Summary Report
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South Africa

Wild Coast spatial development initiative (SDI) baseline

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THE WILD COAST SDI

COMMUNITY NEEDS AND VIEWS OF DEVELOPMENT

1997 BASELINE
SUMMARY OF KEY FINDINGS

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SUMMARY: the community voice in the Wild Coast SDI

It is moving the mentality from one of hand-outs to one of self help
*Male focus group, Tombo*

The promotion of informal, small and micro-enterprises (SME) underpins the South African Department of Trade and Industry's (DTI) Wild Coast Spatial Development Initiative (SDI). This initiative envisages a 'kick start' for equitable economic growth by spatial concentration of public and private investment. The investment will focus on local economic development (LED) 'anchor projects'. Impact objectives of the DTI initiative include increasing the stock of locally-owned SMEs, employment, higher investment returns to local communities, environmental sustainability and the development of planning processes and skills to build the competitive position of local enterprises.

At least two bottlenecks prevent the Wild Coast from reaching these objectives: first, the authorities do not have the information base or management tools for planning in the SDI; secondly, the institutional interface with communities is poorly developed, and planning authorities have little experience in community-based paradigms.

Equitable local economic development in the politically divided Wild Coast is possible only if the agendas and decisions are driven by stakeholders. But, in order for this to happen, stakeholders need a local fact-finding and communication process to enable them to map out their own local needs as a basis for public and private investments.

The present project covers several cycles of research, analysis and communication in 20 sentinel communities. Each cycle includes clarification of the problem, analysis of existing data, design and field testing of instruments (including household questionnaires, key informant interviews, reviews of SMEs), fieldwork, data entry and cleaning, preliminary analysis, return to the stakeholders to discuss the results, final analysis, development of a communication strategy and downloading of results for use by stakeholders beyond the sentinel communities.

The substantial sample (2500 households) permits fairly narrow confidence intervals around the estimates of coverage and impact, allowing comparisons between anchor and non-anchor areas, and over time. Following the terms of reference set by the stakeholder design meeting (Port St Johns, October 1997), the results are:

**Water:** 77% had unprotected primary sources of water; each household in the sample spent an average of 18 hours per month fetching water; one-half of the households considered their water “dirty”; 13 of the 20 local authorities said water was their biggest problem.

**Health:** 38% of households used government health services in the month prior to the survey; one in five had to pay for the service, mostly R6 per visit; 12% paid an average of R20.50 to immunize a child; 14% said they were dissatisfied or very dissatisfied with health services.

**Education:** 34% of household heads had no education; school attendance of children is very high – 95% of 11-13 year-olds attend school; there is a small gender gap favoring girls; the average walking distance from a school is 23 minutes.

**Transport:** 66% of households had used public transport in the past month; the average household expenditure was R47 per month; 27% of households said they were dissatisfied or very dissatisfied with public transport.

**Telephony:** 75% had no expenditure on telephones in the past month and 54% of households had never made a telephone call; the average distance from a telephone was 18km.
**Government administration:** 28% had contact with the government structures in the month prior to the survey; 24% had to pay for the service; more than one in four was dissatisfied or very dissatisfied with the service.

**Food security and production:** two out of every three households produced food, but only one in ten of these sold any; only one household in every 50 bought meat or vegetables in the last month; 15% said food is their household’s main problem.

**Income and credit:** With an overall average income of R1000/month per household of 5.8 people, one household in ten had zero income; in the anchor areas, 15% had credit, compared with 18% outside the anchor areas; the average household had a debt of R437 in the anchor areas and R744 outside.

**Employment and wages:**
- 43% of households have no adult male
- 23% of adults are employed: 11% of uneducated adults; 20% of those educated <Standard 6; 31% of those with Standard 6 and above
- Wage differentials:
  - R507 for uneducated; R560 for those educated <Std 6; R1309 for those with Std 6 and above

**Organizational capacity and attitudes:**
- 23% of households had heard of the SDI;
- 61% in the anchor areas had heard of it;
- There is little awareness of SMEs

**Access to local decision-making processes**
- 85% of those who had heard of the SDI felt they had a say in it;
- 75% go to community meetings, these are the center-points for information sharing

**Bottlenecks to LED and investment:**
- lack of information about the SDI
- slow or no startup of activities has led to low regard for SDI
- lack of tradition and information on SMEs
- poor access to public services, and wastage in these services

The story that spread around was that the illiterate communities of Kentane area had buried the tarred road and would no longer be considered for any development in the future. That is why we have been ignored.

Qoboqobo female focus group

**ACTION POINTS**

1. A wide-reaching communication strategy on the SDI is urgently required. In areas where the SDI facilitators did reach the communities, they were well regarded and seem to have had an impact – a high proportion of those they reached (85%) felt they had a say in the SDI. However, access to information about the SDI is dangerously low. More than one-half of the groups said the best way to change this was in community meetings (*imbizo*) or through the headman/traditional authority (18 groups). A clue to another possible component of the communication strategy comes from the male focus group in Mpume: what is needed, they said, is “something that will prove the work of SDI, like constructing roads.”

2. Water is evidently the number one regional priority. Water provision will reduce household expenditures and labour time (two working days per household per month); it will also reduce water-related illnesses and their associated costs.

3. Generate an increasingly informed dialogue on SMEs in an attempt to transform the currently paralyzing mind-set; few people have a clear concept of what SMEs are, what is possible, or what is likely to succeed. There is little concept of SMEs being locally motivated, locally run *production* units; at best, they are seen as intermediary processes for “coordinating projects”. This change in mind-set needs to be linked to practical training in how to manage an SME.

4. Clean up of the public services would slow or stop wastage of household resources with unofficial payments. It is possible to make resources available for SMEs and other LED activity.