

**FRAMEWORK AGREEMENT
ON
ECONOMIC GROWTH AND DEVELOPMENT
IN
WITZENBERG**

SIGNED AT ON

1. THE CHALLENGE

The signatories to this agreement as social partners to the economic development of Witzenberg recognise and accept the challenges posed by unemployment and poverty in our community and the need for sustained and sustainable growth and development to ensure a better life for all. We recognise in particular the need to nurture and support a spirit of self-reliance in the community as the basis for sustainable growth, prosperity and social accord.

In particular we recognise the need to create in our Witzenberg community in excess of an estimated average of 1400 new jobs annually for the next decade if we are to cope with population dynamics and significantly reduce existing formal unemployment.

We realise that the writing of a new chapter in the development of Witzenberg is the task of the entire community working in close co-operation to achieve shared goals and objectives through co-ordinated joint action in key areas. Whilst disagreement may from time to time exist on the detail of implementation going forward we pledge ourselves as social partners to open and ongoing engagement and action in good faith in the pursuit of lasting and viable solutions to the problems that beset our community and that stand to affect us all. In particular we individually and together commit to this Framework Agreement as a basis for taking our entire community forward to meet the challenges that await us.

2. VISION AND STRATEGIC OBJECTIVES

2.1 Vision

The vision to which we commit ourselves is of a prosperous, viable Witzenberg community founded on the principles of individual enterprise, self-sufficiency, fairness and equal opportunity for all. In particular we are mindful of the critical need of more and better local jobs as the basis for sustained poverty reduction through productive individual effort.

2.2 Strategic Objectives

We commit ourselves within the Laws and Statutes of the Republic of South Africa to working together to achieve the following:

- 2.2.1 A structured, co-operative, community-based approach to economic development;

2.2.2 Development of a niche for Witzenberg in the provincial, national and global economy;

2.2.3 Accelerated economic growth based upon:

- Fair and equal access to economic opportunity for all;
- Increased productivity of human and material resources;
- Empowerment of people – particularly the poor and disadvantaged - to achieve self-reliance, participate productively in the economic system and thereby also to contribute to the expansion of the collective economic capacity of Witzenberg;
- Increased productive engagement of the local population in the local economy;
- Sustained reduction of poverty through the promotion of economic opportunity and the promotion of individual self-sufficiency; and
- The ecologically wise and sustainable use of Witzenberg's resources.

3. A Framework For Sustainable Local Economic Development

Having engaged with the realities and challenges of our community we support a framework for economic development in Witzenberg based upon the following six central thrusts:

- Building Institutions;
- Building Commercial Enterprise;
- Building Community Capacity;
- Focussed Poverty Reduction;
- Rationalising the Spatial Economy; and
- Appropriate Infrastructure and Services.

3.1 Building Institutions

We affirm and support the need to establish within Witzenberg the institutions of community necessary for sustained co-operative socio-economic growth and development. In particular we recognise the need for and will jointly and severally support and actively strive toward:

3.1.1 Institutionalising cooperation across the community toward economic growth and development;

3.1.2 Formalising regional forums and sectoral working groups in support of the achievement of informed and co-ordinated decision making affecting local economic growth and development. We will actively promote and engage in these forums and working groups in the community at

large as platforms for the pursuit of consensus on the way forward for Witzenberg;

- 3.1.3 The establishment of Sector Charters by the Sectoral Working Groups in respect particularly of the key sectors of the Witzenberg economy, namely Agriculture, Business, Tourism and Industry to voluntarily regulate and co-ordinate the activities of these sectors in accordance with the needs of socially responsible local economic development;
- 3.1.4 Mentorship of existing community structures in order to empower them to contribute constructively to local economic growth and development;
- 3.1.5 The establishment of a community special purpose vehicle for Witzenberg in the form of a public-private partnership to manage joint community economic development initiatives in Witzenberg and to perform in particular the following functions:
 - Facilitation of networking across all interest groups in the community;
 - Joint marketing and investment promotion;
 - Value chain research and the promotion of opportunity for small and emergent business in Witzenberg; and
 - To serve as “One-stop shop” for development and investment assistance in Witzenberg; and
- 3.1.6 The enhancement of the capacity of local government to provide support to local economic growth and development in accordance with its Constitutional role.

3.2 **Building Commercial Enterprise**

We recognise and affirm viable socially responsible private free enterprise commercial activity as a key to sustainable livelihoods, the creation of jobs, the reduction of poverty and to increasing prosperity in Witzenberg. To this end we affirm our commitment to, and support of, the following broad measures to build viable businesses in our community:

- 3.2.1 The encouragement of the release of land for development through the implementation of a negotiated adapted property rating system that provides for a development window on under-/undeveloped land. This should include particularly the institution of sanctions on undeveloped/underdeveloped land in the Central Business Districts (CBD's) of Witzenberg;
- 3.2.2 The adoption of the principle of predominant use as the basis for the rating of property;
- 3.2.3 The introduction of a negotiated points-based assessment system for property rates and services rebates and their

- extension to a wider category than at present of new commercial activities and extensions of existing commercial activities;
- 3.2.4 The identification and promotion of emergent business clusters linked as a first priority to tourism and fruit production and processing and related activities;
 - 3.2.5 The establishment of a Fruit Processing Cluster Joint Action Group to promote the incorporation of new local business in the fruit production and processing value chain;
 - 3.2.6 The initiation of pre-feasibility analysis toward the establishment of a Fruit Cluster Industrial Development Zone for Witzenberg;
 - 3.2.7 The introduction of joint incubation, and of business support and mentorship programmes for emergent commercial enterprises;
 - 3.2.8 The establishment of a “Witzenberg” brand image;
 - 3.2.9 Co-operative direct marketing and procurement support particularly for emergent commercial enterprise in Witzenberg; and
 - 3.2.10 A negotiated points-based system of preferential local procurement for both government and the private sector in Witzenberg.

3.3 **Building Community Capacity**

We recognise the central importance of community capacity as a means toward achieving economically and socially sustainable engagement by all elements in the community in the improvement of their own prosperity and the general well-being of the entire community. We also recognise education and skills transfer as key potential contributors to community capacity - and basic life skills training as the foundation both of healthy and responsible community life and of a stable economically active and prosperous community. To this end as government and employers we will co-operate actively toward:

- 3.3.1 The accelerated rollout of Adult Basic Education and Training Programmes (ABET) and Further Education and Training Programmes (FET) meeting the needs of responsible socio-economic development in Witzenberg;
- 3.3.2 The institution of focussed joint formal life skills development programmes addressing amongst others:
 - The conduct of personal finances;
 - Substance abuse;
 - HIV/AIDS
 - Responsible parenting; and
 - Time management and work ethics;

- 3.3.3 Skills development and training to serve as a first priority the needs of the local Witzenberg economy. Skills development needs to be informed by regular and structured assessment of the skills needs of the local economy on the part of the sectoral working groups to be established in terms of **Programme 1: Building Institutions;**
- 3.3.4 The institution of a centralised job search and employment bureau/facility for Witzenberg as an aid to employers in accessing suitable local skills and to the locally unemployed in finding employment; and
- 3.3.5 The eradication of illegal and unfair labour practice that currently extends to the detriment of local labour. We recognise and subscribe to the need, other things being equal, to extend employment preference to the local labour force with roots and commitments in Witzenberg as a basis for the achievement of a stable and prosperous local community.

3.4 **Focused Poverty Reduction**

We recognise that extreme poverty represents a social evil in society. We also recognise that it both causes and reflects economic inefficiencies within the local economy. Whilst welfare interventions alleviate the symptoms of poverty, productive engagement in the economy for all but the young and school going youth, and the aged, disabled and infirm remains the indicated means of sustaining poverty reduction and the building of a sound basis of local prosperity. Whilst the occurrence of poverty is distributed throughout Witzenberg particular concentrations of poverty exist in Wards 1, 10, 11 and 7. We recognise, subscribe and commit to the following specific actions to achieve sustained poverty reduction in Witzenberg:

- 3.4.1 Compliance costing of projects in terms of their contribution to local job creation. Other things being equal preference should be given to economically viable project options that contribute most significantly to the creation of local jobs and of opportunities for emergent local business;
- 3.4.2 The institution of "Workfare" programmes for public infrastructure maintenance and provision in which preferential employment is created for the unemployed poor;
- 3.4.3 A voucher training programme for the unemployed poor in the age group 15 years to 35 years and informed by real skills requirements;
- 3.4.4 Satellite retail services providing necessities in extremely poor areas;
- 3.4.5 Water at subsistence rates for *bona fide* community gardening activities serving disadvantaged communities;

- 3.4.6 Zoning and other appropriate regulation to accommodate the realities of the extended family support system in poor areas; and
- 3.4.7 The formalisation of engagement of churches and other community and NGO structures in co-ordinated joint programmes to promote self-sustaining productive economic activity as the basis of sustainable poverty reduction.

3.5 **Rationalising the Spatial Economy**

The spatial framework of community activity provides the basis within which economic activity takes place. Close alignment must therefore be achieved between economic and spatial planning within Witzenberg in order optimally to support the achievement of viable local economic objectives. To this end, and mindful of the evolving Spatial Development Framework of the Western Cape we support the following approach to the rationalisation of spatial development within Witzenberg:

- 3.5.1 The pursuit of high density residential and urban development options where these are able to contribute to the concentration of markets, the better use of land and to greater economies in the provision of services;
- 3.5.2 Discouraging expansion of the current boundaries of urban development in favour of in-fill planning and development within existing urban areas to economise on the costs of infrastructure and services and until available urban space is optimally utilised;
- 3.5.3 The recognition and development of the spatial economic roles of the towns of Witzenberg as follows:
 - Ceres - Regional Centre;
 - Tulbagh - Tourism Centre;
 - Wolseley - Local Trade and Regional Manufacturing Centre;
 - Other centres (Op-die-Berg and PA Hamlet) - Local trade and agricultural service points; and
- 3.5.4 The designation of the Ceres-Wolseley axis as the indicated location of a possible future Industrial Development Zone (IDZ) for Witzenberg.

3.6 **Infrastructure and Services**

The cost and quality of municipal services is an important determinant of the viability of commercial enterprise across the board. We recognise and support the following broad framework approach to the provision of infrastructure and services in Witzenberg:

- 3.6.1 The recognition of the effects of service tariffs and charges upon all economic activity in Witzenberg. Service tariffs and charges need to be determined with due regard of their economic impact, and particularly of their ultimate impact on employment and jobs in the local community;
- 3.6.2 The determination of infrastructure priorities transparently on the basis of a points-based system related to overall community goals;
- 3.6.3 The outsourcing to best advantage of key infrastructure maintenance and other services where necessary to maintain service quality;
- 3.6.4 The maintenance of a (public) asset register to reflect all public assets (local, national and provincial sphere) in Witzenberg;
- 3.6.5 The identification of un-/underutilised public land and infrastructure and the invitation of proposals regarding options for the effective utilisation of such land and infrastructure. Such proposals should be objectively and transparently adjudicated on the basis of their nett worth in contributing to the creation of jobs and of opportunities for emergent enterprise in the short, medium and long terms;
- 3.6.6 The prioritisation of the maintenance requirements of public infrastructure and service provision based upon an independent professional maintenance survey of public buildings and infrastructure and a transparent maintenance model for public assets;
- 3.6.7 The acquisition and maintenance by government, where necessary and as a matter of last resort, of historic buildings and sites to protect the public heritage and to ensure general public access;
- 3.6.8 Movement toward a system of negotiated differential cost recovery on services within Witzenberg broadly on the basis of the economic cost of service provision; and
- 3.6.9 The ongoing facilitation of the resolution of the encumbrances on water pricing in Witzenberg and the phasing out of cross subsidisation as between municipal services.

SIGNATORIES TO THE FRAMEWORK AGREEMENT

SIGNED AT ON

.....
For Witzenberg Municipality

.....
For Organised Business

.....
For Organised Agriculture

.....
For Organised Tourism

For Industry:

Representing:

.....
.....
.....

.....
.....
.....

For Civil Society:

Representing:

.....
.....
.....
.....

.....
.....
.....
.....