



**KWAZULU-NATAL  
PROVINCIAL PLANNING COMMISSION**

# **PROVINCIAL GROWTH AND DEVELOPMENT STRATEGY 2011**



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## Acknowledgements

The Chairperson of the KZN Provincial Planning Commission (PPC) would like to thank and acknowledge the following people for their valuable contribution to the drafting of the 2011 KZN Provincial Growth and Development Strategy, namely;

- Premier Dr Zweli Mkhize and members of the Provincial Cabinet,
- The KZN Provincial Planning Commissioners,
- The KZN PPC Head of Secretariat,
- The nominated representatives of the PGDS Technical Committee from the KZN Provincial Departments, Provincial State Owned Entities, National Departments, National State Owned Entities and Municipalities.
- Our stakeholders and partners who took time to comment on and give input into the strategy from Provincial Departments, Traditional Councils, organized labour, organized business, the community sector and academic institutions.
- The Technical Support Team for assistance with drafting of the 2011 PGDS.

## Foreword

To be written by Office of the Premier, Department of Communications.

Dr Zweli Mkhize

Premier , KwaZulu-Natal.



## Executive Summary

# ***KWAZULU-NATAL - A PROSPEROUS PROVINCE WITH A HEALTHY, SECURE AND SKILLED POPULATION, ACTING AS A GATEWAY TO AFRICA AND THE WORLD.***

***By 2030, the PROVINCE OF KWAZULU-NATAL should have maximized its position as a GATEWAY to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment.***

***Abject poverty, inequality, unemployment and current disease burden should be history, basic services must have reached all its people, domestic and foreign investors are attracted by world class infrastructure and a skilled labour force.***

***The people shall have options on where and how they opt to live, work and play, where the principle of putting people first and where leadership, partnership and prosperity in action has become a normal way of life.***

The 2011 KwaZulu Natal Provincial Growth and Development Strategy (KZN PGDS) bolsters the Province's commitment to achieving the vision of KwaZulu Natal (KZN) as a "Prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World". The PGDS aims to build this gateway by growing the economy for the development and the improvement of the quality of life of all people living in the Province. Whilst the Provincial Government of KZN is leading this process, its success depends on strong compacts with labour, civil society and business. Thus a critical success

factor in achieving the 2011 PGDS is for all stakeholders to be synchronized in the single minded pursuit of shifting KZN's growth path towards shared growth and integrated, sustainable development.

This PGDS provides KwaZulu-Natal with a reasoned strategic framework for accelerated and shared economic growth through catalytic and developmental interventions, within a coherent equitable spatial development architecture, putting people first, particularly the poor and vulnerable, and building sustainable communities, livelihoods and living environments. Concomitant attention is also given to the provision of infrastructure and services, restoring the natural resources, public sector leadership, delivery and accountability, ensuring that these changes are responded to with resilience, innovation and adaptability. This will lay the foundations for attracting and instilling confidence from potential investors and developing social compacts that seek to address the inter-connectedness of the Provincial challenges in a holistic, sustainable manner, whilst nurturing a populous that is productive, healthy and socially cohesive.

The purpose of the 2011 KZN PGDS is to:

- Be the primary strategy for KwaZulu-Natal that drives growth and development in the Province to 2030;
- Mobilize and synchronize strategic plans and investment priorities of all spheres of government, state owned entities, business, higher education institutions, labour, civil society and all other social partners towards achieving the desired growth and development goals, objectives and outcomes;
- Spatially contextualise and prioritise interventions so as to achieve greater spatial equity;
- Develop clearly defined institutional arrangements ensuring decisive leadership, robust management, implementation and ongoing reviewing of the growth and development plan.

The backdrop to the 2011 KZN PGDS is the provincial, national and global policy framework, namely the six (6) Provincial Priorities, the twelve (12) National Outcomes, the New Growth Path, the National Planning Commissions Diagnostic Report (NPC) and the Millennium Development Goals (MDGs). These policies collectively, the Situational Overview Report and the strategic analysis provides the foundation for the 2011 KZN PGDS and set the scene for the Province to further build on these key priorities in developing its own growth and development trajectory.

Notwithstanding the successes to date, there is widespread acknowledgement within the Province that continuing with a 'business as usual' approach will not bring about the required growth and development that is necessary to create employment and foster a socially cohesive better society for all KZN people.

The similitude between the issues identified at a national level in the NPC Diagnostic Report to that facing KZN at a provincial level is uncanny. This is no surprise given that KZN is home to 10 645 509 people, the second largest province both in terms of its population (21.3%) and its economic contribution of 16% to the national Gross Value Added (GVA).

The NPC Diagnostic Report (2011: 7) states that "The continued social and economic exclusion of millions of South Africans, reflected in high levels of poverty and inequality, is our biggest challenge." This sentiment is echoed in KZN as indicated by the Situational Overview Report that was developed as a precursor to the crafting of a new KZN PGDS (Refer to Annexure A). Hence the fundamental challenge that the new KZN PGDS will need to address is to create more jobs for more people over a sustained time. The cornerstone of this challenge for KZN is twofold, firstly; to develop its large unskilled labour force and improve the quality of education of especially its black, poor population so as to achieve the educational outcomes that align with the growth and development path and secondly, simultaneously, to build safe, healthy and sustainable communities and livelihoods that are essential to maintain shared economic growth.

The structural constraints to growth in KZN that have been identified are increasing unemployment, poverty and inequality. A substantial decline in investment into the primary and secondary sectors (predominately agriculture and manufacturing) over the past decade has reduced employment, and the real growth rate of GVA. It is projected that this will be further compounded by future changes in global climates. Of significance are the resultant changes in agricultural growth regions and seasons, the increase in flood and drought incidences, the rise in sea-level and the variations in rainfall and temperature. This impact becomes critical given KZN's vast agricultural land, its port infrastructure, a significant portion of its population living close to rivers and low lying areas and the projected increase in a range of disease vectors such as mosquitoes and subsequently malaria. It is estimated that if South Africa does not immediately act to adapt to the effects of climate change, it could cost the country about 1.5% of gross domestic product by 2050.



Whilst KZN is endowed with the Durban and Richards Bay Ports, the Dube Trade Port, vast agricultural land, and a strong industrial base, these comparative advantages have yet to be translated into competitive advantages. With the burgeoning competitive infrastructure advantages and our geographical positioning, KZN could assert its position regionally and globally.

The 2011 KZN PGDS would need to devise a strong platform for a series of interventions to ensure that growth and development is people and community oriented and prioritises a sustainable transformative agenda that achieves significant milestones in addressing the historically inherited social and spatial inequities which are inhibitive of creating safe, healthy and sustainable living environments. It is imperative that the institutional and governance framework also embrace this transformative agenda, doing business differently - being developmental, competent, caring and facilitating – in ensuring equitable, accessible and qualitative provision of services and infrastructure to all the people of this Province. Of significance are municipalities, which need to be institutionally empowered to have the requisite organisational capabilities and human resource competencies to bring to life the vision of the 2011 KZN PGDS. A strategic analysis of these challenges is further expanded on in Section 2.

In attempting to address the challenges highlighted above and embrace the policy intentions, the following principles were developed to facilitate overall guidance in the development of the 2011 KZN PGDS Strategic Framework, namely

- Grow the economy to achieve shared growth,
- Harness the Province's assets and endowments,
- Develop the Province's greatest asset, its human capital,
- Harmonise environmental integrity, human and social development with economic development,
- Government must be developmental, competent, caring and facilitating,
- Private Sector must grow a shared economy, providing employment,
- Organised Labour must protect workers from exploitation while promoting labour productivity, and
- Civil Society must be responsible in shaping its own destiny.

Against this background, the 2011 KZN PGDS is designed to facilitate sustainable economic growth, reduce growing inequality and promote environmental sustainability. To realise the vision of “KwaZulu-Natal – A Prosperous Province with a healthy, secure and skilled population, acting as a gateway to Africa and the World”, the following seven long-term goals have been identified as the compass to guide policy-making and resource allocation to 2030.

Figure 1: PGDS 7 Strategic Goals



To achieve these 7 strategic goals, 30 objectives supported by 124 implementable interventions have been developed as indicated in the table below. The related interventions will be dealt with in more detail in the Provincial Growth and Development Plan (PGDP).

Table 1: PGDS Listing of Strategic Goals and Strategic Objectives

LISTING OF STRATEGIC GOALS + OBJECTIVES		
STRATEGIC GOAL	No	STRATEGIC OBJECTIVE
<b>1 JOB CREATION (19)</b>	1.1	Unleashing Agricultural Potential (4)
	1.2	Enhance Industrial Development through Trade, Investment & Exports(7)
	1.3	Expansion of Government-led Job Creation Programmes (2)
	1.4	Promoting SMME, Entrepreneurial and Youth Development (3)
	1.5	Enhance the Knowledge Economy (3)
<b>2 HUMAN RESOURCE DEVELOPMENT (11)</b>	2.1	Improve Early Childhood Development, Primary and Secondary Education (6)
	2.2	Support Skills alignment to Economic Growth (3)
	2.3	Promote Enhance Youth Skills Development & Life-Long Learning (2)
<b>3 HUMAN AND COMMUNITY DEVELOPMENT (33)</b>	3.1	Poverty Alleviation & Social Welfare (5)
	3.2	Enhancing Health of Communities and Citizens (5)
	3.3	Safeguard Sustainable Livelihoods & Food Security (8)
	3.4	Sustainable Human Settlements (3)
	3.5	Enhancing Safety & Security (4)
	3.6	Advance Social Cohesion (3)
	3.7	Promote Youth, Gender and Disability Advocacy & the Advancement of Women (5)
<b>4 STRATEGIC INFRASTRUCTURE (20)</b>	4.1	Development of Ports and Harbours (8)
	4.2	Development of Road & Rail Networks (5)
	4.3	Development of ICT Infrastructure (2)
	4.4	Improve Water Resource Management (4)
	4.5	Develop Energy Production Capacity (1)
<b>5 RESPONSES TO CLIMATE CHANGE (15)</b>	5.1	Increase Productive Use of Land (3)
	5.2	Advance Alternative Energy Generation (3)
	5.3	Manage pressures on Biodiversity (6)
	5.4	Disaster Management (3)
<b>6 GOVERNANCE AND POLICY (16)</b>	6.1	Strengthen Policy, Strategy Co-ordination and IGR(7)
	6.2	Building Government Capacity (4)
	6.3	Eradicating Fraud & Corruption (2)
	6.4	Promote Participative, Facilitative & Accountable Governance (3)
<b>7 SPATIAL EQUITY (10)</b>	7.1	Actively Promoting Spatial Concentration (4)
	7.2	Facilitate Integrated Land Management & Spatial Planning (6)

Achieving the growth and development plan as outlined in the 2011 KZN PGDS requires strengthening the collaboration and partnership among the various social partners, in particular, business, organized labour and civil society and the different spheres of government and state owned enterprises under the leadership of the KZN Government. The PGDS Technical Committee as the Provinces institutionalised platform for the review and development of the 2011 PGDS will drive the implementation of theses interventions in dialogue with the relevant supporting partners ensuring that the strategic outcomes are achieved through improved alignment, coordination, partnerships and good governance. A Provincial Growth and Development Plan (PGDP) in the form of an implementation framework, encompassing monitoring, evaluation, reporting and reviewing components is also designed that brings together the key indicators, targets and interventions which are proposed in order to achieve the strategic objectives and high-level goals identified in the 2011 PGDS. Thus the Provincial Nerve Centre based in the Office of the Premier will need to formulate, capture and evaluate a wide range of data to assess the effectiveness of the provincial government departments and entities that are shouldered with responsibility for implementation of many of the strategies and interventions of the PGDS. Similarly the KZN Provincial Planning Commission is expected to play a leading role in monitoring and facilitating alignment in the planning and execution of development strategies across a wide range of stakeholders, but in particular as regards alignment amongst the three spheres of government in the Province. The 2011 KZN PGDS sets out a growth and development strategy for the Province to 2030 and hence inherently requires periodic reviews to ensure that the strategy remains relevant and that the progress towards achieving its goals and objectives is monitored and evaluated.

For the 2011 KZN PGDS to deliver on shared growth and integrated, sustainable development through the interventions, all spheres of government must commit to the following:

- ✓ The implementation of the catalytic projects and interventions,
- ✓ Effective participation in the institutional implementation framework,
- ✓ The incorporation of the strategic goals and objectives in their priorities and programmes,
- ✓ The reporting of progress, and
- ✓ The provision and allocation of the required support and resources.



# 1 Introduction and Approach

## 1.1 Introduction

KwaZulu-Natal, home to 10.6 million people and known widely and fondly as the Kingdom of the Zulu, lies on the eastern seaboard of South Africa so benefits from the warm Indian Ocean to the east and the escarpment of the Drakensberg in the west. With a rich cultural history, KZN presents opportunity as much as it presents challenge.

KwaZulu-Natal stands out as a Province of South Africa which has undergone remarkable transformation over the last 20 years. Previously perceived as an area of South Africa ravaged by high levels of conflict and political violence, the Province is now perceived as the place that has won the struggle for peace. KZN is now seen as a place of opportunity. It is a Province widely recognised as being rich in natural attributes, from the favourable weather conditions, to the great natural tourism assets such as the warm water coastline, the Drakensberg mountain range and world-class game reserve areas.

Similarly the Province has built on its natural status as the trade gateway of Southern Africa, founded on the port of Durban being the busiest container port in Africa, and Richards-Bay being the biggest bulk cargo port in Africa. Enormous further capital investments in these ports and related infrastructure is being planned to further enhance this competitive advantage of the region. The Province has now also established the Dube Trade Port between these two sea-ports to harness the value of having an air logistics platform to promote access to global trade and tourist nodes. This opens the way not only for attracting increasing numbers of foreign tourists who could fly directly to the Province using the King Shaka International Airport, but more importantly it opens up new opportunities for production and export of high-value perishable products as well as manufactured goods.

Whilst these positive strides must be appreciated, there remain serious social challenges in KwaZulu-Natal which necessitate a review of social intervention strategies within the Province. The main challenge is to devise strategies to ensure growth and development that is people-centred and able to advance a sustainable transformative agenda to the point of curbing social and spatial challenges historically derived and not yet dismantled over the years. It is important to infuse social elements into the notion of growth and development in the province. A closer analysis, not only of social issues, but also of the institutional and governance framework indicates a need for “doing development” differently. This necessitates sharp planning and development skills to effect projects that are: impact

oriented, strategically oriented, and those oriented towards equitable provision and the logistics of coverage. Issues of quality of services and infrastructure to different social groups remain a challenge.

The differentiation of challenges in different parts of the province indicate that transformation, equity, and the ability to deal with both immediate and long terms needs, as well as sensitivity to environmental sustainability, are amongst the primary values that should influence strategic planning. Moreover, understanding of asset entitlements and ability towards economic sustenance for various social groups remain fuzzy. Social relationships conducive for personal, household and community development are under-explored since a community development approach which is strong at local level, has not been established. Thus social challenges of poverty, youth under-development, lack of social cohesion, gender imbalances and family discordance due to high death rates, seem to be beyond the desirable locus of control in the province in current times.

Although great strides have also been made in the delivery of basic services such as water, electricity, sanitation, roads, housing, primary health care, etc., there are still significant backlogs that need to be addressed, and the quality of services, in particular from local municipalities, needs significant improvement.

Whilst there have been successes to date, there is also acknowledgement that new and innovative ways need to be explored to bring about the required growth and development that is necessary to create employment and foster a socially cohesive better society for all the people in the Province. Hence, in February 2011 the KZN Cabinet collectively adopted the PGDS Review Framework at a Cabinet Lekgotla. This was a critical Cabinet Lekgotla as KZN has had a PGDS in place since 1996 and has embarked on two review processes since then. However the evolution of a number of new institutions within the Government sector, as well as major shifts in the global economy and in policies related to development, have necessitated a new review of the PGDS as a fundamental reference for charting the way forward for Provincial Government and its social partners and other stakeholders.

Consequently the Provincial Planning Commission (PPC) members were appointed and started functioning on 17 February 2011 and have been formally requested to manage the process of reviewing and re-drafting the PGDS, through a consultative process. A Secretariat was appointed and a PGDS Technical Support Team was appointed to provide professional support to the PPC in its review and development of the new PGDS.



The mandate was to develop a provincial growth and development strategy for KZN to 2030 with the purpose being:

**The purpose of the 2011 PGDS is to:**

- Develop a clear long term vision and plan for the growth and development of the Province by building on the strengths and opportunities while addressing weaknesses and threats;
- Mobilise all development partners to achieve predetermined development objectives and targets;
- Promote vertical, horizontal and spatial alignment;
- Spatially contextualise and prioritise (not just what, also where and when) so as to achieve spatial equity;
- Guide the activities and resource allocation of Provincial Government and other spheres of government, business sectors, organised labour and other role players from civil society that can contribute to development in the Province;
- Develop clear institutional arrangements to secure buy-in and ownership, through a structured consultation process with all sectors and development partners;
- Define clear targets and indicators;
- Direct commitment to the allocation of resources to manage and implement this PGDS;
- Build a strong centre and decisive leadership roles to achieve the desired outcomes and ensuring that the PGDS is afforded the status as the primary plan for the Province.

Hence the structure of this report includes the following, namely; this section of the KZN PGDS provides an introductory overview of the provincial dynamics and the developmental approach within the national and provincial-policy context. This serves to provide the legislative context and guide the developmental approach and stance of KZN as a provincial government. Further, the transformative approach adopted in the review and development of the 2011 KZN PGDS is espoused whereby stakeholders and social partners are the centre of designing the strategic goals, objectives and related interventions.

In the second section the current status of the province is presented and the implications thereof are discussed. The Strategic Analysis is revealed which lends itself to the critical areas that the KZN growth

and development strategy must take into consideration and address to grow its economy to achieve shared growth and develop its people and resources.

In the third section, the goals and objectives of the 2011 KZN PGDS are elaborated on. This is followed by the preliminary identification of potential developmental' interventions', selected to best achieve the vision, goals and objectives of the KZN PGDS, known as the Strategic Framework. It must be noted that these 'interventions', albeit not exhaustive, will be further refined and confirmed in the next phase, namely, the drafting of the Provincial Growth and Development Plan (PGDP). The fourth section focuses on the Provincial Spatial and Development Framework. The PGDP will be contained in a separate report, focusing on the Implementation Framework, namely; the institutional arrangements, activities and targets in respect of each of the interventions, the monitoring, evaluation, reporting and reviewing mechanisms crucial to delivering on the strategy as well as some catalytic interventions and major projects.

## 1.2 Policy Context

Since 2009, Government departments and institutions of Government have been required to focus their planning drawing from a number of inter-related policy documents. Of significance here is the five (5) National and six (6) Provincial Priorities, the twelve (12) National Outcomes, the New Growth Path the National Planning Commissions Diagnostic and at the global level the Millennium Development Goals (MDGs). This policy context serves to highlight the key threads of the different yet related policy frameworks. Their relevance to this KZN PGDS lies in their developmental principles that any growth and development strategy will need to subscribe to in order to address the constraints and so harness the provincial strengths to bring about growth and development that will benefit all KZN people.

The Five National and Six Provincial Priorities include the following:

- ✓ Job Creation (Decent work and Economic growth);
- ✓ Education;
- ✓ Health;
- ✓ Rural Development, food security and land reform;



- ✓ Fighting Crime and corruption; and
- ✓ Nation Building and Good Governance (State of KZN Province Address February 2010).

The 12 National Outcomes that all provincial governments must align to has played a critical role in providing the foundation to the development of the 2011 KZN PGDS strategic goals.

The United Nations MDGs declaration aims to promote a 'comprehensive approach and a coordinated strategy, tackling many problems simultaneously across a broad front'. It is a critical document whereby all signatory countries and development organizations have committed to aligning themselves with achieving the targets set by 2015. The goals are as follows:

- ✓ Goal 1: Eradicate extreme poverty and hunger
- ✓ Goal 2: Achieve universal primary education
- ✓ Goal 3: Promote gender equality and empower women
- ✓ Goal 4: Reduce child mortality
- ✓ Goal 5: Improve maternal health
- ✓ Goal 6: Combat HIV/Aids, malaria and other diseases
- ✓ Goal 7: Ensure environmental sustainability
- ✓ Goal 8: Develop a global partnership for development

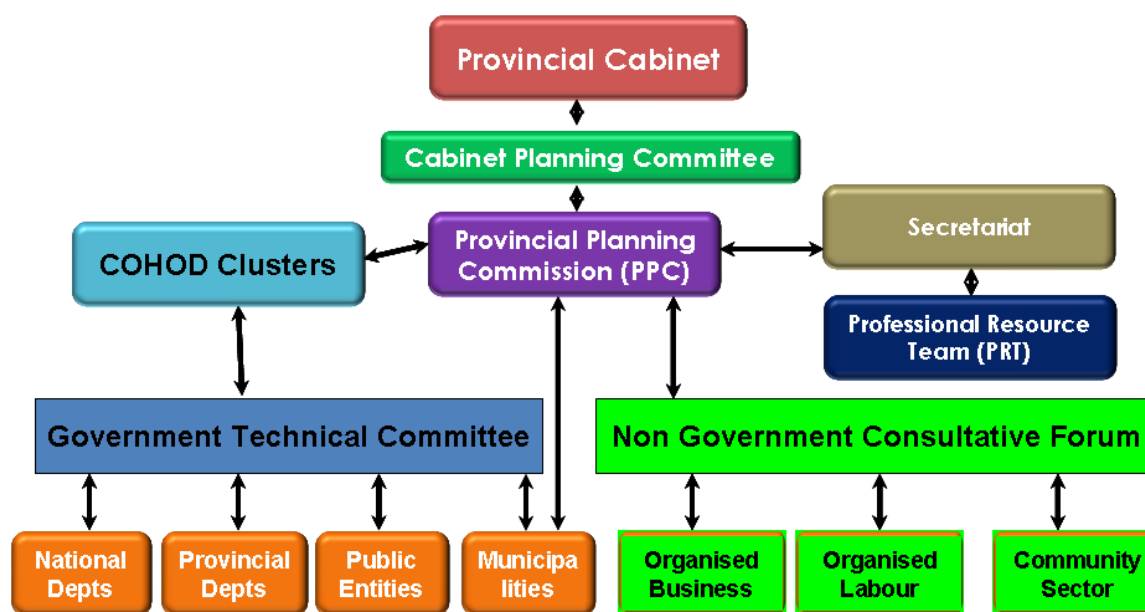
Clearly the Developmental Principles as espoused by the policies above that govern the approach embedded with the KZN PGDS include the following, namely;

- ✓ The shift from insulated countries to a global village;
- ✓ The shift from ad hoc sectoral responses to poverty to an integrated antipoverty strategy;
- ✓ The shift from one-dimensional spatial planning to the incorporation of local economic-development strategies that take account of specific contexts; and
- ✓ The shift from environmental management to sustainable development.

### 1.3 Stakeholders and Social Partners are the Centre of Revising the new PGDS

Provincial growth and development strategies strive towards being the primary plan at a Provincial level upon which all stakeholders are mobilised and committed towards achieving. Buy-in and consensus is needed to successfully implement, hence the KwaZulu-Natal Government stepped up its game, putting its best feet forward and walked this talk by conceptually ensuring that stakeholders and social partners were at the centre of revising and developing the new 2011 KZN PGDS. The Institutional Structure supporting the drafting of the PGDS is depicted in the diagram below.

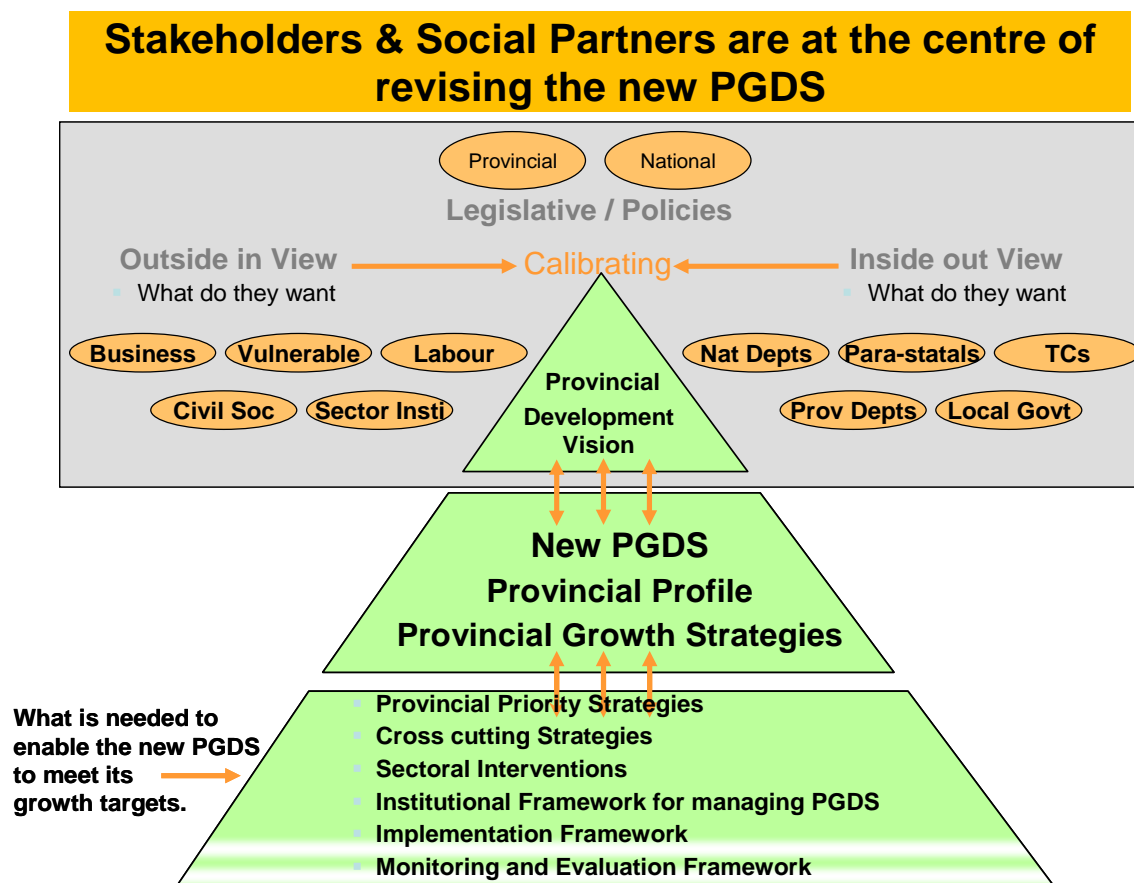
Figure 2: Institutional Structure Supporting the Drafting of the PGDS



A collaborative decision process governed this approach, which integrated a structured stakeholder management process that ensured that all social partners were aligned around critical decisions throughout the process of the development of the PGDS. This 2011 PGDS is an output of a journey of engagement with all of KZN social partners, spanning the different spheres of the public sectors and private sector, organized civil society, organized labour, academia and the non-governmental sector, to help shape a consensus on what the challenges are and how best to manage them. The engagement

approach therefore played a pivotal role in supporting a transformation initiative, ensuring that the process secured the ownership of all stakeholders.

Figure 3: Stakeholders and Social Partners are the centre of revising the new PGDS



Conceptually the methodological approach has the relevant PGDS stakeholders as the centre of the process of reviewing and drafting the new PGDS document. The value of this approach lies in seeking what the multi-faceted stakeholders want against the backdrop of the legislative and policy landscape, calibrating their vision into a Provincial Development Vision and then attempting to align and integrate resources, institutional capabilities and enabling infrastructure to this vision.

Ensuring that the stakeholders were at the centre of the design of the provincial development vision practically implied that the engagement approach focused on an inside-out view (i.e., internal stakeholders) and an outside-in view (i.e. external stakeholders). The diagram above graphically

represents the inside out view and outside in view wherein the Stakeholders are the centre of the process of drafting of the new PGDS. As depicted above, the emphasis is on a holistic analysis and an inclusionary approach to strategy formulation, so that a comprehensive PGDS supported and owned by a wide stakeholder base is developed for consideration and decision-making by the relevant stakeholders.

The overall objective was to produce an up-to-date and comprehensive over-arching KZN PGDS which is widely respected and owned amongst the public and private sector partners in KwaZulu-Natal and beyond. The development of a new reviewed KZN provincial growth and development strategy (PGDS) is driven by a combination of external and internal changes that influences the way in which societies moulds itself. At a global, somewhat external level, the economic shifts and subsequent impact on trading patterns, the development in technology production processes, the energy transitions, the climate changes and the rise of certain African countries has necessitated a review of the way in which KZN charts its future growth and development trajectory. At a local level the rise of unemployment and poverty has meant that KZN has to recalibrate its growth and development path so as to shift towards job creation and share out the benefits of growth.

## 2 The Strategic Analysis

The Provincial Planning Commission has formulated a “Situational Overview Report” (Refer to Annexure A) which details the status quo regarding each of the sectors of growth and development. This section of the PGDS only summarises and discusses the key elements of each sector report as they relate to the critical growth and development issues which will need to be addressed in the PGDS itself.

Suffice to note that the PGDS would need to respond to and focus on in a growth and development strategy include, in particular:

- How and where do we create sustainable jobs that build on our growing integration into Southern Africa, Africa and the world?
- How do we ensure that our people, and in particular our youth, have the education and skills to take up these job opportunities?

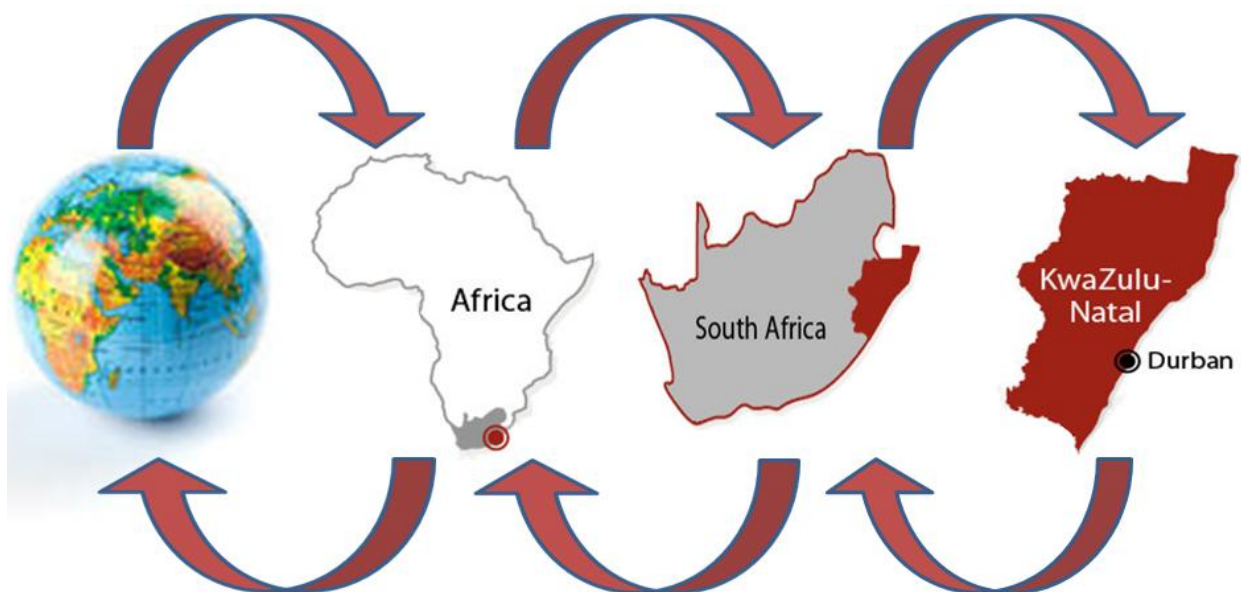
- How do we address social ills and restore pride in a community that is prepared to work hard at improving their quality of life?
- How do we reduce crime, violence and corruption?
- How do we improve the health status of people and entrench healthy lifestyles?
- How do we better utilise the natural resource base and the land still available for agricultural and other development, while ensuring stronger commitment to environmentally sustainable planning and development?
- How do we address the backlogs in delivery of basic services to those who do not yet have them, whilst also investing in maintenance of our infrastructure and also improving the quality of service delivered?
- How do we improve the way that Government works so that there are much higher levels of integration and collaboration between the departments and institutions in the national, provincial, district and local municipal spheres, and simultaneously achieve lower levels of corruption?
- How do we address issues of land reform and stimulate the development of rural areas?
- How do we address issues of food security in both rural and urban areas?
- How do we respond to the great challenges posed by climate change, and find opportunities for growth, offered by new innovations driven by the need for sustainability, such as renewable energy?
- How do we develop more community-empowering ways of planning and working as Government and social partners, so that the strategies to eradicate poverty and inequality are owned and championed by its' people, and not merely seen as Government initiatives?
- How do we manage the growth and development process in a way that builds partnership – between spheres of Government, Institutions of Traditional Leadership,

implementation agencies, support institutions and the social partners of the private sector, organised labour and the community sector?

The answers to these questions must be based on a thorough understanding of the facts regarding the state of KwaZulu-Natal – the natural resource base, the environmental landscape, the economic make-up and opportunities, the social challenges, the infrastructure and spatial landscape and the institutional and governance status.

## 2.1 KwaZulu-Natal in the South/Southern African and Global Context

Figure 4: KZN in the South/Southern African and Global Context



The global economy has undergone significant change in the past decade. Growth has been driven by new technological production processes and global trading markets, shifting economic and financial systems, as well as the impact of climate change.

Global production markets have been driven largely by the development of new production processes and sophisticated supply chains. South Africa, and specifically KwaZulu-Natal, has not kept in pace with these global changes which has led to a relative decline in productivity. This is partially due to a lack of

investment (domestic and foreign) which has seen a reduction in investment into new technology, equipment and machinery, and skills.

In addition, there has been a substantial shift in economic power towards emerging Asian economies. High levels of growth and production achieved by countries such as China have placed pressure on countries who seek to compete in international markets. Additionally, many European countries now face increasing pressure to reduce government spending in an effort to balance trade accounts and reduce public debt. These shifts have had a major impact in that new trading partnerships are being formed. South Africa has recently entered the BRICS agreement, and therefore seeks to strengthen its relationship with other BRICS nations. Additionally, there is expected to be a global shift towards investment into Africa in the next decade, and the province must ensure that the correct fundamentals are in place to take advantages from this and other global economic shifts.

Climate change has altered the way in which countries view economic growth, in that nations are increasingly being held accountable regarding their carbon emissions and thus must explore cleaner sources of energy. This has caused a shift towards new 'green' production processes and renewable energy generation, and a new way of thinking with regards to economic growth and development planning. The relevance for South Africa and KwaZulu-Natal lies in the need to invest in new renewable energy sources, and to attract investment that applies green principles and employs 'green' technologies. This also has major implications for the province in that food security, as well as sustainable resource management will have an ever-increasing role to play, and the province needs to position itself to take advantage of the opportunities presented by moving towards a green economy.

KwaZulu-Natal's role in the broader integration of South Africa into the African and global economy is set to grow. This is largely due to the Province's location, ports and infrastructure which position KZN as a gateway to Southern Africa. This position has been strengthened through further developments such as the, Dube Trade Port aerotropolis. Therefore, in its' long-term development planning, KwaZulu-Natal must be mindful of both the impact of and the opportunities in growing linkages with southern Africa and Africa as a whole.

In terms of the global economy, the National Planning Commission reports that in the short term, the impact of the recent international downturn will continue to affect South Africa's large trading partners in Europe and North America. In the longer term, however, it is likely that a substantial shift in global

economic power will continue with rapid growth in Brazil, Russia, India and China and other middle-income countries. These changes will have significant direct implications for South Africa's economy as well as for the wider African region.

It is noted that Sub-Saharan Africa has posted strong rates of economic growth in recent years, although much of this growth is off a low base. If current trends continue, South Africa's regional dominance will decline over the planning period. Already, competing sub-regional development poles are emerging in Nigeria, Angola and the East African community.

KwaZulu-Natal's development strategy over the next 20 years must therefore carefully select the economic and development drivers which will enhance the benefits of growing integration into Africa and the global economy. Trade and tourism will remain the lead instruments of this integration process, but many new areas of opportunity must also be fully explored and developed. As a major manufacturing hub, KZN business has new opportunities for export into Africa. Already some of the leading sectors in the local economy, such as the automotive, aluminium smelting and sugar manufacturing, are highly integrated into the global economy, and need to stay globally competitive. Many further opportunities for new global integration are developing for the commercial sector, information and communication technology sector, and many sectors related to human and community development. This new context provides challenges but more importantly new opportunities. Africa, as an emerging and growing economic block, and as a voice for development and greater global equity, is set to rise. KwaZulu-Natal, as a leading province of South Africa, must rise too. That is one of the key challenges of the new KwaZulu-Natal growth and development strategy.

## 2.2 The Physical Landscape

In terms of land size, KwaZulu-Natal is the third smallest province in South Africa and well endowed with natural resources: soil for cultivation, water resources, animal and birdlife, and scenic attractions. The Province possesses an impressive range of diverse natural resources: favourable variation and combinations of bio-resources lend themselves to varied agricultural production, tourism and potentially healthy living environments. However increasing demand coupled with population and economic growth is leading to increasing pressure being brought to bear on these natural resources.

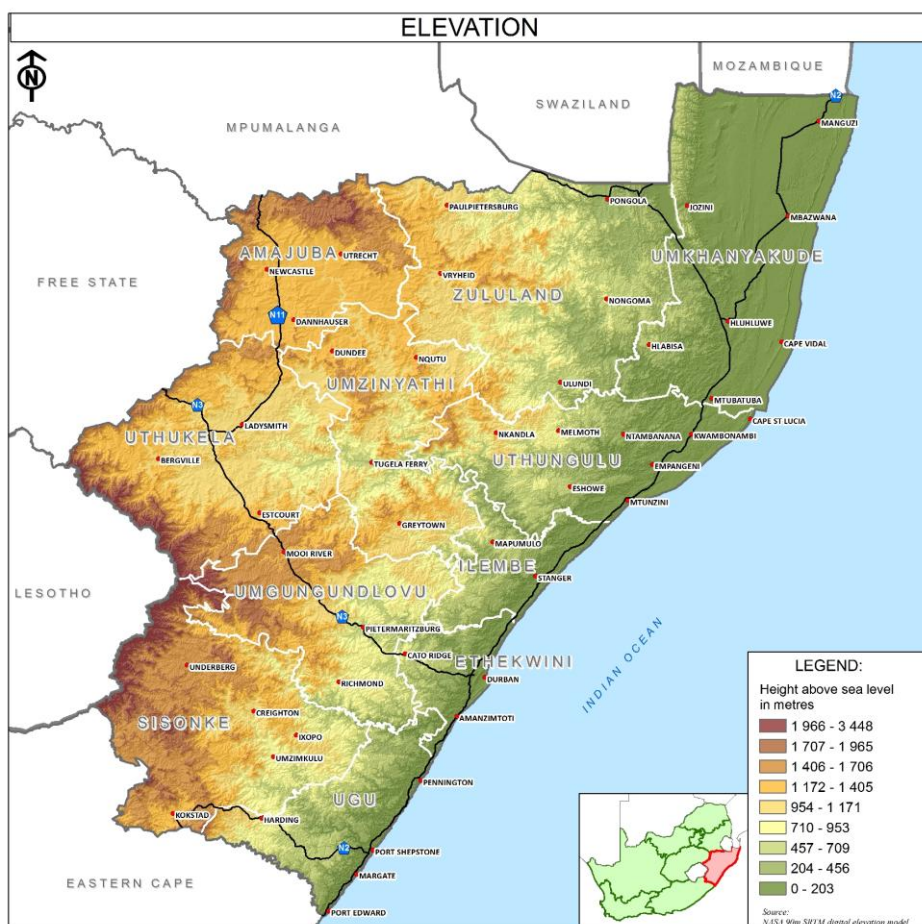


The topography of undulating coastal plains, the rugged broken terrain of hills and precipitous mountain landscapes – moving from coast to inland areas – result in considerable ranges of temperature and rainfall and these factors contribute to the diverse and attractive natural resources.

The geological formations of the Province run roughly north to south across an eastern-sloping terrain while the river systems run west to east, resulting in deeply incised valleys, cutting through the geological layers. With this great variation in topography, climate and geology, one could expect a wide variation in soil patterns and this is indeed so.

In turn, the vegetation is affected by the changes in topography, rainfall and soils. Bushveld, forest, tall and short grass-veld and corresponding soil depths contribute to the natural variety in the Province.

Figure 5: KwaZulu-Natal Elevation Map



The rivers, dams and freshwater sources within KwaZulu-Natal account for almost 40% of all the water within South Africa. However, the quantity of surface water is under pressure due to the demands by forestry, irrigated agriculture, domestic and industrial users, all of which lead to the decreasing ecological health of water sources.

KZN has three main Water Management Areas (WMA) from north to south:

- Phongola - Mhlathuze WMA

This WMA is stressed in as far as certain of the catchments within the WMA are concerned, but still have some potential as the Mfolozi Catchment within the WMA is fairly "un-dammed" at the moment.

- Thukela WMA

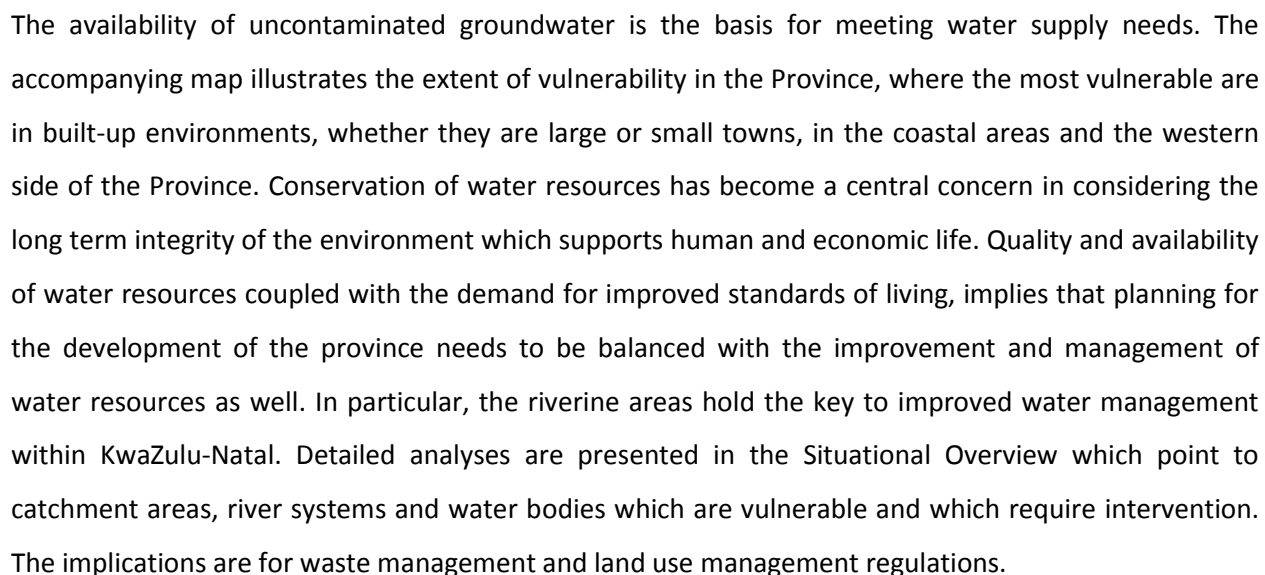
The Thukela WMA still has surplus water available and also has potential to be developed further with additional damming.

- Mvoti - Mzimkhulu WMA

This WMA is stressed in as far as the Mvoti, Mgeni and most of the smaller coastal catchments are over developed, but still have potential for development on the un-dammed Mkomazi and Mzimkhulu Rivers.

Water demand thus exceeds availability in two of the three Water Management Areas in the Province (Phongola and Mvoti-Mzimkhulu). These areas thus become susceptible to drought. Poor catchment management, water abstraction, invasive alien species and climate change further threaten the water resources of the province. The declining water table is also cause for concern. Within KwaZulu-Natal are 400 000 km of river frontage and this is where the largest impact on the extraction and pollution of water occurs.

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The Department of Water Affairs is finalising the so called "All Towns Water Reconciliation Strategy" studies for KZN. This will give a clear indication of areas where demand and supply may be of concern.

Pressures for urban settlement, economic growth and associated infrastructure result in the permanent loss of prime arable land. In addition, declining returns from agriculture is driving farmers to sub-divide and transform their land to other more profitable, non-farming uses and there is an alarming decline in the area of high potential land which is under cultivation.

Notwithstanding KZN's rich natural resource base, the fertility of arable soils has declined as a result of continual, unsustainable agricultural production methods that removes nutrients and causes other impacts such as soil acidification and compaction. This results in increased production costs.

In reviving agriculture, there is an acknowledged need to explore and establish innovative agricultural approaches and to support cultivation for targeted niche markets. Besides producing for food security at the level of households, there is the need to support efforts to grow products for wider domestic use and for lucrative African and northern hemisphere markets.

KwaZulu-Natal is rated as one of the two Provinces within South Africa with the most serious levels of land degradation. The area of eroded land in the Province increased by 57% from 1994 to 2000, a problematic situation caused largely by poor land management and overgrazing. The particular topography and climate of KZN combine favourably in the formation of our catchment areas; however the steep inclines, shallow soils and rainfall patterns also, combine into highly erosive forces. Such considerations make it essential to raise awareness of and to entrench sustainable agricultural practices.

Because of the province's well-endowed natural resource base, there is great potential to develop alternative energy resources which will set off related economic and job creation benefits.

Coal mining contributes a small percentage to the province's economic output; however there are large communities which have grown around the coal mining industries and commercially viable coal mining is decreasing at an alarming rate. The result of closing mines is migration and concomitant large populations of urban poor. Mines abandoned for commercial reasons pose threats of acid drainage and contamination of water courses. The need is to rehabilitate abandoned mines and / or to establish new mining operations with new technologies.



New mining activities, for example, mineral extraction from coastal dunes might impact on the environmental quality and amenities and compete with conservation, tourism and lifestyle development options – especially serious because these deposits frequently occur on the popular tourist routes.

In summary, the physical landscape suggests that there is a need to entrench a balanced approach to exploitation and management of the natural resources available in the Province. These challenges and opportunities include the following, namely;

- Quantity of surface water available is declining.
- Quality and decreasing ecological health of water sources.
- Land degradation from natural and human causes - erosive weather patterns and unsustainable land use patterns.
- Declining amount of arable land available for agricultural production.
- Improve the management of water catchment areas – through regulation and through education and establishment of sustainable water use techniques in communities close to water sources.
- Opportunity to establish comprehensive awareness-raising and training programmes regarding sustainable land-use, agricultural production and land-care techniques.
- Opportunity to expand agricultural production: explore innovative and sustainable agricultural approaches within the commercial farming sector and the subsistence and small-scale farming sectors.
- Opportunity to rehabilitate abandoned mines and / or establish new mining operations with new technologies.
- Opportunity to harness natural resources for feasible production of renewable energy.

Clearly the most pressing issue for a new growth and development strategy is to develop and implement a comprehensive response to the challenge of climate change, as KZN is likely to be significantly affected as the impacts of climate change are increasingly felt by the land and its people in the form of extreme weather conditions, storms, drought, floods and rising sea-levels.

## 2.1 The Environmental Landscape

At this point in South Africa's development – where the main thrusts of development have occurred on the back of natural resources, and indeed where future development also hinges on the preservation of current resources, it becomes vitally important to use and preserve resources correctly.

Recent studies have revealed that KwaZulu-Natal is both largely dependent on its natural resources for growth and development, and we are arguably the province most vulnerable to environmental degradation from both human and external factors such as climate change and variability.

KwaZulu-Natal's 640km of coastline coastal environment is under threat from increasing demand for facilities for shipping and mining. Exploitation of KZN's coastal resources is mounting with the growing global demand for seafood products which is a strong economic inducement for development of fisheries.

There are four designated Marine Protected Areas along the KwaZulu-Natal coast. Current Protected Areas do not meet the minimum requirements necessary for the protection of estuaries or fish and there are no open or deep water Protected Areas.

The productivity of the land in KwaZulu-Natal is constantly being affected by land use change and land degradation resulting in long term threats. The province however, still has the potential to ensure food security for its vulnerable rural communities, for its' growing urban populations as well as potential to produce surplus for export. This will require effective and sustainable land management.

The varied nature of KZN natural resources will lead to variations in the type of farming and levels of production throughout the Province. The accompanying maps indicate areas which have sub-tropical climates: high summer temperature and rainfall - which bode well for agricultural production.



Figure 7: KZN Summer Temperature Maximum Averages

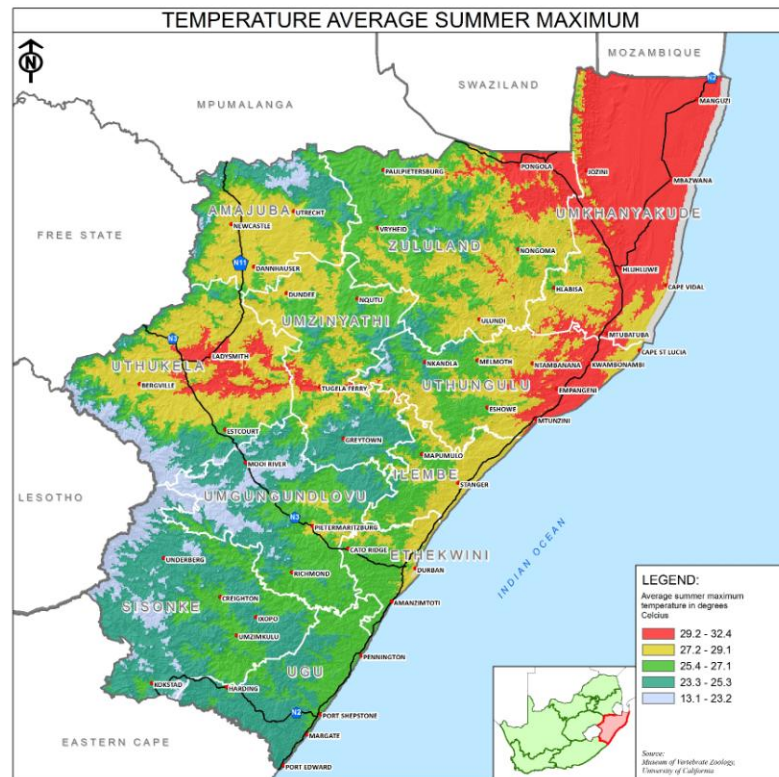
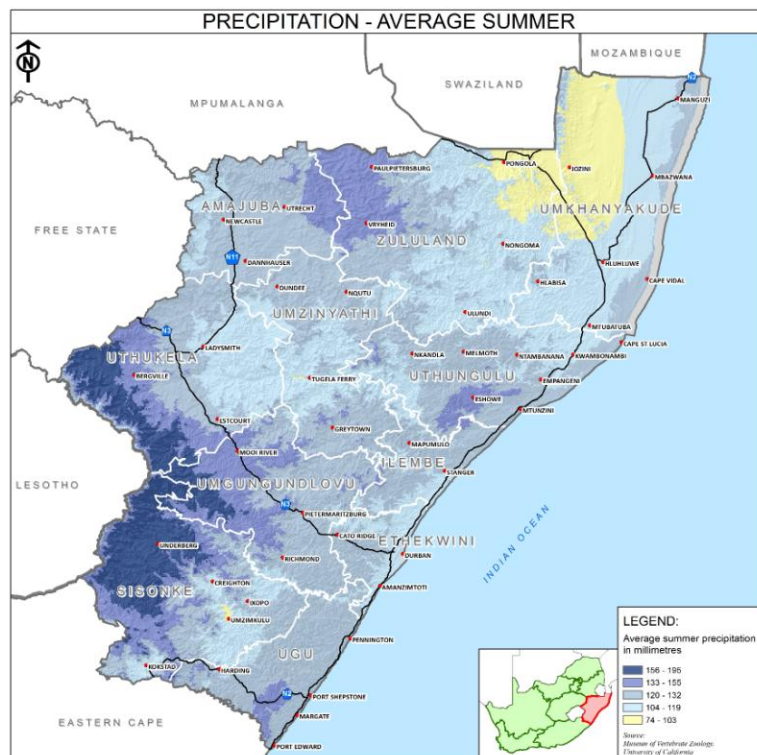


Figure 8: KZN Summer Rainfall Distribution



These climatic conditions coincide over fairly large portions of the province: in the north western, central and southern regions – which are also the least developed areas – making an agricultural economy an attractive option.

It is anticipated that Climate Change will have a significant impact on weather variability and agricultural production within KwaZulu-Natal which will in turn impact on the most vulnerable rural communities. The remedies are to be sought in effective conservation measures, responsiveness to climate changes with regard to choice of agricultural production techniques and products, in planning / implementing judicious water management practices and in preparedness for extreme weather conditions.

KZN boasts two world heritage sites, iSimangaliso Wetland Park and the uKhahlamba Drakensberg Park. The iSimangaliso site consists of thirteen contiguous protected areas with a total size of 234,566 hectares. The site is the largest estuarine system in Africa, comprising the following: large numbers of nesting turtles on the beaches; the migration of whales, dolphins and whale-sharks off-shore; and huge numbers of waterfowl including large breeding colonies of pelicans, storks, herons and terns. The Park's location between sub-tropical and tropical Africa as well as its coastal setting has resulted in exceptional biodiversity including some 521 bird species.

The uKhahlamba site (243 000 ha) includes a wide diversity of habitats and protects a high level of endemic and globally threatened species, especially birds and plants. The Drakensberg is one of the best watered, least drought-prone areas of southern Africa, and has particular significance for catchments protection and the provision of high-quality water supplies for surrounding communities; a number of rivers originate from the park as well as being one of the most important archaeological areas in southern Africa.

These heritage sites are vitally important for the regeneration of natural resources and their value for eco-tourism is clear.

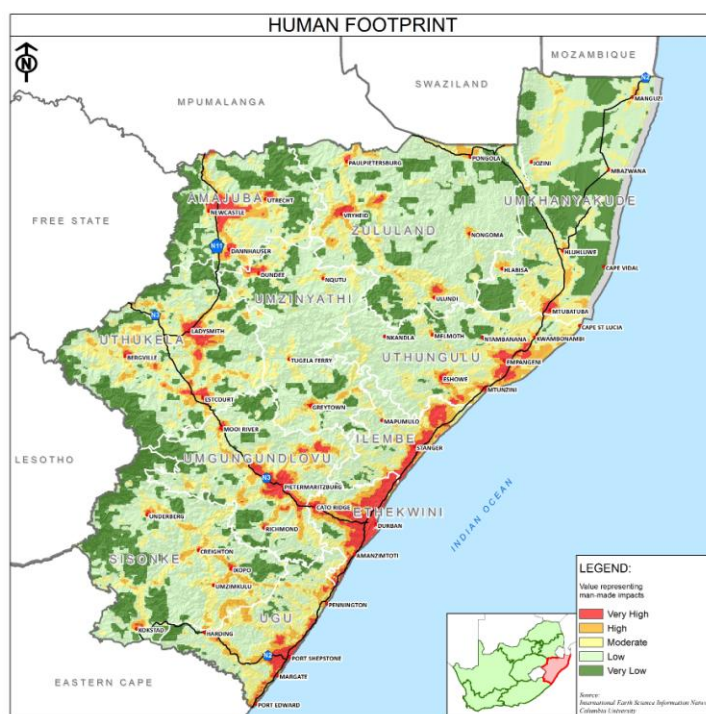
Although various public and private role-players are actively dedicated to protecting and managing the balance between biodiversity and development within KwaZulu-Natal, these efforts are still widely un-coordinated and will need to be addressed to achieve a singular effort towards integrated sustainable development. This becomes particularly important, considering that KZN has borders with other provinces and other countries. There are numerous environmental committees tasked to manage and



promote the protection of specific environmental aspects, which should be included and consulted, to assist, or be provided with capacity to monitor environmental status.

The Province does not currently generate its own electrical power and the economy is of a coal-based energy-intensive nature. The growth and development of KwaZulu-Natal is believed to require much greater self-sufficiency in its electricity production and fortunately, its unique environment can be harnessed for the production of electricity from alternative and more renewable resources. The province has some of the highest hydro-electrical potential within South Africa due to the velocity of the water flow in its rivers as well as the escarp of the Drakensberg providing the best localities. Both macro and micro hydro-electricity production has significant potential in the province. Other forms of alternative energy production such as wind, solar and biomass generation have also shown potential within the province and should further be analysed and planned for.

Figure 9: Current Human Footprint within KZN



From a spatial planning perspective it is vital to consider current and future pressure of human activities and development on the environment and resources. The Human Footprint depicts human impact on the environment and is related to population density, infrastructure investment and economic activities.

The most intensive interaction between humans and the natural environment is around the movement corridors the N3 and the N2 – impact is classified as very high.

KwaZulu-Natal faces two critical environmental challenges, namely the effects of climate change, as well as the environmental degradation within the province. Most of the ecosystems within the province are deemed to be vulnerable to degradation from human activity while ecosystems within the most populated coastal areas are increasingly endangered. On the other hand, KZN has climates and natural resources to support sustainable agriculture and tourism.

The challenges and opportunities include the following, namely;

- Responsiveness to climate change requires:
  - Disaster management plans and implementation readiness.
  - Choice of sustainable agricultural production techniques and judicious water management practices
  - Measures to monitor and preserve natural resources – need for committed institutional capacity and coordination.
- Alternative energy potential: KZN does not generate its own electrical power and the economy is of a coal-based energy-intensive nature. Opportunity to develop renewable power sources to appropriate scales – drawing on the natural resources of fast flowing water, wind (especially at sea) and smaller-scale solar radiation.
- The degradation of natural resources is a serious concern in SA and internationally.
- Opportunity to develop the agricultural sector. Need technological inputs, information for awareness, training and support - regarding the matching of crop and animal requirements with the production potential of the natural resources.
- Sound ecologically-based development planning and land-use management required in agriculture, infrastructure construction, and human settlement development and in the survivalist strategies employed by rural and urban communities.

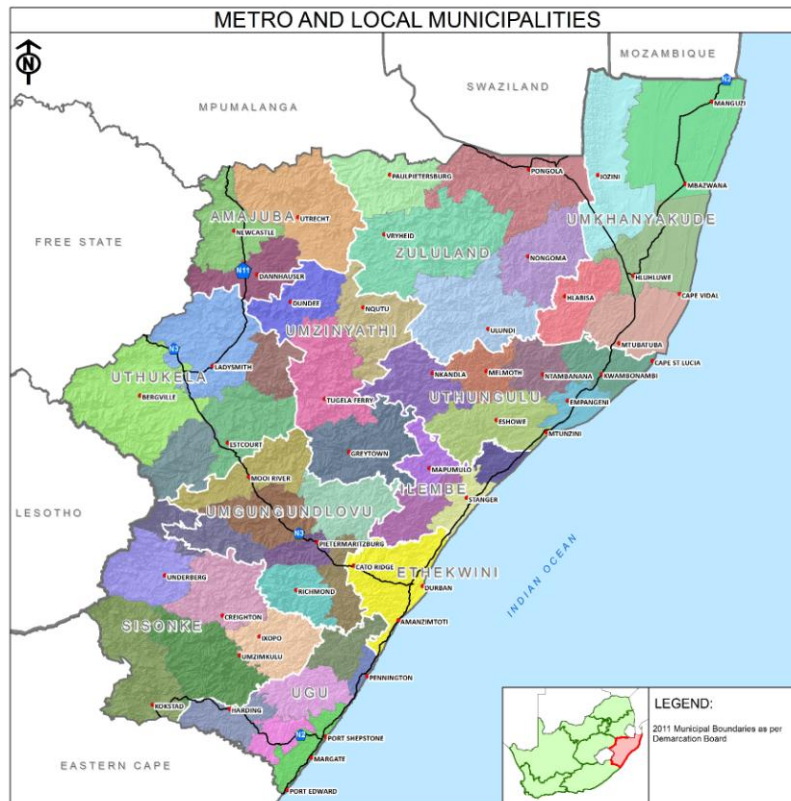
## 2.2 The Administrative Landscape

In terms of governance, KwaZulu-Natal has a complex environment. For the growth and development strategy process, the following key features of the governance framework, and the inter-relationship between these features, become relevant:

### **Municipal structures:**

- The metropolitan municipality of eThekweni as the most strategically important node for KZN
- 10 District Municipalities which are meant to provide bulk services, as well as coordinate and support local municipalities;
  - Amajuba District Municipality
  - iLembe District Municipality
  - Sisonke District Municipality
  - Ugu District Municipality
  - uMgungundlovu District Municipality
  - uMkhanyakude District Municipality
  - uMzinyathi District Municipality
  - uThukela District Municipality
  - uThungulu District Municipality
  - Zululand District Municipality
- District Municipalities have further administrative sub-entities: 50 Local Municipalities with varying degrees of powers and functions, viability and capacity to fulfil their developmental mandate,
  - Municipal Classification/Grading
  - Municipal Capacity
  - Municipal ability to generate revenue
  - Water Boards
  - Water Services Authorities
  - Electricity Providers

Figure 10: KZN District Municipalities and Metro



## Provincial and National Structures

- A Provincial government administration with 16 separate departments

- |   |                                   |
|---|-----------------------------------|
| 1. Agriculture, Environmental Affairs and Rural Development | 3. Economic Development & Tourism |
| 2. Arts & Culture   | 5. Health                         |
| 4. Education  | 7. Office of the Premier          |
| 6. Human Settlements  | 9. Provincial Treasury            |
| 8. Legislature  | 11. Community Safety & Liaison    |
| 10. Royal Household   | 13. Sport & Recreation            |
| 12. Social Development                                      | 16. Public Works                  |
| 14. Cooperative Governance and Traditional Affairs          |                                   |
| 15. Transport   |                                   |

Provincial Government Departments: develop and facilitate implementation of plans to develop all of the areas of KwaZulu-Natal, working collaboratively with other spheres of Government and relevant agencies. The work of these departments is coordinated mainly through the 4 Cabinet Clusters:

- Economic Sector and Infrastructure Development
  - Social Protection, Human and Community Development
  - Governance and Administration
  - Justice, Crime Prevention and Security.
- A number of national departments who implement their programmes locally,
  - A number of key national state-owned enterprises such as Transnet and Eskom, as well as regionally-based water boards
  - Provincial public entities providing specialised capacity and support to the Province, to local government and to civil society in their respective fields of mandate. Some of the key public entities which are particularly relevant to growth and development planning, include:
    - Ezemvelo KZN Wildlife
    - Ithala Development Finance Corporation
    - KZN Tourism Authority
    - KZN Agricultural Development Agency
    - Amafa Heritage KZN
    - KZN Growth Fund
    - Trade and Investment KZN
    - Dube Tradeport Corporation

These entities report to the Provincial Legislature through their respective parent departments, but in many cases develop independent strategies and structures for planning and coordination of their work with relevant municipalities and/or other institutions.

### **Provision of Water Services**

“Water Service Authorities” - the district municipalities hold the status of “water service authorities”, along with the local municipalities of Ethekwini, uMhlatuze, uMsunduzi and Newcastle.

Water Services Boards established by National Government: Umgeni Water (southern KZN & Midlands areas), Mhlutuze Water (northern KZN) and the uThukela Water Board appointed as a Municipal Entity (north western KZN).

### **Provision of Electricity**

25 local municipalities are holders of electricity distribution licenses. They are responsible for the onward distribution/sale of electricity from Eskom (the national electricity supplier) to the areas within their jurisdiction.

For other municipal areas, Eskom is the direct supplier to consumers, and uses its own planning and financial frameworks to decide on prioritisation of reticulation of electricity supply to un-serviced areas.



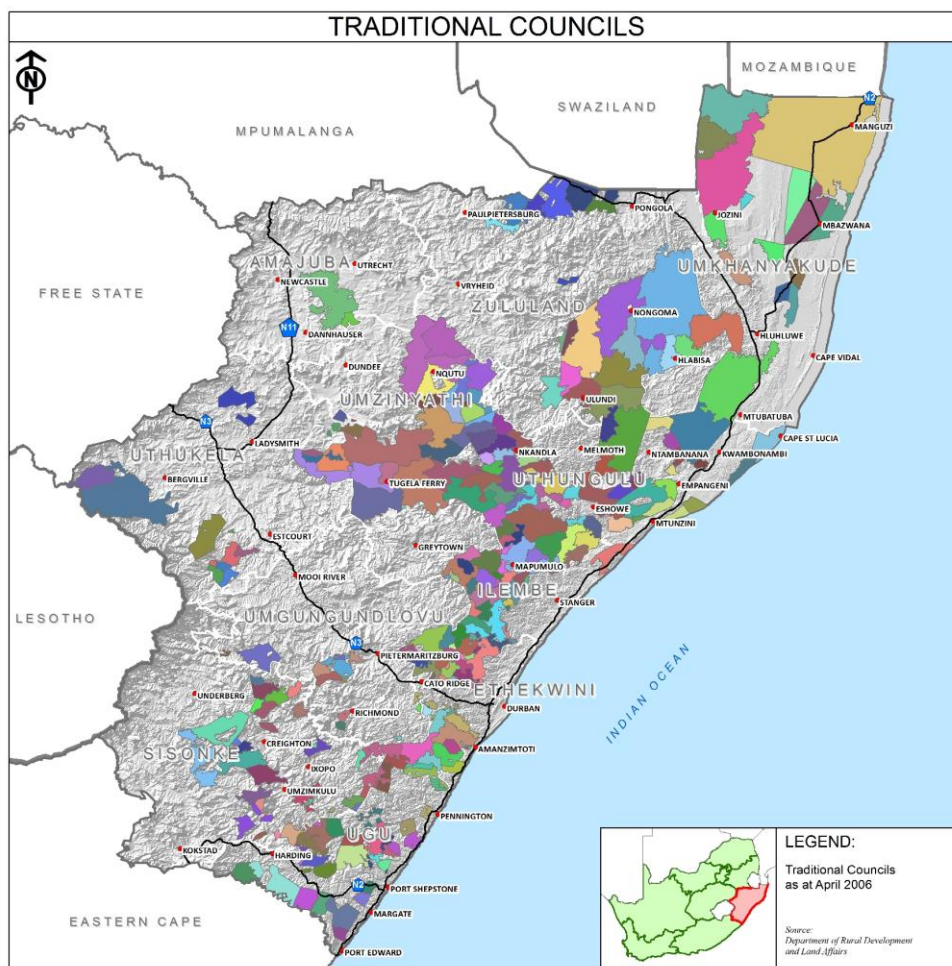
## Provision of Housing

Each local municipality is mandated to plan housing development and to then liaise with the Provincial and National departments of Human Settlements to have these proposed developments approved and funded. Often such developments are done without a properly integrated plan for the provision of other key services, such as appropriate roads, water, sanitation and electricity provision plans being in place.

## Traditional Councils

- A KwaZulu-Natal House of Traditional Leaders and eleven local houses of traditional leaders (at District level) and 265 traditional councils at local level.

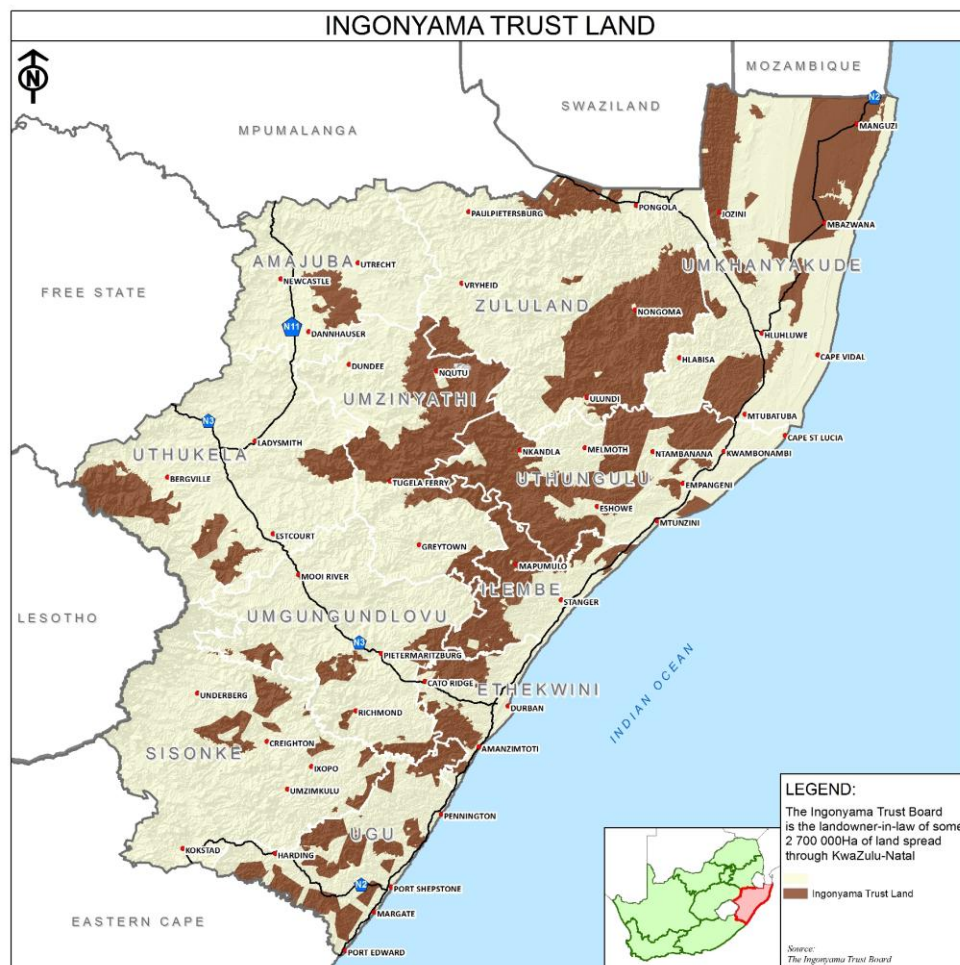
Figure 11: Traditional Councils in KZN





- The Ingonyama Trust Board, appointed custodian of traditional land, holding about 40% of the land of the Province

Figure 12: Ingonyama Trust Land within KZN



- KwaZulu-Natal shares borders with Mozambique, Swaziland and Lesotho, with transfrontier conservation/tourism parks and related structures in place.

- Local Economic Development Agencies: established by a number of local and/or district municipalities. Mandated to promote inward investment and local economic development. Some of these include :
  - Durban Investment Promotion Agency (Ethekewini Metro)
  - Enterprise Ilembe (Ilembe District)
  - Hibiscus Coast Development Agency (Hibiscus Coast Municipality)
  - Umhlosinga Development Agency (Umkhanyakude District Municipality)
  - Midlands Investment Initiative (Umgungundlovu District Municipality)
- Many districts and local municipalities also have local tourism promotion agencies which work with the local private sector to promote tourism in their respective areas.
- Additional support for development is given to municipalities through KwaZulu-Natal Local Government Association (Kwanaloga).
- From national level, support is also given, albeit in an inconsistent manner, by agencies such as the Development Bank of Southern Africa (DBSA) and the Industrial Development Corporation (IDC).

In summary, the Administrative landscape challenges and opportunities include the following, namely;

- Disjuncture between the alignment of municipal Water Service Authorities and the National Government's Water Services Boards.
- Disjuncture in electricity provision from bulk supplier to end user: planning and funding is disjointed.
- Inconsistencies and lack of integration in planning human settlements and their core services. Need to integrate levels and spheres of government, service and support institutions and communities' requirements / expectations.



- The Premier's Coordinating Forum: Premier of the Province, mayors and municipal managers of all municipalities promotes shared vision and commitment to collaboration between Provincial and local structures and leadership.
- Within each District: provision for the establishment of District Co-ordinating Fora at both political and administrative levels. The functionality of these structures varies from district to district.
- Local Government Turnaround Strategy – to address serious capacity challenges at provincial and local government spheres.

The National and Provincial Departments of Cooperative Governance and Traditional Affairs have detailed assessments of these capacity problems and a number of initiatives are being explored to address the capacity problems. Need to integrate and monitor these programmes through intergovernmental mechanisms.

The urgency of a comprehensive local government capacity building programme cannot be underestimated. A PGDS will ultimately only be as meaningful as the ability to implement it at the local municipal level and thus this must take a place of priority in the PGDS.

Strengthening the relations between local municipalities and traditional councils in their respective areas is critical. Given that such a large proportion of the land under rural municipalities is under the custodianship of the Ingonyama Trust and traditional leadership, it is imperative that more effective systems and processes for integrating municipal planning and service delivery in Ingonyama Trust areas be developed. In turn there is a need for enhancement of the participation of members of traditional councils in the processes of municipalities.

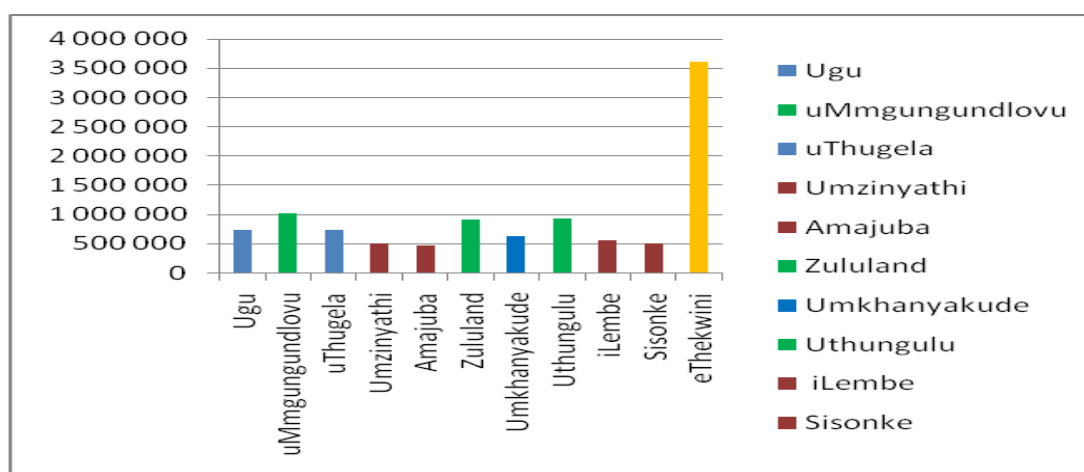
Hence, the very complex and multi-institutional nature of governance in the province, and the enormity of the service delivery challenges that exist, mean that the PGDS must seek to propose new pragmatic mechanisms to improve integration amongst the planning and implementing institutions active at provincial and at local spheres. These mechanisms must be formulated on the basis of the priority initiatives which the PGDS will identify so that the methodologies for the integration of planning and for partnerships in implementation are focused on a joint action agenda of all the existing institutions of governance in KwaZulu-Natal.

## 2.3 The Demographic Landscape

### Population statistics

- Most populous province in the country, hosting 10 645 509 people: more than 21% of South Africa's population. Not merely a statistic but a valued fact: people are a key asset to growth and development as both contributors and as beneficiaries.

Figure 13: KZN Population per District

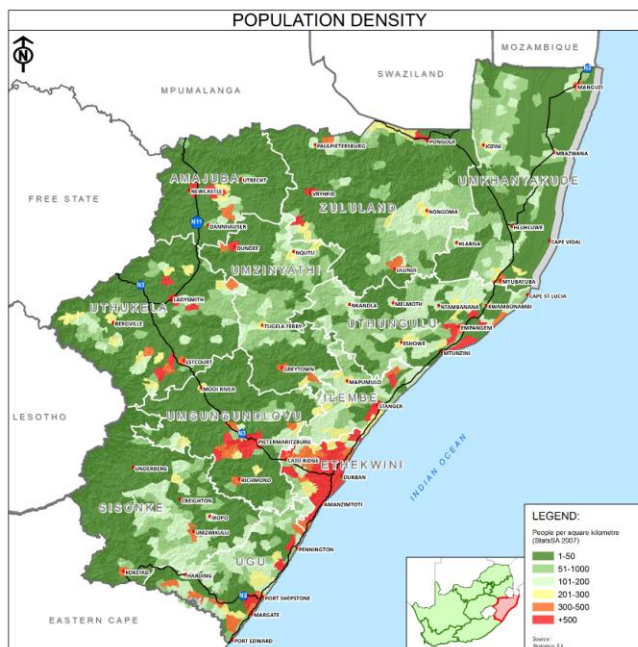


- Population breakdown per municipality: eThekweni is by far the most populous area, followed by uMgungundlovu, uThungulu and Zululand. The least populous are Umzinyathi, Sisonke and Ilembe and Amajuba.
- 85% of population is African;
- From 2000 to 2009 KwaZulu-Natal's share of the national population has increased from 20.9 percent to 21.3 percent. However, population growth rate has decreased from 0.47 percent to 0.28 percent.
  - Adult life expectancy at birth in the province has dropped from 53 years in 1996, to 51.6 in 2000 to 43 years in 2009.
  - High adult mortality rate predominantly due to HIV infections.
  - Lower fertility rates have led to a declining population growth rate: in KZN population.

Figure 14: Population Density

### Population Density

- 52% of population in the 7 municipalities making largest contribution to KZN Economy;
- 48 % of population living in areas where economic development has not been performing;
- Dispersed rural settlements on Ingonyama Trust Land;
- 54% of the population living in rural areas.
- Women and school children majority in rural KZN;
- Need to accommodate an additional 3.6 mil people in urban environment by 2030 of which 85% will migrate to eThekweni if the current situation prevails.



Furthermore, the fact that Kwazulu-Natal's population is predominantly rural with 54% of the population living in rural areas makes it one of the most rural provinces in the country and this puts considerable pressure on provision of social services and infrastructure on which economic growth and development relies.

The highest concentration of population densities is found within the eThekweni and Mzunduzi complexes, followed by the Newcastle and Umhlathuze complexes. A third level of density concentrations is also evident in the areas of Emnambithi, Hibiscus Coast and KwaDukuza. In general, the highest population densities are recorded within the coastal regions.

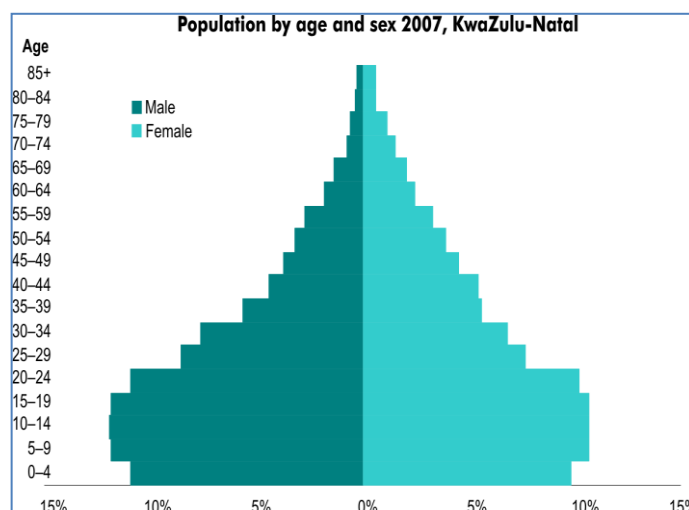
The most densely populated areas described above, also represent the areas where the highest number of social challenges including lack of access to services such as education, markets, health care, and lack of services including water, sanitation, roads, transportation, and communications occur. Evidently the concentration of people in these areas generates additional pressures on all these services and requires adequate local and provincial responses.

Figure 15: KZN Population by Age and Sex

### Population Age Distribution

0-4 years: 1.1 million 11%  
 5-19 years: 3.4 million 34%  
 20-64 years: 4 million 50%  
 65+ years: 0.5 million 5%

- Fewer 0-9 year olds than 10-14 year olds – high infant mortality – lack of health services.
- More males between the ages of 0 and 19 than females, while there are significantly fewer males than females over 40.



### Population Growth and Mortality

KwaZulu-Natal's share of the national population has increased from 20.9 percent to 21.3 percent although our population growth rate has decreased from 0.47 percent to 0.28 percent. This illustrates the challenges KZN must rise to relative to the rest of the country.

Adult life expectancy at birth in the province has dropped from 53 years in 1996, to 51.6 in 2000 to 43 years in 2009. (Actuarial Society of South Africa Model; 2005 and Institute of Race Relations, South Africa report 2009).

Researchers attribute this high mortality rate predominantly to HIV infections. Further, researchers say the spread of HIV/Aids as well as lower fertility rates has led to a declining population growth rate: in KZN Population Growth rate is 0.28 % a 2010 estimate, showing a decline from previous years.

Statistics SA report that KZN has 15.8% of the population infected with HIV/AIDS. This increased from 15% in 2005 (Global Insight Poverty Indicators).

Being the leading province in both the prevalence and incidence of HIV and AIDS and tuberculosis, any social sector development strategy for KwaZulu-Natal should take into account and devise intervention mechanisms to halt these afflictions that both deplete and incapacitate its stock of human capital.

### Migration Patterns

Outward migration: significant outflows towards Gauteng, the Western and Eastern Cape and Mpumalanga. Serious detrimental effects: brain drain and skills shortages in rural areas.

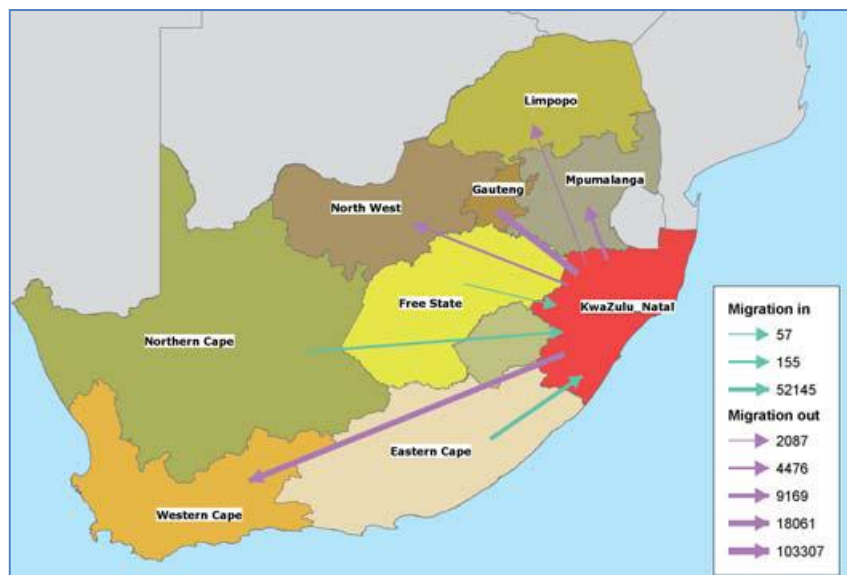
- Migrants often retain close links with families and dependants and continued flows of remittances help local communities.
- Migration is usually for economic reasons and is often non-permanent, resulting in the sending of remittances to the area of origin

Inward migration to KwaZulu-Natal: only the Eastern Cape is a significant source of net migration into the province.

Figure 16: Nett Migration Patterns

- can be a source of vital skills and expertise,
- also increases the demands on basic services which, if not catered for, can exacerbate current service delivery problems.

Net migration figures for KwaZulu-Natal, the total number of immigrants from other provinces (minus the number of emigrants). From this we can see that KwaZulu-Natal is a net exporter of people and skills to the rest of the country.



## 2.4 The Social Landscape

The Social Sector analysis reflects that there are different challenges in the province related to different types of social issues. Social issues can be classified into three primary categories:

- Quality of life (poverty alleviation; sustainable livelihoods; and socio-economic mobility)
- Social necessities (health; education; sports, arts and culture; and sustainable human settlements)
- Social relations (youth development; social cohesion; gender issues and the advancement of women)

These issues have been identified as afflicting the province in different measures over different social groups and spatial spread.

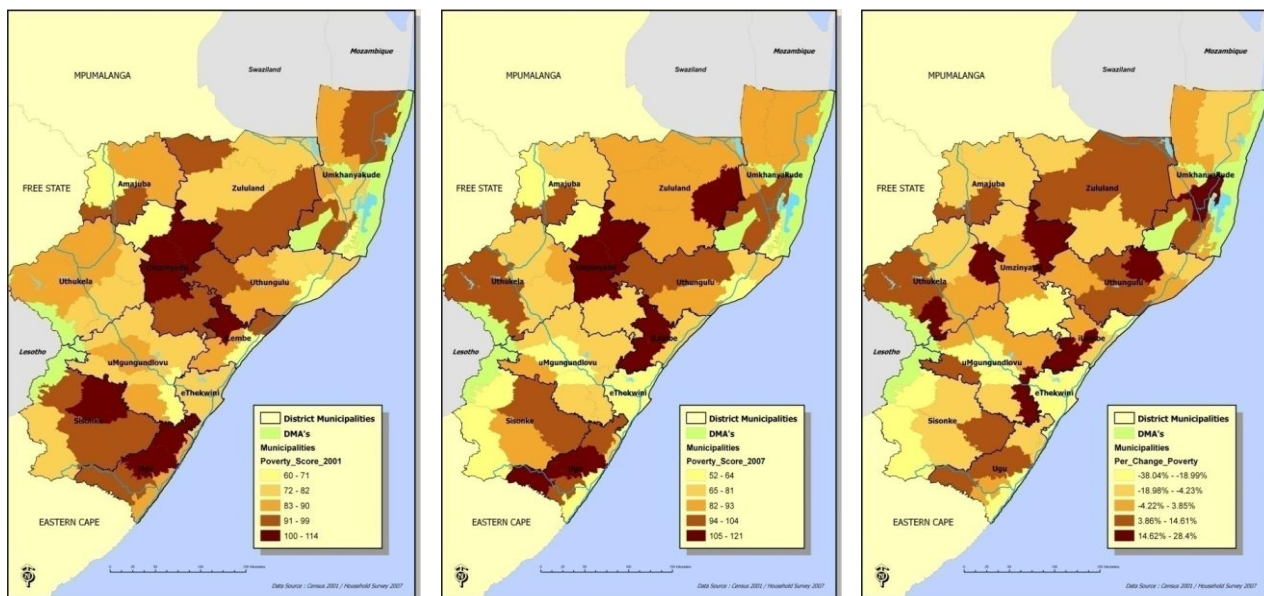
### Poverty Levels

Poverty is a localised challenge affecting households in the most basic ways. At a provincial level it is, however, possible to express poverty as a percentage of the population which are living under the official poverty line: living on less than US\$1 a day (approximately R6.5 a day or R200 a month).

Unemployment is of course, a significant contributor to poverty. Unemployed poor people in KwaZulu-Natal are concentrated among Africans, in rural areas, among women and the youth. Global Insight Poverty indicators reveal for 2005 that in KwaZulu-Natal:

- 5.3 million people were living in poverty and 1.2 million people were living on less than US\$1 a day (R6.5 a day or R200 a month),
- The estimated poverty gap is Rbn18.3 (the amount required to raise the income of the above-quoted 5.3 million people to the poverty line),

Figure 17: A Summary of Trends in the Composite Deprivation Index for KZN



EThekweni Metro showed a significant decline in Deprivation Composite Analysis, an estimated (19% decline) as compared to others districts. Uthukela District municipality shows an increase in Deprivation Composite Analysis by an estimated 9.6%. The western part of Umzinyathi declined on this measure during the time period whereas uThungulu worsened, as did the central parts of uMkhanyakude.

The highest poverty to population ratios were recorded within the districts of uMkhanyakude, Zululand, uMzinyathi and Sisonke. Large portions of Amajuba, uThukela and Ugu Districts however also recorded poverty levels of more than 80% in 2001.

During 2001 – 2007, eThekweni Metro showed a significant decline in Deprivation Composite Analysis over this time period – an estimated 19% decline as compared to other municipalities. uThukela District on the other hand, shows an increase in this measure of poverty by an estimated 9.6%. The western parts of uMzinyathi declined whereas uThungulu and central parts of uMkhanyakude generally worsened 2001 – 2007.

## Health

Despite high levels of government spending in health and welfare, the quality of life as impacted upon by poverty and the high burden of diseases has not been relieved - high levels of mortality and decreasing life expectancy are still the norm.

The initiatives within the KZN Social Sector Cluster Flagship Programmes, Sukuma Sakhe, acknowledge that the province has the highest burden of diseases associated with underdevelopment and poverty, among them HIV&AIDS and Tuberculosis (TB), which have been identified as the top causes of mortality in the Province. It is estimated that 1 in every 3 females in the sexually active age group in the province is HIV infected, and while the provincial HIV/AIDS prevalence is the highest in the country, estimated at close to 16%, this prevalence is estimated to be more than double in densely populated and poor areas. The prevalence of TB is estimated at 1 054 cases per 100,000, making it more than five (5) times higher than the levels deemed acceptable by the World Health Organisation. Life expectancy in the Province has decreased from 53 years in 1996 to 47 in 2005, and estimated to be much lower in 2010.

Key indicators on population health such as infant and adult mortality rate are unacceptably high in KZN and point to the issues which need addressing. The crucial aspects of primary health care programmes are absent from the repertoire of medical services in KZN: immunisation programmes, nutrition programmes, accessible services.

KZN's disease burden also tests our performance on health provision and a serious set of challenges lies in this field.

The strength or otherwise of the mental and emotional health of KZN population deserves attention as well - the broad definition of health needs to be more inclusive with attention paid to accessibility of services for a wide variety of vulnerabilities.

**Table 2: KZN Provincial Overview of Health**

<b>Provincial Overview: Health</b>		
<b>Key Indicator</b>	<b>2008</b>	<b>2009</b>
<b>Adult mortality rate</b>	72%	71%
<b>Under5 Mortality rate</b>	90%	88%





<b>Immunization coverage children U1</b>	83%	83%
<b>Proportion of HIV+ women attending antenatal clinics</b>	39.1%	39.9%
<b>Total HIV infections</b>	1,560,573	1,572,457
<b>AIDS related deaths</b>	115,483	115,716
<b>New Infections 2009/2010</b>	131,858	
<b>TB cases reported</b>	105,705	118,162
<b>Public sector Doctors per 100,000</b>	35	
<b>Public health professionals vacancy rate (2008)</b>	33.3%	
<b>Ratio of population to beds in public hospitals (2005)</b>	405	
<b>Ratio of population to beds in private hospitals (2008)</b>	2 615	
<b>People without medical cover</b>	9,084,000 (87.4%)	

## Education

The education system performs poorly on many indicators: the challenges are deep-rooted and pervasive ranging from provision of educational facilities, to quality issues of teachers' subject matter expertise through school management at district and institutional level to issues of logistics: timeous delivery of equipment to schools.

**Table 3: KZN Provincial Overview of Education**

<b>Provincial Overview: Education</b>		
<b>Key Indicator</b>	<b>2008</b>	<b>2009</b>
<b>% of adults with no education</b>	12	10
<b>% population aged 15 literate</b>	87	89
<b>% adults with degree or higher education</b>	3.3	2
<b>Matric pass rate</b>	64	61.2
<b>University entrance pass rate</b>	14	20

The National Planning Commission Diagnostic Overview Report paints a bleak picture of the education system in South Africa. This presents a serious and debilitating problem. In addition, government attention is not particularly sensitive to previously disadvantaged areas, especially the rural areas. There are serious deficiencies in the provision of post-school and post-matric skills programmes for youth. In addition, there is widely recognised lack of artisan training programmes – and where they do exist they are only weakly responsive to industry needs.

At national level, South Africa spends more than 5% (5.4%) of GDP, and around 20% of total Government expenditure (R165 bn in the 2010/2011 Fiscal year), on education. The country has more than 27,000 schools, 13 million learners and more than 390,000 teachers. There are 23 universities whose expenditure rose from R7.1 bn in 2001/2002 to R15.3 bn in 2008/9 and budgeted at R21.3bn in 2011/12.

The challenges are illustrated by examining through-put. While enrolment is almost full up to age 15, it drops to 78% by age 18. More than half (51.5%) the students repeat one or more years between Grades 10 and 12, while one third of all learners repeat a grade at some point. More than 20% of learners in senior school are above the average age for their grades. Less than half the students who start Grade 1 reach Grade 12.

KwaZulu-Natal must thus examine its own issues against this backdrop. Some of the key issues for KwaZulu-Natal are identified here. While the province has more than 6 800 schools, Media24 estimates that as much as 75% of them lack specialised facilities in the form of laboratories and libraries, and up to 25% of them are deemed “unsuitable for teaching”.

Setting aside the controversy surrounding their integrity, Matric results show a marginal improvement from 57.6% in 2008, to 61.1% in 2009 and 67% in 2010. Of the 132 176 who sat the Matric examination in 2009, 26 287 qualified for acceptance in universities. While any pattern that suggests improvement is encouraging, the fact remains that a 67% pass rate by implication means that the 33% failure rate represents wasted resources and time over a very long period.

The quality of educators is indicted as the leading cause of this failure, and KZN educators are reported to be absent from duty on 1 out of 8 days on average, or for 42 days in every year, although they are only entitled to 12 days leave in the same period, excluding scheduled school holidays.

Another concern in education is that for Mathematics and Science, the subjects at which the majority of schools perform most dismally, 30% is considered a pass mark. The implications of this inexplicable laxity on university performance, competence and productivity in the work world and ultimately, on the country's competitiveness are far-reaching and staggering.

StatsSA (2010) reports that Childhood attendance in KZN is 25%, higher only than that of the Northern Province at 21.1%, against records as high as 39.4% in the Western Cape and 42.6% in Gauteng. Furthermore, availability of Early Childhood facilities at Day Care Centres in KZN was only 20.2%, again higher only than that of the Northern Cape at 19.7%, against 36.7% in Gauteng and 35.8% in the Western Cape.

Nationally, 72.8% of the population in the 7 – 24 age groups attended some form of educational institution, while the KZN average was 45.2%, higher only than that of the Eastern Cape at 38.8%. The predominant reason given in KZN for non-attendance was lack of money.

The percentage of people aged 20 and above without any formal education in KZN was 8.5%, versus 2.1 % in the Western Cape and 2.9 % in Gauteng.

Close to 5% of the 13 – 19 age group in KZN were pregnant, and this has serious implications on the prevalence of HIV/AIDS.

Based on these challenges the propositions here take into account that education is an essential necessity within bounds of serious challenges and to reach a developmentally ideal status will be an incremental process.

## **Safety and Security**

Criminality in all ranks of life is pervasive: household and community safety and security is increasingly occurring, street crime and white collar crime in commercial and public sector is acknowledged as a problem. Stock theft within the province the country and across borders is placing a potentially vibrant economic sector under threat.

KZN, accounting for 183 of the 1,100 police stations countrywide (second highest allocation after the Eastern Cape with 194), is a safety and security hot-spot.

Featuring murder, attempted murder, rape, burglary, abductions and farm murders, KZN records the second highest farm attacks after Gauteng (StatSA 2010). While the national average of farm attacks involving murder is 10.5%, in KZN it is 14.4% and 33.9% of such attacks include serious injury.

**Table 4: KZN Provincial Overview of Safety and Security**

<b>Provincial Overview: Safety and Security</b>		
<b>Key Indicator</b>	<b>2008/2009</b>	<b>% Change (base 1994)</b>
<b>People per Police Official</b>		<b>478</b>
<b>Murder rate</b>	<b>47</b>	<b>(50.5)</b>
<b>Sexual Offenses rate</b>	<b>131</b>	<b>44.9</b>
<b>Aggravated robbery rate</b>	<b>255.9</b>	<b>18.9</b>
<b>Stock theft rate</b>	<b>74.6</b>	<b>(33.2)</b>
<b>Business burglary rate</b>	<b>110.6</b>	<b>(45.8)</b>
<b>Residential burglary rate</b>	<b>372.6</b>	<b>(20.9)</b>
<b>Motor vehicle theft rate</b>	<b>120.1</b>	<b>(47.8)</b>
<b>Drug related crime rate</b>	<b>235.7</b>	<b>123.2</b>

Issues of Safety and Security extend to the safety of individuals, people in their communities and to businesses in urban and rural contexts. The challenges lie in a range of factors: the way in which human settlements are designed and operational inefficiencies of the police force and criminal justice systems. Stock theft is becoming increasingly of concern.

The Institute for Security Studies (2008), established a direct and positive relationship between poverty and incidence of crime, “the wealthier you are, the less likely you are to be a victim of crime”, and implicated public transport systems, run-down neighbourhoods, inability to install security systems and poor policing services as some of the causes of high crime rates among the poor.

On account of the leading role of the young male segment of the population in the perpetration of crime, Youth Development through Education, Sport and Recreation, among other interventions, become instructive as a component of the Social Sector Development strategy initiative of the PGDS. In line with what has been argued above on the need for a holistic development of the youth, there is need to ensure sustainable community development projects that are not once off fun-oriented or correctional projects. Personal, social and technical development of the youth must be tracked through the sum-total of community development initiatives in the province.

## Sustainable Human Settlements

It is obvious that government initiatives in relation to human settlements are taking place in the context of some challenges since for informal housing there seems to be an increase rather than reduction when comparing 1995 and 2010.

Besides these challenges, government initiatives towards sustainable human settlements have to contend with the conviction that rural homesteads are expensive to provide with service delivery and that more clustered settlements must be encouraged (Provincial Planning and Development Commission, 2008).

**Table 5: Provincial Overview of Types of Housing Structures and Number of Units**

Type of structure	Number of units 1995	Number of units 2010
House or brick structure	624 437	1 183 381
Traditional dwelling	554 240	610 043
Informal dwelling in backyard	41 639	57 029
Informal dwelling NOT in backyard	147 182	167 671

Local government) has not devised an appropriate strategy to deal with the human rights issues and access to service delivery of people who are farm dwellers.

This analysis must highlight contestations over resource deployment between rural and urban areas in the light of the perceptions that poverty density is in urban areas and the poorest of the poor are in rural areas. Integrated planning programmes are required.

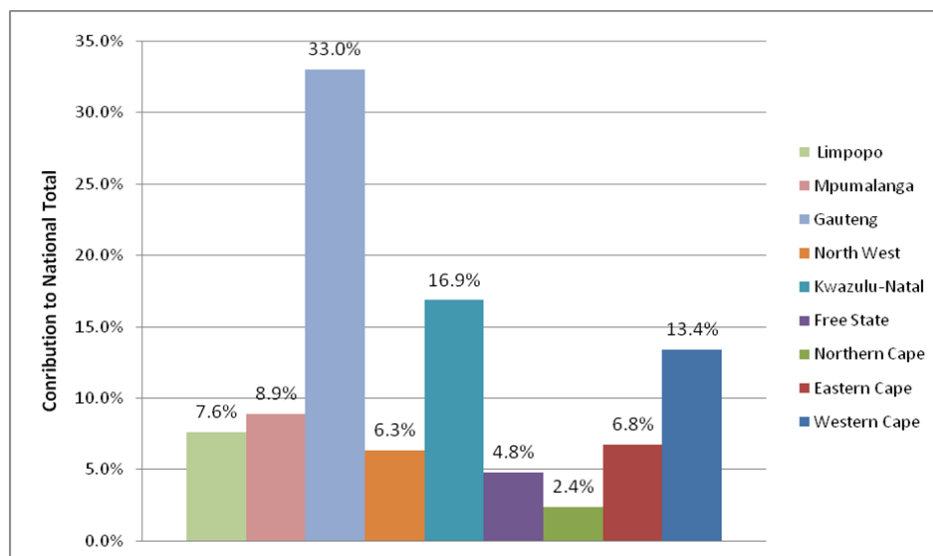
Continued high levels of vulnerability of women, the elderly, people with disability and the youth erode the ability of the Province to prosper.

Despite high levels of government spending in health and welfare, the quality of life as impacted upon by poverty and the high burden of diseases has not been relieved - high levels of mortality and decreasing life expectancy are still the norm.

## 2.5 The Economic Landscape

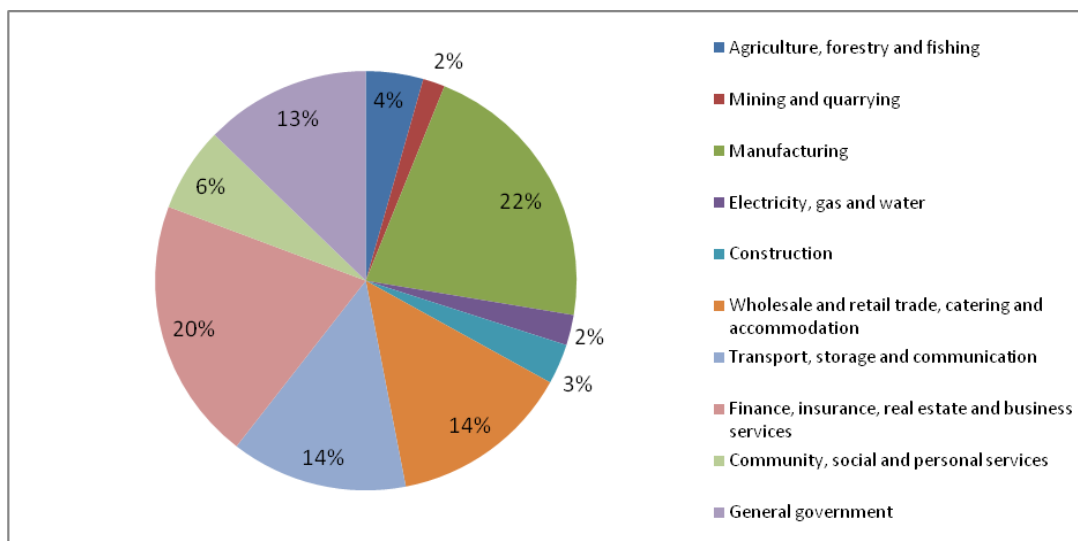
The economy of KwaZulu-Natal is the second largest within South Africa, contributing approximately 17% to national Gross Value Added (GVA).

Figure 18: KZN relative to SA provinces



The economic base within the Province is diverse, with the provincial economy being driven largely by the manufacturing sector (22%), and supported by tertiary services such as tourism, finance and insurance, transport and storage, and other business services.

Figure 19: KZN Economic Composition



The province is faced with three structural constraints to growth, namely; increasing unemployment, poverty and inequality. These constraints have been further exacerbated by the recent recession, which placed pressure on financial and economic systems and caused substantial job losses. The province is under-performing relative to national population share (21% of the national population), and currently has the third lowest per capita income nationally (R24, 650 compared to Gauteng with R50, 955).

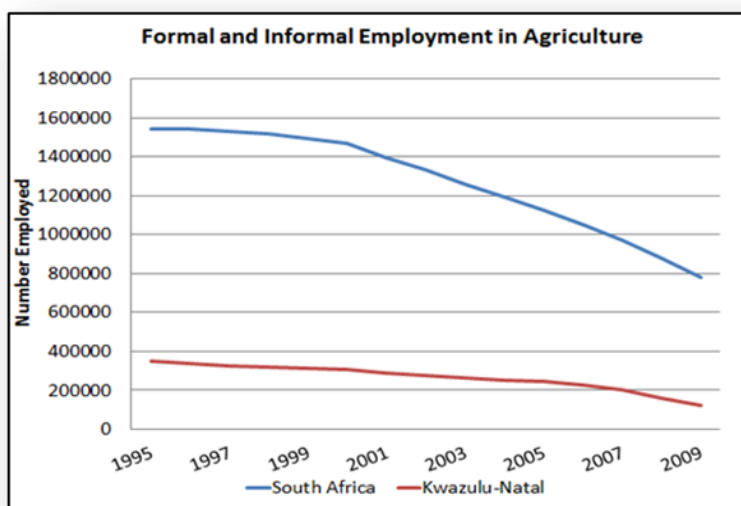
National Government has recently developed the New Growth Path (NGP), which has placed emphasis on the need to create sustainable employment within the country in order to achieve growth and development, and to assist in achieving the Millennium Development Goals (MDG). Job creation is therefore a key concern for the PGDS, which must ensure that the creation of new employment is prioritised (by attracting new foreign and domestic investment), and that no further jobs are lost, through the extension and support of business retention and expansion programmes.

A substantial decline in investment into the primary and secondary sectors (predominantly agriculture and manufacturing) over the past decade has reduced employment (particularly within agriculture and textiles manufacturing), and reduced the growth potential of the provincial economy substantially. As a consequence, the province's industrial base has experienced a declined national market share, and the province has become a net-importer of agricultural goods, which illustrates the threat to food security and the loss of export potential. The tertiary sector has however performed well, with sectors such as ICT experiencing good growth albeit off a low base.

Tourism is a key sector within the KZN economy and holds much potential. KZN is a leading domestic tourism destination, but lags as international destination. The Province's Tourism Strategy presents a thorough analysis and makes recommendations which address local and international appeal such as

marketing of SA's urban centres more vigorously, diversifying the appeal to be wider than nature-based tourism, as well as recommending development of new products such as resorts.

Figure 20: KZN's Declining Agricultural Sector

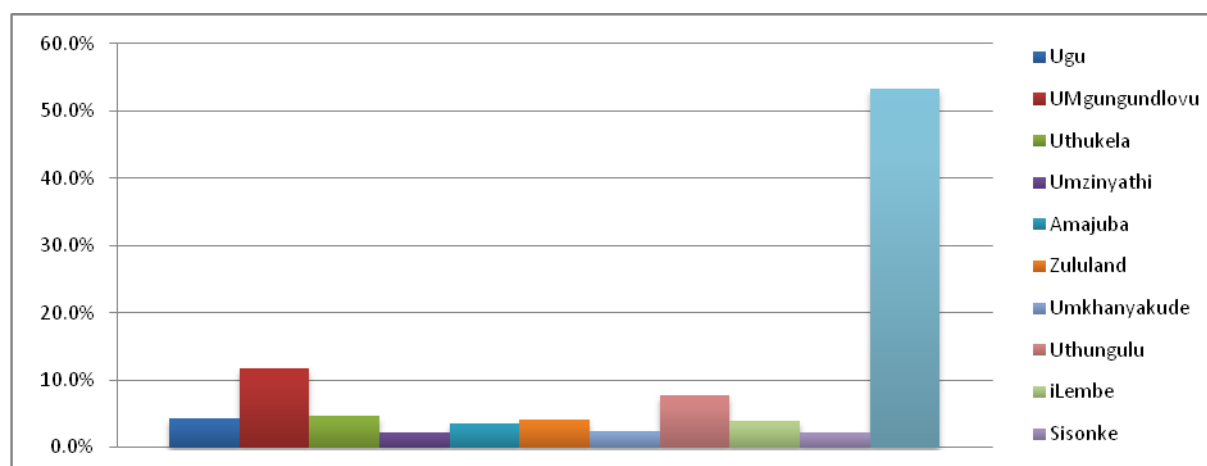


The above graph indicates that employment in the agriculture sector has declined by 64% since 2000, with employment in manufacturing declining by 20% over the same period.

In spatial-economic terms, the economic contribution to provincial Gross Value Add (GVA) is largely driven by eThekweni (53%), uMgungundlovu (12%) and uThungulu (8%). This indicates that economic activity is dominated by the three cities of Ethekewini, Msunduzi and Umhlatuze, with the remainder of the smaller towns and rural areas contributing less than 30% to total GVA. This is largely due to the infrastructure that exists within the city economies, and highlights the need for investment into economic infrastructure within less dominant towns to create other significant contributing economic nodes.



Figure 21: District Contribution to Provincial GVA (2010)



Despite the Province enjoying a number of comparative advantages such as the Durban and Richards Bay Ports, the Dube Tradeport, the Richards Bay industrial complex, vast tracts of agricultural land, and a traditionally strong industrial base, these comparative advantages have not been translated into competitive advantages. The Province has therefore not reached its full economic potential.

Constraints such as low productivity within the Durban Port, degrading road and rail infrastructure, a slow take-off at the Richards Bay IDZ, and uncertainty about the future of land for commercial farming have slowed the pace of potential growth within the Province. Emphasis must be placed on the comparative advantages of the Province, to ensure that these are strengthened and ultimately translated into competitive advantages.

Given the location of the Province, its economic assets, and a substantial labour force (although largely un-skilled), there is a significant amount of potential to become an economic powerhouse, not only within South Africa, but also within the rest of Africa. The requirements to achieve such success are numerous, but generally include an educated and skilled labour force, provision of reliable infrastructure and services, reduction of bureaucracy and red-tape surrounding development, strong policy direction from the public sector, and confidence from the private sector. In order to achieve these requirements,

all stakeholders need to work in a coordinated manner to ensure that development is correctly planned and the public sector resources are channelled into the correct interventions in the correct locations.

Priority must therefore be given to strengthening the key sectors of manufacturing, agriculture, tourism, and transport and logistics, as well as emerging key sectors such as ICT and green energy production and processes.

Key constraints facing the province and causing a decline in the key primary and secondary sectors include:

- A lack of serviced and zoned industrial land;
- Lack of or delays in gaining access to Ingonyama Trust land for commercial development and community agriculture;
- Slow pace and failure of land reform programmes;
- The rising cost of capital and other input costs (i.e.: machinery, electricity and labour);
- Skills shortages; and
- The inflexibility of labour.

These challenges need to be addressed as a matter of urgency to ensure that the Province boasts strong economic fundamentals, which will stimulate new investment and the expansion of existing business, and create a more conducive business environment.

In terms of provincial development planning, the Province has realised the importance of such a platform to coordinate development. Policies and strategies in progress or recently completed include the KZN Investment Strategy, KZN Export Strategy, KZN Industrial Strategy, SMME Development Strategy, and the KZN Cooperatives Strategy. These strategies are aimed at creating a more conducive business environment within the province in order to encourage expansion of existing business, new domestic and foreign investment, SMME growth and development, and the expansion of export potential.

The 2011 PGDS will need to provide an overarching framework through which the province can coordinate the implementation of strategic recommendations within each of these strategies to ensure that the fundamentals are in place to support, promote and enhance economic activities ranging from informal sector business activities to the activities of large multi-nationals.

## 2.6 The Infrastructure Landscape

Infrastructure planning and delivery has a direct impact on quality of household and community life, as well as impact on how efficiently the economy functions and on the utilisation of a region's potential.

Key among the Province's superior physical infrastructure facilities are the two strategically situated ports of Durban and Richards Bay. Together, the two ports handle nearly 80% of South Africa's cargo tonnage. Moreover, the province has an extensive rail and road network connecting other parts of the country and linking the Province to Mozambique and Swaziland.

The development of the aerotropolis of King Shaka International Airport and the Dube Trade Port is set to enhance the Province's competitive edge in transportation and freight logistics. This transport and commercial hub provides an effective platform for forging trade linkages between provinces within the country, neighbouring states and the rest of the world (particularly the Asian and South American sub-continent), giving effect to the idea of KZN being the gateway to South and southern Africa. In turn, this status should attract considerable investment spin-offs and opportunities.

The Province's competitive and comparative advantages include the Richards Bay industrial complex which is the country's centre of aluminium industry operations, producing over 4% of the world's export of aluminium. It is also the seat of the world's largest sand mining and mineral-producing operations.

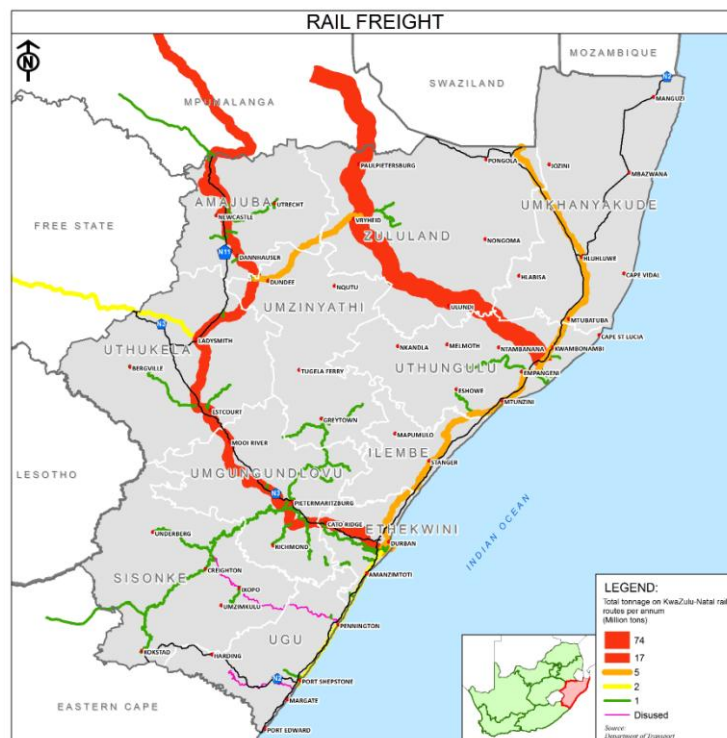
KwaZulu-Natal is the leading producer of timber, processing over half of all timber used in the country, and accounting for a significant percentage of the country's wood exports. The Province has the highest export propensity, as well as the one of highest levels of industrialization in the country. The province is second only to Gauteng province in terms of its percentage contribution to South Africa's GDP. Existing infrastructure facilities have enabled the province to reach these achievements however it is acknowledged in many spheres that the province's infrastructure is crumbling. Fortunately there are detailed plans within Transnet and within the provincial Department of Transport which, with adequate resourcing, will progressively upgrade facilities to world class standards of seamless, inter-modal logistics networks.

This requires further investments in building a modern infrastructure, particularly transportation and logistics, that reduces business costs, enhances competitiveness and creates employment for firms. The

Dube Trade Port in particular is regarded as the key intervention by the Provincial Government to cement its position as the premier transport, logistics and communication hub on the continent. It is expected to act as catalyst for economic development and labour-intensive growth throughout the province. However, at present the Dube Trade Port as well as the King Shaka International Airport is underutilized.

One of the serious constraints to development are the inefficiencies and congestion in the Durban Port operations: back of port facilities for de-stuffing, transport out-of-port and processing facilities for low-value goods are factors which are being addressed in the Transnet 2050 Plan. Included is a decentralised “back of port operation” set inland with a dedicated freight rail leading from Durban Port.

Figure 22: Rail Freight in KZN

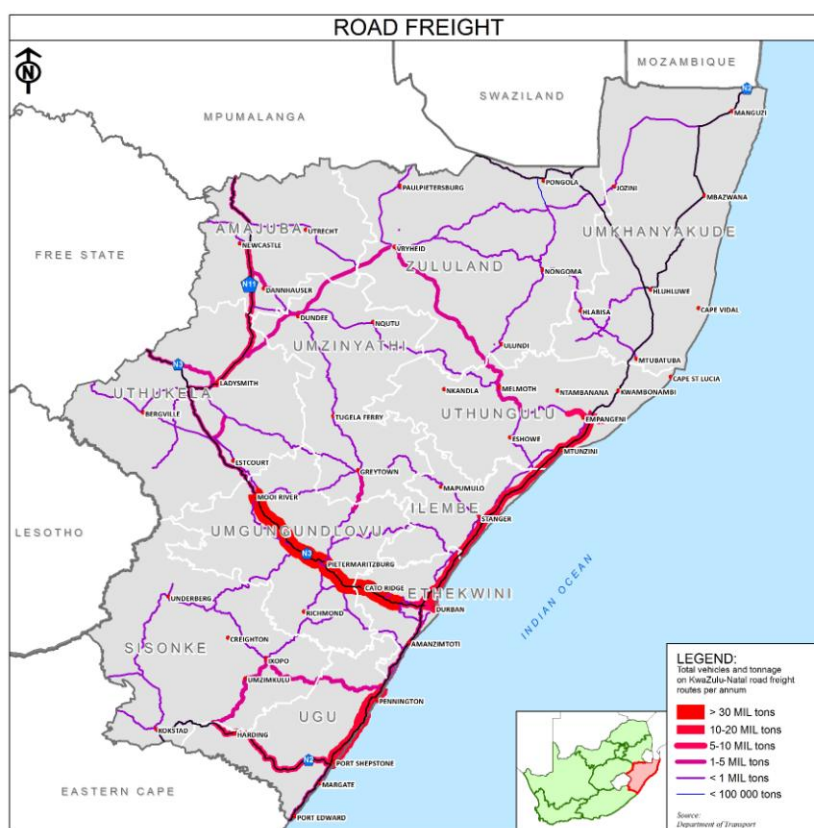


This will enhance the range of activities that can be catered for by the port and its environs. The proposed and planned-for dig-out port in the South Durban Industrial Basin will create further capacity and enhance the surrounding nodes, transport lines and commercial activities in the south.

An over-burdened road network and under-utilised rail network are factors contributing to infrastructural deficiencies in KZN, this with reference to both freight and passenger logistics.

Because of the acknowledged lack of investment in rail infrastructure spanning some years, freight is more effectively moved by road – which overburdens the road network. Latest plans from Transnet, Dept of Transport and SANRAL do attend to these problems incrementally – however serious co-ordination between provincial and local government and State-Owned-Enterprises is required to achieve the type of world class infrastructure envisaged.

Figure 23: Road Freight in KZN



Freight will continue to be transported via a combination of road and rail. The infrastructure stakeholders have recognised the need for multi-modal facilities which cater for fast-moving consumer goods as well as bulk minerals and lighter manufactured goods. The development of nodes in the

interior of the province and the enhancement of rail, airfields and corridors will be crucial in this development. Efficient communication systems will also be crucial in the ongoing operation of these multi-modal facilities.

In KwaZulu-Natal there exists a continuing problem of lack of integration with regard to service delivery infrastructure as well as economic infrastructure developments resulting in glaring gaps in achieving infrastructural efficiencies. Coordinated advances in both areas area needs to be prioritised. For example, improvements in service delivery infrastructure could lead to greater economic activities in rural areas.

Important to community and social well-being are the “service delivery” components: water, sanitation, electricity and human settlements which currently suffer serious backlogs, shortages and which suffers from slow, random and un-coordinated delivery.

The rising cost of electricity is brought to the attention of analysts, which requires a response concerning the production of renewable energy as well as measures for indigent households.

It is of note that current water planning by municipalities addresses demand and supply for the next 20 years for industrial and urban domestic use. Important to note in this regard is that this planning excludes agricultural demand and potential expansion.

In KZN as elsewhere in SA, the public transportation system is dominated by the mini-bus taxi operators and the lack of an integrated, multi-modal public transport plan which addresses road congestion.

The Rural Transport Strategy is raised as an area of need to address the poor and deteriorating condition of rural access roads, and to address the lack of maintenance of the secondary road network.

Infrastructure for large-scale irrigation will be crucial in the implementation of plans to lift agricultural production.

Waste management in urban centres and in rural areas is an area of need. In rural contexts and in small towns, waste management becomes especially important in light of health and tourism development. Waste collection and recycling present opportunities for income generation, inclusive of small scale electricity generation.

As the world undergoes rapid urbanization and greater numbers of people in developing countries move to the cities, the need to improve basic services and infrastructure such as drinking water, waste disposal, transportation infrastructure and access to electricity has reached a critical point.

Key to positioning the province as South Africa's opening to the world for export and import is Information and Communications Technology (ICT). Areas with poor ICT availability are considered less favourable for economic investment, thereby limiting growth and development as. A significant retarding factor has been the high cost of bandwidth in Africa. However, projects to optimize use of the SA Far East cable which lands at Mtunzini are in planning. Urgent attention is required with regard to greater educational initiatives for proficiency in the use of information technology tools. Efforts should also be made in the areas of adult education where possible as well.

## 2.7 Institutional and Policy Landscape

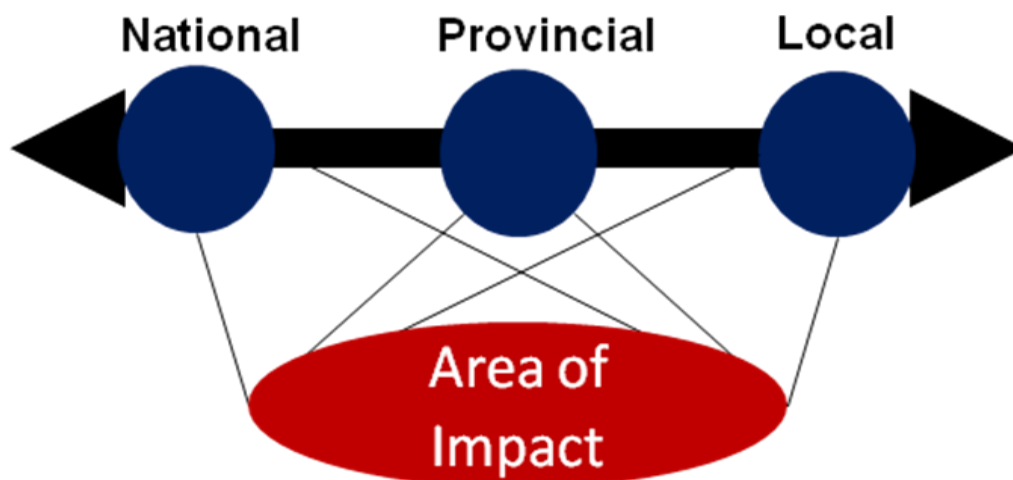
The National Planning Commission has formulated an analysis of the governance and institutional landscape of South Africa in its report "Institutions and Governance Diagnostic" (2011), which is equally relevant to KwaZulu-Natal. In that report, the NPC argues that there is a need to build a system and culture of governance which espouses the principle of inclusion of people and communities in the planning and implementation of the policies, strategies and regulations which relate to the development of our society.

Given KwaZulu-Natal's history of a very fragmented system of Government pre-1994, and the governance divide that existed between large parts of the rural areas of the Province versus many urban areas, there is a need to formulate changes to the governance system which promotes unity amongst the wide range of communities in KZN. The changing role of traditional leadership and maturing of the traditional leadership institutional framework is an area that will require greater attention in the development strategy of the Province.

The Situational Overview notes that KZN has successfully developed a stable governance framework, with local municipalities increasingly coming to grips with the fact that their integrated development

plans (IDPs) need to speak to the needs and aspirations of both urban and rural citizens and communities.

**Figure 24: Illustration of Alignment of National, Provincial and Local Spheres and Areas of Impact**



However it is fair to note that there is still no institutional framework for meaningful engagement of all development partners. Whilst the regulated process for formulation of municipal Integrated Development plans (IDP's) requires consultation with Government's development partners – private sector and civil society – there is still a great need to find institutional form for this partnership at local and provincial levels. Provincial Government has taken the first steps towards addressing this in the establishment of the KwaZulu-Natal Economic Council, which brings together the social partners at provincial level to join forces around plans to grow the economy and address economic inequalities. However at local levels there are few sporadic instances of such institutional partnerships developing. A few district municipalities have set up local development agencies which try to bring the private sector and civil society into a structured partnership around a local development agenda, but these agencies are often poorly resourced and rely on under-funded development programmes of local municipalities.

As local government has become established as the centres of service delivery at a local level, and because of a range of different factors, including reductions in donor funding available, many organisations of civil society have been weakened or have ceased to exist. In many instances this has



made it more difficult for communities to make local government accountable. It is widely known that the ward committee system is not operating well in most parts of the Province.

The Province has a range of public entities which are meant to provide specialized development support services across the Province. These include agencies focused on economic development, for example: Ithala, Trade and Investment KZN, the KZN Tourism Authority, the KZN Agricultural Development Agency, the KZN Growth Fund. Whilst these agencies have made an impact in their respective service areas, there is a need to formulate mechanisms of collaboration with local and district municipalities that facilitates better support for development at local levels.

The Situational Overview also focuses on the importance of the larger cities and towns of the province in promoting better governance and accelerated growth and development, as urbanization of the population increases. Presently there is a dilution of input from eThekweni Metro and the larger cities and towns to Provincial decision-making, compared to the population housed in those cities/towns and their contribution to the economy.

In seeking to accelerate the pace of delivery of basic services and economic development to all areas of the Province, the principle of densification of human settlements and systematically linking nodal development to economic strategy must be promoted. The PGDS will need to assess possibilities for strengthening collaborative planning and policy implementation with these bigger urban centres in particular.

An important area of challenge and of opportunity which relates in particular to governance and development of the more rural parts of the Province is that of the Ingonyama Trust and land that is under the custodianship of the Trust. Whilst the Trust has played and continues to play a very important role in overseeing the development of land in KZN, there is a need to greatly improve the alignment in planning and in development facilitation between the Trust, Provincial Government and local municipalities.

The economic development strategy of this Province depends to quite a large extent on better utilization of land as a resource to unlock value in the economy, but this will require all stakeholders tackling the difficulties related to Ingonyama Trust land in an honest and balanced manner. The ongoing challenge around unresolved land claims as well as the unsuccessful land reform programmes is

also an area that the PGDS must address, to ensure that land becomes a much stronger tool for empowerment of communities and for equitable economic development.

A further issue regarding rural housing is the contradictory practices / policies in relation to densification and the current provision of rural housing which follows existing scattered rural patterns.

The range of challenges presented across sectors and across the different levels and spheres of government point unequivocally to the need for clear spatial policies which enable prioritized, co-ordinated and integrated development.

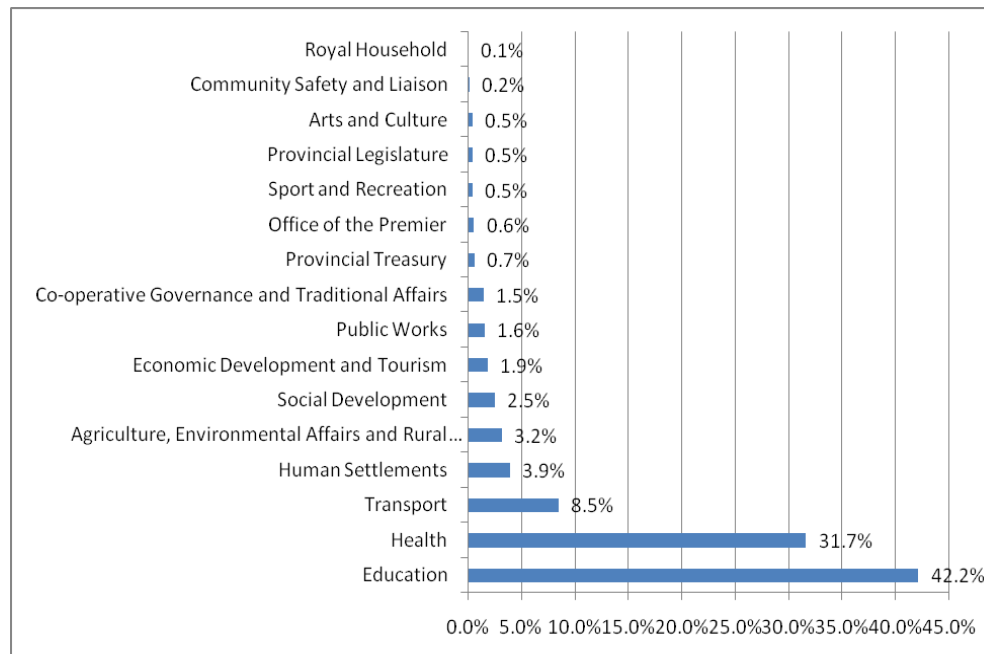
## 2.8 Funding Challenges

The Provincial Growth and Development Strategy is intended to be a guide for resource allocation for all three spheres of Government as well as for the private sector and civil society. It is however clear that Government funding will play a lead role in driving strategic investment into the strategies to unlock and accelerate development. KwaZulu-Natal still receives the lion's share of National Government funding in comparison to the other provinces, in line with the proportion of the population resident in KZN.

For the 2011/2012 financial year, the total Provincial Government budget amounts to almost R75 billion. This is up from about R60 billion in the 2009/2010 financial year and is expected to increase further to almost R80 billion in the coming financial year.

This reflects the significant growth in the amount of financial resources available to the Province to address the backlogs in service delivery and to make advances in development. Despite this growth in available funding, the Province still has major backlogs in service delivery. This implies that the Province needs to continually assess alternative mechanisms for addressing the "funding gap". These mechanisms obviously include further exploring of opportunities for generating own revenue. But more importantly, Provincial Government needs to identify and create opportunities for leveraging private sector investment into targeted service delivery areas.

Figure 25: Proportion of National Government Funding to Provinces



The above chart graphically illustrates how the bulk of the Provincial Government budget (some 74%) is allocated to health and education. education needs are expected to grow in the years ahead.

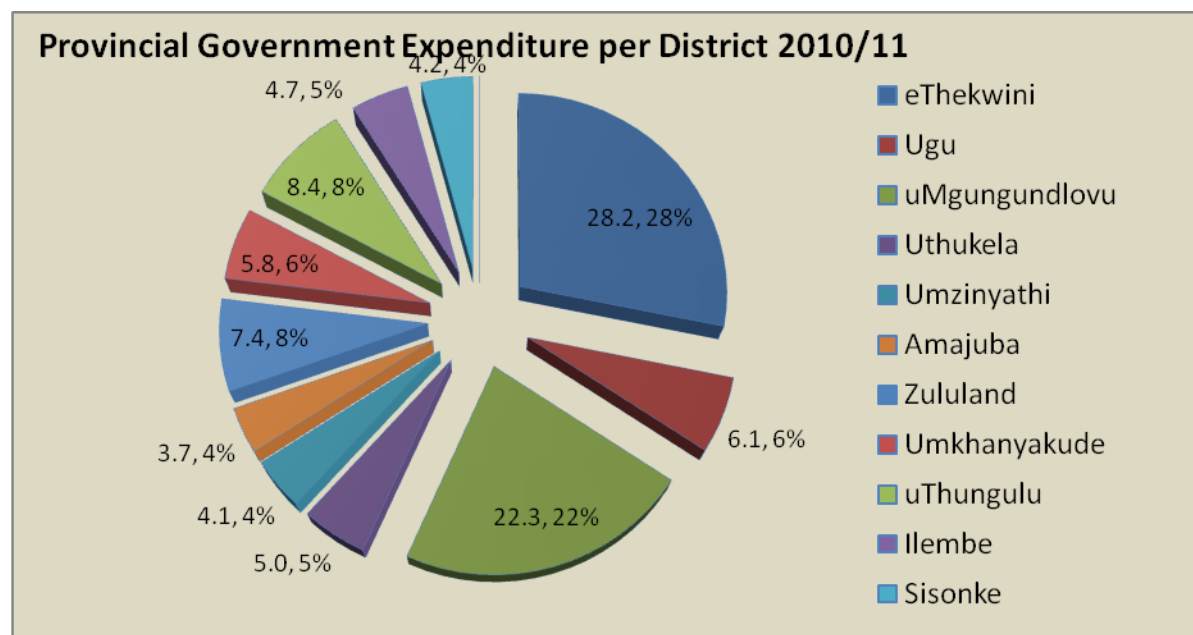
However, this leaves very limited financial resources available for investment in more directly productive programmes of a PGDS. The financing strategy of the PGDS will have to be focused on:

- harnessing the existing resource base by integrating programme and budget planning across those departments and Government agencies which contribute to a specific development priority;
- adopting innovative funding models and partnerships with private sector;
- packaging of new programmes and initiatives which cannot be accommodated in the present provincial budget framework and seeking special development funding from National Government;

At local government level there are severe limitations to the financial contributions that municipalities are able to make. A large proportion of the municipalities in KZN are already hamstrung by their very poor rates base, and in many cases, a precarious financial situation. However many municipalities are

not making best use of the national funds which are available for the promotion of growth and development in their areas.

**Figure 26: Provincial Government Expenditure per District (2010/2011)**



*(Source: KZN Provincial Treasury: KZN Payment Estimates per District)*

KZN Provincial Treasury has begun the process of analyzing these expenditure trends with the aim of being able to better align demand and need with the spatial framework for budgeting at Provincial and Departmental levels. However it is clear that Provincial Government can play a strong facilitatory and support role in helping municipalities and local development agencies to access funds such as the sector and project development funds available from the “Neighbourhood Development Partnership Fund” operated by the National Treasury. Similarly with the recent launch of the “Jobs Fund” being managed by the Development Bank of Southern Africa, opportunities are opening up for innovative funding partnerships around catalytic development projects at local level.

There is a need for Government to develop a focused financing strategy for key elements of the PGDS, which will involve leveraging the spend of the private sector and the resource investments that can be made by civil society as well.

### 3 The 2011 KZN PGDS Strategic Framework

#### 3.1 Vision

The KwaZulu- Natal 2030 Vision is:

***KWAZULU-NATAL - A PROSPEROUS PROVINCE WITH A HEALTHY, SECURE AND SKILLED POPULATION, ACTING AS A GATEWAY TO AFRICA AND THE WORLD.***

***By 2030, the PROVINCE OF KWAZULU-NATAL should have maximized its position as a GATEWAY to South and Southern Africa, as well as its human and natural resources so creating a safe, healthy and sustainable living environment.***

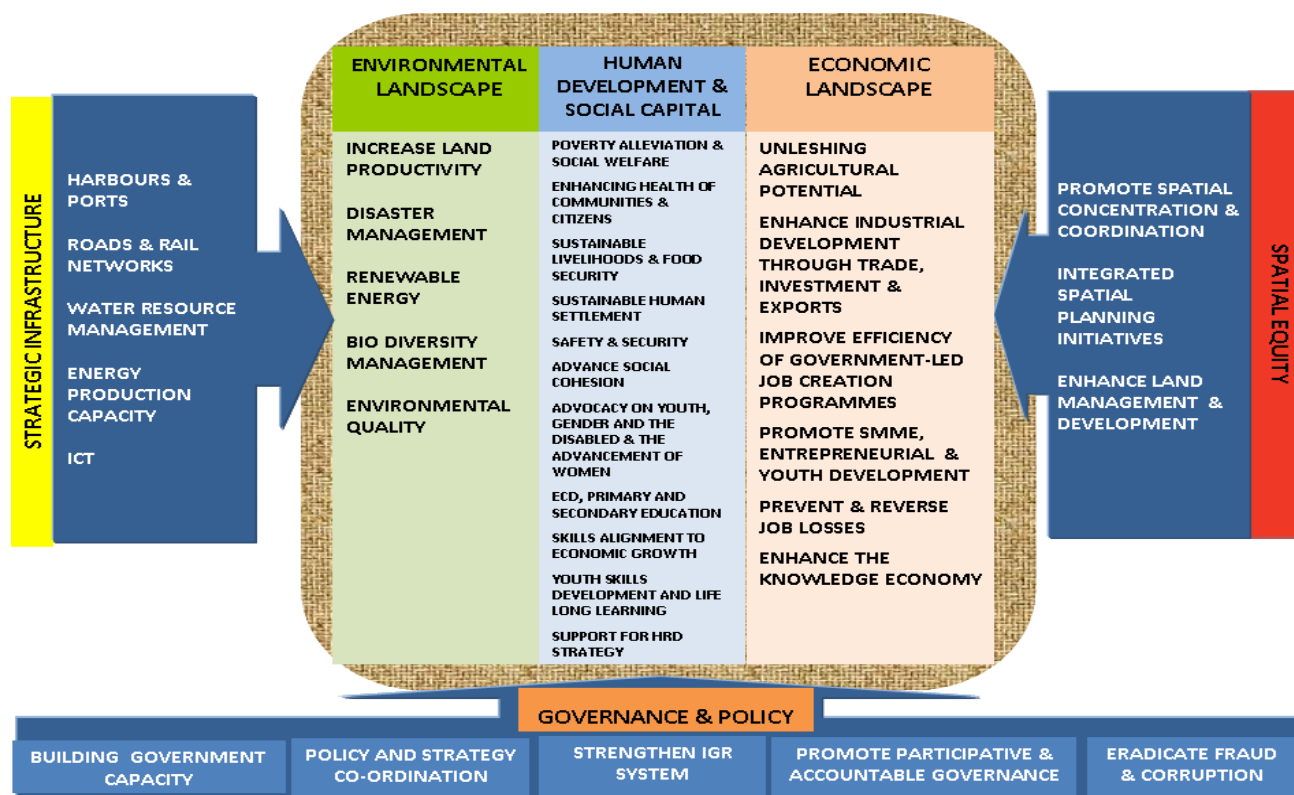
***Abject poverty, inequality, unemployment and current disease burden should be history, basic services must have reached all its people, domestic and foreign investors are attracted by world class infrastructure and a skilled labour force.***

***The people shall have options on where and how they opt to live, work and play, where the principle of putting people first and where leadership, partnership and prosperity in action has become a normal way of life.***

In the context of the PGDS defining 'growth' and 'development' includes 'growing the economy for the development and the improvement of the quality of life of all people living in the province of KwaZulu-Natal'.

### 3.2 The 2011 PGDS Sustainability Approach

Figure 27: PGDS Sustainability Approach



This section attempts to identify the areas to which a Growth and Development Strategy must respond to given the challenges and opportunities the Province faces. Of particular significance is the sustainability approach that governs the strategic framework, namely the inter-related nature of the environmental, human and social development and the economic landscape, supported by the strategic and spatial pillars with the governance and policy being the foundation s depicted in the diagram above.

The inter-related complexities of poverty illustrates that all economic and societal formations rest on factors of human and social capital. Poverty is a leading indicator of lack of resources and lack of access to resources. Poor provision of social services especially health and education services is debilitating. A growing reliance on welfare programmes is noted. The backlogs in access to water, sanitation, electricity

and transport / roads in rural areas is an ongoing cause for concern. Divided, fragmented communities are described in which crime and violence is rife.

From this analysis, the themes emerging for strategy formulation point sharply to the requirement that human, social, spatial and economic measures require serious effort in integration. A cross-cutting multi-departmental approach is asserted which includes the rationalisation and alignment of the Community Development Approach to social welfare practice. An emerging theme in the social sector overview points to the pervasiveness of social welfare programmes and practices and even suggests the central role this department could play in implementation of the numerous socially-directed programmes.

Key to the human and social development strategy is the concept of sustainable human settlements – which provide for the provision of social, economic, health and welfare infrastructure elements in the way settlements are designed and constructed. Herein lies the requirement for integrated service delivery, which itself is a theme in the provision of infrastructure. In this regard, the need for a ward-based approach to integrated planning and service delivery is one of the key requirements for improving quality of life, sustainably.

In the area of health provision, the disease-burden is targeted for reduction but importantly, a broader view of mental and emotional health is presented as a positive way forward with moral regeneration, social cohesion and healthy lifestyles becoming part of the development plan.

The continued vulnerability of women, youth, children, people with disabilities and the aged, is a recurring theme in the social sector analysis and as such, points to questions of access and appropriateness of strategic interventions. Issues of safety and security will become a theme in the design and functionality of social settings and the safety of vulnerable people emerge as a particular sub-theme. Safety and security in commercial settings is included in this theme.

Social cohesion has become an issue because of the breakdown of extended families and communal life and the fact that current trends of work seeking migration, disease which robs families of traditional, senior care-givers, violence-trends which militate against cohesion.

Migration patterns need further research so that infrastructure and social service needs can be catered for. In addition, immigration control can assist planning for the migratory patterns which bring the skills and entrepreneurship of foreign nationals to KZN.

The need to promote or instil the values of responsible citizenry within society is increasingly spoken of as a valuable element within social and commercial undertakings. In similar vein, programmes for social cohesion have become important as a requirement for growth and development within KZN.

The development of human capital emerges strikingly, as a theme of its own. Given that it is a multi-faceted theme with varieties of ages and life-stages catered for in a wide variety of institutions, in rural and urban settings, with goals and objectives which are sometimes measurable, specific and sometimes broader and more holistic, the challenges presented by KwaZulu-Natal's education and training system require serious thought and action. A dismal picture of gross under-achievement both by the participants / recipients / outputs of the system, as well as by the practitioners within the system – teaching staff, school management and wider institutional and quality-control management exists in this Province. The effects of this non-functionality are felt at an individual level and find expression at a social and economic level: the lack of personal efficacy assists in the formation of anti-social behaviour with resultant dislocation of families and communities. Low workforce productivity and low flexibility in applying workplace skills is one of the reasons for stagnant and declining industry and commerce.

There is a resolve amongst stakeholders across the spectrum of sectors represented within the KZN PGDS that a central pillar of the KZN Growth and Development Strategy will be the remedy and development of this particular aspect of our social fabric. The challenges presented are so pervasive, inter-related and endemic that the Province will require holistic approaches which nevertheless set specific, achievable and measurable targets for improvement and change. In particular, the sub-themes in this area revolve around early-childhood education, the formal schooling system, aligning skills development with workplace needs and training programmes for youth who are unemployed or out of school. The backbone of this theme is the comprehensive KZN Human Capital Development Strategy which is in the process of being developed- co-ordinated from the Office of the Premier. The strategy is to be built on four critical components which illustrate the imperative of making the HRD responsive to the realities and potential of KZN: to promote and sustain economic growth and development, to advance the social welfare of people and their communities, and to promote and nurture equity and justice in pursuing the agenda of development (excerpted from the HRD Strategy concept papers).





The first critical component deals with promoting absorptive capacity and is premised on the accepted policies operating in KZN – such as the Industrial Policy and Action Plan 2, the New Growth Path and the KZN Industrial Development Strategy. These create opportunities in the economy for employment by promoting absorptive capacity in the labour market through the promotion of industrial development, facilitating business success to ensure a vibrant service sector.

The second critical component recognizes the use of human capital development intermediaries – policies and strategies which deal with the institutions in the field of education and training. This component recognizes that people will not automatically flow into the right jobs. The education and training system must bridge education and employment and establish structures and activities which seek to ensure responsiveness of the education and training sector to the dynamics of a constantly changing labour market.

The third critical component will strengthen capacity development in the workplace and draws on the relevant legislation and institutions which support education and training in its broadest sense. This component will seek to establish mechanisms for sustained capacity development at the workplace with interventions which are designed to maintain high levels of performance, efficiency and commitment.

The fourth component recognizes and promotes redistributive mechanisms for building and enhancing social capital. There must be strategic use of redistributive mechanisms to ensure equity, justice and social welfare. On the one hand, this may include interventions to provide educational opportunities to those for whom education is unaffordable, for example; and, on the other hand, it may include development planning and strategic interventions on wage determination to ensure that large segments of our population are able to be employed or to earn wages that will enable them to live above the level of poverty and economic hardships.

The intended outcomes of the HRD strategy for the province are comprehensive. It will include a full analysis of the human resource potential of the province in terms of demographic factors, and factors related to the structure of education and training. Analysis of economic, demographic, educational and industrial sectors will be undertaken to determine demand, supply, scarce and critical skills per district municipality and industrial sector. It will include as well, descriptions of institutional and organizational frameworks and considerations for implementing the provincial HRD strategy built upon description of

policy frameworks for implementing the HRD strategy. The strategy will encompass guidelines for integrative planning, monitoring and evaluation for advancing the HRD agenda alongside the agenda of economic and industrial plans. A multiyear rollout plan for implementing the HRD strategy will be developed inclusive of a detailed implementation plan and rollout strategy for the HRD strategic provisions. Critically the suggestion is for the establishment of an HRD Council for KZN which will be a provincial, multi-tiered and multi-sectoral advisory body comprising of relevant stakeholders, experts and co-opted members.

The main thrusts in the drive to create jobs will be found in unlocking economic potential in a variety of selected sectors and through a variety of mechanisms which have been shown to stimulate growth. Unlocking potential in the agricultural sector requires a mixture of research and awareness raising (about market forces that will favour production, beneficiation and trade) as well as technical inputs like irrigation infrastructure and support programmes. Importantly for efforts in agriculture, land productivity must be increased by enhancing the development potential of Ingonyama Trust Land and by fast-tracking the resolution of land claims. Important as well is the provision of integrated support to communities on the sites of successful land claims. Other lead sectors (automotive manufacture, timber production, dairy production, sugar cane, chemicals, metals and maritime, the “Green Economy”, to name a few) have their own particular analyses of needs and trends. In general, the expansion of industry requires a value-chain cluster approach and the attendant mechanisms (training, support, release of zoned, serviced land and entrepreneurial support at small, medium and large scales) to grow businesses within specific value chains. The wealth of recommendations contained in the Province’s strategic sector and economic studies require co-ordinated effort to implement them. The “knowledge economy” and its attendant technological services (ICT) require deep and broad interventions to take the Province’s businesses and citizens confidently into the future.

Within the theme of job creation is the underlying requirement that existing jobs be retained and this is an extension of the need for business retention and expansion strategies. The interventions related to this theme will throw up questions about the costs and productivity of labour, the level of protection afforded by import and export tariffs and about market structures / monopolistic practices and market failures.

In addition to the measures required by big business, the analysis points to a theme around local economic development especially as it pertains to small town development and sustainable settlements.



The Province's LED Strategy is pertinent and must form part of the implementation plans to grow the economy.

Large and small scale infrastructure works: government-spend in the provision of services and economic-related infrastructure will continue to create platforms for job creation.

The large proportion of young people in the demographics of KwaZulu-Natal requires that there be particular emphasis on programmes for the youth. Outcomes and targets for the participation of youth and programmes especially geared to facilitate youth access to work, learning and social services will be paramount. In this regard the KZN Human Resource Development Strategy is of importance.

Two main themes emerge with regard to infrastructure development in KwaZulu-Natal: public infrastructure to support people in their social and work life and infrastructure to support economic development. Within these two there are sub-themes: maintenance of existing infrastructure and importantly, the development of new infrastructure - across the range of infrastructure elements – road, rail, air, water supply, sanitation, electricity, transport nodes and information technology.

While the provision of infrastructure for social / public use rests largely with local government, the recurring problem of uncoordinated and non-integrated delivery represents a call for provincial government support in co-ordinating and fast-tracking delivery especially with regard to sustainable settlements and densification of human settlements as it applies to sustainable rural developments. While service delivery can be measured discretely for each type of infrastructure delivered, the United Nations' Millennium Development Goals provide a way of measuring achievement in a comprehensive fashion. Besides governance and institutional systems for delivery, infrastructure delivery is especially important in the achievement of most of these goals – concerned as they are with access to education and health services, access to water, reduction in child mortality, the improvement of maternal health and combating of disease. These are the areas in which the province's infrastructure-spend will make the most obvious impact and this underlies the theme of investment in strategic infrastructure.

The infrastructure required to maintain and grow economic life also present huge opportunities for job creation and business development. In this sphere, rail linkages, port efficiency, back-of port operations to enhance capacity and range of business, inter-modal transport hubs in-port and inland and the

newly-planned dug-out port are projects which will give life to KwaZulu-Natal's positioning as the Gateway to Africa.

The massive infrastructure investments in the Dube Trade Port aerotropolis will need to be optimised to fulfil its logistics promise and the Richards Bay port and industrial complex will work on the development of its growth path.

The growth and development imperatives of KZN are multi-faceted and run across various economic sectors, social formations, government departments and organisational structures. Strategic interventions frequently find expression in a physical form: they are located in a particular place, have to adhere to particular rules and there is a certain range in which the intervention operates.

A spatial framework for development facilitates planning across a number of stakeholders and enables co-ordination of inputs and effort. A spatial framework will enable the many the themes noted in this Strategic Analysis to be accommodated rationally and to be implemented in a targeted fashion. The process will also enable a more effective fund-raising strategy. There are a number of sub-themes within spatial planning. One such sub-theme relates to community-based planning or area-based planning techniques. This will encompass planning for sustainable settlements, agricultural villages or hubs. The concept of population density management recurs in this analysis and is related to land use management planning and the development of rural nodes and service centres. For economic and logistics purposes, the development and establishment of new nodal / corridor development, allowing for urban-rural resource integration and small town regeneration is desirable.

Cross-border planning and alignment is becoming crucial in the preservation of bio-diversity and in responses to climate change as well as disaster management. Preservation of the natural environment which supports social life and industry is becoming increasingly important as the impact of development takes its toll on the natural resource base.

A comprehensive spatial planning process will allow for co-ordinated planning initiatives, will help to entrench the uniform standards embodied in Provincial SDF guidelines and will facilitate municipal planning directives.

The theme of governance is a latent challenge and there is a critical requirement for delivery to be economical, efficient and effective. At one level the theme of strong governance refers to municipal

oversight and record-keeping. At another level it refers to the administration and practices of Provincial government departments and state-owned enterprises. At all levels effective governance requires the capacity to undertake the range of duties assigned and to monitor performance and to take corrective actions when necessary, in good time. Governance in a broad sense refers to the implementation of policies and procedures that have been approved by a higher authority. Some of the most serious flaws in governance occur in the sphere of public finances. The Auditor General's Report on KZN 2009-2010 refers to a significant increase in the amounts of irregular, unauthorised as well as fruitless and wasteful expenditure as a concern. The main reason for qualifications in municipal audits remained a lack of monitoring and supervision by leadership and those charged with governance. Furthermore, a lack of skills and understanding of the newly implemented GRAP standards contributed to differences of interpretation of GRAP requirements between management and the auditors. The reporting guidance and training provided by the provincial Department of Cooperative Governance and Traditional Affairs is adequate enough to complement performance of municipalities in this area, provided municipalities provide the necessary dedicated resources to manage this function.

It is noted that Supply Chain Management processes to curb fraud and corruption are cumbersome and has become a significant hurdle to respond rapidly to service delivery needs. Lack of professional skills in engineering, planning and financial management will require us to look at more innovative models such as shared services. In a situation where integrated planning and development is a key mechanism, partnerships are vitally important. This calls for a collective and coherent response from all development partners.

The data presented on natural resources and the natural environment makes a case for caution in the development of KwaZulu-Natal's natural resources, for energy conservation measures and the development of the renewable energy sector. In particular the physical and environmental data illustrates the vulnerabilities of living and working environments. People and their means of income generation are vulnerable to floods, droughts, disease and in some cases industries can become increasingly vulnerable if care is not taken in the use of land, and water. Changes in climate or weather patterns have implications for the suitability of particular types of animal and crop production and this point to the need for integrated planning.

Of note is the need for disaster management services to be programmed, supported and implementable. The need for focus on preventative measures and early-warning systems is noted.



Responses to climate change will of necessity require collaboration across the different levels of government and across sectors like health, infrastructure, land use and water management and in some cases across borders of province and country. In the thrust to respond to climate change, as in other efforts to stimulate growth and development, relevant and reliable information is crucial to underpin planned responses. Collaboration across different types of institutions will be crucial in this regard with non-governmental and international agencies being brought into the planning and monitoring.

### 3.3 The 2011 PGDS Strategic Framework

Figure 28: PGDS Strategic Framework



The following sections include a detailed description of each of the 7 strategic goals and their related strategic objectives inclusive of indicators. Whilst interventions are proposed in the strategic framework in this PGDS to unlock the strategic objective, these are merely preliminary identification of areas requiring further attention and refinement during the next phase, namely, the development of the Provincial Growth and Development Plan. Hence, focused attention on these proposed interventions will be achieved during the drafting of the PGDP whereby a detailed Implementation Framework will be developed, inclusive of a detailed description of each intervention, related key performance indicators, baseline indicators, target/s, timeframes, the identification of the primary responsible Provincial Department and supporting partners and inherent risks and assumptions.

### 3.4 Strategic Goal 1: Job creation

#### National Outcome 4: Decent employment through inclusive economic growth

This Strategic Goal is aligned to the National Outcome 4 which focuses on more labour absorbing growth; increased competitiveness to raise net exports, grow trade as a share of world trade, and improve its composition; improved support to small business and cooperatives; and implementation of the expanded public works programme (EPWP).

#### Goal Indicator

- Percentage increase in the employment rate.

Unemployment has been identified as one of the major structural constraints within the Province and contributes to high levels of poverty and income inequality, and deteriorates the overall quality of life of the people of the Province. High unemployment results in high dependency ratios, with many more people relying on fewer wage earners. This has resulted in the phenomenon of a large numbers of working households living near or below the poverty line. Currently an unequally large proportion of the population of KZN relies on grants and related forms of welfare as a source of income.

Unemployment was heightened during this recent economic downturn, with South Africa losing close to 1 million jobs and KZN shedding almost 100,000 jobs between 2007 – 2010. This sizeable loss of jobs has

underscored the urgency of accelerating economic growth within KZN so as to create a conducive and supporting environment for the generation of jobs and thus assist in meeting the twin development challenges of reducing poverty and inequality.

Job creation in this PGDS is viewed as a primary means through which economic growth and transformation can occur by distributing the benefits of growth more widely and consequently reducing dependency on a the welfare system. This will require investment and interventions by both the public and private sector in order create a more enabling environment to stimulate the generation of employment opportunities and inclusive economic growth.

Key strategic objectives and interventions are proposed to stimulate economic growth and create jobs; so as to remedy the real constraints facing our traditional sectors and facilitate a process of unlocking opportunities and promoting the formation of new industries by emerging participants in the economy. Creating meaningful employment is a major cross-cutting issue, and is vital in achieving the vision of the Province as defined by this 2011 PGDS.

The Province must therefore focus on the creation of employment through; unleashing agricultural potential; enhancing industrial development though investment into the key productive sectors of manufacturing, tourism, transport and logistics, the green economy and services sectors (and assisted through use of a Provincial BR&E programme); expansion of government-led job creation programmes (EPWP and CWP); promoting SMME, entrepreneurial, and youth development; and enhancing the knowledge economy.

### ***3.4.1 Strategic Objective 1.1: Unleashing Agricultural Potential***

The agricultural sector is of key strategic importance given the comparative advantages that KZN possesses with regard to its land and labour resources. As a primary sector, agriculture contributes about 4.4% to provincial GVA. However, KwaZulu-Natal produces almost 30% of national agricultural output and hence contributes significantly towards creating formal and informal employment, while providing food security in South Africa. Further, over 30% of Provincial GVA in the manufacturing sector can be attributed to the 'food, beverages and tobacco', and 'wood and paper' industries, which are directly related to outputs from the agricultural sector. Additionally, there are numerous inputs into the



agricultural production chain that contribute to economic growth, including the procurement of local capital equipment and consumables.

At present, the primary agricultural sector contributes over 7.5% to total employment within all districts besides eThekweni and Amajuba, specifically contributing just over 12% to total employment in uMzinyathi and Sisonke, almost 11% in iLembe, and around 9% in Ugu, Zululand, uMkhanyakude, and uThungulu.

In essence, the agricultural sector in KZN, if appropriately harnessed, has the potential to create a substantially higher number of jobs in a shorter time frame. Over the short to medium term the agricultural value chain can support labour intensive absorbing activities generating large-scale employment. This in turn contributes towards addressing food security and enabling sustainable livelihoods.

Notwithstanding the above, this sector currently faces severe constraints which have resulted in a significant decline in production and has contributed towards increased job losses. These constraints include: inadequate access to funding for infrastructure; lack of agri-industries; ineffective linking of graduates to commercial farms; increased competition due to subsidisation of international farming; land reform process, and access to Ingonyama Trust Land for agricultural production. Additionally, a dramatic decline in the scientific base within the agricultural sector has led to a position where the Province is under-capacitated to undertake scientific research and identification of agricultural potential.

Strategic interventions have been identified specifically to address the constraints identified so as to unlock the agricultural sector, resulting in greater production and more effective utilisation of the resources. In order to unleash the potential of agriculture, the entire sector needs to be diversified and expanded, which will create a substantial amount of jobs. This needs to be supplemented by expansion of irrigation schemes and development of a strategy and action plan for the expansion of emerging commercial farmers. In addition, agricultural land needs to be protected to ensure that there are sufficient resources to sustain the sector in the long-run, while rehabilitation efforts are required to prepare land for agricultural production.

**Objective Indicators:**

- Increase in employment within the agricultural sector
- Nett gain in new emerging commercial farmers
- Increase in hectares of land under active agricultural production (ITB land, dry land and wetland activities)

To this end, the following four interventions, albeit not exhaustive, are proposed to facilitate a process of unleashing agricultural potential in KZN, namely;

- ✓ Diversification of agricultural production & markets (incl niche markets and agri-processing),
- ✓ Expansion of Irrigation Schemes and water-use efficiency
- ✓ Strategy for the development of emerging commercial farmers, and
- ✓ Protection and rehabilitation of agricultural resources.

### ***3.4.2 Strategic Objective 1.2: Enhance Industrial Development through Trade, Investment and Exports***

The enhancement of the industrial development is fundamental to the creation of employment within and in contributing to growth and development within the Province. Whilst the provincial key strategic assets such as the Durban and Richards Bays Ports, the Richards Bay IDZ and the Dube Trade Port present a range of opportunities for the Province, they face significant constraints to the expansion of industrial capacity, namely; lack of new investment to stimulate domestic trade and exports due to uncoordinated investment and export promotion, the high cost of electricity and input costs, inflexibility of labour and lack of zoned land development.

Close to 100,000 jobs were lost in KwaZulu-Natal between 2007 and 2010, which indicates the importance of firstly preventing further job losses, and secondly reversing the trend of job losses through the creation of new employment opportunities and the enhancement of industrial development. This can be achieved through a Business Retention and Expansion (BR&E) programme

linked to an early warning system, and which utilises mechanisms such as the Jobs Fund and Distressed Fund. However, BR&E programmes are primarily undertaken on an *ad hoc* basis by district and local municipalities, and are not coordinated or integrated to provide a spatial picture of the current challenges and constraints faced by business in different locations across the Province.

Hence, the aim of this objective is to enhance industrial development through trade, investment and exports focusing on the key sectors of manufacturing (automotive, chemical, metals and maritime), agriculture, tourism, transport and logistics, and the green economy. These sectors have not only proven to be relatively labour-absorbent, but also have the potential to be expanded to strategically position KwaZulu-Natal as a lead investment destination and hence contributing to achieving the vision of KZN becoming a trade gateway within South and Southern Africa. In addition, the Province must be committed to encouraging the retention and expansion of existing business to ensure that the domestic market is correctly functioning, which will stimulate economic activity and job creation.

In order to create employment through enhanced industrial development, a number of strategic interventions are required and need to be implemented simultaneously to ensure that maximum impact can be made. This requires the identification and release of affordable, zoned industrial land in order to stimulate investment in areas of high demand and under-supply. This must be supplemented by supporting institutional arrangements in the form of district-level agencies to facilitate new investment and expansion of existing business in order to reduce the regulatory burden, along with a mechanism to act as a brokering agent for large-scale special projects. In addition, improving the functionality of the Richards Bay IDZ is crucial to the success of industrial development, while ensuring efficient and effective implementation of LED projects requires a consolidated funding mechanism which will streamline the process of accessing funds for strategic projects and stimulate growth and employment creation.

**Objective Indicators:**

- Increase in the amount of fixed direct investment in KZN (both foreign and domestic investment);
- Increase the value of exports generated from KZN;
- Number of new jobs created per annum in the key sectors;
- Increase in amount of land available for development in high-demand nodes;
- Decline in turn-around times of local government regulatory and authorisation processes;
- A functional Provincial Development Fund is established for Local Economic Development projects.
- Number of jobs saved and created through the Provincial BR&E programme

To this end, the following five interventions, albeit not exhaustive, are proposed to facilitate a process of enhancing industrial development through trade, investment and exports in KZN, namely;

- ✓ Establish District-level agencies to provide effective business and investor facilitation and support to reduce regulatory burden,
- ✓ Mandate appropriate institution or body to act as broker for special projects,
- ✓ Targeted identification and release of affordable zoned land including sector-specific industrial parks,
- ✓ Improve the functionality of the Richards Bay Industrial Development Zone (IDZ),
- ✓ Establish a consolidated provincial funding mechanism for LED,
- ✓ Support Implementation of the KZN Industrial Development, Investment and Export Strategies, and

- ✓ Establish an Integrated Provincial Business Retention & Expansion Programme (linked to an Early Warning System and Action Plan for recovery and including promotion applications for Jobs Fund and Business Distress Fund).

### ***3.4.3 Strategic Objective 1.3: Expansion of Government-led job creation Programmes***

There is significant potential to create employment through improving the efficiency of government-led investment programmes, specifically through enhancement of existing mechanisms such as the Extended Public Works Programmes (EPWP) and Community Work Programmes (CWP). Provincial government is committed to creating sustainable employment opportunities through investment into labour-intensive programmes targeting infrastructure development, food security, health and safety, social and community development, environmental protection and rehabilitation, development of sport and recreation, and road maintenance.

Hence the aim of this objective is to focus government spending into the provision of social services and facilities, as well as economic opportunities and related infrastructure, so as to further create a platform for job creation whilst simultaneously enhancing the position of marginalised people within the Province. This must have a strong focus on the development and transfer of skills through training linked to development programmes.

#### **Objective Indicators:**

- Increase in the average number of man-days of employment within the EPWP;
- Number of new work opportunities created through EPWP and CWP;
- Number of new full-time equivalent jobs created through EPWP and CWP;
- Number of new contractors created through the EPWP and CWP.

To this end, the following two interventions, albeit not exhaustive, are proposed to facilitate a process of Government-led job creation programmes in KZN, namely;

- ✓ Support enhanced implementation of Extended Public Works Programme (EPWP),
- ✓ Expedite the roll-out of the Community Work Programme (CWP).

#### ***3.4.4 Strategic Objective 1.4: Promoting SMME, Entrepreneurial and Youth Development***

There is a low success rate of start-up entrepreneurial and SMME ventures within the Province, as well as few opportunities being created to support the absorption of youth into the labour market. This is due to factors such as; strict lending criteria by formal financial institutions; a lack of business management, financial and technical skills; incorrect targeting of markets; and a lack of economic opportunities within the Province.

The aim of this objective is to encourage the establishment of SMME's and other entrepreneurial ventures in the lead sectors of the economy, as well as creating potential positions for the employment of youth. The large proportion of young people in KZN necessitates that youth be given added attention to facilitate access to work, learning and development. Underpinning this objective is the recognition of the importance of mentorship, learner ship and apprenticeship programmes in creating sustainable small business and further enhancing the potential of unemployed youths to enter the job market. In addition, the Province must strategically position itself now to take advantage of the Youth Wage Subsidy when implemented.

An SMME Strategy and Cooperatives Strategy are current being developed for KZN, and the Province must ensure support for the finalisation of these strategies, and that the strategic interventions identified within these strategies are implemented efficiently.

##### **Objective Indicators:**

- Nett gain in number of viable SMME's;
- Percentage contribution of SMME's towards employment;
- Number of youth's employed through assistance of the Youth Wage Subsidy Scheme.

To this end, the following three interventions, albeit not exhaustive, are proposed to facilitate a process of promoting SMME, Entrepreneurial and Youth Development in KZN, namely;

- ✓ Support the establishment of learner ship, apprenticeship and mentorship programmes within the public and private sector (scholars and young adults), and
- ✓ Prepare for the implementation of the Youth Wage Subsidy Scheme,
- ✓ Finalise and implement the KZN SMME and Cooperative Strategies.

### ***3.4.5 Strategic Objective 1.5: Enhance the Knowledge Economy***

There are numerous institutions, organisations, and firms undertaking research into new market opportunities and product development across the KZN Province. However, whilst the Province currently has a substantial knowledge economy, the lack of coordination amongst stakeholders constrains the potential to further enhance and expand knowledge sectors within the Province. Further, the relationship between the public sector, private sector and tertiary institutions undertaking research is weak and fragmented. Although there have been numerous successful initiatives created through partnerships between the private sector and tertiary institutions, which have lead to productive operations being established, there is a lack of acknowledgement and evaluation of these initiatives to identify employment and other opportunities created.

The aim of this objective is therefore to expand the knowledge economy through strengthening mechanisms between key stakeholders, as well as establishing innovation hubs within the Province. In addition, the Province must be marketed as an African tertiary institution destination. This will contribute towards attracting skilled individuals into KZN as well as attracting new investment into the information, communication, and technology (ICT) sectors and research and development (R&D).

#### **Objective Indicators:**

- Contribution of research and development to GVA in KZN;
- Increase employment and the contribution to GVA of new products developed within KZN;
- Establishment of an innovation hub.



To this end, the following three interventions, albeit not exhaustive, are proposed to enhance the Knowledge Economy in KZN, namely;

- ✓ Establish mechanism for strengthening partnerships with tertiary institutions (R&D), and
- ✓ Establishment of KZN Innovation Hubs,
- ✓ Marketing KZN as an African Tertiary Education destination.



### 3.5 Strategic Goal 2: Human Resource Development

**National Outcome 1: Improved Quality Basic Education; National Outcome 5: A Skilled and capable workforce**

**Goal Indicators:**

- Improvement in the quality of teaching
- Improvement in the quality of educational institutions' results to levels comparable with communities at similar levels of development and commensurate with resource allocation to education
- Improvement in school facilities and amenities
- Minimise incidence of learner dropout rate throughout the system

Improved quality of life can also be apparent in the manner in which the human resources in the province are spread. Linked to this are challenges with respect to the basic education sector which must necessarily feed to the human resource chain which will in turn ensure good linkage between economic growth and people development. Furthermore there are challenges in relation to specific professions in terms of their availability and in relation to their spread throughout the province. There is a need for close analysis in relation to how professions and skills link with gender in various parts of the province in order to establish the extent to which gains can be pronounced in relation to the approach of setting gendered quotas for school enrolment such as the one adopted in the Millennium Development Goals.

The co-ordination between the professional and managerial side and the political arm within municipalities often poses challenges. Thus it is also clear that some of the skills challenges relate to continued provision of certain skills within certain employment terrains or sectors. This is not an issue in relation to sharpening skills at higher level but adult basic education programmes need to understand the sites within the province where critical need is observed and where advanced delivery in adult education is necessary.

The strategic goal related to human resource development within the PGDS seeks to highlight the need to look at the whole education continuum starting with early childhood development, school education, artisan and technical skills, as well as professional education rendered at University level. The linkages in relation to this continuum must be emphasised. Of critical importance is the issue of quality and access

to quality education in all areas. The disparities observed between education provision in rural areas and education in urban areas (including between urban settings) must be addressed. Challenges relating to a low standard of logistical delivery of educational materials must be dealt with in order for problems relating to sharpening skills of relevant professionals in education to be dealt with within context of enabling the with necessary materials.

In order to support the focus on quality and equity issues relating to education in the province strategic thinking must also be deployed towards incentives to attract professionals to different parts of the province. Nodal enhancement must be undertaken where small towns are made attractive for residence of potential professionals, so that rural schools, hospitals, municipalities and businesses are able to benefit from quality expertise. Institutions of higher learning must be engaged in relation to producing professionals ready for the social context of the province. This means quality education related to the professional focus as well as social skills relevant to working with various communities in the province.

The strategic objectives towards the goal of Human Resource Development are the following:

- ✓ Early Childhood Development, Primary and Secondary levels
- ✓ Skills alignment to Economic Growth (KZN HRD Strategy focus)
- ✓ Youth Skills Development and Life Long Learning
- ✓ Support for KZN HRD Strategy.

### ***3.5.1 Strategic Objective2.1: Early Childhood Development, Primary and Secondary Education***

Educational challenges that are reflected both in the low quantitative gains with respect to educational achievement of the youth that finishes school successfully and in the articulation of poor quality issues as articulated by various stakeholders must receive serious strategic intervention. This means that all challenges must be tackled simultaneously because they are interrelated. Education is regarded as fundamental to the aspirations of the province in relation to growth and development. Strategic attention therefore warrants that a business as usual approach must be reviewed and specific challenges must receive direct attention. Interventions must be towards: varied quality of education in accordance with location of schools within rural areas townships and urban areas, the challenges relating to logistics of accessing educational materials in the form of books, laboratory material, and inequitable access to remedial and specialized attention to learners with specific challenges.

Educational performance is influenced by both the community related and family related aspects of life. Thus under-resourced schools affect school performance. This means that services such as water, sanitation and electricity, must be provided to schools. The issues of quality of teacher education must also be addressed directly and capacity development programmes of teachers that are currently employment must be designed. The quality of management and school governance must also be

enhanced in order for schools to set targets and be able to achieve the best from their learners through local support and enhancement of learner effort.

**Objective Indicators:**

- Percentage of children in the 0 -4 age group accessing Early Childhood Education facilities.
- Percentage of teachers teaching subjects for which they are qualified and trained to teach.
- Teacher-pupil ratio.
- Percentage of population 5-19 years in school.
- Percentage of schools meeting the standards of facilities benchmark
- Percentage of Principals with formal training and qualifications in school management/leadership.
- Percentage schools with water sanitation and electricity.
- Percentage of schools with ICT / computer facilities.
- Percentage of Grade 12 learners passing with Mathematics and Science.

The following are the intervention strategies, albeit not exhaustive, that are part of Early Childhood Development:

- ✓ Review and resource teacher education and capacity development programmes,
- ✓ Develop and implement schools water, sanitation and electricity programmes,
- ✓ Develop and implement programme to enhance logistical support to facilities,
- ✓ Support effective governance at schools,
- ✓ Promote use of new technology to encourage distance learning opportunities, and
- ✓ Focus on girl child challenges to reduce dropout level of girls.

**3.5.2 Strategic Objective 2.2: Skills alignment to Economic Growth (KZN HRD Strategy focus)**



One of the key undertakings in the province must be identification of skills shortage and working with different stakeholders to find a solution to the brain drain of critical skills in the province. Each district within the province must be aware of its economic potential and identify short, medium and long term to incremental advancement of optimal economic performance. The province must also identify lead sectors in terms of employment so that district planning may link with these identified sectors in a bid to advance skills and penetrate economic opportunities. As has been mentioned, in order for the productivity of the economy to be achieved the educational continuum must support the identified strengths of the economy and this must also be as area-specific as possible. Thus whilst schools must be armed with all the information that guides children to different professions, they must also be acutely aware of what the economic potential of the province and their districts.

#### Objective Indicators:

- Percentage decrease in skills gap.
- Collaboration initiatives between industry and tertiary institutions.

The following are the intervention strategies, albeit not exhaustive, that are part of Skill alignment to economic growth:

- ✓ Develop skills plans for lead economic sectors per district municipality based on skills demand and implement in partnership with tertiary institutions,
- ✓ Assess functionality of technical training institutions, and
- ✓ School counseling & vocational guidance.

### ***3.5.3 Strategic Objective 2.3: Youth Skills Development and Life-Long Learning***

Population statistics of 2007 in KwaZulu-Natal indicates that 45% of the population is between ages 0-19 years of age. It also indicates that adults with grade 12 education are 34%. There is a critical urgency to deal with education challenges in the province. Whilst serious effort has been unleashed in the previous years since democracy, these efforts seem to count few gains in terms of impact and demonstrable effect in empowering citizens and making them competitive in the globally competitive economy. Thus there is a need to start design programmes that are simultaneously dealing with critical issues of linking people to the economy whilst skilling the youth that is currently unemployed to achieve the capabilities that they do not have, currently making them redundant in the current economy. This must also be mirrored by community focussed ABET programmes that will enhance the environment of learning for

the youth by making the adult population also to be trained and able to advance their educational capability.

**Objective Indicators:**

- Number of youth learner ships
- Number of adults enrolled on and completing Adult Basic Education courses.
- Number of training opportunities afforded to workforce under age 35.

The following are the proposed strategic interventions, albeit not exhaustive, towards youth skills development and life-long learning:

- ✓ Establish programmes for life-long learning through on-demand training, skilling the unskilled and
- ✓ **Establish community Adult Basic Education and Training (ABET) & Life Skills Programmes.**

### 3.6 Strategic Goal 3: Human and Community Development

**National Outcomes:** A long and healthy life for all South Africans; All people in South Africa are and feel safe; Vibrant, equitable, sustainable rural communities contributing towards food security for all; Sustainable human settlements and improved quality of household life.

#### Goal Indicators

- Life expectancy.
- Crime rates.
- Gini co-efficient measuring social inequality.
- Percentage of households accommodated in formal dwellings.

“Community development” implies interventions that take place at a local scale. Meaningful impact on the citizenry in their communities requires attention as to how development is effected and how oversight on deployment of resources is exercised.

There are serious implications derived from “social issues” for infrastructure development, economic approaches, environmental and spatial planning issues. Strategic action related to poverty alleviation, sustainable livelihoods and food security requires an iterative process between stakeholders in spatial planning and infrastructure development that will move people from a poverty coping mode to economic empowerment. Against this backdrop the aim of Human and Community Development is to progress from a rights-based approach to service delivery which emphasises consumption of services, to an approach that increases empowerment for self-sustenance. Underlying this is a need to transform the mindset of asset-entitlement whereby poverty alleviation and social grants orientation is balanced with a mission towards socio-economic empowerment of citizens coupled with the promotion of personal and community action.

The quality of interventions is a critical success factor and hence the institutional and practitioner commitments to qualitative and sustainable interventions at individual and community level require monitoring and evaluation mechanisms focusing on qualitative assessments of these interventions. It is further recognised that the strategic interventions proposed may need political support and may require negotiation with stakeholders at national level. The coordination of mandates across the different levels and spheres of government is not without its share of challenges. Hence there is a strong need for

political support and oversight with respect to a community development approach predicated on alignments of practice and perhaps prioritising the districts ensuring that different departments are able to co-ordinate over a commonly identified terrain rather than creating various crosscutting jurisdictions of their own.

The sustainability of KwaZulu-Natal's rural communities is critical in KZN growing its economy and developing its people. Hence the framework for sustainable livelihoods proposed centres around rural communities and a need for proactive socio-economic development with interventions such as the rolling out of food security programmes. In this context the role of the Ingonyama Trust Board is critical in enacting its mission of enabling easy access to land to the majority of the citizens of the Province.

The social cohesion initiatives suggested seek to balance the patriotic mode of citizen development with an orientation that seeks to develop progressive citizens at personal and social level. Industry-orientated arts & culture programmes are included as elements supportive of social cohesion. The particular issues of safety and security identified herein require co-ordination and partnership.

This goal further includes a focus on services for the vulnerable. Deployment of resources for dealing with disability is recognised as important components. Advocacy on socio-cultural issues and the slow pace in transforming the plight of women and the elderly, particularly in the wake of skip-generation households caused by a high death rate, must receive attention. The initiatives of development related to gender, youth and children must be holistic and be taken beyond the statistical involvement of these groups in structures and events.

The strategic objectives towards the goal of Human and Community Development are the following:

- ✓ Poverty Alleviation and Social Welfare
- ✓ Enhancing Health of Communities and Citizens
- ✓ Sustainable Livelihoods and Food Security
- ✓ Sustainable Human Settlements
- ✓ Safety and Security
- ✓ Social Cohesion, and
- ✓ Youth, Gender Advocacy & Women Advancement.

### ***3.6.1 Strategic Objective 3.1: Poverty Alleviation & Social Welfare***

Given the high rate of poverty in KwaZulu-Natal as illustrated by the HDI index combined with the widely acknowledged challenges in relation to quality of life makes it imperative that the strategic interventions addressing poverty be multifaceted. This means that a holistic community development approach needs

to be developed, seeking to empower citizens through mobilising the various agencies to render support in accordance with the challenges communities face in various districts. Sukuma Sakhe, located within the office of the Premier, has begun to do this and many challenges and lessons have been experienced in the process. It is therefore recommended that the Sukuma Sakhe initiative should be expanded and supported by a broader stakeholder base. Relevant departments with expertise on community development practice must be empowered to co-ordinate integrated responses in various localities with the support of all departments, civil society organisations and private sector stakeholders.

It is important to adopt a supportive approach to communities whilst they are confronting poverty and at the same time aiming not to create dependency on poverty alleviation strategies such as the social grant system. KZN is already cited as the Province on which social grant expenditure is the highest thus whilst support to the poor is desirable, measures to empower communities towards a sustainable economic trajectory must be sought. The Province thus needs to ensure that various stakeholders are co-ordinated towards communities to intervene in terms of their various mandates. This links with the vision to achieve a healthy KwaZulu-Natal society. Many stakeholders are doing work towards poverty indices but there is a need for better rationalisation and alignment of stakeholders to ensure a co-ordinated and efficient community development approach.

#### Objective Indicators:

- Dependency ratio.
- Percentage of households with income less than R3 000 per month.
- Number of wards profiled through Sukuma Sakhe.
- Number of eligible social grant applicants able to access the facility within a specified and standardised turnaround time from time of application to delivery in the province
- Number of people migrated from the Poverty trap based on locally identified variables of poverty
- Number of households assessed for eligibility to social grant services and rendered such services per annum in the province

Interventions, albeit not exhaustive, include:

- ✓ Promote & Accelerate roll-out of Sukuma Sakhe,
- ✓ Rationalization & alignment of the Community Development Approach,
- ✓ Eliminate corruption and fraud in the Social Grant System,
- ✓ Investigate negative impacts of social grant system, and





- ✓ Develop responsive Integrated System for Continuous Assessment.

### ***3.6.2 Strategic Objective 3.2: Enhancing Health of Communities and Citizens***

Enhancing healthy communities and citizens in KZN society necessitates the development of a comprehensive primary health care programme in KwaZulu-Natal that is premised on a proactive approach and the capacity to deal with diseases. A comprehensive health care approach would entail scoping of local and institutional capacity to enhance health for communities. Partnerships between community health practitioners, the rationalisation of health care facilities as provided by government, as well as nutritional, physical and spiritual wellness, are all elements of health for communities. This entails partnerships with traditional healers, faith organisations, sports development practitioners and recreation as well as health care facilities. These practitioners are important not only in dealing with health in terms of restoration of ill-health to wellness, but in keeping human beings healthy. The Province thus has to scope the extent to which the citizenry is catered for in terms of management of disease, maintaining good health, management of chronic diseases and epidemics, as well as provision of special facilities for the vulnerable.

KwaZulu-Natal already has negative trends in relation to substance abuse, debilitated families (as exemplified in the growing phenomenon of street children and teenage pregnancies), as well as the adverse impact of HIV/AIDS. This requires measures to reverse adverse trends in relation to HIV/AIDS, maternal and child mortality as well as impacts of substance abuse.

There is a need to deal with health in KZN through improved access to facilities, reversing negative trends, proactive approach to health, and affording the citizens quality health care through affordable quality of care. Affirmative attention to quality of facilities and quality of professionals needs to be directed to rural areas in particular.

#### **Objective Indicators:**

- Percentage of births attended by a qualified and professional healthcare professional per annum in the province.
- Percentage of people living within an internationally acceptable radius of a fully functional healthcare facility throughout the province.
- Number of deaths attributable preventable and treatable diseases.
- Number of new cases of HIV and AIDS and TB per annum in the province.
- Number of infant, child and maternal deaths per 100,000 cases per annum.
- Number of qualified healthcare professionals per capita per district in the province - healthcare professionals per population.



Interventions, albeit not exhaustive, include:

- ✓ Development and implementation of Comprehensive Primary Health Care (includes nutrition programmes, technology, equity, address disease burden, address child and maternal mortality),
- ✓ Accelerate HIV/AIDS intervention programmes,
- ✓ Design equitable access to Health & Special Facilities ... roads and facilities ,
- ✓ Promote physical and mental health programmes, and
- ✓ Promote awareness programmes against substance abuse.

### ***3.6.3 Strategic Objective 3.3: Sustainable Livelihoods & Food Security***

The concept of Sustainable Livelihoods is critical to promoting individual and community empowerment for self-sustenance. This approach enables the identification of individual and community strengths and works towards the deployment of these strengths, together with appropriate inputs from various sources to enable people to act on and in their environments, to produce results for their own livelihoods. From the identification of household needs and residents' capabilities, this approach would point to production or income generating activities and skills training for those activities. The framework would encompass the physical capital (infrastructure, equipment) required, the human capital (individual and group skills) required, the financial capital (savings clubs, financial support mechanisms) available and possible and extends to the social capital (partnerships, institutions, trade and barter networks) required to make the production / income generation activities possible. All this is done within the conservation of natural capital (environmental considerations). This is the approach recommended for the assurance of food security at the level of households and communities.

Food security as a specific objective within the Province will require co-ordinated effort. The informal economy requires support in so far as this strengthens food security through local production and commercial ventures. There is a need to identify community based assets, establish support for use of these assets in order to promote sustainable linkages or trade between producers and consumers at local level.

**Objective Indicators:**

- Number of schools or community centres with functional feeding schemes per district at any one time
- Number of households capable of sustainably providing their own food security per district over time.
- Number of households supported through One Home-One Garden concept.
- Number of schools and community gardens established.
- Number of hectares made available for food security purposes.
- Existence of an early-warning system.

Interventions, albeit not exhaustive, include:

- ✓ Developing infrastructure for local markets.
- ✓ Support to informal economy - Life support to local enterprises.
- ✓ Skills development to support local production.
- ✓ One-Home One-Garden.
- ✓ Perma-Culture Concept Practices,
- ✓ Roll-out of School and Community Gardens.
- ✓ 100ha Programme by TC's, and
- ✓ Establish Early Warning Systems.

### ***3.6.4 Strategic Objective 3.4: Sustainable Human Settlements***

The provision of housing has previously dominated the approach to human settlements in the Province as in South Africa in general. Whilst the provision of a house remains an important part of human settlements it is now common cause that liveable human settlements require decent planning that involves: designing a safe environment, infrastructure that allows and enables economic activity,

delivery of services and social facilities as well as good maintenance capacity. This has not been an easy ideal to achieve given the historical issues related to land availability and the slow progress, almost a stalemate, on land reform in the Province. Provision of decent housing in the urban setting has taken the mode of in-situ upgrading as well as provision of new sites. However there are land-related constraints. There is also a need to do serious analysis to see whether housing programmes cover all income groups in the Province.

Besides the urban initiatives there are challenges related to provision of human settlements with all the elements of sustainability in rural areas. The densification of human settlements is recommended to enable equitable provision of basic water, sanitation and electricity. Access to social facilities such as schools and clinics as well as provision of road linkages to markets must begin to inform the manner in which human settlements are designed in the near future. Thus stakeholders involved in land allocation, establishment of social facilities, designing human settlements must begin to think about promoting polycentric planning in order to achieve sustainable livelihoods and sustainable human settlements.

#### Objective Indicators:

- Percentage of households living in formal dwellings per district.
- Percentage of households with potable water, sanitation and electricity per district.
- Number of households upgraded from informal dwellings per district per annum.
- Number of applicants on the housing waiting list and trends, per district.

Interventions, albeit not exhaustive, include:

- ✓ The establishment of a joint provincial forum addressing Outcome 8 (human settlements) and Outcome 9 (Responsive, accountable governance) to ensure co-ordinated and integrated development planning i.e. provision of facilities,
- ✓ Implement polycentric nodal development in line with the PSEDs to achieve sustainable livelihoods, and
- ✓ Slums clearance – transform into social housing programmes.

### **3.6.5 Strategic Objective 3.5: Safety & Security**

Safety and security has increasingly been realized to be an issue of multiple elements and expertise. It ranges from decreasing vulnerability to natural disasters to decreasing vulnerability in terms of national security. The aim of the Safety and Security objective is to design of human settlements ensuring the

promotion of safety and security of people living in those settlements. It therefore requires the mainstreaming within the practice of various planning and development practitioners as well as civil society programmes. Thus the international standard of design for Community Protection through Environmental Design should become standard within the design of sustainable human settlements.

There are also the social relations aspects of safety and security. Indications are that there are good legal and policy instruments in place in relation to gender-based violence and other social ills such as child abuse. The human rights environment is conducive to good human relations. However policy instruments are clearly not sufficient to promote safety of children in family and community settings. Gender-based violence evades the policy instruments and the structures that have the mandates to act are either approached too late or are unable to circumvent the cunning ways in which victims are prevented from exercising their rights. Safety and security therefore requires a multi-stakeholder approach as well as multi-faceted approach that balance advocacy orientation and punitive enforcement to safety and security issues. A good social cohesion strategy will also enforce the need for various stakeholders to act to eliminate social pressures and deficiencies that make an association between poverty and crime seem intrinsic. In fact such a strategy will break into issues of institutional and personal social morality such that all people reflect upon the undesirability of both white collar crime and common criminal activity.

#### Objective Indicators:

- Number crimes reported per category per district per annum, and trends
- Number of traffic accidents and results per district per annum and trends
- Number of crime combating programmes and deemed impact throughout the province.
- Number of crimes committed against identified vulnerable groups (women, children and the elderly) per district per annum and trends.
- Functional programme directed at enhancing the safety and protection of children, women, foreigners and other vulnerable groups.

Interventions, albeit not exhaustive, include:

- ✓ Promote the implementation of design standards: Community Protection through Environmental Design – to ensure safety,
- ✓ Strengthen programmes aimed at curbing violence against the vulnerable with focus on women, children and the elderly,

- ✓ Strengthen partnership between civil society, business and criminal justice system at local level (Business Against Crime and the Community Policing Forums), and
- ✓ Establish educational programmes on Safety for Children.

### **3.6.6 Strategic Objective 3.6: Advance Social Cohesion**

Social cohesion is an example of an issue that is highly dependent on mutual engagement and buy-in of various stakeholders to become a reality. Whilst political engineering has been done via good policies and events over the years in the Province of KwaZulu-Natal, and there is evidence that these have broken the mould of social discordance, there is a lot of work that remains to be done within communities. Some of the issues relate to mastering delivery on social necessities in order to reduce the social gap on survival issues in the Province. A proactive approach will entail making arts and culture not only elements of events-based leisure sector but a cultivation of thinking of arts and culture as an industry worth investment and linked to economic gain. Poverty and crime seem to be related, and since poverty is racialised and still ravaging mainly the Black communities the elimination of the association of Blackness and criminality has been a challenge, despite known facts around the fallacy of this being an intrinsic association.

Thus social cohesion requires a firm determination to recognise the plight of those lagging behind in socio-economic development. It also requires continuation of programmes directed at dealing with challenges identified within specific areas and sectors in the social relationships in those sectors and areas. The work of statutory bodies such as the South African Human Rights Commission, the Public Protector and the Commission of Culture, Language Religion which tends to be dominated by a complaints approach needs to be interrogated also for its spread to reach townships and rural areas. The Province needs to continue with its efforts on social cohesion as has been done before in programmes on African Renaissance and Ubuntu.

#### **Objective Indicators:**

- Numbers of incidents of politically motivated, racially or religiously based violence or other forms of intolerance or disharmony reported per district per annum, and trends, throughout the province.
- Number of multi-cultural activities per district in the province
- Distribution of the province's wealth and economic opportunities across ethnic groups per district throughout the province.

Interventions, albeit not exhaustive, include:

- ✓ Develop a social cohesion strategy for the Province (to cover responsible citizenry, moral regeneration, ethics at work etc) and
- ✓ Develop Industry-orientated arts & culture programmes.

### ***3.6.7 Strategic Objective 3.7: Promote Youth, Gender & Disability Advocacy & Women's Advancement***

It is important to be conscious of challenges of vulnerable groups in particular settings. Young people are faced with different social and cultural circumstances, namely; some of them dealing with a generation of parents struggling with 'loosening up to transformation', some youth face abuse of culture as in the practice of *ukuthwala* a form of abduction which the perpetrators moot as culturally sanctioned, others faced with abject poverty and orphan-status. Research and scoping of the youth challenges in different parts of the Province will indicate the differential approach to be taken towards youth whilst being mindful of the holistic development of the youth. The Youth Ambassador programme should be strengthened as it is holistic looking at all the challenges of the youth from confronting diseases, unemployment, socialisation etc.

A strategic objective focussed on the vulnerable must include gender advocacy and gender change management. The approach of placing quotas needs to continue so that representation of women in all sectors and structures of decision-making increases. The link between economic empowerment and improved gender relations is instructive. Targeting male and female youth for socialisation on gender issues is necessary. It is also important to move away from an event-based approach to gender empowerment towards change-management in terms of gender issues.

All stakeholders must make a conscious attempt to measure the extent to which they deal with gender issues and in terms of making impact on the quality of life of women in particular. Where resources are limited (especially in the context of local government) there is a tendency to marginalise the whole issue of gender relations. A champion at local government level must track the attention of various stakeholders to gender issues, supplementing the capacity of municipalities to track the impact they are making in this regard. A provincial mapping of capacity to deal with gender issues must be kept at a provincial level with trends being monitored over time. The issue of disability through the cycle of youth, middle age and the elderly status must be made a generic necessity of all stakeholders to cater for irrespective of numbers and scope of operation because disability is a fact of life, an issue of human rights, that must not be tied with the strength of numbers in relation to release of resources.

**Objective Indicators:**

- Proportional percentage of youth, women and people with disability in all spheres of socio-economic opportunities.
- Number of advocacy programmes targeted at promotion, progressive and inclusive attitudes towards the vulnerable groups.

Interventions, albeit not exhaustive, include:

- ✓ Develop programmes to track for Economic Empowerment of vulnerable groups,
- ✓ Develop programme for Gender, Youth and Disability Advocacy,
- ✓ Develop programme for Profiling Youth issues at municipal levels.



### 3.7 Strategic Goal 4: Strategic Infrastructure

#### **National Outcome 6: An efficient, competitive and responsive economic Infrastructure network**

This Strategic Goal is aligned to the National Outcome 6 which focuses on maintaining and building an efficient and effective infrastructure network.

Many studies confirm that infrastructure development is the foundation for poverty reduction and economic growth in developing countries. As KZN is en route to greater socio- economic growth, there are many unfulfilled needs in the provision of services and infrastructure. The long-term success and participation in the global market by the Province of KwaZulu-Natal will be in its ability to maintain good governance, to continue to provide services and improve its transport and logistics infrastructure.

Historic under-investment in basic infrastructure (roads, transportation, water provision, sanitation etc) has undermined the growth potential of this province. In line with national government policy, public-sector investment in infrastructure is seen as key to building the overall levels of investment in fixed assets which is central to achieving growth and development targets. The need is therefore to invest in infrastructure in order to stimulate and sustain growth and development and this includes both operational infrastructure (water, sanitation, roads etc) and connectivity (information technology, mobility) infrastructure.

The challenges presented in the infrastructure sector pose also as economic opportunities for innovation that could lead to new job-creating value chains in sectors such as waste recycling, renewable energy, and information technology and so on.

Transport, logistics and communication are important components of the services sector, and the province already enjoys considerable comparative advantages in this regard. A major priority for the province therefore is to build on this comparative advantage by further investment towards positioning KwaZulu-Natal as the trade entrance into the continent. This requires further investments in building a modern infrastructure, particularly transportation and logistics, that reduces business costs, enhances competitiveness and creates employment for firms.

As the world undergoes rapid urbanization and greater numbers of people in developing countries move to the cities, the need to improve basic services and infrastructure such as drinking water, waste disposal, transportation infrastructure and access to electricity has reached a critical point. . Infrastructure development is the foundation for economic growth and poverty reduction and the strategic objectives proposed herein will assist in laying that foundation.

### ***3.7.1 Strategic Objective 4.1: Development of Harbours and Ports***

Key among the Province's superior physical infrastructure facilities are the two strategically situated ports of Durban and Richards Bay. Together, the two ports handle nearly 80% of South Africa's cargo tonnage. Situated between Durban and Richards Bay is King Shaka International Airport and the Dube Trade Port - the hub of an aerotropolis which will eventually include commercial, residential and production activities. Here is the base of a transportation and freight logistics complex which will provide an effective platform for forging trade linkages between provinces within the country, with neighbouring states and the rest of the world (particularly the Asian and South American sub-continents), offering the province considerable investment spin-offs and opportunities. KZN's competitive edge is thus greatly enhanced and the roll-out of these developments must proceed apace.

The new Dube Trade Port will greatly expand the capacity of KwaZulu-Natal to import and export goods. The principal component of the Dube Trade Port is a new international passenger and cargo airport, but it is the new facility's proximity to the harbours of Durban and Richards Bay that give it the edge as a transport and logistics hub. Rail and road links up and down the coast to these two major seaports will make it easy to switch cargo between different modes of transport. Large quantities that arrive by sea can be dispersed in disaggregated volumes at speed by air.

Durban and Richards Bay Ports are largely responsible for KwaZulu-Natal's reputation as the transport and logistics hub of South Africa. Moreover, the province has an extensive rail and road network connecting other parts of the country and linking the Province to Mozambique and Swaziland. Over the past decade the port industry has seen significant growth in operations. This leads to major investments in cargo-handling equipment and even bigger investments in infrastructure.

Transnet's huge infrastructure-spending drive is under way in KwaZulu-Natal and nationally. The province's harbours and railways are all receiving injections of cash for developments in sync with provincial government priorities. A figure of R9.8-billion is due to be set aside for infrastructure spend in 2010/11. Three major projects are under way to upgrade the container terminal, develop new deep-water quays at the City Terminal and convert Pier 1 to handle containers. The Durban harbour entrance-widening project is ongoing, started in 2007 and was due for completion in 2010. When the harbour widening project is completed, it will significantly increase the facility's capacity, more than doubling the number of twenty-foot equivalent units (TEUs) that it can handle from 4 000 to 9 000. Both Pier 1 and the Durban container terminal are receiving upgrades. At current volumes, the Durban container terminal deals with 2.3 million TEUs annually. This will increase to 2.9 million. Transnet Port Terminals has spent R72-million on two massive gantry cranes to improve loading speeds within the harbour.

KZN Province airport infrastructure shows that there are currently 130 airstrips in the province. These consist of numerous types; from small dirt landing strips to regional airports. The development of an airfields strategy in the province is borne out of the thinking that small airports can be integrated into the public transportation system in such a way that these smaller airports support and complement each other, can operate as a co-ordinated public transportation system while providing affordable service to the user.

The interventions proposed seek to optimise existing infrastructure but more importantly, to build on KZN's competitive advantage – creating economic infrastructure which will result in sustainable job creation.

#### Objective Indicators:

- Amount of new investment made into the Dube Trade Port Aerotropolis by public and private sectors;
- Increase in container handling capacity of Durban Port, measured in number of containers (twenty-foot container equivalent units or TEUs) able to be processed per day;
- Increase in efficiencies of container handling facilities at Durban port, measured in terms of average time taken to load and/or unload a container;
- Improvement in international ranking of Port of Durban (presently ranked 9<sup>th</sup> busiest in the world);

The interventions, albeit not exhaustive, include:

- ✓ Optimise the Dube Trade Port –Aerotropolis,
- ✓ Plan and develop an inland multi-modal logistics hub,
- ✓ Implement plans for the Dig-Out Port,
- ✓ Improve and expand Durban’s Back of Port Operations,
- ✓ Develop Richards Bay Port Container Terminal,
- ✓ Improve Durban Passenger Terminal,
- ✓ Establish feasibility of development of small craft harbours, and
- ✓ Development of Regional Airfields.

### ***3.7.2 Strategic Objective 4.2.: Development of Road and Rail Networks***

An over-burdened road network and under-utilised rail network are factors contributing to infrastructural deficiencies in KZN. Because of the acknowledged lack of investment in public infrastructure spanning some years, freight is more effectively moved by road – which overburdens the road network. Latest plans from Transnet, Dept of Transport and SANRAL do attend to these problems incrementally – however serious co-ordination between provincial and local government and SOE’s is required to achieve the type of world class infrastructure envisaged.

Freight will continue to be transported via a combination of road and rail. The infrastructure stakeholders have recognised the need for multi-modal facilities which cater for fast-moving consumer goods as well as bulk minerals and lighter manufactured goods. The development of nodes in the interior of the province and the enhancement of rail, airfields and corridors will be crucial in this development. Efficient communication systems will also be crucial in the ongoing operation of these multi-modal facilities.

KwaZulu-Natal has two national double carriageway highways running through the Province. These are the N2, which runs along the coast from South to North, and the N3, which runs from Durban westwards and is the main road link to Johannesburg and Gauteng and other inland areas.

Fully recognising the economic importance of a good road structure, the KwaZulu-Natal Department Transport has instituted an ongoing, long-term programme to continually upgrade the Province's road network. Major infrastructure projects being undertaken include:

Spoornet and the SA Rail Commuter Corporation (SARCC) control South Africa's rail network. Spoornet provides goods, container services as well as long distance passenger services. Metrorail, a division of Transnet Ltd, is responsible for operating the metropolitan commuter system. Metrorail is contracted to provide this service to the SARCC, which owns the rolling stock and most of the infrastructure.

The Department of Transport has embarked on a comprehensive recapitalisation programme to improve rail safety and revive rail transport as a viable public-transport alternative.

Over the past few years, government has contributed some R884 million to the remodelling and refurbishment of rail commuter stations. The private sector provided investment of about R1,6 billion in more than 120 projects on land and properties adjacent to and surrounding rail commuter stations.

The following interventions are proposed on the basis that they greatly complement and expand existing opportunities for manufacture and trade and they address citizen's public transport needs.

**Objective Indicators:**

- Efficiency increases produced by operation of a inland logistics hub, measured in terms of the % reduction in the average time taken for a container to get from point of off-load at Durban port to City Deep Container Port in Gauteng;
- Percentage Increase in proportion of containerized freight being transported by freight rail as opposed to road freight;
- Volume (in tons) of coal being transported from inland areas to Richards Bay port for export;
- Number of kilometers of new rural access roads developed;
- Improvement in quality of secondary road maintenance measured through user satisfaction surveys;
- Percentage Increase in proportion of commuters in KZN using passenger rail as means of transport as opposed to other public transport modes;

The interventions, albeit not exhaustive, include

- ✓ Establish a dedicated freight link: Durban Port to Inland Hub.
- ✓ Expansion of Coal Rail Link.
- ✓ Extend rural road access & maintain secondary roads.
- ✓ Implement the Integrated Passenger Strategy
- ✓ Expand and maintain core freight network and the timber Branch Lines including timber.

### ***3.7.3 Strategic Objective 4.3.: Development of Information & Communications Technology (ICT)***

Kwa-Zulu-Natal, currently, lags in terms of providing affordable and reliable access to telecommunications and the internet. Mobile telephone usage has increased dramatically while access to fixed line telephony has declined over the last few years. Internet usage remains extremely low although there has been an improvement in levels of internet usage.

Given recent developments in the provisioning of broadband infrastructure, and continued improvements in regulation and legislation, it is likely that future improvements in this area will be more significant. There are two areas of concern. One is around the importance of ICT skills for individual efficacy in a rapidly modernising world; the other is around functionality of existing technology: lack of connectivity and speed – especially with regard to the needs of business and government communications. The importance of this sector must be seen in the light of KZN's growth trajectory: the technological skills required in workplaces, citizens' needs to access information and our economic growth ambitions within the global context.

The proposed interventions thus revolve around rapidly extending access to and use of information communications technology; to ensure that computer skills are taught from an early age and form part of the standard adult basic education and training (ABET) curriculum by 2015. All public servants should also receive ICT training. Achieving this aim urgently requires a plan to train educators, access relevant teaching skills and establish computer centres for learners and communities. This intervention is linked to the observed continual reduction in broad-band costs resulting largely from the opportunities afforded by the South Africa-Far East undersea cable. Related to this is the important issue of information technology in support of KZN industry and logistics. With the mission of becoming a "gateway to Africa and the world" it becomes vitally important to be able to communicate within and across borders as efficiently, using the most modern means as possible.

**Objective Indicators:**

- To ensure access to ICT infrastructure to 60% of rural schools by 2015, rising incrementally.
- Increased access to broadband with speed and cost in line with international best practices by 2015

Interventions, albeit not exhaustive, include:

- ✓ Expand community access to broadband services.
- ✓ Increase bandwidth (speed) for economic competitiveness.

#### ***3.7.4 Strategic Objective 4.4.: Enhance Water Resource Management***

The current backlog of water provision in the province is estimated at 2 million people residing in approximately 400,000 houses/households. In a water-constrained country, the investment in water infrastructure is also an essential step in the strategy to expand agriculture and agri-processing.

The Province is relatively water rich compared with the rest of the country. KwaZulu- Natal has good rainfall in most parts of the Province. Many of the major rivers have their source in the Drakensberg Mountains. The urban areas are therefore well serviced with high quality water. South Africa subscribes to world-class environmental management protocols and local authorities enforce these.

The water requirements of the KwaZulu-Natal metropolitan coastal areas are growing rapidly. This is as a result of the current economic growth, improved water supply services, urbanisation of the population and associated expansion of residential and other developments being implemented. This trend is expected to continue over the medium term as reflected in planned new urban developments. The area along the coast between the Tongati and the Thukela Rivers within the iLembe District Municipality (DM) is experiencing developments of large residential estates and industries which require additional water resources for the North Coast supply area. In addition, the development of the Dube Trade Port, which includes the King Shaka Airport and the commercial and residential development that the trade port will attract in the vicinity of La Mercy, will also result in increasing water requirements.



In order to reconcile the future water requirements with the available water resources the Department of Water Affairs and Forestry (DWAF) initiated a reconciliation strategy study as the next step in finding appropriate water supply solutions for the region.

The interventions proposed cover water supply and urge attention to the institutional matters around water supply.

**Objective Indicators:**

- Number of households to provide basic water and sanitation services to all citizens in the province by 2015 in line with National strategies
- Apply an integrated broad-based approach to water service delivery in order to mobilize the economies of scale

Interventions, albeit not exhaustive, include:

- ✓ Develop and implement the Provincial Water Strategy.
- ✓ Rationalise and extend Water Board jurisdictions.
- ✓ Policy and guidelines on the inclusion of Catchment and River Management in all land use management schemes
- ✓ Research and promote skills development for more localised Water Harvesting

### ***3.7.5 Strategic Objective 4.5.: Develop KZN Energy Production Capacity***

KZN has insufficient electricity infrastructure to meet the rising demands of both industry and household consumers due to the limited capacity of the current power stations to meet increasing demand. This is further compounded by the backlogs in the supply of electricity. Overall there is limited funding for maintenance. Consequently there will be increased power outages which will negatively impact on growth and development.



South Africa is in the midst of an energy crisis. Electrical generation capacity is depleted and it would take at least 5 to 7 years to bring new generation capacity on-stream. Since economic growth is dependent on the availability of electricity, this energy shortage brings into question whether South Africa can achieve and sustain its targeted economic growth rates of between 6% and 8%.

KwaZulu-Natal, being one of the economic and industrialized hubs of South Africa would be similarly affected and therefore needs to look at solutions to solve its own energy crises. While conventional (thermal, hydro and nuclear) energy generation plant would take many years to install, an immediate solution to the energy crises would be to reduce the wastage of energy/electricity and to encourage the use of renewable energy sources. In the year 2000, the Department of Mineral and Energy recommended a 15% reduction of fossil fuels as a source of electricity energy and an equivalent increase in the use of renewable energy and electricity efficient technologies. Whether this target has been achieved or not is difficult to determine without a country-wide energy audit. However, it is unlikely that this scenario has been achieved.

The second Integrated Resource Plan for electricity (IRP2) foresees a near-doubling of electricity capacity by 2030, with 33% of new generation coming from renewable sources and 25% from nuclear power. It is also a key part of the plan to improve economic efficiency and to reduce emissions.

KwaZulu-Natal consumes in excess of 6700 MW of electricity or almost two Eskom six-pack power stations in its peak demand period. Average growth in electricity demand, which closely tags economic growth rates, is predicted to be between 6 and 7%. This implies that KwaZulu-Natal requires between 400 MW and 470 MW more electricity each year to achieve and sustain its growth targets. The recent un-scheduled power cuts and national initiatives to reduce electricity consumption during peak demand periods are signs that Eskom is currently unable to meet national electricity demands.

Although the use of firewood and crop residues is extensive in specific rural areas, other more modern forms of renewable energy form a very small part of the energy sector. Technologies in wind generation are new and there is also limited solar energy production in the form of solar water heaters. Other renewable sources include bagasse and municipal waste or biogas, but their use is limited and still on a small- scale basis. Significant progress is being made by the major sugar producers in the Province in relation to the production of bio-ethanol. The cost efficiency of electricity produced by renewable technologies in relation to the low price of coal-generated electricity presents a challenge for the growth

of this sub-sector. KwaZulu-Natal is said to have comparative advantage in terms of the potential to develop four types of renewable energy and fuel generation, these being:

- Mini-hydro energy generation (using the natural and piped flows of water from inland to coastal regions)
- Wind energy generation (in particular along the coastal regions)
- Biogas (from crops such as sugarcane along the coast).
- Bio-ethanol (from sugarcane along the coast).

**Objective Indicators:**

- % of households receiving sustainable electricity supply;
- % of KZN's electricity supply from renewable energy sources;
- Number of renewable energy generation or co-generation projects in implementation stage;

The intervention proposed, albeit not exhaustive, is comprehensive in that the Provincial Strategy would cover various aspects of delivery and generation.

- ✓ Develop & implement the Provincial Energy Strategy.

### 3.8 Strategic Goal 5: Response to Climate Change

**National Outcome 10: Environmental assets and natural resources that is well protected and continually enhanced.**

In alignment with Outcome 10, to be a province that responds proactively to all positive and negative impacts to climate change. This Strategic Goal focuses on enhanced quality and quantity of water resources, reducing greenhouse gas emissions, climate change impacts and improved air/atmospheric quality, sustainable environmental management and the protection of biodiversity.

Climate change is the greatest environmental challenge facing the world and refers to possible serious disruptions of the planets weather patterns. This includes impacts on precipitation, extreme weather circumstances and a rise in the sea level.

The developing world faces greater challenges than the developed world, both in terms of the impacts of climate change and the capacity to respond to it. Although South Africa as a whole is a developing country, the rural population of KwaZulu-Natal will feel the impacts of climate change to a much greater extent than the urban population, who are arguably less dependent on their direct environment and agriculture for a livelihood or for survival. Subsequently the objectives and initiatives aimed at climate change is not only to achieve stabilisation of the concentrations of greenhouse gases in the atmosphere but also aimed at improving the resilience of both the natural environment, through rehabilitation, conservation and management but in so doing also the ability of the people of KwaZulu-Natal to live in a more sustainable manner within their environment.

Thus the immediate goal might be to improve the resilience of the environment and its communities, but ultimately it relates to the improvement of environmental integrity and a quality living environment for communities within that environment.

#### ***3.8.1 Strategic Objective 5.1: To Increase Land Productivity***

The productive use of land relates to both economic use as well as the limitation of the spread of land use impacts on the natural environment of the Province. Fertile Agricultural land as a commodity is under pressure from a variety of other uses such as conservation and urban development. Subsequently

it is important to increase the yield of existing agricultural land to ensure the future demands for food commodities can be met. It is equally important to research and refine alternative methods of agriculture where the environmental conditions can be controlled to optimum circumstances. This will allow for higher productivity and more cost effective production of foods with the aim of South Africa returning to being a net exporter of food, instead of importing of food.

In some areas the productivity of land needs to be increased, whilst in other areas it is necessary to prevent land degradation from occurring. Land degradation affects all consumers of food due to decreases in production, but its impact is the most severe on rural communities who are dependent on agriculture for survival. It also impacts on water quality and the general condition of the natural environment.

To ensure food security it is essential that communities are utilising land and natural resources in a responsible and sustainable way. Subsequently there is a need to implement policies and guidelines, not only to monitor and control the impact on the environment, but also to educate the rural farmers on best agricultural practises, rejuvenation of land etc. This will allow rural farmers to feed themselves with the limited resources available to them. In order to ensure sustainability and continuity of food production through subsistence farming practises it is necessary to improve the skill and knowledge of the farmers to ensure that land degradation does not occur and negatively influence the fertility of the land.

**Objective Indicators:**

- Percentage reduction in land degradation.
- Percentage increase in sustainable land use practices.
- Increased sustainable natural resource and land management, utilization and integration
- Increased support for effective utilisation of resources
- Agrarian and natural resources integration towards effective Land Reform
- Accelerated Rural Development & sustainable livelihoods

Proposed Interventions, albeit not exhaustive, include:

- ✓ Promote Sustainable agricultural land-use practices,
- ✓ Establish a Policy and Regulatory Framework for the Reduction of Land Degradation and enhance Land Care programme, and

- ✓ Develop a provincial Strategic Environmental Framework for the Province towards Strategic Planning for Biodiversity Conservation.

### ***3.8.2 Strategic Objective 5.2: To Investigate and develop viable Alternative Energy Generation options***

Energy cost and the sustainable generation thereof has in recent times become more important than ever before. Against the backdrop of climate change, the rapid loss of non-renewable resources such as coal and the pressures on Eskom to provide increasing supply, the pursuit of alternative energy options is both an economic and environmental concern.

KwaZulu-Natal, due to its topography and coast line has a significant Hydro Electricity Generation as well as Wind Generated Electricity Potential. This capacity needs to be utilised and developed in order to supplement Eskom generated electricity and to provide cost effective energy to communities which are currently not connected to an electrical grid.

To be fully aware of the requirements within the Province it will also be necessary to determine the needs through a comprehensive demand management study. This will highlight the actual requirements of energy for cooking, lighting, heating etc. and dependant on the requirements different energy sources can be used for different functionalities.

#### **Objective Indicators:**

- Percentage Increase in renewable energy consumption
- Percentage reduction in greenhouse gas emissions,
- Percentage improvement in air/atmospheric quality.

Interventions, albeit not exhaustive, include:

- ✓ Development of Provincial Alternative Energy Strategy with specific focus on Hydro Electricity potential,
- ✓ Programme of Alternative Energy demonstration projects, and
- ✓ Establish a Provincial Carbon Credit Programme.

### 3.8.3 Strategic Objective 5.3: to manage pressures on Biodiversity

The loss in biodiversity experienced within the Province is clearly depicted in the KwaZulu-Natal State of the Environment Report (SOER), 2004 published in May 2011. The KwaZulu-Natal SOER illustrates loss in biodiversity by the change in area (ha) under selected land cover classes and the number of ecosystems that changed in status and notes these as follow:

- Degraded Land: Areas degraded increased from 8% (1994) to 12% (2000)
- Transformed: Areas transformed increased from 26% (1994) to 30% (2000)
- Untransformed: Areas untransformed decreased from 66% (1994) to 58% (2000).

The status of ecosystems (as classified by The International Union for Conservation of Nature) changed as follows:

- Critically Endangered: Increased from 1 critically endangered ecosystems (1994) to 4 critically endangered ecosystems (2000)
- Endangered: Increased from 16 endangered ecosystems (1994) to 17 endangered ecosystems (2000)
- Vulnerable: Increased from 17 vulnerable ecosystems (1994) to 18 vulnerable ecosystems (2000)
- Least Threatened: Decreased from 32 ecosystems (1994) to 27 ecosystems (2000).

Biodiversity planning is highly dependent on spatial information being readily available to all parties involved with planning and conservation. It is subsequently necessary to map critical biodiversity areas as well as critical ecological support areas to allow for an integrated development approach when in close proximity to such areas.

A number of activities i.e. mining activities within the Thukela and Usutu-Mhlathuze catchment areas are currently threatening the natural environment and the water resources on a provincial scale. Coastal resources are also under threat, through over exploitation of fish reserves, as well as development pressures from residential developments along the coast.

Trans Frontier Conservation Areas also needs to be considered and managed. It is necessary to develop work procedures for daily management of the parks to ensure that the operating procedures of one country do not negate the efforts of another country in the same park. This relates to the handling of animals and treatment of diseases, the handling of crime and tourists etc. This will ensure the efficient operation of these parks and the creation of a tourist experience that will result in a win-win scenario for all beneficiaries.

Environmental quality is impacted on by a number of aspects which includes inter alia industrial pollution, noise pollution, air pollution, and pollution by ineffective waste water treatment works, illegal dumping etc. Most of these types of pollution can be ascribed to urbanisation and development pressures due to population growth. This places additional stress on natural resources and environmental quality alike.

In order to effectively manage and decrease pollution it is necessary to register and monitor pollution hotspots where pollution is the highest and most likely to occur, for example, near industries, waste water treatment works and informal settlements. This process will assist and contribute to the effectiveness of current measures to reduce pollution.

To illustrate the levels of air pollution within the Province, the State of the Environment Report (2004) depicts the carbon dioxide (CO<sub>2</sub>) concentrations from the Global Atmospheric Watch Station in Cape Town. The CO<sub>2</sub> concentrations increased from 357 parts per million (ppm) to 373ppm between 1993 and 2000 and are increasing at an accelerating rate from decade to decade. With the “upper safety limit” for atmospheric CO<sub>2</sub> of 350 parts per million (ppm) it is clear that air pollution has reached a critical point. Current pollution is increasing by 2 ppm/year. The 350ppm is the concentration to which pollution should return to prevent and counter climate changes.

Air pollution is the driving force behind climate change and subsequently needs to be addressed as a matter of urgency.

Prevention of pollution must also address water pollution which is regarded as a scarce resource/commodity within South Africa.

#### Objective Indicators:

- Percentage improvement in biodiversity index.
- Percentage improvement in Blue Drop status.
- Percentage improvement in green drop status.
- Percentage increase in volume of solid waste recycled.
- Increased commitment to recycling supported by appropriate systems.

Interventions, albeit not exhaustive, include:

- ✓ Formulate regular provincial State of the Environment Report in order to monitor progressive change in biodiversity,
- ✓ Integrate Coastal Zone Management within the Province and co-ordinate and monitor Coastal Resource Management between various coastal municipalities, and

- ✓ Establish a management agency for the uKhahlamba- Maluti TFCA.
- ✓ Monitoring of Air Quality at a provincial level,
- ✓ Co-ordination of the Systematic reduction in Carbon Emissions and other drivers of Stratospheric Ozone Depletion, and
- ✓ Establishment of localised waste management programmes.

### ***3.8.4 Strategic Objective 5.4: Disaster Management***

Natural Disaster management as a district level function supported by the Provincial Disaster Management Unit needs to act proactively through the development of scenarios (risks assessment) which can be used to develop responses to potential disaster scenarios. The disaster management centres must also serve as early warning mechanisms.

Disaster Management in this instance does not only refer to risks of flash floods that can occur due to higher volumes of rain in a shorter period of time, but also to possible long term effects such as food security that is being threatened by the changing climate. Subsequently disaster management must be conducted by all Departments, including Department of Agriculture, Department of Water Affairs etc. to determine the risks associated with climate change for South Africa and the Province.

It is necessary for the country to adapt to changing circumstances and will only be able to do so if enough information is being made available.

#### **Objective Indicators:**

- Percentage capacity of District / Metro Disaster Management Centres.
- Number of Districts / metro with updated disaster Management Plans
- Number of functional Disaster Management Centres.

Interventions, albeit not exhaustive, include:

- ✓ Continuous Research and Monitoring of Climate Change and Variability,
- ✓ Formulation of Provincial Climate Change Disaster Response Plans, and
- ✓ Strengthen Provincial and District Disaster Management and Mitigation Capacity.



### 3.9 Strategic Goal 6: Governance and Policy

**National Outcome 9: A responsive, accountable, effective and efficient local government system**

**National Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship.**

This Strategic Goal is aligned to the National Outcomes 9 and 12 which focus on a transformed and transformative Government. Both outcomes seek not only to make Government more effective, efficient, responsive and accountable, but they also require that Government become more inclusive in its planning, implementation and monitoring and evaluation of delivery. This is given emphasis in National Government's assertion of the need for "delivery agreements" in which the social partners of business, labour and communities are made part of the delivery team for these outcomes and agreements are negotiated before implementation. "Effective" governance focuses on doing the things that have the greatest impact on people's lives. "Efficient" governance points to the need for appropriate capacity and strong management to implement. "Responsive" governance means developing policy which meets people's needs. "Inclusive" governance expresses the need to have structured partnerships amongst the social partners aimed at delivering the targeted development outcomes. The Governance and Policy Goal thus attempts to give expression to these outcomes in the PGDS.

#### Goal Indicators

- The level of coherence and alignment of policy and strategy instruments relating to growth and development in the Province;
- Existence of a single window of coordination of Government in the Province which optimises integrated policy and strategy development, planning and implementation amongst all spheres of Government;
- Achievement of the appropriate levels of capacity in all aspects of the delivery on the OGDS goals, objectives and interventions;
- Existence and sustainability of a KZN social partnership structure which guides and supports the coordinated implementation of the PGDS.

The implementation of the PGDS is heavily dependent on there being effective and efficient governance systems, across all sectors, but particularly in the Government sector. Similarly, the practical interventions proposed for growth and social transformation are dependent on a policy environment and policy alignment which facilitates change and better efficiencies.



Since 1994, a multitude of structures of governance have been developed in the public sector. National legislation has set out the competencies and roles of the three spheres of Government (National, Provincial and Local), but with the underlying principle that these structures, and the specialist agencies which they have formed, will coordinate their policy development and implementation, to ensure that the impact on the beneficiary and partner constituencies is consistent with the overall policy objectives of Government. At this point it is very difficult to know with certainty that such alignment exists, because there has been an enormous amount of policy formulation by Government – much of which has been translated into legislation – but there are no effective systems to constantly assess the alignment of policies across the different sectors (community services, economy, environment, etc.) and across the different spatial areas of the Province. Thus a more comprehensive inventory and assessment of existing policy instruments applicable in KZN is needed.

What has however emerged from the initial assessments and engagements with KZN stakeholders regarding governance and policy are the following:

- The Provincial and National Cabinet cluster system of operating has made a very important start to developing a more integrated approach to policy and strategy formulation, but there are serious weaknesses in giving effect to collaborative planning below this level;
- There is a need to make it a stronger requirement that Provincial Departments consult and collaborate more meaningfully and openly with other institutions of Government which may relate to a particular policy area.
- There is a need to have much greater levels of participation in the policy formulation, implementation and monitoring processes, from stakeholders outside of Government. More substantive and compulsory participation processes need to be entrenched. More specifically, the partnership with the key social partners of Government, namely organised business, organised labour and the organised community sector, needs to be given greater emphasis and structure. The implementation of a PGDS to which the social partners commit themselves can form a strong starting point for a new social accord amongst the partners at provincial level.
- The intentions behind the establishment of the National and Provincial Planning Commissions need to be given effect to through specific systems for monitoring and intervention in Government policy formulation processes so that integration and alignment are proactively fostered by these planning commissions.
- At local government level, there is a need for seem to continuously improve the quality of integrated planning, and to ensure that Government-related institutions/agents of delivery do work closely and collaboratively with local government, especially through structures and alignment processes at the district municipality level. The Local Government Turnaround Strategy needs to be expanded to include stronger systematic partnerships with state-owned enterprises, private sector and civil society.



- The developmental approach of local government can only be strengthened by improving the institutional partnerships between municipalities and the social partners at local level. There is therefore a need to support partnership-building. The District growth summits are an important platform for building these partnerships but this should be taken further through the promotion of strong local development agencies which bring business and civil society on board with the district and local municipalities in promoting shared growth and development.

### ***3.9.1 Strategic Objective 6.1: Building Policy and Strategy Coordination***

The Strategic Analysis report highlighted the fact that there has been a plethora of policies formulated which have a major impact on growth and development at provincial level, but there is still a large amount of uncertainty as to how the policies should be implemented at provincial and local levels, and even more uncertainty as to whether these policies are aligned with the strategies and programmes of provincial and municipal government spheres. This identification of the implications of policies at provincial and local spheres, and practical mechanisms for facilitating alignment of provincial and local strategies and programmes, is a priority for an effective PGDS.

Many of the policy competencies of Government are shared between national and provincial spheres of Government, however there is a need for the Province to build a clearer perspective and consequent strategy regarding how to shape policy instruments and strategies at provincial level in such a way that they are aligned to national policies and optimise the positive impacts of policy for growth and development. In the economic sphere, Provincial Government has formulated an industrial development strategy, an investment strategy, an export strategy, an informal economy policy, a tourism strategy, etc.; however there is not a clear enough alignment with similar policy instruments at national level. The PGDS therefore proposes this alignment as a critical starting point.

As regards governance, the PGDS proposes interventions that target strategic areas to bolster the effectiveness of governance systems. Firstly, the Cabinet Cluster system, which has already made great strides in shifting the mindset away from silo-style governance, must be strengthened so that there is de facto management of transversal policy and programme interventions. Secondly, whilst the Premier's Coordinating Council and the Provincial IDP Forum have made important starts to inter-governmental collaboration, there is a need for a more effective platform for planning and coordination between Provincial Government and municipalities (especially district municipalities).

**Objective Indicators:**

- Percentage increase in credibility rating of Integrated Development Plans;
- Number of functional District Coordinating fora;
- Reduction in number of registered IGR disputes;
- Level of integration amongst national, provincial and local policies and strategies for growth and development, measured in terms of alignment between the government department plans and IDPs of municipalities;
- Strength of the single window for coordination of growth and development in KZN, involving local, provincial and national government institutions, measured in terms of the effectiveness of the Premier's Coordinating Council and its support structures and the performance record of the Cabinet Cluster system.

Hence the following interventions are proposed, albeit not exhaustive, as priorities to achieve this strategic objective:

- ✓ Develop Inventory of Policy Instruments and a strategy alignment framework
- ✓ Strengthen the effectiveness of the Provincial Cabinet Cluster System
- ✓ Develop a stronger provincial coordinating structure for collaboration between Provincial Government and municipalities.

### ***3.9.2 Strategic Objective 6.2: Strengthen Inter-Governmental Relations (IGR) System***

While recognising the strides that have been made in the development of a coherent IGR system, there is widespread agreement that there are major gaps in terms of implementation of a collaborative approach to when it comes to implementation of policies, strategies and programmes. Lack of integrated service delivery and too many instances of unintended misalignment continue to bedevil delivery in the programmes of Government. Addressing these problems is arguably the single biggest challenge of Government as a whole.

As articulated in the Strategic Analysis, there are a complex set of issues underlying this challenge. However the PGDS must initiate new mechanisms to ensure that at least the interface between the Provincial Government and municipalities must be enhanced. The PGDS itself is meant to be a key reference point for planning and collaboration between the Province and municipalities – and the hope is that the PGDS becomes a point of collaboration and coordination at all for a where Province meets

with its municipalities. In addition to strengthening of the existing fora for coordination, including the Premier's Coordinating Council and the Provincial IDP Forum, the PGDS proposes interventions aimed at using the platform created by the new Provincial Planning Commission to guide alignment between Province and municipalities. The key instrument for ensuring more practical alignment at implementation level is the local municipality's IDP, and interventions are proposed to strengthen these significantly. A further area requiring attention is the relationship between the structures of traditional leadership and those of municipal and provincial government.

**Objective Indicators:**

- Level of alignment and collaboration between the National and Provincial Planning Commissions;
- Quality of the IDPs of district municipalities, specifically their alignment with the IDPs of their local municipalities;
- Extent of positive and collaborative participation of traditional leadership in governance;
- Existence of a single clear framework for funding of all growth and development strategies, programmes and initiatives in the Province.

The interventions therefore proposed to achieve this objective are:

- ✓ Strengthen linkages between National & Provincial Planning Commissions
- ✓ Strengthen the IDP Improvement Programme (focused at District level)
- ✓ Improve Relationship between Traditional Councils, Municipalities and Departments.
- ✓ Develop an Integrated Funding and Implementation Management Framework.

### ***3.9.3 Strategic Objective 6.3: Build Government Capacity***

The need to build Government capacity to implement the policies, strategies and programmes of Government has become one of the most critical priorities of our Province and country. Lack of appropriate implementation capacity is one of the main underlying reasons for the outcry about poor service delivery. There are a multitude of initiatives needed to address capacity limitations at different levels and spheres of Government, but in KwaZulu-Natal, the lack of skills and capacity at local

government level stands out as requiring urgent intervention. This is particularly the case in rural municipalities which are caught between lack of funding for sustainability and difficulty attracting appropriately skilled officials to their areas. Some of these rural municipalities are unlikely to ever be able to develop a revenue stream from their rates base given the high levels of poverty and lack of capacity to deliver services. It is proposed that the options with regard to dis-establishment of some of these municipalities be assessed, along with the process of rationalising some of the municipal boundaries to develop more sustainable municipal units.

In addition, there needs to be much greater sharing of knowledge, resources and specialist services amongst district and local municipalities in the province. More needs to be done to strengthen the “shared services centre” approach, where at district levels, strong specialist service teams can be enlisted to provide services for the local municipalities across a whole district.

The move towards a “single public service” also provides an imperative (and opportunity) to formulate a more integrated and holistic human resource development strategy for the public sector in the province. This strategy must go beyond the traditional development of courses and short skill development programmes and must incorporate and promote the development and use of learner ships, mentorships and internships at all levels in the public service. This will need partnerships between Government and the education and training provider sector.

**Objective Indicators:**

- Percentage of municipalities with personnel expenditure less than 35%.
- Percentage of municipalities able to cash- back operations for periods in excess of 60 days.
- 90% Revenue collection within 90 day period.
- Percentage of Municipal Managers and Section 57 Employees complying with Minimum Competency Standard.
- Percentage of vacant posts.
- Number of municipalities, provincial departments and public entities achieving a positive rating in the performance audit undertaken by the Auditor General.

The interventions therefore proposed, albeit not exhaustive, to address this strategic objective are:

- ✓ The rationalisation of municipal boundaries and dis-establishment of non-functioning and unviable local municipalities

- ✓ Develop an integrated HRD and professional support programme for the public sector in KZN
- ✓ Promote shared services amongst municipalities
- ✓ Strengthen the capacity of the Provincial Nerve Center and Provincial Planning Commission to monitor and evaluate Government performance.

#### ***3.9.4 Strategic Objective 6.4: Eradicate Fraud and Corruption***

The eradication of fraud and corruption is an especially critical objective of the PGDS, as the credibility of the entire governance system rests on people being able to trust that the system works and is transparent, fair and accountable. At national government level there are a range of institutions and mechanisms which have been established to both monitor and act against fraud and corruption. The challenge is to improve the working relationship between these specialised national units/agencies and those provincial mechanisms created to combat fraud and corruption.

The Office of the Auditor-General is a key reference point for the assessment of the fraud prevention policies and strategies of provincial and local government and their respective agencies. With the much wider scope of the audits now being carried out by the AG, fraudulent and corrupt practices are more likely to be noticed and in turn, pursued. The campaign to have all municipalities, departments and public entities achieve “clean audits” must be strengthened as this is the first sign of clean administration. Where officials are found or suspected to be involved in illegal activity of this type there has historically been inordinate delays in the process of pursuing disciplinary cases against these individuals and this must be corrected. Similarly where criminal investigations and/or cases are being pursued against officials, this must be seen to be undertaken with due diligence and speed, as rapid convictions of those involved in fraud and corruption has been shown to be a major deterrent of such behaviour.

**Objective Indicators:**

- The rand value affected by fraud and corruption in the public and private sectors.
- Number of municipalities, provincial departments, public entities achieving clean audits.
- Percentage successful prosecutions in cases relating to fraud and corruption.

Therefore the key interventions being proposed, albeit not exhaustive, to achieve this objective are:

- ✓ Provincial Operation Clean Audit, and
- ✓ Fast Track Disciplinary Processes & Effective Criminal Prosecution.

### ***3.9.5 Strategic Objective 6.5: Promote Participative, Facilitative and Accountable Governance***

The Constitution as well as many of the regulated planning processes of Government imposes a requirement for Government to consult with stakeholders and communities in the formulation of their plans. However an honest assessment would agree that in many instances, such consultation is done merely for the sake of compliance with the requirement rather than in the belief that stakeholders and communities should be important and respected partners to Government in the planning and implementation of initiatives which affect people's lives.

The challenge is for Government and its social partners to be able to identify both structures and mechanisms for partnership which still maintain the responsibility of Government to carry out its developmental mandate without extraordinary delays or endless disputes with interested parties which unreasonable obstacles to effective and efficient service delivery. The PGDS therefore proposes that the principle of participative governance be given real meaning through the establishment and support of the KZN Economic Council, which will allow social partners to collaborate around economic development strategy and programme implementation in a meaningful way. Similarly at local level, the capacity of municipalities to leverage social partnerships and in particular to accelerate local economic development, must be strengthened through the establishment of specialist local development agencies where the private sector and civil society can contribute with the local and district municipalities to the development agenda.

The ward committee system is in theory a very powerful mechanism for enhancing community participation in the governance process, but the system lacks resources and support and needs to be enhanced significantly. The PGDS also believes that the Provincial Nerve Centre in the Office of the



Premier, as well as the Provincial Planning Commission are well-placed to play a strong monitoring and evaluation role with respect to alignment of planning and implementation, as well as general accountability of the Departments and municipalities of the Province.

**Objective Indicators:**

- Existence of the functional social partnership in the form of the KZN Economic Council.
- The number of district municipalities with functional LED agencies.
- Number of functional wards committees.

Hence the interventions proposed, albeit not exhaustive, to achieve this strategic objective are:

- ✓ Support an effective KZN Economic Council
- ✓ Promote the establishment and coordination of local development agencies at District level.
- ✓ Strengthen Functionality of Ward Committees

### 3.10 Strategic Goal 7: Spatial Equity

**Outcome: Spatial Equity and Integrated Land Use Management which guides the allocation and utilisation of human and environmental resources towards sustainable growth and development.**

The envisaged outcome for this Strategic Goal is not directly aligned to any one specific National Outcome, but rather implicit in all of them. The outcome will focus on the promotion of spatial concentration, the co-ordination of development interventions, the integration of spatial planning initiatives and effective land use management.

Spatial planning is the consideration of what can and should happen and where it should happen. It investigates the interaction of different policies and practices across regional space and sets the role of localities in a wider context. It goes well beyond land-use planning by setting out a strategic framework to guide future development and policy interventions, whether or not these relate to formal land use planning controls as contained in a scheme.

Spatial planning underpins economic, environmental and social development in order to:

- Achieving sustainability
- Address climate change
- Ensure place-making
- Ensure environmental protection and enhancement
- Achieve economic development
- Address service delivery – infrastructure, transport, energy, utilities and flood management.

Integrated Spatial Planning is subsequently the single most important tool utilised to depict the distribution of population, land uses, existing resources, and proposed initiatives etc. in relation to each other in order to create a better understanding of status quo and realities faced within a region.

Spatial Planning is dependent on the availability of reliable and credible spatial information from government and private organisations.

The availability of information has been a shortcoming within government departments and it is the intention to establish a point of reference where all spatial data can be obtained from and should include data on all aspects of development i.e. infrastructure, social needs, environmentally sensitive areas, road networks, etc.

Various data sets have been sourced in order to do spatial analysis of KwaZulu-Natal. The analysis is depicted on the various maps included in the PGDS document and assisted in the identification of the localities as envisioned in the strategic objectives below.

### ***3.10.1 Strategic Objective 7.1: To actively promote spatial concentration and co-ordination of development interventions.***

The aim of spatial concentration of development interventions refers to focused development investment interventions in nodal and corridor areas to ensure that initiatives are co-ordinated, cost effective and not counterproductive. It is of strategic importance that investment from various departments needs to be coordinated to ensure integrated development provides all the needs of the targeted communities.

To ensure a co-ordinated approach, it is necessary to identify nodal areas for focused investment, and to classify nodes into hierarchical levels of importance. Scarce resources limit equal development of all nodes. Subsequently it is necessary to prioritise and guide development initiatives to be located in areas where the greatest impact and positive spin-offs from an initiative can be achieved.

By stating that all nodes cannot be equally developed does not imply that no development should take place in lower order nodes, but that the initiatives, type of interventions, and level of investment will differ from Metropolitan areas, to sparsely populated rural areas. Different services will thus be provided within different nodal levels. Higher order services should be made accessible by developing movement and development corridors, to allow for ease for movement to facilities, services and amenities.

#### **Objective Indicators:**

- Number of formalized small towns and settlements to provide a proper basis for efficient and secure land management and investment in rural areas
- Number of Sub-Regional Corridor Development Plans to co-ordinate spatial concentration across administrative boundaries.
- Percentage of development nodes meeting minimum benchmark standards.

Interventions, albeit not exhaustive, include:



- ✓ Establish a hierarchy of Provincial Nodes with clearly defined functions and interventions per node,
- ✓ Development of specific Corridor Plans to co-ordinate interventions around provincial corridors,
- ✓ Continuation of the Small Town Regeneration and Rehabilitation Programme, and
- ✓ Formalisation of Strategic Rural Nodes.

### ***3.10.2 Strategic Objective 7.2: Integrated Land Management & Spatial Planning Initiatives***

Cadastral boundaries do not necessarily conform to the characteristics of land and the natural environment, and residential activities, economic activities and natural phenomenon, traverses municipal, provincial and international boundaries. All municipalities do not possess the required resources to provide services to communities e.g. water. Hence the aim of this objective is to ensure that spatial planning is aligned to allow government organisations to take advantage of comparative advantages offered within an area. This also refers to cross boundary provision of services such as education facilities which can be utilised by communities residing in two municipalities. This allows for cost effective provision of services and is applicable to the provision of civil services, social services and economic opportunities.

Alignment of initiatives will also prevent conflicting initiatives and land uses to be implemented on opposite sides of a boundary i.e. mining activities versus tourism due to pristine natural environment.

Sustainable development can only be reached through proper land management. Land Use Management Schemes serves to improve land use management through provision of guidelines and regulation for the development and utilisation of land. Schemes forms part of a larger and more comprehensive Land use Management System, which address valuation of properties, the payment and collection of rates and taxes, and ultimately provides insight related to the services requirements for a town, and the available capacity of bulk infrastructure to handle additional development pressures. Land use management is difficult in areas where no cadastral boundaries exist especially in the traditional council areas of KwaZulu-Natal.

There is thus a resulting need for land use management schemes to ensure that land use activities do not negatively impact on the natural environment, on existing developments by negating the economic potential and value of adjacent land portions/properties and the general amenity of an area. These schemes also stimulate and guide economic investment within the affected areas.

A large number of the population in KwaZulu-Natal resides within rural areas with high agricultural potential. These areas also need to develop economically, but needs to do so without impacting on the agricultural potential of land and subsequently negating food security within the Province.

The above mentioned land use activities is controlled, impacted on, and influenced by a number of governmental role players within the three tiers of government. There is thus a need to coordinate land management within these departments which includes inter alia the National Department of Agriculture, Department of Co-operative Governance and Traditional Affairs and Department Rural Development & Land Reform.

**Objective Indicators:**

- Number of District municipalities with functional GIS units.
- Percentage of land covered by comprehensive land management schemes.
- Comprehensive Land Use Management Schemes established across the entire province.
- Number of cross-border and cross-boundary agreements concluded.
- Percentage of municipal capital expenditure aligned with Spatial Framework.
- Number of shared services agreements concluded.

Interventions, albeit not exhaustive, include:

- ✓ Promote development of Ward Based Plans
- ✓ Formulation of Land Reform Area Based Plans within each District,
- ✓ Address Act 70 of 1970 alignment within Land Use Management Schemes , and
- ✓ Implementation of land use management schemes across the entire provincial landscape.
- ✓ Alignment of District and Local municipal Spatial Development Frameworks with the Provincial Spatial Development Framework,
- ✓ Formulation of Provincial Planning Norms, Standards and Guidelines, and
- ✓ Promote development of Ward Based Plan.

## 4 Provincial Spatial Development Framework

### 4.1 Introduction and Purpose

The Provincial Growth and Development Strategy recognises that environmental vulnerability, social need and economic development are not evenly distributed and spatial disparities will always exist due to the spatial distribution of natural resources, historical imperatives and cultural factors. These spatial disparities have often been aggravated by past spatial planning. This has resulted in a disjuncture between where people live and where social and economic opportunities are concentrated. This spatial marginalization from economic opportunities of the majority of the population needs to be addressed in order to reduce poverty and inequality and ensure shared growth and the protection of vulnerable bio-resources.

The strategic and targeted nature of the Provincial Growth and Development Strategy implies that specific interventions will be undertaken within key geographical areas of Need and Potential. Provincial strategies aimed at promoting growth and development must therefore be developed on the basis of a thorough understanding of the existing profile of the province and an analysis of the strengths, weaknesses, opportunities and threats of the current situation. This implies that strategies, programmes and plans would be developed to build on the strengths, eliminate the weaknesses, explore the opportunities, and to mitigate the threats within social, economic and environmental realms. Provincial strategies for growth and development must therefore also make clear pronouncements on specific geographic areas of focus for the phased implementation of Province's strategic objectives and priorities in achieving the vision of the Province. This will require a thorough understanding of the physical, demographic, social, economic and institutional profile and the state of the environment of the Province. It will further require a careful analysis of historic and current development trends, as well as a projection of future anticipated trends within the local and global environment.

The KwaZulu-Natal Provincial Spatial Development Strategy has therefore been developed in order to achieve the goals and objectives of the PGDS in a targeted and spatial co-ordinated manner. The Provincial Spatial Development Strategy sets out to:

- Be the spatial expression of the Provincial Growth and Development Strategy (PGDS) and provide spatial context for proposed strategic interventions;
- Provides a set of normative principles or departure points that guide the Province's approach to dealing with socio-economic issues that are manifested spatially;
- Provide a basis for informed consensus on the province's spatial priorities by providing a map giving guidance for the future spatial development of the Province based on Broad Provincial Spatial Planning Categories (BPSPCs) and a series of other relevant features;
- Assist to prioritise and align where government directs its investment and development **initiatives to ensure sustainable and maximum impact;**
- **Capitalise on complementarities and facilitate consistent and focused decision making,**

- Guide municipal integrated development plans (IDPs), spatial development frameworks (SDFs) and provincial and municipal framework plans (i.e. sub-SDF spatial plans); with normative principles, approach and content.
- Provide clear intent to the private sector about desired development directions;
- Increase predictability in the development environment,

## 4.2 Spatial Rationale

### 4.2.1 Spatial Vision and Approach

The envisaged spatial vision for KwaZulu-Natal could be summarised as follow:

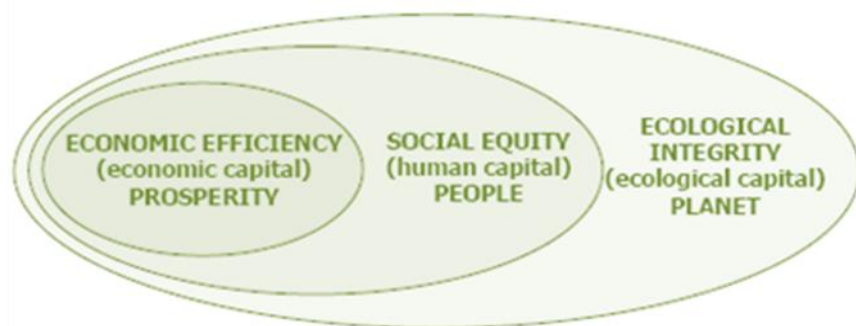
*“Optimal and responsible utilisation of human and environmental resources, building on addressing need and maximising opportunities toward greater spatial equity and sustainability in development.”*

From the above spatial vision, the PSDF takes as its starting point the goal of sustainable development. Although sustainable development is a common theme within the PGDS and most development strategies, in practice this often is not fully achieved. Partially this is attributed to the fact that not everyone has the same interpretation and understanding of "sustainability".

This causes numerous problems between civil society, developers, conservationists and authorities. Development is only acceptable and in the public interest if it is ecologically justifiable, socially equitable and economically viable, i.e. environmentally sustainable. This means that the development needs of present generations should be met without the ability of future generations to meet their own needs, being compromised.

Sustainable development encompasses the integration of social, economic and ecological factors into planning, decision-making and implementation so as to ensure that development serves present and future generations. It is of crucial importance for the long-term survival of Humankind that all development complies with this principle. The concept of sustainability is illustrated by the figure below.

Figure 29: Illustration of the Concept of Sustainability



The three pillars of sustainability, also referred to as the "triple bottom line", are:

**Ecological Integrity** (health of the Planet): This refers to the continued wholeness and success of the environment in terms of providing for and sustaining life on Earth or in a subset thereof such as a region or town, and concerns both the natural and human-made environment. Due to the fact that the survival of species, including our own, ultimately depends on the ecology, ecological integrity is then a key factor in the environmental sustainability equation. In this regard it must be remembered that KwaZulu-Natal is one of the most biodiversity rich provinces in the country.

**Social Equity** (situation of the People): Within a secure ecology, society can move towards needs fulfilment for all. Social equity refers to both material human wellbeing (the absence of poverty) and spiritual human wellbeing, i.e. provision of a physical and moral space where the continuity of a complex society and ecology is sought to be maintained and enhanced, and its health attained. In the South African context the concept of social equity is an extremely important component of society as it emphasises the need to redress the wrongs of the past as a central component of social sustainability.

**Economic Efficiency** (attainment of Prosperity): If human needs are met, society can seek prosperity through economic efficiency. This refers to the optimisation of benefit at the lowest cost, i.e. optimal development must be achieved at the lowest possible cost – and moreover, to comply with the sustainability principle, taking all costs now and in future into consideration.

These three pillars of sustainability can be viewed as providers of the capital necessary for each subsequent pillar to function. Thus, economic capital is dependent on social capital which is in turn dependent on ecological capital.

It is important to note that the nesting of the circles – economic, social and ecological – illustrates that economic and human capital cannot draw more from society and from the ecology than what the ecology and society can yield sustainably in the long term. Thus, although there might be a number of spatial specific principles which guided the further formulation of the PSDF, the overarching principles remains sustainable development.



### 4.2.2 Spatial Principles

The following nine spatial principles underscores the general spatial intentions of the PGDS and serves as provincial guiding principles which should ideally be pursued within all levels of spatial planning at district and local level in alignment with the provincial spatial development strategy.

Figure 30: 9 Spatial Principles



### Principle of Environmental Planning

The Principle of Environmental Planning (Bioregional Planning) refers to understanding and respecting the environmental character (potential and vulnerability) and distinctiveness of places and landscapes and promoting balanced development in such areas.

The PSDF supports environmental planning as the fundamental methodology on which spatial planning should be based. Thus, rather than being a reactionary barrier to commenced development, the environment is seen as an enabling primary informant to spatial planning and development. Environmental planning can be defined as land-use planning and management that promotes sustainable development. The environmental planning methodology involves the use of Broad Provincial Spatial Planning Categories to reflect desired land use.

### Principle of Economic Potential

The Principle of Economic Potential aims to improving productivity and closing the economic performance gap between the various areas of KwaZulu-Natal towards economic excellence of all areas. Rapid economic growth that is sustained and inclusive is seen as a pre-requisite for the achievement of poverty alleviation.

The principles further promotes the consideration of spatial needs for Economic Competitiveness (Potential) by proposing an asset based spatial approach based on unique advantages and opportunities within various areas. An essential component of this principle is the engagement of the private sector in the refinement and spatial economic needs of any particular zone / area.

### Principle of Sustainable Communities

The Principle of Sustainable Communities promotes the building of places where people want to live and work. Again the sense of Quality of Living refers to the balance between environmental quality, addressing social need and promoting economic activities within communities.

Often communities within the rural context of KwaZulu-Natal are not located in the areas with perceived highest economic potential. Where low economic potential exists planning and investments should be directed at projects and programmes to address poverty and the provision of basic services in order to address past and current social inequalities towards building sustainable communities.

### Principle of Local Self-Sufficiency

The Principle of Local Self-Sufficiency promotes locating development in a way that reduces the need to travel, especially by car and enables people as far as possible to meet their need locally. Furthermore, the principle is underpinned by an assessment of each areas unique competency towards its own self-reliance and need to consider the environment, human skills, infrastructure and capital available to a specific area and how it could contribute to increase its self-sufficiency.

### Principle of Spatial Concentration

The Principle of Spatial Concentration aims to build on existing concentrations of activities and infrastructure towards improved access of communities to social services and economic activities. In practical terms this promotes concentration along nodes and corridors with multi-sectoral investment i.e. roads, facilities, housing etc. This is envisaged to lead to greater co-ordination of both public and private investment and result in higher accessibility of goods and services to communities while ensuring more economic service delivery.

This principle will further assist in overcoming the spatial distortions of the past. Future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres in order for them to become regional gateways.



### Principle of Sustainable Rural Livelihoods

The Principle of Sustainable Rural Livelihoods considers rural areas in a way which is integrated with other decision making associated with the Sustainable Livelihoods framework. This principle requires that spatial planning consider the locality and impact of human, physical, natural, financial and social capitals of an area and spatially structure these in support of each other.

Another aspect of this principle is promoting spatial planning in a continuum where rural areas are not addressed as completely separate entities to urban centres, but rather a gradual change in landscape with the potential progression of rural areas to more closely resemble the service standards and quality of living achieved in some urban contexts.

### Principle of Balanced Development

The Principle of Balance Development promotes the linking of areas of economic opportunity with areas in greatest need of economic, social and physical restructuring and regeneration at all spatial scales. In practical terms the principles sought to find a balance between the potentially competing land uses by understanding the relationship and integration between major dimensions within the province and promoting a synergetic mixture of land uses in support of each other at various spatial scales.

### Principle of Accessibility

The Principle of Accessibility simply promotes the highest level of accessibility to resources, services, opportunities and other communities. This is intrinsically linked to transportation planning and should consider localised needs for the transportation of people and goods by various modes of transport as guided by the scale and function of a region. At a provincial level there is a strong correlation between the most deprived areas and poor regional accessibility to those areas. In addressing accessibility at provincial and local level, the need for possible new linkages, the upgrade in the capacity of existing linkages and the suitable mix of modes of transport should be considered.

### Principle of Co-ordinated Implementation

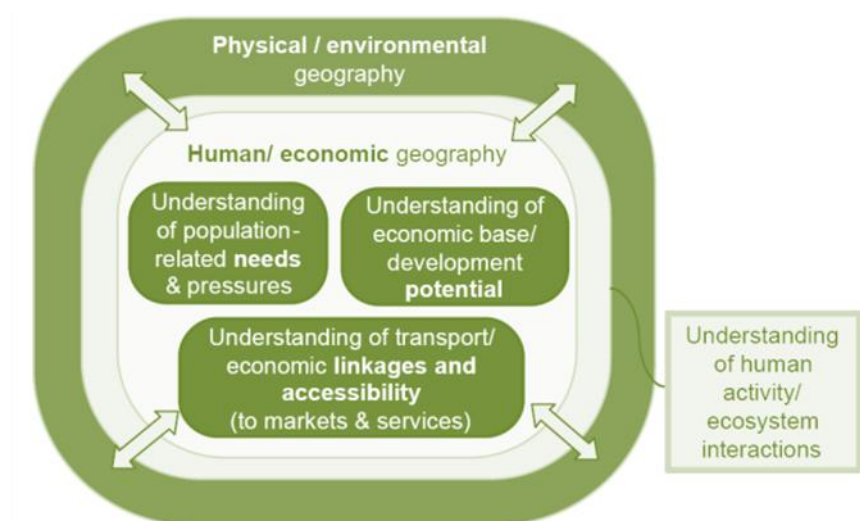
The Principle of Co-ordinated Implementation actually projects beyond spatial planning and promotes the alignment of role player mandates and resources with integrated spatial planning across sectors and localities. Essentially the principle suggests that planning-implementation becomes a more continuous process and that government spending on fixed investment should be focused on planned key interventions localities.

This principle ultimately also proposes a move towards more developmental mandate definitions of the various departments away, from single mandates to enable the spatial alignment of growth and development investment.

### 4.3 Spatial Variables

Where previous provincial spatial prioritisation strategies such as the Provincial Spatial Economic Development Strategy has focussed on the identification of both areas of Social Need and Economic Potential and especially also the areas where these two variables intersect, the PGDS incorporates a third vital component by considering Environmental Vulnerability or Sensitivity as well and the spatial development strategy follows the same philosophy towards environmental responsibility and sustainable development. This approach to spatial variables is illustrated below and considers that the Physical / Environmental Geography of any area impacts on and is impacted on by the Human / Economic Geography and it is the interaction between these variables which is essential to understand and plan for growth and development.

Figure 31: Spatial Variables Approach

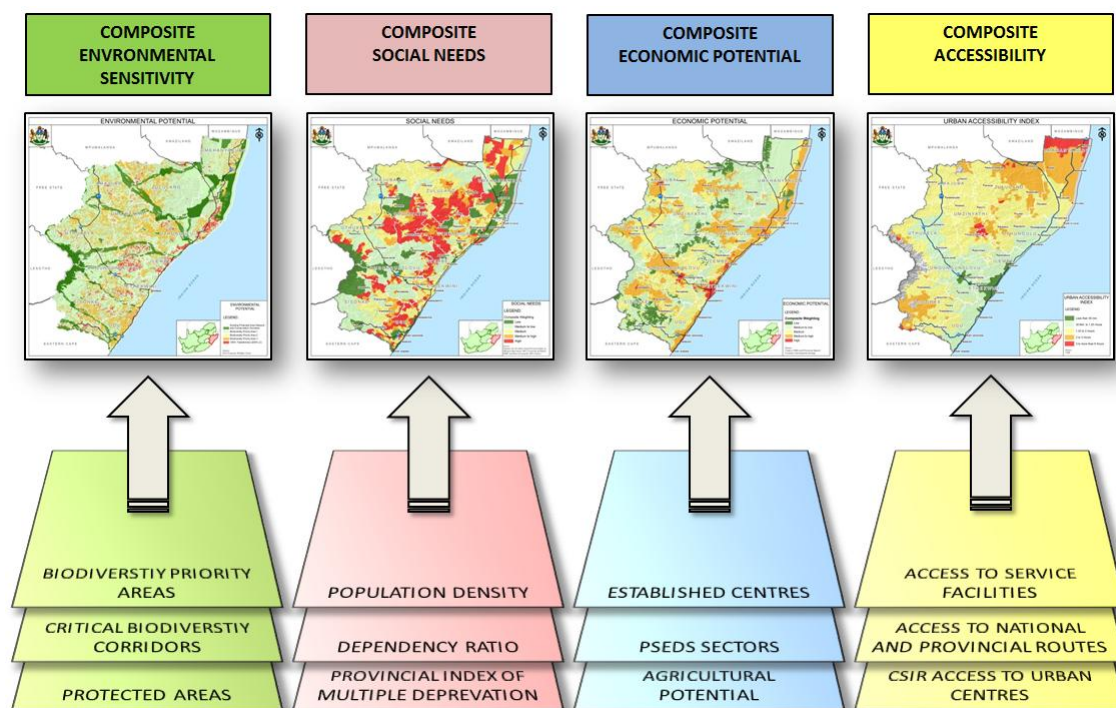


Spatially, it is further vital to consider general accessibility as a cross-cutting variable which impacts all three pillars of sustainable development and as a result the four main spatial variables informing the provincial spatial development framework include:

- ***Environmental Sensitivity***
- ***Economic Potential***
- ***Social Need***
- ***Urban Accessibility***

These variables themselves are also in turn represented by a number of spatial variables which are directly and indirectly representative of the particular spatial component as illustrated below:

Figure 32: Illustration of Spatial Variables and Spatial Components



In order to effectively combine these four variables or pillars into a single map of key intervention areas, the categories/level of each variable was weighted and ranked into five similarly described categories to allow for effective overlaying comparisons. The various weighting and categories used per variable is briefly illustrated below:

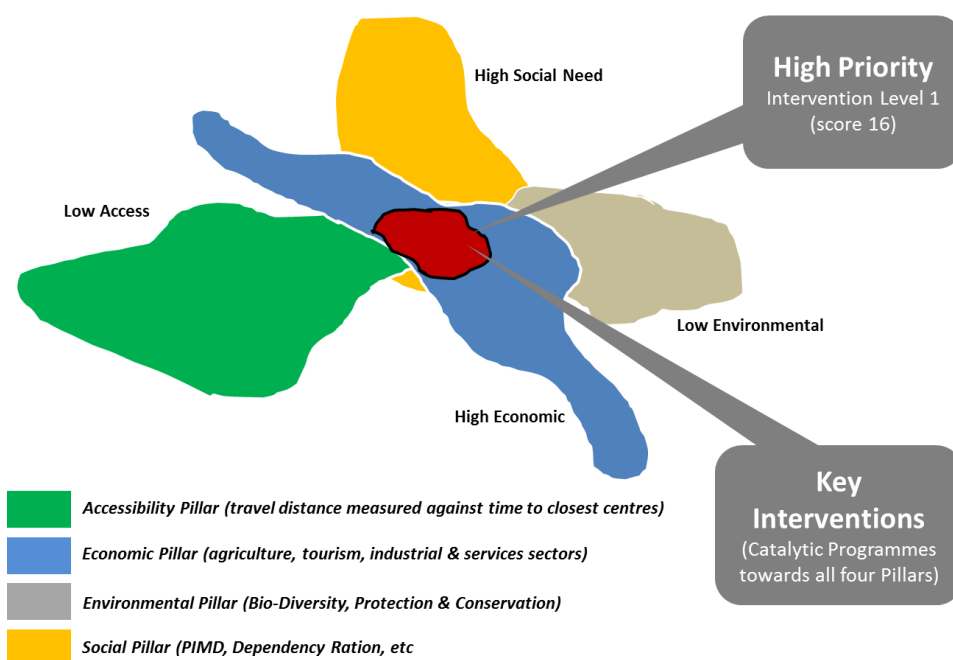
Social Need		Economic Potential		Environmental Vulnerability		Accessibility	
Highest	4	Highest	4	Low	4	Low	4
Moderate-High	3	Moderate-High	3	Moderate-High	3	Medium-Low	3
Moderate	2	Moderate	2	Moderate	2	Medium-Low	2
Moderate-Low	1	Moderate-Low	1	Moderate-Low	1	Medium-High	1
Low	0	Low	0	Highest	0	Highest	0

It should be noted that where the social Need and Economic Potential Pillars scored 4 weighted points for areas where highest need and highest potential existing, the Environmental Vulnerability and Accessibility Pillars were weighted in reverse, meaning that where low vulnerability and low accessibility occurred, these areas scored 4 weighted points. The reason for this is to address social needs and economic potential firstly in areas where they will not have a severely negative impact on the

environment. Secondly the areas where low accessibility currently occurs needed to be elevated as key intervention areas in order to address such accessibility constraints.

Thus an area with high social need, high economic potential, low environmental vulnerability and low accessibility would score a maximum of 16 variable weighted points and be identified as a high priority intervention area as graphically illustrated below:

Figure 33: Illustration of High Priority Intervention Area



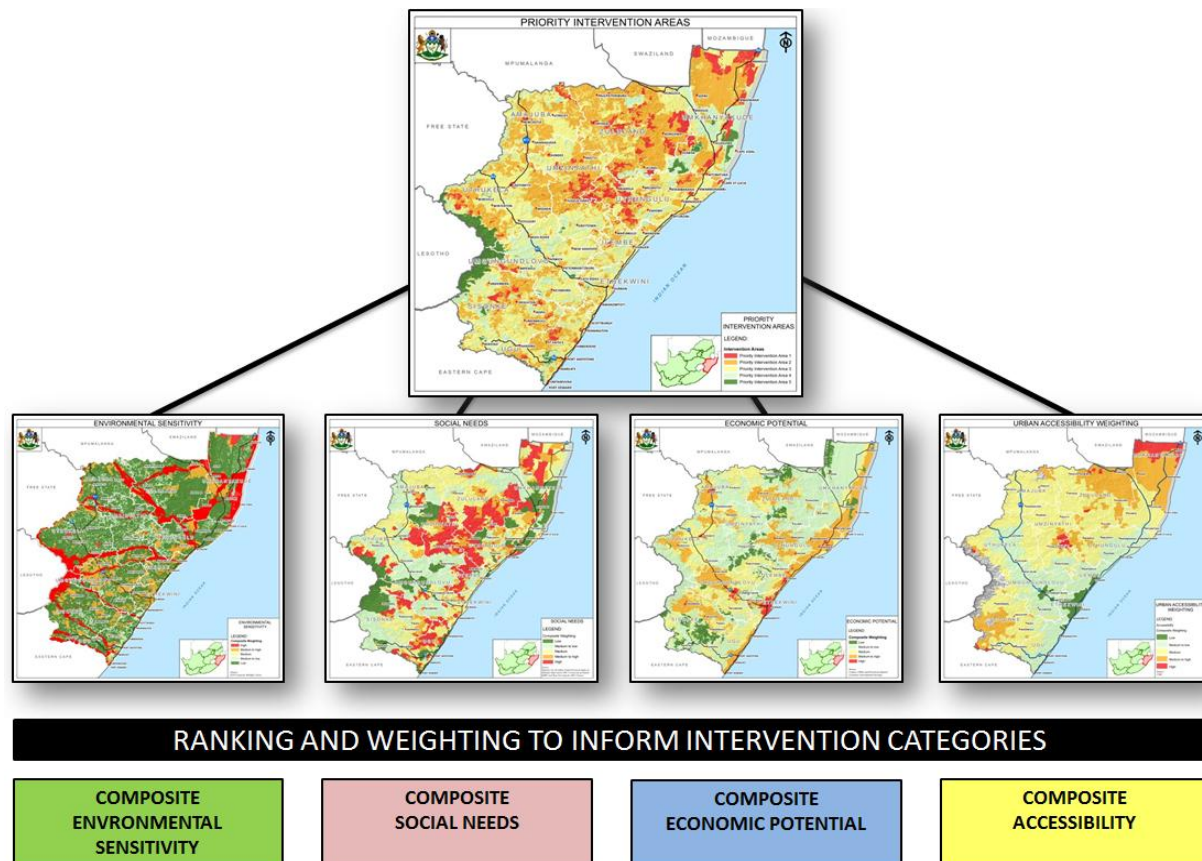
In order to compile a combined map of key intervention areas (using this method) for the entire province, intervention categories were classified as follow:

1. Key Intervention Area **Level 1** (Scoring **between 13 and 16** variable weighed points),
2. Key Intervention Area **Level 2** (Scoring **between 10 and 12** variable weighed points),
3. Key Intervention Area **Level 3** (Scoring **between 7 and 9** variable weighed points),
4. Key Intervention Area **Level 4** (Scoring **between 4 and 6** variable weighed points),
5. Key Intervention Area **Level 5** (Scoring **between 0 and 3** variable weighed points),

The process of compiling the combined map of key intervention areas is illustrated below.



Figure 34: Illustration of the Process of Compiling the Combined Map of Key Intervention Areas

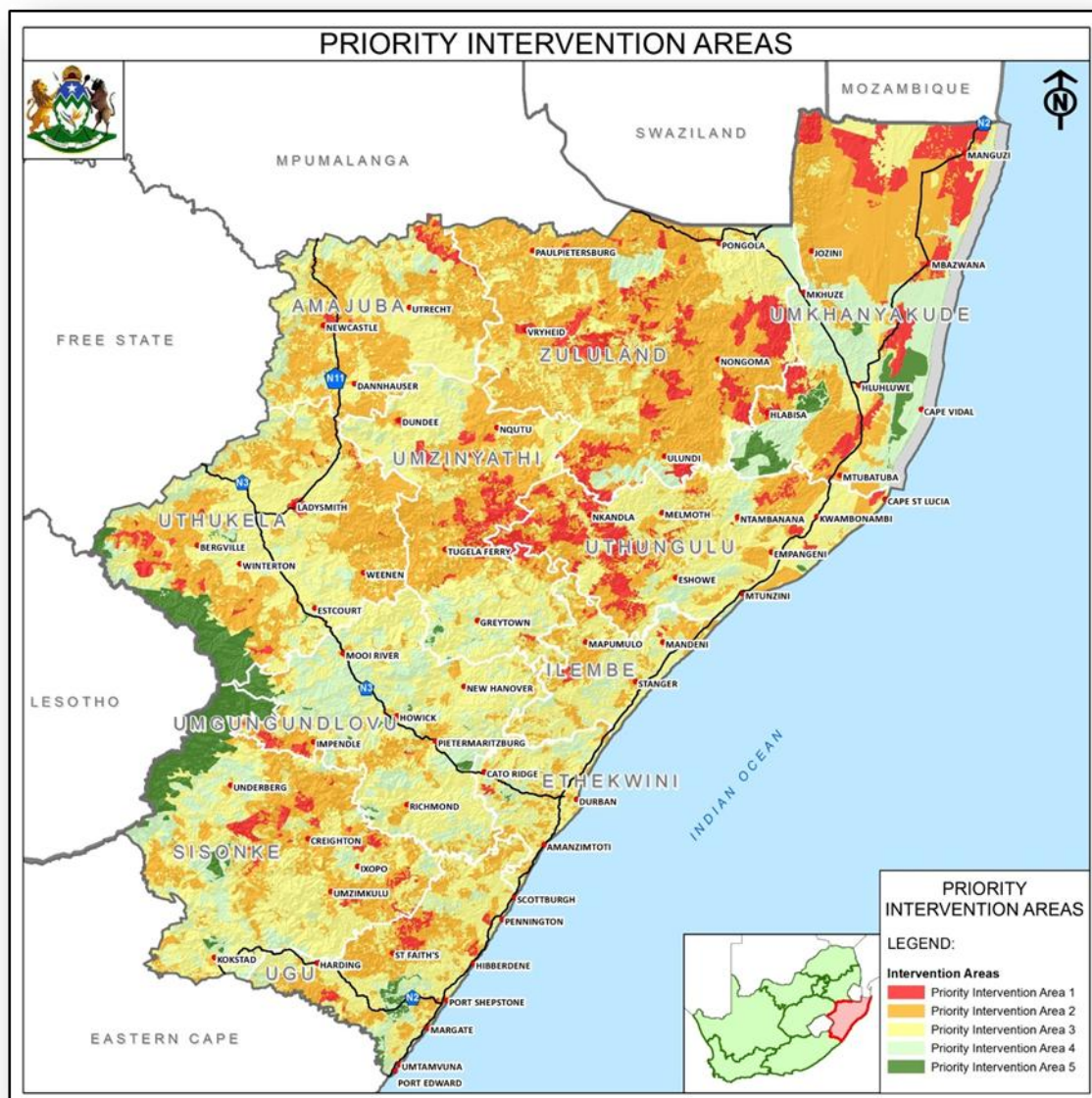


The same set of variables, and their input maps were then also expressed into Broad Provincial Spatial Planning Categories to be combined into a single Provincial Spatial Development Framework . These categories are discussed in more detail in further sections of this chapter.

## 4.4 Priority Intervention Areas

The composite map of priority intervention areas, based on the variable weighting described is illustrated below.

Figure 35: Composite Map illustrating Priority Intervention Areas



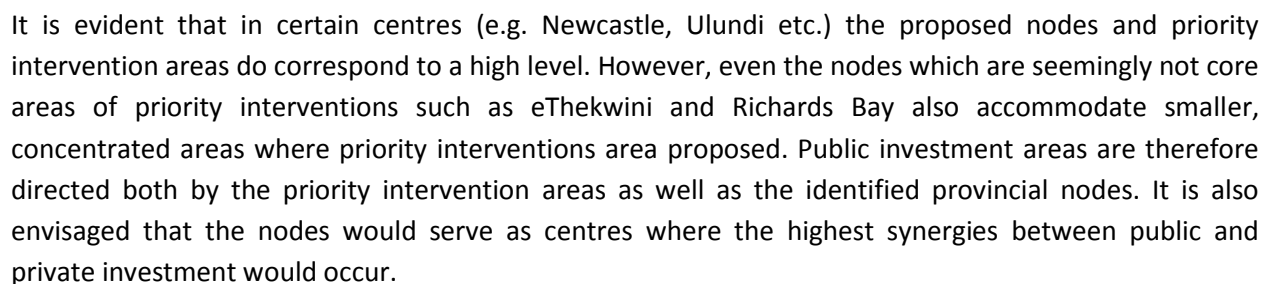


Although the classification criteria used defines core areas, especially within the interior of the province, it should be noted that it is not the intention of the PGDS or the provincial spatial framework that only these core areas benefit from strategic interventions. Rather as a minimum, the Level 1 and Level 2 areas are identified as areas where urgent short term concentration and co-ordination of public interventions are required, with other intervention areas systematically being attended to. The type and extent the interventions which would be targeted at these areas, would be formulated jointly with the various district municipalities against the framework of the PGDS, its goals, objectives and envisaged interventions.

Given the urbanisation trends as well as the already significant contribution which major urban centres such as eThekweni, Msunduzi and Richards Bay make to the regional economy of the province, as well as the fact that these areas also accommodated concentrations of poverty stricken areas, these centres should not be neglected. The Provincial Spatial Economic Development Strategy (PSEDS) has identified a hierarchy of provincial nodes which contribute strategically to the provincial, regional and local economies as well as service as vital service centres to communities. These nodes, in relation to the Level 1 and 2 Priority Interventions areas are illustrated below:



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The various nodes and their broad intended function and possible interventions are described by the table below.

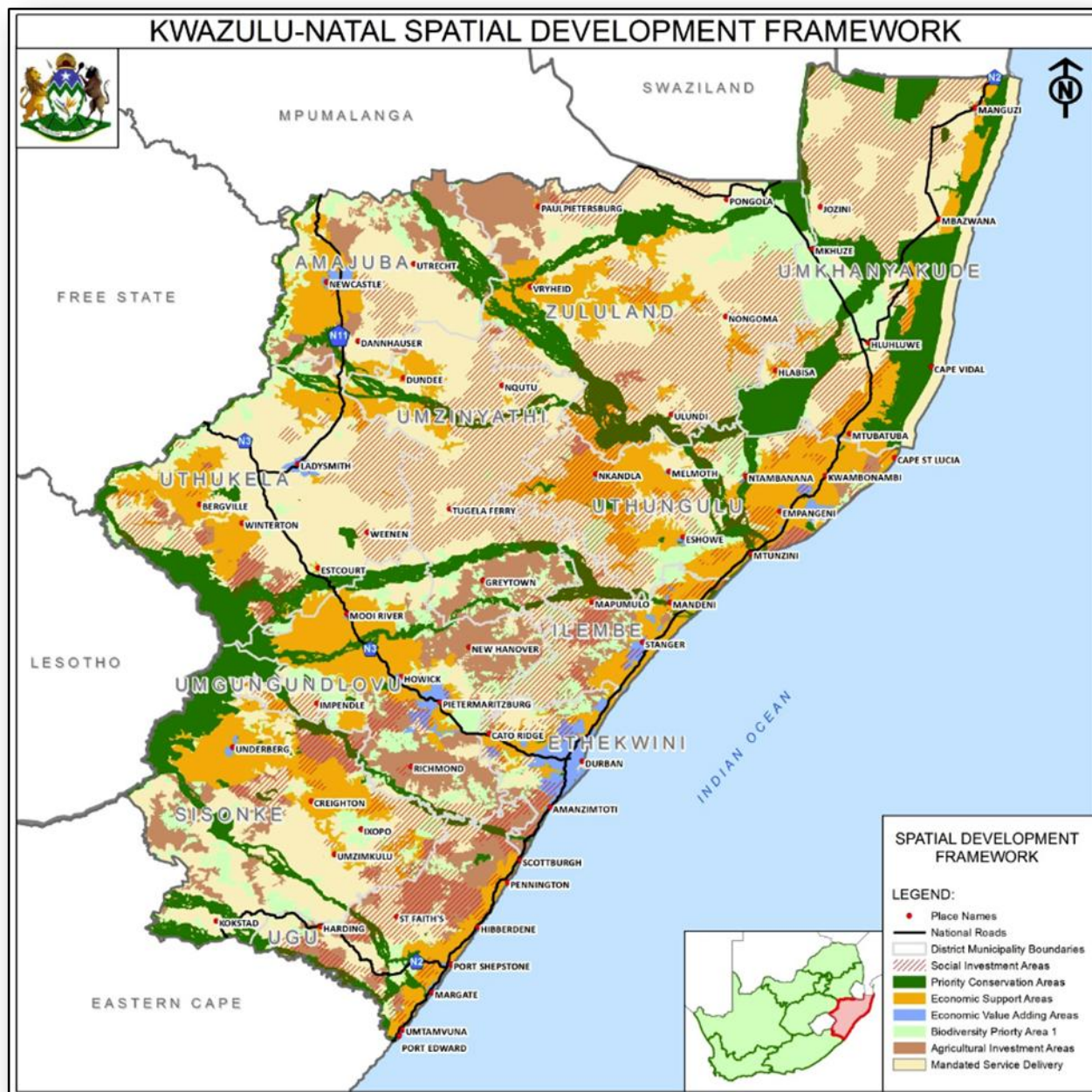
Table 6: Intervention Nodes and Broad Intended Function

Intervention Node	Broad Intended Function
<b>Primary Node</b>	Only eThekweni is classified as a Primary Node within the Provincial Context as an urban centre with very high existing economic growth and the potential for expansion thereof. Provides service to the national and provincial economy.
<b>Secondary Nodes</b>	Richards Bay, Msunduzi, Newcastle and Port Shepstone has been identified as provincial Secondary Nodes and thus urban centres with good existing economic development and the potential for growth and services to the regional economy.
<b>Tertiary Nodes</b>	These nodes are mainly centres which should provide service to the sub-regional economy and community needs and is represented by the following towns such as Pongola, Vryheid, Ulundi, Dundee, Ladysmith, Estcourt, Howick, KwaDukuza, Ixopo, Scottburgh, Hibberdene, Kokstad, Margate.
<b>Quaternary Nodes</b>	These nodes are mainly centres which should provide service to the local economy and community needs and is represented by 31 towns, such as but not limited to: Nongoma, Nkandla, Bergville, Greytown, Underberg, uMzimkulu, etc.
<b>Rural Service Centres</b>	<p>The proposed rural service centres are envisaged to serve as the lowest level of provincial nodes and could typically be established around existing traditional administration centres as well as other accessible rural points identified as periodic markets. These will be identified in consultation with the district municipalities and should serve as first access to basic services within rural areas. These rural service centres will include, as some have already emerged to include, a combination of the following activities:</p> <ul style="list-style-type: none"> <li>• Traditional administration centre,</li> <li>• Taxi/ bus stop,</li> <li>• Informal trading / market area,</li> <li>• Social facility (clinic, library etc),</li> <li>• Skills development centre (mainly local schools),</li> <li>• Mobile services point (mobile clinics, pension pay points, mobile library etc.)</li> <li>• Small commercial facility</li> <li>• Recreational facility such as a sport field.</li> </ul> <p>A conceptual model of these rural service centres will guide the formulation of a provincial implementation strategy towards the implementation of the proposed Rural Service Centres.</p>

#### 4.5 Provincial Spatial Development Framework

These spatial variables were considered collectively and a ranking order to key elements used to formulate a composite Provincial Spatial Development Framework which identifies Broad Provincial Spatial Planning Categories as indicated below.

Figure 37: Illustration of Composite Provincial Spatial Development Framework





The Broad Provincial Spatial Planning Categories (BPSPCs) which are indicated within the above illustrated provincial spatial development framework should be interpreted as follow:

**Table 7: Spatial Planning Category and Broad Intended Land Use and Interventions**

Spatial Planning Category	Broad Intended Land Use and Interventions
<b>Conservation Corridors</b>	Proposed regional critical conservation areas which are linked in a continuous system of ecosystems and bioregions traversing the province between the Drakensberg and the Indian Ocean. These areas were identified combining existing environmentally protected areas as well as conservation corridors proposed by Ezemvelo KZN Wildlife, through combining extensive environmental research into bio-resources throughout the province as part of the formulation of a Critical Biodiversity Plan for the province. These Conservation Corridors are not suggested as absolute “no-go” areas, but rather highlighted as areas of environmental significance to the sustainable development of the entire province. Where economic opportunity (such as tourism development) and high social need exist within these Conservation Corridors, it implies both that the rich natural environment should contribute to the address such needs and potential, and further that any interventions in these areas need to consider the impact on such important regional ecological corridors. These corridors are however perceived as areas where extensive densification would be discouraged and sensitive development promoted.
<b>Biodiversity Priority Areas</b>	Areas with a significantly high biodiversity value expressed in the number of species and sensitive environments as identified through extensive research by Ezemvelo KZN Wildlife. These areas are most often located in close proximity to the identified Conservation Corridors and may serve as an additional buffer to these corridors. These areas too are not (at a provincial level) proposed as absolute “no-go” areas, but are identified to indicate areas where extensive densification would be discouraged and sensitive development promoted.
<b>Areas of Economic Value Adding</b>	The key economic centres and areas where all of the varieties of economic sectors (Agriculture, Tourism, Manufacturing, and Services) are prevalent and perceived to have good potential to be further expanded on. These areas are visibly linked to high accessibility areas with existing bulk infrastructure and relatively high population densities which would both contribute to the economic expansion and benefit from interventions in these areas. Due to these factors, further economic processing and value adding at a provincial level, are mainly proposed within these identified areas.
<b>Areas of Economic Support</b>	A number of regions resembled areas of good economic potential in more than just one of the key provincial economic sectors. Due to the fact that these areas represent a larger distribution across the entire province than the core areas of economic value adding, these zones are considered important areas of Economic Support. Typical interventions in these areas would include economic prioritisation of development, labour force

Spatial Planning Category	Broad Intended Land Use and Interventions
	interventions (e.g. skills development), key economic infrastructure investment and area promotion.
<b>Areas of Agricultural Development</b>	Relatively high agricultural production areas, which are not located within biodiversity areas of combined with other potential economic sectors, are highlighted by this category to identify and promote areas with the potential to make a significant contribution through agricultural production. Although successful farming practices are already occurring on some of these areas, it is proposed that underutilised agricultural land within these zones are more effectively utilised for sustainable agricultural production. Associated interventions may include agriculture specific infrastructure, skills development, market access interventions etc.
<b>Areas of High Social Need</b>	The highest ranges of combined social need when considering the population density, dependency ratio as the provincial index of multiple deprivation is illustrated by this category of high social need. These area broadly the areas where the most intensive social interventions area required and this category is further over layed above all other categories to provide a spatial reference to the types of interventions which might be pursued towards addressing the concentrated social need within these areas. As example where high social need is identified within an area earmarked as a conservation corridor, this firstly provides a reference to the fact that social conditions of communities will need to be addressed if any conservation is to be promoted within such areas. Further it suggests that the effective utilisation of the high biodiversity within such areas might be harnessed towards addressing social need through example conservation tourism.
<b>Undifferentiated Areas</b>	The areas which are not representative of any of the above mentioned categories are classified as undifferentiated areas. It is acknowledged that these areas also have communities residing on them with economic potential and environmental resources, however, based on the approach followed these areas weren't differentiated to the same degree as the identified preceding categories. It is therefore important that this category is not neglected from public and private interventions and as the various departmental programmes are inclusive in nature, these areas should also benefit from it. It is anticipated that the intensity of such programmes and the total portion of resource allocation to these areas would be less than the identified categories as well as the key intervention areas identified previously.

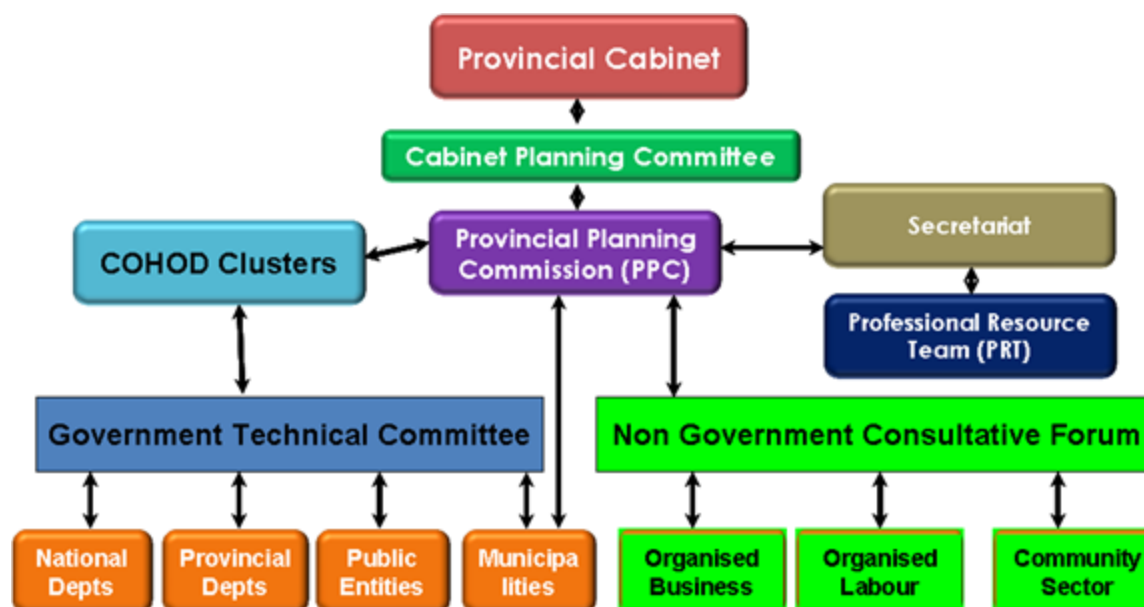
In order to ensure the resulting Provincial SDF guides and co-ordinates spatial planning within district municipalities, it is envisaged that a series of sub-regional plans (e.g. Conservation and Investment Corridors) will follow. Furthermore each the Provincial SDF has been extracted to each district municipality level in order to provide a mechanisms for discussion and alignment for District SDFs to the provincial level plan and ultimately with each other.

## 5 Monitoring, Evaluation and Reporting

The monitoring, evaluation and reporting (M, E & R) framework provides a methodical, participative, and synchronized approach on the implementation and impact of the proposed 124 interventions of the 2011 PGDS. It encompasses intervention activities, key indicators and targets in order to achieve the desired outcomes of the 30 strategic objectives and the 7 strategic goals that underpin the provincial growth and development trajectory. As a means to assess and report on progress, this framework facilitates more inclusive planning, continuous improvement and accountability in the implementation of the interventions.

A key principle emphasised in the M, E & R framework is National Government's assertion of the need for 'delivery agreements' where social partners of business, labour and civil society are made part of the delivery team and outcomes and agreements are negotiated prior to the implementation of the intervention. The Technical Committee as the Provinces institutionalised platform for the review and development of the 2011 PGDS will drive the implementation of these interventions in dialogue with the relevant supporting partners ensuring that the strategic outcomes are achieved through improved alignment, coordination, partnerships and good governance (refer to the diagram below).

Figure 38: Institutional Structure Supporting the Implementation of the PGDS



The Provincial Nerve Centre in the Office of the Premier will formulate, capture and evaluate a wide range of data to assess the effectiveness of the provincial government departments and entities that are shouldered with responsibility for implementation of many of the strategies and interventions of the PGDS.

The 2011 KZN PGDS sets out a growth and development strategy for the Province to 2030 and hence inherently requires periodic reviews to ensure that the strategy remains relevant and that the progress towards achieving its goals and objectives is monitored and evaluated. It is anticipated that quarterly reports will be submitted to the KZN Provincial Planning Commission. The detail thereof will be included in the next phase where a Provincial Growth and Development Plan is to be drafted.

## 6 Towards a KwaZulu-Natal Provincial Growth and Development Plan (PGDP)

The 2011 KwaZulu-Natal Provincial Growth and Development Strategy (PGDS) is the primary strategy that drives growth and development in the Province to 2030. This Strategy will however be cascaded into a KZN Provincial Growth and Development Plan (PGDP) which will drive the implementation of this



Strategy. The aim of the PGDP is therefore to translate the strategy into a detailed implementation plan, inclusive of a detailed activity level framework with baselines, targets and assigned responsibilities, thus enabling the execution of the proposed 124 Interventions, 30 strategic objectives and 7 strategic goals.

In addition to the more detailed focus on the interventions identified in the PGDS, the PGDP will also set specific milestones that will have to be achieved in specific priority sectors such as, but not restricted to Education, Health, Agriculture. This will be done in a collaborative approach with all the relevant stakeholders to ensure ownership of targets that will be set for four specific time horizons, namely 2011-15, 2016-20, 2021-25 and 2026-30. The KwaZulu-Natal Planning Commission will facilitate and support the lead agencies to develop these detailed trajectories to ensure that the roadmap is absolutely clear on what is required to achieve the 2030 Vision for KwaZulu-Natal.

Whereas the PGDS will be reviewed every 5 years, or whenever a major event may have occurred that could have a significant impact on the growth path of the Province, the PGDP will be reviewed annually. The KwaZulu-Natal Planning Commission will facilitate the preparation of half yearly progress reports, which will be submitted to Provincial Cabinet, as well as to all stakeholders via the institutionalised implementation structure.

## 7 Commitment Statement

The commitment of the various stakeholders is critical in bringing to fruition the KwaZulu-Natal 2011 Provincial Growth and Development Strategy. Hence, in the institutionalisation of the 2011 PGDS, the partners commit as follows:

- **Government will be developmental, competent, caring and facilitating,**
- **Private Sector will be growing a shared economy and providing employment,**
- **Labour will be protecting workers from exploitation while promoting labour productivity, and**
- **Civil Society will be responsible in shaping its own destiny.**

## **Annexure A: Situational Overview**

## **Annexure B: Provincial Spatial Development Framework**

## **List of Figures and Tables**

