

UTHUKELA ECONOMIC DEVELOPMENT AGENCY

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To: Board
Subject: Mid-year report

Date: 10/01/2024
Ref: report
Your Ref: _____

UTHUKELA ECONOMIC DEVELOPMENT AGENCY

MID-YEAR REPORT

(1ST JULY 2023 – 31 DECEMBER 2023)

VISION

An economically vibrant and prosperous district that retains and attracts businesses encored in unique opportunities and innovation for sustainable economic development.

MISSION

Create an enabling and business-friendly environment thus ensuring the retention and attraction of local and international investments. Promoting new business ventures and working will social and business partners for achieving a prosperous sustainable economic development for uThukela District.

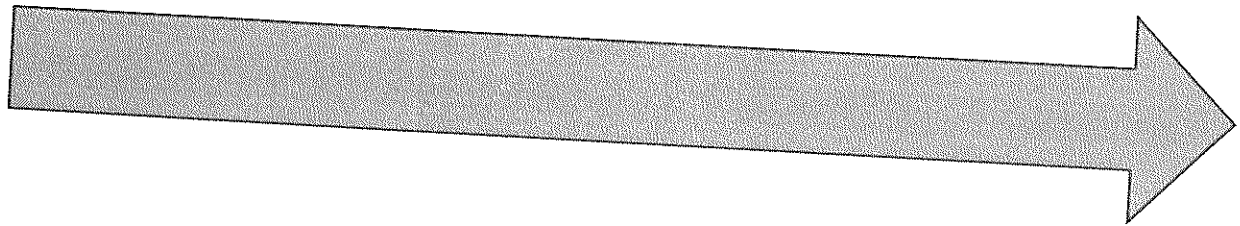


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PURPOSE

The purpose is to report on activities and finances of the Agency to the Board of Directors of uThukela Economic Development Agency for the period 1 July to 31 December 2023.

BACKGROUND

UThukela Economic Development Agency has embarked in a number of activities involving Agriculture, Investment Promotion and Tourism for the period 1 July 2023 to 31 December 2023 and has expended financial resources to perform those activities. As required by section 88 of the Municipal Finance Management Act, the Agency reports to the board the mid-year report.

1. GOOD GOVERNANCE, ORGANISATIONAL DEVELOPMENT & TRANSFORMATION

1.1. PERFORMANCE REPORTS SUBMITTED TO UTDM

The uThukela Economic Development Agency quarter 1 performance reports were submitted to UTDM on the 6th of October 2023 and quarter 2 reports were submitted to UTDM on the 10 January 2024.

1.2. QUARTELY BOARD MEETINGS

On the 1st Quarter for the financial year (2023/2024), the Board of directors had a meeting. The date of the meeting and matters discussed are as follows:

28 August 2023 – Special Meeting

- (Ref no: BUEDA 01/08/23) Annual Financial Statement 2022-2023
- (Ref no: BUEDA 02/08/23) Draft Annual Performance Report 2022-2023

On the 2nd Quarter for the financial year (2023/2024), the Board of directors had a meeting. The date of the meeting and matters discussed are as follows:

10 November 2023 – Special Meeting

- Employee contracts
- Next Meeting

1.3. QUARTERLY INTERNAL AUDIT COMMITTEE REPORT

The uThukela Economic Development Agency submitted 4th quarter report for the financial year (2022/2023) on the 7th of July 2023 to UTDM. The Agency was then audited and received the internal Auditors report from parent municipality. The Agency Quarter 1 internal auditor report was received on the 8th December 2023.

1.4. EMPLOYEE PERFORMANCE MANAGEMENT REVIEWS

3 employees were entered into a service delivery agreement with the Acting CEO to review their performance.

2. FINANCE MANAGEMENT & INVESTMENT

2.1. FINANCE MANAGEMENT

2.1.1. Six Monthly Financial Reports and Timely Submission to Parent Municipality:

In compliance with section 87(11) of the MFMA, the Financial Management and Investment Department successfully compiled and submitted three monthly financial reports by the deadline of September 30, 2023. Importantly, these reports were submitted to the parent municipality no later than 7 working days after the end of each month. This timely submission enhances collaboration with the parent municipality, ensuring transparency and facilitating informed decision-making.

In compliance with section 87(11) of the MFMA, the Financial Management and Investment Department successfully compiled and submitted three monthly financial reports by the deadline of December 31, 2023. Importantly, these reports were submitted to the parent municipality no later than 7 working days after the end of each month. This timely submission enhances collaboration with the parent municipality, ensuring transparency and facilitating informed decision-making.

UTHUKELA DISTRICT MUNICIPALITY (Parent to UEDA)

Report number: 06/12

Author: Mr. SB Sibisi

Month-ended: December 2023
Officer

Designation: Acting Chief Executive

FOR NOTING

SUBJECT: MID-YEAR FINANCIAL REPORT

DUE DATE: 09 JANUARY 2023

PURPOSE

For board committee to consider the December 2023 monthly financial report that would be submitted to parent municipality which depict the financial statistics and cash flow patterns in the past month as required by the Municipal Finance Management Act No. 56 of 2003, section 87(11)

BACKGROUND

MFMA section 87 (11) requires that: -

The accounting officer of a municipal entity must no later than seven (7) working days after the end of each month submit to the accounting officer of the parent municipality a statement in the prescribed format on the state of the entity's budget reflecting the budget vs actuals particulars for that month and for the financial year up to the end of that month.

LEGISLATIVE PROVISIONS

1.1 Municipal Finance Management Act No.56 of 2003

DISCUSSION

The required format includes the following order:

1.2 Actual revenue per source

DESCRIPTION	BUDGET	ACTUAL INCOME (R)
Subsidy	3,285,000.00	1,000,000.00
Transfers Expenditure	1,500,000.00	276,263.43
Interest Income	200,000.00	159,114.26
Other Revenue	240,000.00	274,038.43
Revenue from Conditional Grant	4,950,979	0.00
TOTAL	10,175,979.00	1,709,416.12

The Agency has received a VAT refund of R274,038.43 from SARS.

1.3 Actual borrowings

- The entity has not borrowed any funds from the financial institution

1.4 Budget vs Actual expenditure

1.5 Budget vs Actual capital expenditure

DESCRIPTION	BUDGET (R)	ACTUAL EXPENDITURE (R)
UMhlumayo Cultural Village	2,927,881.00	0.00
Driefontein Gasification	1,982,902.00	0.00
Agricultural Project	40,197.00	0.00
TOTAL	4,950,980.00	0.00

1.6 The amount of any allocations received

- The board has approved the budget of R3,285,000.00 for the Agency and submitted to the parent municipality in terms of s87 of the MFMA no 56 of 2003. An amount of R1,000,000.00 was received from the parent municipality.

- There is no corresponding expenditure to report as per 4.6 below

1.7 Actual expenditure on those allocations, including exemption by DORA and

- Any material variances from the entity's projected revenue and from the entity's expenditure projections.
- Any material variances between service delivery agreement and business plan and
- Any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the entity's approved budget

1.8 Unspent Grant

DESCRIPTION	OPENING UNSPENT (R)	EXPENDITURE (R)	CLOSING UNSPENT (R)
RASET GRANT	40,197.00	0.00	40,197.00
COGTA GRANT	2,485,015.82	0.00	2,485,015.82
KZNECO	1,982,902.00	0.00	1,982,902.00
TOTAL	4,508,114.82	0.00	4,508,114.82

1.9 Cash and Cash Equivalent

DESCRIPTION	CLOSING BALANCE DECEMBER 2023 (R)	31
Main Bank Account FNB 62804453025	285,589.33	
Standard Bank Retail/Wholesale Call Deposit 068460767001	2,648,884.12	
TOTAL	5,374,492.55	

Key Challenges

- The main challenge that the entity faced is lack of own revenue source, the entity relies on grant funding for operational needs. However, there are plans to engage with the parent municipality regarding the potential role play in their core functions in exchange for a certain percentage consideration.
- No financial Information System in place, however there has been engagement with the parent municipality to request the Agency to be added as module to their financial information system. The implications of not having the financial system are as follows:
 - ✓ Not be able to do the budget in the format or prescribed standards required by the National Treasury in terms of the Municipal Finance Management Act no 56 of 2003 and regulations from this act.
 - ✓ Unable to do in-yearly, quarterly and monthly reports as it required by the Municipal Finance Management Act no 56 of 2003
 - ✓ Non-compliance with section 97 & 99 of the municipal finance management act

2. FINANCIAL IMPLICATIONS

Limited funds available contributes to stagnant movement in the operations.

3. LEGAL / COMPLIANCE

MFMA section 87(11)

4. RECOMMENDATIONS

Board committee:

- To consider the December 2023 financial report
- Supported its submission to the parent municipality no later than the legislated date and further granted permission to do so even before the board meeting.

2.1.2. Submission of Annual Financial Statements Prepared According to GRAAP:

The Financial Management and Investment Department successfully prepared and submitted annual financial statements to the Auditor-General by the stipulated deadline of August 31, 2023. These statements were meticulously crafted in accordance with the Generally Recognized Accounting Principles (GRAAP), ensuring compliance with section 126 of the Municipal Finance Management Act (MFMA). This commitment underscores the agency's dedication to financial accuracy and transparency.

2.1.3. Submission of Annual Performance Report:

Simultaneously, the department submitted the annual performance report to the Auditor-General by the prescribed deadline of August 31, 2023. This comprehensive report provides an overview of the agency's operational achievements and performance indicators, aligning with the transparency requirements outlined in the MFMA. The meticulous preparation of these reports signifies the commitment to accountability and effective governance.

2.2. INVESTMENT PROMOTION

2.2.1. Benchmarking Tour for the Establishment of UThukela District One Stop Shop Service Centre:

Introduction:

The UEDA team, in collaboration with EDTEA through TIKZN, has embarked on a crucial initiative to establish District One Stop Shop (OSS) Service Centre's in various districts across the KwaZulu-Natal Province. As part of this initiative, the uThukela District has been selected to launch its OSS Centre during the current financial year. The UEDA team conducted a benchmarking tour of Dube Trade Port OSS and UMEDA on September 6, 2023, to gather valuable insights and information for the successful establishment of the uThukela OSS Centre.

Objective:

The primary objective of the benchmarking tour was to assess the infrastructure, number of offices, and equipment required for the launch of the uThukela OSS Centre. This visit aimed to draw lessons from successful OSS Centre's, specifically Dube Trade Port OSS and UMEDA, to ensure a seamless setup and operation of the uThukela District OSS Centre.

Location:

The designated site for the uThukela OSS Centre is set to be situated at the IThala Industrial Estate, specifically within the area of the Clothing and Textile Special Economic Zone. Originally intended for the UEDA offices, the decision to relocate to the IThala Industrial Estate was made due to space constraints, making it a more suitable option for office space and usage.

Activities:

- **Benchmarking Tour:** The UEDA team visited Dube Trade Port OSS and UMEDA on September 6, 2023. Comprehensive discussions and observations were conducted to understand the operational setup, services offered, and infrastructure requirements of the benchmarked OSS Centre's.

- **Meetings at IThala Industrial Estate:** UEDA held two meetings at the IThala Industrial Estate to secure office space for the uThukela OSS Centre. The purpose of these meetings was to negotiate and finalize the allocation of the required office space.

Recommendations:

Based on the benchmarking tour and subsequent meetings, the following recommendations are proposed for the establishment of the uThukela OSS Centre:

Office Space:

Allocate sufficient office space at the IThala Industrial Estate to accommodate the various departments and services that will be offered at the OSS Centre.

Equipment:

Determine and procure the necessary equipment required for the smooth functioning of the OSS Centre, including but not limited to IT infrastructure, communication tools, and office furniture.

Collaboration with Stakeholders:

Strengthen collaboration with stakeholders, including IThala Industrial Estate and local authorities, to ensure a supportive environment for the establishment and operation of the OSS Centre.

Timeline:

Develop a detailed timeline for the setup of the uThukela OSS Centre, outlining key milestones and deadlines to ensure a timely launch during the current financial year.

Conclusion:

The benchmarking tour and meetings at the IThala Industrial Estate have provided valuable insights into the establishment of the uThukela OSS Centre. By implementing the recommendations outlined above, we aim to create a robust and effective One Stop Shop Service Centre that will contribute significantly to the economic development of the uThukela District.

2.2.2. UThukela Trade and Investment Conference (18 - 19 July 2023 at Apex Boutique Hotel)

Introduction:

This report provides a comprehensive overview of the uThukela Trade and Investment Conference held on 18 and 19 July 2023 at the Apex Boutique Hotel in Estcourt. The conference aimed to showcase and promote investment opportunities within the uThukela District, highlight major economic drivers, facilitate discussions among industry leaders, and foster collaboration between local businesses and various economic development agencies.

Investment Conference Objectives:

Showcasing Investment Opportunities:

- The conference successfully highlighted various investment opportunities within the uThukela District.
- The conference effectively showcased a diverse range of investment opportunities in the uThukela District. Delegates had the chance to explore potential ventures in various sectors, with a particular focus on industries such as manufacturing, technology, and tourism.

Showcasing Economic Drivers:

- Emphasis was placed on uThukela's major economic drivers, including the IThala Industrial Park. The strategic location of the district between the Port of Durban and Gauteng Province was highlighted, emphasizing the ease of access for transporting goods. The picturesque backdrop of the Drakensberg Mountains added to the overall appeal of the district.

Platform for Industry Leaders:

- International and local investment professionals engaged in meaningful discussions critical to investment promotion.
- The conference leveraged the district's proximity to King Shaka International Airport and Oliver Tambo International Airport to promote international

connectivity. This strategic advantage positions uThukela as an attractive hub for international investors looking for convenient access to key transportation hubs.

Showcasing Major Investments:

- Renowned companies such as Defy, Nestle, Sumitomo Rubber, Durban Overall, Canvas and Tent, and others showcased their major investments in the district. This not only demonstrated the existing success stories but also provided inspiration for potential investors.

Engagement for Local Businesses:

- The conference provided a valuable platform for local businesses to engage with funding institutions, regional and international investment agencies, provincial economic development agencies, and district economic development agencies. This networking opportunity facilitated collaboration and potential partnerships.

Forum for SMEs and Aspiring Industrialists:

- The event placed a special focus on small and medium enterprises (SMEs) and aspiring black industrialists, providing them with a dedicated forum to engage with multinational investors. This inclusive approach aimed at fostering economic growth at all levels.

Promotion of uThukela District:

- The conference effectively promoted uThukela District as a multifaceted destination for investment, trade, and tourism. Delegates were introduced to the unique and diverse opportunities available in the district, making a compelling case for consideration

Exhibitions:

The exhibition area featured prominent companies such as Defy, Canvass and Tent, IThala Development Corporation, and 15 SMEs from local municipalities. Defy, in particular, showcased some of its finest appliances, providing a tangible representation of the district's industrial capabilities.

Expected Investment Injections:

- Colenso Power: R8 billion, 19,000 jobs (Alfred Duma Municipality)
- Escourt Intermodal Terminal: R8 billion, 4,445 jobs (Inkosi Langalibalele Municipality)
- Isitimela Rapid Cargo: R8 billion, 3,000 jobs during construction, 200 upon completion (OLM, ADLM, and ILM)
- Pro Textile: R450 million, 4,000 jobs (Alfred Duma Municipality)
- Insangu yas'Okhahlamba: R1 million (OLM, ADLM, and ILM)
- Cable Car: R1.3 billion for feasibility study (Okhahlamba Municipality)
- Metalum Iron and Steel: R380 million, 250 direct jobs, 150 indirect jobs (Inkosi Langalibalele Municipality)

Total Expected Investment: R26 billion, 131 million

Conference Proceedings:

- Well-attended by delegates, presenters, and exhibitors.
- Defy, Canvass and Tent, IThala Development Corporation, and 15 local SMMEs exhibited.
- Photos of the conference showcase the vibrant atmosphere and engagement.

Conclusion

The uThukela Investment Conference was a resounding success, achieving its objectives of showcasing investment opportunities, promoting economic drivers, facilitating discussions among industry leaders, and establishing the district as a prime destination for investment, trade, and tourism. The engagement of key stakeholders and the impressive exhibition turnout underscored the event's significance in positioning uThukela as a dynamic and thriving economic hub. The positive momentum generated by the conference is expected to contribute significantly to the district's economic development in the coming years.

2.2.3. One (1) engagement to facilitate the establishment of Colenso Power Project

On December 8, 2023, Colenso Power hosted a crucial meeting in collaboration with UEDA, securing support from the Trade and Industry sector in Pretoria. The focal challenge centered on water issues impacting the project, a concern underscored by Colenso Power's CEO for successful project execution. Promptly addressing this, the Acting CEO of UEDA committed to engaging key stakeholders and providing an update by December 14, 2023. The unfortunate passing of the previous community liaison prompted UEDA's assistance in identifying a replacement. Despite challenges, investment opportunities remain open, with the application process ongoing and project construction slated for the coming year. The Acting CEO of UEDA assured proactive obstacle resolution, leveraging his role to ensure project success. Colenso Power urgently seeks aid for the water issue, setting the stage for collaborative efforts with UEDA. The commitment from UEDA instills confidence in overcoming challenges and propelling the project forward, with further updates anticipated.

Resolution Commitments:

In response to the water issue, the Acting CEO of UEDA, representing uThukela Economic Development Agency, committed to addressing this challenge promptly. To do so, he pledged to engage with key stakeholders, including the Municipal Manager of uThukela District and the General Manager for Water and Sanitation. An update on the progress was promised by Tuesday, December 14, 2023.

Community Liaison:

The need for a trustworthy and knowledgeable community liaison from Colenso was identified, as the previous liaison, Mr. Buthelezi, had unfortunately passed away. Colenso Power sought UEDA's assistance in identifying a suitable replacement who is familiar with all aspects of the community and government officials.

Investment Opportunities:

Despite the challenges, the opportunity for investors to participate in the project remains open, with the application process currently underway. The construction work for the project is scheduled to commence next year.

Assurance from UEDA:

The Acting CEO of UEDA assured the Colenso Power team that he would actively address any obstacles hindering the project. Leveraging his role, he pledged to provide assistance where needed and ensure the successful progression of the initiative.

Next Steps:

Acknowledging the urgency of resolving the water issue, Colenso Power has requested immediate assistance, with the understanding that subsequent concerns will be addressed following the resolution of the primary challenge.

In conclusion, the meeting laid the groundwork for collaboration between Colenso Power and UEDA to overcome the identified challenges. The commitment from UEDA to address the water issue promptly instills confidence in the successful progression of the project. Further updates will be provided as developments unfold.

2.2.4. One (1) meetings held on the establishment of Special Economic Zone

The meeting at the IThala Industrial Estate focused on integrating a Special Economic Zone (SEZ) for the clothing and textile industry with the existing One-Stop Shop (OSS). Key decisions included co-locating the SEZ and OSS for operational efficiency, with a budget allocation of 7 million by KZN EDTEA for infrastructure and services. The Operational Planning Project Steering Committee proposed developing a joint proposal for sharing operational costs after signing the Memorandum of Understanding (MOU). The report emphasizes collaborative efforts to optimize resources, with the commitment reflecting a dedication to regional economic development. The next steps involve formalizing the MOU, developing the joint proposal, and seeking relevant approvals.

Shared Premises for OSS and SEZ:

A pivotal decision emerged during the meeting, emphasizing the consideration of co-locating the SEZ within the same premises as the OSS. The strategic integration is designed to enhance operational efficiency and establish a centralized hub for industry-related services. This move is expected to optimize resource utilization and foster synergy between the two entities.

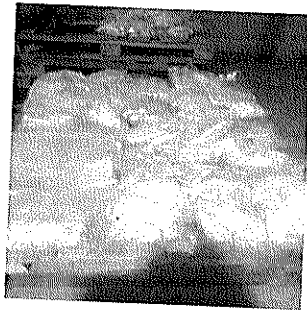
3. PROGRAMMES (TOURISM, AGRICULTURE AND RASET)

3.1. AGRICULTURE AND RASET

3.1.1. Transport

The Agency supported the farmers with the transportation of produce.

COMMODITY	QUANTITY	FROM	TRANSPORTED BY AGENCY
Cabbage	170 units	WEENEN	170 units
Chickens	104 units	Matiane	104 units
Spinach	200 bunches	Weenen	200 bunches



3.1.2. Chicory in Weenen

The Agency is in the process of reviving Chicory Production through the Ubumbano Co-op. The Status Quo of the project is for Ubumbano Co-op to incorporate their documents regarding the co-op as advised. The Chicory PSC Members had sold some of the Ubumbano co-op equipment and machinery. This capital will assist in fixing the co-op's machinery and equipment for production to resume. COGTA is awaiting the commission farmer's response as far as Chicory investment is concerned.

3.1.3. Farmers Engagement

UEDA engaged with the following farmer's ground nuts, poultry, and bean farmers. Challenges and assistance requests were communicated by these farmers during the duration of the meeting.

3.1.4. Livestock Auction

The Agency, in partnership with the Mdukatshani Goat Project, conducted a goat auction sale on the 14th of November 2023. To promote and support the previously disadvantaged farmers. This auction helped establish the market

Budget Allocation by KZN EDTEA:

KZN EDTEA demonstrated its commitment to the project by allocating a budget of 7 million for the establishment of the SEZ. These funds will be utilized for infrastructure development, technology integration, and the provision of services similar to those offered by the Department of Trade, Industry, and Competition (DTIC) and Customs.

Proposal from Operational Planning Project Steering Committee:

The Operational Planning Project Steering Committee, comprising representatives from UEDA, TIKZN, and IThala, put forth a proposal. It recommends that once the Memorandum of Understanding (MOU) is signed by the CEOs of the three stakeholders, a joint proposal for sharing operational costs between the OSS and SEZ should be developed. This collaborative approach takes into account the likely co-location of the two entities and aims to optimize resources.

Next Steps:

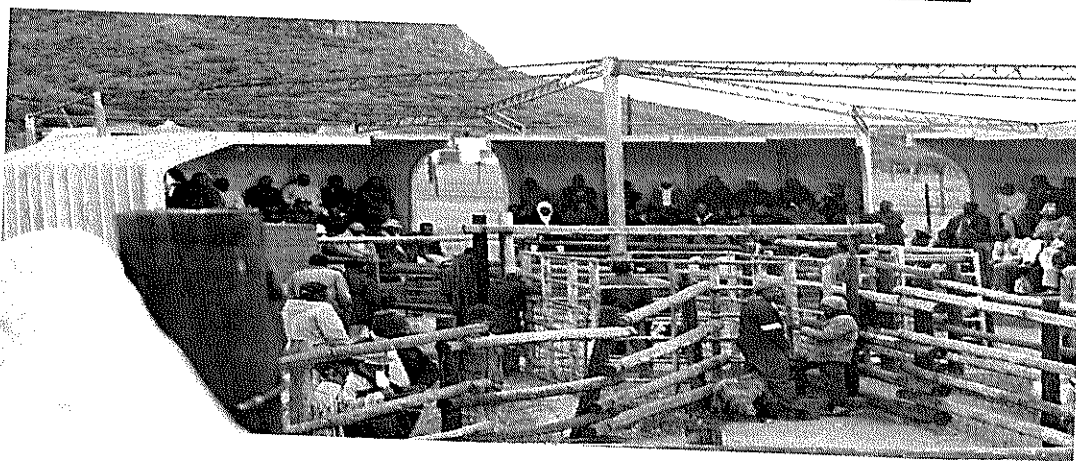
The subsequent steps in the project involve the formalization of the MOU among stakeholders. Following this, the development of a joint proposal for sharing operational costs is to be initiated. The finalized proposal will then be presented to relevant authorities for approval.

Conclusion:

The integration of the SEZ with the OSS, coupled with the proposed sharing of operational costs, reflects a collaborative effort to maximize efficiency and resources. The substantial commitment of 7 million from KZN EDTEA underscores the dedication to fostering economic development in the region. The establishment of a Special Economic Zone dedicated to clothing and textiles can contribute significantly to the overall economic development of a region by fostering industrial growth, creating jobs, and attracting investments in a strategically important sector.

value of a goat by bringing together buyers and sellers in a fair process. 197 goats were sold to the buyers.

This auction helped establish the market value of a goat by bringing together buyers and sellers in a fair process.



The figures are as follows:

NUMBER OF GOATS	QUARTER 2
Presented	203
Withdrawn	NIL
Sold	197
Not Sold	06
Highest	R 3 025
Lowest	R 1 000
PRICE TOTAL	R332 850

3.1.5. Farmers Engagement

UEDA engaged with the following farmer's ground nuts, poultry, and bean farmers. Challenges and assistance requests were communicated by these farmers during the duration of the meeting.

3.2. TOURISM

3.2.1. Tourism Capacity Building Workshop In-House Training

UThukela Economic Development Agency Tourism Section partook in their first many-capacity building workshop which was held at UEDA main boardroom. The capacity building was held on the 08th of August 2023

The purpose of the workshop was to educate and improve teamwork and communication skills amongst the employees for both their work and personal environment

The workshop was facilitated by the tourism and special programs manager. The topic of the workshop was "Team Work", the importance of working together, effective communication building a strong and vital relationship, and driving the vision and the mission of the organization.

The workshop included a presentation that had various activities to better ensure employees understood what was being presented. Teamwork is an important aspect, it builds and ensures an organization thrives.

UThukela Economic Development Agency Tourism section also partook in their second of many capacity-building workshops which was held at UEDA main-boardroom. The capacity was held on the 1st of November 2023.

The purpose of the workshop was to capacitate, equip, and improve leadership skills among the employees for both their work and personal environments.

The workshop was facilitated by the Tourism Clerk. The topic of the workshop was "Leadership skills" the importance of good leadership in the workplace, effective communication, and building strong relationships which are vital in driving the vision and mission of the organization.

The workshop included a presentation that had various activities to ensure employees understood what was being presented. Leadership skill is a crucial aspect, it enhances and ensures an organization thrives.



3.2.2. Tourism Marketing Updates

Tourism section participate fully in promoting and marketing uThukela as the destination of choice in KZN and beyond, through its use of digital platforms and other means of advertising.

3.2.3. Lobbying for the listing of the Tourism SMME's

The UThukela Economic Development Agency is lobbying for the development of small businesses and ensuring they are positioned strategically for growth, as this is believed to be catalytic strategy to eradicate poverty. This can be achieved through lobbying the Provincial tourism entities to ensure that tourism SMMEs are listed and promoted on their websites and in other marketing platforms.

3.2.4. Tourism Stakeholder Engagement

Tourism section intends to strengthen the trade partnerships with the private sector and the public sector. Public Private Partnership have proven to be beneficial to the growth and development of the economy, however, ensuring ultimate benefits from these requires constant engagements and consultations. UEDA tourism section has achieved so much through fostering good relationship between the public and private sector.

UEDA was invited by the Department of Tourism in collaboration with the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs and uThukela District Municipality. To present to the workshop on the topic 'Maximizing marketing in support of the SMMEs/ product

owners to promote tourism growth and development' within uThukela District. UThukela trade was in attendance. The workshop was conducted in a formal setting in one of the tourism properties in Estcourt.

3.2.5. Coordinate Accreditation

Tourism section is working on getting the organization accredited with CATHSSESTA in order to be able to offer training and skills development programs for tourism SMMES.

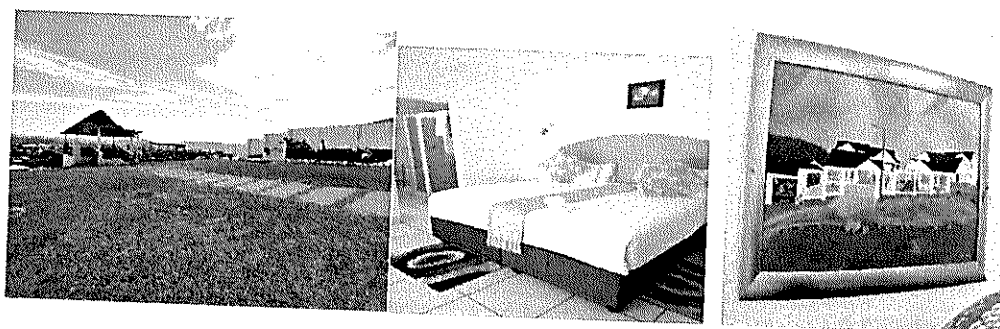
3.2.6. Conduct Familiarization Trip

National Development Plan aims to eliminate poverty and inequity by the tourism section conducted familiarization trips to experience the product first-hand.

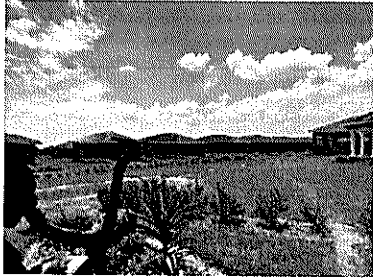
On the 14th and 18th of December 2023. UEDA partook in the trips to two tourism establishments in Alfred Duma Local Municipality. The tourism establishments that were visited are Mt View Lodge and Uitval Lodge and Conference Centre. The trips were informative and educational to the officials.

Mountain View Lodge

Mountain View Lodge consists of 30 rooms including two rooms that cater to disabled persons, one small conference room that can seat twenty delegates, a large conference centre that accommodates 380 guests/delegates and can be used for weddings, engagements, conferences, and other functions, and a fully licensed bar. All the rooms are equipped with en-suite bathrooms, air conditioners, Jacuzzis, and showers in 19 rooms, and showers only in 11 rooms.



Uitval Lodge



3.2.7. Tourism Destination Marketing/Activation

In order to regain the district market share, particular in the domestic market, and rebuilding customer confidence, UEDA tourism is using attainable marketing tactics to achieve this. These include forging possible partnerships with the other tourism stakeholders such as TKZN, SAT and the Trade. This task has not been achieved during quarter one and quarter 2 due to non-budget allocation.

3.2.8. UThukela –Drakensberg Cluster

TKZN in collaboration with EDTEA have been tasked with piloting the Tourism Cluster in KZN, with an aim of optimizing the resources and benefits for businesses in the tourism value chain. UThukela district has been chosen to be first to pilot this initiative in the whole of KZN. The newly established tourism cluster is now functional and has stated working on the matters that hinders uThukela tourism to become a destination of choice.

4. CONCLUSION

In conclusion, the Good governance section was able to execute all its KPI's. Financial Management and Investment section has made com-mendable progress in the second quarter of the 2023/2024 financial year, demonstrating adherence to regulatory requirements. Timely submission of financial re-ports under the Municipal Finance Management Act (MFMA) reflects a commitment to transparency and collaboration. The advancements in creating a Special Economic Zone (SEZ) highlight the municipality's dedication to fostering economic growth in the uThukela District. Initiatives like the Operational Planning Project Steering Committee and budget allocation by KZN EDTEA showcase a strategic approach to financial integrity and targeted investments. The forthcoming CEO Forum/Meeting and ongoing Supply Chain Management process indicate a proactive stance. Overall, these efforts align with the section's goal of creating an environment conducive to economic prosperity in the region. LED Programmes Department was unable to carry out some KPIs due to the unavailability of funds within an Institution but did accomplish some of the task as per KPI's.

Signature: 

Date: 11/01/2024

**UTHUKELA ECONOMIC
DEVELOPMENT AGENCY**
131 MURCHISON STREET
LADYSMITH 3370
HERON HOUSE BUILDING

Acting Chief Executive Officer

KPI No.	KEY PERFORMANCE INDICATOR	ANNUAL TARGET	QUARTERLY TARGETS			ACHIEVED/ NOT ACHIEVED	RESPONSIBLE PERSON	PORTFOLIO OF EVIDENCE
			Q1	Q2	ACTUAL TARGET Q1 & Q2			
UEDA02	Performance reports submitted to UTDM	4 Quarterly Performance reports submitted to UTDM by 30 June 2024	1 Quarterly Performance report submitted to UTDM by 30 September 2023	1 Quarterly Performance report submitted to UTDM by 31 December 2023	2 Quarterly Performance reports were submitted to UTDM on 06 October 2023	ACHIEVED	Ms S Mokoena-Board Secretariat	Quarterly reports, Proof of Submission
UEDA03	Quarterly Board meetings	4 Board meetings by 30 June 2024	1 Board meeting by 30 September 2023	1 Board meeting by 31 December 2023	2 Board meetings on 28 August 2023 and 10 November 2023	ACHIEVED	Ms S Mokoena-Board Secretariat	Notice, Agenda, Signed minutes and attendance registers
UEDA04	Quarterly internal Audit Committee Reports by 30 June 2024	4 Internal Audit Committee Reports by 30 June 2024	1 Internal Audit Committee report by 31 September 2023	1 Internal Audit Committee report by 31 December 2023	2 Internal Audit Committee Reports by July 2023 and November 2023	ACHIEVED	Ms DCP Mazibuko- Chief Executive Officer	Internal Audit reports
UEDA05	Conduct employee Performance Management reviews by 30 June 2024	4 employee entered into an employee performance reviews by 30 June 2024	n/a	4 employee entered into an employee performance reviews by 31 December 2023	4 employees were entered into an employee performance reviewed on December 2023	ACHIEVED	Ms DCP Mazibuko- Chief Executive Officer	Signed reports
UEDA08	Submission of credible annual financial statements to the Auditor-General by 31 August 2023	Submission of annual financial statements to the Auditor-General by 31 August 2023	Submission of annual financial statements to the Auditor-General by 31 August 2023	n/a	Submission of annual financial statements to the Auditor-General on 31 August 2023	ACHIEVED	Mr L Dubazana-Chief Finance Officer	Proof of submission
UEDA09	Submission of credible annual performance report to the Auditor-General by 30 August 2023	Submission of annual performance report to the Auditor-General by 31 August 2023	Submission of annual performance report to the Auditor-General by 31 August 2023	n/a	Submission of annual performance report to the Auditor-General on 31 August 2023	ACHIEVED	Mr L Dubazana-Chief Finance Officer	Proof of submission
UEDA11	Submission of monthly financial reports to the board and UTDM by 30 June 2024	12 Submission of monthly financial reports to Board and UTDM by 30 June 2024	3 monthly financial reports by 31 September 2023	3 monthly financial reports by 31 December 2023	6 Submission of monthly financial reports reported to Board and UTDM on 10 August 2023, 11 September 2023, 9 October 2023, 9 November 2023, 11 December 2023 and 08 January 2024	ACHIEVED	Mr L Dubazana-Chief Finance Officer	Proof of submission

UEDA 14	Number of engagements to develop bulk infrastructure for economic opportunities	Three (3) engagements held with relevant stakeholders in relation to development of bulk infrastructure for economic opportunities	One engagement to facilitate access to land for development by 30 September 2023	One (1) engagement to facilitate the establishment of Colenso Power Project by 31 December 2023	Two (2) engagements were held with relevant stakeholders in relation to the development of bulk	ACHIEVED	Mr B Madikizela- Investment & Infrastructure Manager	Notice, Agenda, Attendance Register, Minutes
UEDA 15	Number of engagement in relation to the establishment of DUT satellite office by 30 June 2023	4 engagements held in relation to the establishment of DUT satellite Campus in Ladysmith by 30 June 2024	One(1) engagement held in relation to establishment of DUT Satellite Campus by 30 September 2023	One(1) engagement held in relation to the establishment of DUT satellite office by 31 December 2023	Zero (0) engagements were held in relation to the establishment of DUT satellite Campus in Ladysmith by 30 June 2024	NOT ACHIEVED	Mr B Madikizela- Investment & Infrastructure Manager	Notice, Agenda, Attendance Register, Minutes
UEDA 16	Number of meetings held in the establishment of Clothing and Textile Special Economic Zone by 30 June 2023	Two (2) engagements held on the establishment of Special Economic Zone by 30 June 2024	One (1) meetings held on the establishment of Special Economic Zone by 31 December 2023	One (1) meetings held on the establishment of Special Economic Zone by 31 December 2023	One (1) engagements held on the establishment of Special Economic Zone on the 15 November 2023	ACHIEVED	Mr. B Madikizela- Investment & Infrastructure Manager	Notice, Agenda, Attendance Register, Minutes
UEDA 17	Number of engagements to support informal economy and small enterprises	Four(4) engagements to support informal economy and small enterprises by 30 June 2024	One (1) engagement to support informal economy and small enterprises by 30 September 2023	One (1) engagement to support informal economy and small enterprises by December 2023	Two(2) engagements to support informal economy and small enterprises on 31 July 2023 and 16 November 2023	ACHIEVED	Mr. B Madikizela- Investment & Infrastructure Manager	Notice, Agenda, Attendance Register, Minutes
UEDA 18	Number of engagements held to expand the manufacturing	Four(4) engagements held to expand the manufacturing sector by 30 June 2024	One (1) engagements held with relevant stakeholders to review the district investment promotion and facilitation strategy by 30 September 2023	One (1) engagement to develop a database of all zoned industrial, vacant and underutilised spaces by 31 December 2023	Two(2) engagements were held to expand the manufacturing sector on 18-19 July 2023, 30 November 2023 and 1 December 2023	ACHIEVED	Mr. B Madikizela- Investment & Infrastructure Manager	Notice, Agenda, Attendance Register, Minutes
UEDA 19	Number of engagements to develop strategic transport infrastructure	Four(4) engagements to develop strategic transport infrastructure by 30 June 2024	One(1) engagement held with relevant stakeholders to fast track Alfred Duma Aerodrome Project by 30 September 2023	One(1) engagement held with relevant stakeholders concerning SIP2, Corridor plan to improve the logistic	Zero(0) engagements to develop strategic transport infrastructure by 30 June 2024	NOT ACHIEVED	Mr B Madikizela- Investment & Infrastructure Manager	Notice, Agenda, Attendance Register, Minutes
UEDA 20	Number of in-house tourism training & development workshops conducted with the tourism interns & officers	Four (4) in-house tourism training & development workshops conducted with the tourism interns & officers by 30 June 2024	One (1) in-house tourism training & development workshops conducted with the tourism interns & officers by 30 September 2023	One (1) in-house tourism training & development workshops conducted with the tourism interns & officers by 31 December 2023	Four (4) in-house tourism training & development workshops conducted with the tourism interns & officers on the 8 August 2023 and 01 November 2023	ACHIEVED	Ms B Hlongwane- Tourism Manager	Signed Reports Attendance registers & pictures of training sessions and training contents
UEDA 21	Number of District Tourism Marketing updates by 30 June 2023	Four(4) District Tourism Marketing updates by 30 June 2024	One (1) District Tourism Marketing update by 30 September 2023	One (1) District Tourism Marketing update by 31 December 2023	Five(5) District Tourism Marketing updates were performed on the Agencies website on the 21 September	ACHIEVED	Ms B Hlongwane- Tourism Manager	Signed Reports, Municipal Websites, Social media platforms
UEDA 21.1	Lobbying for the provincial tourism authority and municipalities to ensure that tourism SMMEs are listed and promoted on their	Four (4) Lobbying for the provincial tourism authority and municipalities to ensure that tourism SMMEs are listed and promoted on their	One (1) email lobbying for the listing of the tourism SMMEs by 30 September 2023	One (1) email lobbying for the listing of the tourism SMMEs by 31 December 2023	Two (2) Lobbying for the provincial tourism authority and municipalities to ensure that tourism SMMEs are listed	ACHIEVED	Ms B Hlongwane- Tourism Manager	Email print outs
UEDA 22	Number of Tourism Stakeholder Analysis by 30 June 2023	One (1) Tourism Stakeholder Analysis by 30 June 2023	One (1) Tourism Stakeholder Analysis noted by Board by 30 June 2024	n/a	Zero (0) Tourism Stakeholder Analysis was noted by the board on the 8 July 2024	NOT ACHIEVED	Ms B Hlongwane- Tourism Manager	Stakeholder analysis Document
UEDA 22.1	Number of Tourism stakeholder Engagement Plan by 30 June 2024	One (1) Tourism Stakeholder Engagement Plan by 30 June 2024	One (1) Tourism Stakeholder Engagement Plan by 30 September	n/a	Zero(0) Tourism Stakeholder Engagement Plan was drafted by 30 June 2024	NOT ACHIEVED	Ms B Hlongwane- Tourism Manager	Stakeholder engagement plan document
UEDA 22.2	Number of stakeholders engagement held by 30 June 2024	Three (3) Number of stakeholders engagements held by 30 June 2023	n/a	One (1) stakeholders engagement held with Trade by 31 December 2023	One(1) stakeholder engagements held on the 21 November 2023	ACHIEVED	Ms B Hlongwane- Tourism Manager	Attendance registers, Reports, Pictures

UEDA 23	Number of tourism activation programs conducted by 30 June 2024	Four (4) tourism activation programs conducted by 30 June 2024	One (1) tourism activation programs conducted by 30 September 2023	One (1) tourism activation programs conducted by 31 December 2023	Two (2) tourism activation programs were conducted on 10 July 2023 and 23 November 2023	NOT ACHIEVED	Ms B Hlongwane- Tourism Manager	Reports, Event Pictures
UEDA 24	Lobbying for funding for the construction of Phase one of uMkhumayo Cultural Village Project by 30 June 2024	Four (4) Lobbying for funding for the construction of Phase one of uMkhumayo Cultural Village Project by 30 June 2024	One (1) Lobby (Proposal submission) for uMkhumayo Cultural Village Project by 30 September 2023	One (1) Lobby (Proposal submission) for uMkhumayo Cultural Village Project by 31 December 2023	One (1) Lobbying for funding for the construction of Phase one of uMkhumayo Cultural Village Project was sent to TKZN on 22 September 2023	NOT ACHIEVED	Ms B Hlongwane- Tourism Manager	Submitted Proposals
UEDA 25	Coordinate accreditation of UEDA with the Tourism specific SETA by 30 June 2024	One (1) Coordinate accreditation of UEDA with the Tourism specific SETA by 30 June 2024	one (1) meeting with SETA to facilitate the accreditation of UEDA with the Tourism specific SETA by 30 September 2023	One (1) Follow up meeting with SETA to facilitate the accreditation of UEDA with the Tourism specific SETA by 31 December 2023	One (1) Coordinate accreditation of UEDA with the Tourism specific SETA was conducted on 27 September 2023	NOT ACHIEVED	Ms B Hlongwane- Tourism Manager	Meeting minutes, attendance registers & report
UEDA 26	Conduct Familiarisation trips on all tourism routes	Eight (8) Familiarisation trips conducted by 30 June 2024	Two (2) Familiarisation trips conducted by 30 September 2023	Two (2) Familiarisation trips conducted by 31 December 2023	Four(4) Familiarisation trips were conducted on 14 July 2023, 15 September 2023, 14 December 2023 and 18 December 2023	ACHIEVED	Ms B Hlongwane- Tourism Manager	Reports, Pictures
UEDA 27	reports submitted farmer identification (1), feed procurement and distribution (1), chicken production (2) by 30 June 2024	Four(4) reports submitted farmer identification (1), feed procurement and distribution (1), chicken production (2) by 30 June 2024	Identification of 10 chicken farmers around the district that can produce 250 (hnt) broilers a week by 30 September 2023	Feed procurement and distribution, 25(40kg) feed bags per farmer by 31 December 2023	One(1) reports submitted farmer identification (1), feed procurement and distribution (0), chicken production (0) by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	reports
UEDA 28	reports submitted farmer identification, seed procurement and distribution (1), monitoring visits, potato harvests (1), Project evaluation (1) by 30 June 2024	Four(4) reports submitted farmer identification, seed procurement and distribution (1), monitoring visits, potato harvests (1), Project evaluation (1) by 30 June 2024	Identification of 10 potato farmers around the district to plant 2 hectares of land each and be assisted with 10 bags of potato seeds each by 30 September 2023	Monitoring, harvest (2 tons per farmer) potatoes per farmer. Assistance with transport by 31 December 2023	Zero(0) reports submitted farmer identification, seed procurement and distribution (0), monitoring visits, potato harvests (0), Project evaluation (0) by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	Reports

UEDA 29	Four(4) reports submitted farmer identification (1), bean seed procurement and distribution (1), monitoring visits, bean harvests (1). Project evaluation (1) by 30 June 2024	Four(4) reports submitted farmer identification (1), bean seed procurement and distribution (1), monitoring visits, bean harvests (1). Project evaluation (1) by 30 June 2024	Identification of 10 bean farmers around the district that can produce 5ton beans by 30 September 2023	Seed procurement and distribution, 10 (25kg) seed bags per farmer by 31 December 2023	One(1) reports submitted farmer identification (1), bean seed procurement and distribution (0), monitoring visits, bean harvests (0), Project evaluation (0) by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	Reports
UEDA 30	Four(4) reports submitted farmer identification (1), soya seed procurement and distribution (1), monitoring visits, soya harvests (1). Project evaluation (1) by 30 June 2024	Four(4) reports submitted farmer identification (1), soya seed procurement and distribution (1), monitoring visits, soya harvests (1). Project evaluation (1) by 30 June 2024	Identification of 10 soya bean farmers that can produce 5 ton soya by 30 September 2023	Seed procurement and distribution, 10 (25kg) seed bags per farmer by 31 December 2023	One(1) reports submitted farmer identification (1), soya seed procurement and distribution (0), monitoring visits, soya harvests (0), and Project evaluation (0) by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	reports
UEDA 31	Four (4) reports submitted on groundnut seed procurement and distribution (1), Monitoring (1), Harvesting, Evaluation (1) by 30 June 2024	Four (4) reports submitted on groundnut seed procurement and distribution (1), Monitoring (1), Harvesting, Evaluation (1) by 30 June 2024	Procurement and distribution of 150 (40kg) bags of peanut seeds to farmers of Nkasseni, Ngodini and Sahlumba by 30 September 2023	Monitoring of peanut cultivation, 2 visits per farmer by 31 December 2023	Zero(0) reports submitted on groundnut seed procurement and distribution (0), Monitoring (0), Harvesting, and Evaluation (0), were distributed by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	Reports
UEDA 32	Reports submitted on farmer identification (1), butternut seed procurement and distribution (1), Harvesting (1), Evaluation (1) by 30 June 2024	Four (4) reports submitted on farmer identification (1), butternut seed procurement and distribution (1), Harvesting (1), Evaluation (1) by 30 June 2024	Identification of 10 butternut farmers that can grow min 2 hectares of land by 30 September 2023	seed procurement and distribution, 10 (1kg) seed packets per farmer by 31 December 2023	One (1) reports submitted on farmer identification (1), butternut seed procurement and distribution (0), Harvesting (0), Evaluation (0) by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	report
UEDA 33	Reports on equines and engagements(1) identification of farmers, maize seeds procurement and distribution (1), Monitoring (1), Harvest, evaluation (1) by 30 June 2024	Four(4) reports on equines and engagements(1) identification of farmers, maize seeds procurement and distribution (1), Monitoring (1), Harvest, evaluation (1) by 30 June 2024	investigate (3) and engage with (2) markets available for maize farmer by 30 September 2023	Mobilise 5 farmers to join maize production (2 hectares). Procure and distribute 10 (40kg) seed bags per farmer by 31 December 2023	One (1) reports on inquiries and engagements(1) identification of farmers, maize seeds procurement and distribution (0), Monitoring (0), Harvest, evaluation (0) by 30 June 2024	NOT ACHIEVED	Mr B Sibisi- Raset Manager	emails and attendance register and report
UEDA 34	Four reports submitted on livestock markets held by 30 June 2024	Four(4) Quarterly reports submitted on livestock markets.	One(1) report submitted on livestock market held by 30 September 2023	One(1) report submitted on livestock market held by 31 Dec-2023	Two(2) Quarterly reports submitted on livestock markets, were conducted on 16 August 2023 and 14 November 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	report
UEDA 35	reports submitted on Cannabis/hemp production	Four (4) reports on engagements with stakeholders. Separate meetings with each stakeholder and 3 PSC meetings by 30 June 2023	One (1) report on 1 engagement with DARD, 1 with ILM, ADLM and UJDM (separately) on a funding model, 1 with all stakeholders. Formation of PSC. By 30 September 2023	One (1) report on identification and mapping of available land set aside for cannabis farming. 1 PSC meeting by 31 December 2023	Zero (0) reports on stakeholders. Separate meetings with each stakeholder and 3 PSC meetings by 30 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	Reports, Notice, Agenda, Minutes, Attendance register
UEDA 36	reports submitted on business plan, fixing of machinery, funding application (1), billing for 3rd parties follow up (1) by 30 June 2024	Four reports submitted on business plan, fixing of machinery, funding application (1), billing for 3rd parties, follow up (1) by 30 June 2024	Writing of business plan. Fixing of three tractors. Funding applications to 3 funders by 30 September 2023	Use of machinery to cultivate (10ha) land for other farmers at a fee to get funds to restart chicory farming. Follow up on funding applications by 31 December 2023	Zero (0)reports submitted on business plan, fixing of machinery, funding application (1), billing for 3rd parties, follow up (1) by 31 December 2023	NOT ACHIEVED	Mr B Sibisi- Raset Manager	Reports, business plan and Acknowledgement of receipt