



# LETSEMENG LOCAL MUNICIPALITY



## Local Economic Development Plan

2018/201



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## 1. Introduction

### 1.1. Background

**Letsemeng Local Municipality**, located in the Xhariep District of the Free State, is faced by a development problem that a mix of urban and rural economies characterises the municipal area jurisdiction, thus ranging from a relatively strong economic performance to relatively isolated rural settlements with high levels of poverty. As a Municipality, it has specific coordination and facilitation responsibilities, which need to be addressed in an innovative manner to initiate and promote integrated and sustainable LED as well as to attract investment.

The purpose of the Local Economic Development Plan is to collate all economic information and investigate the coordinated and integration options and opportunities available to broaden the economic base of the study area. This information is packaged as a strategic implementation framework in order to address the creation of employment opportunities, investment and business development and the resultant positive spin-off effects throughout the district economy.

In order to promote economic development it is increasingly being recognised that micro economic measures at the local level are needed as well as macroeconomic measures at the national level. The former are often collectively referred to as Local Economic Development (LED) and in the South prioritizing the needs of the poor must feature prominently in the design of LED interventions.

South Africa is one country in Africa where there has been explicit attention paid to LED policy and practice and, given the government's prioritization of the needs of the poor, it has the potential to serve as a learning laboratory with respect to the principles, policy and application of pro-poor LED. South Africa has the largest economy in Africa, but suffers from a highly dualistic economy, with a world class formal economy including a number of multinationals, while up to 40% of the population is unemployed who depend on welfare grants and the informal sector to survive.

The objective of the document is to assist the municipality, with the development of a strategy that will guide local economic development, integrate existing projects/programmes, align to the priorities of the IDP, identify ways in which the municipality can facilitate and assist economic development in collaboration with the private sector. The strategy will further provide guidance and suggestions regarding implementable projects with long-term sustainability.

### 1.2. What is an LED Strategy

The Revised National Local Economic Development Framework defines Local Economic Development (LED) as: "the process by which public, business and non-government sector partners work collectively to create better conditions for economic growth and employment generation with the objective of building up an economic capacity of a local area to improve its economic future and the quality of life for all".

In the draft revised framework, LED is framed on five core pillars, namely:

- ✓ Building a diverse economic base;
- ✓ Developing inclusive economies;
- ✓ Developing learning and skilful local economies;
- ✓ Enterprise development and support;
- ✓ Local economic governance and infrastructure.

LED includes a range of activities in response to local developmental needs and is a process that is locally- driven to identify and utilise local resources, both current and potential, to grow the economy



and create new job opportunities. Partnerships, or the quadruple helix- public sector, private sector, civil society and NGO's- are critical in the execution of LED projects and activities. The primary aim is to improve economic development based on strong, adaptive and sustainable local economies. To achieve this an LED Strategy needs to take into account the local assets and realities present in a municipality, aiming to create an economic environment that is not too heavily dependent on one sector but rather diversified to provide sustainable long term employment opportunities and constant economic growth. An LED-Strategy also seeks to give guidance by clarifying the roles and responsibilities of role-players in government and outside, to coordinate intergovernmental support to local government on LED to promote viable and effective local government (LED Concept Note revised, 15 November 2016; DCoG).

In terms of the South African context, Section 152 (1) of the South African Constitution states that states that one of the objects of local government is to promote social and economic development. Expanding on the developmental duties of municipalities, Section 153 goes on to state:

**“A municipality must:**

- a) Structure and manage its administration, budgeting and planning processes, to give priority to the basic needs of the community and to promote the social and economic development of the community; and
- b) Participate in national and provincial development programmes.”

The primary means through which this is undertaken is through the development of a municipal Integrated Development Plan, a strategic plan through which a municipality integrates and coordinates plans, budgets and development of the municipality. The development of an LED Strategy gives effect to the strategies identified in the IDP by identifying strategic and practical actions for the municipality to take to achieve the goals of LED in the IDP. The intention being to improve the municipal economic viability, enabling economic transformation and creating an enabling environment for the development of the local economy that facilitates job creation.

The three primary roles of Local Government in LED as identified by Letsemeng Local Municipality are:

- To provide leadership and direction in policy making (by-laws and processes to regulate land in manner that reduces the costs of doing business and maximises the involvement of people in the local economy);
- To administer policy, programme and projects (the core function of anybody or structure responsible for LED is to co-ordinate and maximise the impact of programmes and projects with respect to growth and development);
- To be the main initiator of economic development programmes through public spending, regulatory powers, and (in the case of larger municipalities) their promotion of industrial, small business development, social enterprises and cooperatives.

### 1.3. Municipal Vision, Mission and Goals

The Letsemeng Local Municipality vision, mission and goals are outlined in the Letsemeng Local Municipality Integrated Development Plan 2018/19:

#### **MISSION STATEMENT**

*“Providing sustainable quality services through partnering with Stakeholders and Communities”.*



## VISION STATEMENT

***“A responsive Municipality in pursuit of Service excellence”***

## VALUES

- *Integrity*
- *Commitment*
- *Transparency*
- *Innovation*
- *Accountability*

**In the 2017 /22 IDP, the following developmental objectives for the next 5 years ahead are set out-**

- Accelerated and improved basic service delivery to communities
- Financial viability and sustainability
- Good governance and Public Participation
- Facilitating economic development and job creation
- Improving Municipal Infrastructure
- Fighting poverty and building safe, secure and sustainable communities and
- Improving Skills development to raise productivity

LLM has identified the strategic objective for LED to “Create an environment that promotes development of the local economy and facilitate job creation” with the intended outcome of “Improved municipal economic viability and Radical Economic Transformation”.

To assist the municipality achieve its objectives and outcomes, the goals of this LED Strategy for Letsemeng are the:

- Development of a credible LED strategy
- Identification of competitive and comparative advantages and disadvantages, opportunities and threats to economic development based on a situational and Economic Analysis
- Identification of the strategic economic goals for the municipality
- Identification of possible projects and programmes with economic potential
- Recommendations outlining the interventions that the municipality should take regarding the implementation of the LED Strategy
- Implementation Plan
- Indicators to monitor the implementation of the LED strategy



## 2. Legislative and Policy Framework

The Constitution stipulates that all three spheres of governance are autonomous but Inter - dependent. This in essence calls for rather closer collaboration and effective implementation of intergovernmental relations between all these spheres of government. It is very important to note and take cognizance of the fact that most of our national and international policies have a particular bearing on the Provincial and Local spheres of government. A few critical ones relevant to LED development are highlighted below.

### 2.1. National Context

#### 2.1.1. National Development Plan 2030

The *National Development Plan 2030*, developed in 2012 aims to eliminate poverty and reduce inequality by 2030. The Plan is targeting the development of people's capabilities to improve their lives through:-

1. Education and skills development;
2. Health care;
3. Better access to public transport;
4. Jobs;
5. Social protection;
6. Rising income;
7. Housing and basic services; and
8. Safety

***It proposes to the following strategies to address the above goals:***

1. Creating jobs and improving livelihoods;
2. Expanding infrastructure;
3. Transition to a low carbon economy;
4. Transforming urban and rural spaces;
5. Improving education and training
6. Providing quality health care;
7. Fighting corruption and enhancing accountability;
8. Transforming society and uniting the nation;

The primary intention of the National Development Plan is to eliminate poverty and reduce inequality is the special focus on the promotion gender equity and addressing the pressing needs of youth.

#### 2.1.2. White Paper on Local Government

The White Paper on Local Government gives municipalities responsibility to “work with citizens and groups within the community to find sustainable ways to address their social, economic and material needs and improve the quality of their lives”



### 2.1.3. Municipal Structure Act (2008)

The Act provides for the three categories of municipality, to operate within the newly demarcated areas and assigns them specific powers and duties.

**The duties and powers are based on the Constitution of RSA and are generally of a service type nature, but include the following LED-type foci, namely:**

- tourism,
- planning,
- public works,
- infrastructure development and
- markets

In undertaking such duties municipalities are expected to promote economic and social development in the area under their jurisdiction.

The Act also allows for the participation of traditional leaders within local government administration in the areas in which they reside. It also mandates district councils to assist municipalities lying within the areas under their jurisdiction through integrated development planning, bulk infrastructural development, capacity development and the equitable distribution of resources.

### 2.1.4. Municipal Systems Act (2000)

The objectives above are further articulated in the Municipal Systems Act 32 of 2000.

The stated priority function of this Act is “To provide for the core principles, mechanisms and processes that is necessary to move progressively towards the social and economic upliftment of local communities...” and more so “to progressively build local government into an efficient, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities”

The one which has the most direct influence over the principle of public participation in local governance and local-level development. The Municipal Systems Act provides for ‘the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of communities, and ensure universal access to essential services that are affordable to all’.

The Act goes on to state that it describes the ‘core processes or elements that are essential to realising a truly developmental local government system. **These include;**

- Participatory governance,
- Integrated development planning,
- Performance management and reporting,
- Resource allocation and organisational change’ .
- This particular Act has very defined implications for LED in terms of the operational procedures, powers and management systems discussed, which in themselves can be regarded as mechanisms to promote pro-poor development.
- Municipalities are specifically required to involve communities in the affairs of the municipality,
- To provide services in a financially and sustainable manner and to ‘promote development in the municipality’.





- In terms of service provision, municipalities are required to prioritise the basic needs of the community and to ensure that all residents have access to a minimum level of basic services.

LED may be promoted through the provision of special tariffs for commercial and industrial users. A further LED provision is that municipalities may establish service utilities or acquire ownership of a company which renders a municipal-type service. The parallel White Paper on Municipal Service Partnerships details how municipalities can enter into partnership arrangements with the private, public, community and NGO sectors to improve service delivery in a specific area.

A key facet of the Act is the detail provided on the government's commitment to the encouragement of participation. The Act spells out the same powers and duties as detailed in the Structures Act and obligates municipalities to undertake developmentally orientated planning, requiring Municipalities to develop 'Integrated Development Plans'. These plans should involve widespread consultation with communities and other stakeholders and should link and co-ordinate all municipal development plans, municipal resources, capacity and budgets and be compatible with national and provincial planning requirements.

In terms of service provision, municipalities are required to prioritise the basic needs of the community and to ensure that all residents have access to a minimum level of basic services. The Act clearly provides the mandate for participatory governance in local government affairs and development matters. These principles clearly have critical pro-poor objectives.

#### **2.1.5. Municipal Finance Management Act of 2003, Act No. 56 (MFMA) aims:**

- To modernise budget and financial management practises by placing local government finances on a sustainable footing in order to maximise the capacity of municipalities to deliver services to all its resident, customers, users and investors.
- It also aims to put in place a sound financial governance framework, by clarifying and separating the roles and responsibilities of the Executive Mayor, Councillors, and Officials.
- The Act empowers the Executive Mayor (Council) to provide political leadership by being responsible for policy and outcomes, and holds the municipal manager and other senior managers responsible for implementation and outputs. Non-executive councillors are empowered to play a key policy-approval and monitoring role through the municipal council.
- The Act aims to enable managers to manage, but make them more accountable, by introducing regular and consistent reporting requirements. The challenge facing all role players is to improve the efficiency and effectiveness of the municipality through the best use of management information.
- The Act is required by the Constitution, which obliges all three spheres of government to be transparent about their budget and financial affairs. It also forms an integral part of the broader reform package for local government, as outline in the 1998 White Paper on Local Government.
- The Act provides a unique opportunity for each municipality to reap great benefits for the community, but only if it is properly implemented to transform the municipality into a learning organisation.



### 2.1.6. National Spatial Development Perspective

The NSDP states that the National Government is committed to economic growth, employment creation, sustainable service delivery, poverty alleviation and eradication of historic inequities. The strategy proposes a number of normative principles that could be applied by all spheres of government in their decision-making processes on infrastructure investment and development spending in line with these goals.

**The key objectives of the NSDP are to:**

- Provide a framework within which to discuss the future development of the national space economy by reflecting the localities of severe deprivation and need, of resource potential, of infrastructure endowment and of current and potential economic activity by describing the key social, economic and natural resource trends and issues shaping the national geography.
- Act as a common reference point for national, provincial and local governments to analyse and debate the comparative development potentials of localities in the country by providing a coarse-grained national mapping of potential.
- Identify key areas of tension and/or priority in achieving positive spatial outcomes with government infrastructure investment and development spending.
- Provide national government's strategic response to the above for a given period.

The **National Spatial Development Perspective (NSDP)** gives a set of principles and mechanisms for guiding infrastructure investment and development decisions in the national context. The NSDP will provide a framework to discuss future development of the national spatial economy of areas of severe deprivation and in need of certain economic activities.

The document also gives an overview of the space economy within South Africa by using economically functional categories. This is done to reflect the unique attributes of localities and to priorities infrastructure and development spending in areas where it will have the greatest impact.

**Six categories of development potential were identified, namely:**

- Innovation and Experimentation
- High-Value differentiated goods
- Labour Intensive produced goods
- Public Services and Administration
- Tourism
- Service and Retail

In conclusion the NSDP will guide decisions around policy and programme co-ordination with regard to infrastructure investment and development. The NSDP acknowledges that the development of IDPs by local government is an important element of spatial planning.

### 2.1.7. Development Facilitation Act, 1995, Act No. 67 aims:

- To introduce extraordinary measures to facilitate and speed up the implementation of reconstruction and development programmes and projects in relation to land.
- In so doing to lay down general principles governing land development throughout the Republic.
- To provide for the establishment of a Development and Planning Commission for the purpose of advising the government on policy and laws concerning land development at national and provincial levels



- To provide for the establishment in the provinces of development tribunals which have the power to make decisions and resolve conflicts in respect of land development projects.
- To facilitate the formulation and implementation of land development objectives by reference to which the performance of local government bodies in achieving such objectives may be measured,
- To provide for national uniform procedures for the subdivision and development of land in urban and rural areas so as to promote the speedy provision and development of land for residential, small-farming or other needs and uses;
- To promote security of tenure while ensuring that end-user finance in the form of subsidies and loans becomes available as early as possible during the land development process and to provide for matters connected therewith.

#### 2.1.8. National Policy Guidelines for Local Economic Development Framework (2006-2011) states that:

Municipalities have a Constitutional mandate to promote local economic development (LED). Section 153 of the Constitution states that:

***“A municipality must structure and manage its administration, and budgeting and planning processes to give priority to the basic needs of the community, and to promote the social and economic development of the community”.***

The South African government has prioritised rural development and urban renewal as key strategies to counter the legacy of uneven development in the country. The aim of the LED programme within government is to support all municipalities in South Africa in implementing these strategies, and make them attractive places to live in, invest in and visit. This is to be achieved by focusing on addressing the needs of poor and marginalised people and communities.

Local stakeholders, such as government, business, labour and civil society organisations, should work together in order to enhance local economic development (LED). Local communities and authorities can play an active role in determining their own economic paths. LED involves identifying and using local resources to create opportunities for economic growth and employment. Successful LED depends on local partnerships as well as on national and regional structures to promote and support local initiatives.

Government has a particular role to play in LED, by ensuring that LED leads to job creation, sustainable rural development and urban renewal. LED interventions must benefit disadvantaged and marginalised people and communities within municipal boundaries through an inclusive and redistributive approach to economic development.

Local government structures have a particularly important role to play in harnessing national and regional resources to promote their areas and in facilitating strategic local partnerships to enhance and sustain economic growth.

#### **Key principles underlying Local Economic Development**



- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritise job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalised communities and geographical regions, black empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country
- There is no single approach to LED. Each locality may develop an approach that is best suited to its local context
- LED promotes local ownership, community involvement, local leadership and joint decision making
- LED involves local, national and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build up local areas
- LED uses local resources and skills and maximises opportunities for development
- LED involves the integration of diverse economic initiatives in a comprehensive approach to local development
- LED relies on flexible approaches to respond to changing circumstances at local, national and international levels.

### Key strategies for Local Economic Development

For local economic development to succeed, local government must become involved. The following LED strategies have been identified to assist municipalities to play a useful role:

- Facilitating community economic development
- Linking profitable growth to redistributive development and financing
- Linking 'living wages', human capital development and productivity
- Developing and maintaining infrastructure and services
- Preventing a drain of resources from the local economy, and
- Retaining and expanding existing businesses.

### 2.1.9. New Growth Path (2010)

The New Growth Path starts by identifying where employment creation is possible, both within economic sectors as conventionally defined and in cross-cutting activities. It then analyses the policies and institutional developments required to take advantage of these opportunities. In essence, the aim is to target our limited capital and capacity at activities that maximise the creation of decent work opportunities. To that end, we must use both macro and micro economic policies to create a favourable overall environment and to support more labour-absorbing activities.

The main indicators of success will be jobs (the number and quality of jobs created), growth (the rate, labour intensity and composition of economic growth), equity (lower income inequality and poverty) and environmental outcomes. To achieve profound changes in the structure of savings, investment and production, the government must steadily and consistently pursue key policies and programmes over at least a decade. Moreover, the state must coordinate its efforts around core priorities rather than dispersing them across numerous efforts, however worthwhile, that do not contribute to a sustained expansion in economic opportunities for our people. These are the core characteristics of a developmental state.

The requisite policy stability and coherence will be supported by effective social that helps establish a broad consensus on long-run policy goals and a vision for the country, and facilitates the necessary trade-offs and sacrifices by ensuring a visibly fair distribution of the benefits from growth.



Engagement with stakeholder representatives on policy, planning and implementation at national, sectoral and local levels is central to achieving coherent and effective strategies that are realised without endless debates and delays. That, in turn, means government must both strengthen its own capacity for engagement and leadership, and re-design delivery systems to include stakeholders meaningfully.

Long-term structural change also requires phasing to establish the preconditions for success over time. In the case of employment, for instance, the steps that the state can take vary over time.

There is growing consensus that creating decent work, reducing inequality and defeating poverty can only happen through a new growth path founded on a restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. To achieve that step change in growth and transformation of economic conditions requires hard choices and a shared determination as South Africans to see it through.

**The Government is committed to forging such a consensus and leading the way by;**

- Identifying areas where employment creation is possible on a large scale as a result of substantial changes in conditions in South Africa and globally.
- Developing a policy package to facilitate employment creation in these areas, above all through:
  - A comprehensive drive to enhance both social equity and competitiveness;
  - Systemic changes to mobilise domestic investment around activities that can create sustainable employment; and
  - Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

The New Growth Path must provide bold, imaginative and effective strategies to the millions of new jobs South Africa needs. It must also lay out a dynamic vision for how we can collectively achieve a more developed, democratic, cohesive and equitable economy and society over the medium term, in the context of sustained growth. The strategy sets out critical markers for employment creation and growth and identifies where viable changes in the structure and character of production can generate a more inclusive and greener economy over the medium to long run. To that end, it combines macroeconomic and microeconomic interventions.

The shift to a new growth path will require the creative and collective efforts of all sections of South African society. It will require leadership and strong governance. It takes account of the new opportunities that are available to us, the strengths we have and the constraints we face. We will have to develop a collective national will and embark on joint action to change the character of the South African economy and ensure that all our people, particularly the poor, share the benefits more equitably.

Achieving the New Growth Path requires that we address key trade-offs. Amongst other decisions, government must prioritise its own efforts and resources more rigorously to support employment creation and equity; business must take on the challenge of investing in new areas; and business and labour together must work with government to address inefficiencies and constraints across the economy and partner to create new decent work opportunities.



### 2.1.10. Broad Based Black Economic Empowerment (BBBEE) Act 53 of 2003

Government has adopted the position that black economic empowerment (BEE) should aim to empower all historically disadvantaged people rather than only a small group of black investors. To this end, it adopted the Broad-Based BEE Act, which calls for expanded opportunities for workers and smaller enterprise, as well as ownership that is more representative and management. Current BEE provisions have, however, in many instances failed to ensure a broad-based approach, instead imposing significant costs on the economy without supporting employment creation or growth. The present BEE model remains excessively focused on transactions that involve existing assets and benefit a relatively small number of individuals.

The New Growth Path requires a much stronger focus on the broad-based elements of the BEE regulations – ownership by communities and workers, increased skills development and career pathing for all working people, and support for small enterprise and co-ops – as well as a new emphasis on procurement from local producers in order to support employment creation.

The following shortcomings have emerged in the implementation of BEE. First, ownership and senior management issues receive disproportionate emphasis. The unintended consequences of this trend include “fronting”, speculation and tender abuse. Second, the regulations do not adequately incentivise employment creation, support for small enterprises and local procurement. The preferential procurement regulations aggravate this situation by privileging ownership over local production. Finally, the broad-based BEE regulations penalise public entities as suppliers. The democratic state owns public entities on behalf of our people yet the regulations do not count them as “black empowered”. A major re-think is needed of the BEE framework and policy to achieve South Africa’s developmental and growth goals.

## 2.2. Provincial

### 2.2.1. FSGDS

The Provincial government of Free State has developed a seven-year development strategy; The Free State Provincial Growth and Development Strategy (PGDS). The PGDS is the fundamental policy framework for the Free State Provincial Government and it is the embodiment of the broad strategic policy goals and objectives of the FS Province in line with national policy objectives;

The Strategy addresses the key and most fundamental issues of development, spanning the social, economic and political environment. It constantly takes into account annual Provincial priorities and sets broad targets in terms of Provincial economic growth and development, service delivery and public service transformation.

***The Strategy has identified four priority areas of intervention by the FS Province, namely;***

1. Economic Development and Employment Creation;
2. Social and Human Development;
3. Justice and Crime Prevention;
4. Efficient Administration and Good Governance

The expressed “overarching goal of the PGDS is to align the provincial policies with the national policies and to guide development in terms of effective and efficient management and governance to achieve growth and development.”



The FSGDS is guided by the National policy thrusts identified for the Millennium Development Goals (2004 – 2014). This document strives to balance development of economic sectors and spatial localities. The following are FSGDS principles:

- Apply the principles of sustainable development
- Acknowledge the ecological limitation of the environment
- Ensure alignment between all spheres of government
- Ensure integrated development planning and implementation
- Actively address economic and social inequalities
- Promote economic infrastructure investment and development spending in areas of potential and need according to the principles of the NSDP
- Acknowledge the importance of BEE, as well as the need to broaden access to the economy
- Promote labour intensive approaches to development.

Based on the social and economic development challenges of the province, the Free State province has identified the following as primary development objectives:

- Stimulate economic development
- Develop and enhance infrastructure for economic growth and social development.
- Reduce poverty through human and social development
- Stimulate economic development.
- Ensure a safe and secure environment for all people of the province
- Promote effective and efficient governance and administration

During numerous consultations with different protagonists, the Province identified the following areas that need to be addressed by 2014:

- To achieve an annual economic growth rate at least equal to the national average economic growth rate
- To reduce unemployment from 38,9% to 20%.
- To reduce the number of households living in poverty by 5% per annum.
- To improve the functional literacy rate from 69,2% to 85%.
- To reduce infant mortality for children under five years to 65 per 1000 life births.
- To reduce the obstetrical maternal mortality rate from 65,5% to 20,06% per 100 000 women in the reproductive age group.
- To stabilize the prevalence rate of HIV and AIDS and reverse the spread thereof.
- To provide shelter for all the people of the province.
- To provide free basic services to all households.
- To reduce crime rate by at least 7% per annum.
- To provide adequate infrastructure for economic growth and development

Alignment of both FSPGDS and Letsemeng LM Key Priority Areas and Strategies:

- In order to achieve the above-mentioned targets, the province needs to focus on the following Key Priority Areas and Strategies:



## Letsemeng LM Local Economic Development Plan

Economic Growth, Development and Employment	Human and Social Development	Justice, Crime Prevention and Security	Efficient Governance and Administration	Letsemeng Local Municipality
Expanding the manufacturing sector in key subsectors	Improving housing and basic services	Facilitate and improved and effective integrated criminal justices system	Improving integrated development planning and implementing	<p>Identification and implementation of catalytic and strategic LED projects– leveraging resources for resourcing and implementing LED projects</p> <p>Fast-tracking services delivery, ensuring adequate maintenance of service delivery infrastructure and utilities and ensuring effective provision of municipal services</p> <p>Assisting with MPT sittings and land use application approval</p>
Focusing on diversification in agricultural development	Improving health-care services	Ensure effective and efficient police service	Ensuring effective communication with stakeholders and clients	Promote agricultural and agricultural diversification activities within the Municipality and assisting with implementation of Rural Development Plans
Developing tourism	Improving education and educational services and skills	Establish and effective disaster prevention and response capacity for disasters throughout the Province	Promoting Black Economic Empowerment	<p>Develop the Tourism Master Plan to promote tourism</p> <p>Develop/Review Disaster Risk Reduction Strategy</p>
Develop and expand transport and distribution industry	Improving social development services	Improve traffic policing and road incident management in the Province	Ensuring effective Human Resource Development and Management	<p>Stabilising the municipal administration – finalising placement and filling of critical vacancies and implementation of organisational performance management system; hold regular management meetings;</p> <p>Effective fleet management;</p> <p>Strengthen treasury and budget office and shore-up internal audit ;</p>





				<p>Strengthening the ward committee system</p> <p>Assisting with ring-fencing of grant funding</p>
			<p>Ensuring improvement in financial management</p> <p>Promoting integrity in government</p>	<p>Evolving a sound and prudent financial management – cash flow management, clean audit, enhancing the credibility and transparency of Supply Chain Management; Implement revenue enhancement strategy – implementation of credit control measures; Effective provision of social services – libraries, Youth Development Centres, social amenities, etc.</p> <p>To create and facilitate an enabling environment for LED in the Municipality.</p>
Emphasizing SMME development				<p>Facilitate development for the SMME through training, opening up of space, liaison with other protagonists</p> <p>Establishment of LED forums with strategic focus</p>

Table 1: Alignment of both FSPGDS and Letsemeng LM Key Priority Areas and Strategies:

### 2.2.2. FREE STATE PROVINCIAL SPATIAL DEVELOPMENT FRAMEWORK (FSPSDF), 2013

The FSPSDF states that its role is to create an enabling, functional and statutory environment to promote sustainable socio-economic development with a focus on the following:

- “Providing direction and scope to province-wide development programmes and projects taking into consideration economic, political, social, and environmental constraints and opportunities;



- Enhancing human well-being (including social equity) and environmental integrity through the efficient use of the various forms of capital inherent, or available to the Free State;
- Serving as a framework for public and private-sector investment, indicating areas of opportunity and development priorities;
- Providing an environment of certainty and predictability critical for investment;
- Together with the FSGDS provide guidance to public and private infrastructure investment in the province, taking cognisance of the growth and development potential of the municipalities and settlements;
- Serving as a spatial and strategic vision and basis for common action amongst all social partners, both inside and outside government in a province;
- Spatially co-ordinate and direct the activities and resources of the provincial government departments; and,
- Put forward a spatial vision, objectives, policy, and strategic implementation guidelines for projects identified in the FSGDS.”

***Implications for Letsemeng Local Municipality:***

- The FS PSDF 2013 identified the towns of Letsemeng Local Municipality as small towns, i.e. rural and small-farming communities.
- It also identified Koffiefontein the main business and administrative hub of the Municipality and Luckhoff as an Agricultural Industry
- N8 Transnational Development Corridor

**Spatial Planning Categories (SPCs)** will form the basis for the overlaying of conceptual proposals of the Xhariep District SDF. In this regard, the Free State Spatial Planning and Land Use Bill states that all planning/development frameworks should be done according to prescribed spatial planning categories in order to have a system that will be interpreted in a similar manner across the different levels of development frameworks that are in relation to the province. These SPCs provide a framework to guide decision-making regarding land-use at all levels of planning and will ensure effective monitoring and evaluation at all levels of planning.

Alignment of the Letsemeng SDF and Xhariep District SDF with the Free State Provincial Spatial Development Framework (FSPSDF) is achieved by structuring the SDF document in accordance with the different Spatial Planning Categories (SPCs) as reflected in the Free State Spatial Provincial Development Framework 2014, as well as incorporating development proposals applicable to Xhariep district from the said framework.

***Spatial proposals for Letsemeng Local Municipality in the FSPSDF:***

- The whole of Xhariep district as a “solar corridor”. That is the only opportunity identified by the PSDF for Xhariep district. Whilst the solar corridor concept is an important one and must play an important role in Letsemeng local economic development, some potential assets were not identified by the provincial SDF:
- Vanderkloof dam and the Rolfontein nature reserve as tourism node.
- The potential of the N8 as development corridor.
- Agricultural beneficiation potential of the Vanderkloof dam and Riet River irrigation networks, serving Oppermansgronde and Jacobsdal, respectively.



#### 2.2.4. Free State Master Plan for Agriculture (2015)

The Free State Master Plan for Agriculture identifies challenges facing the growth of the agricultural sector in the province including human, institutions, infrastructure and natural resource endowments. Agricultural development, according to the plan is one of the ideal vehicles through which poverty alleviation initiatives can be achieved due to the diverse natural resource base of the province. In relation to limiting factors at municipal level, the document highlights that strengthening capacities for effective local governance is needed, both through vertical relationships with other spheres of government and horizontal relationships with local grass- root communities, NGO's CBO's and the private sector. Development forums is one of the vehicles through which this can be achieved.

In relation to the Xhariep District and Letsemeng LM, the Free State Master Plan for Agriculture identifies nodes for specialisation in the Xhariep District, potential locations for implementing the proposed vegetable business plan such as carrots, cabbage, garlic, green beans, onions, potatoes, squashes & pumpkins and watermelon. Letsemeng is also identified as suitable for sheep and goat farming and the Xhariep District for wine grape, fig and pomegranate farming.



Node	Area of specialization	Specific initiatives that can be promoted
Bethany settlement	Agriculture: emerging farmers Agriculture: intensive (irrigation)	Fruit Irrigation schemes
Trompsburg	Tourism: Information Agriculture: Agro-processing Agriculture: Special produce Mining: exploration	Tourism information centre Spring water, Beer brewery, wool spinning, Angora rabbits
Gariepdam	Tourism: Information and Tourism: Attraction	Filling station, tourist information centre, Convention centre, Tri-district casino, Arts and crafts curio shops
Phillippolis	Tourism: Information and attraction	Tourist information centre Historic sites
Jagersfontein	Mining: Exploration and processing	Diamond mining and cutting
Koffiefontein	Mining: Exploration and processing Agriculture: Intensive (irrigation)	Diamond mining and cutting Irrigation scheme along Kalkfontein dam
Luckhoff	Agriculture: Intensive (irrigation) Agriculture: Special produce Agriculture: Agro-processing	Irrigation schemes Leather tanning Abattoir
Oppermans	Agriculture: Emerging farmers Agriculture: Special produce Agriculture: Intensive (irrigation)	Ostrich farming Grape and fruit farming
Jacobsdal	Agriculture: Intensive (irrigation) Agriculture: Agro-processing	Grape farming Wine produce
Petrusburg	Mining: Exploration and processing Agriculture: Agro-processing Agriculture: Intensive (irrigation)	Slate and salt mining Potato processing Potato farming
Reddersburg	Agriculture: Emerging farmers	Game farming Weigh bridge
Smithfield	Tourism: Information and attraction Agriculture: Special produce	Tourist information centre Game farming
Zastron	Agriculture: Special produce	Fish farming Game farming Trade with Lesotho
Bethulie	Agriculture: Special produce	Fish farming Game farming

Table 2: nodes for specialisation in the Xhariep District



## 2.3. District and Local

### 2.3.1. Xhariep IDP 2017/18

#### VISION STATEMENT

*“A community-oriented municipality characterized by a sound political and administrative capacity with sustainable and enabling business environment.”*

#### *Mission:*

- To facilitate and support local municipalities (Kopanong, Letsemeng and Mohokare) in rendering effective services to the communities.
- To create value and make a difference, everywhere we engage.
- To better the lives of the Xhariep District community and promote Public Private Partnership.
- Partnership.
- Create a safe healthy environment proactive of disaster risk management

Xhariep District forms the southern part of the Free State Province and is one of four district municipalities in the Free State. The municipality measures 34289 km sq.

Xhariep consists of three local municipal areas, with Letsemeng forming the northwestern section, Kopanong the middle section, Mohokare the southeastern section of the district. Xhariep District was estimated at a population of approximately 164 000 people in 2007. According to the 2011 Census statistics, its population size has declined with a lesser average of 2.21% per annum since 2007 to 2011. The current district’s populations is at 125 884 people as per the 2016 census survey statistics.



Letsemeng Local Municipality		
Town	Description	Spatial Issues
Koffiefontein	Koffiefontein/Dithlake serves as the municipal administrative seat within Letsemeng Municipality. It is situated approximately 125 km northwest of Trompsburg and an estimated 146 km east of Bloemfontein. Access to the town is via the R48 between Petrusburg and Luckhoff. The main social and economic functions of the town include: (a) main LM administrative centre, (b) regional agricultural services centre, (c) diamond mining operations, (d) regional social services centre.	<ul style="list-style-type: none"> <li>▪ Need for commercial and social integration of former separated town areas.</li> <li>▪ Shortage of all forms of housing.</li> <li>▪ Dilapidation of bridge connecting the town to the surrounding towns.</li> <li>▪ Shortage of municipal land surrounding existing town and impeding expansion.</li> <li>▪ Access to land by emerging farmers.</li> <li>▪ Development/expansion of municipal buildings and functions.</li> <li>▪ Sustainable management of land.</li> </ul>
Petrusburg	Petrusburg/Bolokanang serves as a commercial and social service centre within Letsemeng Municipality. It is situated approximately 55 km northeast of Koffiefontein. Access to the town is via the N8 between Bloemfontein and Kimberley. The main social and economic functions of the town include: (a) main regional agro-processing centre, (b) secondary agricultural service centre, (c) social functions such as residence, education and medical services, and (d) transport support services on major route.	<ul style="list-style-type: none"> <li>▪ Shortage of especially lower income housing.</li> <li>▪ Shortage of municipal land surrounding existing town, impeding expansion.</li> <li>▪ Access to land by emerging farmers.</li> <li>▪ Infill planning and development of the buffer area between the two town areas.</li> <li>▪ Effective infrastructural development in areas where agri-processing is dominant.</li> <li>▪ Sustainable management of land.</li> <li>▪ More direct benefit from major transport routes.</li> </ul>
Jacobsdal	Jacobsdal/Ratanang serves as an economic growth and tourism development node within Letsemeng Municipality. It is situated approximately 45 km northwest of Koffiefontein. Access to the town is via the R705 between Koffiefontein and Modderivier. The main social and economic functions of the town include: (a) regional agricultural services centre, (b) key regional tourist destination, (c) main regional agro-processing centre, and (d)	<ul style="list-style-type: none"> <li>▪ Shortage of especially lower income housing.</li> <li>▪ Access to land by emerging farmers; Infill planning and development of the buffer area between the two town areas.</li> <li>▪ Effective infrastructural development in areas where agri-processing is dominant.</li> <li>▪ Land availability for social application such as community hall and cemeteries.</li> <li>▪ Sustainable land management.</li> <li>▪ Conservation of areas surrounding local rivers.</li> </ul>



	social functions such as residence, education and medical services.	
Oppermans	Oppermans serves as a general agricultural service centre within Letsemeng Municipality. It is situated approximately 12km west of Koffiefontein. Access to the town is via the S647 between Koffiefontein and Luckhoff. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> <li>▪ Shortage of all forms of housing.</li> <li>▪ Access to land by emerging farmers.</li> <li>▪ Land availability for social application such a community hall and cemeteries.</li> <li>▪ Sustainable land management.</li> </ul>
Luckhoff	Luckhof/Relebohile serves as a general agricultural service centre within Letsemeng Municipality. It is situated approximately 85 km south of Koffiefontein. Access to the town is via the R12 between Koffiefontein and De Aar. The main social and economic functions of the town include: (a) general agricultural service centre to surrounding farming areas, and (b) social functions such as residence, education and medical services.	<ul style="list-style-type: none"> <li>▪ Need for commercial and social integration of the former separated town areas.</li> <li>▪ Shortage of especially lower income housing units.</li> <li>▪ Access to land by emerging farmers.</li> <li>▪ Land availability for social application e.g. cemeteries and community hall.</li> <li>▪ Sustainable land management.</li> <li>▪ Conservation of areas surrounding local rivers.</li> </ul>

Table 3: Strengths and weaknesses of each town in Letsemeng Local Municipality

Development nodes identified: Jacobsdal & Koffiefontein- need to be developed to draw investment into those areas through working with private and public sector.

The IDP identifies nodes for specialisation for economic development as follows:

**Koffiefontein Mining: Exploration and processing**

- Agriculture: Intensive (irrigation)
- Diamond mining and cutting
- Irrigation scheme along Kalkfontein dam

**Luckhoff Agriculture: Intensive (irrigation)**

- Agriculture: Special produce
- Agriculture: Agro-processing
- Irrigation schemes
- Leather tanning
- Abattoir

**Oppermans Agriculture: Emerging farmers**

- Agriculture: Special produce
- Agriculture: Intensive (irrigation)
- Ostrich farming
- Grape and fruit farming

**Jacobsdal Agriculture: Intensive (irrigation)**

- Agriculture: Agro-processing



- Grape farming
- Wine produce

Petrusburg:

- Mining Exploration and processing
- Agriculture: Agro-processing
- Agriculture: Intensive (irrigation)
- Slate and salt mining
- Potato processing
- Potato farming

The IDP notes the following KPI and Goal in relation to LED:

**KPI 3: Goal: To create and facilitate a conducive environment that builds inclusive local economies, sustainable decent employment and eradicates poverty**

**DEVELOPMENT PRIORITY ISSUE KEY STRATEGIC OBJECTIVES**

- Attract investment: Create enabling environment of investment
- Tourism development: Sustainable tourism destinations
- Job creation Improved: employment opportunities
- Facilitate building of economic infrastructure and networks: Responsive economic infrastructure and networks
- Agrarian reform: Viable lucrative agri-villages and access to affordable diverse food
- Economic access for rural nodes: Vibrant, equitable, sustainable rural economic communities
- Effective land reform: Increased place of land tenure reforms
- Lobby for Viable creative industries: Improved quality of sport, arts and culture for economic benefits

(the 5 year projects for the 2-18/19 IDP of 2019/20 IDP to be inserted here- depending on state of municipality)

### 2.3.2. Xhariep Rural Development Plan (2019/2024)

Excerpts from the Xhariep Rural Development Plan (2019/2024) relevant to LED in Letsemeng outlined below:

- Letsemeng has lowest land capability out of all municipalities in the Xhariep District
- 10.2% of the land coverage is used for crops
- Letsemeng Local Municipality is the leading municipality with 1592 people having access to internet followed by Mohokare LM and Kopanong Local Municipality, with 1394 and 1306 people having access to internet, respectively.
- Pivots area largely located in the western parts of the district in the Letsemeng Local Municipality as well as along the western boundary, with a significant number of pivots found in and around the town of Jacobsdal. The location of the critical biodiversity areas, formal conservation areas and protected areas is in correlation with the location of canals, irrigated land and high agricultural land within the district
- Letsemeng: 35 774 ha (3.6% of the total area of Letsemeng)





- In Letsemeng Local Municipality, Petrusburg and neighbouring farms utilise boreholes as the supply of potable water. The boreholes are however not sustainable and an alternative source will have to be found to supply the Petrusburg node in future. Koffiefontein extracts water from the Kalkfontein Dam while Jacobsdal extracts water from the Orange-Riet Canal. The purification plants in Jacobsdal and Koffiefontein seem to be inadequate to cope with the increased demand for potable water, and thus need an infrastructure upgrade. There is also a need to increase the storage capacity in Jacobsdal. The town of Luckhoff extracts water from the Sarel Hayward Canal and Van der Kloof Dam but both the purification plant and reservoir need to be upgraded so to cope with future population demands.

### 2.3.3. Letsemeng IDP 2017-22

DESCRIPTION	ATTRIBUTES
The area includes Letsemeng Local Municipal area with the north western and south western sections of Kopanong Local Municipal area	<ul style="list-style-type: none"> <li>• Agricultural diversity in the Jacobsdal area supported by irrigation scheme to grow irrigated field crops – potato, vegetables; pasture crops lucerne and permanent crops like pecan nuts</li> <li>• Petrusburg area represents a combination of cattle, small stock and cereal farming</li> <li>• Koffiefontein and Oppermansgronde with small stock farming inclusive of potential diversification of crops</li> <li>• Irrigation scheme along the Orange river at Vanderkloof Dam with associated tourism activities in Rolfontein Nature Reserve (northern cape)</li> <li>• Existing mining activities at Koffiefontein and Jagersfontein</li> <li>• Historical and cultural experiences at Phillipolis with its own character. The area surrounding Petrusburg and along the N8 to Kimberley is also rich in historical</li> <li>• Tourism route emanating from Jacobsdal to Philippolis.</li> <li>• Strong linkages with Kimberly</li> <li>• Renewable Energy project in proximity to Jacobsdal (Pulida Solar Park – 82.5 MW)</li> </ul>
Heritage sites	<ul style="list-style-type: none"> <li>• Historical buildings &amp; Monuments of 2nd World War Kanonkop (Koffiefontein);</li> <li>• Voortrekker Memorial Anglican Church used in the Boer War (Petrusburg);</li> <li>• The cairn of commander Ds Lubbe (Jacobsdal);</li> <li>• Stone Church and Ossewa Tracks (Luckhoff);</li> <li>• Battle of Driefontein Graves of English soldiers (rural areas)</li> </ul>

Table 5: Excerpts from the IDP

Legislation and policy which provide the operative framework for a LED-Strategy is set out in the municipal Integrated Development Plan (IDP).

#### Localised Spatial Development Principles identified in the IDP are:

- To ensure the availability of land for the various land uses and in specific for future residential extensions;
- To enhance the economic base of the region through the optimal utilization of agricultural land;
- All future development should be accessible to the larger community, to promote the accessibility of employment opportunities from residential areas;
- Future development should promote the development of compact human settlements, and low intensity urban sprawl should be combated;



- Plans of neighbouring municipalities and regions should relate positively to each other;
- Promote mixed use development;
- Land use and development decisions must promote harmonious relationships between the built and natural environment;
- Land development and planning should protect natural, environmental and cultural resources;
- Land used for agricultural purposes may only be reallocated to another use where real need exists, and prime agricultural land should as far as possible remain available for production;
- Land use regulators and planning authorities must ensure that previous disadvantaged communities and areas receive benefit and opportunities flowing from land development;
- Appropriateness of land use must be determined on the basis of its impact on society as a whole rather than only the applicant or immediate neighbours;
- Special focus will be placed on rural development, especially where service delivery is not up to standard;
- Incentives should be reinstated to promote the development of valuable riparian properties in the urban and rural areas,

Priority issues, strategies, programmes and projects are outlined as follows:

Priority	Priority Issue/s	Strategies/ Programme and Projects	Ward/Areas	Implementation Plan			
				Strategic Objective	Alignment Sector	Implementation Period	Budget Projections
1	Radical Local Economic Transformation & Job Creation	Avail business sites in all areas for local business people to create an enabling environment	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	WIP	
		Outsource road maintenance to local SMME's for job creation of local people	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	Ongoing	
		Outsource maintenance of ablution facilities in Jacobsdal to local SMME	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	
		Outsource maintenance of ablution facilities in Petrusburg to local SMME	Ward 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	
		That SMME development opportunities and initiatives be categorised and opportunities be given in accordance with a roster system	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017 - 2022	
		That the maintenance of local parks be outsourced to local SMME's	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	Ongoing	
		That 30% of the SCM procurement budget be set aside for local SMME's on all future projects both operational and capital projects	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	Ongoing	



## Letsemeng LM Local Economic Development Plan

		That an amount of R 500 000.00 be set aside for Youth Empowerment Programmes	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	500,000.00
		Rezone "Malatsi" into a tourist attraction area, refurbish the current water slide into the Riet river	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2018/19	150,000.00
		Pave road from N8 off – ramp from Perdeberg to Jacobsdal which is currently an economic HUB with the construction of the Pulida Solar Energy Park	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2021/22	-
		Acquire the current winery in Jacobsdal. Currently the bottling plant has been donated to black owners. Future economic HUB based on its history and it will create permanent jobs and BEE	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017 – 2019	-
		Acquire 300 ha land in Oppermansgronde to setup a wine yard, to supply to the winery in Jacobsdal. Seasonal jobs will be created	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017 – 2019	-
		Pave road from Oppermansgronde to Jacobsdal. The access road will feed into the winery and bottling plant. All other Agricultural activities will create an easy market into GWK in Modder river	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017 – 2019	-
		Set up a 24 hour garage in Jacobsdal, a number of trucks are currently visiting Gannahoek silos	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2019/20	-
		Current golf course in Jacobsdal to be transformed into a Golf Estate. Allow professional/middle class to acquire land and build properties similar to Magersfontein memorial golf estate. Will enhance Revenue of the municipality	Ward 2	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	-
		Approve and support small scale mining in Koffiefontein	Ward 4 and 5	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	
		Establishment of a 24 hour garage in Luckhoff	Ward 1	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2018/19	
		Re-opening of the municipal weigh bridge in Luckhoff to deviate trucks from entering the town	Ward 1	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	
		That the municipal buildings be availed in Oppermansgronde for Youth Job Creation Cooperatives and Projects	Ward 1	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	
		That skills development programmes for Artisans be included in the SDF of the municipality to support the unemployed youth	Ward 1 – 6	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	
		That an industrial area be zoned in Koffiefontein to create a business enabling environment in Koffiefontein	Ward 4 and 5	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2018/19	
		That the Agricultural Agri – Park project be implemented in Koffiefontein	Ward 4 and 5	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods		
		Support of the Ostrich/Animal Feed Lot project in Koffiefontein	Ward 4 and 5	To promote social and economic development;	<b>NDP:</b> Creating jobs and improving livelihoods	2017/18	



Building of a One Stop Garage along the N8 in Petrusburg	Ward 3 and 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	2017/18	
Establishment of Public Private Partnerships with the Private Sector to foster and accelerate local economic development	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	Ongoing	
Building of the Koffiefontein Brick Making Factory and Crusher Plant in Koffiefontein	Ward 4 and 5	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	2017/18	
Promote and foster Township Economy Activities and Projects	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	Ongoing	
Implement the Small Town Regeneration Project in Koffiefontein and Petrusburg	Ward 5 and 3	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	2017/18	-
Upscale cooperatives programme to mainstream economic development	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	Ongoing	
Ensure that the Expanded Public Works Programme takes advantage of the Municipal Infrastructure Grant to create labour absorbing activities and work opportunities	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	Ongoing	
Assist smallholder/emerging farmers to access municipal land for food production and sustainable agriculture	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	Ongoing	
Intensify and implement the Artists and photographers programme in the Office of the Mayor	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	2017/18	100,000.00
Host a Letsemeng Municipal Local Economic Imbizo within the 1 <sup>st</sup> quarter of the FY	Ward 1 – 6	To promote social and economic development;	NDP: Creating jobs and improving livelihoods	2017/18	200,000.00

### 2.3.3. Letsemeng SDF

#### SPATIAL OBJECTIVES

The Spatial Development Framework (SDF) supports the Letsemeng Vision as indicated in the IDP document and is intended to promote an urban form that will deliver the long-term vision for Letsemeng. The main purpose of the SDF is to create a town that is sustainable, accessible and efficient. The following objective will ensure that the municipality succeeds in their main purpose. The SDF is currently under review and will be completed in the 2019/20 financial year. Under the current SDF, the objectives are:

<b>Objective 1</b>	To create sustainable human settlement with quality physical, economic and social environments;
<b>Objective 2</b>	To encourage land reform towards more intensive land uses;
<b>Objective 3</b>	To encourage urban and regional integration and rectification of past imbalances;
<b>Objective 4</b>	To create a sustainable local land use management system;
<b>Objective 5</b>	Support Local Economic Development Opportunities;
<b>Objective 6</b>	Manage Informal settlements;
<b>Objective 7</b>	Manage development to ensure environmental sustainability;
<b>Objective 8</b>	Promote regional connectivity;

Table 6: Objectives of the current SDF

## 3. Demographic and Socio- Economic Profile



## Letsemeng LM Local Economic Development Plan

Letsemeng forms the western part of Xhariep District situated in the south-west of the Free State province. The Local Municipality consists of the towns Koffiefontein, Jacobsdal, Petrusburg, Luckhoff and Oppermansgronde. Koffiefontein is the municipal head office. The area of the Local Municipality measures approximately 10 192km<sup>2</sup>.



Image 1: Map of Letsemeng Local Municipality

The 5 towns are connected by a tarred road via Koffiefontein. The R705 links Jacobsdal with Koffiefontein; the R48 links Petrusburg, Koffiefontein and Luckhoff to the north-south; and the R704 links Koffiefontein, Fauriesmith and Jagersfontien. However, Jagersfontien is linked to Trompsburg by a dirt road, which hampers effective service delivery between the district and the LM.

Letsemeng is bordered by Tokologo Local Municipality in Lejweleputswa District to the north, Mangaung Metro Municipality to the east and Kopanong Local Municipality in the south-east. Other borders are the Pixley ka Seme District Municipality (Sol Plaatjie Local Municipality) in Northern Cape Province to the west and Frances Baard District Municipality (Siyacuma, Thembalihle and Renoster Local Municipalities) in Northern Cape Province to the south-west. The N8 route crosses the area to the north and links Kimberley and Bloemfontein via Petrusburg. The Port Elizabeth railway line starts at Koffiefontein and connects at Springfontein with the Bloemfontein/Cape Town railway line to continue in an easterly direction towards Port Elizabeth.



### .1. Population and demographics

This municipality has shown a population growth from 38 628 residents in 2011 to 40044 in 2016. The municipality showed a negative growth rate of -1,04% (2001-2011).

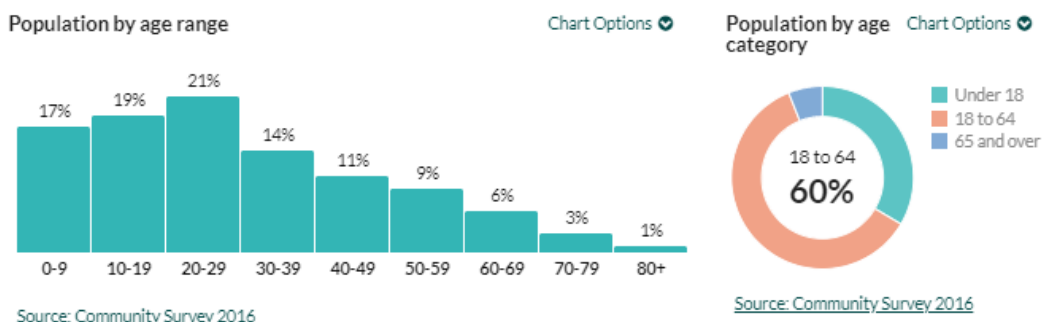


Image 2: Population by age range in LML

So, for the foreseeable future, Letsemeng’s population is expected to remain stable.

The growth rate of the population in the Municipality will depend on economic opportunities that the Municipality can offer, especially to young adults who are the most mobile group. A stagnating economy that cannot provide school learners with job opportunities will result in the loss of these economically active adults to areas with economic opportunities.

The total population of this municipality is 44 044 persons consisting of approximately 13 967, with an average density of 3.4 persons per household. There has been an increase since the 2011 StatsSA survey which counted a total of 42 487.

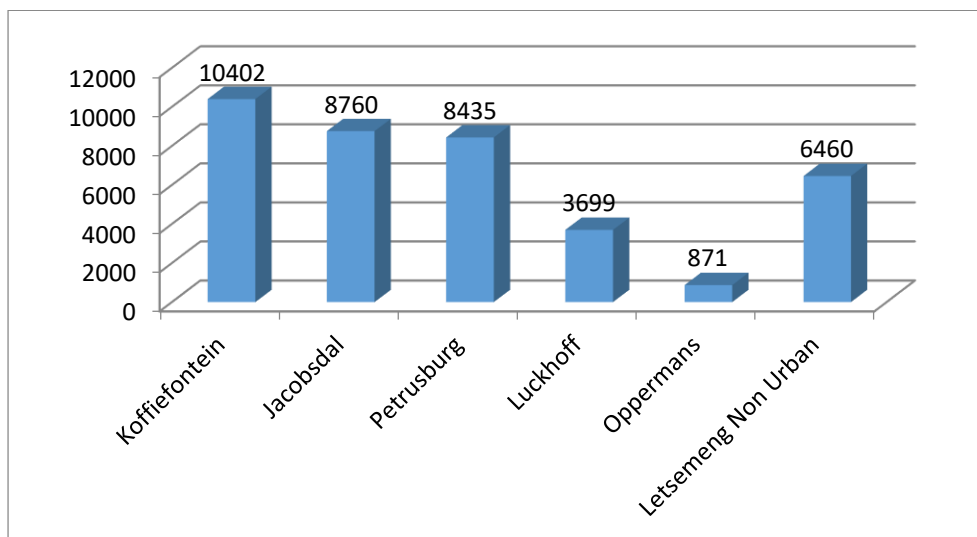


Image 3: Population per town in Letsemeng (StatsSA: 2011)

#### Koffiefontein/Ditlhake/Diamantheogte

- The population size of the Koffiefontein, Ditlhake and Diamantheogte was 10402 in 2011.



**Jacobsdal/Ratanang/Sandershoogte (excluding the Rietfontein Settlement**

- The total population size of Jacobsdal, Ratanang and Sandershoogte for 2011 was 8760 people,

**Petrusburg/Bolokanang**

- According to the 2011 Statistics the population size of Petrusburg/Bolokanang were 8435 people.

**Luckhoff/Teisesville/Relebohile**

- The total population size of Luckhoff is 3699 people

**Oppermansgronde**

- The total population size of Oppermansgronde is 871 based on the 2011 StatsSA.

**Non-Urban**

- Non-urban population for 2011 was 6460. This includes the Riet River Settlement, Phambili and farms.

**.2. Income/ Poverty**

Average Household income is illustrated below:

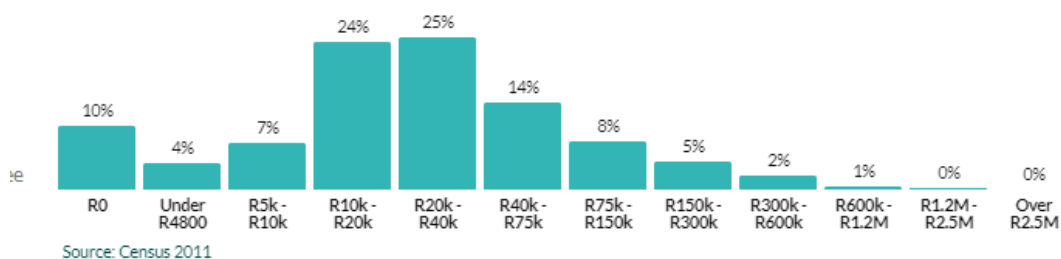


Image 4: Average Household Income

The average annual household income is R29 400 which is in line with the average annual income of both Xhariep District and the Free State province.



### .3. Employment

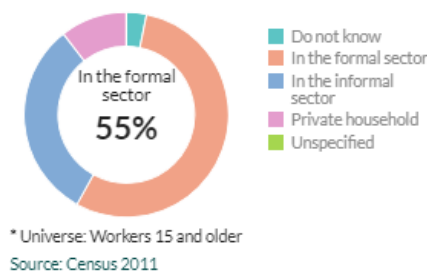
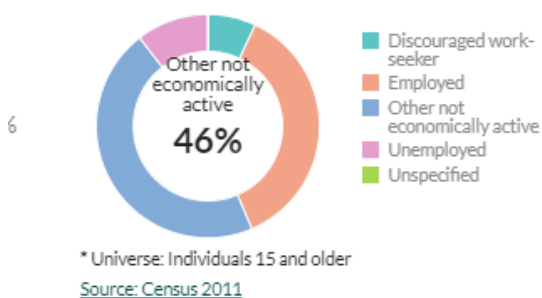


Image 5: Population by employment status

Image 6: Sector employment

The main economic sector in the LLM (Letsemeng Local Municipality) is in the formal sector 55% – agriculture and mining. Informal Sector reflects on local trading and local service delivery and makes up 31% of the population, higher than Xhariep which is 32.6%. Of the population in Letsemeng, 36.6% are employed while 10% are unemployed and 7% discouraged work seekers.

#### Employment Status per Town

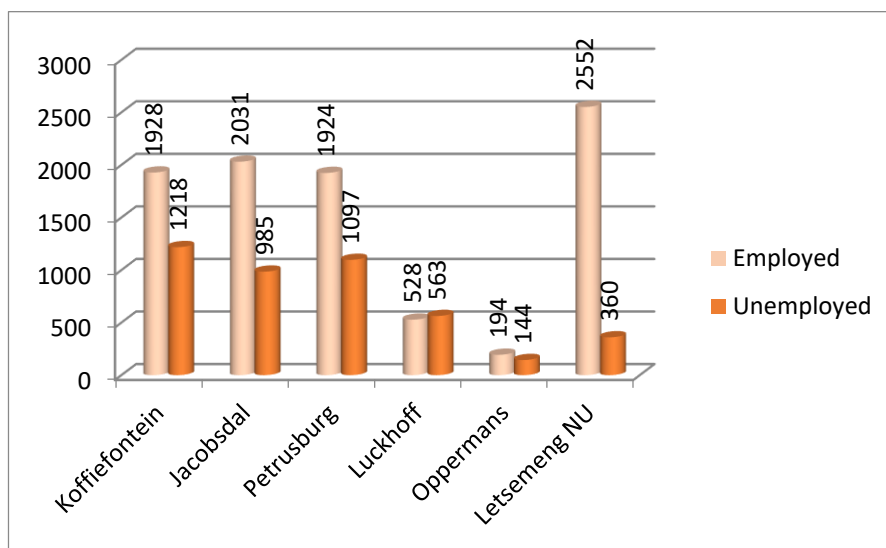


Image 7: Employment Status per Town (StatsSA 2011)

A number of job creation programmes have already been established by the municipality:

#### Expanded Public Works Programme

The Expanded Public Works Programme has been implemented in Letsemeng municipality since 2011 and is growing stronger by the year through the EPWP Incentive Grant from the National Department of Public Works. The municipality has made additional budget provision for the expansion of the EPWP in the municipality from its internal budget in order to create more jobs and give real effect to the EPWP.





### Comprehensive Rural Development Programme

Jacobsdal has been declared a CRDP site and some high impact projects have been presented to the National Department of Public Works for implementation in the CRDP site, the municipality is still awaiting approval of these proposals. The upgrading of the stadium has however been completed and the appointment of a Service Provider for the completion of the Recreational Facility is in the process of being finalized by the Department of Rural Development.

These initiatives have brought about enormous changes in our endeavours to relieve the plight of the poor and to accelerate job creation opportunities. Putting the limited resources and rich diversity of minds and commitments into one basket has brought light. The municipality is however challenged with the continuous monitoring of the implementation of some of these programmes as some has never been evaluated neither monitored after it was launched.

### .4. Education

In regards to education, 57.6% have completed grade 9 or higher, and 31.9% have completed matric or higher, while 12% have reported no education. The population is, however, 100% literate with an 80% matriculation rate.

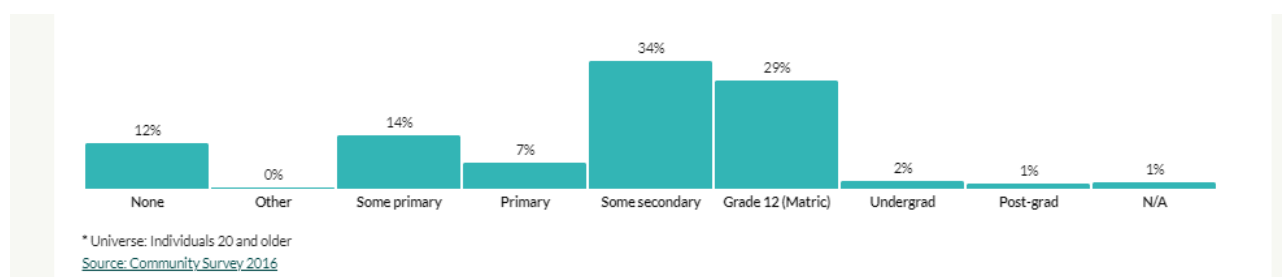


Image 8: Levels of Education

### .5. Employment sectors and economic analysis

The socio-economic development of the municipality is centred on agriculture. The municipal area also has mining activities, with diamonds being the major natural resource that helps with employment creation.

The summary table below puts the Gross Value Added (GVA) of all the regions in perspective to that of the Letsemeng Local Municipality.



	Letsemeng	Xhariep	Free State	National Total	Letsemeng as % of district municipality	Letsemeng as % of province	Letsemeng as % of national
Agriculture	0.2	0.8	9.4	94.4	23.2%	1.92%	0.19%
Mining	0.8	0.9	19.7	304.4	92.0%	4.05%	0.26%
Manufacturing	0.0	0.2	22.5	517.4	26.7%	0.21%	0.01%
Electricity	0.1	0.1	9.1	144.1	55.7%	0.78%	0.05%
Construction	0.0	0.2	4.8	154.3	16.1%	0.62%	0.02%
Trade	0.1	0.7	27.4	589.7	18.2%	0.46%	0.02%
Transport	0.1	0.5	20.7	389.2	19.7%	0.46%	0.02%
Finance	0.1	0.5	33.0	781.7	16.8%	0.27%	0.01%
Community services	0.3	1.8	49.5	894.2	14.7%	0.53%	0.03%
Total Industries	1.7	5.6	196.2	3,869.5	30.2%	0.86%	0.04%

Table 7: gross value added (gva) by broad economic sector - Letsemeng local municipality, 2016 [r billions, current prices] Source: IHS Markit Regional eXplorer version 1070

In 2016, the mining sector is the largest within Letsemeng Local Municipality accounting for R 798 million or 47.1% of the total GVA in the local municipality's economy. The sector that contributes the second most to the GVA of the Letsemeng Local Municipality is the community services sector at 15.3%, followed by the agriculture sector with 10.7%. The sector that contributes the least to the economy of Letsemeng Local Municipality is the construction sector with a contribution of R 29.9 million or 1.76% of the total GVA.

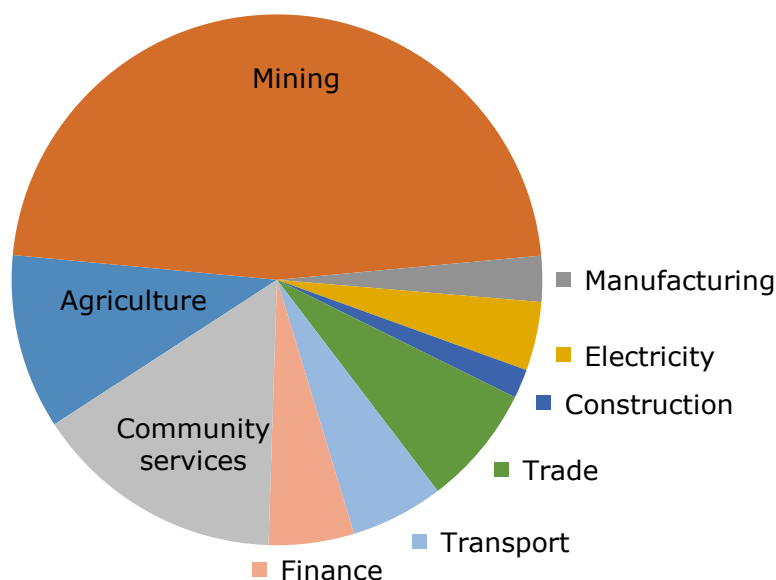


Image 9:: Gross Value Added (GVA) by broad economic sector Letsemeng Local Municipality, 2016 (Source: IHS Markit Regional eXplorer version 1070)

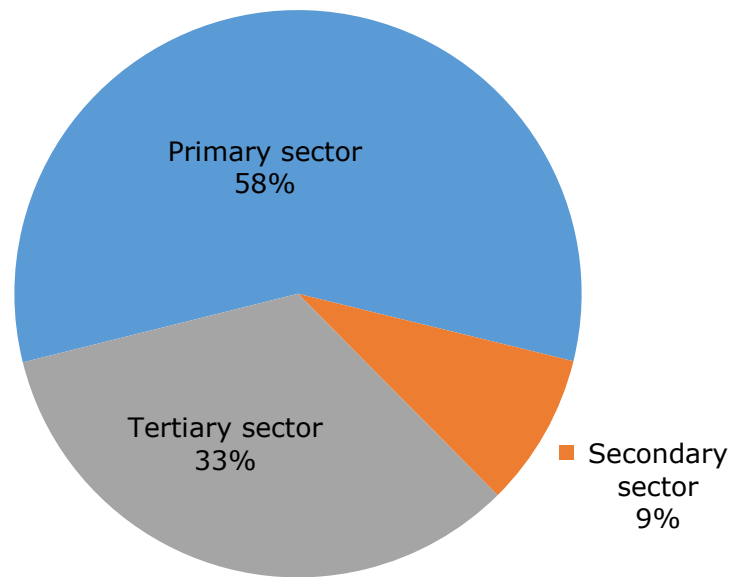


Figure 10: Gross Value Added by aggregate sector (Source: IHS Markit Regional eXplorer version 1070)

#### Primary

Between 2006 and 2016, the agriculture sector experienced the highest positive growth in 2008 with an average growth rate of 12.6%. The mining sector reached its highest point of growth of 19.5% in 2010. The agricultural sector experienced the lowest growth for the period during 2015 at -23.2%, while the mining sector reaching its lowest point of growth in 2009 at -19.8%. Both the agriculture and mining sectors are generally characterised by volatility in growth over the period.

#### Secondary Sector

The secondary sector consists of three broad economic sectors namely the manufacturing, electricity and the construction sector. Between 2006 and 2016, the manufacturing sector experienced the highest positive growth in 2015 with a growth rate of 6.8%. The construction sector reached its highest growth in 2009 at 16.0%. The manufacturing sector experienced its lowest growth in 2013 of -17.4%, while construction sector reached its lowest point of growth in 2013 a with -7.1% growth rate. The electricity sector experienced the highest growth in 2015 at 4.0%, while it recorded the lowest growth of -20.7% in 2008.

#### Tertiary Sector

The tertiary sector consists of four broad economic sectors namely the trade, transport, finance and the community services sector. The trade sector experienced the highest positive growth in 2011 with a growth rate of 5.4%. The transport sector reached its highest point of growth in 2015 at 5.4%. The finance sector experienced the highest growth rate in 2009 when it grew by 6.6% and recorded the



lowest growth rate in 2013 at -9.8%. The Trade sector had the lowest growth rate in 2008 at -11.6%. The community services sector, which largely consists of government, experienced its highest positive growth in 2009 with 6.0% and the lowest growth rate in 2008 with -8.7%.

Letsemeng Local Municipality is less diversified in terms of its economic activity spread than the province's economy as a whole. The Letsemeng Local Municipality has a very high concentrated mining sector.

Letsemeng Municipal economy is characterised by the following:

- Mining and agricultural sector are the largest contributor to the local economy.
- The decline in the agricultural sector over the recent years has had an adverse effect on the employment potential of the rural areas.
- Luckhoff has the highest unemployment rate.
- Petra Diamond Mines contributes major part to the local economy before it was closed.

In terms of sectors as they relate to each of the towns in Letsemeng:

**Koffiefontein/Ditlhake/Diamanthoogte:** is home to some of the best quality diamonds in the world.

**Jacobsdal/Ratanang/Sandershoogte::** Apart from being home to the first wine cellars outside the Cape Province, Jacobsdal also has an irrigation scheme that supplies water to crops over a huge area. About 160 000 tonnes of crops, such as Lucerne, groundnuts, potatoes and grapes are produced in this area annually. The Riet River irrigation settlements start about 3km west of the town and extent 15km up to the confluence of the Riet and Modder River at Ritchie.

**Petrusburg/Bolokanang:** This is a rich agricultural centre which is situated 80km west of Bloemfontein on the N8.

Mixed farming is practiced in the 3000 square km which was excised from the Fauresmith district in 1863. The main activity is sheep farming. The main crops are maize and potatoes. Modest quantities of wheat are harvested in the rare season when enough rain falls in winter and early spring. There are numerous salt pans in the district.

The area accommodates Oppermans, just west of Koffiefontein, which is part of a land restitution project. Several pans occur in the area while the Van der Kloof dam, Kalkfontein dam and Wuras Resort are some of the more prominent water sources available in the area. Both the Riet River and Orange River drains through the area in a westerly direction. Although there are ample water sources available in the area, access to potable water in some of the towns remains problematic. The northern parts of the municipal area surrounding Petrusburg are good cultivated agricultural land while the southern area is renowned for livestock farming.

**Luckhoff/Relebohile/Teisesville:** This agricultural town lies on the R48, 50km south of Koffiefontein. An important source of income in the Luckhoff district is merino sheep farming.

**Oppermansgronde:** This is a land reform project. In the course of the 19<sup>th</sup> century the region north of the Orange River became the dwelling place of a variety of people. The Oppermansgronde family was dispossessed of their rights of the land claimed in 19 June 1913. The dispossession was effected to further the objective of the previous government's segregation policies. Through intensive facilitation by Letsemeng Council and the Department of Land Affairs, the land was transferred back to the Oppermansgronde Family on 26 July 2003.

The larger towns such as Koffiefontein, Petrusburg and Jacobsdal are service centres of high order,



functioning as educational, research, commercial and manufacturing hubs, intensely involved in the green economy and beneficiation of the municipality's agricultural produce: Letsemeng does not import any of its food, except for luxury and gourmet foodstuffs.

### Sector Description

#### **Agriculture**

Agriculture is the largest contributor to the local economy, but does not dominate as much as in the other two local municipalities. The very sought after products of the Petra Diamond Mines contribute the major part to the local economy. The farming industry varies throughout the region. The irrigation scheme of Jacobsdal produce crops such as grapes, potatoes, maize, wheat, lucern and groundnut. Cattle and sheep farming dominate farming practice in Luckhoff and Koffiefontein. Luckhoff is well known for its Merino sheep. In Petrusburg mixed farming pays the rent, with sheep farming as the main activity and potatoes and maize as the main crops. Other crops such as sunflowers and corn are also produced. In Oppermansgronde vineyards produce a major income for the town.

Letsemeng Municipality as a whole does not have industries that would ensure employment of our people. It is an agricultural area wherein the Government has really showed support in emerging farms for livestock farming, irrigation and other projects related to agriculture. The challenge existing is that this emerging farmers remains emerging forever and this blocks the cycle as it should be completed in terms of growing and giving way and contributing largely on the economy of the country. The department of Agriculture has started a mentorship programme that would assist the farmers in the long run. There is abundance of water in Jacobsdal area and on the irony; Petrusburg does not have a reliable water source.

Crop farming has also decreased, but has intensified; inter-cropping is the default practice with grains and indigenous marogo and herbs (which render insecticides unnecessary). In general, organic agricultural practice is the norm. The functional regions are zoned according to permaculture dictates, with intensive gardening, fowl, small livestock, flowers, apiaries and orchards surrounding towns. Grain fields and woodlots have been established in second concentric circles around each town, but on relatively small scale. Aquaculture is practised at the river towns.

The wine makers of Jacobsdal have risen to the challenge of the Lower Orange and Cape viticulture with quality wines. Livestock farming has decreased significantly, now only practiced under strict control on veld with adequate carrying capacity. Game has, for the most, replaced cattle and sheep and a thriving export game meat market has been created.

#### **Mining**

Diamond mining has given rise to a thriving cutting and jewellery industry. Mining has a significant impact on the rural areas with diamonds being mined extensively in the area. You will find mainly mining, poultry farming and piggery in the Koffiefontein area. It is established as a service town for the mining industry. There is one diamond mine that is situated in the south-eastern part of Koffiefontein namely, Petra Diamond Mines Limited.

#### **Tourism**

Rail travel has been restored to its previous glory; this has in large part underpinned the district's tourism industry, and plays an important logistical role in the local economy. The Municipal area has a significant weekend related tourism potential that could, in future, contribute to the GDP of the district and should be further explored.

#### **Light Industries**

Letsemeng Municipality as a whole does not have industries that would ensure employment of our people. Projects have been identified to compliment and develop the industries that are currently



operating. This includes a Tile making factory that will support the recycling of the slimes dams of the Koffiefontein mines. Few industries are situated in Petrusburg. Existing industries include furniture manufacturers and “scrap yards”. Projects have been identified to compliment and develop the industries that are currently operating.

## 4. LED Framework

### 4.1. Programmes per sector

#### 5.1. Programmes per sector

##### 1. Human and Natural Resources

- Optimise the use of human resources through social development and facilitating education opportunities.
- Harness the vast array of natural resources in Letsemeng (solar, flora, fauna, water and soil) to create both a sustainable municipality but also sustainable job creation, diversification and growth.

##### 2. Mining

- Investigate further mining opportunities for diamonds, dolorite, sand and other minerals.
- Facilitate and attract investment for the the creation of spin- off industries based on the current and potential future mining activities.

##### 3. Agriculture

- Facilitate new jobs (game farming), ensure the retention of jobs securing long term farming opportunities with resources currently available (cattle, sheep and other live stock), and crops, bearing in mind climate change and it’s impact on the agricultural resources.
- Identifying, educating and implementing diversification strategies for agricultural activities.

##### 4. Tourism

- Facilitate an enabling and attractive environment for the development of a tourism industry (eco- tourism, rail tourism for example) for the municipality and where possible, promote the creation of spin- off jobs (tour guides, hotels, restaurants etc).

##### 5. Green Economy

- Promote job creation in recycling and waste management through education, using current human and waste resources and SMME’s in Letsemeng.
- Use the water resources in Letsemeng through sustainable water- based businesses as a source of education, job creation and business development (grey water harvesting, training in building with green building standards)

##### 6. Energy

- Attract the investment of solar related industries into Letsemeng.
- Use the biogas and hydrogen resources to promote business development and investment into energy creation.



**7. Services**

- Work with government and the private sector to establish both short term and long term job creation in the service sector, potentially in relation to the resources of sanitation, waste, fire management, ecosystem and riverine management and maintenance and available land)

**8. Manufacturing**

- Attract and incentivise investment of manufacturing industries based on the primary natural resources in the municipality for processing into secondary goods for sale.

**9. Solid Waste**

- Educate, facilitate and promote viable job creation and small business start- up opportunities for local residents using any appropriate solid waste generated in the municipality.

**10. SMME**

- Establish support systems for current and potential SMME's to be able to thrive in the local, district and wider economy.

5.6. Goals Strategies and Implementation



KOFFIEFONTEIN								
Sector	Proposed LED Initiative programme	Project	Role players					Timeframe
Sector	Programme	Description	Municipality	Provincial Dept	National Dept	Private sector	NGO	
SMME	<b>Radical Economic Transformation &amp; Economic Development</b>	Avail all business sites in all towns.	Department of Community Services LED Department	COGTA MPT Representatives DESTEA	MISA	Yes- privately owned businesses		
Mining		Support of the small scale mining.	LED Department IDP	COGTA LED & MPT representatives Department of Mineral Affairs	MISA	Yes- Mining companies		
SMME		Zoning of an industrial area	Department of Community Development LED Department	COGTA-Spatial Planning	MISA	Yes		
SMME		Support and collaborate with Small Town Regeneration Programme	LED Department Department of	COGTA	MISA	All small businesses	SALGA	





			Community Services					
SMME	<b>Job creation and SMME Development</b>	Outsource of road maintenance to local SMMEs	Department of Technical Services		EPWP	SMME		
SMME		Outsource of maintenance of local parks to local SMMEs	Department of Community Development		EPWP	SMME		
SMME, Agriculture, Human and Natural Resources		Business support programmes to retain to grow existing businesses.	LED & IDP Departments	DESTEA	National Treasury		Yes SALGA	
Human and Natural Resources		Establishment of business skills/incubation centre to assist local SMMEs in all our towns	LED Department	DESTEA	Department of Education	Yes- Incubation hub businesses	Yes	
Human & Natural Resources SMME		Skills development programs particularly for skills that are mostly needed in the mine.	LED Department	DESTEA Department of Mineral Affairs		Skills Development Organisation	Yes	
Agriculture		Support of the established feed lot.	Community Services	Department of Agriculture		Yes- farmers		



## Letsemeng LM

## Local Economic Development Plan

			LED Department	COGTA- Spatial Planning COGTA- LED Department				
Manufacturing		Building of brick making and Crusher Plant	Community Services Technical Services	DESTEA		Yes- Investor		
Human and Natural Resources		Assist with availing sites for youth to open small businesses such as Salons, Car Wash, Internet Café, Tyre Repair, Dry Clean Services	Department of Community Services LED Department	COGTA Spatial Planning	MISA	Yes- start up businesses		
Agriculture, Green Economy	Emerging farmer development and food security	Avail municipal land to lease out to emerging farmers	Department of Community Services LED Department	COGTA Spatial Planning	MISA			
Solid Waste	Waste Management	Assist to form cooperatives that will be involved in recycling as a means to get income and to	Department of Technical Services LED Department	DESTEA Department of Public Works and Infrastructure	Department of Economic Development	Service Providers	Training providers Service providers	



		have a clean environment						
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LUCKOFF								
Sector	Proposed LED Initiative programme	Project	Role players					Timeframe
Sector	Programme	Description	Municipality	Provincial Dept	National Dept	Private sector	NGO	
SMME	<b>Job Creation and SMME Development</b>	Outsource of road maintenance to local SMMEs	Department of Technical Services	DESTEA	EPWP	SMME		
SMME		Outsource of maintenance of local parks to local SMMEs	Department of Community Development	DESTEA	EPWP	SMME		
SMME		Business support programmes to retain to grow existing businesses.	LED & IDP Departments	DESTEA	National Treasury Department of Economic Development		Yes SALGA	
All Programmes		Avail land to establish a 24 hour fuel stop and truck depot	Department of Technical Services Department of Community Services	COGTA- Spatial Planning	MISA	Investor		



### Letsemeng LM

### Local Economic Development Plan

Manufacturing, Green Economy		Re-establishment of the municipal weigh bridge to deviate trucks from entering the town	Department of Community Technical Services	Department of Public Works and Infrastructure	MISA MIG funding			
Human and Natural Resources, SMME		Assist with availing sites for youth to open small businesses such as Salons, Car Wash, Internet Café, Tyre Repair, Dry Clean Services	Department of Community Services LED Department	COGTA Spatial Planning	MISA	Yes- start up businesses		
Solid Waste	Waste Management	Assist to form cooperatives that will be involved in recycling as a means to get income and to have a clean environment	Department of Technical Services LED Department	DESTEA Department of Public Works and Infrastructure	Department of Economic Development	Service Providers	Training providers Service providers	







Letsemeng LM

Local Economic Development Plan

All programmes	Land	Availability to investors in the environment by the cleanliness of the environment	Department of Technical Services Department of Community Services	COGTA- Spatial Planning	Finance Apex Fund IDC's small business fund Black Business Supplier Development Programme	Investor	Project until funding is provided on it's own Green Fund/ DBSA	
Tourism, Human and Natural resources, green economy, Services		Current golf course to be transformed into a Golf Estate so that professionals and middle class acquire land to build their properties	Department of Community Services, IDP & LED Units, Department of Technical Services	COGTA- Spatial planning Department of Sports and Recreation	Programme ((BBDP)	Property developer/ Investor		
Agriculture		Assist the agricultural school to raise awareness of the opportunity to enrol more black learners in order to have a wider pool of technical skills to help build the agricultural sector in Jacobsdal	LED Department of community services	DESTEA Department of Rural Development and Land Reform FS SALGA Department of Agriculture	Department of Rural Development and Land Reform Department of Economic Development KSTRP	Agricultural school Private funder Farmers in the surrounding areas	NGO	
		Support the Konsortium	LED Department	Department of Agriculture	KSPRP	Farmers Investors		



		Merino Value Chain Empowerment programme		Department of Rural Development and Land Reform FS	Department of Rural Development and Land Reform	Relevant identified partners (according to needs)		
Waste Management	Waste Management	Assist to form cooperatives that will be involved in recycling as a means of generating income while enhancing the cleanliness of the environment	LED Department of Community Services	COGTA LED DESTEA Department of Environmental Affairs	Department of Environmental Affairs Khula, the South African Micro-Finance Apex Fund IDC's small business fund Black Business Supplier Development Programme (BBSDP)	UNEP	Could potentially assist with accessing funding to start the project until functioning on it's own	Green Fund/ DBSA

- 30% of the procurement must be spent on local SMMEs
- The development of local based small contractors
- To benefit from Social Labour Plan(SLP) of Petra Diamonds.
- Host annually Letsemeng Economic Imbizo.



**Potential situations that may delay implementation:**

- No Land Use Scheme. All land use governed by SDF & Title Deeds
- Consulting with DRDLR about land for the Farmer Support Production Unit
- Lack of licencing of the current land use sight



**Initial quick-wins to consider**

- All projects requiring outsourcing for maintenance and use of EPWP workers





## Letsemeng LM

## Local Economic Development Plan

- Recycling programme in Koffiefontein
- The use of the Cenves site
- All sites already identified for business and have that zoning (or rezone them)
- Rezoning of any quick win sites
- Projects requiring training/ upskilling/ support