PARTNERING FOR GROWTH

Shape Durban Conference Report

21-23 November 2018
Inkosi Albert Luthuli International Convention Centre
The Shape Durban initiative came upon us like a fresh summer breeze where we were afforded a glorious glimpse of how the City and its partners can do things differently to achieve common goals.

All participants have made a firm commitment to follow-through on the actions as recorded in this Shape Durban Partnering for Growth Conference report. Very often we as the City and our partners in private businesses and other stakeholders get cozy in our comfort zones in the belief that we are doing all things right and indeed doing the right things, but the vibrant dialogues from the conference have proved differently. This new partnership has made us scrutinize this and we were able to ask tough questions of each other. Let us continue with this exciting new fellowship as the process continues to unfold into our Accelerated and Inclusive Economic Growth for the eThekwini region.

On behalf of the City, my heartfelt thanks to you for your participation in this historic initiative and hope to see you again soon.
We look forward to an enduring relationship as we gorge ahead with the busy work that await us all.

“LET US CONTINUE WITH THIS EXCITING NEW FELLOWSHIP AS THE PROCESS CONTINUES TO UNFOLD INTO OUR ACCELERATED AND INCLUSIVE ECONOMIC GROWTH.”
Shaping My City’s Future
#SHAPEDURBAN
01. INTRODUCTION

In 2013, the eThekwini Municipality adopted the Economic Development and Job Creation Strategy for 2013-18. With the past strategy timeline coming to an end, we have started the process of developing the 2019-25 Economic Development strategy and envision completing this work in the coming months. However, the City wants to fundamentally change the way in which strategies are developed, through a new approach which is a “partnership for growth”. In essence, it seeks to co-create a strategy/growth path that is developed, signed, owned and implemented by a cross-section of key economic stakeholders. As part of the strategy development process, we will be holding a 3-day workshop-conference (called SHAPE DURBAN), from the 21st to 23rd November, which will be co-hosted by the city and various other key economic influencers and stakeholders as the platform to discuss strategic priorities and milestones for the 2019-25 accelerated and inclusive growth path. This is a call to action, for key influencers and shapers in the eThekwini economy to work together towards creating a socio-economic compact that changes the growth path of the city. Partnering in this process means to work as a co-owner with the city and various other national and local organisations towards influencing the future direction of the city.
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Objectives:

- To get external stakeholders to give input into the City’s strategy,
- To develop a plan for the City’s growth and economic transformation,
- To clearly define the youth’s role in the growth of the City,
- To ensure Radical Economic Transformation plays a central role in eThekwini’s economic development,
- To get the City and its stakeholders to have strategies that are collaborative towards shared goals and exploit synergies,
- To create a sense of a shared future between EThekwini and all its stakeholders.

“COMMUNITY ENGAGEMENT REQUIRES A LOT OF PASSION, DEDICATION, COMMITMENT, AND WORKING WELL BEYOND THE CALL OF THE CLOCK.”

#SHAPEDURBAN

This session will focus on addressing the information and opportunity gap as well as market access for entrepreneurs and businesses. The following dimensions will be discussed among other focus areas: Engaging marginalized business, moving individuals from having skilled trades to starting small business and bringing efficiency to localization under the Radical Economic Transformation Framework.

What strategic innovations are needed to tackle the underlying structures that create and reinforce inequality? Addressing transformation issues is central to Durban achieving increased and inclusive growth. This session will discuss the following dimensions among other focus areas: Engaging marginalized business, moving individuals from having skilled trades to starting small business and bringing efficiency to localization under the Radical Economic Transformation Framework.
Co-Curated by EThekwini Youth Office, Durban Global Shapers, Sinika Uthando, Catalyx Consulting, EThekwini EDU-PSIR, Durban Chamber of Commerce and Industry, Innovate Durban.

Our youth demographic is the City’s largest and holds the most potential for growth and inclusion. This session focuses on areas that will drive economic growth form this demographic. The session with cover: internet connectivity in townships as an enabler for growth, township revitalization as a solution to youth absorption into the labour market and a focus on improving the employability of youth people from disadvantaged backgrounds.

“THE YOUTH OF TODAY ARE THE LEADERS OF TOMORROW.”
Description
Young people need to be brought into the mainstream of Durban’s economy.

Desired outcome
Identify solutions and decide on three projects to address the challenges and issues hindering Durban youth from participating in the economy of the city.

Summary/introduction
Lack of access to information and opportunities were identified as two major issues hindering youth from being active partners in shaping Durban. Internet connectivity was not up to scratch, particularly in townships and rural areas and young people did not know where to access free WiFi zones, including at the eThekwini Municipality’s Sizakala Centres. Participants of this breakaway session — mainly young people — decided to be part of the solution, saying: “Nothing for us, without us.” To this end, they decided on three tangible projects to be implemented by themselves in partnership with identified stakeholders within government and the private sector.

Access to information
There were many initiatives aimed at assisting young people to participate in the economy, but they were often not aware of them. These include free access to computers and the internet at Sizakala Centres where websites with opportunities can be accessed to aid in the search for jobs, education and other opportunities. It was also a place where CVs and business proposals could be written. NGOs, not-for-profit organisations, businesses and individuals were also available to partner with young people or provide assistance, but were also not widely known.

Action
It was resolved to organise a roadshow which would bring together information sharing. The working title of this project was the Ekasi Youth Summit. It will involve a convoy of cars driving through a chosen area with partners from stakeholders such as the Durban Chamber of Commerce and Industry, tertiary institutions, municipal units, NGOs, government agencies, and others wanting to provide young people with information on opportunities they were offering. The convoy would create excitement and attract youth to the meeting point and the project would be marketed on social media.

Education
Education was integral to a young person’s development, but there was often a gap between school, tertiary education and the workplace. This was evident in the number of young people who had obtained a tertiary qualification but were still unemployed. The unemployability of young people added to the numbers who were not participating in the economy. The gap needs to be bridged and the group believes this could only be done through partnerships.
Action
To create awareness about internship and work experience opportunities and encourage young people to take part in these from school level. Partnerships for placements would be established. Group members committed themselves to providing these opportunities. They would show young people how they could research fields of interest and assisting with extra classes.

Life skills
The group also undertook to provide life skills, teambuilding and leadership seminars. They planned to create information posters for online sharing on youth related resources to prepare youths for tertiary education and the workplace. As this is the digital age, awareness about digital opportunities would be created and group members undertook to make educators aware of free data plans or networks and services which allowed internet browsing without data.

Entrepreneurship
For young people to enter the mainstream of the economy, thinking had to go beyond jobs and encourage entrepreneurship. But there were societal blocks to self-employment. It was not incorporated into school curricula and it was deemed risky and less secure than traditional employment. Those who do venture into entrepreneurship sometimes struggled as they were not skilled in the various aspects of running their own businesses. This was despite their drive, ideas and a need for their product in the market. It was established that there was a need to equip young people with skills, and practical experience as entrepreneurs from an early age.

Actions
Establish a school business fair as a platform for young entrepreneurs to showcase their businesses. The best ideas would be given an opportunity to participate in the eThekwini Municipality Business Fair.

Excited
The purpose of this project was to get young people excited about entrepreneurship from school-going age. They would be encouraged to think about business ideas, learn to set and work towards goals and learn how to find partners to assist them. This would provide an avenue for young people to create their own opportunities outside the tough job market. It would ultimately lead to a decrease in youth unemployment, while sustainable businesses would be established which would in turn create job opportunities for other young people.

Champions
To make this happen, urban and rural schools and young people would be identified to become champions of the project in their communities. Communication will be via Whatsapp group, emails and status meetings in the run up to the fair. A proposal will be compiled to seek partnerships with the private sector on some aspects of the project. Members of the breakaway group undertook to establish links with colleges and universities, provide mentorship to learners participating in the project, coordinate logistics and link to various partners.

“THE YOUTH IS THE HOPE OF OUR FUTURE.”
How do we continue to attract and increase the impact of large scale developments at the same time increasing the value of existing property? This session addresses funding and delivery of bulk infrastructure, Durban’s logistics supply chain, identifying Durban’s priorities for land use, and importantly, assuming a facilitative mind-set around legislation that relates to development.
Vision:
A partnering approach for a caring and liveable Durban

Desired outcome:
To create a blueprint for infrastructure development and urban management that will make it easier for the private and public sectors to work together.

If we follow this vision:
“To improve the experience of a caring and liveable Durban, we need a partnering approach to urban management and infrastructure investment in strategic nodes.” Urban management and infrastructure development are two topics of vital interest to any city management, and can sometimes be in conflict. Land is a valuable asset that can be leveraged to achieve development outcomes, but urban management also includes the maintenance and sometimes re-purposing of existing city assets to meet the changing needs of a rapidly-urbanising population.

The most crucial aspects to both infrastructure development and urban management are:
- a) Integration of goals and their implementation in predetermined strategic nodes;
- b) Effective communication with stakeholders (such as city line departments, municipal officials, investors, developers, businesses, industry, communities and civil society);
- c) Mutual accountability; and
- e) Devolution of powers.

The workshop:
Around the globe there has always been a disconnect between city governments and the private sector. Very often, planning decisions in cities become ‘wish lists’ for municipal officials, and projects fail because there was not enough participation from the private sector or the citizenry.

The most desired outcome of urban management and infrastructure investment would be to develop more compact, connected and transit-oriented, more productive and sustainable cities, with accelerated inclusive economic growth.

Loads of node:
The compact cities of the future would consist of strategic nodes – not necessarily economic nodes, but possibly tourism nodes, leisure nodes, informal nodes, emerging residential nodes, commercial nodes, industrial nodes, manufacturing and retail nodes. Creating these integrated spaces where people live, work and play would increase urban densities in those nodes, would reduce commuter time and expense, and would encourage regional economies.
Learning a new development language:
One of the difficulties of development is that a certain development language is spoken by planners, which conforms to rigid governmental processes, and is ruled by rigid policies and procedures. Therefore a different language and methodology needs to be adopted, that allows for a more iterative approach. However, when dealing with strategic nodes (and therefore dealing with development and management on a smaller scale), there is room for flexibility and some risk-taking. Fewer rules, more risk-taking, a process that goes backwards and forwards, with space to adjust and adapt, can be adopted when planning takes place on a smaller scale with these strategic nodes.

Integration – sorting the snags of vertical structures:
Integration is possibly the most difficult thing to achieve in urban planning and infrastructure development. Different departments within the city often 'do their own thing' and damage existing infrastructure when installing new infrastructure. Alternatively, effort is duplicated when departments don't talk to each other, or they have multiple mandates that can be conflicting.

Area-based management, or precinct management partnerships, with real mandates and responsibilities (that are not simply another layer of bureaucracy) can flatten out this vertical structure. Political will is needed to devolve management in a meaningful way.

Devolution and flattening the chain of vertical command:
One of the main benefits of the devolution of development and urban management to a precinct- or area-based node, is that the chain of command is flattened and there is mutual accountability. It is easier to build and maintain relationships between line management, city officials, stakeholders and role-players, and the citizenry. However, it is also important to build and maintain relationships with outside agencies, such as national and provincial government departments, SOEs, transport agencies like SANRAL, PRASA, ACSA and others, CoGTA and Treasury.

It is also important to note that nodes do not exist in isolation, and there has to be connectivity between nodes. And if the economy is not growing, then sometimes one node will prosper at the expense of another, leading to urban decay. Urban management, therefore, is not simply creating new nodes or spaces, but also looking at maintaining and possibly re-purposing existing nodes and infrastructure.

Actions:
The Economic Development Unit in the eThekwini municipality to convene and establish a task team to explore the idea and to obtain support in principle before workshopping, to agree on a way forward, before taking it to the authorising agency.
Co-Curated by eThekwini EDU-PSIR & Development Planning, Invest Durban, PISTA, Durban Global Shapers, Durban Chamber of Commerce and Industry, Innovate Durban

How can we continue to improve the ease of doing business while decreasing the cost of doing business? This session looks at Durban’s rates competitiveness and intergovernmental collaboration and alignment. The session also seeks to investigate whether Durban can attract Head Offices and FDI as an increased rate. The EThekwini Film City project will be a key discussion point.
NURTURING GROWTH OF SMALL ENTERPRISES

Description:
How to ensure small businesses play a greater role in Durban's economic future.

Desired outcome:
To make Durban the most enabling and supportive city in Africa for enterprise development and collaboration.

Getting over hurdles for entrepreneurs:
South Africa has many black entrepreneurs, but they face major hurdles accessing financing, and when they turn to the government for help it is not forthcoming or it is hard to know who to talk to. The workshop called for a shake-up to regulations – everything from supply chain management rules which squeezed cash-flow to bylaws in the townships. Government must up its game.

Overly cautious:
Banks are cautious and demand collateral and when this cannot be found, good business ideas die and, and with them the potential to create jobs. The government has set aside R15.5 billion for emerging businesses, but these funds were under-utilized. Where have these monies gone? South Africa has a poor track record in this regard. Small countries with far less resources, like Burkina Faso, have outstripped us in relative economic performance and our international ratings are lackluster.

Unbanked:
A major issues raised by delegates was that township people were often "unbanked". When it comes to savings schemes they turn for their financing needs to stokvels and burial societies. Banks needed to be more open to lending money to new entrepreneurs — not just ones already on the books.

Intervention needed:
The government must up its game by:
- By providing access to finance;
- Offering more loans to small businesses;
- Giving export guarantees; and
- Perhaps the national Treasury could commit to a simplified tax system; and SARS could offer rebates to those who came with innovative ideas.

Youth focus... but take it further:
Not only the youth but older entrepreneurs with a viable business plan should be considered. As one delegate put it: "What do we do with those who are no longer young, do we just flush them away!" The eThekwini Municipality should appoint someone in each department whom entrepreneurs could speak to/consult with.

Red tape, cash-flow and gatekeeping:
Municipal bylaws pertaining to the townships could be relaxed. To ease the financing burden on small businesses supplying goods and services to the municipality, it was suggested that 70 percent of the value of a contract be paid up front, with the balance on supply. However, a city official pointed out this flew in the face of national regulations. "Gate-keeping" – where funding only seemed to go to those with political connections, was a concern
Need to innovate:
There was a suggestion they could attempt to get their products onto the shelves of national chains such as Clicks; small businesses should also set their sights on the international market. People with skills could collaborate with existing, more established business.
Other suggestions for small businesses included:
- Identify underserved markets;
- Don't always try to break into an established market; and
- Try to pinpoint something not on offer — be innovative.

Future now:
The delegates were asked to brainstorm on the kind of headlines they would like to see in the media in 2023 – acting on the assumption that by then Durban would have resolved all that the conference had set out to achieve.

Resolutions and suggestions for overcoming challenges:
- While taking on board what has worked for other cities, keep Durban passion alive. Durban was the birthplace for informal traders – don't see them as a problem, see how they could work for the city.
- Create an effective network;
- Identify market opportunities;
- Relax compliance procedure;
- Maximize information and communications opportunities;
- Establish a culture of mentorship;
- Establish business zones;
- 'Incubate' small businesses – training owners in financial management, quality control, certification etc.
- Emphasize collaboration such as getting permission to place small adverts on local supermarket boards.
- Identify the target market for products;
- Entrepreneurs should not stagnate, but remain innovative, always evolving, embracing technology (such as social media).

Outcomes:
- Improve the information communication and opportunity gap.
- Establish various portals. Devise a method that will instruct computer illiterate people on how to use these. Durban people are often not technology savvy.
- People skilled in handcrafts were often afraid of the Internet.
- Also different people had different needs: A young man who farms potatoes approached the convenors with a simple request. "How do I find a market for my products?" So portals need to be diverse.
- Durban could learn from South Korea where collectives were very successful.
- Incubation and acceleration programmes were an essential; as was training and certification.

Actions - The following action plans were prioritized:
- Training
- Collectives/Hubs
- Portals

The delegates broke into groups and came up with various commitments. They chose team leaders, and committed to action plans which could be implemented. They would work on these and get together at future opportunities to brainstorm on the way forward. They committed to formulating working programmes that could be useful to entrepreneurs. These would be forwarded to the eThekwini Municipality in due course.
Vision:
Durban aims to be an inclusive, globally-competitive and connected city.

Desired outcome:
This vision aims to bring to life the challenge of improving the performance of key industries. Central to this is finding an easier way for citizens to advance the city’s business competitiveness.

The availability of good industry benchmarking data will enable us to prioritise sectors and identify where we can be more competitive. This session looks at how we can collaborate with other agencies on the 4th Industrial Revolution, set a Durban agenda on intra-Africa trade and support locally produced products.

THEME 5: INCREASING INDUSTRY PERFORMANCE

CO-CURATED BY ETHEKWINI EDU-PROGRAMMES, B&M ANALYSTS, ETHEKWINI EDU-PSIR, DURBAN GLOBAL SHAPERS, DURBAN CHAMBER OF COMMERCE AND INDUSTRY, SES
If we follow the plan:
Durban’s key industries can get a shot in the arm and radically enhance their performance if the city harnesses this partnership plan to embrace green technology, ramp up eThekwini-appropriate skills development and boosts transport and data connectivity.

Summary:
To understand how to improve the performance of key industries we need to understand which firms dominate business in the city.
- Why they are historically situated here?
- How many people do they employ and who do they compete against?
- Understanding the business landscape allows us to seize opportunities these businesses create, innovate around them and nurture them.

Sectors:
These sectors dominate the economic landscape:
- Auto;
- Light engineering and fabrication;
- Agriculture and food processing;
- Chemicals, pulp and paper;
- Clothing and textiles; and
- Warehousing and logistics.

The challenge — build bottom-up inclusive, simple plans with action points
We need a grassroots movement, a bottom-up initiative, rather than a top-down narrative, to improve the competitiveness of key businesses. This would rely on each city residents doing something within their power to change things for the better.
Economic development plans are generally big, complex documents, seldom read or understood, while a plan with a strong prospect of success is one that is simple, has a few objectives, and has action points that are not hamstrung by red tape or bureaucracy. Prescriptive plans do not give residents power or buy-in.

A living, adaptable document:
One facilitator urged: “Don't assume things that may not happen too far in the future... Shape Durban has to produce a living, organic document that can adapt because things change.” Rather settle on a few things that “you are personally motivated to make a difference in respect of, not something that somebody else drives”.
If plans involve lengthy processes, divided mandates and are easily frustrated by red tape, then they aren’t worth much. Workgroup participants, drawn from diverse businesses in the city, agreed there was strength in diversity but also noted that big business in the city was not sufficiently represented in the workgroup.
A model for rebuilding Durban's competitiveness:
Manufacturing in Durban has halved in the past 20 years. The plan to improve competitiveness hatched at the Shape Durban conference is easily explained using the analogy of a house: the foundation is a base of sustainability. Fundamental aspects of the foundation are social inclusion and economic transformation. The three pillars built on that are: skills, connectivity and a green economy. The pillars hold up the roof that brands and markets the city.

Sustainable, inclusive hubs:
Competitive businesses that ignore social inclusion and economic transformation will not be in business for long. South Africa's exploitative history means businesses, while pursuing global competitiveness, have to act with a strong social conscience. They must serve the communities they exist in. They have a duty to support local labour. Government and organised business should build local hubs that offer cheap workspaces to stimulate economic development, fostering self-reliance and entrepreneurship in Durban.

We can't do it without a green economy:
The city cannot survive, let alone prosper, unless its businesses are environmentally responsible and energy efficient. They need to have an exemplary record of low ecological impact and must preserve the natural environment and biodiversity. A key feature of this is closed-use energy loops and intense recycling.

Filling the skills gap:
The divide between skills supplied by tertiary training institutions in Durban and those required by businesses operating in the city needs to be narrowed. Government and universities and tertiary training institutions are not wise to the needs of business and are not responding nimbly enough to businesses. If companies cannot get the required skills they will change their processes, import components or outsource skills required to manufacture certain components.

Building transport and telecoms connectivity to redress spacial legacy:
Transport needs to be improved so citizens of Durban are able to move around safely, reliably and cheaply. The spatial legacy of apartheid planning means labour is far from work and transport is often costly, dangerous and unreliable. The modern world demands increased communication and connectivity. Telecommunication is inadequate and expensive. This needs to be changed to allow residents to leverage opportunities in servicing big business.

Actions:
Improve access to data and communication flow by creating free wi-fi zones across the city. Improve transport, making it cheaper, safe and more reliable so citizens can get around easier to ply their trade and seize opportunities. Widely disseminate information about big business value chains and skills required by businesses. Build city pride in high-quality service and productivity. Ensure the city's business is 100% green conscious.
How do we improve foundational skills for Durban’s job seekers and make them competitive in the jobs market. The session looks at the City’s role in skills development and how all stakeholders can provide innovative support for entrepreneurs.
Desired outcome:
An enabling environment through partnerships with all stakeholders. Focus: vision, analysis, implementation.

Collaborate, use existing initiatives and resources to the full, and build on these. There are many challenges. And there are many existing initiatives and underutilised resources. We need to build on what exists and co-create a reshaped Durban. Let our focus be on collaboration and working together. By creating partnerships and leveraging resources, we can achieve transformation through the implementation of creative, innovative-disruptive-strategies. Let us leverage business power and human capital in the interests of a shared, sustainable future, building on what is set up and available.

Summary of group feedback from Day One:
- Redefine demand: What are the available resources? What resources are needed?
- We need a database of NGOs, trainers, etc. We don’t know who we can partner with.
- SETA access needs to be improved. There is more focus on admin than on skills and value.
- We need to change the school system to grow an entrepreneurial mindset and to teach practical skills for jobs — from Grade R.
- There is a misconception that degreed people earn more than artisans.
- SMEs need to provide mentorship and internship.
- Pay a stipend to youth. Have them assessed -- then direct them to something that will help them start a business.
- Use existing resources: for example, share post office computers and make them available for for job applicants. And use the libraries more effectively.
- Cellphones must be leveraged for eLearning and eCommerce.
- Give life orientation a new name — like career guidance.
- Have the private sector adopt a school.

Day Two:

Africa's Maritime City – innovate around what makes Durban unique
Panelist Joe White said: "Let’s talk about using our existing infrastructure. We’re here to make Durban a beautiful and smart place. Many of the solutions already exist. They have not been tapped into. For example, Durban is a maritime port city. “There is so much there to build on. Let’s see what innovations we can introduce around maritime Durban. “My organisation, in terms of maritime Durban, has a partnership with Bremen in Germany. We can bring in those experts. We can start helping the people of our city see career and work possibilities around maritime Durban. The port. Marine World. The sea. The Transnet Maritime College. The Royal Natal Yacht Club (and Point Yacht Club) are bringing people from the townships to introduce them to sailing. Let’s look at this in terms of partnership and reshaping the city of Durban.”
It was suggested Durban brand itself for tourism and for skills development as Africa's Maritime City. “Focus on the wealth of job opportunities here and promote them. Brand and position the city as a Maritime hub.”

THREE TRACKS SELECTED FOR ACTION:
• Innovation.
• Skills and growth.
• Education and teacher support.

Facilitator: We have acknowledged we want to create a sizable skills network in the city. Who is willing to be involved with this? Put up their hands and commit?

Actions
1. Innovation.
Kavisha Nandhlal: Co-ordinator/champion.
• We will create an online community, “Durban Innovation” for people to connect, collaborate and create. We will put this forward to eThekweni.
• We will develop facilitators in design thinking. Usually with innovation, a prototype is requested. We will skill people in this design thinking so they can come up with their own prototype.

2. Skills and growth.
Linda Webster, MRP Foundation. Co-ordinator/champion.
• We will partner with the city to create a skills forum. We will approach industry to establish demand. This way we will manage supply and demand for scarce skills.
• We, as service providers, have committed to providing those skills. We have digital skills, soft skills, career guidance, beauty, entrepreneurial skills, technical skills and life skills (job readiness).
• We commit to finding industry partners.
• We will look for buildings/premises to create skill hubs: beauty, welding, retail, whatever else is needed. We as service providers will come in and partner to offer those services.
• Our goal is to make it self-sustaining through partnerships and a skills hub.

3. Education and teacher support.
• We are committed to training providers and streamlining programmes for after-school training and development. The city needs access to all training providers that have funded programmes and facilities by way of a hub/database of reputable people.
• We will partner with the city and provide networking, education, development and training and share our resources to shape Durban.
• We also need to change mindsets and attitudes. There’s not a shortage of jobs; there is a shortage of employable youth.
Description
Solutions should draw the strengths of the city, business and civil society together. This will ensure that the rights of the socially- and economically- marginalised are holistically and practically incorporated into the city’s vision for future investment and economic development.

Desired outcome
Establish a partnership of NGOs, business and the city to implement practical, caring solutions to problems facing marginalised people.

Summary/Introduction
Durban is a metropolitan city with many valuable assets, including its golden-mile beaches, five-star hotels and a R39 billion Point Waterfront Development poised to attract investors. But beyond the affluence and the friendly holiday atmosphere lies another world, where homeless people eke out a living and drug addicts roam the streets seeking their next fix in broad daylight.

Marginalised people include those who are excluded due to their gender, their work, informal business status, because they are orphans, or they are elderly or disabled. The daily realities of these people and the divide between the rich and the poor cannot be escaped by anyone. But the solution is not merely to throw money at the problem or to generate new economic developments which may continue to exclude people and push them out of the city. Now is the time to uncover the root causes of the problems faced by people living in the city and to find solutions that will benefit both the affluent and poor alike.

We stand together
The problems of people being so inwardly broken that they are abandoned to a life on the streets is one that must be owned by everyone – business, civil society, the city and provincial government.
### Individual solutions:
Marginalised groups have been identified as the homeless, drug addicts, informal traders, women, albinos, the aged and orphans. There is no single solution to the problem of marginalisation. People are individual human beings with individual problems.

### Planning to ensure human rights:
Marginalised communities must be included in the city’s economic development planning to ensure human rights, dignity and inclusion.

### Role of the police and rehabilitation:
The role of the police needs to be redefined when it comes to handling people who commit minor offences. Rehabilitation of minor offenders and those guilty of minor drug offences should be prioritised over jail time.

### Building human connection:
Marginalised people need to be connected through family or other forms of social structures.

### Entrepreneurial potential:
Marginalised communities are innovative in the use of their simple skills used to survive and these should be developed.

### Township development:
There is a need to tap into and develop human resources and skills in the township to grow tourism and other small enterprises to benefit marginalised people.

### Actions:
Write a joint letter to the Carte Blanche magazine programme, signed by all NGOs and government representatives from the workshop, requesting an airing and a follow-up programme to a recent broadcast which unfairly painted Durban in a negative light. Develop a partnership with the city, business and civil society to address homelessness, drug addictions and marginalisation.
SPEECH BY DEPUTY MAYOR COUNCILLOR FAWZIA PEER

These past two days have been amazing. I have been truly amazed by the turn out, and even more than that, the commitment and passion of the people of Durban, for this great city. Deputy Minister, I must tell you that I found it hard to leave here yesterday and couldn’t wait to come back and be a part of the discussions. People were working and coming up with ideas and solutions to challenges that we face. It’s been a hugely productive two days and I’m pretty certain this is the first conference of its kind hosted in the country, where a whole city has come together to co-create a tangible plan of action and commit to co-implementing it over the coming years. Over yesterday and today we contextualized and discussed the current level of interaction between the different spheres of government and some partnerships, both nationally and regionally - and even though there’s evidence of some success stories, there’s still room for so much more.

Deputy Minister I must tell you that this would not have been possible without the support of National Treasury. I single out National Treasury as a pillar of support to the cities. You have recognized that the key to the country’s success, is in ensuring that the cities work and prosper. Your staff are very competent, committed and proactive, and for all the support that National Treasury as provided to us, through the city support programme and the government technical advisory centre, I THANK YOU!

Your presence here in day two, is a powerful indication that you have decided to take up these challenges, all of which have been comprehensively identified in the seven themed groups and I want to touch on some of the salient points that have emanated from these highly productive sessions. Our speakers have shown that although there’s so many positives happening there’s still many gaps that are not being addressed – these relate to small businesses and getting the basics right for them, especially when it comes to the kind of support they require and the regulatory environment. Others include creating and nurturing partnerships at a local level so that we are able to constantly engage with each other by asking the tough questions over the next five years as we craft out and together implement the Accelerated and Inclusive Growth Strategy for eThekwini.

The revitalization of our inner city seems to be a major challenge as well as getting urban management right. There are some useful initiatives that have been conceptualized around that. The cost of bulk infrastructure and innovative approaches through partnerships with the private sector are critically important.
There appears to be a widespread acknowledgement that some of the suggestions and strategies put forward may take longer than five years and we as the City need to take cognizance of that, by laying the basic foundations and constantly monitoring them, so these may be achieved over the long term. Certainly some of the existing major development initiatives already span ten to twenty years and the anticipated benefits with respect to job creation and economic growth may vary depending on how much is achieved on a year-to-year basis. The president of the Durban Chamber provoked us to think beyond job creation, but the fostering of an environment that creates opportunities for people, for business and entrepreneurship. I found that to be a really interesting provocation. We accept this challenge.

We also recognized the numerous cross-cutting issues that were raised, relating to skills development, transformation, caring for the most vulnerable in our society, opportunities for SMMEs, and the impact of the fourth industrial revolution, innovation and climate change.

The provocateurs in the groups challenged all of you to offer some effective actions to take us forward towards achieving our vision over the next five years. There’s also agreement that our previous economic strategy plans did not achieve everything as planned and we have to do things differently going forward, hence this all of society approach that we have adopted. It only through working together with focus and purpose that we will make a meaningful impact on society.

I look forward to working with all of you in the implementation of this plan and supporting the initiatives that’s have come out of the Shape Durban conference.

Thank you.

"THE WHOLE CITY HAS COME TOGETHER TO CO-CREATE A TANGIBLE PLAN OF ACTION."
DIRECTOR GENERAL:
NATIONAL TREASURY

Colleagues; champions of business; civic leaders; the academic experts; political principals in our midst; good morning.

INTRODUCTION: SHAPE DURBAN IS A GAME-CHANGER

It is a privilege to be asked to speak at this event and at this critical time in our nation. As you all know, we face challenging economic and fiscal circumstances as a country, which compel us to turn our words and plans into practical actions that will support faster and more inclusive economic growth. Government cannot do this alone: we must work together as a nation, and we must work in practical partnerships to achieve our shared goals. This is no longer a choice for us, it is essential to our collective success.

It is in this context that this “Shape Durban” partnership event between the eThekwini government with all its key partners is truly a game changer.

CITIES ARE KEY ENGINES OF GROWTH

The National Treasury has been working closely with the eThekwini Metro to make sure that it is focused and prepared to build and sustain the partnerships necessary to drive inclusive growth. This is because we realize that this city, together with the other major cities in South Africa, really are the engines of our national economy. The eight metro cities alone account for almost 56% of the country’s economic activity, and if we add the intermediate or second-tier cities that figure goes up to about 80%. eThekwini accounts for almost two thirds of the KZN provincial economy, so if you want KZN to work, you have to make sure that eThekwini works.

We must understand that, as a country and as a people, if we don't get the economy into a higher growth path, we’re going to have social challenges, and there’s going to be increasing pressure on the fiscus. Growth is essential, and much of that growth can and will come from our cities!

The National Treasury has been consistent in our message on the role of cities in moving the country to a higher growth path. It is a growth path, ladies and gentlemen, that can generate employment and address inequality. Government has been clear that the key contribution our cities must make is to drive an agenda of spatial transformation. The current low density, sprawling spatial form of our cities is a structural impediment to economic sustainability and poverty reduction. It undermines the very purpose of cities as economics of agglomeration through keeping people far from jobs, reducing scope for human interactions that are essential to economic dynamism, it makes delivering services harder and more expensive, and imposes significant burdens on the environment.
DIRECTOR GENERAL: NATIONAL TREASURY

THE NATIONAL TREASURY AS A PARTNER:

National Treasury has developed a good working relationship with eThekwini over the last 5 years, and this conference is a part of that partnership. Treasury, through the Cities Support Programme (CSP) and the Government Technical Advice Centre (GTAC) has been working closely with this city, particularly on the issues of economic development. To mention just a few, we have been supporting the cities with improving their scores on the global Sub-National Doing Business survey, we have been working with eThekwini and other metros on strengthening economic partnerships, and we have also assisted eThekwini with reviving its investment promotion drive which has led to the new “Invest Durban” initiative.

This event gives a clear indication to us that the eThekwini is rising to the challenge of being one of South Africa's 'engines of growth'. The city leadership is fostering and driving the right kind of partnerships.

SOME CHALLENGES FOR SHAPE DURBAN TO CONSIDER:

The previous medium-term economic strategy process asked citizens to imagine a new future for this city. This time citizens and stakeholders are being asked to co-create the future by Shaping Durban together. This is a call to action, a call to everyone to get to work and make our collective dreams of a better future a reality. I want to congratulate the eThekwini Metro government for committing to moving this city to a higher and more inclusive growth path. This is an approach that other cities should take note of, and one from which a number of key lessons can be learnt.

In closing, I would like to suggest three issues for you to consider during your deliberations:

A) CORRUPTION THREATENS ECONOMIC GROWTH.

It is a cancer that not only diminishes the confidence people have in government, but also diverts vital resources away from where it is most needed, in creating jobs and addressing social challenges. When officials get involved in politics they take us in the wrong direction, and they use precious resources that people have given us as taxes, and which is given to them as salaries, not to serve the people but to serve their own interest. Let us cut down that tree of corruption and that in itself will help us focus on service delivery. Corruption is something we must all fight, as government, as state owned entities, as the private sector, as tertiary education and as civil society. Private sector should not perpetuate corrupt activities in their dealings with the state. We need cooperation of all parties to starve this disease from what it currently feeds from.
DIRECTOR GENERAL: NATIONAL TREASURY

PARTNERSHIPS ARE NOT ALWAYS EASY, BUT THEY ARE ESSENTIAL TO SUCCESS.

Strong partnerships require that partners are to hold each other to account. Building a partnership doesn’t mean that people are now afraid to ask hard questions, or that we must all tow one line. Partnering is about the differences we all bring to the table. It’s about all of us holding each other accountable and asking tough questions. The true test of a partnership is when people can be honest with each and accountable to each other. There should be no holy cows and no side conversations that are not geared to making the partnership work.

During apartheid the universities were well known for being places where critical thinking happened, where struggle ideas were formed and heroes took shape. Are they still playing this critical role now? I’m not talking about the burning of buildings, that has no place in a democracy that is trying to become a successful society. I’m talking about having critical conversations with government and the private sector on how we build a better society. Many prominent struggle icons came out of the tertiary education institutions in Durban. Durban continues to produce leaders and thinkers, and they must be involved in the narrative of the city.

In the work that we do, we have noted that cities that are successful in terms of economic growth and which create jobs, are the cities where there are strong partnerships between the local government, other spheres of government and the private sector. Government must create the right conditions within which business must operate, and business needs to flourish and create employment. In order that this works effectively, both parties must play their part, and ensure that they are efficient and effective at what they do.

This is what Shape Durban is about; it’s about each partner identifying their respective roles and working together to deliver a more prosperous future. Our interest as the Treasury is in playing a support role in this process so that the local actors can realise their vision. We have brought experts who will participate in the various discussions that happen. But as I understand it, this partnership is not only about this event. This event is the start of the partnership and the litmus test of the partnership is how it gets sustained over the next five years. For this partnership to be sustained it must be centered on issues of common interest and there must be implementation.
In 2013, the eThekwini Municipality adopted the Economic Development and Job Creation Strategy for 2013-18. With the past strategy timeline coming to an end, we have started the process of developing the 2019-25 Economic Development strategy and envision completing this work in the coming months. However, the City wants to fundamentally change the way in which strategies are developed, through a new approach which is a "partnership for growth". In essence, it seeks to co-create a strategy/growth path that is developed, signed, owned and implemented by a cross-section of key economic stakeholders.

DIRECTOR GENERAL: NATIONAL TREASURY

PRACTICAL ACTIONS ARE KEY:

I must warn you that a failure to implement on the part of either of the parties will threaten the sustainability of this partnership. Treasury is not going to simply participate in this conference. We will be there to provide support through the CSP and GTAC to help you achieve your goals of accelerated and inclusive growth. You must all demonstrate your efforts in making it work, without which it doesn’t matter how much support we provide. You have taken a step that is not yet evident in other cities, and your commitment in making this work, will provide a learning platform for other cities to learn from. So, City Manager, you are trail blazing in this area, and we have come here to spur you on to great works. Red tape will not help you achieve this objective. In fact, it is often the small things rather than the grand plans that can have much bigger impacts over time on the lives of ordinary citizens. Start small, colleagues, but get going!

CONCLUSION:

I look forward to learning what small practical actions will occur immediately after this event that will impact on the loves of citizens. And I look forward to returning in 12 months to hear about why this conference was different from all the others in that it led to a process of practical, partnership based actions that really did generate faster and more inclusive growth.

I thank you and look forward to hearing of the positive outcomes of this partnership.

“THIS IS WHAT SHAPE DURBAN IS ABOUT; EACH PARTNER IDENTIFYING THEIR RESPECTIVE ROLES AND WORKING TOGETHER TO DELIVER A MORE PROSPEROUS FUTURE.”
In 2013, the eThekwini Municipality adopted the Economic Development and Job Creation Strategy for 2013-18. With the past strategy timeline coming to an end, we have started the process of developing the 2019-25 Economic Development strategy and envision completing this work in the coming months. However, the City wants to fundamentally change the way in which strategies are developed, through a new approach which is a “partnership for growth.” In essence, it seeks to co-create a strategy/growth path that is developed, signed, owned and implemented by a cross-section of key economic stakeholders. As part of the strategy development process, we will be holding a 3-day workshop-conference (called SHAPE DURBAN), from the 21st to 23rd November, which will be co-hosted by the city and various other key economic influencers and stakeholders as the platform to discuss strategic priorities and milestones for the 2019-25 accelerated and inclusive growth path. This is a call to action, for key influencers and shapers in the eThekwini economy to work together towards creating a socio-economic compact that changes the growth path of the city. Partnering in this process means to work as a co-owner and co-curator with the city and various other stakeholders and influencers towards prompting the future direction of the city. As the Durban Chamber we are committed to engaging in participative, facilitative and accountable governance with meaningful discussion and co-operative relationships between the private and public sector as this will assist in creating a conducive environment for sustainable inclusive economic growth and development.

The Durban Chamber of Commerce and Industry is excited at the opportunity to partner with the City in developing the 2019-25 Economic Development Strategy. The partnership provides our members and the Business in eThekwini at large with the chance to work together towards creating a socio-economic strategy that changes the growth path of the city. Partnering in this process means that the Chamber will work as a co-owner and co-curator with the city and various other stakeholders and influencers towards prompting the future direction of the city. As the Durban Chamber we are committed to engaging in participative, facilitative and accountable governance with meaningful discussion and co-operative relationships between the private and public sector as this will assist in creating a conducive environment for sustainable inclusive economic growth and development.

Growing the economy and promoting inclusivity is invaluable. This can be achieved by making citizens, communities and society at large the centre of local and national policies. Promoting education, infrastructure, ethics, investment, entrepreneurship and social protection are some of the factors that need to be included in government policies in order to achieve inclusive growth. Overall, government needs to make decisions that promote the interest of society.

The Durban Chamber is committed to promoting and supporting SMME’s. We believe that if the small business sector is weak in the City and SA at large it will be less capable of creating opportunities for growth that will address the socio-economic challenges faced by our country. The barriers and access to finance are more daunting than in any other sector. In this regard the Durban Chamber, welcomes a closer partnership with the City and National Treasury to unlock the potential within this sector by addressing the issue chronically delayed payments by organs of state to SMME’s that provide services to government.

The fundamental objective of the Shape Durban partnership is that if we are genuinely committed to social and economic inclusion and addressing inequality, then we need an active cultural shift towards more active participation and accountability from the private sector, public sector and civil society which will lead to a more democratic and inclusive South Africa and to us being in business for a better world.

COCKTAIL FUNCTION SPEECH

The Durban Chamber of Commerce and Industry is excited at the opportunity to partner with the City in developing the 2019-25 Economic Development Strategy. The partnership provides our members and the Business in eThekwini at large with the chance to work together towards creating a socio-economic strategy that changes the growth path of the city. Partnering in this process means that the Chamber will work as a co-owner and co-curator with the city and various other stakeholders and influencers towards prompting the future direction of the city. As the Durban Chamber we are committed to engaging in participative, facilitative and accountable governance with meaningful discussion and co-operative relationships between the private and public sector as this will assist in creating a conducive environment for sustainable inclusive economic growth and development.
CONCLUSION

The underlying theme throughout the Shape Durban Partnering for Growth Conference has been partnerships – between the different spheres of government and also between business and government. There’s been some great success stories such as the recent initiatives from National Treasury and the World Bank on various economic development issues that gave us some useful guidelines on improving the cost of doing business and the establishment of Invest Durban, the other support programs from the Department of Trade and Industry and some of our historical ones during the past decade – these include our River Horse Valley Business Estate, the Durban ICC, Cornubia, the Point Waterfront and Bridge City. These have worked well but all told, it has also exposed the fact that government, business and other entities have been dealing only with big businesses while ignoring the small ones. We have also not been very creative and/supporting when considering the most vulnerable in our society. Going forward we plan to hold ourselves accountable and ask hard questions when forging new partnerships and let’s not forget the potential role that small businesses play in economic growth, and also to give women a bigger stake. We have to take practical actions or we will be failing our citizens in what we do. So let’s bring back the golden age of partnerships as suggested by one of the participants.

The seven theme groups have offered very practical ideas that we can easily implement especially the areas within our control. We must do that well, and also, together with other significant entities in the region try to lobby the other spheres of government, whose policies may sometimes hamper our progress.

We must also take advantage of the opportunities spelt out in the National Development Plan and embrace the challenge of localizing the principles in there and also other initiatives from national government. At the same time let’s not forget our local ones such as the City Planning Commission which is an integrated plan for the region and not just about economics. So this includes informal settlements and the homeless.

Here’s hoping that Shape Durban will inspire us to improve how we govern the city – by adapting our leadership and nurture existing relationships while creating new ones. Andrew Boraine mentioned that we must take off the institutional straitjacket and see the system as a whole.