariffs
- Innovation Challenge & Need
  - Unmined Opportunities.
  - Climate change created opportunity for New Technology and Innovations.
- Civil Society / People
  - Service delivery has become a commodity – People in St Francis is prepared to pay for the best service.
  - Greater / More and Increased leisure activities and opportunity for business.
  - More focus and reliance on quality service providers for the increase in leisure activities.
  - Food Security became an important factor because of Covid 19 influence.
  - Increase and growth in Agriculture.
  - Concern for unsustainability issue in the region because of declining water resources.

**Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Historical Benchmarking and Sustained Economies - Legacies.
- ✓ Socio-Economic Responsibility focus, awareness and dedication.
- ✓ Water scarcity presents an opportunity through the awareness and attention it is getting.
- ✓ Availability of the Fish Resources in the area with specific reference to Squid and Line Fish.
- ✓ Availability and access to resources.
- ✓ Open Door Policy at the Municipality – Currently the Municipality Listens.
- ✓ Variety and diversity of opportunities.
- ✓ Infrastructure capacity – especially Harbour capacity.
- ✓ Privately management and operated port.
- ✓ The growing demand for water is growing - spells opportunity.

**Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- Availability of land and effective industry dedicated special planning.
- Takes the Municipality far too long to re-zone land to support growth for the Ocean Economy's progressive development.
- Government (National) control of water resources and manipulation with it.
- Water logistics and solutions – geographical planning as it is far from suppliers.
- Challenge with skills availability.
- Focused and dedicated investment alignment and availability thereof.
- KOUGA Municipality's capacity and ability for administrative execution.
- Lack of people development and training in the Ocean Economy. (SCF)
- Indecisiveness of Municipality Administration and Execution at times.
- Political Manipulation.
- Reality of the Drought conditions.
- Poor Infrastructure – Old. It needs renovation and improvement for water services.

**Question 4:**

What are the most critical constraints to grow/th (in your sector) if everyone (all relevant parties) decides to work together?

- There is solutions and technology for the water crisis in the region – Political will is seen as a constraint.
- Fear – Suspiciousness with regard to change dedicate to land use to open up the Ocean Economy Development by the Residents.
- Water Economy – would the cost / price of water from new sources (e.g., desalination) be affordable and competitive.
- Management of our Fishing Resources.
- Global Warming affects the Ocean Economy in our region.
- Overall Skills shortage and capacity to increase skills through dedicated training.
- KOUGA Local Municipality's Capacity and ability for administration and execution.



- Aligned investment focus and dedication, as well as access to engagement thereof.
- Poor infrastructure.
- Climate issues and adaptability to it as current evident with the drought and change of catchment areas.
- Political manipulation and general interference and blockage.
- Party politics contaminate healthy political support for economic growth.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ More efficient and affective involvement of Local Government functions by Municipality in the Ocean Economy.
- ✓ Request for the unlocking of National Government's involvement.
- ✓ Dire need for training and development in the Ocean Economy sector.
- ✓ Development of dedicated commercial Harbour – Government request and approval.
- ✓ Review the possibility to make available tax incentives for eco-friendly and massive socio-economic development initiatives.
- ✓ Allow the private sector to run critical sectors and be fully involved as participants.
- ✓ Municipality to review the possibility and commits to buying water from private sector.
- ✓ Develop our assets fully – Capacitate.
- ✓ Decision: Policy – Keep party politics out of Municipal Management.
- ✓ Restore and develop current infrastructure: Railway capacity / Dams / Roads, especially in the Patensie area.
- ✓ Municipality to fast-track land use decisions to support the growth and capacity needed for the Ocean Economy's development.
- ✓ Dedicated skills development centres.
- ✓ Fish market infrastructure
- ✓ Increase launchings sites and availability thereof.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Community unrest due to job losses.
- Drought impact with water restrictions.
- Access to investors and affordable project funding.
- Need for Public/ Private Partnership to develop the Water industry in KOUGA – Dedication to water Economy growth.
- Delayed availability of land for Ocean Economy Development in turn delays employment opportunities.
- Drought – water scarcity influences major job losses.
- Infrastructure need – Local Port – Positive focus.
- Better catch season than previous year. Positive income.
- Agricultural growth in the area – job creation and opportunity.

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?



- ✓ Export of unique and niche products like oils, Honey bush tea / Chokka etc (Local Branding Focus)
- ✓ Support local businesses and local initiatives.
- ✓ Better management of our resources.
- ✓ Invite water supply proposals for the region.
- ✓ Secondary product manufacturing and beneficiation dedication.
- ✓ Development and training – Skills and Development dedicated industry capacity centres.
- ✓ Submit unsolicited development proposals to the municipality.
- ✓ Develop Resources for Tourism Development, Agri-Tourism and Ocean-Tourism.

**Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Energy Security and Water Security dedication.
- Massive Skills Development Program – Skills Centre.
- Technology Improvement and Innovation Centre.
- Invite water supply proposals from the private sector.
- Development of a commercial harbour. Industry dedication.
- Rezone identified land for Ocean Economy Development as quickly as possible – e.g., 5 locations.
- Inshore and offshore Fish Farming.
- Fish market
- Skills Development Centre.
- Rapid Infrastructure Development to support economic activity and growth.

**Notes of Informal Opinions Captured:**

Ocean Economy

Individual fishermen support. Small scale and individual fishermen.

One of the challenges is a market environment where their product can be sold. Opportunity for the full function of the market and full incorporated value chain management and capacity.

Logistical dedication – reinstate the old traditional market and capacity that was prior there. Unique and niche Fish market. Launching capacity is still an issue. Incorporate the community garden of fresh produce that will be a product from there. Biggest challenge currently is permission for the land use. Fresh produce market dedication. There is a few small-scale fishing co-operatives that acquired fishing rights, however, they need training and development as well as allot of assistance to become competitive.

St Francis Beach Restoration Project will motivate and stimulate increase of development.

Big project focus – Commercial Port – National Government blockage with regard to environment impact and movement of sand and influence of beach dedication. Lifestyle dedication and focus.

Railway capacity dedication with regard to logistical solution – request for privatisation opportunity. Aviation – Paradise Beach is Municipal land and dedication. PAKISA Initiative and participation process to be revisited and embraced.





Zoned industrial area in St Francis needs capacity and infrastructure upgrading. Request for dedicated road tarring. Should this be done, the industrial area would flourish and grow.

Water Economy.

Tech Solution and partnership with Murry & Roberts – Aquamarine Water solution – desalination initiative.

Second largest Aquafer in the country – Replan and strategize. Climate change influence on catchment areas. A challenge with regard to the ownership of the Water Treatment plant that is owned by Nelson Mandela Metropole. Request to initiate transformation of ownership as soon as possible given the slow Governmental approval and processes. Investigation was done and desalination can be done on a smaller scale.

*PACA Mini Workshop – 10 April 2021 – Green and Alternative Energy Economy Sector*

**Sector Participants Present, Attending and Participating, Moore Auditors Humansdorp.**

**9:00 to 12:00:**

1. Jacques Morgan
2. Matie du Toit
3. Dietrich Gerber
4. Rupert Gerber
5. Riaan Gerber
6. Wayne Furphy
7. Peter Mitchley
8. Andrew Steen
9. Frank Ellis

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Institution Challenges:
  - Failure of Eskom to serve our market with reliability and price, competitively in power generation.
  - No or little knowledge of green energy. No clear policy. No quality control.
  - Eskom & KOUGA Municipality distribution network fails regularly / often.
  - Load Shedding – Positive and Negative impact.
  - Slow progress with incorporation of private energy generation and insufficient communications regarding such.
  - Financial Incentives – Tariff Increases.
  - Progressive Regulations needed.
  - Energy Security & Independence focus and dedication.
  - Wind Turbines influence on our local economy – Positive Benchmarking.
- Innovation Challenge & Need
  - Energy Storage.



- Civil Society / People
  - People tend to listen more to unqualified persons opinions rather than professional advice.
  - Growing market move to solar power generation by both homeowners and businesses.
  - Lots of people are asking for advice and lots of interest.
  - Increase in the uptake of renewable energy back-up power supply.
  - Consumer Confidence and Understanding.
  - Dramatic increase in borehole and solar pumping solutions.
  - Marginal Increase in organic and sustainable farming practise.

**Question 2:**

What are the current Competitive Advantages in the KOUGA area for your sector?

Positive & Negative:

- ✓ Good initiative taken for regulatory framework. Needs Follow-through.
- ✓ Less Hustle & Bustle (Positive Lifestyle) – Influx of people without sufficient job opportunities.
  
- ✓ Familiarity, logistical advantage, and reasonable cost of living.
- ✓ General Financial Stability.
- ✓ Cost effective environment.
- ✓ A reasonable part of the market can afford to invest in solar energy, especially the residential property owners.
- ✓ People seems to care more for each other.
- ✓ It is not competitive to work in KOUGA area. We also work Nationally. It is a live choice to live and work from here. Great Lifestyle.
- ✓ Above Average Lifestyle.

**Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- High cost of transport. Lower level of disposable income.
- Access to National consumer base.
- Municipal Water supply and Roads are a challenge.
- Aging Infrastructure is a risk due to services which affect water, electricity and roads in the area.
- Limiting Market size.
- Logistical challenge with regard to supply of stock components from suppliers.
- Very slow process for the implementation of the Renewable Energy Policy by KOUGA Local Municipality.
- Incredible Local Skilled Expertise and Potential in KOUGA area, but no access or opportunity to National or Regional market.

**Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- Strive to be the controlling power – not a good culture in KOUGA
- Hit and run Opportunists – no strategic follow-through planning.
- Severe competition from outside suppliers – very little focus and support to local industry potential.



- Supply chain of material to the area is erratic and a challenge.
- Shortage of available well-trained staff – Little artisan development initiative and capacity in the area.
- The efficiency and turn-around time at municipal administration level.
- Lack of insight and introduction for the management and capacity of new power sources into the distribution network.
- Counter productivity and rivalry against local service providers.
- Diversity of motivation and management of expectations.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ The Municipality commits to the procurement of power from Independent Producers at an agreed reasonable price.
- ✓ Awareness Campaigns to the Public.
- ✓ Technician / Artisan training programs for industry skill capacity.
- ✓ Independent Power Generation Region with supportive policy by Local Municipality.
- ✓ Legitimate Local Governance Support.
- ✓ Energy Storage focus and incentives. Grid stabilization and incentives for the region.
- ✓ Automate, simplify, and shorten the Municipal administrative application process.
- ✓ Smart metering alignment, integration capacity and implementation. Power Feed-in adapted policy and public program.
- ✓ Access to more affordable finance for product installation.
- ✓ Government should enable policies and involve private sector for the execution therefore as well as deployment and alignment of its capacity and knowledge as well as expertise base.
- ✓ Finalise the Solar Feed-in policy and tariff in KOUGA Region.
- ✓ Full participation alignment for communication and coordination with KOUGA Local Municipality.
- ✓ Municipality and Industry work together for mutual benefit.
- ✓ Offer incentives to businesses with solar and storage capacity.
- ✓ Support to train and unlock skills capacity.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Misleading advice to customers that affect their decision making.
- Too much talk and too little implementation and execution for dedicated growth.
- Technology is getting to be more affordable and efficient in real terms. Value Chain and supply chain alignment is necessary to buffer a volatile margin on Return on Investment (ROI).
- Load-shedding challenge has a positive impact.
- Banking / Storage of Energy and capacity thereof for 12-month capacity period and aligned planning.
- KOUGA & ESKOM approval process is shorter and less one-sided. More consumer and user friendly.
- Bigger and larger installation projects are awarded to outside contractors and exclude local participation which unlocks local economic growth.



- Benchmark and capitalise on Court Ruling in favour of City of Cape Town.
- Blanket regulations and compliance with regard to Standard Operational Procedures – Currently a Grey area and should be aligned with governance from National Level as well.
- Contracting and favour to people and service providers from outside KOUGA region. NO local capacity and growth dedication.
- The growth in the municipal capacity and spending has impacted the sector's technical service supply and capacity positively.
- Customer confidence in alternative technology and solutions has improved tremendously.

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ Engage in a Public / Private initiative to share battery storage capacity with the municipality.
- ✓ Create a platform and strategy to make international investors, original equipment manufacturer and expertise interested in KOUGA for alternative and green energy and practices.
- ✓ Influence all stakeholders to become more efficient and aligned to a common goal.
- ✓ Create opportunity for capacity and jobs on the opportunity load shedding provides.
- ✓ Dedicate to reduce KOUGA's Carbon Footprint.
- ✓ Convert informal settlements as well as township roof structures into collective power producers with shared storage and opportunity for income.
- ✓ Incentivise new "Green" investment and initiative.
- ✓ Share in a balanced manner that includes all Stakeholder Contributions for efficient efforts and progressive results.
- ✓ Utilise efficient technology to address the reduction of KOUGA's electricity tariff.
- ✓ Share our ideas to regular and continuous discussion platforms.
- ✓ Take part in policy creation and structuring.
- ✓ From a continuous discussion forum with municipality.

#### **Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Upgrade with operational and maintenance plan of the current infrastructure. (Its old and outdated).
- Invest in training – dedicated green and alternative energy training centre and skills development plan.
- Operationalise Collaborative Plans through or by means of clearly defined (S.M.A.R.T.) integration plan.
- Implement carbon neutral projects. Polices for public and private entities.
- Incentivise solar generation on every roof within the KOUGA region with storage capacity in order to feed into the KOUGA grid. Independent S.M.A.R.T. management and usage capacity.
- Include the informal settlements, and townships into the electricity producer model for extra income and real benefits.
- Dedication to practical and incentivised housing development and local job creation and retention.
- Incentivise Green / Renewable Energy initiative in ALL Sectors. Inclusivity dedication.



- Optimise structural arrangement (Integrated Local Governance) and capacity that recognises responsibility and accountability for performance and compliance.
- Implement carbon neutral projects / policies for public and private entities.
- Continuous cooperation with KOUGA Business Forum to align all sector stakeholders and form a dedicated capacitated structure to engage with expertise and knowledge to support KOUGA Local Municipality for economic growth.
- Be dedicated to finalize the Alternative Energy Policy and then source the planned alternative energy supply from local producers.
- Open grid access through Local Governance Mandate and address non-payment of electricity with severity.

#### **Notes of Informal Opinions Captured:**

Windfarm representation – 18 years program vision / Not local vision / no investment take on new business. Shareholders not responsible and engaged on local economic development. Compliance tick re SED spend. Board of trustees, mandate and practical execution alignment need.

Solar Farm representation – do not know if the invitation reached them of awareness of initiative. Licencing compliance with regard to SED, ED and SD spend? 3% Spend available on their profit after tax. B-BBEE compliance. Audit review and broad-based local alignment for economic transformation. Review the TRUST function – advice and consultation – Township energy generation proposition. Focus on legacy after 18 years licencing and power supply agreement. Johannes – Trustee (Request an interview with him re current practices).

Biomass participants as alternative source are not represented. No representation by emerging economy participants.

City of Cape Town benchmarking and alignment question. Leadership of municipal administration is lacking with regard to insight and professional ability. Consulting engineer is brilliant and positive. The request that the political office is to sanction – PE benchmarking and evidence – Regional alignment opportunity and request for drive. Not isolation of political stance, request for regional alignment and integration. Fear of the unknown, new technologies and solutions. Huge potential for industry growth. Readiness for a very significant market. Request for alignment and not meddling with political agendas. Opportunity to create income for the emerging economy by this sector. No wheeling agreement in place. Integration system with IoT capacity in dire need for energy management, grid access as well as potential storage and income for emerging economy. Stability of income for the emerging economy in order to buffer theft, capacity of need and access to the best technology and services. Carbon footprint, efficiency, and credits with regard to power generation – tax holiday or incentive with regard to regional energy management, generation of energy and most important incentives for investors and financiers to partake in the industry and economic sector.

No alignment – Industry approach Municipality Administration individually as challenges arise. Recognition that from Municipality's side there is effort, however reactive and not pro-active with capped expertise and knowledge with regard to excellence. Structured need with an emphasis on compliance and procedures aligned to Municipal policies and procedures. Administrative capacity in the Municipality are not well informed or capacitated with regard to the industry, the evidence thereof is no policy, alignment or growth. Concern that there is no accountability because of the lack of policy



and practical governance and alignment with regard to the sector. PE benchmarking with regard to alignment and adaptability in policy and progression. PE metering department were very progressive and innovative with regard to legislation. The drive was an administrative function.

Have to address the resistance to change – change management and transformation progression is a big challenge. Request for a common goal / vision within Local Economic Development and Growth. Concern with regard to overstepping mandate by political office as well as meddling and blocking local growth and attention.

Opinion of Private Governance capacity. Yes, dire need for local expertise recognition and capacity with regard to the growth of the industry. Need for a Governing Body because of the private movement for independence on power supply. Local Municipality is going to miss out if not thinking to converse and structure an alternative governing body.

Recognise that if the business community want to mature, they as members of KOUGA Business Forum should address individual economic sector governing bodies for economic growth.

Municipalities applying for their IPP Licences in the Western Cape – Benchmarking and action.

Dedication to project to upgrade Township and informal settlements with solar and storage capacity as well as water harvesting systems and solutions. To include training of township residence to install and maintain the alternative power production systems and solutions.

Invite Wind Farm CEOs and Community Trusts to participate in a KOUGA Renewable Industry Plan. Capitalise on their experience and expertise with regard to community involvement, structuring and dedication to local economic growth. Invite and propose to them to join and lead with this effort to align and dedicated local economic growth in the renewable energy sector.

### *PACA Mini Workshop – 14 April 2021 – Transport and Automotive Sectors*

#### **Sector Participants Present, Attending and Participating at Moore Auditors, 14:00 to 16:30:**

1. Daniel Goeda
2. Kamba Sicelo
3. Francois Brits
4. Rudi Nel
5. Kolie Louw
6. Mariska Esterhuizen

#### **Question 1:**

What are the current most important trends in the market with regard to your sector?

- Positive public transport
- More secure parking for public transport
- Many unroadworthy vehicles on the roads
- Maintenance of roads is a massive need
- Application of traffic rules



- We do the transportation of milk. Nothing has really changed in the last few years in this part of our industry. We have experienced a constant increase in milk over the years. WE had to adjust our fleet dramatically.
- In the taxi industry customers demand the best possible service.
- Dramatic decline in customers due to Covid 19
- An increase in customers from the Sport fraternity.
- Increase in customers that buy SUV and “Off Road” vehicles.
- Our clients are moving away from passenger vehicles and buy bigger SUV’s.

**Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Strategic location of Jeffreys Bay
- ✓ Jeffreys Bay is an attractive town for tourists
- ✓ Best waves in the world
- ✓ Jeffreys Bay keep on developing as town
- ✓ Our biggest clients are situated in the Eastern Cape, we deliver milk from local farmers directly to Coga Dairy, Parmalat and Cookhouse Creamery.
- ✓ The town is ideally situated, wonderful climate.
- ✓ Great diversity in sectors, especially in agriculture.
- ✓ Growth in some sectors and near to markets.
- ✓ We experience a good name in the motor industry.
- ✓ Many vacation homes in our area.
- ✓ Strong DA governed Municipality.
- ✓ We serve a wide range of consumers.

**Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- Bigger businesses only partner with other big business.
- Loss of income due to current municipal riots. Two of our trucks was set on fire yesterday. Offloading creates unsafe circumstances.
- WE experience massive “red tape” in the administrative processes at the Eastern Cape Department of Transport.
- We work with the municipal traffic department every day, and this is such an frustrating experience most of the time.
- Our community is small, limited clientele.
- Covid 19 has had a massive negative impact on business in the taxi industry
- Long timelines to receive stock from Durban.
- Processing of vehicle licenses is a negative experience due to unprofessional staff.
- Drought in the Eastern Cape is very negative consequences.
- Lot of competition in industry.
- Municipal unrest has a negative effect on our industry
- We import stock from abroad....long waiting periods

**Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- Access to funding
- Poor skills of labour
- Unstable political climate
- Uncertainty as a result of poor political climate
- Expropriation of land without compensation
- Political interference
- Cost of living is high
- Small size of the New Vehicle Market.

**Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ Identify other farms outside the Eastern Cape to supply milk to “us” and use our facilities. This will impact positively on our economy.
- ✓ There is a need for an Entrepreneurial School.
- ✓ Need for an inclusive Business Chamber, not racially divide.
- ✓ Need for mentoring small businesses.
- ✓ Need for a more professional traffic department.
- ✓ There is a need for better relationship between the public and private sectors.

**Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Labour unrest
- Discrimination
- Limited stock availability
- Labour strikes
- Political interference in municipal administration
- Massive drought, negative impact on the economy
- Defective sales statistics in the automotive industry in the Eastern Cape
- Decrease in sales in vehicles.
- Slow delivery times of vehicles to Agencies
- We experience increases in milk transportation year after year. This creates job opportunities for drivers on a regular basis.

**Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ Partnerships with investors.
- ✓ Partnerships between businesses.
- ✓ Influence a positive attitude.
- ✓ Influence how to treat customers with respect.
- ✓ Create job opportunities.
- ✓ Training of staff support.





- ✓ Supporting skills development by training drivers as loading of milk needs trained staff.
- ✓ Competitive prices.
- ✓ Support with skills training.
- ✓ Technical support.
- ✓ 20 year's experience in the motor trade.

**Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Create drop off and pick up zones on roads.
- Increase safety in town....partnerships with security companies.
- Implement security cameras.
- Create shelters for homeless people that currently sleep in front of businesses.
- Eliminate poverty
- Create education opportunities.
- Stop corruption in the municipality
- Develop proper pavements for cyclers and joggers.
- Create job opportunities
- Stimulate economic growth
- Create job opportunities
- Upgrade access routes
- Promote alternative energy solutions.

*PACA Mini Workshop – 14 April 2021 – Manufacturing and Construction Economy Sector*

**Sector Participants Present, Attending and Participating at Mentors Conference Centre, 10:00 to 12:00:**

1. Christo Vosloo
2. Waldo van Niekerk
3. Shauni B
4. Natassja Barnard
5. Liné Snyman
6. Claudine Desean
7. Elize
8. Jacobus Scott
9. Ian Pure
10. Gerrie Hermann
11. Nico Blake
12. Dorette Nel
13. Angus Bruiners
14. Luke Kivedo
15. Gareth Duffey
16. Merwe van Niekerk



## 17. Bryan Dhludhlu

### Question 1:

What are the current most important trends in the market with regard to your sector?

- More evidence of Semi-migration (Semigration) even from the Cape.
- Current market is very positive for construction. Still slow progress with regard to alternative construction methodologies as well as the training therein.
- Current big demand in the construction sector – very little support and integration with the Town Planning Division at the Municipality – Challenge with regard to administrative turn-around time.
- Growing demand for alternative energy applications and solutions.
- Water harvesting and retention solutions also high in demand.
- Allot of engagement and requests for alternative building methods and materials.
- Alternative products for sealing with regard to floors and swimming pools is growing in demand.
- Allot of requests for rust and roof maintenance products and solutions.
- Building and construction preparation process as well as cleaning processes are changing with allot of innovation and there is request for innovations and these new products. Climatic conditions is a huge influence.
- Health and Safety Services within the Construction Industry is lacking. Big concern by all.
- External contractors from neighbouring countries influx into the area is a big concern as they undercut pricing on contracts. All their incomes leave the area. They do little re-investment into the area,
- Compliance with regard to B-BBEE is very challenging. The grading with regard to the Black component versus the local majority coloured economic empowerment need is not realistic or relevant within our area. Very contradicting. This drive entry of black service providers into the area and exclude all from economic growth.
- The construction increase is growing and continuous. The demand is built development and re-sell but available capital / funding for this trend is not geared for the trend.
- Private individual work, outside project environment is challenging as individual's payment processes are difficult to manage against input costs and reality of the salaries of the workforce. Difficult to stay solvent.
- Dynamic growth is hindered by the slow, low and bad Municipal Administrative function.
- The architectural sector's pricing is extremely high to deliver the building plans and the Building Plan approval process is extremely slow. This is a blockage and hinders dynamic growth for the industry.
- Increase demand for bricks. Knowledge of housing projects which are in process without approval. The blockage at the Municipality promotes non-compliance and illegal practices.
- More people work from home. More early retirement. An increase demand for more housing development as well as more available houses to buy.
- More modern design and architecture request and increase. Allot of comments on all the old and ugly buildings in the area that need serious renovation and attention to better the look and feel of the area.
- Most of the clients wants to be as independent as possible from Municipal dependence and services. Total off-the-grid movement.



- Social Housing like RDP and HOP Housing in dire need in the area.
- Bad perception with regard to work seekers versus daily contracted hand labour. A possible way to address the function in the area and assist with the formalisation thereof would be great. It is bad labelling and a very wrong perception.
- Big concern with regard to the inefficient administration at the Municipality.
- Construction Forum is active with 70 members. The previously disadvantaged Communities came together to formalise the industry from a contractor and labour perspective. This is to support the growth and standardisation of the area.
- Private development is out-performing state or government development within the KOUGA region. This means an increase of taxes for the state, but very little re-investment of state is evident in our region.
- Alternative and Eco-friendly innovations are welcomed by the Municipality's Services Department. Initiatives like sewerage solutions as well as solar plans.

### **Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Logistical advantage as there is currently enough work in KOUGA and no need to travel far or out of the region for work.
- ✓ No one in the industry is a financial giant or can manipulate the industry. We therefore should start to work together and team for better services and dynamic aligned growth with good regulation.
- ✓ We have family legacy here and allot of old residents are returning. Once from the KOUGA always in the KOUGA
- ✓ Diversity of people with allot of European International influx influence and upgrade design and lifestyle thinking.
- ✓ An environment with high potential for innovation, progress and development.
- ✓ Incredible lifestyle culture in the KOUGA Beautiful natural resources and economic growth makes this the best spot in the world.
- ✓ KOUGA has a growing economy. The population is getting together and teaming for growth. In close proximity to bulk infrastructure and logistics.
- ✓ Economic diversity in KOUGA as well as being centralised to deliver services is very beneficial.
- ✓ It is not city life but a lifestyle that doesn't lack all the city advantages. Very diverse and logistically very central for economic growth and expansion.
- ✓ Enough available workforce. Clear future scope and potential.
- ✓ The Built Fabric is in contradiction to the rest of the J-Bay beauty which is very enticing to visitors.
- ✓ There is a good market and growing demand for development.
- ✓ Rust and a need for innovative solutions is growing and in demand.
- ✓ Small and niche town environments for living in the KOUGA is very attractive for economic growth and development.
- ✓ Increase in clients that moves to the coast because of security factors – Security at the cost should therefore be a priority.



- ✓ Positive combination of balancing a business to make a success of it while still enjoying the small-town coastal lifestyle.
- ✓ Increase of people retiring early and working from home. Allot of requests for quotations to improve the home environment, however their budgets cannot always afford it. Potential for DIY workshops and training.
- ✓ KOUGA's diverse economy unlocks lots of potential for economic growth for the construction industry.
- ✓ Legacy businesses in the KOUGA region dating back in services to 1969 and earlier – knowledge base, experience and expertise to share and grow together. Benchmarking and alignment.
- ✓ Good lifestyle and coastal living is the biggest benefit for a business owner in KOUGA

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- Extremely competitive market environment. Allot of back yard services and price undercutting.
- Affordability and available funding for upgrading and revitalisation of buildings and infrastructure is lacking and a challenge.
- Reliance on seasonal tourism. Relatively high augmentation fees.
- Fantastic beachfronts but no tidal pools, piers or facilities of fishing. Underdeveloped safe and limited access boat launching facilities.
- Low skills levels amongst workforces.
- Limited options to choose from with regard to service providers.
- Transport costs for workers and access to public transport is a challenge.
- Inadequate and limited use of recreational land. No good quality public swimming or training pools.
- No governance / policing from Department of Labour with regard to health and safety practices in construction sector in KOUGA Contracted companies are therefore non-compliant.
- Unreasonable administrative blockages at the Municipal Town planning and building inspection Department. Inefficiency is evident.
- Clients became google-wise with opinions toward your skills and labour. Not relevant and un-informed about rules, regulations and legislation. A consumer helpdesk will assist greatly for standardisation.
- Currently limited diversity in the construction sector. Most development is dedicated to residential development.
- Availability of bulk services and unreasonable fees hinder growth and development.
- No understanding with regard to Eskom load shedding when the area is known for alternative energy generation by the Windfarms.
- Municipality and small service providers are hinder blocks for industry growth. Regulation / governance and compliance with regard to contractors are not evident in the KOUGA area.
- Logistical costs and support are lacking to our area. Innovation and attention toward transport in the area should be a dedication.
- Import of products and its non-availability in the area increase costs within project execution.
- Every community / small town in the KOUGA has a different culture and perspective toward how workforce and competency of workforce should be addressed.



- The tender award process from Municipality is suspicious and it seems if there is no sensitivity toward the growth and capacity within local skill and small construction businesses. Stimulation of partnerships and joint ventures to increase skill and retain income in the area should be a priority.
- It is a perspective that outside developers and funders of projects and participants in the area, are not at all beneficial for local growth. Some rules or Governance policies should address this to protect our own industry and businesses in the area.
- Standardisation of qualifications and accreditation in our industry is of dire need. Possibly through a training centre, good governance and help desk to improve and excel with our skills and grow our sector responsibly.
- Price war and competitive realities is a fact and challenge within our sector.
- In the area there is a lot of grey-knowledge. Highly skilled people who retired and who can assist in the training and capacity of ourselves, workforce and artisans in KOUGA Up-skilling and mentoring should be an incentive drive.
- Trust in our sector and quality of service with standardisation to excellence and quality service delivery should be our input and drive.
- Available capital spend from the individual market is a challenge. It is low and limited.
- Little regulation with regard to market competition and standards for the industry is a challenge to grow our industry responsibly.
- A lot of potential market and market demand versus limited individual capacity spend for development.

#### **Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- It is good to have an initiative to work together but how is a challenge. Good structure and transparency would be a good focus.
- Small town syndrome and mentality will hinder collaboration. We need a process and assistance to break through mentalities and blockages.
- Expertise, collaboration platform and dedicated strategies and plans for execution and implementation.
- Access to realistic Finance for industry growth.
- Unstable political situations with social ills and challenges.
- Perceptions of standards and benchmarking to global standards.
- Cost of material in KOUGA is still much higher than in PE, resulting in less local support.
- Negative strife in the sector. Automation of municipal and financial compliance should be a priority.
- Little evidence of collaboration by all sectors, private sector and public sector.
- Eskom's national influence with regard to load shedding and its impact in the region is outside local mandate but also a local opportunity.
- Business structure and balance between workforce and service providers budgeting within projects scope. Need to give it attention or request assistance with it.
- Availability to skilled workforce is a challenge.
- Logistical costs of input costs versus market competitiveness.



- Balancing act between local legacy and tested knowledge versus influence of outside innovation and expertise to grow out area.
- Job / project sharing and inter work referral culture.
- Locally produced products are the same prices as outside the area. Incentive for local market and offtake on local products.
- Proud to have a job, service with a smile and promote your area – take ownership and responsibility.
- Leadership collaboration for practical implementation and successful growth and development.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ Better service delivery and accommodating attitude by the KOUGA Town Planning Department toward Development and construction of infrastructure. The result is that developers and investors move their planned development and money to other regions because of inefficient and negative service delivery.
- ✓ Change marketing strategy towards products and local services available.
- ✓ Be accommodating and collaborative with other businesses and economic sectors to start growing together.
- ✓ SMME capacity and growth is always a challenge however, with the right mentoring and access to alignment and capacity building it can unlock growth and positive economic growth for our sector.
- ✓ Capacity for training and development of the Human Capital in KOUGA
- ✓ Architects and Designers can prescribe within building plans and design locally produced products and services to assist local economic growth.
- ✓ Requirement and development of efficient, better, and practical integrated systems to enhance service efficiency and support growth of standards for standard operational procedures or excellence and benchmarking within the KOUGA region. We want to influence and create the “New Norm” together. This will most definitely invite investors.
- ✓ Artisan School or Centre – like BIFSA’s centre used to be.
- ✓ Better administration and dedication with drive with regard to output and performance from the Municipality’s Planning Department will unlock more dynamic development.
- ✓ Collaboration and alignment between business sectors and municipality will unlock real economic growth dedication and development.
- ✓ Better integration and communication and targeted output planning with efficiency between the Municipal departments like Building Management, Town Planning and Department of Finance (Simple example is the issuing for an Invoice from Municipality).
- ✓ Sector work and project referencing with a good practice of reference fees or finders-fees.
- ✓ Big company mentoring to small companies for growth and development.
- ✓ Automate and assist with SMME compliance in order to support them in their journey to access business and grow their businesses.
- ✓ Initiate a dedicated skills and training centre for the construction and development sector.
- ✓ Review scarce skills in the KOUGA region. Strategize to invite and grow scarce skills.
- ✓ Review the possibility of skills transfer through business mentorship program.



- ✓ Private work opportunities and ease versus challenges for local business to access and partake in public tenders. Assist with a process to achieve compliance and be available on a public sector domain with all relevant information, services, and skills at the fingertips.
- ✓ Artisanship capacity and training dedication with centres available everywhere in KOUGA – at all towns.

### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Huge influx and influence of outsiders, especially international workforce that does price undercutting and compete to take work from local workforce.
- Businesses make use from lower cost workforce to cut costs and block local job opportunity through this action.
- Practice of illegal building and expansion. No capacity from Municipality to govern these practices. Impact on low quality and standards in the region. This trend however, created job opportunity and work for the construction industry, especially for small contractors.
- Focus and dedication for the need to address real effective transformation through training and to address scares and critical skills within the contraction sector.
- It is comforting to experience that more and more SMME are getting the opportunity to partake in the construction sector.
- Homeowners and general public are to be educated with regard to rules / legislation and building regulations with regard to the upgrading of their properties.
- Enjoyed this facilitation process and would love to partake in this on a regular and annual basis to stimulate dialogue and unlock a common goal for vision and collaborative growth.
- Continuous workflow and new project through marketing – most of the marketing is word by month and because of quality work, good performance through efficient execution and referencing.
- Migration of people to KOUGA area ensure at the moment sector growth and a good market growth for the sector.
- Artisan skills transfer should be a priority as old seasoned skilled people are getting too old to still be working and do excellent work.
- It is a challenge to have ethical workforce who are prepared to work with you and as hard as you. Work pride and work satisfaction by labourers isn't a culture anymore.
- Capitalise on client referencing and word of mouth referencing.
- Our products are insurance industry endorsed – this motivates clients to buy our product.
- No information Centre available for SMME Capacity building in KOUGA to develop them and to access professional advice.
- Better evidence of the management of Public Assets – like the Cultural Centre and the Caravan Park in places like Humansdorp.
- The slow progress with the hospital in Jeffreys Bay limits the flow and dynamic investment in residential projects.
- Today's market is social media based and referencing is via social media – We should consider a collective management social media platform for KOUGA



- Propose that the KOUGA Local Municipality's LED Department should dissolve. Propose that a KOUGA Development Agency be structured as a Joint Venture between KOUGA Local Municipality and KOUGA Business Forum).
- The growth of the construction industry stimulates opportunity for new and emerging business as well as participation of unskilled labour. This should not be seen as negative but be embraced as an opportunity to up-skill and grow together.
- Availability of reasonable finances for our industry, shortage of expertise and experience, as well as shortage of quality artisanship.
- Administrative and legislative compliance with regard to application processes. These are standard practices and can certainly be easily automated. These should be systems for this already developed in progressing Municipalities.
- The Wind Farms create a lot of job opportunity. However, most of this is given to Cape based, big companies and corporates with little support to local service providers.
- The current growth is currently only evident in the private sector. This shows a positive attitude of the local economy for growth and participation.
- The general perception is that local workforce is tardy and lazy. This is the reason why reliable and efficient international workforce gets the jobs and job opportunities.
- The current increase for input products in the building and construction industries pushes the cost and production prices higher as time is a high-cost factor in these industries.
- Covid influenced, regulations within the finance sector, like the banking environment. This is one of the reasons SMME's struggle to become solvent and operational again. Urgency for a financial relief or financing solution.

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ To always be professional in my business conduct. To share my experience and expertise with others and to work together for excellent standards and benchmarking in our economic sector.
- ✓ Recruit the "Dying Scares Skills" via proper training and a skills transfer and mentoring program.
- ✓ Invest in your business's human capital. Skilled workforces ensure better productivity for output, cost effectiveness and financial growth.
- ✓ Better understanding between public and private sector to assist with the iron-out of the planning and building management department challenges. Participate to assist with efficiency and output.
- ✓ Business ethics are efficient management, integrity, pride of your work, honesty, and expertise. Keep a high performance and excellence standard and request the same from everybody else.
- ✓ Build relationship with market leaders in the construction industry to link smaller contractors for partnerships and to assist in growth and good standards.
- ✓ Invest in the next generation's skills levels.
- ✓ Do what you do the best and in excellence, efficient the first time. Put pressure on public administration to approve plans and do inspection faster for sign-off. Deliver on all compliance and standards in excellence – no short cuts or quick fixes. Then you can demand performance and insist on delivery.





- ✓ As architects and designers, we coach and teach our clients continuously with regard to wholistic and sustainable design. The better the architecture and design the more branding and beauty the town will have. Renovation, re-invent and re-design of all old assets should be a drive.
- ✓ Stimulate internship program. Create more job opportunities. Do sub-contracting on big projects. This way we stimulate inclusive growth and standard benchmarking and alignment.
- ✓ Are prepared to share knowledge and skills after more than 30 years within the industry. Allot of models. Concepts and ideas to share on a dedicated development forum or platform.
- ✓ Cultivate the lowest labourer to be proud of his/her job appointment and work.
- ✓ Support Skills Training by assisting small businesses to grow by obtaining credited education and training.
- ✓ Facilitate access to literature for building contracting, technology tools and assistance in order to be aligned and automated to developers with building budgets to spend. On-site standardisation and Standard Operating Procedures capacity as well.
- ✓ Host a lot of workshops and trade seminars. We have sufficient venues for it.
- ✓ A collaborative platform where knowledge can be shared for benchmarking, best practices and excellence. The labour force needs training and skills development. The sector has to take own initiative to create or build a centre or facility where this can happen.
- ✓ Engage big suppliers to open a distributions centre in the area.

**Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Put my attention to backlogs and bottle necks.
- Get good and reputable field experts in the municipality.
- Make a plan to assist the informal animals like cows and pigs to have fenced communal grazing and have them off the roads.
- I would dedicated my attention to fix the road to Aston / Paradys and assure safety for all communities.
- Initiate a KOUGA clean-up. Deduct from the salaries of workers and pay the youth for replacement services.
- Get administrative systems automated and high level of efficiently with training to execute on backlog and slow turn-around. This is the heart and soul of the Municipality and currently bad testimonies in the public which will make investors think twice.
- Focus on the basics, the roads, sewerage and taking our paint and start painting everything.
- Have a public meeting with the citizens. Ask them what they want to have improved, focus on it and change it for the better immediately.
- Social housing HOP dedication instead of the RDP low quality process and result.
- Simplify and automate the approval processes to speed up service delivery in KOUGA
- Focus on the upgrading of the regional and secondary road infrastructure and upgrading of it.
- Give attention to sewerage works to re-use the water and deploy the latest and best solutions and management systems.
- Training for Councillors.
- Evaluate administrative workers and workforce. HR replacement and contingency plan.



- Dedicate capacity and efficiency to the Planning and Building Management Department. Replace through performance evaluations and procedures the inefficient workers and administrators. Put their jobs on the line. They will soon start performing.
- Put Jeffreys Bay on the World Map as the Number One Sport Adventure Destination in World.
- SMME integration program with big construction projects – incentive scheme.
- Job creation plan and public target to achieve together.
- Mandate and policy for priority to use local companies first in projects and in local tenders in the area.
- Be stronger on law enforcement with regard to laws already in place. SAPS and Traffic Department should man up.
- Put all my dedication on Local Economic Growth with practical skills development.
- Ensure better safety to all communities in KOUGA
- Focus on prime natural assets in the KOUGA and capitalise on it with a clear public, private participation program and dedication. Keep it focused and basic and the rest will follow.
- Creation of a proper industrial zone with good incentives for investors.
- May water and energy security a priority for the region.
- Be open to development and private sector initiative and see that it is executed and implemented.
- Dedicated resources to aspects in the KOUGA that would invite investors and people.

**Notes of Informal Opinions Captured:**

KOUGA program of adopt a small business. Structure and business partner matching to unlock good quality standard, coaching, capacity building and alignment of excellence and growth.

Engage expertise on how to structure for beneficial B-BBEE score chart points such a program in order to do broad based economic empowerment.

Do a public declaration with regard to the Khoisan demographic in the area and the Khoisan and historically disadvantaged tribe, that should have the same dedication within the B-BBEE score chart as the black demographic.

Old legacy artisan skills are becoming unavailable because of old age. Request a survey to create a skills transformation centre where these old, well seasoned artisans and skill young artisans in order to the skill and quality work not to get lost for our area and for contingency planning with regard to capacity and good skills in the area.

The old pride of a job well done, doesn't exist anymore. Should review and address the pride in work through a recognition program of excellence and public reward on high quality skills. Like "plasterer" on the month like the usual employee of the month. KOUGA regional competition – like a Master plasterer award. Alleviate artisan skill and talent.

Consider a client rating system for skilled labourers to provide them with a good CV of automated referencing system. Something like a KOUGA LinkedIn for artisans and skilled labourers / Service providers.



Support local and grow local should be an adopted policy by both private and public sectors.

Standardisation for our sector and quality control systems – preferably automated.

*PACA Mini Workshop – 14 April 2021 – Agriculture, Agro-processing, Forestry, Emerging Farmers, dedicated to Dairy Economic Sector*

**Sector Participants Present, Attending and Participating at Moore Auditors, 14:00 to 15:30:**

1. Dries du Preez
2. Rupert Gerber
3. Hannes Cilliers
4. Daan Landman
5. Ilse Hugo
6. Bull van Rensburg
7. Abraham Bekker
8. Conrad Dreyer

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Climate change – the current draught is a result of it, given that the catchment area for water has changed versus old infrastructure and planning for it. The draught has a huge influence on our economic sustainability as well as our production margins and current growth to consider expansion or growth.
- In order to sustain economic feasibility within the dairy industry, water restrictions and limitations hinder our growth and expansion. In fact, dairy farmers had to decrease production because of water scarcity.
- To sustain and survive in business, dairy farmers have to cut their input costs, buy collective and plan for all cost savings to stay afloat and keep the business going. Currently not room or space for economical growth. In the past they had support from the product benchmarking pricing. The product prices do not address the increasing input costs which continuously increase and seldom decrease. A balancing act to stay solvent and efficient.
- Participation to the value chain and access for participation by producers are not available or easy to access. Producers are isolated and now victims of price takers and product processors and market orr-take.
- Small farmers are not surviving and closing their businesses, The trend is MEGA Farming businesses due to input costs and market fixed price. Soon there will be not small to medium farmers left in the dairy industry.
- Very little room for economic growth or expansion due to cut through business inputs and set market off-take in the dairy industry. Big retailers manipulate market price and is killing the industry.
- Upgrading and maintenance of infrastructure is a huge challenge on the maintenance of trucks and equipment of industry. This is huge extra costs to taxpayers to sustain and balance their economic survival. Load shedding and planning for it is also a huge financial risk to producers.



- All input costs like, workforce, energy and feedstock keep on increasing. No subsidies and no support to unlock growth or combat input costs. South Africa can provide not security or surety to be seen as an Agricultural friendly economy. All is against growth for the agricultural economy.
- Seasonal production is busy to expand.
- Unsurety within the agricultural sector with regard to Black Economic Empowerment and participation.
- More intensive, automation, technology, mechanisation and smart technology approaches towards agricultural development and growth factors.
- Broad-Based Black Economic Empowerment is not realistic with regard to the proposed national score-chart within the KOUGA region. Unreasonable practice and not relevant toward the economic representation and reality.
- Eskom and energy shortage inhibits economic growth.

### **Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Wide knowledge base with historic depth and capacity within the region.
- ✓ The climate, rainfall and high natural resources is a huge factor why milk production is still current and surviving within the KOUGA region.
- ✓ Well balanced market off-take by competing milk buyers and processing entities.
- ✓ We have a processor and milk buyer with a good reputable brand within our region.
- ✓ Allot of producers are locally represented and collective together.
- ✓ Dairy farmers in this are pasture based – that is the most cost-effective way to produce milk. However, the producers need a normal rainfall year to capitalise on this advantage if it rains enough, the farmers will be able sustain their business and potential grow collectively.
- ✓ Farmers are sold out to input service providers and their funding for input costs. The ko-op in the area puts the farmers in a competitive advantage and assists tremendously.
- ✓ Excellent climate form milk production. Milk processors in the area. Fairly safe area to do production in. Excellent knowledge base for milk production in the area.
- ✓ Excellent schools in the area and enough willing and skilled labour.

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- Access and logistical challenges to major local market in Gauteng. Access roads and supportive infrastructure support. Industry had to pay and tar their own roads in order to be functionable.
- Current B-BBEE compliance is a challenge because of most of the workforce being coloured and not black. Broad-Based economic development dedication and focus. Regional human resources and race representation.
- Municipal services. Current drought, Wind increases and unstable energy supply.
- Political climate is negative toward economic development with issues like land grab and land issues.
- Farm security issues and costs in order to work in a safe environment.
- Maintenance and upgrading of infrastructure that is not evident within the rural areas.



- When it is raining season, there is over production of milk and during draught a challenge to break-even.
- The area is manipulated by milk price fixing.
- Isolated from big off-take markets.
- Alcohol abuse by workers is a reality within the total KOUGA region and a risk with regard to efficient work on a Monday.
- Available and sustainable irrigation water is a current challenge within KOUGA region.
- Logistical costs in the area is also a challenge with regard to production margins. Some input roughage has to come from other in-land production areas. (Example R21 000 per load of roughage).
- Autocratic Municipal practices and culture – exclusivity culture and not an inclusivity culture.
- New administrative rules and regulations that is not practical and makes the administrative load high and unlock inefficiency.
- Unrealistic costs with regard to economic growth potential – no balancing evident.
- Climate change with evidence of the current draught.
- Far from maize production areas for feed supplements – unrealistic high costs.
- Secondary and access road maintenance is not evident and a challenge to agricultural product producers.
- Logistical feasibility to inputs and market off-take is a huge reality to the economic growth for the sector.
- Slow response and administrative alignment and support from Municipality is a huge challenge.
- No support from Eskom / little service.

#### **Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- Water management and planning as well as dedication within the area needs serious attention in order to become practical and applicable for all. A regional view and attention with regard to need, availability and use should be addressed.
- Functional infrastructure to support growth.
- Need for a functional municipality with good turn-around time in administration.
- Evidence of financial input and growth will align all current differences. Common goal is very important.
- Uncertainties with regard to a future, given the political language with regard to land reclamation, inhibits economic growth and investment for the area.
- Silo of leadership functionality in both private sector as well as Local Government. No alignment and effort to have one common goal and vision.
- Greed and own personal strive is evident – this do not serve the emerging and struggling communities.
- Complexity of legal compliance and the administration thereof is a huge stumbling block and frustration.
- B-BBEE compliance hinder participation and block economic development. Broad-Based economic representation does not comply in our region with Government's drive for Black Economic Empowerment.



- Attitude and arrogance of Municipal Staff is a well-known perception in rural environment and community.
- Alignment and dedicated effort to work together as civil society organisations and initiatives is very important. No evidence of it. Need guidance and proposed structure for it.
- Property rights and registration thereof is a huge challenge.
- State Capture affect us greatly.
- Government proposals and compliance of their systems from Municipality to National level is a huge challenge.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ Subsidized agricultural schemes from Landbank or financial institution will be very welcome.
- ✓ Farmers forms collective buying groups. Good initiative that can be embraced for emergent farmers. Willingness to mentor as well.
- ✓ The Agricultural sector is well organised with associations, study teams, organised union representation and sector organisations as well as a strong cooperative structure and leadership within our region.
- ✓ Branding for our region with regard to our unique and high quality products is an opportunity to investigate and work together on.
- ✓ The “Dairy Drive” for Agri-Eco-Tourism is also a good opportunity.
- ✓ Hydro and Methane gas power generation for a energy solution is also a good opportunity. Collective plan for dairy waste has been discussed and reviewed as a potential project.
- ✓ Regional Branding with regard to common vision and goals would also be a good initiative and strategy.
- ✓ Normal financial institutions and access to funding, isn’t geared for long-term economic impact development. This is evident within the especially the Agricultural Industry.
- ✓ General feeling that the municipality should review efficient and knowledgeable appointment of staff to support the dynamic growth of the economy in the area.
- ✓ Strong review with regard to the impact and relevance of the NEMA legislation on agricultural growth and capacity.
- ✓ A proposal to review the CARA legislation as more relevant to agricultural practices.
- ✓ Speed up and review with urgency the efficiency in the administrative environment with regard to the turn-around time in Municipal applications.
- ✓ Decentralise and review the potential of privatisation for the upgrading and building of rural and secondary roads. Local for local with access of tax budgets to locals to participate and provide services and maintenance of infrastructure. Can be done through structured and organised agriculture as per example only.
- ✓ Empower people with dedicated sector up-skilling and training capacity.
- ✓ Good infrastructure and evidence thereof will entice people to invest into the KOUGA
- ✓ Business has to team together to strategize and plan for the impact and capacity needed when there is economic growth and more influx of people or market.
- ✓ All sectors should structure and work together to unlock economic growth.
- ✓ Create a culture and workable process for Joint Ventures between commercial agriculture and emerging agriculture. Mentoring and capacity building dedication.



- ✓ Enable a reasonable strategy towards available land and the optimisation of that for emerging farmers and agricultural businesses.
- ✓ Coach all in the business sectors about the process and performance expectations of investors and their available capital to invest.
- ✓ LED – Local Economic Development, should be: for the people, by the people at grass-root level.
- ✓ Alignment of production cycles by all participants within the sector in order to collectively manage services and costs. More realistic economic environment and measurable for growth capacity. An example in the dairy industry is the “Calving Cycle”.
- ✓ Consideration of a subsidisation economic model within our region for food security and the production and affordable food.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Investment reluctance because of all negative factors and realities within the production of milk. Very or little evidence of future scope or growth for youth incentives to participate or entice to become part of the industry.
- The local economy is stagnant and doesn't increase or grow.
- Import of inputs and pricing thereof is a huge financial challenge and price balancing act.
- Reality of Draught.
- Increased salaries because of economic reality versus sustainability of agricultural sector.
- Import of dairy products from international producers is currently low and good for the industry.
- It is a huge challenge and struggle to obtain new dam or water reservoir permits – B-BBEE compliance and influence is negative and a huge blockage.
- Lack of expertise and knowledge to sustain, manage and upgrade infrastructure in the municipal area and to ensure the safety of the people. Crime prevention seems like real challenge and problem and increasing in the area.
- Commercial agriculture feels exposed, victimised, alone and isolated with no assistance or support from Government.
- The function of agriculture as the bridge between First and Third world economy is underestimated and should be embraced.
- Better technology and mechanisation is a huge effect on job-creation – more attention should be placed on the other opportunities within the value chain and beneficiation of produce from agricultural producers.
- Expansion of production units are limited because of resources, workforce functional realities, high input costs, severe and loaded unfriendly legislation as well as not aligned industry friendly finance dedicated to growth for the agricultural industry.
- Current better milk prices, innovation in the industry and international competitiveness is evident. Good market demand. The agriculture industry stayed stable and some divisions actually increased during Covid.
- Request for investing into the support of innovation as well as research and development.
- Increased of agricultural export products, these commodities earn in USD, which contribute to the country's GDP – this is not embraced by National Government with support and incentives to our industry. Certainly more attention and dedication should be given to food security and the value of its function within the economy and its potential to grow.



- Municipality is seen as slow with administration and not dynamic towards development and new innovation.
- Land restitution without reward is a very negative factor for growth.
- The lack of supportive infrastructure and incentives is also a very negative factor for growth.
- Urbanisation is a threat – it should rather be practical integrated rural urbanisation. Well strategized, planned and guided to execution.

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ Generational experience and some of the best know practices and excellent producers within the country.
- ✓ Food security will always be an issue. Food production stays a good economy to participate in.
- ✓ Commercial agriculture is dynamic, highly schooled, trained and skilled. There is a big divide between the expertise and efficiency of the governance entities and systems that engage with the industry. It needs to come together to support and unlock growth.
- ✓ Incentives to motivate the generation of renewable energy with bio-mass within the industry.
- ✓ Youth programs and internships should also be accommodated and planned for in the industry.
- ✓ Support local, grow local.
- ✓ Organisation and association within civil society should team together for structure to have a stronger voice and the unlock dynamic implementation for growth.
- ✓ Teaming and strategy to unlock foreign direct investment and partnerships as well as regional partnerships and alignment for growth.
- ✓ Optimisation and collective use of all resources – from human resources to natural resources. Dedication to development, innovation and growth.
- ✓ Our excellence of production and favourable dynamic environment should be showcased, branded and marketed as the best in the country.
- ✓ Vertical development and integrated and aligned planning for growth should be a dedication until every hectare of land resource in our area is used in the most responsible manner possible.
- ✓ Water harvesting and retention should be a culture in the KOUGA
- ✓ If industry take initiative to upgrade, manage and provide own basic municipal services in their remote and rural areas, there should be a municipal incentive to support this loyal action and to alleviate service pressure from the Municipality.
- ✓ Positive attitude and adopt a “Drought – Climate Change” culture in a sustainable way for water harvesting and retention – it must be part of the future culture and practices in our area.
- ✓ Farm sustainable and biological friendly with high emphasis on less pesticides and chemical interventions – a green economy culture and organic trend for the whole KOUGA region.
- ✓ Stay positive and focused to grow the industry together. Create structure for it.

#### **Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Lobby with Government to align investment into the area.
- Create a top-team dedicated to service delivery and solutions for execution.





- Will appoint the best people for the efficiency to execute the job functions. On performance and credentials only.
- Allot of training to municipal administration in order to align them for economic development and growth.
- Remove under-performers and replace with efficient and performing expertise and workforce in the Municipality – stronger stance and performance driven execution. Less political sensitivity and more performance and outcome driven.
- Evaluation system on performance and execution of work by Municipal workers.
- Strategic, aligned, and thorough training for capacity and execution of Municipal services and administration.
- Dynamic operational structure for infrastructure maintenance and upgrading. 100% Dedication.
- Create an environment for local entrepreneurs to participate in infrastructure maintenance and upgrading within the Municipal area. Test should be efficiency and performance evidence and public endorsement and referencing.
- Protech economic assets and sectors by focussing on bring capacity to expand them in order to create more jobs in the region.
- Functional and efficient skill and job deployment with ethical practices to combat corruption and money leaving our area. It is our tax money; it should be circulated in our area.
- Both high level and medium management appointments should be A-political for efficiency and realistic execution performance of municipal services management and administration.
- Create an investment forum – dedicated to investment opportunities in the KOUGA region.
- Total inclusive awareness campaign, which unlock branding participation from school to old age home participation and dedication – new regional loyalty program. Public to contribute with incentive ideas.
- Nurture an Excellence Culture. Public PR through friendliness and service orientation.

**Notes of Informal Opinions Captured:**

There is a positive experience at the Traffic Department with regard to renewal of licensing. There is a positive experience with regard to increase of services at the Municipality.

The milk industry is well-known in our region as the best practices and producers in the country – initiative to capitalise on this evidence.

From the Gamtoos river to the Stormrivier, there is an estimate of 81 000 cows in milk production every day, 365 days of the year. They yield an average of 18 liters of milk per day at an average price of @ R5.60 per liter. The daily gross income per day in the region is: R8 164 800.00 per day. Financial capital turn-around of the sector per annum: R2 980 152 000.00.

Bio-Security doesn't receive any attention from any Government Environment. Loose walking animals is a high risk for animal health within the area. There is not assistance toward emerging farmers for them or their animals. The municipal management of stray and contaminated animals to cull in no longer in practice and a huge risk factor for the dairy industry. Bylaws for the impoundment of animals needs serious attention. There is conflict potential, but the farmers are very sensitive and try to work with the animal owners in good will and at own costs.



There is no relationship between the Dairy Sector or the municipality.

Willingness from the farmers to assist emergent farmers and work with them to grow together. No evidence from Municipal support for emergent farmers.

No dedicated person to engage with at the Municipality or a help desk for economic development or development initiatives.

Tax system versus services for the tax paid is not aligned and outcome based.

Willingness to assist the Municipality with solutions with their challenges.

Farmers, work out land tax, water tax and has a challenge with the Municipality who has no knowledge on how to work it out – little logical administration function. Municipal tax to farmers are unrealistic. There are no benefits to farmers. Tax payments versus benefits doesn't balance.

*PACA Mini Workshop – 13 April 2021 – Agriculture, Agro-processing, Forestry, Emerging Farmers dedicated to the Citrus Economy Sector*

**Sector Participants Present, Attending and Participating at Patensie Church Hall, 10:00 to 13:00:**

1. Dries du Preez
2. Anrie Meyer
3. Rikus du Preez
4. Rienette Colesky
5. Bennie Mulder
6. Khanya Katoo
7. Zarius van der Merwe
8. Japie Kritzinger
9. Michael Janse van Rensburg
10. Fredri Kok
11. Phillip Dempsey
12. Marthinus Colesky

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Capacity of infrastructure at the Export harbours. Better alignment with local government and authorities. Understanding and alignment between National and Provincial Government functions and infrastructure capacity planning as well.
- New niche and unique varieties.
- New International market opportunities.
- Drastic increase of volumes and market competitiveness.
- Expansion of business sector and alignment with other sectors regarding infrastructure and developmental needs.



- Practical integration and alignment with Land Reform and Restitution.
- International Market Competition.
- Better aligned quality production and volume management as well as real-time logistics and market information for competitive advantage.
- Competition with other commodity sectors for space and infrastructure capacity on the harbours.
- Water management and retention because of awareness and scarcity.
- Citrus netting is a new trend.
- Over production of citrus and market alignment.
- Technical innovation and mechanisation in the production of citrus.
- High value of citrus versus growing input costs.
- Higher quality and food safety control systems and benchmarking.
- High value and niche new citrus varieties.
- High volume production increases.
- Water challenge to support high volume of production increases.
- Current pressure of old and outdated infrastructure to accommodate growth.
- Market regulation and production alignment – balancing act.
- Harbour options and capacity is a challenge – PE, Cape Town and Durban.
- People are much more health conscience. Fresh Produce is therefore more trendy and market volumes increasing.
- Export of fruit increase, mechanisation increase, job availability decrease and crime increase. Economic insecurity even though there is economic growth in the sector.
- Covid 19 had a good impact on the industry because of the Vitamin C need.

### Question 2:

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Historic infrastructure and old baseline traditional economic sector.
- ✓ Enough rich and fertile soils, water restricts expansion for production.
- ✓ Climate influences the colour of our citrus as well as optimal production.
- ✓ Niche area and perfect climatic conditions for citrus production.
- ✓ Exceptional climate for both citrus and vegetable production.
- ✓ High value and sugar content of high-quality known produce in the area.
- ✓ COEGA Harbour is the best export harbour in the country and the nearest.
- ✓ Quality micro climatic conditions which open a late window in the market segment.
- ✓ Logistical advantage to harbours as production area.
- ✓ Good quality water – even though currently a challenge with supply and availability of water.
- ✓ Excellent weather conditions and high-quality fertile soils.
- ✓ Dam for capacity of water and good old, planned water infrastructure that can be enhanced for optimisation.
- ✓ Variety and combination opportunity of various citrus varieties and season extension productions.

### Question 3:



What is the current competitive disadvantage in the KOUGA area in your sector?

- Availability of services to all areas in the KOUGA
- Access roads and planning for capacity and increased production.
- Roads needs serious attention and expansion planning.
- Dependency on export logistics, availability of containers and logistics of containers as well as aligned logistics to sea transportation.
- Willing and available workforce as well as housing and expansion planning for seasonal workers.
- Current unavailability of water due to draught challenge.
- Opportunity and expansion for optimisation on farms – willingness to participate by sector.
- No more issuing of water licences – better governance processes with regard to water management.
- Water harvesting awareness by all in the area. Culture to nurture water availability and good water management practices by all.
- Water economy and water security planning.
- This is a Citrus Blackspot area – high volume of spraying programs which makes production expensive, and which increase a higher residue on the fruits produced.
- No alignment between National, Provincial and Local Government – work in silos. Our roads and water serious crisis is evidence thereof.
- Water catchment area change – serious planning for be aligned to this shift and future focus as well as dedicated planning.
- No follow-through on promises made to give attention to the upgrading of our roads and logistical capacity in dire need for our production area.
- Middle and management level housing development need.
- Cold storage capacity planning for long-term storage capacity.
- Availability of local workforce is a challenge.
- Expansion opportunity for produce beneficiation, e.g., juice factory etc.

**Question 4:**

What are the most critical constraints to grow/th (in your sector) if everyone (all relevant parties) decides to work together?

- Water management and availability.
- Dedication and focus on road infrastructure and capacity.
- Negativity of the general public as well as people's misunderstanding of economic impact and growth.
- Government's ignorance and interest to give attention to the critical water retention, reservoir (Dam) capacity as well as strategic planning. Request for alignment between all Governmental silos.
- Municipal administrative and engagement challenges for services.
- Availability of services – turn-around period as well as funding capacity and availability.
- Request dedication to upgrading of water infrastructure for optimal management and retention.
- Political powerplay and manipulation is a huge hindering factor.
- Community safety and crime prevention.
- Professional planning for water needs and growth planning.

**Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- Miss communication and alignment between business sector and municipality within KOUGA's remote areas.
- Request for better dialogue between all Stakeholders.
- Willingness and skills development dedication and capacity need.
- National Government alignment with Local Government for dedicated execution and growth.
- Innovation and technology development centre and dedication.
- Capacity and expertise at middle management level within the Municipal environment.
- Water is to be seen as a dedicated industry and economy.
- Recycling and Waste Management initiative and solution request.
- Request for international direct economical investment with regard to infrastructure need, like the expansion of the dam.
- Transformation focuses with regard to the land issue as well as economic transformation for all.
- Logistical solutions, the possibility to review rail solutions as well.

**Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- ✓ Workforce legislation and challenges versus practical deployment and then the shortage of local workers versus incoming contracted workforce.
- ✓ Request for dedication to skills training and capacity building. School system fails to train future generation and dedication for economic growth in the region.
- ✓ Concern with regard to over production and competitive market growth.
- ✓ The enhancement and focus dedication to South Africa's exceptional agricultural expertise with focus on food security and economic growth through the sector.
- ✓ Simple functions: Harvesting, Packing & Production.
- ✓ Business is willing and want to become more involved with Community Development.
- ✓ Water scarcity.
- ✓ The Citrus industry grow yearly with 10 to 15% and contribute because of export hugely to the country's GDP. Excellent vehicle for job creation.
- ✓ Social grants have a negative effect on the workforce. Because of the workforce challenge the industry is favourable toward mechanisation and automation.
- ✓ The expansion of the sector unlocks new opportunities. Positive economic growth and impact in the region.
- ✓ The Citrus Industry and beneficial to economic growth and job creation.
- ✓ Agri-Eco-Tourism is also a growing economy and growing interest.
- ✓ Covid had a positive response within and toward the Citrus industry and agriculture.

**Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ The Business Sector should partake and identify opportunities to engage and partake in Community Development and to enhance the living conditions within the Community environment in general.



- ✓ Awareness and interest campaigns to partake in Community Development and growth. Social Responsibility Dedication and opportunity to assist and serve.
- ✓ Skills Training and Capacity building to create opportunity of human resources from the community environment and then align with the economic sector and its growth strategy.
- ✓ Agricultural Community is willing and want to get involved in emerging and township economy growth as well as community development initiatives. Request collaboration and opportunity to align and engage.
- ✓ Skills transfer and capacity building to and from Municipal administrative functions. Willingness from business sector to assist and help.
- ✓ Want to engage and share challenges and partake in creating solutions with the Municipality. Want accountability back and forth. Teaming dedication.
- ✓ Stay positive, work together and develop our workers and their environments together.
- ✓ Engage on all levels of society to communicate better with each other and work on challenges and opportunities together.
- ✓ Dedication to create organised structures for civil society alignment and participation in local economic growth and alignment to local governance functions.
- ✓ Form pressure groups to request more attention and dedication to emerging economy communities. To serve them with capacity for skills and focused development, transformation and integration.
- ✓ Transformation of skills and knowledge to youth and dedication to youth development.
- ✓ Generational and legacy focus.
- ✓ Awareness of new project and initiative in order to support and partake.
- ✓ Get involved in community development with business skills and sustainability projects.
- ✓ Get all business stakeholders to get involved to help us to help them, our neighbours and growing / emerging economies.
- ✓ Development and capacity building of workforce to enable them to grow and also become part of business and the economy. Work together for growth.
- ✓ Stand together and review opportunities and solutions collectively from all angles of society with one dedication growth and harmony in our region.

**Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Focus on water and road capacity, infrastructure and development.
- Water Management and recycling solutions for our region.
- Transformation dedication to land and economy transformation and alignment across all sectors.
- Skills and training capacity.
- Infrastructure assessment and future planning capacity.
- Fire under performance and re-hire capacity. Dedication to roads, housing capacity, water management and capacity.
- Value for money and return on investment ensured.
- Waste Management and Waste recycling and collection services.
- All roads infrastructure top attention.



- Training sessions to both Municipal council and administration dedicated to the understanding of economic growth and economic functionality.
- Remove non-performers within the Municipal administration through a public survey program.
- Rural skills development through dedicated centres through-out the KOUGA region.
- Environmental awareness programs from school to old age environments, through-out the KOUGA region to address littering, water management, the value of water (economy) and waste management (waste economy) focus.
- Take responsibility for the roads with Local Municipality and National Government in order to execute and get results.
- Dedicate resources towards water security in KOUGA and attention to all resources for water and water as economy.
- All focus and dedication to Water, Sanitation, and Infrastructure.

#### **Notes of Informal Opinions Captured:**

Transformation Initiative

If you buy land for transformation as private business – request for tax incentive if partake in transformation process.

Capacity for dedicated co-ordination of skills training and alignment to improve sustainability and contingency within the economic sector.

Propose integrated systems for regulation and governance through systems and tools. Full participation by all. Technology platforms to map and add information – interactive SMART participation and inclusivity through App and practical contributions and decision making.

The water issue is a region dedication because of the need from Nelson Mandela Metropole. Request planning for extra storage capacity. During 2011 the KOUGA Dam over-flowed for 9 months. When planning is executed for capacity, storage should be considered. Main canal and dam is the responsibility of National Department Water Affairs. Silo again and total integration.

Communication platforms – interactive methodology. GIS integrated platforms.

*PACA Mini Workshop – 12 April 2021 – Emerging and SMME Economic Sectors*

#### **Sector Participants Present, Attending and Participating at MOORE Auditors Humansdorp, 14:00 to 17:00:**

1. Angus Bruiners
2. Luke Kivedo
3. Sandra Cuyler
4. André Swartz
5. Bernadette Swartz
6. Lunga Mlangeni
7. Lusahn Claassen
8. Anescha Swart
9. Johan du Preez



10. Phatheka Mzangwa
11. Thuleka Ngeleza
12. Stompie du Bruyn
13. Anrie Meyer
14. Thembalakhe Tshabane
15. Jonathan Phyllis
16. Richard Hlela

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Institution Challenges:
  - Good working relations with the Municipality. Capacity building for SMME's would be welcome.
- Innovation Challenge & Need
  - Farming Trends is toward Organic Produce / Freshly Picked and produced, especially applicable toward tourism.
- Civil Society / People
  - Hunting Gear – Clothing and alignment /
  - International marketing to surfers
  - New food products and enjoy it in a friendly atmosphere
  - Affordable food products due to smaller income.
  - More and more people use social media to access our broadcast service. Much more interactive and responsive.
  - Live streaming is a very relevant and important trend now.
  - Carpentry – Pallet wood furniture.
  - Tourism swimming pool for the public / Gold and hot water – Olympic and sport capacity.
  - Training for the owner and the driver of the Taxi.
  - Uber Eats and Mr Delivery service because of Covid.
  - Night Market as well as dedicated Fish Market.
  - People are willing to pay more for security, no or little trust in SAPS
  - Within Food & Beverage industry trend towards private home parties with catering / style and decor.
  - Market is embracing home baked goods and products.
  - Transportation sector – need for toilets at Taxi Ranks or major collection points.
  - Production of African clothing & curios – new trend with covid is to sell online. Used to have a stall at St Francis Market, now setting up website and launching own online shop.

**Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Diverse agricultural sector and the biggest dairy production hub in Africa.
- ✓ KOUGA Events Capital of South Africa – Tourism Focus, dedication and market.
- ✓ J-Bay is a world-renowned surfing and tourism destination.
- ✓ KOUGA is the best place because everything is closer and the tourists are always here to support the economy. Continuous influx and support.





- ✓ Winterfest is one of the biggest events in the world – It attracts a lot of tourists.
- ✓ KOUGA has a rich cultural and historical background with very friendly, inviting and hospitable communities.
- ✓ KOUGA community is always open for local development e.g., community project that will give your business a higher purpose.
- ✓ Tourism – The region where dreams are fulfilled. (Dorp van drome)
- ✓ Food & Beverage Events – we are flexible to move to different cities and towns.
- ✓ Best and well-known holiday destination.
- ✓ The market trend is towards unique products that is unique and branded to Jeffreys Bay and South Africa. I address that with my unique products, that are handmade and not mass-produced.
- ✓ We are currently the only KOUGA Municipal Radio Broadcaster.
- ✓ Sell and broadcast airtime 24/7 at very low cost.
- ✓ Best place to raise children.
- ✓ Construction business is in demand in KOUGA within both Government and Private sectors.
- ✓ Small and loyal community – word travel fast if you do good or have excellent products.
- ✓ Tourism environment. Clean and healthy area.
- ✓ Jeffreys Bay is the fastest growing town in South Africa, with incoming money and available spend within the region.
- ✓ KOUGA is still growing and therefore the perfect opportunity to grow and uplift your business with the growth.
- ✓ Customised transport service to customers with special reference to international clients with holiday homes.
- ✓ The same opportunity in a much better and beautiful environment for business through on-line that would be as in a boring city.

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- There is not a lot of “one-stop-shops” for events companies, doing catering, décor, photography, rental and more.
- J-Bay Township is over populated The township is growing with infrastructure capacity and there is little or no job opportunity for the youth.
- Even though it is a small population – the numbers are always on your side to up-scale your business.
- Small businesses are ignored by the big businesses. No working relations between each other for dedicated focus and supportive growth.
- Access to facilities and capacity from the bigger centres are limited. Logistical challenge.
- Not a lot of warehouses of wholesalers to purchase stock from with the latest fashion and trends. Have to travel outside the region to purchase for the events industry. Buying on-line with delivery can be very expensive.
- No integration with SAPS with community meetings to get crime down and work together on it. Community stakeholders are not comfortable with the SAPS handling of crime and their capacity.
- Slow to no communication from the Municipality. Administrative response challenge.



- Price benchmarking is a challenge as prices are increased to capitalise on International tourists. This out-price local consumers and discourage them from purchasing local goods.
- Exclusion of local expertise and capacity with regard to tenders and opportunities within the KOUGA
- Outside Tenderpreneurs take economy out of our KOUGA economy – very little local opportunity for it.
- Crime in business area is a reality and huge growing challenge.
- Very few trained media staff in the area. Business don't understand or implement the concept of Ad-Spend or marketing.
- Business and building plans take too long to be approved by Municipality – people take therefore their capacity and investment to other towns.
- Safety is becoming an increasing program. Children cannot play in the streets anymore.
- High rental pricing.
- Safety and theft at businesses and homes within J-Bay has become and problem and it is increasing rapidly.
- Small town – limited job creation and opportunity.
- Township Bed & Breakfasts (B&Bs) cannot access funding to uplift and market their businesses or township living culture.
- No visibility of SAPS during the crime that is occurring on especially black businesses.
- Municipality to be more supportive to private enterprise. Currently high costs charged by them which limits growth. Rather support local economic growth and then collect realistic on tax. (start-up support and economic growth strategy).
- In tourism sector it is difficult to upgrade and assist the Township B&Bs or accommodation initiatives. Tourists are not seen in townships. Huge challenge.
- There are too many restaurants with similar products. Diversity and stimulation thereof would be welcome.
- Small community with tight competition. Humansdorp is the capital in KOUGA when it comes to birthdays, kids and anniversaries. There is every weekend four to five events in our small town.
- High job loss or little job security in low-income communities and informal settlements. This leads to crime and violence which is not a good reflection on who and what KOUGA is.
- The disadvantage for carpentry is a lack of quality wood and access to seed capital, especially for craftsmen.
- The disadvantage here in KOUGA is that the most successful businesses are those in property development while it seems if the other businesses are struggling to grow.
- Lack of SMME Financial support or funding by business-friendly institutions. There is too much red tape from the banking environment.
- Bigger cities have more opportunities for crafters, e.g., PE has lots of events that crafters can exhibit. To travel to PE to exhibit costs a log of money when transport and accommodation should be taken care of.
- Not many venues are willing to allow catering companies to only rent the venue while using their facilities only as rented venue. Limited facilities and opportunity.
- Rental of venues are too expensive for start-up events businesses in order to work from a rental property instead of from home as start-up.



#### **Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- ✓ To work collective and cooperative as business community. To come together for price benchmarking and affordable pricing.
- ✓ Constraint on access to international clients. Would like to align and assist with questions like: Is it safe to come to KOUGA, is the towns clean and what external factors are keeping them away?
- ✓ If all in my sector have the same price range – we will beat outside competitors together. Need for price benchmarking and alignment.
- ✓ Access to funding. Combat internal politics with business owners.
- ✓ Promote and unlock strategically Trust and Loyalty in our region.
- ✓ Trust in the community and its people should be the dedicated focus.
- ✓ Competition and the management thereof.
- ✓ Influence of the draught – plan to combat such challenges.
- ✓ Positive political influence. Market share with equal opportunities and good inter communications.
- ✓ Access to finance for growth.
- ✓ Lack and capacity on knowledges and funds on how to grow your own business optimally.
- ✓ Everybody competes for the same piece of the pie. Alignment and good communication need.
- ✓ Initiative to create a small business & partners entity dedicated to align and grow together.
- ✓ Political alliance to unlock trust for real growth.
- ✓ Political interferences. Need an area for economic growth that is trustworthy. Currently undermine each other and act like bullies.
- ✓ Worldwide business cultures say everyman for himself. I believe that is the attitude in our generation. It is not healthy. The drive is power, greed and monopoly.
- ✓ Start-up and expansion business fund. Dedication to funding support and business growth. Services like business and marketing plan. Operational and maintenance planning etc.
- ✓ Circular economy focusses. Small business alignment and collective co-operation. Collective dedication to local growth and development.
- ✓ Weakest link – communication and alignment between the business community and the municipality.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- Connectivity for small businesses – Wifi capacity.
- Availability of land and access to funds.
- Get more organised as a sector.
- Build strong inter relationships.
- Proper planning, agreements, and alignment.
- Workshops to identify with KOUGA Local Municipality new opportunity and innovation for business and new industries to grow our economy together. Inclusivity.
- Combat outside influx of small businesses. Think local first, grow local first. Support local business ideas and initiative with capacity and dedication for funding and growth.



- Enablement of capacity to National Government Departments to support SMME training and growth. Access and capacitated support to unlock National Government type of funding capacity, training and mentoring available but limited to us in the KOUGA region. This opportunity and capacity must please be communicated through all channels to the people at grass-root level.
- Create a dedicated business forum for each sector in order to review, discuss and capacity business opportunities together. We would like to share workload. We are willing and able.
- To form more small business forums for co-operative working and alignment between each other.
- Innovation Centre for alignment to the changing world and new revolution and industrial technologies.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Allot of non-professional, amateur photographers, that are opportunists and under-cut the current business with a lower quality product.
- Current trend is special event photoshoots. Allot of current market opportunity.
- Having functions at home is an increasing trend and doing private home catering has become a business opportunity. This enabled job creation for youth as well as women in the community.
- On-line training and capacity building is available and assists hugely.
- Covid 19 had a huge and bad affect on our sector with regard to less public events.
- Shortage of Skills in the area – a culture of up-skilling and culture of mentoring and training would assist greatly. Special dedication to internships and the feasibility of that in the economic sector would also be a good focus.
- Business expansion local and international with the link between the two markets.
- Community involvement and beneficiation is a trend.
- Covid had a real impact and slowed down our sector's economy. Strategic planning for economic growth and how to stimulate growth is possible.
- Growing business and market demand is very positive.
- Covid 19, Red Tape to expand and plan for private business as well as build-up of elections are all negative factors and realities to business.
- Severe and too many challenging legislative processes and compliance issues.
- Huge opportunity and growth within the constructure sector which provides jog surety and growth.
- Annual renewal and compliance processes of business documents is becoming a a fulltime job and huge administrative function. If the Municipal system can automate it, it would be great.
- The current international market which is blocked because of Coved 19 travel restrictions, impact a decline in tourism.
- The evidence of the economic decline within the KOUGA regions is clearly visible and a reality within the KOUGA region.
- We've started a business prayer group to pray for rain and economic growth in our region. Covid 19 is a reality and challenge for us.
- Big and National companies bully the smaller business stakeholders within the competitive market.



- Increase of crime in our area and the lock-down after affects and change of business culture.
- Better inter-business communication between sectors as a helpdesk would assist allot. There is a dire need for skills on how to grow a business.
- The increasing crime in the area block business initiative and business growth. A secure, and protected area would help allot to stimulate small business growth and initiatives.

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ To benchmark of service affordability and collectively work together to ensure profit for all.
- ✓ Build relationship with other sectors and grasp more knowledge – knowledge exchange and mentorship opportunity.
- ✓ Community awareness with regard to small business development and to provide a good climate and environment for investor to get involve in.
- ✓ Drive an initiative to create sub-contracting for new business development while we grow our own businesses. Complimenting and secondary business enterprising and development.
- ✓ Market my business, align for potential funding and grow to create more jobs for the people in my community.
- ✓ Be innovative with a “wow” factor – come up with new trends. People are always looking for something new and different.
- ✓ Stive to have my own business competitive to global standards.
- ✓ The catering and events business is very diverse and can unlock or support sub-contracting to other small businesses.
- ✓ Build a network to import capacity for training for scares skills in KOUGA in order to upgrade our local business capacity.
- ✓ Create community projects that is profitable and sustainable but also have the capacity to skill and train people for development and stimulate small business growth.
- ✓ Be involved in the strategic planning and development of the KOUGA Local Economic Growth plan with an attitude to invest in the next generation and the future of our children.
- ✓ Assist other businesses with our “In-house” skills.
- ✓ Provide SMME training to youth who is leaving school and those who wants to start a business. Internship and mentor culture.
- ✓ Open a cooking school to train unemployed youth for the Food and Beverage Industry.
- ✓ Better management, capitalisation and optimising of our legacy heritage sites and natural resources in our area.
- ✓ We can ensure a safer KOUGA environment when all stakeholders work together and join forces.
- ✓ To hold hands with other businesses – teaming and good partnerships. Talk to each other.
- ✓ Nurture an Each One Teach One attitude.
- ✓ Intercede and pray for KOUGA for economic growth and job opportunities.
- ✓ Marketing – strategic plan to expand into other towns all over our KOUGA region.
- ✓ Motivate Local Government to unlock and request the development of industrial capacity for processing of all our products our of our KOUGA area.
- ✓ To coach and teach youth in the art of photography and to a living with it – as a full time job.

#### **Question 8:**



If YOU were the Mayor, which two projects would you give priority to?

- Dedicated Night Market and dedicated Fish Market.
- Transportation sector – need for toilets at Taxi Ranks or major collection points.
- To invite skilled people with incentive scheme, who are competent to coach us how to grow and work together.
- Develop the skills and capacity of our people first.
- Create a youth and women empowerment movement with an annual festival.
- Community policing and crime prevention support and initiative.
- Implementation of a Local Economic Growth plan.
- Skills Development and Resource centre – dedicated office and desk in each town of the KOUGA
- Upgrade of the power supply infrastructure.
- Ensure water security.
- Ensure more job creation through local economic growth.
- Reduce social ills, like crime and poverty in KOUGA
- Develop a growing economy by investing resources into SMME development and support.
- Make more money available to NGO and NPCs with good track records. Build those who work and are known for their output and success.
- Focus on post school education and training for skills and sector aligned skills capacity.
- Dedication to Social Development – Family structure, Healthy Neighbourhoods and Safety.
- Repair and revitalise old infrastructure and houses. Paint the KOUGA project.
- Create new job opportunities through innovation and community participation.
- Dedication to visible policing and good law enforcement.
- Give all my attention to the Tourism Sector and the Agricultural Sector – highest incomes.
- Special Forces training and capacity for community policing. There is too much violence in the KOUGA region. Establish private municipal security force.
- Build more dams at the right places where the rain flows as catchment.
- Clean the wild vegetation at our water sources.
- Make healthcare a priority with more clinics in the remote and informal areas.
- Dedicated my time to Community Safety as well as Water and Sanitation - the basics.
- Identify industrialisation opportunities.
- Obtain funds from foreign direct investment to support and grow the opportunities for new economy influx into KOUGA
- Focus on projects with high job creation capacity and invest all possible funding that can be obtained into it.
- Fire my Economic Development Department – All of them.
- Clean our towns and repair our old infrastructure.
- Focus on fighting crime and ways to prevent crime in KOUGA
- Job opportunities through community based and involved projects.
- Do long-term planning for the current water/ drought risk in the KOUGA
- Make KOUGA Green and do all in my power to deliver services.



**Notes of Informal Opinions Captured:**

No response from a project proposal and initiative taken in 2016 at the Taxi Rank. One of the biggest challenges are return and administrative performance at the planning and development departments. Request for a dedicated help desk for small business at the Municipality. Request for a competent LED Help-Desk.

Previous LED plans and architectural initiative for LED capacity to build and promote small businesses. Jeffreys Bay, old friendly premises. A challenge with follow-through and change of leadership at the municipality. Huge need for small business advice desk.

Standard rules and compliance for all small business – from hawkers to Spazas to SMME’s with regard to labour and Health. Food Safety. Lift the standard. Legitimate papers for foreigners to do business in our area.

There is a need for a business crisis centre and help desk. Letters written to the Municipality to clean up the Taxi Ranks and capacity them with infrastructure are ignored. No reply of public statement with regard to the awareness of it. There is a dire need for renovation and small retail capacity. Old “Friendly” premises supposed to be stalls and capacity for small businesses since 2018 – nothing executed or actioned.

There is positive evidence of good work in some Municipal Department and increase in some services but not all. It’s time for an audit and to clean house. We trust that the Municipality can be bold enough to make place for efficient, professional, and effective skilled people to grow our KOUGA region.

*PACA Mini Workshop – 16 April 2021 – Government, Public Sector, Education, Health Sectors*

**Sector Participants Present, Attending and Participating at Mentors Conference Centre, 14:00 to 17:00:**

1. Dean Gilbert
2. Willie Oosthuizen
3. Martha Hitchinson
4. Maxie Kamalski
5. Sharifa Hendricks
6. Johan Dippenaar
7. Freddy Campher
8. Daniel Benson
9. Jacques Alexander
10. Wilma Coenraad
11. Robin Jantjies
12. Mieta Williams
13. Irene Fivaz
14. Soria Swart
15. Fanie Vermaak



16. Melanie Biko
17. Marthina van Niekerk
18. Hettie Groenewald
19. Gavin Thomson
20. Martha Hutchinson
21. Marcell v S

### Question 1:

What are the current most important trends in the market with regard to your sector?

- To represent the community, you need to have a degree in people knowledge. The municipality lack this
- There is a HUGE need for special needs education. I get people knocking on my door every week. We have a waiting list of more than 50 learners. This is overwhelming, depressing but impossible to manage.
- To be 100% aware of everything that is going on in the sector 100% of the time. So must be a "Jack of all trades". Must even be a media specialist.
- Very great need in the community for good education. We need to be more accessible. The public schools are overflowing with applications for new learners annually. Community needs to be more involved with the schools.
- The parents shift many more responsibilities on the school system than in the past.
- At the moment, during Corona, parents expect complete safety for their children. They also expect good quality education.
- Many children leave the school system before completing grade 12. High 155 "drop outs".
- We experience a movement away from the traditional way of teaching to a much more "nature based" way for example the use of the environment in the learning situation such as beaches and trails.
- Food security has become very important.
- We need to reach the youth with programmes that can positively influence their thought processes and transform them.
- Crime is not controlled.
- Many opportunities waiting to be exploited.
- We experience community unrest based on real issues.
- Big growth in Agriculture.
- Community expects job creation at the municipality as they voted for the DA.
- The municipality is well organised.
- Community expect support and advice from the municipality.
- The DA is performing well but need to concentrate more on the community.
- Funds for NPOs has been cut drastically.
- Security is a big need.
- In private schools' parents are looking for flexibility and excellence e.g., "I do not have to be at school certain times, I want to take holidays with my family when it is suitable for me. I expect digital e-learning systems. I expect to class service in which my child gets personal attention and assistance. I want excellent sport and extra-mural activities. I want a teacher to know my child and provide them with skills.... "school must be part of my lifestyle".





- We need to adapt with current times like security in communities.
- Create job opportunities/know the budget.
- Many of the “older” residents expect a good quality primary health care system with the availability of local specialists.
- Parents' expectations are higher for the outcomes of their children's school paths.
- The expansion of the digital market had dramatically changed the educational system. It opened the field to new possibilities. Unfortunately, the move to more digital/on-line practice has left a lot of people behind who are under resourced and do not have access to both digital equipment and internet/data.
- Children have less support from their parents at home compared to the past.
- School leavers can do much less with a matric certificate than in the past.
- Great adjustment because a lot of changes take place almost daily. Is difficult to satisfy the market and keep pace. Many developments are taking place. Socio-economic challenges, service delivery, unemployment, crime .... difficult to satisfy everyone.
- The trend of alcohol abuse is creating a generation of children that are neglected and slow learners. Mainstream education needs to start accommodating slow learners.
- Need for safety.
- Tourists in the town center are threatened by street children.
- Negative influence of political instability.
- Diversity of culture/climate/nature/development needs to be accommodated always.

### Question 2:

What are the current Competitive Advantages in the KOUGA area in your sector?

- ✓ Fresh air, the sea, friendly people, amazing nature spots, beautiful environment.
  - ✓ Great potential – region/community/tourism.
  - ✓ Relative safe coastal town.
  - ✓ Good, organised DA Party.
  - ✓ Not the normal “rat race”.
  - ✓ DA Management.
  - ✓ To build a good relationship with the community and the SAPS with no intention to have to choose sides but to be honest and transparent.
  - ✓ Beautiful environment.
  - ✓ Diversity.
  - ✓ Current open-door relationship with municipality.
  - ✓ Small town lifestyle.
  - ✓ The beautiful ocean economy.
  - ✓ It is still a small town but developing opportunities are enormous.
  - ✓ Great community life.
  - ✓ KOUGA region has so much to offer.
  - ✓ I live in a beautiful place with many children born daily – who needs what I can offer: For families we offer support and guidance, For Children we offer growth to become independent and responsible citizens.
- There are many people with beautiful intentions and the region has the capacity to make it happen if all just take hands and work together.



- ✓ Things happen here.
- ✓ People are more friendly/do more to support the community and to give back – support the youth.
- ✓ The whole community work together. When anyone needs help, the community will support. Business also work well together.
- ✓ KOUGA has a lifestyle quality of “coastal living” that is attractive to businesspeople who have businesses in the larger metropolitan area. There is easy access to oceans, mountain and the outdoor activities that are family orientated. This requires quality broadband connectivity, political stability, excellent service delivery and tertiary activities.
- ✓ Many opportunities for growth, relative safe environment.
- ✓ Many tourism opportunities.
- ✓ Beautiful environment.
- ✓ Community upliftment is vital, making a difference in people’s lives.
- ✓ Good management.
- ✓ The small town provides an opportunity to re-imagine the ways things work. We are able to connect different social economic sectors in a unique way. There is space (land) to imagine and create new special designs and infrastructure that will build a healthier society and inclusive community in an equitable way.
- ✓ Unique calm area. Kids can still be child.
- ✓ Absolute fertility for development as well as the space it can provide for new ideas.
- ✓ I'm not territorial. Jeffreys Bay offers me a healthy lifestyle and I decided to live here. Nice clean air.

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- Financial support for youth development to combat crime and drug abuse.
- Licences of Taverns that are rented by foreigners.
- Law enforcement that does not assist when it is needed.
- Shortage of staff and vehicles at SAPS.
- No financial support for neighbourhood watches
- Large diverse communities with all different expectations of government.
- Lack of understanding of residents as to what the municipality should do.
- Dept od Education Eastern Cape low quality standard of management.
- Overcrowded schools.
- Educational back log.
- We need quality doctors and nurses at our state hospitals. They must have a passion for their patients and people's lives.
- Overcrowded schools.
- Lack of skills.
- Not enough economic activity to make private education affordable for more people. There is more accessibility in the cities
- All political parties are not on the same page.
- Lot of crime – not good co-operation from our SAPS.
- Strike actions of SAMWU.



- WE are not close to a well-run international airport.
- We do not have a good flow of education from high schools to tertiary education.
- We need access to the CSI and other funding markets – we need more ways to fund older work in a sustainable way.
- People are lazy – not much drive or ambition. Availability of resources are lacking. People are small minded – they don't like change or to take risk. They prefer the status quo.
- Too much red tape at the municipality.
- Growing crime
- Not enough facilities for the youth.
- The increase of new residents put much pressure on the infrastructure.
- High growth in crime. Negative influence on the economy.
- Insufficient support and financial challenges in education.
- Alcohol and drug abuse in youngsters.
- Too few creative activities and support from stakeholders.
- We need to educate parents to assist with child development.
- Little job opportunities.
- Lack of a cohesive plan of action that the broader society supports.
- Crime.
- Currently the transport costs are high, and occasional stock (locally) all stock required comes from elsewhere.
- Many businesses – they don't always get the financial support needed.
- Poverty.
- Bad service delivery by the municipality due to political instability.
- Without tourism, there is no investment, and this leads to small businesses having to close their doors. It affects property sales negatively and businesses do not develop in the region. This has a negative impact on job creation.
- Illegal dumping sites
- Lack of strong, stable internet access.
- Lack of public and pedestrian infrastructure.
- Most residents cannot afford good quality schools. Not much alternatives for poor people towards education for their children.
- Illegal strikes/protest.
- Unrest in the society.
- Crime.
- Unemployment.
- Lack of a skills centre.
- Political unrest.

**Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- A solution for the poor “bridge” between the primary and high schools – School of skills and school of life.
- Individual enrichment.



- Lack of support of the provincial and national policies.
- People avoid projects as they are not their own ideas.
- Sincerity and honesty are lacking as people pursue status and self-gain.
- Bad communication.
- Lawlessness and corruption of the national government.
- Political parties.
- Alcohol abuse, gangsterism and bad attitude of foreigners.
- Youth development, poverty, unemployment, and enthusiasm.
- Corruption in finances in education.
- Lack of resources, no sustainability.
- National treasury regulations on municipal processes (red tape).
- Lack of funding to meet all the needs.
- Documentation – Time delays to receive it from Provincial Health Care and Home Affairs – Regional and national Government Officer.
- Hidden Agendas. Community not well educated. Undeveloped values that determine people's behavior, thoughts and emotions.
- High crime.
- No funding, bad infrastructure, no special design.
- Each has its own goals which are more important than the community sense. Consequence is short-term gain over long-term prosperity.
- Not your way but my way.
- Divergent opinions.
- Lack of investment.
- If everyone has the same vision – then there won't be much to hold us back – except laziness.
- Competitive options.
- Politics.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ Everyone should work together.
- ✓ Skills development for the people.
- ✓ Financial support with good business.
- ✓ Teach people how to budget.
- ✓ Financial support for local SMMEs. Focus on empowerment of the woman and youth.
- ✓ Need a skills training centre.
- ✓ More investment.
- ✓ Get buy in of all role players.
- ✓ Need life skills, entrepreneurship.
- ✓ Restrict incoming businesses.
- ✓ Encourage or require every business to invest in youth by providing some form of mentoring or apprenticeship programme or opportunity – no matter how small. This will expose the youth to various possibilities.
- ✓ Make the KOUGA a safe place for economic development.
- ✓ Introduce incentives for development.



- ✓ Do professional planning for the long term and sustainable growth.
- ✓ Prevent crime.
- ✓ Creating a stable government structure that will attract investment. Enhance the relationship between government and business.
- ✓ Municipality should act as “enabler” and not dictator.
- ✓ Seek funding for small business development.
- ✓ Funding for marketing of the tourism sector.
- ✓ Training centre for skills development. Focus on youth and woman to earn a living.
- ✓ Skills development.
- ✓ Use more natural resources.
- ✓ Empowerment.
- ✓ Businesses and leaders should join organised business like the KOUGA Business Forum.
- ✓ Develop opportunities for the township economy to grow. Help the informal business sector.
- ✓ Create more access to quality education and resources.
- ✓ Make the town more pedestrian and cycle friendly.
- ✓ Free wi-fi- for all.
- ✓ Repair the rail transport to stimulate the economy/tourism/community.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Challenges due to drought.
- Alcohol and drug abuse – people have lost hope for a dignified life.
- Political instability which affects possible investment.
- Too little job opportunities.
- Not enough job opportunities for matriculants and graduates.
- Not enough jobs.
- Not enough support for children after leaving high school – high 5 school “drop-outs”.
- Go to different communities and offer first aid as well as care where needed.
- Great opportunities.
- Lack of investment and buy-in.
- Lack of finances and funds.
- Unemployment that is a huge contributing factor to crime.
- Lack of training and youth facilities.
- Corruption.
- Gangsterism.
- Taxi violence.
- Misuse of alcohol, drugs.
- Parents not taking responsibility.
- We have a high demand for qualified teachers.
- Providing opportunities for young people with special needs or learning disabilities is difficult.
- Providing accredited skills training is not accessible.
- Negative impact of Covid on NPOs and small businesses.
- To create structures within the municipality to support SMMEs to do business in KOUGA
- To many small private schools.



- Learners are leaving school without recognised certificates.
- Finances – Dept of Education.
- The stability of the municipality bring confidence to investors.
- Crime and illegal dumping.
- Road sealing.

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ To help other through training.
- ✓ Support to forums by positive inputs.
- ✓ Action speak louder than words – just be there for people.
- ✓ Invest in socio-economic development.
- ✓ To support and help communities to unlock their potential.
- ✓ Be active in reconciliation process in communities.
- ✓ Lay a good stable foundation in children's holistic development, to be hard working, tenacious and independent. – focussing on skills development.
- ✓ Empowering families to assist their children in skills development – as well as themselves.
- ✓ Continue to create opportunities for people across organisations and schools to connect and build each other up. We are better when we work together and share the load.
- ✓ Share as many resources and training opportunities as I can.
- ✓ Promote reconciliation between communities.
- ✓ Need a skills development training centre.
- ✓ Marketing and communication experiences to ensure better communication to communities to ensure they do not feel left out regarding the day-to-day development of KOUGA
- ✓ Community planning facilitator.
- ✓ Be the change you want to see.
- ✓ Not let the cry of the helpless fall on death ears – Build people.
- ✓ Educate, Support and Respect.
- ✓ Be positive, always and be an inspiration. Hear what Gog is saying, take time to listen.....and encourage to obey + do take action.
- ✓ Be a role model to the youth. Give people hope. Ensure safety for the elderly.
- ✓ Training to the youth.
- ✓ Share the good stories.
- ✓ Develop the youth – teach them good norms and values.
- ✓ I can offer advice to the SMMEs on business skills.
- ✓ Start a sports club for school children in which all schools take part...so no more individual school sport.
- ✓ Invest in education/health/agri-tourism.
- ✓ Be part of the solution, not the problem.

#### **Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Housing.



- Get rid of the “vrot apples”.
- Prioritise essential services.
- Youth development.
- Upgrade health facilities.
- Provide free land for the under-resourced individuals.
- Provide free wi-fi to each town/community.
- Build pedestrian and public transport with excellence.
- Invest and build infrastructure.
- Schools and skills development.
- Build up a strong team.
- Empower all businesses.
- Better infrastructure.
- Sport development.
- Build relationships with all community leaders. Get around one table and plan towards taking KOUGA forward.
- Develop all CBD areas to attract more tourists.
- Develop a blue flag beach.
- Give all the unemployed tasks to do.
- Develop a safe house for street children.
- Big reconciliation effort – get everyone on the same page.
- Create jobs.
- Do a 100-day plan.
- Community buy-in – I am my brother’s keeper.
- Attract more funding to stop crime.
- Funding for ECD development.
- Skills development funding and centre – Job creation.
- Concentrate on the core services.
- Tar all roads.
- Create cycle zones.
- Help to develop a “school of life” and “school of skills”.
- Obtain finances for the upgrading of medical/hospital equipment.

*PACA Mini Workshop – 16 April – Real Estate and Development Economy Sectors*

**Sector Participants Present, Attending and Participating at Mentors Conference Centre, 9:00 to 12:30:**

1. Dries du Preez
2. Wayne Furphy
3. Tarina Terblanche
4. Billy Hattingh
5. Ilse du Toit
6. Fanus Heystek
7. Nevil L Hulett



8. Trudie van Rooyen
9. Zenobia du Toit
10. Durma Loubser
11. Johan Swiegers
12. Johan du Preez
13. Errol Theron
14. Renchia Boudouris
15. Hannalo Cilliers
16. Rene le Roux
17. Erika Ferreira
18. Chenel Strydom
19. Roelof van Breda
20. Renier Slabbert
21. Wanda Hayes
22. Bob Harcus
23. Mike Morrison
24. Hanlie van Zyl
25. Vanessa Deysel
26. Liezl Clause
27. Arina de Jongh
28. Francies Fick
29. Lieb du Raan
30. Gerrie Nieuwenhuis
31. Jan Bester

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Rates and Taxes are too high in the KOUGA region.
- Dire need for a fresh produce market.
- Once again, due to working from home, the is to have capacity and to stay safe.
- Communication and Fiber also plays a big role for capacity and efficiency.
- Safe, quality lifestyle in and beautify environment.
- Increase need for a recreational and entertainment environment.
- More people want to live off the grid.
- People are becoming waterwise.
- Opportunity because of on-line work capacity from home and the migration of people to better lifestyle environments.
- Safety and dedication of environments with low crime rate.
- Huge and increased demand for affordable rental housing. (Not in lieu of rentals asked by landlords).
- New homeowners moving into town does not understand the ethos of the town.
- Enough clients but limited available stock in certain price ranges a huge shortage.
- Shortage of affordable property under the R1.6 million benchmark.





- Shortage of available houses and properties in the market in the price range of R900 000 to R1 250 000
- Increasing property demand versus challenges of decreasing in disposable income and security to purchase property.
- Energy Saving – off the grid if possible.
- Safety factor and secure environment.
- Green economy plays a role – clients more for less and trendy environments.
- Increase in sales activity due to Covid and lifestyle changes of people. Families are moving to quality coastal towns to settle permanently.
- Current influx of new permanent residents.
- Allot of enquiry for rental and office rental space.
- Retirement property is in demand – City to Coast migration trend.
  - Pet friendly environment.
  - Running & Cycling routes.
  - Safety and well managed body corporates and estates / complexes.
- Younger homeowners are moving back into the area and work from home, on-line.
- Work from home space – study / 4<sup>th</sup> bedroom capacity. This will keep on increasing and be in demand.
- Clients are buying vacant land again and invest into new development areas.
- Great to see the amount of investment interest in our area again.
- Homeowners interest and planning to expand and invest more into own properties – all adding to the growth and capital growth, as well as home improvements of property with better look and feel in the area.
- Trends have changed from “holiday town” to more permanent residents. Originally as coastal retirement by now also younger families working remote and from home.
- Recreational needs increase, especially for children during holiday seasons.
- Work remote and from home unlocked an influx of people to KOUGA – another trend is, families settling in KOUGA while fathers work as ex-pat in other countries to earn. Good and safe quality lifestyle for an exposed family.
- Bigger trend of buying market, not only for residential purpose as permanent residence, or holiday home, but also for property investment portfolio. Property management opportunity increase.
- Accommodate extra space and infrastructure along the roadside for runners and bickers. This is a global and very competitive need and trend.
- Migrating remote and from home workers.
- There is a huge concern and demotivator for buying of clients when driving through the informal settlement to paradise Beach. It is a huge investment loss to our area. We’ve been waiting for years for an alternative access road.
- Wait for 6 months and longer to receive building plan approvals by KOUGA Local Municipality. Clients do not believe us when we say: It is with the Municipality. Distrust in our efficiency and ability to deliver service.
- Property developers rather, not by choice but by performance measure, invest in areas where the municipality is efficient with regard to town planning and building / development plan approvals.



- Migration from cities to coastal towns – online and remote working influence it greatly.
- Property Investor expect the municipality to process building plans quickly and efficiently.
- Property in Humansdorp under the price benchmark of R1.1 million is not available.
- Increase need for pet friendly and security estates or complexes.
- Need for modern and trendy designed properties.
- Increase for properties to buy at a price range under R1.5million.
- A big need for Social housing in the form of HOP houses, and R900 000 to R1.2million quality homes in safe environments. Transformation strategy for human settlements.
- Huge increase and demand for smaller affordable houses in the market.
- Current market demand is not in line with the affordable price range of buyer to the market.
- First time buyers and market entry property availability is limited.
- Security complexes and estates is a request and trend.
- Go green and off the grid.
- More affordable homes with lock garages in a price range between R1million to R1.5 million.
- It is no longer a retirement and holiday coastal town – market now require security and quality lifestyle environment.
- Security and low crime environment – surety thereof.

#### **Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ KOUGA Coastal towns offers lifestyle and quality family life. Not as rushed as other coastal towns, with good schools, good doctors and soon a private hospital.
- ✓ Lifestyle living and perceived safety.
- ✓ Near airport, strategic on the Garden Route. Beautiful Beaches and relatively safe.
- ✓ Jeffreys Bay as international surf destination and its capacity to absorb people holiday season makes it popular and people strive to visit and holiday with us.
- ✓ Favourable locality – near Baviaans, PE, Tsitsikamma. Still seen as a relatively small coastal town, our area provides more than the usual for a working environment.
- ✓ The diversity of all the economic sectors in the KOUGA region.
- ✓ Jeffreys Bay is one of the more affordable property coastal towns on the Garden Route.
- ✓ House prices is much better and affordable here that 150km towards Plettenberg Bay. Lifestyle in Jeffreys Bay is exceptional.
- ✓ Good identity within our KOUGA towns with unique dedicated cultures to each town. Good diversity and interaction between all.
- ✓ Performs better than most other rural municipalities in the Eastern Cape. Scores 4 out of 10.
- ✓ DA Political Leadership – Good opportunity but invites allot of attention and current conflict.
- ✓ Good schools and clean towns.
- ✓ Much more affordable living in KOUGA than in Gauteng.
- ✓ No rat race – more family time
- ✓ The beauty of the area, the proximity to a National highway and airport.
- ✓ Lifestyle.
- ✓ Lifestyle with value for money and property prices.
- ✓ Quality of life.



- ✓ KOUGA is growing with a lot of potential if managed correctly.
- ✓ Safer lifestyle to work from. Opportunity to develop more affordable home in-land. Away from the coast.
- ✓ Accessibility to airport for buyers is a good motivation.
- ✓ There is still a lot of opportunity for expansion in KOUGA, like an Agri-Eco Estate and healthy / wholesome living style. Good schools in the area are also a huge motivation.
- ✓ Gateway and springboard to the Garden route with huge investment opportunities.
- ✓ Less than an hour away from the airport.
- ✓ Many beach options, especially when it rains on one beach, the other might be available for the day.
- ✓ Community living – people still care.
- ✓ Outdoor living – nature in on your doorstep.
- ✓ Safe living and working environment with good logistical capacity to easily visit cities for work.
- ✓ KOUGA overall good and relaxing environment to work and live in.
- ✓ Safety is generally good in KOUGA. This is what motivated me to establish myself and my business in KOUGA.
- ✓ Quality coastal lifestyle is now possible for all, not only for retired people. Current migration trend.
- ✓ The balance between income and living costs are much better in KOUGA than elsewhere. Less traffic and relaxed living experience.

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- There is a need to keep children busy with more healthy activities and capacity for infrastructure of it.
- The KOUGA region, especially St Francis, is competing with high value-end market for properties in South Africa, however the municipality's planning department doesn't have a more sophisticated system to compete effectively.
- Development in KOUGA is restrained by the Municipality's Town Planning Department.
- The Town Planning Department is not pro-active. Plans, Spatial Development Plans and occupation certificates take too long and frustrates development and clients.
- Municipality inefficiency and very rude staff.
- Building plans simply does not get approved.
- Process and turn-around time for occupation certificates are a huge challenge.
- Zoning issues and process to unlock and work together is challenging.
- Impossible high and un-reasonable augmentation fees – this puts any reasonable develop off. It is simply too costly to develop. Unreasonable costs of bulk services should also be benchmarked.
- Old infrastructure and its maintenance, especially roads and potholes.
- Sewerage solutions – St Francis is still on Septic tanks with only one truck to clear sewerage.
- Overload in December which results in leakages and overflow with sewerage running down our streets.
- Building costs increase when quality finishing products are to be brought from the cities. All products for development are not always available locally.
- Bulk services are very high for development projects.



- Unreasonable review with regard to property value, its services costs and then challenge to adapt in order to put into the market. Good example is a Granny Flat, which is charged unreasonable service fees. Not an automated well functionable system to address the administrative functions.
- Inefficient processing of administrative functions and requirements by the municipality's Planning Department for property and building plans. Continuous change of dedicated person to engage with and then unable to provide answers. Clearly no system efficient system in place.
- Lack of a property agency body to standardise and manage agents in the KOUGA region with regard to:
  - Listings of the same property.
  - Buys clearly plays agents against each other because of the opportunity and lack of agents to engage with each other.
  - Unqualified and not registered agents incept on the available market – they do more damage than good to the industry.
  - Better regulated sector environment will do all good.
- Inefficient Planning Department at the Local Municipality.
- Infrastructure need upgrading and allot of maintenance attention.
- The Municipal Administrative environment has the following challenges:
  - They do not understand the principle of “Customer is King”.
  - Clearly no HR performance tracking system to monitor output.
  - System capacity to track application process of submitted plans, zoning and certificate processes.
  - Arrogancy attitude versus servanthood culture
  - No job pride and joy evident
  - The planner in the Department is qualified however, no automated standard with good reasoning to track and respond on. Too many personal opinions and no standard benchmarking.
  - HR support systems and evaluation system is not evident. Public opportunity to opinion and participation is also not available.
  - Evidence of not seasoned and experienced people in the Planning Department to guide and assist with knowledge and mentoring. Not realistic towards practice in the developmental environment / experience. More academic book and unrealistic referencing.
  - The Director at the Planning Department is more of a strategist than a manager.
  - It is also evident that the people relationship is also a huge challenge as the Planning and Engineering Departments are the biggest bottlenecks for economic growth in the area.
- Building costs is not standardised, the reality of it not on a collaborative platform to stimulate integration and collective growth.
- It is a challenge to make the pre-planning phase of development costing feasible, as the bulk services from Municipality is unreasonable and not benchmarked against other regions.
- It is also advised to Municipality to engage with experienced developer with regard to practical special planning with available resources in order to make more land in town planning available for development. The intend is not greed but rather responsible planning for more investment into the area.



- Clients have less available personal spent in KOUGA, than the benchmark of Gauteng and Cape Town.
- There is limited property market offering available versus the interest to migrate from the cities.
- Limited salary earners in the area as well as job opportunities with youth and new economic entries and participants to qualify for property finance.
- No fiber or stable wi-fi capacity within the region yet. There is talk of it for the future.
- Always and forever our Local Planning Department at the Municipality.
- Too many competitive businesses in the area, more business innovation needed. The area is limited for competitive business.
- High expectations of incoming growing market – a need for quite tranquil, safe lifestyle coastal living versus all the luxury, product quality and facilities still available which they had in the cities.
- Season dependence. Salary income is not high in the area. Local capital spent is not that high. Balancing act and fine planning.
- High municipal costs and decreasing infrastructure evidence.
- Municipal Planning Department capacity is a severe challenge to all sectors in order to meet and exceed investment expectations.
- Turn-around time and wait for services. Faster response time will bring more business and investment.
- Business owners should also address a service delivery culture, attitude, helpfulness and friendliness to set the example – this will also unlock local support and growth of business.
- Middle class income is generally lower than the middle class in the cities. Current available spendable market is lower than the higher property availability in the market.
- Secondary logistical infrastructure – roads.
- Crime is a reality and growing in the area.
- Service delivery culture by all can be much improved.
- No evidence of good management of KOUGA local municipality funds and dedication of funds.
- A lot of prospecting businesses that come and go and cannot stand the test of time, because of buying culture and general skepticisms of the public. Not a positive focus by all in the region for positive growth. A regional attitude problem.
- KOUGA is unfortunately part of the greater Eastern-Cape. Politically our uniqueness is lost.
- Too many unregulated estate agents in the area with too little stock to sell available.
- Informal sector is too big, unregulated, planned for and managed.
- Unrealistic vacant land prices. Manipulation and limited land availability.
- Not enough industry development and increasing young population.
- There is limited of very little opportunity for increasing first time home buyers in the area.

**Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- Land purchase uncertainties as well as general national economic uncertainties.
- Available local spendable budgets.
- General service delivery culture by public and private sectors.
- Municipal service delivery and decaying infrastructure.



- Municipal administrative inefficiency.
- Getting final approval output from Municipality administration.
- Municipal staff not capacitated and trained for the positions.
- Municipality not taking ownership and responsibility for their challenges.
- Municipal representation of citizens is not toward residents of towns but more toward their own political agendas and ambitions.
- Turn-around time for applications and compliance – need urgency to rectify by municipality on all levels, in all departments and at all representing offices.
- More available land to be made available by the Municipality for development to buy.
- Serious attention to the unrealistic augmentation costs. Make it reasonable and enticing for investors and developments to come to the KOUGA area.
- Revisit Bulk Services costs, zoning and re-zoning, all costs and services that will invite development and investment to KOUGA
- Economic growth, client service and support orientation thinking and training necessary.
- Better and aligned co-operation between the municipality and private sector with available capacity and assistance to help the municipality toward execution and efficiency. Dire need for integration and available private sector expertise to help and assist.
- These is a challenge to align local agents to work together because of the attitude, greediness, and competitiveness of some. Regulation and enforcement will be needed.
- Miss-spend of budgets by Local Government.
- Development costs and service fees within KOUGA are unreasonably high. It is definitely the highest in the Eastern Cape, if not in the country.
- Available spendable budget and limited job opportunity in the KOUGA region.
- Informal settlements are increase in size with little regulation and governance.
- Crime in the informal settlements is also increasing and becoming a huge concern.
- Fair and responsible distribution of Local Governance budgets.
- Fairness for local participation and preference in Tender Contracts and work opportunities. Request for public vote and participation in the process. Non-executive and independent function.
- Limited available land, and untrustworthy tender processes linked to it. The general perception is that it is awarded to companies with the biggest kick-back offer on the table.
- KOUGA Municipality administrative function, especially the Town Planning Department.
- High input costs, low salaries, slow economic growth, and decaying infrastructure.
- Performance and efficiency of the Municipality's Planning Department unless there is investment into systems and capacity staff for capacity and upskilling to serve the high demand. Dedicated investment into the development and economic growth in KOUGA
- Water and electricity efficiency.
- Industrial land for manufacturing.
- The Municipality Planning and Engineering Departments.
- Huge shortage of available stock and inputs for niche and high-quality development.
- Local economic competitiveness – high competition in the area.



- Inefficient services of only certain Municipal Departments.
- Local Government and National Government, limiting economic growth.
- Water security.
- Lack of skilled labour and reliable contractors.

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ An audit of all municipal vacant property to be done through the KOUGA. The available property then be discussed on an open forum with regard to potential, risks, challenges and then be made available to public to bid against and buy. Open transparent platform.
- ✓ Review and restructure the Town Planning Department of the Municipality and address municipal accountability and performance.
- ✓ Restructure and appoint change management practitioners for both the Municipal Town Planning and Engineering Departments. They have to have a good understand their functions and roles.
- ✓ Dedicated attention to services and functionalities to unlock development and invite investment.
- ✓ Dire need of an understanding, industry realistic and functional Municipal Town Planning Department.
- ✓ An investment platform for people with more available income spend and money locally for economic growth.
- ✓ Start with the challenges and blockages at the Municipality to have service excellence in the area.
- ✓ Focus, dedication and boost of local Development and initiatives.
- ✓ Affordable and Middle-income housing capacity,
- ✓ Complete revamp pf Town Planning Department with focus on speed and efficiency, with competent and pro-active willingness.
- ✓ Respect of each other in the industry and less arrogance by all Stakeholders.
- ✓ More dedication of available land to affordable housing and for middle-income group.
- ✓ More dedication to business premises capacity and industrialisation opportunity and capacity.
- ✓ KOUGA Local Municipality, KOUGA Business Forum and Economic Sector representation to come together on a monthly basis dedicate to economic growth and development. To stand together and not against each other.
- ✓ Withholding of paying rates taxes – economic strike and demand for services.
- ✓ Organise a Property Fair with Development and Investment opportunities in KOUGA to align standards, agents to work together and unlock national and international awareness and market. Review the possibility of it for the Peak Season.
- ✓ Each and every person / agent needs to be more visible in their areas as agents.
- ✓ Local Municipality Planning Department needs to upskill and be more efficient.
- ✓ Speed-up the planning and re-zoning process of available land, both private and municipal owned for private business and residential development.
- ✓ Revisit the original economic drivers and legacy of the natural resources and capitalisation of it within KOUGA Fucus and develop capacity for it for economic growth as there is a wealth of



knowledge and skill at grass-root level. This will unlock allot of advantages and job growth for our area.

- ✓ Propose organised investment conferences for KOUGA, where the Municipality and Private Sector jointly showcase investment opportunity in the KOUGA
- ✓ Identify gaps in the local economy. Create capacity for quality business plans and a pipeline to interested and responsible investors. Good and professional review and presentation on new and potential industry economic development opportunities for growth.
- ✓ Lower rental costs for business properties. A culture of business growth and respect for each other.
- ✓ Structure a KOUGA Local Municipality Task Team – employing “interim consultants” expertise with proven success track records to engage, attract and propose economic development projects. Also address and build capacity for execution. The KOUGA Local Economic Growth Efficiency Project. Same dynamic function and a Development Growth Agency.
- ✓ Review and make more land available for development opportunities.
- ✓ Address and bring development entry costs down to entice more investors.
- ✓ Better dedicated economic sector development and the management thereof with capacity building addressed.
- ✓ Capacitated building and home inspectors for governance to ensure the property plans are according to municipal legislation (automated integration system) according to building regulations and town planning restrictions before a property goes to market of be presented to be sold.
- ✓ Invite more developers and investors to KOUGA
- ✓ Start projects to clean our towns and making it more attractive to buy and invest in our area.
- ✓ Focus on what we have and excel in it.
- ✓ More recreational and public botanical parks for leisure.
- ✓ Incentives for renewable energy and green projects.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- People movement and migration from cities. Allot of DIY.
- Increase in market demand for own home design and building. This creates currently allot of job opportunities.
- Influx of families moving to our coastal towns in KOUGA This requires that every sphere of the municipality which is lacking in efficiency and capacity becomes a negative stumbling block and highlights it.
- Covid 19 negative economic lockdown impact.
- Negative impact with regard to blockages related to development and growth in our sector mainly sides with the Municipalities administrative capacity and efficiency as well as high and exploitive costs from the municipality to unlock and support development. There is a keen interest in development however, the blockages hinder dynamic execution and spitting of fist soil on projects.
- Covid 19's reality with regard to the closure of big and small businesses. Job loss and decrease of spendable income for families.
- Positive increase of incoming and migrating residents to that area.





- Allot of interest of younger market segment interested in building and building in the area because of remote working. Salary earners in the area are low, this now might possibly increase.
- With better capacity and functionality at the municipal administrative environment, it might speed up development in the area and a positive increase of jobs and new job opportunities.
- Most people are now working from home with better and efficient technologies. Decrease in job functions which is administrative supporting or office bounded.
- Bigger increase in property demand with office space included.
- A noticeable increase of security measures at houses and complexes.
- There is also a noticeable increase in general in the KOUGA area. It is becoming concerning.
- There is ample and substantial investment opportunity in residential property development, especially at St Francis Bay.
- The majority businesses in KOUGA area are small businesses which is privately owned and therefore not much employment capacity or opportunity.
- The challenges with the Town Planning Department and infrastructure upgrading and maintenance at the Municipality, should be presented to private sector to assist and contribute with skills and knowledge to resolve.
- The Municipality is not delivering on RDP housing as promised. Huge backlog.
- Delay in municipal administrative functions and procedures.
- Available land for development is a hindering factor.
- New Eco Estate in Paradise Beach is well priced by the Developer. This creates more jog and growth.
- Plot development and innovations to develop will also create more job opportunities.
- Plot and Plan Development creates work for architects, building contractors. Artisans, and labourers as well as business for building material supplying companies.
- Influx of alternative remote working residence but no real new business development or initiative in economic growth.
- Building sector is very active now with allot of contract and work opportunity for building contractors and building material supplying companies.
- Municipal rates are unreasonably high.
- Increasing labour, municipal and development costs is a reality and challenge versus the increase in demand.
- Decreased disposable income by the general public due to economic realities.
- Global economic uncertainty also plays a big role.
- Increasing crime, influx with no governance on it as well as job loss and little job security.
- Incredible evidence of improvements at Kabeljous picnic area as well as resurfacing of tar roads, has a very positive impact of the general public at the moment.
- The Town Planning and Engineering Departments and the Municipality, block and smothers large scale and big developments for economic growth and job creation in KOUGA region.
- Uncertainty of National Government's policy on "Land Grabs" without compensation.

**Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?



- ✓ Business Sector should actively support the municipality in attracting investors into our property market and development opportunities in KOUGA region by:
  - Communicate opportunities to our business forum and economic sectors.
  - Connect landowners with developers.
  - Participate in investor conferences.
- ✓ Ensure that all houses being available for the buyer's market is compliant to building regulations with plans available and create a house price benchmarking committee.
- ✓ Provide advise guidance and involvement in planning for development – automated access to knowledge base and regulations as well as on-line capacity.
- ✓ This initiative inspired us to support the KOUGA Business Forum in order to jointly unlock the blockages and stumbling blocks to support dynamic economic development and growth in our area.
- ✓ Sector collaboration for the standardisation of marketing material and methods for more visibility in the area.
- ✓ Actively market and promote KOUGA's quality lifestyle.
- ✓ Focus on all the positive attributes of KOUGA and market it actively to entice investors to KOUGA
- ✓ Unlock and support innovation and opportunities in KOUGA
- ✓ There is general good networking and relationships in the property sector. We should combat negativity together and support initiative to become more efficient.
- ✓ Focus on the upgrading and maintenance of green areas at beaches and support local non-governmental initiatives that are already doing allot of the work and has years of experience in how to do it with sensitivity toward the ecology as well as sea and land scaping when water move.
- ✓ We are available, engage us as real estate and development sector to assist with service delivery benchmarking and excellence at the Municipality. We want to assist and contribute.
- ✓ Work with a still to be formed Municipal / Private Task team to make KOUGA a first-class investment destination for developers.
- ✓ Private sector can engage more with municipal authorities, who should be more open to input in order to reach goals together and grow our local economy.
- ✓ Coach and teach buyers and sellers by having a virtual information desk for our KOUGA property and development sector with regard to all legislation, processes and project submission and turn-around times. Promote the positive growth and reasoning on this platform with regard to all the motivations why to come to the KOUGA region.
- ✓ Intentionally work together as Business owners.
- ✓ Unlock opportunity for more industrial develo0ment with dedicated training centres to support skills for the increase of industry. Good strategic collective planning by all stakeholders in KOUGA
- ✓ Collaboration platform for knowledge and practical input by all sector players for development in KOUGA For example, developers, planning department and agents in a round table discussion.



- ✓ Unlock a participative platform where private professionals can assist with land-use applications to speed up applications and approvals.
- ✓ Review the opportunity to implement alternative private services, like sun-power packages, sewerage plants with new developments to relief the current pressure on the old infrastructure.
- ✓ Development good backbone infrastructure with basic needs for small retailers at strategic sites all over KOUGA Dedicate budgets towards the upgrading of our decaying and limited infrastructure.
- ✓ Stimulate a culture of knowing your product, treat all with respect and being the best, you can be.
- ✓ A platform to work with developers, town-planning, and property agents in order to become realistic about the market and property pricing.
- ✓ Coaching and Teaching platform with a good, automated knowledge base to make the market realistic about all the influences, regulation compliance and processes in our sector.

#### **Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Regulate and police vandalisms in green areas and at our public assets, especially after dark and during holiday seasons. Good governance and strict measures to motivate them to go somewhere else.
- Beautify and keep KOUGA clean.
- Get all stakeholders and sectors to work together.
- Get rid of incompetent staff through performance reviews. They do not act in the best interest for growth in KOUGA and do not understand their function as servants to the public.
- Establish a public economic sector collaboration forum with KOUGA Business Forum to work alongside the municipality to grow our KOUGA region together.
- Focus on getting the Town Planning Department efficient.
- Dedicated my budget and time towards capacity at the Town Planning Department and good quality roads.
- Streamline processes within the building and planning departments. As per example, to implement automated systems with geo-information capacity and integrated planning and document management efficiency.
- No political talk or dedication policy within the municipal administrative environment by staff and public servants.
- Implement upskilling and training assessment on all staff members and execute with a competency personal career development program for all.
- Action development initiative and support to replace shacks with decent low-cost housing by prioritising Seaview Road to Aston Bay and Paradise Beach. Timeframes and performance aligned.
- Resolve any municipal strikes with public voted boundaries and participation.
- Create a platform for legal capacity form local lawyers to team together about all our civil challenges as well dedicated focus towards the blockage in the registration of properties.
- To reduce the staff of the municipality through assessment of efficiency and practical needs.
- Unlock collaboration with non-profit organisations to focus on project ideas for community job creation and sustainability thereof in the KOUGA informal settlements.



- Focus dedication to ensure water security in KOUGA
- Establish a joint Task-Team to develop KOUGA by fully engaging capacity and expertise from the private sector, especially retired expertise in the region.
- Lower the augmentation levies to attract more investment to KOUGA
- Will focus to beautify the main roads and incentivise businesses in the main road to do so.
- Grade recreation environments in order to unlock competitiveness. Award private initiative in the region with incentives who takes initiative to clean and beautify our region.
- Do an economic assessment of the greater KOUGA and dedicate budgets to the income per town to each town. No general budget or cross subsidisation. Make this process public knowledge.
- Independent staff evaluations with regard to their compliance and efficiency in the functional positions they've been appointed in. Staff performance appraisal system.
- Upskilling and training of municipal staff.
- Review and benchmarking of municipal budgets versus best practices in other municipalities.
- Action of serious performance review with intent to replace inefficient and incompetent workforce.
- Performance audit on all staff at the Town Planning and Engineering Departments. Action a staff replacement plan.
- Ensure all staff is qualified with enough practical experience.
- Dedicated time to investment opportunities.
- Re-asses and benchmark all fees in the KOUGA region.
- Full attention to the upgrading of our roads.
- Create better on-line and automated self-help services for residents in all sectors.
- Engage professional local advice on a platform with regard to audited spent in the KOUGA region.
- Review, retrench and appoint efficient, competent staff. Upskill and created a culture of friendly, productive and efficient service delivery.
- Make available and go to auction with high value municipal land to developers.
- Get the best in the industry from service organisations to address the inefficiency at the Town Planning Department.
- Have a PR – Front Desk for Economic Growth and Development in the KOUGA region at the municipality or at a public shop in the mall. More service delivery and inclusiveness visibility and culture PR.
- Get rid of the old inefficient system and replace it with a more relevant and efficient one as is evident in the Western Cape. Assist staff with efficient systems which is integrated and automated for public participation.
- Request mentoring and coaching by seasoned expertise in the area to up-skill the current staff at the Town-Planning Department.
- Focus on middle income, affordable housing in the region and municipal capacity to roll it out.
- Dedicate my attention and available budget to the decaying infrastructure to ensure good roads, water and energy security.

**Notes of Informal Opinions Captured:**



Privatisation opportunities should be addressed in a joint effort between public and private sectors. Propose a task-team to select projects which are easy to implement and showcase result with good public communication with regard to coming project pipeline, planning and time-frames.

Propose the signing of an official service level agreement by the Municipality staff on turn-around times.

No extra input in verbal session – extensive more input through the anonymous card system. Most participants kept a low profile.

Sea Vista Informal settlement is partially on Public Works land and not municipal land which makes it severely complicated to manage and facilitate in order to address development.

Huge concern for political uncertainty, where one party overturns strategic local economic development decisions made by another party, or it seems like it and the strategy for continuous growth and political risk mitigation.

Dedicated and focused development of all local potential assets will unlock dynamic socio-economic growth and sustainability. Therefore, the municipality must have an efficient and capable local economic development department to attract and retain investment and investors.

**Opinions raised by a professional private sector business:**

There is evidence of a good team of professional town planners at the KOGUA Local Municipality offices with the necessary skills and background to deliver on the work at hand. There is however shortages and stumbling blocks in the Town Planning Department that needs attention for efficient functionality of this department and to take care of the slow turn-around time and challenges experienced by private sector. One of the biggest challenges is systemic.

The rapid development increase in KOGUA market as well as the new legislation for town planning and the compliance thereof, influenced that the current capacity at the department to adapt to it versus the backlog it caused has all in this sector working with the department frustrated. Another influence is the amnesty period for building plans which is not in place and not adhered to, makes execution, and reply also a huge challenge. This result in a clear and evident bottleneck with the flow and structure of flow within the department. We propose as sector participant, that a serious review should be taken on the systemic flow and process of submissions. Some of the symptoms of the bottleneck observed as examples:

1. We have experienced many times when we enquire with regard to an application, that there is no or little knowledge of where or with whom the application physically is or where in the process to approval.
2. There is no system evident within which an application can be tracked, or reporting requested with regard to the process or information that is lacking.
3. It is evident that the applicant who fights the hardest for attention, gets priority versus the applicant who is patient and understand processes.
4. It is also well known by industry participants that applications which were approved by the MBT, can still take months before formal approval is issued and communicated.



#### Viewpoint or Positive review culture:

It also generally evident that the viewpoint or attitude toward an application, are from a negative perspective with regard to a culture to find the gaps why, an application should not be approved. As sector participant it would be comforting to experience and working together culture in positivity towards the same goal and that is approval for economic growth. We do understand that there is legislation and compliance, and we are more than willing to stay within the framework, and would do so with guidance and professional advice, rather than a negative attitude toward the application. We experience as sector participants that the MBT is very pro-development. However, the time-frame within which applications are executed before it reach the MBT is known by all to be unreasonably long and discouraging for developers.

#### Conclusion and proposal:

It is important to take cognisance of the fact that allot of pre-development budgeting and costs are already invested in the application process. With evidence of applications that can take longer than a year to be approved. There seem to be very little insight or recognition for the financial outset and funding of these processes and the financial exposure developers experience during this phase. Another fact is that some of the development initiatives for and increasing society in KOUGA cannot afford to wait this long for approval, especially when you think of education institutions, healthcare institutions and essential services. There actually should be a consideration to give these types of applications priorities. Another motivational fact should also be applications with big or huge economic impact, that would unlock allot of job opportunity and surety.

It might be wise of the KOUGA Council to consider the appointment of expertise to assist with the unlocking of these blockages and that understand practical systems and processes aligned to the Municipality's Human Capital in order to alleviate the pressure currently on them. The blockages are mostly administrative and not because of lack of professional skills. It is obvious an automated administrative system would assist tremendously to resolve this issue.

#### 1. Sewerage line upkeep:

- Village Square centre is further up the sewerage line and the council does not upkeep the line properly lower down and monitor the fat traps etc.. The line near the Brewery and the Tenant Centre blocks up as there is no regulation of what is going into that line.
- We have two very expensive sewerage pumps to ensure that the sewerage line is kept clear and it's an ongoing problem for us especially in peak times where we have to pump more than once a day at our cost.

#### 2. Water tanks:

- We have approached the St Francis Bay Municipality on several occasions asking them if we can put in 20,000l of emergency water tanks directly next to the centre. It would collect rainwater directly from the roof. The industrial gutters are already in place and simply need to be diverted to the tanks. They can be automatically and regularly refilled with every rainfall.
- This water will be used to upkeep the public open space garden and not make use of municipal water.
- It is also an emergency water supply that would be used by the town in the event of a fire.



- The municipality have written back to us to say they will not allow it. There plenty of space next to the centre on the verge and the job would be done at our cost which would be significant as they need to be partially submerged and aesthetically pleasing as well as plumbed correctly and put on concrete bases which will not be visible.
  - Council has given no reason for the refusal, and it makes no sense given the drought situation.
3. Rubbish collection:
- As a commercial centre we require more refuse collection especially in peak times. This has not been possible to arrange even on request.
  - When council workers go on strike, we carry the burden of removing the refuse otherwise it becomes a public safety hazard and detrimentally affects the ability of the centre to trade properly. Sometimes there is also intimidation from council workers.
4. Changing of management:
- There is an ongoing change in management at the council therefore difficult to follow up on matters as the previous person has left.
  - The people at the council do not have the power to make decisions, or matters are not correctly routed so they never get dealt with.
  - A good example is a road that someone 'put in' one night to link our carpark with the back of the Tenant Centre, Rambling Rose etc.. Someone literally took out the loffels and drove on the sand to create a ramp and road as a short cut to the petrol station.
  - The problem was that immediately there was traffic coming in and out from two directions in an area that previously had no traffic, it was a pedestrian route only. Suddenly people were driving through to the petrol station from our carpark; and vice versa into the side of our car park from the petrol station side. This area is also a tight turning area for the large Spar delivery trucks.
  - There was also an increase of vehicular traffic in front of the nursery school where people used the 'road'.
  - We approached council on several occasions to close the illegal road and throughfare, but it was never dealt with.
  - This 'road' resulted in several accidents.
  - After a more serious accident where a pedestrian was hit, we decided to put the loffels back at our cost and fenced it off because it became a matter of public safety and security issue.
  - We contacted and wrote to the council about this but never received any feedback or solutions from them forcing us to take the decision.
5. Fiber lines: When can we expect Fiber in St Francis Bay?
6. Long term water solution: Current drought and provision for water in the town.
7. Housing for residents of Sea Vista: Proper development of RDP housing and the elimination of shacks as promised by council to improve the standard of living and welfare of residents in the community.
8. The servitude over erf 544:
- This was agreed with the council as part of our building plans which were signed off in 2007. The servitude includes maintenance and upkeep of the sewerage line; the parking area and link road from Lyme South. We paid for and put in the entire infrastructure for the town.



- The survey for this section has been done twice but the council has never finalised the servitude even though there is a volume of correspondence telling us it will be done by various people over the years.
- We are currently taking expensive and unnecessary legal action to force them to attend to it because we now have maintenance issues on the area which are very costly (like re-tarring) and we are not attending to them until the matter is finalised.
- If council don't help us finalize the servitude on erf 554 the area will deteriorate.

It is also important that we recognize some positive things done by council for example:

1. Roads: Further tarring of the towns roads by a proper contractor working to provincial road standards (like Scribante) is necessary. The many years of quick fix patching of pot holes is not viable. Some good work has been done in 2020 in this regard and this is commendable.
2. At the councils request some years ago we put in an additional set of about 12 parking bays on St Francis Drive. This is an example of an occasion when we worked well with council. We project managed the entire job with civil engineers etc. so the specification of the job, pavements, tarring etc. was of a provincial road standard.
3. In 2019 with the building of the new Commercial Marine it was discovered that all the water from the old Legends and the Rambling Rose was going into the incorrect plumbing line. We reported it to council and the relevant businesses were required to re-plumb their water correctly.
4. Generally, we get good service with regards to refuse removal.
5. When there is an electrical emergency, we are able to get hold of the correct person 'on the ground' quickly and sort matters out.

It may be worthwhile to mention Erf 400 which is important to the town:

- Erf 400 - is currently zoned education.
- We have heard from various parties that there is some uncertainty about this erf.
- Apparently, council promised this area to the St Francis Bay community, and it is currently part of a land exchange where the land for the Sea Vista school was given to the council some years ago so that the Sea Vista school could be built closer to the Sea Vista housing area. The school was built several years ago.
- It has come to the towns attention that Erf 400 has recently been put out to tender on a 30-year lease for someone to use or develop but nobody has any details what the current status is.
- This erf is adjacent to the Village Square Centre and it was proposed that it be used for another community school, sports fields, a church and various other community facilities.
- Years and years have gone by with nothing being moved forward or approved until recently the tender notice was picked up.
- Council needs to communicate with the town about its intentions for Erf 400 and upkeep its agreement.





*PACA Mini Workshop – 15 April – Trade (Wholesale and Retail) and Finance Economy Sector*

**Sector Participants Present, Attending and Participating at Mentors Conference Centre, 14:00 to 15:00:**

1. Jaco Nel
2. Joggie Mentz
3. Tinus Pretorius
4. Louis Naudé
5. Maryna Freemantle
6. Yolandi Senekal
7. Johannes Barnard
8. Hein Spangenberg
9. Stompie du Bruyn
10. Hannes Bekker
11. Gavin Slater
12. Dave Frauenstein
13. Wessel Vosloo
14. Wynand du Plessis
15. Wayne Viljoen
16. Riaan Kilian
17. Sonja Allsop

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Clients buy selective – new market trend.
- Available personal capital spending under pressure.
- Buy more during promotions and marketed specials.
- Increase and demand for affordable, fresh, basic products.
- Web and Applications versus Print & Hard copies.
- Increased courier services.
- Less wastage.
- More audits and more compliance legislation.
- After lockdown an increase in renovations, new building projects for construction and build environment.
- Lower interest rates are a huge advantage for economic growth. It however has a negative impact on input costs and prices, especially anything that is linked to transportation and logistics to be delivered in KOUGA
- More qualified and experienced workforce in demand and need within the KOUGA region.
- Bigger focus on socio-economic needs and challenges.
- Quality of services more important to the market than cost. Efficiency and turn-around time is a demand.
- Clients expect more activities and energy in our coastal towns during Holiday season.
- Shortage of reliable and experienced (well trained) technical contractors / artisans.



- Big change in the local economic demographic with regard to owners versus rentals of properties =.
- Huge challenge to achieve approval by council of building plans and approval certificates. Huge blockage with regard to motivating investors.
- Increase in home renovations in the KOUGA region.
- More early retirement and lifestyle motivation market increase and movement to KOUGA region.
- Decrease of physical “Walk-in” clients. It is evident that individual available capital spend is less.
- During National and International Crisis, a continuous increase in the building and construction sector. This means a trend for local spend and local economic capacity and growth dedication.
- Continuous blockage with Municipal administration function at Town Planning and Building Management as well as Traffic Department’s efficiency and visibility as governance force. Load shedding and Eskom’s power risk is also continuous. These are known to all and should really be addressed by all now as priority.
- Our clients are mostly and majority tourists. Due to Covid 19, sales have dropped, however we are positive and there are signs that the situation is improving.
- Increase in alternative energy and water harvesting and retention.
- Low economic growth, low interest rate, low retention of financial products, evidence of bigger increase in poverty and job loss. Unreasonable increase in Municipal service costs and taxes. Bad and low performance on service delivery in KOUGA
- Reluctance to invest in KOUGA because of slow Municipal administrative function. Risk with regard to upcoming elections with a visible strategic influx of people from East London / Amalinda in order to change the balance of political power in our area.
- Minimum wages demographic changed in our region. Competitive workforce price undercutting.
- Better efficient services with more competitive pricing – huge increase.
- In general, small business suffered versus big corporates economical balance and national presence.
- A current influx, interest, and trend of small business increase in the KOUGA region. People are thinking entrepreneurial.
- Balance between different economic demographics should be addressed as there is a huge gap between first and third economy in KOUGA region.

**Question 2:**

What are the current Competitive Advantages in the KOUGA area in your sector?

Positive & Negative:

- ✓ Second and third generation business legacy. Still one of the more affordable areas in the Country to make a living and have a good lifestyle.
- ✓ Increase of retiring people with fairly low crime rate.
- ✓ Increased market demand for holiday property. Niche and small community culture entice that.
- ✓ Local knowledge about KOUGA regional economic current and future scope.
- ✓ Immediate need and relief on efficient and dynamic Municipal administrative services.
- ✓ Local residence does either “one-stop shopping” OR use delivery.
- ✓ Most National Retailers are now available at our regional mall.
- ✓ Ample, safe, and free parking in the area.



- ✓ Lifestyle is a big motivator and preference versus drive for economic growth and industrial competitiveness.
- ✓ Low congestive traffic – low marketing costs. Small community, good referencing and networking between each other.
- ✓ Friendly and helpful culture. Four (4) good retail seasons per year. Popular holiday destination.
- ✓ Most raw materials are being produced within our local area and available.
- ✓ Lower production costs than in the big city environments.
- ✓ Better lifestyle and living quality in the area.
- ✓ Better family life and quality living in our area. In general, low crime rate and good weather.
- ✓ Agricultural International market audits requires health and safety signage and practices. Good benchmarking for the rest of KOUGA
- ✓ Quality of life is the best motivation within KOUGA
- ✓ Within the building and construction sector and related services, our quality services are notorious and bring new clients and business to our area.
- ✓ Stock availability and good quantity surveying services is a huge plus point for our area.
- ✓ Competitive pricing keeps our economy growing and retain market interest.
- ✓ Increase of housing market in KOUGA is possibly because of the high prices in the Cape and the economic chaos in the Eastern Cape region.
- ✓ Huge farming community with good Export capacity and growth.
- ✓ Fantastic recreational area with a good quality lifestyle.
- ✓ Jeffreys Bay is a well-known international surfing destination, with strong branding – the whole of KOUGA should capitalise on it.
- ✓ Competitive advantage with lower building costs per square meter in the KOUGA region.
- ✓ High and quality living standards. Living costs is generally lower and reasonable.
- ✓ Small and growing communities with ample workforce for service delivery – dedication to upskilling and mentoring.

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- An experience of arrogance at the Municipality with low administrative performance at the planning and building divisions.
- During high seasons, the water supply and management isn't sufficient to handle the influx and demand.
- Transport costs and logistical chain is an economic blockage for growth.
- Current draught and water shortage.
- Private capital spent is lower because of pressing current economy.
- Bulk suppliers and stock holding management as well as capacity is a challenge.
- PE and their lower margins and competitive pricing are a huge challenge to grow our businesses.
- The short distance to PE and availability of stock there, hinders growth here. Support local to grow local, drive and culture should be nurtured.
- Force of nature and street children is the only two blockages for our clients to visit and engage with us.
- Material and products mostly from in-land. Higher costs because of that and balancing act on stock levels and availability.



- Limited Contractors and supplier services locally for maintenance of properties.
- Compete with PE Metropole businesses.
- Lack of decent public transport and bus services.
- Food prices in general compare with Gauteng high pricing.
- Rural Professional Services are generally lower rated or seen that experts from the cities.
- High income volume and corporate businesses rather work with city professional services.
- Fees lower in the rural or coastal town areas in order to be competitive and stay solvent.
- Building plans / Municipal administrative function is everybody's worst nightmare. Talk of the town.
- Water leakages in the KOUGA area is out of order and chaotic.
- Water sanitation and most definitely sub-standard.
- Small town syndrome and culture.
- Water shortage and retention / harvesting issue.
- Once seen as some-one from outside, you are labelled and always seen as one. – Closed relational community.
- Less and less options for technical support available.
- Slower reaction on services related to technical capacity.
- Less job opportunities in other sectors.
- Maintenance and replacing parts are very slow and highly frustrated to both public and private sector in our area.
- Challenge to entice scarce skills and efficiency to the rural areas and coastal towns.
- General old infrastructure and the maintenance thereof with services is a known challenge within the KOUGA region.
- Challenge with un-skilled workforce. Request for skills development centres across KOUGA
- Administrative services is a huge challenge. Even to obtain a driver's licence within the area is a huge challenge.
- Less available capital spent and lower profit margins than in the next-door competitive metropole.
- Challenge to obtained quality and skilled workforce.
- Competitive disadvantage in business practices is hard-core price undercutting.
- All input materials per project is not always available in KOUGA – must import from PE Metropole with a challenge on waiting periods and managing the risk of that to client expectations.
- Decrease in earning salaries in the KOUGA area. Lower personal capital spent available from workforce. Too little economic growth and flow to dedicated to specialisation or niche product development.

**Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- The available personal capital spent / spendable income, of people in the area is generally very low. We are dependent of seasonal spent.
- Culture of arrogance in middle Municipal management and very little dedication to performance and diligent output.



- Culture of competition within the business sector and not working collectively together to grow together.
- Low salaries nurture low quality workforce and circulation of workforce. Little job retention and career path stability in the area, especially within the emerging economy sector.
- High level of retirement economic sector and culture. Disadvantage for economic growth but also high potential of available knowledge base and expertise.
- The opposition party's mal practices and negativity as well as vandalism in our area.
- Town planning efficiency, building plans and occupational certificates are taking unreasonably long and their function is not sufficient.
- Allot of workforce competition and increase in construction development puts pressure on wage benchmarking and competitiveness. All levels of budgeting and price-cutting are therefore addressed to be competitive and to win the project.
- Covid impact of import of product challenges and stock availability on niche products is a challenge.
- Increase in salaries and workforce versus other transport and input / stock costs makes it a challenge to stay solvent or to grow economically.
- Overtime issues and motivation is a challenge.
- Lack of sustainable and maintained infrastructure is a huge stumbling block.
- Availability and support of public transport.
- Available job opportunities in all sectors. Focus to increase individual spendable income though collaborative and collective participation and strategy by all sectors.
- Little awareness to unlock support from all communities in the KOUGA
- Dedication to keep crime low with community awareness and policing initiatives.
- Low service delivery, old high-risk infrastructure and political manipulation and power play.
- Infrastructure challenge and risk.
- Crime and civil unrest.
- Poor municipal service delivery, like potholes and poor maintenance of infrastructure.
- Greed and jealousy are an evident culture and should be addressed by all to change and a trust culture into each other.
- Huge retirement community, pensioner spent orientation which is a reality towards reduced free cashflow in our area.
- Challenge to obtain quality products in South Africa – Current Covid Importation problem.
- B-BBEE demographics in our area for big tenders is a huge challenge and totally unrealistic toward the reality of previously disadvantaged in our area and economic empowerment. Not at all realistic.

**Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- ✓ Review real realistic property tax versus income levels within the area. Dedication towards better service delivery and efficiency.
- ✓ Manage and govern pop-up markets during holiday seasons. Local retail outlets rely on the holiday season and this type of competition is not dedicated to grow the local economy. This type of market money spent, leaves our area and is not dedicated to local circular economic development and growth.



- ✓ Keep the ZAR (Rand) in KOUGA drive.
- ✓ Local tenders to local service providers should be the culture and dedication in order to grow our local economy.
- ✓ Upliftment dedication through training centres, dedicated to the coloured and disadvantaged communities and informal settlements.
- ✓ Main business areas to be better protected with visible policing and action in order to nurture a safer shopping and trading culture and environment.
- ✓ Food security focus. Cost of food and value chain management of local producers to local consumers. Loyalty support and quality enabling with incentive program.
- ✓ Set a realistic and benchmarked turn-around time for performance increase at the Planning and building Municipal administrative departments in order to get performance and accountability from the appointed municipal servants to us as taxpayers.
- ✓ Brand, market and promote KOUGA through our niche resources and unique small towns with dynamic economic sectors.
- ✓ Automation, on-line capacity, integrated information systemic solutions should be a dynamic drive to unlock efficiency and accountable tracking of processes and pipeline management. To nurture change and transformation management. Dedicated product development for branding and marketing of KOUGA
- ✓ Faster and efficient house plan approval processes.
- ✓ Need more manufacturing sector loyalty and local alignment.
- ✓ Help desk to buffer DIY failures and results linked to sector capacity and excellence.
- ✓ More security and community policing and awareness at our beaches. More public involvement and awareness. Dedication by all to clean and beautify our towns together.
- ✓ More events to attract tourists – Don't close the beaches.
- ✓ Skills development training centres dedicated to:
  - Trades (artisans)
  - Plant operators
  - Drivers with licences
  - Highschool certificates and accredited training standards.
- ✓ Dedication to review and improve our infrastructure together.
- ✓ Business should collaborate and not compete with each other – dedication to collective growth.
- ✓ Unlock opportunity and environments
- ✓ Shortage of knowledge and expertise at the Municipality.
- ✓ Increase and dedication to upskill human resources in KOUGA Local Municipality in order to execute with efficient administration systems and effective workforce.
- ✓ Big drive, culture and dedication to go green and off the grid.
- ✓ Businesses to nurture a culture of care and support to each other. No more isolation but collective growth.
- ✓ Jeffreys Bay is an old age home without a roof – the reality of one of the main economic sectors. A strategy should be taken to unlock and capitalise on the reality and opportunity of this sector.

#### **Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?



- People as starting to support local production and local business. There procurement culture is changing.
- Working from home and the reality of the “bubble syndrome” should be capitalised on.
- Unrealistic and un-just practices with regard to service delivery by firms to the banking platform and the manipulation of this environment, with firms not capacitated to execute the services in excellence.
- Too little experience and capacity evident in certain Municipal Departments especially Planning Department.
- Local wages are increasing unrealistic within certain sectors. Need for collaboration and benchmarking.
- Current negative factors: Municipal strikes, Covid 19 reality, Water scarcity. Current positive factor: Slow lifting of restrictions and revival of economy.
- Clear manipulation and blockage at St Francis planning office of building plans and the approval thereof.
- Draught influence, Municipal services as challenge, Covid 19 challenge, International travel restrictions, closed beaches, Increasing crime and political power play.
- Influx of people to KOUGA, SMME’s in certain sectors are closing, Multi-National are buying out small businesses. Bad Governmental economic reporting and statistics – not realistic and real.
- Approval of building plans is the biggest, historic and continuous challenge within our KOUGA region.
- Local political manipulation, Covid reality, Influx of people are increasing due to change of on-line work capacity. Coastal living is increasing because of quality lifestyle – more pressure on current infrastructure.
- Old and challenged local infrastructure within a declining economic climate and reality.
- Draught with water shortage – decline on agricultural production – decline on local spent and economy.
- Negative: Approval of building plans. Availability of imported building stock. Positive: Influx of people. Lock-down unlocked preference of living conditions and lifestyle because more people can work from home with flexi-hours.
- The Baby-boomer generation is retiring and choosing coastal towns. Building costs in KOUGA are the lowest on the Garden Route.
- Low interest rates stimulate the building and construction sectors.
- Increase of crime is a huge concern. Protests and demonstrations hinder clients to drive around and support or access business.
- Lockdown created a problem with regard to available stock and stock management. Instability in pricing is also a huge factor to manage. Positive growth in the construction sector is helping allot.
- Covid 19 reality unlocked the benefit or lower interest rates which unlocked a positive growth in the building and construction sector.
- Job opportunities in most sectors ad limited and declining. Dire need for skills development. Cost of electricity and its increase as well as fuel increases influences our economy dramatically.

**Question 7:**



What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ Create a platform with capacity for mentorship and coaching programs.
- ✓ Skills training centres for local youth in artisanship and technical training. Create a dedicated course in building inspection in order for the regulations to become general knowledge and compliance second nature.
- ✓ Nurture a sector culture of productivity, efficiency, excellence to provide clients with a transparent, realistic cost-effective service and be the best in the country.
- ✓ Low housing costs with alternative and innovative building solutions to bring more quality and standards into the sector.
- ✓ Support more local to grow local.
- ✓ Be all dedicated to more job creation.
- ✓ Advertise and use social media more effectively. Ensure a friendly experience and positive attitude for patrons / investors visiting our business sector.
- ✓ Diversify and offer a wider product range and variety.
- ✓ Support and grow local entrepreneurs.
- ✓ Participate and support KOUGA Business Form with the Local Economic Growth Strategy and enhancement effort.
- ✓ Obtain public feedback through market research and public participation and opinion poles.
- ✓ STIVE for a culture in service excellence by all Stakeholders in KOUGA
- ✓ Support local to grow local.
- ✓ The positive factor – Positivity by all in KOUGA about KOUGA
- ✓ Best service delivery in South Africa.
- ✓ Integrity, honesty, and the highest quality in excellence.
- ✓ Public participation works program – Fix our problems and infrastructure ourselves. Notify the municipality of a problem and leakage and give them 6 hours to respond and work, otherwise do it ourselves and deduct it from our taxes.
- ✓ Public involvement through; KOUGA Business Forum, Community Policing, Ward meeting participate – take action and become involved.
- ✓ Service delivery through an award and incentive program by high quality and excellence performance of both public and private sectors.
- ✓ Be available to contribute with advice, expertise, and experience to this initiative in order to grow KOUGA's local economy.
- ✓ Quality standard against international benchmarking – Quality services for our KOUGA region.
- ✓ Create a platform where all of KOUGA can get involved in Community development that assist with up-skilling and capacity building.

**Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Buy power directly from the Windfarms in the area.
- Desalination plant for more water in the area.
- Dedicate to infrastructure upgrading.





- Lower operational and services costs to keep the Municipality functionable. (Current inefficient because of afterhours repairs and claims for the services, high salary margins, loss on hour per service by incompetent and inefficient staff – waste of tax-payer money).
- Increase of crime, especially within the townships and informal settlements. Make it a priority to structure community policing practices.
- Low access and capacity for skills development – make it a priority.
- Increase administrative productivity.
- Improve and enhance the infrastructure.
- Replace unproductive Municipal workers through a public voting system and warning system. Address arrogant attitude and behaviour against friendly and servanthood culture.
- Appoint, experts and expertise to increase productivity and service in excellence.
- Review the workforce capacity versus the output and review the salary rates versus the output and efficiency.
- Create a resource hub, like a vehicle pool and logistical management service.
- Dramatic review and change management at the planning department which is a clear bottleneck.
- Ensure the image of all towns within the KOUGA are kept in pristine condition by all Stakeholders. Full public and private participation effort.
- Ensure building plans are handled efficiently to ensure dynamic growth. This will impact economic growth exponentially,
- Ensure safety and security in the KOUGA
- All my attention to innovative low-cost housing.
- Crime prevention unit aligned to community policing (reserve system) and SAPS judicial function.
- All attention to the roads that needs maintenance and upgrading.
- Productivity program for the Municipality workforce.
- Marketing of the region.
- Dedication to manage and upgrade KOUGA roads.
- Create job opportunities.
- Sewerage system needs upgrade.
- Water harvesting, retention and systems take priority.
- Fix the building plan division.
- Fix the roads.
- Do a performance assessment on all municipal workers from top to bottom.
- Orientate all municipal workers that they are servants of the public.
- Create a public participation platform to assist with the infrastructure upgrading and maintenance.
- Put serious performance measures on all municipal councillors through their wards, and general public assessment tool for all municipal workers.
- Come up with a plan and solution to address the street children and homeless that is hanging around for a stipend in the business areas.
- Give attention to new access roads through informal settlements and the safety in informal settlements.
- Break away from Eskom dependency and make a deal with private power supplier.
- Break away from SAPS and make deal with a private community security force.



*PACA Mini Workshop – 15 April – Tourism Sector*

**Sector Participants Present, Attending and Participating at Mentoorskraal, 09:00 to 12:00:**

1. Heidi Halgryn
2. Wernich Cronje
3. Stephanie Kucerd
4. Cornelius Smith
5. Dee Cranswick
6. Hantie vd Westhuizen
7. Jeff Clause
8. Liezl Clause
9. Brenda Zillen
10. Erna Gerber
11. Sherita Ellappen
12. Stephanus Ferreira
13. Estelle de Beer
14. Hannelie van Jaarsveld
15. Anri Wolmarans
16. Wayne Furphy
17. Marlene Ferreira
18. Jean Ferreira
19. Percy Hickman
20. Soria Swart
21. Johann Bekker
22. Jumbo Gerber
23. Gabri Viljoen
24. Miki du Plessis
25. Annette Herselman
26. CJ Lotter
27. Sandra Lotter
28. Wayvin Uithaler
29. Loren Sampson
30. Leanne Daniels
31. Anrie Meyer
32. Mike Mc Geer
33. Colette Mc Geer
34. Sean Mc Geer
35. Jakkie Pieters
36. Tom Bouwer
37. Bernadette Swartz
38. Deon Freemantle
39. Gerhard Mans



40. Bryan Dhludhlu

41. Nicky Krugel

**Question 1:**

What are the current most important trends in the market with regard to your sector?

- Local Travel Opportunities (affordable)
- Longer stays (accommodation) requires more than just a bed and bath.
- Wi-Fi important as people work from home now.
- People look for “family” friendly holiday accommodation in terms of entertainment and safety – specific to an area
- Consumer profile has changed – focusing on short stays/weekend trips and activities
- More local tourism and visitors from PE and surrounding areas.
- Trading hours has changed
- Growing reliance on technology and social media to market tourism
- Digital nomads looking for medium term accommodation
- Increase in Black South African tourists.
- People are spending more money on necessities and less on luxury items.
- Tourists budget conscious – look for cheaper options.
- Guests more focused on healthy living – food/exercise
- Any and all fitness events
- Family type events – must be inclusive of entertainment for the children where parents can socialise.
- Need for safe events for 14 – 18 years old.
- Self-catering accommodation
- Outdoor activities – hiking trails and camping
- Adventure sports
- Visitors want to relax and have great experiences
- Family gatherings and outdoors (access) – a “break from work”.
- Want to experience history of the town
- Customers need “affordable” experiences.
- Increase local tourists, less international tourists.
- Local tourists spend less money, and we cater for those needs.
- More day visitors
- Tourists want to be active outdoors – Jog, bicycle rides but pavements are in a bad condition.
- Business operations had to be changed to adapt to covid regulations. This forced us to relook at operational expenses. At the end we can offer the same service at a more cost-effective and profit margin.
- Family type events, outdoors activities are popular.
- Domestic visitors want to see all that is interesting
- Strong cycling community
- Requests for live music at restaurants
- Want good service and seek value for money
- Need for a Tidal pool
- Wheelchair access everywhere including the beach and sea access



- Boardwalks (well maintained) and safe beaches
- Smaller events post Covid
- Better upgraded beach area and promenade.
- Need for piers for fishing
- Requests for a walk way on the beach from the main beach to Kabeljous.
- Request for Kids/Adult mountain bike trail at the kabeljous Reserve.
- Upgrade of the Golf Course
- Shorter stays after Covid.. Lots of weekend visitors from PE
- Lack of activities/events for pensioners.
- Access to restaurants / accommodation not suitable for pensioners and the disabled
- Pavements in a bad condition.
- A bigger focus on Social Media Advertising.
- Busy Air B&B industry
- Jeffreys Bay still has a big cycling community. Cycling and surfing events are big prior to Covid.
- What about something similar to Clarence – outdoor areas to sit down and create an ambiance of holiday and relaxation - . We should learn from others where it actually works.
- We need action in Jeffreys Bay... Events, Events, Events.
- Lack of an Inclusive Tourism Plan (must be inclusive for people with disabilities)
- Tourists want to experience a “destination”.
- Influx of people working from home....this stimulate our economy.
- People are looking for more budget friendly accommodation but still expect a high standard.
- Had to adapt to more “fast food take-aways”, rather than visiting restaurants.
- Follow up on Park Runs – this was a great weekly gathering.
- Increase in the swimming competitions at the Marina Martinique.
- Sightseeing – People want to go out, be outside, explore – specially adrenalin filled activities.
- People are looking for affordable “family orientated” outdoor activities. We experienced a remarkable increase in traffic during the beach lock downs.
- Jeffreys Bay is becoming more popular amongst family vacations and visitors expect more activities than what is currently offered....due to limited facilities it is difficult to market effectively.
- More activities for families.
- Guests want longer rentals at discounted rates. They book on-line.
- Need for internet fiber.
- Local visitors: Small (outdoor) activities for families, Foreign visitors: Want to experience “activities” that represent South Africa.
- Foreigners want interaction with local people.
- Increase in “local” visitors from PE/Uitenhage/Patensie/Gamtoos/Hankie.
- Experiences in smaller groups – focus on outdoor activities.
- Tourists not only come for the traditional sea holidays, they are looking for a presentation of different options with tourist attractions.
- Fiber optic infrastructure vital for tourism to compete and attract businesses/customers.
- Visitors still consider Jeffreys Bay a "surf town". Alternative activities are important
- Outdoor adventures, smaller groups in big demand.
- People travel more often. There is a need for outdoor nature activities.



- Much more people are working from home.

### Question 2:

What are the current Competitive Advantages in the KOUGA area in your sector?

- ✓ There are a lot to see within a 100 km radius
- ✓ Proximity to Addo
- ✓ Supertubes, waves and surf culture
- ✓ Budget friendly destination
- ✓ Village life: Safety access to the beach, mountains is easy. A lot to offer (natural environment)
- ✓ Interesting restaurants, accommodation affordable
- ✓ Good Mayor, municipality is accessible. The town offers a safe environment
- ✓ Quick access to attractions
- ✓ Wide variety of areas from the mountains to the sea.
- ✓ Friendly locals, wide open spaces (compare to city life)
- ✓ Location, Location, location on the coast
- ✓ The town is adapted to technical needs of community, enough space, no robots, small town with big heart
- ✓ Beach and Bush
- ✓ Opportunities are many, we just need to be creative
- ✓ Ocean/Views/Close knit community/St Francis Charm
- ✓ The togetherness of the community and helpfulness
- ✓ The KOUGA community listen and do.
- ✓ Open spaces and generally good weather – more relaxed atmosphere.
- ✓ Relaxed Easter Cape atmosphere
- ✓ Less pricy in all aspects.
- ✓ KOUGA – place of Abundance. A lot to offer in the area. WE need to market the KOUGA better – CHANGE THE “OLD LABEL”
- ✓ Lots of fresh air. Here is no factories. Enjoy a lay back lifestyle and 5 start restaurants
- ✓ The break from the busy city life. The calmness and relaxed atmosphere.
- ✓ Can be a very good base from which day trips are made
- ✓ Friendly people. Not like some surroundings areas that feels like an “old age home”. (I am not a youngster, so no offense)
- ✓ I love Jeffreys Bay. It is a compact town. One can walk to town. Accessible.
- ✓ Very central and close to the city. Place for high incoming class and also convenient for the lower income market.
- ✓ Established tourism area. Growing economy in the municipal area. Good environment to work and live.
- ✓ Excellent quality of life.
- ✓ Urban lifestyle in a rural setting.
- ✓ Friendly people.
- ✓ You can work from anywhere in the country, why not choose to do so in such a beautiful town.
- ✓ Good road infrastructure, safe environment. Unique restaurants, good schools, and activities for all.
- ✓ “Small town” mentality, slow pace, friendly people, good community, and family.



- ✓ Factory shops e.g. access to a locally produced market/s. Reduced traffic.
- ✓ Lifestyle, good variety of activities.
- ✓ Laid back atmosphere.
- ✓ Holiday makers spend good money in the seasons.
- ✓ Near to the airport. Small town, peaceful lifestyle but accessible to the City (PE).
- ✓ Ideal for day trips to and from surroundings towns.
- ✓ Just a day trip far too many attractions
- ✓ Situated on the Garden Route for passing tourists.
- ✓ Beautiful surrounding area.
- ✓ Lifestyle pace – small town = community. More family time due to no traffic.
- ✓ Easy access to the airport
- ✓ Land-Sea combination.
- ✓ Relaxed and friendly environment.
- ✓ Low crime rate.
- ✓ Jeffreys Bay is well known over the world and a popular tourism town.
- ✓ The residence are friendly, they help each other, small community.
- ✓ Although windy, KOUGA has some of the mildest climates in SA.
- ✓ Internationally well known.
- ✓ Relatively affordable living-costs.
- ✓ Best beaches in SA.
- ✓ Towns location. Many small surrounding towns. Close to the bigger city (PE).
- ✓ We are the only real Indian food outlet in Jeffreys Bay – Uncles Curry Shop
- ✓ Strong community bonds.
- ✓ We feel safer and secure.
- ✓ Wonderful lifestyle.
- ✓ Cost of living is still lower than in the cities.
- ✓ Beach to Bush to Wilderness 60 km.
- ✓ Accessible Main Beach.

### **Question 3:**

What is the current competitive disadvantage in the KOUGA area in your sector?

- Parkrun closed down due to Covid.
- Water insecurity, extreme drought is a big concern. Day ZERO – Leadership is too slow in alerting and enforcing day zero which is upon us.
- The communication between the municipality and community can be much better.
- Transport of products is expensive – develop a cycle route through town.
- No international tourists due to Covid.
- No money for luxuries.
- Sidewalks are not well maintained. No curbs. The "levy" we pay is not well used
- Tighter budgets.
- Not enough creativity for business ideas. Existing businesses get duplicated.
- Difficult to have building plans approved.
- Gravel linking roads – St Francis/Paradise Beach and Jeffreys Bay.
- A "bridge to far" – Cape Town/Garden Route/PE.



- Service delivery – potholes, dirty town, sewage spill on the beach.
- Crime in town.
- Poor Bylaw enforcement – noise, drinking in parks and open spaces.
- Building plans take much too long to be approved.
- Overall condition of the roads, pavements, and infrastructure. Street furniture condition below expectation.
- Bad communication and lack of long-term planning. No real vision from the municipality of where the town is growing too.
- Overall lack of competency of the municipal officials.
- Infrastructure needs to be improved e.g. Beach walk ways.
- Lack of service from the municipality “don’t care attitude” due to laid back lifestyle. Urgent service often done on African time.
- Poor, old municipal infrastructure e.g. water pipeline breaks, sewer spills.
- Postponement of events ie. surf competition due to Covid
- No open conversation between tourism businesses.
- Business usually only revolves around holiday seasons. WE need to be business minded all year round.
- Badly marked street names.
- Limitations to restaurateurs.
- Cancellation of large tourists events.
- Limited resources in close proximity.
- Street children harassing guests.
- Water shortage.
- We are not part of the “tourism route”.
- NO activities for the children e.g. climbing wall.
- Dangerous connection roads to Marina/Aston Bay and Paradise Beach. This hampers development.
- No boardwalk with entertainment.
- Closure of the harbour in Jeffreys Bay/Ashton Bay. Loss of opportunity.
- Lots of cancellations and loss of jobs due to Covid.
- There are too many accommodation establishments with everyone doing Air B&B.
- We don’t have an International Airport.
- Transport! – need an affordable bus service.
- Bad secondary roads – no maintenance or support from KOUGA Municipality. Role players have to bear the costs themselves.
- Water massive problem.
- Lack of money within the tow. Low salaries means many services/events/restaurant prices are not affordable to locals.
- Needs to be more support to marketing the area.
- No beach front restaurants on the beach.
- No bigger hotels that can accommodate bus groups to stay over.
- KOUGA not open to attract new business/development.
- Municipal approvals take a long time.
- Plenty guests houses to fill!



- Agents rent their own houses first.
- Lack of skills.
- No good marketing.
- Poor infrastructure. Lack of water borne sewage, poor roads, frequent breakages of water and electricity network.
- Big suppliers of product are 80 km away.
- Businesses work against each other, they don't work together
- KOUGA Municipality is not working with role players when they organise events....all is done at last minute.
- No maintenance after the public toilets for beach visitors.
- Not enough collaboration between the public and private sectors.
- No support to SMMEs and NO communication on what is planned.
- No water front attraction. Nothing for the kids to do, no tidal pool.
- NO Fiber, no support to the IT industry.
- Resistance to change
- No job opportunities to the youth.
- Very reasonable trade
- Infrastructure is old
- Expensive rates and taxes.
- Low salaries and spending power.
- Water shortage a big challenge.
- The littering is out of control.
- The main town is run down and it does not feel like a seaside town.
- No provision for the children
- Infrastructure: Roads, Fiber.
- Drought area: Water restrictions
- High crime levels.
- No night life activities other than bars and clubs needed.
- No Uber services.
- No International guests due to Covid.
- Most tourists only seasonal.
- Lack of infrastructure.
- No marketing of nearby places: Addo/Stromsriver/Knysna/Plettenberg Bay.
- National government interference.

**Question 4:**

What are the most critical constraints to grow (in your sector) if everyone (all relevant parties) decides to work together?

- ✓ No funding for tourism sector, no marketing of the area.
- ✓ Apartheid amongst some role players
- ✓ Political stability: Local/Provincial/National
- ✓ Possible change by the ruling party every 5 years
- ✓ Crime rates
- ✓ State of SA Economy.





- ✓ Political interference
- ✓ Political influences: “Tou trek” under politico.
- ✓ Opening of International travel
- ✓ Decrease in spending capacity of tourists. Tourist spends less
- ✓ Access to capital will be a limiting factor especially for role players in the tourist industry
- ✓ Access to funding. Funding of projects e.g. Boardwalks alongside the beach, cycling roads on pavements.
- ✓ Role players need to be better trained.
- ✓ Need a better attitude of people. This can be solved through training.
- ✓ Lack of finances. Lack of International Guests
- ✓ Political willingness to enable business/investment in a safe environment.
- ✓ Safety and poverty of the homeless people in town.
- ✓ Need for water
- ✓ Better collaboration between all role players.
- ✓ Co-operation/Finances/Infrastructure
- ✓ Platform needs to be opened for role players to advertise their products on visible bill boards/signage
- ✓ Require a well-funded tourism marketing plan and capability.
- ✓ Becoming despondent by negativity.
- ✓ Motivation (a fair environment for employees and communities).
- ✓ 1% tourism levy.
- ✓ DA support needed 100% - political willingness.
- ✓ Lack of money in town leads to poverty mentality and negativity.
- ✓ Lack of finances
- ✓ More frequent open communication.
- ✓ Poor communication
- ✓ Infrastructure not keeping up with growth.
- ✓ Local support
- ✓ Sustainability – keeping people interested and excited.
- ✓ Failing economy
- ✓ Lack of budgets and planning.
- ✓ Poor infrastructure.
- ✓ Crime/Corruption.
- ✓ Assuming more events, better infrastructure
- ✓ Need of better local communication and “jointly” servicing tourists.
- ✓ Infrastructure/Safety/Parking.
- ✓ The buck starts and stops with the municipality no matter how much we collaborate.
- ✓ There is only focus on certain sectors and not on all.
- ✓ Support and funding bring growth – we need to work together.
- ✓ Another pandemic looking down – business/activity.
- ✓ Covid/drought.
- ✓ Agree on the goal to promote the entire region.
- ✓ Public/Private funding required.
- ✓ Lack of urgency from the municipality



- ✓ Upgrading public places ie. toilets, bicycle routes and walk-ways.
- ✓ Participation from all role players
- ✓ Stability in municipality
- ✓ Need better infrastructure and maintenance (Provincial)
- ✓ Economy and local development.
- ✓ Municipal red tape
- ✓ Load shedding
- ✓ Rising ESKOM costs.
- ✓ Water shortage at the moment
- ✓ Budget!
- ✓ Communication/co-operation/Education (conversation with employees)
- ✓ Security and Infrastructure
- ✓ Safety of visitors
- ✓ Labour unrest
- ✓ The financial “dip” we are experiencing post Covid.
- ✓ Successful implementation

#### **Question 5:**

What practical suggestions do you have for unlocking economic opportunities in your sector?

- Need visitors to unlock the economy..so: Brand a “route”, eg. Adventure route, sell experiences on the route
- Capital advance (from a bank/ municipality/district municipality/national government)
- Education and skills development to the unemployed.
- Upgrading of our town e.g. Roads, internet, devolvement of tourist areas – e.g. beach area.
- More events and festivals
- Develop outdoor activities that is free of charge eg. cycling trail, hiking trails
- Billboard campaign with a theme.
- Government assistance – we need financial assistance.
- Promoting uniqueness of region and not becoming like any other coastal town.
- Better co-operation amongst all businesses – do brainstorming/marketing strategies/compilation of package deals
- Need better communication between KOUGA Municipality and Tourism Sector.
- Support local events and assist where necessary. Use our contacts where necessary.
- Rural development: education of unique experiences
- Training school for hospitality and tourism
- Establish a Tourism Board/Agency to market KOUGA Tourism and Product to Local and International markets.
- Better training for all role players
- Skills development for the youth.
- Buy into a vision for KOUGA to become the events capital of SA
- Local support
- Assess assets of the town and community and develop it.
- Beautify the town. Make plans to make people/visitors to feel safe.
- Privatisation and foreign investment.



- Beachfront infrastructure
- Informal tourism in all areas
- Events committee from tourism role players
- Budget for tourism for LTO offices.
- Pressure on Province to maintain our main street
- Training to all role players
- Networking and marketing within the sector
- Upgrade facilities
- More control of the street children and vagrants
- Marketing campaign to market KOUGA as a tourist destination of choice.
- Education and training of officials and stimulating all role players to work together.
- Municipality and role players must be willing to engage more and act on opportunities decided upon.
- Collaboration between all role players and to be positive and or provide positive input
- Establish a KOUGA Development Agency funded by the Municipality. Funds to be managed by the KOUGA Business Forum
- Upgrade all pavements
- Build cycle pavements.
- Solve the water problem – Seawater desalination.
- Where possible, develop advertising strategies to be launched on social media, pics on Instagram and testimonials.
- Create opportunities for SMMEs through mentorship
- Do a survey about the needs of visitors. -Spot the gap in the market.
- Attract investors to: Development the beachfront/Create a tax-free zone/free trade zones.
- Facilitate small businesses to have small local events and activities
- Develop a strategy to keep all role players accountable
- Co-operation between all role players in the tourism industry and actively marketing each other.
- Create more interest by putting Jeffreys Bay in the spot-light
- More events must be planned to support local business
- Eradicate the fear of robbery and vandalism.
- Annual festival
- Host, Park runs and gatherings
- Update an effective marketing platform/calendar
- Encourage neighbourhood watches to support security companies and SAPS.
- Training and education of workers in service delivery and how to be proud of product and service provided
- Development of people in the informal settlements.
- Build stalls alongside the roads
- Better effectivity of planning department toward approval of building plans
- Sort out the red tape so that businesses can easily do business.
- Encourage locals to keep the town clean
- Collaboration
- Social media development
- Offer attractive and affordable packages by working together and market widely.



- Conversation between KOUGA Municipality and Business
- Do business without a political agenda,
- Municipality to work with the community, not against
- More communication between government and business community about opportunities/funding/training/mentoring

**Question 6:**

What is currently happening in your sector that has an impact on growth and job creation?

- Covid
- Safe access to the marina and Aston Bay
- Covid lock down forced us to think “out of the box”. This resulted in initiatives in order to “survive” and will in future grow our industry.
- Things are picking up but guests’ budgets are “unrealistic”
- Collaboration with SA Tourism to showcase KOUGA in Europa – maybe a KOUGA video
- Social media marketing campaigns
- Covid cut backs – Lack of resources for entrepreneurs to start new businesses
- Lock down restrictions
- No or hardly any international travel
- Increased crime
- Large number of unskilled unemployment
- Water problem
- Labour laws
- Covid restrictions
- Drought
- Poor infrastructure (roads)
- Limited market share
- Travel restrictions due to Covid
- No international travel
- Boom in property and home sales, increase in SA travel
- Arts/craft/markets and stalls
- Town planning department lacks pro-active enthusiasm. Development and plan submissions take forever hampering growth. This directly affects rates payable and make investors search elsewhere.
- Local tourism creates a positive vibe
- Nature becomes more important
- Current economical, and political situation can have a negative impact on tourism
- Not enough international visitors. Locals does not necessarily have the disposable income to spend
- Nothing is happening, no follow through
- Costs to operate keeps rising too quickly and hampers profitability and eventually slows down employment opportunities
- Travel restrictions
- Restrictions on size of events
- People are hungry for opportunities and things to do outdoors.



- Bookings are slow because of uncertainty surrounding the levels of lockdown
- Covid has forced the tourism operation to focus on local instead of international tourists to survive
- The way people eat out is changing
- Positive attitude = willing to make KOUGA the best
- No international tourists
- Increase in competitive environment
- Ever changing (tourism) business landscape
- After months of lock down people wants to be outside, they want to explore, go out and enjoy themselves and that is very positive for business.
- Safety and security everywhere is paramount
- Covid, Covid, Covid
- Water restrictions
- Training for all
- Children and youth are lost as the education system as it is at present, the children leave school early and leave unskilled / unskilled children behind. Greater burden on job creation
- Labour unrest
- Mentorship programmes for unskilled staff
- Recycle
- Help to keep the town neat
- There is a bigger focus on marketing KOUGA and then focusing on each area with its unique activities to attract local tourism
- Negative mindset of locals after Covid

#### **Question 7:**

What can we do with our own resources our/your own resources to make a significant difference in the near future?

- ✓ I have great ideas with no money. We need funds to support our ideas. Strategise with the right partners.
- ✓ Digital platform.
- ✓ Advertising.
- ✓ Restructure financial plans.
- ✓ Save on costs, save water.
- ✓ Have a positive attitude and work together in the sector.
- ✓ When we market our town we as business can promote each other and the activities in the area.
- ✓ Better collaboration between role players. There must be clear common goals.
- ✓ We must form an alliance, share our experiences and wisdom. We can be very successful.
- ✓ Skills development. Unlocking new business to create more jobs.
- ✓ Support the local tourism offices in their efforts.
- ✓ We must “think like tourists” so that we can offer experiences that visitors want.
- ✓ We must market ourselves amongst ourselves.
- ✓ KOUGA is already on the map being the surfing Mecca. We need to build on it.
- ✓ Be part of the solution.



- ✓ Create events that attract media/tv coverage. Show our gifts – land/sea/historical and uniqueness – sport/festivals/tournaments.
- ✓ Train the “front of house” on the attractions and activities available. Give them the experience to be a tourist in their own for a day or two.
- ✓ We must talk more about what is unique about each of us.
- ✓ Train/mentor and assist other aspiring tourism businesses to enter the market.
- ✓ Train up the youth, next generation – time to hand over to fresher minds to continue the legacy.
- ✓ Go public and advertise.
- ✓ Be the best you can be.
- ✓ Create long lasting memories for your tourist.
- ✓ Keep the “back to basics” formula.
- ✓ Working with all role players – you are not on an island – share information.
- ✓ Enhance communication channels between role players.
- ✓ Create opportunity to train and educate the youth in the tourism sector.
- ✓ Support more local.
- ✓ Market KOUGA better.
- ✓ Collaborate with others in the Tourism Industry in KOUGA to offer new and appealing experiences to tourists.
- ✓ Commit to educating yourself on municipal affairs and tourism related topics.
- ✓ Must think out of the box. Be unique in what you offer and offer the best possible service as far as possible and deliver value for money.
- ✓ Share our knowledge with other cultural groups.
- ✓ Marketing and communication.
- ✓ Co-operate and Communicate.
- ✓ Use networks and market our area.
- ✓ Networking.
- ✓ Marketing to international tourism sectors.
- ✓ Digital and social content will create sales.
- ✓ Market KOUGA as a preferred tourism destination – as a whole.
- ✓ Develop and market packages to potential visitors.
- ✓ Send a positive message from our area.
- ✓ Training to all role players.
- ✓ Advertise and market.
- ✓ Assist with surveys.
- ✓ Use our contacts.
- ✓ Join KOUGA Business Forum.
- ✓ Future lies in Innovation.
- ✓ Keeping things fresh.
- ✓ Networking and working together.
- ✓ Sharing creativity.
- ✓ We can develop inter-area packages to entice visitors.
- ✓ We can market our products to tour operators via local tourism office.
- ✓ We can market activities on offer via Local Tourism Office.
- ✓ Forging a closed working relationship with the Municipal Tourism Department.



**Question 8:**

If YOU were the Mayor, which two projects would you give priority to?

- Green Initiative. Ocean education (Green Piece Africa involvement) Sea Shepherds.
- Township Tourism.
- Get rid of useless employees.
- Communicate with citizens more often.
- Engage with industries to seek development opportunities.
- Reconcile opportunities short and long term.
- Build relationships by frequent connect with the community.
- Training to all role players and the youth.
- Upgrade infrastructure: Outsourcing water and focus on sidewalks.
- Keep up the good work already started.
- Infrastructure improvements.
- Market investment opportunities in KOUGA
- Connect/Identify the key role players.
- Resolve outstanding bottlenecks.
- Sort Building Plan Office and employees.
- Sort Infrastructure: Roads, Water.
- Make staff accountable for their responsibilities.
- Include role players in decision making.
- Investment in the town should be first choice to stimulate job creation.
- Focus on job creation.
- Fire all striking workers.
- Keep town clean.
- Secure a marketing budget for tourism.
- Upgrading infrastructure.
- Job creation.
- Fire Economic Development Department.
- Safety.
- Water projects.
- Better roads, better access roads for Aston Bay and Paradise Beach and Patensie.
- Expand the dam.
- Infrastructure upgrades.
- Competent and friendly staff.
- Assessment of all municipal staff and training the incompetents, Addresses attitude problems of staff.
- Make KOUGA region environmentally friendly.
- Focus on projects that have a global warming impact and protect our ocean.
- Upgrade infrastructure.
- Beachfront Promenade or Boardwalk.
- Youth development.
- Initiatives to ensure Safety and Cleanliness.
- Upgrade infrastructure to support tourism.



- Start immediately with walkways and cycle tracks from the Main Beach to Kabeljous.
- Repair potholes.
- Bring International Tourists back to KOUGA
- Invest in streamlining all municipal processes.
- Make KOUGA Municipality more “user friendly” and available to the community.
- Get rid of the “dead wood” in the municipality.
- Understand the different sectors and focus on the sectors that create jobs.
- Maintain infrastructure and develop the infrastructure that we have.
- Ensure stability to residence.
- Promote the pride of everyone to be a KOUGA resident.
- Arrange tenders for the upgrading of public toilets along the beach front (clean and serviced)
- Develop a Water Industry to provide water security.
- Establish a fiber infrastructure to provide a first world data network service to visitors, residents and businesses.
- Focus on Beachfront/Waterfront development.
- Encourage new investors to invest in the town to create more jobs.
- Infrastructure upgrade – Job creation.
- Train municipal staff to deliver professional service.
- Making Jeffreys Bay a place to visit -clean up the town, vagrants, and streets.
- Make tourists more aware of this beautiful coastline – hence increase business support.
- To make KOUGA the Events Capital.
- To get the three legs of society to talk to each other.
- Expanding public access e.g., Bus stops and restroom facilities.
- Infrastructure development.
- Develop a Safety Plan for the KOUGA Area.
- Set up a fund for Small Business Development.
- Safety and Cleaning of the KOUGA Area.
- Infrastructure Upgrades.
- Hosting of Events.
- Marketing of the KOUGA Tourism Offering.

### Main Findings/Key Insights

All PACA projects generate a considerable amount of data that paints an overall “picture” of a locality and that provides insights of value. These insights are a valuable by-product that often causes local people to review their perceptions or even see the locality with “new eyes”.

The main insights from this PACA project are:

1. Enormous economic potential - Strong primary and supportive economic sectors
2. Strong leadership in KOUGA Business Forum with a positive developmental mindset
3. Very strong business community
4. Strong Municipal Political Leadership within the governing party
5. Total ignorance and boycott of the process by the opposition party in council
6. Some key municipal departments currently the weak link – the major stifling factor in the economy





7. Many wasted opportunities
8. Most agree on shared and inclusive growth goals, currently no shared vision
9. Myths and assumptions further contribute to mistrust and a polarised society
10. Pockets of excellence in economic development already exist
11. Competitive advantage largely understood by leaders
12. Complete exclusion of the second economy role players – no integration

### Immediate Way Forward Actioned

The Milan Consulting team was approached in the first week of the PACA process, after interest and participation increased at all economic sector levels, by both KOUGA Business Forum and KOUGA Local Municipality to continue immediately after the PACA process with Local Economic Development training (Introduction to Local Economic Development 5-day Short Learning Programme) in order to align for real impact and progress. The Milan Consulting team agreed to this request and ventured in good faith on risk.

The Kouga Municipality Mayor and Municipal Manager's Offices identified 10 Senior Councillors and 10 Senior Officials to attend the training. The Kouga Business Forum identified 10 Senior members of the Local Business Communities of the seven towns. All 30 members attended the 5-day training course and took part in all case studies and practical assignments. The training was concluded with great success and special mention was made (by the Mayor and Chairman of the Business Chamber) that this was the best training session they have ever attended during their careers.

The following outcomes was achieved (competencies developed) during a dedicated week of training:

- Develop a shared understanding of sound LED approaches.
- Develop a shared vision of what to do about LED.
- Develop clarity of leadership roles and contributions.
- Develop an understanding business/enterprise - the key ingredient of economies
- Understand what an economy is? What does our economy look like?
- Understand what makes an economy perform better?
- Understand what can be done to improve the performance of our local economy?
- Understand how different stakeholders contribute to LED?
- Understand what exactly are the municipal and chamber roles and functions in LED?

### Proposed Way Forward

The writing of a Local Economic Development Strategy is outstanding and should still be addressed, but only when the structuring proposed by the Meritus International team was concluded. Meritus International was contracted by Milan Consulting to assist with both the Maturity Assessment and PACA process to assist with capacity but also whilst assisting, doing continuous assessment in order to report to potential impact, green and sustainability investors, the readiness of the KOUGA region with regard to compliance and structure.



Following this report, would be and independent and objective report from the Meritus International team with regard to the assessment done and the progress made with the proposed structure to enable funding readiness.