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PROJECT-6.7

Spatial Development Initiative

The Wild-Coast in OR Tambo District Municipality

This document serves as an overview of the existing development programmes, reviews government development programmes, assess the social and economic impact of development programmes, assess the extent to which they meet social needs of the communities and identify key development priorities and challenges in the Wild Coast area within the OR Tambo District Municipality. The Wild Coast Area covers the whole of OR Tambo District Municipality and greater part of the eastern coastal area of Amatola District Municipality. The OR Tambo District Municipality has 7 local municipalities of which 5 of these forms the greater part of what is known as the Wild Coast, namely

- King Sabata Dalindyebo
- Nyandeni
- Port St Johns
- Mhlontlo
- Ntabankulu
- Qaukeni
- Mbizana

This report will refer to the aforementioned 5 local municipalities as the Wild Coast. The Alfred Nzo District to the north, the Ukhahlamba District to the northwest, and the Chris Hani District to the west and the Amatola District to the southwest border it. From the east to the west the district measures 170,143km, north to south 121,725km and it measures 12857 km² in extent. It is located approximately 140km from Queenstown. However the emphasis in this report is in the area within the OR Tambo District Municipality.

HSRC RESEARCH OUTPUTS

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1. The Wild Coast Spatial Development Initiative

The Wild-Coast of the Eastern Cape has long been identified as having a great potential for the development of the Eastern Cape in particular and for South Africa in general. The area was identified, because of its unique position, as providing a model for integrated rural development initiatives based land and agrarian livelihoods with modern approaches to community driven tourism development. Academic institutions and NGOs have done many studies in Wild Coast which all confirm the great potential this region has for agriculture and tourism. However it has for a long period of time been a neglected region of the country suffering from weak infrastructure provision and employment generation opportunities. As a result of its attractive geographical location, unique natural resources and high levels of poverty, the Wild Coast has received a great deal attention from both international donor agencies and national development agencies, including Development Bank of Southern Africa. This area has drawn a great interests and support from National, Provincial and Local government institutions. Moreover tourism is identified as a key national sector for economic growth via GEAR and particularly through the Spatial Development Initiative programme, which specifically includes the Wild Coast SDIs. Given the attention and resources being aimed and provided for this area within the framework of SDIs in South Africa, it is critical to assess the provision and efficacy of public service delivery planning initiatives that will and may facilitate and support these activities. This review was done through interviews with key stakeholders, provincial and local government leaders, planners and district municipality managers, tourism development agencies and community leaders, development agencies and financial institutions that are involved in the Wild Coast SDIs. Published and other unpublished documents and data sources were consulted.

2. The Wild Coast Spatial Development Initiative: Strategic Development Issues

The main attraction in the Wild Coast include, beautiful and diverse natural resources, adventure and outdoor tourism; cultural and historical tourism. The main strategy of Spatial Development Initiative is the integration of community tourism development driven largely by partnerships between private sector investment and public sector development programmes. The development approach is the integrated sustainable rural development in the context of community, public, private partnership initiatives. Key objectives of Spatial Development Initiative as a development strategy, as stated in the Province of the Eastern Cape Growth and Development Strategy is to:

- To generate sustainable economic growth and development in the Wild Coast area
- To generate long-term and sustainable employment for local inhabitants
- To maximize the mobilization of private investment, especially in the context of community tourism development and to lessen demands on government funds for development projects
- To exploit spin-off opportunities from tourism investments for the development of SMME's and for the development of local communities
- To exploit the under-utilised location and economic advantages of SDI areas for export oriented growth.

3. Methodology

A total number of 26 respondents, both government officials and representative of NGOs were interviewed by two HSRC researchers. Because of time limitations, only two local municipalities, Qaukeni and Port Saint Johns local municipalities, were contacted for detailed interviews. In addition to informal interviews with government officials etc, 22 structured questionnaire interviews were conducted with ordinary citizens in 13 ward of the Port St Johns Municipality. Of the 22 questionnaires received only 20 were usable.

This is 90% of the questionnaires received and were used for detailed analysis.

Department (Organisation)	Number of Respondents	Location
Eastern Cape tourism Board	2	East London
Eastern Cape Development Corporation	2	
Port St Johns		
Human Resource Manager	1	Port Saint Johns
Financial manager	1	
Mayor	1	
Municipal manager	1	
Local Economic Development Manager	1	
Social Development (Project co-ordinator)	1	
Home affairs	3	
Department of Health	1	
National Dept of Public Works	4	Bisho
MEC \$ Head of Department of Social Development	2	Bisho
MEC Economic, Tourism and Environmental Affairs	2	Bisho
Eastern Cape Tourism Board	2	East London
Qaukeni Municipality		
Mayor	1	Flagstaff
Finance manager	1	
OR Tambo District Municipality	4	Umtata
2 NGOs on Tourism	2	Port St Johns

The following tables give a profile of the citizen interviewees by type of the area

Spatial location of interviewee's residence

<i>Spatial location</i>	<i>Number of interviewees</i>
Formal township	5
Shacks or backyard structures in township	3
Rural settlement or village	12

4. Population and Demographic Profile in Wild Coast:

Population profile and demographic trends are presented at local municipality level. There are 243986 households in the Wild Coast as shown in the following tables. The total population size of the Wild Coast amount to 1.3 million people. Africans constitute the greater percentage (99%) of the population. The overall male-female ratio in the Wild Coast is approximately 45% male to 55% female. This may be ascribed to migrant and commuter labour which has resulted in many households having a woman as the head of the household and the chief breadwinner living away from home. On average each household has 5 members. When grouped according to age, at least two thirds (73%) of the population is below 30 years of age. Table 1 presents population and demographic trends in Wild Coast.

	Mbizana	Qaukeni	Port St Johns	Nyandeni	King Sabata Dalindyebo	TOTAL
No. of Household	41838	44185	26732	50561	80670	243986
POPULATIONS						
African	232726	242687	141333	264888	389719	1271353
Coloured	403	1056	525	515	2148	4647
Indian	128	183	42	67	854	1274
White	612	23	137	41	1619	2432
Other	1457	916	716	1384	1605	6078
TOTAL	235326	244865	142753	266895	395945	1,285,784.00
GENDER						
Male	103776	109537 *	63838	122147	180231	579529
Female	131484	135281	78819	144621	215537	705742
TOTAL	235260	244818	142657	266768	395768	1,285,271.00
EMPLOYMENT						
Employed	10180	12277	5019	12791	42601	82868
Unemployed	24627	30925	16992	28611	42884	144039
TOTAL	34807	43202	22011	41402	85485	226907
AGE						
0-4	36262	39897	24175	43385	55543	199262
5-19	104437	104587	63015	115914	163590	551543
20-29	31253	33581	16538	35952	61186	178510
30-49	34163	36414	20304	37806	64710	193397
50-64	14723	1647	10226	18856	26988	72440
Over 65	12232	12828	7830	13501	19325	65716
Age unknown	2317	1213	745	1494	4567	10336

TOTAL	235387	230167	142833	266908	395909	1271204
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The Wild Coast area has extremely weak production capabilities in manufacturing and agriculture employing less than 2% of the total population of the area. The agricultural sector in the Wild Coast, for example, employs just 8% of employed persons in the district, and contributes just 9% to its GDP. It is probably for this reason, inter alia, that the wild Coast is currently experiencing an unacceptable unemployment rate of 63%. Given the agro-ecological potential and the pressing concerns of food security in the district, the poor performance of agriculture is perhaps of even more concern.

The dependency ratio in the Wild Coast Area is 1:5, which means that each employed person sustains an average of five members of their family. In many instances families are dependent on elderly people who receive pensions. Households in the district heavily depend on pensions and social grants and this reinforces the urgency for a district growth strategy that consciously develops productive capabilities in key sectors such as agriculture, tourism, food processing, agro-forestry and manufacturing.

The population demographic trends in the Wild Coast area reveal two important issues. The historical political economy, the current trends of the economy both at regional and national level have a tremendous impact on the economy of the Wild Coast. The national historical political economy has created an external dependent economy through migrant labour system in the Wild Coast area. The national political economy has, through a period of a considerable period of time, not only destroyed the indigenous traditional economy but also created an external dependent economy. The external dependent economy of the Wild Coast will take many years to restructure and focus on generating income and employment. In spite of the current national and regional economic trends are characterised by high levels of unemployment, compounded by high retrenchment rates the Wild Coast region still shows great dependence on the migrant labour system. Current levels of unemployment present a great challenge for government development programmes. Compounding the problem of unemployment in this region is high level of illiteracy for sectors of the population. Since early 1990s there has been a notable demographic shifts in the wild coast. The shift

is as a result of the retrenchments and downsizing and rationalisation in many mining companies in the Gauteng and in other mining areas in the country. This has resulted in many young male adults returning to the villages and creating more pressure on many government development programmes. Community based public works programmes and many other initiatives appear to be making little impact precisely because retrenchment, and reduced migration of men. Fewer households in 2000 reported being without men of working age (38% in 2000 as compared with 43% in 1997).

5. The Wild Coast Growth and Development Challenges

Any analysis of growth and development challenges in the Wild Coast must be viewed in the context of its historical development as an area within a Bantustan which served the accumulation (labour reserve) and legitimization (self-rule) of interests of the apartheid state. This has resulted in a particular set of economic and socio institutional relationships that require to be transformed as an integral component of any strategy geared towards the sustainable development of the district. In summary, the key challenges of the district can be reduced to three clusters of challenges. The first speaks to the structural weakness of the district economy; the second to the pervasive levels of poverty and enormous service backlogs; and the third to the weak levels of institutional capacity both within the state and civil society. A brief explanation of these challenges follows:

5.1 Structural weakness of the district economy

The structural weakness of the economy of the Wild Coast is illustrated by the dominance of public sector services, retail and wholesale trade. Neither of these provides a foundation of sustained growth and job creation. Government spending accounts for some 58% of GDP in OR Tambo (compared to 30% for the province as a whole), and employs 50% of formally employed persons.

The district has extremely weak production capabilities in manufacturing and agriculture. Partly as a result of transformation and restructuring pressures,

the Wild Coast has shown shrinkage in the manufacturing sector between 1990 and 2000 (down from 10% to 4% of GDP). Given the agro-ecological potential and the pressing concerns of food security in the district, the poor performance of agriculture is perhaps of even more concern. The agricultural sector in the Wild Coast for example, employs just 8% of employed persons in the district, and contributes just 9% to its GDP. Underlying the structural crisis in the district economy is the extreme dependence of households on pensions and social grants, once again reinforcing the urgency for a district growth strategy that consciously develops productive capabilities in key sectors such as agriculture, food processing, agro-forestry and manufacturing.

The Wild Coast area is the poorest region in the Eastern Cape. The relative poverty of the Wild Coast in the in the OR Tambo municipality is illustrated in the following table.

Table 2. The Wild Coast and other Districts: Population and quality of life by district municipality

District Municipality	Population	Population Density	HDI	Poverty Rate
Cacadu	363 585	6	0.52	47
Amatole	1 657 373	78	0.48	66
Chris Hani	822 891	22	0.47	69
Ukhahlamba	327 868	14	0.47	66
OR Tambo	1 504 411	90	0.42	75
Alfred Nzo	544 107	72	0.44	75

Source: Demarcation Board 2000; Welfare 1999.

Table 3. A comparison with the Nelson Mandela Metro. (NMM) as well as the entire Eastern Cape (EC) province can be seen from below:

NMM	969 771	714	0.65	35
EC Province	6 190 006	37	0.49	64

Source: Demarcation Board 2000; Welfare 1999.

Poverty and vulnerability are exacerbated by the lack of access to basic services. Apartheid underdevelopment has left the OR Tambo with enormous infrastructure and service backlogs (roads, housing, health, education,

telecommunications, water, sanitation, electricity etc.), with the district having one of the highest infrastructure and service backlog in the country.

6. Development and Planning Objectives in the Wild Coast

The development strategies of the O.R. Tambo District Municipality as contained in the Integrated Development Plan (IDP) was guided by both the national and provincial principles and are the following:

- Focus on poverty alleviation: There is a need to alleviate poverty, as there are a number of people who are unemployed and require access to social infrastructure and housing. The unemployment problem attributes to the crime rate. Development Projects will also assist in alleviating poverty.
- Focus on women, disabled and youth
- Build on strength which already exist: Increasing economic development through tourism and Local Economic Development Programmes
- Focus on identified developmental areas and nodes
- Develop existing capacity: Increasing institutional capacity and proper management within the Wild Coast area.
- Link infrastructure to economic development: Access to basic services is very important, especially in rural areas.
- Observance of the Development Facilitation Act, Land Use Bill, White Paper on Local Government etc (efficiency, equity and democracy)

6.1 Development Programmes in Wild Coast

A number of projects have been developed within the framework of strategic objectives. These projects are driven at different levels of governance. The projects designed and implemented by Local Municipalities, others driven by District municipality and others developed at Provincial and National governments. Some of these projects are anchor projects, which are supporting the Integrated Rural Development Programme and Spatial

Development Initiative. The four major integrated development programmes in the IDP include: -

6.2. Social programme: This programme focus on key areas of poverty, HIV/Aids, gender, housing, social facilities, primary health care, land reform, infrastructure and safety and security. Social programme includes main development clusters. Agricultural projects and tourism initiatives are also proposed to alleviate poverty and as well as HIV/Aids programme, as the pandemic is a growing concern. Infrastructure is needed to support social development. In several critical areas these programmes are still in the initial planning phase, and therefore have had little impact at this stage. This programme is also responsible for coordination, integration and implementation of HIV/AIDS, Poverty Eradication, youth development and capacity building of emerging NGO's. The delivery of the programmes is based on Community Development practices and principles. This programme is quite new and a lot of its initiatives have been started since 1997/98. Some of the implementation huddles of the programme include casting new approach with a view to perfect the implementation processes. The programme is largely dependent on conditional grants, which are governed by National conditionalities with minimal flexibility. The key sub- programmes that have consumed a lot of programmes time, energy and resources are HIV/AIDS programme and Poverty Eradication Programme

The emphasis of this programme is on Home Community Based Care Programme and the departmental responsibility is mainly the orphans and vulnerable children. This programme focused on prevention in many years until the introduction of conditional grant in the financial year 2000/01. The introduction of the grant also meant the expansion of departmental service to include combination of preventative and Home community based care programme (HCBC). The budget allocation for the programme since 2000/01 may be captured as follows:

- 2000/01 946 000

- 2001/02 R1 500 000
- 2002/03 R4 697 000

Table 4: Distribution of Home Community Based Care sites.

District Municipality	Number of sites	Programme category	Number of beneficiaries
Alfred Nzo	0	None	0
O.R Tambo	8	HCBC	7 927
Ukhahlamba	1	None	112
Chris Hani	5	HCBC	1 986
Amatole	11	HCBC	4 844
Western	2	HCBC	6 403
Western	62	Support Groups	620
TOTAL	89		21 892

The number of beneficiaries captured on the above table is inclusive of infected and affected beneficiaries who have benefited from the programme.

About 12 240 children have been identified as orphans due to HIV/AIDS related illnesses.

7. Social Security Development Programmes

A detailed social security programme for the Wild Coast exist only at Provincial level and District Municipality and Local Government social security programmes are still in the planning phase making it difficult to assess implementation and measurable output. This section provides the provincial social security programmes with indicators output and achievements.

7. 1. Poverty Eradication Programme in the Wild Coast

Poverty eradication programme was initiated in the financial year 1997/98 as a special measure to address acute problem of rural poverty, disadvantaged and eliminate inequities that exist. The poverty relief programme emerged as a form of financial assistance that focused on implementation of small community based projects. This programme has been strengthened from financial year 1997/98 and has realized a lot of achievements. The approach on progress made in the poverty eradication process will be captured from the inception and availability of conditional grant in the following manner:

- PRP 1997/98
- PRP 1998/99
- PRP 1999/2000
- PRP 2000/01

7.2 Poverty Relief Programme in 1997/98

A budget amounting to R5, 6 million was allocated for Poverty Eradication purposes. 186 programmes run through NGO's, CBO's and Departmental personnel were established, 8 programmes managed through National Councils affiliated to Welfare organizations and two flagship programmes were implemented. Table 5 shows number of beneficiaries of poverty eradication programmes.

Table 5: Poverty Eradication Programmes

Target Group	Number of beneficiaries
Women	492
Women with children	1 707
Rural men and women	1 745
Vulnerable Groups – disabled	310
Youth	475
TOTAL	4 729

7.3 Poverty Relief Programme in 1998/99

During 1998/99 the department the department was allocated the budget of R16, 3 million to implement 573 projects. The projects focused on agricultural products, arts and craft, clothing, education and training, food engineering, manufacturing, multiple projects and service provision. 8 075 beneficiaries participated in the programmes and were direct beneficiaries from outputs of the

programme. The table below reflects projects, categories, their numbers and impact.

Table 6: No. and types of projects

Project category	Total no of projects	Total no of beneficiaries
Agriculture	195	4772
Arts and Craft	11	1684
Clothing	172	1329
Education and training	5	256
Food Industry	67	34
Manufacturing	60	
Multiple objective	50	
Service provision	11	
Other	2	
TOTAL	573	8 075

7.4 Poverty Relief Programme in the financial year 1999/2000

In the financial year 1999/2000 programme was allocated R1, 8 million in which 30 projects plus a beekeeping programme funded at an amount of R2, 4 million by the Provincial Government were implemented. The beekeeping programmes has 12 sites, which are focusing on products that are realized through farming utilizing these as a resource. These 30 projects were focusing on similar outputs as those of 1998/99. From 1994-1999 the programme has been focusing on awareness campaigns.

7.5 Poverty Relief Programme in 2000/2001

Two national integrated plan sites in which the department of Social Development was focusing on Home Community Based Care in Stool and Mandolin were introduced which resulted in recruitment of 70 volunteers who themselves recruited 500 orphans and 387 in Tsolo and Umqanduli respectively.

- The focus area has been on recruitment of prospective foster parents, strengthening of home community based care and introduction of integrated food security and nutrition programme to HIV/AIDS and TB patients, drop in centres for orphans and street children. This exercise

resulted in change in focus of the PRP programmes. The fundamental change has been that of shift from small projects to cluster programmes. There were three areas of focus namely:

- Agriculture
- Arts and Craft
- Clothing manufacturing

The budget allocation for 2000/01 was R14, 8 million and the emphasis was on job creation. The list of the funded and prioritised programmes for financial year 2000/01 is captured table 7.

Table 7: Projects and number of beneficiaries

District Municipality	Number of projects	Total no of beneficiaries
O.R Tambo	7	1152
Alfred Nzo	2	339
Ukhahlamba	2	204
Amatole	4	616
Chris Hani	6	1208
Western	5	599
TOTAL	26	4118

7.6 Poverty Relief Programme in 2001/02-2003/04

The departmental funding improved from once off funding which was targeting a project per annum to a three-year project cycle to address sustainability issues and broaden the coverage of the programme. The objectives were developed that were targeting the vulnerable groups in various categories. The focus has been on food production, HIV/AIDS infected and affected, women cooperatives, dual-purpose programmes and youth development programmes. The budget allocation for these programmes is amounting to R31, 7 million over a period of three years. The budget allocation per annum may be captured as follows:

Table 8: Three year budget allocations for poverty eradication programmes

FINANCIAL YEAR	BUDGET ALLOCATION
2001/02	R6, 5 00 000
2002/03	R14 700 000
2003/04	R10 500 000
TOTAL	R31 700 000

Fig: Distribution of budget allocation for PEP programme 2001-2004

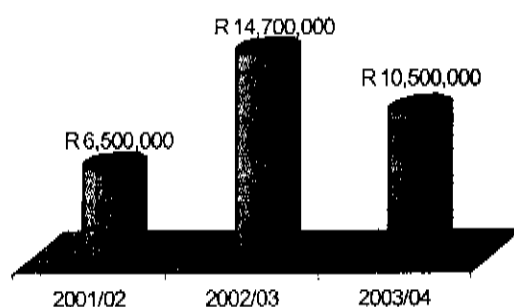


Table 9: Distribution of Poverty Eradication Programme per District Municipality

District Municipality	Project category/Number						Total no of beneficiaries
	F/P	HIV/AIDS	W/C	D/P	YOUTH	TOTAL	
Chris Hani	2	2	3	3	0	10	79
O.R Tambo	5	4	7	3	0	19	1319
Alfred Nzo	2	1	3	3	0	9	911
Ukhahlamba	2	0	0	2	0	4	328
Amatole	5	2	4	5	0	16	1463
Western	2	1	3	4	1	11	1131
TOTAL	18	10	20	20	1	69	4100

Table10: Summary of Poverty Eradication Programme Budget since 1997.

FINANCIAL YEAR	NUMBER OF PROJECTS	BUDGET	NUMBER OF BENEFICIARIES
1997/98	196	R5 600 000	4729
1998/99	573	R16 319 381	8075
1999/00	30	R1 793 596	400
2000/01	26	R14 864 808	4118
2001/02-2003/4	69	R31 700 000	4100
TOTAL	894	R70 277 785	21422

The department has managed to initiate 894 programmes in which 21 422 beneficiaries were recruited and participated in Socio-Economic Empowerment Programmes. In the past five years the department has invested R60 000 000 on Poverty Eradication Programmes. In 2002/03 the department received a budget to a tune of R32 million to address poor households through provision of emergency food relief.

8. Local Economic Development in the Wild Coast: Strategic Objectives

The key policy document in LED, namely the Local Economic Development Policy Paper – Second Draft (September 2000) indicates that LED is concerned with “redistribution challenges, addressing socio-economic objectives and establishing linkages and complementarity between large-scale and small-scale projects in a given area to link government’s developmental and economic objectives”. The integration of LED programmes with poverty alleviation initiatives is regarded as the main catalyst for economic regeneration in the Wild Coast. Community based tourism and labour based development programmes are identified as a key LED area of strategic intervention. The Wild Coast LED initiative is a packaging of resources, skills and capacities for an ongoing pursuance of the economic development of the district through an integrated packaging of high

impact and sustainable interventions that, if delivered effectively, will significantly address the district challenges of economic growth, job creation and poverty eradication. Local Economic Development programmes provide an opportunity to achieve co-ordination between LED, welfare and poverty relief programmes. The strategic guidelines for LED programmes are guided by the following strategies :

- To create, support and encourage the promotion of business opportunities, skills development and employment opportunities in the region.
- To formulate and implement a district economic growth and development strategy that develops the productive and other economic capabilities in key sectors and to create jobs through coordinated cross-sectoral programmes of strategic infrastructure provision, agriculture (e.g. crop production, animal husbandry), manufacturing (e.g. food processing), mariculture, agro-forestry and beneficiation development, etc.
- Eradicate poverty and improve the quality of life in the district through targeted poverty eradication measures and programmes.

This would have a beneficiary effect as a resource pooling strategy and would strengthen the integrated multi-sectoral development approach dealt with above.

9. Institutional and Infrastructure Development Programmes:

Infrastructural development programmes deal specifically with the provision of basic services and physical infrastructure. The major infrastructural developments are roads constructions initiated both by local government and by the provincial government. Many of new roads constructions are still in the planning phase but there also improvements all with the intention of linking with the SDI development programmes.

Road access to the Wild Coast will be greatly improved by the proposed N2 Wild Coast Toll Road, a private-public partnership between a consortium of developers and

the South African National Roads Agency. The 550km toll road will upgrade the N2 from East London to Durban, diverting the route to Port St Johns and Lusikisiki with new sections of road. Access to the Wild Coast will be greatly improved. Good road access to Pondoland will be possible for the first time, unlocking the potential of the Pondoland National Park for tourism. [link to transport]

Rural access roads however remain a major constraint to tourism development along the Wild Coast, especially in the area between East London and Port St Johns. Along this stretch of the coast resorts are between 30-60km from the tarred N2, with many access roads in poor condition. Some progress has been made in recent years with the tarring of the Butterworth to Kentani road, the current tarring of the Idutywa to Willowvale road, and the planned tarring of the N2 to Kei Mouth and Kei Mouth to Kentani roads. Much further work however needs to be done. At present it is only possible to drive between many of the resorts by returning to the N2, a round trip of 100-120km in many cases to drive between resorts that are often only 20 to 30km apart. A rural access road programme is needed to link all the resorts along the Wild Coast by tarred and good quality gravel roads that will give a reliable all weather surface, based on upgrading of existing roads. The construction of the N2 toll road should be integrated with this programme, which should also cover access roads from the N2 to the coast in Pondoland.

However infrastructural development programmes have had positive effects in terms of offering short-term employment opportunities. This is particularly the case with roads constructions initiated both by local governments and by provincial government. Roads construction programmes employ local labour force and limited houses income is generated. However the impact of these programmes in terms of absorbing redundant labour has been minimal because of increasing retrenchment in other sectors in the national economy.

10. The Wild Coast Tourism Development Programme:

The Wild Coast area presents a development challenge in many respects. The area has a combination of many opportunities, great potential for development, and attractive geographical area for private sector investment in

tourism industry and business development. It is also an economically depressed area with extremely low levels of buying power, very high levels of unemployment, poverty, and food insecurity. It is the combination of the contradictory conditions that makes Wild Coast a development challenge with numerous opportunities. The area also has spectacularly beautiful and is one of the most pristine eco-systems in the world. The Wild Coast's stunning and unspoilt natural beauty has the greatest potential for attracting new tourists to the province. The Wild Coast is a land of secluded beaches, rocky bays, cliff-top walks, rich indigenous forest, rolling hills and waterfalls. Its' very remoteness has preserved its beauty. The challenge is to develop the tourist potential of the Coast while safeguarding and protecting its natural assets. Much of the coast is protected by nature reserves with the Pondoland National Park planned for the coast beyond Port St Johns. Resorts in the coves and small bays give access to secluded beaches, lagoons and wild coastline. A series of nature reserves offer stunning indigenous forests and sub-tropical vegetation. The spatial development initiative has been adopted as an appropriate framework, which would embrace all the opportunities that exist in this area and also resuscitate the collapsing rural economy. The SDI emphasises the importance of partnership between public sector and private sector involvement in development initiatives. Community based tourism development initiative is the main focus for developing tourism in this region. A number of initiatives and small projects have already implemented in this area. This includes the following: Community tourism initiatives offer horse riding, hiking, crafts and the richness of Xhosa culture. Inland from the Wild Coast itself is a land of rolling hills, rivers and forests where Xhosa traditions and customs live on. Nelson Mandela's birthplace is at Qunu and Umtata hosts the Mandela Museum with a outstanding exhibition on the liberation struggle.

The Eastern Cape Tourism Board is promoting black owned tour operators and facilities. The Initiatives of the Eastern Cape Tourism Board that have been supported by national and provincial governments include:

- The Thunga route covering the culture, natural beauty and history of the Amatola region, the Wild Coast and the former Transkei.
- The Wild Coast Art and Crafts route, integrating arts and crafts producers and co-operatives into the marketing of the scenic beauty of the Wild Coast.
- Black owned operators offering tours of Xhosa culture, history, and townships and integrating these with the natural attractions of the province.
- Wild Coast tourism: Some upgrading of resorts has also started. New attractions and features have also been introduced along the coast, including the Wild coast Meander and the Pondoland Hiking Trail. The expansion of the Pondoland National Park will safeguard the natural beauty and marine resources of one of the most significant ecosystems in the country, the Pondoland Coast.
- Upgrading of the tourism attractions throughout the province, especially along the Wild Coast, to unlock the diverse tourism attractions of the province and integrate it into tourism to Cape Town and the Garden Route and to the Kwazulu Natal Coast.

Tourism along the Wild Coast has been limited by poor road access, limited development of resorts and concerns about security in the former Transkei. All these issues remain, but tourism is beginning to expand along the Coast as more tourists discover its natural attractions. It is vital that tourist development is carefully planned to target new markets, access benefits for communities, and protect the environment.

The Wild Coast Spatial Development Initiative (SDI) has the responsibility for co-ordinating overall development along the coast, including the promotion of tourism investment. They have partnered with the European Union to provide funding to a series of development nodes along the Wild Coast, including:

- Wavecrest/Qolora
- Dwesa/Cwebe

- Coffee Bay
- Port St Johns
- Mkambati

In each node, the SDI is facilitating Community Public Private Partnerships (CPPP) to bring in tourism investors to work with communities. CPPPs generally establish a community trust as a vehicle to both organise communities and to distribute benefits from community tourism projects. The following development nodes in the wild coast have been received special attention.

Coffee Bay: Hotel development based on the old Lagoon View hotel site, self-catering log cabins, camping facilities, hiking trails and huts, cultural and craft centre. Coffee Bay has full-tarred road access.

Dwesa/Cwebe Nature Reserve: This exceptionally lush 6 500 ha nature reserve offers, indigenous forest, waterfalls, rare birds and rhino. Opportunities have been identified for upgrading the existing hotel, establishing an upmarket game-viewing lodge, and establishing a campsite, back-packers hostel and nature trails.

Hluleka Nature Reserve: This exceptionally diverse coastal nature reserve is between Coffee Bay and Port St Johns. It has opportunities for the redevelopment of existing chalets, linking tourism to the reserve, including hiking trails, fishing and links to the Wild Coast Trail.

Magwa and Mboyti: The opportunity is for redevelopment of accommodation at the Magwa Tea Estate and the Mbotyi Hotel, where easy road access will soon be available through the upgraded N2 toll road. Both venues will provide excellent access to some of the most stunning scenery in South Africa in the planned Pondoland National Park.

Mkambati Nature Reserves: The existing reserve will form the core of the new Pondoland National Park. It offers rolling grasslands with game, indigenous forest, high cliffs and sandy bays, and one of the few waterfalls that fall directly into the sea. The opportunity is for upgrading of existing

accommodation and for new lodges and chalets catering for upmarket, middle income and affordable accommodation.

10.1 Industrial Development Corporation - Port St Johns

The Port St Johns Municipality and the Industrial Development Corporation has exciting plans to boost tourism by developing the towns' waterfront. These plans include:

- Establishing Port St Johns Marina and small fishing harbour, concentrating on recreational vessels, with accommodation and small business included in the development.
- Launching a small ferry service from Port St Johns to service the resorts along the Wild Coast, improving access for the tourist
- Refurbishing the Cape Hermes Hotel, currently a shell but in a prime location.
- Upgrading the Port St Johns landing strip to improve air access for the tourist
- Establishing a development corporation with the municipality to implement these developments and to promote small business development, much of it centred on tourism growth.

11. Achievements of Wild Coast Development Initiative.

Black owner tour operators and facilities are starting to establish their presence in the market, but at small-scale level. More active promotion of black owned tourism is needed. This should include ownership of facilities through empowerment consortium in the upgrade of existing facilities and the development of new facilities. Access to low interest loans and development funds is needed for new black owned tourism ventures. Community Public Private Partnerships (CPPPs) can unlock the benefits of tourism to rural communities through employment in tourism ventures, and dividends to communities channelled through the CPPP trust.

Tourism training and development has had an impact through the following programmes

- Training and registration of local tourism guides to develop rural tourism, under a code of conduct.
- The EU R80m community tourism development has had great impact through training and awareness campaign, high expectations have been created.
- Full use of the Business Trust Learnership Project which has begun the training of 15 000 learnerships in the period 2000-04, based round a series of training modules in tourism and funded through the Skills Levy.
- Provision and development of infrastructure, water, sanitation, electrification along the coastal nodes.
- Dwesa-Cwebe land claims were settled successfully and this led to development of new initiatives where communities participated and began to benefit directly from community driven tourism development.
- Use of the Business Trust Tourism Enterprise Programme which links SMMEs with larger business partners through contracting out of work and assistance with marketing and product development.
- Increasing the capacity of local government , district and local Business Service Centres to provide support to tourism SMMEs through Eastern Cape Tourism Development and wild coast tourism associations.

12. Service Delivery Programmes

- Electricity

The municipality's supply of electricity comes from Eskom and in Mqanduli there are serious deficiencies. Upgrading programmes of the system in Umtata (urban) have been undertaken, however, there is a general view that this system is being overloaded without expansion of the system. The voltage fluctuations are

thus below the statutory declared limits. Electrification of the rural areas has been undertaken without a masterplan with random connection of consumers to the system. Consumer education and awareness has not been pursued in these areas.

Although the electricity distribution system has been limited to urban areas in the past, Eskom is currently undertaking a major project to supply electrical services to the entire region .

Within the Umtata municipal area electrical services are supplied by the Umtata Municipality. Improved electricity supply throughout the region will undoubtedly have positive spin-offs for economic development. The following problems are constraining the expansion and development of the electricity network

- The high capital cost and therefore affordability of connecting households
- Theft of copper cables and vandalism of installations

Alignment of Eskom's planning with the Wild Coast SDI programme, and with the implementation of IDP for both the expansion and the positioning of new systems will require close co-ordination between both parties.

12.2 WATER AND SANITATION

Delivery of water services is still a major problem in the Wild Coast Area. More than 85% of rural of households still collect water from natural springs, rivers and dams. In many instances households competes with animals pigs, cattle, and small stock for drinking and cooking water. A Water Services Development Plan is being prepared for the District as a component of the IDP. Local Municipalities in the Wild Coast are not only lacking in capacity to develop an implementable plan for water delivery services but also they lack resources and do not have an implementation strategy.

An analysis of the statistics on water supply provided by the Department of Water Affairs and Forestry indicates that some 78,3% of the district population (1 352 668 people) do not have access to a formal RDP standard water supply.

The following table depicts the distribution of need in the various municipal areas.

Table 11: Water Needs

Municipality	Population	Receiving RDP Water	%	Under Construction	%	No Supply	Population Not Served
KSD	429413	48577	19	22000	11	70	300591
Nyandeni	294379	21625	8.9	26500	9	82	241390
Mhlontlo	212850	38147	18	-	-	82	174537
Port St Johns	152166	28000	18	12000	8	74	112604
Qaukeni	268560	26408	10	6000	2	88	236332
Tabankulu	128022	26000	20	-	-	80	102418
Mbizana	255274	46000	18	26000	10	72	183796
Total	1740664	234757		92500		548	1351668

The area which has the highest backlog is the KSD Municipality with 300 591 people followed by Nyandeni and then Qaukeni. Water projects are identified on Plan 6 and water schemes on Plan 7.

12.3 Sanitation

Out of the 10 urban areas within the seven municipalities only 4 are either fully or partially served by waterborne sanitation systems. The rural areas generally depend on informal pit latrine toilets. According to the Water Services Development Plan Study at least 91.4% of the population have no formal sanitation services. This constitutes approximately 303 960 households in the district. The status of sanitation delivery in Wild Coast is presented in table....

Table 12: O.R. Tambo Sanitation Need

Municipality	Population	Households Needing RDP Sanitation	%age
King Sabata Dalindyebo	429 413	72 000	86
Nyandeni	294 379	49 250	87
Mhlontlo	212 850	38 475	94
Port St Johns	152 166	26 330	90
Quakeni	268 560	50 100	97
Tabankulu	128 022	23 630	96
Mbizana	255 274	44 180	90
Total	1740 664	303 965	

Source:

Source: Department of Water Affairs and Forestry and DWAF WSDP)

In KSD the ponds located in the Umtata Prison Complex are inadequate and the sewerage is discharging directly into the Mtata River. This constitutes a major health and environmental problem in the Mtata Catchment. Other towns in the District are also having problems with inadequate sewerage treatment services.

Table 13: Sewerage Treatment Services

Municipality	Sanitation System	Current Status
KSD	Activated sludge	Operational but overloaded
Ngqeleni	Ponds	Operational Budget
Lusikisiki (partial)	Digester wetland system	Disrepair
Tsolo (partial)	Ponds	Disrepair Discharges into Tsolo River

In other municipalities the sanitation is based on either the bucket system or pit-latrines. A large number of septic and conservancy tank systems exist but these are privately owned. Poor sanitation in the rural settlements and the overloaded treatment water in Umtata are causing major pollution of the water resources in the area. Over 1 000 cholera cases have been reported and concern is growing about environmental and health hazards being caused by poor sanitation. There is concern about the sustainability of the present sewerage system, which is in critical need of refurbishment and upgrading. The Umtata Wastewater Treatment Works does not function properly because it is overloaded, and it will be more so when the new hospital and current low-

income houses are connected. The equipment used is in a poor condition and needs to be fixed. Lack of funds has led to problems of the wastewater treatment of sewage not being properly maintained. A total of 72 000 households in the rural settlements need formal sanitation to RDP standard.

13. URBANISATION, SETTLEMENT AND HOUSING

The settlement pattern is characterized by homesteads dispersed along ridge crests on the uplands and sometimes in the valleys on flat land. Areas along the coastline are sparsely populated. People tend to prefer to locate their homes inland. Migration has contributed to the urban growth of Umtata and the main service centres of Bizana, Lusikisiki and Port St. Johns.

In the Wild Coast the following pattern is found:-

- The regional centre of Umtata
- The smaller towns and/or functionally lower order centres of Mqanduli, Ngqeleni, Libode, Tsolo, Qumbu, Port St John's, Lusikisiki, Flagstaff, Ntabankulu, and Bizana
- Settlements and villages accommodating the majority of the population.

Urban settlements are scattered along the main access routes. The district has a low functionally urbanized population (6.7%) with approximately 93.3% of the Wild Coast is residing in rural areas. The average size of a household in Wild Coast is 5.3.

According to the Multi-Year Housing Development Plan Data Templates (Draft), prepared by Urban Dynamics for the Department of Housing and Local Government, there are estimated to be some 81 323 households residing in formal dwellings 213 397 in traditional dwellings and 6 311 in informal (inadequate) dwellings.

Table 14: Housing Data in Wild Coast

Item	Mbizana	Ntabankulu	Qaukeni	Port St John's	Nyandeni	Qumbu	King Sabata Dalindyebo
Households in formal dwellings	11 719	2 625	11 672	4 871	8 432	11 371	30 633
Informal dwellings	233	82	282	170	309	1 290	3 945
Traditional dwellings	29 369	17 941	32 894	21 387	41 251	26 088	44 467

Source: MULTI-YEAR DATA TEMPLATES

The total housing need expressed in a survey conducted by the Department in November 2001 was 146 634 units. The breakdown of this housing need is depicted below.

Table 15: Housing needs in the Wild Coast

Municipality	Total	Urban	Rural
Qaukeni	33502	608	32894
King Sabata Dalindyebo	50015	5548	44467
Mbizana	30161	792	29369
Mhlontlo (Qumbu)	27773	1685	26088
Ntabankulu	18201	260	17941
Nyandeni	42181	930	41251
Port St Johns	21861	474	21387
TOTAL	223694	10297	213397

It can thus be seen that the Wild Coast is predominantly rural with a large proportion of people residing in tribal villages and traditional homes. With this dispersed rural pattern it is difficult to render effective services to the district.

In addition, the data templates provide information on the current housing projects in the area. These represent a total budget value of R188 981 625, which is a total of 9036 subsidies. These projects currently have a balance of funding still to be utilised amounting to R107 190 268.

Table 16: Subsidy Schemes

Municipality	Project	Subsidy	Value	Used	Balance
King Sabata Dalindyebo	Mqanduli	500	8,437,500	8,437,500	0
King Sabata Dalindyebo	Umtata - Ilitha (Php)	463	7,986,750	309,342	7,677,408
King Sabata Dalindyebo	Umtata - Maydene (Ph)	969	15,909,850	8,338,317	7,571,533
King Sabata Dalindyebo	Umtata- Waterfall	450	7,593,750	5,320,500	2,273,250
King Sabata Dalindyebo	Umtata- Waterfall (Cons) Php	500	4,250,000		4,250,000
King Sabata Dalindyebo	Umtata - West (Php)	899	14,384,000		14,384,000
King Sabata Dalindyebo	Umtata - Zimbane Valley	1 482	24,897,600	3,985,269	20,912,331
King Sabata Dalindyebo	Umtata - Zimbane - Kuyasa	477	5,211,225	4,543,129	668,096
Mhlontlo	Qumbu	504	8,694,000	3,474,199	5,219,801
Mhlontlo	Tsolo	424	6,360,000	5,624,748	735,252
Nyandeni	Lebode	814	14,041,500	14,041,500	0
Nyandeni	Ngqeleni	420	6,245,000	3,424,200	2,820,800
Port St John's	Port St John's	425	7,331,250	4,310,874	3,020,376
Qaukeni	Flagstaff (Php)	503	9,255,200	2,508,359	6,746,841
Qaukeni	Ibisi	700	12,535,000		12,535,000
Qaukeni	Luikisiki	1 117	18,430,500	17,162,150	1,268,350
Mbizana	Bizana	188	2,698,500		2,698,500
Mbizana	Bizana - Phase 2	800	14,720,000	311,270	14,408,730
		9036	188,981,625	81,791,357	107,190,268

Source: MULTI-YEAR DATA TEMPLATES

According to Provincial Housing Development Plan some of the key priority issues that came out with regards to housing were:

- Lack of institutional capacity at Municipal and Provincial level;
- Access to land;
- Meeting the housing need;
- Limitations and inflexibility of subsidy packages; and
- Contractors have lack of skills in management and finance.

14. EDUCATION

According to the Education Management Information System (EMIS), there are a total of 1892 primary and secondary institutions in the ORTDMA. There is one University in the ORTDMA, which is the University of Transkei (UNITRA), which is situated in Umtata. Proposals are underway for the transformation of this institution to a Technikon or to merge with other institutions in the province.

The education levels according to the 2001 statistics in the seven municipalities are indicated in table 17.

Table 17: Education Levels according to the 2001 Statistics

Local municipality name	None	Primary	Secondary	Tertiary	Unspecified disability	Pop below 5 yrs	Total population
Mbizana	78779	75898	41011	1809	4899	36833	239229
Ntabankulu	37846	41541	17426	754	2130	18974	118694
Qaukeni	89031	73000	40938	2325	3578	40687	249588
Port St Johns	55276	40563	17860	877	2834	23952	141381
Nyandeni	93688	79050	50755	1859	4088	44562	274021
Mhlontlo	51605	69545	41954	2307	3161	29127	197714
King Sabata Dalindyebo	118728	107530	98847	9667	9918	56311	401021

Source: STATSSA (1996), DIB (2001)

15. Health Facilities in the Wild Coast Areas

Table 18: Health Care Facilities

WARD	FACILITY
Ward 1	Ntafufu Clinic
Ward 2	Mtambalala Clinic
Ward 9	EC Bomvini Clinic
Ward 4	Caguba Clinic
Ward 4	Tombo Clinic
Ward 5	Isilimelo Gateway Clinic
Ward 5	Isilimela Hospital
Ward 5	Qaudu Clinic
Ward 6	Ludalasi Clinic
Ward 7	Kohlo Clinic
Ward 8	Non
Ward 3	PSJ Community Health Centre
Ward 10	Bambisana Hospital
Ward 10	Bambisana PHC Clinic
Ward 11	Bomvini Clinic
Ward 12	Ngcoya Clinic
Ward 12	Lutshaya Clinic
Ward 13	Mavana Clinic
Ward 13	Mayola CLinic

With regards to the spread and availability of clinics and health facilities, it is noted that the dispersed rural settlement pattern makes it extremely difficult to

render an effective service. Access constraints play a major role here, with the state of rural access roads generally being of concern. The residents of the rural settlements do not have transport to the clinics and hospitals.

Many of the clinics have no doctors, few medicines and inadequate equipment. The majority of the clinics in the rural areas have no telephone communication, no electricity and poor water supply. The clinics are operating from old existing buildings in a dilapidated condition and the hospital buildings need urgent maintenance. At present the health system in the Province is under great pressure due to budgetary constraints and inefficiencies.

The mobile clinics operate from the district hospitals, usually on a weekly or bi-weekly basis. According to the Health District there are no reliable mobile vehicles available for this service, and with the terrible state of the roads it is difficult to move from point A to point B. The vehicles aren't serviced on a regular basis and once the vehicle has broken down it can take up to four months before repairs has been done. Vehicles written off subsequent to accidents in 1991 were never replaced. No ambulance service exists in Mbizana.

The people of Mbizana regard the following as important with regards to health services:

- The provision of more clinics
- The renovation of existing clinics
- The provision of proper equipment to clinics
- The provision of an ambulance service

16. Telecommunications

Telkom operates an established telecommunications network throughout the region. Telecommunications although historically limited to urban areas are now being promoted in remote areas by means of the Digital Enhanced Cordless Telephone System (DECT). In addition Vodacom and MTN have installed transmitters that provide coverage to 70% of the study area.

The following problems are constraining the expansion and development of the conventional landline system:

- The high capital cost and therefore affordability of connecting households
- Theft of and vandalism to the existing infrastructure especially theft of copper cabling and solar panel installations and vandalism of public phones.

Telkom has planning in place for the expansion of their public telephone network within the O R Tambo DM. Their demand forecast is detailed below:

Table 19: Public Telephone Demand for the Next Five Years

TOWN	EXISTING	Mar-02	Mar-03	Mar-04	Mar-05	Mar-06
Libode	151	159	169	179	189	199
Mqanduli	125	136	141	148	155	162
Ngqeleni	89	104	106	108	110	112
Port St Johns	80	86	92	98	104	110
Qumbu	109	115	121	127	133	139
Tsolo	74	80	86	92	98	104
Umtata	442	458	483	518	553	588

SUMMARY AND CONCLUDING REMARKS:

- Corruption and lack of transparency. There have been some allegations of corruption in some local municipalities in the Wild Coast area . Interestingly, this problem has been expressed and confirmed by both ordinary citizens and some officials in various municipalities. Corruption in researched municipalities is of various forms and involves misuse of funds primarily for personal gains, nepotism in the recruitment of staff members and “unclear” tendering procedures.
- Political differences. Although the researched municipalities are under the ANC rule/control there are some different political views within the party. Differences in political views are the main source of conflict and subsequently this negatively affect local development. As a result,

some local municipalities see themselves as "Cinderella" municipalities as the district municipalities always unfairly treat them. Through the eyes of some municipal officials, unfair treatment, inter alia, is evident in grant allocation to various local municipalities. This overall state of affair leads to an unequal treatment of local municipalities by the district council.

- Lack of coordination and cooperation. One of the main problems is lack of coordination amongst provincial department, local municipalities, national department and donor or international organisations. As a result, there are some overlaps and duplication of programmes and projects rendered. One major cause of these problem expressed is that other stakeholders, mainly provincial department, hardly participate in the IDP meetings in spite of the invitation. In addition, projects that emanate from the national offices do not involve local municipalities. A typical example is a notorious EU project funded to the tune of R80 million and is run from the National Department of Tourism and Environmental Affairs (DEAT).
- Lack of capacity, skills and understaffing. Lack of capacity seems to be a general problem facing the Wild Coast. It was reported that highly skilled people in particular prefer to work in bigger towns or cities such as East London, Cape Town etc. As a result, some of the most critical units of the municipalities such as Local Economic Development suffer. For example, some local municipalities don't have LED officials and where available they are understaffed even though they play a major role.
- Lack of continuity. There is a serious problem of service discontinuity especially as a result of a change in governing structures. For example, the Wild Coast was notoriously known as a "no go" area, as a result, after 1994 a tourists safety projects was launched by DEAT and it proved to be a success. Surprisingly this project was terminated after the 1999 general elections as the ministry put more emphasis on tourism project and safety as a peripheral issue.

- Power struggle. The introduction of local municipality governments after 1994 lead to misunderstanding of the role of the chiefs, headman and that of local councillors. Encouraging to note is that with time chiefs in particular are beginning to understand the complementary role that these democratic structures play.
- Lack of active community participation and commitment. Understandably and out of desperation, community members expect immediate and tangible benefits from the projects that they participate in. Failure to realise those benefits in the short term, projects tend to collapse because of attrition and dropping out of project members.
Infrastructural underdevelopment. Some areas of the Wild Coast areas have underdeveloped infrastructure such as roads. This impact negatively to other developmental projects as well. For instance, some areas are not accessible or have impassible roads especially during rainy season and as a result service providers end up sending unqualified officials to those areas.