



in action

October 2010

Message from the MEC for Finance, Economic Development and Environmental Affairs



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Eastern Cape Provincial Government.

It is with great pleasure that we celebrate the final grant awards made under the European Union (EU) funding of the Thina Sinako Provincial Local Economic Development (LED) Support Programme. Contracts for these awards were signed during December 2009 and during the course of 2010.

The total amount of grant funding allocated by the Thina Sinako Provincial LED Support Programme under the EU funding now stands at more than R 150 million for a total of 117 projects across all districts of the Eastern Cape Province. Projects funded

include 46 municipal development projects, 35 competitiveness action plan (CAP) identification and design projects, 26 CAP implementation projects, and 10 financial innovation projects. These projects are not only making new contributions to LED in our Province; they are also providing us with important lessons for future practice.

In addition to providing grant funding for particular LED initiatives, the EU funding of the Thina Sinako Programme has also allowed us to develop new systems and tools for LED support, work towards improved allocation of resources for LED, and explore ways of more effectively integrating our collective work to anchor economic development in localities across our Province. Systems and tools developed under this Programme have been captured in a Local Facilitators' Handbook for Local Economic Development (soon to be expanded to a Handbook for Local Economic Development Support that includes a module on grant fund evaluation and contract management) and a Guide for Developing a Local Economic Development Strategy. These publications are being updated based on experience in their use by a range of LED support agents, most particularly members of the District Support Teams established in the six districts within our Province.

As explained in the last edition of this newsletter, the District Support Teams (DSTs)

include key officials in district municipalities and the district offices of relevant provincial government departments and entities. One of the responsibilities of the DSTs is provision of implementation support to projects funded through the Thina Sinako Programme, using its systems and tools. Such support is becoming increasingly important as the phasing out of the Thina Sinako Programme Coordination Unit (PCU) continues to its final dissolution in December 2011, and consolidation of the capacity and functioning of the DSTs is underway. This consolidation is not only of benefit to projects funded through the Thina Sinako Programme, but also to the work of the DSTs in support of other initiatives of government.

I would like to congratulate the latest recipients of grant funding from the Thina Sinako Programme, and trust that they will utilise this funding to good effect. I would also like to thank the Thina Sinako PCU for its work to date, and to urge DSTs and provincial government departments and entities to continue building on the work achieved through this Programme. Finally, I would like to take this opportunity to acknowledge the financial support provided by the European Union – without this support, the Thina Sinako experience would not have been possible.



What is LED?

LED is an outcome of processes aimed at building up the capacity of a local area for sustainable economic development. It requires cooperation and collective work between government, the private sector, the local community, and NGOs, and needs to be linked to an area's competitive advantage for optimal impact. This Programme attempts to directly support innovative LED projects while working to strengthen the LED support network in the Province. The latter includes the public sector, the private sector, and civil society.

Grant funding

As indicated in previous publications, grant funding for practice-driven demonstration and learning is provided through the following three grant funds:

- **Local Government Support Fund (LGSF)**

To support the provincial and local spheres of government to address barriers to enterprise establishment and growth, in particular the role of municipalities in the creation of an enabling environment for local economic development.

- **Local Competitiveness Fund (LCF)**

- **Competitiveness Action Plan (CAP) Identification & Design**

To support partnership groups to develop Competitiveness Action Plans in which they outline how they plan to exploit their area's competitive advantage.

- **CAP Implementation**

To support the implementation of Competitiveness Action Plans or LED projects by partnership groups.

- **Financial Innovation Fund (FIF)**

To support financial institutions in piloting innovative ways of providing enterprise finance to historically disadvantaged areas or groups.

Formal calls for proposals to these grants are launched, following which applicants have until the published closing dates to develop their applications. Once a call for proposals has closed, an evaluation committee, chaired by the Provincial Treasury and including representatives of the other key Provincial partners, commences with the evaluation process. This process involves four steps: (i) an administrative check meant to satisfy the evaluation committee that applicants have complied with all administrative requirements of the application process, including the timely submission of applications, (ii) concept note evaluation, (iii) full proposal evaluation, and (iv) eligibility check. Applications can fall out at any of these steps. All applications are assessed by technical assessors as an input into the deliberations of the evaluation committee. This process aims to select the most innovative proposals to allow for the optimal demonstration effect.

This particular newsletter focuses on projects funded under the calls for proposals made during 2009. Allocations were made from the LGSF, LCF CAP Implementation and FIF.

Grant fund awards following the 2009 calls for proposals

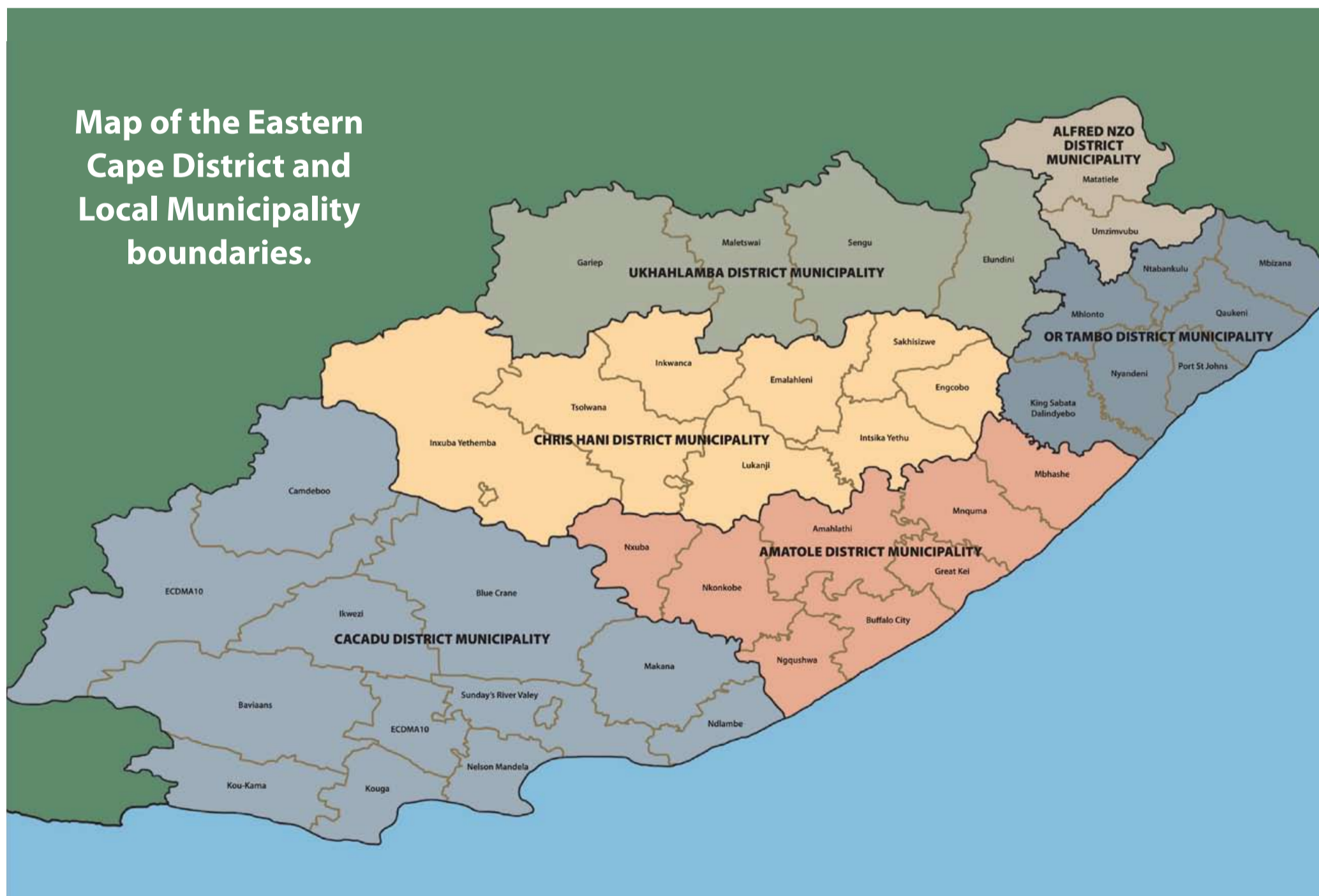
The following total amounts were awarded from the LGSF and LCF following the 2009 and final calls for proposals to these two funds:

- LGSF: R 14,233,809.37
- LCF: R 46,946,308.58
- FIF: R 8,224,758.00

This brings the total amount of grant funding under this Programme to date to just over R 150 million.

Please note that the grant amounts given in this newsletter constitute a maximum of 70% of the total project value of the LGSF and LCF projects, and 50% of the total project value of the FIF projects.

Map of the Eastern Cape District and Local Municipality boundaries.



Local Government Support Fund grants

Development of an Economic Intelligence System located within the Cacadu District

The overall objective of the action, to be implemented over 12 months, is to positively impact economic planning and management, as well as the employment creation potential of the Cacadu District. This should ultimately translate into improved standards of living for residents of the district. The specific objective is that the Cacadu District Municipality hosts a district-wide economic development information management and decision support system that provides accurate data and information to guide economic development planning, management and accountability at all levels of government, and that informs the private sector on the economic prospects of the region. The expected results are: (i) the Cacadu Economic Intelligence System being established; (ii) EIS data becoming increasingly evident in credible economic development plans emanating from across the Cacadu district; and (iii) the LED District Support Team becoming more integrated and institutionalised in the district system through its role in this process.



Economic Intelligence System

Stimulation of the local economy through the marketing and promotion of tourism in Ukhahlamba

The overall objective of this project is to market and promote Ukhahlamba (Joe Gqabi) District Municipality as the "Eastern Cape Highlands" tourism destination. The specific objectives are to (i) ensure ready access of tourism information to tourists; (ii) facilitate remote access to tourism information; (iii) use the media to promote tourism in Ukhahlamba; (iv) consolidate the marketing effort of all tourism organisations; (v) increase funding for marketing in the District; and (vi) market Ukhahlamba at trade shows, expos and outdoor shows. The expected results are: (i) five fully functional tourist information centres; (ii) a tourism website for the District; (iii) advertising and media campaign guidelines; (iv) a marketing forum to coordinate the marketing effort; (v) increased funding for tourism marketing in the District; and (vi) marketing the destination at trade shows, expos and outdoor shows.



Eastern Cape Highlands Exhibition Stand at the 2010 Tourism Indaba

Grants were awarded to the following projects following the fourth and final call for proposals to the Local Government Support Fund:

Applicant	Project Title	District	Grant Amount
Cacadu District Municipality	Development of an Economic Intelligence System located within the Cacadu District	Cacadu	R 967,334.00
Border-Kei Chamber of Business	Chris Hani Enterprise Propeller	Chris Hani	R 1,100,000.00
Ukhahlamba (Joe Gqabi) District Municipality	Stimulation of the local economy through the marketing and promotion of tourism in Ukhahlamba	Ukhahlamba / Joe Gqabi	R 664,370.00
Kouga Development Agency	Detailed design and planning to support the Urban Regeneration of the Jeffrey's Bay Central Business District	Cacadu	R 905,750.00
Khanya-African Institute for Community-driven Development	Implementation of a Community Based Enterprise Support System (CBESS)	Cacadu	R 1,099,408.00
Mbizana Local Municipality	Mbizana Tourism Development Framework	OR Tambo	R 322,500.00
Matatiele Local Municipality	Designing and piloting a Comprehensive Informal Trading Policy	Alfred Nzo	R 1,100,000.00
Khanya-African Institute for Community-driven Development	Learning Partnership for Community Based Economic Development (CBED)	Cacadu	R 1,099,299.00
Border-Kei Chamber of Commerce	Invest Buffalo City	Amathole	R 769,402.00
Inxuba Yethemba Local Municipality	Tourism Development, Promotion and Marketing	Chris Hani	R 1,011,315.70
Ukhahlamba (Joe Gqabi) District Municipality	Ukhahlamba Heritage & Tourism Economic Strategy	Ukhahlamba / Joe Gqabi	R 482,289.72
Rural Support Services	Building strategic LED partnerships and building capacity of key LED stakeholders in the Chris Hani District	Chris Hani	R 1,076,373.00
Cacadu District Municipality	A local economic development conceptual framework for the Cacadu Local Economic Development District Support Team	Cacadu	R 873,095.15
OR Tambo District Municipality	Strengthening of the OR Tambo District Support Team	OR Tambo	R 329,280.00
Elundini Local Municipality	Elundini Women's Hospitality Cooperative Development	Ukhahlamba / Joe Gqabi	R 468,606.00
Nelson Mandela Metropolitan University	Eastern Cape Local Economic Development (LED) Education Consortium	Province-wide	R 872,920.18
Business Women's Association (Queenstown)	Mainstreaming women into the centre of the economy	Chris Hani	R 1,091,866.32
TOTAL			R 14,233,809.07

Chris Hani Enterprise Propeller

The overall objective of the Enterprise Propeller project is to promote the more effective leveraging of municipal procurement in the Chris Hani District for LED by favourably positioning local firms and increasing their capacity for successful competition in the municipal tender process. The specific objective is to establish an Enterprise Propeller of excellence that will support emerging and established enterprises in the Chris Hani District to compete more effectively for municipal tenders by providing them with quality business advice, information and mentoring services, and facilitating more effective linkages between them. The expected results are: (i) a fully operational; Enterprise Propeller Office established; (ii) sound systems and operational procedures, including all templates and work applications, established; (iii) project successfully implemented as per systems and procedures designed; and (v) operations evaluated and refined for future expansion.

Detailed design and planning to support the Urban Regeneration of the Jeffrey's Bay Central Business District

The overall objective of the project is to improve market confidence and stimulate investment in the Central Business District of Jeffreys Bay through innovative and sustainable urban design strategies that will improve economic infrastructure, promote accessibility, intensify economic linkages and promote tourism development. The specific objective is that detailed urban designs and implementation procedures are in place to enable Kouga Development Agency (KDA) to go out on tender to upgrade the core CBD precinct and stop the progress of urban decay in the Jeffreys Bay CBD. The project partners have identified the urban regeneration and environmental upgrade of the Jeffreys Bay CBD as a key project that will benefit the local economy. The main result of the project is therefore that detailed planning, design and tender documents for the urban upgrade of Da Gama and Diaz Roads between Woltemade and Oosterland Streets are available to the KDA.

Implementation of a Community Based Enterprise Support System (CBESS)

The overall objective of the project is as follows: by 2014 an effective multi-stakeholder partnership in Ikwezi/Baviaans has stimulated the expansion of jobs and livelihoods building on local energy, assets and capabilities, and has influenced policy and practice in South Africa. The specific objective is: by December 2011 a stakeholder partnership in Ikwezi/Baviaans has implemented a replicable and sustainable community enterprise support system (CBESS) which has demonstrated impacts on jobs and livelihoods. The expected results are: (i) stakeholder awareness developed to support the CBESS; (ii) integrated community enterprise support system operating effectively; (iii) existing and new markets developed; and (iv) project managed effectively.

Local Government Support Fund grants

Invest Buffalo City

The overall objective of this project is to contribute to the intensification of support for enterprises and other economic activities, including business support and local economic development infrastructure and development agencies, by launching a "one-stop-shop" investor and enterprise friendly web platform which will serve to enhance Buffalo City as only "a click away" from being the business destination of choice. The project purpose is the establishment of a consolidated web-based portal that will enable Buffalo City to market itself, will allow the project partners and associates to engage with potential investors and local enterprises in a proactive and streamlined way that improves the city's attractiveness as an investment destination, and will assist local enterprises to get assistance and market their own products or businesses on the worldwide web. The expected results are: (i) cementing of the public/private sector partnerships; (ii) increased awareness of Buffalo City as an investment destination; (iii) building alliances of shared interests within the National and Provincial growth & investment frameworks; and (iv) enterprise assistance & development by enforcing the ideals of being informed or "kept in the loop" on new projects & being able to access relevant investor attractive information.



Buffalo City web-based portal



Hawkers in informal trading area

Designing and piloting a Comprehensive Informal Trading Policy

This project's overall objective is to enhance the capacity of the Matatiele Local Municipality to foster development of the local area by providing an innovative, inclusive and sustainable framework for the design and implementation of local economic development infrastructure in the central business district of Matatiele. The specific objectives are to: (i) design a comprehensive trading policy for informal traders; and (ii) improve good governance through effective implementation of trading bylaws and preliminary infrastructure. Building on the outcome of this action, it is envisaged that a wider infrastructure facility will be erected in order to create an attractive and lively "market" trading area, where hawkers, local traders, developing SMMEs, as well as regional commercial livestock and fresh produce producers, can trade their wares in a secure, controlled and healthy environment. The expected project results are: (i) informal trading policy (by-law) and SMME-related development and support strategy designed; (ii) infrastructure facilitating movement of people and goods designed; and (iii) preliminary infrastructure erected.

Learning Partnership for Community Based Economic Development (CBED)

The overall objective of this project is as follows: by 2014 an effective multi-stakeholder partnership in Ikwezi/Baviaans has stimulated the expansion of jobs and livelihoods building on local energy, assets and capabilities, poverty is reducing, and the CBED model has influenced policy and practice in South Africa. The specific objective is: by December 2011 stakeholders in Ikwezi/Baviaans have demonstrated an effective and replicable model for a formal multi-stakeholder forum to drive community-based economic development (CBED), using a learning approach. The expected results are: (i) LED multi-stakeholder forum established and operating; (ii) local resources and skills identified and plans developed; (iii) learnings documented and shared nationally and internationally; and (iv) project managed effectively.

Building strategic LED partnerships and building capacity of key LED stakeholders in the Chris Hani District

The overall objective of this project is to enhance LED capacity of Chris Hani District Municipality (CHDM) and Lukhanji Local Municipality (LM) and to support the Zingquthu community in developing and implementing innovative and sustainable actions that create employment opportunities, reduce the number of households living below the poverty line and promote good governance. The specific objectives are: (i) to facilitate and enable strategic LED partnerships and collaboration between CHDM, Lukhanji LM and other key stakeholders; (ii) to review, refine and further develop a Village Based Economic Development Plan (VBEDP) for the Zingquthu community through an inclusive process of participation; (iii) to develop and implement a comprehensive LED skills training and capacity building programme for CHDM and Lukhanji LM that is aligned with the Intergovernmental Relations Framework Act and promotes good governance; (iv) to develop and implement a comprehensive LED skills training and capacity building programme for Zingquthu community that is aligned with social and development strategies and initiatives and skills requirements; and (v) to implement pilot LED initiatives as identified in the VBEDP that promote viable LED and economic development and maximise the community's economic and environmental assets.

Tourism Development, Promotion and Marketing

The overall objective of this project is to increase the number of visitors to the Inxuba Yethemba municipal area and their length of stay to increase the local revenue derived from tourism, and so stimulate economic growth in the sector and the broader local economy. The following specific objectives will be pursued: (i) to develop the capacity and functioning of the Inxuba Yethemba Municipality to prioritise and develop the tourism sector; and (ii) to develop a common tourism brand and marketing programme for the Inxuba Yethemba Municipality in order to market the area vigorously as a tourist destination. The expected results are: (i) effective institutional capacity to prioritise, plan, budget for, implement and develop tourism in the Inxuba Yethemba Municipality; (ii) formal establishment and capacitation of a representative Inxuba Yethemba Local Tourism Organisation; (iii) a comprehensive and appropriate tourism marketing campaign and branding for the Inxuba Yethemba Municipality developed and implemented; and (iv) necessary equipment purchased for the Middelburg Tourism Office.

Mainstreaming women into the centre of the economy

The overall objective of this project is to create an enabling and gender-sensitive business environment within the Chris Hani District in order to mainstream women into the centre of the economy. The specific objective is to promote and support institutional and organisational development of Business Women's Association Queenstown (BWAQ) for it to be able to enter into a range of activities that are aimed at mentoring young female entrepreneurs, creating a network of support for existing and emerging business women and unleashing the potential of women to influence district-wide LED processes and strategies. The following results are anticipated: (i) BWAQ's organisational capacity built; (ii) women mainstreamed into municipal IDP and LED Planning; (iii) Women Entrepreneurship Programmes designed and implemented; and (iv) Learning & Networking Encounters organised.



Mainstreaming women into business

Local Government Support Fund grants

Mbizana Tourism Development Framework

The overall objective of the proposed action is to provide a coordinated response to the promotion of tourism within the Mbizana Local Municipality. The specific objectives are the development of a Tourism Development Framework that includes anchor tourism projects and associated implementation plans, and building of the capacity of local communities who will be playing a role in the implementation of those projects. The expected results from the action will be an increase in the investment within the area and better service delivery as a result of the increased tax base for the local municipality. The following main activities will be undertaken: (i) analytical studies on tourism potential in the area and production of the Situational Analysis; (ii) identification and consultation with key stakeholders who will play a role in the project through workshops, briefing sessions, one-on-one sessions as well as special visits to specialist groups/institutions; (iii) submission of a draft Tourism Development Framework for discussion and refinement to stakeholders that will include an implementation plan for the identified projects; and (iv) capacity building programme for the target and beneficiary groups.

A local economic development conceptual framework for the Cacadu Local Economic Development District Support Team

The overall objective of this project is to strengthen the Cacadu LED District Support Team as a catalyst for a new-found LED consciousness, as well as the effective facilitation of LED in the district. This will be achieved through two interrelated specific objectives: (i) to improve LED awareness amongst mandated role players within and outside the current Cacadu LED DST; and (ii) to improve understanding and practice with regards to the local government's LED facilitation responsibility amongst the CDM and its constituent local municipalities, as well as departments (provincial and national) and other entities of government supporting LED in the district. Expected results are: (i) a user-friendly LED guideline developed; (ii) political champions for LED concepts and role clarification re-education process identified and mobilised into action; (iii) LED learning and networking sessions are convened; and (iv) an LED friendly decision making instrument introduced.

Elundini Women's Hospitality Cooperative Development

The 14 historically disadvantaged, predominantly women-owned B&B's that make up the Elundini Hospitality Cooperative need a strategy for the development of their businesses and capacity to reach their full potential, which will impact on transformation and the growth and development of the tourism industry in this municipality. This strategy can also be used by Elundini Local Municipality and the Ukhahlamba (Joe Gqabi) District Municipality for other cooperatives and tourism initiatives in similar situations. Thus, the overall objective is to develop an economic strategy for the Elundini Hospitality Cooperative that will increase tourism income, create entrepreneurial opportunities and sustained employment as well as assist the Elundini Local Municipality and Ukhahlamba District Municipality to achieve their Growth and Development Summit goals for tourism. The expected results are: (i) situation, needs and competitive advantages of Elundini and cooperatives established; (ii) tourism network and quality control systems established; (iii) training for capacity of management and staff identified; (iv) marketing campaign designed; and (v) completed economic strategy for use by the Elundini Hospitality Cooperative and others throughout the Ukhahlamba (Joe Gqabi) District Municipality.



Mbizana landscape

Eastern Cape Local Economic Development (LED) Education Consortium

The overall objective of this project is the mobilisation of higher education institutions behind LED practice in the Eastern Cape. The specific objective is to establish the LED Education Consortium for the Eastern Cape, which will create a collaborative mechanism and environment in which the four universities in the province could jointly develop and implement fully accredited LED short courses and academic programmes in order to respond to the need for a coordinated approach to LED training in the province. The following results are expected: (i) Permanent Secretariat established to direct and coordinate LED research and evaluation in order to meet training and capacity-building requirements amongst potential beneficiaries while developing sources of income which will guarantee the long-term sustainability of the Consortium; (ii) LED Education Forum established where partners, such as Local Municipalities of the Eastern Cape, the Local Government Sector Education and Training Authority (LGSETA), the South African Local Government Association (SALGA), stakeholders and beneficiaries can engage in LED issues; (iii) Accredited LED short courses developed (credit bearing and SAQA registered); (iv) Accredited LED degree qualifications developed (Department of Education approved, and SAQA registered); and (v) LED Academic Departments within the academic divisions of the four institutions linked to the Secretariat.



Developing bed and breakfasts

Strengthening of the OR Tambo District Support Team

The overall objective of this project is to coordinate the activities of various LED role players and strengthen the development of an integrated district LED support system. The specific objective is to strengthen the operational capacity of the District Support Team (DST) in the OR Tambo District for effective LED. The expected results are: (i) review the OR Tambo DST action and develop an implementation framework; (ii) build the capacity of the OR Tambo DST members through the dissemination of lessons learnt from the Thina Sinako LED Support Programme and systems that were developed during the implementation of the programme; and (iii) revive the District LED Forum and assist Local Municipalities to establish their own LED forums.



University training on LED

Ukhahlamba Heritage & Tourism Economic Strategy

The overall objective of the action is to develop & capacitate the museums of the Ukhahlamba (Joe Gqabi) District Municipality so that they can make a full and lasting contribution to the economic and social development of historically disadvantaged communities in this Municipality, and give inspiration to those in other districts. The specific objective is to cultivate, diversify and capacitate the museums of Ukhahlamba into dynamic institutions that aggressively promote tourism & heritage businesses throughout the district which can assist in addressing the fundamental barriers to economic growth and development, instil & inspire local communities and contribute to the aims of economic clustering in the New Economy. The expected results are: (i) situation & needs of museums & staff established; (ii) goals, objectives and policies for museum displays established; (iii) goals, objectives and policies for museums roles & relationships to tourism established; (iv) capacitation programme for museum staff established; and (v) implementation strategy designed & heritage and tourism economic strategy completed.

LCF CAP Implementation grants

Langlaagte Hydroponics Berry Production Project

The overall objective of this intervention is to create employment and empowerment of farm workers that are resident on the farm Langlaagte, through part-ownership of a new berry business. The specific objective is to establish and operationalise a viable agricultural business growing and selling berries. The following results are expected: (i) a viable and functional berry business established; (ii) farm workers' cooperative strengthened through capacity building and utilisation of funds from operating surplus to support projects that improve the long-term economic status of farm workers on the farm; (iii) value chain and new product development in the form of production of jams, syrups and other products; (iv) market development and marketing; (v) the model publicised and promoted as a solution to the challenge of unemployed farm workers.



Berry Nice jam

Rhodes Airfield Implementation

This project is based on the feasibility study, cost benefit analysis, EIA and Business Plan for the establishment of an airfield near Rhodes that was done with the help of a LCF CAP Identification & Design grant. The overall objective of this project is to improve access to the town of Rhodes and the surrounding area, thereby contributing to local economic development and improving the quality of life of all of people in the area. Results to be achieved include: (i) completion of the Rhodes airfield to operational status, including runway, perimeter fence, terminal building, staff accommodation, water supply and reticulation, re-alignment of power line, access establishment, wind-sock installation, and electricity supply to buildings; and (ii) a significant increase in the number of visitors resulting in increased employment opportunities and consequently, a major contribution to local economic development.



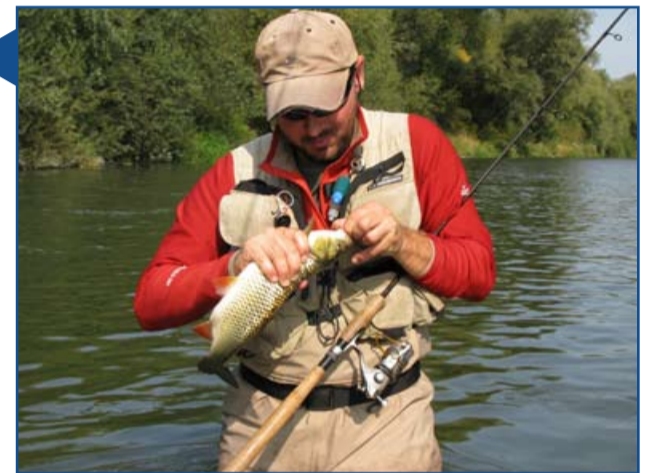
Air access to Rhodes attractions

Grants were awarded to the following projects following the fourth call for proposals to the LCF CAP Implementation:

Applicant	Project Title	District	Grant Amount
Marblesharp 142 (Pty) Ltd t/a Berry Nice Berry Co.	Langlaagte Hydroponics Berry Production Project	Chris Hani	R 3,491,427.00
Walkerbouts Country Retreat (Pty) Ltd	Rhodes Airfield Implementation	Ukhahlamba / Joe Gqabi	R 5,048,925.00
Grahamstown Foundation	Makana Edutourism Project	Cacadu	R 3,797,878.00
Border Rural Committee	Keiskammahoek Wild Trout	Amathole	R 1,820,000.00
Kei Fresh Produce Market	Establishment of a Farmer Support Unit within the Kei Fresh Produce Market	OR Tambo	R 4,631,545.00
Integrated Waste and Recycling Services cc (IWARs)	Masihlule Integrated Waste Recycling for Local Economic Development	Cacadu	R 4,461,172.13
NSM Networking Services	Phase 2 of the Ncise Hydroponics Project	OR Tambo	R 4,705,037.00
Is'Baya Development Trust	Establishment of commercial agricultural production in the OR Tambo District of the Eastern Cape Province	OR Tambo	R 5,287,725.05
Sithembene Women's Enterprise	Sithembene Women's Networked Garment Enterprise	OR Tambo	R 4,724,917.38
University of Fort Hare	Up-scaling the Fort Hare Pilot Ilima Agri-Park Model to a fully-fledged Regional Support Facility	Province-wide	R 5,500,000.00
Emalahleni Sorghum Cooperative Ltd	Emalahleni Sorghum Mill	Chris Hani	R 3,477,682.02
TOTAL			R 46,946,308.58

Keiskammahoek Wild Trout

The overall objective of this project is to establish a viable recreational trout fishing business in the Northern Keiskammahoek region owned by the local community. The specific objective is to cater for the needs of trout fishermen looking for an exceptional angling experience. There are two results that will be produced by the action, namely: (i) the establishment and growth of a sustainable wild trout fishery of exceptional quality; and (ii) an enhanced natural environment, characterised by a higher water table, the proliferation of diverse indigenous vegetation, and greater aesthetic appeal.



Developing a sustainable trout fishery in Keiskammahoek



Framers fresh produce market

Establishment of a Farmer Support Unit within the Kei Fresh Produce Market

This project's overall objective is to enhance production yields and the capability of participating farmers in the OR Tambo region to supply quality produce to the market, thereby improving their profitability and sustainability. The specific objective is to establish a Farmer Support Unit attached to the Kei Fresh Produce Market (KFPM) to support farmers in 10 targeted production centres. The Farmer Support Unit will mobilise resources for local producers, facilitate training for the producers, provide information on market trends, facilitate mentoring programmes, and support the farmers in managing their production plans. The following results are expected: (i) Farmer Support Centre established; (ii) farmers in the selected production centres supported to improve the quantity and quality of agricultural production; (iii) preparation, packaging and grading of fresh produce supplied by the selected production centres to the KFPM improved; and (iv) farmers from selected production centres supported to market their produce.

Makana Edutourism Project

This project is based on the feasibility study funded with an LCF CAP Identification & Design grant. The overall objective is to contribute to the inclusive development of the Makana local economy by building on the region's existing competitive advantages in education, the arts and tourism to develop and market new, inclusive edutourism products and packages. The specific objectives are to: (i) build a new edutourism brand, presence and marketing infrastructure within the Grahamstown Foundation, and (ii) develop and market inclusive edutourism products and packages. The following results are expected: (i) Makana Edutourism office, management and governance arrangements established; (ii) Makana Edutourism brand developed; (iii) Makana Edutourism marketing and operations infrastructure developed; (iv) inclusive Makana Edutourism products and packages developed; and (v) Makana Edutourism products and packages marketed and strengthened.



Capitalising on Grahamstown's education, arts and tourism potential

LCF CAP Implementation grants

Sithembene Women's Networked Garment Enterprise

The overall objective of this project is to establish the Sithembene Women's Networked Garment Enterprise in the King Sabata Dalindyebo and Nyandeni Local Municipalities as a successful and sustainable business that produces high quality garments and creates jobs, income, skills and dignity for women. The specific objective is to build on the knowledge, production skills and market exposure of the Sithembene Women's Development Enterprise (SWDE) and the sewing capacity of associated women's cooperatives to establish a new networked garment factory that can produce in sufficient volumes to meet market demand. The following results are expected: (i) new factory building constructed and equipped; (ii) production network and quality control systems established; (iii) capacity of management and staff developed; (iv) marketing campaign designed and implemented; and (v) financial viability achieved.



Linking rural women into a networked garment enterprise

Masihlule Integrated Waste Recycling for Local Economic Development

This project's overall objective is to create a viable, zero waste recycling system for the Makana and Ndlambe Municipal Areas that creates sustainable employment and new sources of income for its participants, formalises informal waste recycling, and improves the lived environment of citizens. The specific objectives are the following: (i) to expand the existing Masihlule project in Makana by consolidating and developing its waste recycling infrastructure and systems in the Makana Municipality and developing new waste recycling infrastructure and systems in the Ndlambe Municipality, and linking the infrastructure with downstream processing initiatives; (ii) to employ, train and equip existing informal waste recyclers and additional unemployed people to work in, own and manage the waste recycling infrastructure acquired through this project, and (iii) to create an integrated waste management system that supports both municipalities and mobilises citizens to support separation of waste at source as a first input into the recycling system. The following results are expected: (i) strengthened and capacitated waste management system established for Makana and Ndlambe; (ii) Buy-Back Centres and Processing Facilities fully operational in Makana and Ndlambe; (iii) waste transit systems established and operational at unlicensed landfill sites; (iv) waste workers appointed, trained and equipped; (v) waste-worker owned management structures set up and capacitated; and (vi) new recycling businesses established to add further value to the outputs of the Buy-Back and Processing Centres.



Developing a sorghum mill owned by sorghum producers

Emalaheni Sorghum Mill

The overall objective of this intervention is to ensure sustainable incomes to farmers and increased local employment from development and strengthening of the sorghum value chain. The specific objective is to strengthen and develop the value chain for sorghum in the Emalaheni local area, primarily through the provision of a local grain mill. The following results are expected: (i) security of supply through improved viability of sorghum producers; (ii) sorghum processing facility (mill) developed and operated as a profitable company; (iii) established market share for locally milled sorghum products; and (iv) adequate skills and capacity developed for ongoing production, processing and marketing.

Phase 2 of the Ncise Hydroponics Project

The overall objective of this project is to contribute towards improved agricultural incomes and a better standard of living for the Ncise Community near the Mthatha Airport. The specific objective is to develop phase 2 of the Ncise hydroponics project by constructing and operating Galvanised Hydroponics producing High Value Crop Tunnel Farming Systems and improving the knowledge and skills of workers and management. The following results are expected: (i) management team set up and ready to lead implementation of project; (ii) infrastructure and equipment established in readiness for production; (iii) staff employed and capacitated for increased production; and (iv) crops produced and successfully marketed.



Plastic recycling

Up-scaling the Fort Hare Pilot Ilima Agri-Park Model to a fully-fledged Regional Support Facility

The overall objective of the up-scaled Agri-Park model is the promotion of micro- and small- to medium-scale agricultural enterprises leading towards the betterment of rural livelihoods and economic self-sustenance. More specifically, the aim is to establish Agri-Parks and similar establishments as an economic development and support hub for the promotion of sustainable, low-cost, conservation agricultural production and value adding models that will enable small-scale rural farmers to participate in public and private sector markets effectively. The following results are expected: (i) ecologically optimal and cost-efficient primary agricultural production and processing systems established and consolidated in participating communities; (ii) viable markets established for rural small-scale agricultural enterprise; (iii) community-centred entrepreneurial organizations consolidated and/or established; and (iv) University of Fort Hare capacity and role consolidated in research & development, knowledge and training to support sustainable small-scale agriculture.



Establishing commercial agricultural production in OR Tambo

Establishment of commercial agricultural production in the OR Tambo District of the Eastern Cape Province

This project is based on the feasibility study funded with an LCF CAP Identification & Design grant and focuses on the first phase of the commercial production aspect of the Integrated Village Renewal Programme (IVRP), providing homestead site-infrastructure, training and capacity development, formation of co-operatives and access to markets for the first 29 villages in the scheme. The overall objective of this project is to create economically self-sustaining and socially cohesive rural communities in the Eastern Cape. A key specific objective is to establish community-based commercial agricultural production in villages that are part of the IVRP in the OR Tambo district. The following results are expected: (i) basic infrastructure installed at target sites, on a critical needs basis; (ii) technology transferred, long-term technical support system implemented and production activity implemented; (iii) cooperatives established and training programme developed and completed; (iv) critical markets effectively accessed and qualitatively engaged; and (v) a monitoring & evaluation system designed and implemented.

Financial Innovation Fund grants

Automated invoice-based (factor) finance to increase SME participation in Ukhahlamba Municipality contracts

The Ukhahlamba District Municipality is piloting this intervention and is supported by the Eastern Cape Development Corporation (ECDC). The ECDC, a public entity, has a mandate to support SMEs with finance, but has found that identification of credit-worthy SMEs is costly, since they are not aware of which companies are winning tenders. Furthermore, ensuring repayment of loans has been a severe challenge. ECDC will therefore co-fund the intervention, and will make available loan funds to enable the implementation of the intervention model, which will identify directly the companies that win tenders and link to that loan finance. The overall objective of the intervention is to broaden the provision of credit to SMEs so that they have greater opportunity for successful participation in municipal contracts. The specific objective is to pilot the development and implementation of a system that links SMEs that obtain municipal contracts with factor (invoice-based) loan opportunities. The broadening of credit to SMEs will be possible as SMEs that would not ordinarily be eligible for loans will be able to access operational bridging loans using their invoice payments as collateral. The following results are expected: (i) municipal business processes adapted to increase SME opportunities; (ii) application, approval and loan recovery processes automated; (iii) SMEs registered on system and loans issued; and (iv) local municipalities in the Ukhahlamba district municipal area included and lessons shared.



Financing for SME's linked to municipal contracts

Grants were awarded to the following projects following the third and final call for proposals to the FIF:

Grant fund recipient	Project Title	District	Grant Amount
Ukhahlamba District Municipality	Automated invoice-based (factor) finance to increase SME participation in Ukhahlamba Municipality contracts	Ukhahlamba / Joe Gqabi	R 2,734,655.00
Walter Sisulu University	Financial Information Dissemination Centres in the Eastern Cape	Province-wide	R 2,746,991.00
Walter Sisulu University	Strengthening of WSU to undertake microfinance research and capacity building in support of a robust microfinance sector in the Eastern Cape	Province-wide	R 2,743,112.00
TOTAL			R 8,224,758.00



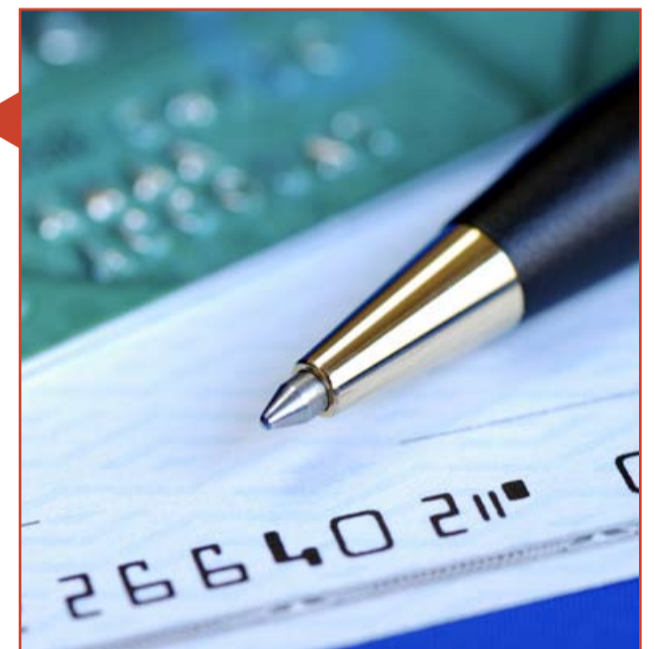
Strengthening the sustainability and reach of financial services

Financial Information Dissemination Centres in the Eastern Cape

The overall objective of this intervention is to improve the sustainability and reach of financial services through provision of financial product information and financial skills to consumers and SMMEs. The specific objective is to pilot an appropriate method of disseminating understandable and appropriate information on available financial services and provide training in financial management to insure the appropriate use of financial services and products. The following results are expected: (i) information on financial products/services aimed at SMMEs and low and middle income earners collated and expressed in simplified form; (ii) pilot financial information centres established; (iii) financial management skills of selected SMMEs and individuals developed; and (iv) lessons from the pilot analysed and requirements for expansion established.

Strengthening of WSU to undertake microfinance research and capacity building in support of a robust microfinance sector in the Eastern Cape

The overall objective of this project is to strengthen support to the micro-finance sector in the province by developing local capacity to undertake micro-finance sector research and training. The specific objective is to build a microfinance research and training programme within the Walter Sisulu University that will strengthen providers of microfinance and their clients within the Eastern Cape. The following results are expected: (i) microfinance knowledge centre and research programme established within the Walter Sisulu University; (ii) microfinance training programme established within the Walter Sisulu University; and (iii) Walter Sisulu University's research and training offering marketed within the Province and its profile within the microfinance sector consolidated.



Research and capacity building in support of microfinance



Where to get more information

For more information contact our Project Secretary at:
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Provincial LED Support Programme, Eastern Cape Province

