

# ENDUMENI MUNICIPALITY



**ENDUMENI**

**ECONOMIC SUMMIT:  
REGENERATION OF ECONOMIC  
GROWTH IN ENDUMENI**

## 1. BACKGROUND

The Endumeni Municipal Council at its meeting held on the 24<sup>th</sup> of April 2006 resolved that an invitation be extended to his Excellency the President of the Republic of South Africa, Mr Thabo M Mbeki, relevant Cabinet Ministers, the Premier and MEC's of the Province of KwaZulu Natal, to attend an Economic Summit at Dundee with the view of acquiring their influence and interventions towards the regeneration of economic growth in the Endumeni Area and its surrounds. This was to be done in consultation with Mr Sanjay Singh, who, being employed in the office of the President, offered his assistance to steer this project forward and to make it become a reality.

In order to identify the needs of Endumeni and also to establish its current status, it was decided that the various Stakeholders from the business sector, industries, government departments and other organised interest groups be invited to a Stakeholders meeting scheduled to be held on 21 July 2006, the main purpose being to interact with the various stakeholders with the view of formulating a strategy specifically aimed at the regeneration of the economy of the Endumeni area and its surrounds. The meeting took place as scheduled, and a S.W.O.T. analysis was done by brainstorming the strengths, weaknesses, opportunities and threats facing Endumeni.

A technical task team, comprising of ±12 members present at the stakeholders meeting, was delegated the responsibility of interpreting, categorising and prioritising the S.W.O.T. analysis.

## 2. S.W.O.T. ANALYSIS

### A. Strengths:

#### 1. Infrastructure

- Industrial infrastructure exists
- There is easy access to the infrastructure
- The internal transport system is OK
- We have an existing aerodrome
- Spornet facilities at Glencoe
- Good water supply network
- Strong taxi network
- Good banking facilities

2. Business

- Good tourism potential
- Rural Horse Riding Festival (Sport)
- Well established beef and dairy farming (agricultural)
- Mining potential and power stations still exists
- Marketing Zulu Culture – Tourism
- Spare capacity – no one overworked
- Well established museum

3. Advertising & Attitude

- Mr S Singh as a contact for Endumeni in the office of the President
- Local News coverage

4. Situation

- Endumeni geographically central
- Close proximity to the ports
- Low incidence of major crime
- Abundant labour pool available
- Peace and harmony in the are

5. Government

- Government administrative Hub
- Have office of GIJIMA KZN

B. WEAKNESSES1. Infrastructure

- Poor road infrastructure
- Poor signage infrastructure
- Aerodrome requires upgrading
- Lack of Public / Tourist Conveniences
- Street Lighting
- Residential Accommodation in Short Supply

2. Political

- Politics – IFP / ANC divide
- Uncertainty – Farm Expropriations, etc. Indiscriminate Gazetting of Land Claims
- Lack of Order / Discipline
- National Legislation Restructuring eg. Clothing Industry

3. Organization

- Funding (BEE) not easily accessible
- Difficult to access funding
- No Industrial Strategy
- Non co-operation of spheres of Government
- No central "voice" for Endumeni – pulling in all directions
- Regulation of new Bylaws

4. Business

- Dilapidated buildings
- Undeveloped SMME sector
- Moving DMA office to Durban
- Limited Tourist attraction

5. Advertising & Attitude

- Promotion of advertising
- Too insular

6. Training

- Lack of skills and training

7. Situation

- Limited raw materials
- Outside economic corridors

C. OPPORTUNITIES1. Infrastructure

- Re-furbish railway equipment
- Good banking facilities

2. Organization

- Funding available from sector departments
- B BEE

### 3. Business

- Better marketing of Spoornet, taxi services and arts
- Develop agriculture, agri business
- Endumeni to be developed as a sport centre, eg for schools
- Education Hub – Endumeni is centrally situated in this region
- Endumeni to become a distribution centre, being situated centrally between Johannesburg, Durban, Richardsbay route
- Retirement village
- Use its diversity for Tourist attractions
- Capitalise on 2010 Soccer World Cup
- Service industry growth potential
- Develop internal container depot eg at Glencoe Spoornet
- Export beef / meat
- By Endumeni's linkage with other towns in the region, there are opportunities to improve potential markets
- Develop rural link between town and rural areas
- Pecan nut farm (agriculture)
- Bio diesel plant – soya bean farming (agriculture)
- Business processing plants eg Sweet factory
- Improve and create a historical image at the Wilson Street area
- Create a "shopertainment" centre, eg. Pavillion or Liberty Mall

### 4. Attitude

- To adopt a global view approach by looking further than this area only
- Peaceful area with good inter-community relations

## D. THREATS

### 1. Infrastructure

- Maintenance of current infrastructure is too costly

## 2. Organization

- Development will go to other towns if Endumeni is not pro-active
- There are too many talk shops and less action
- De-regulation of Bylaws
- The country tends to legislate against itself eg. Imports from China
- Lack of attraction for Spoornet to develop in this area. Spoornet is only servicing the mining sector

## 3. Business

- There are new business that are fast opening in neighbouring rural towns such as Nqutu and Msinga
- Shopertainment centres could be developed in neighbouring towns and Endumeni loses out.

## 3. **PLANNING STRATEGY AND PRIORITISATION OF IDENTIFIED PROJECTS**

**AIM:** The aim of this planning strategy is to make Endumeni a regionally competitive area by means of creating a realistic, positive vibrant and economically successful and sustainable area, with strong links with the Umzinyathi District, other surrounding districts and their respective local municipalities.

As a result of the S.W.O.T. analysis, the following projects were identified to be the most important focal points from which Endumeni could place emphasis on, in order to stimulate its economic growth.

### 3.1 **TOURISM**

Being in the heart of the Battlefields route, Endumeni has great tourism potential. A Zulu cultural village could be presented as a tourist attraction. The Talana museum with its arts and crafts centre and national heritage status could enhance tourism in this area. The idea of creating a 'SHOPERTAINMENT' centre similar to that of the Pavilion in Durban or the Liberty mall in Pietermaritzburg, could be explored whilst none currently exist in the Northern Natal region. Failure to capitalise on this now would mean that one of the neighbouring towns such as Ladysmith or Newcastle benefiting there from. As a tourist attraction GAME TOURS could be arranged by promoting game and bird watching, hunting expeditions and even the BIG 5 animals being introduced in the area.

### 3.2 MINING

In the past Endumeni and its surrounding areas depended largely on coal mining for its existence. However during the last 30 years coal mining steadily declined and as a result most of the mines have since closed down.

The two remaining collieries still in existence are Slater Coal currently mining at Avemore and Magdalena farms in the Dundee district and Springlake Colliery at Hattingspruit in the Dannhauser district.

It is estimated that these two mining companies have a future life span of 12 – 15 years and are producing at an average of approximately 75 000 tons to 90 000 tons of coal per month. The railway lines at the Talana and Hattingspruit railway siding are linked to Richardsbay harbour, which forms the global link for the distribution of the coal mined from these areas to the various foreign countries that still utilise coal as a source of fuel for their burners. Much of the anthracite that comes from these mines are also used locally and nationally, especially in the metallurgical industries such as Iscor.

It is therefore vitally important for the economy of Endumeni to exploit the remaining coal reserves to its fullest as this could sustain our economy for at least the next 20 years or even longer, if one wants to remain optimistic.

### 3.3 AGRI BUSINESS

Being predominantly surrounded by farming land, Endumeni has great agricultural potential and boasts to have one of the largest cattle feedlots in the country i.e. CRAFCOR.

This beef producing feedlot company also has vested interest in the largest abattoir in the province at Cato Ridge and animals are ferried to and from Cato Ridge on a daily basis by road transport.

The Orange Grove Dairy has rapidly expanded its supply of dairy products and fruit juices throughout the province of KwaZulu Natal and is the main receiving depot of much of the milk produced by the smaller dairy farmers in the surrounds of Dundee. Equally important is the fact that the Orange Grove Dairy produces much of the high quality jersey milk in the country and this is only possible because of the stud jersey herd farmed at the Glynton jersey farm in Dundee.

On the aspect of livestock farming there is also good potential to farm pigs, chicken and goats and wild game in this area.

Maize, vegetable and soya produce further compliments the agricultural potential which needs to be exploited to the fullest. Future proposals for supplying a bio diesel plant with much needed soya bean is something that the farming community needs to capitalise on, should this become a reality in the area.

Agri business therefore is one of Endumeni's strong points when considering an economic regeneration of the area.

#### 3.4 **MANUFACTURING**

Currently the main manufacturing plants at Endumeni are the Sweet Factory in Dundee and Corobrik brickworks just outside Glencoe. The engineering firms such as DABMAR and SHUMAR in neighbouring Hattingspruit, Churchyard at Glencoe and DAL'S engineering at Dundee forms the greater industrial sector in and around Endumeni, and there is evidently ample industrial sites standing vacant and awaiting usage. Being away from the mainline road network to the big cities, ports and harbours, has been Endumeni's negative factor in attracting major industry to the area and much effort is needed to turn this negativity around and make the industrial market at Endumeni become more viable and attractive to investors.

#### 3.5 **EDUCATION**

Much emphasis is being placed on stimulating Endumeni to become the educational Hub of this region, and this is evident in the endeavours and joint proposals made to the Endumeni Municipal Council by the Umzinyathi Community Education Centre and the Majuba FET (Further Education and Training) College.

Over the past years this area was deprived of technical and academic college facilities and school leavers often have to travel to larger cities for acquiring further skills and tertiary education. Endumeni with its central position to the surrounding towns, is ideal for establishing an advanced educational centre that will provide responsive and relevant education, training and development programmes to cater for all communities in this area.

The tripartite partnership of the Endumeni Municipality, the Umzinyathi Community Education Centre and the Majuba FET College provides a very promising platform for reviving the economy and improving the knowledge and skills of the Endumeni Community.

### 3.6 **SPORT**

The recent interest shown by the Premier and the MEC for Sport and Recreation regarding the establishment of an annual Rural Horse Riding Festival for the past two years has gained accolades for the last two events staged at Dundee, thus indicating that sport is one of the main tools that Endumeni could exploit and take advantage of in order to stimulate its economic growth. With the promise of the advanced educational centre comes with the link that should be coupled to sports upliftment in the area and as the rural horse riding festival has shown its potential so should other sporting fraternities such as athletics, rugby, soccer, cycling, motorbike and motorcar racing, swimming, golf, hockey, gymnastics and aerobics. What needs to be seriously considered in this regard is to create a multi-purpose sporting facility that will cater for the greater area of this Northern KwaZulu Natal region.

### 3.7 **DISTRIBUTION, LOGISTICS AND SERVICE**

In order to invite development to the region there is undoubtedly the need to improve our distribution networks, logistics and services. The roads infrastructure needs to be improved, repaired where necessary and maintained at all times. The same goes for, the electrical, water & sewer networking. To attract tourists via airplanes, the size of the airport runway must be extended to cater for the larger planes landing at Dundee rather than at Newcastle.

### 3.8 RETIREMENT

Endumeni's three towns Dundee, Glencoe and Wasbank are predominantly described as being dormitory towns.

This, in essence, must be used as a plus factor in the sense that by attracting retired people from the larger cities to settle in the much more pleasant, low crime, minimum pollution and peaceful surroundings available at Endumeni. Serious consideration must therefore be given to marketing this ideal and the creating of safe, cluster retirement villages must be ventured by the Council and the real estate fraternity.

### 3.9 GOVERNMENT

As previously stated the strategic central positioning of Endumeni, with its surrounding towns, has benefited the municipality in encouraging most Government Departments nationally, provincially and the District office to settle at Endumeni, thus marking this area the Government hub of Northern Natal. This trend must most certainly continue and by doing so our desperate hope for economic survival can materialise to becoming a reality.

### 3.10 HOUSING DEVELOPMENT

The Council, through its low-cost housing projects financed by the Provincial Department of Housing, is on track and steadily gaining momentum, thus satisfying the need for this housing sector.

However, there is a dire need to create more available serviced land for the upper market and cluster housing projects. The Council is therefore required to fast track its provision of serviced land for private housing development in order to improve on its dependence on income from household rates and services.

## 4. CONCLUSION

The scenario at Endumeni is not all centred around doom and gloom, but rather through concerted effort, there can be a significant turnaround towards, positive economic revival and regeneration in the area.

Simple co-ordination, initiative, innovativeness and co-operation are the cornerstones that will ensure success at the end of the day and this must be exploited and challenged to its fullest by the local community, who through the years gone by, have shown their ability to survive and to swim through rough seas.

There is however the element of reliance on the senior levels of government namely the provincial and national spheres to come to the fore and provide the much needed financial support and external influence to steer small local councils such as Endumeni and its citizens to eke out a living and survive the rough and harsh economic climate. With such assistance and mutual commitment there can be little reason why Endumeni would not prosper and liken itself to being as vibrant and economically viable as the bigger cities.