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Led Strategy

Kopanong Local Municipality



LED STRATEGY 2013 TO 2018

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SECTION 1 : INTRODUCTION

1. BACKGROUND INFORMATION

The purpose of this study is to develop an integrated strategic framework in which to undertake and implement local economic development in the Kopanong Local Municipality. The LED study forms part of the IDP process and is one of the critical steps towards achieving local economic development within the Kopanong Local Municipal area. Determining what sectors, commodities and stakeholders are significant to the economic activity of Kopanong Local Municipality will enable identification of appropriate market interventions that will lead to economic development of the municipality. The LED strategy will serve as a tool with which the Kopanong Municipality can broaden the local economic base, increase sustainable growth and contribute to poverty alleviation in the area.

1.1 GEOGRAPHIC LOCATION OF KOPANONG

Kopanong Local Municipality was established in terms of section 55 (1) (b) of the constitution of the Local Government elections. Republic of South Africa following the year 2000. Kopanong is one of the category B municipalities falling within Xhariep District Municipality. Kopanong is situated in the Southern Free State. It covers the largest surface area of the three local municipalities in the Xhariep District Municipality. It covers 15 190 square kilometres, i.e 44,5%. This municipality consists of nine towns which are as follows:

Trompsburg(Head Town), Gariiep Dam, Springfontein, Bethulie, Philippolis, Jagersfontein, Fauresmith, Edenburg and Reddersburg. The locality map clearly depicts this municipality below:



1.2 STUDY PROCESS

The study process was conducted on the basis of the following:

- Desktop survey and consultation.
- More information was gathered at the workshops with LED stakeholders from various sectors.
- Interviews with some community members.

1.3 APPROACH

The approach which has been used to develop the economic profile analysis is as follows:

- Collection of data from sources such as Census 2011/12.
- Sector analysis was conducted through desktop research, consultation with stakeholders and visiting the area. The sector analysis was also conducted indicating which sectors drive the economy at Kopanong at the same time give an insight as to what is happening in each sector.
- The trend analysis was conducted through comparison of census 2001 and 2011/12 data. The trends also include a comparison of all municipalities within Xhariep District Municipality. Growth patterns were going to predict future developments.
- Desktop research will be undertaken, consultation and interviews will be conducted with individual stakeholders after whom workshops will be held to ensure that the local strategy is aligned and integrated with the District Municipality LED strategy.

1.4 METHODOLOGY

LOCAL ECONOMIC PROFILE

- Should determine the economic status quo of the study area with emphasis on historical growth, growth potential, composition (economic sectors), comparative and competitive advantages, population size, and distribution and growth patterns. Income and expenditure levels (disposable income and affordability levels). The main sectors to be focussed on are: Agriculture, Tourism, Construction, Mining, Manufacturing and Transport.
- Should conduct a trend analysis to project population growth and economic development potential.
- Should determine future resource demand for the area and guidelines towards future development requirements and land use patterns.
- Should use economic techniques e.g SWOT analysis, location quotients and economic sectors of the economy

Holistic Sector Integration

- Should integrate the information generated from the local economic profile and identify sector's potentials, key issues and development opportunities, by means of a focussed sectoral analysis.

Development Framework

- Should develop strategies framework with key programmes based on the lead sectors and opportunities identified in the preceding steps.
- Should define the sectoral programmes referring to strategies, to unlock the inherent development potential.

Institutional Development

- Should establish guidelines that will provide for the development and operation of an economic development of Kopanong Municipality and promote LED structure or forum that will be responsible for the implementation of the LED strategy.

Implementation Framework

- Integration of the various projects into a coherent LED strategy consisting of functional programmes.

1.5 SOURCES OF INFORMATION

- Kopanong IDP Document
- Xhariep District Municipality IDP
- Census 2001 and 2011/12
- National Spatial Development Plan
- Provincial Growth Development Strategy
- Industrial Development Strategy
- The Constitution of the Republic of South Africa
- National Strategy for development and promotion of small business in South Africa.
- The Local Government Municipal Systems Act
- Broad Based Black Economic Empowerment
- ASGISA

SECTION 2: LOCAL ECONOMIC DEVELOPMENT**INTRODUCTION:**

The purpose of the LED is to build up the economic capacity of the local area through a collaborative process whereby local government, businesses and the community work collectively to create better conditions for economic growth and employment generation.

It is on this basis that the following section highlights the salient features regarding local economic development within the context of Kopanong. An overview is provided of the key concepts underpinning LED, followed by a synopsis of local economic development within South Africa. The various national, provincial and local economic development policies that are categorised according to the spheres of government are then outlined, providing a platform from which a summary is provided of their implications for the economic development within the Kopanong municipal area.

2.1 DEFINITION OF LED

For the purpose of this study, the definition of LED, developed by the Department of Provincial and Local Government (dplg) is adopted in keeping with the latest policy changes and the emphasis on sustainability. The definition is as follows:

LED is an outcome based on local skills and initiative and driven by local stakeholders in partnership with provincial, national and global stakeholders. It involves identifying and using primarily local resources, skills, local ideas to stimulate sustainable economic growth, regeneration and development. This occurs through ecological, socio-cultural and economic stewardship. The aim of LED is to create sustainable employment opportunities for local and residents, alleviate poverty, and to harness and redistribute resources and opportunities to the benefit of all local residents and ecological and socio-cultural diversity. The eight components of this definition are briefly discussed in order to develop a better understanding of the LED concept.

1. **It is an outcome:** This means that LED is a process and not an event that can be achieved through short term investment of resources in an area.
2. **Local Skills and Initiative:** Local people should initiate processes relating to the local development and the generating of existing processes which are presently stagnating or in need of further development. The strategies should take into cognisance local conditions, local approaches and local socio-cultural skills.
3. **Driven by local stakeholders:** Local stakeholders take ownership of the process and drive the development, regeneration and implementation processes. LED should not be a process which is initiated and driven by external stakeholders, but should rather be driven by local stakeholders with assistance of provincial, national and global expertise. Here the new emphasis on partnership formation is an important element that should be addressed.

4. Partners include local residents, firms, NGOs, CBOs, local, provincial, national and international agencies.
5. **Local / External resources:** Each area has resources, which creates uniqueness. These resources should be utilized to the benefit of local people. Local resource includes the people ecological and socio- cultural components. Here effective partnership formation is an essential component of sustainable LED.
6. **Local Ideas:** This acknowledges that local people can make a contribution to improving their own economic situation based on ideas generated from their background and experience.
7. **Local skills and knowledge:** Local people have specific skills that should not be neglected in the development of the LED strategy. These local skills provide an area with a competitive advantage and ensure that the strategies adopted are relevant to the area. Where specific skills are required they need to be developed locally through the use of eternal 'good practice' examples.
8. **Stimulate sustainable economic growth, regeneration and development:** Sustainable LED is a process, which continues into the future. The focus of LED process is therefore on stimulating sustainable economic growth and development and supporting the survival mechanisms developed by the poor.
9. **Ecological, socio-cultural and economic stewardship:** The core of sustainable LED is the threefold focus on the ecological socio- cultural and economic elements of each local initiative.

2.2 ECONOMIC POLICY CONTEXT

The government has been actively engaged in policy development since the early 1990s, identifying local economic development as the prime mechanism for its job creation, empowerment and local development. The following sub-sections provide a brief overview of the national, provincial and local economic development policies that are categorized according to the spheres of government. These policies provide a platform from which a summary is provided of their implications for the economic development within the Kopanong Municipal area.

2.2.1 NATIONAL POLICY FRAMEWORK

Accelerated Shared Growth Initiative for South Africa (ASGISA).

The core objective of government as set out in 2004 is to halve poverty and unemployment by 2014. This is stated in this initiative and is aimed to meet the economic and social objectives which will ensure that the environment and opportunities for more labour absorbing economic activities is considerably improved. More broadly, the Kopanong Local Municipality needs to ensure that the fruits of growth are shared in such a way that poverty comes as close as possible to being eliminated, and that the severe inequalities that still plague the area are considerably reduced. The vision of the path is a vigorous and inclusive economy where production products and services are diverse, more value need to be added to local products and services, costs of production and distribution will reduce, labour will be readily absorbed into sustainable employment, and new businesses within Kopanong should be encouraged to proliferate and expand.

National Spatial Development Perspective (NSDP)

Since 1994, concerns have been raised in government about the spatial consequences of national investment and development programmes and were not fully addressing the distortions of the space economy. In an attempt to address this problem, several spatial co-ordinating and integrating mechanisms were initiated in the national sphere, the most recent of these being the National Spatial Development Perspective (NSDP) that received broad support from all those involved in the above processes. The NSDP also included a mechanism aimed at aligning spatial choices around government investment and development spending across all spheres of government. The key output of this LED Framework is the conceptualization of the national space economy and derived from this NSDP to promote the reconstruction and development of all spheres of the government. This requires an acknowledgement of Kopanong development planning of the existing and changing spatial patterns of population settlement, economic development and general potential. Further, whatever spatial priorities are implemented, they should be guided by these realities as well as constitutional imperative to promote economic development to the community of Kopanong Municipality.

Broad – Based Black Economic Empowerment Act (No. 53 of 2003)

This means the economic empowerment of all black people of South Africa such as Africans, Coloureds and Indians in various groups and gender including women, workers, youth and people with disabilities and people living in rural areas through diverse but integrated socio- economic strategies that include , but not limited to the following:

- Increasing the number of black people that manage, own and control enterprises and productive assets.
- Facilitating ownership and management of enterprises and productive assets by communities, workers, co-operatives and other collective enterprises.
- Human resource and skills development.
- Achieving equitable representation in all occupational categories and levels in the workforce.
- Preferential procurement ; and
- Investment in enterprises that are owned or managed by black people.

The objectives of this act are to facilitate broad- based black economic empowerment by promoting economic transformation in order to enable meaningful participation of black people in the economy. There will be achievement of substantial change in the racial composition of management structures and in the skilled occupations of existing and new enterprises .This will increase in the extent to which communities, workers, co-operatives and other ownership collection enterprises and increasing their access to economic activities, infrastructure and skills training. It is also aimed to increase the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training. This will subsequently promote the investment programmes that lead to broad – based and meaningful participation in the economy by black people of the Kopanong in order to achieve sustainable development and general prosperity. It is also aimed to empower rural and local communities by enabling access to economic

activities, land, infrastructure, ownership and skills and promoting access to finance for black economic empowerment.

NATIONAL STRATEGY FOR THE DEVELOPMENT AND PROMOTION OF SMALL BUSINESS IN SOUTH AFRICA

This strategy provides an integrated, co-ordinated and uniform approach to development, promote and facilitate the development of plans for financing small business and provide a system for organs of state, public entities, private sector, non- governmental organizations, local communities and other stakeholders to report on compliance with these plans and be consistent with this act.

MUNICIPAL SYSTEMS ACT 2000 (MSA)

This 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 local communities, and ensure universal access to essential services that are affordable to all, to define the legal nature of a municipality as including the local community within the municipal area, working in partnership with the municipality's political and administrative structures, to provide the manner in which municipal powers and functions are exercised and performed , to provide for and community participation, to establish a simple and enabling framework for the core processes of planning, performance management, resource mobilization and organizational change which underpin the motion of developmental local government, to provide a framework for local public administration and human resource development, to empower the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts, to provide for credit for credit control and debt collection, to establish a framework for support, frontline development agency capable of integrating the activities of all spheres of government for the overall social and economic upliftment of communities in harmony with their local natural environment, to provide for legal matters pertaining to local government.

GROWTH EMPOWERMENT AND REDISTRIBUTION (GEAR)

GEAR is aiming to broaden the support from all previously disadvantaged community members of South Africa. This programme also includes the mechanism aimed at aligning spatial choices around government investment and development spending across all spheres of government.

2.2.2 PROVINCIAL POLICY FRAMEWORK

FREE STATE GROWTH AND DEVELOPMENT STRATEGY

This strategy includes the following:

- Inclusive Economic Growth and Sustainable Job Creation
- Education , Innovation and Skills Development
- Improved quality of Life
- Sustainable Rural Development
- Building Social Cohesion
- Good Governance.

Free State Industrial Development Strategy

In a paper called Restructuring Manufacturing in South Africa’s Lagging Regions, the case of the Free State (Nel, Rogers and Marais) the following have been concluded:

- Only marginal net employment growth has occurred in the formal Free State manufacturing economy.
- Between 1994 and 2003 the relative significance of large manufacturing plants and branch plants declined.
- The growth of SMME’s has not impacted significantly on employment to date and appear to be vulnerable to market shifts.
- The textiles and clothing sector have expanded dramatically but are on the point of being downsized in the face of the foreign exports that are declining. This could have negative implications for the province.
- The further stagnation and decline of manufacturing outside the two main clusters of Bloemfontein and Harrismith- Phuthaditjhaba.
- The manufacturing sector reveals a profile, which is spatially concentrated, sectorally to rally focussed on production with close raw material links or labour intensive operations.
- The Free State is a ‘lagging region’ which has not fully established itself in terms of network development and the development of self sustaining territorial complexes.
- Limited capacity to participate in an increasing competitive and fluid globalization economy.

Free State Spatial Economic Development Strategy

The developmental needs of the Free State towns are based on the following indicators:

- Number of disabled people per locality.
- The percentage of people without schooling or with limited schooling per locality.
- The percentage of people who are unemployed.
- Number of households residing in informal dwellings (whether in backyard or on a surveyed and serviced or unsurveyed and unserviced site).
- Number of people without access to adequate sanitation (current access in terms of an unventilated pit latrine, bucket or none.)
- Number of people without access to water within 200m from their stand.
- Number of people with an income below R3 500, 00.

Towns are thus classified as having a High Development Need, Above Average Development Need, Below Average Development Need and Limited Development Need.

FIG: 2.2.2.1

CATEGORY	SETTLEMENTS	MUNICIPALITIES	DISTRICTS
High Development Potential	Bloemfontein, Welkom, Salsoburg	Mangaung, Metsimaholo	Motheo, Fezile Dabi
Above average development potential	Kroonstad, Virginia, Bethlehem, Harrismith	Moqhaka, Dihlabeng, Maluti- a –Phofung	Fezile Dabi, Thabo Mofutsanyana, Thabo Mofutsanyana.
Limited Development	All other Settlements	All Municipalities (including Kopanong)	

Potential			
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FIG: 2.2.2.2

CRITERIA	SETTLEMENT
High Development Need	Tribal Authority Area in Maluti-a Phofung, Bloemfontein, Botshabelo, Sasolburg, Welkom, Viorginia, Odendaalsrus, Thaba Nchu.
Above Average Development Need	Kroonstad, Ladybrand, Viljoenskroon, Parys, Heilbron, Theunissen, Bethlehem, Harrismith, Ficksburg.
Below Average Development Need	Frankfort, Hennenman, Bothaville, Bultfontein, Senekal, Marquard, Phuthaditjhaba, Clocolan, Wesselsbron.
Limited Development Need	All other settlements (including Kopanong)

RECOMMENDATIONS FOR ACTION STEPS

- The Free State Growth and Development Strategy are presently being reviewed and efforts should be made to take the proposals of the Regional Industrial Development Strategy into consideration.
- All local economic strategies will have to be amended in line with proposal that will directly or indirectly impact on spatial strategies.
- Spatial intervention mechanisms and programmes will be strengthened through assistance made available with Thematic / Regional Industrial Development Fund.
- The concept of the traditional 'region and its development points will change and planners will have to take cognisance of that.
- Land development Management Plans on local government level will have to address new concepts in planning to give regions a competitive edge over other areas.
- Infrastructure development to assist regions will become more important, even outside core industrial areas.
- The developments of partnership and growth coalitions within regions are very critical. Dynamic growth will only occur if all levels of government and private sector co-operate, but initially. Government will have to take the lead in assisting regions in realizing their full potential.

2.2.3 LOCAL POLICY FRAMEWORK

Integrated Development Plan

Key performance area objectives are:

Infrastructure and Services Development:

- Provision of basic services and critical infrastructure.
- To improve municipal wide telecommunication system.
- To improve spatial development and appropriate land use management.

Economic Development

- To promote local economic development and poverty alleviation.
- Creation of enabling environment for economic growth and development.

Social Development

- Resolution and land legal issues
- Prevention of HIV/AIDS and provision of basic health care services.
- Promotion of sports and recreation and youth development programmes.
- Creation of a safe environment.

Institutional Development and Governance

- To review the Municipality's IDP in accordance with the requirements of the Municipal Systems Act 2000 Promotion of Co-operative Governance.

Environmental Management

- To promote bio- diversity and environmental sustainability.
- To develop sustainable waste management practices.

DISTRICT LED STRATEGY

There is an alignment between the District and the Kopanong Municipality in the sense that the district noblest responsibilities are the following:

- **Establish the LED structure to faster cooperation and co-ordinate LED policies, strategies and projects within the district.**
- **Promote joint marketing, purchasing and production activities.**
- **Promote networking of firms within the district. (e.g. tourism routes)**
- **Collect disseminate information to assist local municipalities with LED policies**
- **Providing necessary training to municipalities.**

2.3 Kopanong 's response to National and Provincial Policies

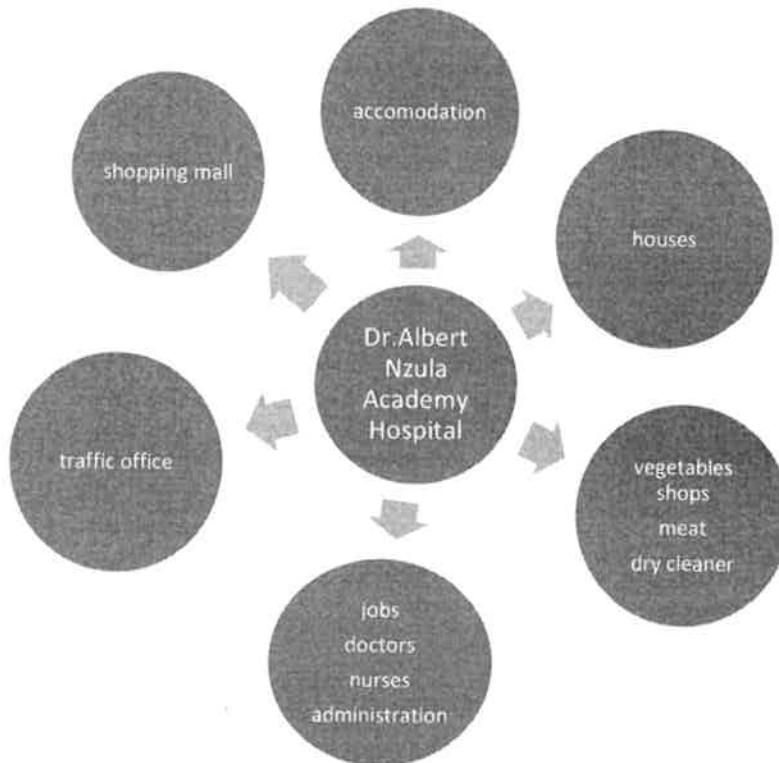
Kopanong's LED Strategy

There is little or no economic regeneration within the municipality, Trompsburg has been identified as the Municipality's principal service centre and administrative node, and is the future focus for economic growth and development. The objective is to provide a well functioning town so as to enable and stimulate economic and job creation opportunities and a future sustained town. This will also assist in providing security of tenure and ownership of land which will act as a catalyst and provide investment opportunities in Trompsburg Town.

This will mostly assist in meeting the principles set by the Development Facilitation Act 1995, which is to create an enabling environment for development and investment, create opportunities for job creation and help to discourage land invasion by providing formal development for the poorer sector of the community, promoting efficient and Integrated Development.

2.4 Trompsburg Town (LED NODE)

Kopanong Municipality has identified the development of Trompsburg town as a primary node of the municipality. The town is seen as a principal service centre and administrative node which will stimulate economic regeneration within the municipality as follows:



Trompsburg’s Response to NSDP:

- Trompsburg has embarked on Town Development.
- Trompsburg is strategically situated on N1 & N6 Roads.
- Focus on the tourism potential in Kopanong Municipality.
- Diamond Mining expansion.

2.5 The National and Provincial Strategic Framework

According to Kopanong’s IDP, the National and Provincial strategies are very important to set the development tools for local government. Below is an outline of the National and Provincial strategies and the Kopanong Municipality’s response to this framework:

STATE OF THE NATION ADDRESS 2012	KOPANONG’S RESPONSE
The Joint Initiative on Priority Skills Acquisition, which will respond to the skills challenge.	Kopanong Municipality is currently addressing these issues through the following programmes:

<p>Increase resource allocation for Research, Development and Innovation and interventions on education and training. SMME, BEE and development of women and youth.</p> <p>Realistic IDPs and credible LED programme, including the material and human resources.</p> <p>Allocation of housing development close to economic centres.</p> <p>Land redistribution Programme to be aligned to the PGDS as well as IDPs.</p>	<ul style="list-style-type: none"> • Employment Equity and Skills Development Plan Use of EPWP principles in construction projects, Project Consolidate Municipal Plan of Action, Learnership Programme.
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<p>PROVINCIAL AND NATIONAL KEY STRATEGIES AND PROGRAMMES</p>	<p>KOPANONG'S RESPONSE</p>
<p>Strengthen and build government to facilitate sustainable development, popular participation in decision- making, implement performance – driven transformation and co- operative governance.</p> <p>Improve and expand basic service delivery, housing programmes, education and health programmes, for better quality of life for all. Implement economic programmes, for better quality of life for all.</p> <p>Implement economic programmes to raise investments, increase exports and capitalize on provincial resources, strengths and synergies. Create programmes to increase employment opportunities, access to finance human capacity and skills development and address challenges of second economy.</p> <p>Reduce poverty and increase vulnerable group's access to social security nets and the services.</p> <p>Comprehensively address the spread of HIV and AIDS pandemic and the associated economic and social impacts.</p> <p>To manage, preserve and enhance the natural environment and comprehensively address an environmental management system for sustainable development.</p>	<p>Functioning Community Development Workers (CDWs) programmes.</p> <p>HIV/ AIDS Intervention Projects</p> <p>LED / Forum</p> <p>Establishment of KPCC</p>

(Source: IDP 2011)

Town Development

Town development is very crucial for Kopanong to enhance a sustainable economic growth as it will assist to keep the funds revolving around Kopanong instead of people spending most of their income in Mangaung. This concept will attract investors to see the potential in Kopanong, develop sustainable LED projects and create employment opportunities.

2.6 Implications for LED Kopanong

Based on the preceding sections, it is evident that several pieces of legislation, strategies and policies exist in addressing the issue of local economic development. LED involvement requires government intervention in the form of facilitation, support and funding. In Kopanong, national government, the district and local municipality all have an important role to play in the successful implementation of local economic development initiatives. They establish principles and provide a framework for the formulation of localized economic development strategies. They create a range of opportunities for funding, institutional development and initiatives for economic growth and development in Kopanong. Based on this, it is important that LED within Kopanong focuses on the following areas:

- Addressing local development needs, crises and job creation requirements;
- A partnership between all key stakeholders – the local authority, communities, and the private sector. (Currently there is an existence of LED Forum in each town);
- Local leadership;
- Initiative and entrepreneurship;
- The use of local resources and skills;
- Appropriate external support , advice and facilitation; and
- Creating an environment that facilitates economic growth and diversification.

SECTION 3: SOCIAL ASSESMENT

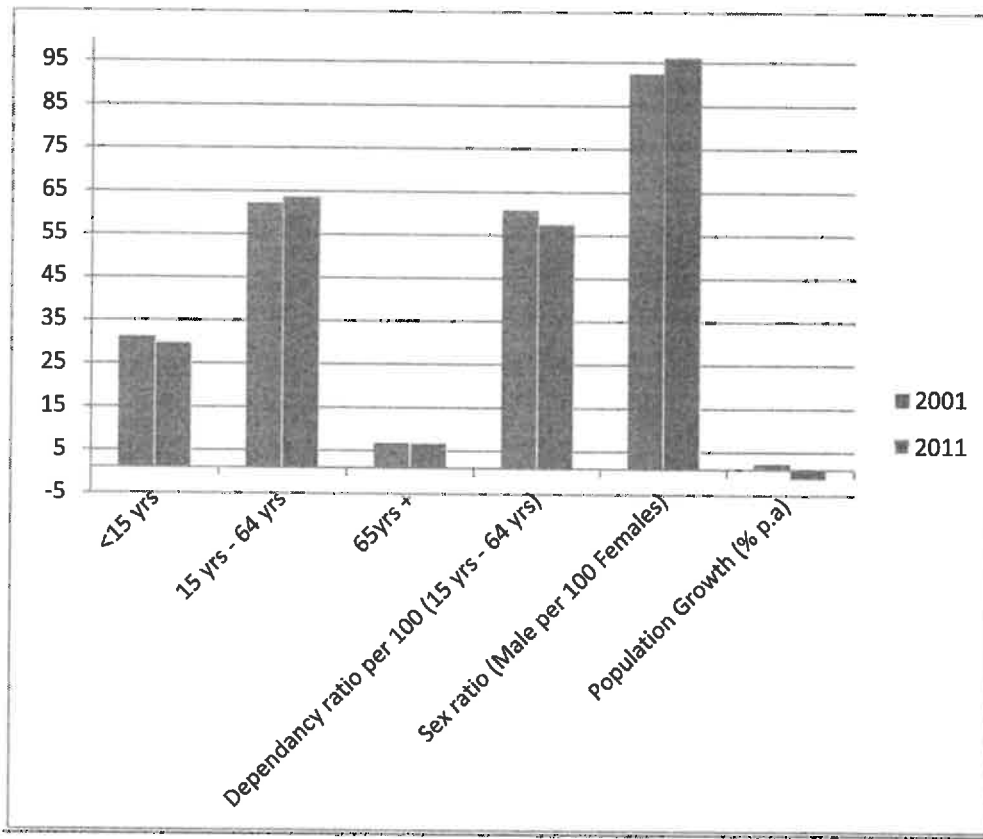
3. Introduction

The aim of this section is to provide an overview of the existing social and demographic situation in Kopanong. By doing so, it will be possible to ascertain those areas in which economic development potential exists.

3.1 Population

According to Census 2011-2012 data, the total population of Kopanong Local Municipality is estimated at 49 171 people and mainly is dominated by Africans. In the IDP review 2011-12, it is estimated that Kopanong town has low to medium impact in terms of population density; however, this trend is expected in the delivery of services and become a focal point for investment. Among the towns within the wards, it is acknowledged that population growth patterns are not going to be similar. Some towns will grow faster (causing varying population densities) while others may experience population decline. In other words, variable population growth patterns are likely to continue. In other words, variable population growth patterns are likely to continue because of economic growth in Trompsburg.

The large number of Kopanong population is women about 25 087 and 24 083 are males. The factors that contribute to this is that males migrate to big towns and cities to seek employment due to the fact that there are no job opportunities in the area. There is no drastically change in the population in terms of gender from 2001 to 2012.



(Source: Census 2011 & 2011)

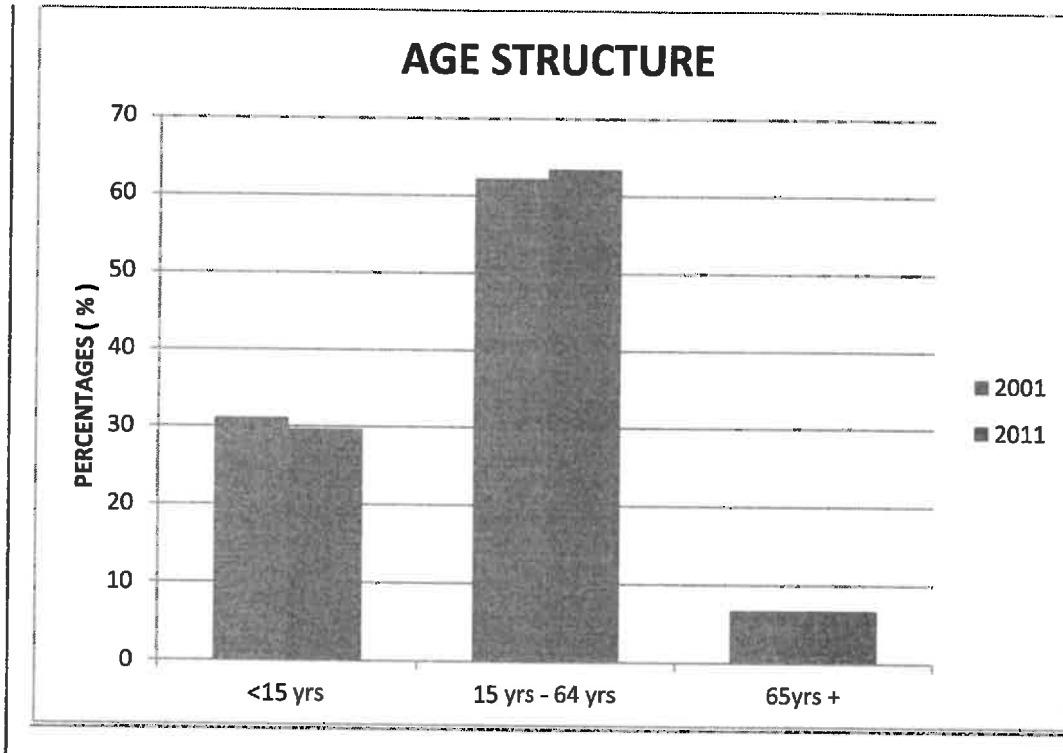
Population Density: Policy Implications

The demographic and migration patterns raise a number of broad policy questions that need to be addressed in the 2013 IDP. Firstly the fact that a large number of the population is emigrating, raise on whether the municipality should continuously plough infrastructure projects in the destitute where people are leaving or should it concentrate on human capital development programmes that seek to enhance the potential of local residents to lead decent lives in the Kopanong Municipality increase remittances flowing into the area. Broadly speaking though, it also raises questions about the municipality’s ability to stop the nature of urbanization processes. In terms of the National Spatial Development Programme (NSDP) Framework, the fact that the majority of local population is illiterate, highly dependent on social grants, lacking economic potential and searching for employment outside the area means that the municipality should consider the following:

- Improving on its labour market intelligence and human resources development programmes aimed at equipping locals, especially youth, with skills that will help them find employment in their migration destination points of Bloemfontein.
- Working together with the Department of Social Welfare to enhance the effectiveness of social welfare and security programmes in the area. This will also help to strengthen the poverty alleviation programmes of the municipality.

Kopanong Age Distribution

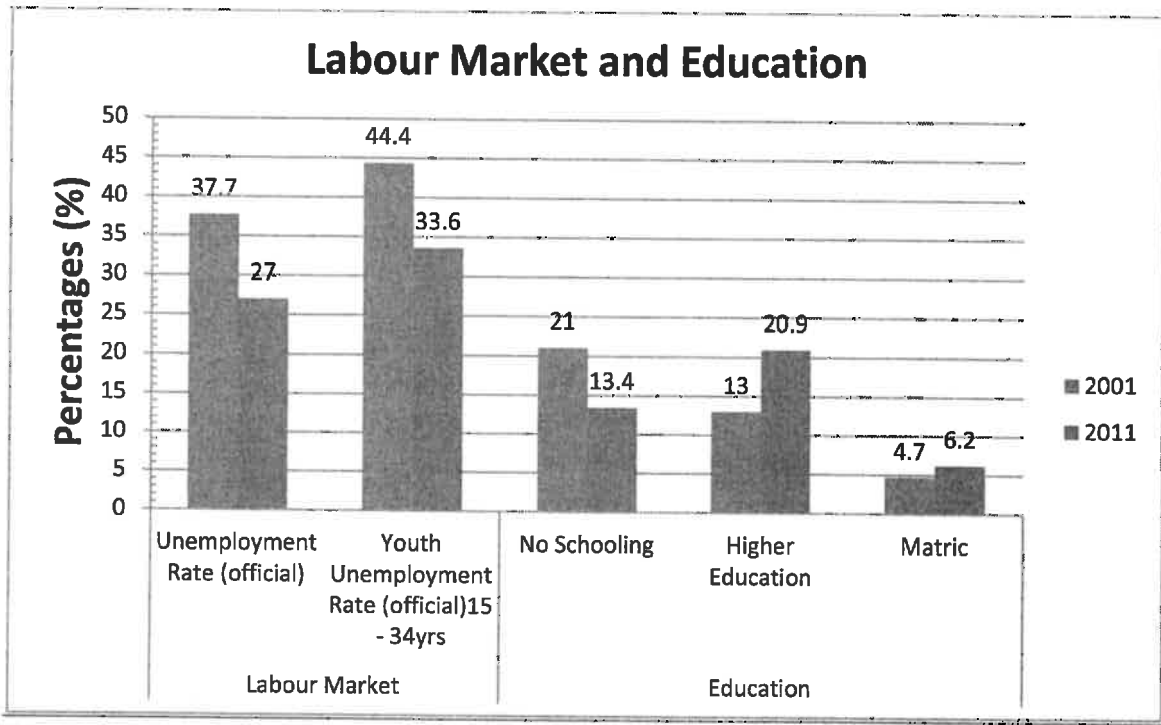
Information from Census 2011 indicates that the majority of Kopanong population is children and youth.



The above analysis reveals that the demographic profile for Kopanong presents a hurdle for the economic growth of the municipality, as growth must occur fast enough to create job opportunities for the youth. It also suggests a need for initiatives targeting women in the area. An important aspect of this profile is that it reflects an age cohort that is more vulnerable to HIV/AIDS, crime and violence.

3.2 Education Level

Literacy can be used as an ability to acquire new skills. There are a large proportion of people within Kopanong with no schooling. This trend is observed throughout the Local municipalities. The high level of illiteracy could influence the rate of unemployment in the area. Therefore, it is important to ensure that skills and training programmes are available. The low skills level also contributes to unemployment, as large proportion of people over 20 years have no schooling. The number of people with secondary and tertiary education is extremely low, which is an indication of a lack of management, business and technical skills. An effective skills development programme is needed to create a conducive environment for LED. It is also possible that there are people that are qualified who are originally from Kopanong and they have migrated to cities because of better opportunities of employment.



Skills development

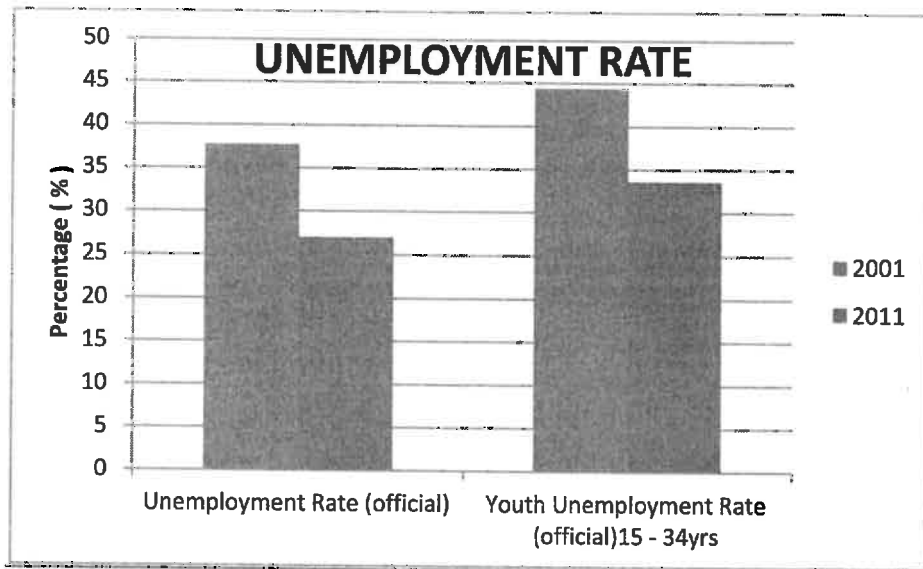
Kopanong does not have a tertiary institution, college/ skills development and training centre. Many families cannot afford the cost of relocating their children to other towns to obtain further education after secondary school education has been completed. As a result they are not competent for employment because they do not have the skills. The establishment of a skills development centre could have a positive impact in the socio- economic life standard of Kopanong.

The education profile for the study area suggests an urgent need for educational development, in terms of adult education and training as well as skills development. Implications of the above include a significant impact on employability, the type of job opportunities that can be sought, and the vocational distribution of the economically active population. It is important that the Kopanong Municipality addresses skills development in order to capacitate the communities of the locality.

3.3 Employment Profile

Economically Active Population

The following chart indicates that the rate of unemployment is high in Kopanong Municipality area and also categorizes their work stature.

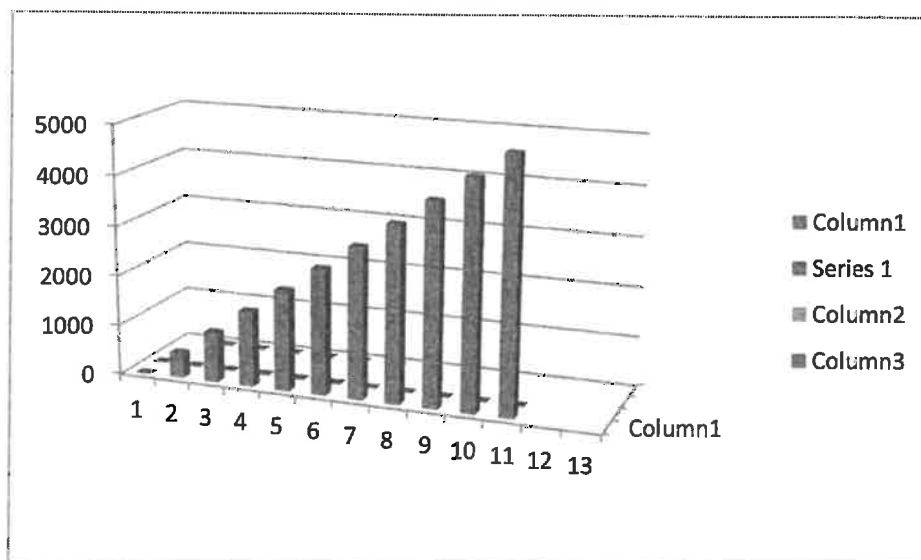


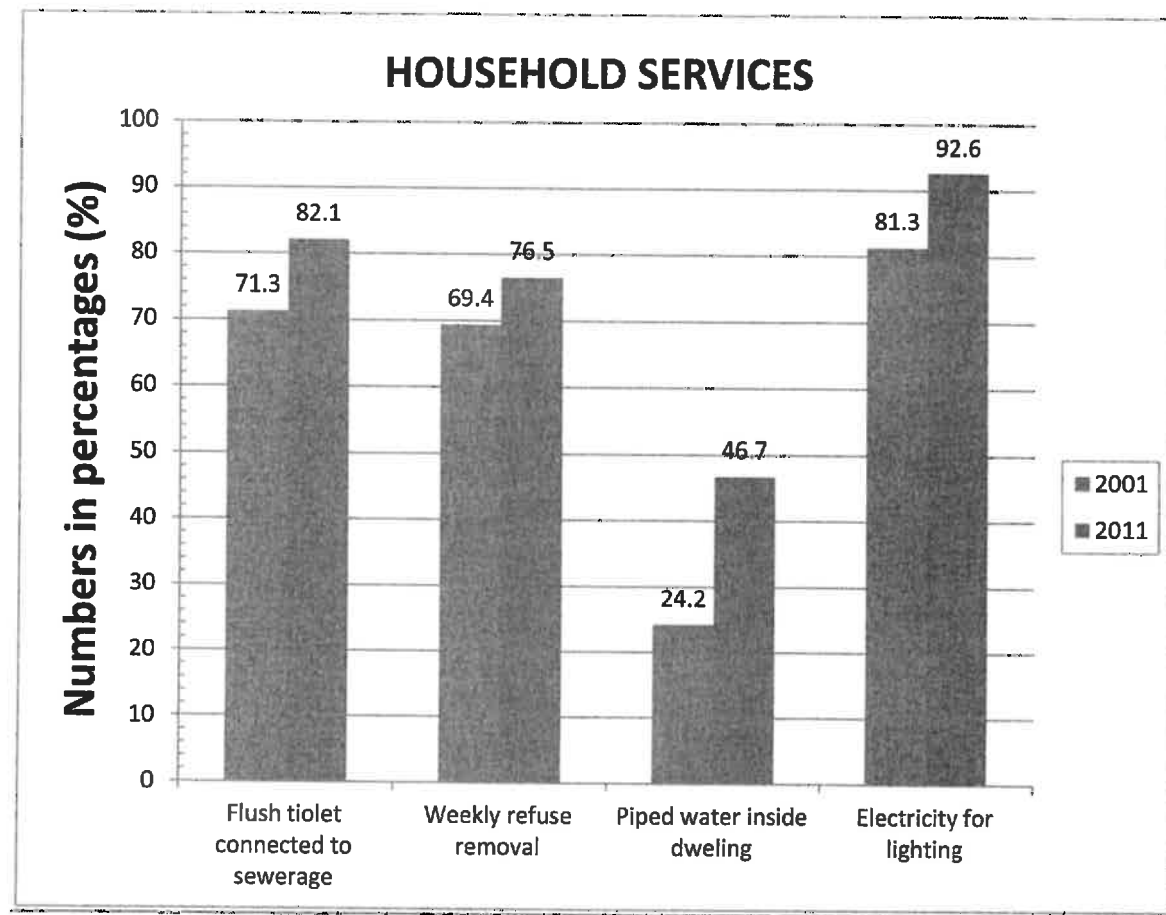
3.4 Income

Individual Monthly Income

Income levels in general remain low in Kopanong Municipality. This is evidenced by low levels of affordability of commodities, for example, nearly 40 % of people do not have enough money for food. The most common form of supplementary income for their livelihood strategy is government grants and pensions. Since this is such an important resource, the municipality should ensure that there is sufficient pension pay out points to facilitate people’s access to them.

The majority of people of Kopanong have no income at all. A substantial number of people earn in the range of R400- 800 per month. This is the information we acquired from the interviews conducted to community members.





3.5 Means of Energy

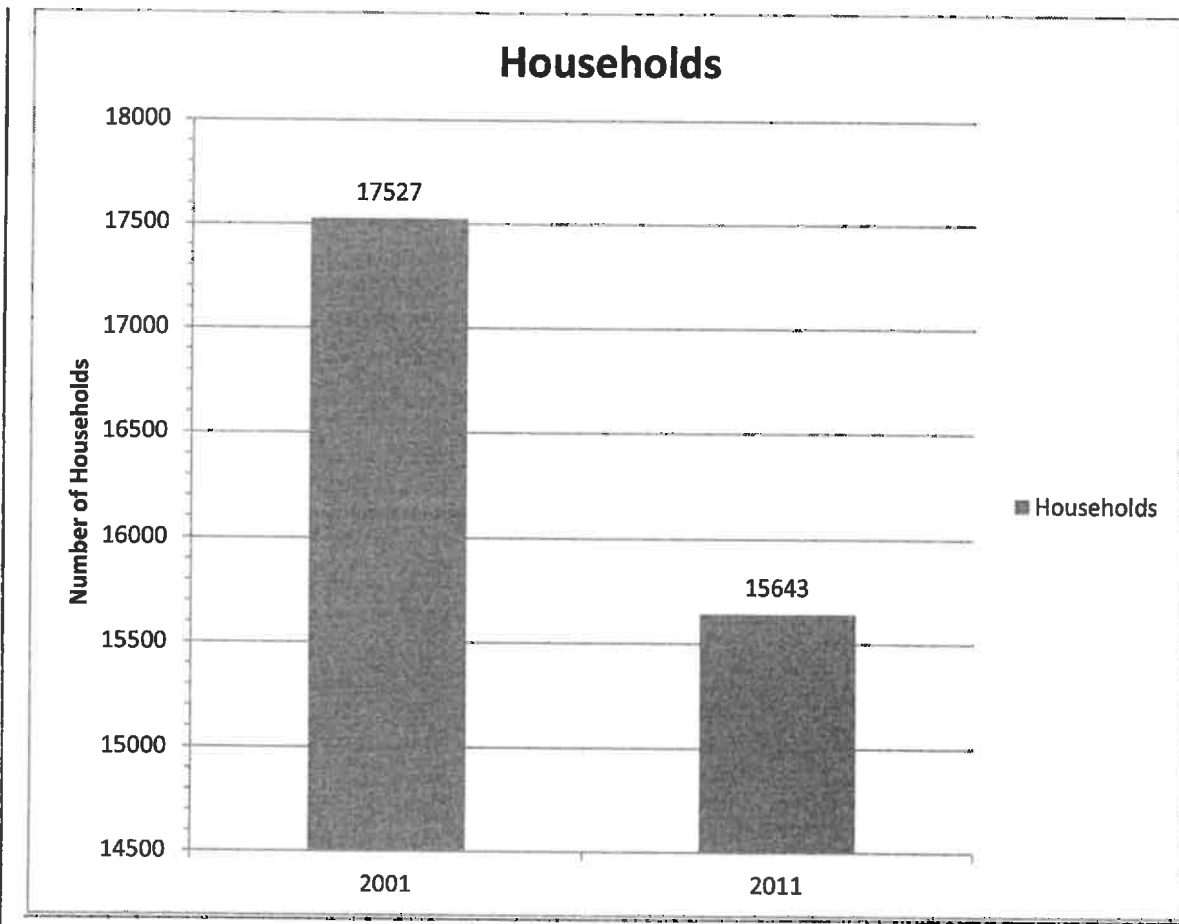
The Municipality should be in the position to erect high mast lights as people from the interviews were very much concerned of.

3.6 Water and Sanitation

There is still more work to be done as it is not yet 100% that receives water and sanitation.

3.7 Housing

The main household types in Kopanong consist of largely urban RDP dwelling units and other developed houses in all the areas. Some because of poor roads are vulnerable to floods which leaves communities without shelter. According to Kopanong IDP Review 2011, dispersed settlement patterns pose a challenge in housing delivery since the municipality follows the Urban Housing Process. The major challenge is the completion of uncompleted houses and the delay of the housing application approvals by the Department of Housing. It is difficult to ascertain the actual backlog for housing provision, but the municipality has engaged a role of CDWs for all wards to assist to quantify the housing backlogs and ward profiling.



3.8 Crime and Safety in Kopanong

The majority in Kopanong Local Municipality felt that they had seen no change . It is good to report that in Springfontein level of crime is very low. Relatively in Phillipolis the situation regarding crime is bad. Phillipolis has the smallest proportion of residents who feel that the situation has worsened over the last year as there are no prospects of economic growth that will minimize crime levels.

3.9 HIV/AIDS

The health status of the population has an impact on the socio- economic well being of the people. The impact of HIV/AIDS, TB requires urgent attention. The municipality has formed the Local Aids Council to fight HIV/AIDS pandemic. This council is composed of representatives from NGOs, Government Departments, CBO's, Churches, Youth Organizations, Businesses, Councillors and Officials of the municipality .The AIDS District Council is the most pro- active organization as far as HIV/AIDS program is concerned.

Kopanong like many other areas is facing a problem of HIV/AIDS which has an impact in the socio-economic well being of people. At times flu becomes uncontrollable although this occurs after a while in most cases during rainy seasons. It is also our surmise that poor clothing and unemployment could have an impact on this issue. The HIV/AIDS statistics was not available for Kopanong Municipality. The Provincial figures will be used to illustrate the impact of HIV/AIDS in municipalities.

The number of deaths resulting from HIV/AIDS in the Free State Province is increasing at an alarming rate as indicated in the table below:

Free State HIV and AIDS Statistics

	Free State	
Whole Population	14%	<ul style="list-style-type: none"> • The Free State has around 400 000 HIV positive people. Around 14% of the population and 1 in every five adults are estimated to be HIV positive in 2008. • The epidemic in the Free State reaching maturity with new infections and AIDS related deaths approaching 34 000 per annum. • An estimated 73 000 people are in-need of Anti-retroviral treatment around 44% have taken up treatment
Antenatal clinic estimate	34%	
Adults ages (20-64)	23%	
People living with HIV	394 000	
New HIV Infections (Over the year)	34 000	
AIDS deaths (over the year)	28 000	
Total People in need of ART (mid year)	73 000	
Total people accessing ART (mid year)	32 000	
New infections per day	92	
New deaths per day	77	

(Source: Nathea Nicolay, Metropolitan, October 2008)

The Kopanong People are not immune to the Statistics of the Province

3.10 Social Implications

Based on the preceding analysis, there are a number of implications with regard to development within the Kopanong Local Municipality, namely:

- The demographic profile for Kopanong presents a hurdle for economic growth of the municipality, as growth must occur fast enough to create job opportunities for the youth. With over half the population being females, this suggests a need for co-operatives targeting women in the area. An important aspect of this profile is that it reflects an age cohort that is more vulnerable to HIV/AIDS, crime and violence.
- The education profile for Kopanong shows a high level of illiteracy with corresponding high levels of unemployment and poverty. The low levels of income reflect a situation of impoverishment and limited employment opportunities. The current paints a bleak picture in terms of the ability of a large proportion of the Kopanong population to meet their basic needs and improve their quality of life. Therefore, the key challenges for the municipality are to improve the literacy level, so that people are equipped to search for suitable employment. In addition to this, greater focus is required on skills development and training in order to empower individuals and promote SMMEs within the area. The need for facilities across the education spectrum as a means to prepare the youth to play a meaningful role in building the economy of Kopanong should be prioritised.

- The demographic and migration patterns raise a number of broad policy questions that need to be addressed. Firstly, the fact that a large number of population is emigrating, raises the issues as to whether the municipality should continuously plough infrastructure projects in the poor areas where people are leaving or should it concentrate on human capital development programmes that seek to enhance the potential of local residents to lead decent lives in major towns and thus increase remittances flowing into the area. Broadly speaking though, it also raises questions about the municipality's ability to stop the nature of urbanization processes.
- In terms of the National Spatial Development Programme (NSDP) Framework, the fact that the majority of local population outside illiterate, highly dependent on social grants, lacking economic potential and searching for employment opportunities outside the area means that the municipality should consider the following:
 - Improve on its labour market intelligence and human resources dev programmes aimed at equipping locals, especially youth, with skills that will help them find employment in their migration destination points of Bloemfontein and Johannesburg.
 - Working together with the Department of Social Development to enhance the effectiveness of social welfare and security programmes in the area. This will also help to strengthen the poverty alleviation programmes of the municipality.
 - Working together with the Department of Water Affairs and Fisheries to enhance the effectiveness of the Department in the area. This will help in the projects of Aquaculture and Water Harvesting.

SECTION FOUR : ECONOMIC OVERVIEW OF KOPANONG LOCAL MUNICIPALITY**4. Introduction**

The purpose of this section is to provide an overview of the local economy of the Kopanong Local Municipality in order to gain an understanding of its salient characteristics and the importance of such characteristics. The section begins with a summary of the level of infrastructure and spatial profile within the municipal area. It then highlights the key economic sectors within Kopanong , focusing on the major features, trends and implications for future economic growth of the area. Consultations with key local stakeholders in the area formed the basis of the SWOT analysis that were conducted for the various economic sectors. This section therefore serves as an important point of departure for the subsequent assessment of the various development opportunities within the municipality. The section is structured as follows:

- Infrastructure and spatial profile
- Key economic sectors of Kopanong
- Economic implications; and
- Analysis of strengths, weaknesses, opportunities and threats facing the municipality

4.1 Infrastructure

Kopanong Municipality is well served by the road infrastructure. According to the Kopanong IDP review of 2011/12, the significant infrastructure element of Kopanong upon which future growth and development are dependant, is the N1 Road. This is the main road that passes through Kopanong in between. Kopanong is dominated by low order roads that are potholed thereby limiting access during inclement weather. There is a great need for a road upgrade , all roads linking the nine towns. There is a great need for the involvement of the district and Department of Transport (DoT) to upgrade the road.

With regard to telecommunications, approximately 87% of the households do not have access to a telephone, with only 29% of households having access to cell phones .There is a need for telecommunication service providers to communicate lines.

The Kopanong Municipality is faced with large amount of electrification backlogs. There is a need for Eskom to establish a power station in Kopanong which will improve the electrification and create jobs. Given the economic situation of Kopanong , there is a need for the municipality to formalize the Infrastructural De The plan will allow the municipality to assess the status quo on infrastructural backlogs, such as housing and electricity and address the challenges facing the Kopanong area.

4.2 Spatial Profile**4.2.1 Development Corridors**

Kopanong's spatial framework movement pattern has a hierarchy of corridors, namely, primary , secondary and tertiary routes. The primary East – West movement corridor emanates from

Reddersburg at the East through Edenburg. The municipal area is linked via an existing South corridor N1 from Colesburg through to Trompsburg. A further primary corridor to be reinforced links the Northern portion of the municipality is the route from Philippolis to Trompsburg.

The settlement hierarchy and development corridors provide a framework for the future provision of bulk infrastructure, services and facilities, and support for local economic development initiatives. Kopanong has the following secondary corridors:

- Trompsburg through onto either Bethulie and Gariep Dam

The following are the tertiary routes for Kopanong Municipal area:

- Route linking settlement of Trompsburg and Springfontein
- Route linking Jagersfontein and Edenburg

4.2.2 Development Nodes and Concentration

Trompsburg is the primary node within the municipal areas and nodes; the level of development and service infrastructure; and current levels of economic activity and future growth prospects. It has been identified in the IDP Review 2010-11 as the administrative centre with an economic centre, in need of revitalization. The objective is to provide a well functioning town so as to enable and stimulate economic and job creation opportunities. This will also assist in providing security of tenure and ownership of land which will act as a catalyst and provide investment opportunities in Trompsburg.

Three secondary nodes have been identified within the municipality namely:

Reddersburg (N6)

Trompsburg and

Bethulie.

These secondary nodes are well settled and are located strategically along the movement corridors, there is a lack of public/private investment in these areas. It is recommended that further development is needed through flow of traffic and potential spin –offs by being located along major transportation corridors.

A tertiary node serves as to provide services to the local resident population and provide services to the adjacent rural areas. They are usually characterized by low levels of infrastructure, basic services,

facilities and mobile services with some form of commercial activity. Philippolis , Springfontein and Gariep Dam were identified as tertiary node due to their location and ability to develop into secondary nodes over time. Furthermore, the nodes have access to basic services and infrastructure and are located along the existing transport corridors.

4.3 Economic Overview of the Kopanong Local Municipality

The Economic Analysis is tabled per town.

TOWN	ECONOMIC PROFILE
Trompsburg	<ul style="list-style-type: none"> • Main local municipality administrative centre. • Regional Agricultural Services Centre. • Regional social centre for Health Services. • Transport support services on major routes
Reddersburg	<ul style="list-style-type: none"> • Serves a s a general agricultural service centre. • A general agricultural service centre to surrounding farming areas. • Social functions such as residence, education and medical services.
Edenburg	<ul style="list-style-type: none"> • Serves as a general agricultural service centre to surrounding farming areas. • Serves as a social function such as residence, education and medical services. • Serves as a transport support services on major routes.
Jagersfontein	<ul style="list-style-type: none"> • There is a demand mining operation. • Serves as a regional social centre for health services. • Serves as a general agricultural service to surrounding farming areas.

	<ul style="list-style-type: none"> • Perform social functions such as residence , education and social services.
Fauresmith	<ul style="list-style-type: none"> • Serves as a general agricultural service centre to surrounding farming areas. • Serves for social functions such as residence, education and medical services.
Springfontein	<ul style="list-style-type: none"> • Serves as a general agricultural service centre to surrounding farming areas. • Social functions as a residence, education and medical services. • Transport support services on major route.
Philippolis	<ul style="list-style-type: none"> • Serves as a key regional tourist destination. • Serves as a secondary agricultural services centre. • Serves as social functions such as residence, education and medical services.
Bethulie	<ul style="list-style-type: none"> • Serves as a key regional destination. • Serves as a secondary agricultural service centre. • Serves as social functions such as residence, education and medical services.
Gariep Dam	<ul style="list-style-type: none"> • Serves as a key regional tourist destination. • Serves as a general agricultural service centre to surrounding farming areas. • Serves as a social function such as residence, education and medical services.

	<ul style="list-style-type: none"> • Transport support services on major routes.
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In summary, the economic profile of the municipality is dominated by agriculture, followed by community services/tourism.

4.3.1. Agricultural Sector:



Kopanong has a high potential for farming and a number of agricultural crops can do well because of deep soils, mainly, Bethulie, Gariiep Dam and Reddersburg. The farming region ranges from extensive, semi- extensive, and semi- intensive to intensive. The climate weather favours most agricultural crops that include both field and cash crops such as maize, beans and potatoes. It is hot and dry although some areas in Kopanong have a potential for agriculture, some suitable land is not utilised. The topography is evenly which means that the area is not prone to the erosion of land and other natural disasters like drought during winter season.

Maize is the main agricultural field crop in the area which emerging farmers have a reliable market and they are concentrating on. However, vegetable gardens are gaining momentum and have potential market growth. Potatoes also is grown, but mainly at a subsistence level with no intention of selling or processing for income.

With the main agricultural activity focussing on maize farming, consultations with the major stakeholder in maize industry, AGRI-SA , has encouraged small maize growers to have economic sustainable businesses, and small maize growers in black areas are encouraged to grow more.

Agricultural development in some areas have been limited to historic dispossession of land. Agriculture is regarded as means of alleviating poverty, therefore lowest potential earners tend to be involved in agricultural services. People do not actually view agricultural initiatives in the light of becoming LED projects.

Small scale farmers that plant cash crops find it difficult to access extensive markets for their produce and there is high competition from commercial farmers from other areas of the country that use economies of scale to their advantage. For small scale to succeed and overcome these challenges, they should consider farming legal entities i.e co-operatives, out growers scheme, etc.

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The Department of Agriculture and Environmental Affairs is encouraging local communities with regard to developing community gardens.

In light of challenges currently facing the agricultural sector in Kopanong , there is a need for the formulation of the agricultural plan for the area. The plan will guide the development of the agricultural sector and allow the Kopanong Local Municipality co-ordinate agricultural economic activities in the area.

A consultative workshop held with key local stakeholders in the Kopanong Municipality, highlighted the need for Kopanong to consider various strategic plans for agriculture. The strategies should take note of the following weaknesses:



- ✓ The need to use a livelihood framework in planning development.
- ✓ Inherent problems with institutional vehicles such as co-operatives (all institutions have weaknesses- these should be clearly stated with checks to overcome pitfalls)
- ✓ Genders focussing on agriculture particularly in the light of the impact of HIV/AIDS on women.
- ✓ A strategy to bring youth to agriculture should be considered.

- ✓ Kopanong should strengthen the relationship with LED Forums so that they can jointly deal with these issues, empower the communities and do away with the mentality of depending on social grants for survival. People should view agriculture as a business opportunity and consider the privilege of availability of land.

SWOT ANALYSIS FOR AGRICULTURAL SECTOR

Strength

- ✓ **Climate:** Kopanong has got climatic weather that favors most agricultural crops and this includes fields and cash crops.
- ✓ **Rainfall:** Rainfall average of more than 508mm per annum.
- ✓ **Temperature :** This area has high potential of any agricultural crop to produce to its maximum.
- ✓ **Soils:** Kopanong has calcareous soils suitable for arable agricultural forestry.
- ✓ **Land ownership-** the average of 2 hectares per household.
- ✓ Community involvement and commitment in agricultural projects including the LED Forums.
- ✓ **Topography :** Seismic with large tourism potential due to unique topography, vegetation, wildlife and availability of water.
- ✓ **Land** is available for further agricultural activities including Agro- Processing.
- ✓ **Aqua-cultural** activities need to taken care of.

Weaknesses

- ✓ Human Capital (skill for farming, agricultural economics expertise)
- ✓ Shortage of equipment
- ✓ Marketing of agricultural product
- ✓ Financial resources.

Opportunities

- ✓ Government funding

- ✓ Extension services from the Department of Agriculture, back up from Xhariep District Municipality
- ✓ Establish market from Department of Health in cooperative.

Threats

- ✓ Topography is flat and amenable to floods
- ✓ Infrastructure, eg electricity, roads , water supply
- ✓ Means of communication
- ✓ Shortage of sustainable market
- ✓ Natural disasters

4.3.2 TOURISM SECTOR

Overview of Tourism Activities

Research conducted by the World Travel and Tourism Council has identified tourism as the world's largest generator of jobs. South Africa is already observing this trend , however, the White Paper released in 1995 by the Department of Trade and Industry states that tourism should be properly organised and focused in order to create jobs within a short period of time. The Tourism industry should be looked at a broader view as it influences other sectors of the economy.

The Kopanong IDP identifies tourism as being a priority sector in the municipality. Although tourism potential exists in the municipality it is not being realised . Maximising the local benefits of tourism is problematic , as areas of tourism opportunity do not coincide with more densely populated areas. These areas are most located in far flung areas . The Tiger Breeding project is unique in South Africa and offer a viewing opportunity of the Bengal Tigers. The Gariep Dam in Bethulie is an investment to the area due to its outstanding engineering work and hydroelectric scheme. The lime deposits in the Kalkfontein area offers a very rare view of lime deposited in large quantities. These deposits of lime can easily be translated into job creating activities. The museum in Bethulie offers an opportunity for economic innovation activities.



Stakeholder Consultation

Consultation with local stakeholders revealed that the following are the main challenges facing



tourism sector in Kopanong:

- ✓ Lack of information about tourist attraction in the area;
- ✓ The state of infrastructure restricts the development of the tourists and trade;
- ✓ The lack of accommodation and related tourist facilities throughout Kopanong
- ✓ The lack of information, skills and business acumen to take advantage of possible tourist markets in the rural areas.

It was also highlighted that a greater focus should be placed on arts and crafts activities . Arts and craft are major drawn card of tourism as visitors are interested in African Heritage which includes traditional attire. Crafters should first affiliate with the commercial Art and Craft organizations so that they can benefit from their expertise. A database of affiliated artists and crafters must be developed and the capacity building must be offered to affiliated arts and crafters which include:

- ✓ Training artists and crafters in measurements so that they can make traditional attire and traditional beads according to size.
- ✓ Costing and pricing of products so that they can make a profit.
- ✓ Improving product finish to make it attractive.
- ✓ Labelling skills of the product.
- ✓ Packaging of product to ensure it does not get damaged.
- ✓ Display of products so as to entice a customer.
- ✓ Customer care which includes how to communicate with the customer.
- ✓ The provision of international market.

SWOT Analysis of Tourism Sector

Strength:

- ✓ Tourism sites the availability of Philippolis and Bethulie.
- ✓ Tiger Breeding in Philippolis.
- ✓ Waterfalls of Gariep Dam.
- ✓ Fishing in Gariep Dam.
- ✓ Historical monuments in Philippolis and graves from concentration camps of WW2, in Springfontein and Bethulie.

Weaknesses:

- ✓ FHuman Capital
- ✓ No inancial Resources,
- ✓ tourism information Centres (The one that was built in Bethulie is a white elephant)
- ✓ No arts and Craft Centres
- ✓ Unavailability of tourism shows and exhibition centres.

Opportunities:

- ✓ Back- up from the Department of Environmental Affairs and Tourism
- ✓ Back- up from Xhariep District Municipality
- ✓ Interest of International Tourists to Royal Hotel and the Graves.

Threats:

- ✓ Infrastructure
- ✓ Roads
- ✓ Means of communication
- ✓ Shortage of tourism routes
- ✓ No accommodation facilities

- ✓ Poor implementation of economic tourism initiatives and support programmes.

4.4 SWOT ANALYSIS OF KOPANONG LOCAL MUNICIPALITY

STRENGTHS

- There is enough municipal land
- Good Matric Results
- Road networks
- N1& N6 Road networks
- Water in abundance
- Strategically located
- Strong Tourism attraction Areas

WEAKNESSES

- Aging infrastructure
- Lack of political will
- Illiteracy
- No marketing of the area
- Weak economy
- Focus on municipality
- Unskilled labour
- Lack of recreational activities
- Retain investment /Factories

OPPORTUNITIES

- N1&N6
- Railway Line
- Natural Water
- Abbattoire

THREATS

- Distance between towns
- Road infrastructure not conducive
- Foreign traders in the area

Lead Strategy

Kopanong Local Municipality

- Absence of cooperatives
- Accountability
- Dysfunctional Committees
- Late payments
- Communication breakdown
- Political, Religious and Cultural intolerance

SECTION FIVE: LED DEVELOPMENT FRAMEWORK

5. Introduction

The following sections of this report aim to provide a development framework for the implementation of the Kopanong Local Economic Development Strategy. The development framework is comprised of a development strategy vision, programmes, strategic interventions and projects to guide the future economic development of the Kopanong Municipality. The key LED programmes are based on information received from stakeholders, interviews conducted to community members and the economic profile analysis, relating to sectors with the highest potential and opportunities. The sectoral programmes are then interpreted in terms of development potential, of which a systematic prioritization process is undertaken of identified projects on a generic classification framework.

5.1 Challenges facing LED

During the economic profile analysis and the consultative workshops with key stakeholders the following issues were raised and were regarded as key challenges to economic development in Kopanong that need to be addressed in order to ensure sustainability economic development and growth occur in the area:

- Access to finance/ capital
- Lack of coordination
- Lack of infrastructure / infrastructure that is aging
- Limited production/ service delivery
- Poor access to support services
- Lack of skills
- Access to markets

Some of the above priority issues are cross cutting which implies that they have multiple impacts and need to be considered in an integrated manner in developing the strategies for the municipality. These priority issues are summarized in the table below:

Challenge	Challenge Description
Access to finance/ capital and support services	During the consultative workshop one of the issues that transpired was that local communities lack institutional support to ensure the establishment and growth of sustainable business enterprise. Lack of access to finance is one of the crucial challenges facing start-up businesses, and has been identified as one of the major stumbling blocks to creating a sustainable local economy. There are various factors that contribute to this issue such as access to information, which implies that small businesses are not aware of programmes and institutions that could be of assistance to them.

<p>Access to market</p>	<p>A large percentage of business and projects in Kopanong Municipality have limited access to markets for their goods and services. In terms of transporting their goods, many businesses rely on public transport, which jeopardises the quality and quantity of goods that are delivered to markets. However, it was noted that access to market also varies with the types of products/ services of businesses.</p>
<p>Lack of coordination</p>	<p>The lack of coordination, communication and integration between the Local Municipality and other spheres of government often results in a duplication of programmes and project. The lack of coordination and the identification of respective roles and responsibilities of different parties is essential to ensure the efficient and sustainable development of the area.</p>

5.2 Mission and Vision of the Municipality

The vision for local economic development in Kopanong is based on the local economic profile analysis, which identified the area’s opportunities, needs, economic performance, and social development trends in recent years. The Kopanong Local Municipality has the potential to develop into a sustainable economic region within which further development can be achieved through the implementation of an integrated development strategy. Based on the situation analysis, the key growth sectors identified for **Kopanong** are agriculture and tourism. The development of these two sectors over the next five years should therefore become the primary focus of the development efforts of the municipality. The advancement of other sectors, in particular, manufacturing, trade, construction and services should be prioritised to support the developmental efforts of Kopanong.

It is crucial that the strategic framework is formulated in line with the vision of the municipality. The vision of the Kopanong municipality which is reflected in the IDP of the municipality is:

‘By 2020 Kopanong shall be a wealthy and successful municipality that provides excellent, sustainable and affordable services and which governs the area in a participatory, democratic and accountable manner.’

The mission of Kopanong Municipality states that:

- The Council shall ensure that it upholds the principles of good governance ‘in a transparent and accountable manner’
- Financial viability is achieved by strengthening its revenue base.
- Promote working relations with other stakeholders and community at large and to
- Promote and provide effective administration and political leadership to ensure safer and healthier environment.

5.3 Strategic Framework

The purpose of this section is to integrate the strategies and goals that emerged from the local economic profile and stakeholder consultation. However, before addressing the details of the strategies, projects and subsequent actions, it is necessary to attain an understanding of their common goals. It is important that these strategies be understood collectively as locally based activities, which serve to:

- Facilitate job creation within Kopanong;
- Promote the area's tourism, natural and cultural assets;
- Promote the reduction of poverty in Kopanong;
- Encourage investment, business retention and expansion;
- Promote the creation and growth of small enterprise owned and managed by Kopanong's entrepreneurs;
- Foster productive economic linkages between Kopanong and wider regional economy;
- Facilitate the development of skills to enable Kopanong's residents to participate in the local economy; and
- Enhance the stability and growth prospects of the Kopanong Local Municipality.

5.4 Development Programmes and Strategies

Four programmes are identified to guide and direct the future integration of the economy of the Kopanong Local Municipality with the relevant government departments, local municipalities, non-governmental organizations (NGOs) and community based organizations (CBOs). The four programmes are listed below and are explained in greater detail in subsequent sub-sections.

Programme	Goal
Economic Growth	To achieve the growth and expansion of the lead economic sectors, in order to maintain inward investment through focused actions.
Social Upliftment	To ensure that social upliftment efforts work holistically to alleviate poverty, provide sufficient infrastructure and services to all the communities in the area, and facilitate access to community services, in order to ensure that quality of life is enhanced, and that access is provided to social and economic development facilities.
Business Development and Economic Environment	To establish a conducive economic environment to support the growth and development of the economy through legislative, capacity building and funding support mechanisms.
Institutional Development	To establish an integrated institutional network linking all key role players into an effective action programme.

Based on this, the strategies are formulated to address all the fundamental development issues identified in the local economic profile and stakeholder consultations, and to focus efforts on key

development opportunities that exist in Kopanong. These strategies take into account the inherent nature and structure of the local economy, and building upon the competitive advantages of the area. A summary of the development strategies and a short description of each strategy are provided in the table below:

Programme	Strategy
Economic Growth	Strategy 1: Develop the Agricultural Sector To expand agricultural production within Kopanong through a targeted agricultural strategy.
	Strategy 2: Develop the Tourism Sector To develop the tourism sector in Kopanong as a key economic sector, and promote the development of a wide range of tourism activities.
	Strategy 3: Develop the manufacturing Sector To promote the growth of employment intensive manufacturing industries.
	Strategy 4: Develop the Retail Sector To develop and support the growth of the retail sector of Kopanong.
Infrastructure Development	Strategy 5: Delivery of Basic Infrastructure To provide sufficient infrastructure and services to all the communities in the area.
Business Development and Economic Environment	Strategy 6: SMME Development and Business Support To empower the people of Kopanong to become economically active and to participate and contribute to the development of the area; and to provide advice; technical support; information and resources to help individuals set up and operate their businesses effectively.
Institutional Development	Strategy 7: Institutional Building and Organizational Development To establish an institutional structure with sufficient capacity to drive and manage development.

The strategies listed above need to work in unison in terms of developing Kopanong's economic base and boosting economic growth of the region. The goals, the aim of each programme and the accompanying strategies relating to the various aspects of development for Kopanong are detailed in the following sections.

5.5 Programme: Economic Growth

The purpose of this programme is to develop a highly focused and effective programme aimed at increasing the size of the Kopanong economy and achieving its further expansion. Necessary steps need to be taken to stimulate and grow the lead economic sectors of the municipality. Furthermore,

inorder to fuel economic growth, new investment into income generating and export promotion activities is required.

STRATEGIES

PROGRAMME	STRATEGIES	GOALS	OBJECTIVES	ACTIONS
ECONOMIC GROWTH	Develop the Agricultural Sector	To ensure sustainable Agriculture in the area.	Farmer settlement support	<ul style="list-style-type: none"> ➤ Commonage development- Land management / acquisition; emergent farmer development including audit of all commonage farms in the area of Kopanong. ➤ Policy development for commonages. ➤ Proper utilization of municipal communal land. ➤ Partnership establishment. ➤ Agricultural and job development programmes. ➤ Farmer support and development.
			Economically sustainable agricultural development	<ul style="list-style-type: none"> ➤ Identification and Development of market opportunities. ➤ Development and management of farming plans ➤ Infrastructure development. ➤ Establish a technology of Hydroponics throughout nine towns of the municipal area. ➤ Establish a technology of field water harvesting at Springfontein, Bethulie and Gariepdam. ➤ Develop a disaster management plan for agriculture for nine towns of the municipality. ➤ Establish agricultural focus groups for capacity building process. ➤ To facilitate micro financing (MAFISA)

				<p>through the Land Bank.</p> <ul style="list-style-type: none"> ➤ Support CASP (Comprehensive Agricultural Support) for the municipal area.
			<p>To create an enabling environment for the agricultural sector to establish sustainable agri-processing business and develop new products.</p>	<ul style="list-style-type: none"> ➤ Identify opportunities in the agri- processing of products. ➤ Involve the commercial farming sector and farmer unions to identify agricultural products. ➤ Identify new potential agricultural products suitable to the climate and soil conditions. ➤ Identify measures in collaboration with the farmers and the Department of Agriculture to sustain current commercial farmers. ➤ Create an agri- processing hub in Trompsburg. ➤ Identify all available incentives, grants and subsidies that are available to establish and sustain agri- processing business. ➤ Create a policy framework that will enable the establishment of agri- processing plants. ➤ Identify potential land for PDI Farmers in consultation with the formal agricultural sector. ➤ Set criteria for qualifying PDI farmers in consultation with commercial farmers. ➤ Recruit potential PDI farmers in assistance with the Department of Land Affairs. ➤ Ensure that the Department of Land Affairs reach their quotes in terms of PDI farmers.

				<ul style="list-style-type: none"> ➤ Implement a monitor system through the formal agricultural sector to assist every PDI farmer. ➤ Provide financial support programmes and extension services through the department of Agriculture to every PDI farmer. ➤ Establishing a stakeholder forum. ➤ Communication Management. ➤ Develop a strategy for eradication of gender insensitivity in the agricultural sector. Effective monitoring and evaluation system development.
	Develop Tourism Sector	To ensure that sustainable tourism services, products and facilities are available to achieve at least a 5 % growth per annum in the tourism trade of the area.		<ul style="list-style-type: none"> ➤ Maintenance of Concentration Camps in Springfontein. ➤ Identify and avail sites for recycling project in Bethulie. ➤ Revitalization of dam in Bethulie. ➤ Support existing and future tourism development projects e.g Tiger Breeding in Philippolis and Fish Breeding in Fauresmith. ➤ Encourage support for and involvement with the tourism sector by private companies and individuals within the area. ➤ Diversify the tourism sector e.g Develop the Arts and Crafts sector. ➤ Establish at least significant tourism routes covering all towns of the municipality, concentrating on the

			To identify tourism potential in the area.	<p>following themes:</p> <ul style="list-style-type: none"> ✓ To establish town based information centres. ✓ Enable infrastructure development in support of tourism. ✓ Develop tourist- related database in each ton. ✓ Create awareness on township tourism.
	Develop the Manufacturing Sector	To establish and promote the growth of employment – intensive manufacturing industries in Kopanong.	Contribute to the diversification and economic growth of the area through the optimisation of local market opportunities.	<ul style="list-style-type: none"> ➤ Create linkages with colleges, government programmes like EPWP, learnership and other skills development programmes to empower SMMEs. ➤ There are a number of co-operatives in the area that are involved in small scale manufacturing activities – a consolidation of these activities could contribute to strengthening the manufacturing base of the municipality e.g Factory for shoes in Philippolis, Factory for leathering- manufacturing of sofas in Philippolis. ➤ Investigate support programmes to promote the establishment and expansion of local industries. ➤ Encourage and facilitate partnerships between local entrepreneurs and investors e.g Gariep Dam- the site of fish harvesting. ➤ Promote the establishment of micro enterprises in poorly developed areas and prioritise SMME development.
	Develop the Retail Sector	Creation of significant employment	To strengthen the commercial and retail	<ul style="list-style-type: none"> ➤ Identify and prioritise commerce, retail and services opportunities.

		<p>opportunities for the population of Kopanong.</p>	<p>sector.</p>	<ul style="list-style-type: none"> ➤ Initiative revitalization of Trompsburg town. ➤ Distribute information on income linkages to business people within the municipal area, in order to promote entrepreneurial activity. ➤ Development of small emerging rural nodes with small business to service of the basic needs of the surrounding communities. ➤ Implement ways and means by which small loans can be made available to small businesses. ➤ Make provision for micro factories, markets and other infrastructural facilities to small businesses, in order to assist informal traders. ➤ Identify and prioritise SMME development opportunities.
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5.6 Programme : Infrastructure Development

Whereas the growth strategy focuses on the promotion and development of the lead sectors of the local municipality, the purpose of this strategy is to achieve the distribution of economic benefits and social upliftment, in order to relieve poverty, create employment opportunities, and establish a sustainable and balanced economy.

5.6.1 Strategies

Investment in infrastructure can have important implications for economic distribution and poverty alleviation. The direct consequence of investing in infrastructure is the generation of jobs, incomes and business opportunities, which can be targeted in favour of emerging enterprises and labour – intensive methods. There are also productivity enhancing impacts that are the longest lasting and the most relevant to sustainable growth i.e provision of water, electricity and sanitation facilities etc.

The effective management of services- extending services to rural areas, the rapid delivery of services to new business development, prompt response to queries- reduces poverty and contributes to the local business environment. The Municipal Infrastructure Programme provides grants to subsidise the provision of basic services to the poor. The Kopanong Municipality should develop infrastructure investment plans that aim to cater for businesses and individuals, which

combine consolidated municipal infrastructure programme funds with private investment and loans where possible.

The development goals, strategies and actions needed to ensure social upliftment for communities of Kopanong are set out in the following table:

PROGRAMME	STRATEGY	GOALS	OBJECTIVES	ACTIONS
Infrastructure Development	Delivery of Basic Infrastructure	<p>To ensure that all households have adequate access to water services.</p> <p>To ensure that all households have adequate access to all weather roads and storm water services.</p>	<p>To upgrade water reticulation network throughout the municipal area to ensure constant and quality supply of water.</p> <p>To ensure the existing urban road network is trafficable and continuous provision of streets for new urban areas.</p>	<ul style="list-style-type: none"> ➤ Inclusion of maintenance and upgrading issues in the Water Services Development Plan (WSDP) ➤ Determine priority areas to be addressed regarding water provision based on the municipality's IDP and Water Sector Plan. ➤ Implement a water demand management and monitoring plan. ➤ Ensure that new networks adhere to applicable standards. ➤ Implement loss control systems to reduce water loss. ➤ Ensure all towns prepare road storm water/ heavy vehicle road master plans to adhere to national standards for the maintenance and construction of all trafficable streets and roads that Kopanong prepare Public

			<p>To ensure that the rural networks are maintained to an acceptable and trafficable standard by the relevant authorities.</p>	<p>Transport Plan.</p> <ul style="list-style-type: none"> ➤ Ensure effective maintenance by Local Maintenance by providing support to obtain adequate equipment and vehicles and that there is constant maintenance id current storm water systems and networks.(eg tar the road between Bethulie and Alwal North.) ➤ Obtain accurate database of all the rural networks, standard thereof, accesses and roads to be upgraded and maintained , etc , based on the comprehensive GIS system. ➤ Facilitate the process of establishing weighbridges on main roads and maintenance of reserve roads in the municipal area to prevent the deterioration of roads. ➤ Identify and properly mark all road networks and flooding possibilities for general road safety. ➤ Support construction of
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		<p>To ensure that all households have adequate access to electricity.</p>	<p>To upgrade and maintain the networks throughout the nine towns of Kopanong to ensure constant, cost effective and quality supply</p>	<p>storm water canals in the nine towns of Kopanong.</p> <ul style="list-style-type: none"> ➤ Develop a service Master Plan and planning designs for future projects. ➤ Support a construction programme to 15km roads/ streets per annum e.g sealed gravel roads. ➤ To undertake a comprehensive study to determine bulk, maintenance and upgrading issues in preparing an electricity Master Plan.
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			<p>of electricity to meet National Electricity Regulator (NER) Standards.</p> <p>To ensure that sufficient and consistent bulk electricity distribution is available at all times in all areas.</p> <p>To ensure cost effective supply and maintenance of public lighting to all areas throughout nine towns of Kopanong</p>	<p>➤ Apply for funding (Presidential Special Projects (CMIP) for electricity bulk provision, upgrading and maintenance projects.</p> <p>Prepare a business plan relating to area lighting and also the maintenance and upgrading and provision of bulk electricity in order to access and obtain funding.</p> <p>Support the installation of high mast lights (Bethulie, Edenburg, Fauresmith and Philippolis.)</p> <p>Ensure the installation of street lighting at major and access roads.</p>
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5.7 Programme: Business development and Economic Environment

Business development involves fostering economic growth and employment generation. Most local economic growth is generated by small and medium sized enterprises (SMMEs) that are already established in the community. It is the growth of the SMME sector that is most efficient in mobilizing existing resources and transferring resources to different uses. SMMEs, via the creation of new businesses and the growth of established ones, provide for the following:

- Increased employment
- Economic growth and enhanced productivity;

- Innovation due to flexible and dynamic responses to shifts in market demand;

Development of a more balanced structure of local economic activity, namely;

- ✓ Transformation of maize to other (parts, sub- assemblies, components, production services.)
- ✓ Introduction of new products/ services and new activities/ industries;
- ✓ Development of inter- firm cooperation (networks, clusters).
- The establishment of new medium and large companies through internal growth and the process of mergers, acquisitions and strategic partnerships ; and
- Efficient mobilization and activation of resources.

The focus on SMME development for Kopanong is a critical factor to economic growth. It is important to recognize that supporting SMME development at a local government level, involves creating linkages and networking among the local agencies concerned with the different components of SMME development, as well as building sustainable partnerships among local government bodies, government organizations and private sector, NGOs and communities, in order to ensure continuing support for SMMEs to grow, sustain and expand their businesses.

The responsibility of the Kopanong Local Municipality for business creation and development is based on the advantages in supporting SMMEs through local measures. These advantages include:

- Actions can be better tailored to the specific needs of Kopanong and its local businesses;
- The involvement of a wider range of local partners can bring a mix of competence that encourages new ventures ; and
- A number of problems- high unemployment, acute poverty, limited job opportunities – are highly concentrated and require a strong local response.

5.7.1 Strategies

Economic Environment

The key determinants of competitiveness are focussed around the provision of appropriate infrastructure, technological capabilities, availability of investment capital, and human resources. SMMEs are the least demanding due to their nature of mobilizing small resources, depending on own resources and initiatives of founders and co- founders, and their flexibility to adapt. However, it is the task of the Kopanong Municipality to ensure the development of a network of local institutions, customs and relationships conducive to cooperation, as well as a culture supportive of entrepreneurial ventures.

The municipality should take into account the available resources, costs and benefits from the different programmes, know-how, and the need to provide different forms of assistance to cover for varying needs of businesses at alternative stages of their life- cycle. Some measures that can be adopted are able to produce short- term results, while others are best suited to support long- term business development.

However, it is important to recognise that accessing DTI offerings and other government incentives is a vital step towards creating an inflow of capital of development within Kopanong. There are a

range of DTI programmes that aim to assist and encourage local investment in manufacturing as well as promote the establishment of SMMEs.

Capacity Building and Training

It is imperative that steps be taken to empower the people of Kopanong (especially the large number of unemployed and poorly educated) to become economically active and to participate and contribute to the development of the area. This is to be achieved through providing such people with a wide range of technical, vocational and entrepreneurial training programmes and courses which will help develop those skills and knowledge requires for securing employment and / or the creation of their own employment opportunities. Linkages with the Sector Education and Training Authorities (SETAs), will allow training of individuals in all sectors of the economy in order to broaden the skills base of the municipality.

Business Support and Advice

Encouraging business development requires the provision of advice, technical support, information and resources to help individuals set up and operate their businesses effectively. In this regard, accessing the services of local Business Service Centres is seen as a crucial way in which to strategically develop and manage small businesses in local level. The establishment of Business Support Centre in Kopanong will be an important step towards ensuring the development of small businesses in the area. Linking this initiative to the SEDA programme as well as initiatives of the Integrated Business Support Unit of the Free State Department of Economic Development (DETEA) will strengthen the level of support that can be provided to SMMEs in Kopanong.

Programme	Strategy	Goals	Objectives	Actions
Business Development and Economic Environment	SMME Development and Business Support	To promote economic growth and development in Kopanong	To facilitate an environment conducive to investment and growth.	<ul style="list-style-type: none"> • All LED Units in every town to function optimally (or be established where absent) • Create mechanisms to enable all potential public private partnerships to be established and functioning. • Create a system to interact with other important Departments on support for LED. • Identify and source all

				government incentive funding and programmes available.
			To promote investment and employment opportunities.	<ul style="list-style-type: none"> • Programmes to be developed in coordination with other national and provincial development plans for job creation such as the EPWP and MIG. • Projects to be multi-disciplinary and cross departmental. • Facilitation of training and capacity building opportunities for new entrepreneurs. • Projects to enable people to take ownership of the business.
			To promote competitiveness	<ul style="list-style-type: none"> • Utilising the basic conditions for competitiveness of towns in the municipal area are as follows: Efficient markets for land; Credit and for inputs such as transport, communications and housing.
			To promote financial viability.	Effective budgeting for LED.
			To support the implementation	Distribution Hub: Trompsburg as the

			flagship projects.	Industrial Hub.
			To facilitate sustainable Economic Growth and job creation goal.	<ul style="list-style-type: none"> • Support, identify and promote linkages with infrastructure development programmes such as ASGISA, EPWP and other MIG funded programmes.
			SMMEs support To implement measures and mechanisms to ensure the establishment of growth of SMMEs and emerging entrepreneurs that can contribute to the growth of the formal economy.	<ul style="list-style-type: none"> • Establish a business support centre for Kopanong (SMME Development Hub). • The hub to assist in identifying training needs and co-ordinate training programmes. • Identify and utilize all available government training schemes and grants offered by the department of labour and Trade and Industry. • Appoint at least one micro and small business advisor per town to assist SMMEs. • Facilitate the LED learnership through municipalities. • Link the business support centre

				<p>with all supporting government agencies and programmes.</p> <ul style="list-style-type: none"> • To establish an annual award and ceremony for the most successful SMME. • Identify the needs of the SMMEs to establish co-operatives in relation to services and products. • Ensure that the municipality implements procurement policy to benefit local and emerging contractors. • Ensure that 50% of the capital projects are awarded to the local black empowerment companies. • Investigate micro financing schemes (such as the Land Bank)
			<p>To implement LED Strategy that will encompass all major sectors and implement measures and mechanisms to create an enabling environment for growth.</p>	<p>To develop programmes in all nine towns to facilitate all LED action including projects.</p> <p>Identify and develop economic growth areas and targets.</p> <p>Establish and sustain a workable economic structure/ forum for</p>

				each town that represents all sectors and that will be able to implement an economic plan of Kopanong.
			To respond to the development challenge in an integrated manner acknowledging that human development is integral to development in general.	<p>Provision of technical, vocational and entrepreneurial programmes to help develop the skills and knowledge required for securing employment opportunities.</p> <p>Facilitate access to various training programmes offered by SETAs.</p> <p>Create linkages / partnership between local Business Support Centre and SEDA programmes provided by the Free State Department of Economic Development.</p> <p>Make information on national programmes e.g DTI Incentive offerings readily available to business.</p>

5.8 Programme: Institutional Development

These programmes have been identified for the establishment of a comprehensive institutional framework to co-ordinate and promote economic development in Kopanong. An institutional mechanism is required in order to identify the roles and responsibilities of different parties to form a cohesive network to ensure sustainable development of the Kopanong Local Municipality.

Broadly, representative institutions must be established to address local economic development needs. Their purpose should be to formulate strategies to address job creation and community development (for example, leveraging funds for community development, training, small business and agricultural development, etc.)

It is increasingly recognised that in order for a municipality to be competitive it is necessary for the municipality to merge its resources with those of local business and community groups. Almost all economic development now depends on some form of public and private co-operation to succeed,

so that the combined strengths will each promote LED collectively. This will allow the local municipality to focus on their core governance functions and utilise a range of partnerships arrangements to ensure effective delivery.

5.8.1 Strategies

The following structures are deemed necessary to facilitate LED in Kopanong:

- Kopanong LED Forum
1. The primary function of the Local Economic Development (LED) Forum should be to guide all activities related to LED. LED officials will be the custodians of the institutional structure. The forum should meet once or twice a year, with its main purpose being to exchange information and to monitor progress. The forum will serve as a vehicle for networking with other similar structures at three government spheres to ensure that functions are aligned. It is recommended that the institutional structure should consist of :
 - ✓ Kopanong Local Municipality representative
 - ✓ Representative from Xhariep District Municipality
 - ✓ Non- Governmental Organizations (NGOs)/ Co operatives
 - ✓ Representatives from commercial banks such as First National Bank (FNB), Standard Bank, ABSA etc.
 - ✓ Representatives from agricultural cooperatives
 - ✓ Representatives from the SMME sector
 - ✓ Local Business people
 - ✓ Local Political representatives.

To ensure that the structure is functioning in an efficient manner, it is recommended that a task team should be formed to deal with specific daily issues and report back to the LED Forum. It is also important that each sector is organised with its own local working group, for example, the agricultural sector should have its own umbrella association which will ensure that there is coherent functioning within various agricultural associations.

Kopanong LED Task Team

The primary focus of the group should be on facilitating the implementation of LED strategies, programmes and projects as recommended from the study and subsequently approved by the Municipal Manager. The portfolio councillor for LED should chair this committee. The committee would be accountable to the Municipal Manager and hence the recommendations of this organised and formalized task team can only be approved at the managerial level.

LED Officials

To ensure that LED is successful, it is important that the LED officials focus on the following activities:

- ✓ Stimulate local economic development initiatives;
- ✓ Identify and separate LED initiatives from social support projects;
- ✓ Identify social support projects with potential of becoming LED projects;
- ✓ Formulate and assess LED initiatives;
- ✓ Support local initiatives in creating employment and income;
- ✓ Specific capacity building programmes will ensure that all LED officials are well capacitated in LED aspects.
- ✓ Invite and create conducive environment;
- ✓ Identify projects that can stimulate the economic growth of Kopanong.

Programme	Strategy	Goals	Objectives	Action
			<p>To respond to the development challenge in an integrated manner acknowledging that human development is integral to development in general.</p>	<p>Provision of technical, vocational and entrepreneurial programmes to help develop the skills and knowledge required for securing employment and / or the creation of new employment opportunities.</p> <p>Facilitate access to various training programmes offered by SETAs.</p> <p>Create linkages / partnership between local Business Support Centre and SEDA programmes provided by the Free State Department of Economic Development.</p> <p>Make information on National programmes e.g DTI Incentive offerings readily</p>

				available to business.
Institutional Development	Institutional Building and Organizational Development	To establish an institutional structure with sufficient capacity to drive and manage development.	To ensure coordination between activities, and to establish an institutional organization with sufficient capacity responsible for the implementation of the plan.	<p>Establish LED Forum to guide and promote development within Kopanong.</p> <p>Establish LED Task Team to facilitate the implementation of LED strategies, programmes and projects.</p> <p>Undertake capacity building to ensure that LED officials involved are capable of managing the development plan.</p> <p>Ensure sufficient financial and human resources are available to implement the LED Strategy.</p> <p>Establish linkages with district and provincial key role players within the spheres of government.</p> <p>Form partnerships and sources additional funding.</p> <p>Actively identify potential funders to present development opportunities</p>

				within Kopanong.
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5.9 IDENTIFIED PROJECTS

The following were identified as potential projects within the municipality:

SECTOR	PROJECT	LED POTENTIAL	FUNDING POTENTIAL	LOCALITY
Agricultural	Grow small scale farming.	High	Department of Agriculture, KLM	Edenburg
	Grow Lucine Production	Very High	Department of Agriculture, KLM	Springfontein
Manufacturing and Retail	Factory for tyres (cars)	High	FDC, KLM, FPG	Springfontein
	Build a factory for shoes	High	FDC, KLM, FPG	Philippolis
	To manufacture sofas- Leathering	High	FDC, KLM, FPG	Philippolis
	Municipality to avail sites for recycling projects.	Very High	FDC, KLM	Bethulie
	Abattoir	Very High	FDC, KLM	Bethulie
	Water Harvesting.	Very High	Department of Water Affairs, FDC, KLM, FPG	Springfontein
	Establishment of Toilet Paper and Disposal Nappy Factory.	Very High	KLM,	Trompsburg
Tourism including Arts and Crafts	Establishment of accommodation and conference facilities within the area.	Very High		Philippolis
	Establishment of Arts and Craft Centre.	Very High		Trompsburg
	Maintenance of the Concentration Camps. Tiger Breeding.	Very High		Bethulie

	Revitalization of dams.	Very High		Bethulie
	Renovation of a swimming Pool and Tennis Courts.	Very High		Gariep Dam
	Establishment of touring Agency.	Very High		Gariep Dam
	Upgrading of Caravan Park.	Very High		Gariep Dam
	Establishment of Sports and Recreation Centre.	Very High		Trompsburg
Mining	Lime Mining Opportunities.	Very High	KLM, Department of Environmental Affairs.	Philippolis
	Diamond Mining	High		Jagersfontein
Construction	Empowerment of emerging contractors.	Average	KLM	Kopanong
	Road Construction	High	FSPRT	Route Networks (Alwal North and Bethulie, Gariep Dam and Philippolis).
	Town Development	High	COGTA, DTI, IDT KLM	Trompsburg
	Fencing of Cemeteries	Very High	FSPRT, KLM	Springfontein, Bethulie
	Rail Revitalization	Very High		Springfontein, Bethulie, Edenburg
	Building of shopping mall	Very High	Developers, KLM	Trompsburg

5.10 PRIORITIZED PROJECTS

From the identified list of projects, the following were identified as projects with a high potential for local economic development of the municipality and were measured against local resources:

Sector	Project	Potential Market
Agricultural	Aquaculture Lucine Production	Local Supermarkets, Trompsburg District Hospital. Developing and Developed Farmers.
Manufacturing and Retail	Manufacturing of shoes; Springwater; Lime Production; Establishment of toilet paper and disposal Nappy Factory.	Schools, Supermarkets, Department of Correctional Services, Supermarkets, Hospital Traffic Department Supermarkets, Hospital, Community
Tourism including Arts and Crafts	Establishment of accommodation and conference facilities within area. Concentration Camps in Springfontein. Tiger Breeding in Philippolis	Tourists, Travellers and General community.
Mining	Diamond	National and International Diamond users, Jewellery Benefication
Construction	Road Construction Shopping Complex	Community Members, SMMEs General Community, SMMEs, travellers.

SECTION 6: ANCHOR PROJECTS IDENTIFICATION AND PACKAGING

INTRODUCTION

The purpose of this section is to provide anchor projects that were identified and prioritised in the section five of the report. These projects will be packed as concept business plan and there will be the identification of possible potential funders. The section will promote sense of ownership to community members and will incorporate implementation framework which will lay out a budgetary, human resource, as well as institutional and procedural implications of implementing the LED Strategy.

It is on the bases of the projects that were identified and prioritised in economic growth as the programme; four strategic sectors that we projects were mentioned. Four anchor projects were selected from strategic programme for packaging and development of concept business plan development and they are as follows:

- Agricultural Sector:** Aquaculture
- Tourism Sector:** Establishment of accommodation and conference facilities within the area.
Tiger Breeding in Philippolis
- Manufacturing Sector:** Establishment of Shoe Factory in Philippolis
Water Harvesting in Springfontein
Development of Toilet Paper, Disposables, Nappies Factory

These projects could play a vital role in the development of local economy and improve the growth of the leading sectors which are agriculture and tourism.

6.1 ESTABLISHMENT OF KOPANONG ACCOMMODATION AND CONFERENCE FACILITIES.

Project Name	Establishment of Kopanong Accommodation and Conference Centre	
Brief Project Description:	Development of Kopanong Accommodation and Conference Facilities with a view of sourcing sufficient funds. This project has the high potential to grow bigger since the number of tourists visiting the area.	
Objective:	This project is intended to provide casual employment to the community with the hope that as time goes on it will grow and further develop and create a sizeable number of sustainable jobs and contribute in the local economy.	
Industry:	Tourism	
Geographic Location:	Trmpsburg- Kopanong Municipality	
Responsible Body: Kopanong Local Municipality	Other Role Players Local community, DEAT, Department of Transport, Relevant Investors.	
Estimated Cost: R8 104 000 million	Potential Funders DETEA, IDT,	Time Frame 24 months depending on

	Department of Transport	funding
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6.1.1 Executive Summary

The purpose of this Business Plan is to obtain finance for the establishment of Kopanong Accommodation and Conference Facilities in the area of Trompsburg in Kopanong, as one of the anchor projects in this area. Trompsburg is situated in the N1 road, south of Mangaung Metropolitan down to Colesburg. It is the head town of the municipal area. It has been discovered that there is a high demand of accommodation and a conference centre after the building of the Academy Hospital in Trompsburg area, which created a high need to source funds and make sure that this project is successful. The municipality will negotiate with world class hotels and lodges that are in hospitality industry to invest in the area. Members of the community will form cooperatives and will be given opportunities to invest and get laundry, cleaning, grass cutting tenders and be economically involved in other activities that will take place within the industry through contractual agreements. This will have a great impact in the growth of the economy in Kopanong and the rest of Xhariep District. There is no doubt that this project would create employment opportunities for the local community and the high rate of poverty alleviated will be addressed. There is also a necessity to retain and expand tourism in the area as a result this project would accomplish the latter. This project promises to be profitable even in the first year of implementation due to huge number of visitors during the course of the year. The existing demand for accommodation and conference centres and also opportunities that this project will bring is the motivating factor behind it.

6.1.2 Introduction

This business plan will assist the local municipality in its capacity to make facilities and services available to grow tourism businesses at Trompsburg. There are a number of opportunities associated with the development of these facilities and the project will enable the municipality to facilitate the economic growth. The Business Plan will increase the local municipality capacity by coordinating the availability of accommodation and conference facilities and other resources for new tourism businesses. The municipality has recognised that the lack of a cohesive strategic finance has greatly inhibited tourism development and investment in the area. It is envisaged that the business plan will provide the municipality with the financial muscle, guidance and indicators for planning, implementation and monitoring and evaluation methods.

6.1.3 Objectives

The objectives of this plan are as follows:

- To develop a plan for the monitoring and evaluation of the implementation of the business plan.
- To promote, manage and market tourism related development.
- To improve, promote and expedite sustainable investment and employment opportunities.
- To promote the empowerment of historically disadvantaged communities.
- To consult local community of Kopanong and encourage them to participate in tourism enterprise.

- To ensure that the tourism planning framework is based on and supports the principles of responsible tourism development and specifically the socio- economic upliftment of Kopanong.

6.1.4 Vision

To strive for sustainable economic growth and job creation

6.1.5 Mission Statement

To holistically manage the growth of Trompsburg through effective Tourism Development, operations and marketing of Kopanong Municipality particularly Trompsburg for the benefit of all its community. A particular emphasis is to be placed on broadening ownership and participation within the Tourism Sector by previously disadvantaged individuals and organizations, thereby enabling tourism to contribute to the sustainability of Local Economic Development of the Kopanong Local Municipality.

6.1.6 Market

The size of the tourism market of the Free State Province is valued at an estimation of 4 billion. The average daily spending for tourists visiting the province is about R1000 per day. Tourists stay an average of 10 nights in the Free State, the majority stay is three nights. These statistics clearly show that there is a huge demand for accommodation for tourists in the Free State and Kopanong will benefit and have a share in this market since there is the advantage of N1 which is the area to as Gauteng – North and Cape Town – South.

There is no suitable accommodation in the Kopanong area; Kopanong also has tourist attractions areas available to tourists, but lack accommodation. Tourism is increasingly making a greater contribution to the local economy; hence, Trompsburg will provide accommodation for tourists visiting the District.

Tourists will not only come to Trompsburg for accommodation and conference centre but will also see a need for investing in the area. The project will have a conference facility for corporate market and they will likely be attracted, as they will know that it is not only accommodation but also they can conduct workshops, conferences and training as well.

The municipality has recognised the importance of understanding the close interrelationship between the tourism product and marketing efforts of the area. It is on this basis that Kopanong Municipality will establish the following strategic focus for promotion of tourism, which aims at ensuring that the limited resources at hand are effectively and efficiently spent:

- The strategic, tourism and marketing plan for the municipality will be aligned with the strategic, tourism and marketing plan tourism of the Free State.
- Through the continuing collection of data, facilitator of market research, the municipality will promote all aspects of tourism within Kopanong.
- The development of marketing campaign and programmes , the municipality will market the following focus product:
 - ✓ Wildlife/ Environment

- ✓ Culture/ Heritage
- ✓ Activity water sports such as canoeing, fishing rafting, etc
- ✓ Self catering units
- ✓ Self guided walk
- ✓ Conference Centre
 - The municipality will select active tourism role –players. In addition to this there will be a number of supporting portfolios providing logistics and administrative input i.e Wild Life environment like Signage
 - Publications and Events
 - The municipality will establish a central tourism office to maintain administration of the membership.
 - Communication linkages between Kopanong Municipality, and Tourism Free State will be developed to maintain infrastructure development related to tourism.
 - Education and training together with Tourism awareness in the community at the grass root level will be promoted.
 - The municipality will continuously monitor the effectiveness of its programmes and activities and monitor consumer growth, trends and patterns of decision making to improve its marketing effort.

Marketing the local area as a tourist destination, and support and assistance in the development of new tourism products, including support to emerging entrepreneurs. Responsibility for the execution of the function will be allocated to a specific division or staff member within the municipality, and the function will also impact on by a range of other functions performed by divisions performed by divisions other than the 'tourist function'.

Likewise, the municipality's efforts to attract investment in tourist accommodation and attraction will be influenced by decisions related to planning approvals.

The municipality should also take advantage of the Mangaung that always has activities like Macufe and shortage of accommodation, Kopanong will assist since it is 74 km south of Mangaung.

Current capacity in respect of municipal planning and tourism

Kopanong Municipality has a significant role in the facilitation, planning and management of tourism development initiatives. As such, the municipality is in a position to play an important and pro-active role in the facilitation of planning and development initiatives that adhere to the principles and objectives of responsible tourism.

Through the consideration of the principles of responsible tourism as underlying all municipal and planning processes related to sector, planning decisions contribute to achieving the objectives of business plan. For example it can be ensured that the planning approval conditions for tourism amenities focus on promoting social principles such as equity and are culturally acceptable, this tourism project is designed to source the skills and products of local people and contribute to restoration of degraded environments or enhance biodiversity.

Kopanong Municipality addresses the crosscutting dimensions (social, economic, environmental) of tourism throughout its planning processes and decision making. The municipality also tries to ensure

that these dimensions are approximately dealt with so that they are mainstreamed, and that the responsible tourism guidelines and objectives are considered and used to guide and inform the municipal planning function.

Key Strategic Marketing Intervention

Development of Kopanong information desk or tourism office will enable Kopanong Municipality to lead and to provide the necessary local government legislative guidelines and policy framework for tourism as well as enabling private and community participation within a non-bureaucratic environment. The project beneficiary will implement and manage appropriate market research in order to identify and grow existing tourist-source markets through meeting the needs of the tourist who will choose Kopanong as the destination of choice. They will also implement and manage a process of Kopanong local tourism knowledge and awareness media campaign aimed at the general populace of Kopanong municipality.

They will implement and manage a process of general tourism training and mentoring aimed at the municipality structures and previously disadvantaged individuals and organization in order to empower and build capacity with the tourism product operations and development.

6.1.7 Financial Plan

The estimated capital cost of the project is R8 104000 million. It is envisaged that there should be a substantial grant. To ensure the project had economic viability for an investor the investigation projected a development model based on financing the capital cost with 50/50 split between a development grant of R4 052000 million and a loan of R4 052000 million would provide an investor with a reasonable internal rate of return (IRR) over 20 years of about 22%. This income return is based on assumed average annual room occupancy of 35% of opening rising to 53% in the fourth year. The other important assumption is that the facilities are operational all year.

Public Areas		Campsites	
Bar and Store	97 200	Number of sites	30
Reception area	97 200	Number of sites per ablution unit	6
Ablutions	80 000	Number of ablution units	5
Fencing	72 900	Building cost per ablution unit	30 000
Stairs and Decks	71 280	Number of sites per kitchen unit	6
Reception furniture	12 000	Number of kitchen units	5
Swimming Pool	226 800	Building cost per kitchen unit	16 200
Staff Accommodation		Vehicles	
Number of staff units	1	Number of vehicles	1
Building cost per unit	81 000	Purchase	150 000
Furniture and Fittings	32 400		
Soft furnishings	15 500		
Lodges		Other	
Number of lodges	14	Secure parking area	1 215 000
Number of beds per lodge	4	Roads and pathways	97 200
Building cost per lodge	192 000	Water storage and reticulation	129 600
Furniture and fittings per lodge	58 320	Septic tanks	48 600
Soft furnishings per lodge	22 500	Site clearance	16 200

Self Catering (peak)

DESCRIPTION	DAYS PER MONTH	DAYS PER ANNUM	COST	TOTAL COST p/a
2 sleeper	12	108	R220.00	R23 760.00
4 sleeper	4	48	R495.00	R23 760.00
5 sleeper	3	27	R495.00	R13 365.00
6 sleeper	1	9	R550.00	R4 950.00
TOTAL				R65 835.00

Self Catering (off- peak)

DESCRIPTION	DAYS PER MONTH	DAYS PER ANNUM	COST	TOTAL COST p/a
2 sleeper	16	48	R220.00	R10 560.00
4 sleeper	12	36	R495.00	R17 820.00
5 sleeper	10	30	R495.00	R14 850.00
6 sleeper	8	24	R550.00	R13 200.00
TOTAL				R56 430.00

Bed and Breakfast (off peak)

DESCRIPTION	DAYS PER MONTH	DAYS PER ANNUM	COST	TOTAL COST p/a
2 sleeper	24	72	R154.00	R11 088.00
4 sleeper	18	54	R495.00	R26 730.00
5 sleeper	15	45	R495.00	R22 275.00
6 sleeper	9	27	R550.00	R14 850.00
TOTAL				R74 943.00

Conferences, workshops and meetings of +_ 25 participants

DESCRIPTION	DAYS PER ANNUM	COST pd	TOTAL COST pa
Conferences and workshops pp	30	R284.00	R213 000.00
Meeting pp	24	R60.00	R21 600.00
Other functions	10	R700.00	R7 000.00
TOTAL			R241 600.00

GROSS INCOME

Prepared by: Namtra Trading

Lead Strategy

Kopanong Local Municipality

DESCRIPTION	INCOME
Self Catering	
Peak	R65 835
Off Peak	R56 430
Sub – Total	R122 265
Bed and Breakfast	
Peak	R45 837
Off Peak	R74 943
Sub Total	R120 780
Liquor income @ 100%	R300.00
Conferences, workshop & meetings	R241 600
TOTAL	<u>R784 645</u>

ASSUMPTIONS: Year 2

Prepared by: Namtra Trading



Self Catering (peak)

DESCRIPTION	DAYS PER MONTH	DAYS PER ANNUM	COST	TOTAL COST p/a
2 sleeper	20	180	R260.00	R46 800.00
4 sleeper	6	54	R535.00	R28 890.00
5 sleeper	5	45	R535.00	R24 075.00
6 sleeper	1	27	R590.00	R15 930.00
TOTAL				R115 695.00

Self Catering (off peak)

DESCRIPTION	DAYS PER MONTH	DAYS PER ANNUM	COST	TOTAL COST p/a
2 sleeper	24	72	R260.00	R18 720.00
4 sleeper	14	42	R535.00	R22 470.00
5 sleeper	12	36	R535.00	R19 260.00
6 sleeper	10	30	R590.00	R17 700.00
TOTAL				R 78 150.00

Bed and Breakfast (peak)

DESCRIPTION	DAYS PER MONTH	DAYS PER ANNUM	COST	TOTAL COST p/a
2 sleeper	20	60	R194.00	R11 640.00
4 sleeper	15	45	R535.00	R24 075.00
5 sleeper	18	54	R535.00	R28 890.00
6 sleeper	12	36	R590.00	R21 240.00
				R85 845.00

Conferences, workshops and meetings +_ 25 participants

DESCRIPTION	DAYS PER ANNUM	COST p/d	TOTAL COST p/a
Conferences and workshops pp	36	R284.00	R255 600.00
Meetings	24	R450.00	R10 800.00
Other functions	10	R1 500.00	R15 000.00
TOTAL			R281 400.00

GROSS INCOME

DESCRIPTION	INCOME
Self Catering	
Peak	R115 695
Off Peak	R78 150
Sub – Total	R193 845
Bed and Breakfast	
Peak	R95 085
Off Peak	R85 845
Sub- Total	R180 930
Liquor income @ 100%	R321
Conferences, Workshops and Meetings	R281 400
TOTAL	<u>R977 175</u>

6.2.8 Time Frame

It is projected that this project will take 24 month, this will include sorting out the lease arrangement, detailed design as well as obtaining the Environmental and Planning Authorities for the project to be finalised. And finally the construction will take place.

6.2 BUSINESS PLAN FOR THE DEVELOPMENT OF TOILET PAPER, DISPOSABLES, NAPPIES FACTORY

PROJECT NAME	<u>Establishment of Toilet Paper Factory</u>	
Brief Project Description	<u>Development of toilet paper, disposables and nappies factory at Kopanong area. The project is basically setting – up of local community members with a view of sourcing sufficient funds for further development and become sustainable.</u>	
Purpose of funding	<u>To become the market leaders in the production/ distribution and supply of toilet paper. This will expand the production of toilet papers to export market and globally. This project is intended to provide casual employment to the community with the hope that as time goes on it will grow and further develop and create a sizeable number of sustainable jobs and contribute in the local economy.</u>	
Industry Sector	<u>Manufacturing</u>	
Geographic location	<u>Reddersburg – Kopanong</u>	
Responsible Body	<u>Kopanong Local Municipality</u>	
Estimated Cost: <u>R787 000,00</u>	Potential Funders <u>Department of Trade and Industry, Land Bank, NDA, IDT</u>	Time Frame <u>12 months depending on funding</u>

6.2.1 Executive Summary

The purpose of the business plan is to obtain funding for the development of toilet paper, nappies and disposables manufacturing factory. The proposed project will be developed at the Reddersburg area in Kopanong. This is a Local Economic Development project and is intended to empower the community.

Cooperative will be formed and the department of Health is the main target market since they have the programmes to support and buy from the cooperatives. The identification and exploitation of business opportunities have become a priority for the municipality in order to address challenges such as poverty; unemployment; migration and skills gap. This project could play a vital role in the development of local economy.

The marketing plan for this proposed project is mainly targeting the consumers in and around the Free State , South Africa. It will even attract the local businessmen, investors and community at large to invest on the project. Population statistics shows that there is approximately 1 to 2 rolls of toilet paper used per day per household and growing. E.g 2 rolls per day = 46 rolls of toilet paper used per day per household and growing e.g 2 rolls used in an average home per month with demand so high. The product consumed by millions daily , the market remains very lucrative and the demand will never stop.

6.2.2 Introduction

This area will specialize in the construction and manufacturing of toilet paper, nappies, disposables and panty liners. The cooperatives will be formed to run and manage this project at Reddersburg area and is expected to employ hundreds of people in construction wing.

Long Term Objective

To become the market leaders in the production/ distribution and supply of toilet paper. This will expand the production of toilet papers to export market and globally.

Strategic Objectives

The overall objective is to provide toilet paper, disposables and nappies to the whole of Xhariep area and surrounding areas and globally, and to empower the community of Kopanong- Reddersburg.

Guiding Principles:

- To provide toilet paper that will be on demand, high quality and appreciated by consumers.
- To promote Local Economic Development and social well being.
- To create employment opportunities for the local community.
- To transfer skills to all employees and create self- sustained business enterprises.
- To bring training facilities nearer to the community.

Critical Success Factors

- Obtaining finance for the development of the proposed budget.
- The involvement of the community.
- Training on Business Management Principles.
- Vigorous and effective marketing of the project.

6.2.3 Employment

There is a high rate of unemployment in Kopanong Municipality. This proposed project would provide 18 employment opportunities. It is also clear that the high number of unemployment is mainly women.

Long Term (Full time employment)

To operate and maintain the factory, the following numbers are envisaged:

Operation Manager : 1 person

Management Assistant : 1 person

General Maintenance : 16 people

Skills Transfer

The unemployed community both man and women with no skill and matriculants stand a chance to acquire skills and it will equally empower the whole community.

Effect and Consequences of the project

It is envisaged that this proposed project has a bright future, as it will develop into a big factory and the consequences of this project are as follows:

- Improve the unemployment rate
- Self- sustaining project if its condition is kept at a high standard
- Encourage economic growth in Kopanong area.

6.2.4 Marketing

This proposed project is mainly targeting the customers in and around the Free State, South Africa and overseas countries. It will even attract the local businessman, investors and community at large to invest on the project .Population statistics shows that there is approximately 1 to 2 rolls of toilet paper used per day used per household and growing e.g 2 rolls per day = 46 rolls used in an average home per month with demand so high. The product consumed by millions daily the market remains very lucrative and the demand will never stop. The potential for export sales at comprtitive prices of toilet paper rolls selling is R3.

Gain tenders, contracts and supply the following places:

Dr Albert Nzula Academy Hospital (Trompsburg), Schools, Wholesalers, Exporters, Aiport (Bram Fischer), Tertiary Institutions, Government Departments, Shopping Centres, Street Hawkers , Municipalities, etc. are the targeted market for this project.

Competitors

Analysis has been done on pricing of this product found on the retailing shopping shelves reflecting the following:

<u>COMPETITOR</u>	<u>PRICING</u>
<u>Supermarket</u>	<u>R1,99 per toilet roll</u>
<u>Deratek</u>	<u>R1,37 per toilet roll</u>
<u>Nampak</u>	<u>R1,50 per toilet roll</u>
<u>Kimberly Clark</u>	<u>R1,79 per toilet roll</u>

It is important to understand the machine can produce any length/size of the toilet roll and any size of nappy to suit the client's needs.

6.2.5 Production Plan

Model 1.3 Consumption = 10 amps and can produce + 1200 rolls per day. Model 1.9 Consumption has got three phases and can produce + 340 000 rolls per day. This machine can make toilet rolls, towels, hospital wipes, disposables, hand towel, etc, hence this business plan recommend Model 1.9 Consumption with 3 phases and high tension adjustment to produce bigger or tighter rolls, produce single, double or triple ply, controller with electronic counter and advance thermo embossing/perforating.

Specification and Financial Requirements

Details	Amounts
Machineries: Toilet Rolls and Nappies	R359 000
Raw Materials	R100 000
Offices and Board room furniture	R55 000
Transport	R266 000
Building	Available (?)
Legal Fees	R7 000
Total Capital Required	R787 000

One Year Projected Cash Flow

	Month1	Month2	Month3	Month4	Month5	Month6	Month7	Month8	Month9	Month10	Month11	Month12	Total
Sales - Volume	0	97 500	195 000	292 500	390 000	422 500	422 500	422 500	422 500	422 500	422 500	422 500	3 937 500
Sales-value	0	117 000	234 000	351 000	468 000	507 000	507 000	507 000	507 000	507 000	507 000	507 000	4 719 000
	17 143	64 543	111 943	159 343	205 168	220 443	220 443	220 443	220 443	220 443	220 443	220 443	2 101 241
	0	45 825	91 650	137 475	183 300	198 575	198 575	198 575	198 575	198 575	198 575	198 575	1 848 275
Production Exp.													
Electricity	113	225	338	450	450	450	450	450	450	450	450	450	4 728
Maintenance	112	225	337	450	450	450	450	450	450	450	450	450	4 724
Rent	1 080	1 080	1 080	1 080	1 080	1 080	1 080	1 080	1 080	1 080	1 080	1 080	12 960
Wages	1 350	2 700	4 050	5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	5 400	56 700
Machine Install.	2 823	2 823	2 823	2 823	2 823	2 823	2 823	2 823	2 823	2 823	2 823	2 823	33 876
Admin. Exp.													
Accounting Fees	800	800	800	800	800	800	800	800	800	800	800	800	9 600
Advertising	300	300	300	300	300	300	300	300	300	300	300	300	3 600
Bank Charges	300	300	300	300	300	300	300	300	300	300	300	300	3 600
Chemist Exp.	100	100	100	100	100	100	100	100	100	100	100	100	1 200
Delivery	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	3000	36 000
Entertainment	300	300	300	300	300	300	300	300	300	300	300	300	3 600
Insurance	200	200	200	200	200	200	200	200	200	200	200	200	2 400
Car Exp.	500	500	500	500	500	500	500	500	500	500	500	500	6 000
Portion of Prod. Exps	820	820	820	820	820	820	820	820	820	820	820	820	9 840
Refreshments	400	400	400	400	400	400	400	400	400	400	400	400	4 800
R.S.C Levy	600	600	600	600	600	600	600	600	600	600	600	600	7 200
Salary Admin	575	575	575	575	575	575	575	575	575	575	575	575	6 900
S.D Levy	80	80	80	80	80	80	80	80	80	80	80	80	960
Sundries	1 260	1 260	1 260	1 260	1 260	1 260	1 260	1 260	1 260	1 260	1 260	1 260	15 120
Stationery & Printing	200	200	200	200	200	200	200	200	200	200	200	200	2 400
Telephone & Posting	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	2 000	24 000
UIF Contribution	30	30	30	30	30	30	30	30	30	30	30	30	360
Compensation Levy	200	200	200	200	200	200	200	200	200	200	200	200	2 400
Surplus/Deficit	-17 143	52 457	122 857	191 657	262 557	286 557	286 557	286 557	286 557	286 557	286 557	286 557	2 617 759
Bank Balance	-17 143	35 314	157 371	349 028	611 860	898 417	1 184 974	1 471 531	1 758 088	2 044 645	2 331 202	2 617 759	

6.4.6 Conclusion

This factory will be 100% black owned both male and female, the factory will combine good product with the value added service and competitive product. The cost factor allows an excellent edge against exorbitant prices of brands found on the market. It is the intention of the project to fence the factory in order to ensure a safe environment inside the property since the rate of crime is average in the area.

Abbreviations:

Prepared by: Namtra Trading



LED	>	Local Economic Development
IDP	>	Integrated Development Plan
SWOT	>	Strength Weakness Opportunities Threats
AGGISA	>	Accelerated Shared Growth Initiative for South Africa
NSDP	>	National Spatial Development Perspective
GEAR	>	Growth Empowerment and Redistribution
SMME	>	Small Medium Micro Enterprise
BEE	>	Black Economic Empowerment
CDW	>	Community Development Workers
PYDS	>	Provincial Growth Development Strategy
NGO	>	Non- Government Organization
CBO	>	Community Based Organization
DOT	>	Department of Transport
CASP	>	Comprehensive Agricultural Support Programme
PDI	>	Protein Dispersibility Index
WSDP	>	Water Services Development Plan
KLM	>	Kopanong Local Municipality
FDC	>	Free State Development Co-operation
FPG	>	Free State Provincial Government
FSPRT	>	Free State Provincial Road and Transport
COGTA	>	Co-operation Governance and Traditional Affairs
DTI	>	Department of Trade and Industry
IDT	>	Industrial Development Trust