

ECONOMIC ENABLEMENT

MUNICIPAL QUARTERLY

ISSUE 1

SEPTEMBER 2022

Municipal Ease of Doing Business Fund 2021-22

Red Tape
Reduction in
George

Building Business
Networks

Enterprise
Development in
Stellenbosch



Western Cape
Government
FOR YOU

Publication of the Department of
Economic Development and Tourism

TEAMWORK FOR ECONOMIC RECOVERY AND GROWTH



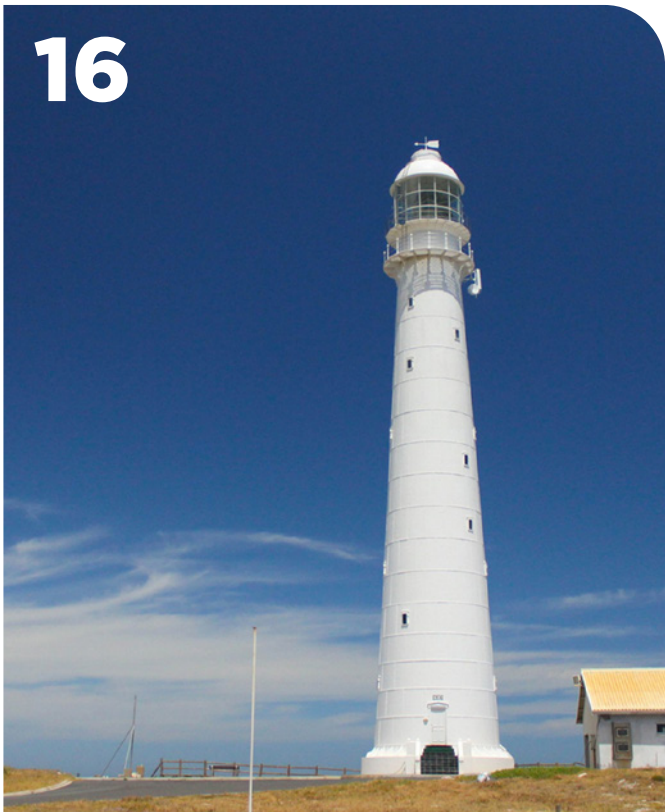
FROM LEFT TO RIGHT:
Chief Director: John Peters,
Director: Fayruz Dharsey,
Director: Joshua Wolmarans,
Director: Michelle Ellis

The Chief Directorate: Economic Enablement within the Department of Economic Development and Tourism is proud to share its first municipal publication.

“ We aim to share who we are, and plan to support and build partnerships with municipalities to develop the local economy and most importantly, JOB CREATION. ”

ISSUE 1

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A FEW WORDS FROM JOHN PETERS

John Peters
Chief Director:
Economic Enablement



“It gives us great pleasure to share our first municipal publication. The aim of this publication is raise awareness on who we are, how we can assist and support municipalities, and how we can grow the economy of the Western Cape together.”

Welcome to the first edition of our Municipal Quarterly. In this edition we introduce the team of Programme 2: Economic Enablement, provide insight into our projects that support municipalities (and local businesses), share some of our and your successes and the learnings for all of us and provide a glimpse of our future plans. Programme 2, one of seven programmes in the Department of Economic Development and Tourism, comprises the three directorates of Enterprise Development (small business and entrepreneurship support), Red Tape Reduction and Municipal Economic Support (LED).

The economic challenges facing South Africa and the Western Cape are enormous and in our relentless pursuit of inclusive economic growth that benefits all, it is essential that we join hands and work together to improve the lives and livelihoods of those in all of our communities. Through the Municipal Quarterly we **hope to contribute** to this by sharing information, inspiring us all to perform (despite significant challenges) and improving communication channels.

We welcome any inputs or comments that will contribute to the Municipal Quarterly adding value to the important work that you and your local stakeholders do. Please forward inputs or comments to Ayesha Augustus at Ayesha.augustus@westerncape.gov.za.

Regards
John Peters

THE ECONOMIC ENABLEMENT PROGRAMME

The Programme aims to promote and support an enabling environment

The Economic Enablement Programme within the Department of Economic Development and Tourism (DEDAT), aims to promote and support an enabling environment for the creation of opportunities for growth and jobs. The Programme has 3 focus areas namely Red Tape Reduction, Enterprise Development and Municipal Economic Support.

UNIT	FOCUS AREAS
RED TAPE REDUCTION	<p>The Red Tape Reduction Unit is mandated to, amongst other things, identify, advocate for, and remove or reduce blockages or barriers that businesses or aspirant businesspeople experience, whether in seeking to set up, operate or expand their businesses and regardless of whether the said blockages relate to legislative, systems or information/communication.</p> <p>Director: Michelle Ellis E-mail: michelle.ellis@westerncape.gov.za Cell number: 083 565 1867</p>
ENTERPRISE DEVELOPMENT	<p>Enterprise Development contributes to the creation of an enabling business environment that empowers small business and entrepreneurs to develop and grow. This is achieved through facilitating the provision of financial and non-financial support, promoting and creating demand for small enterprise products and services, reducing small enterprise regulatory constraints and entrepreneurship promotion. This is achieved in partnership with SMME ecosystem stakeholders.</p> <p>Director: Joshua Wolmarans E-mail: joshua.wolmarans@westerncape.gov.za Tel number: 021 483 2628 / 8110</p>
MUNICIPAL ECONOMIC SUPPORT	<p>Municipal Economic Support includes representing the Department in the alignment and support of local policy positions, plans and delivery linked to JDMA and IDP processes, and driving WCG economic advocacy and leadership in districts. In partnership with municipalities, it supports implementing catalytic projects in regions that benefit local businesses. It proactively builds public and private sector coordination to strengthen local business ecosystems to own local initiatives intended to stimulate economic activity and create impactful delivery across regions.</p> <p>Director: Fayruz Dharsey E-mail: fayruz.dharsey@westerncape.gov.za Cell number: 082 453 9715</p>

MUNICIPAL **EASE OF DOING BUSINESS** FUND 2021-2022

“ The Red Tape Reduction Unit is mandated to, amongst others, identify, advocate for, and remove or reduce blockages or barriers that businesses or aspirant business people experience. ”

FOCUS: CONSTRUCTION AND PLANNING SECTORS

KNYSNA MUNICIPALITY

Development of an Online Heritage resources inventory and heritage tool

GEORGE MUNICIPALITY

The expansion of a Building Control Module and Portal with 4 additional automated processes

DRAKENSTEIN MUNICIPALITY

An online integrated property development and application tool

HESSEQUA MUNICIPALITY

An electronic building control and town planning Geographical Information System (GIS)

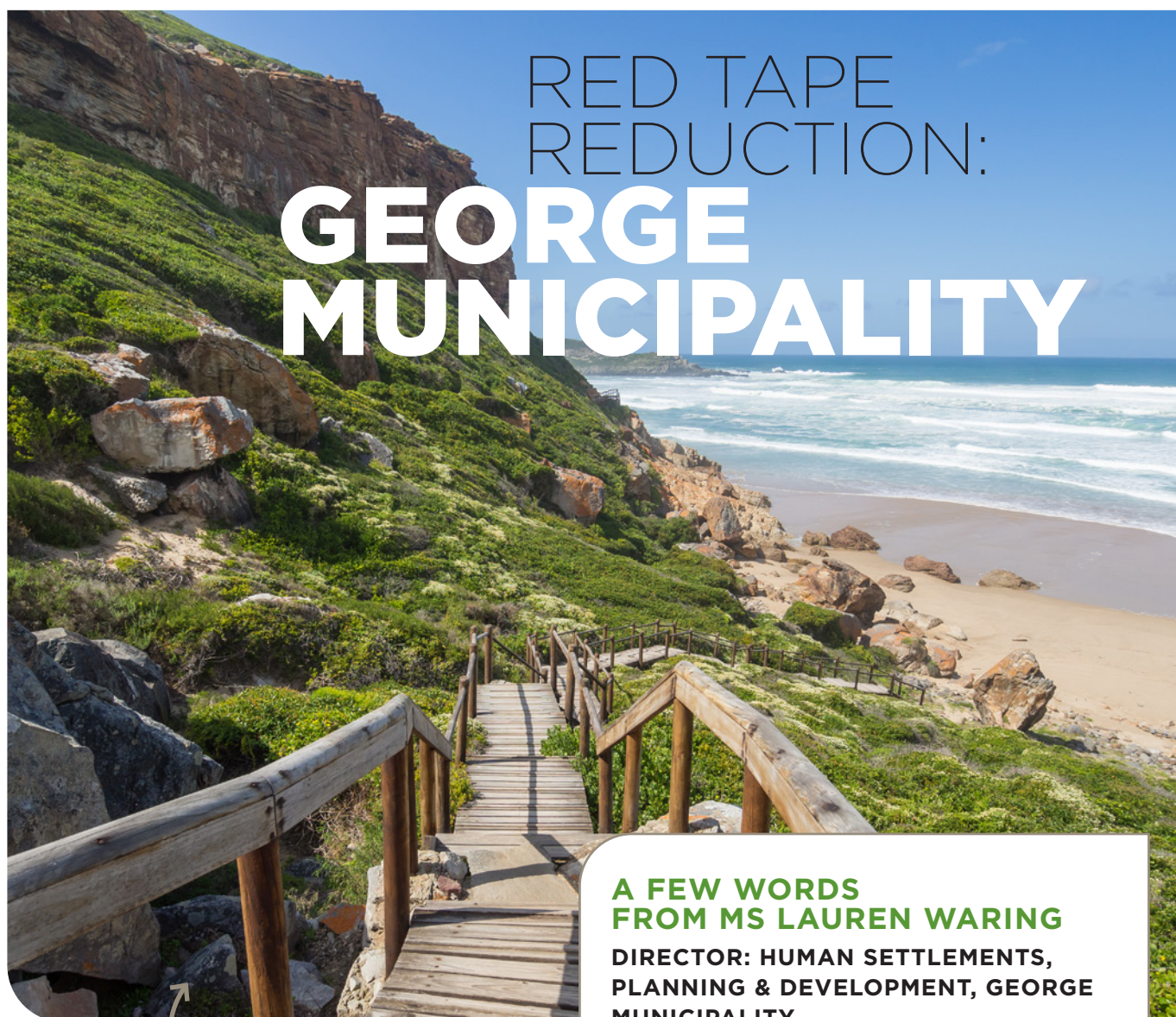
EARLY PROGRESS

Knysna Municipality's heritage register was approved by council on the 5th of August, and implementation will commence in the next few months!



THE IMPACT THIS FUND WILL HAVE ON BUSINESSES

The outcome of the Municipal Ease of Doing Business Fund 2021-2022 focusing on the construction and planning sectors will assist municipalities to reduce the time it takes to process applications submitted by businesses, as well improve access to information, resulting in quicker turnaround times for construction and planning sectors. This directly assists a business in reducing the amount of costs, and time it takes to receive a service by these Municipalities within these sectors.



Outeniqua's sensitive Coastal Area

Image by Getty Images

One of the projects funded by the Municipal EODB Fund in 2021-2022 is the expansion of George Municipality's existing Building Control Module and Portal with 4 additional automated processes, i.e., rates clearance certificates, transfer of properties, land use planning and the Outeniqua Sensitive Coastal Area Permit.

IMPACT

Approvals will be granted in a faster time frame, which will allow for development projects to be implemented quicker. An improvement in processes may lead to more investment (as holding costs are reduced) in the region of George as a result of the efficiency and time being saved for business as a citizen.

A FEW WORDS FROM MS LAUREN WARING

DIRECTOR: HUMAN SETTLEMENTS, PLANNING & DEVELOPMENT, GEORGE MUNICIPALITY

"The DEDAT team was so professional and helpful – from ensuring George was aware of the grant offer, to communicating on progress and the appointment of the service provider. The results we are seeing from the automation are quite astounding. The business process has become a lot more efficient and professional and our delivery times have been contracted considerably. The impact has been recognised by our clients and the feedback from them as well as our political leadership has been overwhelmingly positive. We recognise that any delays caused to inefficiencies and red-tape translate into financial implications and potential losses. As municipalities we have to become a lot more efficient to support our clients to reach their full potential and for our City to thrive."

MUNICIPAL ECONOMIC SUPPORT

The unit focused its initiatives on being responsive to the service delivery needs of municipalities along with providing a co-ordination support function to the Department that gives effect to the Joint District and Metro Approach (JDMA), and the district development model.

To illustrate this, we launched 3 trading facilitates with Witzenberg, Cape Agulhas and

Laingsburg Municipality, having realised 8 businesses being assisted, with 45 jobs being created.



8 businesses assisted



45 jobs created

One of the businesses assisted as part of the Laingsburg Booster Project



BUILDING BUSINESS NETWORKS

Did you know that there are benefits to building and strengthening the local eco system to support businesses in your municipality?

The WCERA Entrepreneur of the year 2021, Nigel Jacobs



The following case study in the Cape Winelands, highlights the Business Network Programme. It identifies an approach to initiate building a local network (ecosystem) of support for local businesses. It aims to start strengthening the relationships between

the local private and public sector players to build partnerships and improve coordination, interface, and collaboration in support of local economic recovery.

The case study in Cape Winelands tracks the approach to assist mobilising private sector players and providers to work systematically and more comprehensively in support of local small businesses in the district.

This intends to enhance the establishment of the district ecosystem developed and introduces the establishment of a platform where municipal and private sector role-players can consistently engage on a local business support agenda

The district-wide business support ecosystems developed can serve as a foundation for interaction between SMME support providers. The willingness of role-players to partner should be harnessed to ensure continued focus through active communication, coordination, cooperation, and collaboration. By leveraging partnerships and key players (public and private), we can support local SMME's. By building local business networks, a municipality deliberately works towards improving the economic conditions, by building business confidence in the region and district.

The Cape Winelands District has co-opted two businesses onto the Sub Committee, one being Nigel Jacobs (pictured left), who won the WCERA Entrepreneur of the year award for 2021."



CWD BNP Business Engagement

BUILDING BUSINESS NETWORKS: **THE APPROACH**

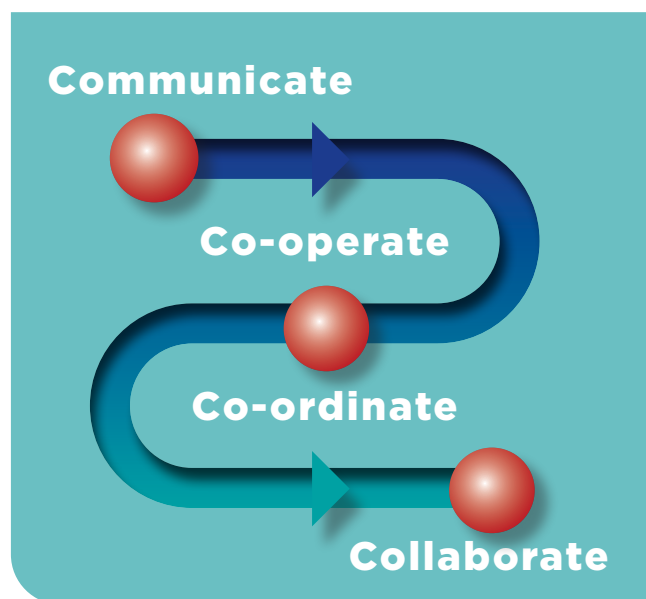


This approach facilitates sharing of information and data, offering a platform to share understandings, identifying challenges, risks, and opportunities to address the findings, and possible collaborative ideas to assist SMMEs in the localities.

In partnership with the Department, the Cape Winelands District Municipality (CWDM) and the local municipalities in the region undertook the development of a Cape Winelands Business Support Ecosystem. Interns were recruited to find and update local municipal information. Upon completion, an ecosystem graphic was developed that illustrates the players in the region and the gaps to activate opportunity to support co-opting new role-players in building a regional business network.

CWDM prioritized a deliberate initiative to harness local private sector players that support businesses in the region (i.e., the demand-side support to SMMEs). The Department and the CWDM utilized the Business, Economic and Tourism (BET) Cluster Committee to introduce the initiative. The BET is chaired by the CWDM and has the LED representatives of each local municipality join the regularly scheduled meetings. The BET Cluster engages on economic development issues and projects underway in the region.

Local municipalities scanned their local regions and identified local partnerships to profile. The Department introduced the methodology around: COMMUNICATE – CO-OPERATE – CO-ORDINATE – COLLABORATE. Engagement identified the local needs and challenges that allowed players to establish motivation to cooperate and initiatives

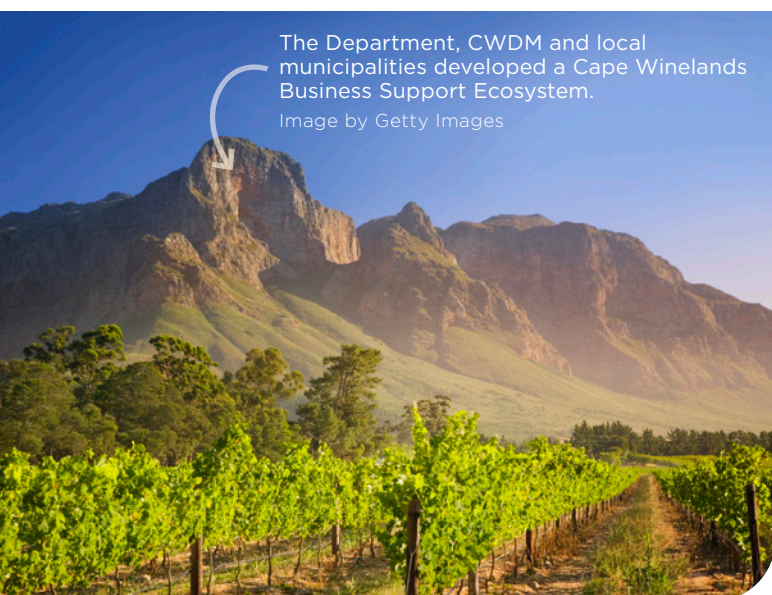


were identified. Engagement occurred with four (4) big businesses and twelve (12) organizations (sector bodies and business chambers) across the district - through three (3) peer exchange sessions held.

A virtual stakeholder engagement was held in December 2021, hosted by the CWDM's BET Cluster to share experience and learnings from the various peer exchanges and engagements. It was collectively agreed that establishing where in the regions SMMEs are located is an important next step, in providing assistance. Agreement was reached that a programme of action should be developed and execution thereof should be institutionalized and managed by a Joint Business Network forum that reports to the BET Cluster going forward. The engagement finalized with agreement on the objective "To ensure a coordinated and coherent approach aligned to the district's enterprise needs and regional competitive advantages". This along with 3-4 key result areas will guide the action plans for the coming year.

SOME FEEDBACK FROM DRAKENSTEIN MUNICIPALITY

"Collaboration is key when dealing with bread-and-butter issues. This is what COVID-19 has taught us. The DEDAT has facilitated several interventions to assist Drakenstein Municipality in enhancing our capacity to strengthen the relationship between business associations and other role-players in the business support ecosystem. We trust the support will be ongoing as we continue to build local state capability to enhance business confidence in the area."



The Department, CWDM and local municipalities developed a Cape Winelands Business Support Ecosystem.

Image by Getty Images

ENTERPRISE DEVELOPMENT

The Enterprise Development team played a key role in the launching of a hospitality initiative for small holder farmers called Voedpad™ / Foodpath™. The initiative was launched at the SA Agri Academy's head office in Jamestown, Stellenbosch on 20 April 2022.

The SA Agri Academy expanded its training and coaching offerings to include courses in the hospitality sector. Our Department was a major funder to the hospitality training and coaching, as well as start-up infrastructure capital. This new venture will enable small holder farmers to diversify income sources and mitigate risk by not focusing only on primary production but explore a collaboration with the hospitality value chain.

Nine farms in the Western Cape were part of the first roll out of the programme. The training is based on two participants per farm – one specialising in the vegetable production value chain and the other trainee being trained as Cook Convenience Food.



“ Dreams came true not only for the small holder farmers who participated in the training, but also for Agri Academy who is constantly seeking opportunities to serve small holder farmers more effectively on their route to commercial viability and sustainability. Diversifying risks and ensuring an extra stream of income by combining two value chains for the small holder farmers was the key to the development of this new programme. ”

Lina Keyter
MD of SA Agri Academy

FUTURE PLANS

2022-2023

“ The Red Tape
Reduction Unit was
allocated R10 million
for the 2022/2023
Municipal Ease of Doing
Business Fund. ”



MUNICIPAL EASE OF DOING BUSINESS FUND

The Red Tape Reduction Unit was allocated R10 million for the 2022/2023 Municipal Ease of Doing Business Fund. A Call for Applications was put out to all municipalities in the Western Cape and municipalities could propose Ease of Doing Business interventions to help reduce red tape in their municipalities. Applications were to be made in either of the following categories: regulatory reform, systems/process improvements and improving communications.

34 applications were received by the Red Tape Reduction Unit. Applications were shortlisted, and Municipalities have already been engaged on the next steps to start implementation of their proposed projects. Watch out for our next issue as we share more about the projects that were approved that will make it easier to do business and reduce red tape within the Province!

MUNICIPAL ECONOMIC SUPPORT

To improve the business environment by supporting the municipal economic service delivery environment, the unit will for the year moving forward:

- Facilitate Municipal Capacity Building
- Strengthen the level of IGR & Public-Private Coordination
- Supports spatial (priority-aligned) departmental initiatives

ENTERPRISE DEVELOPMENT

One of the key focus areas of the Enterprise Development Unit is to facilitate the provision of financial and non-financial support. The SMME Booster Fund project delivers on this focus area.

SMME BOOSTER FUND 2022

The unit put out a Call for Proposals requesting organisations implementing business development support projects or programmes in the categories of Business Development Support and Access to Markets to apply for funding.

Applications needed to be geared towards one of the following categories:

1. Business Development Support Programmes
 - Assisting SMMEs that are youth owned, women-owned and owned by individuals living with disabilities (including social enterprises).
2. Access to Markets - Support to businesses that want to access economic opportunities in both the public and private sector.



MOVING FORWARD

Please reach out to us, should you want to add any content, good practice, or success stories related to how your municipality is reducing red tape, creating jobs, and making it easier to do business. Keep an eye out for our next issue!

This publication will be shared across all Municipalities and will also serve as a knowledge sharing tool related to reducing red tape, economic development, and good practices that can be adopted as you see fit.

The Economic Enablement Programme looks forward to engaging Municipalities on any learnings they would like to share, to include as part of our publications.

For inputs and comments, please e-mail Ms Aeysha Augustus:
aeysha.augustus@westerncape.gov.za