Progress Report on the implementation of the 9-point plan in KwaZulu-Natal

Our future - make it work

8 June 2016
Frikkie Brooks: DDG Strategic Management
Office of the Premier

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World"
Establishing and maintaining a direct line of sight to the National Development Plan and the 2014-19 MTSF and incorporating the 9-point plan.
KZN Approach to implementing the 9 Point Plan

- Recognising that as much as the 9 Point Plan is a National Plan to fast-track economic growth, this growth happens in a provincial and municipal space and it must therefore be incorporated and mainstreamed into provincial and municipal development plans;

- The 9 Point Plan has therefore served as the basis for the latest review (2015) of the KZN PGDP, which now fully incorporates the 9 Point Plan;

- The 9 Point Plan has been extensively work shopped with municipalities through various IGR Fora, such as the Premier’s Coordinating Forum, MUNIMEC, Planners Forums and LED Forums;

- The 9 Point Plan forms the basis of the Agenda of the ESID Cluster and reporting to February 2016 Provincial Lekgotla was done on the basis of this plan.
Focus on the mainstream

National Development Plan & 9 Point Plan

Provincial Growth and Development Plan

District Growth and Development Plan

IDPs

Ward Based Plans

“KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World”
KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World

ALIGNMENT OF PLANS

NATIONAL DEVELOPMENT PLAN

PROVINCIAL DEVELOPMENT PLAN

DISTRICT DEVELOPMENT PLAN

Municipal IDPs

WARD BASED PLANS

5 Year Term

20 Year Term

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World"
**Vision 2030**

Aspire to...

KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World

**KZN PGDS STRATEGIC FRAMEWORK**

1. Unleashing the Agricultural Sector
2. Enhance Industrial Development through Trade, Investment & Exports
3. Expansion of Government-led job creation programmes
4. Promoting SMME, Entrepreneurial and Youth Development
5. Enhance the Knowledge Economy
6. Early Childhood Development, Primary and Secondary Education
7. Skills alignment to Economic Growth
8. Youth Skills Development & Life-Long Learning
10. Enhancing Health of Communities and Citizens
11. Enhance Sustainable Household Food Security
12. Promote Sustainable Human Settlements
13. Enhance Safety & Security
14. Advance Social Capital
15. Development of Harbours
16. Development of Ports
17. Development of Road & Rail Networks
18. Development of ICT Infrastructure
20. Develop Energy Production and Supply
21. Increase Productive Use of Land
22. Advance Alternative Energy Generation
23. Manage pressures on Biodiversity
24. Adaptation to Climate Change
25. Strengthen Policy and Strategy Co-ordination & IGR
26. Building Government Capacity
27. Eradicating Fraud & Corruption
28. Promote Participative, Facilitative & Accountable Governance
29. Actively Promoting Spatial Concentration
30. Facilitate Integrated Land Management & Spatial Planning

**STRATEGIC GOALS**

1. INCLUSIVE ECONOMIC GROWTH & JOB CREATION
2. HUMAN RESOURCE DEVELOPMENT
3. HUMAN & COMMUNITY DEVELOPMENT
4. STRATEGIC INFRASTRUCTURE
5. ENVIRONMENTAL SUSTAINABILITY
6. GOVERNANCE AND POLICY
7. SPATIAL EQUITY
30 Strategic Objectives assigned to 18 PGDP Action Work Groups (AWG);

Each AWG has a dedicated convenor and an Inter-departmental support team;

AWGs develop implementation plans, monitors implementation, coordinate progress reports.
The PGDP Institutional Structure

PROVINCIAL EXECUTIVE COUNCIL

ESID CLUSTER

SPCHD CLUSTER

G&A CLUSTER

JCPS CLUSTER

“KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World”
<table>
<thead>
<tr>
<th>AWG</th>
<th>Convening Department</th>
<th>Reporting Cluster</th>
<th>Strategic Integrated Project (SIP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DARD</td>
<td>ESID</td>
<td>SIP 11   Agri-logistics and Rural Infrastructure</td>
</tr>
<tr>
<td>6</td>
<td>DOE</td>
<td>SPCHD</td>
<td>SIP 13   National School Build Programme</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 14   Higher Education Infrastructure</td>
</tr>
<tr>
<td>10</td>
<td>DOH</td>
<td>SPCHD</td>
<td>SIP 11   Revitalisation of Public Hospitals and other Health Facilities</td>
</tr>
<tr>
<td>12</td>
<td>DOT</td>
<td>ESID</td>
<td>SIP 1    Unlocking the Northern Mineral Belt with Waterberg as a Catalyst</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 2    Durban-Free State-Gauteng Logistics and Industrial Corridor</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 3    South Eastern Node and Corridor Development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 7    Integrated Urban Space and Public Transport Programme</td>
</tr>
<tr>
<td>13</td>
<td>DEDT&amp;EA</td>
<td>ESID</td>
<td>SIP 15   Expanding access to communication technology</td>
</tr>
<tr>
<td>14</td>
<td>COGTA</td>
<td>ESID</td>
<td>SIP 6    Integrated Municipal Infrastructure Project</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 9    Electricity Generation to support Socio-Economic Development</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 10   Electricity Transmission and Distribution for all</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SIP 18   Water and Sanitation</td>
</tr>
<tr>
<td>15</td>
<td>DEDT&amp;EA</td>
<td>ESID</td>
<td>SIP 8    Green Economy in support of the South African Economy</td>
</tr>
<tr>
<td>17</td>
<td>OTP</td>
<td>G&amp;A</td>
<td>SIP 17   Regional Integration for African Co-operation and Development</td>
</tr>
</tbody>
</table>
### The PGDP alignment with the 9-point plan

<table>
<thead>
<tr>
<th>PGDP Objectives</th>
<th>PGDP Goals</th>
<th>PGDP Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Unleashing the Agricultural Sector</td>
<td>1. Job creation</td>
<td>1. Revitalisation of the agriculture and agro-processing value chain</td>
</tr>
<tr>
<td>2. Industrial Development through Trade, Investment &amp; Exports</td>
<td>2. Human resource development</td>
<td>2. More effective implementation of a higher impact IPAP</td>
</tr>
<tr>
<td>4. SMME, Entrepreneurial and Youth Development</td>
<td>4. Strategic infrastructure</td>
<td>4. Unlocking the potential of SMMEs, cooperatives, township and rural enterprises</td>
</tr>
<tr>
<td>5. Enhance the Knowledge Economy</td>
<td>5. Environmental sustainability</td>
<td>5. Oceans economy</td>
</tr>
<tr>
<td>7. Skills alignment to Economic Growth</td>
<td>7. Spatial equity</td>
<td>7. Managing work place conflict</td>
</tr>
<tr>
<td>8. Youth Skills Dev &amp; Life-Long Learning</td>
<td></td>
<td>8. Scaling up private sector participation</td>
</tr>
<tr>
<td>10. Health of Communities and Citizens</td>
<td></td>
<td>10. KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World</td>
</tr>
<tr>
<td>11. Sustainable Household Food Security</td>
<td></td>
<td>11. Unleashing the Agricultural Sector</td>
</tr>
<tr>
<td>12. Promote Sustainable Human Settlement</td>
<td></td>
<td>12. Industrial Development through Trade, Investment &amp; Exports</td>
</tr>
<tr>
<td>15. Development of Harbours</td>
<td></td>
<td>15. Enhance the Knowledge Economy</td>
</tr>
<tr>
<td>17. Development of Road &amp; Rail Networks</td>
<td></td>
<td>17. Skills alignment to Economic Growth</td>
</tr>
<tr>
<td>23. Manage pressures on Biodiversity</td>
<td></td>
<td>23. Enhance Safety &amp; Security</td>
</tr>
<tr>
<td>27. Eradicating Fraud &amp; Corruption</td>
<td></td>
<td>27. Development of Road &amp; Rail Networks</td>
</tr>
<tr>
<td>PGDP Objectives</td>
<td>The PGDP alignment with the 9-point plan</td>
<td></td>
</tr>
<tr>
<td>-----------------</td>
<td>----------------------------------------</td>
<td></td>
</tr>
<tr>
<td>1. Unleashing the Agricultural Sector</td>
<td>1. Revitalisation of the agriculture and agro-processing value chain</td>
<td></td>
</tr>
<tr>
<td>2. Industrial Development through Trade, Investment &amp; Exports</td>
<td>2. More effective implementation of a higher impact IPAP</td>
<td></td>
</tr>
<tr>
<td>3. Government-led job creation</td>
<td>3. Advancing beneficiation</td>
<td></td>
</tr>
<tr>
<td>4. SMME, Entrepreneurial and Youth Development</td>
<td>4. Unlocking the potential of SMMEs, cooperatives, township and rural enterprises</td>
<td></td>
</tr>
<tr>
<td>5. Enhance the Knowledge Economy</td>
<td>5. Oceans economy</td>
<td></td>
</tr>
<tr>
<td>7. Skills alignment to Economic Growth</td>
<td>7. Managing workplace conflict</td>
<td></td>
</tr>
<tr>
<td>8. Youth Skills Dev &amp; Life-Long Learning</td>
<td>8. Scaling up private sector participation</td>
<td></td>
</tr>
<tr>
<td>17. Development of Road &amp; Rail Networks</td>
<td>17. Productive Use of Land</td>
<td></td>
</tr>
<tr>
<td>23. Manage pressures on Biodiversity</td>
<td>23. Eradicating Fraud &amp; Corruption</td>
<td></td>
</tr>
</tbody>
</table>

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World"
LINKAGE OF 9 POINT PLAN TO KZN OBJECTIVES

Resolving the Energy challenge
- Energy Agency to implement catalytic projects
- Renewable energy infrastructure

Agriculture value chain
- Beneficiation
- Export oriented Agriculture

Mineral Beneficiation
- Explore PPPs in project implementation
- Promote FDI and domestic investment

Effective implementation of Industrial Policy action plan
- Industrial Economic Hubs
- Special Economic Zones (SEZs)

Private sector investment
- Explore PPPs in project implementation
- Promote FDI and domestic investment

Moderating work place conflict
- Implementation of Economic Council Resolutions

Unlocking the potential of SMMEs, cooperatives, townships and rural enterprises
- SMME fund
- Corridor development
- Rural infrastructure
- Poverty Eradication master plan

Reform for State Owned entities, broadband rollout, water & sanitation and transport infrastructure
- Broadband infrastructure (PGDP)
- SIP2 infrastructure (dugout port, container terminal, back of port)
- Ship building

Operation Phakisa- The Ocean economy
- Maritime Institute of Excellence
- Cruise terminal
- Ship building

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World"
KZN Agro-processing Strategy

What was the status of this Strategy in August 2015?

- Project conceptualisation and preliminary research which was aimed at creating awareness on various commodities in KZN that hold promise for value addition thus creating decent employment opportunities and creation of new enterprises focusing on agro processing.
- Stakeholder Identification and engagement including developing various business cases for 6 value chains prioritized (grains, sugar, red meat, white meat, forestry, fruit & vegetables)

Where were we in February 2016?

- Formulated Vision and Objectives; Functional governance structures in line with priority commodities;
- Prioritized provincial agro-processing projects;
- Agreement on strategic interventions both essentials and important enablers as well as useful enablers;
- Approval process for Agro-Processing Strategy at advanced stages.
- Currently identifying resources for the strategy implementation.
- Defining and aligning the strategy to other KZN instruments and players in the Agro processing space such as Agri Parks, Agri Villages, Industrial Hubs etc.
KZN Agro-processing Strategy

What do we plan to do by August 2016 Lekgotla?

- The Implementation of the strategy including the establishment and formalization of the strategy implementation structures:
  - Agro-Processing Forum / Chapter at the highest level in government, business and community aimed at fostering a sector transformation agenda.
  - Dedicated Agro-Processing Support Platform – which will facilitate market access, training, finance, technology, compliance etc.
  - The support of implementation of the existing models such as Agri Parks, Industrial Hubs etc.

What strategic interventions are required?

- Support the establishment of implementation structures for Agro-Processing in KZN:
  - Agro-Processing Forum / Chapter at the highest level in government, business and community aimed at fostering a sector transformation agenda.
  - Dedicated Agro-Processing Support Platform – which will facilitate market access, training, finance, technology, compliance etc.
**Revitalisation of the agriculture and agro-processing value chain (APAP)**

<table>
<thead>
<tr>
<th>STRATEGY / PLAN / PROGRAMME</th>
<th>WHERE WERE WE IN AUGUST 2015?</th>
<th>WHERE WERE WE IN FEB 2016?</th>
<th>WHAT DO WE PLAN TO DO BY AUGUST 2016?</th>
<th>STRATEGIC INTERVENTION REQUIRED</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>KZN Agrarian Transformation Strategy</strong></td>
<td>Implementing Agrarian Transformation Strategy with the following commodities: Grain on 17 226 ha, Poultry, Small and large stock, Vegetables on 2289 ha.</td>
<td>Agrarian Transformation Strategy is being implemented. Focusing on communal estates, Land reform, Agri-village, and River valley (based on the agricultural commodities including sugar cane, grain, small stock and large stock.</td>
<td>To contribute to rural economic development and agricultural sector in general, increased production, job creation and value chain integrated market access. Review Agrarian Transformation Strategy.</td>
<td>Partnerships with commodity associations and other sector stakeholders.</td>
</tr>
<tr>
<td><strong>Revitalising the Agriculture Value Chain</strong></td>
<td>Finalising strategic partnership with the commodity organisation</td>
<td>Signed an MOU with the South African Sugar Association (SASA), South African Breweries (SAB), National Wool Growers Association and Old Mutual Masisane fund. Support on poultry value chain through development of infrastructure (Hatchery)</td>
<td>Engage more commodity association and strategic partners with an aim to forge partnerships.</td>
<td>Enhancement of participation by private sector</td>
</tr>
</tbody>
</table>
### CATALYTIC, STRATEGIC AND HIGH LEVEL PROJECTS

<table>
<thead>
<tr>
<th>WHERE WERE WE IN AUGUST 2015?</th>
<th>WHERE WERE WE IN FEB 2016?</th>
<th>WHAT DO WE PLAN TO DO BY AUGUST 2016?</th>
<th>STRATEGIC INTERVENTION REQUIRED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection, rehabilitation and improved productivity of agricultural resources</td>
<td>We were implementing the rehabilitation of natural resources for 8000 hectare of land and creation of 2000 job opportunities.</td>
<td>We have rehabilitated 5936 Hectares of land and created 2120 job opportunities.</td>
<td>Implementing the rehabilitation of natural resources for 8000 hectare of land and creation of 2000 job opportunities.</td>
</tr>
<tr>
<td>Expedite the implementation of Makhathini development plan through operation Phakisa</td>
<td>The plan was to implement and rehabilitate agricultural infrastructure with an estimated budget of R95.4 million.</td>
<td>Operation Phakisa has been adopted as an implementation model to unleash full agricultural potential of Makhathini.</td>
<td>More funding is required in order to do more ha and create more jobs opportunities.</td>
</tr>
<tr>
<td></td>
<td>DARD continued to solicit funding from other role players.</td>
<td>For the current financial year 2015/2016 a budget of 84 million has been allocated and following are some of the flagship project under -implementation:</td>
<td>Additional Funds from Other Role Players</td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Makhathini Inputs store completed</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Ndumo irrigation ( Ndumo A fence completed , Ndumo B phase two irrigation completed)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Marula processing plant ( 90% complete)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Abattoir Bhambanana (90% complete )</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Red Line Fencing (90% complete)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Livestock Centres (completed awaiting handing over)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Rehabilitation of irrigation canal</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>o Makhathini Cotton Development</td>
<td></td>
</tr>
</tbody>
</table>
### Revitalisation of the agriculture and agro-processing value chain (APAP)

<table>
<thead>
<tr>
<th>CATALYTIC, STRATEGIC AND HIGH LEVEL PROJECTS</th>
<th>WHERE WERE WE IN AUGUST 2015?</th>
<th>WHERE WERE WE IN FEB 2016?</th>
<th>WHAT DO WE PLAN TO DO BY AUGUST 2016?</th>
<th>STRATEGIC INTERVENTION REQUIRED?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Livestock Dams</strong></td>
<td>Procurement plans in place</td>
<td>75 livestock dams are at implementation stage for the following districts: Uthungulu, Zululand, Umkhanyakude, Amajuba, Umzinyathi, Uthukela, Ugu and Harry Gwala.</td>
<td>70 More livestock dams to be implemented</td>
<td>Cooperation with communities</td>
</tr>
<tr>
<td><strong>Boreholes</strong></td>
<td>Procurement plans in place</td>
<td>62 boreholes are at implementation stage, this is happening to all 11 district municipalities.</td>
<td>50 More boreholes to be implemented</td>
<td>Cooperation with communities</td>
</tr>
<tr>
<td><strong>Diptanks</strong></td>
<td>Procurement plans in place</td>
<td>83 diptanks are at implementation stage for the following districts: Zululand, Umkhanyakude, Uthukela, Harry Gwala, Umgungundlovu and Ilembe</td>
<td>70 More diptanks to be constructed and rehabilitated</td>
<td>Cooperation with communities</td>
</tr>
</tbody>
</table>
Industrial Economic Hubs

What was the status at the August 2015 Lekgotla and what did we commit to do?

- Appointment of Ithala to plot infrastructure requirements and design for hubs at eZakheni, Madadeni and isiThebe.
- Ugu Perishable hub - reviewing an alternative site due to price escalations on the originally identified scottsborouh site
- Purchase offer accepted for uMgungundlovu hub and rejected for UGu hub.
- Alternative operations found for one of three non-feasible hubs (Harry Gwala – furniture and dairy).
- Focus is on tenant attraction and investment sourcing (public entities, dedicated structures, national government)
- Land for uMgungundlovu hub acquired - five letters of expression of interest received
Industrial Economic Hubs

Where were we in February 2016?
- UMgungundlovu leather processing hub identified by the DTI as a pilot and speed up implementation.
- Uthukela Electronics Hub- Design and construction of Perimeter Security Fencing in progress

What do we plan to do by August 2016 Lekgotla?
- Two launches before end March (skins collection and furniture manufacturing)
- Secure land for all the remaining hubs
- Fencing of Uthukela Electronics hub
- Purchase of Land for the eThekwini Automotive Supplier Park

What strategic interventions are required?
- Industry support measures
- Sharpen investment and tenant attraction
Durban Aerotropolis Masterplan

- **What was the status at the August 2015 Lekgotla and what did we commit to do?**
  - Durban Aerotropolis Master Plan Bid had been advertised

- **Where were we in February 2016?**
  - Service Provider is appointed and the Master Plan is being drafted.
  - Completion of the inception report, economic analysis and review of municipal IDPs and provincial strategies.

- **What do we plan to do by August 2016 Lekgotla?**
  - Durban Aerotropolis Master Plan completed.
  - The Master Plan to detail catalytic projects for implementation and that require private sector investment.

- **What strategic interventions are required?**
  - None
Aerotropolis Institute

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - Concept document drafted

- Where were we in February 2016?
  - Inception of High level Feasibility study

- What do we plan to do by August 2016 Lekgotla?
  - Completion of High Level Feasibility study
  - Completion of Aerotropolis Institute Business Plan

- What strategic interventions are required?
  - None
Dube TradePort SEZ

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - Bid for DTP SEZ Implementation Plan out to market.

- Where were we in February 2016?
  - Initiation and strategic session held 26th January.
  - First deliverable under preparation by service provider.

- What do we plan to do by August 2016 Lekgotla?
  - A final SEZ Implementation Plan report will be complete to guide long term implementation and strategic direction of the SEZ.

- What strategic interventions are required?
  - None
Route Development

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - Route Development strategy for King Shaka International Airport developed
  - KISIA Connectivity:
    - One (1) International Route: Emirates - Dubai
    - Four (4) regional destinations with four (4) airlines operating the routes:
      - Air Mauritius – Durban
      - SA Express – Harare
      - SA Express – Lusaka
      - Air link – Maputo

- Where were we in February 2016?
  - Three (3) International routes (Turkish, Qatar and Ethiopian) and five (5) regional routes (Pro flight) serviced by five % (5) airlines (2 domestic and 3 international)

- What do we plan to do by August 2016 Lekgotla?
  - Expanded marketing support for existing Airlines
  - Secure one (1) additional regional route (Dar Es Salaam)

- What strategic interventions are required?
  - None
Dube City

- **What was the status at the August 2015 Lekgotla and what did we commit to do?**
  - Construction of Dube City precinct Double Basement construction
  - Block F mixed use building contract

- **Where were we in February 2016?**
  - The Double Basement Parking on Block D of the Dube City precinct is currently under construction.
  - Block F Mixed use building procurement being finalised.

- **What do we plan to do by August 2016 Lekgotla?**
  - Construction of the Double Basement in progress.
  - Multi-Story Parkade project on Block A and Block B of the Dube City precinct awarded and at design stage initiated.
  - Block F mixed use development – at design stage

- **What strategic interventions are required?**
  - None
Trade Zone Precinct

- **What was the status at the August 2015 Lekgotla and what did we commit to do?**
  - The construction of Gift of the Givers; Airchefs; Maintenance Facility and the Trade Zone 1B infrastructure were in construction phase.

- **Where were we in February 2016?**
  - Continued construction on third party developers sites.
  - Bulk infrastructure complete for TradeZone 1b

- **What do we plan to do by August 2016 Lekgotla?**
  - Construction underway of some third party developer sites. E.g
  - Commencement of the construction of top structures for an international investor on TradeZone 1b.
  - Commencement of construction of the DTPC Guardhouses for the Trade Zone 1 precinct.
  - PDA applications under preparation for Trade Zone 2 development.

- **What strategic interventions are required?**
  - Municipality to fast track approvals for all planning applications (e.g land use and building plan approval) lodged in terms of the PDA/ SPLUMA or the National Building Regs.
AgriZone Precinct

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - Procurement of construction service providers for Hardening Facility and Waste Facility. AgriZone lab and Workshop facility in construction phase.

- Where were we in February 2016?
  - Construction of top structures being concluded. – Waste facility, lab and workshop.
  - Hardening facility completed

- What do we plan to do by August 2016 Lekgotla?
  - Completion of all construction projects in the AgriZone Precinct

- What strategic interventions are required?
  - None
KZN MINERAL BENEFICIATION STRATEGY

What was the status at the August 2015 Lekgotla and what did we commit to do?

- The initiative aims to develop a beneficiation strategy that will help to drive the minerals sector in KwaZulu-Natal towards a more profitable, socially accountable and environmentally sustainable future.
- Analysis of the contribution of the remaining two mineral commodities (coal and phosphate) in terms of their social-economic development and risks and opportunities is currently underway.
- PICC instructed the provinces to pursue the Innovative Building Technologies and KZN will be pursuing Waste Material Recovery Industry as another source for beneficiated building materials.

Where were we in February 2016?

- EDTEA as part of the Industrial Hubs conducted a coal discards study which identified all existing coal mines and coal discards in the province. These discards were classified according to their economic value, environmental impact and logistical or ease of access to the discards;
- EDTEA is currently planning the stakeholder engagement on the Mineral Beneficiation Strategy outcome, where at least 5 key commodity value chains were analyzed and recommendations proposed. These value chain include Aluminium, Coal, Iron and Steel, Phosphates and Mineral Sands. This engagement is planned to take place in February 2016.
KZN MINERAL BENEFICIATION STRATEGY

What do we plan to do by August 2016 Lekgotla?
- Department of Minerals needs to help with legislative instruments that allow for re-mining of the dumps. Such a request was tabled to the former Minister of the department;
- EDTEA and DMR needs to find resources of rolling out the Coal Discard Programme.

What strategic interventions are required?
- Cabinet need to approve the Beneficiation Strategy and EDTEA need to allocate resources to implement the recommended actions in the strategy including some of the recommendations of the Small Scale Mining Indaba.
Youth Entrepreneurship

- **What was the status at the August 2015 Lekgotla and what did we commit to do?**
  - 24 entrepreneurs have been recruited and are undergoing training at ILembe Chamber of Commerce Industry and Tourism.

- **Where were we in February 2016?**
  - A total of 192 young entrepreneurs have been trained.
  - This initiative assisted with the creation of 384 new jobs mainly for youth.

- **What do we plan to do by August 2016 Lekgotla?**
  - Implementation of Entrepreneurship programme extended to additional 2 other Districts.

- **What strategic interventions are required?**
  - Co-funding of R2m from EDTEA in order to continue with implementation of the programme in 2016.
Commissioning of the KZN SMME Master Plan

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - SCM process underway

- Where were we in February 2016?
  - Final stages of SCM.
  - Appointment of Service Provider to implement KZN SMME Master Plan project.

- What do we plan to do by August 2016 Lekgotla?
  - Draft SMME Master Plan in place.

- What strategic interventions are required?
  - Clarity on Gov’t’s stand on strategic partnership
Unlocking SMMEs and Co-operatives potential

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - KZN Small Enterprise Database is being developed (will help monitor sustainability of small enterprises in the province – and will help track those operational over 2 years of their inception).
  - Embarked on a process to establish the Provincial Association of Traders in order to deal with issues of bulk-buying and warehousing (finalised concept document and TORs and convened stakeholder workshops.
  - Appointment of KZN SMME Academy in progress
  - Incubation programme implemented in partnership with Mangosuthu University of Technology (MUT) focusing on chemicals.
  - KZN Province hosted Procurement Indaba 13 and 14 August 2015.
  - On-going Social Accord Partnership with Labour and Private Sector (through the Economic Council we are now implementing “The Entrepreneur and Business Competition Training Programme” targeting Youth businesses).
  - Transferred SMME funding to Ithala to avoid access to finance challenges.
  - Finalised the Township Malls/Rural Shopping Centres Tenancy Framework (doc aimed at guiding tenancy ratios - 55/45% between national and local business respectively).
  - Undertaking the study on the impact of xenophobic attacks on (small) businesses.
Unlocking SMMEs and Co-operatives potential

Where were we in February 2016?

- SMME and Coops database being established
- Association is established and to be launched before end of March 2016.
- Warehousing and Bulk-buying will help reduce cost of doing business.
- It will also help increased number of SMMEs /Coops surviving beyond a 2 year period.
- At final stages of SCM. Appointment of S/ Provider to assist with the establishment of SMME Academy.
- This will lead to well capacitated SMMEs /Coops and ensure survival beyond 2 years.
- Continued incubation of SMMEs / Coops in chemicals, and currently looking at other sectors.
- Reduction of Red Tape and promotion of public and private sector procurement opportunities in line with the Procurement Indaba Resolutions.
- Through February 2016 Coops Summit stimulating Coops participation in the economy.
- Continued support to the Social Accord Partnership.
- Identified other new Districts to participate in the Entrepreneurship Training Programme.
- A number of small enterprises benefited through Enterprise Development Funding.
- A legislative framework supporting involvement of small enterprises and local equity in township malls and rural shopping centres is underway.
- The framework document that provides clarity on how to guide involvement of foreign nationals in rural /township businesses.
- Study on impact of Xenophobic attacks completed.
UNLOCKING THE POTENTIAL OF SMMES, COOPERATIVES, TOWNSHIP AND RURAL ENTERPRISES

Unlocking SMMEs and Co-operatives potential

- What do we plan to do by August 2016 Lekgotla?
  - Continued support to Social Accord programmes.
  - Increased number of Small Enterprises benefiting through the programme.
  - Township and Rural Shopping Centres Tenancy Framework doc in place/finalised.
  - Aligned Mall Tenancy Framework doc to KZN Business Bill.
  - Reduced tension between foreign and local small business owners.
  - Fully functional Small Enterprise Database.
  - Clear understanding of status of SMMEs/Coops in KZN.
  - Functional Association of Traders.
  - Functional Warehouses and Bulk-buying systems.
  - Reduced Red Tape.

- What strategic interventions are required?
  - Clarity on Gov’t’s stand on strategic partnerships.
  - 10% set aside for war veterans
  - 30% set aside for Women and 30% set aside for Youth.
  - Implementation of Procurement Indaba Resolutions.
  - Implementation of 30% set aside for Women and 30% set aside for Youth in Provincial Government procurement / spend on Goods and Services.
  - Private sector buy-in and support
KZN Maritime Institute

- **What was the status at the August 2015 Lekgotla and what did we commit to do?**
  - Feasibility to assess the most suitable institutional model for Maritime Institute has been completed
  - Legislation required for the establishment of the Institute is completed, pending approval by MEC, Cabinet and legislature processes.

- **Where were we in February 2016?**
  - Inputs to the Bill to be received from KZNSB and principals
  - Operation Plan for public consultations across KZN in place

- **What do we plan to do by August 2016 Lekgotla?**
  - Public consultations as well as approvals by legislature and cabinet completed
  - Bill for the KZN Maritime Institute is enacted
  - The Institute is launched and operational

- **What strategic interventions are required?**
  - Provincial Cabinet and legislature to prioritize and expedite the process of meeting to discuss and provide inputs to Bill as well as the approval thereof
KZN Maritime Strategy

What was the status at the August 2015 Lekgotla and what did we commit to do?
- Augmenting of Operation Phakisa into the KIMS complete.
- Operation Phakisa is being implemented within the framework of the KIMS.
- Implementation of projects across various marine sub-sectors has commenced.
- Relevant steering committees have been put in place (Aquaculture, Oil & Gas, Marine Manufacturing).
- Ugu and UThungulu maritime strategies to be developed as recommended by the KIMS. Supply chain processes are done.

Where were we in February 2016?
- Inception reports for Ugu and UThungulu maritime strategies to be received.
- RBIDZ’s Oil & Gas and ship building and ship repair Initiative now included under Initiative 7 of Operation Phakisa MTM Lab.
- Preparing for KZN Oil and Gas Peer and Industry Review.
- Feasibility Study on catfish farming in KZN to commence.
- Negotiated with tribal authority regarding a lease agreement for Sofoco Fish Farm (identified in Phakaisa) for expansion of ornamental fish farming.
- Public consultations in progress with regards to the Marine Protected Areas (MPA’s) in Protea Banks, Aliwal Shoal Expansion, Uthukela, iSimangaliso expansion.
KZN Maritime Strategy

What do we plan to do by August 2016 Lekgotla?
- Ugu and Uthungulu Maritime Strategies completed
- Stakeholder engagement, specialist studies and consent from Transnet to undertake feasibility study on its land received
- KZN Oil and Gas Peer and Industry Review undertaken and implementing based on findings
- Catfish Farming feasibility Study completed and commencement of implementation based on findings
- Sofoco Fish Farm awarded a lease agreement, an extensive business plan developed for the farm and implementation on business plan commenced
- MPA’s approved and zoned accordingly

What strategic interventions are required?
- EDTEA principals required to assist with expediting the approval process by Transnet for allowance of RBIDZ to undertake a feasibility study on the establishment of the Oil & Gas hub in RBIDZ.
Strategic Interventions

- **Biomass To energy**
  - Needed to set aside a budget for the KZN Energy Agency and engage with the National Minister of Energy

- **Solar energy generation**
  - Wind farms.
  - Hydro electricity generation

- **Promote Independent Power Production**
  - Facilitate private sector investment into the energy production

- **Develop KZN regional capacity**
  - Develop renewal energy capability across KZN districts/municipality
Green Economy/ Alternative Energy Interventions

- What was the status at the August 2015 Lekgotla and what did we commit to do
  - Needed to set aside a budget for the KZN Energy Agency and engage with the National Minister of Energy

- Where were we in February 2016?
  - Engagements with the national minister and a team national team was appointed to assist - direction and clarity on how to set up the agency given.
  - Appointed a team within EDTEA for three years which has been tasked to build a project pipeline for the agency and set it up in its official capacity
Green Economy/ Alternative Energy Interventions

- What do we plan to do by August 2016 Lekgotla?
  - By September we hope to have our first projects identified for the agency. We also hope to have had engagements with NERSA on the issuing of the trading licenses as well as support from DFI’s who have been approached to provide guarantees for the energy agency.

- What strategic interventions are required?
  - A long term budget for the agency needs to be set aside for the next three years as well as for the energy fund. Another engagement with the national department of energy as well as NERSA will also be required to present the final model and get final approval for the granting of the trading licenses.
## Catalytic Project
### Energy Production & Supply

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT SCOPE</th>
<th>PLANNED COMPLETION DATE</th>
<th>BUDGET AND EXPENDITURE</th>
<th>BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nongoma substation - Upgrading</td>
<td>Substation Upgrade</td>
<td>Planned to completion date was August 2015, however the project was completed at the end of June 2015.</td>
<td>R35m</td>
<td>Nongoma Municipality (Business and Households)</td>
</tr>
<tr>
<td>Nongoma MV networks</td>
<td>Upgrade from 11 to 22kv</td>
<td>Project Complete</td>
<td>R134m</td>
<td>Nongoma Municipality</td>
</tr>
<tr>
<td>Jozini Town</td>
<td>Upgrade the cable network</td>
<td>Planned completion date was September 2015, however the project has been completed as of end of May 2015.</td>
<td>R15m</td>
<td>Jozini Municipality</td>
</tr>
</tbody>
</table>
### Catalytic Project
**Energy Production & Supply Cont.**

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT SCOPE</th>
<th>PLANNED COMPLETION DATE</th>
<th>BUDGET AND EXPENDITURE</th>
<th>BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manguzi normalisation</td>
<td>Normalisation of the network</td>
<td>Phase 1: Project start date was Oct 2015, Survey and detailed design completed, busy with material reservation. Scheduled completion date is June 2016. Phase 2: Project start date was Jan 2016. Busy with material reservation. Expected completion date is June 2016.</td>
<td>R15m</td>
<td>UMhlabuyalingana Municipality</td>
</tr>
<tr>
<td>Ndumo suite</td>
<td>20 MVA substation and related HV &amp; MV lines Planning to complete the project by March 2015.</td>
<td>Planned completion date was March 2015, however the Project was Completed at the end of June 2015.</td>
<td>R125m</td>
<td>UMhlabuyalingana Municipality (About 15000 households in the vicinity of Ndumo )</td>
</tr>
<tr>
<td>Makhathini NB57 &amp; NB24</td>
<td>Upgrade of MV networks</td>
<td>Planned Completion date is June 2016. Construction expected to commence in May 2016.</td>
<td>R41m</td>
<td>Jozini and Umhlabuyalingana Municipality (about 2000 households for each municipality)</td>
</tr>
</tbody>
</table>
### Catalytic Project
### Energy Production & Supply Cont.

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT SCOPE</th>
<th>PLANNED COMPLETION DATE</th>
<th>BUDGET AND EXPENDITURE</th>
<th>BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cathkin substation</td>
<td>Upgrade to 20MVA</td>
<td>Construction phase is 70% complete and the project completion date is June 2016.</td>
<td>R22m</td>
<td>UKhahlamba Municipality. (Businesses under the Drakensburg)</td>
</tr>
<tr>
<td>Eshowe substation</td>
<td>Upgrade to 40MVA</td>
<td>Construction phase is 60% complete the project is scheduled for completion at the end of May 2016.</td>
<td>R32m</td>
<td>Eshowe Municipality</td>
</tr>
<tr>
<td>School Road NB104 – Sanathan</td>
<td>Build new MV &amp; LV Infrastructure</td>
<td>Project was energized in October 2015.</td>
<td>R12m</td>
<td>Umdoni Municipality</td>
</tr>
<tr>
<td>Nagle dam suite</td>
<td>20mva substation and related HV &amp;MV lines</td>
<td>The project was completed and energised in April 2015.</td>
<td>R88m</td>
<td>Umkhabathini Municipality</td>
</tr>
</tbody>
</table>

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World”
### PROJECT NAME

- **Ubuhlebezwe Electrification Project**

### PROJECT SCOPE

- **Ubuhlebezwe Electrification Project**
  - Networks: Ixopo NB29 Interconnector for Ofafa and Mkhunya Electrification (8km hare line)
  - Networks: 14 km Hare Line for Mahhele Electrification (8Km Corinth to Ixopo and 6km Upgrade from Corinth NB90 to Corinth Substation)
  - Mahhele Electrification (1300 connections) Ufafa Electrification (1130 connections) Ufafa Electrification (1130 connections)
  - Ufafa Electrification (1130 connections) Ufafa Electrification (1130 connections) Ufafa Electrification (1130 connections)
  - Umkhunya Electrification (904 connections)

### PLANNED COMPLETION DATE

- **Mahhele Electrification (1300 connections)**
- **Ufafa Electrification (1130 connections)**
- **Ufafa Electrification (1130 connections)** To be completed in December 2015.
- **Commission and hand over is planned for January 2018**

### BUDGET AND EXPENDITURE

- **Budget: R20,815 mil (Massification Cogta), DOE: R8 mil 2014/2015 and R30 mil 2015/2016**
- **Expenditure to date as at end July 2015, R28,887,985.64**

### BENEFICIARIES

- **Ubuhlebezwe LM (Ofafa, Amahhehle and Umkhunya community)**
## Catalytic Project
### Energy Production & Supply Cont.

<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT SCOPE</th>
<th>PLANNED COMPLETION DATE</th>
<th>BUDGET AND EXPENDITURE</th>
<th>BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nquthu Electrification (Ward 3,10 &amp; 13)</td>
<td>Nquthu Electrification (Ward 3,10 &amp; 13). The number of connections is 2200</td>
<td>Anticipated completion is planned for 2016-2017 FY</td>
<td>R13,970m (Budget) Additional funding for construction still required</td>
<td>Nquthu LM</td>
</tr>
<tr>
<td>Emakhabeleni Electrification</td>
<td>To design, implement and project manage the complete installation of electricity to the households identified in Emakhabeleni Phase1. Electricity will be supplied on a 20A Meter, Electricity will be tied off from the existing network i.e Madungela NB55, Kranskop NB51 and Hermansburg NB48</td>
<td>March 2016</td>
<td>Total project cost R83 300 000 Phase 1 (R47 000 000) Phase 2 (R36 300 000)</td>
<td>Umvoti LM (Emakhabeleni Ward 5 &amp; 6)</td>
</tr>
</tbody>
</table>

---

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World"
KZN ECONOMIC COUNCIL (KZNEC)

- What was the status at the August 2015 Lekgotla and what did we commit to do?
  - Chapter 3 of Social Accord drafted and social partners input incorporated
  - The KZN EC branding campaign (logo, vision and mission) was adopted in May
  - Successfully hosted the inaugural KZNEC Roundtable panel discussion
  - Successfully rolled out the first of many KZNEC Roadshows in July – UMzimkhulu

- Where were we in February 2016?
  - Chapter 3 of Social Accord finalised and endorsed by the social partners at the 2015 KZN Economic Summit.
  - Successfully hosted the two KZNEC Roundtable panel discussions in June and October 2015.
  - Successfully rolled out the first of many KZNEC Roadshows in July 2015 in UMzimkhulu
  - Hosted 2015 edition of the Annual KZN Economic Summit in September 2015 where progress was reported on the implementation of Chapters 1 and 2 of the KZN Social Accord.
What do we plan to do by August 2016 Lekgotla?
- Implementation of Chapter 3 of the KZN Social Accord.
- Expedite the implementation of Chapters 1 and 2 of the KZN Social Accord.
- Host KZNEC Roundtable panel discussions in April and August 2016.
- Host KZNEC Roadshow.
- Draft Chapter 4 of the KZN Social Accord.

What strategic interventions are required?
- Dedication of resources, as required, towards the implementation of the KZN Social Accords by all social partners.
- Attendance and participation in all KZNEC events and activities by respective social partners.
- Input from all social partners in the development of future accords.
Samsung SA Project

- **Description**: Samsung will be operating an electronics facility within Dube Trade Port. The first phase is to produce 1,000,000 Television units for the local market. Phase 2 will focus on increasing production to 3,000,000 units for the export market.
- **Rand Value**: The total project value is R1bn. Phase 1 - estimated at R300m.
- **Jobs**: Total jobs to be created is more than 1000. Phase 1 - 200 jobs initially.

Vossloh Project

- **Description**: Vossloh is a French company looking at setting up a manufacturing facility in Kwadukuza. They are currently exporting rail fasteners to South Africa and supplying PRASA and Transnet. This is an import substitution project. They are looking at leasing an area of 30000 m².
- **Rand value**: R75m
- **Jobs**: 75-100

HBM and SA Health Project

- **Description**: This is a condom manufacturing project to supply the local market and export to the African continent. Partnership between SA Health a local based company that is in the medical supplies business and are currently importing their products including male condoms and HBM (Hubai Medicals), a company with Headquarters in the USA but have operational businesses in China with 6 manufacturing sites. The site size needed by HBM is 30000m².
- **Rand value**: R65m
- **Jobs**: 200
Music City South Africa Project
- **Project description:** Involves the development of a musically-themed resort with retail, accommodation, entertainment and education facilities in Ugu. The development also involves an energy plant for the project and housing for the workers. The concept will be developed in 3 phases over 5 years.
- **Rand Value:** The total project value is R34 billion
- **Jobs:** 15 000

Multi-Smelter Park Project
- **Project Description:** localisation and beneficiation prospect of establishing 5 – 8 metallurgical smelters, attracting in the order of R 16, 5 billion in direct foreign investment and creating approximately 8 000 new jobs in the Colenso and Newcastle area. This will include power stations that will supply energy to the smelters.
- **Rand Value:** Estimated at R20 billion
- **Jobs:** 8 000

Iron Ore Project
- **Project Description:** The Melmoth iron ore project is a joint venture between Jindal Mining SA (Pty) Ltd and Sungu-Sungu Mining, as the principal Prospecting Right License holder. The project is currently at exploration level, a combined 20000 Ha in extent divided into two concessions namely: North Block which is 8467 Ha and South Block which is 1170 Ha. The discovered Iron Ore is low grade therefore will be beneficiated on site.
- **Rand Value:** Estimated at R40 billion
- **Jobs:** 1 500 jobs on full operation. Currently employs 70 for exploration phase.
Manufacture of Ethanol from Sugar Project

- **Project Description:** The project promoter, Silvapen (South African/Brazilian Company) intends to establish an ethanol manufacturing plant near Jozini on the Makhatini Flats. The plant will be sited on 20 Ha and source sugar cane from 15 000 Ha. Cane will be grown by out growers on land not currently carrying sugar cane. A percentage share in the plant that would accrue to the community is currently being negotiated.
- **Rand Value:** R1.2 bn
- **Jobs:** 1 000

St Lucia Wind Farms Project

- **Project Description:** This is a wind farm planned for the St Lucia area (capacity 48 mega watts). The plan is to generate power which will be sold to the national grid as part of the Renewable Energy Independent Power Producers programme.
- **Rand Value:** R150m (1st Phase)
- **Potential jobs:** 100

Eureka Solar Farm Project

- **Project Description:** Eureka Capital is a fund management company from Israel. The company intends to establish a 100 Ha solar park in the Mpendle District. Investment will be in phases culminating in an 80 Mw output all of which will be sold to Eskom.
- **Rand Value:** R1bn.
- **Jobs:** 100

Hebei Iron and Steel

- A Chinese Company to invest about in the Steel industry in Richards Bay IDZ. Company plans to be operational around 2018/19
- **Rand Value:** R75 billion
Techno Parks (Science Parks)- Newcastle, UMhlathuze, Umsunduzi and Hibiscus Coast

- What was the status of this Project at the August 2015 Lekgotla and what did we commit to do?
  - Project Managers appointed, Detailed Designs underway and Preliminary site preparatory work also underway such as fencing, surveying, initial EIA processes etc

- Where were we in February 2016?
  - Finalization of services design and installation including basic infrastructure construction such as internal roads etc and lastly the construction of top structure in other sites e.g in Umhlathuze

- What do we plan to do by August 2016 Lekgotla?
  - Implementation of services and conceptualization of the next phases

- What strategic interventions are required?
  - Forging further strategic partnerships to leverage further funding and support;
  - Orientating and encouraging more government scientific services to locate in the hubs.
## Priority Provincial Strategy/Plan/Programme – Water Resources Management & Supply

<table>
<thead>
<tr>
<th>STRATEGY / PLAN / PROGRAMME</th>
<th>WHERE WERE WE IN AUG 2015?</th>
<th>WHERE WERE WE IN FEB 2016?</th>
<th>WHERE WILL WE BE IN SEPTEMBER 2016?</th>
<th>WHAT SUPPORT IS REQUIRED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Universal Access Plan -Phase 2</td>
<td>Commenced with Universal Access Plan Phase 2 (75 l/p/d)</td>
<td>Consolidating report on the required funding in order to achieve universal access at 75 l/p/d will be available by end March 2016</td>
<td>Universal Access Plan Phase 2 (75 l/p/d) will be complete and supplementary information will also be packaged. Terms of reference for UAP Phase 3 will most likely be under way.</td>
<td>Funding to facilitate implementation of the needed upgrades to water infrastructure</td>
</tr>
<tr>
<td>WC/WDM Master Plans</td>
<td>13 WSAs with 5 year WC/WDM Master Plans</td>
<td>13 WSAs with 5 year WC/WDM Master Plans</td>
<td>14 WSAs with 5 year WC/WDM Master Plans</td>
<td>Funding to implement the recommended interventions in the WC/WDM Master Plans</td>
</tr>
<tr>
<td>Mkhomazi Water Project (Smithfield Dam) Feasibility Study</td>
<td>Mkhomazi Water Project (Smithfield Dam) Feasibility Study completed.</td>
<td>Discussion and decisions being made towards confirmation of funding streams/avenues</td>
<td>Design Phase</td>
<td>Political Buy-in, support and funding</td>
</tr>
</tbody>
</table>

"KZN as a prosperous Province with healthy, secure and skilled population, acting as a gateway between Africa and the World”
<table>
<thead>
<tr>
<th>STRATEGY / PLAN / PROGRAMME</th>
<th>WHERE WERE WE IN AUGUST 2015?</th>
<th>WHERE ARE WE NOW IN FEB 2016?</th>
<th>WHAT DO WE PLAN TO ACHIEVE BY SEPTEMBER 2016?</th>
<th>WHAT SUPPORT IS REQUIRED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Desalination Pilot study</td>
<td>Desalination study site identification and design</td>
<td>2ML/day Desalination pilot plant to complete construction (in the South Coast, Scottburg Area)</td>
<td>Monitoring performance of the pilot desalination plant during 2016</td>
<td>Funding allocation to construct a permanent desalination plant once the trial/pilot is successful.</td>
</tr>
<tr>
<td>Drought Management Programme</td>
<td>Drought Management Funding Implementation (R352mill from DWS and R22.66mill from NDMC)</td>
<td>Drought Management. 70% complete in the project implementation of the DWS allocation, which is now risen to R502mill. The drought has persisted and the situation has deteriorated in most parts of KZN. Seeking further funding for continued drought interventions (second round of funding)</td>
<td>Drought Management will continue to September 2016 and should break in Spring 2016. Complete the project implementation of the second round of DWS and NDMC allocations.</td>
<td>Improved drought funding management and implementation monitoring systems. Political intervention is required.</td>
</tr>
</tbody>
</table>
## Universal Access Plan Phase 2 (75l/p/d)

**Study and consolidating a report on the required water and sanitation infrastructure funding in order to achieve universal access**

**Completion Date:** March 2016  
**Budget:** R14.9m (budget)  
**Expended:** Approximately R5mill has been expended.  

## Mkhomazi Water Project (Smithfield Dam)

**Feasibility Study completed.**

**Completion Date:** Feasibility study was completed at the end of September 2015. Thereafter EIA process and planning will commence.

**Budgets:**  
- R14m (Budget-DWS)  
- R5.6m (Budget-Umgeni Water)  
**Beneficiaries:** (Ugu DM, Ethekwini Metro, Harry Gwala DM, Ilembe DM and Msundizi LM)

## Desalination Pilot Plant

**Construction of the Desalination pilot plant in the South Coast, Scottburg**

**Completion Date:** December 2015  
**Budget:** R18.2mill (Budget), fully expended.  
**Beneficiaries:** Ugu DM, Ethekwini Metro
<table>
<thead>
<tr>
<th>PROJECT NAME</th>
<th>PROJECT SCOPE</th>
<th>PLANNED COMPLETION DATE</th>
<th>BUDGET AND EXPENDITURE</th>
<th>BENEFICIARIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bulwer Dam Construction</td>
<td>Construction of the Dam (Geotechnical investigations, Spillway Physical Modelling, wetland offset plans, environmental management and conservation plan, bush clearing, and access roads, and advance excavation of soft to intermediate material along the centre-line of the spillway channel)</td>
<td>Phase 1 is complete i.e. The weir and the rising main. Construction of the actual Dam is to be completed by end 2018.</td>
<td>R158.2m (MTEF) Expenditure to date is R30m</td>
<td>Harry Gwala District</td>
</tr>
<tr>
<td>Raising of the Hazelmere Dam</td>
<td>Raising of the Hazelmere Dam to provide additional 19.8 million m³/annum.</td>
<td>Contract awarded and on site as of July 2015. DWS experienced delays in tender awarding process. As a result the project completion date has been revised from end of 2015 to end of 2016.</td>
<td>R360m</td>
<td>Ilembe District &amp; Ethekwini Metro</td>
</tr>
<tr>
<td>Lower Thukela Regional Bulk</td>
<td>Phase 1 of the project would provide additional 250million m³/annum, while phase 2 would provide additional 40million m³/annum</td>
<td>Phase 1 - Bulk is under construction and is now planned for completion at the end of 2016. Water would be sufficient for 10-15 years. Thereafter Phase 2 will need to be constructed.</td>
<td>R2.5billion(budget), expenditure to date R1.5billion.</td>
<td>Harry Gwala District &amp; Ugu District</td>
</tr>
</tbody>
</table>
Siyabonga / Thank you

www.kznppc.gov.za