



UTHUKELA ECONOMIC DEVELOPMENT AGENCY

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UTHUKELA ECONOMIC DEVELOPMENT AGENCY

FOURTH QUARTELY REPORT

(1 APRIL 2025 – 30 JUNE 2025)

VISION

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

MISSION

Create an enabling business – friendly environment thus ensuring the retention and attraction of local and international investments and promoting new business ventures working with all social and business partners for achieving a prosperous sustainable economic development for UThukela District.

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SECTION A:

PURPOSE

The purpose of this report is to summarize the Key Performance Indicators (KPIs) related to Good Governance that were accomplished during the third quarter of the 2024/2025 financial year. Local Economic Development (LED) Programmes Section during the fourth quarter of the 2024/2025 municipal financial year. This report provides insights into key initiatives, achievements, and challenges encountered, while also outlining future strategies to strengthen economic growth within the UThukela District and provide insights into the effectiveness of governance practices and highlight achievements within that timeframe

BACKGROUND

The Corporate Service section is mandated to ensure compliance with legislation applicable to municipal entities, principals outlined in the King III. Report and ensure organisational development and transformation, Implement performance management and to improve the capacity of staff for service delivery.

The LED Programmes Section is responsible for promoting, supporting, and developing economic growth in the UThukela District through investment attraction, economic development initiatives, and the growth and support of Small, Medium, and Micro Enterprises (SMMEs). The section works closely with stakeholders, including government entities, private sector partners, and local communities, to foster an environment conducive to business development, job creation, and sustainable tourism.

SECTION B:

1. CORPORATE SERVICES SECTION

1.1 COMPLIANCE CHECKLIST REPORT

BACKGROUND

The compliance checklist is being reviewed manually, which has presented challenges in ensuring consistency and accuracy. The manual review process often led to inefficiencies, including delays in identifying non-compliant areas and implementing corrective actions. Additionally, gaps in documentation and unclear delegation of responsibilities were noted, making it essential to refine the process. To enhance accuracy and accountability, a structured approach has been introduced, incorporating key stages to ensure compliance with the delegation authority.

INTRODUCTION

Ensuring compliance with delegation authority is a fundamental aspect of governance within our Agency. It ensures that all policies, procedures, and operational responsibilities align with the established regulatory and internal control frameworks. This report outlines the structured approach undertaken to review and enhance our compliance checklist. Through this initiative, we aim to improve adherence to policies, reporting, and address areas requiring corrective actions.

PROCEEDINGS

To ensure compliance with the established delegation authority, a structured review process was initiated, underpinned by legislative and governance frameworks such

as the **Municipal Systems Act (MSA)**, **Municipal Finance Management Act (MFMA)**, **Companies Act (CA)**, and **King IV Report on Corporate Governance**.

This process was guided by the outcomes of the **Strategic Review Planning Sessions**, which took place on **4th, 5th, and 6th June 2025**. These sessions were crucial in aligning our operational structures and responsibilities with legislated requirements to evaluate alignment with current legislative mandates. There were sections under the **Municipal Systems Act (MSA)**, **Municipal Finance Management Act (MFMA)**, **Companies Act (CA)**, and **King IV** that relied on the strategic review planning in order to achieve compliance. Changes have been made accordingly.

The compliance matrix below outlines both compliant and non-compliant sections across the applicable legislation in relation to delegation of authority:

MSA COMPLIANT SECTIONS

Sections	Level of Compliance
Section 25, 26, 38, 39, 40, 41, 43, 44, 45, 46(1), 46(4), 56, 57(1), 57(2), 57(3,4,5,6,7), 58, 59 that reads with S106 of the MFMA, 60, 66, 67, 68, 69, 70, 71, 80, 82, 83 (1,2,3), 84,	Compliant

MFMA COMPLIANT SECTIONS

SECTIONS	LEVEL OF COMPLIANCE
Section 7, 8, 9(B), 14 (1,2,3,4,5), 14, 16(1,2,3), 22(A,B), 28, 53, 54, 54(1,c), 63, 64, 65, 66, 69, 70, 71, 72,	Compliant

75, 86, 87(6,7,8,10, 11,12), 88, 89, 102, 107, 112, 115, 116, 121(4), 122, 123, 124, 125, 126, 127, 129, 164, 166, 168, 172,	
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MFMA NON-COMPLIANT SECTIONS

SECTIONS	LEVEL OF COMPLIANCE	REASONS
165,	Not Compliant	We are currently not in compliance with this requirement, as we do not have our own internal audit unit in place. Audits are currently conducted by UTDM auditors.

COMPANIES ACT COMPLIANT SECTIONS

SECTIONS	LEVEL OF COMPLIANCE
Section 24, 25, 33, 66(1,2), 69, 72(4) 84(3), 86, 94(2, 7),	Compliant

COMPANIES ACT NON-COMPLIANT SECTIONS

SECTIONS	LEVEL OF COMPLIANCE	REASONS

Section 84(3)	Not compliant	The Auditor-General is the official auditor for the SOC, while external audits are currently conducted by UTDM auditors. Although an individual has been identified to support audit functions, no formal appointment has been made. The lack of an internal audit unit highlights capacity gaps, and establishing an in-house function or formal interim support is recommended to improve internal controls and compliance.
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KING IV COMPLIANT SECTIONS

SECTIONS	LEVEL OF COMPLIANCE
Section part 5,3 (Recommended practice: 2, 9, 5, 21, 25, 26, 31, 71 to 74, 12, 13, 37, 81, 77, 22 to 24, 96, 97, 98, 90)	Compliant

CONCLUSION

The structured review and analysis of the compliance checklist have revealed that while the Agency is compliant with the majority of legislative and governance requirements, certain areas require further attention. Notably, gaps in compliance were identified within specific sections of the MSA, MFMA, and Companies Act. These non-compliant areas have been flagged for corrective action in the upcoming financial year. Changes proposed during the Strategic Review Planning Sessions held in June 2025, full compliance across all frameworks remains a work in progress. The Agency is committed to ongoing monitoring, accountability, and the continuous refinement of its delegation of authority. Through this initiative, the Agency continues to strengthen its governance practices and uphold regulatory integrity.

1.2 COMPLIANCE CHECKLIST SUBMISSION

Compliance Checklist has been compiled and adopted on the 8th July 2025 Board of Directors meeting.

1.3 PERFORMANCE REPORTS SUBMITTED TO UTHUKELA

UThukela Economic Development Agency is required to submit their quarterly performance to the parent municipality after every quarter. The Agency's performance is measured through their SDBIP that is set in the beginning of the financial year as the work that will be done by the Agency throughout the year. The performance report comprises of KPI's (Key Performance Indicators) that are set to be achieved by the Agency. According to the Municipal Systems Act, 32 of 2000, the Agency is required to submit its's performance quarterly reports to uThukela District Municipality before the 10th of the beginning of every quarter.

1.4 QUARTELY BOARD MEETINGS

The following_in the 4th quarter, the board of directors held their quarterly meeting on the 8th April 2025. The following items were discussed in the meeting:

08 April 2025 Meeting

THE FOLLOWING ITEMS WERE DISCUSSED UNDER MATTERS FOR CONSIDERATION:

➤ **Portfolio Committee Report**

- Finance and Investment:

Mr. Kubheka stated that in the Finance and Investment reports, information is merely listed on presentations without showing the sources. He highlighted the issue of vacant land, Dukuza fish farming, and the assistance provided to people with disabilities, emphasizing that these reports must include relevant sources indicating where the information was extracted from. Additionally, if someone from the Finance section visits a site or takes pictures, this must be included in the report. He further proposed that an individual from the Finance section should be assigned to do the presentation.

He also mentioned the engagement about Colenso Electric Garage, stating that there was no proper explanation provided, and inquired about the sources of the information collected. When presentations are done, they must be submitted prior to the meeting, and relevant sources must be included. A representative from the Finance section should be present to assist with the presentation.

Mr. Sibisi apologized for this matter and stated that changes need to be made regarding Portfolio Committee sittings. He suggested that meetings should take place at the beginning of the quarter to receive updates on what will be happening, and at the end of the quarter, to assess progress.

- LED Programmes:

Mr. Kunene stated that the issue of funding is hindering the progress of most of the LED programs KPIs to be achieved.

LED Programmes Quarterly Report, The report was reviewed and approved.

Procurement Plan, The committee took note of the Procurement Plan.

Strategic Focus Areas for the Next Quarter, The report was reviewed and approved.

Distribution of Sugar Beans Seeds, The Sub-committee noted the distribution of sugar beans seeds.

- Corporate Services:

Ms. Zikalala expressed satisfaction with the corporate work and the achieved KPIs co Quarter 3 Reports, The Corporate Service Committee noted the presentation and applauded the progress on the non-achieved matters.

Quarter 3 Procurement Plan, The committee noted the procurement plan.

LGSETA Report, The committee noted the update.

Office Building, The committee noted and welcomed the report.

2024/2025 Strategy Review, The committee noted and welcomed the report. However, in terms of funding, they are uncertain whether it will proceed or not.

Mr. Sibisi thanked the Board and emphasized the reliance that we have on them. He stated that the reports are too shallow for him because he wants things in detail and with proof, as this will prevent the Board from missing important information. He emphasized the importance of engaging with the actual work of the Portfolio Committees.

He urged the need for detailed reviews and questions from the members, as this will ensure that justice is done. The Chairperson must demand enough information.

He also suggested that workshops should be held for the Portfolio Committees.

Mr. Nduli supported the idea of an oversight workshop for the Board.

➤ **Draft Budget**

Ms. Mathonsi stated that an update on the budget was submitted to UTDM in January, but they have not yet received comments. They spoke with the UTDM CFO, who promised that comments and responses will be provided by next week. Ms. Mathonsi stated that the tariffs are very low. They have been benchmarking and adjusting the tariffs and are

also awaiting responses from UTDM. Mr. Sibisi clarified that the budget being discussed was the one that was presented to the Board. They are still waiting for a response from UTDM. If UTDM agrees with the budget, there will be changes to the tariffs, but it is noted that nothing else will be affected.

➤ **Board Emoluments/ Portfolio Committees**

Ms. Mathonsi stated that payments have been completed up to the second quarter, but the challenge is that they were unable to make payments for the third quarter. Ms. Mathonsi met with Mr. Sibisi in the morning, and they roughly estimated that they owe the Board R138, 000. This will be paid as soon as the agency receives its funds.

Mr. Sibisi emphasized that as soon as they receive the subsidy, they will reimburse their losses accordingly, and every cent will be paid out. It is very unfortunate that the Board has not been paid. There has been no misuse of the funds; they are used wisely, and AG can attest to that. Mr. Kubheka advised Ms. Mathonsi to simply say aloud that there are no funds, rather than referring to it as a challenge.

➤ **Fruitless and Wasteful Expenditure Investigation**

Mr. Sibisi stated that the Auditor General had requested an investigation, and a letter was sent to the Municipal Manager, but no response was received. The CFO also requested assistance from two Treasury members, but there has been no response so far.

Mr. Mnguni stated that it is UThukela that will investigate UIF matters and also inquired if we have a committee that performs parental duties, as the MPACT Committee handles and attends to these matters. He asked if there would be any harm in forming such a committee in alignment with this. Mr. Nduli liked the suggestion from Mr. Mnguni.

Mr. Sibisi stated that Section 68 specifies that the Board must constitute the committee, and AG has outlined that the Board should do this. The Board will investigate the management, after which the MPACT Committee can conduct a thorough investigation based on the conclusions of the Board, particularly regarding any fruitless expenditure.

Mr. Mnguni additionally stated that the MPACT Committee must also complete its investigation so that if disciplinary action is needed from the Board, it can be carried out. After that, the findings should be tabulated and presented to the Board, CEO, and staff to communicate what was discovered during the investigation.

Mr. Mnguni added that the Board cannot be members of the primary investigators but can be part of a sub-committee.

Mr. Sibisi said he will contact the legislation team and review the circular. It will take time, and so far, he has nothing further to add on this topic.

➤ **Establishment of The Risk & Internal Audit Unit**

Mr. Sibisi acknowledged the need to establish a Risk and Internal Audit Unit within the Agency. The role of this Unit is to support management and stakeholders by systematically identifying and prioritising risks through comprehensive risk assessments.

Mr. Sibisi stated that while there is currently an individual assigned to the role, they are not suitably qualified. This arrangement is in place merely for compliance purposes, to allow the Agency to submit audited work. Once funds become available, the Agency intends to appoint a suitably qualified individual to the position.

Mr. Mnguni added that UTDM is also facing financial constraints, which affects their capacity to provide support.

Mr. Sibisi further mentioned that he had communicated with the Municipal Manager (MM), who advised that the Agency should elect someone internally to perform the audit functions. Previously, UTDM conducted audits for the Agency; however, due to their own challenges, they are no longer in a position to do so.

Once a suitable individual has been identified, this matter must be formally included as an item for discussion at a UTDM meeting.

Mr. Sibisi noted that in the past, individuals who assisted with audits were engaged through separate contracts to support the Agency. However, due to AG (Auditor General) requirements, the Agency is now expected to have an independent audit committee. This has necessitated the use of separate contracts, although it has added complexity to the process.

➤ **Proposal to Rent Matthews Farm**

Samazulu Isizwe Business Enterprise has submitted a formal request seeking permission to use the agency's Mathews Farm facility for their upcoming community development projects. They believe that the farm's well-maintained infrastructure and central location make it an ideal site to host these initiatives. As part of their proposal, they are willing to pay up to R10,000 per month for a period of one year to utilize the facility.

Mr. Sibisi stated that the initiative will not only benefit Samazulu Isizwe but also positively impact small-scale farmers, entrepreneurs with disabilities, and local markets.

These groups will gain access to resources and opportunities that support the agency's mission of community upliftment and empowerment. The project will be funded by EITA, and there is potential for future partnerships with the stakeholders involved.

- Mr. Sibisi further noted that, should the proposal require compliance with Supply Chain Management (SCM), he is prepared to follow all necessary formalities. However, he is currently requesting the Board's approval to proceed with the use of the facility, highlighting that the farm has already been renovated and is in good condition for immediate use. Mr. Mnguni stated that, for proactive management and transparency, the agency should advertise a partnership opportunity for Mathews Farm.

Mr. Sibisi expressed that if we advertise idea it will be considered unsolicited, and if there is already an interested party, the agency should process it as an unsolicited bid. He further mentioned that he intends to seek guidance from the Treasury and the Supply Chain Management (SCM) Committee at UTDM regarding the correct procedure.

Mr. Mnguni acknowledged and supported Mr. Sibisi's view but maintained that the agency should still proceed with advertising the opportunity. He emphasized that this would ensure fairness, allow for the possibility of receiving higher rental offers, and AG purposes. Ms. Zikalala stated that this is a positive initiative, as it will benefit the community, generate income, and provide support to small businesses. She noted that both the agency and local farmers stand to gain from the project. Mr. Kubheka, Ms. Zikalala, and Mr. Kunene gave their official approval for the CEO to proceed.

➤ **CEO's Acting Contract**

Mr. Nduli noted that the CEO's contract is coming to an end, and reminded the Board that it does not have the authority to appoint a CEO, as this responsibility falls under the jurisdiction of the District Mayor's Office. He then asked Mr. Mnguni what steps should be taken regarding the CEO's expiring contract.

Ms. Zikalala suggested that, given the agency's dependence on the CEO for daily operations, UTDM should consider extending Mr. Sibisi's contract by an additional two months, especially if the appointment of a new CEO is approaching.

Mr. Sithole emphasized the importance of continuity and proposed that the extension be for at least four to five months, to ensure stability and avoid repeated discussions on the same issue during future meetings.

Mr. Kubheka expressed his frustration with the matter, but added that once UTDM reaches a resolution and is satisfied, the Board will also be able to find peace in the outcome.

31 May 2025 (Special Meeting)

THE FOLLOWING ITEMS WERE DISCUSSED UNDER MATTERS FOR CONSIDERATION:

➤ **Final Adjustment Budget**

Ms. A. Mathonsi tabled and presented the Special Adjustment Budget for the 2024/25 financial year following the allocation of additional funding by the parent municipality.

- **Allocation of Funds**

The parent municipality allocated an amount of R3.8 million on 25 April 2025. This allocation comprised the following:

R2.4 million from COGTA, which was originally earmarked for the development of a Cultural Village in the Mhlumayo area. However, based on a feasibility study, the Cultural Village project was found to be not feasible.

- **Reallocation of Funds**

Following the outcome of the feasibility study, a formal request was submitted to COGTA seeking approval to reallocate the R2.4 million towards an alternative initiative. COGTA approved the reallocation and granted permission to proceed with the revised project scope within the same funding envelope.

The funds have been reallocated to the Mhlumayo Beef Improvement Plan Project, which is intended to support local economic development through sustainable livestock farming.

- **Adjustments Reflected in the Budget**

The Special Adjustment Budget includes the following changes:

- **Adjustment to Conditional Grant Transfer:**

R2.4 million reallocated from the Cultural Village Project to the Mhlumayo Beef Improvement Plan Project (COGTA-approved).

- **Adjustment to Subsidy Transfer:**

An additional R1.7 million allocated as a subsidy transfer.

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➤ **Annual Budget 2025/26**

The annual budget for the 2025/26 financial year was formally presented to the Board of Directors. The budget, which had previously been submitted to the parent municipality as a proposed budget, was submitted in accordance with legislative requirements — no later than 150 days before the commencement of the financial year, or earlier if requested by the parent municipality.

The purpose of this meeting was to present the final version of the annual budget to the Board of Directors for **review and approval**, in order to adopt it as the official budget of the agency and allow for its re-submission to the parent municipality as the final approved budget

The Board of Directors reviewed the final budget in detail. The budget aligns with the strategic priorities and operational plans of the agency for the 2025/26 financial year. The proposed projects included in the budget are aimed at enhancing service delivery, improving efficiency, and ensuring financial sustainability.

The agency also highlighted its continued commitment to exploring and securing additional sources of funding outside the district to supplement the allocated budget and enhance the implementation of its programs.

➤ **Mhlumayo Beef Improving Plan**

The Department of Corporate Governance and Traditional Affairs (COGTA) had initially allocated funds for the development of a Cultural Village in the Mhlumayo area. However, the feasibility study indicated that the project was not feasible.

Following this, a formal request was submitted to COGTA seeking approval for the reallocation of funds towards the Mhlumayo Beef Improvement Plan Project.

COGTA granted the implementing agency approval to proceed with revised the project scope under the same funding envelope.

SUMMARY OF ATTENDANCE BOARD MEETING

BOARD MEMBERS	MEETING	SPECIAL MEETING	PORTFOLIO COMMITTEES		
	08 April 2025	31 May 2025	Finance	LED	Corporate
DR KH Nduli	✓	✓			
Mrs. A Asmal	✓	✓			
Mr M Msomi	✓				
Mr B Kubheka	✓				
Ms N Zikalala	✓	✓			
Mr. M Sithole	✓	✓			
Mr. W Kunene	✓	✓			

1.5 QUARTERLY INTERNAL AUDIT COMMITTEE REPORT

UThukela District Municipality internal audit unit has agreed to audit Agency's performance from quarter 1 to 4. The auditing process has not begun yet. A meeting has been schedule between the Agency and the internal auditing unit of the parent municipality to take us through the process of auditing.

1.6 ONE STRATEGY REVIEW, SDBIP, POLICY BRIEF TO STAKEHOLDERS

1.6.1 ONE STRATEGY REVIEW

INTRODUCTION

The UThukela Economic Development Agency (UEDA) held a strategic planning session from 4 to 6 June 2025 to review its performance, align priorities with broader economic goals, and set direction for the 2025/2026 financial year. Bringing together leadership, board members, and stakeholders, the session focused on governance, financial sustainability, SMME support, infrastructure development, and institutional capacity. UEDA reaffirmed its role in driving inclusive growth in the UThukela District, with a strong emphasis on collaboration, strategic planning, and unlocking new development opportunities.

BACKGROUND

The UThukela Economic Development Agency (UEDA) convened a strategic session on 4, 5 and 6 June 2025 with the primary aim of reviewing operational reports, assessing development strategies, and reinforcing coordination among key internal and external stakeholders. The session gathered agency officials, board members, and municipal representatives to reflect on performance to date and to refine forward-looking approaches for local economic development within the UThukela District. UEDA, established in terms of the Municipal Systems Act No. 32 of 2000, the Municipal Finance Management Act No. 56 of 2003, and the Companies Act No. 71 of 2008, functions as an implementing arm of the UThukela District Municipality to drive catalytic, inclusive, and strategic economic development initiatives throughout the district and its constituent local municipalities.

PROCEEDINGS

Day 1 of the strategic session was opened by Mr. SB Sibisi, who outlined the purpose of the gathering and emphasized that proceedings would follow the approved programme. He then handed over to Dr. K. Nduli, who delivered opening remarks and led the assembly in a prayer for wisdom, unity, and guidance in the deliberations ahead. The first formal presentation was delivered by Ms. SA Maphalala, who presented the Corporate Services Report. She began by explaining the critical role of Corporate Services as a central support function within the agency. Her report included the current status of the corporate unit, compliance with local policy and regulatory frameworks, and the schedule and outcomes of board sittings for quarters 1 through 3, with quarter 4 sittings scheduled for the first week of July. Additionally, Ms. Maphalala detailed training initiatives rolled out across the agency and highlighted internal auditing as a key challenge faced by the unit. The presentation concluded without any questions from the attendees.

Following this, Ms. AW Mathonsi presented two critical reports on Finance and Investment. She began by discussing the audit findings, confirming that the agency received an unqualified audit opinion. However, she pointed out irregular expenditure amounting to R1, 982,902 and indicated that out of the 11 audit findings, 7 had been resolved, while 4 remained in progress. The report also addressed the adjustment budget and included a budget overview along with a narrative report on key performance indicators (KPIs). Data collection efforts were reported, specifically focusing on vacant land and commercial buildings, which would support investment readiness and asset utilisation. Ms. Mathonsi also discussed services rendered by the agency, including transportation services and support for businesses operated by persons with disabilities. Under SMME support initiatives, she reported that 19 SMMEs were assisted with eight

funding applications. A noteworthy success case was that of Nyamezela Multipurpose Primary Co-operative Limited, which received R250, 000 in funding through a SEDFA application—comprising a R100, 000 grant and a R150, 000 loan. The second part of her presentation covered the Supply Chain Management (SCM) Annual Report. It introduced the SCM regulatory framework and outlined the core functions of the SCM unit, including the constitution and responsibilities of the bid specification, evaluation, and adjudication committees. She detailed recent procurement processes involving Maxode Events and Trading (R79, 608.75), sugar bean seed procurement (R248, 000), and engagements with 18 additional service providers.

Next, Mrs. NN Sithole delivered the Local Economic Development (LED) Programmes Report. She began with an overview of LED's purpose and structure, which includes a focus on agriculture and tourism development. Her report provided insight into the measurable impact of ongoing initiatives and the agency's active engagement with stakeholders in the tourism sector, especially through tourism trade engagements. She detailed the identification of new tourism routes, such as the ALM Battlefield to Nambithi Game Reserve (Mkangala), the OLM Royal Natal and Alpine Heath route (Amazizi), and the ILM Giants Castle and Injisuthi route (Wembezi and Ntabamhlophe). These routes are supported by rural and township product offerings, particularly the development of souvenir markets and broader tourism activation efforts. She also touched on ongoing QCTO accreditation processes to enhance skills within the tourism industry. In agriculture, Mrs. Sithole highlighted the success of two auctions held at Ncunjane where 237 goats were sold, generating revenue of R434, 079 she further announced the upcoming agricultural exhibition scheduled for 25–26 June and presented current projects including a

planned chicken abattoir, an agricultural market, and the continued production of sugar bean seeds and chicory.

Mr. SB Sibisi returned to the podium to present the UEDA Status Report. He reiterated that UEDA's mandate is to implement strategic economic development projects, promote local economic growth, and facilitate both private and public sector investments across the district. He outlined the agency's funding streams, which include subsidies from the uThukela District Municipality (UTDM), support from national and provincial government projects, municipal projects, privately funded initiatives, and self-generated revenue. Mr. Sibisi also spoke on the institutional and policy alignment of the agency with national, provincial, and local frameworks. He introduced a ten-step coordination programme designed to improve collaboration with municipalities, including promoting professional engagement, sharing of project information to avoid duplication, involving municipalities from the planning phase, and improving intergovernmental relations (IGR). Contributions from officials included calls for rotating board meetings across municipalities, creating common planning items for the Mayors and Municipal Managers (MMs) Forums, and the importance of clear communication between the agency and municipal leadership through timely MANCO meetings.

He concluded by presenting a detailed SWOT analysis. The strengths identified included a stable supporting municipality, strong leadership, an engaged stakeholder environment, sound financial management, effective planning capacity, and employee upskilling initiatives. Weaknesses were noted as the agency's inability to fully tap into competitive advantages and a high staff turnover rate. Opportunities were seen in accessing multiple funding agencies, creating jobs to reduce staff turnover, positioning the agency as a training facilitator, and establishing partnerships with the private sector. A proposed Service Level Agreement (SLA) between UEDA

and UTDM-LED was also mentioned. Threats discussed included the possibility of agency closure, budget cuts, lack of stakeholder collaboration, and vulnerability to natural disasters. The session closed with a summary of the agency's key objectives, strategic goals, and overarching strategies. These include ensuring effective education, skills and capacity development; maintaining ongoing engagement with municipal governance structures; improving institutional capacity and the policy environment for LED; developing and supporting the tourism and agricultural sectors; expanding the informal and small business economy; diversifying the manufacturing sector; developing strategic economic infrastructure; maintaining compliance with financial regulations; and actively sourcing funding.

DAY 2 5 June 2025

Below are the resolutions that were made and recap on Day 1

1. The Agency must assist business owners/SMMEs in their application for government tenders and with the execution of awarded contracts.
2. The Board of Directors must be a functional structure with all members participating fully and accordingly. If such is not happening, consequence management measures must apply.
3. Board members must be paid for their attendance of portfolio committee meetings.
4. The Agency must take necessary measures to retain staff.
5. Investigation of irregular expenditure must be concluded immediately.
6. The Agency must ensure staffing and training of SCM unit staff in order to comply with relevant regulations.
7. The Agency should encourage municipal and sectoral departments to use establishments owned by previously disadvantaged groups for their meetings.
8. The Agency must work with UTDM so that tourism SMMEs feature in the latter's website.

9. The Agency must apply for training accreditation to render training services for municipalities and sectoral departments where necessary.
10. Determination of Agency staff salaries and benefits must serve at UTD senior MANCO for consideration.
11. The Agency must approach KZN's COGTA and KZNPT municipal finance units for advice on strategies to source funding.
12. Submit an item to SENIOR MANCO on the discussion of the use of existing IGR structures to establish common understanding and foster cooperation between the Agency and local municipalities.
13. Board meetings should rotate among municipalities to improve cooperation between the Agency and municipalities.
14. Include municipalities during the project inception stage and share our programmes with municipalities regularly.
15. The Agency must establish means to get feedback from our clients
16. The Agency must design a strategy to improve cooperation with municipalities and sectoral departments.
17. The Agency must implement digital marketing for tourism.
18. The KZN COGTA and KZNPT to be a part of the sitting between Agency and LED for guidance and provide review for strategic documents.

There after LED projects were discussed and they were put into service delivery budget plan and set as KPIs and a new SDBIP was created. Mr Walaza from COGTA presented for us and stated challenges being faced and the important part that he raised was that "Agencies are here to stay, they are not going anywhere". While drafting a new SDBIP for LED it was stated that tourism web office must be combined with tourism destination market and not be a standalone KPI. And addition and changes to these KPI were made. Promote market access of livestock auction a standalone KPI as well as promotion to access through agricultural shows.

Development of fresh produce farmers market a new KPI. Chicken abattoir and agricultural market to be combined as one KPI.

Day 3 6 June 2025

UThukela Economic Development Agency's Strategy Review and Planning Session focused on investment projects, financial performance planning, and catalytic economic development initiatives. Ms. Mathonsi led the day's discussions, emphasizing the importance of input on a variety of projects, particularly those identified as catalytic by government departments. She noted that such projects require alignment and support from the agency and stakeholders to move forward effectively. It was stressed that key performance indicators (KPIs) for the Finance and Investment section must be underpinned by solid documentation, including Annual Financial Statements, the Mid-Term Report, and the Annual Report.

The session reaffirmed the role of the Investment Section in driving SMME development, facilitating business retention and expansion, and attracting new investment into the district. Input was specifically requested for Local Economic Development (LED) initiatives, especially in identifying and consolidating data related to existing catalytic projects. These include the Drakensberg Cable Car, Colenso Gas development, Ladysmith Indoor Sports Facility and Aerodrome Nodal Plan, Ezakheni Industrial Zone, Bulk Buying cooperatives, and the ongoing collection of data on vacant land and buildings. A proposed change to the SDBIP was introduced, replacing the "SMME Training Initiative" with a broader "SMME Support and Development" focus, better reflecting UEDA's ongoing efforts.

Long-term financial planning was also a key focus area. The CFO emphasized the importance of benchmarking financial performance against successful economic development agencies and implementing a

financial strategy extending over a ten-year horizon. Concerns were raised about delays in project implementation due to the time required to establish social compacts. As a solution, the importance of early and meaningful community engagement was stressed, which includes educating communities—especially children—on development efforts and recognizing the supporting role municipalities play in social infrastructure delivery, such as schools and clinics.

Collaboration with external partners, including the ADP (Accelerated Development Programme), was discussed as a critical step to avoid project failures. Strategic project updates were presented in alignment with the “District Development Model” One Plan. A strong call was made to address social conflict, which has proven to be a significant barrier to effective implementation in some areas.

The agency reiterated its commitment to driving catalytic development through its participation in the Special Economic Zone (SEZ) programme, specifically the Uthukela SEZ based in Ezakheni. This zone forms part of the broader Industrialisation Corridor Programme (ICP), funded by the Industrial Development Corporation (IDC). It was noted that while challenges remain—particularly regarding Environmental Impact Assessments (EIAs) and infrastructure readiness—efforts are underway to streamline licensing processes by aligning with established SEZs like Dube Trade Port. It was also recommended that uThukela integrate support services such as education and healthcare around SEZ projects to create sustainable communities.

A question raised during the session related to the impact of international trade relations on South Africa’s industrialisation drive. It was concluded that South Africa must continue to focus on domestic industrial production, as relying on imports is not a sustainable solution. The Department of Economic Development, Tourism and Environmental Affairs (EDTEA) was

urged to fast-track developmental projects, aiming for tangible progress by October 2025.

Lastly, preparations for the upcoming Agricultural Show, scheduled for 25–26 June 2025, were discussed. This year, unlike in 2001 and previous years when funding was a constraint, UEDA has secured financial support to ensure the success of the event. The show is intended to support both commercial and emerging farmers, with a focus on inclusivity, in contrast to the long-standing agricultural event held in September that traditionally served white commercial farmers. To further broaden the event's reach and impact, UEDA extended an invitation to the SEZ Officer to participate in the show, signalling a strong commitment to inter-agency cooperation and stakeholder engagement.

CONCLUSION

The 2025 Strategy Review and Planning Session enabled the Uthukela Economic Development Agency (UEDA) to assess its achievements, address operational challenges, and set a focused strategic direction. Over three days, key issues such as governance, financial performance, infrastructure development, and stakeholder engagement were addressed. The introduction of revised KPIs and a new SDBIP highlights UEDA's commitment to results-driven planning, especially in SMME support, agriculture, and tourism. With strong stakeholder alignment, a long-term roadmap, and upcoming initiatives like the Agricultural Show, UEDA is well-positioned to drive inclusive and sustainable economic growth across the UThukela District. The Strategy document was adopted on the 8th July 2025 board of directors meeting.

1.6.2 SDBIP

A draft SDBIP was formulated and was reviewed during the strategy review. The SDBIP was adopted on the 8th July 2025 board of directors meeting.

1.6.3 POLICY BRIEFING TO STAKEHOLDERS

Since the promulgation of new Local Government legislation in the form of the Structures Act and the Systems Act 32, Act no 32 of 2000, a new phenomenon in Policy for Local Government has been established, this paper will mainly deal with the following key issues;

1. Definition of Policy;
2. Elements of Policy;
3. Process of policy-making;
4. Hierarchy of policy
5. Policy vs. Procedures
6. Conclusion

1.6.3.1 DEFINITION OF POLICY

Various definitions of policy are to be found in the Oxford dictionary, but the one that clearly indicates what is meant by public policy is the following:

"Public Policy: can be described as an organised and established form of Government or administration."

WHEN IS THERE A NEED FOR POLICY?

The introduction of a new policy in the board of directors is the task of the CEO and management responsible for the portfolio to which the policy

relates to. It is, however, the task of the CEO and senior managers to initiate policy.

The following factors have a direct influence on the need for policy:

a. Legislation

Various pieces of legislation provide for the drafting of policy documents of which the following are examples:

i. Municipal Systems Act;

ii. Companies Act

iii. Municipal Finance Management Bill;

iv. King IV

b. Problem and need Identification

Constituencies in the Entity identify certain problems and demand action from the Entity.

c. Delegations

The Systems Act 2000, Act 32 of 2000 clearly indicates that any delegation should be accompanied by policy. This clearly refers to the setting of guidance by board of directors, which is to be found in a policy document.

1.6.3.2 ELEMENTS OF POLICY

A policy should be seen as a document, which gives direction to the administration on the implementation of the will of board of directors to achieve its strategic intent.

It is therefore appropriate to indicate the following elements that should always be in a policy document:

a) Policy Vision

Any policy document should have a vision, which indicates the bigger picture regarding the outcomes of the policy. The Vision should also indicate a benchmark against which all actions of the entity can be measured.

b) Policy goals and objectives

This section of the policy should be seen as the heart or engine room of the desired outcomes. Goals can be set to instill some quality that is not part of the entity.

c) Legislative Framework

If the policy has its origin from legislation it would be necessary to refer to the legislation with specific reference to the section of the Act.

d) Role Clarification

One of the most important aspects in a policy is the role clarification between board of directors and CEO. It is important to note that the role of board of directors in Local Government is the determination of policy. Managers are therefore the supervisory authority and the administration with the CEO as head is the implementing authority.

e) Definitions

It is always good practice to write a policy document in such a way that it is understandable to the person in the street. It is also a good practice to give definition to certain words used in the policy document; especially if

the word can have more than one meaning and the likelihood is that it might be misinterpreted.

f) Delegations

In order for the CEO to implement the policy, it is necessary that the questions "How should it be done? And by whom?" be asked. This section therefore mainly deals with who has the authority to do what. The CEO will still remain accountable to board of directors.

This section should also make provision for sub-delegations to lower authority in line with sound administrative and public Law principles.

g) Conditions and Implementation of the Policy

This part of the policy document deals with the goals in section (b) above. It is in this part of the policy where the entity gives effect to their responsibility to govern as envisage in the Constitution.

This section should be used to organise the administration to deal with the problems and needs to ensure that they fulfil their Constitutional obligations.

h) Contravention of the policy

It is also important that the policy expressed the view on what penalties or what action will be taken if the conditions of the policy are violated.

1.6.3.3 PROCESS OF POLICY-MAKING

Entities must realise that any policy that is adopted has an impact on their communities and as a result thereof, it is important that any policy document must be evaluated against its content, causes and consequences.

The next diagram indicates the process that an entity may follow when policy is determined and drafted.

- **Process**

Step 1

- Legislation requirements
- Problem Identification

Step 2

- Draft report and agenda as basis for discussing content of the problem

Step 3

- Policy formulation

Step 4

- Policy Legitimation

Step 5

- Follow process of board of director's participation

Step 6

- Policy and law implementation

Step 7

- **Policy Evaluation**

Although the board of directors sets and approves policy, it remains the responsibility of the CEO to ensure that the policy and By-Law is implemented. The role of the board is to oversee the implementation through its CEO, portfolio committees depending on the type of the entity.

1.6.3.4 HIERARCHY OF POLICY

1. Managerial Policy

The drive on this level of policy is to bring the previous two levels of policy into a practical and workable policy document. Managerial policy is mainly concerned with the practical steps.

2. Operational Policy

Once the policy has been formulated and it is ready to be implemented there is still a level of decision making on the implementation thereof. Decisions at this level will as a rule be taken by supervisors and will concern matters which will not really affect the nature and essence of the policy adopted.

Decisions on this level will be, for example whether all enquiries should be dealt with in writing or telephonically. This level of policy usually relates to routine work which can be done by supervisors at a lower level.

This level of policy is also the closest to the actual actions that formulates procedures, and it should be guarded against the trend to include procedures (actions) in this part. It should contain expression and not actions

1.6.3.5 POLICY vs PROCEDURE

There is often a misconception between policy and procedures. A policy is more strategic and vision directed; whilst procedures concentrates more on the implementation of the policy.

1.6.3.6 CONCLUSION

In conclusion the drafting of policy is a legal requirement and it is up to the board and the CEO administrators to see to it that good practical policies are drafted, and implemented. Further, it is our duty to see to it that proper public consultation are taken place and that the inputs of the community have been considered when policy is determined and drafted.

1.7 PERFORMANCE FEEDBACK REPORT

PURPOSE

As UThukela Economic Development Agency, employees are assessed twice a year. There is a mid-year performance assessment that is done after 6 months of the financial year and Annual performance assessment that is done on the last quarter of the end of the financial year. This report will be giving feedback on mid-year performance reviews that were done in Quarter 4.

BACKGROUND

An employee performance report is a structured document that evaluates the performance of an employee over specified period. It typically includes metrics, feedback and observations that reflects the employee's contributions, strengths, weaknesses and areas of development. These reports are instrumental in performance appraisals, promotions and identifying training needs.

PROCEEDINGS

- a. In June employee's performance reviews were done to assess their mid-year performance. Employees were given a form to rate themselves based on 2 criteria's:

i) Performance Objectives

Performance Objectives referred to the goals and objectives employees were expected to perform. In the performance review form they had to include their goals as per the work allocated to them, the deadline of the work and the success criteria of that objective.

Quarter 4 Performance Objectives Metrics			
Department	Goals Achieved	Goals Not Achieved	Goals not applicable
Corporate Service	12	1	1
Finance & Investment	14	1	0
LED Programmes	20	0	0

ii) Core Competencies & Expectations

This referred to the core competencies expected from the employees role. These are key behavioral and technical areas in which the employee is expected to perform.

Core Competencies & Expectations metrics

Areas of excellence	Suggested areas of improvement	Future expectations
<ul style="list-style-type: none"> • Adherence to Company Policies & Values • Punctuality and Attendance • Team Work & Collaboration • Communication Skills • Adaptability and Resilience 	<ul style="list-style-type: none"> • Job Knowledge & Skills • Quality of Work 	<ul style="list-style-type: none"> • Employees to be able to perform work without or less supervision, whiles producing good quality of work. • Employees to be able to grow and be suitable for higher positions. • Employees to be able to perform work and submit it on time. • Employees should be able to identify problems, analyse them from multiple angles, and come up with effective solutions • Implement structured training sessions to improve job knowledge, report writing, and computer proficiency. • Strengthen both internal and external communication to ensure better

		<p>coordination with stakeholders.</p> <ul style="list-style-type: none"> • Enforce stricter monitoring mechanisms to track KPI execution and improve reporting quality. • Address logistical challenges in agricultural input distribution and auction scheduling to enhance service delivery.
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iii) points that were considered when doing the employee performance feedback

• Delivering feedback constructively:

Focusing on behaviour and actions, not personal traits, and providing actionable suggestions for improvement.

• Creating a safe environment:

Encouraging open communication and ensuring employees feel comfortable sharing feedback without fear of reprisal.

• Tailoring feedback to the individual:

Considering each employee's unique needs and development goals when providing feedback.

b. Benefits of employee performance feedback

- **Improved Performance:**

By receiving constructive feedback, employees can identify areas where they need to improve and take targeted steps to enhance their performance.

- **Increased Engagement:**

When employees feel valued and actively involved in their development through feedback, their engagement and commitment to the company can rise.

- **Professional Development:**

Feedback helps employees understand their strengths and weaknesses, allowing them to set goals for personal and professional growth.

- **Enhanced Communication:**

Regular feedback sessions create an open dialogue between managers and employees, fostering better communication and understanding.

- **Goal Alignment:**

Feedback can be used to align individual goals with organizational objectives, ensuring everyone is working towards the same targets.

- **Recognition of High Performers:**

Performance feedback provides an opportunity to recognize and reward employees who consistently exceed expectations.

- **Addressing Performance Issues Early:**

By providing timely feedback, managers can identify potential problems early on and address them before they become bigger issues.

- **Improved Decision Making:**

With insights from employee feedback, managers can make informed decisions regarding staffing, training, and development needs.

- **Positive Company Culture:**

A culture of open and constructive feedback can contribute to a more positive and supportive work environment.

RECOMMENDATIONS

I recommend that the organization retain trained employees to avoid always having the same areas of improvement. The areas of improvement mentioned in the above table play a crucial role in the performance of the organization as a whole. The corporate service section is the face of the organization and having trained people in terms of job knowledge and producing quality work, it will say a lot about who we are as an organization. The following Development Plan is recommended:

Number of employees	Area of Development	Action Plan
4	Administration	Training on writing minutes, reports and risk assessment
1	Information Technology	Technical skill enhancement
2	Human Resource	Training on payroll, leave system & policy reviewing
6	SARS E-Filing	Doing annual return, IRP5 and tax clearance
2	Bid Compilation	Compiling a bid document more than R200 000
3	Annual Financials	How to obtain unqualified status

4	Stakeholder Communication	Develop a structured communication plan with scheduled check-ins to improve engagement and ensure alignment.
4	Skills Development	Conduct targeted training sessions on report writing, computer literacy (Excel & PowerPoint), and job-specific knowledge enhancement.
4	Performance Monitoring	Introduce regular performance reviews to track progress on KPIs and address challenges proactively.

CONCLUSION

Employee feedback is important because it directly impacts both human resources and key performance indicators like employee retention, employee morale, company culture and skills building. Employees have met expectations and with more exposure and experience, they will be developed in areas of improvement as mentioned in this report.

1.8 REVIEWAL OF POLICIES

The UThukela Economic Development Agency (UEDA) has a culture of annually reviewing and adopting policies to ensure alignment with organizational goals and regulatory requirements. Due to larger number of policies, the Board of Directors requested that policies be divided and submitted on a quarterly basis. This approach allows the Board sufficient time to review policies thoroughly and provide comments where necessary. The policies are to be adopted in quarter 4. The policies were adopted on the 8th July 2025 board of directors meeting.

2.FINANCE & INVESTMENT SECTION

2.1 FINANCIAL REPORT AND PERFORMANCE

The Finance Clerk reported on the financial performance of the 4th Quarter, highlighted the following:

- Subsidy transfer from UTDM of R3, 8 million for operational costs.
- The expenditure to date of R5.4 million
- The outstanding invoice of the subsidy transfer of R300 thousand to cover budget deficit.

The committee noted the presentation of the quarter's financial, and supports its submission to the Board of Directors

2.2 INVESTMENT AND ECONOMIC DEVELOPMENT REPORT

The finance and investment manager reported on Investment and Economic Development as follows:

- Identification of vacant land and commercial buildings where the agency engages LMS, as well as local property investors to identify commercial land and buildings. 2 vacant land and buildings were identified during the quarter
- The investment opportunity identified in the final quarter of 2024/25 was Nando's on N11

The committee noted the presentation of the quarter's report, and supports its submission to the Board of Directors.

2.3 SUPPORT OF SMME

The finance and investment manager officer reported that 8 SMMEs were given support during the quarter. Services such as CIPC, BBBEE, SARS (including training), Business Plans and application for funding were provided.

The Portfolio committee noted the report the agency must consider documenting an agreement that will be presented to the applying SMMEs. The committee emphasised that the agency must explore how it can be part of the funded SMME projects upon successful funding applications. The committee supported the submission of the report to the Board of Directors.

2.4 SCM REPORT

The Finance Clerk reported on the SCM- procurements of the 4th Quarter, highlighted the following:

- The procurement for the strategic planning through Maxode for R79 thousand
- The advertising of 2 tenders for UMhlumayo Beef Improvement project relating to the COGTA-approved rollover of R2.4 million.
- The issued order for support inputs to SMMEs for disabled individuals, ranging from welders to seamstresses.

The Portfolio Committee noted the report. The committee supported the submission of the report to the Board of Directors.

3.LED PROGRAMMES

3.1 STAKEHOLDER ENGAGEMENT WITH TRADE



VALLEY-CAMP SITE

On 29 May 2025, UThukela Economic Development Agency (UEDA) conducted a trade engagement at The Valley in Ntabamhlophe. The Valley is a newly established rural tourism site that offers a scenic campsite experience for both locals and regional tourists. Although the site is not yet fully operational, it currently generates income

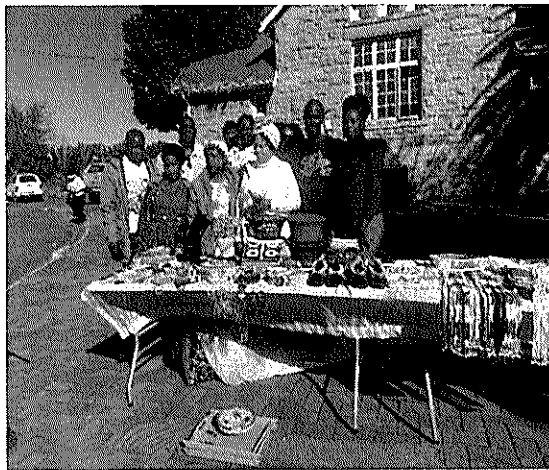
through venue hire by local schools and community groups. The business is supported by the Department of Economic Development, Tourism and Environmental Affairs (EDTEA).

The business owner shared challenges faced, including the lack of infrastructure such as ablution facilities and fencing, limited marketing, and absence of formal registration or tourism grading. Despite these constraints, the business demonstrates strong potential to contribute meaningfully to rural tourism in the area.

The Valley is currently receiving non-financial support and mentorship from EDTEA. The owner is actively seeking funding to expand the site into a fully functional tourism destination. UEDA observed that the site could become part of the broader township and rural tourism route for Inkosi Langalibalele Local Municipality.

The Valley represents a promising rural tourism venture. UEDA will continue working with EDTEA and other stakeholders to explore ways to support the business through structured interventions aimed at growth and sustainability.

3.2 TOURISM ROUTE FEEDBACK SESSION WITH THE PRINCIPAL AND BENEFITING STAKEHOLDERS



FEEDBACK SESSION - ILM

The LED Programmes Section conducted feedback sessions with both benefiting and principal stakeholders across the three local municipalities to assess progress on the development of tourism routes.

In **Alfred Duma Local Municipality (ADLM)**, it was found that the businesses are only partially operational, with crafters actively producing and selling products.

However, other elements of the route are lagging behind. A major concern raised was the poor quality of some of the craft products, which could negatively impact the image of the district if marketed to tourists. It was recommended that the call for participation be extended to other skilled crafters in Alfred Duma to improve product quality and presentation, while seeking trainings to up-skill.

In **Okhahlamba Local Municipality (OLM)**, the businesses are fully operational. The principal stakeholder is actively bringing tourists to the community-based businesses, including the Thandanani Craft Centre. Strong collaboration was observed between the principal and benefiting stakeholders, which contributes positively to the functioning of the route.

In **Inkosi Langalibalele Local Municipality (ILM)**, the feedback session revealed that sales remain very slow. A key constraint is the pending response regarding the use of the industrial park in Wembezi. The intention is for the principal stakeholder to bring tourists

to a single central location that accommodates all businesses. This would reduce the number of stops, cut logistical costs, and improve coordination along the route.

Overall, while progress varies across municipalities, continued support, improved product quality, and infrastructure access remain critical to strengthening the tourism routes.

3.3 RURAL AND TOWNSHIP TOURISM FEEDBACK SESSION

The LED Programmes Section conducted rural and township tourism feedback sessions in the three local municipalities to engage directly with participating businesses, assess their operational status, and identify support requirements.

In **Okhahlamba Local Municipality (OLM)**, the session was conducted with four businesses: **Boyang Gape**, **Cannibals**, **036 Shisanyama**, and a **Traditional Healer**. All businesses are operational. A key highlight was that Boyang Gape has expanded and recently opened a new branch at a hotel in the Northern Drakensberg, reflecting significant growth and demand for its services. Overall, the businesses are active and show strong potential in supporting township tourism development.

In **Inkosi Langalibalele Local Municipality (ILM)**, four businesses attended the session: **San Boutique**, **The Valley Camp Site**, **Zamokuhle Lodge**, and a **Traditional Kitchen**. These businesses reported challenges related to staffing and requested support in the form of **interns**, particularly those with tourism and hospitality expertise. The need for labour support was highlighted as critical to maintaining and improving service delivery.

In **Alfred Duma Local Municipality (ADLM)**, the session was attended by three businesses: a **Carpentry Business**, a **Farmer**, and a **Scale Artist**. These businesses depend heavily on tourists visiting **James Ilenga Lodge** for opportunities to sell their products. A key concern raised was the **lack of a dedicated market space** to sell and showcase their products. They requested assistance with **creating a platform for marketing and sales** to reach a broader tourist base.

These feedback sessions revealed that while most businesses are operational and committed, they face challenges related to staffing, market access, and product visibility. Continued support through marketing initiatives, infrastructure development, and placement of interns will strengthen the rural and township tourism value chain in the district.



3.4 MARKET FOR SOUVENIRS

On 12 April 2025, the Uthukela Economic Development Agency (UEDA) successfully hosted a Crafters Market under InkosiLangalibalele Local Municipality. Five local crafters participated in the event, showcasing and selling a range of handmade products that reflected the district's unique cultural heritage and craftsmanship. The

event served as a platform for exposure, direct sales, and community engagement.

ILM - CRAFTERS MARKET DAY

Sales on the day were modest but meaningful.

Lehakoe sold one legomas item for R200, while Zinhle Mdakani sold two carpets for a combined value of R200. Umhlangu, a crafter from Alfred Duma Local Municipality (ADLM), sold one *isicholo* hat for R250. Nala, also from ADLM, sold three *izimbenge* baskets amounting to R460, and ZT Zulu sold one beaded vest for R300. The total revenue generated during the market amounted to R1,410. This initial effort reflected early local engagement and provided much-needed exposure and sales opportunities for the participating artisans.

Further progress was achieved on 27 June 2025, reflecting growing private sector interest in locally produced crafts. Three Tree Hill Lodge purchased handcrafted bags worth R4,450 from Nonku, a crafter based in ADLM. Wild Wing Lodge also supported local artisans by purchasing *izimbenge* from a crafter in the same municipality for R2,355. In addition, Three Tree Hill Lodge made another purchase from Nala, valued at R1,400. These sales demonstrate that the private sector, particularly within the tourism and

hospitality industries, is beginning to recognise the value and uniqueness of rural craft products.

Combined, the total revenue from both the Estcourt market event and the subsequent private sector sales reached R9, 615. Although still in the early stages, this momentum indicates a growing potential to Link Township and rural crafters with sustainable, income-generating opportunities.

To ensure the long-term success of this initiative, continued support will be necessary. This includes strengthening areas such as product development, market readiness, branding, and formal buyer linkages. The Crafters Market and the follow-up sales confirm UEDA's critical role in building inclusive economic platforms that empower rural entrepreneurs, preserve cultural identity, and drive local economic growth through practical, people-driven interventions.

3.5 TOURISM ACTIVATION PROGRAMME



N3-ULTRA CITY NORTH BOUND ACTIVATION

On 17 April 2025, a successful Tourism Activation event was held at the Estcourt Shell Garage (Ultra City), jointly organized by the UThukela Economic Development Agency, Inkosi Langalibalele Local Municipality, and Okhahlamba Local Municipality. The primary goal was to promote the UThukela District as a prime Easter holiday destination by distributing visually engaging marketing materials that highlighted the region's cultural, natural, and tourism assets. A total of 684 brochures were

handed out to a diverse group of travellers from areas including England, Australia, Lesotho, Gauteng, Limpopo, and the Free State. The activation received positive responses, particularly from White, Indian, and Black tourists, and successfully showcased the district's appeal while demonstrating the value of collaborative tourism promotion.

3.6 QCTO ACCREDITATION APPLICATION FOLLOW-UP

This report summarizes the progress of the uThukela Economic Development Agency's accreditation application for Occupational Certificates: Tourism Information Officer and Travel Professional. Following the initial submission, a follow-up with QCTO confirmed that the application was forwarded to the Quality Partner, CATHSSETA. Subsequent attempts to obtain updates from CATHSSETA were met with limited responses, including delayed replies and a notice of staff leave, with an alternate contact provided. Despite further communication efforts and a willingness to provide additional information, no meaningful update has been received, and the application status remains unclear. The agency has made consistent and reasonable efforts to advance the process, but communication challenges continue to impede progress.

3.7 LIVESTOCK AUCTION AND AGRICULTURAL SHOW

Livestock Auction



NCUNJANA AUCTION

On June 11, 2025, the UThukela Economic Development Agency (UEDA), in partnership with Umdukatshani NPO and the Ncunjane Livestock Association, hosted a successful goat auction in Ncunjane to support rural economic development and provide structured market access for emerging livestock farmers. A total of 114 goats were presented, with 112 sold, generating R217, 650 in revenue and

reflecting strong buyer demand and high market engagement. The event not only showcased the benefits of improved livestock management but also empowered 33 sellers—including 9 women—by boosting household income and promoting inclusive

growth. The auction underscored UEDA's commitment to sustainable agriculture and rural economic stimulation, with plans to continue strengthening partnerships, farmer training, and market opportunities across the uThukela District.

- **Agricultural Show**



AGRICULTURAL SHOW - DAY 1

The UThukela Economic Development Agency (UEDA), in collaboration with the Department of Agriculture, District Municipality, and local municipalities, successfully hosted the inaugural Agricultural Show on 25–26 June 2025 at Lambart Park in Inkosi Langalibalele Municipality. Designed to promote agricultural development, innovation, and stakeholder engagement, the event attracted 44 exhibitors, around 105 farmers, and 20 government officials.

Despite weather challenges on the second day and the cancellation of the livestock segment due to a foot-and-mouth disease outbreak, the show effectively showcased agricultural products, encouraged collaboration, and facilitated knowledge exchange. Valuable lessons were learned regarding contingency planning, exhibitor coordination, and community outreach, laying the groundwork for improved future events. UEDA expressed gratitude to all participants and reaffirmed its commitment to growing the district's agricultural sector through inclusive and well-coordinated platforms.

3.8 CHICKEN ABATTOIR

The UThukela Economic Development Agency (UEDA) submitted a funding application to the Agribusiness Development Agency (ADA) for the establishment of a centralized chicken abattoir in the uThukela District, aimed at supporting smallholder and emerging poultry farmers by improving market access, boosting local economic development, and enhancing food security. The application included a comprehensive business plan detailing objectives, infrastructure requirements, governance, budget, and socio-

economic impact, aligning with national priorities on agricultural growth and rural development. Despite delays in service provider appointment, UEDA's LED Programmes Section ensured timely submission and now awaits feedback, reaffirming its commitment to empowering local poultry producers and advancing the district's agricultural sector.

3.9 AGRICULTURAL MARKET

UThukela Economic Development Agency (UEDA) submitted a funding application to the Agribusiness Development Agency (ADA) for the establishment of a centralized Agricultural Market in the uThukela District, aimed at supporting smallholder and emerging farmers by improving market access, promoting local economic development, and enhancing food security. The application, submitted via email, included a detailed business plan as requested for preliminary review, despite delays in finalizing the service provider and business plan. UEDA met the submission deadline and is awaiting feedback, ready to provide further documentation if needed. Meanwhile, it continues engaging with local stakeholders to ensure project readiness. The initiative aligns with both ADA's mandate and UEDA's strategy to foster inclusive agricultural growth and rural development in KwaZulu-Natal.

3.10 SUGAR BEANS HARVESTING AND MARKETING



MATHEWS FARM-HARVESTING

The harvesting of sugar beans is currently in progress, with farmers making steady strides despite early-season setbacks caused by heavy rainfall in April, which delayed crop maturity and damaged fields in areas such as Zwelisha, Ingubhela, Ntabamhlophe, and Mathews Farm. These challenges led to reduced yields and affected local livelihoods, but improved weather conditions have since allowed the harvest to continue.

On the marketing front, Uthukela Economic Development Agency (UEDA) has secured two buyers—Grain Zone CC and Liberty Cash & Carry—who have agreed to purchase the crop once harvesting is complete. These partnerships mark a crucial step in securing market access and income for farmers. UEDA remains committed to supporting post-harvest processes and is actively seeking additional buyers to enhance market competition and income potential. Despite earlier difficulties, the season is expected to deliver both agricultural and economic benefits through coordinated efforts and stakeholder collaboration.

3.11 CHICORY PROJECT FUNDING APPLICATION

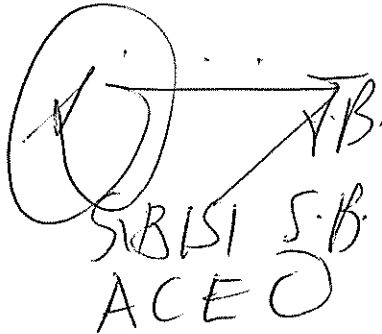
Uthukela Economic Development Agency (UEDA) has formally submitted a funding application to the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs (EDTEA) for the development of a chicory processing facility in the Uthukela District. The submission, sent via official email with all supporting documents including a detailed business plan and budget, highlights the project's strategic goals and the importance of EDTEA's support in enhancing local agro-processing. The initiative targets a confirmed market opportunity, with Nestlé expressing interest in sourcing locally processed chicory, and aims to boost agricultural production, create sustainable jobs, and drive rural economic growth. UEDA is awaiting feedback and remains available to provide further information as needed.

4. CONCLUSION

In conclusion, the Corporate Service Unit has successfully met most of its key performance indicators (KPIs), demonstrating effective management and efficient operations. The overall performance of the unit indicates it is functioning well, effectively managing its responsibilities, and making substantial progress towards its goals.

During the fourth quarter, UEDA made significant strides in economic development, tourism promotion, and agricultural support. Moving forward, UEDA will continue monitoring project progress and fostering partnerships to ensure the successful

execution of its economic development initiatives.

A handwritten signature consisting of a large, stylized 'S' or 'B' inside a circle, followed by a horizontal line and the initials 'A.B.'. Below this, the text 'S.B. S.B.' and 'ACEO' are written in a similar handwritten style.

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