



1. PURPOSE OF THE REPORT

This correspondence serves to provide a report on the Provincial Local Economic Development Summit that was held on 2 December 2011 in the President Hotel in Bloemfontein

2. INTRODUCTION

The Directorate responsible for Local Economic Development in the Free State Provincial Government arranged a Local Economic Development Summit with the these objectives:

- To ensure a common understanding on Local Economic Development
- To share information on Local Economic Development

These objectives were derived from the National Local Economic Development Objectives which state:

- Poverty and unemployment are the main challenges facing South Africa. LED strategies must prioritise job creation and poverty alleviation
- LED must target previously disadvantaged people, marginalised communities and geographical regions, black economic empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country
- LED promotes local ownership, community involvement, local leadership and joint decision making LED involves local, national, and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build local areas.
- LED uses local resources and skills and maximizes opportunities for development
- LED involves the integration of diverse economic initiatives in an all- inclusive approach to local development.
- LED relies on flexible approaches to respond to changing circumstances at local, national and international level.



THE AGENDA FOR THE SUMMIT WAS AS FOLLOWS:

1. National LED Framework:	Dept. Of COGTA (National)
2. New Growth Path:	Econ Development Department (National)
3. FSGDS:	Dept. Of Premier
4. Economic Analysis:	Dept. Of Treasury
5. LED Strategies:	Dept. Of COGTA
6. Leak Plugging Concept:	SALGA
7. Funding Models:	DTI

Presentations were made on each of the points on the Agenda where after discussions did follow. Please find the attached presentations for reference.

3. RECOMMENDATIONS

The delegates at the Summit did agree on the following recommendations for the LED Summit. The recommendations were developed based on the discussions and inputs that followed the presentations. These recommendations will thus be used as resolutions which need to be implemented during 2012 and beyond.

- ✓ The Department of COGTA should serve as a single window of coordination, to ensure this COGTA will establish a Provincial LED Steering Committee (the members of the steering committee will be all municipalities and relevant stakeholders on LED)
- ✓ National and Provincial Departments to solicit funding for a high impact project per District
- ✓ Mayors should be the Political Champions of LED Programme and the implementation of LED must be a standing item on the MECLOGA agenda
- ✓ Municipalities must give LED the necessary support, both human and capital. (retention and attraction of businesses)
- ✓ Promote the establishment of partnerships with Business and other stakeholders at Municipal and District level. (including Universities)



- ✓ The Municipalities must review LED Strategies in line with the municipal IDPs process to ensure better coordination and economic impact to the area
- ✓ Municipalities must adopt the IDP method of LED Strategy development (leak plugging). Involving people, teaching people how to fish, is at the core of democracy
- ✓ Develop a monitoring and evaluation tool on the implementation of LED
- ✓ National and Provincial spheres to consciously support LED in municipalities through a coordinated effort, financial and human resources
- ✓ Coordinate all economic development initiatives at national and provincial level towards LED
- ✓ Develop a database on ALL incentive schemes and funding available for implementation of LED
- ✓ LED Department to be the key department in the Municipality (link with other resolutions)
- ✓ Business Information office within Municipality/Working relationship between Municipalities and Business (to ensure shorter processes to retain businesses)
- ✓ The issue of land and ownership should also be addressed
- ✓ The Green Economy should form part of the LED Strategy as well as the LED initiatives.