



# NYANDENI

LOCAL MUNICIPALITY

*Building a better future with the people*

## Extract from the Nyandeni Municipality Investment Summit Concept Note



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# Extract from Investment Summit concept note

## INTRODUCTION

**Nyandeni Local Municipality** is located in OR Tambo District Municipality in the Eastern Cape Province of South Africa. It is made up of the rural towns of Libode and Ngqeleni and a vast coastal and rural hinterland made up of a number of villages and has a population totalling 318 751 (2021).

There are game and nature reserves such as Hluleka and Ntlangano as well as six beaches which include Mthatha Mouth and Mdumbi Beach, previously voted for as one of the most beautiful beaches in South Africa, located here. The area has a rich history, vibrant culture and heritage. It has a coastline that stretches over 20km's within the well-known Wild Coast area. This natural resource offers opportunities within the Oceans Economy. The municipality is also strategically located along the R61 route that links Mthatha and Port St. Johns. This road is being upgraded and will become the re-routed N2 Wild Coast Toll-road which will link the port cities and economic hubs of East London and Durban. This development is very important for improving access to markets and driving the local economy.

Tourism has been prioritised as the major economic development opportunity and its success is dependent on local community initiatives as well as the natural beauty of the surrounding landscape. As the municipality borders Port. St. Johns and KSD Municipality with its well-known beaches, this creates an opportunity for the development of additional tourism products along its coastal area.

Nyandeni LM, like many other municipalities in the country, has a huge service delivery backlog. It remains a challenge for the municipality to deliver quality services to the community within a short period of time.



## CONT...

Nyandeni Local municipality does have significant economic challenges and that the municipality intends to invest significant economic infrastructure resources into turning the economy around and creating opportunities for growth in the future is a step in the right direction.

Although, the municipality's economy is dominated by government and financial service, it has outstanding potential for agriculture, the oceans economy, property development, small-scale manufacturing and tourism development, with the municipality having a wealth of natural beauty and outstanding landscapes, as well as a favourable climate and fertile soils for major agricultural production.

Given the scarcity of development in a major part of Nyandeni LM, the municipality operates off an extremely low tax base and LED has therefore not been funded or contemplated as a mainstream activity of local government in the area. There is very little foreign direct investment in the area, investors lack appetite for investments in the area and it is very expensive to establish developments in the municipality due to legislative requirements, lack of economic infrastructure, lack of a local investment promotion strategy, low skills levels and poor access to investment opportunities due to a challenging road infrastructure. Internal capacity with regards to investment promotion is also a challenged that requires attention. The environmental impact assessments, coupled with further requirements for developments along the coastal area, has further exacerbated the lack of investment appetite.

# Vision 2030

Nyandeni Local Municipality (NLM) believes that a local vision aligned with both NDP and PDP must be developed to ensure that people of Nyandeni are able to outline a sustainable long term development trajectory. Nyandeni Local Municipality boasts being at the spine of many catalytic development projects; to mention but one; the N2 Wild Coast and Wild Coast Development Corridor; those which require multi-year planning.

Nyandeni Council (in 2014) took a decision to facilitate an inclusive process to develop a Long-Term Development Strategy–Nyandeni 2030 Vision; rooted in the Provincial Development Plan and encapsulating the tenets of the PDP.

The Nyandeni Local Municipality therefore has a compelling value proposition across all its economic major sectors, and it is the opportune moment to act and leverage on this proposition.

The municipality has developed the Nyandeni LM Long-Term Development Plan: Vision 2030. The overall purpose of the plan is to articulate the key long-term development priorities of the Nyandeni LM between 2017 and 2030 and beyond. It outlines various strategic priorities and interventions to achieve the related desired district related outcomes linked to the National Development Plan (NDP) and the Provincial Development Plan (PDP) Vision 2030.

# Vision 2030 goals

The plan has the following goals:

**Goal One:** A substantial improvement in the provision of public infrastructure and services, and a vast increase in support for livelihoods in doing so.

**Goal Two:** A well-managed urbanization process where urban nodes are linked by a good quality road network.

**Goal Three:** Well protected environmental assets.

**Goal Four:** A growing, innovative/responsive and inclusive economy (value-added in ICT/knowledge services, smallholder agriculture, tourism, property development and small/microenterprises development etc)

**Goal Five:** An efficient and effective public sector, able to provide strong economic governance leadership

## Reason for an investment summit

Grounded on the Long-Term Development Strategy-Nyandeni 2030 Vision, the Integrated Development Plan, the LED Strategy , the Infrastructure/Master Plan/s ( Roads, ICT etc), Human Settlement Plan (Province, ORT District, Nyandeni LM), EC Oceans Economy Master Plan, SPLUMA compliant SDF, LUMS, various sector plans and the Provincial Economic Recovery Plan of jump starting economic recovery, in an effort to promote sustainable economic development and mobilise public and private sector investment, Nyandeni Local Municipality took a decision to take bold steps to proactively grown its local economy through trade and investment initiatives that will result in job creation.

It is for this reason that Nyandeni LM, in partnership with its major stakeholders which include OR Tambo Municipality, the Eastern Cape Provincial government and its entities, traditional authorities and the business sector, saw a need to host the Investment Summit to entice existing and potential investors to available investment opportunities in the municipality.

# Objectives of the Investment Summit

NYANDENI's vision is *“A municipality that drives sustainable socio-economic development through efficient and innovative delivery of services.”*

To attain this vision NYANDENI LM needs to engage investors at various investment platforms; ascertain their needs and match them with projects that are ready for investment.

**The objectives of the Nyandeni LM Investment Summit are to:**

- Bring together select actors from the public, private and traditional sectors, with current and prospective interest in investing in the region, to commit towards improving the investment climate of Nyandeni LM
- Showcase and market the investment opportunities available in Nyandeni LM by articulating a Nyandeni investment project pipeline

## Objectives cont...

There are also additional dual objectives which are:

### ***For companies and investors currently operating in the region:***

- the summit will provide them with an opportunity to share best practices, learn from peers, gain a broader understanding of the changing economic environment as it pertains to private sector development, and finally provide a unique platform for companies and the municipality to identify challenges and commonalities and propose solutions with the goal of maximizing their impacts through collective action efforts.

### ***For prospective investors with interest in the region:***

- the summit will offer a platform to better understand the prioritization of the municipality's investment needs and explore concrete investment opportunities that are available to meet those needs.

The Summit will therefore also be aimed at supporting the implementation of the municipality's Long-term Development Plan: Vision 2030 and Integrated Development Plan by:

- 1) Providing a platform for private sector actors and policy makers at national, provincial and local levels to meet and exchange knowledge, and articulate commitments to improve the investment climate in the municipality.
- 2) Enhance national, provincial and municipality cooperation and commercial integration, and establish an inclusive Nyandeni LM trade and investment promotion forum.
- 3) Providing guidance and practical examples for ways in which private investment can lead to achieving development goals such as developing the local economy.
- 4) Preparing the ground for potential investments and articulating opportunities, across a range of specific sectors, that can create jobs and improve livelihoods.
- 5) Provide greater exposure of bankable projects in the municipality to interested investors.
- 6) Sharing and exchanging methodologies of assessing and evaluating the value and impact of investment
- 7) Direct municipal infrastructure planning and resource allocation towards priority investment areas to create a conducive environment for investment.

## The envisaged summit outcomes are:

- To unlock development of the area by enabling implementation of the Local Catalytic Projects
- Improvement of the local investment climate by facilitating the removal of constraints to doing business and investment in the local municipality
- To contribute to attraction of new and expand existing investments.
- Unveil investment partnership or presentation of packaged projects for investment projects.
- To build Institutional capacity to facilitate investment promotion in the municipality
- Mobilisation and establishment of an investment promotion and facilitation eco-system for Nyandeni LM that will lead to mutually beneficial Economic Development Partnerships
- Creating a conducive environment for economic growth and job creation in the municipality

# Nyandeni's Value Proposition

- Nyandeni is strategically located on the R61 road between Mthatha and the coastal town of Port St. Johns. The road is being upgraded to be the new N2 Wild Coast Toll Road from Durban to East London.
- Nyandeni is approximately 30km outside of Mthatha, the economic hub of the OR Tambo District Municipality, the Mthatha regional airport and headquarters of the Wild Coast SEZ
- The area has a 20km coastline with 6 beaches that are potential tourism and the ocean's economy investment destinations. Mdumbi Beach, in Ngqeleni, is known for having some of the best surfing waves in the country.
- The area has a rich culture and potential heritage sites and is suitable for eco-cultural and adventure tourism investment.
- The area has an abundance of natural resources, land and favorable agro-climatic conditions well suited for cannabis, crop, livestock and fruit production.
- The area has land available for residential and commercial property development.



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