



Media Release

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3RD Karoo STR Conference Delegates Engage in Robust Panel Discussions Under the theme “Small Towns, New Futures”

The Karoo Small Town Regional development initiative is an apex programme of SALGA that came about in response to the Karoo region being a space which holds enormous potential to grow economically, socially and environmentally. This year’s conference took the form of panel discussions and presentations from SALGA and stakeholders. Deputy Minister Andries Nel delivered the keynote address.

Highlights from the various topic based panel discussions:

Building Inclusive Green Municipalities (BIGM) – which is partnership between SALGA and the Federation of Canadian Municipalities (FCM), focusing on climate change, economic development, and asset management. The programme is currently being piloted in selected municipalities in the Eastern Cape Province, and aims to promote job creation, poverty reduction, and the socio-economic development of vulnerable groups, mainly women and the youth.

To date, the BIG M municipalities have been supported with the development of responsive and inclusive LED strategies, with the approach being building the capacity of citizens to actively participate in the local economy. With regards to asset management, it was reported that municipalities are not allocating sufficient resources on managing their assets and quantifying the value thereof. Proper management of assets is pivotal as this can also be used as leverage for purposes of local economic development. To this end, SALGA, through the BIG M partnership, is providing the necessary technical support to targeted municipalities on asset management. Discussions also focused on climate change, and support being provided to municipalities, in particular around climate response and mitigation strategies. The general consensus was that the lessons from the BIG M partnership should be documented into a knowledge management repository and be shared with other municipalities within and outside of the Karoo region.

Large scale investments in the Karoo – where the presentation and pursuant discussions focused on the economic potential of the region. A proposal was made for the Karoo region to leverage on its comparative advantage as one of the biggest producers of mohair, which can result in job creation through beneficiation and backward and forward linkages. It is only through local beneficiation and value chain creation that sustainable jobs can be created. There has to be a concerted effort in investing more deliberately in beneficiation and up-skilling of enterprises as to enable them to add value to their raw products. Municipalities were also encouraged to align their strategies with the National Development Plan (NDP) and national programmes.

Another large scale investment programme looming for the Karoo region is the Independent Power Producer (IPP) programme. In the case of the region, the programme has resonance due to the region’s climate where it is able to harness the sun for renewable energy. The proposed gas exploration in the region was also discussed at length, with caution raised on

the speculative figures pertaining to the amount of gas the region holds. It was resolved that SALGA should play a facilitative role in this regard as to ensure the programme results in inclusive socio-economic development where dividends of the project(s) extend to poor, marginalised communities. Concerns were raised on the readiness of municipalities to absorb large scale projects that often come with infrastructure requirements beyond the capability of most small municipalities. It was agreed that planning should be more streamlined in order to ensure municipalities are not caught off guard and ill-prepared for large scale investments.

Keynote address by Deputy Minister Andries Nel of Cooperative Governance & Traditional Affairs

The Minister highlighted the importance of the small town regeneration programme as an important contributor to the implementation of our National Development Plan (NDP), and specifically the Integrated Urban Development Framework (IUDF). The IUDF's overall outcome is to support and guide SA cities and towns (including small towns) to achieve spatial transformation – in other words reversing the inefficient spatial patterns in a way that promotes both social and economic development, while protecting the environment.

Challenges facing South Africa cities and towns were brought to the fore, including:

- Dysfunctional spatial patterns.
- Poorly located and maintained infrastructure
- Weak spatial planning and governance
- Pressure on housing and basic services

Reference was made to the nine policy levers of the IUDF, with a common thread being the cross-cutting issues of rural-urban interdependency, which recognizes the need for a more comprehensive, integrated approach to urban development that responds to both the urban and the rural environments. The IUDF argues that traditionally, development policy has used a simplified concept of rural and urban areas, where 'rural' refers to more remote farming areas and 'urban' to cities. Similarly, economic activities associated with urban and rural areas have historically been viewed as mutually exclusive. This dichotomy not only distorts the reality but also fails to address the interdependencies between the rural and urban spaces. The reality is that there is rarely a sharp division between rural and urban areas, but rather a rural-urban spatial continuum. The Minister also spoke at length about the technical support COGTA is providing to distressed municipalities, where critical skills have been deployed to provide hands on support. Overall, the Minister expressed support for the programme and committed to further solidifying the existing partnership with SALGA.

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