Using Geospatial Data Analysis and Qualitative Economic Intelligence to Inform Local Economic Development in Small Towns: A Case Study of Graaff-Reinet, South Africa

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Introduction

The Small Towns Development Initiative is a collaboration between South Africa’s Department of Cooperative Governance and the Afrikaanse Handelsinstituut1 and is supported by the Gesellschaft für Internationale Zusammenarbeit’s2 (GIZ) Strengthening Local Governance Programme (SLGP). As part of the SLGP mandate to provide support and technical assistance to strengthen and improve the institutional framework for capable and cooperative local governance, research was conducted on small towns’ economic intelligence packages. This is based on the premise that public-private partnerships may promote sustainable local economic development in small towns. The SLGP initiative covered the South African towns of Bela-Bela, Graaff-Reinet, Harrismith, Komatipoort, Port St Johns and Tzaneen. The aim of the economic intelligence gathered on each of the aforementioned towns is to identify the towns’ economic growth sectors and the local economic development (LED) projects that have the potential to be quick-win, catalytic projects. This chapter outlines the various techniques used to compile the small town economic intelligence packages using the town of Graaff-Reinet in South Africa’s Eastern Cape Province as a case study.

Methodological overview

The acquisition of data relevant to economic and business development in small towns has a two-fold purpose. Firstly, it facilitates the creation of a quantitative measure of economic development that can be monitored and evaluated over time using the Geospatial Analysis Platform, and secondly it allows initiatives to focus limited resources into priority areas that would have the most impact. A small town economic intelligence package is the compilation and integration of quantitative and qualitative economic data into one research product which informs economic decisions in that town. The compilation of small town economic intelligence packages aims to achieve this focused impact.

Both quantitative and qualitative research methodologies were utilised. The Geospatial Analysis Platform developed by the Built Environment Unit at the Council for Scientific and Industrial Research (CSIR) was used to analyse economic data that was disaggregated to a finer scale in order to facilitate a detailed analysis. Demographic and environmental risk and vulnerability data were also analysed as part of the intelligence package. Desktop research was conducted about Graaff-Reinet, and documents on the local municipality, district municipality and provincial level were consulted. These documents included integrated development plans, local economic development strategies, spatial development plans, ward plans, departmental strategy and policy documents, business plans, annual reports and budget reports. In addition, academic research and newspaper clippings related to Graaff-Reinet were scanned for information. Finally, formal interviews were conducted with municipal officials, business chambers, businesspeople in the formal and ‘informal’ sectors, community groups, various organisations and associations, members of civil society, and LED project members in order to add to the quantitative analysis.

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1 Afrikaans Trade Institute
2 Society for International Co-operation
Background to Graaff-Reinet

The first people to live in the area of present-day Graaff-Reinet were the pastoral Khoekhoen and the hunter-gatherer San. This heritage is evident in the names of the administrative demarcations of the region: Camdeboo — a Khoekhoen word meaning ‘Green Valley’ or ‘Green Hollow’ and Cacadu — a Khoekhoen word referring to a landscape of semi-arid plains, undulating mountains and the sea (Camdeboo Local Municipality, 2010). The arrival of Europeans in the area and the expansion of the Cape Colony led to the establishment of the town of Graaff-Reinet in 1786 as a frontier administrative and farming settlement. Farmers kept sheep and angora goats and cultivated fruit orchards and vegetable gardens (Nunn, 2008). Like other towns in the Karoo region, Graaff-Reinet experienced a boom in the second half of the 19th century as people migrated northwards during the Mineral Revolution (Atkinson, no date). By the mid-20th century, however, many Karoo towns were showing signs of decline (Nel and Hill, 2008).

Graaff-Reinet is situated along the banks of the Sundays River in the Camdeboo Local Municipality, which in turn is part of the Cacadu District Municipality of the Eastern Cape province. Graaff-Reinet is the primary town within the local municipality, which also includes the smaller towns of Aberdeen and Nieu-Bethesda and covers a total area of 7 230km². The town lies 750 metres above sea level in the arid Karoo region. Although Graaff-Reinet has an approximate average annual rainfall of only 335mm, the town is fortunate to be situated just south of the Nqweba Dam (Rogers, 2008). When the dam runs dry the town is dependent on water from boreholes, but even this water source is depleted when it does not rain for some time. Thus, the absence of a sustainable and reliable source of water is the main factor that inhibits the economic growth of the town. The town of Graaff-Reinet includes the suburbs of Umasizakhe, Kekana Village, Kroonvale, Adendorp, Spandauville and Asherville. The town won the Rapport newspaper’s “Town of the Year” competition in 2010 (Burger, 2010).

Graaff-Reinet is the fourth oldest town in South Africa. Therefore, the town is renowned for its examples of Cape Dutch architecture and has more than 220 heritage sites — more than any other town in South Africa. Four museums hold collections of photographic memorabilia, firearms, artworks and fossils. These museums trace the story of the Karoo and the town from pre-history right up to the present day (Graaff-Reinet Chamber of Commerce, 2010). A number of well-known South Africans have been born in Graaff-Reinet or are closely associated with the town, including Robert Mangaliso Sobukwe (founder of the Pan Africanist Congress), Dr. Anton Rupert (entrepreneur), Dr. Beyers Naudé (anti-apartheid activist and theologian), Dr. D. F. Malan (apartheid-era prime minister), and Ms. Anna Neethling-Pohl (theatre actor), amongst others. Dr Anton Rupert assisted Graaff-Reinet in preserving many of the old Cape Dutch buildings that are integral to the contemporary tourism industry of the town (Nunn, 2008). The lengthy list of well-known people associated with the town serves to give an indication of the rich history and heritage of Graaff-Reinet, its attractiveness as a tourist destination, and the town’s important role in the history of South Africa. Most interview respondents identified tourism as the town’s leading economic sector. However, one respondent was of the opinion that tourism could not cure all of Graaff-Reinet’s economic problems and that the farming sector had a larger role to play in LED.

According to the 2001 census, Graaff-Reinet had approximately 32 467 residents, 53% of whom were female. There are also slightly more females than males in the

3 The Karoo is a semi-desert region in South Africa.
economically active section of the population — the 20-64 years age group. In terms of human capital, 35% of people in Graaff-Reinet have some form of secondary schooling, but only 3.5% have a post-matric qualification. Approximately 41% have some form of primary school education with 10.5% of the population having no schooling, with 10% below school-going age (Statistics South Africa, 2001). This presents the possibility of rolling out various skills and education training projects in the town in order to grow the human capital base, as the lack of formal schooling does not necessarily serve as an impediment to the creativity, resourcefulness, leadership potential and community involvement of individuals.

Approximately 20.7% of the population of Graaff-Reinet is employed, but this figure hides the gender difference. Whereas 22.9% of males in Graaff-Reinet are employed, only 18.5% of females are employed, in spite of the presence of more females in the economically active age group. On average, females earn lower incomes than males, and the disparity is most pronounced at the upper income levels. In addition to earning less than their male counterparts, women in Graaff-Reinet are mostly employed in low-paying, low-skill occupations (Ibid.).

Environmental risk and vulnerability analysis

The environmental risks faced by Graaff-Reinet have a negative impact on its economic development. Identifying the environmental vulnerabilities of the town allows for planning and mitigation, as these risks can befall the town at any given moment. Being located in the Karoo, it goes without saying that drought and the scarcity of water is a major environmental challenge. There was a three-year drought as recently as 1998, but currently the Nqweba Dam is approximately 50% full. Borehole water is used as a backup to the dam. Unfortunately, the current demand for water in Graaff-Reinet supersedes what the boreholes can supply. Should the dam dry up and the quantity of borehole water diminish, the town would be in dire straights. In what might seem a contradiction to the previous statement, the close proximity of the Nqweba Dam to the north also leaves the town vulnerable to catastrophic flooding should there be a breach of the dam wall due to flash floods — as occurred in the 1970s. Furthermore, should the dam wall suffer a catastrophic structural failure, the town would be swept away (Putter, 2010, pers com).

There is also a danger of veld fires during the dry season, which would impact negatively on the surrounding agricultural areas and the town itself. There are currently four fire engines in Graaff-Reinet manned by eight permanent staff members, but respondents expressed the need for extra fire engines and an increased number of firefighters. The disruption of electricity supply through equipment failure due to the area’s extreme variations in temperature has also been identified as a risk (Minnie, 2010, pers com).

Municipal governance

Municipal governance and service delivery have a direct impact on the economic growth of a town. The Camdeboo Local Municipality can be described as a model of good governance in South Africa and was found to be the best local municipality in the country with regards to service delivery (Empowerdex, 2009). Continuity in local municipal leadership helps, as Mayor Dr. Daantjie Japhta has served since 2000. Furthermore, all
Section 57 positions\(^4\) in the local municipality are filled. The local municipality has received fourteen unqualified audits in the last sixteen years. The high quality governance at the local municipality level, together with active citizen participation in the affairs of the town, provides a base from which public-private partnerships can successfully promote local economic development.

There are two crucial posts in the local municipality that have been vacant for a number of years: LED Officer and town planner. The LED Officer position has been vacant since 1 May 2008. Following recent advertisement of the position, eight applications were received and the preferred candidate began work in December 2010. The LED Officer has the crucial role of overseeing the implementation of the comprehensive LED Strategic Plan. Regarding this, there were respondents that felt that LED projects in Graaff-Reinet had thus far only benefitted the Central Business District and that the suburbs and rural areas did not enjoy any tangible benefits. There was the recognition that a larger role could be played by previously disadvantaged communities and that steps needed to be taken to further promote active participation of all communities.

Ideally, the LED Officer should be only one component of a larger LED Unit or LED Agency, as is currently the case in the Blue Crane Route Development Agency of the neighbouring municipality (Blue Crane Development Agency, 2010). LED agencies could then form partnerships to drive a Regional LED plan. Respondents mentioned that a key position in such an LED Unit would be a Marketing and Development Officer to refine and drive identified projects. An LED hub/entrepreneurial centre in Graaff-Reinet for economic agencies such as the LED unit, the Small Enterprise Development Agency and the Eastern Cape Development Agency would facilitate inter-organisational planning and administration. In this way, LED could also be mainstreamed within the local municipality instead of operating as a stand-alone function. The different directorates within the local municipality need to ensure that they know their roles within the larger LED process. The hub could facilitate local applications for advertised tenders. Respondents are of the opinion that it is also imperative that individuals realise that LED is not a quick-fix solution, but rather a sustainable process that occurs over time.

The town planning position remains vacant, and town planning activities are being handled by a consultant. However, the lack of a full time municipal planning official means that nobody follows up on zoning regulations—and it seems as if a number of new accommodation establishments flout these regulations. There is also a need for the regulation of spaza shops and taverns in Graaff-Reinet. Furthermore, the spatial development and housing sector plans need to be reviewed. Municipal officials reviewing these plans need support as they are not specialists in these fields. The Cacadu District Municipality is currently providing some support in this regard as the local municipality does not have a town planner.

Respondents report that there is much external interest in the possibility of industrial sites. However, there are not enough industrial sites in Graaff-Reinet and no new land has been formally identified for industrial purposes. All current industrial sites have been sold, although not all of them have businesses yet and some sites are vacant. Furthermore, Eskom has informed the town that it cannot expand the power grid of Graaff-Reinet to accommodate any industrial expansion. Montego Feeds is already utilising oil burners for the manufacturing of pet food because Eskom cannot meet their needs. The non-availability of industrial sites and the shortage of power results in

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\(^4\) Section 57 positions refer to managers in the local municipality that are employed according to the requirements of section 57 of the Local Government: Municipal Systems Act, 2000 (Act 32 of 2000).
potential industrial investors looking elsewhere. Graaff-Reinet thus loses the investment, and growth in the town’s manufacturing sector is hampered.

There is a shortage of low-income housing in Graaff-Reinet, and the situation is said to be worsening. Due to a number of reasons, farmworkers are migrating from the farms to Graaff-Reinet. Land needs to be identified for housing, as further development is constrained by the floodline of the Sundays River. The local municipality should be connected to the national Reconstruction and Development Plan (RDP) homeowners’ database to prevent people from owning more than one RDP house in different parts of the country. Furthermore, many people migrate from cities to retire in Graaff-Reinet, but there is also a shortage of middle-income housing for this segment of the population.

Many small farmers use the municipal commonage for their livestock. Unfortunately, the carrying capacity of the commonage has been exceeded, which could spell disaster for all the small farmers using the commonage. It is for this reason that a commonage manager needs to be appointed to control the number of livestock and to ensure the sustainable use of the commonage for the benefit of all small farmers.

The Graaff-Reinet Chamber of Commerce is active in the town and communicates well with its members and others that are interested in economic development (Graaff-Reinet Chamber of Commerce, 2010). Respondents were of the opinion that there is currently an excellent working relationship between the local municipality and the private business sector. Furthermore, the local municipality and the Chamber of Commerce have a shared vision regarding economic development in the town. A Memorandum of Understanding has been signed by the two parties and public-private partnerships are working well. However, the Chamber of Commerce currently consists mainly of in-town business people, and commercial farmers have expressed a desire to join.

There is also an excellent working relationship between the local municipality and the Cacadu District Municipality. In addition, there are a number of partnership agreements between the local municipality and various external role-players, including the Blue Crane Route Development Agency. However, respondents stated that although potential projects are planned and feasibility studies are conducted, this has not always translated into implementation. There is a need for less talk and more action. The challenge of dealing with government ‘red tape’ is cited as an impediment to economic development.

It should also be mentioned that Graaff-Reinet has been severely impacted by a high rate of HIV and AIDS. This increases worker absenteeism due to illness, highlights the need for the proper treatment and care of people living with HIV and AIDS, and gives an indication of the increasing number of children that will be orphaned (Thom, 2007).

**Economic analysis**

The economic analysis presented below is based on the Geospatial Analysis Platform developed by the CSIR. The Geospatial Analysis Platform uses existing datasets that are disaggregated to a finer scale to facilitate a detailed analysis. The scaleability of Geospatial Analysis Platform data allows towns to be viewed in relation to surrounding regions to establish to what degree a town is strong or dominant in a specific economic sector. The updating of various data layers in the Geospatial Analysis Platform allows for spatio-temporal economic analysis to be performed at set intervals according to user requirements. The analysis of temporal economic data measures the impact that sector-specific quick-win catalytic projects would have in a particular town. In order to build a
comprehensive picture of conditions on the ground, qualitative data gathered from various role-players provides invaluable insight into town specific experiences. The simultaneous use of quantitative and qualitative data assisted in identifying catalytic projects in Graaff-Reinet.

**Economic analysis of the local municipality**

It is important to first sketch the larger economic landscape in which Graaff-Reinet is situated. Graaff-Reinet is the fifth highest generator of gross value add (GVA) in the Cacadu District Municipality, behind the towns of Grahamstown, Jeffrey’s Bay, Cape St. Francis and Humansdorp (Figure 1). The Camdeboo Local Municipality, within which Graaff-Reinet is located, contributed approximately 10.4% of the GVA of the Cacadu District Municipality in 2008.

Graaff-Reinet generates 41% of the GVA of the Camdeboo Local Municipality, highlighting the economic importance of the town. Secondary areas of economic activity

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5 GVA is a measure of the value of goods and services within the economy.
6 A mesozone is a spatial analysis unit of approximately 50km² that is demarcated in such a way that it nests within important administrative and physiographic boundaries. It overcomes the problem of spatially incompatible "large area statistics" by re-scaling and assembling data sources in terms of a common set of analysis units – the mesozone.
7 The GVA values of all mesozones were grouped into three classes using a ‘natural breaks’ classification based on Jenks’ algorithm. This algorithm uses statistical analysis to find natural breaks in the histograms of the raw data (Jenks, 1967).
in the local municipality are in the towns of Aberdeen and Nieu-Bethesda. The immediate rural hinterland to the north and north-northeast of Graaff-Reinet and the area to the east of Nieu-Bethesda are also secondary areas of contribution to the GVA of the local municipality (Figure 2).

Economic activity is divided into ten sectors based on the Standard Industrial Classification (SIC) code. Figure 3 gives an indication of which sectors are dominant in Camdeboo Local Municipality. The social services sector (SIC 9 and 10), Trade (SIC 6), and the finance and business services sector (SIC 8) contribute the most to the local municipality’s GVA.
**SIC 1 (Agroforestry and fishing):** Although this sector is the fourth-smallest in the Camdeboo Local Municipality, it is nonetheless an important sector because of its labour intensity. However, agriculture has been replaced by game farms in some places, resulting in a loss of jobs and the migration of people from farms to towns and cities. The main agricultural activities are wool, mohair, ostrich, cattle, sheep, goats, fruit, vegetables and flowers. The local municipality has been involved in a wool and mohair beneficiation programme that involves twenty ‘emerging’ farmers (Hindson, Hindson and Preddie, 2003). Agriculture is viewed as one of the two sectors that have the most potential in terms of economic growth and development. However, climate impacts and fickle world markets could have a negative impact on the sector. Aquaculture is an emerging sector in the local municipality (Masondo, 2008).

**SIC 2 (Mining and quarrying):** This is the smallest sector in the local municipality and consists mostly of mining sand, clay and stones for road-building activities. Most mining activity takes place north and southwest of Graaff-Reinet.

**SIC 3 (Manufacturing):** The manufacturing sector contributes the fourth-largest value to the GVA of the local municipality. Manufacturing tends to consist of small-scale operations and many manufacturers are allied to agricultural production.

**SIC 4 (Electricity, gas and water):** This sector is the second-smallest contributor to the GVA of the local municipality, despite the fact that there are a number of dams in the area.

**SIC 5 (Construction):** This sector is the third-smallest contributor to the GVA of the local municipality, indicative of the limited growth in new buildings and infrastructure.

**SIC 6 (Trade):** Trade makes the second-largest contribution to the GVA of the local municipality. This sector includes proceeds from the tourism sector, which has been identified as an LED lead sector.

**SIC 7 (Transport, storage and communication):** This sector is a moderate contributor to the GVA of the local municipality. Large volumes of road freight move through the area, and the main roads are a conduit for the main minibus-taxi route between the Western
Cape and Eastern Cape provinces via Beaufort West. Although there are numerous railway stations and railway tracks running through the town and the local municipality, there are currently no rail transport operations.

**SIC 8 (Finance and business services):** This sector is the third-largest in the economy of the local municipality, with most activities occurring in the three main towns.

**SIC 9 & 10 (Community and social services):** This sector is the largest contributing sector to the GVA of the local municipality. Activities related to this sector are widespread throughout the local municipality.

As indicated in Figure 4, the economy of the Camdeboo Local Municipality moved from a medium rate of economic diversification in 1995 (tress index\(^9\) of 50.8) to a slightly more diversified economy by 2001 (tress index of 48.0). However, the tress index then climbed to 53.6 in 2008, indicating a movement back to a more concentrated economy. Catalytic quick-win projects in a variety of sectors could help to combat the concentration of economic value in one or two sectors and make the region less prone to exogenous economic influences.

![Figure 4: Tress index value for the Camdeboo Local Municipality (1995 – 2008)](source: Quantec, 2010)

Figure 5 indicates the contribution of each economic sector to the total GVA of the Camdeboo Local Municipality from 2004 to 2008. These statistics allow one to identify which economic sectors have been growing and which have been lagging. Most economic sectors have remained stable between 2004 and 2008. **SIC 1: Agroforestry and fishing,** however, displays fluctuations in the aforementioned time period: 2004 – 7.0%; 2005 – 4.7%; 2006 – 5.5%; 2007 – 5.8%; and 2008 – 4.9%. This could be an indication of the varying global prices for agricultural produce. **SIC 5: Construction** has shown a slight increase (2004: 2.7% vs. 2008: 3.4%). The highest growth has been in **SIC 9 & 10: Community and social services** (2004: 32.9% vs. 2008: 35.8%). It is within

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\(^8\) These two sectors are combined in the Quantec (2010) data.

\(^9\) The Tress Index measures the level of economic diversification of a particular area. An index of zero represents a totally diversified economy. On the other hand, the higher the index (closer to 100), the more concentrated and vulnerable the economy of a particular area is to exogenous factors such as adverse climatic conditions, commodity fluctuations, etc.
this economic landscape of the local municipality that one can analyse the economic performance of Graaff-Reinet.

Figure 5: Economic sector contributions in the Camdeboo Local Municipality by percentage (2004 – 2008)

**Economic analysis of Graaff-Reinet**

A comparison of the 2008 percentage contributions of the SIC sectors to GVA at the Graaff-Reinet level of analysis and the local municipality level (Figure 6) shows some differences. The community and social services sector (SIC 9 & 10), the trade sector (SIC 6), and the finance and business services sector (SIC 8) are the sectors that contribute the most to the GVA of Graaff-Reinet in both percentage and rand terms (Figures 6 and 7). The community and social services sector (SIC 9 & 10) and the trade sector (SIC 6) together contribute 88% to the GVA of the town. The total GVA of Graaff-Reinet in 2008 was R423 million.

Figure 6: Comparison of economic sector contributions to GVA in Graaff-Reinet and Camdeboo Local Municipality by percentage (2008)
The **SIC 9 & 10: Community and social services** sector contributes more than 50% of the GVA of the town. This is due to the fact that Graaff-Reinet has departmental offices of all three spheres of government, highlighting its role as a regional administrative node. The strength of this sector is also demonstrated by the fact that there is a serious shortage of office space in town for various governmental administrative functions.

![Economic sector values in Graaff-Reinet (2008)](source:image)

**Figure 7: Economic sector values in Graaff-Reinet (2008)**

**SIC 6: Trade** is also a dominant sector and points to the importance of the tourism industry as well as the role of the town as a regional service centre for consumer needs. The tourism sector is built largely on the historical legacy of the town; there are many historical buildings, museums, monuments, etc. on offer for tourists. In addition, there are a multitude of accommodation establishments as well as natural and environmental features around the town. There are nationally recognised businesses as well as many local businesses that are unique to the town. Certain businesses are expanding their operations in Graaff-Reinet, which may be an indication of the growth in the trade sector. An example is the high number of car dealerships in the town, including Toyota (which is expanding), Nissan, Hyundai and Ford.

The **SIC 8: Finance and business services** sector contributes 6.3% to the GVA of Graaff-Reinet. Financial institutions are well represented in the town, and there is a vibrant real estate sector, especially with regard to smallholdings in Adendorp and surrounding farms.

**SIC 3: Manufacturing**: Although manufacturing contributes only 0.9% to the town’s GVA, the Montego Feeds pet food factory has recently expanded and is the largest private employer in Graaff-Reinet. Montego Feeds has captured 12% of the South African pet food market and consumer demand is catching up with factory output (Swaby, 2010). Overall, manufacturing in Graaff-Reinet tends to consist of small-scale activities.

The **SIC 1: Agroforestry and fishing** sector contributes only 0.2% to the GVA of Graaff-Reinet (compared to 2.4% for the local municipality), but this may increase as aquaculture operations near the town come on line. Aquaculture has huge potential in
Graaff-Reinet, as bream can be grown in dams and then canned, filling the gap in the anchovy market. On the other hand, working farms in the area are being purchased by urban dwellers and used as weekend or holiday retreats, which may impact negatively on the growth of the sector (Hayward, 2008). Respondents also mentioned that 30% to 40% of the farms around Graaff-Reinet have converted from livestock to game farming in the past 5 to 10 years. While this might prove more profitable, it creates fewer employment opportunities. The importance of the agricultural sector is highlighted by the town’s hosting of the International Mohair Summit in 2009 (EP Herald, 2009).

Identification of potential catalytic quick-win projects

An initiative identified by respondents that could serve as a catalyst for Graaff-Reinet is the launching of a regional Camdeboo development agency, similar to the Blue Crane Development Agency (BCDA). Such an agency would drive and co-ordinate a regional approach to economic development. The Graaff-Reinet Chamber of Commerce has identified a preferred candidate to head such an agency. Potential projects have been identified through interviews with numerous individuals from both the public and private sectors (see Table 1).

<table>
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<tr>
<th>Economic sector</th>
<th>Project</th>
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| SIC 1: Agriculture, forestry and fishing | ▪ Camdeboo Women’s Trust aquaculture project  
▪ Appointment of commonage manager to ensure sustainable utilisation of commonage land  
▪ Maintenance of fencing around farms  
▪ Assistance and mentorship to ‘emerging’ farmers  
▪ Revitalisation of a chicken farming operation |
| SIC 3: Manufacturing | ▪ Revival of agave distillery  
▪ Manufacturing of plastic piping for agricultural purposes  
▪ Paper-making at the agave plant  
▪ Ostrich meat processing  
▪ Recycling depot |
| SIC 4: Electricity, gas and water | ▪ Sustainable water supply assisted by the establishment of a water-use committee  
▪ Electricity expansion |
| SIC 5: Construction | ▪ Completion of offices at the Naudé House for the provincial Department of Education  
▪ Building more low-cost housing  
▪ Retaining the road construction unit in Graaff-Reinet  
▪ Addressing the shortage of government office space |
| SIC 6: Trade | ▪ Peter Flack Antelope Collection display facility  
▪ Relocation of Andries Pretorius Monument  
▪ Khoisan Cultural Village and Heritage Route and community tourism projects  
▪ Caravan park upgrade  
▪ Accommodation establishment staff training programmes |
### Tourism marketing
- Oral history project with a view to developing it into a tourism experience and/or museum
- Shopping mall
- Better marketing of business opportunities in Graaff-Reinet
- Geotourism (Reimvold, Whitfield and Wallmach, 2006)

### SIC 7: Transport, storage and communication
- Alternative route for trucks, truck stop and weighbridge
- Development of the Graaff-Reinet airport
- Re-establishment of rail transport for freight and passengers

### SIC 9 and 10: Community and social services
- Graaff-Reinet as an education hub
  - Expansion of the Midlands FET College
  - Midlands Hospital home for nursing students
  - Teachers’ Training College
  - Educational trust fund
  - Centre of excellence for postgraduate research under the auspices of the Karoo Development Foundation
- Information sessions for the community about tendering processes and procedures
- After-care centres
- Support of computer and beadwork courses at the Anglican Church in Umasizakhe

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## Conclusion

The citizens of Graaff-Reinet are proud of the heritage of their town and are keen to preserve that heritage and build the tourism sector of the town’s economy. There are currently programmes and ideas on how to provide tourism-based skills. A number of the aforementioned projects have a human resource skills component. This testifies to the fact that Graaff-Reinet has recognised its goals and mapped out a path to achieve them. By enhancing and focusing the necessary human resource skills, the town’s economy can grow.

Graaff-Reinet is fortunate to have an active Chamber of Commerce, various civic societies and organisations, and a local municipality focused on service delivery. The strong leadership and management in the local municipality is evidenced by the fact that it has been selected as the top performing local municipality in the country with regard to service delivery. The residents of Graaff-Reinet are supportive of local municipality initiatives and have played a large part in Graaff-Reinet being voted ‘Town of the Year’. This good working relationship between the local municipality and the citizens of the town makes effective public-private partnerships possible. To unlock its full economic development potential, the town must engage with stakeholders in all spheres of government, especially regarding issues such as a reliable water supply and electricity requirements. The active involvement and participation of all communities in the town would add further success to potential economic development projects.

The economic intelligence package that has been compiled for Graaff-Reinet gives a broad overview of current economic growth and development and identifies the sectors
that are growing and those that are lagging. The results obtained from the Geospatial Analysis Platform provide an indication of the town’s economic position and its ten SIC sectors relative to the local municipality and the district municipality. Potential catalytic LED projects in Graaff-Reinet were identified through stakeholder engagement and are listed according to the ten economic sectors. The success of implemented projects can be determined in years to come through changes in the economic sectors as measured by the Geospatial Analysis Platform and by the thorough analysis of projects that have been implemented. The implementation of catalytic projects such as those listed above could have a measurable impact on the economy of Graaff-Reinet.

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Quantec (2010) Economic data obtained from Quantec.


Interviews

Ann Rundle, Chairperson: Graaff-Reinet Community Tourism Organisation

Bethwell Ndudula, Vice-chairperson: Camdeboo Local Tourism Organisation and Chairperson: Umasizakhe Community Tourism Organisation

Dan Davis, Manager: Graaff-Reinet Airfield

Dawie Putter, Vice-chairperson: Graaff-Reinet Chamber of Commerce

Johannes van Rensburg, Chairperson: Graaff-Reinet and District Agricultural Association

Leonie Fouche, Camdeboo Local Municipality: IDP Co-ordinator

Liesl de la Harpe, Camdeboo Women’s Trust

Marie Fitchet, Camdeboo Local Municipality: Senior administrative officer

Mark Fynney, Chairperson: Graaff-Reinet Chamber of Commerce

Nlyene Kayster, Small Enterprise Development Agency

Roy McLachlan, Chairperson: Camdeboo Local Tourism Organisation

Tinneke Goedhals, Editor: Graaff-Reinet Advertiser

Tinus Minnie, Camdeboo Local Municipality: Director (Technical Services)

Zola Kali, Camdeboo Local Municipality: Manager (Administration)