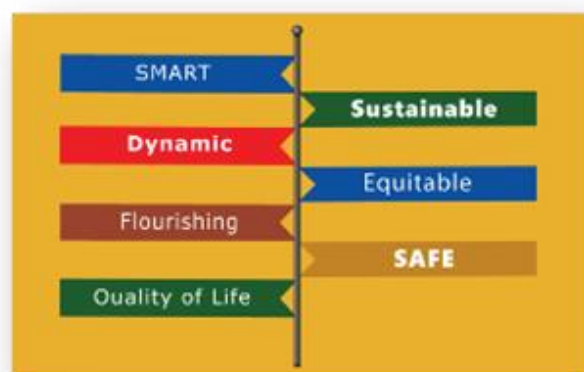




# NORTHERN CAPE

## PROVINCIAL GROWTH AND DEVELOPMENT PLAN

MODERN, GROWING AND SUCCESSFUL  
PROVINCE



## MESSAGE FROM THE PREMIER

It is with great pleasure and a sense of pride that I present to the residents of the Northern Cape their Provincial Growth and Development Plan.

As we celebrate 25 years since the advent of our new democratic dispensation, we also need to pay homage to Frances Baard, Kgosi Galeshewe, Luka Jantjie and Kgosi Toto for their efforts in fighting back against colonial oppression, for economic emancipation and land reform. We also need to honour Prof Z. K. Mathews, who was born in Kimberley, who assisted with the crafting and the subsequent production of the Freedom Charter in 1955, in which his broad intellectual outlook resonates. The Freedom Charter is a unique document in that for the first time ever, ***the people were actively involved in formulating their own vision of an alternative society.*** The Freedom Charter therefore has created a solid foundation for our internationally acclaimed South African Constitution and the National Development Plan (NDP).

We are, therefore, privileged and strengthened that, even in his physical absence, a century after his birth, we have at our side and in our vanguard, Z.K. Matthews, as we continue the struggle for the economic and social emancipation of our people. In order for us to realise the objectives of this struggle we have crafted a 20 Year Vision for the Province – the Provincial Growth and Development Plan (PGDP - Vision 2040), which is spatially referenced within the Provincial Spatial Development Framework (PSDF) and grounded within the National Development Plan and the Freedom Charter. As we enter a new era in our political landscape it is important that our people are actively involved in formulating their own vision of an alternative united society; that we join hands from all spectrums of our social matrix, namely, the private sector, civil society, the youth, academia and every one of our citizens of the Northern Cape. ***Let us take up the challenge for renewal and rebuilding our country and our amazing Province. Let us grow the Northern Cape Province together!***

South Africa and the Province is in the midst of a new dawn with the commencement of the 6<sup>th</sup> administration, which is set to put us on a new political and socio-economic trajectory. As I reflect on the progress made over the past 25 years I am proud to acknowledge the strides that have been made in our journey towards the economic and social emancipation of the people of this beautiful Province. It is critical to note that a single term of government is too short a time to complete our project of building a prosperous, non-racial, non-sexist and democratic South Africa, where all our citizens can share in the fruits of opportunity. Our efforts to massively reduce poverty and roll back the extreme inequalities of the apartheid era have only begun to take effect. Even though tremendous strides have been made over the last 25 years there is a need to identify innovative ways of addressing the triple challenge of poverty, unemployment and inequality, which are still entrenched in the Province and to jointly identify strategic interventions to fast-track radical economic transformation, social transformation, environmental sustainability and good governance. Growth and development in the Province will, therefore, require a long-term perspective and the PGDP will underpin our socio-economic development going forward.

It is a living document, not only for the government but for all our people. It provides a sound platform for departmental, sectoral and stakeholder long-term developmental planning and therefore guides resource allocation. A key component of the PGDP is on driving implementation in a coordinated and integrated manner, where progress can be measured against predetermined targets and where roles and responsibilities have been confirmed within established lines of accountability. Only in this manner can the government allocate adequate resources to ensure a decent standard of living for all in the Province.

The Northern Cape Province has made significant progress in creating a more liveable, equitable and sustainable living environment for its residents. Yet, it is still plagued by challenges of poverty, unemployment, inadequate infrastructure and socio-economic issues. My sincere hope is that this PGDP will place the Province on a path of prosperity, one who envisions a province with reduced income poverty and inequality; a province that by 2040 will reap the benefits of a secure and protective social floor; by 2040, I envision a

province with economic equity for women, the youth, the disabled and the marginalised. By 2040, our Province will be safeguarding its rich and diverse, but vulnerable natural resources. Our Province will be proficient in the newest technology and a world leader in astronomy and astro-science. The Northern Cape is, therefore, strategically placed to lead the Fourth Industrial Revolution (4IR). The singular beauty and natural endowments of our Province will entice visitors so that, by 2040, the Northern Cape will be renowned as a tourist mecca for nature enthusiasts, Astro-tourists, eco-adventurers and anyone wishing to experience our unique cultural heritage. Our young people will be engaged citizens, taking advantage of a sound education system, providing them with ample gainful employment opportunities. Our Province will be liveable, with enough social amenities, where no one is afraid of crime, lacks primary health care, education or employment opportunities.

In 2040, the Northern Cape will be a beacon of hope where fairness, inclusivity, equal opportunity and active citizenry are regarded as the foundational norms upon which our social compact is based. Our social compact will form the basis of a new transformed society for a new era where unity is created out of the mosaic of cultures found in our beautiful Province.

I, therefore, request that our people utilise this document to actively engage in terms of the participation thereof; where the public and private spheres can co-operate in harmony to create a thriving future for all our people.

---

Honourable Premier of the Northern Cape  
Dr Zamani Saul

<b>Chapter 1</b>	<b>Introduction</b>	10
<b>Chapter 2</b>	<b>Our Conceptual Planning Framework for Realising Vision 2040</b>	12
<b>Chapter 3</b>	<b>Driver 1: Economic Transformation, Growth and Development</b>	22
	⇒ Agriculture and Agro-Processing	26
	⇒ Mining and Mineral Processing	34
	⇒ Tourism Market Development	38
	⇒ Development of the Energy Sector	44
	⇒ Manufacturing and Trade	51
	⇒ Competitive Infrastructure Development	58
	⇒ Innovation and Knowledge economy	66
	⇒ Marine Economy	73
	⇒ Employment and skills development	76
<b>Chapter 4</b>	<b>Driver 2: Social Equity and Human Welfare</b>	81
	⇒ Social Cohesion and Community participation	83
	⇒ Social Protection and Safety	86
	⇒ Education	91
	⇒ Health	97
	⇒ Rural Development, Land Reform and Food Security	102
<b>Chapter 5</b>	<b>Driver 3: Environmental Sustainability and Resilience</b>	112
	⇒ Improve Environmental Sustainability	113
	⇒ Sustainable Human Settlement Development	121
<b>Chapter 6</b>	<b>Driver 4: Accountable and effective Governance</b>	125
	⇒ Developmental State	126
	⇒ International Relations	164
	⇒ Local Government	178
<b>Annexures</b>		
<b>Annexure 1</b>	Proposed Governance Model	
	□ Growth and Investment Council	
	□ SMART city steering Committee	
<b>Annexure 2</b>	Development Framework and Funding Model	
<b>Annexure 3</b>	Scenarios development	
<b>Annexure 4</b>	Socio-economic potential of Towns Study	



## LIST OF TABLES

Table 1: Northern Cape Comparative Advantages.....	28
Table 2: Northern Cape Agricultural Development Opportunities .....	29
Table 3: Manufacturing Real GVA Growth per District in the Northern Cape over the 2010-2016 periods ..	52
Table 4: John Taolo Gaetsewe Manufacturing Sub-Sectors 2016.....	53
Table 5: Namakwa Manufacturing Sub-Sectors 2016 .....	53
Table 6: Pixley ka Seme Manufacturing Sub-Sectors 2016.....	53
Table 7: ZF Mgcawu Manufacturing Sub-Sectors 2016.....	54
Table 8: Frances Baard Manufacturing Sub-Sectors 2016 .....	54
Table 9: Northern Cape District Municipalities Unemployment Rate .....	77
Table 10: GVA contribution and employment per Industry .....	78
Table 11: Core Education Information per District.....	92
Table 12: Key Development Indicators and Development Trends.....	93
Table 13: The ten leading causes of death .....	99
Table 14: South African Land Ownership, 2017.....	108
Table 14: Climate change vulnerability Assessment - ZF Mgcawu District Municipality, 2018.....	115
Table 15: Climate change vulnerability assessment – Frances Baard 2018.....	116
Table 16: Climate change vulnerability Assessment - Namakwa District Municipality .....	116
Table 17: Climate change vulnerability Assessment – Pixley ka Seme District Municipality, 2018 .....	117
Table 18: Climate change vulnerability Assessment - John Taolo Gaetsewe District Municipality, 2018...	117
Table 19: Key issues influencing the environmental sector in the Northern Cape .....	118

## LIST OF FIGURES

Figure 1: The PGDP Conceptual Framework.....	16
Figure 2: Alignment of PGDP Vision 2040 and PSDF .....	17
Figure 3: R-GDP contribution by industry, Northern Cape, 2010-2017 .....	23
Figure 4: Labour market rates of youth (15-34 years) in Northern Cape (Q4 & Q3) 2017-2018.....	24
Figure 5: Agriculture and Agro-processing – Strategic Interventions, programmes and projects .....	33
Figure 6: Mining contribution per district .....	34
Figure 8: Top Ten Attractions in the Northern Cape.....	38
Figure 8: Northern Cape Tourism Clusters.....	38
Figure 9: Energy sector high-level value chain.....	44
Figure 10: Renewable energy resource potential in the Northern Cape (DoE, DBSA, and NT, 2017) .....	44
Figure 11: REI4P technology contribution in the Northern Cape (DoE, DBSA, and NT, 2017) .....	46
Figure 12: : Distribution of RE projects' capacities (MW) in the Northern Cape .....	46
Figure 13: Spatial distribution of RE IPPPP projects in the Northern Cape .....	46
Figure 14: The Northern Cape opportunities and initiatives to transform accessibility, affordability, and benefits derived from the energy sector .....	47
Figure 15: Interventions and high impact projects for the energy sector in the Province .....	50
Figure 16: : NC Manufacturing Real GVA and contribution to SA – 2010.....	51
Figure 17: NC Formal employment – Manufacturing Industry .....	51
Figure 18: Manufacturing Real GVA per district 2010-2016 .....	52
Figure 19: District contribution to NC Real GVA in Manufacturing – 2016.....	52
Figure 20: Factors Determining Trade and Investment Potential.....	55
Figure 21: Manufacturing and Trade – Strategic Interventions, programmes and project.....	57
Figure 22: : Renewable Infrastructure .....	59
Figure 23: Northern Cape – Availability of water per town.....	60
Figure 24: Transport Infrastructure .....	60
Figure 25: Access to Piped water, 2016.....	61
Figure 26: Access to Sanitation - 2016 .....	62
Figure 27: Existing SKA infrastructure .....	62

Figure 28: Competitive Infrastructure – Strategic Interventions .....	65
Figure 29: internet access – 2017 .....	66
Figure 30: Internet Access (School, College & University) .....	67
Figure 31: Information and Communication infrastructure in the Northern Cape Province .....	67
Figure 32: Innovation and Knowledge Economy – Strategic Interventions, programmes and projects .....	72
Figure 33: Elements currently contributing to Northern Cape Marine Economy .....	73
Figure 34: Marine Economy – Strategic Interventions, programmes and projects .....	75
Figure 35: Provincial Unemployment rate (Official & expanded) Q4- 2018.....	76
Figure 36: Youth Entrepreneurship 2008-2018 .....	76
Figure 37: Employment and skills – Key Issues .....	79
Figure 38: Employment and skills development – Strategic Interventions, Programmes and projects.....	80
Figure 39: South African Multidimensional – Poverty Index (SAMPI) .....	82
Figure 40: Northern Cape SAMPI (2001-2016) .....	82
Figure 41: Northern Cape Poverty Drivers .....	82
Figure 42: Societal Overlap that.....	83
Figure 43: Social Cohesion - Strategic Interventions, programmes and projects.....	85
Figure 44: Location of Police Stations and Precincts in the Northern Cape.....	86
Figure 45: Northern Cape Crime Statistics – 2018.....	87
Figure 46: Percentage of Individuals and Households benefiting from social grants per province, 2014-2017 .....	88
Figure 47: Provincial Grant composition - 2017 .....	89
Figure 48: Social Protection and Safety – Strategic Interventions, programmes and projects .....	90
Figure 49: Northern Cape – Schools – 2017 .....	91
Figure 50: Education – Strategic Interventions, programmes and projects.....	96
Figure 51: Health – Strategic Interventions, programmes and projects .....	101
Figure 52: Frances Baard – Functional Regions – development potential 2017.....	103
Figure 53: JTG Rural Development Opportunities.....	104
Figure 55: ZF Mgcawu – Rural Development Functional regions .....	105
Figure 55: ZF Mgcawu – Development rural development opportunities .....	105
Figure 57: Pixley Ka Seme Rural Development opportunities – Functional Regions .....	106
Figure 58: Pixley Ka Seme – Rural Development Opportunities .....	106
Figure 58: .....	106
Figure 59: Namakwa District – Rural Development Opportunities.....	107
Figure 60: Northern Cape Private Land Distribution, 2017 .....	108
Figure 61: Percentage distribution of households by level of adequacy in accessing food and province, 2017 .....	109
Figure 62: Critical Biodiversity Areas .....	115
Figure 63: Environmental sustainability – Strategic Interventions, programmes and projects.....	120
Figure 64: Human Settlements – Strategic Interventions, Programmes and Projects.....	124
Figure 65: Integrated Planning and legislative Matrix – International relations .....	165
Figure 66:South Africa within the Global Governance Framework .....	166

## LIST OF ACRONYMS

ABET	Adult Basic Education and Training
ACSA	Airports Company South Africa
ADSL	Asymmetric Digital Subscriber Line
AFOLU	Agriculture, Forestry and Other Land Use
AIDS	Acquired Immune Deficiency Syndrome
BFAB	Bureau for Food and Agriculture Policy
BRICS	Brazil, Russia, India, China and South Africa
BRT	Bus Rapid Transit
CBA	Critical Biodiversity Area
CBO's	Community-Based Organisations
CCAM	Climate Change Adaption Modeller
CCAM	Conformal-Cubic Atmospheric Model
CRDP	Comprehensive Rural Development Programme
CSD	Commission on Sustainable Development
DAC	Department of Arts and Culture
DAMC	Department of Agriculture Marketing and Co-operatives
DCM	Digital Cost Model
DEAT	Department of Environmental Affairs
DEDaT	Department of Economic Development and Tourism
DENC	Northern Cape Department of Environment and Nature Conservation
DNI	Direct Normal Irradiation
DNI	Direct Normal Irradiation
DRC	Democratic Republic of Congo
DRDLR	Department Rural Development and Land Reform
DRR	Disaster Risk Reduction
DTH	Direct-to-Home Satellite
DTI	Department of Trade and Industry
DTT	Digital Terrestrial Television
DWAF	Department of Water Affairs and Forestry
EIA	Environmental Impact Assessment
ESA	Environmental Sensitive Area
EU	European Union
FB	Frances Baard
FDI	Foreign Direct Investment
FEPA	Freshwater Ecosystem Priority Areas
FPL	Food Poverty Line
FPSU	Farming Productions Support Unit
GCCA	Grid Connection Capacity Assessment
GDP	Gross Domestic Product
GHI	Global Horizontal Irradiation
GIS	Geographic Information Systems
GVA	Gross Value Added
HIV	Human Immunodeficiency Virus
HOD	Head of Department
ICT	Information and Communication Technology
IDP	Integrated Development Plan
IDZ	Industrial Development Zone
IGR	Inter-Governmental Relations

IOM	Institute of Medicine
IPAP	Industrial Policy Action Plan
IPCC	Intergovernmental Panel on Climate Change
IQI	Infrastructure Quality Index
IRP	Integrated Resource Plan
IUDF	Integrated Urban Development Framework
KM	Kilometre
LBPL	Lower Bound Poverty Line
LM	Local Municipality
LTE	Long-Term Evolution
LUMS	Land Use Management Scheme's
LUPA	Land Use and Planning Ordinance
LUS	Land Use Scheme
MIG	Municipal Infrastructure Grant
MMR	Maternal mortality rate
MSA	Municipal Systems Act
MSDF	Municipal Spatial Development Framework
MTREF	Medium Term Revenue and Expenditure Framework
MTSF	Medium Term Strategic Framework
MVA	Mega Volt Amp
MW	Mega Watt
NATMAP	National Transport Management Plan
NBA	National Biodiversity Assessment
NCCRWP	National Climate Change Response White Paper
NCDoH	Northern Cape Department of Health
NCEDA	Northern Cape Economic Development Agency
NCPEAS	Northern Cape's Protected Area Expansion Strategy
NCRES	Northern Cape Renewable Energy Strategy
NCTA	Northern Cape Tourism Authority
NDM	Namakwa District Municipality
NDP	National Development Plan
NDT	National Department of Tourism
NEMA	National Environment Management Act
NGO	Non-Government Organisation
NPAES	National Protected Area Expansion Strategy
NPC	National Planning Commission
NSDF	National Spatial Development Framework
NSSD	National Strategy for Sustainable Development
NTSS	National Tourism Sector Strategy
NUSP	National Upgrading Support Programme
OTP	Office of the Premier
PGDP	Provincial Growth Development Plan
PKSDM	Pixley Ka Seme District Municipality
PMU	Project Management Unit
PRASA	Passenger Rail Agency of South Africa
PSDF	Provincial Spatial Development Framework
PV	Photovoltaics
RDP	Rural Development Plan
REDZ's	Renewable Energy Development Zones
REIPPPP	Renewable Energy Independent Power Producer Procurement
SA	South Africa

SADC	Southern African Development Community
SAGHOS	South African Geological Hazards Observation System
SALGA	South African Local Government Association
SANBI	South African National Biodiversity Institute
SANParks	South African National Parks
SAT	South African Tourism
SDBIP	Service Delivery and Budget Implementation Plan
SDF	Spatial Development Framework
SEZ	Special Economic Zone
SIM	Sustainable Investment Model
SIV	System Input Volume
SKA	Square Kilometre Array
SMME	Small Medium and Micro-Sized Enterprises
SOE's	State Owned Enterprises
SPC	Spatial Planning Category
SPLUMA	Spatial Planning and Land Use Management Act
SPTN	Strategic Public Transport Network
STATSSA	Statistics South Africa
TDP	Transmission Development Plan
TOD	Transport Orientated Development
TRANCRAA	Transformation of Certain Rural Areas Act
TTF	Tourism Transformation Fund
UBPL	Upper Bound Poverty Line
UDZ	Urban Development Zone
UHF	Ultra-High Frequency
UNCED	United Nations Conference on Environment and Development
UNESCO	United Nations Education, Scientific and Cultural Organisation
UNFCCC	United Nations Framework Conventions on Climate Change
UNS	Urban Network Strategy
UVR	Ultraviolet Radiation
WMA	Water Management Area
WTTC	World Travel and Tourism Council





## CHAPTER 1| INTRODUCTION



The Provincial Government of the Northern Cape, in consultation with stakeholders, has crafted or compiled this Provincial Growth and Development Plan (PGDP), aligned to the NDP and the National Spatial Development Framework. The purpose of a PGDP is to provide the strategic framework, sectoral strategies and projects that will place the Province and its people on a trajectory of growth and prosperity. To achieve this, the PGDP addresses issues of economic growth, social development, environmental protection, employment creation, poverty eradication and good governance concretely with implementable projects to advance the liveability of all in the Province.

The Provincial Growth and Investment Council will serve as a mechanism where a quadra-helix of the Private Sector, the Public Sector, Academia, and Civil Society can jointly manage the implementation of the PGDP and PSDF. “

Extensive consultation was undertaken via workshops in each district, with inputs from provincial government, public entities, municipalities, business, academia and the youth resulting in a comprehensive planning process that will lead to long-term and sustainable solutions for socio-economic development.

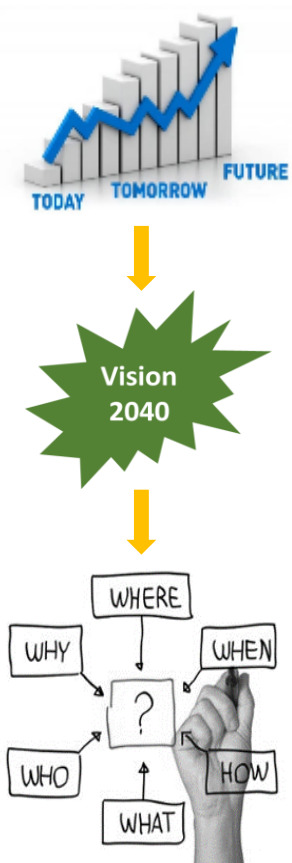
The PGDP offers strategic planning that will give precedence to the first structural deficiencies in the local socio-economic milieu. It intends to provide a strategic framework to guide, sectoral strategies and programmes aimed at a rapid improvement in the quality of life for the poorest people of the Province.

The PGDP recognises the fact that inherent spatial and historical disparities lead to the unequal distribution of wealth and social amenities, as well as environmental vulnerability. It, therefore, emphasises the need to create economic opportunities for the marginalised in the Northern Cape society, the rural, the poor, women and the youth. Only by implementing viable and long-term socio-economic solutions can the province address spatial injustice, the crisis of poverty and inequality and ensure sustainable, equitable growth in conjunction with safeguarding its vulnerable biodiversity and environmental resources.

The PGDP should, therefore, be viewed in concurrence with the PSDF, not only for socio-economic development but also in terms of the spatial dimension, ensuring that spatial justice and development occurs within a strategic and coordinated framework. Therefore, the interventions and high impact projects espoused in the PGDP must be undertaken within the context of the Provincial Spatial Development Framework (PSDF). The implementation of the PGDP must occur in conjunction with the spatial priorities set out in the PSDF to find feasible solutions to ensure increased spatial and subsequent economic equity.

The PGDP aims to be an implementation arm, guiding provincial resource allocation and providing a sound platform for driving integrated implementation. The document serves as a measure to gauge progress against predetermined targets on the basis of good governance, bounded by principles of accountability.

This document is a strategic management tool, not only for government, but especially for all our people in the Northern Cape. It is envisioned that the PGDP will lead to a concerted effort in achieving Vision 2040.





## **CHAPTER 2| CONCEPTUAL FRAMEWORK TOWARDS ACHIEVING VISION 2040**



The PGDP, with its long-term vision, aims to place the Northern Cape Province on a new development trajectory of sustainable development.

### Sustainable Development

The concept of sustainable development, as defined here, forms the basis of the PGDP and its long-term strategic approach. The International Institute for Sustainable Development (IISD 1995) states that “...sustainable development occurs at the intersection of three global imperatives, namely environmental integrity, human well-being and economic efficiency.

Accordingly, the interactive model of sustainability illustrates that sustainable development occurs where the three imperatives interact within an ‘interactive zone’ (refer to figure 1) (Mebratu, 1998). It is within this ‘zone’ that development interventions are deemed to be optimally balanced between the needs of communities, the economy and the natural environment.

In the post 2015 global political environment the Sustainable Development Goals are regarded as the blueprint of a global developmental agenda to achieve a better and more sustainable future for all. In 2015, South Africa adopted the 2030 Agenda for Sustainable Development and its Sustainable Development Goals. The realisation of the ambitious goals is seen as key to ensuring inclusive and sustainable growth. Based on current country reports, building partnerships between state and non-state actors is viewed as an important requirement for the realization of the SDGs.



(Source: Adapted from Mebratu, 1998)

The remainder of this section will discuss each of these imperatives within the context of the Northern Cape. These imperatives will then be translated into a set of development drivers (i.e. the drivers of change), which will determine the strategic approach to long-term planning in the Northern Cape Province.

### Our Communities

Social wellbeing is a complex concept, and refers to several aspects relating to human life, such as happiness, material fulfilment and personal needs. Although many aspects of social well-being can only be achieved by an individual and his/her subjective feelings and experiences, access to basic infrastructure and economic opportunities acts as a catalyst for achieving various levels of human well-being.

Many individuals and communities residing in the Northern Cape Province lack adequate housing, reliable electricity, safe water supplies and accessible public transport. It is therefore imperative that the transformation of human settlements should provide proper infrastructure development that will translate into improved living standards and quality of household life for all residents. The spatial segregation of apartheid left a legacy. Although deeply entrenched, South Africa’s settlement patterns need to be reshaped. The NDP proposes a strategy for more humane and environmentally sustainable living and working environments.

The NDP notes: “*The physical and social environment in which we are born and grow up is one of the most important determinants of every person’s wellbeing and life chances.*” It’s about access to opportunities – including schools, social networks, and public services.

The National Development Plan (Chapter 8 “Transforming Human Settlement & National Space Economy”) put forward that a single vision for spatial development in South Africa should be guided by the spatial principles of spatial justice or redress, spatial sustainability, spatial resilience, Spatial Efficiency| Compact, Spatial Quality| Liveable | Viable Settlements, and Spatial Differentiation. These principles are encapsulated in the Integrated Urban Development Framework (IUDF) and the Spatial Planning and Land Use Management Act 2013 (SPLUMA), and will also guide the Human Settlements Master Spatial Plan (Department of Human Settlements, 2019: 3).

In addition to the above, it is essential to end poverty in all its forms to ensure an inclusive and responsive social protection system and ultimately achieve sustainable social development. According to the NDP, the deep poverty levels and inequitable distribution of income can be ascribed, in part, to low levels of formal employment, which excludes a large percentage of the population from actively taking part in the economy.

By addressing the livelihood needs and social conditions of the most vulnerable in our society, the Northern Cape Province will be a step closer towards achieving inclusive and sustainable development.

*“Social transformation refers to the process of change in institutionalized relationships, norms, values, and hierarchies over time. It is the manner in which society changes due to economic growth, science, technological innovations, and war or political upheavals. Social transformation affects people’s interactions and lifestyle” (Department of Human Settlements 2019: 3).*

### Our Economy

With the discovery of diamonds in the late nineteenth century Kimberley became an industrial hub with a flourishing market not only in terms of employment opportunities, but also in meeting the needs of the growing population. It was during this time that the trend of Kimberley as ‘a city of firsts’ became entrenched. It was at this time that we housed South Africa's first stock exchange, the Kimberley Royal Stock Exchange, the first town in the Southern Hemisphere to install electric street lighting, the first direct dialing telephone, the first school of mines was which later relocated to Johannesburg, becoming the core of the University of the Witwatersrand, the first school of aviation, the first professional nursing academy, Robert Sobukwe started the first black-owned law practice firm in Galeshewe, and more recently it is the first Province to develop Spatial Legislation.

The Northern Cape is correctly placed to once again lead another industrial revolution. Innovation in term of industries, sectors and entrepreneurial opportunities must be approached by embracing the Fourth Industrial Revolution. This will be crucial not only to advance opportunities and new sectors, and diversify the economy but also to overcome the numerous challenges we face. The sun, wind, vast open spaces, the ocean, the various minerals and semi-precious stones, amongst others provides the Province with competitive and comparative advantages.

In this regard the Province is also guided by recently unveiled stimulus package released in 2018 as well as the Job Summit Framework Agreement. This recovery package has several broad elements to it, namely the implementation of growth-enhancing economic reforms, reprioritisation of public spending to support job



creation, the establishment of an infrastructure fund, addressing urgent matters in education and health and investing in municipal social infrastructure.

The NDP states that South Africa must develop a more competitive and diversified economy. To achieve Vision 2040, the Province will require rigorous efforts towards changing its current economic trajectory.

The economic trajectory towards sustainable development will seek to end poverty through decent employment and continued economic growth. The end goal would result in a skilled and capable workforce to support an inclusive growth path for the Province.

For the Province to achieve inclusive economic growth, the following must be in place:

- ❑ A skilled and capable workforce
- ❑ An efficient, competitive and responsive economic infrastructure network
- ❑ Develop a more competitive and diversified economy
- ❑ Changing the composition of output that the economy is producing and ownership and control patterns.

### **Our Natural Environment**

Environmental sustainability can only be achieved if the Province's environmental assets and natural resources are protected and enhanced. The Northern Cape Province is endowed with rich natural resources and mineral deposits which offers the opportunity to fund the transition to a low-carbon future and a more diverse and inclusive green economy if used responsibly.

It is of great importance to ensure environmental sustainability when addressing any of the Province's developmental challenges. Even more, the Province should strive for resilience against the effects of climate change. The drive to develop the green economy could become a catalyst for increased industrialisation, energy efficiency practices and increased employment in the Province. Environmental integrity for the Province would ultimately result in human settlements becoming more sustainable while providing a better quality of life.

### **Spatial Realities of the Northern Cape**

The spatial realities of any geographical area can be defined as the spatial representation of economic activities and economic networks (such as labour, infrastructure and markets). The aim, however, is to ensure that developmental and economic decisions and actions consume land and space in a manner that will meet the current and future social, environmental and economic needs of the Northern Cape Province. The Northern Cape Province's economy is highly dependent on the primary and tertiary sectors for growth and employment. This concentration implies economic vulnerability on several fronts such as external economic fluctuations, climate change, international commodity price changes and national government policy priorities.

Spatial transformation in the Northern Cape Province implies inclusive and sustainable economic growth. Small towns and rural communities must become Economic Transformation, Growth and Development drivers through diversification, skills development, infrastructure development, optimised resource utilisation, the empowerment of vulnerable groups and investment attraction. In line with the SPLUMA Act 16 of 2013, critical factors in achieving spatial and economic transformation in the Province include:

- ❑ Equitable access to economic and employment opportunities
- ❑ Equitable access to transport, energy, water, bulk and communications infrastructure
- ❑ Equitable access to land and food security
- ❑ Equitable access to social services and public amenities
- ❑ Equitable access to a healthy natural environment
- ❑ Equitable access to housing and municipal infrastructure
- ❑ Equitable access to natural resources

The unequal spatial distribution of these factors presents the Province with severe long-term spatial transformation challenges which must be addressed through the integrated efforts of all stakeholders.

### The PGDP Conceptual Framework and the Drivers of Change

The PGDP Conceptual Framework is based on the history and unique characteristics of the Northern Cape, its societal values as well as the legislative and policy context of the Province and the country.

The figure above illustrates the Conceptual Framework, with the four drivers of change expressing the importance of a developmental state driven by policy directives and underpinned by societal values. From these drivers, the paths to prosperity (towards the envisioned outcomes) are derived, which will ultimately guide and inform the required strategic interventions for the PGDP.

### Drivers of Change and the Paths to Prosperity

The PGDP Conceptual Framework consists of the following elements:

The circle represents the drivers of change, with delivery envisaged as being staggered across the short, medium and long term. These drivers are intricately interrelated, with causality viewed as complex and situation-specific, rather than being linear in nature. The drivers of change represent the focal point of the Framework. The drivers of change spurred a diagnostic analysis, which shed light on the spatial realities and development issues facing the Province. Based on the outcomes of the diagnostic analysis, the paths to prosperity was identified that would place the Northern Cape Province on a newly sustainable development trajectory.



Figure 1: The PGDP Conceptual Framework

### Strategic Planning and Integrated Development

The Northern Cape Province requires a strategic, integrated development approach to achieve Vision 2040. Implementing the PGDP will require a coordinated effort from various role players in alignment with a standard set of long-term goals and objectives.



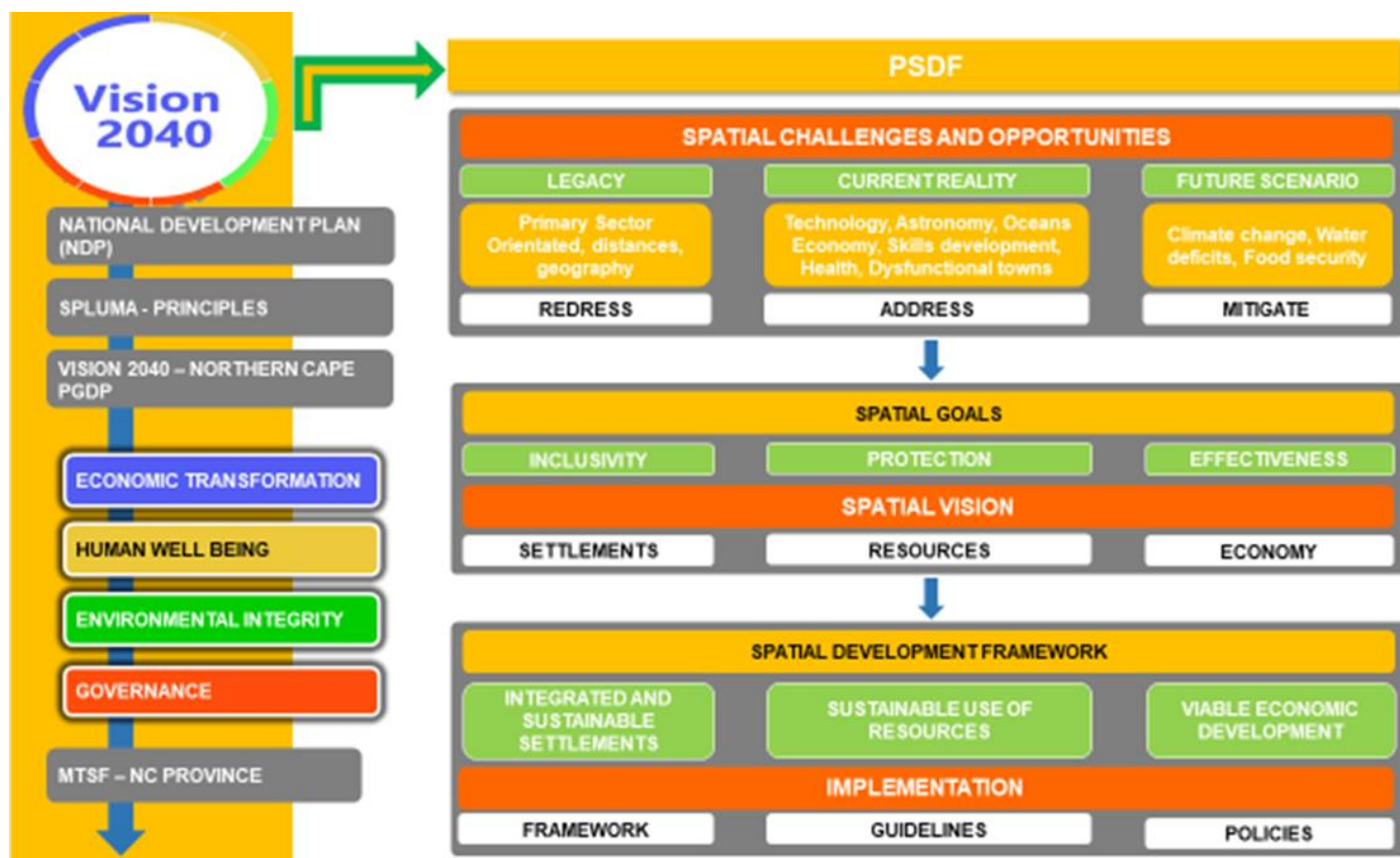
## Alignment with the Provincial Spatial Development Framework

The PSDF serves as a sustainability-framework (economic, social and environment) through which the programmes, projects and other initiatives of the PGDP must be spatially defined and located. The PSDF also provides a common framework for the public- and private-sector role players towards development planning and implementation.

In turn, the diagnostic analysis of the PGDP informed the development of the PSDF in terms of the economic, social, infrastructural and governance priorities of the Northern Cape Province. Through the PGDP process, the need for and rationale for specific Provincial Priority Areas was identified for reflection in the PSDF. Such spatial dimensions were mainly driven by identified pressures on community well-being and prospects for sustainable development within the PGDP.

Alignment between the PGDP and the PSDF is thus a dynamic, iterative process that seeks to balance the developmental objectives of the Province sustainably. This process informs the consecutive Provincial MTSF that functions as five-year building blocks towards realising Vision 2040. In other words, the PGDP provides a framework as to *what* needs to be achieved and the PSDF provides a framework as to *where* this can be implemented.

## Our Societal Values and the Needs of Our People



**Figure 2: Alignment of PGDP Vision 2040 and PSDF**

Societal values and needs are closely related. Societal values, or shared values, are what makes a cohesive society. Values are derived from shared beliefs and assumptions, which provides for the stability of social order. They are the standard for social behaviour and, as such, are used by people to assess their actions and priorities. Personal needs, biological, psychological or social, are guided, to a large extent by our values and translate into a conscious choice to act in a particular manner in order to meet our needs. In most instances, societal values are derived from and are entrenched in basic human needs, such as human dignity, human rights, religion, individuality, social equality, privacy and co-operation.

### **Our Societal Values**

Societal values form an integral part of the culture of any society. The NDP promotes the values of social cohesion to transform our divided society into an inclusive one. These values are important to government because they contribute to social order and stability. The policy directives underpinning these values are enshrined in the Constitution, the NDP, the MTSF and various other domestic and international policy frameworks. Among these values, the most important include: Integration and cooperation

Integrated governance is described by the United Nations as a structure of formal as well as informal relations to manage matters through various collaborative approaches. These may include government agencies, different levels of government (local, provincial or national) or it can apply to the non-government sector (UNPAN, 2002).

In the case of the Northern Cape Province, alignment and collaboration of the three spheres of government is required to achieve a shared vision, shared planning and budgeting, and cooperation in policy development and implementation.

### **Human dignity, non-sexism and the rule of law**

Dignity refers to an individual's intrinsic worth, the value which all people are born with as human beings. Human rights, and simultaneously, human dignity, are given prominence in the Constitution. Section 10 of the Constitution clearly states that everyone has human dignity and the right to have their dignity respected and protected.

A direct outflow from the right to human dignity is the social value of non-sexism, another founding provision within the Constitution. Sexism is a term that refers to unfair bias or discrimination based on a person's gender. Historically based, this belief usually involves the idea that a person of one sex (usually female) is inferior to another. This often leads to unfair and discriminatory practices such as unequal remuneration for women in the workplace.

The supremacy of the rule of law is enshrined in Chapter 1 of the South African Constitution. The intention underlying this principle is that no person is above the law and all citizens are required to abide by the laws and rules of the country. The concept of the rule of law is fundamental to the stability of government, the protection of human

rights, as well as for economic and social stability and development. Ultimately, the rule of law is the only way to safeguard the other fundamental societal values of human dignity, non-sexism, open and responsive government and the right for residents of the Northern Cape Province to live in a safe and secure environment.

### **Sustainable, inclusive development and equal access to opportunities**

The objective of achieving inclusive growth and development is about ensuring that all residents in the Province have equal access to economic and social opportunities. However, for significant poverty reduction to occur, economic growth must be achieved across various industries.

### **Social tolerance and cohesion**

Social cohesion is the level of social integration and inclusion within communities. It involves mutual solidarity among individuals where inequalities, exclusion and disparities based on ethnicity, gender, class, nationality, age, disability or any other distinctions are diminished or eliminated through concerted and collaborative efforts.

For social cohesion to occur, the people of the Northern Cape Province must embrace the values of social tolerance, which requires a willingness to respect the beliefs of others.

## Vulnerable Groups

According to the World Health Organisation, vulnerable groups consist of any sector of society that is at higher risk of being subjected to discriminatory practices, violence, natural or environmental disasters, or economic hardship than other groups within the state (Organisation, 2018).

The Constitution of South Africa and the Bill of Rights dictate that all South Africans have the right to health care services, adequate food and water, acceptable housing and a safe environment. However, a great number of citizens, and the most vulnerable within our society, do not have adequate access to these basic rights (Statistics South Africa, 2013). Internationally recognised vulnerable groups consist of children, youth, women and older persons. It should however be acknowledged that persons with disabilities are also classified as vulnerable – perhaps the most vulnerable.

### Woman

The historic march in 1956 was a turning point in the role of women in the struggle for freedom and society at large. Since that eventful day, women from all walks of life became equal partners in the struggle for a non-racial and non-sexist South Africa. According to the World economic forum, South Africa has definitely progressed in terms of gender equality - SA is ranked the 17th out of 136 countries in terms of gender equality.

South Africa is also signatory to a number of international conventions, declarations, regional charters and protocols which aim to address inequalities and ultimately achieve gender equality, and which the state is obliged to implement. Notwithstanding the plethora of legislation women have not advanced as rapidly in terms of socio economic empowerment and gender equality and the National Development Plan (NDP, 2030), identifies women as the most affected by inequality, poverty and unemployment. Thus through the implementation of the PGDP the following outcomes need to be considered and implemented: 1) Promote woman-centred economic development 2) Ensure that all laws and policies, programmes and interventions are adequately planned, costed and resourced in line within a gender-responsible planning, budgeting and monitoring evaluation framework, across government. 3) Support and champion the cause of eradicating gender-based violence and femicide 4) continuously strengthen the information and research base to develop effective, coordinated evidence-based policy and programming.

### Children

The Children's Manifesto 2019 is a response to the Presidents call in SONA 2019

*"Our programmes must be measured, first and foremost, by the impact they have on our children. Though they constitute a third of our population, though they hold within their hands the future of our nation, the voice of our children is seldom heard"*

Therefore, in ensuring our vision of a Modern, Growing and Successful province we consistently need to consider the impact on our children and need to be guided by the four pillars of section 28 of the South African constitution:

- ❑ Child protection
- ❑ Child Development
- ❑ Child Survival
- ❑ Child Participation

### Older persons

Older men and women enjoy the same rights as anyone else in South Africa. Older persons also enjoy all the rights enshrined in the Constitution particularly the right to have their dignity respected. The Constitution establishes a society based on democratic values, social justice and fundamental human rights and seeks to improve the quality of life of all. The Older Persons Act 13 of 2006 supplements the constitutional rights as it contains provisions to improve the lives of older South Africans.

The main objectives of the Act are to:

- ❑ maintain and promote the status, well-being, safety and security of older persons;
- ❑ maintain and protect the rights of older persons;
- ❑ shift the emphasis from institutional care to community-based care in order to ensure that an older person remains in his or her home within the community for as long as possible;
- ❑ regulate the registration, establishment and management of services, and the establishment and management of residential facilities for older persons; and
- ❑ combat the abuse of older persons.

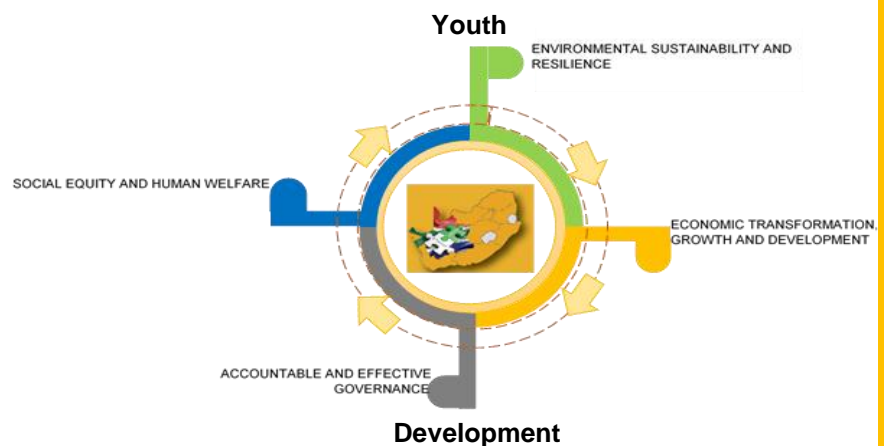
Government will never be able to achieve an enabling environment for the protection and promotion of rights of older persons without the active participation, cooperation and support of the community and especially organisations such as those of civil society and the faith based sector.

The Northern Cape Province must therefore ensure, through the objectives of the PGDP, that the interests of vulnerable groups are protected and that they are supported through proper service delivery as well as programmes to equip these members with the skills to progress towards a more self-sustainable lifestyle.

### Youth

The South African Youth Manifesto 2019 highlights the socio-economic challenges faced by the youth in the country. In highly marginalised communities, poverty serves as a gateway for other social ills, specifically crime and safety and substance abuse. The following three priorities was outlined in the manifesto: 1) Education – improving quality of education, TVET & FET institutions, Education infrastructure 2) Infrastructure and service delivery – which includes physical infrastructure, land and housing, water and sanitation, health facilities, tech infrastructure 3) Economy and skills development – digital training and innovation, economic participation.

Section 3 of the NYDA Act 54 of 2008 required the Agency to develop an IYDS and Section 7 required that organs of State must consider national priorities in respect of youth development when planning their activities and submit annual reports to the Agency regarding their implementation of priorities.



The following are the objectives of the IYDS:

- ❑ Provide a partnership and stakeholder engagement framework, enabling public, private and civil society
- ❑ Lobby all government sectors to create a more youth friendly, supportive regulatory environment
- ❑ Facilitate programmes aimed at job creation and economic security of youth in government, business and civil society organisations
- ❑ Initiate catalytic programmes designed to benefit youth from disadvantaged backgrounds (primarily youth from rural areas, youth with disabilities, and young women)
- ❑ Coordinate youth focused programmes across all sectors of government and industries to align resource allocation
- ❑ Provide a monitoring and evaluation framework and system which will enable coordinated nationwide tracking of youth development programmes implemented by public, private and civil society organisations.

The PGDP adopts a youth centred approach which strengthens youth participation and voice in policy, programme and decision-making.

Youth development is also centre to the development and implementation of the four (4) Drivers toward the achievement of our Vision of a Modern, Growing and Successful Province.

#### **Fourth Industrial Revolution**

The disruptions that this digital revolution will bring are expected in every sector of our society but more specifically across industries and all economic sectors impacting on job creation, skills development and education. This new era will change the very way we live. It is important to prepare the Province for the impact of the Fourth Industrial Revolution. The key to preparing for the Fourth Industrial Revolution is found within the confines of innovation, economic growth and education. The industrial revolution has many opportunities but also many risks. I will now briefly outline these opportunities and risks.

In terms of the risks, we can learn from previous industrial revolutions, where there has been increased divisions and the marginalisation of the most vulnerable societies/ communities. It is, therefore imperative that the province shape these trends to ensure equity and inclusivity of the Fourth Industrial Revolution through collaborations and partnerships between a Quadra-helix of private sector, government, academia, and civil society.

In terms of opportunities, it is necessary to take a brief historical retreat in time, to the late nineteenth century, when minerals, more specifically diamonds, were discovered in and around Kimberley. This marked the beginning of the industrialization of the city which, during the second industrial revolution became an innovative industrial hub. The market boomed, not only in terms of employment opportunities, but also in meeting the needs of the growing population. It was during this time that the trend of Kimberley as 'a city of firsts' became entrenched. This economically progressive period in our city's history was renowned for the following industrial milestones which includes; the South Africa's first stock exchange, the Kimberley Royal Stock Exchange; the first town in the Southern Hemisphere to install electric street lighting; the first direct dialing telephone; the first school of mines , which would later become the core of the University of the Witwatersrand; the first school of aviation; the first professional nursing academy; Robert Sobukwe started the first black-owned law practice firm in Galeshewe; and more recently it is the first Province to develop spatial legislation. The apartheid era stunted this progressive trend and left a legacy of spatial inequalities and injustices and a "Big Hole".

The Northern Cape is correctly placed to once again lead another industrial revolution, i.e. the Fourth Industrial Revolution. Innovation in term of industries, sectors and entrepreneurial opportunities must be approached by embracing this new industrial era. This will be crucial not only to advance opportunities and new sectors, and diversify the economy but also to overcome the numerous challenges province faces.

The repositioning of the Northern Cape within the Fourth Industrial Revolution can be further elucidated in terms of four key drivers:

- ⇒ Economic Transformation, Growth and Development
- ⇒ Social Equity and Human Welfare
- ⇒ Environmental Sustainability and Resilience
- ⇒ Accountable and Effective Governance





## **CHAPTER 3| DRIVER 1: ECONOMIC TRANSFORMATION, GROWTH AND DEVELOPMENT**



As continuous and sometimes remarkably fast economic growth has become more usual in much of the developing world over recent decades, attention has shifted to the pattern and quality of that growth. Issues of concern include the persistence of extreme poverty, despite growth in gross domestic product, and the weak capacity of many sectors to produce sustained increases in employment. This pattern of growth is both highly skewed and non-inclusive. Another way to express this is that these economies are achieving growth without depth, or economic *growth* without economic *transformation*. Over the last 25 years a notable omission in the list of developmental successes relates to the economy. For the democratic period as a whole, economic growth has been singularly anaemic, unemployment has been rising consistently, and income inequality has worsened.

On economic growth, the NDP projects an average economic growth rate of 5.4 per cent per annum to 2030. While this may seem exceptionally ambitious in the current trajectory. Radical economic transformation is a multifaceted, consistent and long-term process. It needs everybody's involvement.

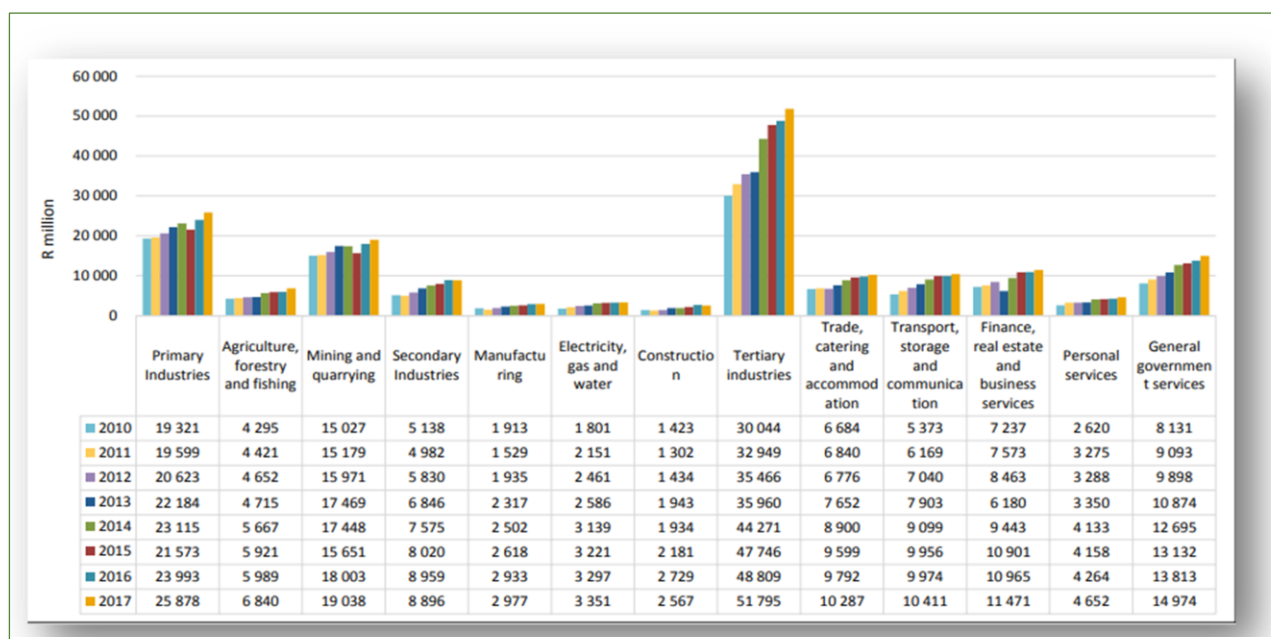
The driver of economic transformation necessitates an energised, coherent and effective approach by all South Africans, working together in partnership in order to free our people of poverty and unemployment. We will therefore need a major up-scaling of our efforts towards economic emancipation, consistent with our vision of a better life for all. It is important to consolidate and put economic emancipation at the centre of development. An important part of our vision is to build an economy in which “the state, private capital, co-operative and other forms of social ownership complement each other in an integrated way to eliminate poverty and to foster economic growth.

An important part of our vision is to build an economy in which the state, private capital, co-operative and other forms of social ownership complement each other in an integrated way to eliminate poverty and to foster economic growth. In order to simultaneously grow and transform the economy we require an effective, democratic and developmental state that is able to lead in the definition of a common national agenda, mobilise society to take part in the implementation of that agenda and direct resources towards realizing these objectives.

## ECONOMIC TRANSFORMATION AND REFORM AGENDA

Drivers of change ...	... Government's efforts to effect transformation
The key driver for economic transformation and the reform agenda is an urgent need for greater economic inclusion (that is, to narrow the gap between the rich and poor while further diversifying the economy).	1. <b>Extensive social services</b> To raise the human capital of the disadvantaged – the foundation of South Africa's fiscal framework.
	2. <b>SME support</b> That includes funding and a programme of policy improvement.
	3. <b>Active competition policy</b> That allows for responsive but predictable policy action against anti-competitive behaviour.
	4. <b>Broad-based black economic empowerment (B-BBEE)</b> Policies to incentivise firms to ensure economic equity amongst race groups.
	5. <b>Strategic use of state procurement practices</b> To give better opportunities to black-owned and small businesses.
	6. <b>Black industrialists policy</b> To provide targeted support to medium-sized black-owned firms to grow into large firms.
	7. <b>Land reform</b> To uplift rural communities and allow black people access to productive assets.

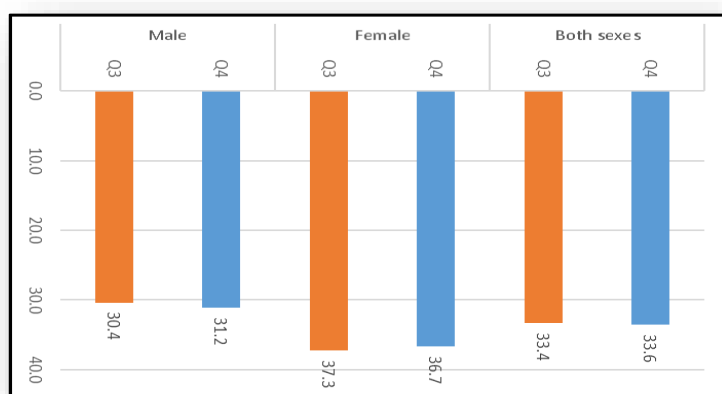
**Figure 3: R-GDP contribution by industry, Northern Cape, 2010-2017**



The estimated GDP at market prices for South Africa to be at R4,6 trillion in 2017. Northern Cape contributed R96 billion to SA's economy in 2017, showing growth in output of R4,6 billion between 2016 and 2017. This is equivalent to 2,1 % of total GDP output in SA.

Mining was the biggest contributor to GDP when compared to other industries in Northern Cape at R19 billion in 2017, followed by General Government services at R15 billion. Agriculture contributed R6.8 billion to the Northern Cape economy in 2017. The least contributing industries were Construction and Manufacturing, each contributing R2,5 billion and R 2,9 billion respectively in 2017. Overall, the Tertiary industries contributed the most to GDP at R51 billion, followed by the Primary industries at R25 billion, then the Secondary industries at R8,8 billion.

**Figure 4: Labour market rates of youth (15-34 years) in Northern Cape (Q4 & Q3) 2017-2018**



There was general decline in the absorption and participation rates of youth. Unemployment has slightly increase for youth and rates for females compared worse than males

Source: STATSSA, 2018

Given high joblessness and deep inequality, social cohesion requires that government set a floor on poverty for all of our people. South Africa has one of the world's largest systems of government support for low-income households and communities. As the economy becomes more inclusive, fewer households should depend on social grants and services. Still, for the foreseeable future the state must continue to ensure that growth benefits more of our people.

The Northern Cape Province's economy is highly dependent on the primary and tertiary sectors for growth and employment. This concentration implies economic vulnerability on several fronts such as external economic fluctuations, climate change, international commodity price changes and national government policy priorities. Spatial transformation in the Northern Cape Province implies inclusive and sustainable economic growth. Small towns and rural communities must become economic transformation, growth and development drivers through diversification, skills development, infrastructure development, optimised resource utilisation, the empowerment of vulnerable groups and investment attraction. A conscious effort is required to change the economic trajectory of the Province, to ensure inclusive and sustainable economic growth that will lead to increased development and prosperity for the people of the Northern Cape Province. As a Province, need to expand our efforts towards the beneficiation of primary products and industrialisation our natural resources through downstream value-addition and new technological innovations.

For the next 20 years the Province will prioritise innovation and support entrepreneurial endeavours to advance opportunities in new sectors, thereby diversifying the economic base. Centre to building a growing and successful economy is strategic partnerships to drive the industrialisation of the Northern Cape through public and private procurement, building key industries of manufacturing, agriculture and agro-processing, mining and beneficiation, energy and renewable energy, tourism, the maritime economy and the knowledge economy.

Rapid digital transformation - the rise of new technologies in robotics, artificial intelligence, big data and the internet-of-things will all have a profound impact on the Province. In this cycle of economic innovation, strategic partnerships will shape a common digital future that places the people of our province at the centre of digital transformation and a better quality and sustainable growth. Though continuous investment in growth enhancing economic initiatives, and investment in our people and the youth in particular, the province will achieve our Vision 2040 **A MODERN, GROWING AND SUCCESSFUL ECONOMY.**

Moreover, social partners agree that it is imperative to create the conditions for concrete and massive job creation while simultaneously defending existing jobs. A conscious effort is required to change the economic trajectory of the Province, to ensure economic growth that will lead to increased development and prosperity for the people of the Northern Cape Province. The following developmental paths have been identified, to achieve this:

- ⇒ Agriculture and Agro-Processing
- ⇒ Mining and Mineral Beneficiation
- ⇒ Tourism Market Development
- ⇒ Development of the Energy Sector
- ⇒ Manufacturing and Trade
- ⇒ Competitive Infrastructure Development
- ⇒ Innovation and the Knowledge Economy
- ⇒ The Maritime Economy
- ⇒ Employment and Skills Development

# Agriculture and Agro-Processing

2040

A productive, sustainable, and healthy agricultural and Agro-processing sector

## Our Province

The Northern Cape Agriculture sector is argued to be one of the key sectors that drive the economy of the province. Therefore, for the province to have a productive, sustainable, and healthy agricultural sector it needs to contribute to job creation, social welfare, as well as ensure sustainability of natural resources. According to the Statistic South Africa's Community Survey report done in 2016, the Eastern Cape Province has the largest proportion of agricultural households at 27.9%. The Northern Cape Province had the third lowest percentage of agricultural households (13.8%). Approximately 69,152 households in the Northern Cape are directly or indirectly involved in agriculture, which is in line with the national average.

Being South Africa's largest province, the type of agricultural commodities produced can vary significantly between the different districts.

Agriculture as having the potential to contribute towards employment creation opportunities through the following interventions:

- Expand irrigated agriculture
- Underutilised land in communal areas and land reform projects for commercial production
- Pick and support commercial agriculture sectors and regions that have the highest potential for growth and employment.
- Support job creation in the upstream and downstream industries.
- Find creative combinations between opportunities.
- Develop strategies that give new entrants access to product value chains and support from better resourced players.



The five main agricultural commodity sectors that were identified are based on their capacity and potential to create jobs, contribute to food security and growth potential:

1. Vegetable production
2. Grape cultivation
3. Livestock farming (cattle and sheep production)
4. Groundnut production
5. Game Farming

***"Agriculture as a growth path delivers more jobs per Rand invested than any other productive sector".***

The ZF Mgcawu District Municipality (ZFMDM) also known as the Kalahari can be characterised as a semi-arid region, that experience high temperatures in the summer and low average annual rainfall. The harsh conditions of the Kalahari subside to make way for fruit and wine farms producing goods such as sultana grapes, deciduous fruits, table wine and brandy. However, the main agricultural activities that take place in the District include grape production, livestock production and game farming. The Orange River serves as the primary water source for irrigation farming in the District. It is thus concerning that this prominent agricultural region is becoming increasingly under pressure because of water pollution and the proliferation of alien and invasive plant species. From the Household survey done by StatsSA, there are about 61,000 households in the District of whom some 8,000 are involved with agricultural activities especially focussing on livestock farming and poultry production followed by the cultivation of various crops.

## ZF Mgcawu District Municipality



Most of the Orange River's water is being used for the irrigation of high-value crops. Groundwater is also widely used for agricultural, municipal and industrial land use. The main agricultural commodities produced in Namakwa District Municipality include small stock, Lucerne, vegetables, and grapes. Sheep farming is practised on a small scale in NDM from which wool and mutton products are produced. Niche opportunities for agro-processing have been identified in the form of high-value aquaculture (such as abalone).

Page 27 of 194



The John Taolo Gaetsewe District municipality (JTGDM) is typically characterised by grassy ground layers and woody plants that are most suitable for livestock farming, especially sheep and cattle farming. The JTGDM benefit from good underground water reserves with many boreholes being sunk continuously. The non-perennial Kuruman and Molopo rivers also transcend the area. Livestock farming, including game, cattle and sheep, is practised throughout JTGDM. High-quality meat and meat products are produced (typically through commercial feedlots).

Challenges facing livestock agriculture in this region include overstocking, trampling and overgrazing. Sol Plaatje LM hosts the largest distribution depots for livestock products in the region. However, road conditions from rural areas in JTGDM to these depots are often in poor condition, which raises the cost of transport for farmers.



## Comparative Advantages and Development Opportunities

The comparative advantages of the Northern Cape Province would be discussed in table below.

**Table 1: Northern Cape Comparative Advantages**

Comparative Advantages	
<b>Water infrastructure availability</b>	The Northern Cape is home to two of the biggest rivers in South Africa, namely the Orange and the Vaal River. These two rivers form the backbone of roughly 140 000 hectares of irrigation in the province. Various water schemes are in place that directly supply water to farmers in the Northern Cape Province. This directly decreases the production cost of agricultural producers.
<b>Different climatic regions</b>	The arid conditions that occur in this province are beneficial to livestock producers as the nutritional value of the grazing veldt remains relatively high and constant throughout the year.
<b>Land availability</b>	The Northern Cape Province is the largest province in South Africa, with the smallest number of households. Land availability for agricultural production is in abundance. Another advantage is the fertility of the soil in this province. However, the availability of water and impact of climate change should also be taken into consideration.
<b>Country borders</b>	The Northern Cape borders Namibia and Botswana which could directly be a comparative advantage. The major routes leading to Cape Town and Gauteng are also in good condition, and products for export purposes are easily transported. The transportation cost for export to bordering countries would be less for the Northern Cape compared to other provinces.


All the above mentioned contributes to the success of the agricultural industry in the Northern Cape. However, various development opportunities do exist that could lead to a further increase in growth and below table will discuss all the possible agricultural development opportunities.

## Development opportunities

Through development programmes, strategies, and investments, the production of agricultural commodities in Northern Cape can be expected to grow substantially. Programmes that aim to improve agriculture performance potentially include, but not limited to, Farmer Support and Development Programme, Sustainable Resource Management Programme, Veterinary Services Programme, and Agricultural Economics Services. With regards to plans and strategies, the government's commitment to developing the agro-processing sector, as well as its identification with high potential for employment presents the province with a competitive advantage. This is due to the large concentration of grapes and sheep production in comparison to most provinces in the country, and these commodities necessitate agro-processing and other forms of value-added that have not yet been exhausted fully.



**Table 2: Northern Cape Agricultural Development Opportunities**

	Development Opportunities
<b>Agro-Processing Opportunities</b>	Agro-processing opportunities do exist for several agricultural activities within the Northern Cape. The opportunities exist for meat processing and export, groundnuts, Lucerne, cotton, fruits and vegetables. The agro-processing opportunities will directly add value to products and will also directly have an impact on export opportunities and niche markets. The development of agro-processing facilities will also contribute to job creation, increasing market access and increasing the provincial value chain.
<b>Infrastructure upgrades</b>	Electricity, water, and roads play a vital role in the success of agriculture. Not all the farmers have access to the above mentioned and therefore do not have access to enough market information, markets, electricity, or transport routes. Other infrastructure development opportunities including on-farm infrastructure, abattoirs, storage facilities, holding pens and dams. Many small-scale farmers in the Northern Cape do not have enough agricultural infrastructure to accommodate their livestock, and theft also poses a significant threat in specific regions.
<b>Job creation and upskilling</b>	Focus on the labour intensive agriculture sectors the upskilling of the agricultural labour force to align it with technological advancement, increasing investment, changing market needs, research and development, and financial support to developing farmers, are key to improving the prospects of the sector.
<b>Skill Development</b>	The Northern Cape do not consist of agricultural institutions, therefore the low interest and youth participation in this sector. The development of agricultural institutions such as colleges and skill training centres are of importance.
<b>Value chain development</b>	The forward and backward linkages in the value chain need more development and support either from the government or the public and private sectors. Most of the links are not accessible for small-scale and rural farmers. The value chains for each of the sectors need to be developed and analysed to establish a stronger link between all the stakeholders.
<b>Smart Climate Agriculture</b>	Smart climate agriculture refers to management practices and on farming methods that focus on the changing environment and climate. The development of more solar plants and the installation of solar panels on farms could lead to a decrease in production cost as well as a reduction in the carbon footprint of the province.
<b>Research Satellite Stations</b>	The aim of this satellite research stations should be to focus on agricultural disaster management and solutions that need to be in place for each of the identified disasters. Research concentrating on climate change in the Northern Cape should be conducted on a continuing basis. The research satellite stations should be able to inform farmers and other stakeholders in the agricultural sector way in advance about threatening weather conditions. By early detection of natural disaster, farmers, organisations, government, and the public sector could implement various actions to minimise the impact.

The seven development opportunities listed above is the main development opportunities that will ensure growth in the agricultural industry in the Northern Cape. Based on the current growth figures which have shown that agriculture grew by approximately 6,3% over the past decade, coupled with the enabling policy environment, as well as increasing public and private sector investments, the agricultural sector can be expected to develop further, and its contribution to GDP will likely experience growth.

### Key Issues and Insights

This sub-section will give an in-depth analysis of the main issues that could have a direct or indirect effect on the agriculture and agro-processing sectors in the Northern Cape Province.



- ❑ **Lack of skills development opportunities** - Even though the extension officers are employed, no formal training is given to the farmers. Local agricultural entrepreneurs, youth, and farmers do not have a formal agricultural college in the Northern Cape where they can study. The Northern Cape Although agriculture provides the second highest number of jobs in the province, most of the people do not have any experience, knowledge, or the necessary skills what so ever about agriculture.
- ❑ **Research and development** - Research and development play a vital role in the agricultural industry, especially in the Northern Cape Province. As mentioned, the province has one of the most diverse climatic conditions. Due to climate change, the agricultural industry is also changing.
- ❑ **Land Ownership** - A considerable portion of the Namakwa District Municipality consists of communal land, which is managed by commonage committees. Therefore, the specific area's full capacity in terms of agricultural production is not being cultivated. The law enforcement and training for land users are a top priority, to expand and contribute to the agricultural sectors growth in the Northern Cape Province.
- ❑ **Land Reform** - Various land reform programmes are in place in the Northern Cape Province especially to the north of Springbok town, as well as near Port Nolloth. These projects mainly focus on the development of agro-processing, and packaging facilities as well as the primary production of niche commodities. The land reform projects need to be closely monitored, assistance from the different governmental tiers need to be offered, for example, training, market information, gap identification, international and national trade relationships need to be established, and good management practices need to be in place



- ❑ **Lack of capital** - Agriculture mechanisation cost in South Africa is extremely high and are increasing every year. Smallholder and emerging farmers do not have enough capital to invest in the expansion of their businesses. Smallholder and emerging farmers would therefore instead produce small amounts, on a subsistence level than to invest in their businesses. The Agri-Parks Programme aims to assist farmers through mechanisation centres and Farmer Production Support Units (FPSU) with the necessary machinery, equipment and inputs.
- ❑ **Poor or lack of agricultural infrastructure** - The infrastructure referred to includes, roads, agriculture infrastructure such as holding pens, auction facilities, silos, and water pipelines etc.
- ❑ **Rising Input Costs** - The main factors that affect the cost of agricultural inputs are amongst others the international oil price, exchange rate and import parities. The rising input cost limits the farmers' ability to expand their businesses as well as the profit margins.
- ❑ **Concentrated Value Chains** - The highly concentrated nature of certain commodity value chains leaves little to no opportunities for small business to enter the value chain. Certain commercial farmers and bigger companies tend to take control of the value chain from the primary input section throughout the distribution thereof. This could be an important issue that needs to be addressed by the government to ensure that small-scale farmers and business can enter the value chain.
- ❑ **Trade Barriers** - Local producers and consumers are negatively affected by the lack of restriction on certain imported products and the lack of non-tariff barriers. Poultry farming is one of the primary agricultural industries that are being practised in the Northern Cape Province, and due to trade relationships, such as the African Growth and Opportunity Act (AGOA), which is a United States Trade Act, local producers now compete with chicken imports from other countries. Small-scale, emerging as well as commercial broiler farmers in South Africa are unable to compete with the low prices of chicken coming into South Africa, the consumers, therefore, tend to buy the cheaper option, which excludes locally produce chicken meat.
- ❑ **Development and Implementation of the SKA Project** - An essential factor to take note of is that the agricultural sector has many direct, indirect and multiplier impacts on other industries and business inside and outside the immediate region.



- ❑ **Early Warning Systems** - The lack of research satellite stations in terms of disaster management. Early warning systems and disaster management plans should be in place, and be updated regularly, to assist farmers and other stakeholders in times of a natural disaster such as flood, droughts or fires. The disaster management plan should provide steps and guidance to any person or farmers that were affected by the disaster.
- ❑ **Land degradation** - Land degradation refers to the process where the lands fundamental characteristics change for the worse. Mining is the core income industry for the Northern Cape Province; however, agriculture is the biggest. Other factors that contribute to land degradation are wind and sheet erosion which is common taking into consideration the vast nature of the vegetation in the northern parts of the province.
- ❑ **Water Scarcity** - As mentioned, the Northern Cape province is one of the driest provinces in the country. The recent drought that occurred in almost every province in South Africa had a significant impact on the agricultural sector in the Northern Cape. Not only did it affect livestock, crop and other farming activities it also changed the soil characteristics and the mineral content of the soils. The quality, as well as the quantity of groundwater, varies throughout the province and some parts such as the Karoo and Kalahari areas' water are said to be very saline and not suitable for human and livestock consumption.
- ❑ **Land degradation** - Land degradation refers to the process where the lands fundamental characteristics change for the worse. Mining is the core income industry for the Northern Cape Province; however, agriculture is the biggest. A lot of the mines in the area are closing due to mismanagement and bankruptcy, which led to retrenchment. Most of these workers then invested in livestock. Other factors that contribute to land degradation are wind and sheet erosion which is common taking into consideration the vast nature of the vegetation in the northern parts of the province.



- ❑ **Research and development** - Research and development play a vital role in the agricultural industry, especially in the Northern Cape Province. As mentioned, the province has one of the most diverse climatic conditions. Due to climate change, the agricultural industry is also changing. To ensure that right, effective and sustainable activities are being practised the impact of new technologies and practices need to be monitored as well as productivity. Where not efficient, alternatives should be mentioned.
- ❑ **Exclusion of target groups (Skewed Participation)** - The target groups refer to women, youth, and previously disadvantaged people. Skewed participation is based on the legacy of exclusion and discrimination in the agricultural sector. The challenge is to identify programmes not only to encourage the youth's involvement in agriculture but also to encourage participation from black and white, men and women, small, medium and commercial scale enterprises.
- ❑ **Department and Provincial Spending** - According to the PMG report, in agriculture under-spending was a result of having to verify the work that was being done. Apart from under-spending their budget, provincial governments and departments didn't give the necessary support to individual farmers that were affected by the drought. Incentives, capital investment, savings and other support structures need to be in place as mitigation measures for natural disasters such as drought, floods etc.
- ❑ **Low internal skills levels and development** - Many people employed within various governmental agriculture-related departments do not have adequate knowledge and skills to implement and perform their respective duties efficiently. Therefore, skills development within these departments is of utmost importance to ensure that the workforce is capable of executing the current strategies successfully. The state of agricultural service delivery is directly linked to skills levels and development.

## Achieving Vision 2040

Other than the tertiary sector which dominates most economies, the Northern Cape Province is mainly characterised by the primary sector, particularly agriculture and mining which employ most of the workforce in the Province. In 2016, the overall contribution of the agriculture amounted to approximately 28% towards the primary sector, the rest originating from mining and quarrying (Regional Standardised, 2018). Despite this growth, the agricultural sector may experience a decline in output, particularly in the short-term as a result of severe climatic conditions such as droughts, disease and pest outbreaks witnessed in recent years. However,

with consolidated efforts from government, the private sector and civil society towards a flourishing agriculture sector.

## *Vision 2040*

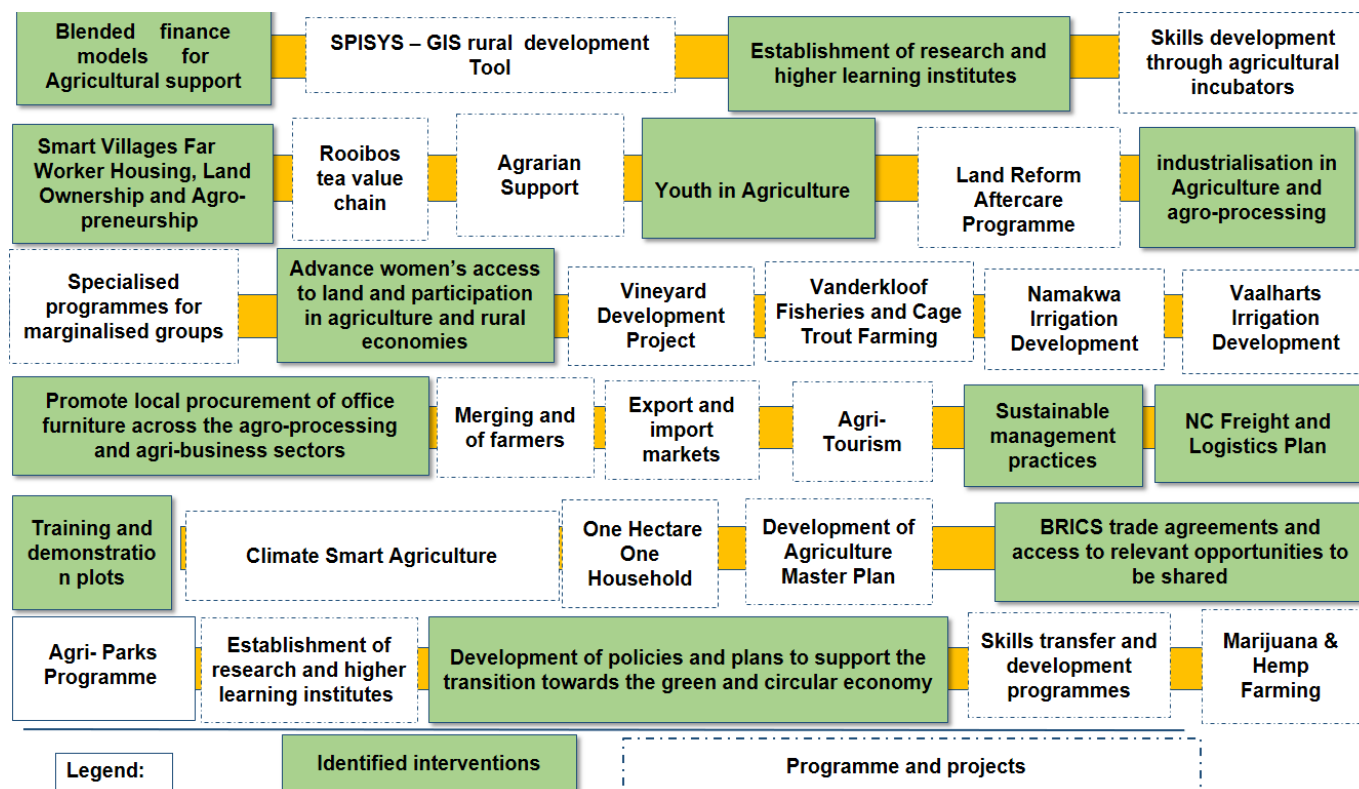
- ⇒ Rural economies will be rejuvenated through strategic development programmes and infrastructure investments.
- ⇒ Agricultural value chains to be developed from production to marketing, thus enabling farmers to generate more value for their commodities. And harnessing opportunities in agribusiness entrepreneurship and innovations, including in ICT innovations
- ⇒ Expand participation in, and ownership of, agricultural production to advance food security.
- ⇒ Skills development
  - Marginalised groups such as women, youth and farmers will be placed at the forefront of through skills transfer and development. Advance women's access to land and participation in agriculture and rural economies
  - Give priority to land administration, management and development of skills in land related careers such as land valuation, land surveying and town and regional planning,
- ⇒ Rural communities, both unskilled and highly skilled, to be employed in various industries within the agricultural value chain.
- ⇒ An agriculture master plan for the Northern Cape should be developed to identify high priority commodities, to assess the potential of specific commodities, to evaluate the economic impact, and how it will contribute to the PGDP Vision 2040
- ⇒ Early Warning Systems' reliability and information transfer need to be improved and the gaps in the system, such as language barriers, should be addressed.
- ⇒ Land Reform Policies should be revised to ensure effective and successful implementation of land reform projects and to ensure continued support from governmental departments.
- ⇒ Social mobilisation and advocacy key is key to stakeholder engagement.
- ⇒ Appropriate mechanisms and incentives devised to encourage investors to participate in agricultural and agro-processing production.
- ⇒ Alignment amongst BRICS trade agreements and access to relevant opportunities to be shared.
- ⇒ Mitigate the impact of climate change and identify new growth areas for production as well as diversification to new agricultural products that will ensure food security.
- ⇒ Consolidate all government support provided to small-scale farmers to ensure expanded production, including promotion of their co-operative activities or eco-systems through joint marketing and joint processing of their produce to ensure better impact.
- ⇒ Address monopoly domination agricultural inputs by big business and the monopoly domination in agro-processing and food retail that keeps out small players.
- ⇒ Promote implementing measures for urban agriculture and community food gardens to provide provincial food security and reduce hunger (no land underutilised)
- ⇒ Give priority to land administration, management and development of skills in land related careers such as land valuation, land surveying and town and regional planning.



## Strategic Interventions

The strategic interventions, programmes and projects to be mentioned in this sub-section will directly be linked to the identified key issues highlighted that should be addressed. The diverse group of interventions focussing on agriculture and agro-processing will aim to improve the quality, quantity and diversity of smallholder as well as commercial farmers in the Northern Cape.

**Figure 5: Agriculture and Agro-processing – Strategic Interventions, programmes and projects**



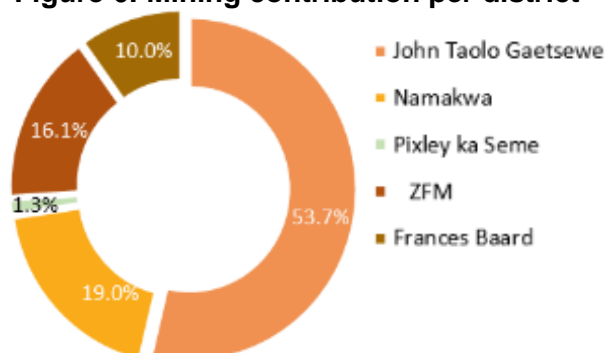
# Mining and Mineral Beneficiation

**2040** Diversify mining economy, investment attraction and skills development

## Our Province

Mining contribution per district is presented in the Figure below. John Taolo Gaetsewe District makes the most substantial contribution to both provincial mining output and employment, while Frances Baard district experienced the most significant mining employment growth in the past decade.

**Figure 6: Mining contribution per district**



(Calculations based on Quantec Easy)

## Resource Profile

- 13% of global lead exports
- 80% of global manganese resources
- 43% of national zinc production
- 18% of national copper production
- The provincial position on regulation of the oil and gas industry.
- Limestone, lead, uranium, nickel and other metal and mineral deposits of varying quantities and grades
- An array of semi-precious stones including Tigers Eye (which is mostly unique to the province and represents significant opportunities for processing)

This section will briefly profile selected commodities that have historically been important for the provincial mining sector or could potentially become more prominent in their future sectoral contribution. A brief overview of value-adding activities in the province is also provided

## Value chains and Industries

Recent investments into **diamond** production in the province have been made by De Beers and Petra Diamonds (PWC, 2017). The long -term outlook for the sector is however muted with:

- Diamond miners unloading excess and lower quality diamonds
- Polished prices in continual decline
- The slowdown in diamond demand
- Interest in laboratory-grown diamonds

The indicated overstock of polished diamonds could impact rough diamond demand in short to medium term. In terms of the Northern Cape Province diamond industry consideration should be given to critical factors such as accountability (e.g. utilising technologies such as block chain to counter illicit diamond trade) and the distinction between natural and lab-grown diamonds as a unique selling point. China's efforts to manage urban pollution have hurt iron ore demand as steel production is rationalised and outsourced to other countries. This has already found expression through global highs for iron ore inventory levels (Bloomberg, 2018; Business Insider, 2018). The Northern Cape will need to adjust production accordingly to higher-grade ores that result in less pollution (Bloomberg, 2018). Zinc prices are estimated to return to 2014 rates in the coming years, underpinned by healthy fundamentals (strong base metal performance). Vedanta, one of the world's biggest zinc producers located in the Northern Cape Province indicated that they planned to boost production to capture this sentiment (Mining Journal, 2018; Thomson Reuters, 2018).

The following value adding activities or facilities are to be found in the province:

- Zinc Smelter
- Ferro-manganese Smelter
- Manganese sinter plant
- Iron reduction plant
- Jewellery manufacturing
- Diamond cutting

An array of semi-precious stones including Tigers Eye (which is mostly unique to the province and represents significant opportunities for processing)

The provincial rail, air road and port infrastructure support physical access to local and international markets. Institutional Access to markets is regulated by agreements facilitated by entities such as DIRCO and the dti. In this regard, the country's BRICS commitments facilitate preferential access to the markets of partner countries.

#### Access to Markets

Critical infrastructure includes the Saldanha Northern Cape Development corridor, with associated rail and port linkages.

#### Access to Infrastructure

### Key Issues and Insights



#### Community

- ❑ Social disruption linked to migration patterns, placement attachment and dependency.
- ❑ Limited impact arising from the implementation of mine social labour plans and other CSI initiatives. These are meant to address the existing socio-economic needs of affected communities. It is crucial that mechanisms to ensure these are monitored and implemented, incorporating appropriate governance structures with the private sector that account for the confidentiality challenge
- ❑ Settlement stagnation (and associated socio-economic challenges) linked to mine closures and retrenchments.

- ❑ An array of semi-precious stones including Tigers Eye (which is mostly unique to the province and represents significant opportunities for processing).
- ❑ Inherent instability due to global market fluctuation which in turn influence commodity prices and mine sustainability.
- ❑ Securing Finance - Small scale mining is severely constrained by lack of financing from financial institutions and banks. Mining by nature requires substantial capital injection in the initial stages which include exploration and ore reserve estimation.
- ❑ Automation and mechanisation within the sector, leading to growth in unemployment.
- ❑ Lack of Technology and Machinery - Small scale mining operators generally have lack of access to modern and appropriate technology. This is due to the prohibitive cost involved in terms of machinery and the setting up of operations plants.
- ❑ Business skills: Lack of skills to manage an enterprise is most likely the one of the main reasons hindering the sustainable growth of small-scale mining operations, even if natural resources are promising and production is reasonable.



#### Economic



#### Governance

- Governance and organisational matters linked to the implementation protocol as per the IGR act
- Governance (National Mandates). Proposed strategic interventions towards 2040 rely on a strengthening of intergovernmental relations through appropriate implementation protocols
- In preparation for end-of-life operations, shared planning (between investors, communities and local municipalities), spatial planning (with SDFs governing local participation) and M&E (reporting to DMR on compliance) will be critical.



- ❑ The tensions between environmental conservation and mining, including the constant need for mine rehabilitation.
- ❑ Land use opportunity cost for activities such as agriculture and coastal and marine tourism.
- ❑ Ground and surface water: The main pollutants are found to some extent human excrete, because of lack of good health and sanitation facilities

### Achieving Vision 2040

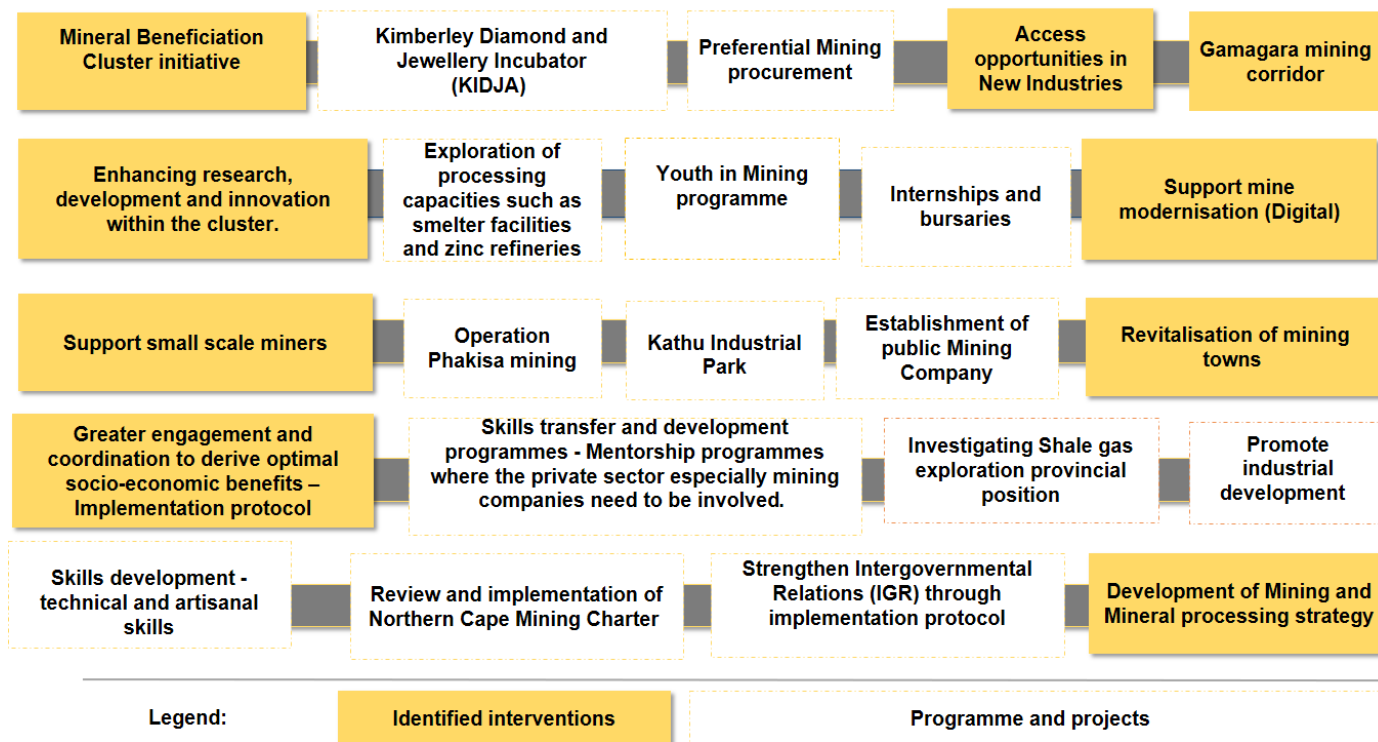
The largest mining project under execution in South Africa is the R400m Gamsberg zinc and lead mine located in the Northern Cape (Kimberley, 2017). Developed in response to the province's large deposits and a growing market gap for such commodities, the mine is symbolic of the province's outlook for future growth and development. While, the long-term outlook for commodities such as iron ore, is modest, commodities such as zinc, are likely to drive the province's future mining growth. As such, a significant amount of reconfiguration is required as many 'legacy' operations become less viable, while other 'emerging' opportunities attract considerable investment.

- ⇒ To create an enabling environment for localization and manufacturing
  - Local mining procurement – preferential mining procurement
- ⇒ Improving upstream linkages between mines and the domestic capital equipment sector.
- ⇒ Exploring “win-win resolutions” to the beneficiation of both bulk resources and precious metals
- ⇒ Pursuing social and community development with a particular emphasizes on housing
- ⇒ Supporting increased exploration activities including by providing more details geo-scientific information to explorers
- ⇒ Planning and implementing holistic mine modernization.
- ⇒ Mechanisms to support multi-organizational joint ventures and partnerships should be encouraged.
- ⇒ Youth in mining
- ⇒ Alignment amongst BRICS trade agreements and access to relevant opportunities to be shared.
- ⇒ Marginalised groups such as women, youth and farmers will be placed at the forefront of through skills transfer and development (skilling and reskilling)
- ⇒ Support small mining operators - support in terms of mining regulation compliance and start-up funding is required for small scale mining operators. This will prepare our small scale operators to be better prepared to enter into supply agreements and mining joint ventures
- ⇒ Development of Provincial Mining charter - Ensure that provisions advantages state, community and employee ownership. Strengthening state mining companies to play more significant role in industry.
- ⇒ Strengthen the implementation of Government's developmental and structural transformation tools including the dti Cluster Programme, procurement policies (NIPP, CSDP & PPPFA), development finance institutions, as well as technology support and benchmarking



## Strategic Interventions

The strategic interventions, programmes and projects to be mentioned in this sub-section will directly be linked to the identified key issues highlighted that should be addressed.



# Tourism Market Development

2040

Destination competitiveness, employment creation, diverse experience, sustainable destination development

## Our Province

Northern Cape is the largest province by land area in South Africa, lying to the south of the Orange River, comprises of mostly a desert and semi-desert environment. While the province is known as a mecca for adrenaline and extreme adventure sport, much more can be experienced (SAT,2018). The Northern Cape Province is home to the ancient San. The natural and cultural uniqueness of the province makes it distinctly different from other provinces within South Africa. The Northern Cape takes pride in its scenic beauty, natural phenomena and abundant plant species. A variety of tourism experiences relating to cultural and natural wonders are found along provincial corridors and attractions. The following figure indicates the top ten attractions visited by international tourists in the province



The National Development Plan has identified tourism as one of the six pillars of the national economy to contribute towards job creation, poverty alleviation and economic growth. For the Northern Cape province to contribute towards the goals of Vision 2030, it must unlock the local government tourism potential, encourage seasonal and rural spread, achieve transformation and promote responsible tourism growth and development.

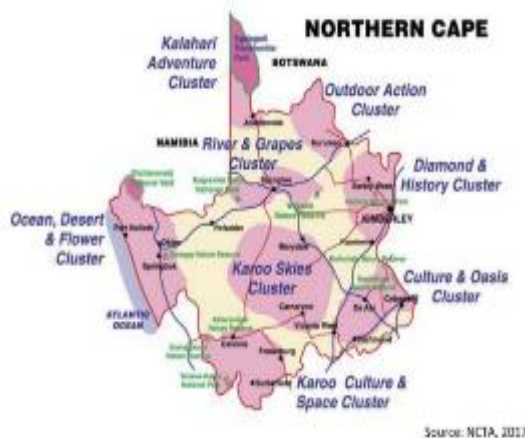


Figure 8: Top Ten Attractions in the Northern Cape



Figure 8: Northern Cape Tourism Clusters

The core tourism products in the province are provided below based on their respective cluster and district municipalities



As an extra ordinary tourism destination, the Northern Cape boasts the following key tourism offerings:

- Two world heritage sites (declared by UNESCO) – Richtersveld & Khomani Cultural Landscape.
- Six national parks including two Transfrontier national parks – Ai/Ais-Richtersveld and Kgalagadi.
- Six provincial nature reserves.
- Three desert-like landscapes (arid areas) – Kalahari, Richtersveld & Karoo.
- Two largest rivers in South Africa – the Vaal River and Orange River.
- The second largest dam in South Africa - Vanderkloof Dam.
- Fantastic star-gazing opportunities.
- An array of unique cultural identities including three groups of San (Khomani, ! Xu and Khwe), Griqua and Nama.
- The Namaqualand flower and other botanical treasures
- The cradle and heritage of the world's diamond mining industry (Kimberley, Coastal Zone)
- Nine active tourist routes.
- More than sixty-five signature events including extreme sports.



## Frances Baard District

Tourism route development - aims to enhance and promote tourism attractions along the N18 between Warrenton and Hartswater.



Furthermore, another priority by the district is the development of river banks close to the Gong-Gong Waterfall in Dikgatlong Local Municipality as a safe, attractive and sustainable tourist destination that also promotes the significant cultural and historical attractions in the area.

- Big Hole
- Barkley West-Good Hope Nature Reserve
- Cultural Activities-Galeshewe township
- San Cultural Village in Kimberley
- Avi-tourism

### Diamond and history cluster

The Frances Baard District is the administrative Hub of the Province, Mining, History, Entertainment, Business Tourism, Strategic Location.

This cluster offers cultural, heritage, archaeological and historic tourism offerings as well as entertainment, educational, wildlife and nature reserves, recreation, sport and medical and retail offerings. and it is ideally located along the N12 – a major tourist arterial.

## ZF Mgcawu District

The Tourism industry is noted as the fastest growing component of the economy by the ZF Mgcawu District. Developments around the Upington special economic zone (SEZ) also provide new opportunities for tourism-related developments. In term of agricultural tourism, grape production has been identified as one of the key local economic development drivers.



- Augrabies Waterfall
- National Parks
- Witsand Nature Reserve
- Trans Boegoe Eco-Resort
- Boegoeberg Dam
- Kalahari-Oranje Museum
- Spitkop Nature Reserve
- Quiver tree Route

### River and grapes tourism cluster

The ZF Mgcawu DM is positioned as the river and grapes tourism cluster. Augrabies Falls is in the region and is the 6th largest waterfall in the world. The cluster offers a range of lifestyle activities ranging from wine cellars to tearooms in the desert as well as luxury lodges. Upington boasts with the second largest airport in the province. Further, it offers wildlife parks, game reserves as well as adventure tourism activities.

## Namakwa District

Three Northern Cape harbours feature in the list of harbours that need attention: Port Nolloth, Boegoe Bay and Hondeklip Bay. The development of the Diamond Coast Tourism Route is necessary to link tourism products and ensure integrated marketing of tourism-related products within the area.



- Namakwa Flower Season
- Hiking and 4x4 trail
- Nomadic Nama culture
- Diamond Mining Tours
- Shipwreck Trails
- Orange River Mouth
- Cape Fur Seal Tours

- Cape-Namibia Route
- Historical Walking Trail in Sutherland and Fraserberg
- Namaqua 4x4 Trail
- Namaqua Bike Camino
- Carnarvon Astronomy and Stargazing
- Township tourism and historical tourism

### Ocean and flower cluster

The Namakwa DM is well known for its spread of the wild flowers including many rare, unique and endangered plants. The cluster offers a diverse range of tourism offerings including an astronomical observatory, 4x4 routes, history and cultural attractions, parks and nature reserves, the only strip of coastline in the province as well as a range of festivals (Ais-Ais, Richtersveld Transfrontier Park has been awarded World Heritage status and is one of only 10 sites in SA).

## Pixley Ka Seme District

### space and culture cluster

This cluster is home to the central Karoo which is characterised by desolate valleys between flat topped hills or Koppies. The cluster contains three of South Africa's major dams and is also the largest producer of wool in the country. It also offers

hunting, hiking, game watching as well as water sports, recreational activities and Khoisan Rock Art, and fossil deposits. Furthermore, with the establishment of the SKA has great potential for space tourism in the area.



- Colesburg (Magic Mountain)
- Heritage buildings
- Historic battlefields
- Anglo Boer war sites and graves
- Museums
- Concentration camp and fort
- Vanderkloof
- Adventure tourism
- Township tourism and historical tourism
- Carnarvon Astronomy and Stargazing

## John Taolo Gaetsewe

Tourism highlights are focused on hunting and ecotourism. Other opportunities within the district include arts and crafts, mining tourism and agri-tourism. Marketing of the hunting industry is required and support for community tourism organisation.



- Three heritage sites- Wonderwerk Caves, Moffat Mission and Kuruman Eye
- Truth tree (heritage site)
- Go Ghaap Heritage Route
- Raptor Route

Hunting tourism seems to be a growing niche tourism market segment within the district. Therefore, more efforts are needed to ensure that hunting tourism is linked to other tourism experiences for valuable economic benefits associated with local communities.

### Outdoor action cluster

The John Taolo Gaetsewe DM has a largely underdeveloped tourism industry. Potential tourism assets include The Eye (the biggest natural foundation in the Southern Hemisphere), hunting, caves with San Rock art, cultural and heritage potential and birding (especially raptor and owl species). Business tourism is also growing as a result of the Sishen Iron-Ore Mine. The outdoor action cluster was identified for this region.

## Key Issues and Insights

The SKA is a world-class astronomy initiative that can be used to yield tourism benefits, thus contributing to local economic growth. The most significant disadvantage for the province is leakage in the form of raw commodity exports and the location of corporate headquarters in the industrial and commercial centres such as Gauteng and the Western Cape.





## Community

- ☐ Improve tourism experiences in townships.
- ☐ Addressing infrastructural challenges within the province will enable local communities to participate more effectively in sustainable tourism development.
- ☐ Transformation is at a low base and that in itself limits the meaningful participation of communities and to enter the tourism sector mainstream. An enabling environment must be created to allow all tourism stakeholders to collaborate and impart with the necessary expertise to empower communities

- ☐ Address lack of tourism awareness and tourism culture in province.
- ☐ Improve service excellence and local destination knowledge.
- ☐ Improve state of attractions and key tourism infrastructure components.
- ☐ Address accessibility (gravel roads & signage).
- ☐ Tourism could stimulate investment in other sectors – tourists experience the best that the Northern Cape has to offer on a first hand basis. Such exposure could lead to investment in real estate, manufacturing, game farming, film production, etc.
- ☐ Address long turn-around times for approval of critical posts.
- ☐ Address long turn-around times in project approvals and project close-out.
- ☐ Coastal infrastructure development



## Economic



## Governance

- ☐ Strengthen integrated planning and implementation
- ☐ Improve data capturing, research and planning capacity.
- ☐ Improve state of visitor information offices and re-imagine their role and functions.
- ☐ Develop and recruit specialists' skills to augment staff capacity and impact on industry.
- ☐ Develop 3 strong regional offices – Kimberley, Upington, Springbok.



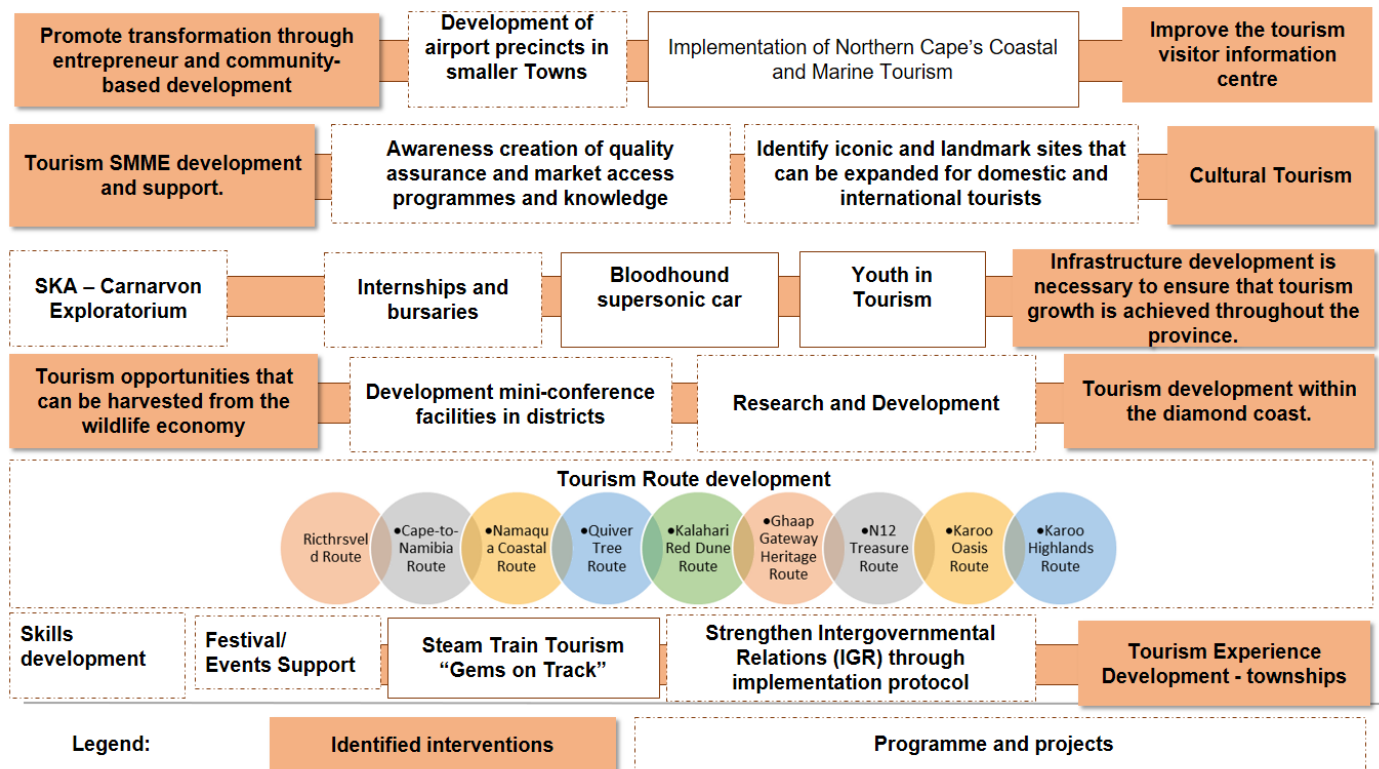
## Environmental

- ☐ Land use opportunity cost for activities such as agriculture and coastal and marine tourism.
- ☐ Ground and surface water: The main pollutants are found to some extent human excrete, because of lack of good health and sanitation facilities.
- ☐ Well-managed tourism is kind to the environment and local heritage – the tourism attractiveness of the Northern Cape is largely vested in its natural and cultural attractions. A sustainable tourism industry is reliant upon the preservations and responsible management of these resources

- ⇒ Effective Marketing - improved collaboration between industry and SA Tourism as well as improved stakeholder involvement at large including improvements in coordination between local, provincial and national bodies responsible for tourism marketing, as well as with natural, cultural and heritage institutions.
- ⇒ Support SMME development
  - Facilitate Ease of Access - Facilitate ease of doing business to ensure growth of the tourism economy
  - Reduce red-tape and the cost of doing business in the tourism industry, in particular for SMMEs.
  - motivate tourism entrepreneurship
- ⇒ Access to Incentive Programmes and funding mechanisms
  - Tourism Incentive Programme
  - International Market Access Support Programme - programme will broaden and facilitate access to specific tourism export markets to stimulate enterprise growth and expansion.
- ⇒ Collaboration and Cooperation in Tourism - A highly competitive tourism destination is one in which all of the linked and integrated services and inputs combine together to provide a positive experience. Cross-border linkages and relationships between neighbouring provinces and countries forms an integral part in growing tourism arrivals and spend within the Northern Cape.
  - This requires all stakeholders to work together to plan, execute, assess and constantly improve the tourism offer (NTS, 2017).
- ⇒ Areas which involve tourist specific infrastructure to be developed, maintained, and enhanced.
- ⇒ Development of excellent tourism skills and service levels with a special emphasis on soft skills.
- ⇒ Research, analytics and statistics - Developing excellent skills and tools within all spheres of government and relevant agencies is also important for destination management. One particular area relates to the research, data, analytics and market intelligence required to guide planning, decision making and performance monitoring and evaluation.
- ⇒ Whole –government approach towards growing the tourism sector to fully leverage on the job creation opportunities in the Northern Cape.
- ⇒ Implementation of Northern Cape Coastal and Marine tourism strategy - development opportunities that would unlock the tourism economic potential of the Province's coastal towns and regions.

## Strategic Interventions

The Northern Cape's strategic intervention areas that will ensure the sustainable growth and development of the tourism sector in the long-term; namely route, event, experience and infrastructure development. The figure hereunder provides a summary of crucial interventions required to enhance tourism development and support within the Northern Cape Province.



# Development of the Energy Sector

2040

Reliable, affordable and environmentally friendly sustainable energy development

## Our Province

The energy sector's value chain can be distinguished mainly by five core steps - exploration, extraction and production; processing, refining, and generation; transmission and distribution; and consumption.

Considering the above, the understanding of the Northern Cape's comparative advantages and challenges associated with the energy sector to inform and develop the vision for the energy sector is undertaken following the above-mentioned high-level value chain:

- Firstly, the analysis investigates the energy **resource endowments** in the province.
- Then, the review touches the state of **infrastructure related to transportation and transmission** followed by the assessment of **local production and generation capabilities**.
- Lastly, the analysis concludes with the assessment of **accessibility, affordable, and consumption** patterns.

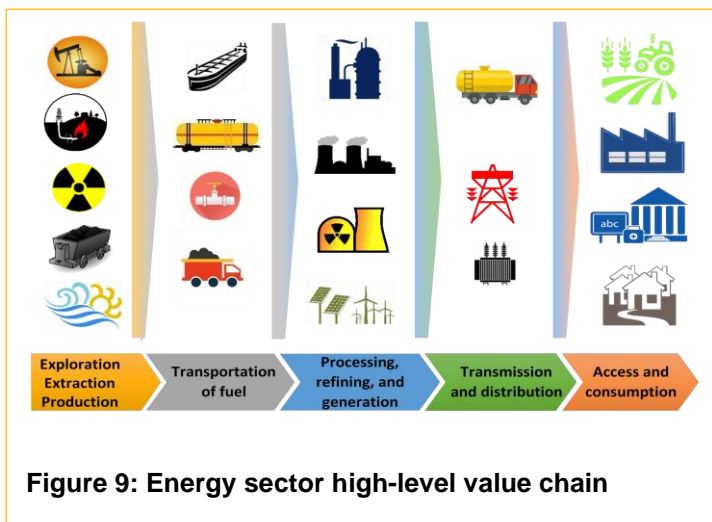
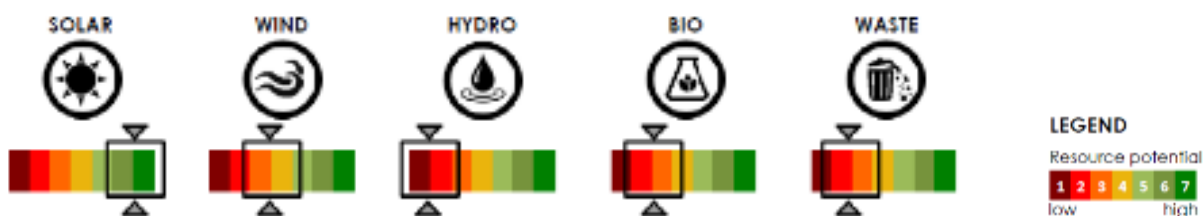


Figure 9: Energy sector high-level value chain

## Resource Endowments

The Northern Cape's comparative advantage in energy resources, lies in the **renewables**, and specifically solar and wind. The abundance of these renewable energy sources, coupled with the Province's large surface area, sparsely populated tracks of land, and limited agricultural potential makes it particularly suitable for electrical power generation from solar (DoE, DBSA, and NT, 2017).

Figure 10: Renewable energy resource potential in the Northern Cape (DoE, DBSA, and NT, 2017)



The potential for **solar energy** harvesting is widely recognised in the country and the Province, and as a result, many projects have been developed under the Renewable Energy Independent Power Producer Procurement Programme (REI4P).

The potential for **hydro energy** has already been exploited, and opportunities for micro-hydro power are limited due to the highest variation in river flows in the Province (Ballance, et al., 2000). Nevertheless, pockets of opportunities along the major rivers in the Province exist, and this has been proven by the establishment of the kinetic micro hydro power station in ZF Mgcawu, as well as the presence of two utility-scale peaking hydro facilities at Gariep and Vanderkloof Dams.



The potential to harness **biomass energy** is limited in the Province and is more prevalent in the northern parts of the Province that face bush encroachment and alien invasive plants. However, the review of the available literature suggests that the level of proliferation might not be enough to provide a sustainable feedstock. Other feedstock sources to consider, includes municipal solid waste for Waste-to-Energy facilities.

**Marine wave energy** can provide a more sustainable load as it does not suffer from the “time of day” or “no wind, no energy” dependency experienced with solar and wind applications (Fourie & Johnson, 2017). The highest potential lies along the Atlantic Ocean shores in the southern tip of the country due to its proximity to the storm generation zone in the Atlantic Ocean; however, the wave resource is season-dependent and therefore has its limitation from a baseload perspective.

As far as the **fossil fuels** are concerned, while the Province does not have any known coal reserves, the Northern Cape coastline forms part of the Orange River Basin that represents one of the four upstream regions of interest for **oil and gas** exploration. As suggested by the Petroleum Agency SA (Petroleum Agency SA, 2018a), there are numerous companies currently exploring the oil and gas potential or have production rights off the coast of the Namakwa District in the Northern Cape. These include, among others, Petro SA, Cairn India, Andarko, Sasol, Canadian Natural, Pioneer Natural Resources, Falcon Oil and Gas, Shell International, New African Global Energy, and BHP Billiton (Petroleum Agency SA, 2018a).

As far as **nuclear energy** is concerned, uranium in South Africa is found as a by-product of gold and copper mining, which is primarily concentrated in the Witwatersrand Basin south and southwest of Johannesburg and near the towns of Klerksdorp, Welkom, Carltonville, Parys and Evander. Having said this, the Namakwa region in the Northern Cape does possess a high-grade surface uranium deposits at Henkries property near the border with Namibia, which do not require further geological work and is SAMREC compliant (Xtract Resources , 2013).

### **Access to infrastructure**





Considering the energy resources available in the Northern Cape, access to oil and gas pipelines to transport gas and oil to the processing and refining facilities in the Western Cape and well-developed transmission network to evacuate electricity, are the vital infrastructural elements required for the development of the local energy extraction and generation capabilities.

The Northern Cape Province is supplied by radial lines (Eskom, 2015), which are associated with low development costs and are therefore widely used in sparsely populated areas (WPPI Energy, 2018). However, any short-circuit, power failure or downed power lines on a radial system result in interruption of the entire line until the problem is fixed (WPPI Energy, 2018). This means that the **electricity transmission infrastructure** in the Province, traditionally, has been associated with a weak network (Eskom, 2015), which also has a limited spare capacity for additional connections.

### **Production and generation capacities**

As of 2018, the Northern Cape did not have an established capability to produce primary energy (i.e. gas and liquid fuels) and boasted only electricity generating capacities. The latter has also been primarily developed in the last six years primarily through the **Renewable Energy Independent Power Producer Procurement Programme** (RE IPPPP).

Before the inception of the REI4P in the country, the Northern Cape was a net importer of electricity with the internal electricity generation capacity comprising of the peaking hydro facilities at Gariep and Vanderkloof dams, with an output of a combined 600 MW (Eskom, 2017). As of 2017, 1 313 MW of additional electricity generation capacity has been added in the Province through the Independent Power Producers (IPPs) with a total of 3 621 MW to be reached in a few years' time once the approved projects under the latest bid windows are completed and come online (DoE, DBSA, and NT, 2017). Once all projects are connected to the grid, their distribution in terms of technology and capacity will be as follow:

	+		+		+		=	<b>Total modern renewables</b>
<b>Solar PV</b>		<b>CSP</b>		<b>Wind</b>		<b>Small hydro</b>		
39 projects		7 projects		12 projects		1 project		59 projects

The location of all approved projects, which are yet to be constructed or that is already developed is provided in them Map hereunder

**Northern Cape RE projects capacity 3 628 MW**

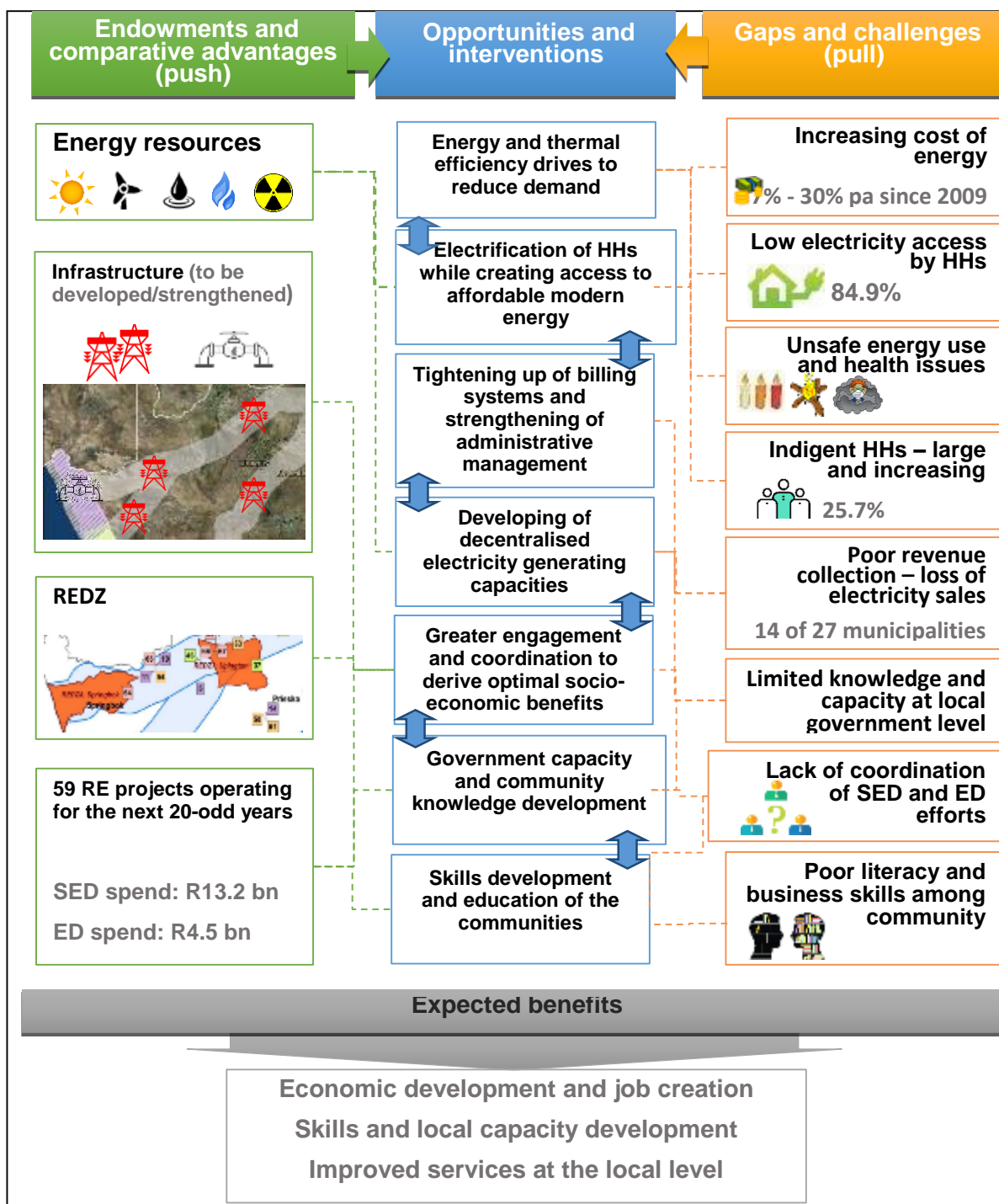
Category	Project Name	Capacity (MW)	Percentage of Category
Nam (1,229 MW, 34%)	Nam	1,229	34%
	Khai-ma	461	0%
	Karoo Hooglan	280	0%
	Nama Khoi	137	0%
	Hantam	351	0%
	Sol Plattjie	131	0%
	Joe Morolong	85	0%
ZFM (723 MW, 20%)	ZFM	723	20%
	Kgatelopele	5	0%
	Kai !Garib	320	0%
	Dawid Kruiper	109	0%
PKS (1,212 MW, 33%)	PKS	1,212	33%
	Siathambeba	483	0%
	Siyancoma	65	0%
	Enthanjeni	482	0%
	Umsobomvu	79	0%
	Themba	164	0%
	!khe	73	0%
	Rend	50	0%
	Ubuntu	80	0%
	Gamagara	249	0%

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## Comparative Advantages and Development Opportunities

The Province is endowed with excellent renewable energy resource and has the potential to also play a significant role in the gas economy, which is on the verge of substituting the coal-era. The realisation of these opportunities in the Province should be done with a focus of addressing the key challenges and gaps that bedevil the local communities and local government, ultimately leading to the upliftment of the local economies and improving the lives of the residents. A set of high-level initiatives that should be considered in this context are outlined in the diagram below.

**Figure 14: The Northern Cape opportunities and initiatives to transform accessibility, affordability, and benefits derived from the energy sector**



## Key Issues and Insights



### Governance

- ❑ Insufficient leadership and championship in energy efficiency and renewable energy adoption
- ❑ Poor coordination of RE projects spend and associated programmes
- ❑ Inadequate support to localisation and small business development during construction and operation of RE projects
- ❑ Inadequate accountability and transparency at all levels - starting from provincial to local government level s – lead to poor service delivery; champions need to be appointed and hold responsible for the respective projects and programmes
- ❑ Lack of skills and knowledge at local government level to plan, develop innovative solutions, seek funding, and implement energy-related project and energy-efficient practices
- ❑ Weak enforcement measures and fear to make unpopular decisions or decisions that will require hard work to become a success, which may jeopardise job security at all spheres
- ❑ Inadequate billing system jeopardises revenue collection and service quality
- ❑ Poor understanding of financial, technological, environmental, and legal issues associated with RE project developments



### Environmental

- ❑ Inadequate understanding of the cumulative effects of the RE projects on provincial natural resources
- ❑ Poor coordination of efforts to address environmental impacts exerted by the energy sectors related activities (during construction and operation)
- ❑ Inadequate information on the impact of the energy-related projects on waste generation, recycling opportunities, and disposal plans



### Community

- ❑ Energy poverty: Only 85% of HHs have access to electricity and resort to the use of other energy sources including wood and paraffin leading to health issues and sub-par standard of living
- ❑ Poor quality of electricity: linked to the sub-par nature of the transmission network
- ❑ High cost of energy: 25.7% of consumer units are eligible for FBE
- ❑ High rate of consumer non-compliance: refusal to adopt pre-paid meters
- ❑ Poor knowledge of the energy efficiency benefits and practices
- ❑ Skills shortages among local businesses to take up opportunities created through ED commitment by the RE projects
- ❑ Lack of transparency coming from local RE project developers
- ❑ Misconception and unmet expectations from RE projects developments due to exclusion and poor communication with communities
- ❑ Community divisions associated with the SED and ED commitments



### Economic

- ❑ Limited access to electricity restricting growth of key economic sectors
- ❑ Limited capacity of the transmission lines and sparse network
- ❑ Limited access to skilled workforce, particularly in technical fields
- ❑ Limited knowledge of RE technologies and business operating models among local business owners and entrepreneurs, coupled with limited access to finance
- ❑ Poor culture of entrepreneurship limiting the effectiveness of ED investments of RE IPPPPs
- ❑ Lack of projects piloting innovative solutions addressing energy poverty and affordability
- ❑ RE developer and operators – not in the business of community development, but in the business of electricity generation; unsustainable nature and questionable quality of SED and ED spend



## Achieving Vision 2040

The Northern Cape is well positioned to transform its economy through the realisation of the opportunities presented by the energy-related endowments of the Province. Importantly, it may become one of the few provinces in the country that play a prominent role in the transition towards the gas economy, while playing a significant role in supply renewable energy capacities. As the coal-era is left behind, the spatial distribution of energy supply capacities and dynamics are expected to move from the north and north-eastern parts of the country (Limpopo, Mpumalanga, Gauteng, and Kwa-Zulu-Natal) to south and western parts of the country (Western Cape, Eastern Cape, and the Northern Cape). While the trends as mentioned above are likely to ensue only in the long-term, the Province needs to be ready to embrace and champion these, which will require creating an adequate human resource capacity within business and government sectors, developing large-scale infrastructure, and bringing communities on board through education and awareness. Furthermore, the Province lags on some of the critical socio-economic issues related to access, affordability, and security of energy. Much more needs to be done to position the Province at the frontier of the energy sector's development in the country and significantly improve the lives of the residents.

### *Vision 2040*

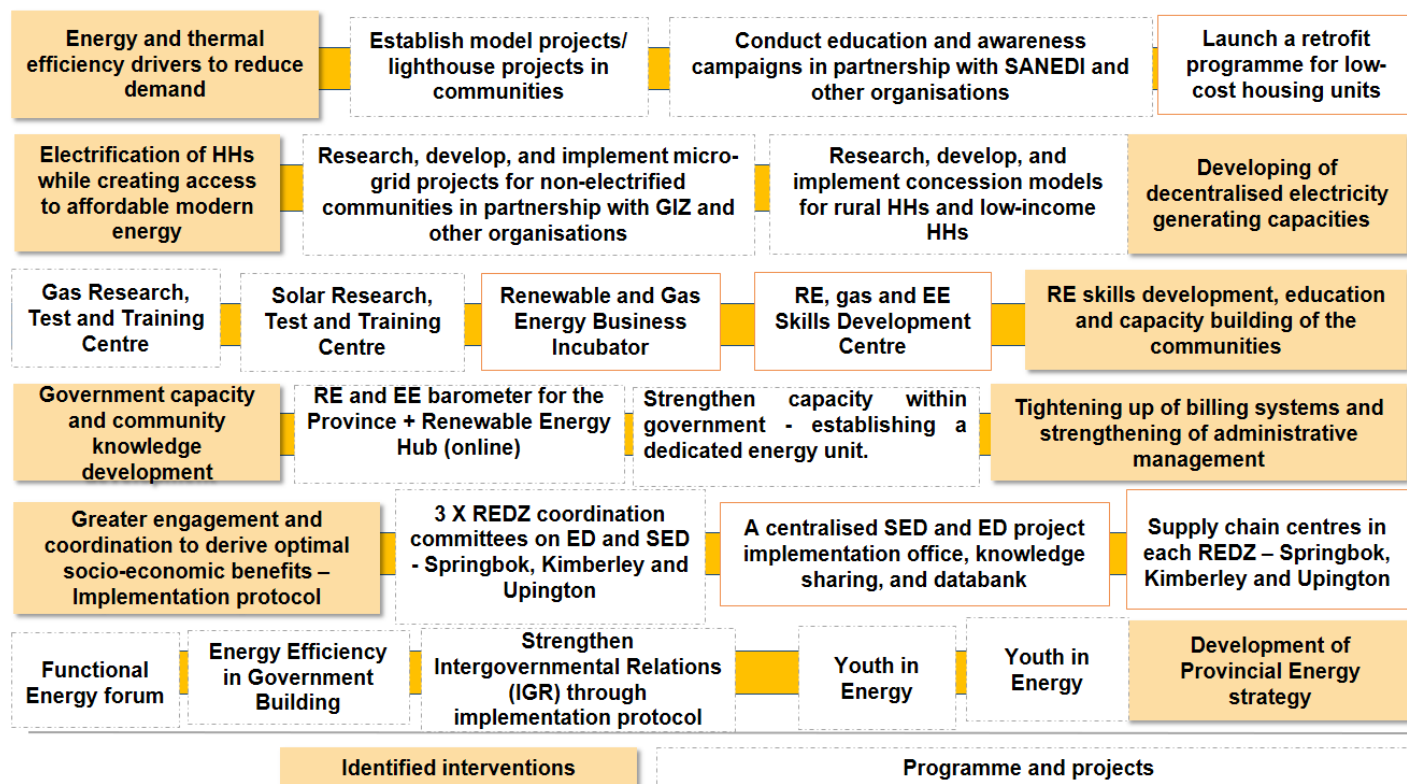
- ⇒ Support SMME development
- ⇒ Continue to support the use of renewable technologies in the Northern Cape energy mix to reduce the cost of energy, decrease greenhouse emissions, build the local industry through increased localisation and create jobs
- ⇒ Drive the implementation of Northern Cape Green Economy Accord on renewable energy
- ⇒ Investigate the cost-benefit of introducing solar panels in state buildings and mandate new commercial and residential developments in the medium term to use renewable energy technologies to reduce utility costs. These should include deploying clean energy solutions to provide lighting and small power needs in the informal settlements.
- ⇒ Solar energy solutions in schools, clinics and hospitals.
- ⇒ Localisation
  - Significant local resources should be made available towards the development of local energy projects and products to reduce the reliance on international development partners.
  - The procurement process needs to be shared more clearly for local bidding.
  - Mechanisms to develop and implement efficient full interconnection of the different energy mixes should be incentivized
- ⇒ Partnerships should be encouraged to take advantage of existing investment opportunities in the Solar corridor.
- ⇒ Skills development
  - Advancing the local skills should be addressed through investment in centres of excellence.
  - Northern Cape University academic programmes in renewable energy

## Strategic Interventions

The following diagram contains a range of strategic interventions that are recommended in response to address the key challenges and realise the opportunities within the provincial energy sector. The interventions and subsequent projects that are carried out should be progressive and dynamic in nature. Not only should they aim to address the current deficiencies and gaps in the system, but also prepare the provincial stakeholders to adequately respond to the opportunities brought by the national plans associated with the creation of REDZ, gas corridors, and transmission corridors. Several of the identified programmes and projects are high-impact projects that are expected to have a notable impact on the socio-economic environment. Results include the direct or indirect improvement of the standards of living of the households, where:

- Direct improvements refer to projects that are aimed at changing the physical environment that affects the livelihoods of the provincial residents.
- Indirect improvements refer to the stimulation of the economy or growing the skills of the people, which will ultimately lead to the improved purchasing power of households and allow them to improve their livelihoods in this way.

**Figure 15: Interventions and high impact projects for the energy sector in the Province**



# Manufacturing and Trade

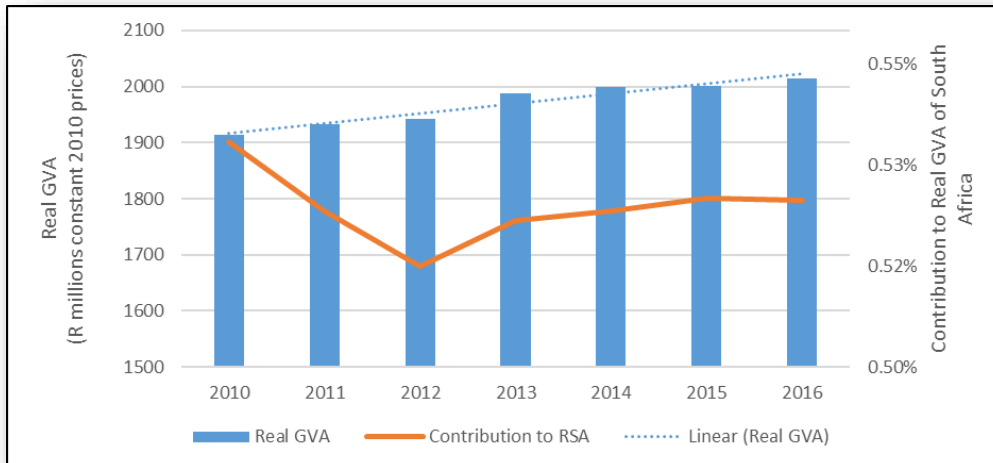
2040

Efficient, competitive and responsive economy, with a growing secondary sector and export promotion.

## Our Province

Figure hereunder depicts the real GVA growth of the manufacturing industry in the Northern Cape, as well as its contribution to the real national GVA over the 2010-2016 periods.

**Figure 16: : NC Manufacturing Real GVA and contribution to SA – 2010**

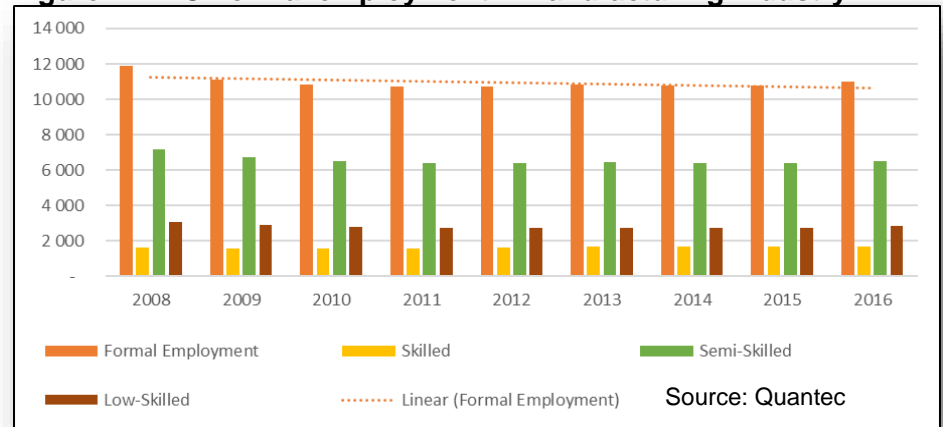


Due to the stagnant annual growth, the province contributed about 0.52% on average to total real manufacturing GVA over the period.

The Northern Cape Province suffered sluggish growth in the manufacturing industry between 2010 and 2016, with an annual growth rate of 0.86% in real GVA. Formal employment in the manufacturing industry of the Northern Cape experienced a decline between 2008 and 2016.

The graph further indicates the skills levels within the manufacturing industry in the Northern Cape. The distribution of skills had remained similar between the 2008 and 2016 period, with predominantly semi-skilled workers employed in the sector, as it requires some technical experience to produce and assemble goods.

**Figure 17: NC Formal employment – Manufacturing Industry**



Source: Quantec

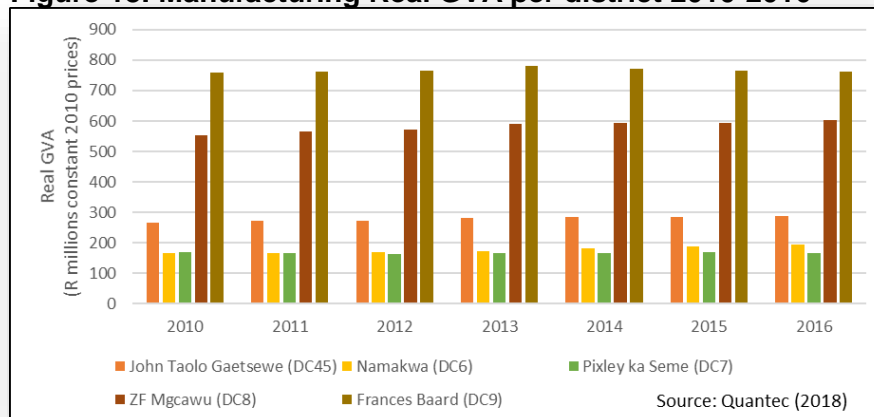


## District Trade and Manufacturing Industry

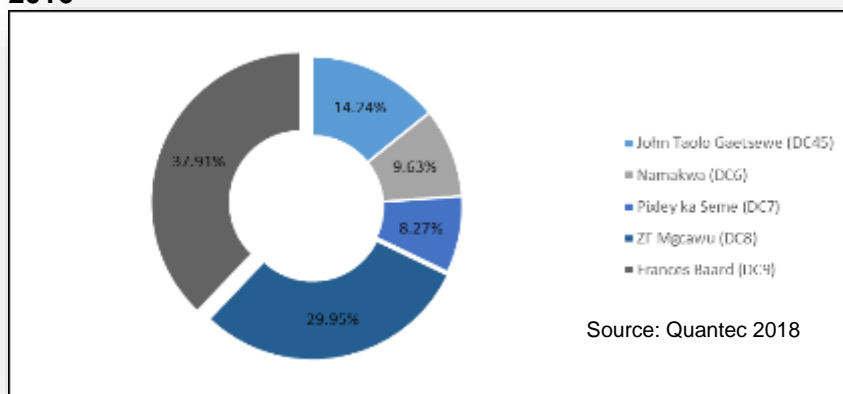
As shown in graph the Frances Baard District was the largest contributor to the manufacturing industry in the Northern Cape concerning real GVA since 2010. The second-largest contributor over the 2010-2016 periods is the ZF Mgcawu District, followed by the John Taolo Gaetsewe District.

The contribution of the districts to the real GVA for manufacturing in 2016 is represented in the figure above, were close to 38% of the province's real manufacturing GVA originates from the Frances Baard DM.

**Figure 18: Manufacturing Real GVA per district 2010-2016**



**Figure 19: District contribution to NC Real GVA in Manufacturing – 2016**



The growth in production for the manufacturing industry of each district in the Northern Cape is shown in. The table indicates the values of real GVA for 2010 and 2016, along with the annual growth rates in manufacturing for the respective years.

**Table 3: Manufacturing Real GVA Growth per District in the Northern Cape over the 2010-2016 periods**

R MILLIONS 2010 CONSTANT PRICES	2010	2016	GROWTH P.A
John Taolo Gaetsewe (DC45)	266,95	286,89	1,21%
Namakwa (DC6)	167,16	193,87	2,50%
Pixley ka Seme (DC7)	169,08	166,64	-0,24%
ZF Mgcawu (DC8)	551,48	603,19	1,50%
Frances Baard (DC9)	758,80	763,47	0,10%

Source: Quantec (2018)

The Namakwa DM experienced the highest annual growth rate of 2.5% per annum between 2010 and 2016, even though it has been one of the least productive districts in the manufacturing industry. Pixley ka Seme District's annual growth was negative at -0.24% over the same period, and it is the smallest contributor to the manufacturing industry in 2016 as illustrated in table above.

It is important that the province create provincial manufacturing industries where the state will promote procurement initiatives, such as the establishment of manufacturing plants in the health sector where linen is provided as required by health institutions to promote the textile industry of the Province. Based on the same principle, school and office furniture can be procured by government. Through state-led endeavours such as these, we will be able to build the capacity of the state.



### John Taolo Gaetsewe District

**Table 4: John Taolo Gaetsewe Manufacturing Sub-Sectors 2016**

REAL GVA (R MILLIONS CONSTANT 2010 PRICES)	JOHN TAOLO GAETSEWE (DC45)	
	2016	CONTRIBUTION TO GVA
Food, beverages and tobacco [QSIC 30]	76,74	26,75%
Textiles, clothing and leather goods [QSIC 31]	5,18	1,80%
Wood and paper; publishing and printing [QSIC 32]	8,88	3,09%
Petroleum products, chemicals, rubber and plastic [QSIC 33]	32,23	11,24%
Other non-metal mineral products [QSIC 34]	30,73	10,71%
Metals, metal products, machinery and equipment [QSIC 35]	76,64	26,71%
Electrical machinery and apparatus [QSIC 36]	0,78	0,27%
Radio, TV, instruments, watches and clocks [QSIC 37]	0,14	0,05%
Transport equipment [QSIC 38]	3,93	1,37%
Furniture; other manufacturing [QSIC 39]	51,64	18,00%

The largest contributor to the manufacturing real GVA for the John Taolo Gaetsewe district in 2016 was the food, beverages and tobacco sub-sector which contributed 26.75%. The sub-sector primarily uses agricultural products as the main inputs to the value chain.

The smallest contributor to the manufacturing real GVA in the John Taolo Gaetsewe district was the radio, TV, watches and clocks sub-sector which contributed only 0.05% to the district's total manufacturing real GVA in 2016. The sub-sector is not well-developed in the Northern Cape in general.

Source: Quantec (2018)

### Namakwa District

**Table 5: Namakwa Manufacturing Sub-Sectors 2016**

REAL GVA (R MILLIONS CONSTANT 2010 PRICES)	NAMAKWA (DC6)	
	2016	CONTRIBUTION TO GVA
Food, beverages and tobacco [QSIC 30]	75,37	38,88%
Textiles, clothing and leather goods [QSIC 31]	0,42	0,22%
Wood and paper; publishing and printing [QSIC 32]	0,67	0,35%
Petroleum products, chemicals, rubber and plastic [QSIC 33]	47,51	24,51%
Other non-metal mineral products [QSIC 34]	7,85	4,05%
Metals, metal products, machinery and equipment [QSIC 35]	48,31	24,92%
Electrical machinery and apparatus [QSIC 36]	-	0,00%
Radio, TV, instruments, watches and clocks [QSIC 37]	-	0,00%
Transport equipment [QSIC 38]	4,82	2,49%
Furniture; other manufacturing [QSIC 39]	8,92	4,60%

Similar to Johan Taolo DM, the Namakwa District also produced more goods in the food, beverages and tobacco sub-sector, which contributed 38.88% to total real GVA for the manufacturing industry in the district. This is followed by metals, metal products, machinery and equipment, which contributed close to 25% to the manufacturing GVA.

### Pixley ka Seme District

**Table 6: Pixley ka Seme Manufacturing Sub-Sectors 2016**

REAL GVA (R MILLIONS CONSTANT 2010 PRICES)	PIXLEY KA SEME (DC7)	
	2016	CONTRIBUTION TO GVA
Food, beverages and tobacco [QSIC 30]	90,72	54,44%
Textiles, clothing and leather goods [QSIC 31]	2,23	1,34%
Wood and paper; publishing and printing [QSIC 32]	3,30	1,98%
Petroleum products, chemicals, rubber and plastic [QSIC 33]	20,89	12,53%
Other non-metal mineral products [QSIC 34]	9,20	5,52%
Metals, metal products, machinery and equipment [QSIC 35]	14,46	8,68%
Electrical machinery and apparatus [QSIC 36]	9,12	5,47%
Radio, TV, instruments, watches and clocks [QSIC 37]	-	0,00%
Transport equipment [QSIC 38]	1,90	1,14%
Furniture; other manufacturing [QSIC 39]	14,84	8,91%

The Pixley ka Seme district similarly focused its production capabilities on producing for the food, beverages and tobacco sub-sector, which contributed 54.44% to the district real GVA in manufacturing. The chemicals sub-sector followed, with a 12.53%

## ZF Mgcawu District

**Table 7: ZF Mgcawu Manufacturing Sub-Sectors 2016**

REAL GVA (R MILLIONS CONSTANT 2010 PRICES)	ZF MGCAWU (DC8)	
	2016	CONTRIBUTION TO GVA
Food, beverages and tobacco [QSIC 30]	205,54	34,08%
Textiles, clothing and leather goods [QSIC 31]	3,93	0,65%
Wood and paper; publishing and printing [QSIC 32]	26,99	4,48%
Petroleum products, chemicals, rubber and plastic [QSIC 33]	69,45	11,51%
Other non-metal mineral products [QSIC 34]	120,97	20,06%
Metals, metal products, machinery and equipment [QSIC 35]	84,92	14,08%
Electrical machinery and apparatus [QSIC 36]	2,31	0,38%
Radio, TV, instruments, watches and clocks [QSIC 37]	12,62	2,09%
Transport equipment [QSIC 38]	12,22	2,03%
Furniture; other manufacturing [QSIC 39]	64,23	10,65%

The largest contributor to the district's real GVA in manufacturing is the food, beverages and tobacco sub-sector, which contributed slightly over 34% towards the district's manufacturing GVA. The second-largest contributor in 2016 was the other non-metal mineral products sub-sector.

## Frances Baard District

**Table 8: Frances Baard Manufacturing Sub-Sectors 2016**

REAL GVA (R MILLIONS CONSTANT 2010 PRICES)	2016	FRANCES BAARD (DC9)
		CONTRIBUTION TO GVA
Food, beverages and tobacco [QSIC 30]	194,12	25,43%
Textiles, clothing and leather goods [QSIC 31]	19,69	2,58%
Wood and paper; publishing and printing [QSIC 32]	33,41	4,38%
Petroleum products, chemicals, rubber and plastic [QSIC 33]	89,66	11,74%
Other non-metal mineral products [QSIC 34]	106,26	13,92%
Metals, metal products, machinery and equipment [QSIC 35]	118,48	15,52%
Electrical machinery and apparatus [QSIC 36]	6,53	0,86%
Radio, TV, instruments, watches and clocks [QSIC 37]	2,33	0,31%
Transport equipment [QSIC 38]	34,83	4,56%
Furniture; other manufacturing [QSIC 39]	158,15	20,72%

The Frances Baard district has a more equitable distribution in its manufacturing industry than the other districts, even though the largest contributor to the district's manufacturing real GVA was also the food, beverages and tobacco sub-sector, which contributed 25.43% to the province's real GVA in manufacturing. The district is the largest contributor to the province

## Trade and Investment

An Economic Colloquium was held with the following outcomes and implications for NC Trade and Investment:

- NC has an attractive economy for investments.
- Its emerging economy is the key advantage of the NC.
- Opportunities for trade and investments:
  - Extensively packaging services
  - Re-manufacturing end of life products to original specifications
  - Creating value for new strategic alliances (mining and manufacturing sectors)
- BRICS and SADC are important trade partners for SA and NC. There is an opportunity for the NC to sign trade agreements with all BRICS member countries and other countries like Nigeria.
- The following needs to be addressed in order to stimulate investments in the province:
  - Limited disposal income. Cost of transport is higher in the NC
  - Gain access to industrial areas/land use
  - More than 90% of iron ore mined in the NC goes to China - NC is affected by the Chinese market
  - African countries have a lot of foreign debt. SA's foreign debt investment is a challenge
- Difficult for investors to obtain access due to red tape
- NC should start focussing on manufacturing and value adding of their own raw products instead of exporting and importing final products back to the NC.

- The Trade and Investment Blueprint should act as the Operational Plan. The three areas to focus on are:
  - Export more, import less
  - Infrastructure Development
  - Direct Foreign Investment.
- There are investment opportunities in high impact projects, such as SEZ, Boegoe baai, infrastructure. Boegoe baai will be a major port for ships between NC and WC requiring technical assistance.
  - Recommendation to achieve increased trade and investments in the NC:
  - Develop an investment attraction centre
  - Establishment of municipal integrated investment portal (one stop investor portal)
  - Organisation and coordination of LED and chambers of commerce
  - Business retention, expansion and attraction in the province

**Figure 20: Factors Determining Trade and Investment Potential**



The Province need to prioritise the establishment of a One-Stop-Shop which will provide essential services to existing and potential investors, create opportunities to enhance investment promotion, enhance facilitation and aftercare, which will ultimately provide services to investors towards fast-tracking projects and reducing government red-tape. The primary objective need to be to improve the business environment by lowering the cost of doing business as well as making the process easier. Localisation will also remain an important policy tool for building local capabilities and creating an inclusive and growing economy.

## Key Issues and Insights



### Community issues

- ❑ The manufacturing industry demands a level of skill for production and assembly. Therefore, to achieve significant growth in the sector increased access to high-quality and relevant skills development and training opportunities to support that growth is essential.
- ❑ Effective training and development strategies are vital to meet the challenges of promoting sustainable and robust growth in the economy.
- ❑ One of the main constraints for the community includes the lack of access to information and education, which limits the development of specific skills required for the industry. Furthermore, the rapid rate of change in technology is causing various skills to be inadequate within a short period, which leave the manufacturing sector with little time to implement effective plans to meet today's and tomorrow's advanced manufacturing requirements.
- ❑ Employment in the manufacturing industry has experienced a decline which can be translated to retrenchment of workers. The impact of the retrenchments is significant as it permeates through the economy and affects local businesses.

- ❑ One of the key issues affecting the province is a lack of access to adequate infrastructure for production. The deficiency hinders growth in the province as it limits production output and contributes to the stagnation of the industry in achieving its potential. Due to this hindrance, exports are limited, and employment opportunities remain constricted, as higher levels of production would necessarily require more workers to be sustainable.
- ❑ Even though the manufacturing industry in the Northern Cape is relatively small, it is essential to the economic development of the province and should be geared to promoting labour-intensive, export-driven industrialisation.
- ❑ In order to fully exploit the opportunities presented by trade agreements there is a need to address challenges that have been encountered in pursuing export opportunities
- ❑ Need to address the lack of detailed knowledge, about export markets, of many local producers and brands (outside of South Africa's traditional export intensive sectors)



### Economic



### Governance

- ❑ There are very few incentives to drive the manufacturing industry in the Northern Cape. There is also insufficient management of funds within the respective departments due to irregularities in expenditure, which has an impact on the implementation of specific policies and schemes that could benefit the manufacturing industry.
- ❑ Implementation Issues
- ❑ Implementation issues are common for development strategies. A concerning issue regarding the development strategy for the manufacturing and trade sector is the fact that the Northern Cape Department of Economic Development and Tourism does not have enough capacity in terms of personnel and financial resources.

- ❑ One of the key issues affecting the province is a lack of access to adequate infrastructure for production. The deficiency hinders growth in the province as it limits production output and contributes to the stagnation of the industry in achieving its potential. Due to this hindrance, exports are limited, and employment opportunities remain constricted, as higher levels of production would necessarily require more workers to be sustainable.
- ❑ Even though the manufacturing industry in the Northern Cape is relatively small, it is essential to the economic development of the province and should be geared to promoting labour-intensive, export-driven industrialisation.



### Environmental



## Achieving Vision 2040

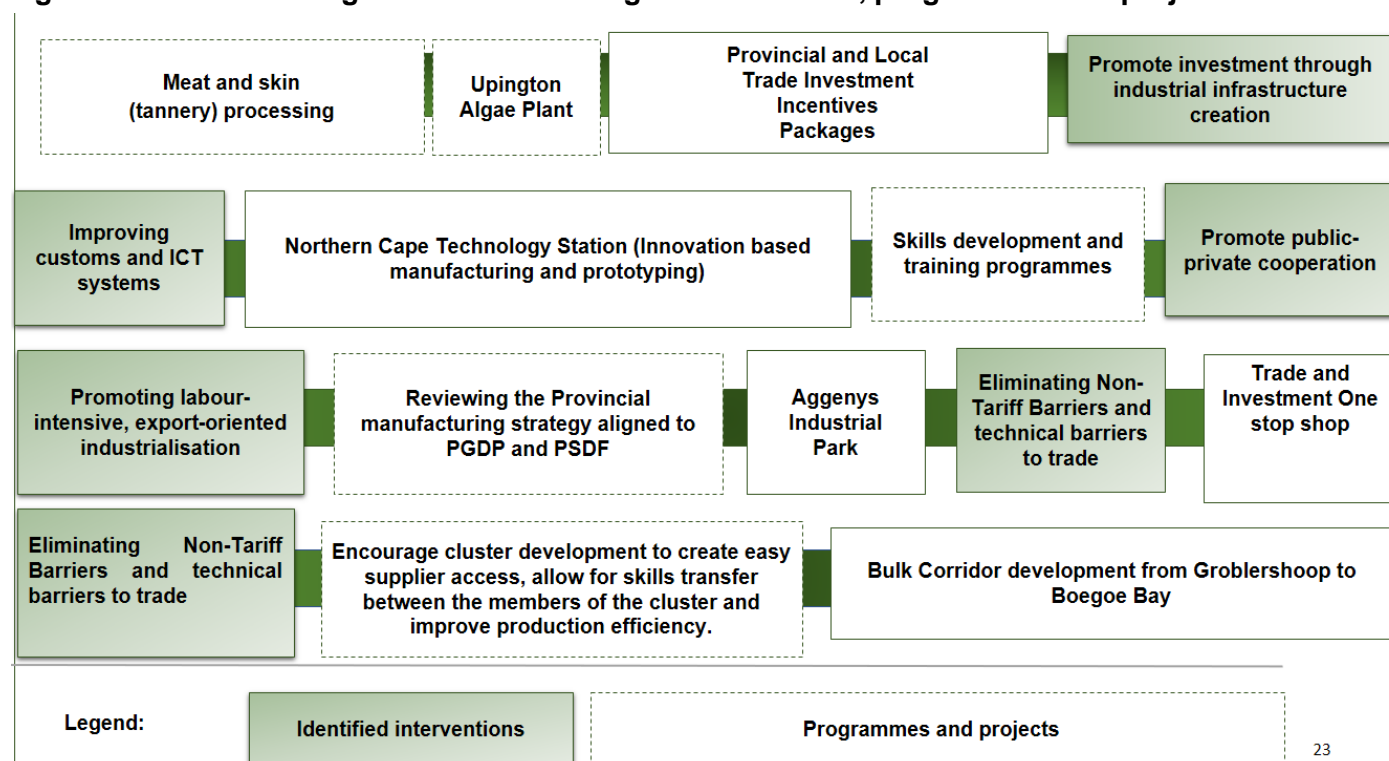
Vision 2040

- ⇒ To strive towards an efficient, competitive and responsive economic infrastructure network. This has major significance on the Manufacturing and Trade industries. This can be achieved by investing into to manufacturing industry to ultimately develop the secondary sector, encouraging exports by improving regulatory processes and investing in basic services such as access to water and electricity to ensure that these services are reliable and sufficient.
- ⇒ Strengthen policy development to promote and growing manufacturing sector.
- ⇒ Broad-based ownership of the economy is one of the fundamental building blocks for transforming the economy to serve the people.
  - promoting worker ownership adds to broad-based black empowerment by distributing wealth to broader sections of our people.
- ⇒ Work with the financial sector to increase industrial and enterprise financing for small businesses, black industrialists and cooperative
- ⇒ Strategic partnerships to drive the industrialisation of the Northern Cape through public and private procurement, building our key industries of manufacturing, agriculture and agro-processing, mining and beneficiation, energy and renewable energy, tourism, the maritime economy and knowledge economy.
- ⇒ Adopting a more aggressive approach to increasing exports
- ⇒ Deepen exposure to market intelligence for local producers.
- ⇒ Explore market intelligence synergies amongst social partners.
- ⇒ Advanced manufacturing as a catalyst for re-industrialisation
- ⇒ Reduce 'red tape' through the establishment of One stop shop. Which will also facilitate household and community access to investment and funding.

### Strategic interventions

The figure below outlines the primary strategic interventions, programmes & projects

**Figure 21: Manufacturing and Trade – Strategic Interventions, programmes and project**



# Competitive Infrastructure Development

2040

Investment in rail, water and energy, provision of engineering services and beneficiation of natural resources

## Our Province

The Northern Cape faces various challenges regarding the provision and maintenance infrastructure to enable basic service delivery, due to various aspects such as the vastness of the province, silo planning, water scarcity and the political and social environment.

- The National Development Plan's vision is that, in 2030, South Africa enjoys a strong network of economic infrastructure that supports the country's economic and social objectives. Infrastructure efficiently delivers basic services such as electricity, water, sanitation, telecommunications and public transport, and is robust and extensive enough to meet industrial and commercial needs.
- The National Development Plan emphasizes that by 2030, South Africa should approach developed world status, with levels of inequality greatly reduced, including inequalities in infrastructure access, levels of service, and pricing of infrastructure-related goods and services.

Infrastructure can be regarded as the bedrock for growth and development and creates many opportunities for job creation. The infrastructure network efficiently delivers electricity, water, sanitation, telecoms and transport services and powers the economy of the Northern Cape Province. It further supports manufacturing, trade and exports and gives citizens of the province a means to improve their lives and boost their incomes, effectively contributing to improving the human dignity of all. The Northern Cape's vast distances and development in towns is well connected by a good to relatively poor road network. The

Northern Cape Province does have a relatively good core network of provincial economic infrastructure, the challenge however is to maintain and expand it to ensure inclusive economic growth.

The South African Government adopted a National Infrastructure Plan in 2012. With the plan we aim to transform our economic landscape while simultaneously creating significant numbers of new jobs and strengthen the delivery of basic services. The plan also supports the integration of African economies.

The National Infrastructure Plan outlines the 18 Strategic Integrated Projects (SIPs) in the country. The SIPs cover social and economic infrastructure across all nine provinces (with an emphasis on lagging regions) (The South African Government, 2018). The SIPs include catalytic projects that can fast-track development and growth. Work is being aligned with key cross-cutting areas, namely human settlement planning and skills development. One of the most important SIPs for the purposes of Safety is SIP 7 Integrated Urban Space and Public Transport (The South African Government, 2018). SIP 7 plans to coordinate planning and implementation of public transport, human settlement, economic and social infrastructure and location decisions into sustainable urban settlements connected by densified transport corridors. This will focus on the 12 largest urban centres of the country, including all the metros in South Africa (The South African Government, 2018). Various national departments including the Department of Transport, ACSA and SANRAL are involved in the development of SIP 7. The implication for the Northern Cape is that safe and reliable public transport will improve connectivity in society and will be a catalyst for economic development as more people have access to economic opportunities.



The provincial economy has been constrained by inadequate investment and ineffective operation and maintenance of existing infrastructure during the past 20 years. Productive investment in the John Taolo Gaetsewe District (more specifically the rural areas) also continues to face constraints from inadequate logistics, water, waste removal and electricity which remains a huge burden towards addressing the infrastructure backlogs.

Current investment levels are insufficient whereas the need to address operations and maintenance programmes are still lagging. Given the province's limited finances, private funding will need to be sourced for some of these investments, and policy planning and decision-making will require trade-offs between competing provincial and even national goals. The following section provides a synopsis of the current realities faced within the Northern Cape regarding infrastructure. The infographic below indicates some key findings and 'snapshots' of the infrastructure environment of the Northern Cape Province, captured within the status quo analysis of the PSDF.

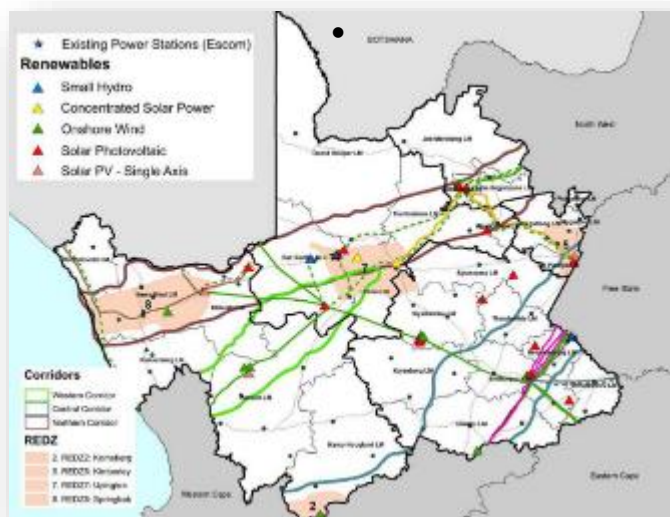


**Energy:** The current deficits and uncertainties lie in, firstly the capacity to generate and source electricity to support an increased growth in demand, especially towards the high growth areas. Secondly the ability of transmission infrastructure, is hindering the expansion of the renewable energy rollout. The energy focus in the province is on lowering the carbon footprint, with an emphasis on renewable and locally generated energy is placed.

Energy is essential to the economy and impacts on all sectors, as well as individual livelihoods. Integrated energy planning is required to ensure that current and future energy service needs can be met in the most cost effective, efficient and socially beneficial manner while also taking into account environmental impacts. Due to this limitation, the manufacturing sectors potential to growth is limited, as manufacturing and other beneficiation processes are typically energy intensive. The expansion of the electrical grid and the capacity thereof, is therefore a key component in unlocking latent economic potential within the mining sector, as well as increase the viability of existing and future high impact projects

Most recently, renewable energy in South Africa has become synonymous with large-scale, grid connected projects as constructed under the REIPPPP. Renewable energy can, however, also be deployed on a smaller, stand-alone scale where it can directly benefit households, farmers, communities and businesses.

**Figure 22: : Renewable Infrastructure**



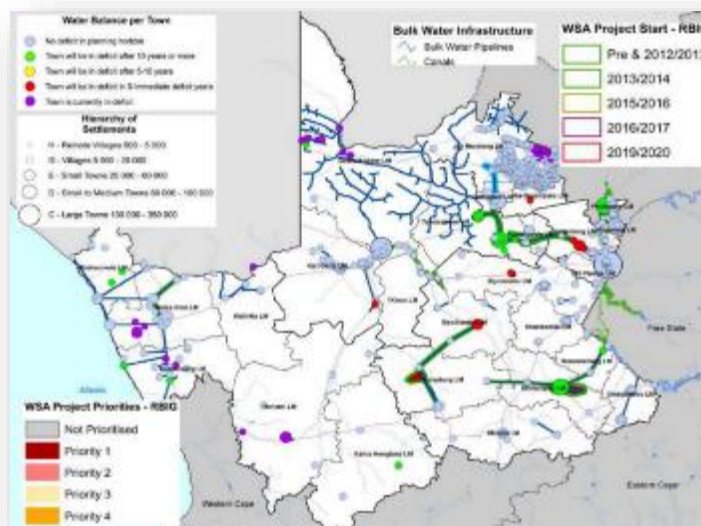
In order to effectively capitalise on the comparative advantages regarding energy production, it is crucial to coordinate and cluster similar or supporting activities and land uses, in order to effectively use existing and future infrastructure. Non-grid electricity supply through the means of Solar PV systems was identified as the most suitable, temporary alternative to grid electricity. A reliable power supply is not only dependent on adequate generation capacity, but also the grid network infrastructure to deliver electricity to consumers (loads)





**Water:** The Province has limited water resource options for future growth. To address this, increased water conservation and demand management are urgent and necessary, but emphasis need to be placed on the re-use of water, rather than the exploitation of virgin water sources. The sanitation infrastructure priority is to rehabilitate and upgrade infrastructure assets. However, there is a chronic shortage of capital for water and sanitation projects. The Northern Cape is a semi-arid and water scarce region. As water is crucial to sustain life and any other development, it is key to conserve water resources within the province. Emphasis should be placed on the re-use and reticulation of water, rather than exploring untapped water resources. It is crucial to consider future developmental and financial gains with that of water security and quality over the long-term period. Currently various towns and villages have limited access to potable water, but intervention projects from the Department of Water and Sanitation, are already in place or prioritised as indicated in the figure above.

**Figure 23: Northern Cape – Availability of water per town**

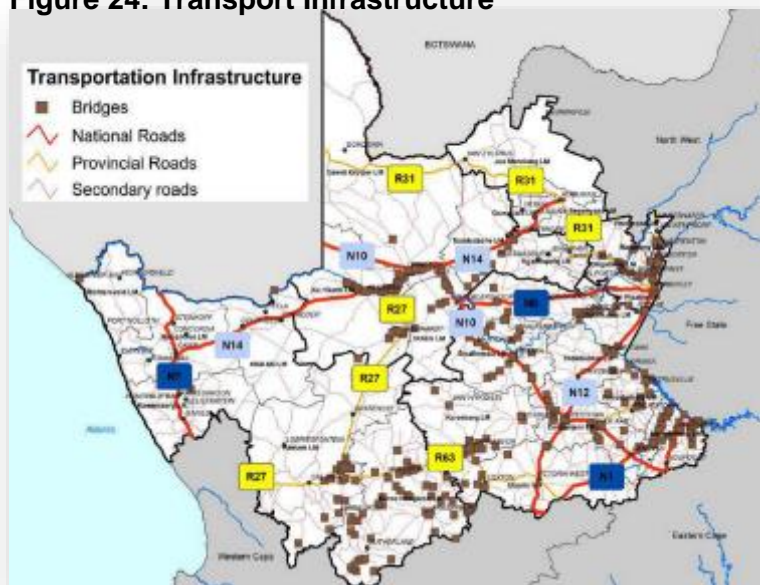


The Northern Cape Province has a well-established water infrastructure network that provides water to most of the drought-stricken areas in the province. Most of the infrastructure however requires urgent maintenance and refurbishment which is a cause of concern towards growth and development in the province. Where wastewater management is a regional challenge, some Water services authorities (WSAs) have contracted out this function to bulk water services providers; however, responsibility remains with them to ensure an effective service. It is therefore essential that all available water is used effectively, efficiently and sustainably in order to reduce poverty, improve human health and promote economic development. Both surface water and groundwater resources must be managed to ensure a balance between usage and availability in order to meet the country's present and future water demands.



**Transport:** The Province has a well-developed transport network comprising airports, ports, roads and public transport, and railway lines.

**Figure 24: Transport Infrastructure**



Port expansion and refurbishment is required in Port Nolloth and Boegoeberg Bay in response to local and international markets and as economic catalysts. The provincial paved-road network has good coverage and is generally in good condition, but the gravel network is in poorer condition. However, there is a critical shortage of funding for road rehabilitation and maintenance. Rail freight lines in the province have adequate capacity but suffer from poor performance, due to power and signalling constraints. Passenger rail, particularly in Kimberley, has suffered from historical underinvestment, and rehabilitation and



upgrading are a priority. The larger urban areas require investment to unlock broader-reaching public transport systems.

Transport is the lifeblood of modern life and the heart of the economy at all scales. Without it, the logistics of everyday activities and economic enterprise would be impossible. The Northern Cape has a six major National Routes (N1, N7, N8, N10, N12 and N14) cutting across the Province. Most of the national routes are concentrated towards the eastern parts of the province, as the eastern region's population density higher. Although numerous national routes are located within the province, due to the vast expansion of it, results in some areas still struggling with transport and access due to the quality of the regional road networks as well as the high-cost associated with vast distances.

According to the NDP, mobility is one of the key dimensions of human capability. While the infrastructure might be present, access to it is limited by a range of factors, including cost (i.e. the potential user is unable to afford either the service the cost of transport to and from the service – or both), mobility (unable to physically access the service), or lack of one another other potentially limiting factor. Thus, public transport and infrastructure must be managed better by removing duplicated functions, refining powers and functions, imposing accountability and enhancing governance and decision-making processes.

The significant deterioration of the road network due to overloading and traffic congestion has resulted in the development and formulation of Transnet's road-to-rail strategy, the primary aim of which is to rebalance the road freight–rail freight split in an attempt to create a larger market share and to reduce the number of heavy motor vehicles on the roads to decrease overloading on the road network. The implication of the Road to Rail Strategy is a reduction in overall transport and logistics costs and externality costs (e.g. road damage, road accidents, road congestion, noise pollution and carbon emissions). As the rail freight routes, which is mainly utilised to export mining commodities, have been prioritised within NATMAP and the NSDF, and plays a crucial role in the attempt to rebalance the road freight–rail freight split, and reduce the amount of road maintenance required, due to the negative impact of heavy motor vehicles on road surface quality. Traffic volumes on the paved network are predominantly low, with 60% of these roads carrying less than 500 vehicles per day, and only 23% carrying more than 1,000 vehicles per day. For unpaved roads, 70% carry less than 50 vehicles per day, and only 3% more than 250.



**Settlements:** The Northern Cape suffers from the apartheid legacy of segregated and spatially inefficient settlements. Within these settlements, the housing backlog is currently estimated at 60 000 households and is expected to increase in the short to medium term. The perpetual challenge of providing affordable housing to low-income households on well-located land is still

unsolved. However, there is agreement around the need for more integrated settlements (providing public and social services and livelihood opportunities together with housing) and for densification along transport networks to make urban settlements more 'liveable' and efficient. The solid waste challenge differs across the range of settlements in the province. While larger municipalities are grappling with the costs associated with the stringent targets for waste minimisation and alternatives to landfills imposed by legislation, municipalities with smaller urban cores are still battling with basic waste collection

and landfill management. The shortage of landfill space is a problem, as is the rising cost of waste transport. The provincial average regarding water provision is estimated at 97.1% relating to the improvement in access to water. The province has also a noted high access to piped water, averaged at 93.2% (Statistics South Africa (StatsSA), 30 March 2017). Sanitation in terms of basic sanitation services, the Strategic Framework

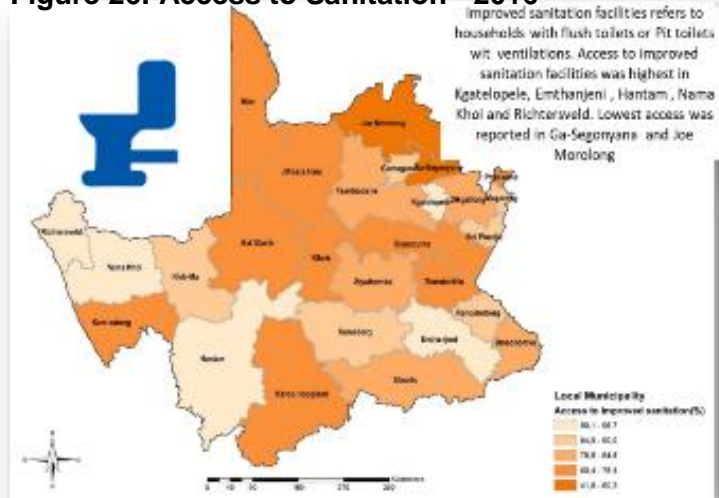
**Figure 25: Access to Piped water, 2016**



Source: STATSSA, 2016

for Water Services (2003), aims to ensure that sanitation facilities are easily accessible to households and sustainable, including the safe removal of human waste and wastewater from the premises where this is appropriate and necessary. In the provincial context, access to improved sanitation is said to be at 81.2%, with the Ga-Segonyana local municipality having the lowest in the province.

**Figure 26: Access to Sanitation - 2016**



Source: STATSSA,

While also based on (Statistics South Africa (StatsSA), 30 March 2017) data, the province is still confronted with municipalities with a low provision of refuse removal, the Joe Morolong has a 4.2% access to refuse removal. The Ga-Segonyana and the Mier local municipalities follows on the heels of the Joe Morolong local municipality, with 12.5% and 28.4% access to refuse removal, respectively.

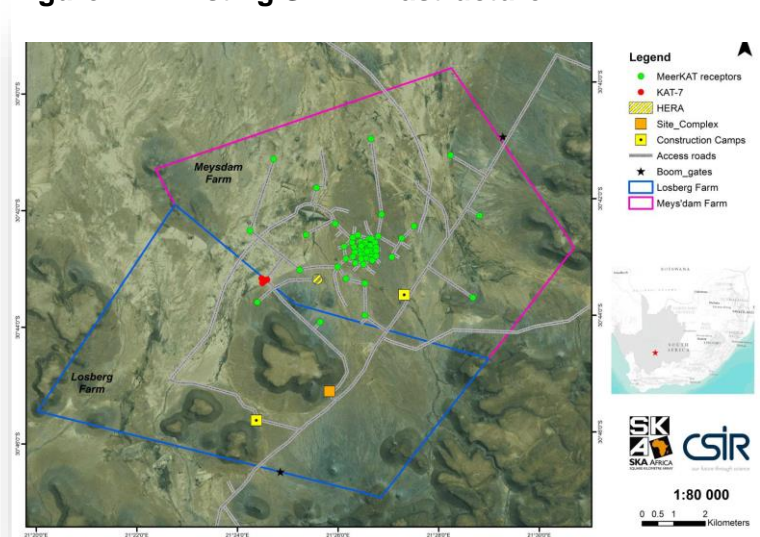


**Information and Communication Technology (ICT):** Access to mobile communication has increased dramatically, but internet access has been stagnant. new technologies and development in the Province have the potential to dramatically improve the rate of access, and investment in fibre optic cabling is essential to provide the backbone for the mobile networks and to enable faster, cheaper and more reliable communication networks. Communication and information play a key role in effective development and creating other avenues of accessibility. Most of the ICT infrastructure is concentrated towards the eastern parts of the province, as well as along major transport routes. Large regions of the province have limited access to cell phone and other signals, creating difficulty regarding information sharing with communities located within isolated regions. Due to this, stakeholders at all government spheres need highlight and prioritise the roll-out of ICT infrastructure to isolated and vulnerable communities.

The establishment of the Sol Plaatje University supports the ICT initiative, by providing communication, data and technology skills within the province. Which will in the long-term increase the skills and capacity base of the Northern Cape with regards to data science.

Furthermore, the university has the potential to become a technology and innovation hub, providing possible solutions that are catered to the Northern Cape.

**Figure 27: Existing SKA infrastructure**



The existing SKA infrastructure is located on Meys'dam and Losberg farms and includes the Losberg site complex, the Losberg and Meys'dam construction camps, KAT-7, MeerKAT, Hydrogen Epoch of Reionization Array (HERA), power grid network, security infrastructure (e.g. guard huts and boom gates), weather monitoring and radio-frequency interference monitoring stations, Local Area Network and a surfaced aircraft landing strip. The SKA, Meerkat and SALT telescope cluster, which capitalises on the limited levels of signal

interference in the central region, is a project of national interest with regards to information generation and sharing on a global platform. The requirement of low signal disturbance may hinder internet or information accessibility of communities located within the Astronomy Reserve boundaries and will require innovative approach to overcome this obstacle. International broadband capacity will also be increased from 10 Gbps to more than 100 Gbps. This is necessary for the successful implementation of national interest projects such as the MeerKAT/SKA project, the Southern African Large Telescope (SALT), the African Very Long Baseline Interferometry Network and the Big Data Project and will allow researchers to participate in competitive research. Improving government capacity to address the infrastructure challenges is critical and the province should investigate the feasibility of the establishment of a state-owned construction company.

## Key Issues and Insights



### Community

- ❑ Spatial differentiation. Different municipalities face different challenges, reflecting socio-economic conditions and municipal competence. Future efforts to improve delivery will only be effective if they are not based on the apparent current assumption that one size fits all. relied less on grants relative to rates income had greater success in improving the delivery.
- ❑ Informal settlements upgrade. In 2010, Cabinet Lekgotla resolved that a programme should be developed nationally to target municipalities with the highest concentration of informal settlements, was identified in the Province.
- ❑ Title Deeds restoration. Several investigations have indicated that a growing number of beneficiaries of state-subsidized housing have not been issued with Title Deeds on the occupation of their houses.

- ❑ The planning for future developments and formalisation of informal settlements far exceeds the bulk availability of water and wastewater treatment facilities to provide the entire province with full water reticulation and waterborne sewer.
- ❑ Sustainable, clean, reliable and affordable energy supply is a critical component in economic and socio-economic growth and development.
- ❑ Scarcity of water & Quality of available water



### Environmental



### Governance

- ❑ The Apartheid spatial legacy, combined with urban sprawl resulted in a fragmented and ineffective space economy, which requires coordinated planning and investment.
- ❑ It is crucial to not over-burden municipalities, by providing infrastructure services that are not economically viable or logical.
- ❑ Poor planning has resulted in a proliferation of marginalised and disconnected settlements;
- ❑ Urban sprawl and low densities contribute to unproductive and inefficient cities as poor households continue to be marginalised by distance and transportation costs and the lack of agglomeration in many urban centres undermines economic development and efficiency.
- ❑ Scare skills shortages. The scarce skills list has also considered future skills needed for the local government such as green local government and the smart city concept, among others.
- ❑ Few incentives to drive the manufacturing industry
- ❑ Limited implementation of Act No. 23 of 2014: Infrastructure Development Act, 2014



- ❑ Progress has been registered in terms of energy infrastructure and diversity of sources, but the province continues to struggle from energy supply limitations.
- ❑ There is a need for a substantial increase in the rate of investment in the energy supply infrastructure to meet the ever-growing energy demands, fuelled by urbanisation and population.
- ❑ The maintenance of existing infrastructure lacks, therefore, most upgrades of facilities requires refurbishment growth.
- ❑ Lack of access to adequate infrastructure for production
- ❑ Limited exports
- ❑ Municipal infrastructure
  - Municipal infrastructure grants – strengthening M&E and spending of grants across municipalities

## Achieving Vision 2040

Building an inclusive and dynamic economy requires urgent investment in rail, water and energy infrastructure. The private sector should also commit more investments to supplier industries for the infrastructure programme, and in general economic capacity. The Northern Cape should also focus on diversifying its economic base. This should include building the infrastructures required to produce capital and intermediary goods for the envisaged national and provincial infrastructure programmes. Which could also further growth towards possibilities in sub-Saharan Africa. Fundamental towards developing competitive infrastructure is to include and expand development for the mining industry, combining production of capital goods, provision of engineering services, and beneficiation of natural resources.

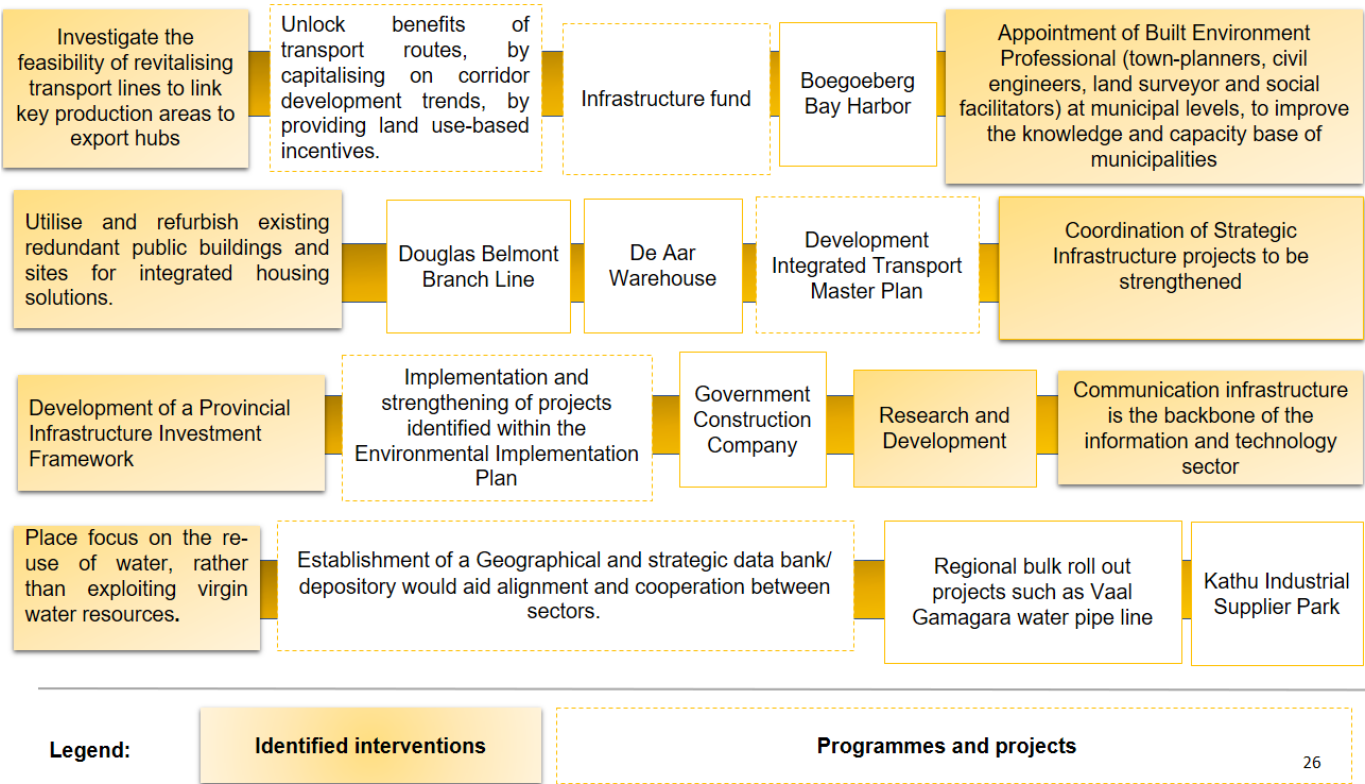
- ⇒ The Provincial Growth and Investment Council need to strengthen collaboration with the Presidential Infrastructure coordinating Committee to ensure that the National Infrastructure Plan responds fully to the Provincial Infrastructure development priorities.
- ⇒ Facilitate and coordinate public infrastructure development which is of significant economic or social importance to the Northern Cape
- ⇒ Infrastructure development in the Northern Cape is given priority in planning, approval and implementation;
- ⇒ Provincial Development priorities are promoted through infrastructure development
- ⇒ Improve the management of such infrastructure during all life-cycle phases, including planning, approval, implementation and operations
- ⇒ Provincial Infrastructure Investment Framework must aim to ensure that infrastructure development is undertaken in a manner which seeks to advance provincial development priorities, including local industrialisation, skills development, job creation, youth employment, small business and cooperatives development, broad-based economic empowerment and regional economic integration
- ⇒ Investigate ways to strengthen local procurement and facilitate the Emergence of SMMEs, women-owned enterprises and worker enterprises (including cooperatives within strategic infrastructure projects).
- ⇒ Seek investment partnerships with the private-sector to drive spatial transformation and improve socio-economic sustainability of these communities.
  - Consult and establish formal structures to foster collaboration between government, Eskom, Transnet, Sasol, IPPs and other industry players.



Strategic Interventions

The figure below outlines the primary strategic interventions, programmes & projects. With the development of the Provincial Infrastructure Investment framework future priority infrastructure projects aligned to the PGDP and PSDF will be outlined.

Figure 28: Competitive Infrastructure – Strategic Interventions



# Innovation and Knowledge Economy

2040

Modern, affordable and accessible ICT, Broadband, E-communication and digital broadcasting

## Our Province

Information and communications technology in its broadest form pertains mainly to the internet-enabled domain, the mobile environment and to a lesser extent, landline telephones, radios and televisions. It is an environment that is diverse and constantly changing with new and better technology enhancements that grows as the requirements grow and the demand for access and communication through the different spheres evolve. One of the principal factors for the growth and roll-out of these technologies is demand and the provision of access to the areas where the demand necessitates upgrades and installation of hardware to cater for the demand as well as future growth. This factor plays an enormous role in the information and communication technology landscape of the Northern Cape Province. The innovation and knowledge economy can be one of the key role players towards the province achieving its Vision 2040.

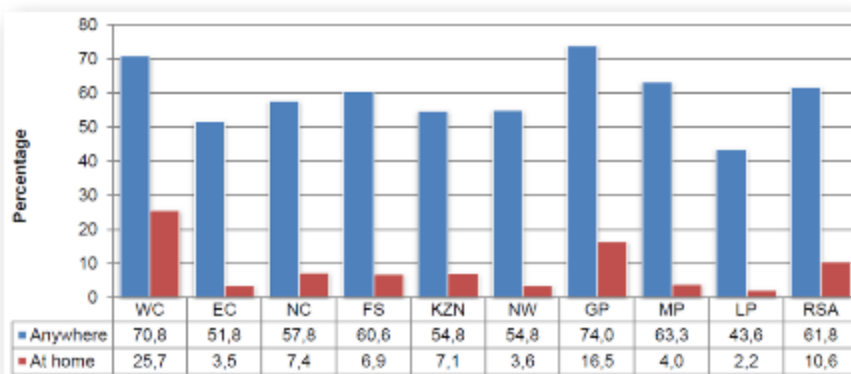
"WE SEE A COUNTRY THAT HAS EMBRACED THE BENEFITS OF TECHNOLOGY FOR ECONOMIC GROWTH, SOCIAL DEVELOPMENT AND FOR MORE EFFECTIVE GOVERNANCE. WE ARE PRODUCERS OF KNOWLEDGE AND DRIVERS OF TECHNOLOGICAL PROGRESS."

PRESIDENT CYRIL RAMAPHOSA

The world is on the brink of the Fourth Industrial Revolution, where the future of technology innovation will enter a new age based on digitisation, robotization, the internet, and big data capabilities. This revolution is likely to have disruptive impacts on both developed and middle-income countries like South Africa, affecting not only how things the economy operates, but the whole future of manufacturing.

The figure hereunder indicates that most of the population in the province do not have access to internet services. This is an opportunity gap for government to invest in ICT as it is a key sector towards driving the innovation and knowledge economy.

Figure 29: internet access – 2017

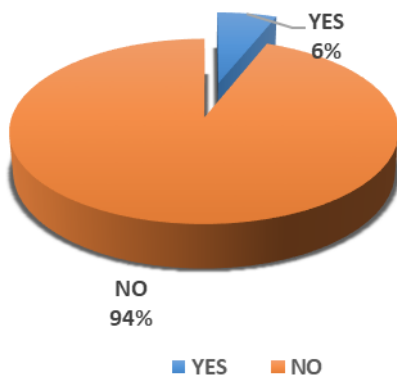


**About 58% of households in the NC had access to internet either from home, work, place of study, or internet cafes. Just over 7% of households in NC had internet access at home**

**Significantly more youth households make use of a cellular phone to access internet. Data provides some of the key trends on youth in the Northern Cape**

The internet exerts a strong influence on economic growth rates and the development of the innovation and knowledge economy (Manyika & Roxburgh, 2011). The figure below shows the community survey for internet access in the Northern Cape for schools, colleges and the universities.

**Figure 30: Internet Access (School, College & University)**



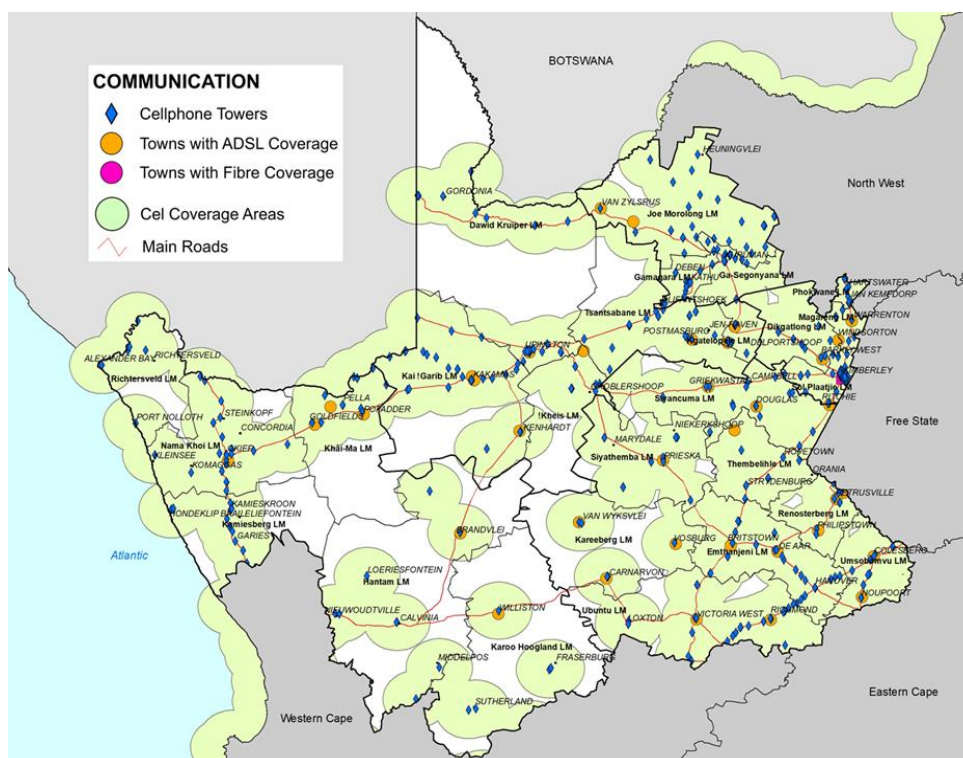
Source: (Statistics South Africa, 2016)

The figure indicates that 94% of residents in the Northern Cape Province do not have access to internet services in schools, colleges and the universities. This highlights the challenges the province faces regarding broadband infrastructure, as it is essential in today's connected world to provide education facilities with adequate ICT access.

A broadband e-Infrastructure for the Northern Cape Province is a fundamental prerequisite for expanding the province's Knowledge and Innovation economy. As researched by the World Bank Group across 27 developed countries and 66 developing countries, it was found that a 1-percentage point increase in the number of Internet users correlated with a boost in exports of 4.3 percentage points. Accordingly, an econometric analysis of 120 countries by the World Bank Group found

that for every 10 percentage points increase in the penetration of broadband services, there is an increase of 1.3 percentage points in the area's economic growth (World Bank, 2009).

**Figure 31: Information and Communication infrastructure in the Northern Cape Province**



Overview of the communication and technology footprint; many areas in the province do not have any coverage or access to the internet. The main towns and cities are however well-served (Ibid.).

Source: Northern CAPE PSDF, 2019)

The focus of ICT in the Northern Cape is on the areas and towns where there is a large enough footprint and the demand necessitates the installation of any hardware and infrastructure. The emphasis is on towers and Wi-Fi and fast access through these mediums for both phone and data access. ADSL lines are an option, but bandwidth and speed are low even though it is supposedly more stable. Fibre access is currently primarily earmarked for Kimberley. As mentioned earlier the area of ICT is diverse and is constantly changing and with newer technology and lower installation cost the landscape in the Northern Cape pertaining to this environment might change in the future (Ibid.).

ADSL (Asymmetric digital subscriber line) is primarily located in the bigger towns in the Northern Cape, along the main roads. Although the ADSL lines are more stable than Wi-Fi, the speed of the line and the number of users accessing the line has a huge effect on the experience. Telkom indicates a maximum of 10 Mb lines for the towns, but the average range between 2Mb and 10Mb (Maswana JV, 2017).

ADSL lines are however being replaced as an option throughout South-Africa with fibre lines that are fast, stable, reliable and has less latency and provides better bandwidth. The option, irrespective of the fact that it is better, requires dedicated infrastructure that is expensive to roll-out which is a challenge in the Northern Cape, due to lesser demand and the remoteness of towns. It is not as cost-effective as other options provided. Areas that do have fibre are restricted to Kimberley and in most cases to a very dedicated area within the southern parts of Kimberley. The service providers installing fibre in Kimberley include Openserve and Vodacom Fibre. Both the service providers cover the same areas in Kimberley, but Vodacom has a smaller footprint at present (Ibid.).

Wi-fi overage in the major towns is generally good. Vodacom 3G covers most of the towns but they also provide LTE, which is their fastest data network speed, in many of the main towns. This also applies to Broadband Connect Wireless where data or the internet can be accessed via a Wi-Fi router. MTN's footprint is smaller and fewer towns are covered although both options, 3G and LTE, are also provided. According to the latest coverage maps of Cell C, it does provide 3G coverage in many of the major towns, but no LTE services in the Northern Cape. This also applies to Telkom and their coverage (Maswana JV, 2017).

In terms of the Northern Cape, a Memorandum of Understanding was signed between the Hebei Geo University, the Sol Plaatje University and the Kimberley International Diamond and Jewellery Academy (KIDJA), towards establishing a joint bachelor's degree, which will be the first of its kind in the world, on diamond and jewellery development. Students will spend three years in China and one year in Kimberley to study everything about diamond industry, which is meeting the growing market needs in China. It will also generate financial income to KDJI and KIDJA, as well as international awareness of the Kimberley diamond brand (Jack, 2018).

The design and accreditation in South Africa on a joint bachelor's degree (Diamond major) programme will be completed in 2019. The MOU also included the creation of a joint short-term training programme on diamond polishing, cutting, evaluation, incorporated with trainings for the qualification of world-renowned certificates such as Gemmological Institute of America and European Gemmological Laboratory and College of Gemmology (Ibid.).

Government's broad developmental mandate can be achieved only if South Africa furthers its Knowledge economy with science, technology and information at the centre of economic activity. According to the World Bank (World Bank, 2016), broadband is a key example of a catalyst for economic growth. Furthermore, it is estimated that every 10% increase in connectivity will result in a GDP increase of 1,38% (Gauteng Planning Commission, 2014). A requisite for expanding the knowledge economy is the provision of an environment conducive to R&D that develops new goods, processes and technical progress. Institutions in the innovation and R&D system include universities, public and private research centres and policy think tanks (Derek &

Therefore, all regions have an opportunity to successfully build a vibrant knowledge economy with the caveat that the appropriate skills, infrastructure, and effective vehicles for collaboration are in place. Northern Cape has some comparative and competitive advantages, particularly:

- ⇒ The **location of the SKA** in the province as a major hub for scientific research. Competitive advantage demands sustained and novel innovation. One leading scientific research area, a key cornerstone of innovation, is astronomy.
- ⇒ **Prestigious science projects**, such as SKA, attract and retain suitably skilled individuals, often among the best in their field.
- ⇒ The Northern Cape's **inherent geo-locational advantage**. The local climate and topography make it an ideal location for certain astronomical, environmental and atmospheric initiatives.



Dahlman, 2005). However, the main element contributing to regional and local innovation systems is an efficient economic system that connects industry, education, research institutions and government.

#### **Fourth Industrial Revolution**

The Fourth Industrial Revolution (as an extension of the Third) is defined by a digital revolution that has been occurring since the middle of the 20<sup>th</sup> century. Its most salient feature is a fusion of technologies that is increasingly blurring the lines between the physical, digital, and biological spheres (Schwab, 2016).

The global manufacturing sector is particularly affected by the disruptions of emerging technologies. There are certain technologies that may potentially change the nature of business, work and society at a fundamental level; these include, inter alia, cloud technology, big data, predictive analytics, cognitive computing, artificial intelligence, mixed reality, agile robots, collaborative industrial robots, robotic exoskeletons, 3D printing/additive manufacturing, autonomous vehicles, bio-based materials, nano coating, self-healing materials, biosensors, 5G, wearable electronics, LIFI and the Internet of Things (Sanne, n.d.).

The European Union has identified six Key Enabling Technologies (KETs) in the manufacturing sector, identified as knowledge and capital-intensive technologies. These technologies involve high research and development intensity, rapid and integrated innovation cycles, high capital expenditure and highly-skilled employment. KETs have two specific characteristics differentiating them from other enabling technologies; they are embedded at the core of innovative products and they underpin value chains. The six KETs are:

- Photonics
- Industrial biotechnology
- Nanotechnology
- Advanced materials
- Micro-nano electronics
- Advanced manufacturing systems

Thus far, the interconnected nature of factories has been limited but soon multiple factories will be interconnected. This will change the nature of manufacturing at industry and firm level, which may include the adoption of certain technologies such as (CSIR, 2018):

- High-tech manufacturing processes such as 3D printing and nano- and microscale structuring;
- Adaptive and smart manufacturing equipment and systems;
- Resource efficient factory design;
- Collaborative, mobile and networked enterprises and business models seamlessly linking supply chains to local production; and
- More customer focused manufacturing linking products and processes to innovative services.
- Advanced manufacturing as a catalyst for re-industrialisation.

Advanced manufacturing has a significant role to play in creating decent, well-paying jobs. Firms' competitive advantage is increasingly dependent on combining new knowledge and improved technologies. Some perceive advanced manufacturing has a negative impact on jobs; however, the opposite holds true- in practice, jobs are not disappearing but evolving and job losses in one sector result gains in another. Manufacturing is linked to good economic multipliers and an International Finance Corporation (IFC) study has also shown that the job multiplier effect rises as the manufacturing becomes more sophisticated. Traditional manufacturing's job multiplier effect is about 2, whereas advanced manufacturing's multiplier effect is 15 for the most advanced forms of manufacturing (IFC, 2013). The local economy can grow significantly higher than is estimated and create many new jobs, if South Africa can develop a globally competitive hub of advanced manufacturing, thereby growing its GDP. The prerequisite is for manufacturers to focus on achieving greater economies of scale through actively pursuing export opportunities and becoming more innovative in their materials, products and manufacturing methods. Increased investments in R&D are also essential (CSIR, 2018).

## Key Issues and Insights

To enhance and develop the knowledge economy necessitates capable and inclusive institutional capacity. The Northern Cape Province needs a good governance structure that will support the legal and regulatory environment underpinning the knowledge economy.



### Community

- ❑ Ability to respond to rapid technological change greatly depends on the availability of the right set of skills and well-functioning product and capital markets, as these factors sustain an environment conducive to innovation and are receptive to new technologies.
- ❑ Concerning R&D in South Africa, it is evident that there has been a slight uptake in the number of female researchers in the science field. In terms of SET enrolment by gender in South Africa.
- ❑ The Sol Plaatje BSc in Data Science degree has a strong mathematics core and focuses on Data Science and its applications. The degree is designed to develop highly-skilled graduates in Data Science that is experiencing critical shortages in the country.
- ❑ Human Resource Capacity - The skills and knowledge of people are of central importance to innovation and to economic and productivity growth, with a well-educated and highly-skilled work force essential for success in the



### Economic

- ❑ The digital divide is an access divide between those with and without digital broadband access; the usage divide creates a split between those who have access but are non-users; the divide stemming from the quality of use; the geographical digital divide; digital literacy; e-accessibility; availability of online public services; and the gender and rural-urban divide. In many ways, this digital divide(s) parallel similar disparities in access to and use of other development “goods” – (health, education, water, sanitation etc.) – which are more readily available in urban areas than rural.
- ❑ The digital divide(s) can be bridged through innovative initiatives to stimulate the transfer of technology, capital and human resources to rural areas.
- ❑ Regulatory Red Tape That Hampers Innovation - initiatives have been hindered by government red tape and very high and variable regulatory barriers to entry. Entrepreneurship and SME development are inhibited by the increasing burden of regulations and governmental bureaucracy that undermine their operational capacity the negative impact of red tape and onerous regulations on business growth in South Africa resulted in an annual cost of red tape to SMEs was close to R79 billion – SMMEs spend an average of 4% of their turnover on red tape.
- ❑ Lack of Demand-Side Policies for Public Procurement - Demand-side innovation policy has emerged as part of a greater awareness of the importance of feed-back linkages between supply and demand in the innovation process.
- ❑ Open Access to Knowledge in the Sciences and Humanities - attention given by a few universities, South Africa is possibly two decades behind the shift to include the open access paradigm.



### Governance

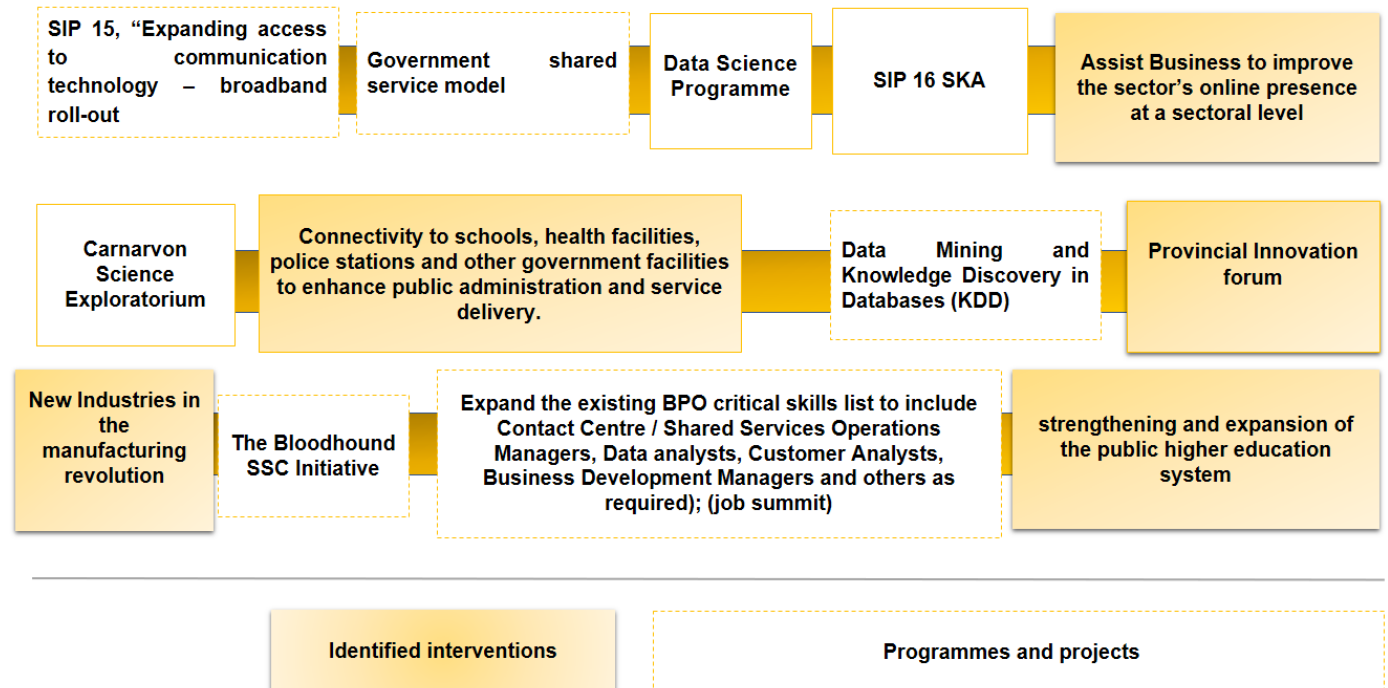
- Coordination Between Government Departments - Given the wide range of policies that affect innovation, it is important to ensure that the full set of government policies that affect innovation are well aligned, not only at the level of central government, but also between the central government and regional and local authorities, many of which are actively involved in innovation activities
- Institutional Capacity - Governance of the knowledge economy focuses on systemic linkages and articulation of all actors; from public and private sectors including potential users of scientific knowledge and technological innovation. It deals with issues such as accountability for and relevance of R&D investments, access to Science, Technology and Innovation (STI), social inclusion and environmental sustainability.

- ⇒ Support SMME development
  - Facilitate Ease of Access – Localisation of new technologies
  - Support E-commerce - access to digital secure storage facilities known as data centres and cloud computing.
  - specialised start-up support programmes for use by all spheres of government and society.
- ⇒ Digital innovation centre
- ⇒ Public procurement driving demand-side innovation policy initiatives
- ⇒ Mobile and fixed digital technologies and equipment present an opportunity to enhance access to relevant, appropriate information and bridge the digital
- ⇒ E-government
  - Government share service model
  - Digitalise government, utilise big data in planning and execution, and expedite the implementation of e-governance so that citizens can access public services from any location as they become connected.
- ⇒ Fast track government broadband rollout programme
  - 100% broadband penetration for schools and health facilities, eighty percent of which should be connected through high-speed broadband infrastructure, enabling data speeds of up to 100 Megabit per second
- ⇒ Research and development
  - Increased spending on innovation
- ⇒ Rapid digital transformation - The rise of new technologies in robotics, artificial intelligence, big data and the internet-of-things will all have a profound impact on our Province
- ⇒ Partnerships to shape a common digital future that places people at the centre of digital transformation and ensure that its benefits are spread across society.
- ⇒ Youth Skills development
  - skills development for the youth in data analytics, the internet-of-things, block chain and machine learning, to enable training of young people to develop and operate new technologies.
  - Partnerships - Reskilling for workers displaced by new technologies
- ⇒ Assess work-flow processes to determine where digitalization increases market share and creates more jobs. Apply a “clusters” perspective to see the larger eco-system, than a “silo” industry or sector perspective.
- ⇒ Integrate ICT skills development across all service delivery interventions and exercises.
- ⇒ Strengthen access to funding mechanism to advance the innovation and knowledge economy.

## Strategic Interventions

The large impact of digitalisation, automation and artificial intelligence will test the country's and the Northern Cape's readiness to adapt to its new, external environment. The current conditions provide an opportunity to consider whether the national innovation system, and by extension the Northern Cape knowledge economy necessitates revision of current R&D and innovation funding instruments, research agendas, and policy goals. (StatsSA; HSRC; Dept of Science and Technology, 2017).

**Figure 32: Innovation and Knowledge Economy – Strategic Interventions, programmes and projects**



# Marine Economy

2040

Economic activities that integrate conservation and sustainable management of maritime ecosystems

## Our Province

The marine economy represents a largely untapped development opportunity for the province. Unlocking such development potential however requires a coordinated approach to ensure that benefits accruing is sustainable and localised. The oceans have vast untapped resources but to extract these will require meaningful investment and good policy implementation. If undertaken well, this could result in job creation, new sources of government revenue and limitless opportunities for entrepreneurship.

**Figure 33: Elements currently contributing to Northern Cape Marine Economy**



**The ocean provides wide-ranging value, from food and tourism to coastal protection and much more.**

- ❑ The Northern Cape Coastal Management Plan is in place to promote sustainable coastal development as well as to promote livelihoods in the coastal zone. The Northern Cape CMP focuses on the objectives of social upliftment, enhancing equity, economic development and unlocking the opportunity to develop new sectors such as tourism, fishing and Mariculture. These objectives, according to the plan, can be achieved through shared responsibility and regional coastal management whereby various public servants, private sectors, NGOs and civil society organisations collaborate.
- ❑ Most marine diamond mining occurs in the offshore Namaqualand concession zone which is the coastal region between the Orange and Olifants Rivers. The Nama Khoi, Richtersveld and Kamiesberg contribute approximately 17.5% to the Provincial mining sector.
- ❑ The main road networks are in good condition in areas dominated by mining companies. This is unlike in coastal areas, where roads leading to the coast are limited and those that exist are in bad condition

Prospects for enhancing economic growth increasingly rest on exploring new sectors or re-examining previously overlooked ones. As part of the Operation Phakisa initiative six (6) critical development areas were identified for the Maritime or oceans economy: 1) Marine Transport and Manufacturing (MTM), 2) Oil and Gas (O&G) 3) Aquaculture, 4) Marine Protection and Governance (MPG), 5) small harbours development 6) Coastal and Marine Tourism.

The idea of the “**blue economy**” was created at the Rio+20 United Nations Conference on Sustainable Development, in June 2012. The blue economy concept has been presented subsequently in many fora and is viewed as an alternative economic model for sustainable development which places the ocean and its interlinked resources at the centre of this approach. The blue economy concept has wide relevance, as the oceans, including humankind’s common heritage of the high seas, represent in many respects the final frontier for humanity and its quest for sustainable development



## Key Issues and Insights



### Governance

- ❑ Challenges - uncertainty of roles and responsibilities, lack of adequate skills, the need to improve compliance and monitoring, limited human and financial resources, coordination of departments and enforcement, and lack of institutional framework.
- ❑ Marine Spatial Planning Act, 2018 (No. 16 of 2018) – 1) To provide a framework for marine spatial planning in South Africa 2) to provide for the development of marine spatial plans 3) provide for institutional arrangements
- ❑ The National Framework for Marine Spatial Planning has been approved by the Minister and was gazetted on May 2017



### Environmental

- ❑ Need to protect our oceans assets
- ❑ Marine Protection and Governance
- ❑ Abalone sector in Hermanus suffered severe losses due to a serious red tide from January to March 2017, Impacted production chain and annual production of the sector for the next few years
- ❑ Northern Cape Ranching and Mining Conflict
- ❑ A Strategic Environmental Assessment (SEA) for aquaculture underway.
- ❑ This concentration on the importance of the non-renewable ocean resource extraction sector is also difficult to reconcile with blue economy principles and the sustainable development agenda.
- ❑ potential conflict between economic opportunity and environmental protection



### Community

- ❑ Critical role in coastal communities' food security
- ❑ Culturally important – livelihoods, Culture and recreation
- ❑ Livelihoods associated with fisheries and aquaculture



### Economic

- ❑ Much of the coast in the Northern Cape is utilised by large diamond mining companies that have received concessions to allow for mining. These mining concession areas limit public access to the coast, which means that the benefits from coastal resources to the broader local community are not unlocked.
- ❑ Small-scale fishermen have access to only 5% of their traditional fishing areas along the Northern Cape coastline because of past and existing mining concessions. Kelp as well as seaweed harvesting has also not been possible due to this restriction.
- ❑ here are several factors that hinder the development of commercial fishing in the Northern Cape; the following are the key constraints to the sustained development of commercial fishing in the province:
  - There is currently limited fishing potential due to fish stocks moving away from the coast, therefore aquaculture is more viable and recommended.
  - Commercial fishing is not economically viable as the province is not close to markets.
- ❑ Tourism contributes towards the oceans economy ocean resources, trade routes
- ❑ and economy imply a bi-ocean focus, but policy focus and activities have to date focused on the Indian Ocean

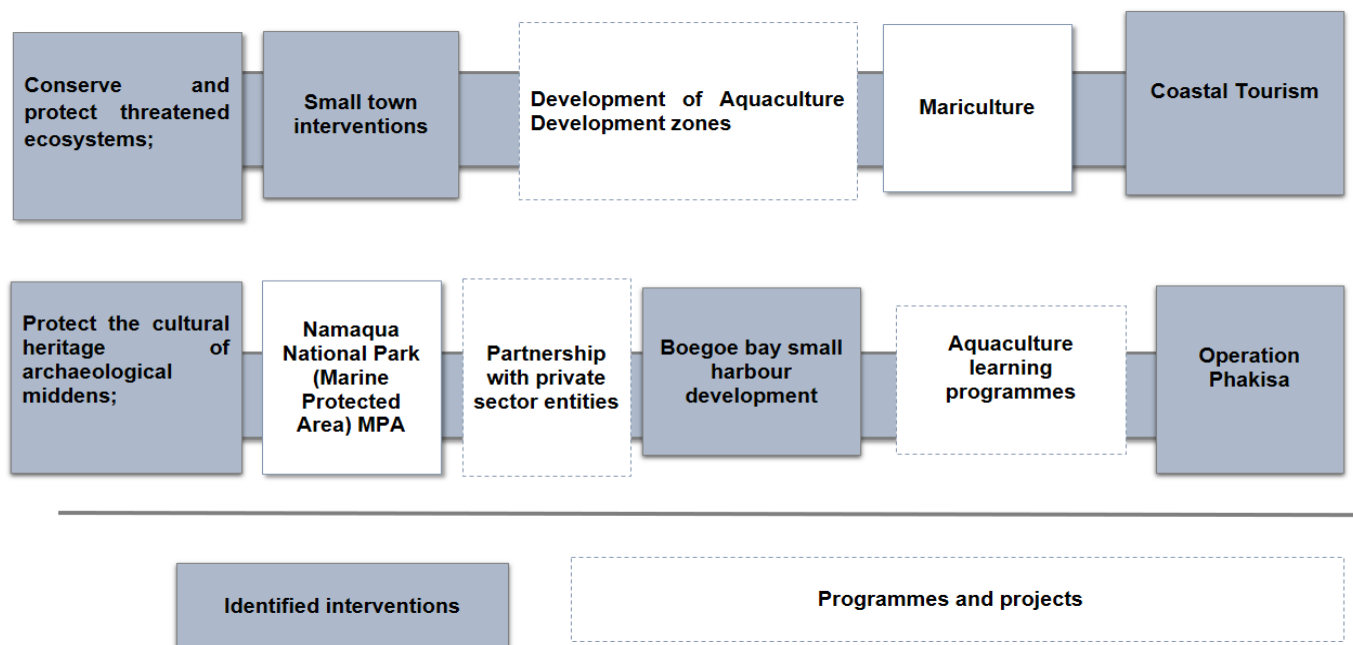
## Achieving Vision 2040

### Vision 2040

- ⇒ Support SMME development
- ⇒ Capacity building and skills development for support services
- ⇒ Support infrastructure development in marine transport as well as modernising and expanding the capacity of our ports.
- ⇒ Strengthen IGR for the sustainable growth of the ocean economy that maximises socio-economic benefits while ensuring adequate ocean environmental protection
- ⇒ Promote investment in offshore oil and gas exploration and production as new growth areas.
- ⇒ Collaboration with European Union on abalone and finfish for potential of export to EU.
- ⇒ Coordinated industry-wide marketing efforts
- ⇒ Need to align and strengthen implementation of the African Union (AU) maritime strategies
- ⇒ Northern Cape Coastal and Marine tourism strategy - development opportunities that would unlock the tourism economic potential of the Province's coastal towns and regions (Wilderness Experiences, Beach Experiences, Coastal Experiences, Marine Experiences, River Experiences, Events and Festivals, Cultural and Historical Experiences, Mining Experiences)
- ⇒ Strengthen adoption and access to funding opportunities

## Strategic Interventions

Figure 34: Marine Economy – Strategic Interventions, programmes and projects



# Employment and Skills Development

2040

Decent and sustainable employment opportunities through inclusive growth

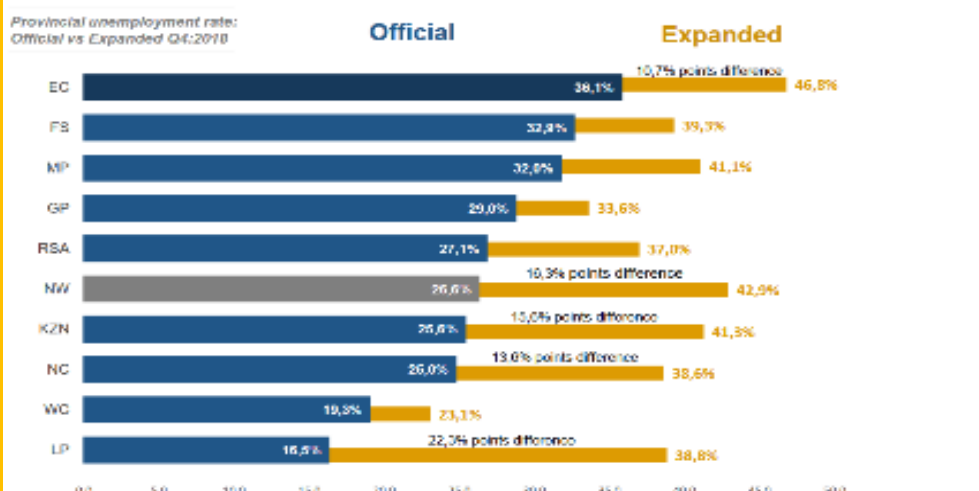
## Our Province

High unemployment in South Africa as well as the province, poses a significant socio-economic challenge for the South African government. And the increasing trend thus places significant dilemma in terms of whether the country will be able to attain the NGP and NDP goals. Intuitively, according to Labour economist, unemployment presents “forgone output today”, but also a waste of potentially productive resources and thus a negative consequence to future output. As the people (the majority being young and more particular women) are particularly disadvantages in the current labour market. According to the ILO, youth unemployment rate is practically three times higher than is the case for their adult counterparts (International Labour Organisation(ILO), October,2016)).

**Educational levels are strongly linked to the prospects of finding employment and reducing poverty..... a measurement of poverty in the Northern Cape**

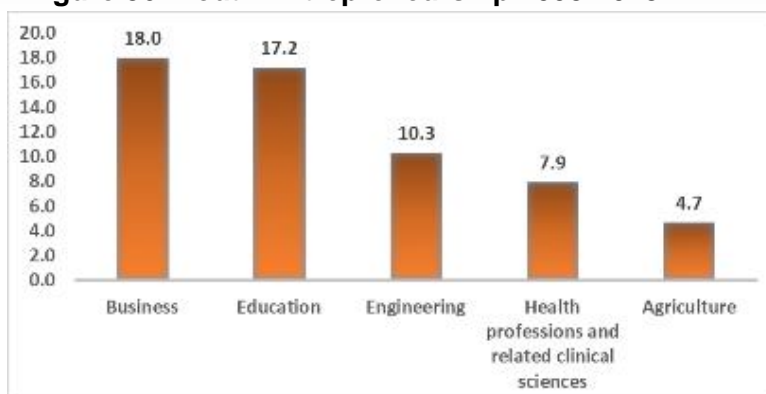
**Figure 35: Provincial Unemployment rate (Official & expanded) Q4- 2018**

*NW, KZN, NC and EC provinces all have more than 10% points difference between their expanded and official unemployment rates*



NC unemployment dropped from 27% in Q3: 2018 to 25% in Q4:2018

**Figure 36: Youth Entrepreneurship 2008-2018**



Youth in the Northern Cape opted more to study in the business and education sectors whilst almost 5% study in the agricultural discipline

Source: StatsSA, 2016

## Districts

Recent causes of a higher unemployment rate are that the Northern Cape Agri-cultural sector has been underperforming due to droughts. The construction sector also experienced a decrease; this can be attributed to the decline in demand for construction services and higher building costs. The number of people working in private household also decreased, it is likely that increasing prices (inflation) led to households attempting to save money by reducing these services.

The table hereunder illustrates the unemployment rates for the District Municipalities in the Northern Cape.

**Table 9: Northern Cape District Municipalities Unemployment Rate**

DISTRICT MUNICIPALITY	YEAR				
	2012	2013	2014	2015	2016
John Taolo Gaetsewe	26.3%	26.1%	26.3%	26.2%	27.7%
Namakwa	17.8%	17.1%	17%	16%	16.5%
Pixley ka Seme	24.7%	23.9%	23.9%	22.6%	23.5%
ZF Mgcawu	17%	16.4%	16.5%	15.2%	15.9%
Frances Baard	28.4%	28%	28.2%	28%	29.4%

Source: (Quantec Easy Data , 2018)

Furthermore, of the 5 District Municipalities in the NC, the DM with the highest level of unemployment is the DM with the lowest population densities, remote from other larger economies, inadequate infrastructure and access to basic services, and the fewest economic development opportunities.

### Sector Distribution of Labour and Skills

The sector distribution of labour and skills examines the number of people within each sector and industry as well as the level skill. The Northern Cape had 65.66% of the population in the tertiary sector, 22.25% in the primary sector and 12.09% in the secondary sector. This implies that NC has a small secondary sector compared to the other two sectors.

A small secondary sector suggests that the NC ships most of the produce from the primary sector to other provinces or countries for further processing or use. The sizeable primary sector is contributed to the fact that there is a large mining footprint due to the vast mineral deposits along with a, robust agricultural sector.

Labour skills are divided into two main categories, namely the formal sector and informal sector.

The formal sector has different sub-categories namely;

- ☐ highly skilled individuals,
- ☐ skilled individuals, and
- ☐ semi-and unskilled individuals.

The informal sector may also consist of some skilled individuals but is not classified due to the nature of the informal sector. 74.39% of the working population is classified as skilled labour under the formal category, 18.96% were classified as highly skilled, and 36.56% are classified as semi-and unskilled. Moreover, a total of 25.61% of the NC working population fall under the informal sector.

A district breakdown of skills amongst the employed population in the Northern Cape indicates that the Frances Baard District Municipality has the highest percentage of highly skilled individuals, skilled individuals and as well as the highest percentage population in the informal sector. This is due to a high concentration of agricultural developments and proximity to other larger settlements.



## Comparative advantages and development opportunities

The comparative advantages are identified by taking into consideration the GVA contribution per sector, the number of people employed in each sector and the level skill of these people. The labour intensity is identified by comparing the GVA contribution per sector to the number of employees within that specific sector. The table hereunder illustrates the industries in the Northern Cape in terms of GVA contribution and employment levels.

**Table 10: GVA contribution and employment per Industry**

Industry	GVA CONTRIBUTION %	EMPLOYMENT %
Mining and Quarrying	20.63%	4.61%
General Government	16.61%	16.92%
Finance, Insurance, Real Estate and Business Services	13.72%	9.27%
Transport, Storage and Communication	12.64%	4.02%
Wholesale and Retail Trade, Catering and Accommodation	12.5%	20.33%
Agriculture, Forestry and Fishing	7.89%	17.64%
Community, Social and Personal Services	5.28%	15.13%
Electricity, Gas and Water	4.56%	0.4%
Manufacturing	3.37%	4.21%
Construction	2.8%	7.48%

Source: (Stats SA, 2018)

Low labour intensity sectors (where GVA contribution is higher than employment) with a combined average skill level of (semi-skilled plus skilled level) of more than 50% are sectors that have few development opportunities.

Sectors with low labour intensity (where GVA contribution is higher than employment) and a combined skilled level (semi-skilled plus skilled level) of more than 50% is seen as sectors with low development opportunities since these sectors have a comparative advantage.

These industries are as follows:

- Finance, Insurance, Real Estate and Business Services
- Electricity, Gas and Water
- Transport, Storage and Communication
- Mining and Quarrying

On the contrary, the sectors with high labour intensity and a combined skill level of less than 50% are sectors that possess more development opportunities. The following industries have been identified as industries with high development potential:

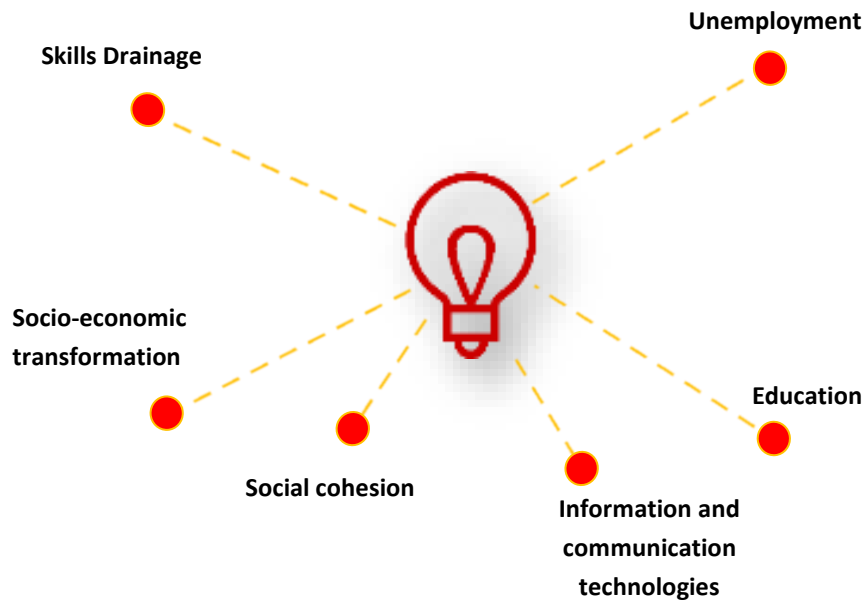
- Construction
- Community, Social and Personal Services
- Manufacturing
- Agriculture, Forestry and Fishing
- Wholesale and Retail Trade, Catering and Accommodation

Moreover, the community, social and personal service industry is an industry that will significantly benefit through investing and support from the government. This industry consists of educational services health and social work activities which plays a vital role in preparing the next generation.

## Key Issues and Insights

The key issues regarding skills development and creating job opportunities in the Northern - Some issues are directly affecting the objectives while other issues indirectly affect them.

**Figure 37: Employment and skills – Key Issues**



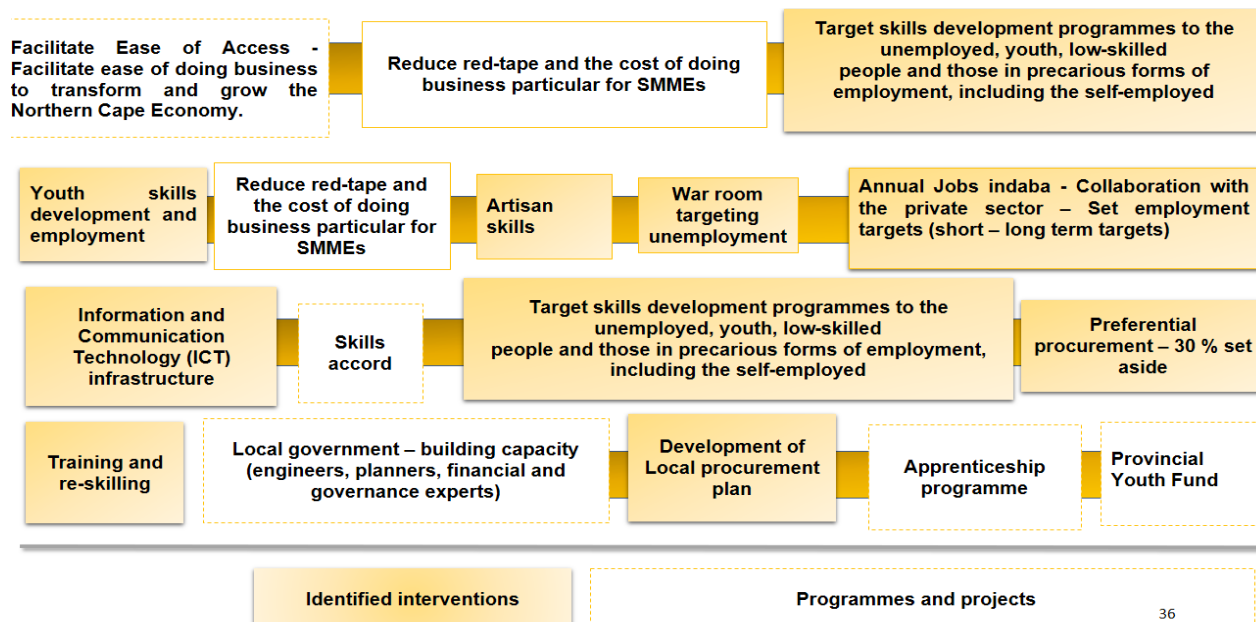
It is evident from the previous sub-sections that the Northern Cape has a high unemployment rate along with a sizeable portion of the workforce that is unskilled. Nonetheless, the Northern Cape has industries which can be used to develop skills and create jobs. Investing and providing government support into the PGDP sector priority sectors will have the highest chance of developing skills and creating jobs. Moreover, it is imperative that the government involve the private sector in this undertaking.

- ❑ The employment crisis necessitates that the focus should not only be on the creation of jobs but also imperative to address the crisis of job losses and retrenchments. Doing so will require boldness, resolve, innovation, collaboration and creativity.
- ❑ The NC economy has not created sufficient jobs to sustainably reduce unemployment. This is, in large part, caused by the relatively slower growth of the agriculture, mining and manufacturing sectors.

- ⇒ Allocate at least 30% of government's procurement spend to small businesses and cooperatives
- ⇒ Promote and ensure compliance in the ownership of black people, youth, persons with disabilities and women through the revised broad-based black economic empowerment programme.
- ⇒ Enhance the employment creating capacity of the economy as it recovers its growth path
- ⇒ Support SMME development
- ⇒ Strengthen, expand and fast-track additional local procurement of goods and services by Government
- ⇒ Focus not only on the creation of jobs but also on the imperative to address the crisis of job losses and retrenchments.
- ⇒ Holistic support for township and rural enterprise.
- ⇒ Partnerships with social partners
  - A sectoral approach as per PGDP development is critical requirement for placing Northern Cape economy on a 'job-rich' growth trajectory.
- ⇒ Upgrading skills and education
  - Training and re-skilling
  - Continue to expand opportunities for post-school skills development opportunities. This will enable the people of the Northern Cape to fully take advantage of the created by the 4<sup>th</sup> industrial revolution.
- ⇒ Scale-up skills development for the youth in data analytics, the inter-net-of-things, block chain and machine learning, to enable training of young people to develop and operate new technologies.
- ⇒ Ensure that the TVET and Community College sector is adequately funded and responds to the province skills needs and high levels of unemployment.
- ⇒ To make internship and placement opportunities available within workplaces.
- ⇒ To improve the funding of training and the use of funds available for training
- ⇒ To set annual targets for training in state-owned enterprises
- ⇒ To align training to the PGDP and improve Sector Skills Plans

## Strategic Interventions

Figure 38: Employment and skills development – Strategic Interventions, Programmes and projects





## **CHAPTER 4| DRIVER 2: SOCIAL EQUITY AND HUMAN WELFARE**

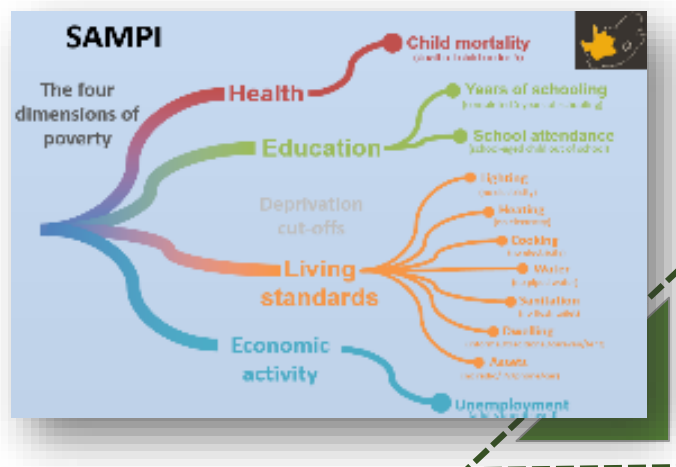


“Social transformation refers to the process of change in institutionalized relationships, norms, values, and hierarchies over time. It is the manner in which society changes due to economic growth, science, technological innovations, and war or political upheavals. Social transformation affects people’s interactions and lifestyle” (Department of Human Settlements 2019: 3).

## Poverty

**Figure 39: South African Multidimensional – Poverty Index (SAMPI)**

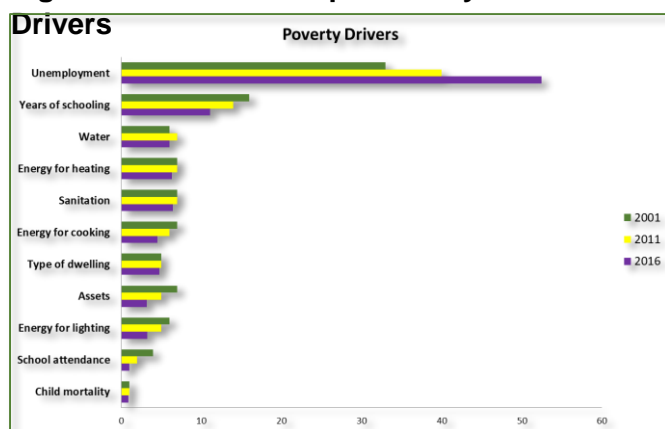
The index reflects aggregate levels derived from a number of socioeconomic indicators. These include education, health, standard of living and labour market activity. It unveiled new insights about the nature of poverty around the world.



The ‘**social wage**’ package had positive impact in terms of poverty reduction since 2001. Northern Cape improved from 11,3% households that were multi-dimensionally poor to 6,6% in 2016

**Figure 40: Northern Cape SAMPI (2001-2016)**

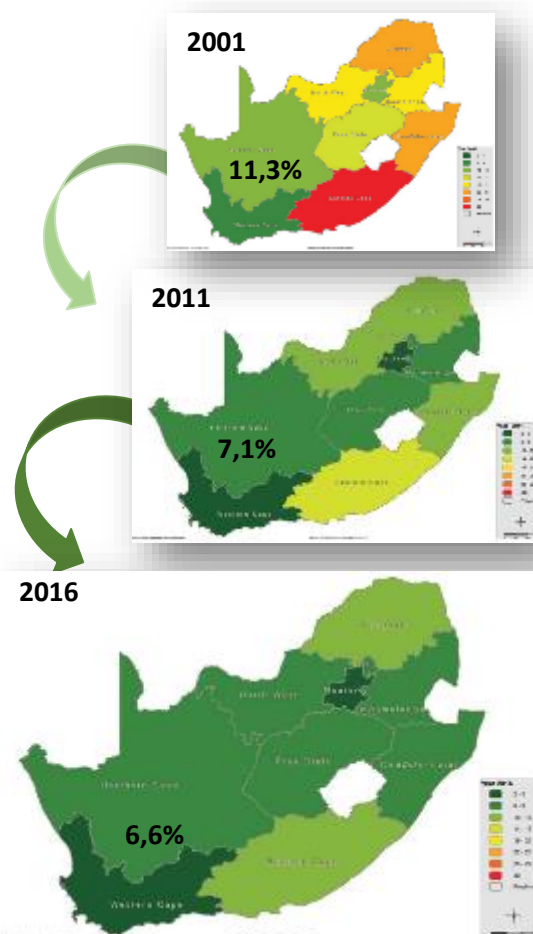
**Figure 41: Northern Cape Poverty Drivers**



- Unemployment remains the biggest driver of poverty in the Northern Cape.
- One encouraging finding was that the most deprived districts in 2011 were also the ones enjoying the most rapid absolute decline in the multidimensional poverty index between 2001 and 2011. This result is not surprising given the government’s effort to improve the provision of free basic services since the democratic transition

To ensure we address social equity and human welfare the following development paths have been identified:

- ⇒ Social Cohesion and Community participation
- ⇒ Social protection and Safety
- ⇒ Education
- ⇒ Health
- ⇒ Rural development and land reform



## Social Cohesion and Community participation

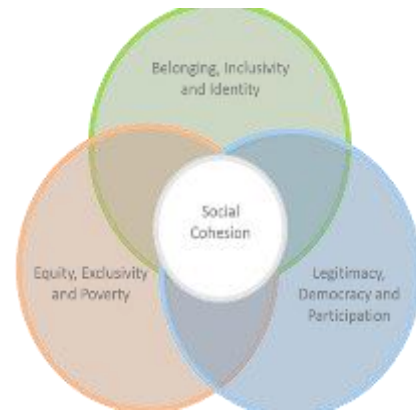
2040

An Inclusive society that will cut across the divisions of race, gender, space and class

### Our Province

Social cohesion is the glue that holds a society together. It is important in all regions of the world, but particularly in areas with rich cultural, linguistic and historical diversity, such as South Africa. Fostering social cohesion is about achieving greater inclusivity, promoting collective values and encouraging civic participation.

Social cohesion is linked to the concepts of social inclusivity, social capital and social mobility. Social inclusivity is a key pillar in social development with the objective of creating a 'society for all'. Social capital is the degree of trust between members of society while social mobility is the third key value which contributes to the development of a cohesive society. It occurs when all members of society are afforded equal opportunity for socio economic development.



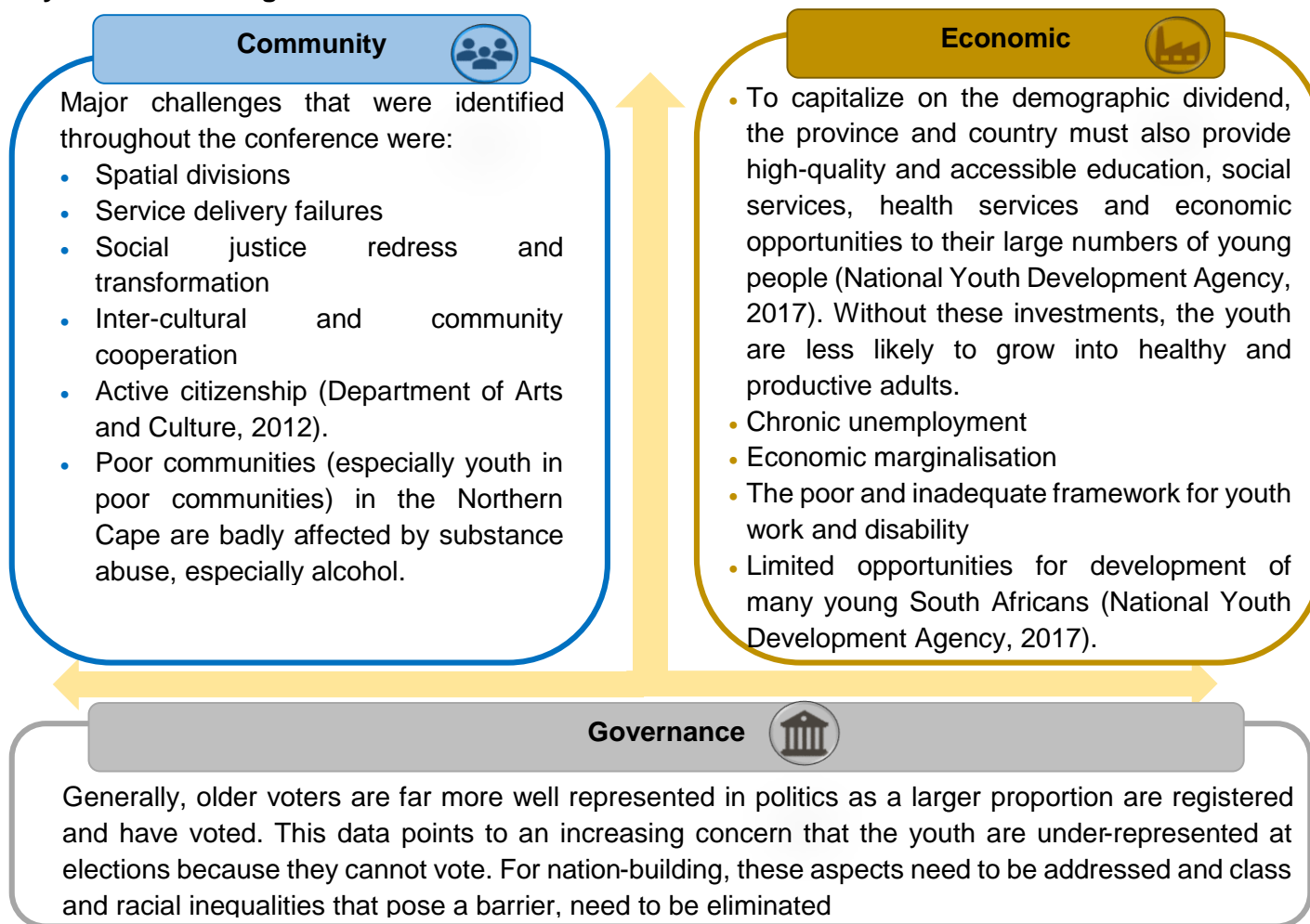
**Figure 42: Societal Overlap that contributes to Social Cohesion**

Social cohesion thus incorporates various levels of culture and society including but not limited to belonging, inclusivity & identity, equity, exclusivity & poverty and, legitimacy, democracy & participation. These aspects can be seen in the figure above.

The **social compact** is a concept that is outlined by the National Planning Commission in the NDP as one of the key interventions that need to take place in South Africa. There are many definitions of a social compact but in the context of South Africa the main definition provided is a core agreement among various societal role-players and government which outlines the rights and duties of each party. The NDP highlights the importance of forging a social compact which deals with issues ranging from labour migration to a spatial planning context in the country. The social compact will bind all social partners including government, business and labour to have a covenant to do things that would make South Africa a prosperous nation (National Planning Commission, 2015). One of the primary aims of a social compact is to ensure social cohesion. In order therefore to achieve this social cohesion, it is important to involve as many different members of society in the social compact. A social compact becomes meaningless when it excludes people because those excluded might be the ones needed to create the social cohesion needed for the community to prosper. (National Planning Commission, 2015).

The pillars of a social compact should primarily include amongst others: a basic framework of macroeconomic policies and interventions; a revision of sector charters so they align with NDP objectives; measures to realise the BBBEE programme including ESOPs; an incomes policy including minimum wages; an inflation policy that also addresses the cost of living for the poor, high mark-up prices in the product markets and the cost of transport; the implementation of mini-compacts on youth, gender and skills; and safety and security issues. These issues should be considered as a package (National Planning Commission, 2015).

## Key Issues and Insights



## Achieving Vision 2040

Improved social cohesion in the Northern Cape requires that concerted efforts are made to address inequality and discrimination. Social cohesion is virtually impossible in a community where people are separated through spatial and economic inequality and where there is a pervasive mistrust between different races and genders. Although progress has been made in the Province through poverty alleviation, social welfare and efforts to create a non-racial society, much remains to be done to advance the ideal of a socially inclusive society.

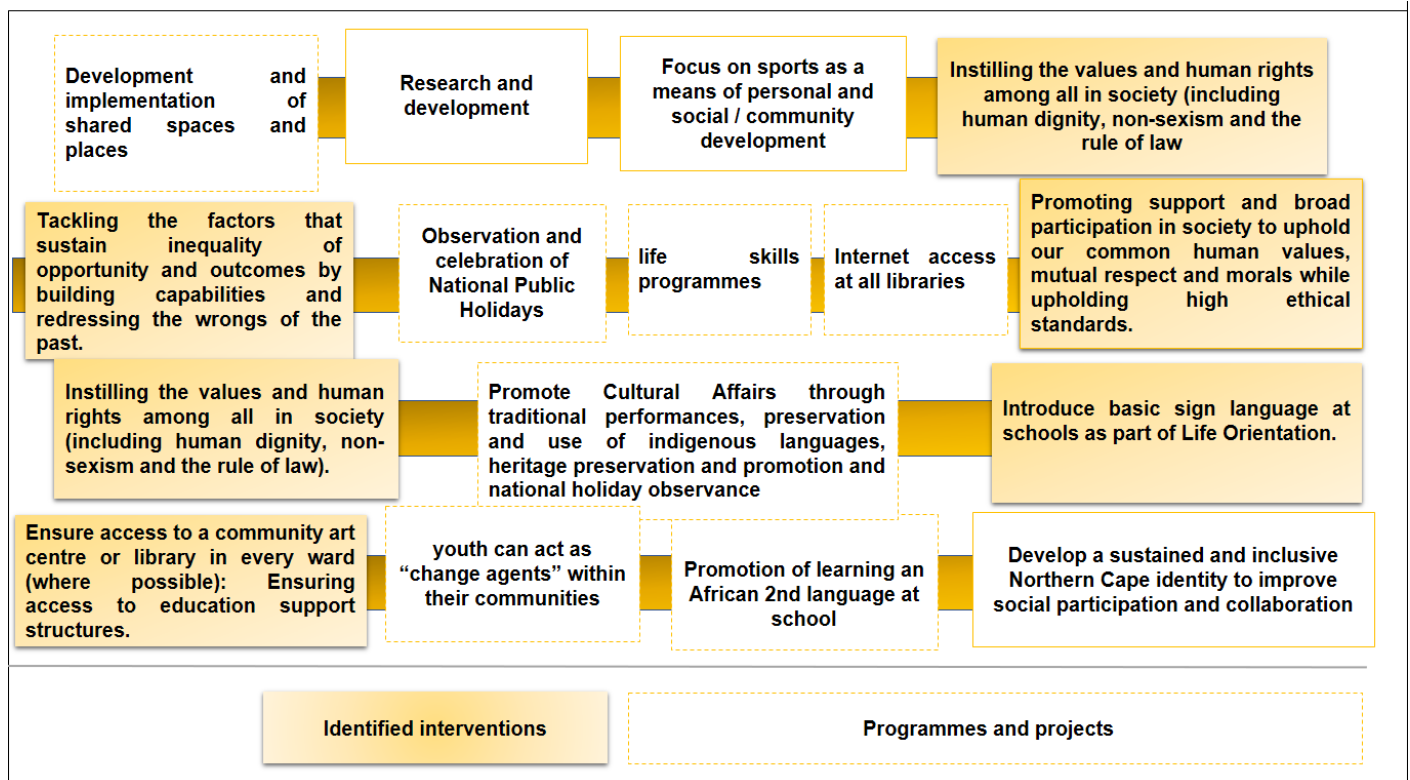
*Vision 2040*

- ⇒ Broad-based knowledge about and support for a set of values shared by all South Africans including the values contained in the Constitution.
- ⇒ An inclusive society and economy
- ⇒ Increased interaction between South Africans from different social and racial groups.
- ⇒ Strong leadership across society and a mobilised, active and responsible citizenry.
- ⇒ Foster constitutional values
- ⇒ Develop a social compact within the province
- ⇒ Equal opportunities, inclusion and redress: Equal opportunity is about reducing the impact of factors such as gender, ethnicity, place of birth and parental income and wealth and family background on people's life chances. Hindrances to inclusion must be addressed.
- ⇒ Moral regeneration and building of the societal fabric
- ⇒ Use sport, recreation, arts and culture to promote social cohesion: These activities allow communities to share a common space and participate in social life.
- ⇒ Promote active citizenry and leadership in all sectors: All members of society must participate in community life and communicate with government through the pathways provided by the legislation. Leadership must be seen in a wider context where anyone can take initiative.
- ⇒ Promote national pride and unity: A South African flag must be flown at every school and government facility while the private sector should be encouraged to do the same.

## Strategic Interventions

The following interventions should be sustained and reconciled to achieve the promotion of a socially inclusive and cohesive society.

**Figure 43: Social Cohesion - Strategic Interventions, programmes and projects**





## Social Protection and Safety

2040

A Community living free of fear, with reduced levels of crime and a well-functioning justice system

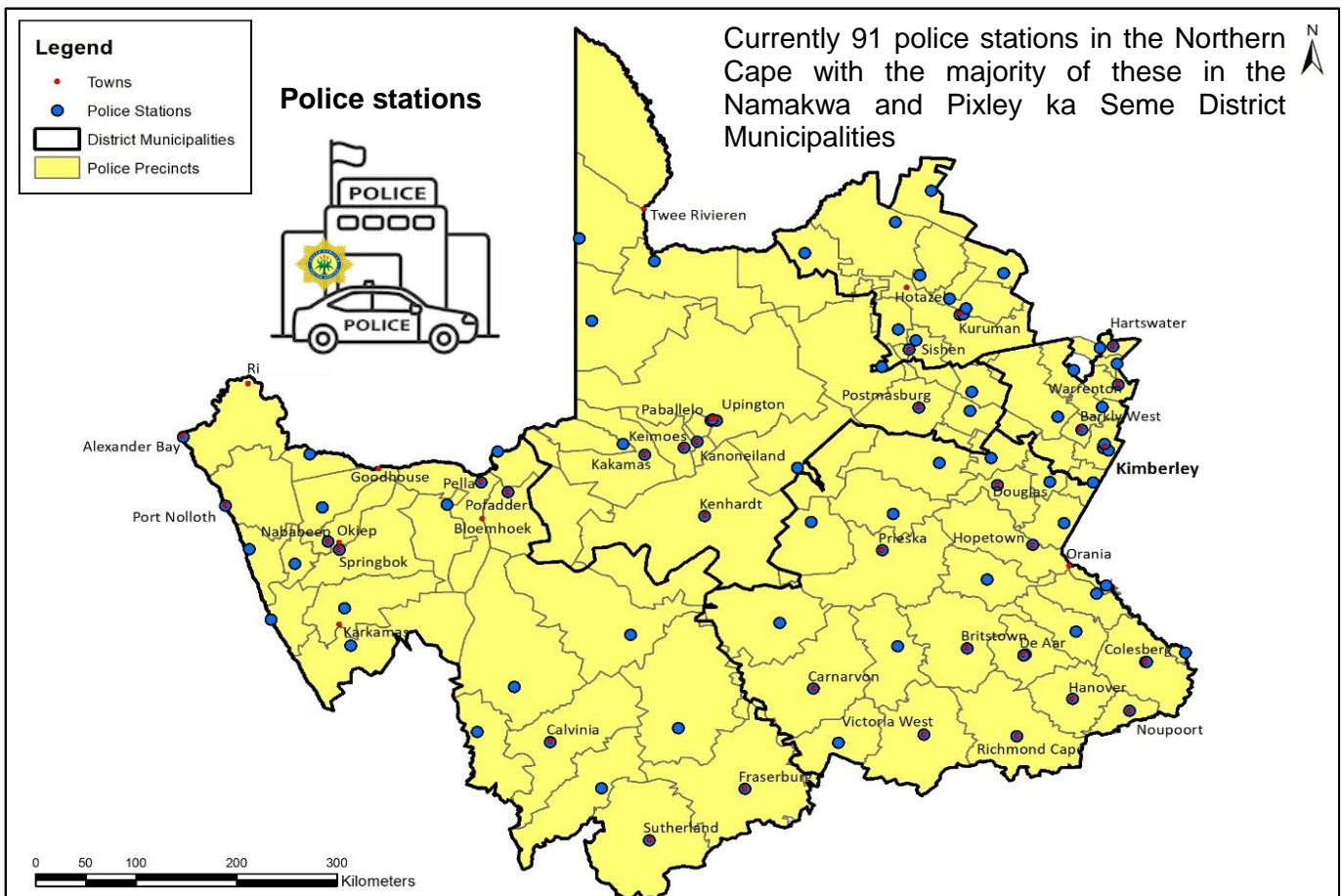
### Our Province

Safety and security are exceptionally important in South Africa. Widespread violent service delivery protests, the outbreak of violence against foreign nationals, high levels of crime, gender violence, child abuse, and corruption indicate an increasing threat to the safety and security of the citizens on the country. While the safety and security of the citizens are paramount, the police are not the only stakeholders in the process and require an active citizenry and private sector participation to be accomplished. If safety and security are not prioritised, then economic development is likely to suffer.

Beyond social security, the NDP 2030 conceptualises social protection as much broader and more inclusive than simple protection by a police force. Social protection incorporates non-statutory or individual measures for providing social security without excluding traditional social security measures such as social assistance and social insurance; social welfare services; and active labour market policies. The NDP also notes that labour market policies play a dual role of providing minimum income protection for the poor who can gain employment, as well as improving their employability.

### Safety

Figure 44: Location of Police Stations and Precincts in the Northern Cape





The figure below indicates the total reported crime per police precinct in the Province. Most crimes are located where the majority of the populations live. In this situation Kimberley Police Station reported the highest number of crimes in the Province (14 408 crimes committed) of which the majority are made up of community reported serious crimes, property related crimes and contact crimes. The highest number of murders (23) was reported at the Kimberley Police station while the Mothibistad station reported 20 murders in 2017.

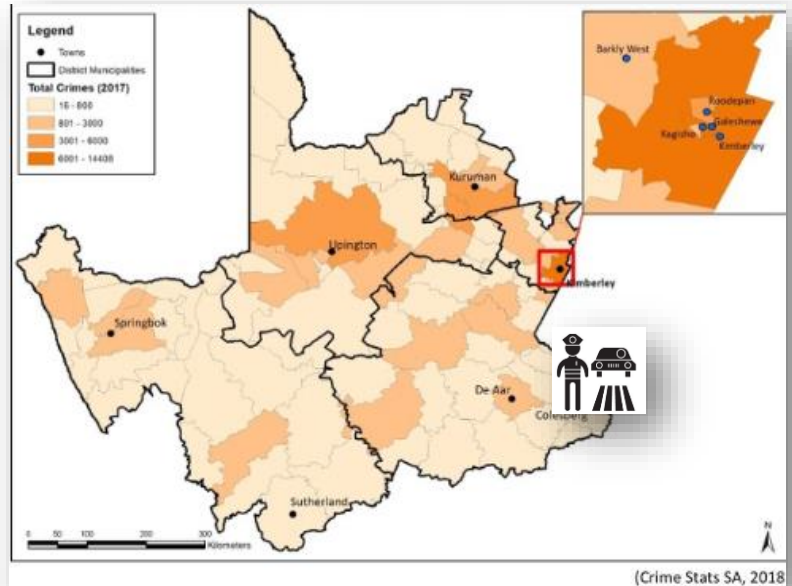
Figure 45: Northern Cape Crime Statistics – 2018



### Sexual offences crime

1844 (2012) ↓ 1538 (2017/2018)  
6 Courts established (2015-2017)

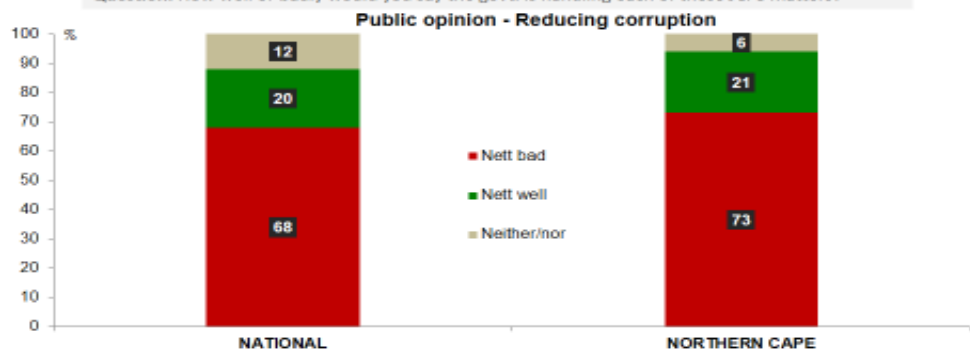
The majority of crimes are located where the majority of the populations live. In this situation Kimberley Police Station reported the highest number of crimes in the Province (2017)



## Anti-corruption

### REDUCING CORRUPTION – PUBLIC OPINION

Question: How well or badly would you say the govt. is handling each of these JCPS matters?



When it comes to government performance in fighting corruption the majority of people (nationally and more so in the Northern Cape) are pessimistic.

**50.6%** - SOUTH AFRICANS BELIEVE THAT THE FIGHT AGAINST CORRUPTION WILL BRING SOUTH AFRICANS TOGETHER IRRESPECTIVE OF BACKGROUND, LANGUAGE OR COLOUR. (University of Pretoria 2017; Nation's voice).

**76%** - CITIZENS WILLING TO FIGHT CORRUPTION.

Sources: GCIS National Tracker (Jan-Mar 2018); Futurefact 2017; University of Pretoria 2017

Government Communication and Information System (GCIS)

## The vision of the National Anti-Corruption Strategy

- ⇒ An ethical and accountable state, business and civil society sectors in which those in positions of
  - Power and authority act with integrity.
- ⇒ Citizens who respect the rule of law and are empowered to hold those in power to account.
- ⇒ Zero tolerance of corruption in any sphere of activity and substantially reduced levels of corruption.

## Nine strategic pillars, which are mutually supportive:



**Support citizen empowerment** in the fight against corruption, including increased support for whistle-blowers.



**Develop sustainable** partnerships with stakeholders to reduce corruption and improve integrity management.



**Improve transparency** by government, business and civil society sectors



**Improve the integrity** of the public procurement system to ensure fair, effective and efficient use of public resources



**Support the professionalization** of employees.



**Improve adherence to integrity** management & anti-corruption mechanisms & improve consequence management for non-compliance of these across government, business and civil society sectors.



**Strengthen the resourcing,** cooperation and independence of dedicated anti-corruption agencies.



**Strengthen oversight and** governance mechanisms in the government sector.

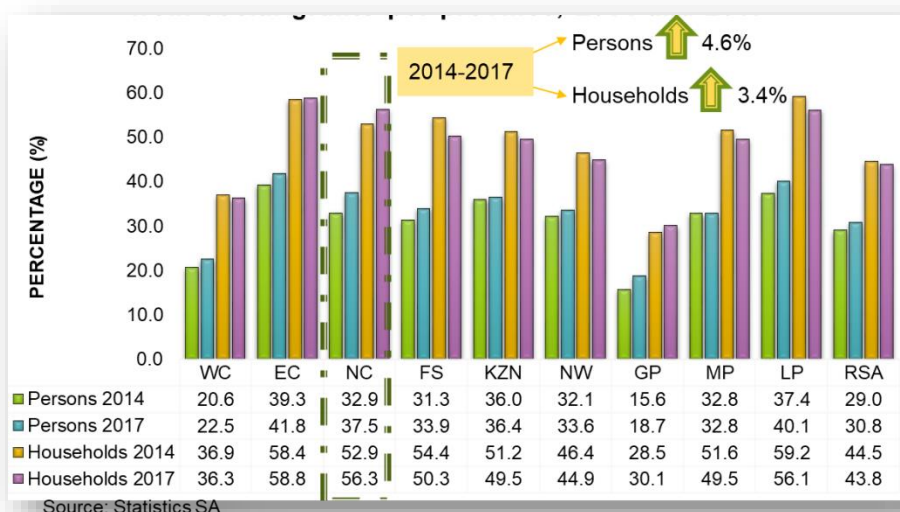


**Build specific programmes** to reduce corruption and improve integrity in sectors particularly vulnerable to corruption (vulnerable sector management).

## Social protection

- ⇒ Bursaries offered for Social Work services, 116 (2015/16), 37 (2016/17) and 31 (2017/18)
- ⇒ Social Work bursary Holders graduates, 39 (2015/16), 35 (2016/17) and 27 (2017/18)
- ⇒ Individuals who benefit from DSD social relief programme 65 302 (2015/16), 38 853 (2016/17) and 32 169 (2017/18).

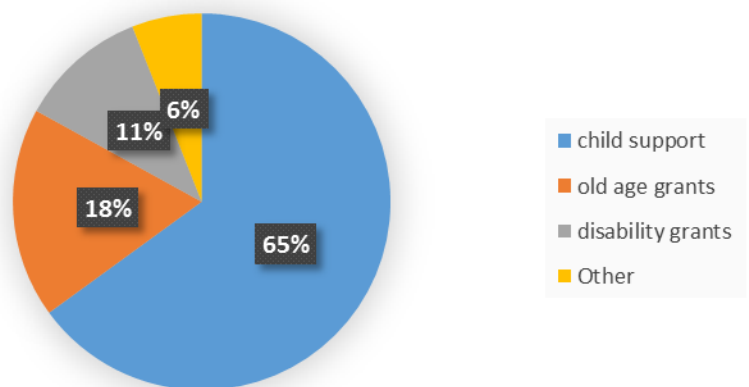
**Figure 46: Percentage of Individuals and Households benefiting from social grants per province, 2014-2017**



The main source of income according to of Statistics South Africa (GHS: 2017) in the province is salaries and grants. Social grants beneficiaries increased from 232 102 in 2006/07 to 471 432 in 2017/18 financial with the objective of assisting individuals/ households living in poverty.

Northern Cape at large reflects the national figures where an overwhelming majority of the grant recipients receive their grants for child support (65%). Old age grant recipients made up 18% of all grant recipients. This is in line with the national average of 19.5% of grant recipients who receive old age grants (SASSA, 2017).

**Figure 47: Provincial Grant composition - 2017**



## Key Issues and Insights

### Community



- Protests in communities are increasingly becoming more violent (Phillips, 2018). These protests can often cause damage to property, loss of economic activity and loss of life.
- Drug related crimes are becoming increasingly prevalent in the Northern Cape.
- Target groups – The major target groups for safety and for social protection is those on the periphery of society. These are often vulnerable groups such as youth, the elderly, the disabled and women. These groups are often targeted in criminal incidents as they are easy targets

### Economic



- Poor Infrastructure informal settlements - the space between shacks is too narrow for vehicle access; there are no street lights, and no formal numbering of houses or streets. These factors further undermine the ability of the police to provide prompt services to members of these communities.
- Reduction in the number of heavy vehicles that are registered in the Province and as such threatens the economic livelihood of the transport industry in the province.
- Trade and Investment – In many cases crime and lack of social protections can be linked to limited or no trade and investment in an area.

### Governance



The Social system is still:

- fragmented
- plagued by administrative bottlenecks
- plagued by implementation inefficiencies

## Safety

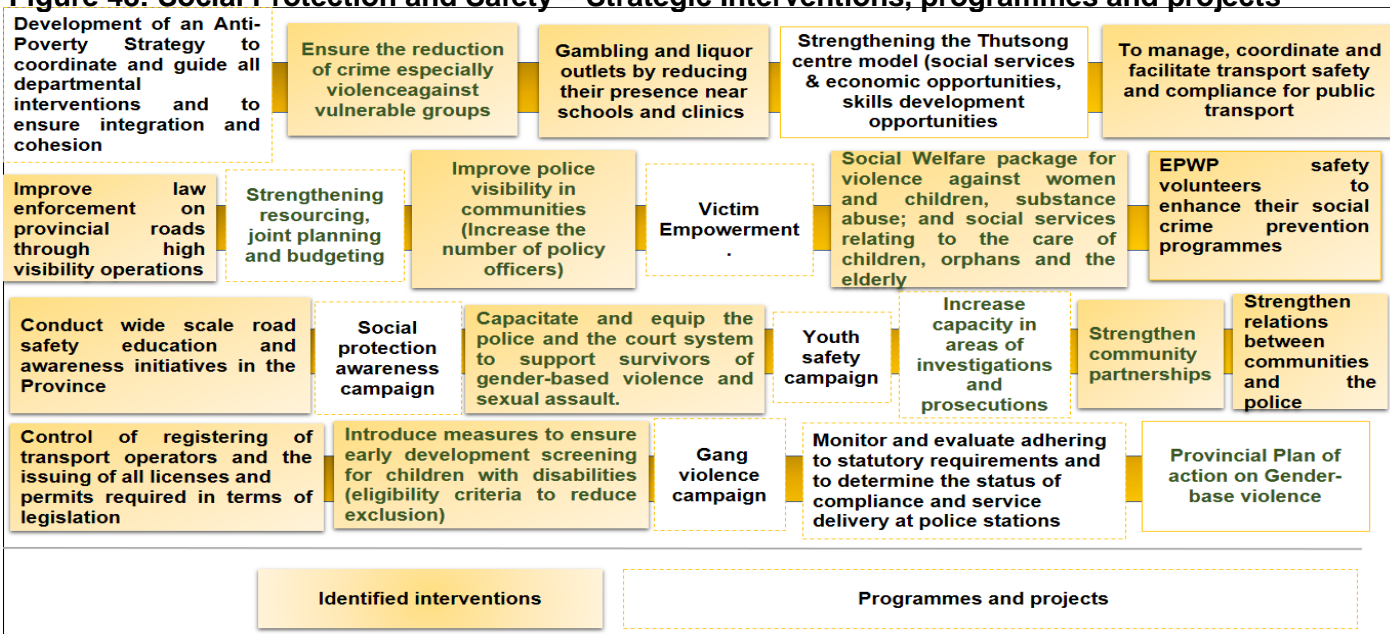
- ⇒ Provide integrated crime prevention initiatives for safer communities
- ⇒ Access to social protection mechanisms can also decrease the impact of crime and will improve the safety of vulnerable citizens.
- ⇒ Effective and efficient law administration, licensing and ensure compliance monitoring services in the Province.
- ⇒ Strengthened criminal justice system, professionalized South African Police service, and improved community participation in public policing
- ⇒ Civil society needs to be engaged to determine challenges, appropriate responses and to communicate key planning interventions.
- ⇒ Active community participation for the empowerment of communities by themselves to live a better life, utilising access to natural resources, human capital and economic resources, by working together in developing a mutually respected value system.
- ⇒ Improve level of trust in the public sector and credibility of public institutions

## Social security

- ⇒ To conduct research on policing to influence policy changes
- ⇒ Address the shortage of social workers in the Province
- ⇒ Ensure that families and individuals are able to access food and potential economic and social opportunities
- ⇒ Ensure that developmental social services reach out and provide care to the vulnerable such as those affected by HIV/AIDS, women, youth, children and people with disabilities.
- ⇒ Pro-poor government spending and investment in infrastructure and human capital.
- ⇒ To lead mobilisation of all sectors in society towards a comprehensive social protection agenda with regular interaction between stakeholder.
- ⇒ Integrated work force planning to coordinate planning, training, recruitment, development and retention of social service practitioners in line with the Provincial Human Resource Development Strategy.
- ⇒ Prioritise Children in relation to social protection

## Strategic Interventions

Figure 48: Social Protection and Safety – Strategic Interventions, programmes and projects





# Education

2040

Improved quality of teaching and learning, access to ECD and Higher learner performance

## Our Province

Basic education is only the beginning of the learning process. Once a proper educational foundation is provided, infinite opportunities await. Basic education opens the doors to further education which together unlocks further basic human rights while also allows meaningful contribution to a country's social, economic and political institutions (Mtwesi, 2013).

Current South African policy discourse focus on addressing basic education in the context of vulnerability whereby special attention is given to vulnerable groups in the country, especially the youth (NCDOH, 2017). Basic education is key to empowering the South African youth. Education is not only the basis of producing tomorrow's leaders, but also the core of an integrated society able to embrace the global landscape, specifically the information age.

Any provision of basic education should however be measured against the preamble of the Constitution to determine whether it contributes sufficiently to:

***“Heal the division of the past and establish a society based on democratic values, social justice and fundamental rights; ... [and] improve the quality of life of all citizens and free the potential of each person”***

(Mtwesi, 2013; RSA, Act 108 of 1996).

According to South African School Administration and Management System (SASAMS) 2017 there were 588 public and registered educational institutions in the Northern Cape in 2017 of which 546 are public ordinary schools and 31 are independent schools. In addition, there are 11 special schools attending to learners with special needs while 12 of the public ordinary schools also cater for learners with special needs. The above figures exclude early childhood development (ECD) facilities. In addition, 3 new independent schools were opened in the Northern Cape by the end of 2017 bringing the total number of independent schools in the beginning of 2018 to 34 (NCDE, 2017).

The map illustrates the 5 District Municipalities and main towns as well as the spatial distribution of schools in each district of the Northern Cape Province.

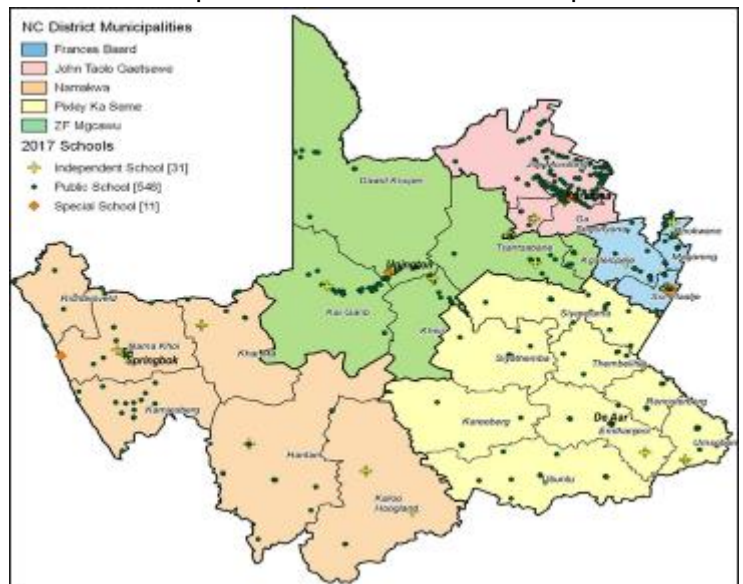







Figure 49: Northern Cape – Schools – 2017



There are 289 870 learners in the 546 public ordinary schools, with a learner growth of 0.32% from Grades 1 to 12 between 2016 and 2017. The learner to educator ratio (L:E) is 31.4 in public ordinary schools, while the learner to school (L:S) is 531. (NCDE, 2017). Key information per district is provided in the table below.

**Table 11:Core Education Information per District**

<p><b>Frances Baard</b></p> 	<p>The capital of the province, Kimberley, is in this district and accommodates 38.3% of the total provincial population. The district has 118 public ordinary schools as per 2017 SNAP Survey, with 90 498 learners and 2 817 educators (L: E- 32; L: S- 766). A large percentage of the school infrastructure in the district is considered acceptable. (NCDE, 2017)</p>
<p><b>John Taolo Gaetsewe</b></p> 	<p>Kuruman is the capital of this district previously known as the Kgalagadi district. The district has the highest number of schools with 170 public ordinary schools recorded in 2017 SNAP survey, 72 789 learners and 2 227 educators (L: E- 33; L: S- 428). The social, political and economic history of this district renders it the district with the largest number of extremely disadvantaged schools. (NCDE, 2017)</p>
<p><b>Namakwa</b></p> 	<p>This district is located on the boundary of the Western Cape with Springbok as its capital. The district has the lowest unemployment rate at 16,8%. According to the 2017 SNAP survey 72 ordinary schools are operating in the district accommodating 21 926 learners and 759 educators (L: E- 29; L: S- 305). This district is the largest per square kilometre area however it is home to the lowest population. Most schools in this district are in remotely located and many of them have under-utilised infrastructure assets. This district also has the largest number of school hostels in the province, due to its geographical size. (NCDE, 2017)</p>
<p><b>ZF Mgcawu</b></p> 	<p>The district is formerly known as the Siyanda district and has the youngest population in the province with 36% of the population being between the ages of 15 - 34. The capital of the district is Upington and 98 ordinary schools operate in the district according to the 2017 SNAP survey. The schools provide for 56 372 learners and 1 792 educators (L: E- 31; L: S- 575). School infrastructure in the district is well utilised except for the remote areas of Mier. Most of the school infrastructure in the district is also well maintained. (NCDE, 2017)</p>
<p><b>Pixley ka Seme</b></p> 	<p>As per 2017 SNAP survey, the total number of public ordinary schools in this district is 88. The district has 45 825 learners and 1 410 educators (L: E- 33; L: S- 521). The capital of the district is De Aar. This district is vast and has the second least number of people. The towns are far from each other and thus school infrastructure assets are under-utilised. (NCDE, 2017)</p>

(NCDE, 2017)

Indicators regarding the provision of education facilities for basic education and the administering of basic education in the Northern Cape Province are discussed further as part of the Analysis of Basic Education in the Northern Cape Province.

**Table 12: Key Development Indicators and Development Trends**

INDICATOR	
Number of public schools that offer Grade-R	381 (2018)
Number of registered ECD Centres	206 (2018)
Number of ECD Practitioner	949 (2018)
Number of Grade R practitioners in public ordinary schools	755 (2018)
Number of additional classrooms built in, or provided for, existing public ordinary schools.	304 (2009-2018)
Number of additional specialist rooms built in public ordinary schools.	61 (2009-2018)
Number of new schools under construction (includes replacement schools)	53 (2009-2018)
Number of new or additional Grade R classrooms built (includes those in replacement schools)	97 (2009-2018)
Percentage of learners who passed National Senior Certificate (NSC)	73.3% (2018)
Percentage of Grade 12 learners passing at bachelor level	26.1% (2018)
Percentage of Grade 12 learners pass rate in Mathematics	57.4%
Percentage of Grade 12 learners pass rate in Physical Science	56.8%
Number of learners in public ordinary schools benefiting from the "No-Fee Schools" policy	192 198 (2018)
Number of educators trained in Basic ICT Skills	255 (2018)
Percentage of Grade 12 learners pass rate in Computer Application Technology	87.7%

## Condition Rating of schools

### Supply Profile

**Condition 5:** 2% of schools that rated at this condition. When schools have been maintained and renovated up to an excellent condition, they will fall under the planned maintenance category

**Condition 4:** 11% of schools have minor wear and tear, with minor defects and signs of deterioration of surface finishes. These schools will have a low-cost implication to be maintained and are included in the maintenance plan for minor maintenance.

**Condition 3:** The majority (70%) of schools have a fair condition rating, where it can be stated that it is an average condition and that attention is required and a backlog on maintenance exists. These schools have been identified and prioritised per building for major maintenance.

**Condition 2:** 15% of schools have a poor condition rating where the asset has deteriorated and some structural problems to varying degrees have occurred.

**Condition 1:** 2% of schools is rated at this condition; these schools were identified through the condition assessments as done by DRPW, where the asset has failed and is not operational or that is unfit for occupancy. All NCDE schools are currently usable and do not meet an immediate high risk to health and safety.

(NCDE, 2017)

CONDITION RATING	CONDITION
5	Excellent
4	Good
3	Fair
2	Poor
1	Very Poor

Shortcomings in the provision of quality basic education on district level are identified below by comparing the findings of the Demand and Supply Profile with the Key Development Indicators and Trends. The shortcomings related to the facility provision for and administering of quality basic education are as follows:

- ⇒ Not all schools, learners and teachers have access to internet facilities especially in rural areas and rural schools. These facilities are crucial for quality education and establishing a proper knowledge base among learners.
- ⇒ Many schools do not provide Grade-R education, resulting in about 20% Grade 1's not receiving formal pre-school education.
- ⇒ The number of learners reaching Grade 7 by age 12 and Grade 12 by age 17 are low, indicating many learners are either not sent to school in time or they are held back in certain grades because of unsatisfactory performance.
- ⇒ Many schools in the province, both public and independent schools are not monitored by the district.
- ⇒ Access to multi-media facilities in public schools are basically non-existing.
- ⇒ Very little information is available on the status of basic adult education in the province, including strategic guidance and plans to address the issue.
- ⇒ Very poor maths and science pass rate in the NSC accompanied by a low bachelor's degree admission rate.
- ⇒ Teacher and learner absenteeism is still relatively high. The fact that teacher absenteeism is larger than learner absenteeism is problematic for natural reasons.
- ⇒ Only about half to two-thirds of all educators are trained in literacy and numeracy.
- ⇒ Special schools are concentrated in the Frances Baard district while most disabilities are found in the John Taolo Gaetsewe district. Based on the estimated disability figures, only a third of children with serious disabilities attend special schools. Many special needs children never receive any formal education.

### Demand Profile

- ❑ **Estimated Population by Age 2028:** Based on population predictions, it is expected that an equal distribution between the different ages in the above categories is expected. The estimated number of school-goers in the Province is expected to grow to **330 801** in 2028. This also includes all people in the Province aged 6 to 18 to make provision for Grade 1 to 12 pupils of **305 355** as well as potential Grade R pupils of **25 446**. The result is that the NCDE will have to potentially accommodate an additional **26 580** pupils by the year 2028 should all current pupils be provided for.
- ❑ **Estimated Disabled Population per Age Category (2028):** The number of people that fall in the school-going age category is set to increase with to about 6 583 people in 2028. This once again includes potential Grade R to Grade 12 pupils.

### Supply Profile

- ❑ About 50% of schools in the Northern Cape Province are underutilised while roughly 6% of schools are over-utilised. About 2% are severely over-utilised with a higher than 150% utilisation rate, whereas 4% of schools have a utilisation rate of between 125% and 150% (NCDE, 2017).
- ❑ On an average, only 76% of infrastructure in the Province is utilised. It is also evident that most of the assets are under-utilised with a relatively low portion being over-utilised. This is because of the demographic trends and geographical extent of Northern Cape Province (NCDE, 2017).

## Key Issues and Insight

### Community



- ❑ Poor socio-economic conditions, especially in the rural areas
- ❑ Lack of Knowledge and Parental Support
- ❑ Attitude towards Learning – A poor attitude towards learning often results in conflict and violence between learners and teachers.
- ❑ Attitude towards Learners - discrimination and bullying based on race, class, prejudice, gender, disability, religion and culture causes learners to underperform.
- ❑ Language Issues - in various areas there are several learners that do not receive their education in their home language.
- ❑ High absenteeism rates indicate a lack of commitment, accountability from learners'.
- ❑ Shortage of Afrikaans teachers in the Northern Cape Province.
- ❑ Migration - some schools are under-utilised while other schools are over-utilised.
- ❑ Innovation and knowledge – Rural development is a big challenge in the Northern Cape

### Economic



- ❑ Employment opportunities in rural areas are limited and the thought of gaining an education and going to urban areas are daunting for many.
- ❑ Unconcentrated Spending: Available funds are spent across the whole province on all schools and geographic locations.
- ❑ Electricity – a major challenge facing the Northern Cape Province is the availability of electricity during exam times. Electricity is switched off during exam times, leaving pupils unable to study for exams or in some cases write exams.
- ❑ The lack of enough funding results in a prioritisation process that further causes backlogs in the provision of quality basic education.

### Governance



- ❑ The educational system is mainly based on one academic curriculum but does not consider that learners differ, their strengths and interests differ.
- ❑ Teacher Competency and Training – not all teachers are properly trained in literacy, numeracy and the curriculum.
- ❑ Strikes in the education sector and damaging of school property are negatively influencing learners that are often not involved in the strikes.
- ❑ Teacher Commitment
- ❑ Inter-governmental cooperation
- ❑ Rates & Taxes – most of the educational facilities in the Northern Cape Provinces have a zoning of 'Business'.
- ❑ The new demarcation of North West will result in an additional 30 school moving to the Northern Cape education system. This will increase the pressure on the current education system and these schools would need to incorporate as quickly as possible to ensure quality education for learners.

### Environment



- ❑ Geographic Constraints – the vast size, sparsely populated and rural nature of the province makes the provision of quality basic education across the province as well as access to the facilities relatively difficult compared to other provinces in South Africa.
- ❑ Condition and Suitability of Facilities - An integrated approach is required to also address accessibility issues to these facilities.
- ❑ Flood lines – The Private Special Needs Institution in Upington is situated in the 100-floodline. This is an important issue to be addressed by the Department of Public Works.
- ❑ The Northern Cape Province is known for the high levels of asbestos. Infrastructure needs to address asbestos filled schools and the rehabilitation thereof.
- ❑ Boreholes – the boreholes are running dry and water availability in rural areas is also a

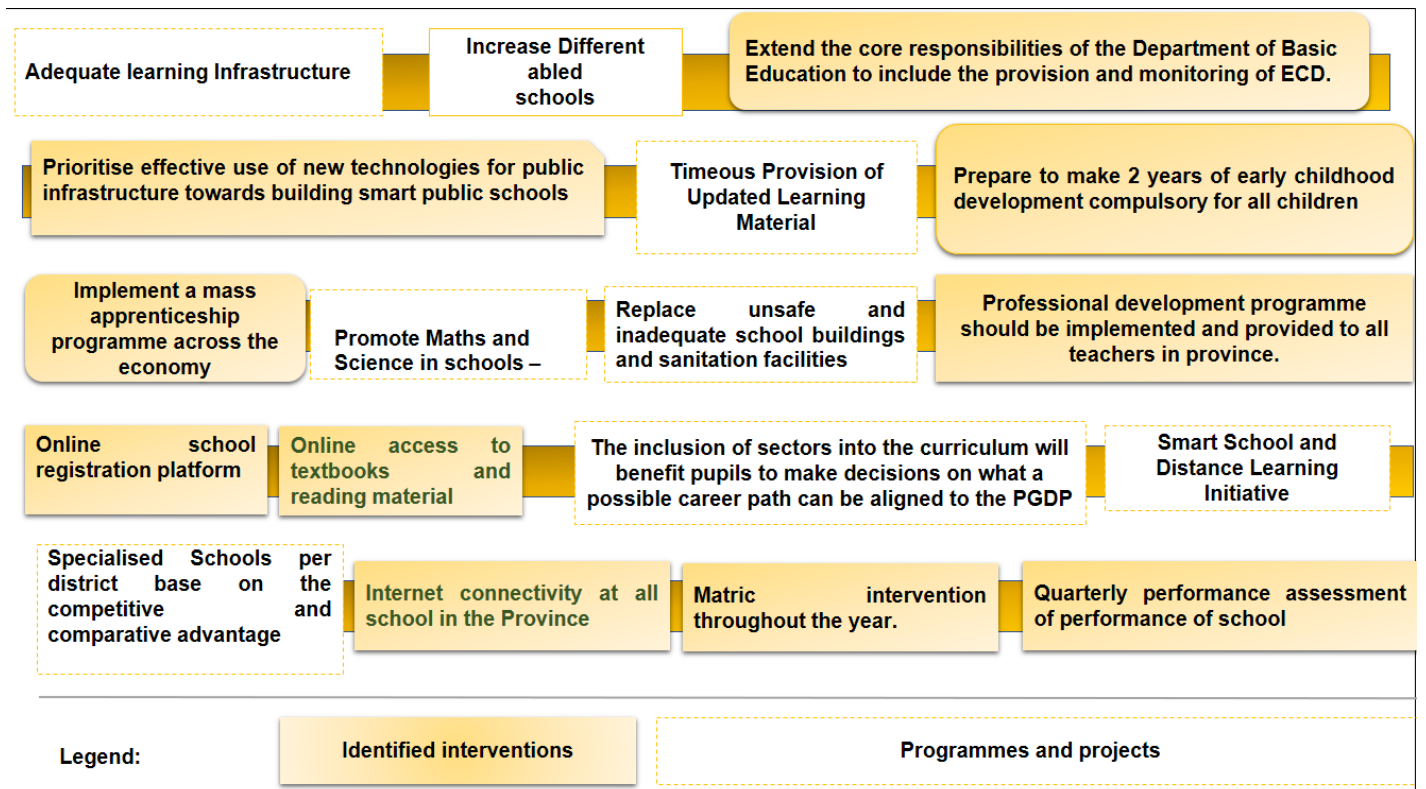


## Achieving Vision 2040

Vision 2040

- ⇒ Improved quality of teaching and learning through development, supply and effective utilisation of teachers
- ⇒ Improved quality of teaching and learning through provision of adequate, quality infrastructure and Learning Teaching Support Materials
- ⇒ Set the employment targets in the sector over the next five years.
- ⇒ Universal access to two years of ECD, which would include two years of compulsory quality pre-school enrolment for 4 and 5 year olds before grade 1.
- ⇒ Promote innovation on different models for delivering home and community-based ECD
- ⇒ Enforce accountability and consequence management
  - Appointment of qualified teachers and developing the necessary skills.
- ⇒ Improve quality and innovation in schools
  - Targeting the achievement of quality teaching and learning outcomes by enhancing the skills and competencies of educators, including the school management
- ⇒ Higher learner progression through institutions, and high completion rates in schools, TVET colleges and universities.
- ⇒ Implement the new innovative way of assessing learners through the National Integrated Assessment Framework for Grades 3, 6 and 9 as a replacement for ANA.
- ⇒ Provide the necessary resources to prepare learners for the 4th Industrial Revolution.

Figure 50: Education – Strategic Interventions, programmes and projects



## Our Province

The Health Care sector is one of the most dynamic sectors across the globe. The sector is dominated by the increased pressures on demand whilst undertaking the development of innovative technology. From an international perspective it is evident that “health care stakeholders are pursuing new cost reduction measures, such as developing alternative staffing models, shifting patients to outpatient services, and reducing administrative and supply costs. In addition, they are exploring new revenue sources such as intellectual property (IP) capitalization, investing in JVs, commercializing their foreign assets, and launching new companies and philanthropic organizations.” (Deloitte, 2018)

The government aims to introduce National Health Insurance (NHI) to redress the inequalities in the country’s health sector. The National Health Insurance (NHI) is a financing system that will ensure that all citizens of South Africa (and legal long-term residents) are provided with essential quality healthcare, regardless of their employment status and ability to make a direct monetary contribution to the NHI Fund. (NDoH, 2018) Once implemented the health care services will be accessible to all which will place a serious burden on the existing under-resourced public health system in South Africa. In addition, NHI could potentially lead to the overuse of health services, a global phenomenon known as the moral hazard. The moral hazard occurs as a result of the tendency for insurance to increase the probability of occurrence. It is vital that measures such as cost sharing, limits on benefits, utilisation management etc. be in place as a means of mitigating the moral hazard.

Source: (Gray & Vawda, 2017); (South African Government, 2018); (Department of Health, 2017)



Health Care provision encompasses a large group of stakeholders on a variety of levels. From a high-level policy perspective, it is argued that the health sector has significant impacts on other sectors including sport, education, tourism etc. This can be attributed to the “Health in all Policies (HiAP)” approach advocated by the NDP 2030. Hunter (2013) provides the following adaptation from the NDP (2030) to emphasise the importance of health in the cycle of development.

According to Hunter (2013) “the cycle of development depicts the importance of healthy citizens for development. An individual, a family and ultimately a community’s socio-political, environmental and economic conditions determine the opportunities available to them, which will lead to development of capabilities, leading to employment, personal and societal growth, poverty reduction and improved living standards” (Hunter, 2013). Therefore, it is important to note that on a national scale many of the economic sectors in South Africa are dependent on the health care services provided by government and therefore will also be affected by any policies and legislations that are in place.

### **Ideal Clinic Status**

The Northern Cape has a higher proportion of ideal status public health care facilities than the Free State (35%), North West Province (29%), Mpumalanga (23%), Eastern Cape (18%), Western Cape (15%), and Limpopo Province (11%). Evidently, while Northern Cape facilities trail Gauteng Province and KwaZulu-Natal, its 41% ideal status rating is above the national average and higher than most provinces. This is illustrative of the comparative quality of health service provision in the Northern Cape.

### **Patient Expenditure**

The Northern Cape has an average per patient day expenditure of R2 503, behind Limpopo (R2 993), Gauteng (R2 902), KwaZulu-Natal (R2 566), and the Free State (R2 538). The most efficient district in the Northern Cape in terms of expenditure per patient day is the ZF Mgcawu District Municipality, with R1 690. In addition, expenditure per patient day in JT Gaetsewe District Municipality (R2 225) and Namakwa District Municipality (R2 533) is below the national average of R2 558, eclipsed slightly by Pixley ka Seme District Municipality (R2 755).

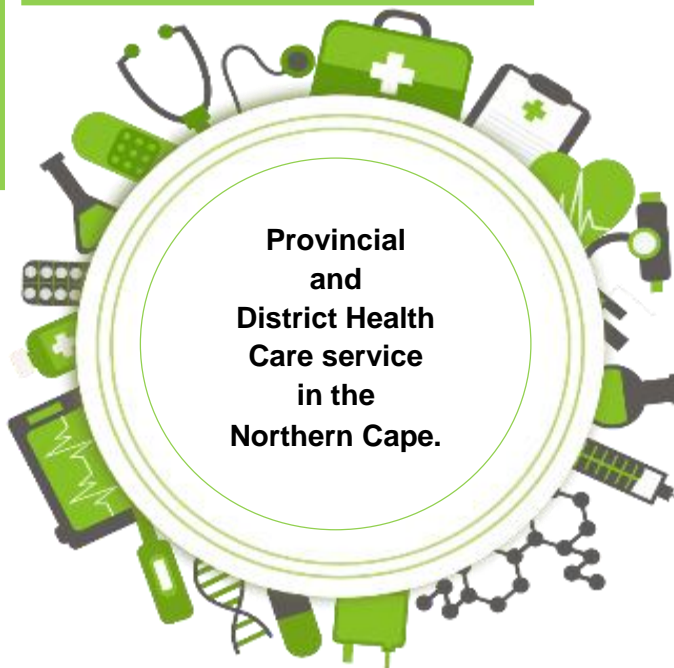
### **Medical Scheme Coverage**

The Namakwa District Municipality leads the other provincial districts with 18.7% medical scheme coverage, followed by the Frances Baard District Municipality (16.1%). Three districts are, however, below the national and provincial scheme coverage average, including ZF Mgcawu District Municipality (15.6%), JT Gaetsewe District Municipality (14.5%), and Pixley ka Seme District Municipality (14.3%).

### **Demand for health services**

The household health service usage in the Northern Cape suggests that most of the population utilise clinics as their first option when seeking health services approximately 70.5% of households prefer public clinics or hospitals compared to 25.3% of households that may utilise a private doctor, or a private clinic or hospital. The demand for public health services is high in the Northern Cape. This number is expected to grow based on the current economic outlook. The number of medically insured households is expected to decline in the short to medium term

## **Provincial and District Health Care service in the Northern Cape.**



### **Provincial dispersion of health services**

Ward-based community outreach teams and clinics are the predominant health facilities in the Northern Cape. JT Gaetsewe District Municipality has the 32 ward outreach teams and 37 clinics, most of the provincial districts, while ZF Mgcawu District Municipality has 18 ward outreach teams and 17 clinics, the least facilities of the districts. There is a severely limited central/tertiary and regional hospitals in the province, with one tertiary hospital in Frances Baard District Municipality and one regional hospital in ZF Mgcawu District Municipality. Furthermore, there is a limited amount of private health facilities in the Northern Cape, with 8 private clinics/hospitals located in Frances Baard District Municipality, 5 in JT Gaetsewe District Municipality, 1 private clinic/hospital located in Namakwa District Municipality and ZF Mgcawu District Municipality, while there are zero private clinics/hospitals in Pixley ka Seme District Municipality.

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According to STATS SA, the top ten causes of morbidity in health institutions for 2016 for all ages groups include in the province, Tuberculosis, HIV, Other forms of heart disease, Hypertensive diseases, Cerebrovascular diseases, Chronic lower respiratory diseases and other viral disease in decreasing order. Table 4 shows the top ten causes of morbidity in all ages in the Northern Cape province.

**Table 13: The ten leading causes of death by age and sex 2016**

				♂		♀	
1	Tuberculosis	937	6.8%	587	8	482	7.5
2	HIV	848	6.1	426	5.8	422	6.5
3	Other forms of heart disease	762	5.5	376	5.1	416	6.4
4	Hypertensive diseases	761	5.5	356	4.8	412	6.4
5	Cerebrovascular diseases	718	5.2	315	4.3	386	6.0
6	Diabetes mellitus	642	4.6	302	4.1	347	5.4
7	Chronic lower respiratory diseases	601	4.3	279	3.8	254	3.9
8	Influenza and pneumonia	570	4.1	265	3.6	243	3.8
9	Ischemic hearts diseases	489	3.5	256	3.5	228	3.5
10	Other viral disease	485	3.5	230	3.1	224	3.5



#### Under 5 and infant mortality rate

Under-five mortality has shown significant decline from 7.7 mortalities per 1000 live births in 2013/14 to 4.2 under-five mortality rate in 2017/18 financial year. During the same period, infant mortality rate also showed decline from 9 mortalities per 1000 live births in 2013/14 to 6 mortality per 1000 live births in 2017/18 financial year

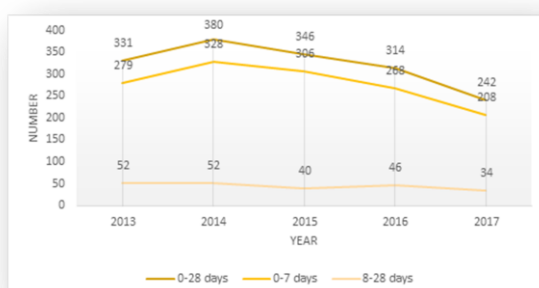


#### Maternal mortality Ratio

Declined from 250 per 100,000 in 2009/10 live births to 65.9 per 100,000 live births in 2017/18 financial year. The province already achieved the SDG 2030 target



#### Neonatal Mortality Rate



Improvement in antenatal care coverage, birth attended by skilled professionals and immunisation coverage have contributed in reducing the number of MMR, infant and under-five mortalities

#### Decrease in HIV positivity rate (15-49 years)

2012/2013 - 7.5%  
↓  
2017/2018 - 4%

#### HIV/AIDS



#### Increase in ART

↑  
(2012) 133002  
(2017) 289 982

#### Increase in Annual HIV Testing

2012/2013 - 133 002 ↑ 2017/2018 - 289 982



## Key Issues and Insight

### Community

- Utilisation of health services - There is limited access to health service provision in rural areas with low population densities. Additionally, local utilisation of health facilities is limited due to the low quality of health care provision.
- Quality of services - Limited availability of resources has a detrimental impact on the quality of health services, perpetuating the significant skill gap and human resource shortages in the Northern Cape.
- Burden of diseases - challenges relating to communicable diseases; maternal and child health problems in rural areas; substantial rates of road accidents, injuries, and fatalities.
- Health systems - lack of human resources for health provision in the province, in addition to substandard health facilities management and limited usage of applicable health systems information to improve resource utilisation efficiency.
- Inefficient patient care - Inefficiency in resource utilisation is perpetuated by inefficient patient care in health facilities, including excessive consumption of medicines and overstay in hospital care.

### Economic

- Skills gap and shortage of health professionals - There is a substantial shortage of physicians, nurses, pharmacists, and medical specialists.
- Predominant economic conditions - A large proportion of the provincial population are from a poor background, resulting in high risks of ill health and poor living conditions.
- Dependence on public health services - The large percentage of the population that is uninsured results in substantial dependence on public health service provision, increasing public sector spending on health provision.

### Governance

- Substandard health facilities - The poor state of health facilities is perpetuated by dated infrastructure, old medical equipment and technology, dated systems of communication, and isolated rural health infrastructure and facilities.
- Inefficient resource utilisation - The insufficient allocation of resources to the provincial department has contributed to the substandard provision of health services in the province.
- Leadership instability - Changes in leadership and capacity limitations hamper the successful implementation of policy that aim to improve health provision.
- Limited evidence-based policies - There is limited utilisation of evidence-based approaches to health services policy formulation and implementation, negatively affecting service provision in the province.
- Outdated organisational structure
- Isolated role players - The lack of coordination between various role players in the provision of health service negate improvement in provincial health indicators. There is a need for increased integration of functions to facilitate successful policy implementation.

### Environment

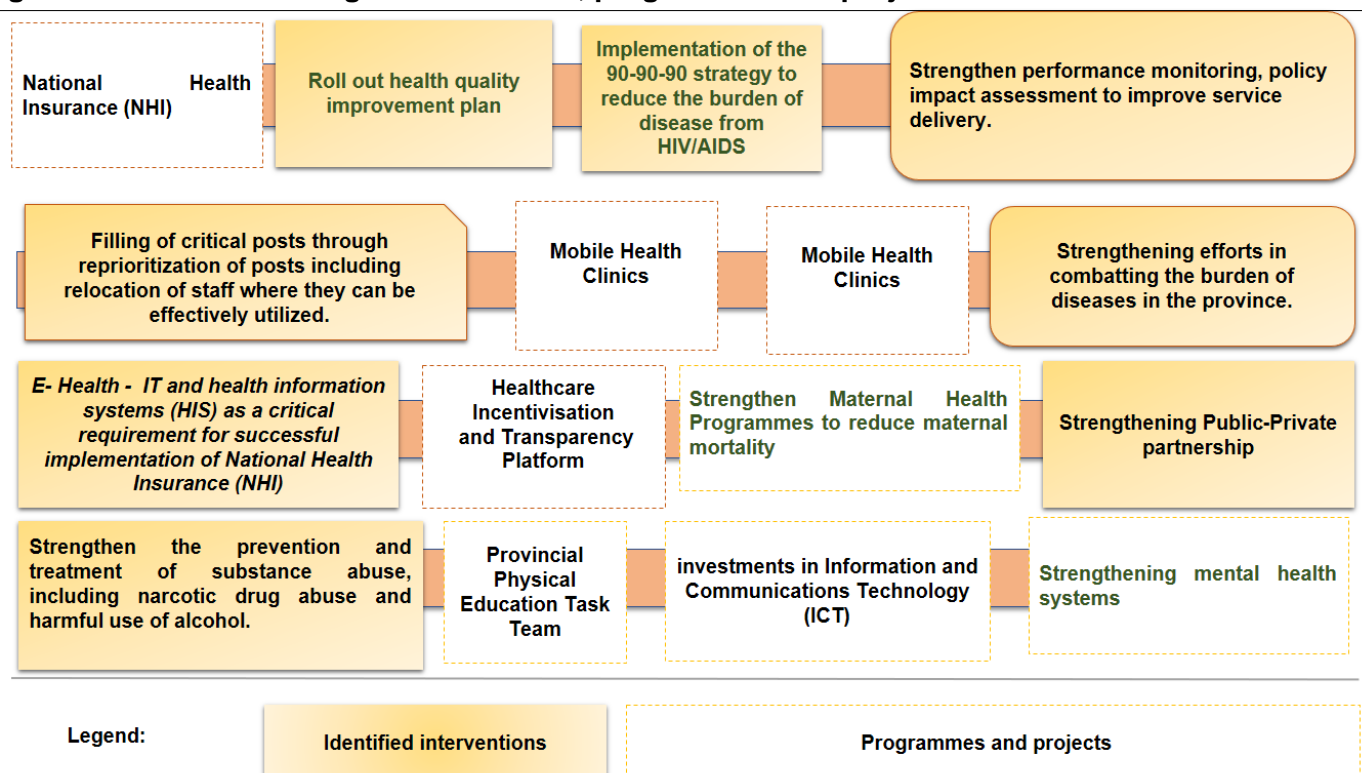
- Geographic challenges - The size and low population density of the Northern Cape is an important challenge in providing enough access to health services for the local population.
- Limited service delivery - Due to the nature of the Northern Cape climate and vastness of the province, some health facilities have untrustworthy water supply, which may influence the quality of service provision.

- ⇒ Digital technologies, such as mobile wireless technologies, have the potential to revolutionize how populations interact with national health services.
- ⇒ Strengthening health system building blocks which include human resources for health, particularly the specialists; health finance; health governance; health information; medical products, vaccines, and technology; and quality service
- ⇒ Improving synergy among key sector and stakeholders towards working together. Collaboration have shown improvement in the quality of healthcare services as well as health outcomes while reducing resources used and avoiding duplication of efforts.
- ⇒ Substantial investments in Information and Communications Technology (ICT) and related infrastructure is necessary as the fourth industrial revolution will bring with massive advancement in technologies that potentially reduce the cost of doing business and improve the quality of services delivery.
- ⇒ Aggressive community mobilization for health promotion issues to positively influence and achieve sustainable healthy lifestyle, primary healthcare and sustainable environmental development
- ⇒ The social determinants of health need to be addressed, including promoting healthy behaviours and lifestyles.
- ⇒ Human capacity is key. Managers, doctors, nurses and community health workers need to be appropriately trained and managed, produced in adequate numbers, and deployed where they are most needed. (NDP, 2030)
- ⇒ Strengthen primary health-care services and broaden district-based health programmes, such as the community health worker and midwife programmes, and health education NDP
- ⇒ Provide affordable access to quality health care while promoting health and wellbeing.
- ⇒ Phase in national health insurance, with a focus on upgrading public health facilities, producing more health professionals and reducing the relative cost of private health care.

## Strategic Interventions

The interventions are provided below as a remedy to the shortcomings and issues regarding the provision of quality health services in the Northern Cape.

**Figure 51: Health – Strategic Interventions, programmes and projects**



# Rural Development, Land Reform and Food security

2040

Inclusive rural economy and Sustainable land reform contributing to agrarian transformation and food security

## Our Province

Northern Cape Provincial House of Traditional Leaders play an important role in terms of leadership and service delivery towards inclusive rural development and sustainable land reform.

Traditional Authorities play a key role in rural development as they (in collaboration with local municipalities) determines the distribution of activities and land uses, as well as determining which practices are to be allowed within these areas.

The Northern Cape House of Traditional Leaders therefore endeavour:

- ❑ Promote the development of rural communities
- ❑ Ensure that its operations in a manner prescribed in its statutory mandate
- ❑ Work together with other primary stakeholders in the execution of its mandate
- ❑ Participate effectively in legislative and policy processes
- ❑ Ensure that the status and dignity of the institution of traditional leadership is restored, enhanced and preserved in South Africa, Africa and the world
- ❑ Develop programmes to address its capacity related challenges
- ❑ Promote the preservation of language and culture of the African people in line with Section 30 and 31 of the Constitution In terms of the mission of the House, the institution of traditional leadership seeks to represent the aspiration of traditional communities by playing a meaningful role in cooperative governance. The House therefore must:
  - Act as a custodian of cultures, customs and traditions
  - Influence government policy and legislation in so far as it affects the institution of traditional communities
  - Advise government on related matters
  - Seek to be consulted at appropriate levels on policy and programmes that affect rural areas in general and traditional communities in particular
  - Complement and support the work of government at all levels
  - Form cooperative relations and partnerships with government at all levels in development and service delivery.
  - Play an oversight role on programmes intended to uplift communities.

The National Development Plan (NDP) as well as the New Growth Path (NGP) acknowledges that rural development remains a critical aspect for employment and food security in rural areas.

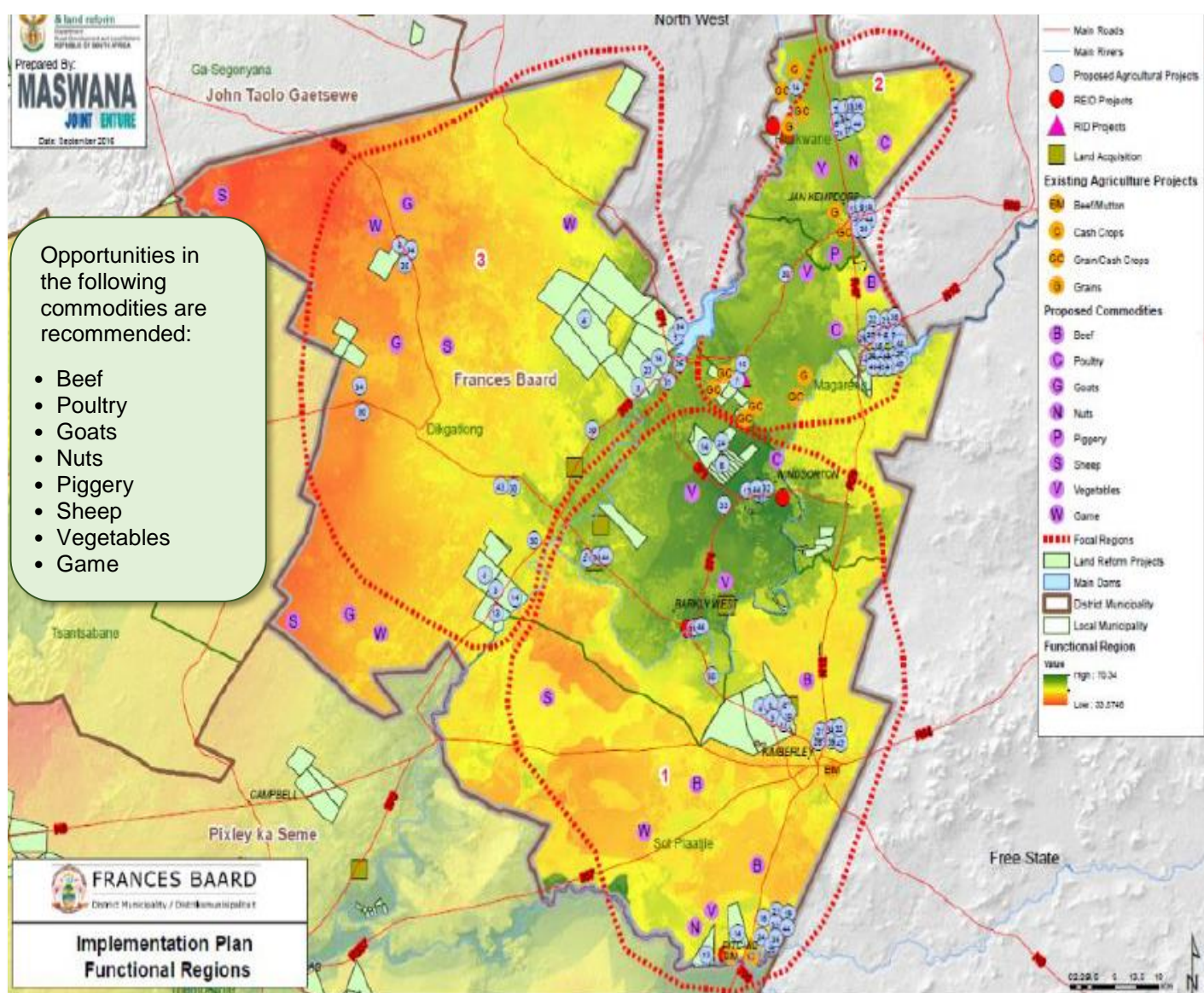
The NDP states that a rural development plan needs to ensure greater economic and potential opportunities to overcome poverty and inequality in rural areas. To achieve this, the NDP emphasises the need to fast-track the land reform programme as well as job creation strategies that will guarantee that the rural community have access to sustainable livelihoods. Furthermore, the NDP contends that a rural development plan must serve to ensure basic services, health care, education and food security. It also argues that a rural development plan must make sure that strategies for rural towns are tailor-made according to the varying opportunities in each area. An emphasis is also made for intergovernmental relations to improve rural governance and encourage multi-stakeholder participation in the development process.





## FRANCES BAARD DISTRICT

Figure 52: Frances Baard – Functional Regions – development potential 2017



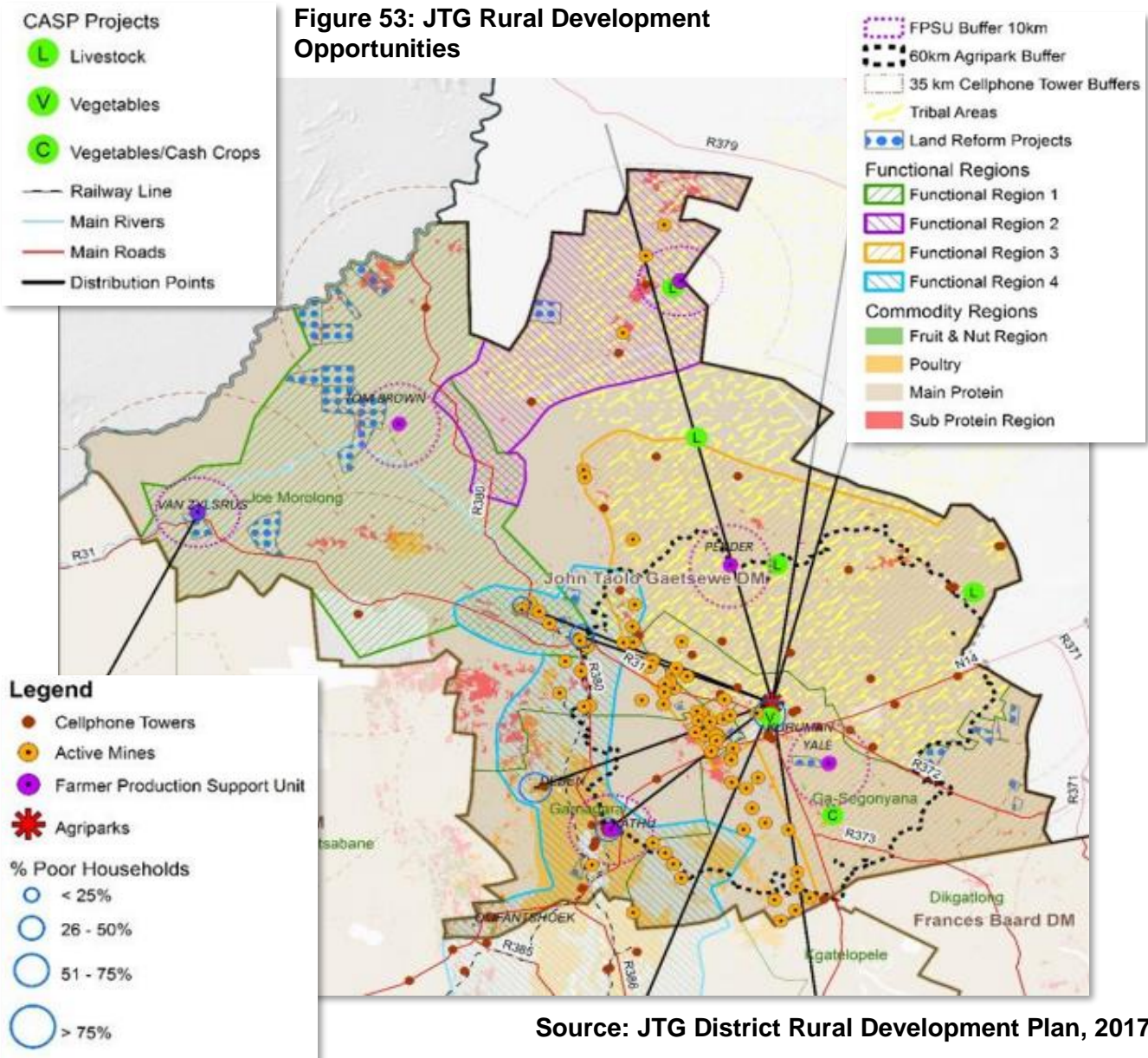
Geological, Environmental, Infrastructure, Strategic and Geo-hydrological data sets was used in the integration process using cost surface calculation methodology. Different weightings based on the relevance of the data was allocated to affect the overall functional regions. Water for example is the single most important factor for successful agricultural development.

It is clear that the areas along the major rivers are more sustainable and functional compared to areas that are more remote in terms of water accessibility. Farms, projects should therefore be targeted towards these higher potential regions to improve agricultural production and economic viability.



## JOHN TAOLO GAETSEWE DISTRICT

**Figure 53: JTG Rural Development Opportunities**



Source: JTG District Rural Development Plan, 2017

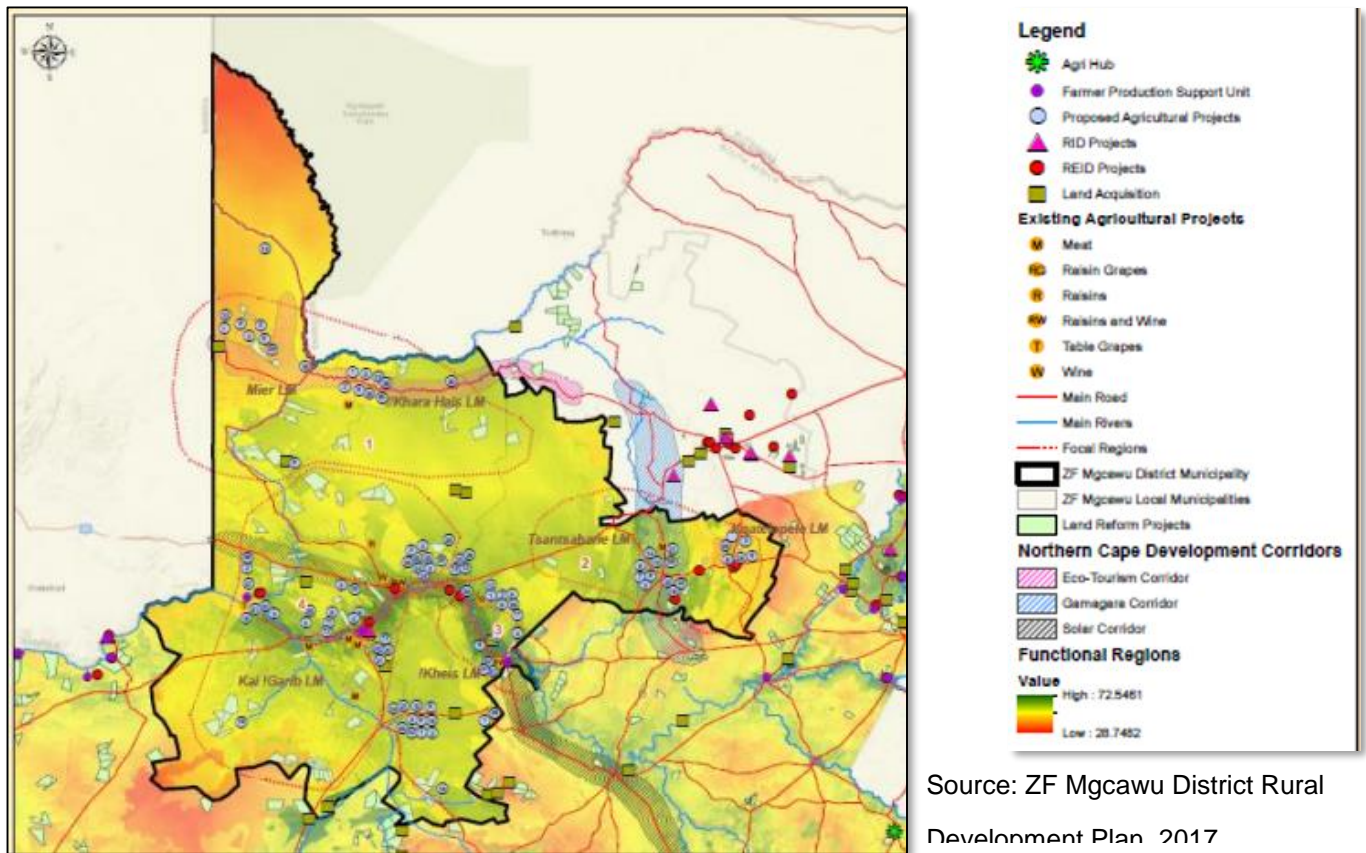
Development strategies have been identified for the JTG region:

- Enhancing agriculture and rural development as a means to fight hunger and poverty
- Exploring and Exploiting Mineral Resources to the Benefit of the Communities
- Promoting Tourism through reviving existing sites and identifying new ones
- Providing all communities with engineering infrastructure, housing, roads and social Facilities
- Establishing an Agri-park in the JTG district consisting of an Agri-hub in Kuruman and associated farmer production support units throughout the district

- Developing and promoting Small Medium Micro Enterprises
- Reviving the economy of Kuruman and Kathu through attracting new businesses and investments
- Promoting nodal and corridor-oriented development
- Building capacity of communities through training and skills development
- Improving literacy rate of communities
- Growing the local economy and creating jobs
- Protecting and conserving the natural environment

## ZF MGCAWU DISTRICT

Figure 55: ZF Mgcawu – Rural Development Functional regions

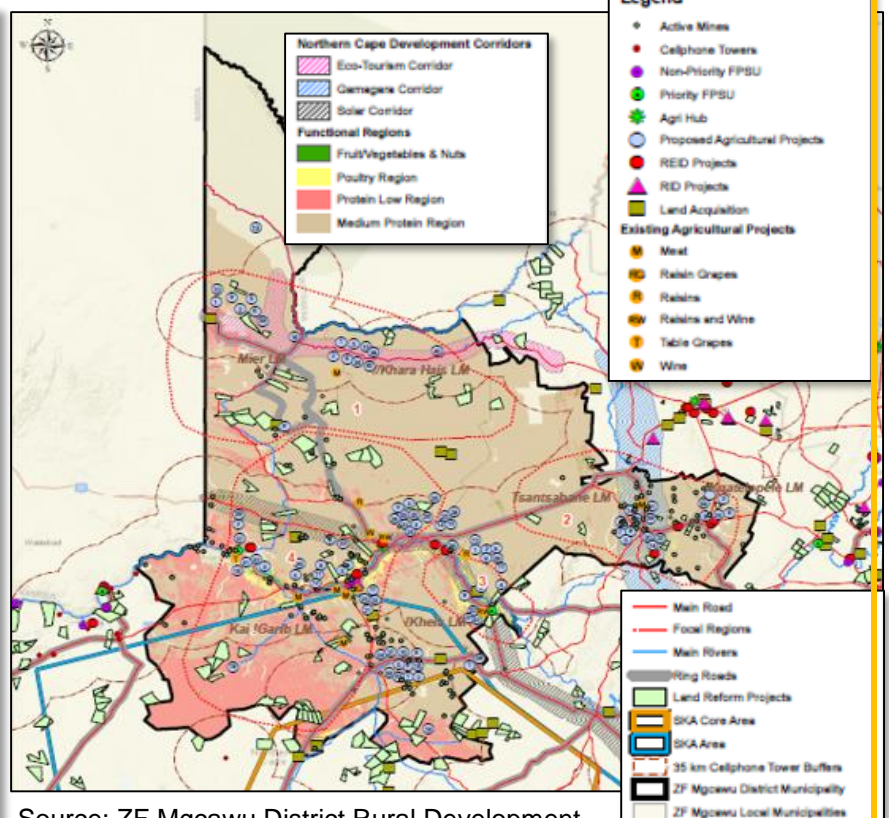


Source: ZF Mgcawu District Rural Development Plan 2017

Figure 55: ZF Mgcawu – Development rural development opportunities

Development strategies have been identified for the ZF Mgcawu region:

- Subsistence farming practises and non-commercial farming within the study area.
- Electronics development sector, especially within the renewable energy sector.
- Agricultural development should coincide with the targeted water scheme areas to ensure economic viability of irrigation, crop and livestock farming practises. Ideally, rural development projects within the agricultural sector should be in close proximity to the existing and planned water scheme areas.
- Service-related projects should be planned in accordance with the Agri-Park and Food Production Support Units to ensure accessibility, housing needs and typology, and access to basic services.

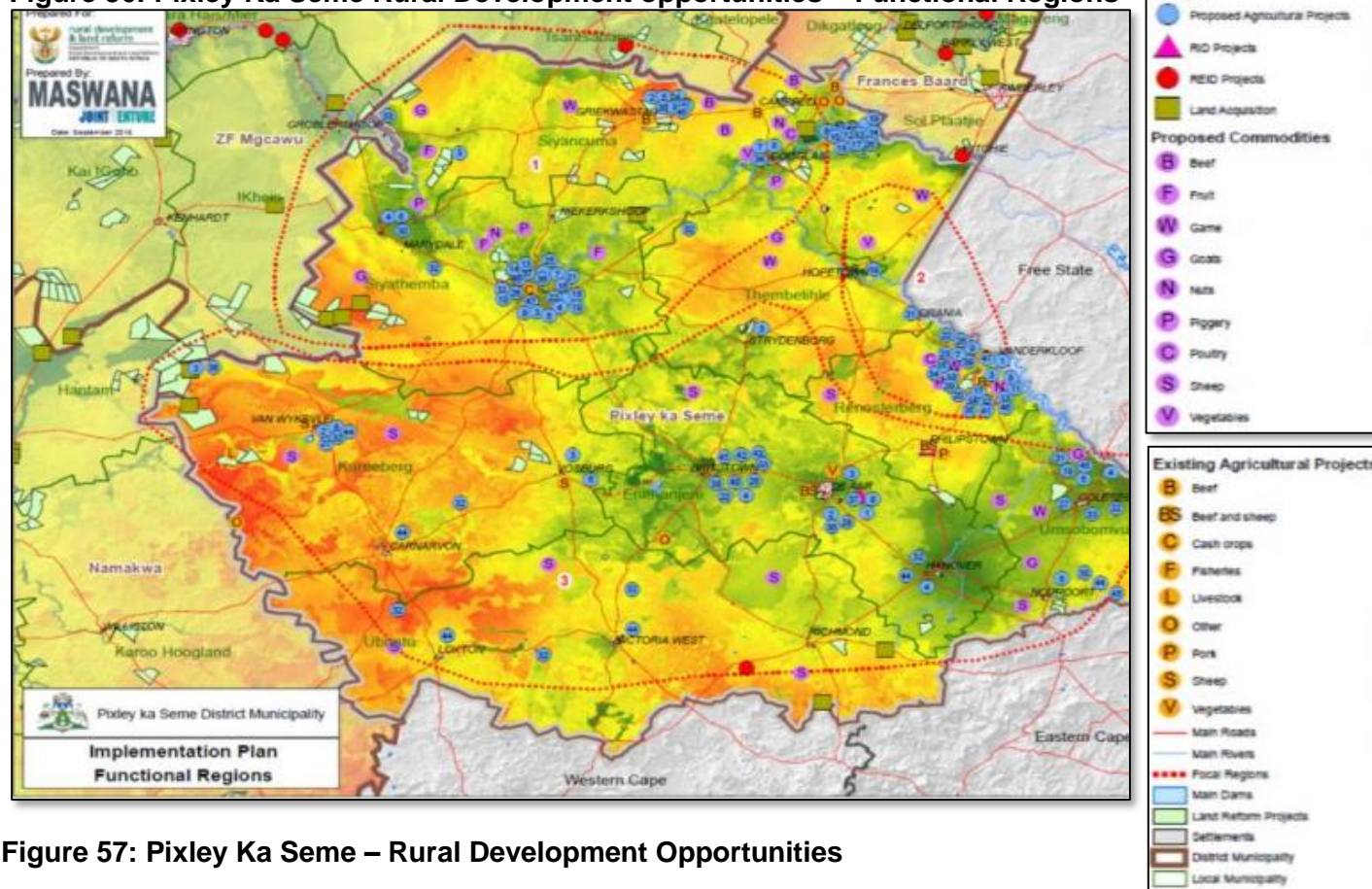


Source: ZF Mgcawu District Rural Development Plan, 2017



## PIXLEY KA SEME DISTRICT

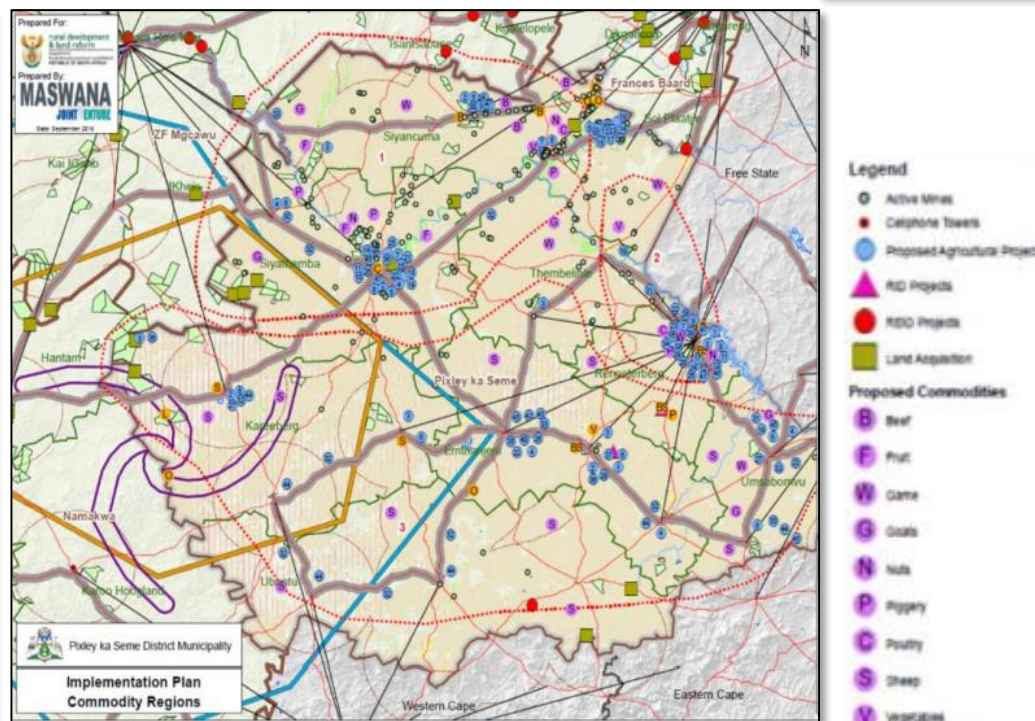
**Figure 56: Pixley Ka Seme Rural Development opportunities – Functional Regions**



**Figure 57: Pixley Ka Seme – Rural Development Opportunities**

A diverse selection of fruits, nuts and vegetables were used to determine the functional region with the factors mentioned above. The commodities identified that grows well and have a market within the region as well as outside the Pixley Ka Seme District were the following:

- Potatoes;
  - Vegetables;
  - Onions;
  - Table Grapes;
  - Pecan Nuts;
  - Citrus;
  - Green Peas; and
- Peanuts.



### Medium and Low Potential Protein Sheep & Game Region

A specialised selection of small livestock and game were used to determine the functional region with the factors mentioned above. The commodities identified that adapts well within the arid regions and have a market within the region as well as outside the Pixley Ka Seme District were the following:

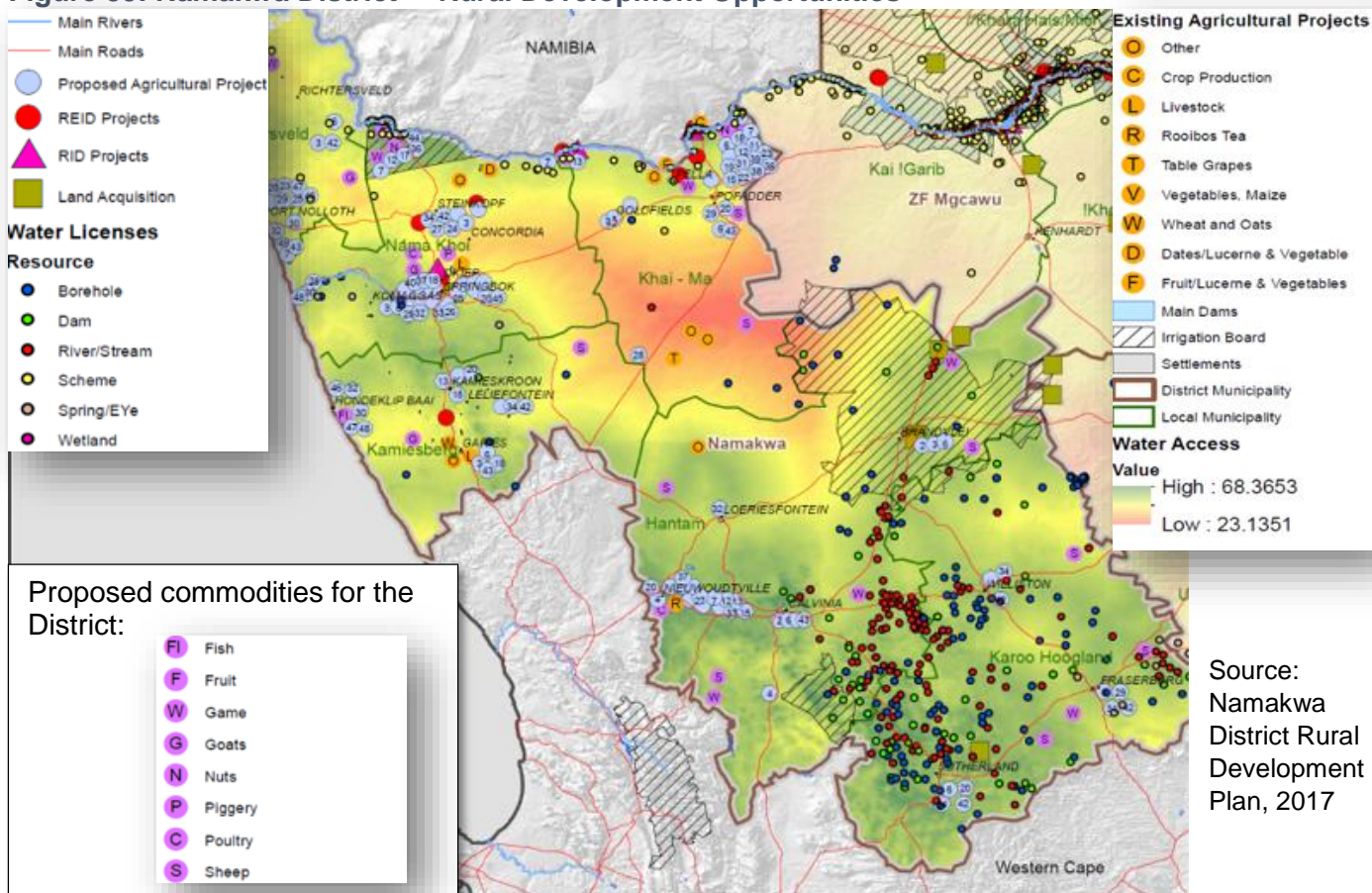
- Sheep;
- Goats;
- Cactus

- Lucerne;
- Game; and
- Soya.



## NAMAKWA DISTRICT

Figure 59: Namakwa District – Rural Development Opportunities



### Functional Regions Approach

The functional region approach is used in each of the five District Municipalities Rural Development Plans of the Northern Cape.

This tool is used to identify areas with high development potential. Using the tool involves the following:

- ❑ To determine the key issues/focal areas that needs to be addressed in the Rural Development Plans. The key issues from the five District Municipalities Rural Development Plans were: a. Farming b. Food Security c. Infrastructure and services d. Jobs and skills e. Institutions and inclusive growth.
- ❑ Based on the key issues/focal areas, certain critical inputs are identified and used to generate specific functional region maps. The following data sets were used in the Rural Development Plans for the Northern Cape to determine the functional regions: i) Vulnerability data (Fire, frost, rape and drought risk). ii) Grazing potential. iii) Water (sources and rainfall areas). iv) Economic data, GVA per capita, household income (earning less than R38 800 per annum). v) Land capability. vi) Biodiversity. vii) Accessibility towards infrastructure and social amenities. viii) Accessibility to transport networks. Data is converted to cost areas (these are areas linked to potential) where the importance of certain layers were costed to identify high and low-cost areas that would influence the optimal areas within each district that could be regarded as more functional than others.
- ❑ The potential of areas ranges from 0-100: Where 0 indicates very limited potential for development and; 100 indicates a very high potential for development. This data is used to generate useful information for rural development for decision making regarding the key issues listed above. This was developed as a tool for DRDLR to assist with a faster and more effective prioritisation approach for an inclusionary rural development model.



## Land Reform

Land reform refers to interventions based on restitution, redistribution and land tenure reform. (Department of Rural Development and Land Reform, 2018) Deliberate and intensified post settlement support is available to ensure that land is evenly distributed between all citizens to contribute to the fight against poverty, by ensuring food security and economic and social transformation in rural areas. In South Africa, land reform remains critical to the comprehensive development of the country's rural areas to ensure recapitalisation to previously disadvantaged citizens. Priorities regarding land reform includes:

- ❑ Improve the productivity of land reform projects
- ❑ Improve corporate governance and ensure enhanced service delivery
- ❑ Implement proper change management and innovation strategies
- ❑ Enhance the efficiency of information management systems

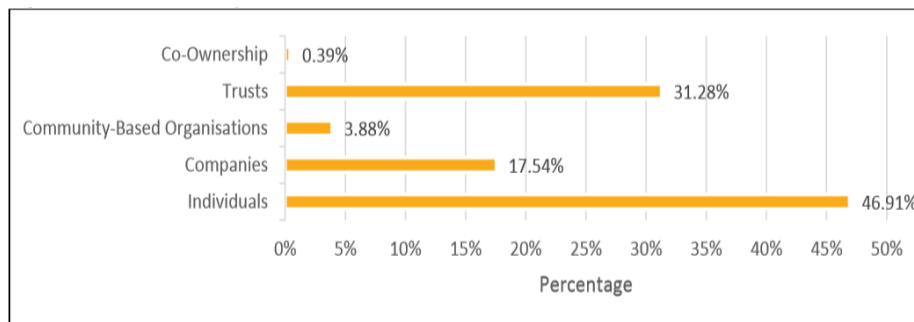
**Table 14: South African Land Ownership, 2017**

PROVINCE	TOTAL LAND EXTENT		PRIVATELY OWNED LAND		GOVERNMENT OWNED LAND	
	ha	%	ha	%	ha	%
Western Cape	12 935 453	10.61	11 699 070	9.60	1 236 383	1.01
Eastern Cape	16 882 162	13.85	10 899 589	8.94	5 982 573	4.91
Northern Cape	37 279 987	30.58	32 156 759	26.37	5 123 228	4.20
Free State	12 980 148	10.65	12 036 558	9.87	943 590	0.77
KwaZulu-Natal	9 322 929	7.65	5 231 546	4.29	4 091 383	3.36
North West	10 486 312	8.60	7 654 297	6.28	2 832 015	2.32
Gauteng	1 817 826	1.49	1 370 957	1.12	446 869	0.37
Mpumalanga	7 646 428	6.27	5 148 407	4.22	2 498 021	2.05
Limpopo	12 573 636	10.31	7 758 940	6.36	4 814 696	3.95
South Africa	121 924 881	100	93 956 123	77.06	27 968 758	22.94

Source: (Land Audit Report, 2017)

According to DRDLR, South Africa extends over 121 924 881 hectares of land, and in 2017 only 77.06% of land was privately owned. (Land Audit Report, 2017) Table below shows the provincial ownership in land extent between the private sector and the government. The development of land redistribution should be focused on the development of available land to contribute to effective rural development, food security, and the enablement of emerging farmers.

**Figure 60: Northern Cape Private Land Distribution, 2017**



Source: (Land Audit Report, 2017)

The Northern Cape is the largest province in South Africa extending over 30.58% of South Africa's land. 86.26% of the Northern Cape is privately owned, while 13.74% is owned by government.

As seen in above figure above, 46.91% of privately-owned land in the Northern Cape is owned by individuals. This is approximately 15 011 002 hectares of land owned by an estimated number of 6 150 096 individuals. This land extend is again divided between various races as illustrated in Figure 5-12 below. From the data provided above, it is evident that land ownership is not evenly distributed between all Northern Cape residents. This proves that land redistribution interventions are inevitable in order to ensure inclusive economic transformation.

## Food Security

The Food and Agriculture Organisation warned the world that the impact of climate change and tough economic conditions places additional stress on our food systems and the world is not on track to eradicate hunger by 2030 as per the goals set in the Sustainable Development Goals. Furthermore, the Global Hunger Index showed that 52 out of 119 countries had GHI scores, rated as having either "serious", "alarming", or "extremely alarming" hunger in the same year (IFPRI, 2017). Ultimately, more and more countries are recognizing the need to expand the measurement of food and nutrition security and its importance in informing planning and monitoring of progress towards achieving the 2030 targets.

Significant efforts have been made by the South African government to promote food security and to domesticate international indicators on food security to monitor development in different organs of the State. An inter-ministerial National Food Security and Nutrition Plan has been developed by the SA government and its coordination occurs at the Presidency. Additionally, the country's National Development Plan (NDP) recognises agricultural productivity and rural development among the essential priorities for creation of employment, economic growth, reducing poverty and addressing food security in South Africa.

Even though South Africa is food secure from a National Perspective, household food insecurity remains very high

### Food security

is comprised of four dimensions, namely, food availability, food accessibility, food utilisation and food stability.

**Food availability** refers to physical existence of food at national and household levels. It relates to food production, supply and distribution.

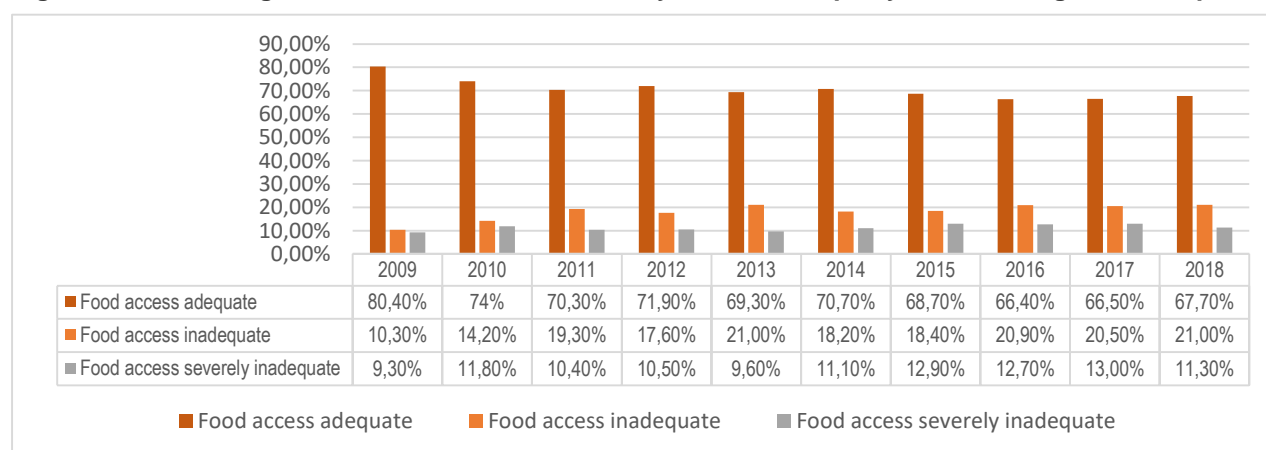
**Food accessibility** is ensured when all households have enough resources to obtain food in sufficient quantities, good quality and diversity for a nutritious diet.

**Food utilisation** refers to the digestion of the food consumed, which in turn is influenced by health status, water and sanitation conditions, and the microbiological and chemical safety of the food.

**Food stability** is achieved when the supply of food at national and household levels remains constant during the year and in long-term.

### Households' access to food

**Figure 61: Percentage distribution of households by level of adequacy in accessing food and province, 2017**



Source: Statistics South Africa, General Household Survey 2017

Food access severely inadequate ↑ with 2% from 2008 (9.3%) → 2018 (11.3%)  
 Food access inadequate ↑ with 10.7% from 2008 (10.3%) → 2018 (21.3%)  
 Food access adequate ↓ with 12.7% → 2008 (80.4%) – 2018 (67.7%)

## Key Issues and Insights

### Community

- ❑ Delays with the registration of new township
- ❑ Programme effectiveness of NARYSEC needs to be review to assist to provide relevant training in line with the Fourth Industrial Revolution.
- ❑ Access to skills and training facilities together with migration in Rural Areas has been raised as a key issue.
- ❑ Access towards bulk services is clearly highlighted as a key issue to unlock rural development.
- ❑ Gender inequality – Despite policy pronouncement of prioritising women applicants, official data shows that women are still marginalised within the land redistribution programme.
- ❑ Illegal Occupations on Land
- ❑ Impacts on livelihoods – inadequate evidence on the impact on livelihoods
- ❑ Children access to food

### Economic

- ❑ Access to improved transportation and transportation networks is also identified as critical. Special need would be required to unlock transportation links between markets.
- ❑ Lease holding models – Beneficiaries are typically afforded conditional use rights and in many cases do not have recorded rights
- ❑ Access to employment opportunities
- ❑ Access to water – the lack of access to water amongst those who are landless persists.
- ❑ Poor performance of rural development and land reform in terms of agriculture growth, self-employment and employment is primarily attributed to the highly inadequate participation of beneficiaries in identifying, planning and implementation of the farms and the investments
- ❑ Accessibility to markets in the Northern Cape is a widespread problem due to the following main barriers:
  - Few large towns & access to rural areas
  - Vast distances between towns and other settlements
  - transportation costs to off-take markets
  - Insufficient distribution infrastructure
  - Small scale farmers are not able to provide enough amounts of produce to justify production.

### Governance

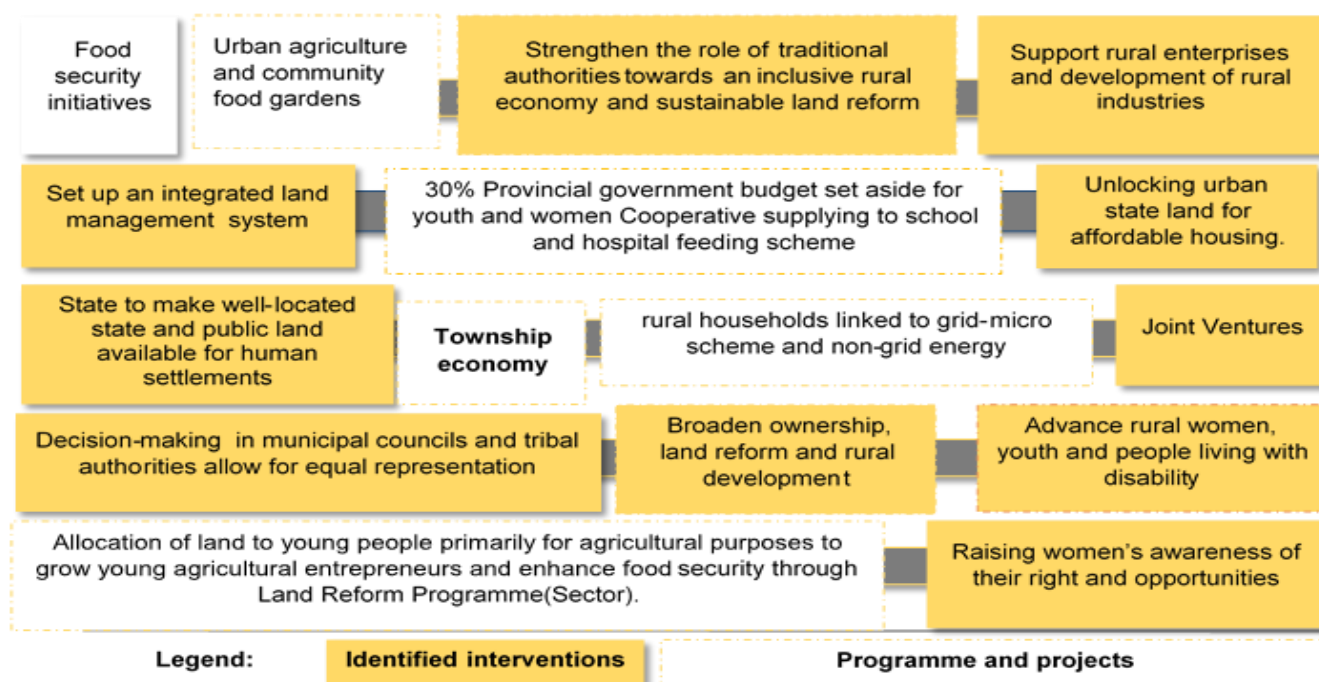
- ❑ There is still no overarching policy framework for rural development that creates linkages among various policies.
- ❑ Lack of public and private sector cooperation and lack of economic opportunities towards small businesses poses a threat.
- ❑ The pace of land reform has been slow
- ❑ Corruption and ineptitude in Land Reform
- ❑ Land administration failures – the majority, the erosion of land administration functions and means insecure tenure.
- ❑ Misalignment and lack of co-ordination between government departments.
- ❑ Under resourcing of rural development and land reform programme

### Environment

- ❑ Loss of biodiversity and heritage resources and mismanagement of existing resources is not raised a serious concern.
- ❑ Competition between the demand for land functions that provide food, water and energy and those services that support and regulate all life cycles.
- ❑ Small-scale farmers, the backbone of rural livelihoods and food production are under immerse strain from land degradation , insecure tenure and a globalised food systems that favours concentrated, large-scale and highly mechanised agribusiness.
- ❑ The impact of Climate change affects food security for the poor more than any other income group.

- ⇒ Inclusive rural development through improved land administration and spatial planning for integrated development in rural areas
- ⇒ SPLUMA Compliant Municipal Spatial Development Frameworks (SDFs) Land Use Schemes in 100% of municipalities
- ⇒ Increased access to quality rural infrastructure and services
- ⇒ Improved land and natural resource information including improved inventories of land occupation in urban and rural areas included informal sector.
- ⇒ Economic inclusion through accelerated Land Reform.
- ⇒ Land Reform to contribute towards the achievement of a 'just transition' to a low carbon and climate-resilient economy, by promoting sustainable land-use practices in ways that create jobs and livelihoods as well as responding to climate variability.
- ⇒ Biodiversity economy as an opportunity to create new value chains in marginal production areas or in restored degraded lands
- ⇒ Growth of sustainable rural enterprises and industries
- ⇒ Strengthening food systems and urban-rural linkages
- ⇒ Land as a social, cultural and ontological resource
- ⇒ Adopting gender-sensitive methods through redress gender imbalances in land holding and use
- ⇒ Sustainable Land Reform Programme that expands participation in, and ownership of, agricultural production, advances food security and helps reverse the apartheid spatial separation of our cities and towns.
- ⇒ Inclusive cities and towns with equitable and secure land access
- ⇒ Accelerate the transfer of title deeds to the rightful owners as part of the rapid land release programme.

## Strategic Interventions







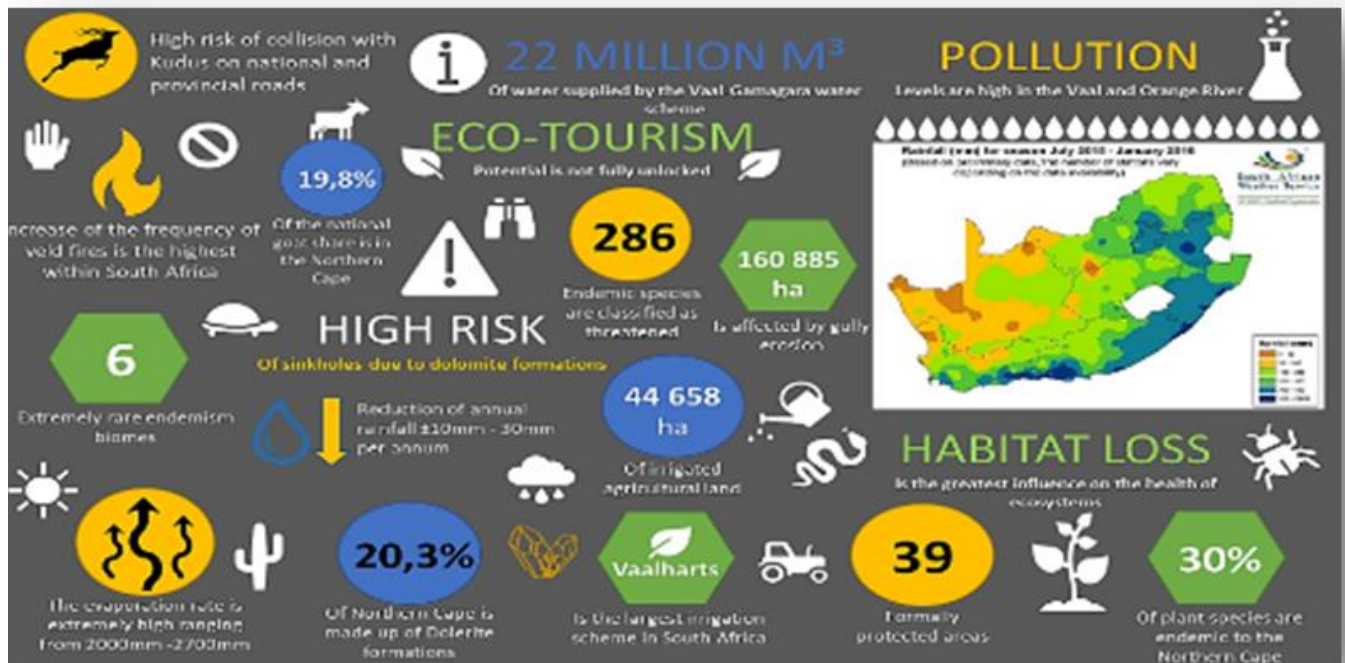
## **CHAPTER 5| DRIVER 3: ENVIRONMENTAL SUSTAINABILITY AND RESILIENCE**

# Improve environmental Sustainability

2040

Just Transition to a low carbon, climate resilient society

## Our Province



Chapter Six of the Northern Cape Spatial Development Framework (NCSDF) has delineated various environmental issues, including, but not limited to the biosphere, habitat change, biodiversity protection, local biome, centres of endemism, land transformation, alien invasive species, unsustainable use of resources, over grazing, harvesting of natural resources, predator control, critical biodiversity areas, environmental sensitive areas, land cover, atmospheric conditions and pollution levels, climate change, fire risk day increases, solar energy potential and risks, hydrosphere and marine protected areas, geo hazards such as sinkholes and erosion, minerals and mining, water, water rights, tourism and vulnerability within the Northern Cape

Section 24 of the Constitution delineate everyone's right towards the natural environment in South Africa. It states that everyone has the right to an environment that is not harmful to their health or well-being. It further states that environment needs to be protected, for the benefit of present and future generations to prevent pollution and ecological degradation, promote conservation and secure ecologically sustainable development and use of natural resources while promoting justifiable economic and social development.

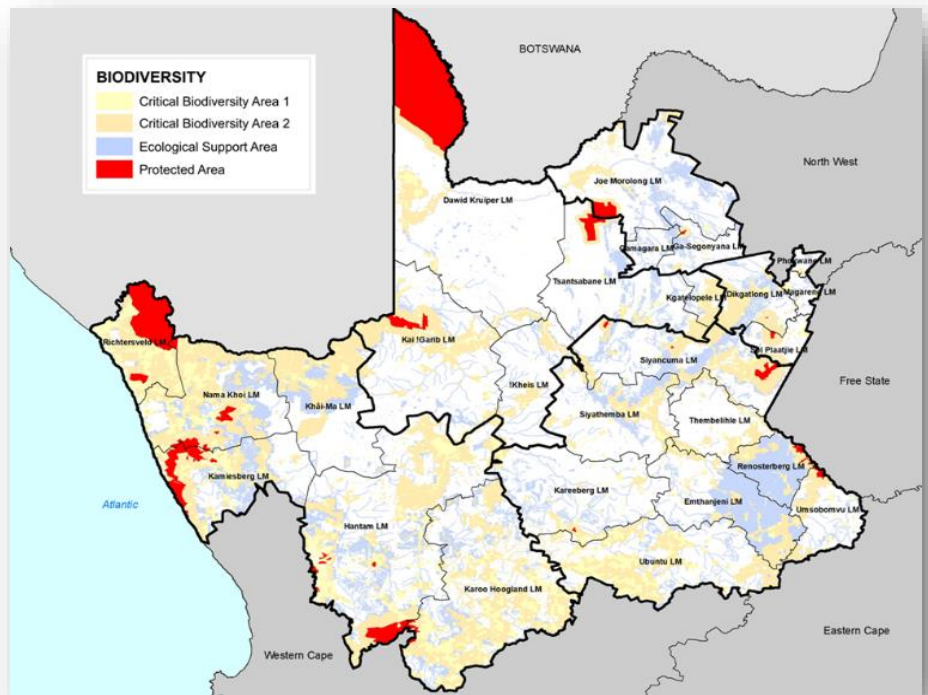
## Geosphere

Mining has often been the centre of attention to labour disputes, pollution and economic concerns. It is a vital industry which may yield a net positive return or a negative return, depending on how it is managed in a South African context.

With the Northern Cape Province considered to be arid to semi-arid, the high-water rations required for mining is a major factor influencing groundwater depth and the contamination of groundwater. This has a profound effect on agriculture and other industries dependent on water.



The Northern Cape is home to six national parks and five provincial parks and nature reserves. The Richtersveld Cultural and Botanical Landscape is a World Heritage Site, while the natural spring flower show that appears in Namaqualand is one of the wonders of the world. In 2016 the well-respected international tourist book, Rough Guide, elected the stark beauty of the Richtersveld onto its Top 10 lists of places to visit.



Source: Northern Cape DENC, 2016

The weather of the Northern Cape is typically that of desert and semi-desert areas. It is a generally hot and dry region with fluctuating temperatures and generally low rainfall. Evaporation levels exceed the annual rainfall which varies between 50 mm and 400 mm (the average annual rainfall over the province is 202 mm). The western areas of the province, which include Namaqualand, portions of Boesmanland, and small areas of the Green Kalahari, receive rainfall during the winter months (April to September). The central, northern and eastern parts of the province receive rain primarily during the summer months (December to February).

The portions of the Northern Cape that border on the Orange River and Namibia have the highest solar radiation intensity in the world (State of the Environment Report (SOER, 2005). As the Northern Cape climate is already defined as semi-arid to arid, it is increasingly vulnerable to climate changes which will result in greater risk of experiencing severe drought as well as negative implications regarding food security, water availability for agriculture and human use.

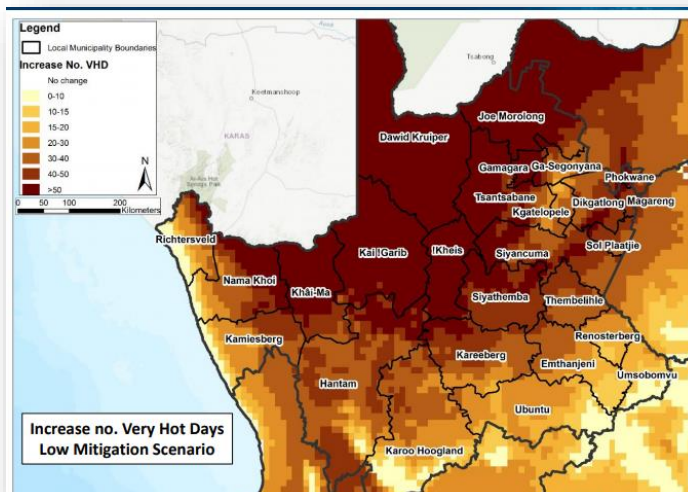
### Atmosphere

### Hydrosphere

The Orange River with its tributaries is the main source of surface water in the province. Ground water also fulfils an important function, especially in settlements far removed from the Orange River and the other major rivers. However, it is currently under threat from multiple irrigation schemes and rampant pollution. Water is the biggest constraint to sustainable development within the Northern Cape

According to Geoscience, in 2011, the Northern Cape already illustrated high vulnerability of ground water resources in certain areas (Majola & Musekiwa, 2011). The report further found that the groundwater in the Northern Cape has elevated levels of nitrates, making it unfit for human and animal consumption. It must also be noted that the low vulnerability along the Orange river might be misleading as it is dependent on a lot of factors, including the management and use of this resource upstream. Sources of fresh water for the Northern Cape are rain, groundwater and rivers. Most water provided through rivers are linked to catchment areas which are not limited to the province on a spatial scale. The Northern Cape has limited ground water reserves, thus eliminating this water source as a viable solution for future water extraction. Another option refers to desalination. South Africa and especially the Northern Cape will urgently need to put legislative and policy protocols in place before implementing this option. This option has environmental impacts and accordingly proper EIAs and technology options must be considered.

All District Municipalities recognise that climate change poses a threat to the environment, its residents, and future development. Actions are required to mitigate and adapt these identified threats in the Districts. A summary of the key vulnerability indicators relating to biodiversity and environment and water are provided in the tables below. Additional indicators such as human health, agriculture and human settlements, infrastructure and disaster management are covered in the PGDP diagnostic report (Northern Cape District Municipality Climate Change Response Plan, 2016).

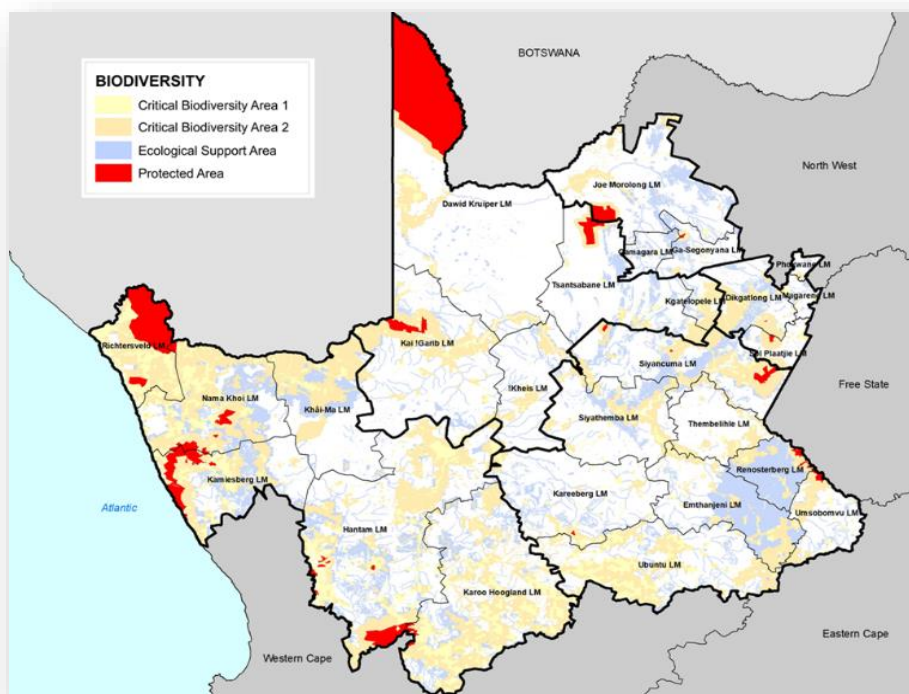


Source: Draft STI 4 SHS Roadmap Framework

## Biosphere

The Northern Cape is home to six national parks and five provincial parks and nature reserves. The Richtersveld Cultural and Botanical Landscape is a World Heritage Site, while the natural spring flower show that appears in Namaqualand is one of the wonders of the world. In 2016 the well-respected international tourist book, Rough Guide, elected the stark beauty of the Richtersveld onto its Top 10 lists of places to visit.

Figure 62: Critical Biodiversity Areas



The Northern Cape CBA Map identifies biodiversity priority areas, called: Critical Biodiversity Areas (CBAs) and Ecological Support Areas (ESAs), which, together with protected areas, are important for the persistence of a viable representative sample of all ecosystem types and species as well as the long-term ecological functioning of the landscape as a whole.

Table 15: Climate change vulnerability Assessment - ZF Mgcawu District Municipality, 2018

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Biodiversity and Environment	<ul style="list-style-type: none"> <li>Loss of High Priority Biomes</li> </ul>	Yes	High	Low
Water	<ul style="list-style-type: none"> <li>Decreased water quality in the ecosystem due to floods and droughts</li> <li>Less water available for irrigation and drinking</li> </ul>	Yes	High	Low
Agriculture	<ul style="list-style-type: none"> <li>Increase risk to livestock</li> </ul>	Yes	High	Low



THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
	<ul style="list-style-type: none"> <li>Reduced food security</li> </ul>			
Human Settlements	<ul style="list-style-type: none"> <li>Increase impact on informal dwellings</li> <li>Increase migration to urban and peri-urban areas</li> <li>Increased impacts on infrastructure</li> </ul>	Yes	High	Low
Human Health	<ul style="list-style-type: none"> <li>Health impacts from increased storm events</li> <li>Increased air pollution</li> <li>Increased Occupational health problems</li> </ul>	Yes	High	Low

**Table 16: Climate change vulnerability assessment – Frances Baard 2018**

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Biodiversity and Environment	<ul style="list-style-type: none"> <li>Increased impacts on the environment due to land-use change</li> <li>Loss of high priority biomes (Nama Karoo)</li> <li>Loss of priority wetlands, river ecosystems</li> <li>Loss soil fertility</li> </ul>	Yes	High	Low
Water	<ul style="list-style-type: none"> <li>Decreased quality of drinking water</li> <li>Decreased water quality in the ecosystem due to floods and droughts</li> <li>Less water available for irrigation and drinking</li> <li>Higher water pH levels</li> <li>Less groundwater availability</li> </ul>	Yes	High	Low
Agriculture	<ul style="list-style-type: none"> <li>Change in other crop production areas</li> <li>Increase risk to livestock</li> </ul>	Yes	High	Low
Human Settlements	<ul style="list-style-type: none"> <li>Increased impacts on strategic infrastructure</li> <li>Increased impact on informal dwellings</li> </ul>	Yes	High	Low
Human Health	<ul style="list-style-type: none"> <li>Increased heat stress</li> <li>Increased air pollution</li> <li>Increased Occupational health problems</li> </ul>	Yes	High	Low

**Table 17: Climate change vulnerability Assessment - Namakwa District Municipality**

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Agriculture	<ul style="list-style-type: none"> <li>Change in grain (maize, wheat and barley) production</li> <li>Change in viticulture (grape) production</li> <li>Change in fruit production</li> <li>Increased risks to livestock</li> </ul>	Yes	High	Low
Human Settlements	<ul style="list-style-type: none"> <li>Increased impacts on strategic infrastructure.</li> <li>Increased isolation of rural communities</li> <li>Increased migration to urban and peri-urban areas.</li> <li>Decreased income from Tourism</li> </ul>	Yes	High	Low

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Coastal and Marine	<ul style="list-style-type: none"> <li>Increased damage to property and loss of land from sea level rise</li> <li>Impact on Marine, coastal and Estuary Ecosystems</li> </ul>	Yes	High	Low
Human Health	<ul style="list-style-type: none"> <li>Increased heat stress</li> <li>Increased water borne and communicable diseases</li> </ul>	Yes	High	Low
Biodiversity and Environment	<ul style="list-style-type: none"> <li>Loss of High Priority Biomes</li> </ul>	Yes	High	Low
Water	<ul style="list-style-type: none"> <li>Decreased quality of drinking water</li> <li>Decreased water quality in the ecosystem due to floods and droughts</li> <li>Less water available for irrigation and drinking</li> </ul>	Yes	High	Low

**Table 18: Climate change vulnerability Assessment – Pixley ka Seme District Municipality, 2018**

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Agriculture	<ul style="list-style-type: none"> <li>Change in grain production</li> <li>Increased risk in livestock</li> </ul>	Yes	High	Low
Human settlements	<ul style="list-style-type: none"> <li>Increased impacts on strategic infrastructure</li> <li>Decreased income from tourism</li> </ul>	Yes	High	Low
Human Health	<ul style="list-style-type: none"> <li>Health impacts from increased storm events</li> <li>Increased vector borne diseases from spread of mosquitoes, ticks, sandflies and blackflies</li> <li>Increased water borne and communicable diseases (e.g. typhoid fever, cholera and hepatitis)</li> <li>Increased occupational health problems</li> </ul>	Yes	High	Low
Biodiversity and Environment	<ul style="list-style-type: none"> <li>Increased impacts on the environment due to land-use change</li> <li>Loss of Priority Wetlands and River ecosystems</li> </ul>	Yes	High	Low
Water	<ul style="list-style-type: none"> <li>Decreased quality of drinking water</li> <li>Less water available for irrigation and drinking</li> </ul>	Yes	High	Low

**Table 19: Climate change vulnerability Assessment - John Taolo Gaetsewe District Municipality, 2018**

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Biodiversity and Environment	<ul style="list-style-type: none"> <li>Increased impacts on the environment due to land-use change</li> <li>Loss of priority wetlands, river ecosystems and other threatened ecosystems</li> </ul>	Yes	High	Low

THEME	INDICATOR TITLE	EXPOSURE	SENSITIVITY	ADAPTIVE CAPACITY
Water	<ul style="list-style-type: none"> <li>Decreased quality of drinking water</li> <li>Decreased water quality in the ecosystem due to floods and droughts</li> <li>Less water available for irrigation and drinking</li> <li>Increased impacts of flooding from litter blocking storm water and sewer systems</li> </ul>	Yes	High	Low
Human Settlements	<ul style="list-style-type: none"> <li>Loss of industrial and labor productivity</li> <li>Increased impacts on informal dwellings</li> <li>Increased isolation of rural communities</li> <li>Increased migration urban and peri-urban areas</li> </ul>	Yes	High	Low
Human Health	<ul style="list-style-type: none"> <li>Increased heat stress</li> <li>Increased malnutrition and hunger as a result of food insecurity</li> <li>Increased air pollution</li> </ul>	Yes	High	Low



## Key Issues and Insight

**Table 20: Key issues influencing the environmental sector in the Northern Cape**

KEY ISSUES	DESCRIPTION
<b>Lack of skills development opportunities and education</b>	The Northern Cape does not have a formal institution providing courses and programmes on related environmental issues where local youth can study. The lack of youth participation could be due to the fact that environmental issues are seen as a source of no real financial gain.
<b>Agriculture and Agri-parks</b>	There are concerns on what impact the agri-parks may have on water sustainability. There are some doubts whether there is enough water to make agri-parks viable unless precision farming practises and water efficient applications are utilised such as “drip –irrigation” in tunnels and “underground cultivation”.
<b>Mining</b>	There are significant concerns regarding the utilisation of worked out mines. This is also recognised in the National Development Plan that stated that long-term investments in mining should be carefully scrutinised for closure risks. Mines and mining operations have a severe impact on the natural environment. The effect of mines needs to be investigated and addressed. Rivers are being threatened by mining activity such as small-scale farming of sand and diamond mining, e.g. Alluvial Diamond Mines. Several mines have closed down.
<b>Land degradation</b>	Land degradation refers to the process where the lands original characteristics change for the worse. Mining is the core income sector for the Northern Cape Province. Many mines in the Province are closing down due to mismanagement and bankruptcy, which led to retrenchment. Most of these workers then invested in livestock. This action directly has a negative impact on the land and accelerates land degradation (CSIR, 2003).
<b>Water Scarcity</b>	As mentioned the Northern Cape province is one of the driest provinces in the country. Water is a significant constraint in the Northern Cape. Water resources need to be managed more effectively and efficiently. The quality, as well as the quantity of groundwater, varies throughout the province and some parts such as the Karoo and Kalahari areas' water are said to very saline and not suitable for human and livestock consumption. Climate change is having a severe impact on some areas within the Northern Cape, e.g. the Northern part of Boesmanland is becoming dryer which will make it harder for farmers to continue farming in these areas.
<b>Tourism</b>	The Northern Cape is a sleeping gem with regard to potential tourism. Tourism in this province lacks behind the rest of the country despite its inherent potential.
<b>Waste Management</b>	Overall waste management needs to be addressed, including landfills and recycling. In some towns such as Calvinia, the location of the landfills right next to residential areas pose a risk to

KEY ISSUES	DESCRIPTION
	the community. Waste is poorly managed with many municipalities lacking skilled personnel to understand and manage the waste hierarchy.
<b>Renewable energy</b>	The Northern Cape is rich in solar radiation. A number of solar farms have been created, but as highlighted in the National Development Plan, the impact of solar farms on the natural environment still needs to be investigated. A 10MW hydro-electricity plant was constructed and is operational at Neusberg near Kakamas
<b>Alien Plants</b>	According to the Department of the Environment and Nature Conservation in Springbok, the initial data submitted on alien invasive species are not correct. There is a huge problem especially with the Prosopis plant which has a negative impact on the wetlands and oewerbos. This also has an effect on agriculture as cattle and sheep as the plant invade the high potential grazing area. As per the National Biodiversity Assessment of 2011, it will cost about R25 Billion over 20 years to control invasive alien plants using mechanical and chemical means.
<b>Wildlife and protected areas</b>	It has been noted in the past that the protected areas in the Northern Cape are under threat and that a new strategy is considered in relation to an expanded protected area strategy.

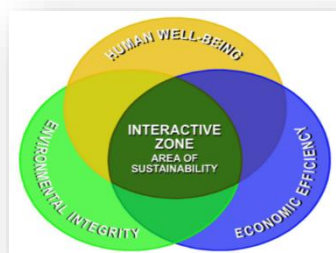
## Achieving Vision 2040

### Vision 2040

- ⇒ The Green Economy Utilised as a Combatant Against Climate Change
  - Focus on the green economy programmes (Green buildings and the built environment; Sustainable transport and infrastructure; Clean energy and energy efficiency; Resource conservation and management; Sustainable waste management practices; Agriculture, food production and forestry; Water management; Sustainable consumption and production; Environmental sustainability)
- ⇒ Working Towards a Circular Economy
- ⇒ Collaborative climate data gathering, monitoring of places and institutions and shared knowledge platforms
- ⇒ Continuous investment in research and development towards a just transition
- ⇒ people-centred land and water systems
- ⇒ From traditional gender roles to empowered representation
- ⇒ Government & private sector pilot, adapt and implement best practice nature based investment strategies.
- ⇒ Enhance awareness of the environment and its plight through multiple environmental awareness programmes and campaigns aimed at the youth of the province
- ⇒ Marginalised groups such as women and youth to lead environmental projects through continued skills transfer and development
- ⇒ Promote a healthy environment radiating of beauty and securing the aim of environmental and health security in the province
- ⇒ Effectively manage inevitable climate change impacts through interventions that build and sustain Northern Cape's social, economic and environmental resilience and emergency response capacity.
- ⇒ Contribute towards the stabilization of greenhouse gas (GHG) concentrations in the atmosphere at a level that avoids dangerous anthropogenic interference with the climate system within a timeframe that enables economic, social and environmental development to proceed in a sustainable manner
- ⇒ Desired Emissions Reduction Outcomes for all industries in the Province
- ⇒ Promote sustainable use of water resources, including smart agriculture, to mitigate the impact of climate change

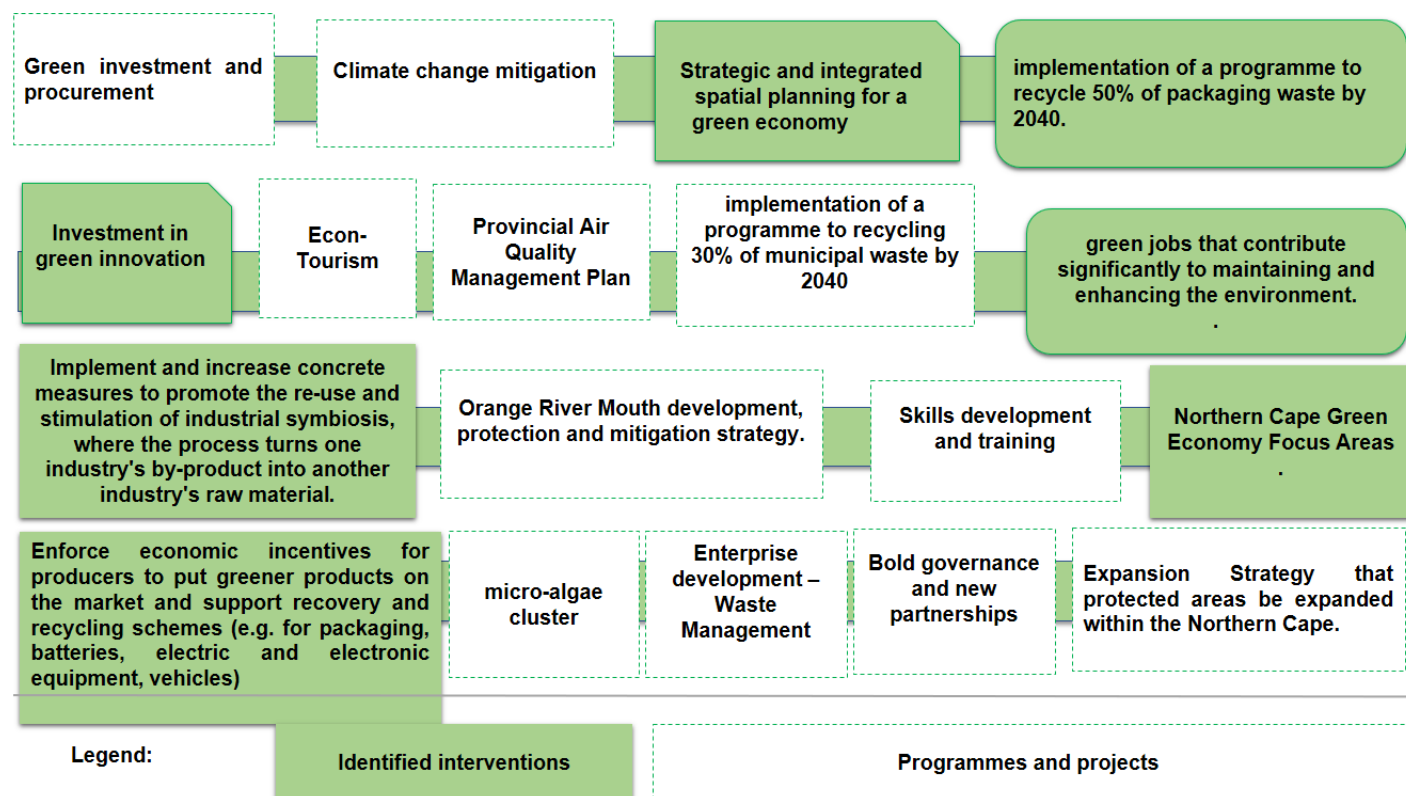


# The interactive model of sustainability



## Strategic Interventions

Figure 63: Environmental sustainability – Strategic Interventions, programmes and projects



# Sustainable Human Settlement Development

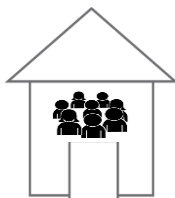
2040

Promote Sustainable Human Settlement Development

## Our Province



The percentage households that lived in formal housing increased from 83.6% to 86% in the Northern Cape between 2014 and 2017; those staying in informal settlements also increased from 10.8% - 12.6%



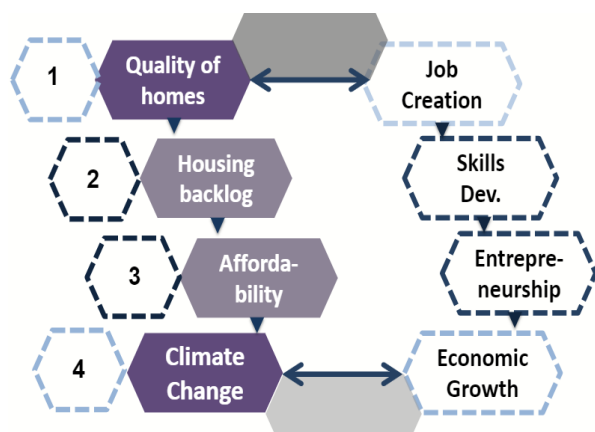
The country we seek to build by 2030 is just, fair, prosperous and equitable. Most of all, it is a country that each and every South African can proudly call home (2011:27).

NDP targets for 2030 are:

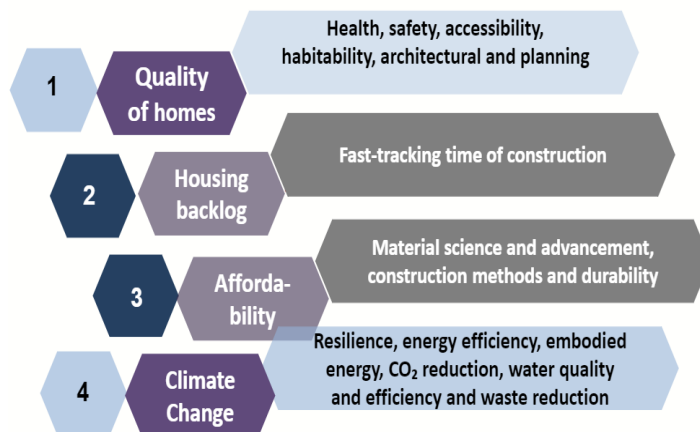


- ☐ More people living closer to their places of work
- ☐ Better quality public transport
- ☐ More jobs in or close to dense, urban townships

### Human Settlement - Challenges



### Addressing these challenges



The sustainability of residential areas relies on good infrastructure - such as public transport, water, energy sources, and public spaces - and accessibility of essential community services such as schools, shops, healthcare, and facilities for families and children.

### **Social, economic and environmental aspects of human settlements**

#### **Social**

Social cohesion, networks, cultural, spiritual, etc.

#### **Economics and Finance**

Jobs, markets, access to finance, etc.

#### **Environmental**

climate change, green buildings, etc.

### **Physical aspects of human settlements**

#### **Housing**

Structures of different shapes, size, type, material, etc.

#### **Infrastructure**

Complex network design to deliver goods, water, energy, information, etc.

#### **Services**

Education, health, culture, welfare, recreation, nutrition, etc.

### **Mechanism to ensure the achievement of physical and social aspects**

- ☐ Increase the participation of stakeholders in housing development
- ☐ Develop horizontal and vertical consultative mechanisms among spheres of government responsible for economic, environmental, social, human settlements and housing policies
- ☐ Strengthen current mechanism to mobilise private sector to contribute to human settlements developments

## Key Issues and Insight

### Community



- Many informal settlements, by way of contrast, are well located with respect to social amenities and economic opportunities, but lack security of tenure and/or access to adequate basic and social services; and
- The most significant source of dissatisfaction with the government's delivery of housing opportunities is the perception of being left behind – that some people are benefiting at the expense of others.
- Demand is more significant than supply. At current rates of delivery – combined with household growth fuelled in large part by immigration from other provinces and urbanisation – the number of households with inadequate shelter is likely to nearly double.
- Delays with the registration of new township

### Economic



- There is currently a gap in the property market, with numerous families whose household income exceeds the upper limit for subsidised housing but is not high enough to access mortgage finance from the private sector (R3500–R9000).
- Accelerating the provision of basic services puts added pressure on municipal bulk infrastructure.
- Post- 1994 housing delivery still locates the bulk of low-income housing on the periphery, often far away from socio-economic opportunities.

### Governance



- Poor planning has resulted in a proliferation of marginalised and disconnected settlements;
- The development of integrated human settlements is currently hampered by inadequate coordination between the different spheres of government and among provincial government departments, especially when it comes to aligning bulk infrastructure spending and plans for the provision of amenities such as schools, clinics, libraries and other community facilities

### Environment



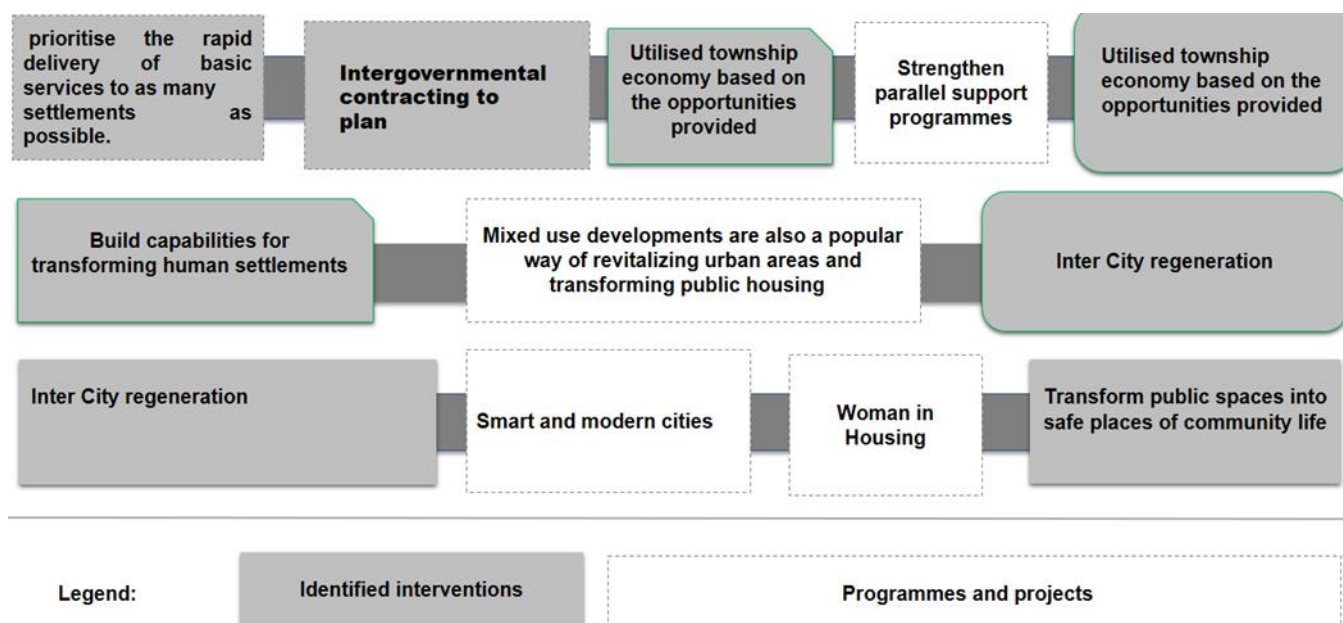
- Dolomite in the Northern Cape is mostly located in Danielskuil-Lime, Acres-Christiana-Taung, Richtersveld area.
- Asbestos in the Northern Cape have numerous health on humans and has been documented multiple times. New human settlements need to consider this environment factor, and extreme cases of asbestos need to be rehabilitated.
- Plans need to be in place for informal settlements to address environmental concerns such as fires.

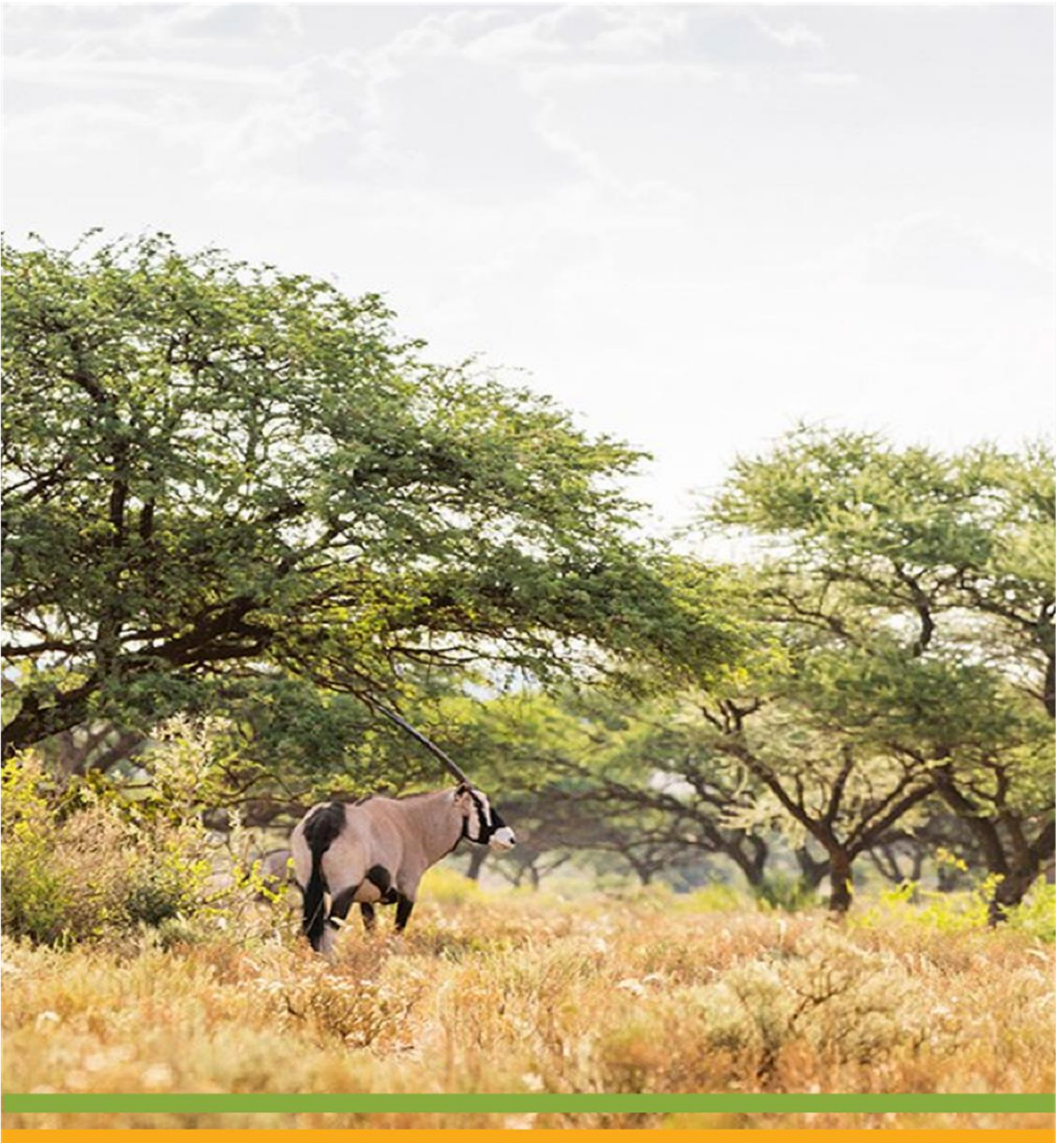


- ⇒ Intergovernmental contracting to plan, fund, implement and maintain human settlements
- ⇒ Facilitate the existence of racially and culturally integrated human settlements
- ⇒ Asbestos in the Northern Cape have numerous health on humans and has been documented numerous times. New human settlements need to consider this environment factor and extreme cases of asbestos needs to be rehabilitated.
- ⇒ Plans need to be in place for informal settlements to address environmental concerns such as fires.
- ⇒ Strengthen relationships between government, the NSI and industry to foster innovation and technological development to address the sectors' needs and to stimulate investment, jobs & SMMEs.
- ⇒ Empower human settlement and housing leaders, decision-makers and practitioners to embrace innovation and to foster a culture of innovation in their institutions.
- ⇒ A holistic approach should be taken to ensure sustainable and smart cities and homes
- ⇒ Address inequalities in the land market that makes it difficult for the poor to access the benefits of life in towns and cities.
- ⇒ Adopt stronger measures to reconfigure towns and cities towards more efficient and equitable urban forms.
- ⇒ Develop housing and land policies that accommodate diverse household types and circumstances.
- ⇒ Ensure that municipalities put economic development and jobs at the heart of what they do and how they function.
- ⇒ Municipalities to support pro-poor approaches to housing;
- ⇒ Introduce measures to address high land and property costs, which push the poor majority into the periphery and deepen racial inequalities.
- ⇒ Accelerate the transfer of title deeds to the rightful owners as part of the rapid land release programme that makes parcels of land available for those who want to build houses themselves.
- ⇒ Utilised township economy based on the opportunities provided
- ⇒ Ensure tenure security through adequate recognition and protection of the rights of long-term occupiers. women and labour tenants in communal land tenure.

## Strategic Interventions

**Figure 64: Human Settlements – Strategic Interventions, Programmes and Projects**





## **CHAPTER 6| DRIVER 4: EFFECTIVE AND EFFICIENT GOVERNANCE**

# A Developmental State

2040

Constructing a Capable, Ethical and Developmental State

## Introduction

The contribution this section seeks to make, is to assist the Provincial Government in identifying critical interventions, to build a professional public service and a provincial state machinery, capable of playing a transformative and developmental role in realising the Provincial Vision of a Modern, Growing and Successful Province. This is also in line with the National Vision 2030, in South Africa's National Development Plan (NDP), which will require collaboration between all sections of society, including the private sector; and strong leadership by government. In a society with deep social and economic divisions, neither social nor economic transformation is possible without an effective and efficient state leading the society on the developmental path. The state provides the institutions and infrastructure that enable the economy and society to operate. Its ability to carry out these functions has a profound impact on the lives of all our people and communities.

Since 1994, South Africa has made significant progress in building the structures of a democratic state. The fragmented governance structures of apartheid have been consolidated into a system designed to serve developmental objectives. The composition of the public service and local government has been transformed to better represent the entire population. The introduction of democracy provides a basis for greater accountability of the state to its citizens. The state has successfully restructured public finances and created an effective tax system. The state has made significant progress in the provision of basic services such as housing, water and electricity. The foundations for a capable state have been laid, but there are major concerns about the weaknesses in how these structures function and are governed, which constrain the state's ability to pursue key developmental objectives.

Democratic governance practices in South Africa have been thoroughly established since 1994; twenty-five (25) years ago this year. At first glance, one would be tempted to conclude that this automatically translates into good governance, referring to sound public administration and management principles and practices. In turn, good governance is the catalyst for effectiveness and efficiency of state institutions. This means building a capable state, which is adequately capacitated in terms of human and financial resources. Indeed, since 1994 institutions and practices have been constitutionally established to fulfil the objectives of a democratic developmental state. Momentous achievements have been made since then, to remedy the effects of apartheid in terms of the provision of basic services and inclusive economic empowerment (Fitzgerald, 2016:2).



South Africa's transition to a democratic political dispensation and our efforts at economic liberation is comparable to that of other African countries that were previously under colonial rule. The basic architecture of these de-colonisation processes unfolded in two stages, firstly political liberation and secondly the struggle for economic liberation and development. In the first phase, the key focus was on the ethos founded in the social contract. The social contract, as per the 1762 work of the French philosopher Jean-Jacques Rousseau, implies a political agreement between government and the people (citizens) while the social compact, underpinned by an economic development component, is more an agreement between the government, the private sector and labour.

Governance is a very general concept that can refer to all manner of entities. Equally, this generality means that governance is often defined more narrowly to refer to a particular 'type' of governance associated with a specific *organization* (for example public governance, global governance, private governance and non-profit governance), a particular 'field' of governance associated with a type of *activity* or outcome (including environmental governance, internet governance, and information technology governance), or a particular 'model' of governance, often derived as an empirical or normative *theory* (including regulatory governance, participatory governance, and meta-governance).

There is a component of the social contract underpinning the primary premise of South Africa's National Development Plan (NDP), the main policy directive of the current government, which revolves around citizens being active in development, a capable and developmental state able to intervene to our historical inequities and strong leadership throughout society, working together. A social compact is required that focuses on a quadra helix of government, civil society, private sector and academia which are collectively attempting to achieve the developmental agenda of the public sector.

Mogilevsky (2010:5 quoted in Sithole, 2015:2) explains governance "...as the formation and stewardship of the formal and informal rules that regulate the public realm, the arena in which state as well as economic and societal actors interact to make decisions". According to Sithole (2015:2) this definition of governance encompasses "...the mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences".

Governance can be used not only to describe these diverse topics but also to define normative or practical agendas for them. Normative concepts of fair governance or good governance are common among political, public sector, civil society, and private sector organizations. In the context of this understanding, Madonaldo (2010:3 quoted in Sithole, 2015:2) describes the term governance in relation to "...enlightened policymaking (that is, transparent processes), a bureaucracy imbued with a professional ethos, an executive arm of government accountable for its actions and a strong civil society participating in public affairs and all behaving under the rule of law".

An expansion of the above definition of governance is made by Grindle (2010:5 cited in Sithole, 2015:2), who explains that it comprises the institutions, systems, "rules of the game" and other factors that determine how political and economic interactions are structured, decisions are made, and resources are allocated.

Current changes in governing tasks, challenges democratic political systems to perform governance tasks in new ways. Governance can no longer take the form of sovereign rule, but must be performed through various forms of meta-governance, meaning regulation of self-regulation. "Meta-governance" is widely defined as the "governing of governing". It represents the established ethical principles, or norms, that shape and steer the entire governing process and which encompasses both the public and private domains. According to Onyango (2011:20) meta-governance "...is about the deliberation and deciding on values, norms and principles". It is important to note that there are no clearly defined settings within which meta-governing takes place, or particular persons who are responsible for it.



While meta-governing is within the ambit of the state, which, especially in a developmental context, has the objective of steering socio-economic actors in a particular direction, it can *“potentially be exercised by any resourceful actor”* who wishes to influence the governing process (Sorensen, 2006:102-103). Examples of this include the publishing of codes of conduct at the highest levels of governance internationally, and media focus on specific issues at the socio-economic and cultural levels. In this context, both the governmental and private/non-governmental actors seek to establish values in such a way that they become accepted norms. The fact that norms can be established at any level and can then be used to shape the governance process as whole, means meta-governance is part of the inputs as well as the outputs of the governing system.

This means that a society-wide collaborative governance framework needs to be established, which utilizes a relationship management structure, joint performance and transformation management processes and an exit management plan as controlling mechanisms to encourage economic and societal stakeholders to make ethical, proactive changes for the collective and mutual benefit of all the role-players.

When discussing governance in particular organizations, the quality of governance within the organization is often compared to a standard of good governance. In this sense, good governance relates to consistent management, cohesive policies, guidance, processes and decision-rights for a given area of responsibility, and proper oversight and accountability.

According to Wohlmuth (1998:6) *“...the concept of good governance refers to the developmental potentials of the democratic challenge in Africa as accountability, rule of law, freedom of expression and association, and public choice of government, are important elements of Africa’s renewal”*. “Good governance” thus implies that mechanisms function in a way that allows the agents of developmental transformation to respect the rights and interests of the societal stakeholders in a spirit of participatory democracy. This understanding also takes into account the process by which governments are selected, monitored and replaced and the capacity of the government to effectively formulate and implement sound policies.

The frustration of having a strong private sector coexisting within a strong political context, with different social objectives, in a mixed economy, has led to proposals for a developmental state, a model that has been adopted in many developing countries. A developmental state is about state intervention coexisting with the private sector, but going beyond regulating that market and servicing it by providing licences, etc. State intervention does not necessarily mean nationalisation. There is no country in the world where the state does not intervene, and, in a crisis, even in the financial sector. In the Sims report (State Intervention in the Mining Sector) for instance, Paul Jourdan’s brilliant policy document on the mining sector, proposes creation of a state mining company, and the ANC has decided to support that proposal (Turok, 2015:25).

## **South Africa’s Institutional Framework of Governance**

### **Form of State**

A factor which significantly influences governance from a constitutional point of view, is the form of state, of which there are two basic forms, namely unitary and federal. There also exist various combinations of these two basic extreme forms world-wide, of which South Africa is an example. Form of state refers to the vertical division of governmental powers in a state, in terms of the relationship between the national, provincial and local governments.

South Africa exhibits a unique combination of vertical (form of state) and horizontal (system of government) elements in its organisation of state powers, based on the principle of constitutional supremacy. Unitary elements are dominant, as far as form of state is concerned. Thus its form of state can be described as a *hybrid system*, which contains certain elements of federalism, and which can more closely be defined as constitutional regionalism (Watts, 1994:86).

The concept “form of state” has a more encompassing meaning than the concept “system of government”, because the form of state includes the institutional and territorial organisation of state power on the central (national), regional (provincial) and local (municipal) levels (spheres) of government. The form of state thus

encompasses the division of powers between all institutions of state on all territorial levels, where the system of government mainly refers to the institutions of state on the highest (national) level (Rautenbach, & Malherbe, 1994:54).

South Africa basically has a unitary form of state, but as Watts (1994:77) explains, it makes provision for constitutional regionalism. The national government is still dominant, especially as far as financial matters and the establishment of a meta policy framework is concerned. In addition, the nine provinces each has limited, but exclusive legislative authority. According to schedule 5 of the South African Constitution, provincial governments has exclusive legislative authority in relation to service delivery areas such as ambulance services, abattoirs, library services and museums; as well as provincial planning and policy making.

Constitutional provision has also been made for policy areas in which the national government and the provincial governments have concurrent authority. These powers are enumerated in schedule 4 of the Constitution and includes such matters as agriculture, cultural affairs, environmental affairs, housing, and provincial planning and development. Provincial governments possess the authority to establish their own legislation as far as matters are concerned as explained in schedules 4 and 5 of the Constitution. Provincial legislation may not be conflict with national policies and legislation though, as far as matters are concerned about which the provincial governments are unable to effectively establish legislation; where it is in the national interest to regulate policy uniformly; or concerning policy areas such as national security, coordinated economic development, the promotion of equal access to government services, and the protection of the environment (Ferreira, 1998:226). Although the national legislative competence include a wide variety of policy matters, the role of the Constitutional Court must also be taken into account in its role as arbiter between the national and provincial governments.

### **System of Government**

The system of government pertains to the relationship between the three branches of government (legislative, executive and judicial) horizontally in all three spheres (national, provincial and local) of government. The classic two types of systems of government are the parliamentary system and the presidential system, of which the United Kingdom (Britain) and the United States of America respectively are the main proponents. Parliamentary systems are organised in accordance with the principle of the fusion of powers, in other words *“...the concentration of all powers in the Parliament”* (Ranney, 1990:258). The fact that the executive and the legislative powers in parliamentary systems are fused, does not mean however, that they are authoritarian (non-democratic); many parliamentary systems, like that of Britain, are indeed classic examples of stable democracies (Mahler, 1992:41). According to Roskin (1995:416) classic parliamentary systems is characterised by the separation of the offices of head of state, which is purely ceremonial (e.g. the British Monarch, currently a Queen), and and head of government (called the Prime Minister).

### **The Quasi-Presidential System of South Africa**

South Africa has, what can be termed a quasi-presidential system of government, which is a pragmatic variation of the basic parliamentary system. This type of government is characterised by the executive office of President, who is both head of state and head of government, like in the presidential system. The President, who as head of the executive occupies the position of head of government, simultaneously occupies the ceremonial position of head of state, like in classic presidential systems. These offices and powers are comparable to those of the American President, but the appointment (election) and overall functioning of the Office of President of the Republic of South Africa differ substantially from the American model (Ferreira, 1998:227).

According to article 86(1) of the Constitution, the South African President is indirectly elected by Parliament. egislation are approved by Parliament and endorsed (signed) and promulgated (put into effect) by the President. Judges (judicial authority) are appointed by the President, he/she has consulted the leaders of

the political parties who are represented in the National Assembly (lower house of Parliament), in accordance with article 174 of the Constitution (Ferreira, 1998:227).

### **Co-operative Governance**

By means of the Constitution of the Republic of South Africa, Act 108 of 1996, South Africans introduced and institutionalized democratic values and governance practices in their system of government. A proportional electoral system was introduced and the highly centralized unitary form of state was modified to make provision for regional government (Ferreira, 1998:219).

1994 was the year in which South Africa became a democracy, with the first democratic elections held on 27 April. This initiated a totally new system of governance and a significant reconfiguration of the state. Among the elements of this system was the introduction of the principle of cooperative governance which forms the basis of a new system of inter-governmental relations (IGR), constructed around the newly established three spheres of government (national, provincial and local) (Kahn, Madue & Kalema, 2011:1). The Constitution defines these spheres as distinct, interdependent and interrelated. The principles as set out in chapter 3 of the Constitution, espouse a scenario wherein the three spheres operate in a cohesive manner as they execute their respective functions outlined in schedules 4 and 5. In allotting and defining powers and functions through schedules 4 and 5, the Constitution provides a reasonable basis for the development of practical instruments to facilitate the achievement of cooperative governance on a number of substantive matters, and to set out procedures and mechanisms through which these matters could be processed and common ground forged (Draft Inter-governmental Planning Framework, 2015:4). This would in turn produce a coherent government geared towards achieving common goals. However, despite the Constitution challenging the spheres to cooperate as they discharge their responsibilities, it has emerged that this espoused scenario has been difficult to achieve (Draft Inter-Governmental Planning Framework, 2015:1).

### **Inter-Governmental Relations**

The concept of inter-governmental relations refers to the mutual relations between all spheres of government and all organs of state. The Constitution requires that the different spheres cooperate, by promoting healthy inter-governmental relations. Inter-governmental relations can analytically be subdivided into relations that take place between various governmental institutions at a horizontal level, as well as at a vertical level (Kahn, Madue & Kalema, 2011:11).

Vertical inter-governmental relations take place between institutions in the different spheres of government, namely the national, provincial and local spheres. Authority and hierarchy are notable characteristics of these relations, because the national government are at the apex of the hierarchy, with the most authority and resources and the provincial and local governments being dependent on the national government. In turn this dependency feature is also evident from the relations between provincial governments and local municipalities. Contextually though, it is important to factor in the reciprocal nature of inter-governmental relations, meaning that there exists also a measure of interdependence, which make the national government dependent on the two lower spheres for effective service delivery. This situation gives the lower spheres a circumscribed power to bargain and negotiate (Kahn, Madue & Kalema, 2011:12).

Horizontal inter-governmental relations are relations between institutions in the same sphere of government. This concept applies to the two lower spheres, in terms of the relations between the nine provincial governments and the relations between the numerous local governments in the country. It is important to note that no horizontal relations exist in the national sphere of government, because the country only has one national government. At national level, horizontal relations takes the form of interactions between our national government and foreign governments and other international organisations (both state and non-state). According to Hattingh (1998:24) such interactions would be referred to as *“interstate relations or international relations”*.

The IGR regimen of South Africa is a product of the country's colonial and apartheid past, as well as the multiparty negotiations that preceded the first national elections in 1994. The compromises which emerged from these negotiations gave rise to a hybrid formation embodying elements of both a federal and a unitary state. While this model enabled a peaceful transition from white minority rule to multiparty democracy, it bears within it a number of contradictory tendencies which present serious challenges to effective government in South Africa (Kahn, Madue & Kalema, 2011:207).

To honour the founding principles of the Constitution, 1996 to maintain unity of the state and to promote the well-being of its inhabitants, specific provisions are included in the Constitution to assist the co-ordination of public sector activities. In this regard, section 100 of the Constitution, 1996 provides for national government intervention in provincial administration if a province cannot fulfil an executive obligation in terms of the Constitution, 1996 or legislation.

Effective inter-governmental relations (IGR) are vital to the effective management and administration of a state, especially for a developmental state like South Africa. After an analysis of the South African IGR system, certain embedded contradictions can be identified that unfortunately negatively affect IGR. These can be attributed to the South African constitutional dispensation, which, in terms of both the form of state (federal/unitary) and the system of government (parliamentary/presidential) formed the basis for the establishment of a hybrid state. The cumbersome IGR system of South Africa in turn impacts negatively on service delivery, especially basic services (Kahn, Madue & Kalema, 2011:207). A failure to deliver these basic services, like health and housing has the potential to give rise to situations of social unrest, because of a failure to radically improve the living conditions of communities.

The previously purely unitary structure of the state before the advent of democracy in South Africa, established a three-sphere system of government with an interposed system of provincial government, between the central and local levels. This in itself was a slight departure from the British Westminster system. However, that three-sphere system, very much like the classic Westminster model, still devolved precious little originating power to subordinate levels of government. Power was namely deconcentrated to a slight extent from the central government to the provinces, while the actions of local governments were closely prescribed by a series of municipal ordinances. According to Kahn, Madue & Kalema (2011:208) that system basically turned the provincial and local governments into agents of the national government.

The 1996 Constitution however, which established a new democratic political system for South Africa, devolved considerable originating power to both the provincial and local government levels (reflecting the federal elements of the new form of state). In chapter 3 of this Constitution, the principles and procedures of cooperative governance in South Africa are explained and which foresees an ideal state where the three different tiers (now again called "spheres") of government (national/central, provincial and municipal/local) would cooperate harmoniously for the common good of all South Africans. This is in line with the constitutional prescript that the three spheres of government are distinct, interdependent and are obliged to cooperate to realise the goals of the Constitution (Kahn, Madue & Kalema, 2011:208). Chapter 3 also affords the subordinate spheres (provincial and local) of a degree of autonomy from the central government, which are only empowered to intervene in their affairs in exceptional circumstances. This raises both the quantity and quality of democracy in South Africa, as compared to absolute unitary states, where the central government is completely dominant.

At the same time however, the Constitution is noticeably silent on the details as to how these arrangements are to be achieved. The enabling framework of the Constitution thus called for the introduction of an elaborate system of inter-governmental relations (IGR). In the years following the adoption of the 1996 Constitution, a plethora of structures were put in place in order to promote effective and efficient IGR. Unfortunately the majority of these structures were not formalized in legislation and mostly relied on the goodwill of officials and political office bearers in the different levels of government (Kahn, Madue & Kalema, 2011:208).



A practical analysis of IGR in South Africa yields the conclusion that a model which favours a strong centre and where power tilts in favour of the central government can best be attributed to our country. The national government also has dominance over financial resources and its allocation, in comparison to either the provinces or the municipalities. The practical reality of IGR in South Africa, which also must be taken cognisance of, is that provinces and municipalities as well, are subordinate creations of the national parliament (South Africa has a parliamentary system of government). An influential non-governmental element of the South African political system which impacts IGR, is the party system, which can best be described as a dominant party system (the currently ruling African National Congress (ANC) dominates the party system). More specifically, the ANC controls the national government, eight of the nine provinces and the majority of municipalities (Kahn, Madue & Kalema, 2011:209). This has the effect that negotiation and bargaining is not a prominent feature of IGR in South Africa, as compared to states with a federal form of state, like Nigeria. Kahn, Madue & Kalema (2011:209) explains that where tensions between the different echelons of government do emerge, they are managed by means of party-political channels rather than through more formal IGR structures.

In a formal sense, the provincial and municipal governments are obliged to carry out a range of responsibilities on behalf of the central government, and have been assigned the requisite authority to fulfil these obligations. In terms of constitutional dispensation of South Africa however, these powers have been proscribed and the central government retains the right, under certain prescribed conditions, to overrule the decisions of subordinate spheres of government. This also highlights an inherent weakness in the current IGR system of our country in that there exists an inherent and unresolved tension between the centralising tendencies of the national government and the constitutionally prescribed powers of provincial and local governments. This tension has a negative impact on the capacity of especially local government, to deliver basic services (Kahn, Madue & Kalema, 2011:210).

The above mentioned latent tensions which is characteristic of South Africa's IGR system take different forms. In Chapter 3 of the Constitution (Act No. 108 of 1996) it is stated that the different echelons of government should be respected in a system in which they are “...*distinctive, interdependent and interrelated*” (Section 40(1)). Section 41(1)(g) of the Constitution furthermore requires that superior spheres of government should “...*exercise their powers and perform their functions in a manner that does not encroach on the geographical functional or institutional integrity of government in another sphere.*” Provincial and local governments thus have considerable leeway to implement their plans without fear of intervention. Conversely, there are no practical mechanisms in place that enable the higher spheres of government to monitor and evaluate the activities of specifically local authorities, on a continuous basis.

The Constitution in Section 139(1) does make provision for intervention under conditions where “...*a municipality cannot or does not fulfil an executive obligation in terms of legislation*”. Section 139 provides for provincial government intervention in local government in the same way that national government could intervene in provincial government. This intervention could be one of the reasons the Constitution in this sense can be regarded as having centralist tendencies because on the one hand it provides for the autonomy of local government with original powers, whilst on the other hand it provides for the national and provincial government intervention in local government matters. Intervention, as provided for in the Constitution, by national and provincial governments in local government is justified and the reasons for the possible intervention are clearly spelt out in Sections 44(2) and 139 of the Constitution, namely: to maintain national security; to maintain economic unity; to maintain essential national standards; and to prevent a municipality from taking unreasonable action that could be prejudicial to the interests of the other province or municipality.

However, Sokhela (2006:90) argues that clear, detailed criteria needs to be developed collectively by the three spheres of government as to when the constitutional provisions, as stated in sections 44(2) and 139 of the Constitution, become applicable. These clear criteria would prevent an unjustified intervention from occurring for reasons other than those provided for in the Constitution. An unjustified intervention could, for instance, occur where a province or a municipality is governed by a different political party than the one that governs

at the national sphere of government; and a political party that governs at the national sphere may want to gain political advantage from the intervention.

There are various approaches to inter-governmental relations. An approach can be defined as the valid criteria for analysing a phenomenon (Hattingh, 1998:14). These approaches to inter-governmental relations in particular include: the democratic, constitutional/legal approach, financial and normative-operational approaches (Hattingh, 1998:10).

### **Intra-Governmental Relations**

This category of relations refers to the internal relations of government institutions in each sphere of government and the Constitution provides broad guidelines in this regard. The Constitution provides a broad degree of discretion to create internal institutions as each governmental authority deems necessary. The implication of this is that the President at national level, the Premiers at provincial level and the Executive Mayors at local level has the discretion to establish as many administrative departments to support the executive authority as they judge necessary. According to (Kahn, Madue & Kalema, 2011:13) the organisational principle of departmentalisation “....requires that similar activities are grouped together to form departments, divisions, sections or positions.”

In terms of intra-governmental relations, we also find the sub-phenomena of vertical and horizontal relations. As far as vertical intra-governmental relations are concerned, we focus on the structure of individual government institutions and how different posts in their organisational hierarchy, occupied by different individual officials, relate to one another (Kahn, Madue & Kalema, 2011:14). At national level, the hierarchy of authority is as follows: Parliament (legislative authority), the President and Cabinet Ministers (executive authority), followed by the different departments established by the President to administer and implement government policies. The Merriam-Webster dictionary (<http://www.merriam-webster.com/dictionary/hierarchydefinition>) definition of hierarchy is as follows: “A system in which people or things are placed in a series of levels with different importance or status.”

Although judges are appointed by the President, the judicial authority (third branch of government) are constitutionally independent from the legislative and executive branches. The reason for this is that the judicial branch has the function of acting as arbiter of final instance between the legislative and executive branches, especially concerning interpretation of the Constitution, which is supreme over all three branches in South Africa.

In the apartheid regime, the principle of the sovereignty of parliament was followed, which is operative in classic parliamentary systems such as Britain. This principle means that there exists a sovereign power within the state, which cannot be subjugated by anyone or anything (Ferreira, 1998:129). This also means that these states do not possess a single, codified, constitutional document, which can only be amended by extraordinary measures (requiring procedures like a two-thirds majority vote in the Legislature). Parliament (legislative authority) is the highest authority in Britain and can change constitutional legislation with ordinary procedures (i.e. basic majority votes, which is 50 percent plus 1). Therefore, the principle of judicial review is not applicable to the British parliament and the courts cannot declare any Act of Parliament as being unconstitutional, such as in the new South Africa (Ferreira, 1998:129).

### **Extra-Governmental Relations**

Accountability of a government to its people is a basic tenet of democracy and if a state seeks to claim that it adheres to this principle, the government must recognise the values and norms of the community in all public actions (Kahn, Madue & Kalema, 2011:15). This implies that external actors can also influence the actions of governmental institutions and inter-governmental relations, because the concept “relations” implies the notion of reciprocity.

Extra-governmental relations occur between governmental bodies and external institutions such as social, political organisations and economic organisations. Social extra-governmental relations, for example, come into play when governmental bodies are involved in welfare matters affecting the community in general,

notably in respect of problems engendered by urbanisation. Besides relations with various associations such as welfare organisations, relations may also be formed with individuals and also in terms of legislation (Thompson, 1963:422).

In South Africa, political parties represent a diversity of opinions and values and it should at all times be assumed that Parliament represents the community and will thus behave as a community would have (Calvert, 1982:68). With regards to economic extra-governmental relations, these relations come into play when the government institute measures to serve as a framework in which the community and organised trade and industry can operate (Hattingh, 1998:33).

Numerous characteristics can be identified that contribute towards achieving a system of good governance in all spheres of government in South Africa. These include, amongst others:

- ❑ **Openness and transparency:** This refers specifically to community involvement and consultation as to the manner in which the people will be governed.
- ❑ **Adherence to the principles contained in the Bill of Rights:** This specifically refers to the principles contained in Chapter 2 of the Constitution of the Republic of South Africa Act, Act No. 108 of 1996.
- ❑ **Deliberation and consultation:** The foundations of a democracy are based on the ability of politically elected office-bearers to deliberate and consult with the electorate on the issues that affect their daily lives. The need exists to continuously review the manner in which government executes its activities in the best interest of the communities it serves. Deliberation and consultation can assist in ensuring that the true needs, wants, and desires of the people are identified and correctly prioritised.
- ❑ **Capacity to act and deliver:** It is imperative that the structures of government are established to ensure that it is able to deliver services in terms of the expectations of the people. Its capacity to act will depend on the structures created to ensure that such delivery takes place. There is a need therefore, to ensure that all government structures are geared towards achieving the efficient and effective rendering of public services.
- ❑ **Efficiency and effectiveness:** Limited resources dictate that government needs to identify, as accurately as possible, the needs of people and deliver services in an efficient and effective manner in relation to the numerous needs that exist. Continuous review of the manner in which government renders its services is necessary to ensure efficiency and effectiveness.
- ❑ **Answer-ability and accountability:** There is a definite need to ensure that answer-ability and accountability structures are created in terms of the Constitution. These will ensure that communities are able to call upon their elected representatives to answer and account for the manner in which they perform their duties.
- ❑ **Co-operative government:** Chapter 3 of the Constitution states that the national, provincial, and local spheres of government are distinctive, interdependent, and interrelated. Co-operative government ensures that duplication is avoided and that co-ordination between the various spheres of government takes place to ensure the optimal use of resources.
- ❑ **Distribution of State authority and autonomy:** The devolution of power and authority to the lowest spheres of government in ensuring the execution of activities and implementation of policies is essential. It is for this reason that each sphere of government should be in a position to pass legislation that will best serve the interests of the communities it represents. In turn, the various organs of civil society have an obligation to identify problems common to the community and to mobilise the community around these issues.
- ❑ **Respond constructively to the resolution of these problems and challenges by engaging the government and business through various forms of action:** Communities need to be capacitated to embark on a process of reconstruction. This will ensure that relationships are mutually supportive in achieving the common objective of promoting the quality of life of the citizens.
- ❑ **Influence the manner in which politicians address their basic needs:** This can be achieved through interest groups, pressure groups, non-governmental organisations, and community-based organisations.

❑ **Monitor government activities in ensuring continuous answer-ability and accountability:**

Numerous independent statutory institutions have been created in terms of Chapter 9 of the Constitution to assist in ensuring answer-ability and accountability. See in this regard, for example the Offices of the Auditor-General and the Public Protector.

As we reflect on a new political and socio-economic trajectory to address the injustices of the past we have to acknowledge the strides that have been made over the last twenty-five years in our journey towards the economic and social emancipation of the people of this beautiful Province. It is critical to note that a single term of government is too short a time to complete our project of building a prosperous, non-racial, non-sexist and democratic South Africa, where all our citizens can share in the fruits of opportunity. Our efforts to massively reduce poverty and roll back the extreme inequalities of the apartheid era have only begun to take effect. Even though tremendous strides have been made over the last 25 years there is a need to identify innovative ways of addressing the triple challenge of poverty, unemployment and inequality, which are still entrenched in our Province and to jointly identify strategic interventions to fast-track radical economic transformation, social transformation, environmental sustainability and good governance. The achievements of the democratic developmental state must always be measured by its capacity to **promote pro-poor, people-centred**, shared, sustainable (employment generating) development and growth in an environment which respects and nurtures democracy and institutions of democracy and respects the constitution and the rule of law.

There is a need to use limited resources in new ways to heighten the effectiveness of government in addressing the needs of communities. The ultimate objective is to transform government from a state bureaucracy into an innovative, flexible and responsive organization that is solutions orientated and continually seeks to identify mechanisms to enhance service delivery. This necessitates a reflection of the type of state required to achieve this objective.

South Africa's National Development Plan will require collaboration between all sections of society and strong leadership by government. In a society with deep social and economic divisions, neither social nor economic transformation is possible without an effective state. The state provides the institutions and infrastructure that enable the economy and society to operate. Its ability to carry out these functions has a profound impact on the lives of all South Africans.

Since 1994, South Africa has made significant progress in building the structures of a democratic state. The fragmented governance structures of apartheid have been consolidated into a system designed to serve developmental objectives. The composition of the public service and local government has been transformed to better represent the entire population. The introduction of democracy provides a basis for greater accountability of the state to its citizens. The state has successfully restructured public finances, created an effective tax system, and built an independent and credible reserve bank. The state has made significant progress in the provision of basic services such as housing, water and electricity. The foundations for a capable state have been laid, but there are major concerns about the weaknesses in how these structures function, which constrain the state's ability to pursue key developmental objectives.

### **Provincial Legislative and Executive Government Institutions**

Due to the size and magnitude of activities that need to be performed by government, it is essential to use provincial spheres of government in assisting national government in executing its activities. There are nine (9) provinces in South Africa, all aimed at enhancing the quality of life of the citizenry in each specific Province. The functional areas of concurrent national and provincial legislative competence are listed in Schedule 4 and the functional areas of exclusive provincial legislative competence are listed in Schedule 5 of the Constitution of South Africa.



### **The Provincial Legislative Authority**

The powers of the Northern Cape Provincial Legislature are set out in Section 114 of the Constitution. The Northern Cape Provincial Legislature appropriates the provincial budget and has the legislative power to enact provincial legislation, applicable to the Northern Cape only. The Legislature plays an oversight role by carefully scrutinising the activities of the Provincial Executive (the Premier and MECs) to ensure that services are delivered to citizens and that taxpayers' money is spent wisely on public programmes and initiatives.

Every Legislature is headed by a Speaker, including the Legislature of the Northern Cape Province. Legislatures discuss and debate national legislation that affects the provinces, and this takes place within Committees consisting of Members of the Provincial Legislature (MPLs), consisting of all political parties. The Northern Cape Provincial Legislature also facilitates public involvement in all its processes, and those of its Committees, through public education and participation programmes and public hearings.

The mission of the Northern Cape Provincial Legislature is to serve the people of the Northern Cape by building a developmental institution for effective law-making, public participation, accountability and oversight over the executive and municipalities. The Legislature's strategic goals are to deepen and entrench a people-centred democracy in the Northern Cape; to strengthen institutional capacity by rendering support to MPLs and committees to fulfil the Legislature's constitutional mandate; and to ensure that the Legislature optimally carries out its constitutional mandate.

Among many other stipulations contained in Section 104 of the Constitution, provincial Legislatures have the authority to pass legislation in their respective provinces with regard to:

- ❑ Any matter with a functional area listed in Schedule 4 of the Constitution.
- ❑ Any matter with a functional area listed in Schedule 5 of the Constitution.
- ❑ Any matter that has been expressly assigned to the province by national legislation.
- ❑ Any matter for which a provision of the Constitution envisages the enactment of provincial legislation.

A provincial Legislature may recommend to the National Assembly legislation concerning any matter outside the authority of that Legislature. Section 105 deals with the composition and election of a provincial Legislature and states that it consists of persons elected as members in terms of an electoral system that:

- Is prescribed by national legislation.
- Is based on that province's segment of the national common voter's roll.
- Provides for a minimum voting age of eighteen years.
- Results, in general, in proportional representation.

A provincial Legislature consists of between thirty (30) and eighty (80) members. The number of members, which may differ among the provinces, must be determined in terms of a formula prescribed by national legislation. The requirements for membership of a provincial Legislature is very similar to those of the national legislative authority and are stipulated in detail in Section 106 of the Constitution. In terms of Section 108 of the Constitution, a provincial Legislature is elected for a term of five years.

In exercising its legislative power, a provincial Legislature may consider, pass, amend, or reject any bill before the Legislature and initiate or prepare legislation, with the exception of money bills. A provincial Legislature must provide for mechanisms to ensure that all provincial executive organs of state in the province are accountable to it, and to maintain oversight as far as the exercising of provincial executive authority in the province is concerned, including the implementation of legislation, and any provincial organ of state (Section 114).

Section 116 of the Constitution deals with the internal arrangements, proceedings, and procedures of provincial Legislatures and makes provision for provincial Legislatures to determine and control its internal arrangements, proceedings, and procedures and make rules and orders concerning its business. Due regard, however, must be given to ensuring representative and participatory democracy, accountability,

transparency, and public involvement. Section 119 stipulates that only members of the executive council of a province or a committee or member of a provincial Legislature may introduce a bill in the Legislature. Only the member of the executive council who is responsible for financial matters in the province may introduce a money bill in the Legislature. Section 120 stipulates that a bill that appropriates money or imposes taxes, levies, or duties is a money bill. A money bill may not deal with any other matter except a subordinate matter incidental to the appropriation of money or the imposition of taxes, levies, or duties. A provincial act must provide for a procedure by which the province's Legislature may amend a money bill. The Premier (head of the provincial executive) of a province must either assent to and sign a bill passed by the provincial Legislature in terms of the conditions of this chapter of the Constitution, or, if the Premier has reservations about the constitutionality of a bill, refer it back to the Legislature for reconsideration.

It is clear that the Constitution provides certain parameters within which the provincial legislative authority can execute its activities and functions. The manner, in which provincial Legislatures are expected to function, is clearly defined within the Constitution. This ensures answer-ability and accountability in the hierarchy of government.

### **The Provincial Executive Authority**

The executive authority of a province is vested in the Premier of the province. The Premier exercises the executive authority, together with other members of the Executive Council (see Section 125 of the Constitution), by:

- ❑ Implementing provincial legislation in the province.
- ❑ Implementing all national legislation within the functional areas listed in Schedules 4 and 5 of the Constitution, except where the Constitution or an Act of Parliament provides otherwise.
- ❑ Administering in the province national legislation outside the functional areas of Schedules 4 and 5 of the Constitution.
- ❑ Developing and implementing provincial policy.
- ❑ Co-ordinating the functions of the provincial administration and its departments.
- ❑ Preparing and initiating provincial legislation.
- ❑ Performing any other function assigned to the provincial executive in terms of the Constitution or an act of Parliament.

Furthermore, a province has executive authority only to the extent that the province has the administrative capacity to assume effective responsibility. The national government, by legislative and other measures, must assist provinces to develop the administrative capacity required for the efficient and effective exercising of their powers and performance of their functions. The provincial executive must, however, act in accordance with the Constitution and the provincial constitution, if one has been passed by the province. In terms of Section 127 the Premier of a province has the following powers and functions to perform:

- ❑ Assenting to and signing of provincial bills. When a bill is signed, it is enacted and thus called a Provincial Act.
- ❑ Referring a bill back to the provincial Legislature for reconsideration of the bill's constitutionality.
- ❑ Referring a bill to the Constitutional Court for a decision on the bill's constitutionality.
- ❑ Summoning the Legislature to an extraordinary sitting to conduct special business.
- ❑ Appointing provincial commissions of inquiry.
- ❑ Calling a referendum in the province in accordance with national legislation.

The provincial cabinet, called the Executive Council (EXCO) of a province consists of the Premier, as head of the council, and no fewer than five and no more than ten members, appointed by the premier from among the members of the provincial Legislature. The Premier of a province appoints the members of the Executive Council, assigns their powers and functions, and also reserves the right to dismiss them (Section 132). Section 133 states that members of the Executive Council of a province are responsible for the functions of the executive assigned to them by the Premier. Members of the Executive Council of a province are accountable collectively and individually to the Legislature for the exercise of their powers and the performance of their functions. Members of the Executive Council of a province must act in accordance with

the National Constitution and, if a Provincial Constitution has been passed for the province, must also comply with the requirements of such a constitution.

Members of the Executive Council of a province must also provide the Legislature with full and regular reports concerning matters under their control (Section 133). Section 139 provides a detailed description of the circumstances under which provincial supervision of local government can occur. When a municipality cannot or does not fulfil an executive obligation in terms of legislation, the relevant provincial executive may intervene by taking any appropriate steps to ensure the fulfilment of that obligation. A decision by the Premier of a province must be in writing if it is taken in terms of legislation or has legal consequences. A written decision by the Premier must be countersigned by another Executive Council member. Proclamations, regulations, and other instruments of subordinate legislation of a province must be accessible to the public (Section 140). The roles, responsibilities, and powers of provincial executive authorities and powers of provincial executive authorities are dealt with in Sections 125-141 of the Constitution, 1996.

### **Problem Statement**

The Legal Framework within which the Governance Architecture for the PGDP Vision 2040 must be founded has been outlined above. The key aspect to determine is whether a developmental state has been constructed in the Northern Cape Province and if the current Governance System is still relevant if a new Governance Model is required.

### **A Paradigm Shift to a New Governance Model for the Province**

South Africa's National Development Plan will require collaboration between all sections of society, and strong leadership by government. To bring about a capable developmental state that can give effect to the national plan, it is necessary to identify areas where government is failing to provide realistic strategies for overcoming limitations in state capacity. The same applies to the Northern Province.

With this in mind we need to reflect on what we have been doing and if our current governance model can be considered as developmental. It would appear that our Provincial Administration has been stuck in a Weberian type of compliance driven bureaucratic state that has focused on performance indicators which ask the questions pertaining to departmental performance, concerns emanating from the Standing Committee on Public Accounts (SCOPA) and the contents of the Auditor General's report.

The achievements of the democratic developmental state must always be measured by its capacity to promote pro-poor, people-centred, shared, sustainable (employment generating) development and growth in an environment which respects and nurtures democracy and institutions of democracy and respects the constitution and the rule of law. Two key challenges obstructing the path to addressing the triple challenge of poverty, inequality and unemployment is the construction of a new social compact with the necessary social cohesion and the paradigmatic shift from Weberian bureaucratic principles (which is compliance driven) to the adoption of developmental state principles.

We have a systemic deficit based on the Western conceptualisation of a Weberian State, which promotes a top-down, hierarchical, single issue 'silo' thinking, traditional planning approach; system serving and driven by technocrats aiming to reach compliance performance indicators. We need a new public service, a new tool - a new governance model.

Omano Edigheji, states that 'building a developmental state in South Africa is a necessary condition for it to grow its economy [and] reduce the high levels of poverty, inequality and unemployment.'

Two key challenges obstructing the path to addressing the triple challenge is the construction of a new social compact with the necessary social cohesion and the paradigmatic shift from Weberian bureaucratic principles (which is compliance driven) to the adoption of developmental state principles.

The proposed new governance model is firmly rooted in the developmental state approach, but incorporates elements of the constructivist approach in order to address the anomalies created by the Weberian administrative approach, as illustrated in Table 1 below.

**Table 21: Weberian approach characteristics and anomalies compared to the Developmental approach**

<b>Weberian Administrative (Based on “Rational” Administrative)</b>	<b>Anomalies</b>	<b>Developmental State (Constructivist Approach)</b>
Hierarchical (Clear Chain of Command)	❑ Bureaucratic Fiefdoms – results in a weak state	❑ Non-hierarchical
Various interdependent Departments	❑ Silo approach ❑ IGR framework – focuses on distinctiveness of spheres and not on interdependency and interrelatedness	❑ Actual Integrated Cooperative Governance
Specialised skills set – system focused	❑ Skills deficit	❑ Specialised skills set (4IR) and people-driven ❑ Professionalization of the Public Service
Clearly demarcated roles and duties (Compliance driven – technocrats (system servers)	❑ Bureaucratic red tape – serves systems not people	❑ Impact focused – Revocrats – (Activist public servants)
Elite driven – top down	❑ Citizen participation deficit	❑ Bottom-up, Pro-poor – (government by the people for the people) – Accountable Government
State focused	❑ Poor relationship with private sector, academia, civil society	❑ Interventionist (State led interventionist relationship with society) – Social Compact

We need to construct a modern, caring, democratic developmental state which promotes bottom-up openness, participation, transformation, visionary leadership, diversity, multiple issue management, non-hierarchical integrated planning which is evidenced based and ultimately people serving and community focused. We need revocrats – activist public servants that will humanise the public service and who are grounded in a work ethic or values of hard work, driven by a selfless mission to serve all our people for the attainment of a shift from poverty to prosperity for all. It is critically important for the Political and Administrative Authorities ensure that this paradigmatic shift is achieved, to ensure that the governance machine or mechanism, driving change and service delivery, is solid and that we are successful in achieving the fundamental goals of truly developmental states.

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## Vision – Modern, growing and successful

### State of the Province Address (June 2019)

"I am also alert to the reality that any wave of change brings about uncertainty, anxiety and resistance. In dispelling uncertainty, anxiety and resistance I suggest that we must interrogate the type of change that I postulate. The change I seek to advance will not be change for the sake of change.

The change that I postulate is to agitate for the dismantling of comfort zones and status quo- bias. Comfort zones and status quo bias have never and will never breed innovation, seamless service delivery and assist us in crafting "a **Modern, Growing and Successful Province**" (Premier Dr Z. Saul).

### Key Question

A paradigm shift, also regarded by some as a revolution, a transformation, a sort of metamorphosis from one way of thinking to another. It does not happen automatically but is driven by change agents.

How do we ensure a paradigm shift (public official fundamental change in approach or underlying assumptions from one governance and organising perspective to another? How do we shift public officials from their comfort zone and fixed mind-sets into a growth zone? How do we change the *Technocrats* into *Revocrats* (activist public servants)?

According to Du Toit (2004:25), the term revocrat is used by Human to describe a manager who is able to function in high levels of complexity, described as punctuations, as opposed to periods of equilibrium. The following attributes can be ascribed to revocrats:

- ❑ have the ability to think multi-dimensionally;
- ❑ consider multiple causes of and solutions to problems;
- ❑ understand that any problem or issue is affected by numerous interconnected ideas;
- ❑ treat simplistic explanations with suspicion;
- ❑ thrive on complexity and contradiction; and

### Change Management Process

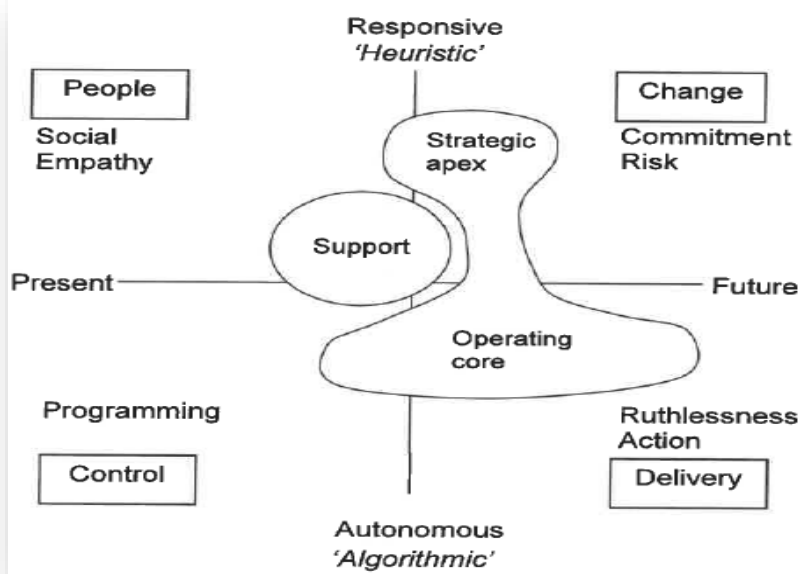


- ❑ work with broad frameworks when solving problems, using heuristics, which refers to “...a method of learning or solving problems that allows people to discover things themselves and learn from their own experiences” (Cambridge Dictionary, <https://dictionary.cambridge.org/dictionary/english/heuristic>).

In revocratic terms, Du Toit (2004:45) explains that problems may be formulated in terms of “how,” “what” and “why” questions. Which formulation is used depends on where in the organisation the person posing the question or formulating the problem is situated in the revocracy as in Figure 2. above, and where the organisation is situated in its own life cycle:

- ❑ “how” questions tend to cluster in core units;
- ❑ “what” questions tend to cluster in buffer units;
- ❑ people in perimeter units tend to ask “what” and “how” questions;
- ❑ “why” questions are typically the responsibility of top management; and
- ❑ in turbulent times, everyone must be concerned with everything.

### The structure of a revocracy and the core competencies of a revocate



### The Status Quo Weberian-dominated Administrative (“Rational”) Approach

In South Africa we are striving for the shift away from Weberian types of bureaucracy to a developmental state. It is vital to ascertain whether the indicators and strategic interventions identified have been formulated within the confines of a Weberian type of *Bureaucratic State* as opposed to a *Developmental State*.

Bureaucratic transformation pays little attention to the intersecting relationship between state bureaucracy and economic development. A Developmental State refers to the phenomenon of state-led macro-economic planning. The term originated in East Asia in the late twentieth century (Öniş, 1991:109). In a nutshell, it implies more state interventionism and extensive regulation and economic planning. The developmental state is a state that is focused on economic development and that takes the necessary policy measures to accomplish that objective. We need to shift our attention to developmental revocratic, rather than merely Weberian bureaucratic, indicators to ensure Radical Economic Transformation.

### Governance Anomalies of the Weberian-dominated Approach

Public confidence in the state is low. Claims of corruption and incompetence abound in newspapers and in all manner of public discussions. These views should be taken seriously; the pursuit of a national plan has to be a collective exercise and that requires increased public confidence in the state’s ability to deliver. Yet it is also necessary to keep in mind the challenges of transforming the state following the transition to democracy in 1994, as well as the significant achievements since then. Apartheid left South Africa with fragmented and unrepresentative institutions designed to concentrate resources on a small section of the population. Government has reformed these institutions, while working towards standardising and massively extending the provision of basic services.

However, in many areas service delivery has fallen dramatically short of expectations. This is especially true in some of the poorest parts of the country. Almost two decades after the end of apartheid, many of the poorest sections of society lack access to the basic services they need to provide a secure life for their families and opportunities for their children. These services are no longer denied on the basis of race, but rather because people live in areas where the state fails to meet its constitutional obligations. In practice, access to public services is still determined by the overlapping categories of geographic location, race and wealth. Variations in state performance have a dramatic and negative impact on poor and historically disadvantaged communities, both in terms of quality of life and access to opportunities.

Weber argued that there were enduring structures of domination in society. They govern social action on a regular basis, and they establish and sustain patterns of inequality. These may be economic, but they may be political, educational, religious, military, communications and media, etc. Each area of life tends to develop a bureaucracy or administration associated with it. As Page (2003:500) notes: *"Bureaucratisation is part of the process of rationalisation – the demystification of the world."* For Weber, the means of administration provides a basis for power in the political or organizational arena. This is analogous to Marx's control of the means of production in the economic arena. Weber furthermore notes that bureaucracies do tend to have great power. Their rational methods of administration, and their legitimate forms of authority do act to eliminate human freedom. Like Marx's alienation surplus value, Weber views bureaucracy as alienating (although he does not use this term) in that it is a set of structures which dominate people.

While bureaucracies may limit freedom, and provide structures of domination, they are also necessary to carry out the administration of modern, complex society. If these bureaucratic forms did not exist, society would be worse off, in that actions would be carried out in an inefficient and wasteful manner. This is the primary way that rational-legal authority has developed in formal organizations. The dominance of bureaucratic organizations in modern society shows the effectiveness of formal rationality as a way of organizing society. The ideal type of formal bureaucracy has a continuous and hierarchical organization of official functions or offices, with rules that govern each position and relationships in the organization. The manner in which any actual bureaucracy operates can be compared to the aforementioned *ideal* type. Often the complaints of individual officials in bureaucratic organizations and the public relate to ways in which some part of the ideal type is not met. For example, rules may not be clear or incumbents of a particular office may misuse their position and create their own personal fiefdoms.

From the viewpoint of contemporary developmentalism and constructivism and the theory of revocracy, it becomes clear that the application of the classical Weberian approach to administration has become inept and archaic, in that its ideals and its actual operation are incongruent.

In this sense Page (2003:485) makes the following statement: *"Classical theories of bureaucracy, of which that of Max Weber is the most impressive example, seem to be out of kilter with contemporary accounts of change within the civil service in particular and modern politico-administrative systems more generally".* In terms of modern and developmental public management practices, Page (2003:488) explains that *"...modern governments should "promote competition between service providers, empower citizens by pushing control out of the bureaucracy, into the community. They measure the performance of their agencies, focusing not on inputs but on outcomes. They are driven by their goals – by their missions – not by their rules and regulations. They redefine their clients as customers and offer them choices. They decentralize authority, embracing participatory management. And they focus not simply on providing public services, but on catalysing all sectors – public, private and voluntary – into action to solve their community's problems."*

### **The Construction of a Developmental State**

How does the consensus of constructing a developmental state and conducting developmental roles come about – and how is it sustained?

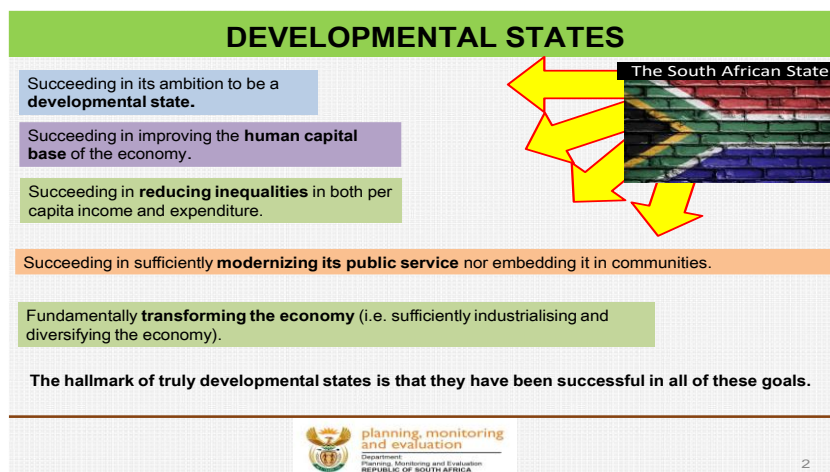
Much of the developmental states literature has concentrated on the nature of the developmental structures and governance systems that developmental states require. However, this only looks at part of the story, and Haggard has criticised the literature for its “tendency to address the capacity of the state but not its motivations” (2004, p.70). To be clear the separation out of capacities and motivations is in many respects a heuristic division as it is in part motivations and commitments that produce a professionalised bureaucracy and a professionalised bureaucracy which motivates and induces commitment.

The literature on the developmental state is much hazier about this motivational element than about the institutional structures that worked towards these ends. Haggard observes that when the developmental state literature does deal with the origins of developmental motivations it is looked at as the outcome of one of (or a combination of) four elements: ideology; international constraints on leaders; the material interests of government; and the content of state-society relations. (Haggard 2004, pp.70-71). However all of these need further interrogation as they only provide very shallow answers and generally raise more questions about how these elements work to shift states into taking on developmental roles.

The problem within the developmental states literature is that the decision to pursue these ends via developmental roles is just seen as self-evidently rational as Pempel (1999, p.144) highlights, “...developmental state theorists too often treat the national bureaucracy as a totally depoliticized, socially disembodied, and in rational pursuit of a self-evident national interest...” However, national or provincial interest is not necessarily self-evident, it cannot be assumed to be developmental, it is contested and constructed through many negotiations. Nor can bureaucrats and politicians be assumed to act within the ‘national or provincial interest’ however that is defined. Clearly some states, and some bureaucrats, decide to pursue developmental ends and some do not. There is a process of discursively producing what the goals and incentives are. This occurs not only around the formation of the national and provincial interest but also at the more individualised level of bureaucrats. How the national and provincial interest is produced as developmental and how bureaucrats and politicians come to view their role in particular ways - for example how norms of professionalism are embedded in the civil service - is often taken for granted. It is critical that these processes are perhaps regarded key to understanding how states shift to a developmental focus.

There is both political and administrative commitment to constructing a developmental state in South Africa. This was emphasized at the ANC’s Polokwane conference, where the pledge was made to construct such a state, that it will play a central and strategic role by *‘directly investing in underdeveloped areas and directing private sector investment’*. The constructing of a developmental state should also then play an important role in addressing the problems of high unemployment, poverty and inequality, as well as *‘accelerated economic growth’* and address *‘the skewed patterns of ownership and production’*. This has been reiterated in the electoral mandate of 2019 as well as administratively as part of the seven priorities and the MTSF 2019-2024. The operational definition has been clarified and diagrammatically represented by the DPME as follows:

**Figure 65: MTSF Presentation, June 2019.**





**Table 22: Key Attributes of a Developmental State**

Key Attributes	Description
A common developmental vision that is shared and supported by key societal stakeholders	It is often the case that a 'developmental state' will formulate a common national agenda with clear developmental economic and social goals, around which it can rally key societal stakeholders in business and government.
A socially embedded yet autonomous state	For a state to be successful in implementing its developmental vision, it must be sufficiently embedded within its society so that its policies and strategies resonate with its citizens. However, the state must simultaneously be sufficiently protected from private interests and political influence in order to exercise its autonomy.
A revocracy, as opposed to a bureaucracy	Whereas the word bureaucrat translates literally as the power of the office, the word revocrat translates as the power of change. The characteristics of the true revocrat are varied and may often seem contradictory. This stems from high levels of complexity that revocrats have to deal with.
High levels of social unity and cohesion	High levels of social unity and cohesion amongst different racial or cultural groups assists a developmental state in carrying out its growth strategies. There is likely to be more support for the government when societal opinion is shared and a common sense of national identity exists.

**Table 23: Key Mechanisms of a Developmental State**

Key Mechanisms	Description
Industrialisation and domestic investment policies	Promoting trade and manufacturing has traditionally been a staple in the developmental state's growth strategy, as well as creating attractive domestic investment conditions for both foreign and local investors.
Public-private partnerships	Public-private partnerships (PPPs) are a very useful tool for governments to use to draw in resources and support from both private and civil society stakeholders.
Human capital development	A developmental state provides education and training opportunities to its citizens so as to increase their productivity and ensure a supply of skilled labour to fast-growing sectors. This is now more important than ever, with knowledge-based sectors driving economic growth, especially as it pertains to the fourth industrial revolution (4IR).
Macro-Fiscal Management	In an effort to attract foreign investment and boost trade, a developmental state will often focus on keeping inflation rates stable, interest rates favourable and exchange rates competitive.
Redistributive social policies	Developmental states commonly attempt to redistribute income through progressive taxation policies and egalitarian wage structures, so as to create a more equal and fair society.
State owned enterprises and central planning agencies	Developmental states make extensive use of central planning agencies and state owned enterprises to implement or coordinate their policies. Institutions acting as central planning agencies have taken many different forms including economic planning agencies, government ministries or development bureaus.

As already mentioned – chapter thirteen of the NDP has inserted the concept of a ‘developmental and capable state’ into the country’s growth strategy. The Plan clearly envisions a very active and interventionist role for government in driving growth and development in South Africa.

However, despite the significant political, social and economic changes implemented by Government since the dawn of democracy, South Africa has been unable to achieve and sustain the rate of economic growth achieved by the “Asian Tigers”. This raises questions about the ability of South Africa to adapt and implement the growth and development strategies of the East.

Taking into account the key attributes and mechanisms outlined above, South Africa might appear to have many of the necessary pre-conditions for an effective developmental state. A clear vision for growth and development is outlined in the National Development Plan; numerous implementing and planning agencies are in place; its policies are very much focused on promoting redistribution and social protection; and the democratically elected ruling party has historically enjoyed a large and united support base. During the first decade of South Africa’s democracy, the country closely resembled and conducted itself as a developmental state.

However, despite this initial impetus, it would seem that the country has moved away from the construct of a developmental state over the last decade. This has become most clear in recent months, with large parts of the government and the ruling party demonstrating that they are not immune from external interference and vested political interests. Moreover, the state’s autonomy is limited by South Africa’s openness to the world economy, and the country’s vulnerability to global commodity markets and international financial flows.

South Africa’s developmental state aspirations are also hampered by the deep racial and economic divides that the country is still battling to overcome, not to mention the very high levels of inequality that separate the few ‘haves’ from the ‘have not’s’. In other words, South African society is far from united. Furthermore, whereas pockets of excellence and skilled, competent staff exist in many Government departments, on the whole, the bureaucracy lacks internal coherence and is known for its service delivery backlogs.

South Africa’s plans and policies are certainly developmental, but overall, the country has been unable to execute them fully and effectively, and currently the Government appears to lack implementation capacity. In practice, commitment to the ideal of becoming a developmental state has wavered between different administrations.

It is for these reasons that von Holdt (in Edighedji, 2010:25) argues that South Africa is less like the East Asian developmental states and more like the ‘intermediate states’ of Brazil and India. These countries lie somewhere between developmental and predatory states, and have less coherent or effective bureaucracies as well as less productive relationships with society than do developmental states.

If South Africa is to truly bring the NDP to life, it needs to focus on building state capacity, prioritising strategic policy areas and minimising political interference and corruption. As a first step in this direction, policy-makers may need to seriously consider Chapter Thirteen of the NDP (which specifically focuses on “*Building a Professional Public Service and a Capable State*”, and prioritise those interventions which are most likely to contribute towards a stronger, stable, coherent and more skilled and efficient government. Without these basic principles in place, it will be impossible to transfer the concept of the South African developmental state from grand plans to actual practice.

***This path of prosperity defines a developmental state can be defined as one that is active in pursuing its agenda, working with social partners, and has the capacity and is appropriately organized for its predetermined developmental objectives.***

On the other hand, from a constructivist approach the developmental state must also be conceptualized and in this context constructivism which acknowledges the significance of both the realist (Weberian) and the normative features of a system (political and administrative). As a concept, constructivism argues that “...*the material and ideational are complexly interwoven and interdependent*” (Hay in Pettenger, 2013: 6). This represents the major difference between constructivism and more positivist (realist-Weberian) approaches. Furthermore, an additional distinction introduced by constructivism is that it does not treat structure in the same way that conventional theories do. In contrast to neorealism and neoliberal institutionalism, which analyze administrative systems through the structural parameters set by these systems, constructivists allow for a more dynamic notion of structure. Thus, a number of studies highlight the interrelationship between structure and agency (Kratochwil, 1991; Wendt, 1999). Consequently, Wendt (1992) argues that states do not necessarily react to a predetermined structure as suggested by neorealists and neoliberals, but rather identify the nature of that structure based on socially-defined and intersubjective meanings. In addition, Adler (1997) points out that human agency creates a social context in which the meaning of structure is continuously defined and redefined. Finally, Finnemore (1996: 24) underlines the interplay between structure and agency, stating that Constructivism “*emphasize[s] the construction of social structures by agents as well as the ways in which those structures, in turn, influence and reconstruct agents*”.

Consequently, constructivist analysis intrinsically includes two important departures from conventional neorealist/neoliberal and Weberian approaches: firstly, the recognition of both material and ideational factors, and secondly an understanding of structure and agency as being mutually constituted. Constructivism is therefore useful in that it assists in understanding governance and administrative processes as social processes.

### **What are the building blocks in constructing a Developmental State?**

There are a number of building blocks that are required for the constructing of a Developmental State. Eight of these have been highlighted from the work of Prof Omano Edigheji, Sam Moyo and Peter Evans. These include Accountable Government; Enhanced State Capacity; Ensuring Long-term Planning; Designing requisite institutions and formulating policies and implementation plans; Central Planning Structures; Capable State; Political-Administrative Interface; and Anti-Corruption Mechanisms; Embedded Autonomy and Financial Model.

#### **Accountable Government**

One of the foremost important requirements for the construction of a developmental state in the Province of the Northern Cape is for provincial public governance to become more responsive and accountable in order for the Provincial Administration to lead the implementation of the collective vision of a Modern, Growing and Successful Province. Social and technical innovations are providing opportunities for cementing the social compact between the Provincial Government, the private sector and communities. This will open up new opportunities towards a more collaborative mode of governance and accountability.

Debanes (2018:5) refers in this regard to what has been coined the “innovation bureaucracy”, which in our context should more appropriately be termed the “Innovation Revocracy”. Innovation according to this perspective consists of the state’s organizations in charge of innovation and technology promotion. State innovation capacity is defined as “...*the concrete ability of the state economic apparatus, at the institutional and the organizational level, to carry on policies aiming at unlocking innovation across industrial activities*” (Debanes, 2018:5). A central “pilot” agency characterizes developmental state-led industrialization. Public organizations are therefore managed strategically and they have to build capabilities to address a changing institutional and macroeconomic environment. For these reasons, the promotion of state innovation capacities needs to implement changes at both the policy-making and the organizational-implementation (sector department specific) levels of governance.

*In his newly released book, **After Dawn: Hope after State Capture**, Mr. Mcebisi Jonas, former deputy finance minister of South Africa, from 2014 until 2016, aptly encapsulates the need for overhauling our system of governance in the country, by explaining that “...we need to create a system that is able to move the country from dependence on a political elite to one that promotes innovation and administrative independence. We must move from a system where we once celebrated old monopolies to a system driven by technology, competition and global links” (Jonas, 2019:xi). By seizing the opportunity and meeting the challenges, all stakeholders can collectively craft strategies for accommodating multiple-stakeholder perspectives in their governance and managerial approaches to produce more responsive and accountable policies, goods and services for the people of the Northern Cape.*

An oft overlooked dynamic regarding the policy, planning and implementation nexus, is the key reciprocal relationship between public sector governance on the one hand and development on the other, and their respective challenges. Upon further analyses, the vital role of public leadership in **promoting people-centred development** becomes obvious. It presents responsiveness and accountability as the most significant features of governance for effective sustainable development policies and delivery of essential public services. Leadership across all sectors (public and private) of society will have to demonstrate its resolve to overcome narrow sectarian interests and political and economic expediency, based on a socially responsible ethos. According to Jonas (2019:257) leadership in the era of the New Dawn will have to “...unite opposing and disparate interests in society behind a common agenda – and to manage those who cannot or will not be accommodated – (this) will require a special kind of leadership: one that is able to make hard choices, placate the growing impatience among our people, and not succumb to populist solutions that may win the day but take us nowhere on the broader journey to restructuring the economy and society.”

#### **Key Interventions:**

- Shift from system orientated to people centred – bottom up approach – accountable and transparent public and private governance systems based on socially responsible ethos.
- Enhanced State Capacity (unlocking human potential) for growth and development to ensure service delivery

State capacity and the effectiveness of the state, in that it is able to act and attain significant progress towards most of its goals, continues to be an essential foundational element of developmental states (Evans 2010, p.3). The establishment of effective states, generally with high levels of bureaucratic capacity, is seen as a prerequisite for the development of a developmental state (Leftwich 2008, p.4). The nature of the bureaucracy as has been discussed is seen to be vital for the emergence of a developmental state. The bureaucracies of developmental states are generally seen to be in a number of ways close to the Weberian ideal. Their staffing is seen to be significant. The civil service in a developmental state is usually seen to be: recruited along meritocratic grounds from top universities; possess prestige as a career; have clear merit based promotion prospects; and have a sense of internal cooperate coherence (Johnson, 1982; Evans, 1995). However, Evans cautions against assuming that a ‘super bureaucracy’ staffed by ‘incorruptible superbureaucrats’ are needed for developing states to move towards becoming developmental states (1998, p. 79). He argues that whilst there does need to be more than ‘pockets of efficiency’ (which in earlier work he identified as present in Brazil (Evans 1995, p.61)), minimal norms of probity and competence” will suffice in general and radical transformation of bureaucratic practice can be reserved for agencies key to economic policy and planning (Evans 1998, p.79-80).

The nature of the bureaucracy required may also vary in future developmental states as they may be required to undertake quite different roles to those required of the East Asian developmental state bureaucrats. Evans has recently argued the 21st century developmental state will need to be a capability-enhancing state. The



role of the bureaucracy in this conception of the developmental state is quite different. One of the key roles of the state, in this model, is to facilitate the co-production of capability-enhancing services through building links with civil society actors which allow for a consensus about the provision of collective goods such as education and health to be researched (Evans 2011, p.49). The skills and dispositions required for these kinds of activities are very different to those needed by East Asian bureaucrats who manipulated industrial policy in order to promote growth. However the bureaucracy still requires a high level of competency, state capacity and effectiveness are essential to the success of a 21st century developmental state. In fact more competence is likely to be required due to the higher levels of direct involvement and provision involved in this model (Evans 2010, p.7).

In terms of the challenges to building a capable and developmental state, Chapter 13 of the NDP unfortunately laments “...*the deficit in skills and professionalism affecting all elements of the public service. ...At senior levels, reporting and recruitment structures have allowed for too much political interference in selecting and managing senior staff. The result has been unnecessary turbulence in senior posts, which has undermined the morale of public servants and citizens’ confidence in the state. ...At junior levels, there has been insufficient focus on providing stimulating career paths that ensure the reproduction of skills and foster a sense of professional common purpose*” (NDP, 2011: 408).

On these issues of building state capability and good governance, the NDP (2011: 409) comes to the following conclusion: “*The state needs a clear vision for where the next generation of public servants will come from and how specialist professional skills will be reproduced. Weak managerial capacity and lack of leadership prevent these issues being addressed.*” In addition, there is no quick fix in order to establish a capable state, a fact which is also acknowledged by the NDP where it explains that “...*a capable state does not materialise by decree, nor can it be legislated or waved into existence by declarations. It has to be built, brick by brick, institution by institution, and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules* (NDP, 2011:54).” As far as “quick fixes” and “policy fads” are concerned, one also has to be cognizant of the fact that policies are implemented by organisations and the people working in them. Although this is obvious, it is too often forgotten as policy makers seek quick ways to overcome complex problems. Unfortunately, quick fixes are more likely to do lasting damage than to provide solutions. There is no getting around the complex challenge of enhancing institutional capacity (NPC, 2015:5).

After a rigorous consultation process of the diagnostic report regarding the NDP in 2011, which outlined nine (9) key challenges facing the country, the final version of the NDP highlights certain objectives in 12 areas of development and nation building and 119 proposed interventions. The NDP underlines the fact that there is a need for a social compact and emphasises that it is important to *find ways to urgently reduce alarming levels of youth unemployment and to provide young people with broader opportunities. Progress over the next two decades means doing things differently.* The above mentioned objectives and interventions was endorsed in September 2012 by a Government Cabinet Lekgotla (a high-level government planning and policy meeting), stating that the NDP would be regarded as a strategic framework to form the basis of future government planning and promote stakeholder engagement and adoption of the plan through a social compact.

### **Human Resource Development in the Northern Cape**

Our Province, our country and our continent are also impacted by global political and socio-economic patterns and agendas. As the Fourth Industrial Revolution (4IR) reinvents the global trajectory it is important to note the impact that it will have on the continent, South Africa, the Northern Cape but more especially on our people, whether they live in Green Point, Galeshewe, in Mier or in our capital city of Kimberley. It has been said that the 4IR has the potential to raise global income levels and improve the quality of life for populations around the world.

As we prepare for the Fourth Industrial Revolution we can anticipate an increase in the demand for highly skilled workers while the demand for workers with less education and skill will decrease. We need to ensure that we are equipping our youth to seize the opportunities that the 4IR will present.

We are facing the rise of a skills revolution and we need to centre our approach on human capital development and in particular the reskilling and up skilling of our youth – we need to prepare them for the fast-changing world of work and to ultimately reach their potential in this digital age. Africa has a young population and a growing labour force with its working age population estimated to reaching 1.1 billion – bigger than China and India – in the next twenty years.

### **Skills Revolutions**

The doors of business/ private sector to provide opportunities to young people have been closed for far too long in our province and such a collaboration should be given a priority in order to accelerate the provincial government's vision of skills development towards building a modern, growing and successful province. This and the mobilisation of resources towards skills development will be 1st priority of the Provincial Human Resource Development Council.

The Human Resource Council will lead the skills revolution and ensure that education and skills development is geared toward achieving the provincial development agenda. In addressing human resource development challenges in the province we will focus on 1) early childhood development b) Improve primary and secondary Education c) Building a demand-led skills development system that focusses on inclusive economic growth d) Enhance youth skills development and life-long learning thus Continuing to expand opportunities for post-school skills development opportunities. Education, Skills development and training is an investment, an investment in our people.

The province in partnership with the relevant SETA's also initiated this year a contractor development and skills development programmes with a particular emphasis on empowering youth and women which will gain further traction during 2019/20. The Programme will train youth in the various skills development incubation programs in solar renewable energy and artisans construction towards a formal qualification. Currently the Artisan construction programme which is a 3-year incubation programme make provision for 90 youth of which almost 28% women. The Phakamile Mabija Apprenticeship: (3-year youth artisan incubation program with an intake of 25 women. The S'hamba Sonke Contractor Development Program is a 3-year contractor incubation program including 32 grade 2-4 contractors which we recruited for the program. Eight (8) women owned companies, and 15 youth owned companies were included in this program.

The 4IR offers the mega potential to transform and realign the Northern Cape economy and our society. To equip students for the 4IR requires a holistic approach to curriculum development and teaching that will give them the ability and agility to keep pace with innovation and meet the challenges of this new world of work. In the heart of our capital city, Sol Plaatje University will not be only required to develop the skills needed today, but also those that will influence the technological advances of tomorrow. From the initial intake of 125 students in 2014 enrolment in 2019 has grown to over 2000. Students come from every single province in the country – enhancing our status as a national asset working for the benefit of the country as a whole. By 2025 student enrolment will be at the maximum of 7500. To think SPU began with 10 academic staff in 2014 – it currently employs over 400 academic and support staff. We are the inventors of our future. We celebrate Sol Plaatje as a Successful University in 2019, with over 90% of our students benefited from a range of bursary opportunities. Of the graduates in 2018, 50% of students completed their qualifications in minimum time – while the national average is 27%. In 2019, 75% of students are on track to complete their qualifications, while the national average is 56%. 41% of academic staff in 2019 hold PhDs and another 50% hold Masters degrees – we must stay committed in provide the the highest quality education and training to our youth in the province. A Provincial Training Academy will be established to address the capacity challenges within the state in both provincial and local government align to our commitment towards a developmental province and to make public service a career of choice. This academy will amongst others focus on compulsory courses, covering areas such as ethics, anti-corruption, senior management

development and supply chain management, and deployment of managers to the coal face to strengthen service delivery.

**Key Interventions:**

- ❑ Promote skills development and a culture of lifelong learning – Strengthen the partnership between government and academia (SPU)
- ❑ Skills audit and develop a long term skills master plan
- ❑ Premier Bursary Fund – address skills deficit
- ❑ CSI funding by private sector

**Ensuring Long-term Planning**

A variety of proponents suggest that a successful developmental state requires political will, long-term vision and a determination by the country's political elite to relentlessly drive a development and modernisation project (Gumede, 2018). Very few, if any, developing countries have progressed in terms of economic development without a long-term development plan. Such an explicit development plan serves a country into its future. Successful long-term development plans integrate action for the short term (present), medium term and long term. A long-term development plan is crucial for the identification of the core priorities of a nation. The lesson learnt from South Korea's successful development was 'pragmatism and flexibility of its policies as well as effectiveness in implementation'. But Korean policymakers were also detached from the 'straitjacket' of economic ideologies and dogmas. 'Their willingness to experiment on what would work best at a given time and place seems to have been the key to Korea's success' (Kim, 1991:54). Successful development usually starts with a dedicated unit, ministry or commission, which coordinates planning across the economy. It is important that that unit has absolute backing from the president or prime minister and has political legitimacy. The dedicated planning unit usually produces dedicated development plans, focusing on selected sectors with growth potential; they identify the 'constraints and success factors' for these sectors (Crisuolo & Palmade, 2008:3) and they adapt the policies 'to changing conditions'.

**Key Interventions:**

- ❑ Finalisation of the PGDP – Vision 2040 and PSDF and formulated an implementation plan thereof.
- ❑ Implementation of the integrated planning bill

**Designing requisite institutions and formulating policies and implementation plans**

Institutional Arrangements should not be mimic for other best practices but rather identified around a key problem statement and contextually based.

**Key Interventions:**

- ❑ The PGDP – Vision 2040 and PSDF requires a new legal and governance architecture based on the uniqueness of the Province and the critical issues which need to be addressed.

### Central Planning Structures

Most developing countries that have planned successfully had a central planning structure. These institutions made detailed assessments of the state of the economy, then drew up plans to improve it according to a specific timeline and monitored whether implementation was on schedule; if not, or if the policies appeared to be inappropriate, they made suitable interventions early on. The planning unit is the nerve centre of developmental states (Gumede, 2014).

#### Northern Cape Information Communications Technology (ICT) Shared Services

- ❑ Through a shared ICT service centres provide the necessary support for the implementation of an e-governance service delivery model.
- ❑ Create an e-governance service delivery model that will provide data at a ward level and enable local government to have a platform to establish synergy with various actors that can make a city smart; such as business, research centres, civil society, communities and the youth. This model will enable a bottom-up, innovative ecosystem to involve communities in governance activities.
- ❑ Develop a platform where business, communities, academia, etc. can reflect on, and provide inputs to decisions pertaining to the crafting and implementation of the provincial developmental agenda.
- ❑ Create a legal and regulatory framework for the promotion of innovation.
- ❑ Link critical provincial stakeholders with the Presidential Digital Industrial Revolution Commission (PDIRC), in order to shape a common digital future that places our people at the centre of digital transformation and ensure that its benefits are inclusive.
- ❑ Provide financial and human resources to support the institutionalisation of research and planning units for the promotion of innovation in government service delivery.
- ❑ Create opportunities for skills development for the youth in data analytics, the internet of things (IOT), block chain and machine learning to enable the training of young people to develop and operate new technologies.
- ❑ Extend the government broadband roll-out programme.
- ❑ Ensure that there is sufficient localisation of new technologies and ensure that SMMEs are drawn into the digital economy.
- ❑ Create opportunities for the youth to develop new software and applications through the establishment of digital innovation centres.

#### Key Interventions:

- ❑ The Establishment of a Provincial Growth and Investment Council and a Provincial Planning Secretariat.

### Capable State

#### Creating a successful developmental capable state:

As we move into a new era, a new way of doing things, we need to reflect on whether our institutional arrangements and governance tools have facilitated or hindered our fight in the war against poverty, unemployment and inequality. What is clear is that the strategy, thus far, has been a top down approach and our people have said that they feel that they are not heard.

Why is a capable state needed?

Every South African depends on the state to lay the foundations of a successful economy and stable society. Government cannot determine outcomes on its own, but few outcomes can be achieved without its effective



leadership. Ultimately, in a society with deep social and economic divisions, neither social nor economic transformation is possible without an effective state:

- ❑ The state provides the institutions and infrastructure that enable the economy and society to operate; its ability to carry out these functions has a profound impact on peoples' lives.
- ❑ An effective state intervenes on behalf of the poor, the voiceless and the marginalised. The poor are most reliant on the state and have the most to lose when it fails to deliver.
- ❑ Clear, firm and workable recommendations to improve state capacity are essential if the national plan is to deliver lasting change. Many countries have great plans, but lack the capability, resources and political will to implement them. South Africa's plan must be ambitious but realistic. A central objective of the plan must therefore be to enhance the capability and effectiveness of state institutions.

The developmental state model positions the state at the centre of efforts to transform society. This requires more than just a political and public commitment: it requires a public service that can effectively lead the transformation process. The transformative role played by the bureaucracy in developmental states has been attributed not just to the recruitment of highly skilled public servants, but also to a sense of corporate identity derived from common purpose. Public servants who stand aloof from their citizens are not likely to be effective; in fact, the effectiveness of the public service in developmental states rests on close connections between public servants and wider society, while avoiding capture by interest groups. Public servants require channels of information that enable them to design realistic policy, and to be made aware of (and then work to overcome) obstacles to implementation. Above all, a developmental state needs skilful implementers. More than refined policy analysis, it needs people who can get things done. This is not an easy balance, but it is something that public policy can realistically work towards: "developmental/transformational institutions are established to overcome capacity weaknesses; hence, weak capacity of the state is not an excuse but rather a *motive* for constructing a developmental state" (Edigheji 2010).

"Contrary to what has been suggested, the PSC has no need to be granted further powers. Instead, it should work to use its existing powers more assertively." Adv. Richard Sizani

### **The Role of the Public Service Commission**

A key point in the political-administrative interface debate was the role of the Public Service Commission (PSC):

- ❑ The PSC is properly empowered to deal with its work which is oversight of the administration and executive functions of the public service. It does not set norms and standards, but ensures adherence to these.
- ❑ The PSC supports the notion of building a capable state and recognises that part of this effort is the building of a professional, efficient, ethical and effective public service. To that end, the PSC is working to build an integrity system which promotes the values of fairness and human dignity as enshrined in the constitution. With the help of Parliament, the PSC works to ensure Heads of Departments are held to account, that departments that go astray are dealt with and that there are regular inspections and reports on service delivery.

### Key Interventions:

- ❑ Restructuring of departments organisationally to properly align functions with structures (re-tasking and budget alignment)
- ❑ Diagnostic analysis of governance weaknesses in terms of management (line and support functions)
- ❑ Joint projects and budgeting protocols
- ❑ Review of the High Impact Projects
- ❑ Review of the Cluster system and EXCO secretariat (Develop EXCO Manual)
- ❑ Capacitation of Planning, Research, Policy and M&E Units esp. at local government level
- ❑ Clusters need to be linked to the drivers where the secretariat resides in OTP and linked to the driver and chaired by the premier and co-chaired by the lead sector dept.
- ❑ EXCO outreach needs to be restructured and aligned to the war room
- ❑ Reorganisation of the HOD Forum to prioritise the assessment of the implementation of key government priorities
- ❑ Functions related to Youth, Elderly, Disabled and Women come over to OTP
- ❑ Spatial governance function to be moved to OTP
- ❑ Social cohesion monitored through clusters

### Political-Administrative Interface

Political-administrative Interface and will to ensure necessary resources are deployed and plans implemented

It is useful to note the distinction between the concepts of governance and politics. Heywood (1997:4) defines politics as “...*the activity through which people make, preserve and amend the general rules under which they live...*” and that it is therefore “...*inextricably linked to the phenomena of **conflict** and **cooperation**.*” On the one hand, the existence of rival opinions, different wants, competing needs and opposing interests guarantees disagreement about the rules of the game, but on the other, people recognize that, in order to influence these rules or ensure that they are upheld, they must act in cooperation with others (Heywood, 1997:4).

Governance, on the other hand, conveys the administrative and process-oriented elements of governing rather than its antagonistic (i.e. competitive) ones. Such an argument continues to assume the possibility of the traditional separation between "politics" and "administration". Heywood (1997:345) explains that the term administration “...*can be used to refer collectively to the senior personnel in the executive branch..*”

A notable problem in terms of the political-administrative interface in South Africa is that on one level legislative and regulatory lip service is paid to the classical doctrine of a merit public service, and a distinction between the political and administrative functions - whereas in reality it is an utterly open secret that most senior appointments are politically driven and that there is extensive political interference in administrative operations. Putting it more starkly than do the Chapter 13 authors, the country then has two choices. Either change the practice to comply with our current constitution, legislation and set down criteria and procedures,; or change the doctrine legislation and regulatory procedures to align with the actual public service custom, practice and culture which post-apartheid South Africa has developed.

Since politicization of appointments, (some would say over-politicization of appointments) is so thoroughly embedded in South African custom and practice there may well be a case to create a new doctrine and concomitant legislation to render such transparent and to mitigate the risks of patently poor and inappropriate appointments. Chapter 13, although not spelling out any details, clears the way for this course of action in terms of their recommendation of a “hybrid approach” which it hopes “would allow for the reconciliation of political and administrative priorities”.

It is important to note the politicization of public service appointments and the associated risks and controversies, and asks if it would not be more viable to bring our doctrine and legislation in line with our current custom and practice by “recognising and rendering transparent the nature, scope and modalities of political appointment”.

#### **Key Interventions:**

- ❑ Review deployment process based on skills set – submission of CVs is a requirement
- ❑ Director General to enter into performance agreements with HODs
- ❑ Align political and Administrative developmental agenda emanating from the PGDP and PSDF
- ❑ Enhance cooperation with the PSC
- ❑ Develop Provincial Legislation to enable the PGDP agenda

#### **Anti-Corruption mechanisms (accountability systems, consequence management system, transparency focused)**

**According to the National Development Plan (NDP), the vision for 2030 is zero tolerance for corruption.** “In 2030, South Africa will be a society in which citizens do not offer bribes and have the confidence and knowledge to hold public and private officials to account, and in which leaders have integrity and high ethical standards. Anti-corruption agencies should have the resources, independence from political influence, and powers to investigate corruption, and their investigations should be acted upon.”

**This chapter makes it clear that for South Africa to develop and to be an effective state, we need good governance and accountability.** According to UNESCO, ‘governance’ refers to structures and processes designed to “ensure accountability, transparency, responsiveness, rule of law, stability, equity and inclusiveness, empowerment, and broad-based participation”. Accountability is about providing an account on how responsibilities are carried out and how resources are used.

The NDP notes that good governance and accountability are achieved “through a system of institutional checks and balances”. This includes Parliament, oversight institutions, and the judiciary. Governance and accountability work with a high standard of ethics and building integrity. Openness and transparency are also seen as critical.

**Corruption is defined by the NDP as “the misuse of an official position for personal gain”.** In 2011, when the NDP was published, it was already noted that South Africa had high levels of corruption.

**The NDP sees overcoming corruption and the lack of accountability using a comprehensive approach.** It includes “political will, sound institutions, a solid legal foundation and an active citizenry that holds public officials accountable”.

**South Africa has fairly extensive legislation and a number of institutions to promote accountability and governance.** The legislation includes the Bill of Rights, Promotion of Access to Information Act, Promotion of Access to Justice Act (2000), Prevention and Combating of Corrupt Activities Act (2004), Public Finance Management Act (1999) and Municipal Finance Management Act (2003).

The NDP singled out four areas to focus on:

#### **Building a resilient anti-corruption system for the South African context**

- ⇒ **An anti-corruption system needs to be free from political interference.** According to the NDP, the “institutional independence of anti-corruption agencies is contentious, since they are all accountable to the Executive”.
- ⇒ **Designated entities need to have the capability and resources,** including increased funding and specialised teams. Designated anti-corruption agencies include: South African Police Service, Special Investigations Unit, Assets Forfeiture Unit, and the Public Service Commission. The Public Protector and the Auditor-General also investigate corruption. The NDP recommends sharing and coordination, as well as distinct and separate functions to reduce duplication.
- ⇒ **Leaders need to take action.** This means political will and support for anti-corruption agencies.

- ⇒ **Public servants should be more accountable.** The NDP recommends making public servants legally accountable as individuals for their actions, particularly with public resources. Mechanisms to promote ethical conduct need to be implemented and enforced within government departments. Further actions include ensuring corrupt officials can't work in public service again.
- ⇒ **Citizens and the private sector should not engage in corrupt practices** – even in the smallest way. The NDP recommends increased public awareness campaigns, as well as reporting mechanisms. Beyond what has already been set up by business, suggested ideas include establishing a structure to report private sector non-compliance and to include corruption cases in annual reports.
- ⇒ **Support for individuals and the media:** Individuals should be able to speak out against corruption. The media should be freely able to expose corruption.
- ⇒ **State information should be openly available to citizens.** There should be an enforcement mechanism and a specialist adjudicatory body such as an information regulator. The NDP also recommends freely available 'open data'. According to the NDP: "Open data is information that is made actively available without a request from an individual."
- ⇒ **Judicial governance and the rule of law need to be strengthened.** This includes ensuring the independence and accountability of the judiciary.

#### Key Interventions:

- ❑ Zero tolerance to corruption – political will
- ❑ Closer cooperation with state law enforcement agencies both on national and provincial
- ❑ Enhance cooperation with AG and SCOPA to monitor and evaluate implementation of remedial actions as recommended by the AG
- ❑ Due to the sensitive nature of the information it is difficult to assess corruption trends and patterns in the Province especially in terms of spatial and nature of the corruption.
- ❑ Limited Provincial Data available to assess the occurrence and impact of corruption on communities and government interventions. It is therefore difficult to assess the levels of corruption and to monitor the changes in these levels.
- ❑ It is also difficult to determine the drivers of corruption and the blockages to reform.
- ❑ It is then also difficult to implement early warning systems that identify areas and individuals that are vulnerable to corruption.
- ❑ Too few awareness raising: explaining what corruption is, the effects of corruption on development and promote the fighting of corruption as a priority the Provincial Developmental agenda and sustain the political will for governance reform.
- ❑ The promotion of political/policy dialogue is needed in relation to corruption and wider governance issues.
- ❑ There is also a need to assess fiduciary risk that funds are not used for the intended purposes.
- ❑ Corruption is seldom a factor considered when reflecting on the failure of government projects and interventions.

#### **Embedded Autonomy – building relations with labour, civil society, private sector, and academia.**

Peter Evans analysis of what he calls 'embedded autonomy', as well as Chalmers Johnson's 'Japanese model' have been particularly influential (Evans 1995; Johnson 1982; 1987). The first two elements of Johnson's Japanese model and Evans concept of embedded autonomy both propose that that developmental state's achievements required a meritocratic rationalised bureaucracy, which can operate autonomously from the pressures of society (Johnson 1982, pp.315-317; Evans 1995). The professionalism of the bureaucracy and its protection from being too buffeted by arbitrary political breezes seems to be an element that is present in the majority of developmental states including those outside of the core East Asian developmental state group such as Botswana (Meyns 2010; Taylor 2005). It is not just a professional autonomous bureaucracy which is required however it also has to be embedded. Johnson and Evans both emphasise that these bureaucracies still need to be connected to their societies and particularly their business communities, to achieve growth (Johnson 1987; Evans 1995 and 1998). Evans term embedded autonomy describes this double move of the bureaucracy not being adversely influenced by interest groups but remaining connected



enough to society in order to act to ensure growth and (to an extent) redistribution. This embedded autonomy is seen not only to be a condition which enables the emergence of developmental states but rather it is seen by many to be one of the factors which necessarily has to be present for a state to be considered developmental (Evans 1995 p.12)

Bureaucratic autonomy is seen as important as it is viewed as a key element of what has made these bureaucracies effective (Musamba 2010, p.23). The effectiveness of the bureaucracy is vital for a developmental state as it allows bureaucrats to manage the economy, through the careful selection of key industrial sectors to support and the use of policy instruments to achieve this. In short the bureaucracy needs to effectively reward some businesses and punish others in a way that works to achieve growth (Wade, 1990; Chang 2006; cf. Lockwood 2005, p.117-8). This meant that these bureaucrats had to be insulated in some ways from public and political pressures in order that their rewarding and disciplining could remain un-swayed by political and sectional concerns.

This insulation from political demands for some scholars also involved a degree of autonomy from the influence of ruling politicians. Johnson's analysis of Japan was one of the first to identify the scope for initiative within the bureaucracy and often saw the importance of politicians to lie in fending off of interest group pressures to allow civil servants to manage the economy and industrialisation (Johnson 1982). In Johnson's account bureaucrats are the central agents, and politicians act only to buffer these managers from external demands (Johnson 1982, p.315), in his now infamous formulation politicians reign but bureaucrats rule. However, there is debate about how autonomous or embedded bureaucracies in developmental states have been from politicians and about who exactly has done the ruling. There have been a number of revisionist accounts of Japan which challenge this assertion of bureaucratic insulation and politicians' marginal role (Moon and Prasad 1994, p.367). For example counter to Johnson, Ramseyer and Rosenbluth (1993) argue that Japanese politicians had a high degree of influence over bureaucrats' behaviour. Bureaucratic autonomy has been seen as one of the key benefits of an authoritarian regime, as it is contended that bureaucrats under authoritarianism can be more effectively insulated from societal and political pressures (Wade 1990, p.375). However, Haggard argues that, "It is even misleading to think that bureaucrats enjoyed independence in the authoritarian regimes" (Haggard 2004, p.64). Moon and Prasad for example, contend that Korean bureaucrats were in fact highly dependent upon and vulnerable to the wishes of President Park (Moon and Prasad 1994, p.365). However, this may not indicate the absence of a kind of autonomy, it is just that 'autonomy' should not be seen as disconnection, even within a bureaucracy enjoying high degrees of autonomy the vision and direction that is pursued by bureaucrats is most likely to come from or be highly influenced from the outside (Randall 2007, pp. 638-9). The degree of autonomy which the bureaucracy in developmental states enjoys is then a matter of contention rather than agreement, whilst many continue to see the autonomy of the bureaucracy as significant.

Whilst discussions of embedded autonomy have often focused on the autonomous aspects and the production of a bureaucracy which resembles the Weberian ideal (Musamba 2010, p.23), the embedded aspect of Evans' concept should not be forgotten. Evans highlights how in Johnson's account of the MITI in Japan bureaucrats were selected in a meritocratic manner, had long term career paths and operated in line with a culture of implementing and following rules in a way that fits with Weber's bureaucratic ideal (1995, p.48). Yet there were also significant informal elements that went 'beyond Weberian bureaucracy', but were vital for the competence and functioning of MITI (Evans 1995, p.49). The manner in which bureaucracies are embedded is however significant as these ties which embedded MITI reinforced the bureaucracy, in the main argues Evans due to the cohesiveness and capacity that the bureaucracy already held (1995, p.50). How this cohesiveness is developed and maintained is for Evans often through collegial links amongst civil service staff developed at schools and universities and a sense of professionalism (Evans, 1995). This cohesiveness is significant it is not hard to find examples of different contexts where cohesiveness or capacity of bureaucratic institutions is lacking and institutions suffer capture rather than gain increased competence from similar interactions with significant entrepreneurs.

The benevolence of these interactions between business and government in one context and the malign dysfunction of similar close ties in other contexts remains in many senses an unsolved puzzle (Moon and Prasad 1994, p.375). Whilst Evans's ideas of cohesiveness and capacity as part of the reasons why capture doesn't occur are important, they perhaps raise as many questions as they answer and highlight the important contextual elements of embedded autonomy. For Evans the manner in which autonomy and embeddedness combine is a product of "both the historically determined character of the state apparatus and the nature of the social structure" (1995, p. 50). How autonomy and embeddedness interact can therefore be seen to vary in different contexts, but also over time. Johnson's work on the MITI provides an analysis of when politicians, business and indeed other external pressures affected or failed to impact the MITI bureaucrats and conversely when MITI was able to effectively alter their actions. It highlights that the relationship between autonomy and embeddedness is one which is constantly under negotiation as bureaucrats, politicians, businesspeople and citizens negotiate the relationship between the state, business and the market. Evans has made a strong argument that for a state to be developmental it needs this autonomous but embedded bureaucrats but this remains an area of contestation rather than a fixed outcome.

State business relations have been a key part of the developmental state story and a key part of their success. For Chalmers Johnson and many other scholars one of the key defining elements of the developmental states are their particular configuration of its relationship between state and society. Johnson talks of America as a regulatory state which seeks to regulate the actions of business in contrast to Japan's developmental state which has a much more engaged mode of operation, in short it is this very different state business relationship which marks them as developmental (Johnson, 1982; Johnson 1999, p.37). State business relations are of course part of a broader set of relationships between the state and society. However, the close ties of business and government are often in many senses exclusionary and discriminating in that they build close networks of relationships with some groups and exclude or even forcibly marginalise others. Labour and civil society have often been the groups who are weak, excluded or suppressed (Vu, 2007; Leftwich 2000, pp.163-4; Pempel 1999, p.166; Johnson 1987 pp. 149-151, Hayashi 2010, pp.57-8), whereas industrial leaders have been drawn close to the point where some have argued that they become a single 'internal organisation' (Moon and Prasad, 1994, p. 374). As Evans argues the developmental states form of embedded autonomy was replete with dense links with industrial capital and "from the point of view of other social groups it was an exclusionary arrangement" (Evans 1995, p.17).

The close relationship between business-people and bureaucrats has been a vital aspect of the state's ability to control and co-ordinate the private sector with an aim to achieving growth (Moon and Prasad 1994, p.363). One of the key elements of the relationship between the state and industrialists was the capital (often as credit) that the state had available which it could use to selectively invest in sectors strategically in a capital scarce environment (Evans 1995, p.53; Hayashi 2010, p.62). These financial ties were accompanied by the development of close relationships between ministries and major industrialists (Evans, 1995, p.49). Centrally these state-business relationships were about the pursuit of growth in a way that was considered by both parties beneficial for both business and the state what Bräutigam, Rakner and Taylor call 'growth coalitions' (2002). Their work on state-business interactions in Mauritius, Zimbabwe and Zambia argues that these growth coalitions can and have emerged in sub-Saharan Africa but that they are difficult to sustain because the building of the belief in the mutual benefit of the coalition is complicated by "aspects of race, class, and ethnicity" (Bräutigam, Rakner and Taylor 2002, p.540). Their argument echoes Pempel's argument about the benefits that the core developmental state drew from their perceived relative social homogeneity, discussed above.

There can be substantial synergies for growth coalitions but the partnership between business and the state needs to remain balanced (Wade 2010, p.158). Evans' associates an unbalanced state-business relationship with what he calls intermediate states. He sees these imbalances as leading to "...excessive clientelism or an inability to construct joint projects with potential industry elites. Inconsistency is another possibility" (Evans 1995, p.60). Close relationships between state and business do not then in themselves necessarily have positive developmental outcomes. Wade cites the Philippines as a negative example of penetration or capture

of the state by business interests (Wade 2010, p.158). Meisenhelder also argues that in the case of Mauritius one of the vital elements which allowed the state to take a developmental course was the independence of the bureaucracy from the dominant economic class (although this was a landed agricultural elite).

Bureaucratic autonomy, state capacity and close state-business relationships are not purely ends in themselves. Rather within the developmental state context they are crucial elements which enable the state to devise and implement market conforming industrial policies; so they can in Wade's terminology 'govern the market' (Wade, 1990; Johnson 1982; Sandbrook, 2005; Evans, 1995). There is a good case made for the central importance of industrial policy for states wishing to industrialise (Lin and Monga, 2011). Wade highlights that whilst it is difficult to disentangle the impact of the industrial policies followed by the core East Asian states from other factors but that detailed accounts of how these policies worked indicate that these policies were effective (Wade, 2010, p.155; 1990; Amsden, 2001). Although as Moon and Prasad point out there were also failures (1994, p,369). One of the key features of the relationships between bureaucrats and industrialists was that industrial policy was used in a disciplining manner to reward success (Wade 2010, 1990). This ensures that the interventions undertaken by developmental states are 'market conforming' (Johnson 1982; Johnson 1987) and effective in producing growth.

### Funding Model

#### Key Interventions:

- ❑ PGIC - Joint funding Model based on a social compact and tangible financial commitments from key stakeholders driving the developmental agenda as identified by the PGDP – Vision 2040
- ❑ Review the Provinces approach to ODA aligned to PGIC
- ❑ Innovative funding models towards the development of the paths of prosperity

### Why are we still caught up in the quick sand of the three fault lines of poverty, unemployment and inequality?

We have a systemic deficit of a Weberian Type State, which highlights the anomalies that are hindering the Province of constructing a Developmental State such as a top-down, hierarchical, single issue 'silo' thinking, traditional planning approach; system serving and driven by technocrats aiming to reach compliance performance indicators. We need a new public service, a new tool - a new governance model. A **complete reconstruction of the state** and its relationship with society is needed.

A new paradigmatic shift is needed to catapult us into a state of revolutionary change in the war against poverty, unemployment and inequality. It is time for us to realise that in order to achieve a vision of Modern, Growing and Successful Province, we cannot continue to follow old governance patterns, deeply entrenched in the Weberian governing mould. It's time for a new dawn, a new revolution, a paradigmatic shift away from being system servers to becoming people servers- activist public servants. We need to serve our people; our communities and address their plight. This is the foundational requirements for building a new modern, growing and successful province for the Northern Cape.

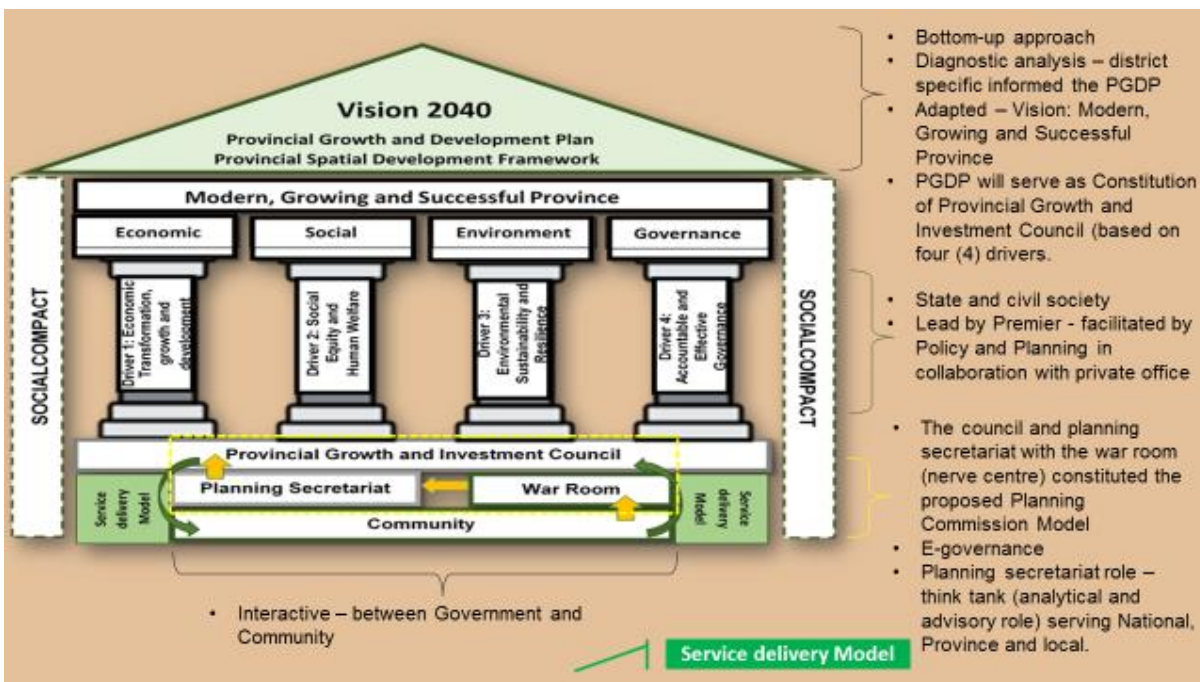
We need to listen to the voices of our people once again. The development of the Provincial Growth and Development Plan- Vision 2040, has also created the opportunity for a platform for discussions where symposiums or dialogue sessions will be held to unpack critical issues communities are faced with, inviting 'new voices' around the table to create a new social compact in the Northern Cape Province.

It is time for us to realise that in order to achieve a Modern, Growing and Successful Province, we cannot continue to follow old governance patterns, deeply entrenched in the Weberian governing mould. It's time for a new dawn, a new revolution, a paradigmatic shift away from being system servers to becoming people servers. We need to serve our people; our communities and address their plight. This new approach to

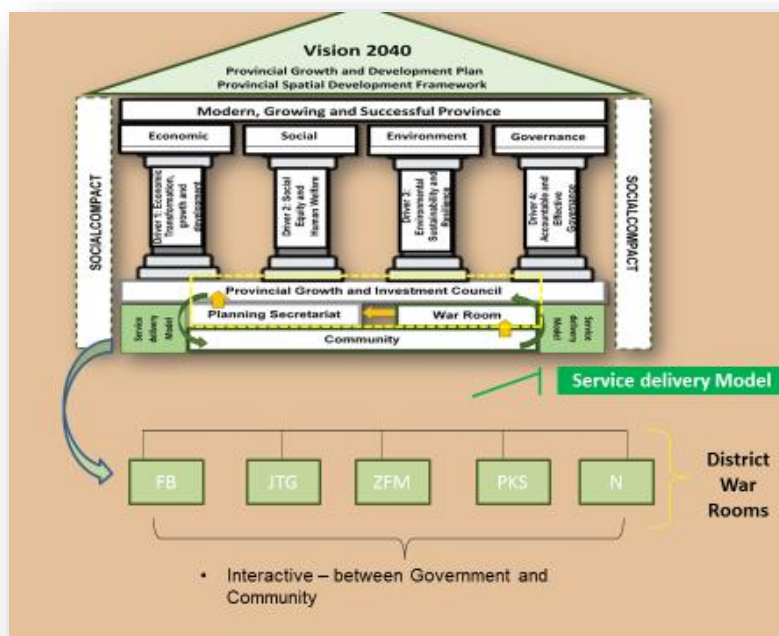
governance was officially launched by the Honourable Premier, Dr Zamani Saul in his State of the Province Address, delivered on 5 July 2019, in which the Honourable Premier confirms as follows: *“The 6<sup>th</sup> Administration, is committed to building a new integrated service delivery and governance system. A system that will be people centred, with the sole purpose of creating a better life for all, whilst prioritising the poor and vulnerable people of our Province”.*

The new integrated service delivery and governance model is diagrammatically depicted as follows:

**Figure 66: Governance Model**



### Integrated Service delivery Model aligned to the Governance model

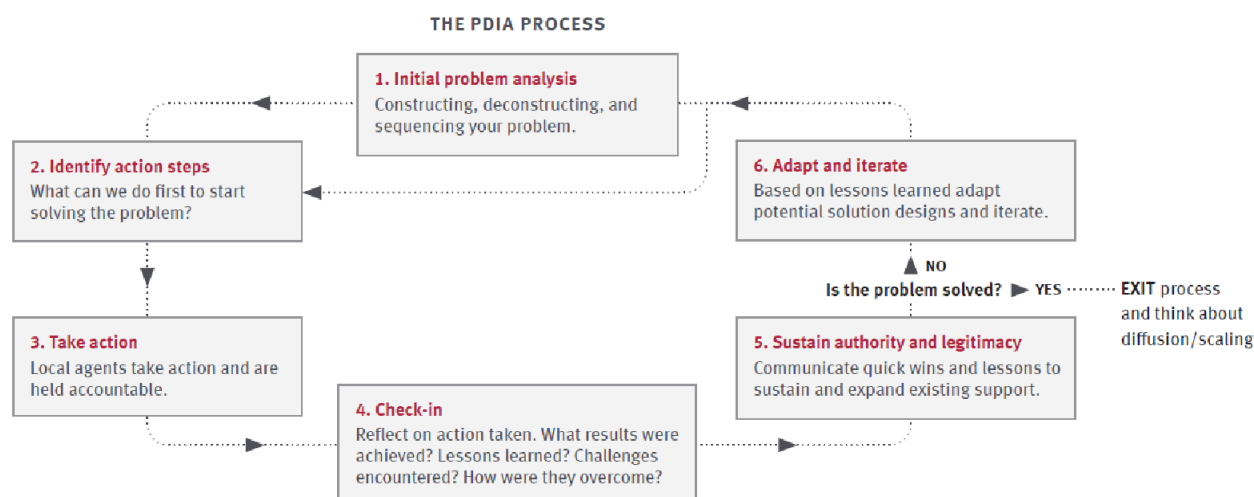




The main feature of the policy-making level, is one of structuring socio-economic relations, which include the organizational-implementation level. The pragmatic Problem Driven Iterative Adaptation (PDIA) methodology, as advocated by Andrews, Pritchett and Woolcock (2017) in this instance can be utilized to effect policy and organizational changes in terms of policy-making and management practices of the different interacting actors at the respective levels. PDIA is defined by Andrews, Pritchett and Woolcock (2017:5) as “...strategies that begin with generating locally nominated and prioritized problems, and that work iteratively to identify customized ‘best fit’ responses (sometimes by exploiting the existing variation in implementation outcomes), in the process working with an expanding community of practice to share and learn at scale.” Andrews, Pritchett and Woolcock (2017:135) furthermore explain that PDIA “...is the approach that we find most relevant in addressing complex, wicked hard challenges commonly involved in building state capability. PDIA is a process strategy that does not rely on blueprints and known solutions as the key to building state capability.” PDIA distinguishes itself with a practical mix of four (4) key guidelines to embark onto a way of thinking about and doing development work in situations of high and unique complexity:

- 1) Focus on specific problems in particular local contexts, as nominated and prioritized by local actors.
- 2) Foster active, ongoing experimental iterations with new ideas, gathering lessons from these iterations to turn ideas into solutions.
- 3) Establish an “authorizing environment” for decision-making that encourages experimentation and “positive deviance”.
- 4) Engage broad sets of agents to ensure that reforms are viable, legitimate, and relevant that is, politically supportable and practically implementable.

**Figure 67: The PDIA Process**



Source: Samji, S., Andrews, M., Pritchett, L. and Woolcock, M. (eds.), 2018. PDIA Toolkit – A DIY Approach to Solving Complex Problems. Harvard University. The Building State Capability (BSC) Program, p. 7. An open access publication, available online and distributed under the terms of a Creative Commons Attribution – Non Commercial – No Derivatives 4.0 International license (CC BY-NC-ND 4.0), a copy of which is available at <http://creativecommons.org/licenses/by-nc-nd/4.0/>.

The PDIA approach focuses on four questions: What drives action? How is action identified and carried out? What authority or leadership is required? Who needs to be involved? The common responses to these questions show, essentially, that action will be driven by a predefined solution, which is identified with reference to existing knowledge and experience, planned out in detail and implemented as planned. This requires only one authorizer or leader (given the narrowness or specificity of the task) and the person authorizing or leading such work simply needs to ensure she can obtain full compliance with the plan, involving very few individuals in the process (ensuring they have appropriate skills, but facing few other personnel problems—like having to motivate their engagement or incentivize them to take on extra risk (Andrews, Pritchett and Woolcock, 2017:126).

According to PDIA, development is seen as a journey, which will probably comprise a number of these steps, which are called experimental iterations. The steps would combine into a new path leading from a known starting point to an aspirational destination that emerges as one progresses (given that it is unknown at the

start). The team would probably need more steps like this on longer journeys. Furthermore, the steps would tend to be shorter and require more variation when passing through demanding and surprising terrain. (Andrews, Pritchitt and Woolcock, 2017:128).

It should be expected that the journey shall test the resolve of authorizers (funding and supporting the journey) and team members. Anticipating this, we should typically ask what they would do to keep the developmental policy implementation journey funded and supported and to ensure that the implementation group do not mutiny or simply give up somewhere along the path (Andrews, Pritchitt and Woolcock, 2017:129).

The Authorizers (politicians and high officials) as well as implementation group members (a department(s) or appointed task team) should be inspired by emphasizing the importance of the work, and particularly how the work will reduce threats and problems faced by them in terms of service delivery. Most agree that authorizers and implementation group members will remain engaged if they see their journey in this significant manner, as addressing a problem they care about and need to see solved. They note that this approach will require creating and maintaining a motivating narrative about the problem being solved, and providing ongoing feedback along the route about how the problem is actually being solved (to the authorizers and implementation group members, to keep them motivated). This motivation will be needed at repeated points in the journey, and would need to target many diverse groups of authorizers and implementation group members (Andrews, Pritchitt and Woolcock, 2017:129).

First, there are different capability building challenges in the world. One involves doing things we know, using knowledge that has already been acquired, with very few unknowns about the context and very few risks. A second (in terms of developmental state challenges) involves doing things we do not know, given a lack of knowledge about what to do, with many unknowns about the context, many different interests, and many interactions that heighten risk. These are particularly the wicked hard challenges (Andrews, Pritchitt and Woolcock, 2017:131).

Second, different strategies are needed to address the different challenges. The relevant strategy to address a simple challenge is itself simple: identify a solution, plan its implementation, and implement it as planned, with strong oversight and the right people. The appropriate strategy to address a more complex developmental strategy is also more complex: identify motivational problems, allow solutions to emerge from experimental iteration (which relates to intense applied learning), ensuring continued and expanding authorization for work by teams of agents with highly varied skill sets and functional roles (Andrews, Pritchitt and Woolcock, 2017:131).

Where a simple challenge is one that we know how to address and can address without specialized or expensive resources—like following a map in a cross-country journey, which anyone with a common driving license can do—whereas a complicated task is also something we know how to do, but which requires some specialized resources—like building a rocket to go into space, which requires hiring the right (expensive) people to use a known technology in a precise manner (Andrews, Pritchitt and Woolcock, 2017:131).

In terms of developmental implementation plans, the difference is between having Standard Operating Procedures (SOPs) and having an organization that ran according to SOPs (Andrews, Pritchitt and Woolcock, 2017:134).

According to Hirschman (1967:35) *“the term ‘implementation’ understates the complexity of the task of carrying out projects that are affected by a high degree of initial ignorance and uncertainty. here ‘project implementation’ may often mean in fact a long voyage of discovery in the most varied domains”*.

In this sense, PDIA also draws on many existing implementation modalities - design thinking, rapid results implementation modalities, agile policymaking, the use of problem trees and Ishikawa or fishbone diagrams in problem analysis, problem-driven political economy diagnostics, double-loop learning methods. The initial steps of PDIA share a lot with design thinking process, where ideation follows phases in which problems are

better understood and constructed, through empathizing and defining (similar to the problem construction and deconstruction processes of PDIA) (Andrews, Pritchitt and Woolcock, 2017:171).

According to Andrews, Pritchitt and Woolcock, (2017:137) *“PDIA is therefore not a single program or ‘solution’ in itself, but requires a lot of engagement from you—the potential facilitator, policy entrepreneur, or reform catalyst—in determining what tools to use, who to engage with, and what to focus on”*.

### **Critical Issues**

- ⇒ Collaboration between Office of the Premier and sector departments – change management process (SLOW PROCESS) e.g. Economic Development and Tourism (DEDaT)
- ⇒ We need to move away from a Fiefdom mentality.
- ⇒ Professionalization of the State.
- ⇒ Ownership of PGDP
- ⇒ Lack of strategic coordination towards social compacting
- ⇒ Skills and experience deficit within OTP and government (specialists)
- ⇒ High impact projects – Lacking Business Plan
- ⇒ Joint planning - Joint budgeting – joint implementation
- ⇒ A critical dependency on timely and accurate information – intelligence to inform decision making.
- ⇒ Repositioning OTP as the strategic center requires the Triple AAA approach – Gazette the Council.
- ⇒ OTP as apex needs to be institutionalized and re-inforce the repositioning of OTP as strategic center of the Provincial Government in terms strategic leadership and coordination function of government.
- ⇒ The pattern of operating in silos is perpetuated.
- ⇒ This has led to lack of coherence in planning and implementation and has made monitoring and oversight of government’s programme difficult.
- ⇒ It has become a significant deterrent to investment as businesspeople have had to move from pillar to post in search of support and services in what are essentially the same sectors.
- ⇒ At the heart of most service delivery protests is fragmented planning on our part as well as poor communication.
- ⇒ Clarification in terms of the Nerve Centre of the PGIC and the Youth Unemployment War Room.

- ⇒ The implementation of the Provincial Growth and Development Plan - 2040 Vision will require the creation of a new governance model and a social compact.
- ⇒ A Provincial Growth and Investment Council (PGIC), a type of Planning Commission, which will encompass the need for the Province to play an important role in contextualising national imperatives and grounding them within the realities and specificities of the Province, especially in terms of guiding local government will be established.
- ⇒ The PGIC will facilitate and support the lead departments to develop these detailed trajectories to ensure that the roadmap is absolutely clear on what is required to achieve the in terms of our long term 20-year vision.
- ⇒ The PGIC will be based on the coordination of and cooperation between the state and civil society, a relationship which is vital in achieving effective state capacity.
- ⇒ The PGIC should be supported by a Provincial Planning Secretariat, with a Provincial Nerve Centre located within the Office of the Premier which is expected to put forward solid scientific research, providing sound evidence and clear recommendations for government aimed a guiding planning, policy development and monitoring and evaluation, especially impact evaluations.
- ⇒ The PGIC would also reflect the elements of a Developmental Model (organic model) which is institutionalised within the Office of the Premier, supported by planning secretariat and nerve centre (war room) which constitutes a multi-disciplinary think tank and promotes a sound political and administrative interface.
- ⇒ The Provincial Growth and Infrastructure Council and the Provincial Planning Secretariat are supported by a war room which includes a virtual e-governance service delivery toolkit.
- ⇒ The War Room is an interactive platform which can be utilized to inform the community about the Batho Pele Principles, the Citizens' Charter, government's strategic interventions and services. In this way, the community can be informed by Government of the services they can expect and the community in turn can provide Government with feedback on the impact that those services have had on them and on their respective communities..
- ⇒ GIS specialists, town planners, researchers and ICT programmers, appointed to capacitate the war room, are able to identify and map service delivery deficits down to erf and ward level.
- ⇒ The GIS specialists and other experts then create a Service Delivery Barometer which highlights the service delivery hotspots and areas of success.
- ⇒ A key function of these change agents, mentioned above, would be to conduct household profiling in the identified areas and communicate the baseline information to the War Room on a weekly basis. These change agents, therefore by administering the Household Profiling Toolkit where a key informant provide critical information on individuals, household and community needs to the war room. The war room then provides reports to the planning secretariat for analysis. The planning secretariat then provides detail analysis reports to the PGIC for further consultation and decision making purposes.
- ⇒ The PGIC, which I will be chairing and where strategic stakeholders from the private sector, academia, civil society, and communities would be well represented, will provide the necessary authority needed for the implementation of this model.
- ⇒ In addition to existing strategies and policies we need to look at, what new forces can we harness to accelerate the fourth industrial revolution, we need to increase our scale of action towards achieving our vision of a Modern, growing and successful province.
- ⇒ It is crucial that we employ a more people-centred approach through the establishment of a war room to address the unemployment challenge we face in the Province. We see our youth as a big part of the solution. The War room will deploy a service delivery model (base on the AAA principle, i.e. Authority, Acceptance and Ability) that will tackle unemployment head-on through the acceleration of industry driven skills
- ⇒ We are facing the rise of a skill revolution – Centre to our approach will be on the reskilling and up skilling of our youth



# International Relations

2040

Positioning the Northern Cape within Africa and the World

## Introduction

The media covers a wide range of issues occurring globally such as terrorist attacks, teenagers going on shooting sprees, civil religious wars, genocide, chemical warfare, attacks on churches, schools and the aged. Around the world humankind is faced with a world of unpredictability, chaos, change and uncertainty. The global political environment is changing at speeds unique in the evolutionary process of mankind. As mankind is faced with global problems needing a global brain to find solutions. In the global political environment, the term global is a common feature, for instance there are global problems such as the global ecological crisis, a global village, global terrorism, global economy, and a global system. Strategic thinkers need to consider this global system. This, however, will require new political (and governance) systems.

What is evident is that nation-states cannot deal with global problems and that the framework of the current governance order is not equipped to deal with these problems. The global shift to the focus on people-centred development and people-driven government has created the need to closely explore new systems of democratic integrated governance systems with specific focus on mosaic democracy (Toffler, 1980:451-452).

Toffler and Toffler (1993:321) suggest the use of a three tiered global governance system. This system is divided into a global public sector, consisting of sub-national, national and supra-national levels, and a global private sector, consisting of marketed global governance, regional trade blocs and global social movements. The increased participation of civil society has placed renewed interest on the relationship between the global public and global private sectors. These public and private sectors are currently competing to position themselves within the global governance structures and systems. One commonality is that both sectors use a **people-driven** management approach focusing on service delivery.

A reflection on mankind's evolutionary retreat places us, in a position to view the destructive heritage the Second and Third Industrial era has left us with, where the majority of mankind lives in poverty, is illiterate, has limited or no access to basic services such as health care and water, and which has created irreparable ecological disasters. The main theme of the future will, therefore, focus on sustainable development and bridging the gap between the global rich and poor (Toffler, 1980: 82; 338-339; 367).

Increasing claims that the nation-state, with its core principle of sovereignty, is no longer the main component of global governance, has revealed the presence of powerful forces which threaten the future of the nation-state. Heywood (1997: 117) refers to the *internal pressures* and *external threats* which have actually caused a *crisis of the nation-state*. Issues such as poverty, unemployment, water shortage, pollution, disease, mass human migration across national boundaries and other ills occur while the nation-state's ability to combat these ills have diminished. As the need for solutions increases mankind's needs will also escalate.

The process of globalisation highlights the process of trans-nationalisation especially of trade, information, capital and technology. Phenomena not bound by territory, such as trans-national companies, global stock and bond trading, telecommunications, satellite remote sensing and computer data transmission, are all beyond the control of the state.

It is important to reflect on this environment while positioning South Africa and the Northern Cape Province within the global environment and the countries approach to international relations

**Integrated Governance** is the structure of formal and informal relations to manage affairs through collaborative approaches which may be between government agencies or across levels of government (national, provincial and local), and/ or the non-government sector (private sector, civil society, communities, academia, labour, etc.)

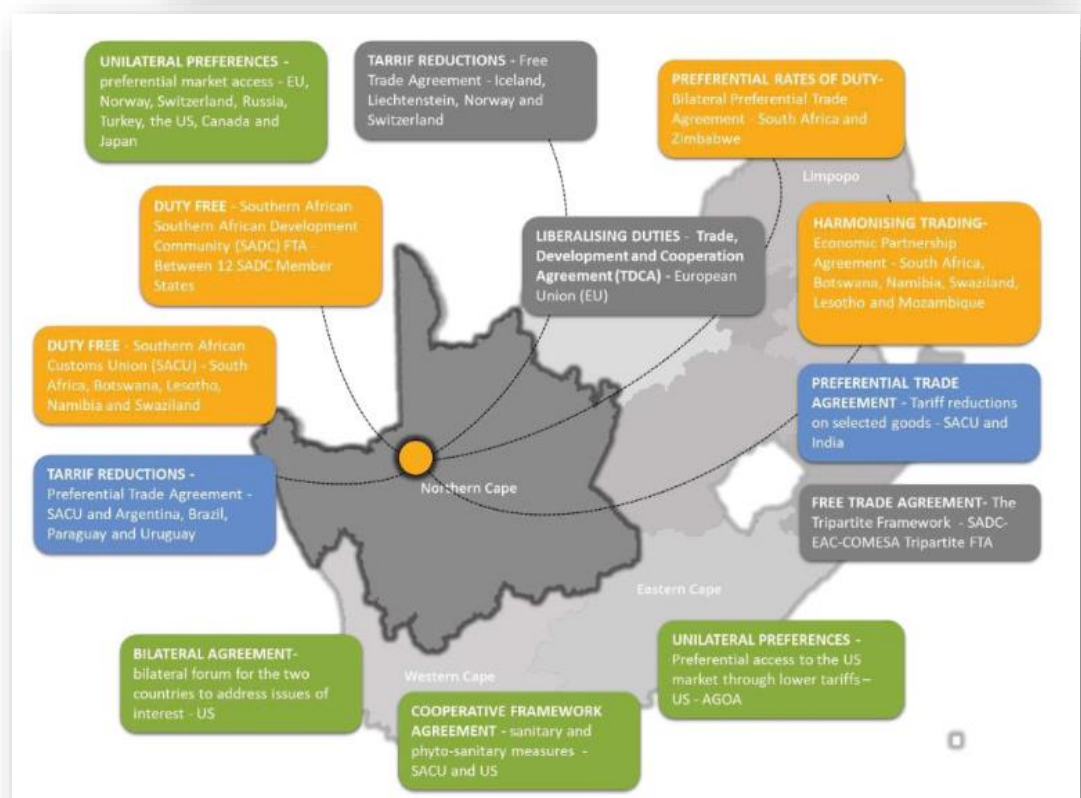
## International Relations

On a global front the last decade has been characterized by accelerated change, resulting from globalization, conflicts and upheaval, as well as financial and economic crises in various parts of the world. This has resulted in both progress and setbacks in fighting poverty, social and economic exclusion, as well as in promoting decent living and working conditions around the Province. The international perception of the country has raised a number of concerns such as education, infrastructure, immigration, inequality, labour issues, land reform, state owned companies, and other investments challenges. Global governance is structured on an integrated planning and legislative matrix.

**Figure 68: Integrated Planning and legislative Matrix –**



South Africa has been playing an influential role at the sub-regional, continental and global levels. The country is currently in a strong position to influence the global agenda setting due to strategic positions within a regional and global context.



## Key Question

**How** do we position our province as an internationally recognised region for tourism, trade and investment by promoting our competitive advantages?

**Figure 69: South Africa within the Global Governance Framework**

South Africa, as a meaningful contributor to global governance, adds to its investment appeal	South Africa has a sound political governance framework
<ul style="list-style-type: none"> <li>• South Africa has instituted a peaceful, internally-negotiated political settlement.</li> <li>• The country has served two terms as a non-permanent member of the UN Security Council.</li> <li>• South Africa plays an active role in the G20.</li> <li>• South Africa played an active role in transforming the OAU (Organisation of African Unity) into the current AU (African Union), as well as in the facilitation of peace and security on the African continent.</li> <li>• South Africa is a champion of the New Partnership for Africa's Development (NEPAD).</li> <li>• South Africa is positioned to leverage strategic partnerships with Brazil, Russia, India and China as the fifth member of the BRICS bloc of economies.</li> </ul>	<ul style="list-style-type: none"> <li>• South Africa's political governance framework ranks favourably vis-à-vis most African countries.</li> <li>• The Mo Ibrahim Index of the quality of governance in Africa ranked South Africa sixth out of 54 countries for overall governance quality in 2017.</li> <li>• South Africa scores in the top 10 in all of the four sub-categories of the Mo Ibrahim Index. These include (South Africa's ranking in parentheses): <ul style="list-style-type: none"> <li>- Sustainable economic opportunity (fourth);</li> <li>- Safety and rule of law (seventh);</li> <li>- Participation and human rights (fourth); and</li> <li>- Human development (eighth).</li> </ul> </li> </ul>
South Africa is an active global citizen.	

Source: SA Invest, 2018:30



### Chairing the Group of 77 and China

The Group of 77 is the largest intergovernmental organisation of developing countries in the UN, which provides the means for the countries of the South to articulate and promote their collective economic interests, enhance their joint negotiating capacity on all major international economic issues within the UN system and promote South-South cooperation for development. As the chairperson of Group of 77 and China from January 2015 to January 2016, South Africa was at the forefront of articulating and promoting the collective economic and developmental interests of the South within the UN System. South Africa coordinated the G77 and China positions in the negotiations for the “2030 Agenda for Sustainable Development”, which was adopted at the UN Summit in September 2015, and during the third International Conference on Financing for Development, which resulted in the “Addis Ababa Action Agenda”. The 2030 Agenda is all-encompassing in that it addresses the three dimensions of sustainable development, namely: the economic, social and environmental dimensions, and is aligned to the AU's Agenda 2063 and South Africa's NDP. Concerning climate change negotiations, South Africa utilised its tenure as the Chair of the G77 and China to engender a paradigm shift from the mitigation-centric approach to a holistic and comprehensive approach to meaningfully address climate change. In this regard, the historic Paris Agreement and the package of supporting decisions covering climate action in the pre- and post-2020 periods mark the successful conclusion of a four-year negotiation process under the Durban Platform for Enhanced Action, initiated by South Africa in 2011, when the country served as President of COP17 (DIRCO, 2016).

South Africa shares the sense of urgency that the UN Secretary General has expressed concern over the climate emergency, and welcomes the initiative to gather the world's leaders in New York. This ahead of the UNFCCC meeting in Chile this year and looking forward to 2020, the year in which all countries are expected to enhance the ambition of our Nationally Determined Contributions, and communicate long-term low emissions development plans to put the world on a path to meet the goals of the Paris Agreement. Although they have historically contributed the least to global emissions, developing countries are and will continue to be most affected by climate change and its impacts. The disastrous effects of climate change have been felt across the globe and the increased incidence and severity of extreme weather events such as flooding and droughts. The Northern Cape is currently experiencing the worst drought in decades (DIRCO, 2016).

IPCC Special Report on Global Warming of 1.5 °C has identified Southern Africa as a **climate change hot spot**. Our region is likely to become drier and drastically warmer even under 1.5 or 2 °C of global warming (DIRCO, 2016).



Climate change science is clear that the risk for flooding originating from intense tropical cyclones and for prolonged drought in Southern Africa is increasing under continued global warming. Extensive research is ongoing in South Africa to quantify the likelihood of major climate change impacts occurring in the region over the next several decades, including multi-year droughts that compromise water security and heat-waves impacting on human health, livestock production and crop yield (DIRCO, 2016).

The view of South Africa and Africa, as developing countries and as global citizens, is that the climate crisis cannot be solved outside of a development context. This may be regarded as a crisis as an opportunity to strengthen global governance and that in addressing the crisis, we can meet the aspirations of the UN Agenda 2030 for Sustainable Development and the Sustainable Development Goals.

South Africa has finalised a Green Transport Strategy and are implementing a national Green Economy strategy and an Energy Efficiency in Industry Strategy.

The country is pursuing a largescale energy and climate change research and development programme geared towards mitigation solutions such as the use of fuel cells, using South Africa's abundant platinum resources.

In addition to these and up to the end of 2020, the country will be completing a number of key national processes (Ramaphosa, 2019: DIRCO) of which the Northern Cape should ensure that the Provincial Vision of a Modern, Growing and Successful Province find expression:

- ⇒ The National Planning Commission will update our National Development Plan (which was adopted in 2012 before the Paris Agreement), providing an integrated basis for our shift to a low-carbon economy, climate-resilient society;
- ⇒ Finalising our Just Transition Plan, including defining a vision compatible with the 1.5 degree Paris temperature goal; Additional mitigation ambition by 2030 will require a bold programme which targets our key emissions source, the electricity sector, and goes beyond current plans to invest further in renewable energy. The facility would consist of a blended finance vehicle and a just transition fund.
- ⇒ Finalising our long-term low emissions development strategy, which will be submitted to the United Nations Framework Convention on Climate Change in 2020;
- ⇒ Finalising the Climate Change Bill, which will provide a legislative basis for comprehensive climate action, provide for the updating of our long-term national emissions trajectory, the allocation of sectoral emissions targets, and the regulation of large emitters;
- ⇒ South Africa's land sector is a net emissions sink, and is currently developing programmes to enhance this, including through the restoration of subtropical thicket and grasslands, expanding forestry and reduced tillage.
- ⇒ Finalisation of the National Adaptation Strategy to assist all provinces, towns and cities to face adaptation challenges ahead.
- ⇒ Implementing measures to cope with extreme weather. These include; the working for water programme, the working for fire programme and the restoration of wetlands.
- ⇒ In 2020, South Africa will be updating its adaptation NDC in 2020, to reflect national progress on implementing a comprehensive adaptation response, and updating international support requirements.
- ⇒ Obligations under the Paris Agreement, under the UN Framework for Convention on Climate Change (UNFCCC).



### **Co-chairing the G20 Development Working Group**

South Africa participates actively in the work and meetings of the G20. South Africa is also the Co-chair of the G20 Development Working Group and has consistently promoted the mainstreaming of the development agenda in its engagements within the G20. The Group of Twenty (G20) is the premier forum for its members' international economic cooperation and decision-making. Its membership comprises 19 countries plus the European Union. Each G20 president invites several guest countries each year.

G20 leaders meet annually. In addition, finance ministers and central bank governors meet regularly during the year to discuss ways to strengthen the global economy, reform international financial institutions,



improve financial regulation and implement the key economic reforms that are needed in each member economy. Underpinning these meetings is a yearlong programme of meetings among senior officials and of working groups coordinating policy on specific issues.



### Indian Ocean Rim Association

South Africa is the vice chair and a member of the association's Troika, along with Indonesia and Australia, and will chair IORA from 2017 to 2019. IORA was formally launched in Mauritius in March 1997 by 14 member states. South Africa is a founding member of the association – a charter-based multilateral organisation that is fraternal in nature and driven by consensus. The association essentially is an economic cooperative community of littoral and island states around the Indian Ocean. Membership has grown to 21 states and at its core mandate is the proper management of the Indian Ocean resource to the benefit of its members. In September 2015, a South Africa delegation attended the first-ever IORA Blue Economy Conference. South Africa was a conference initiating member country in line with its commitment, via Operation Phakisa, to the ocean economy.



### United Nations Security Council

South Africa served on the UNSC as non-permanent member for two terms, the first from 2007 to 2008, and the second from 2011 to 2012. It is a well-known fact that more than two-thirds of the UNSC's agenda focusses on African issues. During its second term, South Africa continued with its efforts to promote and enhance the body's cooperation with regional organisations, particularly the AUPSC. The country used its position on the council to elevate the African Agenda and help bring peace and security to the continent.

In January 2012, South Africa presided over the UNSC and used the opportunity to further strengthen its initiative to **enhance cooperation between the UN and AU**. On 12 January 2012, President Jacob Zuma presided over a high-level debate in the UNSC on UN-AU cooperation. In his statement, he emphasised the need for closer cooperation between the UN and regional organisations. South Africa tabled Resolution 2011 (2012), focussing on further strengthening the strategic relationship between the AU and the UN in the maintenance of peace and security. The resolution builds further on the ground-breaking Resolution 1809 (2008), which South Africa brought to the UNSC in April 2008. This is testimony to the consistency, forthrightness and vision of South Africa's foreign policy that elevates the African Agenda. South Africa's participation in the UNSC was informed by the country's national interest and a belief that South Africa's prosperity is intrinsically linked to peace and stability on the continent and the world in general. It also reflected South Africa's strong commitment to the International Rule of Law. South Africa strives to improve working relations between the UNSC and the AU. The country has contributed personnel to multinational peace and security initiatives in support of regional AU and UN peace missions in, among others, Lesotho, Burundi, Comoros, Ethiopia, Eritrea, Sudan and the Democratic Republic of Congo. South Africa remains convinced that the UN is the pre-eminent organisation for the maintenance of global peace and security and the advancement of development. It will therefore continue to advocate for its reforms, particularly the reform of the UNSC, to ensure that this body is both responsive to the needs of developing countries and is truly representative of the current global realities.

## Reporting within a global governance system

No.	Sustainable Development Goals	National 7 priorities
1	End poverty in all its forms everywhere	<b>Priority 1:</b> Economic Transformation and Job Creation
2	End hunger, achieve food security and improved nutrition and promote sustainable agriculture	<b>Priority 4:</b> Spatial Integration, human settlements and local government
3	Ensure healthy lives and promote well-being for all at all ages	<b>Priority 2:</b> Education, skills and healthy
4	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<b>Priority 2:</b> Education, skills and healthy <b>Priority 6:</b> A capable, ethical and developmental state
5	Achieve gender equality and empower all women and girls	<b>Priority 6:</b> A capable, ethical and developmental state
6	Ensure availability and sustainable management of water and sanitation for all	<b>Priority 4:</b> Spatial Integration, human settlements and local government
7	Ensure access to affordable, reliable, sustainable and modern energy for all	<b>Priority 3:</b> Consolidating the social wage through reliable and quality basic services
8	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	<b>Priority 1:</b> Economic Transformation and Job Creation
9	Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	<b>Priority 1:</b> Economic Transformation and Job Creation
10	Reduce inequality within and among countries	<b>Priority 1:</b> Economic Transformation and Job Creation
11	Make cities and human settlements inclusive, safe, resilient and sustainable	<b>Priority 4:</b> Spatial Integration, human settlements and local government
12	Ensure sustainable consumption and production patterns	<b>Priority 1:</b> Economic Transformation and Job Creation
13	Take urgent action to combat climate change and its impacts	<b>Priority 4:</b> Spatial Integration, human settlements and local government
14	Conserve and sustainably use the oceans, seas and marine resources for sustainable development	<b>Priority 4:</b> Spatial Integration, human settlements and local government
15	Protect, restore & promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, & halt and reverse land degradation & halt biodiversity loss	<b>Priority 4:</b> Spatial Integration, human settlements and local government
16	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	<b>Priority 5:</b> Social Cohesion and safe communities
17	Strengthen the means of implementation and revitalize the global partnership for sustainable development	<b>Priority 7:</b> A better Africa and World

South Africa and the global environment is encompassed by priority seven (7) ***A better Africa and the World.***

Key to defining South Africa's role within the global environment is the country's Foreign Policy.

### Foreign Policy

The National Development Plan: Vision for 2030 (NDP) argues that the formulation of foreign policy should be informed by principles that both reflect and support national interests. The three main



concerns emerging from the NDP are that South Africa needs to grow its economy; reduce poverty; and improve the quality of life for South Africans – the ‘better life for all’ principle embodied in the preamble to the constitution. Chapter seven of the NDP deals with South Africa’s ‘place in the world’. It says the country must honestly re-evaluate its regional and global positioning to ensure that foreign policy objectives help it achieve its constitutional vision of a better life for all. The NDP suggests that a more consistent, less ambiguous approach to international relations could be achieved by adopting the principle that the national interest is paramount at all times. Despite referring to ‘the world’, the focus is almost exclusively on economic diplomacy in the context of Africa and regionalism. There is very little reference to the complexity of South Africa’s myriad global interest.

In 2019 the South Africa will part of charting a new path for South Africa’s foreign policy, which has to be cognisant of the opportunities presented by the Fourth Industrial Revolution. This review would also have to renew its focus to the continent as South Africa assumes the chair of AU from 2020, the African Renaissance would be the driving force for South Africa’s chairship, the strengthening of regional economic communities (Recs), the Pan African Parliament (PAP), PAWO and programmes such as Nepad and APRM, the hosting of the BRICS summit in July 2018, the country’s Chairship of SADC as well as the lobbying and preparation for South Africa’s assumption of its seat as a non-permanent member of the UNSC, to name but a few should clearly be prioritised. Economic Diplomacy can be defined as a nation’s promotion of its economic fortunes, interests and needs in the global environment also a key aspect of the review of the South African Foreign Policy (DIRCO, 2019).

South Africa’s foreign policy is based on principles, values and national interest. It is underpinned by the promotion of human rights, democracy and the pursuit of the African Agenda. The Department of International Relations and Cooperation’s (DIRCO) work is guided by the National Development Plan (NDP), which, in the area of international relations, states: “... in order for South Africa to achieve its national goals of eradicating poverty, lowering inequality, creating jobs and making transition to a resilient carbon economy, foreign relations must be driven by the country’s domestic economic, political and social demands, as well as our regional, continental and global obligations.”

In pursuance of this, DIRCO has translated the NDP goals into a strategic programme that seeks to:

- sustain political, economic and social relations
- strengthen political and economic integration and development of the Southern African Development Community (SADC)
- consolidate the African Agenda
- strengthen and consolidate South-South relations
- leverage relations with the North in advancement of national and continental priorities and the Agenda of the South
- advocate for the reform and strengthening of the global system of governance.

**A significant accomplishment of post-apartheid South Africa** has been to move the country from its pariah status to its current standing as a valued and respected player in world affairs. These achievements include:

- ⇒ enhancing economic diplomacy
- ⇒ playing a leading role in the African Union (AU) and hosting the AU Summit in June 2015
- ⇒ its inclusion into the powerful BRICS (Brazil, Russia, India, China and South Africa) formation, the successful hosting of the first BRICS Summit on African soil in Durban in March 2013 and the agreement to establish the New Development Bank’s (NDB) African Regional Centre in South Africa
- ⇒ serving two terms as non-permanent member on the United Nations Security Council (UNSC)
- ⇒ chairing the Group of 77 and China in 2006 and 2015
- ⇒ hosting and Presidency of the successful UN Climate Change Conference or COP17/ CMP7 in 2012
- ⇒ co-chairing the G20 Development Working Group
- ⇒ chairing the Indian Ocean Rim Association (IORA) from 2017 to 2019
- ⇒ being selected to the UN Economic and Social Commission (ECOSOC)
- ⇒ hosting of the Forum on China-Africa Cooperation in December 2015



## Economic Diplomacy

In anticipation of growth in the African and Asian regions, South Africa took a conscious decision to expand and strengthen its diplomatic missions in the two regions.

The country increased its presence on the African continent from seven diplomatic and consular missions in 1994 to 47 in 2015. Consequently, South Africa's trade on the continent increased 39 times from R11,4 billion in 1994 to R385 billion in 2015. The country is targeting half a trillion rand trade with Africa by 2019. At the end of 2015, 20% of South Africa's trade was conducted within the African continent. With regard to Asia and the Middle East, South Africa's trade and investment in these regions have grown considerably and continue to do so. In 1994, trade with Asia and the Middle East combined was approximately R45 billion and has increased to approximately R760 billion with Asia and R116 billion with the Middle East. South Africa can achieve a trillion rand trade with this region by 2019. There is a direct correlation between the growth of South Africa's diplomatic missions and the phenomenal expansion of its trade and investment relations on both the African continent and in Asia and the Middle East. The same applies to the Americas and Europe.



With additional economic diplomacy efforts and enhanced national coordination, South African trade with the world can reach R2 trillion by 2019. As South Africa explores new markets, it continues to maintain close economic ties with the industrialised economies of the North, which provide, among others, preferential market access to some of South Africa's exports. Enhancing economic and political dialogue is an important part of South Africa's economic diplomacy strategy as they remain a primary source of foreign direct investment and official development assistance flows into South Africa (DIRCO, 2019)

## Promoting the African Agenda

The AU continues to champion the African Agenda, advancing and defending the interests of Africa in global affairs. At the top of South Africa's agenda is the need to ensure that our continent remains a zone of peace, stability and economic development, translating into the betterment of the lives of Africans.

In June 2015, South Africa hosted the 25th AU Summit for the first time since the formation of the AU in Durban in 2002. African leaders from across the continent gathered in Pretoria and Johannesburg for the event, which was held under the theme: "Year of Women Empowerment and Development towards Agenda 2063". Agenda 2063 is a 50-year framework that sets Africa on the path to achieving integration, prosperity and peace. Its first 10-year implementation plan was adopted by the assembly. In January 2016, the AU Assembly unanimously re-elected South Africa for a second consecutive two year



term to the AU's Peace and Security Council (AUPSC). This gives the country the opportunity to consolidate the work done in previous years, including contributing to the implementation of Agenda 2063's goal of "Silencing the Guns by 2020". South Africa will intensify its diplomatic efforts to help bring about lasting political solutions in Lesotho, Burundi, South Sudan and the Great Lakes region.



In November 2015, President Jacob Zuma presided over the closing ceremony of the Amani Africa Field Training Exercise, held in Lohatla, Northern Cape, whose main objective was to test the Rapid Deployment Capacity of the African Standby Force. The success of this exercise points to the continent's readiness to expeditiously provide solutions to some of our instability challenges. The Southern African Development Community, East African Standby Force, North Africa Regional Command, Economic Community of West African States and the Volunteering Nations of the African Capacity for Immediate Response to Crises participated in this historic exercise. As part of the AU Presidential Infrastructure Championing Initiative to accelerate and deepen regional integration, South Africa is leading the implementation of infrastructure projects which form part of the North-South Road and Rail Corridor. Some of the projects include the Dar es Salaam Port, berths 1 to 7 and Bulk Terminal in Tanzania; Durban Dig-Out Port in South Africa; Serenje to Nakonde Road in Zambia; Chirundu to Harare Highway in Zimbabwe; Harare to Beit Bridge Highway in Zimbabwe; Kazungulu to Pandamatenga to Nata Road in Botswana; National Railways of Zimbabwe; Lusaka to Chirundu Link 4; and Kafue to Livingston Road in Zambia (DIRCO, 2018)

### **International Relations - Inter-Governmental Relations**

The idea of relative autonomy of subnational governments, which is embedded in South Africa's 1996 constitution, has remained largely underdeveloped owing to factors such as inherent ambiguities in the constitutional design, a strong centralising ethos on the part of the ruling party and generally weak provincial capacities.

The system of concurrent competence and the idea of cooperative governance introduced in chapter three of the constitution, subnational governments (SNGs) are not only provided with incentives to conduct international relations, but are also empowered to make input into aspects of the foreign policy-making process through the National Council of Provinces (NCOP).

As with other functional areas, there have been attempts over the past 20 years to develop intergovernmental structures and processes that would manage the expectations of national and SNGs on international relations. Among the constitutional grey areas that have been the focus of many intergovernmental processes over the past two decades is that of international relations. Intergovernmental processes in this policy domain have for the most part been inefficient and ineffective in coordinating provincial international relations and aligning these with national development priorities and South Africa's foreign policy. Although provinces have virtually shied away from influencing national foreign policy, since the transition in 1994 all provincial governments have been actively involved in relatively autonomous international activities.

The supremacy of the national government over foreign affairs is explicitly underscored in section 231(1) of the South African constitution, which affirms that the power to negotiate and sign all international treaties is the exclusive prerogative of the national executive. Moreover, neither of the two schedules of the constitution outlining the concurrent and exclusive competences of provincial governments make mention of foreign affairs. However, **section 231(2) of the constitution mandates that international agreements that are not of a technical, administrative or executive nature, and those requiring ratification or accession, must be approved by both the National Assembly and at least six of the nine provinces in the NCOP.** It may be inferred from this provision that the constitutional framers did not in any way contemplate shutting out the provinces from the foreign policy-making process of the state. Additionally, the **general distribution of powers and functions in the constitution indirectly empowers provincial governments to engage in international relations of their own.**

Provincial international relations or para-diplomacy have become an important feature of South Africa's international relations. **Para-diplomacy also serves as a vehicle for development cooperation, defined here as the transfer of technical and managerial skills, technology and related resources from one foreign government to another for the purposes of facilitating policy reforms, capacity development or the implementation of specific socio-economic investment projects** (OECD, 2007: 779).

### Anomalies/ Problem Statement

The central premise that the idea of relative autonomy of SNGs, which is embedded in the 1996 constitution, has remained largely underdeveloped in South Africa over the past 20 years

### Critical issues

- ⇒ Intergovernmental processes in this policy domain have for the most part been inefficient and ineffective in coordinating provincial international relations and aligning these with national development priorities and South Africa's foreign policy.
- ⇒ The effectiveness of the institutional mechanisms employed to coordinate para-diplomacy at the provincial level.
- ⇒ Alignment of the province's foreign activities in relation to South Africa's foreign policy.
- ⇒ Make an appraisal of the extent to which para-diplomacy contributes to the democratisation of South Africa's foreign policy and international relations.
- ⇒ Develop a provincial and municipal international relations policy framework.



### Southern African Development Community

Continental structures such as the (SADC), also engender and condition the international agency of SNGs through their regional integration tendencies. As member-states become interwoven, national borders become porous, favouring what Duchacek (1990: 16) has termed 'transborder regional paradiplomacy'. In regions like Europe and North America where regional integration is at an advanced stage, a number of cross-border cooperation initiatives have emerged among SNGs to deal with common economic, cultural or environmental problems (Keating, 1999: 8-10). Perhaps one of the most publicised instruments of paradiplomacy is the foreign visits undertaken by SNG politicians and other officials. Foreign trade missions, which are often led by senior political leaders of SNGs and typically involve representatives of the business community, are common features of paradiplomacy in a variety of countries (Michelmann, 2009: 347).

According to Duchacek (1990: 14), foreign trips SNGs also take the form of study tours, or what he refers to as 'short-term, professional fact-finding missions'. Para-diplomacy or the territorial decentralisation of foreign policy can engender increased citizen awareness of and participation in international affairs, a development that is conducive to democracy (Michelmann, 1990: 313 and Lecours, 2008: 12).

Developmental para-diplomacy in the South African context has a number of distinctive features. First, there is a strong emphasis in all provinces on commercial diplomacy dedicated to promoting market access, attracting foreign direct investments and showcasing the specific locality as a preferred destination for foreign tourists. In addition to this a significant proportion of provincial diplomacy in South Africa is directed towards scouting for financial, technical and other forms of assistance to support local development efforts, to the extent that until recently, the most important international partners of South African provinces were located in the rich industrialised countries of Europe and North America.

There is a matrix of structures and processes utilised as platforms for engagement and coordination in terms of Provincial participation in foreign relations which includes the National Council of Provinces, FOSAD, MINMEC and the NCOP. The PCC The council, which is designed to meet at least twice a year, also serves as a forum for the President to consult with the provinces (Malan, 2005: 232). PIGC also serve as a coordinating instrument in foreign relations within an IGR context. The foremost legislative structure for cooperative government and intergovernmental relations in South Africa is the NCOP. The body provides a forum for provinces to be consulted and to influence national legislation, particularly those that are of concern to them. Simeon and Murray (2001:75) have observed that although the NCOP can suggest amendments to and even reject a bill passed by the National Assembly, its powers in this regard vary depending on the effect of the proposed legislation on provincial interests.

As early as 1996, each of the nine provincial governments was encouraged by the national government to establish international relations units, most of which are ideally located in the immediate office of the premier. As Murray and Nakhjavani (2009: 221) have observed, besides coordinating the international engagements of different provincial departments, these units serve as 'entry points' for DIRCO to oversee the provinces' foreign relations.

Key institutional arrangements and policy frameworks utilised to coordinate international relations within an intergovernmental relations context include the Provincial International Relations Coordinating Group (PIRCG), and the Municipal International Relations Policy Framework and the policy guidelines regarding the signing and implementation of twinning agreements and MOUs by provinces, municipalities, parliament and provincial legislatures. DIRCO drafted a set of *Measures and Guidelines for Enhanced Coordination of International Engagements*. The measures, which were complemented with the creation of a Consultative Forum on International Relations (CFIR), sought to encourage greater coordination and accountability among all foreign policy stakeholders. CFIR is primarily responsible with facilitating information sharing, foreign policy guidance, planning and coordinating international visits, as well as conveying necessary feedback on key foreign policy issues (DIRCO, 2008:2). However, their effectiveness and impact continue to be undermined by the same challenges that frustrated intergovernmental coordination in the past.

DIRCO has over the years been at the centre of intergovernmental processes intended to align provincial international relations with the national foreign policy and development priorities. As early as 1996, each of the nine provincial governments was encouraged by DIRCO to establish international relations units and should also be underlined that although located in the offices of provincial premiers. A need has also been identified to develop a provincial and municipal international relations policy framework. National supervision of provincial international relations has also taken the form of efforts by South Africa's National Treasury to act as a gatekeeper between provincial governments and international donors (Murray and Nakhjavani 2009: 221).

### **Repositioning the Northern Cape within the World and the Continent**

On a global front the last decade has been characterized by accelerated change, resulting from globalization, conflicts and upheaval, as well as financial and economic crises in various parts of the world. This has resulted in both progress and setbacks in fighting poverty, and social and economic exclusion, and in promoting democratic and decent living and working conditions around the Province. South Africa has been playing an influential role at the sub-regional, continental and global levels and is currently in a strong position to influence global agenda setting due to strategic positions within a regional and global context. This includes South Africa's seat on the United Nations Security Council, after being the sole candidate endorsed by the continent's leaders at the African Union Summit; the country's current chairmanship of BRICS, and the Chairpersonship of the Southern African Development Community (SADC). South Africa was also the first BRICS nation to hold the rotating chairmanship of the BRICS Business Council (BBC) for a second time. The BRICS Business Council also aims to facilitate co-operation between the five countries in various sectors, as well as promote trade and industry.



The reconstruction of the governance and socio-economic matrix of the Northern Cape includes the redefining of the Province within Africa and the global architecture in the age of the Fourth Industrial Revolution. The Fourth Industrial Revolution is evolving globally at an unexpected accelerated rate.

The size of seismic revolutionary change and its impact on Africa and even the Northern Cape remains unpredictable. This will mark a new era in growth, transformation and opportunity as new technologies are enabling societal shifts by having an effect on economics, values, identities, and possibilities for future generations. This will also form part of the governance ethos as we develop a new social compact and a new service delivery governance model for the Northern Cape.

### **Repositioning the Northern Cape and the city of Kimberley within the Fourth Industrial Revolution**

The disruptions that this digital revolution will bring are expected in every sector of our society but more specifically across industries and all economic sectors impacting on job creation, skills development and education. This new era will change the very way we live. It is important to prepare the Province for the impact of the 4IR. We need to start with the Province's Capital, the city of Kimberley. The key to preparing for the 4IR are found within aspects innovation, economic growth and education. This industrial revolution has many opportunities but also many risks. I will now briefly outline these opportunities and risks.

In terms of the risks we can learn from previous industrial revolutions where there has been increased divisions and the marginalisation of the most vulnerable societies/ communities. It is therefore imperative that we shape these trends to ensure equity and inclusivity of the 4IR through collaborations and partnerships between a quadra-helix of private sector, government, academia, and civil society. In terms of opportunities we need to take a brief historical retreat to time when Kimberley became an innovative industrial hub during the second industrial revolution.

Mineral discoveries marked the beginning of the industrialization of South Africa's agrarian economy. With the discovery of diamonds in the late nineteenth century Kimberley became an industrial hub with a flourishing market not only in terms of employment opportunities, but also in meeting the needs of the growing population. It was during this time that **the trend of Kimberley as 'a city of firsts'** became entrenched. It was at this time that we housed South Africa's first stock exchange, the Kimberley Royal Stock Exchange, the first town in the Southern Hemisphere to install electric street lighting, the first direct dialing telephone, the first school of mines which later relocated to Johannesburg, becoming the core of the University of the Witwatersrand, **the first school of aviation**, the first professional nursing academy, Robert Sobukwe started the first black-owned law practice firm in Galeshewe, and more recently it is the first Province to develop Spatial Legislation. The apartheid era stunted this progressive trend and left a legacy of a "Big Hole". The Northern Cape is correctly placed to once again lead another industrial revolution. Innovation in term of industries, sectors and entrepreneurial opportunities must be approached by embracing the Fourth Industrial Revolution. This will be crucial not only to advance opportunities and new sectors, and diversify the economy but also to overcome the numerous challenges we face. The first objective will be to construct a SMART City in the Province's Capital; the City of Kimberley.



## Critical issues of international Relations in the Province

- ⇒ The institutionalisation of the conduct of international relations in the provinces to address the negative effects of the uncoordinated foreign relations of provinces and municipalities on South Africa's image.
- ⇒ Provincial delegations visiting foreign destinations without the requisite travelling documents or following established diplomatic protocol.
- ⇒ Avoiding different provincial delegations visiting the same foreign destination for the same purpose, and in some cases at the same time.
- ⇒ Very few or no reports are produced at the end of foreign missions, calling into question the possibilities that any relevant lessons were learnt from the visits.
- ⇒ Not all Provinces have dedicated international relations units within the Offices of Premiers. International relations is not a stand-alone portfolio in any of the provincial administrations in South Africa.
- ⇒ Provincial international relations units was also constrained by their location and status within the general organisational structure of the respective provincial governments. As such, this policy area does not have a dedicated political champion to provide the necessary strategic leadership.
- ⇒ A comparative analysis of International Relation Units in the all the Provinces are organisationally separated from the Policy Directorates which have created many challenges.
- ⇒ The international relations units were conceived more as secretarial offices to facilitate the foreign trips of politicians than as oversight bureaus with important advisory functions on international relations.
- ⇒ While the ANC, as seen in its recent policy discussion document on international relations, has elevated para-diplomacy to an important feature in South Africa's foreign policy, the practice is yet to be given similar attention and prioritised.

## Strategic Interventions

- ⇒ Establish a Provincial Growth and Development Council.
- ⇒ The Nerve Centre or War Room in conjunction with the Provincial Planning Secretariat (PPS) will perform the functions of the originally conceptualised International Relations Units as part of its support of the Provincial Growth and Investment Council (PGIC).
- ⇒ The international relations unit within the Nerve Centre or War Room, will coordinate and monitor the foreign activities of different provincial actors, while also infusing some strategic thinking into para-diplomacy by advising provincial executives on how to proceed with their international relations. This would include the profiling of foreign countries to be visited.
- ⇒ The Nerve Centre/ War Room and the PGIC are chaired by the Premier and hence would have a dedicated political champion and administratively supported by the Head of the Policy and Planning Directorate whom both provide the necessary strategic leadership.
- ⇒ There is an evident bias in the objectives of para-diplomacy in favour of the pursuit of economic opportunities, the search for international development assistance, as well as the fostering of international partnerships for capacity building.
- ⇒ Engage local communities and civil society on para-diplomacy.
- ⇒ Promote inter-provincial linkages on para-diplomacy.
- ⇒ Research is needed to better understand the implications of the participation of some South African provinces in transnational networks of SNGs.
- ⇒ Enhanced regional integration with increased and balanced trade in the SADC region

## Introduction

The shift in emphasis from “government” (the power to govern) to “governance” (the act of governing) is linked to the global acknowledgement that organs of civil society need to be empowered to share the responsibility of governance (Ismail *et al.*,1997:3). In essence, government institutions require a new citizen oriented approach to policy-making and integrated development planning and in this sense, relationships and partnerships have become much more important for local government than in the past.

A Municipal Integrated Development Plan (IDP) is developed by means of a participatory planning process aimed at integrating sectoral strategies, in order to support the optimal allocation of scarce resources between sectors and geographical areas and across the population, in a manner that promotes sustainable growth, efficiency and the empowerment of the poor and the marginalized. The Integrated Development Plan (IDP) may be regarded as a business plan for the municipality through which it fulfils its developmental service delivery mandate in line with relevant legislation.

The rationale for the promotion of public participation and partnerships, which is applicable to IDPs, public-private partnerships (PPPs) and local economic development (LED), is founded on the belief that if citizens and community organisations participate in development projects, these will be seen as legitimate and will have a better chance of being sustainable (Theron, 2009:112). Furthermore, it can be argued that if project beneficiaries are included in decision making, they will become self-reliant, empowered and assertive about their ability to become the masters of their own development.

Integrated development planning implies that municipalities should align their physical planning, sectoral planning, and their resource planning through a process of co-operation and consultation with all stakeholders (Roux & Van Rooyen, 2002:218). Thus the process of integrated development planning is participative and inclusive and involves all the relevant players.

In terms of the legislative framework, municipalities should see the development of land development objectives as part of their IDPs, and not as a separate planning process. Municipalities are required to be multi-sectoral in their approach to integrated development planning and they are therefore required to prepare plans that meet the requirements of different departments such as the Department of Water Affairs and Forestry, the Department of Transport, the Department of Housing, and the Department of Environmental Affairs and Tourism (White Paper on Local Government, 1998:28).

Local government is the sphere of government closest to the people. Many basic services are delivered by local municipalities and local ward councillors are the politicians closest to communities. Organisations that play an activist and/or developmental role should understand how local government works and how to influence it.

*“...this positive view of public participation corresponds to different visions of development and public participation. The one views development as a process in which the public remain the recipients of resources allocated in a top-down blueprint fashion. The alternative vision argues that through public participation, the public are enabled to determine and control the allocation of development resources, not merely influence its direction”.*

Theron (2009:113)

The South African government has clear policies that local municipalities and councillors should be sensitive to community views and responsive to local problems. Partnerships should be built between civil society and local government to address local issues. A number of laws outline participation processes that municipalities have to use to consult the community.

The collapse of the apartheid local government system led to a crisis which led to the realization that a new dispensation in local government was needed. White municipalities started to enter into negotiations with their black counterparts due to the negative financial impact of organised consumer, service and rent boycotts. These negotiation fora started as mere crisis management structures. However, these initial talks formed the basis for later local government negotiations and the system of local government currently in use (White Paper on Local Government, 1998: 3). Furthermore, these local government negotiating fora recognized that the legal constraints which excluded Black residents from the municipal tax base had to be addressed nationally and that the popular slogan, "One City, One Tax Base," could only be realized through national legislation (White Paper on Local Government, 1998:3).

Developmental local government is a constitutional mandate. It is well stipulated in the South African Constitution that among the main objectives of a local government should be to facilitate participation by communities as well as the involvement of community organizations in matters pertaining to local government (section 152, Act 108 of the 1996 Constitution). Section 153 of the Constitution also imposes developmental duties on municipalities. Both the budgeting and planning processes, and the administration must be structured and managed in order that the basic needs of the community are prioritised and to promote its social and economic development. Municipalities must also participate in national and provincial programmes like the Expanded Public Works Programme (EPWP) and programmes for the prevention of HIV/AIDS, as well as the eradication of the bucket sewage disposal system.

This development mandate is further endorsed in terms of the White Paper on Local Government of 1998. Thereby local government should strive to empower citizens and community organizations in the local sphere to attain sustainable and development-oriented socio-economic change. Since local government is the sphere that interacts closest with communities, it must work closely with citizens, groups and communities to create sustainable human settlements that provide for a decent quality of life and meet the social, economic and material needs of the community holistically. The White Paper on Local Government, 1998, appropriately defines developmental local government as *"...local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs in order to improve the quality of their lives"*.

In Van der Walt (2014:53) the concept of local democracy is defined as *"...the participation and involvement of the local community in the affairs of the local government or municipality."* The local sphere is an arena where citizens and civil organisations, such as non-governmental or community-based organisations, such as non-governmental or community-based organisations or ratepayers' associations, can participate in decision-making with regard to the environments in which they live, and exercise and further enhance their democratic rights.



Local democracy consists of three elements, namely:

- ⇒ representative governance;
- ⇒ accountability; and
- ⇒ participation

Van der Walt  
(2014:54)



Representative governance	Accountability	Participatory governance
councilors are elected by the residents of a municipality to be their representatives and to lead their municipality.	requires a municipality to provide explanations to the community for policies and decisions or the lack thereof.	governance refers to an ongoing process of debate, dialogue and communication between the local government authority and the community.

The promotion of local democracy should be a main priority for municipalities, because the local community also encompasses the local electorate, and meaningful participation by, and interaction with, the local community by their elected local representatives will enhance awareness and understanding of community needs. This will also facilitate responsiveness in service delivery and in turn generate interest and participation in local elections. According to Section 152(1)(e) of the South African Constitution, one of the aims of local government is to promote the involvement of the community and community organisations in local government affairs.

### Integrated Development Planning and the principle of Sustainable Development

Municipalities in South Africa, as a developing nation are faced with numerous multi-faceted challenges due to a rapidly changing world in which new opportunities as well as threats arise quickly and unexpectedly. Some of the challenges facing South African local government are poverty, geographic segregation, rising unemployment, service delivery backlogs, persistent non-payment for services, lack of funds and pressure from business, to mention a few. It has become imperative for local government to position itself to face those challenges and take full advantage of the opportunities that arise (Venter, 2014:101).

An added dimension is the rapidly changing nature of local governance itself. Local governance is changing from the role of providing traditional services to addressing past inequalities, promoting sustainable development and deepening democracy through public participation - thus it must be developmental. As a result, it has to change the way it has always done things (Gamedze, 2001:5). In essence, this means that municipalities must achieve good governance as a necessary requirement for mitigating poverty and fostering sustainable development.

In a developmental context, it is legally required from South African municipalities to adopt a strategic, creative and integrated approach to local governance in order to address development challenges and to promote sustainable development. This involves actively seeking partnerships with all role players that contribute to the development of an area, which includes its spatial dimensions. Development partnerships with other government institutions, the private sector and local communities are important for the enabling of municipalities to fulfil their core responsibilities in a way that has a lasting and profoundly positive impact on the quality of life of the people they serve (Coetzee, 2000:12).

Integrated development planning lies at the centre of this new system of developmental local government, and represents the driving force for making municipalities more strategic, inclusive, responsive and performance driven (Patel, 2001:2).

Integrated development planning is about people, balance and equity, and recognises that the most important task of any development effort is to create meaningful opportunities for people to empower. The “triple bottom line” in this context, which is economic vitality, social equity and environmental sustainability. Meaningful development processes recognises the contradictions amongst these systems, which result in imbalance and socio-economic and environmental crises. Integrated development planning seeks to resolve this by finding appropriate trade-offs through democratic engagement (Pieterse, 2001:4).

It is pivotal to this discussion that the concepts of “sustainable development”, “sustainability”, “strategic management” and “integrated development planning” are defined. In the development literature, many definitions of sustainable development can be found. The most published definition of this concept is that of the World Commission on Environment and Development. This commission defines **sustainable development** as development that meets the needs of the present without compromising the ability of future generations to meet their own needs (World Commission on Environment and Development {WCED}, 1987:8). This definition introduces two concepts:

- ✚ the concept of needs, in particular the basic needs of the world’s poor, to which over-riding priority should be given; and
- ✚ the idea of limitations imposed by the state on technology and social organisation, and on the ability of the environment to meet present and future needs.

The International Council for Local Environmental Initiatives (1995:12) has developed a definition of sustainable development for use by municipalities that emphasises their developmental role: *“Development that delivers basic environmental, economic and social services to all without threatening the viability of the natural, built, and social systems upon which these services depend”*. South Africa has formalised its definition of sustainable development by including it in law. The National Environmental Management Act (NEMA), Act No. 107 of 1998 defines sustainable development as the integration of social-, economic- and environmental factors into planning, implementation and decision making so as to ensure that development serves present and future generations.

### Traditional Leadership

Traditional societies accept kings, monarchs and tribal chiefs as legitimate leaders for historical, cultural and traditional reasons and norms, which bind their communities together as entities. It is on these grounds that many communities, globally have allowed the continued existence of these institutions even in the modern era. Modernity and tradition are not antagonistic and they co-exist, penetrate and intermingle with each other within individuals’ activities and environments in society. A major difficulty lies in defining the roles of tribal authorities in the democratic dispensation, in which most government structures consist of elected officials. The foundation of the South African democracy is the inclusivity of all the role players and all the citizens in the democratic structures of governance. It is important to highlight that both the Freedom Charter (1955) and the Constitution Act 108 of 1996 outlawed discrimination in participation in the democratic structures based on race, colour, traditions, culture, language, religion, beliefs, or sexual orientation. This means that both traditional and modern governance structures should co-exist. Constitutionally, as per Act 108 of 1996, the institution of tribal authorities are recognised. However, the Constitution is silent on their roles and functions in spite of the fact that this institution holds approximately seventeen million hectares of land (Amtaika, 2012: 217).

The debate about the relevance of traditional leadership and governance has displayed the glaring absence of factual information so sorely needed to inform public policy with regard to the role of this institution. This is pertinent to the debate on traditional leadership, which essentially revolves around the question as to whether traditional governance is compatible with the ethos of liberal democracy which underpins the country's Constitution. The detractors of traditional leadership have suggested that *participation* under traditional governance is limited to a few, especially older males, in the polity (Amoateng, 2005: 8).

According to the Traditional Leadership and Governance Framework Act, 2003 (Act 41 of 2003), the place and role of the institution of traditional leadership should be taken into account and the preservation of traditions, customs, cultures and values of people promoted as it also represents the early forms of governance and societal organization. A process is currently underway to formally recognize and remunerate the Northern Cape's Khoisan communities. This process will come to fruition once the Traditional and Khoisan Leadership Bill is signed by President Ramaphosa. The Bill was passed by the National Council of Provinces (NCOP) in January 2019. As a Province we view the signing of this Bill as a tribute to the memory of Dawid Kruiper, a traditional healer and leader of the

Georg Wilhelm Friedrich Hegel (1770-1831), in his book *Philosophy of Right*, advances an organic theory of the state that portrayed it as the highest expression of human freedom. He identifies three 'moments' of social existence, namely: **i) family; ii) civil society; and iii) the state**. Hegel's contributions to the dialectical relationship between traditional and state governance highlights that there is a need for every individual to belong to a particular state, become its citizen, and to be included in its structures of decision-making. He also highlights the values attached to the idea of family. The aim of family, Hegel contests, is the achievement of common interests. Hegel, the German Philosopher, is also renowned for the great influence his ideas had on Marx's theory of historical materialism. The family is at the heart of the African society/ communities (Amtaika, 2012:17).

### Strategic Intervention

- ❑ Traditional Leadership to participate in IDP's and SDFs community consultation processes including the development of land use schemes.

*The opportunity exists for traditional leaders and government to work together to create and implement development programmes. Traditional leaders can provide government with information related to the prioritization of developmental needs and the coordination of delivery plans. This offer an opportunity for government to utilise their experiences in executing development projects in rural areas.*

## Financial Governance

### Key Challenges

**Table 24: Municipal Budget Performance and Key Challenges**

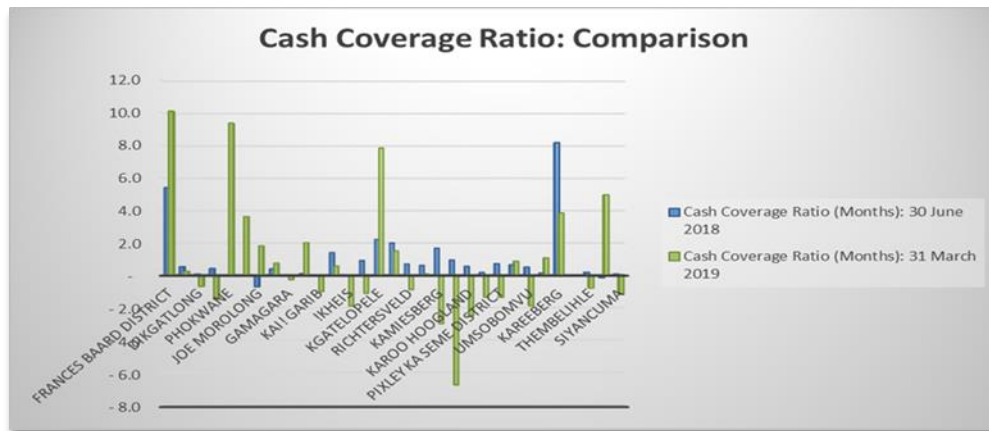
<div>budget implementation</div>	<div><div>⇒ Unrealistic budgeted revenue collection levels are not realised while operating costs remain higher with no effort made to contain expenditure</div><div>⇒ The local government equitable share is mainly used to fund operational costs rather than utilised for the purpose of service delivery targeting the poorest of the poor</div><div>⇒ Payment arrangements are not provided for in the municipal budget, consequently, it may be argued that signed payment arrangements are merely a case of malicious compliance</div></div>																																																																																																			
<div>Operating Revenue</div>	<div><div>⇒ huge increase in outstanding debtors (<i>the assumption would be that minimal fiscal effort has been applied by municipalities to generate revenue</i>)</div><div>⇒ Municipalities still reliant on grants from central governments.</div></div>																																																																																																			
<div><div>Accounts Receivable (Debtors)</div><div>In terms of section 35(6) of the MFMA, National and Provincial Departments and Entities must promptly meet their financial commitments towards municipalities</div></div>	<div><div>⇒ The significant amount of debt owed by government to municipalities is a clear indication that these financial commitments are not being met on time. This is an indication that municipalities in the province are still faced with the challenge of effectively implementing debt collection and credit control policy.</div><div>⇒ Total debt owed to municipalities in province amounts to R3.8 billion, of the total outstanding debtors R3.4 billion or 90% is owed for more than 90 days. Most of these debtors are not realistically collectable.</div><div>⇒</div><div><div>Debtor Age Analysis as at 31 March 2019 (R'000)</div><table><tr><th></th><th colspan="2">0 - 30 Days</th><th colspan="2">31 - 60 Days</th><th colspan="2">61- 90 Days</th><th colspan="2">Over 90 Days</th><th colspan="2">Total</th></tr><tr><th>Municipality</th><th>Total</th><th>%</th><th>Total</th><th>%</th><th>Total</th><th>%</th><th>Total</th><th>%</th><th>Total</th><th>%</th></tr><tr><td>Sol Plaatje</td><td>120 610</td><td>5%</td><td>64 086</td><td>3%</td><td>57 629</td><td>3%</td><td>2 022 922</td><td>89%</td><td>2 265 247</td><td>59%</td></tr><tr><td>Namakwa</td><td>21 666</td><td>5%</td><td>10 879</td><td>3%</td><td>6 541</td><td>2%</td><td>374 098</td><td>91%</td><td>413 184</td><td>11%</td></tr><tr><td>Pixley ka Seme</td><td>14 818</td><td>3%</td><td>27 735</td><td>5%</td><td>18 979</td><td>3%</td><td>495 706</td><td>89%</td><td>557 238</td><td>15%</td></tr><tr><td>ZF Mgcawu</td><td>46 836</td><td>17%</td><td>10 384</td><td>4%</td><td>8 408</td><td>3%</td><td>205 789</td><td>76%</td><td>271 417</td><td>7%</td></tr><tr><td>John Taolo Gaetsewe</td><td>-59 557</td><td>-19%</td><td>27 854</td><td>9%</td><td>17 033</td><td>5%</td><td>334 375</td><td>105%</td><td>319 705</td><td>8%</td></tr><tr><td>Frances Baard</td><td>260</td><td>17%</td><td>355</td><td>23%</td><td>6</td><td>0%</td><td>899</td><td>59%</td><td>1 520</td><td>0%</td></tr><tr><td>Total</td><td>144 633</td><td>4%</td><td>141 293</td><td>4%</td><td>108 596</td><td>3%</td><td>3 433 789</td><td>90%</td><td>3 828 311</td><td>100%</td></tr></table></div></div>		0 - 30 Days		31 - 60 Days		61- 90 Days		Over 90 Days		Total		Municipality	Total	%	Total	%	Total	%	Total	%	Total	%	Sol Plaatje	120 610	5%	64 086	3%	57 629	3%	2 022 922	89%	2 265 247	59%	Namakwa	21 666	5%	10 879	3%	6 541	2%	374 098	91%	413 184	11%	Pixley ka Seme	14 818	3%	27 735	5%	18 979	3%	495 706	89%	557 238	15%	ZF Mgcawu	46 836	17%	10 384	4%	8 408	3%	205 789	76%	271 417	7%	John Taolo Gaetsewe	-59 557	-19%	27 854	9%	17 033	5%	334 375	105%	319 705	8%	Frances Baard	260	17%	355	23%	6	0%	899	59%	1 520	0%	Total	144 633	4%	141 293	4%	108 596	3%	3 433 789	90%	3 828 311	100%
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## Cash flow

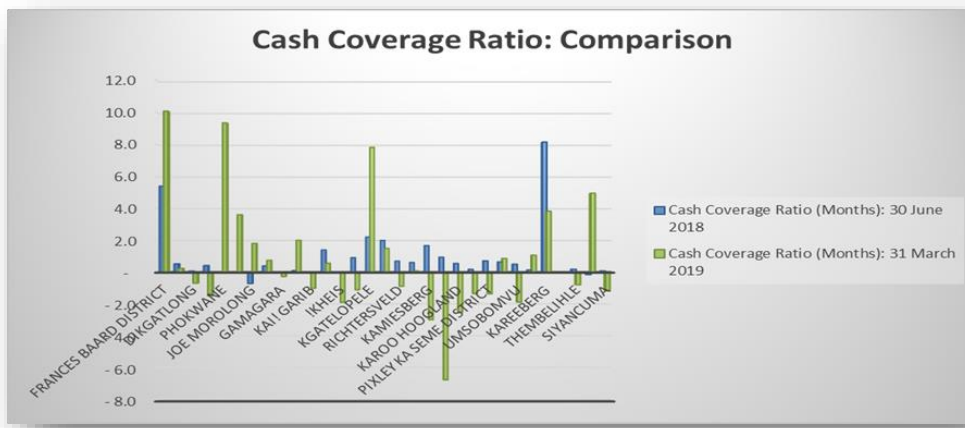
- ⇒ All municipalities falling below the line has negative cash coverages ratios and implies that these municipalities will be unable to meet its financial obligations in the event that the municipality becomes unable to collect revenue.

*It should be noted that as per the above figure there is only four municipalities in the province that can be classified as financial viable, referring to the ability of municipalities to sustain themselves in the event that no income is received within a consecutive three-month period.*

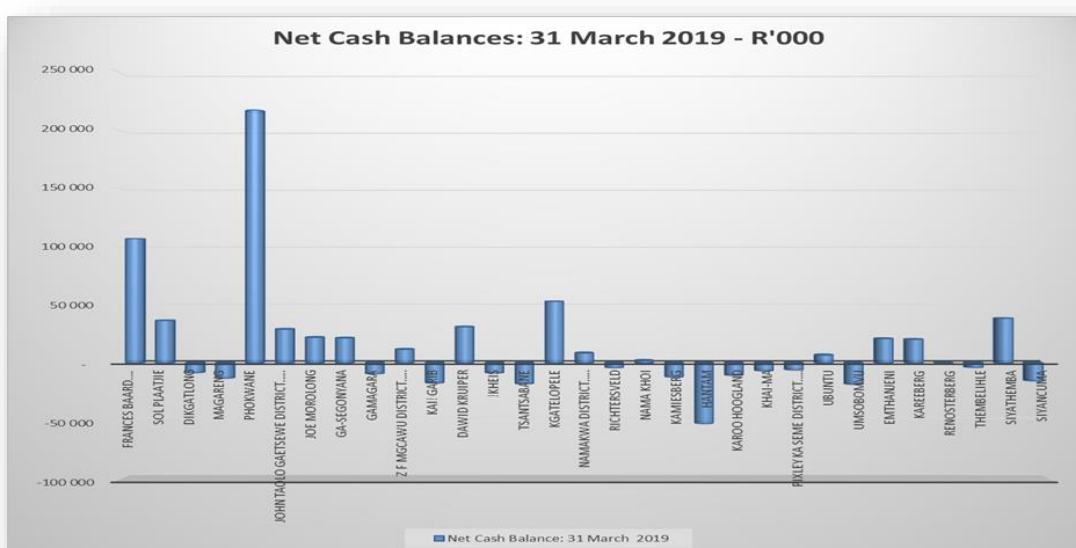


## Cash Coverage Ratio: Comparison

- ⇒ Only four municipalities in the province that can be classified as financial viable, referring to the ability of municipalities to sustain themselves in the event that no income is received within a consecutive three-month period.



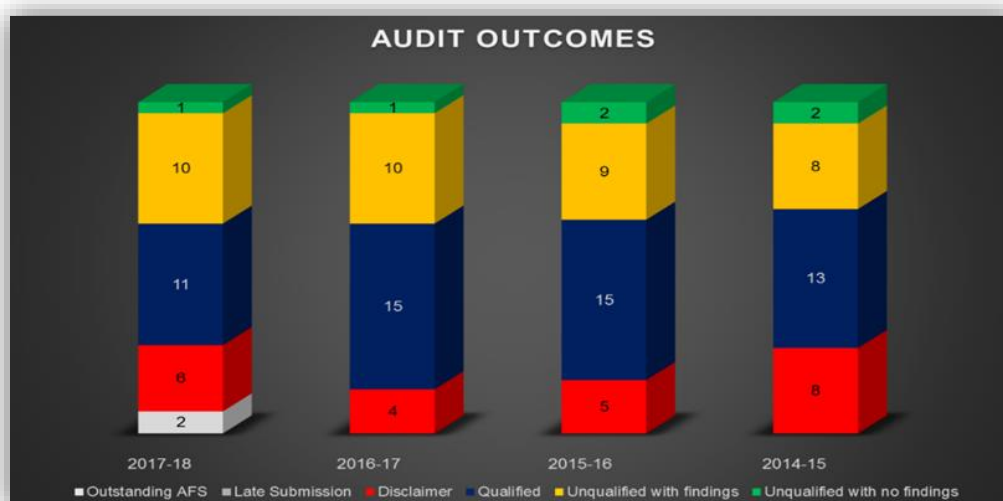
- ⇒ Poor credit control and debt collection policy enforcement.
- ⇒ Capacity building: some municipality's revenue section is under staffed.
- ⇒ Poor revenue management or non- collections; relates to ineffective meter reading, billing and billing systems, and improper indigent register,
- ⇒ Political intervention- politician put pressure on administration to relax on credit control policies especially with regard on service disconnection,
- ⇒ Low revenue collection rate on municipal property rates and services, caused by ineffective valuation roles and non-compliance with the Municipal Property Rates Act, No.6 of 2004.
- ⇒ Incorrect figures populated to Section 71 reports (MFMA requirement).
- ⇒ Inability to rely on information leads to inaccurate decision making.
- ⇒ Faulty meters-meter readers unable to retrieve credible and correct meter readings
- ⇒ Poor and inefficient accounting system adopted by municipalities resulting in inaccurate financial reports and incorrect statements
- ⇒ Illegal connections and tampering with meter connections, leads to increased distribution losses.
- ⇒ Municipalities are over optimistic on their revenue collection projections.



## Audit Outcomes

The following are the key challenges that are influencing audit outcomes:

- ⇒ Municipalities did not address all of their findings raised by the auditors in the prior year in order for their current financial statements to be financially unqualified;
- ⇒ The material misstatements in the municipalities' annual financial statements owing to a lack of reviewing by management;
- ⇒ Poor quality of financial statements that is attributable to the lack of technical expertise/capacity resulting in a high degree of dependence on consultants by municipalities;
- ⇒ Continuous non-compliance with regulatory requirements is a serious challenge for most municipalities especially with procurement prescripts resulting in high incurrence of irregular expenditure. In the 2017/18 general report where the auditors reported 92% of irregularities relating to the uncompetitive procurement processes and 69 % as a result of poor contract management;
- ⇒ Most municipalities do not have audit committees or proper internal audit structures; even those few municipalities that have these committees struggle with making them fully functional;
- ⇒ Lack of oversight from those charged with governance responsibilities;
- ⇒ Most municipalities do not have proper record keeping of documents and total collapse of internal control systems;
- ⇒ Lack of proper IT governance is responsible for loss of data and the back-up thereof, whenever there is an upgrade or change in the IT system – At least 6 different IT systems are used by Municipalities in the province excluding a number of sub-systems;
- ⇒ Weak IT systems control is also a main concern in municipalities as financial and other important information is recorded in the IT system of the municipality, so unauthorised access or any other related IT weakness can have disastrous effects on the municipalities;
- ⇒ Non-compliance and Limited/Slow progress with the implementation of new financial reforms. i.e. The Municipal Standard Chart of Accounts (MSCOA)
- ⇒ Non-submission of information on time, such as monthly reports and annual financial



## Institutional Challenges

In most municipalities, the governance structures are dysfunctional hence lack of consequences for poor performance and there is also minimal oversight by those charged with governance responsibilities (e.g. MPAC, Audit committees). This results in poor accountability that is exacerbated by the:

- ⇒ Low Councilors' literacy levels resulting in municipal officials having more power/authority over the politicians and to some extent easily manipulating the council.
- ⇒ Inability to manage, supervise and take ownership of processes affecting the municipality such as contract management, record keeping and financial disciplines.
- ⇒ The reliability of the data currently on the financial system is also questionable as information provided to oversight structures lack credibility and in most instances cannot be verified.

<b>Capacity Constraints</b>	<ul style="list-style-type: none"> <li>⇒ Skills and competencies of appointed officials and contributing factor towards poor performance as only 13 out of 25 Municipal Managers and 11 of the 23 CFO's meet the prescribed minimum competency.</li> <li>⇒ The instability in the senior management negatively affects implementation of support programmes. Of the 31 municipalities 8 have acting Municipal Managers appointed while in one municipality there is no one acting in the position of the MM. In eleven municipalities, the post of the CFO is occupied by an acting official while 4 CFO positions have no one acting. In addition, 15 municipalities have IT manager positions that are vacant.</li> <li>⇒ Interns are exploited as they are appointed to fulfil the responsibilities of full time employees of the municipality. They are deprived the opportunity to learn but rather to act in the vacant positions at municipalities.</li> <li>⇒ Non-availability of Senior Management at times is a major obstacle in the implementation of Provincial Treasury support program.</li> <li>⇒ Appointment and filling of critical positions</li> <li>⇒ Municipalities are highly dependent on consultants and do not own processes and fail to monitor the performance of the appointed consultants.</li> <li>⇒ Municipalities do not implement recommendations made by the governance structures, treasury and the auditor general.</li> <li>⇒ In most instances there is malicious compliance and this defeats the purpose of good governance.</li> </ul>
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## Key Recommendations

**Table 25: Key Recommendations – Municipal Financial Management and governance**

<b>Revenue, debt, and cash-flow management,</b>	<ul style="list-style-type: none"> <li>⇒ Develop and implement credible credit control and debt collection policies to improve revenue collection and outstanding debt.</li> <li>⇒ An effective query handling system</li> <li>⇒ Data Cleansing project</li> <li>⇒ Development of municipal specific revenue enhancement initiatives</li> </ul>
<b>Improvement of audit outcomes and financial governance</b>	<ul style="list-style-type: none"> <li>⇒ Key vacant positions in municipalities must be filled</li> <li>⇒ Improve accountability within the local government sphere by strengthening the oversight structures for effectiveness.</li> <li>⇒ Consequence management to be implemented.</li> <li>⇒ affordable payment agreement with their creditors</li> </ul>

## Spatial Planning & governance

The Spatial Planning and Land Use Management Act, Act No. 16 of 2013 (SPLUMA) makes provision for new roles and responsibilities of the three spheres of government in terms of government intervention as far as space and place are concerned.

The enactment of SPLUMA has had numerous other legal implications, necessitating structural changes in the municipal sphere in terms of organisational and procedural changes in order to comply with SPLUMA.

A Spatial Development Framework ("SDF") is a framework that seeks to guide overall spatial distribution of current and desirable land uses within a municipality in order to give effect to the vision, goals and objectives of the municipal Integrated Development Plan (IDP). The aims of an SDF are to promote sustainable functional and integrated human settlements, maximise resource efficiency, and enhance regional identity and unique character of a place.

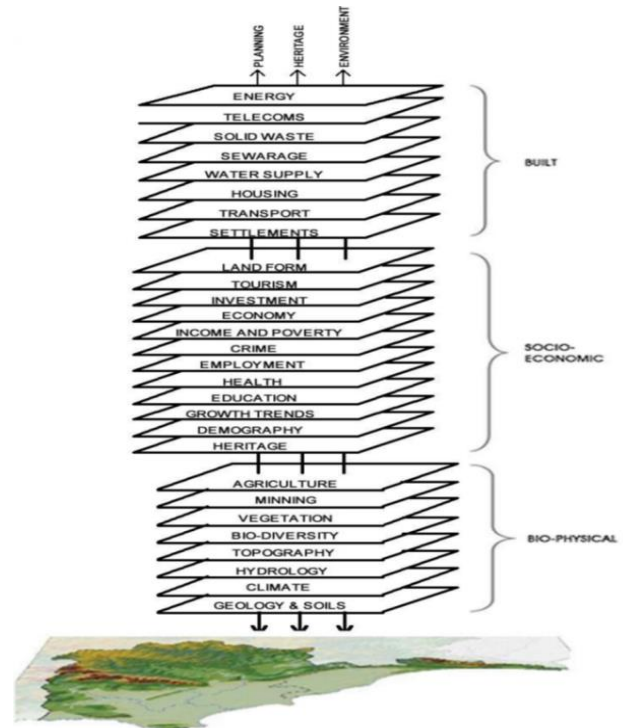
The response to the quest of reversing the spatial effects of apartheid and infusing a new spatial perspective, was the SPLUMA, which was gazetted on the 5th of August 2013.



- ❑ This Act does as a consequence ultimately paves the way for municipalities to become the primary regulators of land use.
- ❑ The implementation of this Act will assist the transformation agenda and quite progressively engineer South Africa's spatial planning and land use management systems in a way that promotes socio-economic inclusion.
- ❑ Furthermore it would provide for the sustainable and efficient use of land and redress spatial inequalities.

This Act provides a framework for all spatial planning and land use management legislation in South Africa. It seeks to promote consistency and uniformity in procedures and decision-making in spatial planning across the country.

SPLUMA embodies the constitutional imperatives relating to the protection of the environment and property rights, the right of access to housing and the rights to sufficient food and water. The preamble to SPLUMA specifically refers to sustainable development, which requires the integration of social, economic and environmental considerations in forward planning and ongoing land use management. The intent of the legislature is that municipalities must participate in national and provincial development programmes.



The SPLUMA specifically outlines the roles and responsibilities of the Premier. These roles and responsibilities will have an enormous impact on the functioning of the Office of the Premier.

The core purposes of the SPLUMA can be described as follows:

- ❑ A Framework for the development of Spatial Planning Systems for the country.
- ❑ It allows for the Province to make its own provincial legislation for Spatial Planning and Land Use Management.
- ❑ No legislation (new or repealed) may prescribe an alternative or parallel mechanism, measure, institution or system on spatial planning, land use management and land development in a manner inconsistent with this Act.

The SPLUMA framework makes provision for the following:

- ❑ spatial planning and land use management.
- ❑ specifying the relationship between:
  - ❑ the spatial planning and the land use management system; and
  - ❑ other kinds of planning.
- ❑ The inclusive, developmental, equitable and efficient spatial planning at the different spheres of government.
- ❑ A framework for the monitoring, coordination and review of the spatial planning and land use management system; to provide a framework for policies, principles, norms and standards for spatial development planning and land use management; to address past spatial and regulatory imbalances.
- ❑ Promotion of greater consistency and uniformity in the application procedures and decision-making by authorities responsible for land use decisions and development applications.
- ❑ The establishment, functions & operations of Municipal Planning Tribunals.
- ❑ The facilitation and enforcement of land use and development measures.

According to the SPLUMA, the Office of the Premier must ensure that all provincial departments apply the development principles as explained in the Act and monitor the implementation thereof. The following development principles apply to spatial planning, land development and land use management:

- ❑ spatial justice;
- ❑ spatial sustainability;
- ❑ efficiency;
- ❑ spatial resilience; and
- ❑ good governance.

Chapter 2 of SPLUMA deals with the following matters:

- ❑ Provincial Government: Support and Monitoring (Section 10).
- ❑ Responsibility given to the Premier in the Act.
- ❑ The Premier may identify matters of Provincial Interest.
- ❑ Provincial Government must develop mechanisms to support; monitor and strengthen capacities of municipalities in terms of this Act (Section 10[5]).

Chapter 3 of SPLUMA outlines the Provincial Support and Monitoring function which includes the following:

- ❑ Development of Provincial legislation which is consistent with this Act.
- ❑ It gives the Premier the responsibility to identify matters of provincial interest in respect of provincial legislation, policies, frameworks, norms and standards consistent with the Act must apply that can contribute towards and enhancing spatially application of land use planning and to put measures in place to support, monitor and strengthen the capacities of municipalities and departments.

Chapter 4 of SPLUMA deals with the following matters:

- ❑ The Premier MUST compile and publish a Provincial Spatial Development Framework (PSDF) (Section 15).
- ❑ A spatial development framework seeks to guide overall spatial distribution of current and desirable land uses within a sphere/municipality in order to give effect to the development vision, goals and objectives.
- ❑ The Executive Council MAY amend the PSDF when necessary. Currently, this is probably be necessary.
- ❑ The PSDF and any amendment thereof MUST be approved by the Executive Council (EXCO).
- ❑ All provincial development plans, projects and programmes MUST be consistent with the PSDF (Section 17 [2]).

Therefore Chapter 4 enables the Premier to publish a Provincial Spatial Development Framework (PSDF) that guide spatial distribution of current and desirable land uses within a sphere in order to give effect to the development vision, goals and objectives. Ultimately, the Office of the Premier must also ensure alignment of all provincial Strategic Plans (SPs), Annual Performance Plans (APPs) and Sector Plans (e.g. for mining) to the PSDF and monitor the implementation thereof.

In terms of Municipal Spatial Development Frameworks (SDFs) the SPLUMA indicates the following:

- ❑ A municipality MAY only deviate from the provisions of a municipal SDF if site specific circumstances justify such deviation.
- ❑ Any deviation(s) from the SDF should serve before the municipal planning tribunal and the tribunal must then make a decision
- ❑ The Premier MUST take steps, including technical assistance where there are inconsistencies between a municipal SDF and the Provincial SDF, to support the revision of these SDFs, in order to ensure consistency.
- ❑ All sector departments MUST provide written inputs into the SDFs.

As far as Regional Spatial Development Frameworks (RSDFs) are concerned, the SPLUMA stipulates the following:

- The Minister of Rural Development and Land Reform, after consultation with the Premier and the Municipal Councils responsible for the geographic area, MAY publish an RSDF.
- The above mentioned Minister, in consultation with the above mentioned parties CAN DECLARE any geographic area in the country a region for the purposes of the SPLUMA.

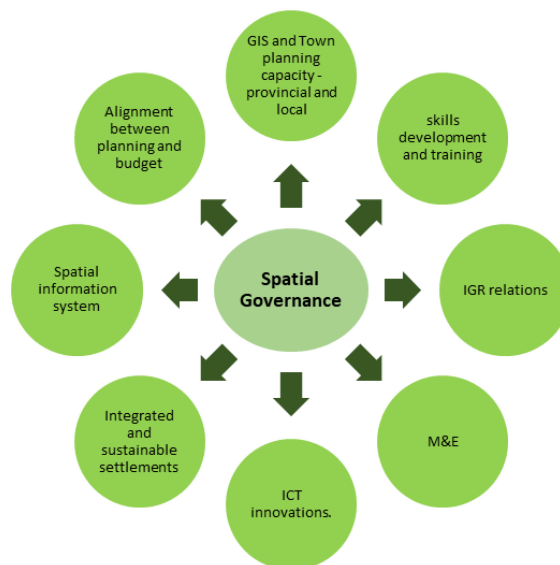
The provincial implementation of SPLUMA and the readiness of municipalities is a key priority that needs to be dealt with. However, the Northern Cape Province also need to be prepared in delivery of the roles and responsibilities as outlined in the Act.

## Spatial Governance

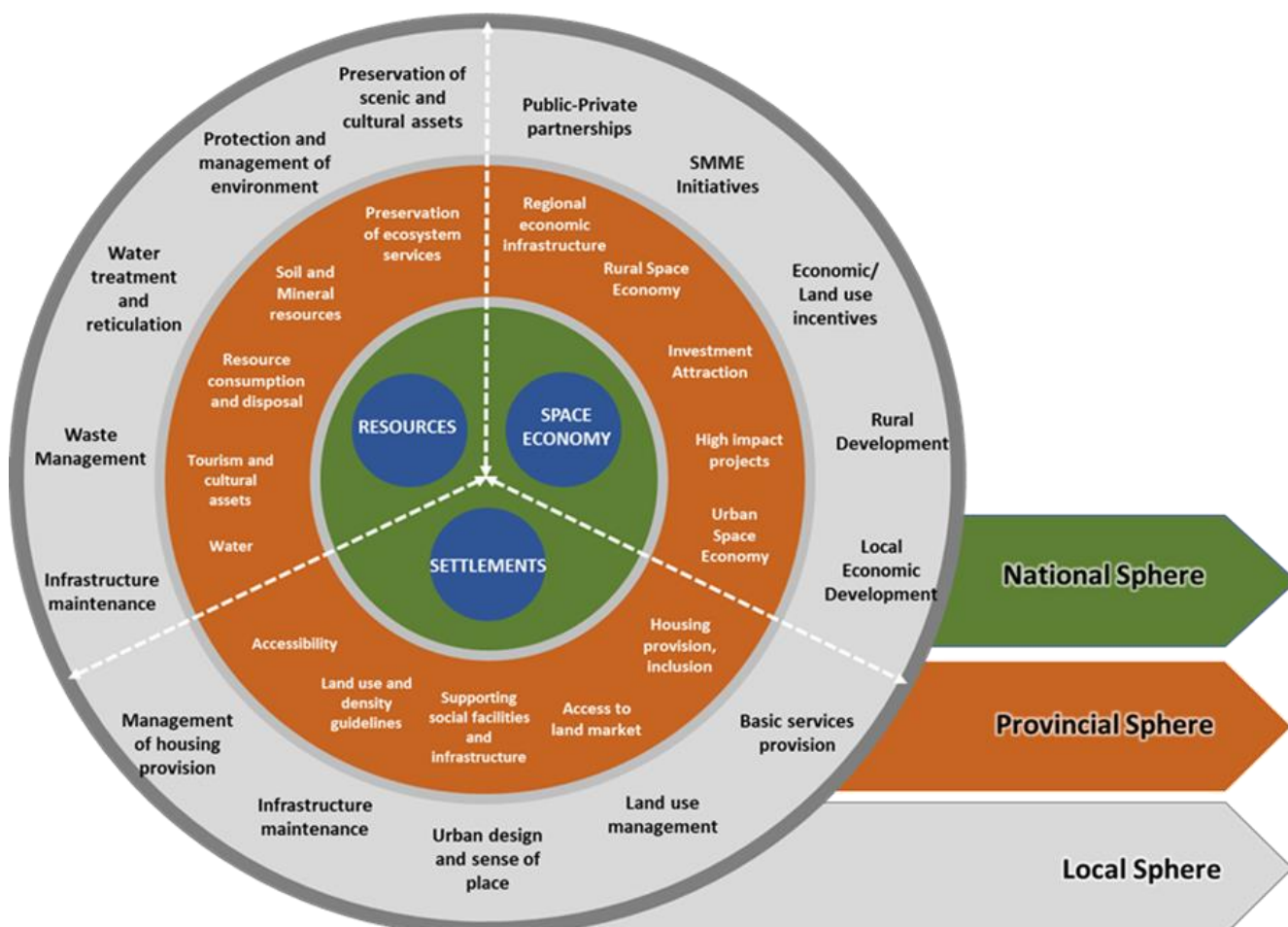
Spatial Governance includes policy and practice-oriented research, centred on land use planning, social-ecological resilience, public policy, and community engagement (Geddes Institute for Urban Research, 2016). Research is concerned with developing appropriate planning theory and practice in the formulation and realisation of policy outcomes in the context of changing state-market-civil relations at international, national, and local scales. In order to effectively govern investment and development within the Northern Cape it is crucial to establish an effective spatial governance system.

The current governance model, requires strengthening and

**Figure 70: Spatial Governance**



**Figure 71: Spatial Governance and Spheres**



stronger collaboration between the spheres of government. The figure indicates the ideal application of the spatial governance system.

The key challenges faced with regards to spatial governance and the alignment of spatial strategies can be summarised as follow (SA Cities Network, 2016):

- ⇒ A plethora of plans with spatial development implications exist across spheres and functional sectors, creating a complex environment in terms of alignment.
- ⇒ Varying quality of policy documents and plans, as some plans were well-written and had good quality maps, while other policies were of poor quality.
- ⇒ Along with the varying quality, the documents were drafted at different times, where some strategies are completely out of touch with the current realities faced within the province and may contradict the latest approved policies and strategies.
- ⇒ Due to various visions, objectives and allocated timeframes for implementation the plans or policies do not mutually support one another.

## Integrated development planning

As part of improving coordination and alignment, integrated development planning in the province is needed and the Northern Cape PGDP and PSDF must be implemented through a single window of coordination towards spatial development and spatial management. For this to happen, all municipalities must support the Northern Cape PSDF provisions in their respective IDP's, SDF's and development strategies, they must ensure coherence of spatial development policy across the province, implement and their growth management policy and communicate the spatial focus of SDBIP's effectively. Provincial sphere must ensure that consideration is given to the spatial implications of long-term plans, ensure alignment between annual plans, budgets and the provincial spatial logic, contribute and support development for new strategies and policies with spatial implications for the Province, and monitor municipal compliance in terms of SPLUMA.

On the other hand, the PSDF provisions must also guide national government's spatial development interventions within the province. Provincial government must work together with national government on the implementation of the National Spatial Development framework, the National Development Plan and the Integrated Urban Development Framework within the Province. Integrated development planning attempts, in principle, are to involve all those who are affected by it. Thus, integrated planning is in essence based on the principle of inclusivity. With regards to spatial governance, integrated development attempts to consolidate and include all stakeholders and affected parties into the planning process, in order to approach development holistically. Integrated planning requires the synchronisation of various policy, legislative and strategic processes of all government spheres, as indicated by **Table below** and figures below.

**Table 26: Integrated development planning responsibilities**

	WHO	WHAT	HOW
Plan	Province	<ul style="list-style-type: none"> <li>PGDP</li> <li>PSDF</li> <li>RSDF</li> <li>Inter-provincial spatial plans</li> </ul>	<ul style="list-style-type: none"> <li>Constitution</li> <li>Transversal spatial plans compiled in terms of SPLUMA</li> <li>Qualified and Registered planners</li> </ul>
Regulate	Province Municipalities	<ul style="list-style-type: none"> <li>Provincial spatial planning system</li> <li>Provincial land use management system</li> <li>Use of provincial spatial assets</li> <li>Risk mitigation &amp; adaption</li> <li>Municipal Planning</li> </ul>	<ul style="list-style-type: none"> <li>NC SPLUMA</li> <li>IUDF</li> <li>Bylaws and Regulation</li> <li>Provincial policies</li> <li>Integrated Development Planning (IDP)</li> <li>Qualified and Registered planners</li> </ul>
Support	Municipalities	<ul style="list-style-type: none"> <li>Urban development</li> <li>Rural development</li> <li>Municipal planning</li> </ul>	<ul style="list-style-type: none"> <li>Rural development support programme</li> <li>Other municipal support</li> </ul>

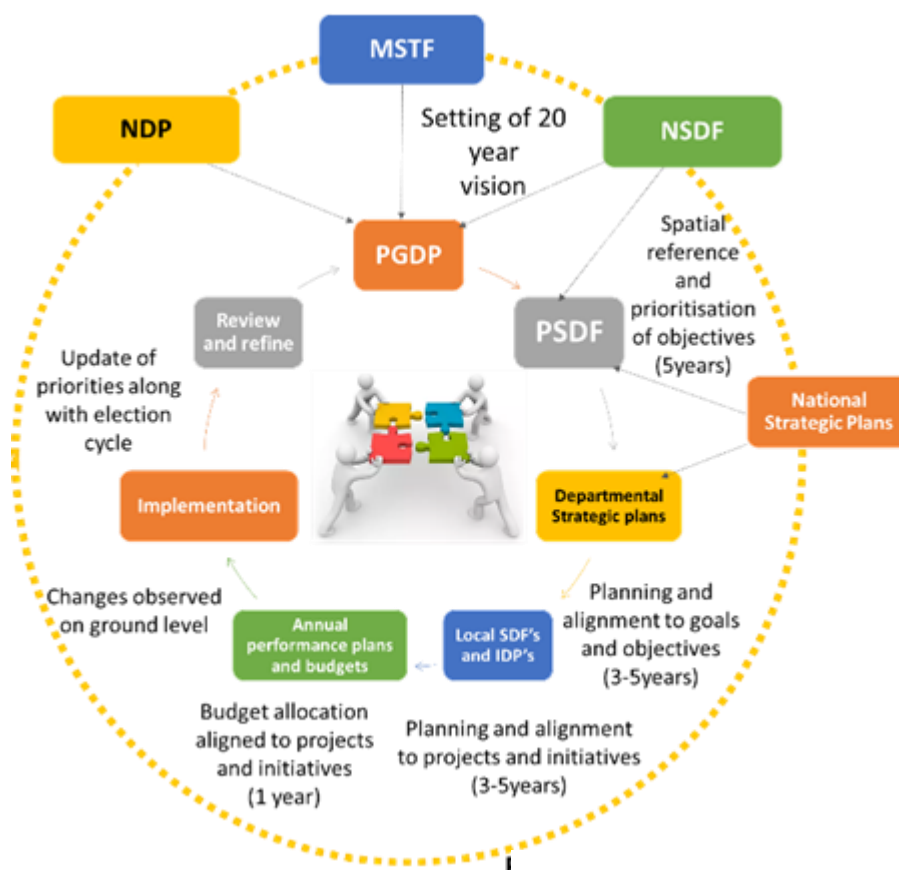


	WHO	WHAT	HOW
<b>Monitor</b>	Provincial Departments Municipalities	<ul style="list-style-type: none"> <li>Transversal spatial systems</li> <li>Spatial information</li> <li>Spatial transitions</li> <li>Urban</li> <li>Rural</li> <li>Resource use/substitution/replacement</li> <li>Spatial alignment</li> <li>Adherence to national norms &amp; standards</li> </ul>	<ul style="list-style-type: none"> <li>Indicator based provincial performance management systems</li> <li>Guidelines for municipal performance management system</li> <li>Qualified and Registered planners</li> </ul>
<b>Align/coordinate</b>	Provincial Departments Municipalities	<ul style="list-style-type: none"> <li>National policies and programmes</li> <li>Departmental spatial plans &amp; capital investments</li> <li>Municipal spatial plans &amp; capital investments</li> <li>Inter provincial spatial initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Provincial spatial and fiscal framework</li> <li>All Sector Plans need to be aligned to Municipal SDF's (Local Municipalities are authority of first instance – SPLUMA)</li> </ul>

As Provincial Government does not have jurisdiction over all dimensions of spatial development (e.g. water affairs and rural development are national competencies), the PSDF serves as a tool to build a common spatial agenda between the different spheres of government as well as state owned enterprises (SOE's). The objective is to facilitate transversal spatial planning, prioritisation, budgeting and integrated delivery between a range of institutions.

### Integrated development platforms

IDP Indabas, IDP assessments and MINMAY Techs create the platform to introduce a spatial logic into IDP's, thereby improving the financial viability of municipalities through the adoption of sound planning processes. To this end Municipal SDF's, Human Settlement/Housing Plans and Infrastructure Master Plans need to be consolidated into one spatial plan for the municipal area. Government departments and SOE's should be requested to contextualise their capital programmes in terms of the municipality's spatial agenda. IDP Assessments should be used to monitor the extent of alignment and consistency with the PSDF, DSDF and MSDF.



## Spatial Intelligence

The spatial data base compiled as part of the PSDF should be maintained, implemented and monitored on a GIS web-based tool (such as SPISYS and the NSPDR), and the data should be updated on a regular basis (to be facilitated by the Office of the Premier, Northern Cape Province). The PSDF proposes that the SPISYS or a similar system to be expanded, to become an integrated and regularly updated spatial information system which will track growth (and the type of growth) regularly. This information base will guide and inform sectoral project planning and responses. It will also contain a mechanism to more accurately project growth of each town in terms of physical quantities as these are essential for infrastructure and facilities planning. This system will therefore inform both sector planning at provincial level but also at local municipal level. The system will be used in conjunction with provincial standards/parameters for facilities as developed and updated by Office of the Premier.

By its very nature a transversal spatial governance system is dependent on the availability of spatial information to inform decision making. The more accessible, accurate and up to date the spatial data informing the system is, the more responsive and relevant the system becomes. In order to meet the system's requirements, it is necessary to structure spatial data on technical and organisational levels. In this regard the complete centralisation of the data management function on an organisation level is impractical.

In contrast the principles of data custodianship by an authoritative source could provide a workable alternative. This involves a centralised or "Coordinating Custodian"<sup>1</sup> which provides the meta-framework within which various data custodians manage their data. Amongst others, the focus of the Coordinating Custodian would be to support and strengthen the ability of the various data custodians to manage the data for which they are responsible. Within the framework of a transversal spatial governance system the Coordinating Custodian will focus on the overall integration and analysis of the datasets generated by the respective custodians in order to satisfy the decision-making requirements of the system. The focus of the Coordinating Custodian is therefore not just the management and structuring of data for data's sake, but rather to generate information from the data (generated by the Data Custodians) which need to feed into the system. In this regard the information input requirements of the system (i.e. to make decisions) should be the departure point - what are the key questions which the system needs answered and what data / information is required to answer these questions?

## Achieving Vision 2040

*Vision 2040*

- ⇒ Innovative ICT to drive organisational transformation and improve service delivery
- ⇒ Digital transformation to drive collaboration and transformation in local government
- ⇒ Integrated and spatial coherent development planning across sectors and spheres
- ⇒ Intergovernmental and multi-stakeholder relations in Disaster risk reduction with specific focus on building resilient communities.
- ⇒ Participatory monitoring and accountability
- ⇒ Private Sector as key enabler and implementer of the Provincial and local government development agenda
- ⇒ Clear delineation of responsibilities between the various partners and transparency of decision-making processes.
- ⇒ An Enabling environment that maximise civil society contributions and that builds trust for constructive partnerships
- ⇒ Partnerships with private sector towards SMME capacity development programme
- ⇒ Inclusion as the cornerstone of all capacity development initiatives
- ⇒ Locally derived strategies, policies and solutions

## Strategic Interventions

- ⇒ Prioritise the development of SPLUMA compliant municipal SDFs and LUMs
- ⇒ Establishment of Spatial Information System
- ⇒ Development of Provincial Spatial Planning Land Use Management Act
- ⇒ Service Delivery E-governance Model.
- ⇒ Systemic and structured process to the facilitation of change agents, CWDs, NGOs to ensure community development.
- ⇒ Constructive engagements and partnerships with public and private sector
- ⇒ Public Private Partnerships
- ⇒ Innovative and sustainable financing models to be explored and applied.
- ⇒ Volunteerism as means of implementation
- ⇒ Investigate alternative municipal management systems to be used by local government to improve the efficiency and focus of local governance.
- ⇒ Local government needs to strengthen their financial position in terms of the ability to generate their own income and to collect debt. To support this initiative, the Northern Cape Provincial government needs to create a provincial long-term capital investment decision-making tool, which will assist local government to identify and prioritise all capital expenditure projects.