
MATATIELE LOCAL MUNICIPALITY
LOCAL ECONOMIC DEVELOPMENT POLICY



MATATIELE

LOCAL MUNICIPALITY

1.

2. INTRODUCTION

Local Economic Development may be defined as increases in the Local economy's capacity to create wealth for local residents. Such increases occur if local resources, such as labour and land are used more productively.

Economic development occurs by shifting employed labour and land to more productive uses, for example better jobs.

The guide sets out the responsibilities to be administratively assigned in terms of the policy, as well as the relevant sections of the policy in which these responsibilities are outlined, and indicating how the Matatiele LED is responsible for attending to its responsibilities.

3. PURPOSE OF THE LOCAL ECONOMIC DEVELOPMENT (LED) POLICY

- 2.1 To promote the Growth and Development of the Agriculture Sector;
- 2.2 To strengthen support for SMMEs and Local Emerging Entrepreneurs;
- 2.3 Promote the Development of Agri-Business and optimum use of available Agri-Processing Opportunities;
- 2.4 Develop and Improve the training and capacity building for LED Projects;
- 2.5 To promote Tourism Sector Growth and Expansion;
- 2.6 To promote forestry sector growth and development;
- 2.7 To promote growth of construction, manufacturing mining Sectors

4. LEGISLATIVE FRAMEWORK

3.1 The development of this LED Policy is aligned with the following pieces of Legislation:

- 3.1.1 Section 152 of the Constitution of the Republic South Africa, 1996
- 3.1.2 Local Government: Municipal Systems Act, Act 32 of 2000
- 3.1.3 Matatiele Local Municipality's Integrated Development Plan
- 3.1.4 Matatiele Local Municipality LED Strategy

5. GUIDING PRINCIPLES

- 4.1 To support local economies in realising their optimal potentials and making local Communities active participants in the economy of the country;
- 4.2 To fight against poverty more effectively through local debates, strategies and actions;
- 4.3 To elevate the importance and centrality of effectively functioning local economies in growing the national economy.
- 4.4 To promote local good governance and constant improvement and integration of National and Provincial Priorities and programs in the Local spaces;
- 4.5 To create an environment in which the overall economic and social conditions of Matatiele localities are conducive to the creation of employment opportunities is the responsibility of Local Government;
- 4.6 To enhance the benefits of local economic development in increasing the quantity and quality of jobs held by local residents;

6. LED POLICY

5.1 SMME DEVELOPMENT SUPPORT

The municipality must give support to the following:

5.1.1 Support to informal Traders/Hawkers

- 5.1.2 The municipality must create an enabling business environment for Informal Traders by providing demarcated squares for Informal Traders to operate businesses;
- 5.1.3 Decent Hawker Stalls must be constructed for the On-the-pavement Hawkers;
- 5.1.4 Business Licenses/Permits for both Formal and Informal businesses must be issued on an annual basis and business licence fee be charged in line with the Business Licences Act;
- 5.1.5 Ongoing capacity building programmes for Informal Traders must be developed and implemented accordingly;

5.2 Support to Emerging Entrepreneurs

- 5.2.1 Jobs requiring CIDB Grading 2 (Civil, Building and Electricity) must be allocated to Local Emerging Contractors; in line with the municipal SCM policy will apply;
- 5.2.2 Local Home Building Contractors (Urban & Rural) must be trained on NHBRC and the municipality to issue a Recommendation Letter confirming the attendance;
- 5.2.3 30% of jobs must be given to Local Entrepreneurs from designated groups.

- 5.2.4 How do we support external entrepreneurs to generate and grow economic development in the area

5.3 Support to Cooperatives

- 5.3.1 The municipality within its available resources should give technical and financial support to Local Economic Development Cooperatives;
- 5.3.2 Cooperatives should within the competitive bidding process be considered for Jobs that are up to R200 000.00 (for example supply of Caterings, Cleaning Services, Grass cutting, Fittings, Repairs and Maintenance and Minor Renovations).
- 5.3.3 To support Local co operatives in agriculture and provided land for business (THIS WILL BE INFLUENCED BY THE TOWN PLANNING POLICY)

5.4 Business Development Infrastructure

- 5.4.1 Local economic Development must provide infrastructure services like roads, electricity, water and sewer in business areas.
- 5.4.2 5% of MIG allocation must be committed to LED Infrastructure Projects
- 5.4.3 5% of the Equitable Share must be allocated to LED Projects to support Emerging Local Entrepreneurs.
- 5.4.4 Development of Co-operatives database.

6.1 TOURISM SUPPORT

- 6.1.1 The Matatiele Local Municipality will hold an Annual Tourism Event (JAZZ Festival) and also fund this it.

The Municipality has to forge partnerships with the private sector and strategic funding institutions, together with sector departments like National and Provincial Dept of Arts and Culture, so as to leverage the event and to make it not dependable to the tax payer's money.

6.2 Support to small Tourism Events

- 6.2.1 Tourism Events hosted by other tourism providers should be supported by the Municipality;
- 6.2.2 Matatiele Local municipality should make funds available to support these events.

6.3 Local Tourism Organization (LTO)

- 6.3.1 Matatiele Municipality has an obligation to develop a Tourism Development Plan and establish a Local Tourism Organization by inviting all the relevant stakeholders to form a structure.
- 6.3.2 The Municipality has to develop its tourism plan that will enable the CTO establishment process to be easily executed, the plan is to identify a particular tourism attraction and then form a Community Tourism Organisation around that particular attraction.

6.4 Local Crafters

- 6.4.1 The Municipality has an obligation to cluster the Crafters and develop a database that will include all different categories.
- 6.4.2 The Municipality needs to provide Crafters with technical support in the terms of the following, product branding, pricing and marketing.
- 6.4.3 A decent market area should be provided for the crafters to be able to sell and be easily accessible to tourist

6.5 Tourists

- 6.1.2 The Matatiele Municipality should create an environment that is welcoming and friendly as well as safe and secure to its tourists.
- 6.1.3 Tourists need to be registered on the Tourism Information Office

7.1 Accommodation Sector

- 7.1.1 The Municipality is to provide technical support and monitoring and marketing of services for all the B&B's, Guesthouses, Guest Farms, hotels and Cottages.
- 7.1.2 All the accommodation existing in the area needs to be registered with in the Municipality to affiliate in the local tourism Organization.

8.1 Nature-based tourism:

- 8.1.1 The municipality to boasts several unspoilt environments with a diversity of naturally occurring attractions.
- 8.1.2 The Municipality should play a lead role on managing the natural attractions; control should be instilled on how to handle the properties.

9.1 Cultural tourism:

9.1.1 The Municipality needs to create opportunities for the showcasing of the various cultures that exist in the municipality.

10.1 Agricultural tourism:

10.1.1 The Municipality should create an environment that will enable agricultural festivals, all of which are associated with farms and agriculture. They include agricultural shows, pumpkin festivals, fruit festivals, flower festivals, bird watching trips, hikes and wagon rides.

10.1.2 The Municipality should focus on the development of the educational aspect of this form of tourism this has the potential to attract more tourists.

11.1 Bird-watching / Avi-tourism:

11.1.1 Matatiele Local Municipality is to provide suitable conditions for the success of avi-tourism.

11.1.2 The Municipality must provide habitat protection and environmental education in promoting Avi-tourism.

12.1 Eco and Adventure Tourism:

12.1.1 Matatiele Local Municipality to create an environment that will assist in terms of exploring the potential of eco tourism in the area.

13.1 Winter Tourism:

13.1.1 Since snow is often experienced in winter, the municipality should consider exploring the possibility of introducing skiing as one of the tourism activities in the municipal area

14.1 FORESTRY SUPPORT

GUIDELINES

13.1.2 The municipality to facilitate issuing of Forestry Permits and the conducting of Studies (EIA, Feasibility Studies and so on) for Forestry Initiatives to Communities;

13.1.3 LED must do Social facilitation for forestry initiatives and also to local communities

13.1.4 LED to ensure that Forest management is implemented in an economically, socially, politically and environmentally sustainable manner;

13.1.5 LED to ensure that Forestry Management benefits local communities.

14.1 MINING SUPPORT

GUIDELINES

- 14.1.1 All mining should be conducted in an environmentally responsible manner. Uniform standards of environmental management should be applied across mining operations of varying scale with no exception to artisanal mining;
- 14.1.2 Approval to mine should be subject to the full assessment of environmental impacts provided for in the Minerals Act, in which the "no project" option can be considered;
- 14.1.3 Mining companies will be required to comply with the local Economic Development Objectives, Spatial Development Framework (SDF) and Integrated Development Planning (IDP) of the municipality
- 14.1.4 The needs of local communities are taken into consideration when operating a mining initiative.
- 14.1.5 Any Mining activities like Quarrying and Dust-Crush, Sand Mining, Sabunga, Paraffin are to be permitted through the Matatiele Local Municipality on condition that a permit has been issued by the Department of Minerals.
- 14.1.6 Suitable sites for Mining need to be identified through the Spatial Development Framework to control Air pollution.
- 14.1.7 A balance should be maintained between encouraging economic development and preserving high standards of environmental management;



MR. L. MATIWANE
MUNICIPAL MANAGER

28/07/2022

DATE



CLLR. S. MNGENELA
MAYOR

28/07/2022

DATE



CLLR. N. NGWANYA
SPEAKER OF COUNCIL

28/07/2022

DATE