


ADDRESSING RURAL DEVELOPMENT THROUGH FUNCTIONAL REGIONS

Priority District Analyses:
High impact (catalytic) infrastructure intervention areas for economic transformation

Cluster 4 Report: For Priority Districts in Eastern Cape, Free State and KwaZulu-Natal

Districts of Xhariep (Free State), Joe Gqabi, Alfred Nzo, O.R. Tambo, Chris Hani and Amathole (Eastern Cape), and Sisonke and Ugu (KwaZulu-Natal)

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PART B

Development Realities and Trends: Eastern Cape Cluster Priority Districts

1 Purpose and Structure of the Report

The purpose of this report is to provide an overview of the developmental realities and critical considerations for infrastructure investment in the eight Eastern Cape Cluster priority rural districts of Xhariep (Free State), Joe Gqabi (previously Ukhahlamba), Alfred Nzo, O.R. Tambo, Chris Hani and Amathole (Eastern Cape), and Sisonke and Ugu (KwaZulu-Natal).

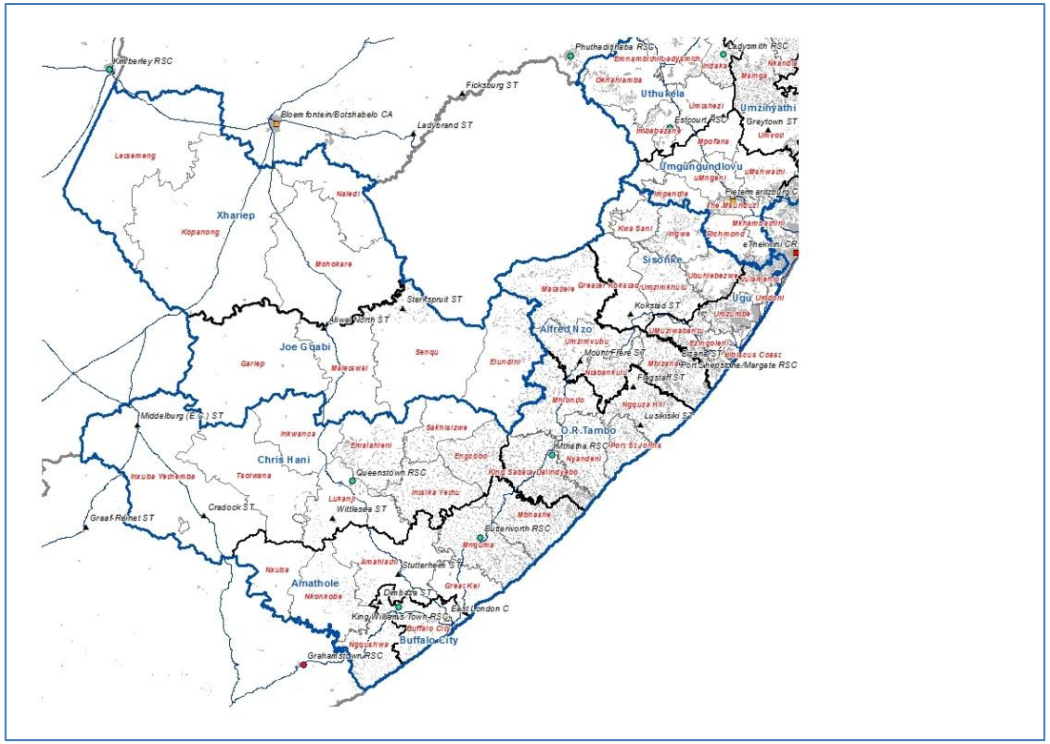

Figure 1.1: Priority districts – Group 4

Transforming infrastructure investment is regarded as a potential catalyst, not only in changing the fate of the 23 most distressed districts in the country, but also for rural development in the broader South African context. However, given the high density of some areas and concentrated settlement and the characteristics of these selected areas, innovative practices will need to be pioneered to move towards the Vision 2030 and the interrelated targets of: (i) economic growth and employment creation; (ii) increased quality of life and a higher human development index; and, (iii) a lower dependency on carbon intensive resources, as set out in the National Development Plan (2011).

In this section, an overview is provided of the analyses of development realities, opportunities and trends characterising the Eastern Cape cluster of districts to inform the identification of high impact intervention areas. As set out in Part A, the value of priority investment areas is foreseen firstly in supporting the implementation of existing catalytic projects, secondly, in identifying future catalytic projects, and thirdly, in informing strategic development choices in IDPs, sector plans, as well as in the broader rural development framework.

This overview forms part of a larger study which incorporated a range of spatial and data analyses undertaken for all 23 priority rural districts in South Africa. The study is intended to provide evidence to identify priority investment areas for high impact (catalytic) projects, especially those related to government's service and infrastructure investment (Action Plan 6, as well as SIP11 and also informing SIP6).

The structure of this Part (B) of the report will be as follows:

- Section 1: Purpose and structure of the report
- Section 2: Background and orientation to the Eastern Cape cluster of districts
- Sections 3-7: Key development and investment realities and trends in the region in relation to key questions:
    - Section 3: Which of the areas in the priority rural districts are under immense developmental pressure due to large numbers of population and a growing population?
    - Section 4: Which of the areas in the priority rural districts are under immense pressure due to high levels of service backlogs and social vulnerability (including low income, high dependency and low employment ratios)
    - Section 5: Where are the economic development strengths, sectors and areas in the priority rural districts?
    - Section 6: Where are the areas that should be prioritised for consolidation and protection of prime rural production areas/zones?
    - Section 7: Within high density rural areas or outstretched regions, which are the anchor points that can play a key role as government service nodes and market concentration areas for government and economic services, both at the local and regional levels?
- Section 8: Summary of key interventions and priority investment areas to guide local, regional, as well as sector specific investment in the area, in support of economic transformation.

An evaluation of the 1st Round of Catalytic Projects (as identified by the respective District Municipalities) in relation to key development realities and proposed investment priorities is set out in Part C. Maps and tables of the key evidence will be provided to assist districts in answering these key questions.

2 Orientation and key facts based on functional regional analyses

The districts that form part of the priority district analysis in this cluster are Xhariep (Free State), Joe Gqabi (or Ukhahlamba), Alfred Nzo, O.R. Tambo, Chris Hani, Amathole (Eastern Cape), Sisonke and Ugu (KwaZulu-Natal). The following map (Figure 2.1) provides an orientation of the Eastern Cape cluster of distressed districts by mapping the local municipalities, major land uses such as settlements, traditional authority areas, mountainous areas, national parks and agricultural land capability. These characteristics will all be discussed in greater detail below.

In order to establish a more nuanced understanding of settlement dynamics in the Priority districts, an update and analyses of the South African Functional Settlement Area typology was undertaken. Figure 2.2 provides the settlement typology for the cluster of districts. This typology is based on population density, employment, urban functional index and economic activity.

A city is a place that together with its functionally linked urban areas is home to a population of more than 400 000 people; it has significant multi-nodal economies; plays a significant role in the region in terms of service delivery and the economy; plays a major role in government and commercial service delivery; has a relatively high economic growth rate; and attracts people. A regional centre is a medium and high order town that plays a prominent role in offering services to the hinterland. These towns typically have large populations in densely settled areas, or are towns in resource-rich areas that are relatively accessible, or are smaller towns playing a key service function in a more isolated and less accessible area. Service centres are smaller towns that seem to fulfil a particular service role within the local area. These centres may have a small service index but serve a large population, or serve a small population in a sparsely populated or isolated area. Local and niche towns are small towns that fulfil a local function or fulfil a particular niche function. Such towns have a smaller population and economic activity and are geographically more evenly distributed throughout the country than settlements in other categories. High density rural areas are densely populated but play a very limited service role and are often under traditional land ownership[1].

[1] Van Huyssteen, E.; Biermann, S.; Naudé, A. & Le Roux, A. (2009). Advances in spatial analysis to support a more nuanced reading of the South African space economy, in Urban Forum, Vol. 20, pp195–214.

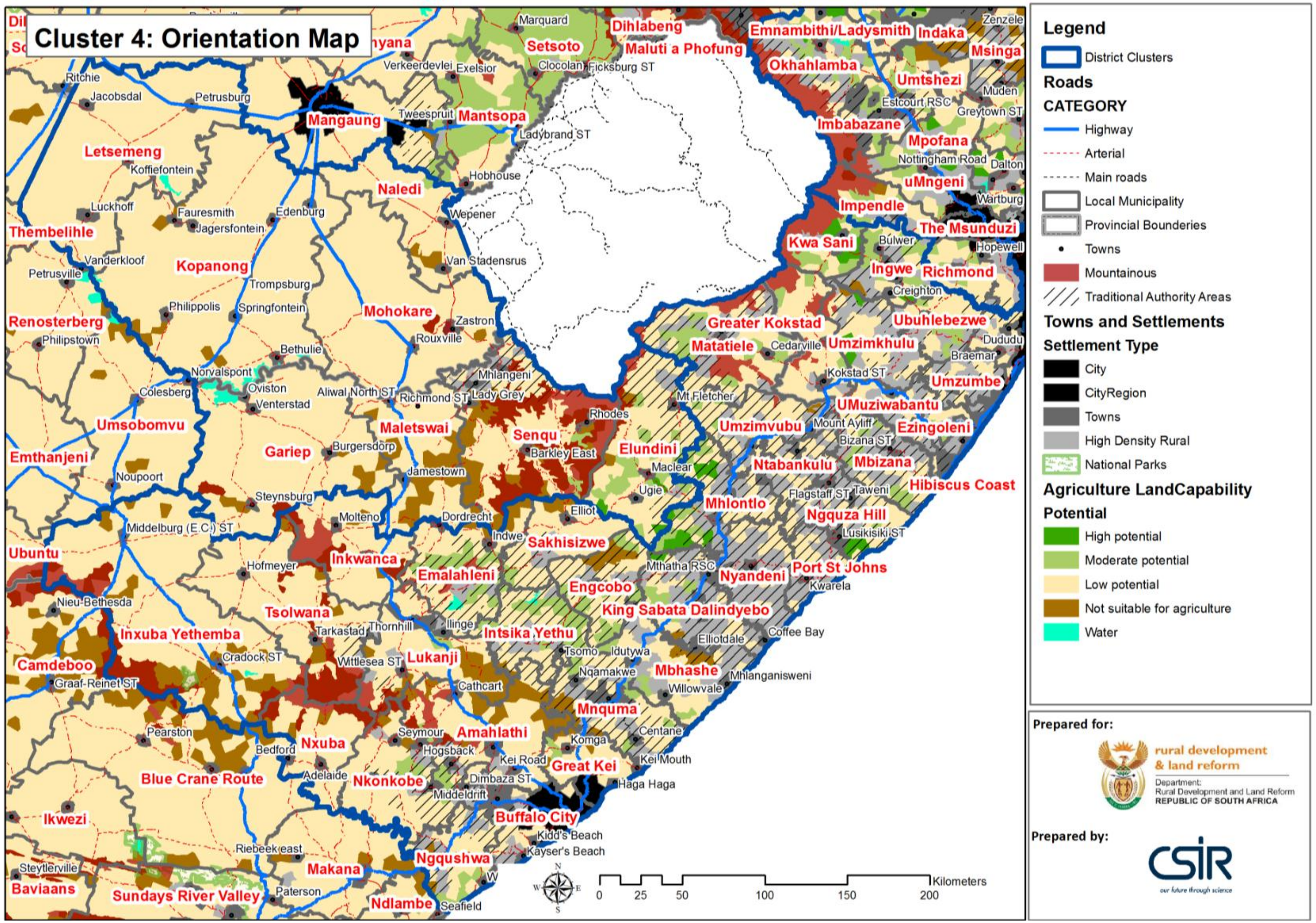

Figure 2.1: Orientation map showing key towns and natural area – Group 4

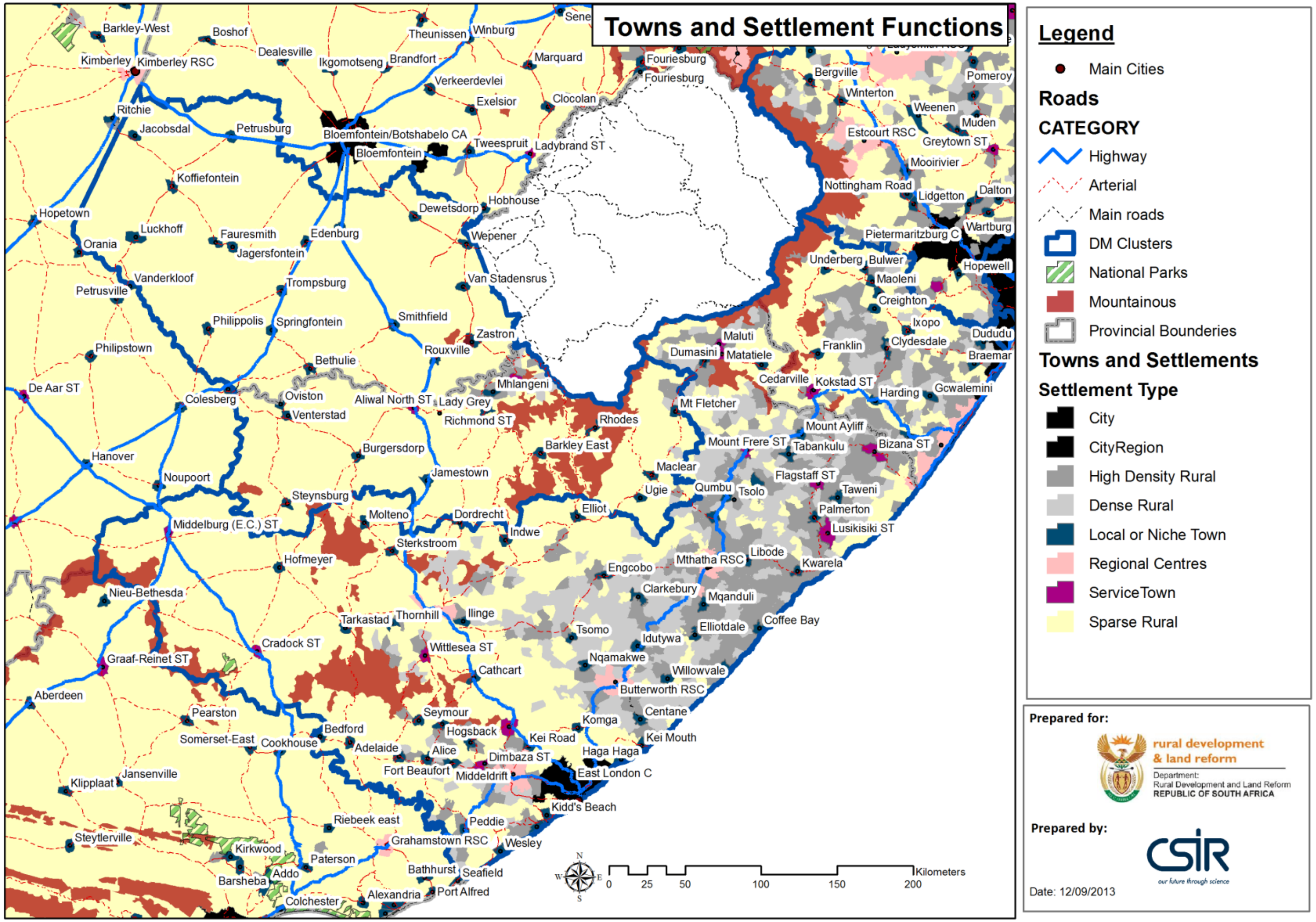

Figure 2.2: Functional settlement areas and service regions

The distribution of settlements in the eight districts can be seen on the map. There is a relatively even distribution of local towns and service centres across the area, even in the dense rural areas. There is no city in any of the regions (as Buffalo Metropolitan Municipality falls outside any of the districts), but there are a few regional service centres such as Butterworth, Mthatha, Queenstown, King William's town, and Port Shepstone – all of which are on the national highways. The northern rural parts of the Eastern Cape in particular are densely populated – these are former homeland areas.

Xhariep and Joe Gqabi, which are sparsely populated rural districts, only have local or niche towns, but they are fairly evenly spread out across the districts. Furthermore, Joe Gqabi is quite mountainous towards the east on the border with Lesotho. Chris Hani and Amathole districts are also mostly sparsely populated rural districts but, towards the south and east, they become more densely populated. Amathole has a number of service towns, local or niche towns as well as regional service centres. O.R. Tambo, Alfred Nzo, Sisonke and Ugu districts are for the most part densely settled rural districts with a range of towns situated along the major roads across the districts. High density and dense rural areas are typically found in tribal land which coincides with the former homeland area boundaries.

The settlement typology and hierarchy of towns helps in understanding the role and functions of towns and indicates that not all towns have the same function in the space economy, and so motivates for a differentiated investment strategy. The long term development potential, the need for infrastructure and service delivery, and the role in development will be determined by the manner in which the town is affected by economic development trends and its ability to respond to these demands. It also illustrates why the approach to economic development in rural South Africa has to be intrinsically linked to the realities of economic anchors and networks of settlements, and the importance in maintaining and investing in services in these areas.

A snapshot of development in the respective district and local municipalities is provided in Table 2.1 below. This includes population size, predominant settlement type, population growth rate and the contribution of each local municipality and respective district to the national economy, in terms of economic activity (utilising GVA as a proxy). The table also highlights the top three sectors with respect to both GVA and employment provision.

In terms of the population size and distribution, O.R. Tambo District is the most populous district in this cluster (2.64% of the national population), and Xhariep district the least (0.28% of the population). This stresses the density of O.R. Tambo, since it is just more than a third of the size of Xhariep district. King Sabata Dalindeyebo Local Municipality in O.R. Tambo has the highest population at 451 701 people, compared to Inkwanca Local Municipality in Chris Hani which has 21 972 people. Sisonke district has the highest annual population growth rate at 1.27%, and Amathole district the lowest at -0.74%. Greater Kokstad local municipality in Sisonke has the highest annual growth rate at 5.89% (though with only 0.13% of the national population, the base is very low), and Vulamehlo in Ugu the lowest at -1.59%. Of the 43 local municipalities included in this cluster of districts, only six has an annual population growth rate higher than the national average of 1.86% (of which only one municipality is in the Eastern Cape), while more than 50% (22) of the local municipalities have a negative population growth rate. All the local municipalities in Amathole show a negative population growth rate, and all the local municipalities in Sisonke show a positive growth rate.

Ninety one per cent of the population in Ugu district live in high density settlements, towns or cities. The local municipalities with the highest percentage of people living in dense settlements, towns or cities are Hibiscus Coast (100%), Umdoni (98%), Umuziwabantu (88%) – all in Ugu district, and Maletswai (87%), Inkwanca (87%) in the Joe Gqabi and Chris Hani districts respectively. In Chris Hani district, almost half the population (48%) live in areas where there are fewer than 100 people per square kilometre and not in density settlements, towns or cities. The local municipalities with the highest percentage of people not living in dense settlements, towns or cities are in Intsika Yethu (74%), Engcobo (70%), Emalahleni (69) – all in Chris Hani district, Kwa Sani (61%) in Sisonke, and Elundi (60%) in Joe Gqabi.

In terms of economic activity, the district with the highest percentage share in the national formal economy (utilising national GVA as a proxy), is O.R. Tambo (0.96% compared to its 2.64% share of the national population), while Xhariep has the lowest (0.23% compared to its 0.28% of the national population). None of the local or district municipalities' national GVA contribution is bigger than their share of the national population.

The one economic sector that features in every local municipality (apart from the Hibiscus Coast LM) among the three most important economic sectors, in terms of its contribution to GVA, is that of community social, personal, as well as government services. It is also the most important sector in terms of its contribution to employment, followed by agriculture, forestry and fisheries. The wholesale, retail and trade sector, as well as the finance, insurance and real estate sector are also important sectors in terms of their GVA contribution and the number of people employed in these sectors. For more analysis on the economies of these districts, see Section 5 below.

Table 2.1: A snapshot of development indicators in the eight districts

MUNICIPALITIES: DISTRICT & LOCAL	**POPULATION**		**SETTLEMENT (% of population in high density settlements, cities, towns)**	**POPULATION ANNUAL GROWTH RATE (%)**	**ECONOMIC ACTIVITY GVA (% of national)**	**CONTRIBUTION TO GVA BY ECONOMIC SECTOR**	**CONTRIBUTION TO EMPLOYMENT BY ECONOMIC SECTOR**
	No. of people (2011)	**% of national population**	****Non-settlement/ Settlement** *[highlighted: non-settlement ≥ 40%]* ***HH** Where more than 80% in settlements*	*[highlighted: growth rate ≥ national rate of 1.86%]*	*[highlighted: GVA % of national ≥ population % of national]*	**3 highest economic sectors in descending order**	**3 highest economic sectors in descending order**
Alfred Nzo	802 521	1.55	31/69	0.29	0.48		
Matatiele	203 832	0.39	28/72	-0.02	0.19		
Mbizana	283 094	0.55	25/75	1.08	0.11		
Ntabankulu	122 775	0.24	36/64	0.12	0.03		
Umzimvubu	192 820	0.37	41/59	-0.27	0.15		

MUNICIPALITIES: DISTRICT & LOCAL	POPULATION		SETTLEMENT (% of population in high density settlements, cities, towns)	POPULATION ANNUAL GROWTH RATE (%)	ECONOMIC ACTIVITY GVA (% of national)	CONTRIBUTION TO GVA BY ECONOMIC SECTOR	CONTRIBUTION TO EMPLOYMENT BY ECONOMIC SECTOR
	No. of people (2011)	% of national population	**Non-settlement/ Settlement** *[highlighted: non-settlement ≥ 40%]* ***ĦĦ*** *Where more than 80% in settlements*	*[highlighted: growth rate ≥ national rate of 1.86%]*	*[highlighted: GVA % of national ≥ population % of national]*	**3 highest economic sectors in descending order**	**3 highest economic sectors in descending order**
Amathole	919 049	1.78	40/60	-0.74	0.74		
Amahlathi	114 638	0.22	39/61	-0.83	0.12		
Great Kei	38 991	0.08	34/66	-0.07	0.04		
Mbhashe	257 535	0.50	45/55	-0.31	0.10		
Mnquma	250 598	0.48	42/58	-0.90	0.25		
Ngqushwa	105 914	0.20	40/60	-1.33	0.10		
Nkonkobe	127 112	0.25	37/63	-0.91	0.09		
Nxuba	24 261	0.05	ĦĦ 16/84	-0.04	0.03		
Chris Hani	794 609	1.53	48/52	-0.35	0.58		
Emalahleni	119 461	0.23	69/31	-0.83	0.03		
Engcobo	154 012	0.30	70/30	-0.64	0.07		
Inkwanca	21 972	0.04	ĦĦ 13/87	0.80	0.01		
Intsika Yethu	146 021	0.28	74/26	-1.03	0.07		
Inxuba Yethemba	65 562	0.13	ĦĦ 18/82	0.94	0.09		
Lukanji	190 714	0.37	ĦĦ 16/84	0.49	0.24		
Sakhisizwe	63 577	0.12	41/59	-0.47	0.04		
Tsolwana	33 290	0.06	39/61	-0.47	0.02		
O.R.Tambo	1 364 913	2.64	23/77	0.47	0.96		
King Sabata Dalindyebo	451 701	0.87	ĦĦ 19/81	0.75	0.47		
Mhlontlo	188 219	0.36	48/52	-0.60	0.12		
Ngquza Hill	270 970	0.52	25/75	0.74	0.21		
Nyandeni	290 383	0.56	ĦĦ 15/85	0.67	0.12		
Port St Johns	163 640	0.32	ĦĦ 16/84	0.37	0.05		
Sisonke	462 564	0.89	29/71	1.27	0.36		
Greater Kokstad	65 977	0.13	ĦĦ 18/82	5.89	0.10		
Ingwe	100 225	0.19	25/75	0.51	0.07		
Kwa Sani	14 380	0.03	61/39	0.87	0.02		
Ubuhlebezwe	101 685	0.20	39/61	1.92	0.07		
Umzimkhulu	180 297	0.35	26/74	0.46	0.10		
Ugu	721 249	1.39	ĦĦ 9/91	0.88	0.72		
Ezingoleni	52 540	0.10	ĦĦ 18/82	0.79	0.03		
Hibiscus Coast	256 129	0.49	ĦĦ 0/100	2.29	0.38		

MUNICIPALITIES: DISTRICT & LOCAL	POPULATION		SETTLEMENT (% of population in high density settlements, cities, towns)	POPULATION ANNUAL GROWTH RATE (%)	ECONOMIC ACTIVITY GVA (% of national)	CONTRIBUTION TO GVA BY ECONOMIC SECTOR	CONTRIBUTION TO EMPLOYMENT BY ECONOMIC SECTOR
	No. of people (2011)	% of national population	****Non-settlement/ Settlement** *[highlighted: non-settlement ≥ 40%]* *ĦĦ Where more than 80% in settlements*	*[highlighted: growth rate ≥ national rate of 1.86%]*	*[highlighted: GVA % of national ≥ population % of national]*	**3 highest economic sectors in descending order**	**3 highest economic sectors in descending order**
Umdoni	78 852	0.15	ĦĦ 1/99	2.64	0.13	SIC 8, SIC 3, SIC 9 & 10	SIC 9 & 10, SIC 6, SIC 8
Umuziwabantu	95 364	0.18	ĦĦ 12/88	1.43	0.07	SIC 3, SIC 9 & 10, SIC 8	SIC 9 & 10, SIC 3, SIC 8
Umzumbe	160 968	0.31	ĦĦ 14/86	-0.09	0.09	SIC 1, SIC 9 & 10, SIC 3	SIC 9 & 10, SIC 1, SIC 6
Vulamehlo	77 396	0.15	26/74	-1.59	0.03	SIC 9 & 10, SIC 7, SIC 1	SIC 9 & 10, SIC 6, SIC 1
Joe Gqabi	349 757	0.68	41/59	0.23	0.28	SIC 9 & 10, SIC 8, SIC 6	SIC 9 & 10, SIC 1, SIC 8
Elundini	138 140	0.27	60/40	-0.13	0.10	SIC 9 & 10, SIC 8, SIC 6	SIC 9 & 10, SIC 1, SIC 8
Gariep	33 670	0.07	21/79	0.82	0.03	SIC 9 & 10, SIC 8, SIC 6	SIC 1, SIC 9 & 10, SIC 8
Maletswai	43 803	0.08	ĦĦ 13/87	2.24	0.07	SIC 9 & 10, SIC 8, SIC 6	SIC 9 & 10, SIC 1, SIC 6
Senqu	134 144	0.26	35/65	-0.01	0.07	SIC 9 & 10, SIC 8, SIC 6	SIC 9 & 10, SIC 1, SIC 8
Xhariep	146 256	0.28	28/72	-0.12	0.23	SIC 9 & 10, SIC 8, SIC 1	SIC 9 & 10, SIC 1, SIC 8
Kopanong	49 169	0.09	28/72	-0.22	0.08	SIC 9 & 10, SIC 8, SIC 7	SIC 9 & 10, SIC 1, SIC 8
Letsemeng	38 626	0.07	27/73	0.48	0.06	SIC 9 & 10, SIC 8, SIC 1	SIC 9 & 10, SIC 1, SIC 8
Mohokare	34 142	0.07	30/70	-0.46	0.05	SIC 9 & 10, SIC 8, SIC 1	SIC 9 & 10, SIC 1, SIC 6
Naledi	24 319	0.05	30/70	-0.26	0.04	SIC 9 & 10, SIC 8, SIC 1	SIC 9 & 10, SIC 4, SIC 8

Key for Economic Sectors	
	SIC 1: Agriculture, forestry & fishing
	SIC 2: Mining & quarrying
	SIC 3: Manufacturing
	SIC 4: Electricity, gas & water supply
	SIC 6: Wholesale & retail trade; Repair of motor vehicles, motor cycles and personal & household goods; Hotels & restaurants
	SIC 7: Transport, storage & communication
	SIC 8: Financial intermediation, insurance, real estate & business services
	SIC 9 & 10: Community social & personal services, as well as government services

** "**Non-settlement**" = areas largely characterised by dense rural and sparse rural settlement (average < 100 people/km², excluding areas with average 10 people/km² with economic activity in services sector)

"**Settlement**" = areas largely characterised by dense settlements, towns & cities (average >100 people/km² OR 10 people/km² with economic activity in services sector) Definition as used in SACN/Presidency/dplg/CSIR Functional Settlement Typology (2008) Source: Functional Settlement Profile, 2013 CSIR/DRDLR Update (CSIR, Geospatial Analyses Platform, 2013)

3 Where are places in the Priority Rural Districts that are under huge developmental pressure due to large numbers of population, a growing population?

In isolated areas with high demand and backlogs for basic services, high population densities, high levels of social vulnerability and a limited range of short term investment options such as is evident in most of these 23 priority districts, investment in basic services provide a major opportunity for creating a value chain of capital and maintenance employment opportunities. The opportunity also exists to try and apply alternative technologies linked to the green economy and possible linked industries, as well as skills development. This is especially the case in growing settlements where investment in basic services will continue to take place in future. The key is thus in identifying those areas where government has to invest in basic services – but where investment can be transformed to also be catalytic in terms of economic development. The following has been considered.

THEME 1: Identify high density settlements with large and growing populations

1. Population Size & Density
2. Population growing
3. In-migration to the area
4. Surrounding area and/or settlement under pressure of settlement growth or change

3.1 Population size and density

Figure 3.1 shows the population density in shades of yellow to brown, the latter being the densest. The grey shaded areas have less than 100 person per mesozone (i.e. less than 100 persons per 50 km^2), whereas the light brown colour indicates 20 001 to 100 000 people per mesozone. The black dots on the map indicate poverty levels, where each dot represent 576 households earning less than R38 000 per annum. The map clearly illustrates low density versus the concentration of people, and poverty within the districts.

Dense settlements, towns and cities are easily discernible on the map. The largest population concentrations are around King William's Town, Sterkspruit, Mthatha, the coastal region north of Kei Mouth up to Dududu, as well as inland in the coastal districts. Low densities are found across the Xhariep and Joe Gqabi districts, as well as in the western parts of Chris Hani and Amathole districts. In meeting the needs of the population, it is essential to also consider the socio-economic status of the population. A dot density map of the households earning less than R38 000 per year has been overlaid on the total population density (see black dots on the map). The greatest numbers of households earning less than R38 000 per annum (or R3 200 per month) are found in the towns and cities, and are also spread out across those districts that are part of the areas under traditional authority.

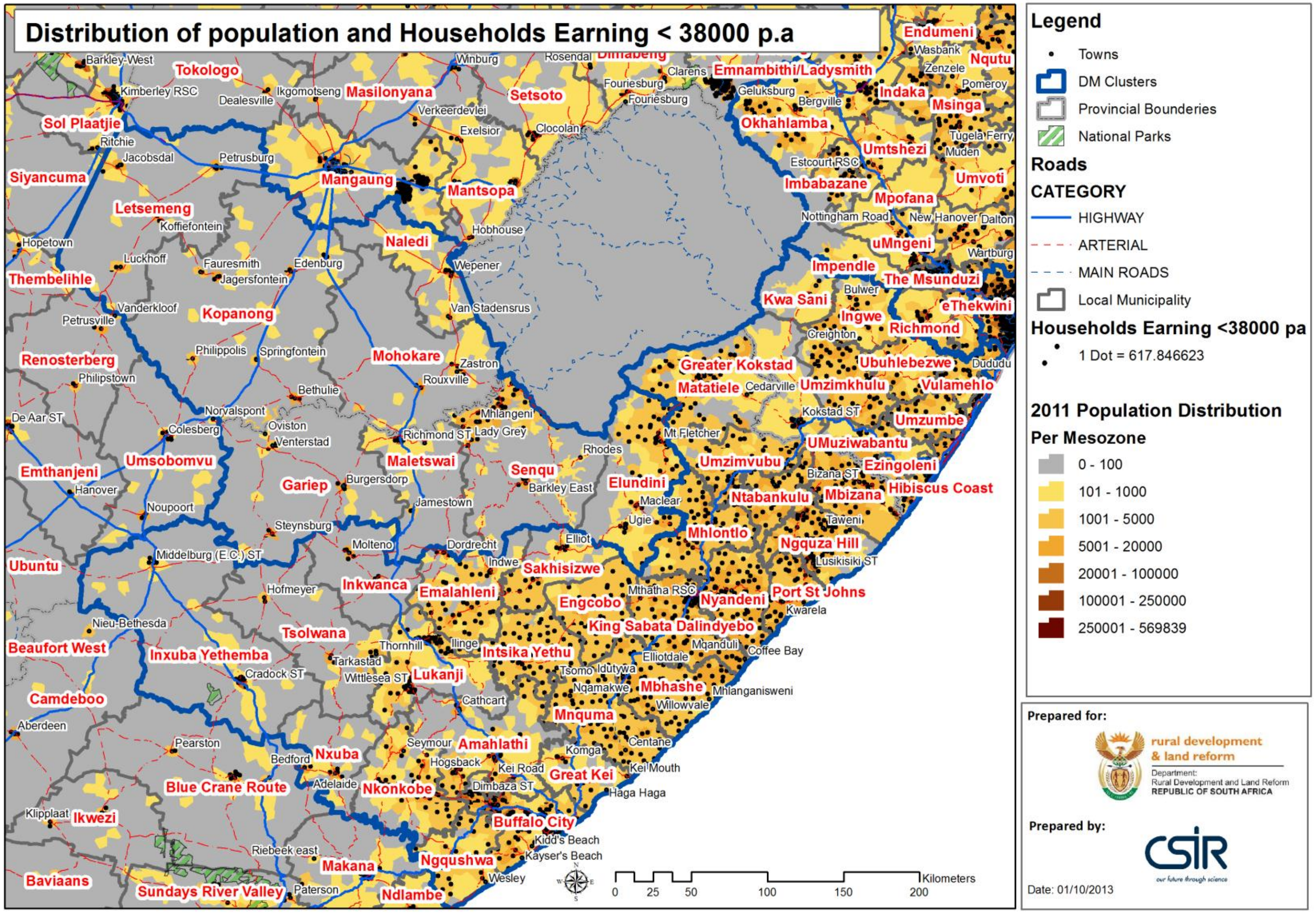

Figure 3.1: Regional overview of population and low income earning households distribution

3.2 Population growth or decline

The population growth and decline graph (Figure 3.2) shows the percentage by which each of the priority districts in South Africa have grown or declined in terms of its share of the national population between 2001 and 2009. Of all the 23 districts in distress in the country, Amathole and Chris Hani, which are part of this cluster of districts in the Eastern Cape, have shown the largest declines in the country in relation to the national population (at -0.343% and -0.206% respectively).

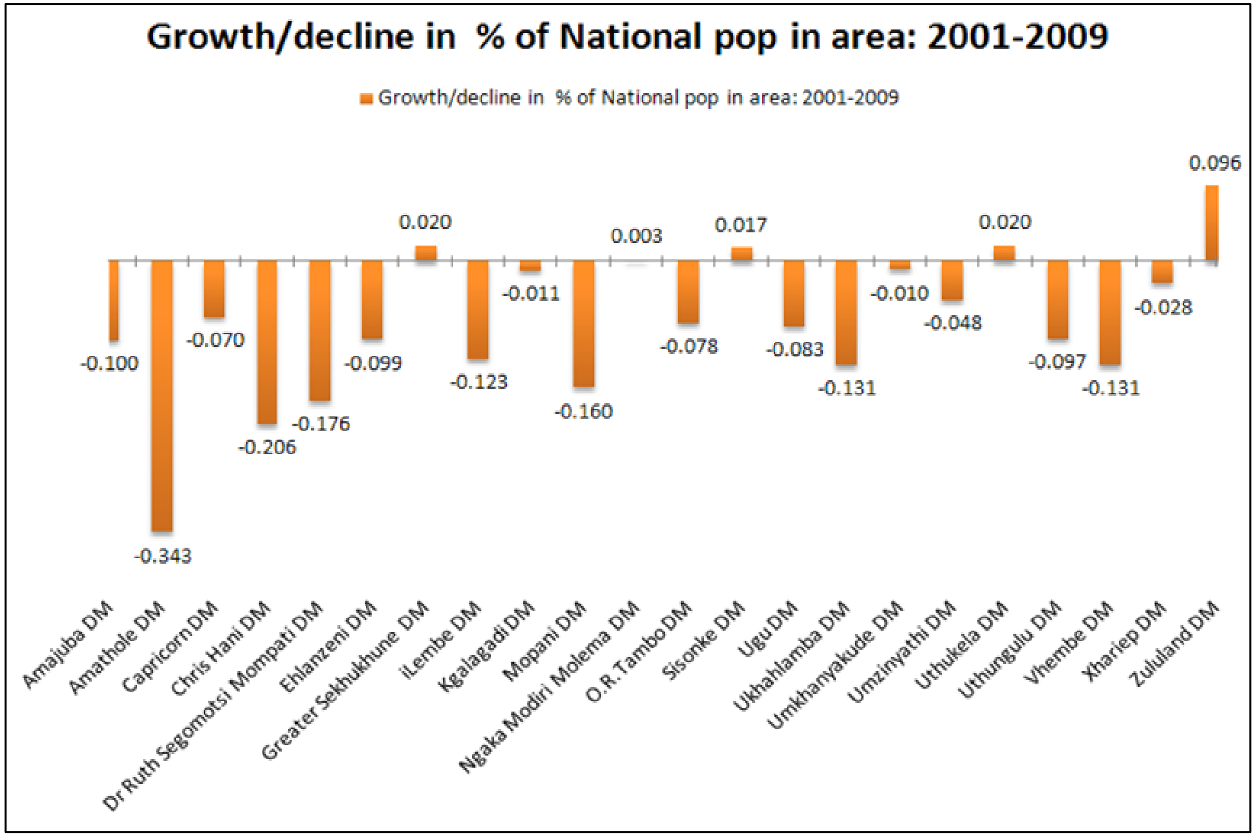

Figure 3.2: Population growth and decline (2001-2009)

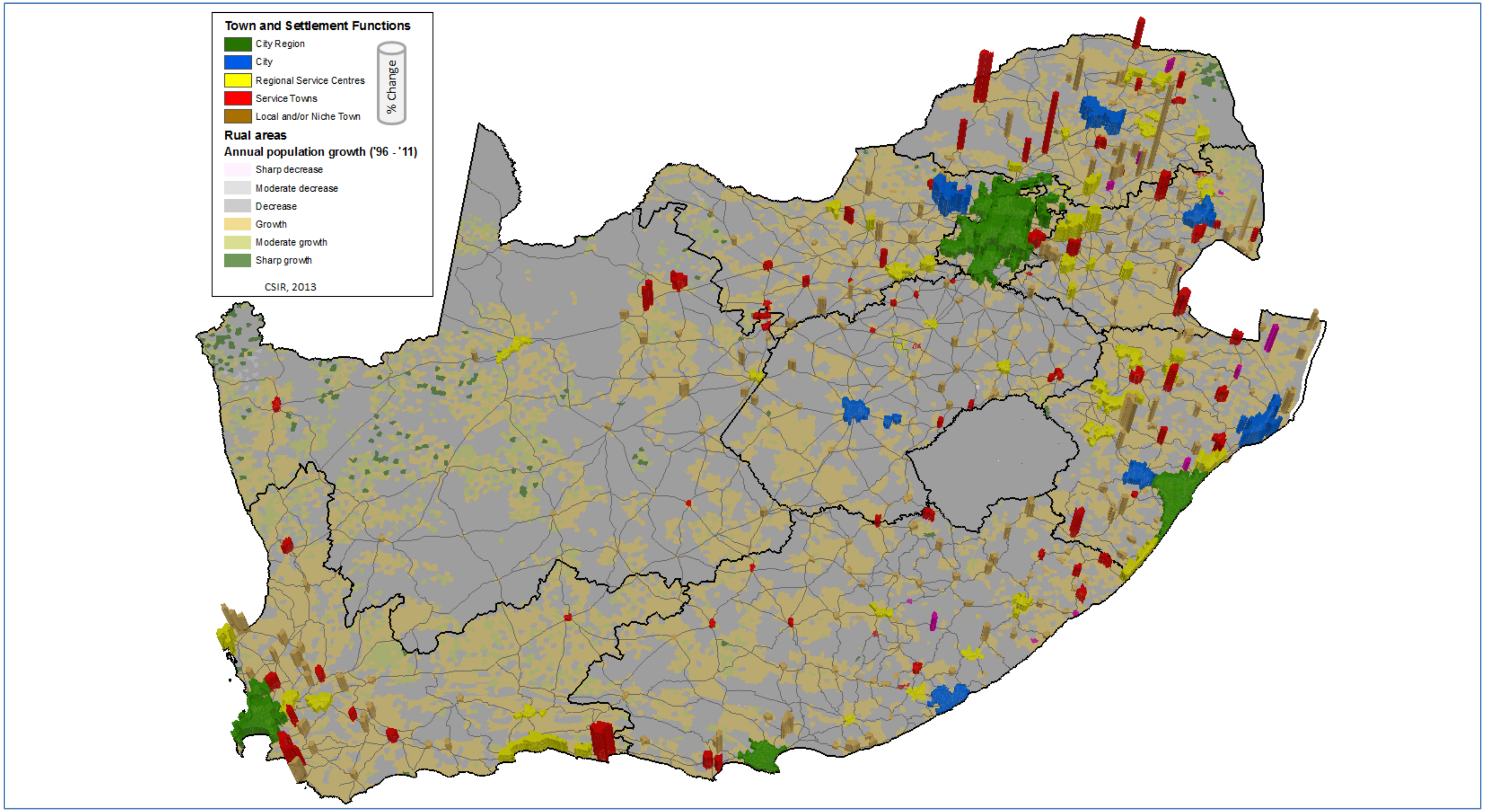

Figure 3.3: **Population growth depicted in functional settlement areas and service regions 1996-2011**

Given that government needs to plan to meet the demand for investment, job creation and services delivery in these areas, it is essential as first step, to take cognisance of the growth or decline of population in any of the areas and, specifically, the rate of growth of settlements which has an impact on the demand, effectiveness and financial viability of infrastructure implementation. The latter either due to a rapid rate of delivery required, which has specific cash flow implications, or through redundant investment due to a declining population. A time series analysis conducted by the CSIR, (utilising an innovative Temporal Analyses Tool to compare the StatsSA data of 1996 with that of 2001 and 2011 for the recently updated settlement typology) enabled an analysis of growth and decline per area and settlement across the region (Figure 3.3).

In this cluster of districts, we clearly see areas of both decline and growth. Areas in the more rural, sparsely populated areas of Xhariep, Chris Hani and Amathole, as well as some of the densely populated areas under traditional authority, have experienced a decrease in annual population growth (the grey colour on the map). The districts on the border with KwaZulu-Natal have experienced some population growth between 1996 and 2011. The height of the coloured bars indicates the change in towns and cities, with the biggest changes measured in Kokstad, Matatiele, Bizana, Lusikisiki, Mthatha, Cofimvaba, and Aliwal North.

With regards to the settlement related changes in this time period, the growth evident from the StatsSA 1996-2011 data analyses is confirmed through an indication of concentrated change as picked up through a change detection analyses undertaken across the region by a remote sensing process using MODIS imagery. This process assists in identifying the highest intensity of settlement related change that has taken place over a certain time period, with most changes seeming to relate to an increase in density or the extension of existing built up areas (even though change can also result from the demolition of structures or, in some cases, land degradation in close proximity to settlements). MODIS imagery identified settlement changes that took place across the region and, specifically, more accurately identified the spatial locus of the change. In Figures 3.4 and 3.5, the intensity of change is depicted between 2001 and 2005 and between 2006 and 2012 respectively. From 2001 and 2005, the intensity of change was highest in those areas indicated in hues of purple and blue, which are among others in the northern part of Senqu LM, Mbizana LM, Umzimvubu LM, Ntabankulu LM, and in all the local municipalities on the coast from Port St Johns to Mnquma, as well as the towns of Amanzimtoti, Umtata, Matatiele, and Queenstown.

Between 2006 and 2012 the detected change seems to be less intense than during the previous 5 years. Those areas with the highest intensity of change are the northern part of Senqu LM, Ingwe LM, Umzimvubu LM, Ntabankulu LM, and the local municipalities on the coast from Nyandeni to Mbhashe, and from Mbhashe to Mnquma, as well as the towns of Port Shepstone, Queenstown and Umtata. Few changes in Xhariep in the Free State and Joe Gqabi in the Eastern Cape have been measured.

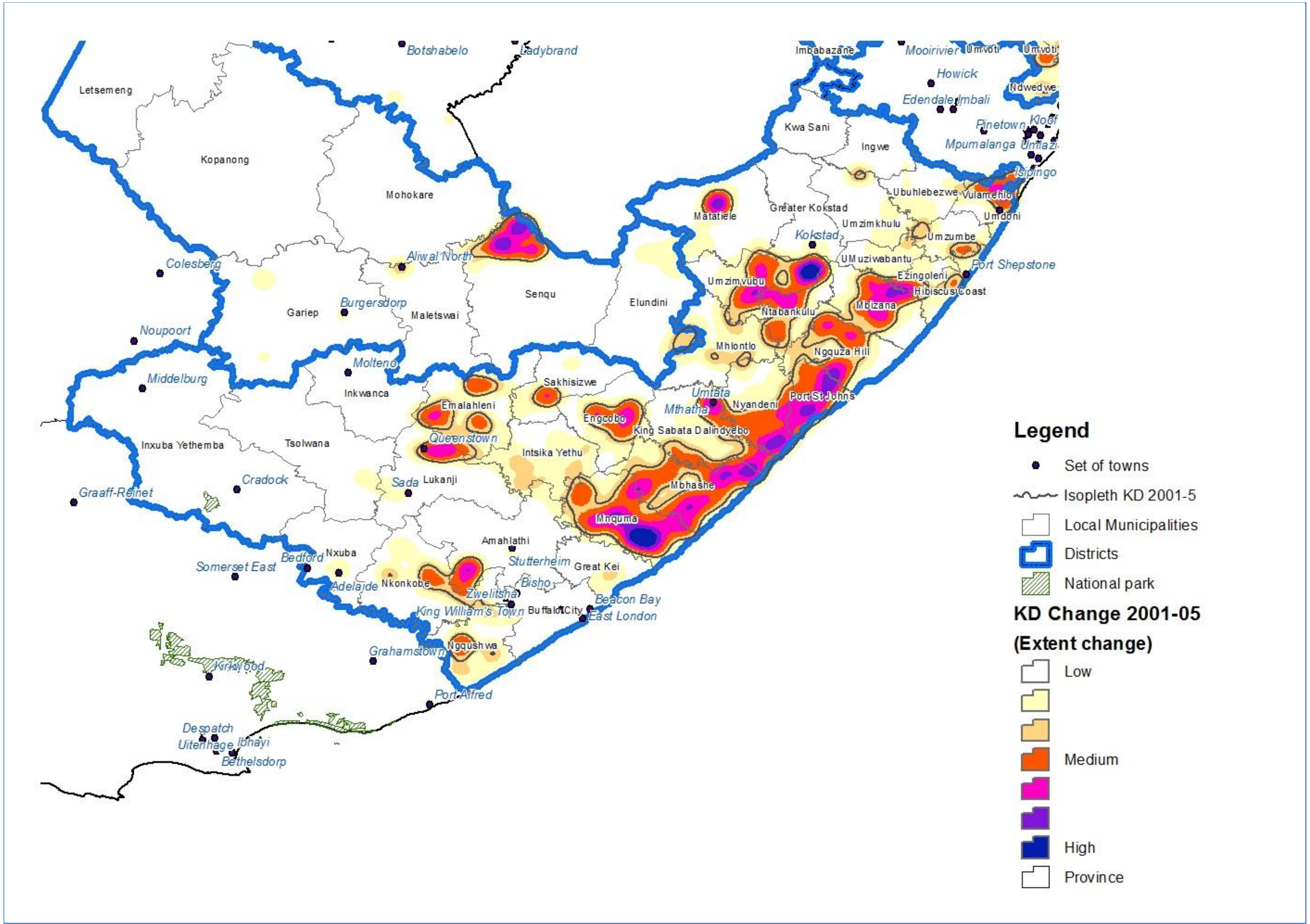

Figure 3.4: MODIS Settlement change detection (2001-2005)

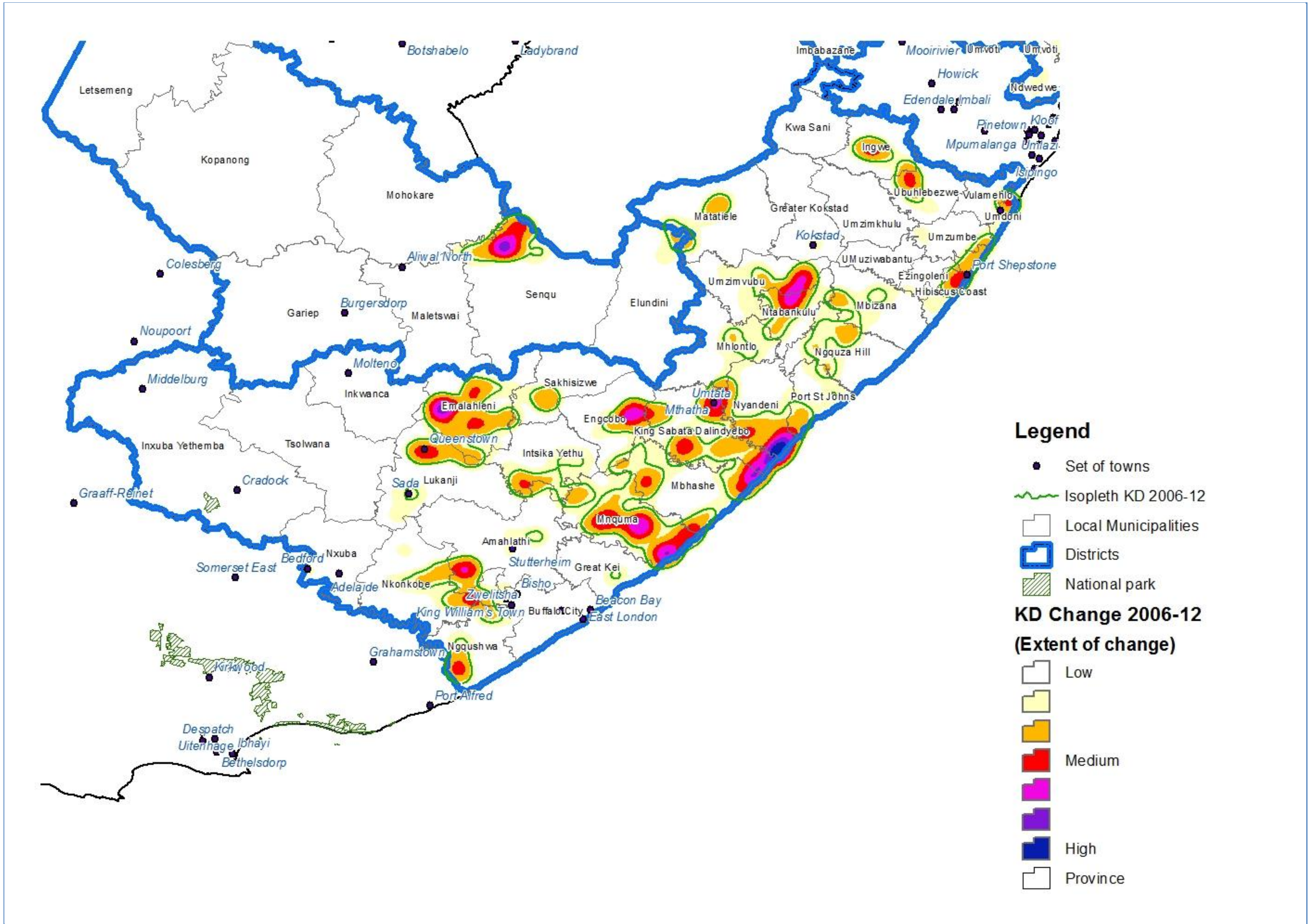

Figure 3.5: MODIS Settlement change detection (2006-2012)

In Figure 3.6 below the intensity of total changes from 2006 and 2012 is depicted. It is evident that the highest intensity of spatial changes during this period happened in the local municipalities of Senqu, Matatiele, Umzimvubu, Ntabankulu, Port St John's to Mnguma on the coast, Engcobo, Emalahleni, Ngqushwa, Mthatha, as well as on a smaller scale in a few other places.

Figure 3.7 shows the changes detected by MODIS in relation to the traditional authority areas (the areas bordered by the thick pink lines). From this it is evident that the majority of traditional authority areas experienced spatial change, with many of the most intense points of change being in the coastal areas, in the north of Joe Gqabi district and in the eastern part of Chris Hani district (this may be positive or negative growth).

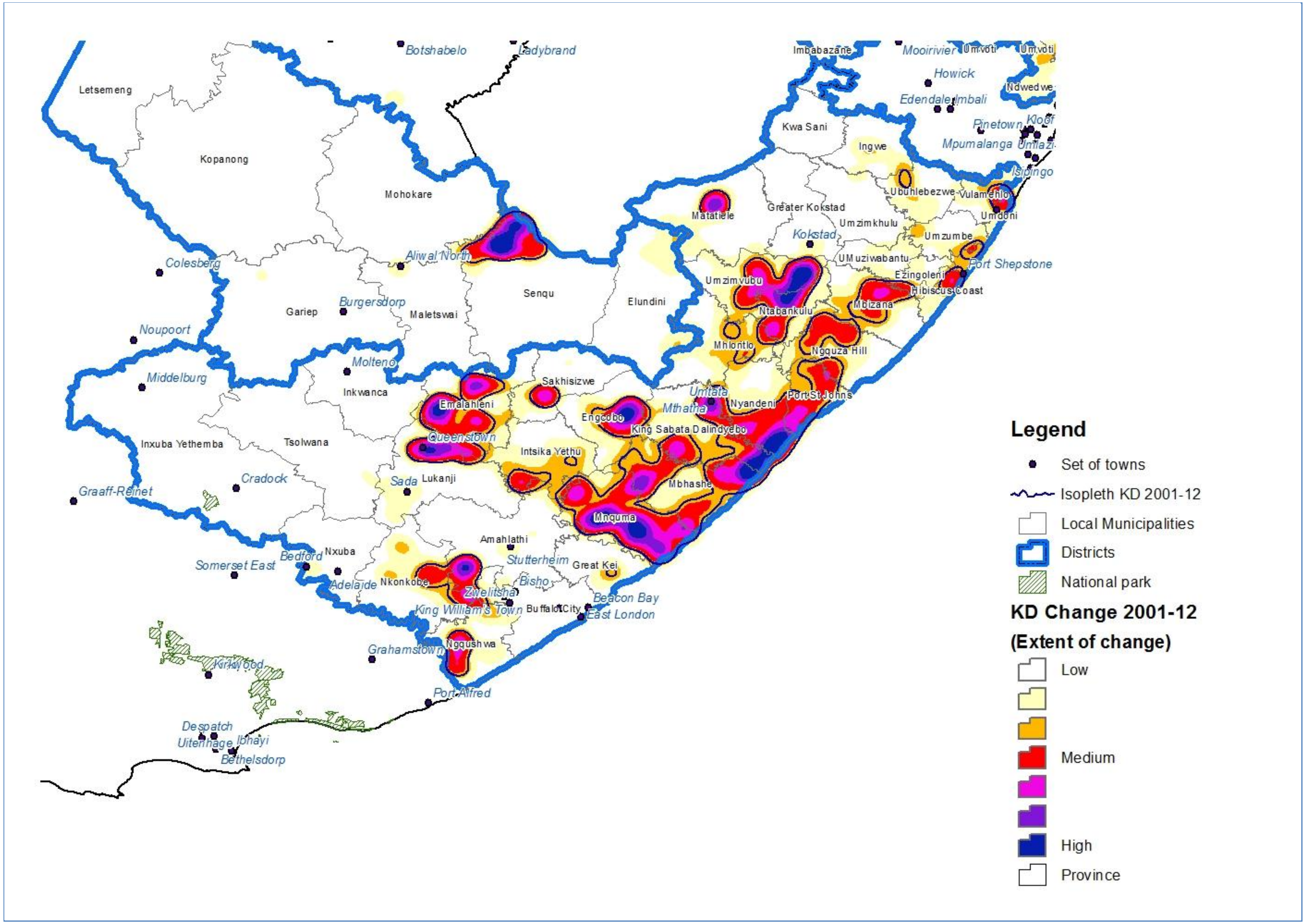

Figure 3.6: **Settlement related MODIS change detection (2001-2012)**

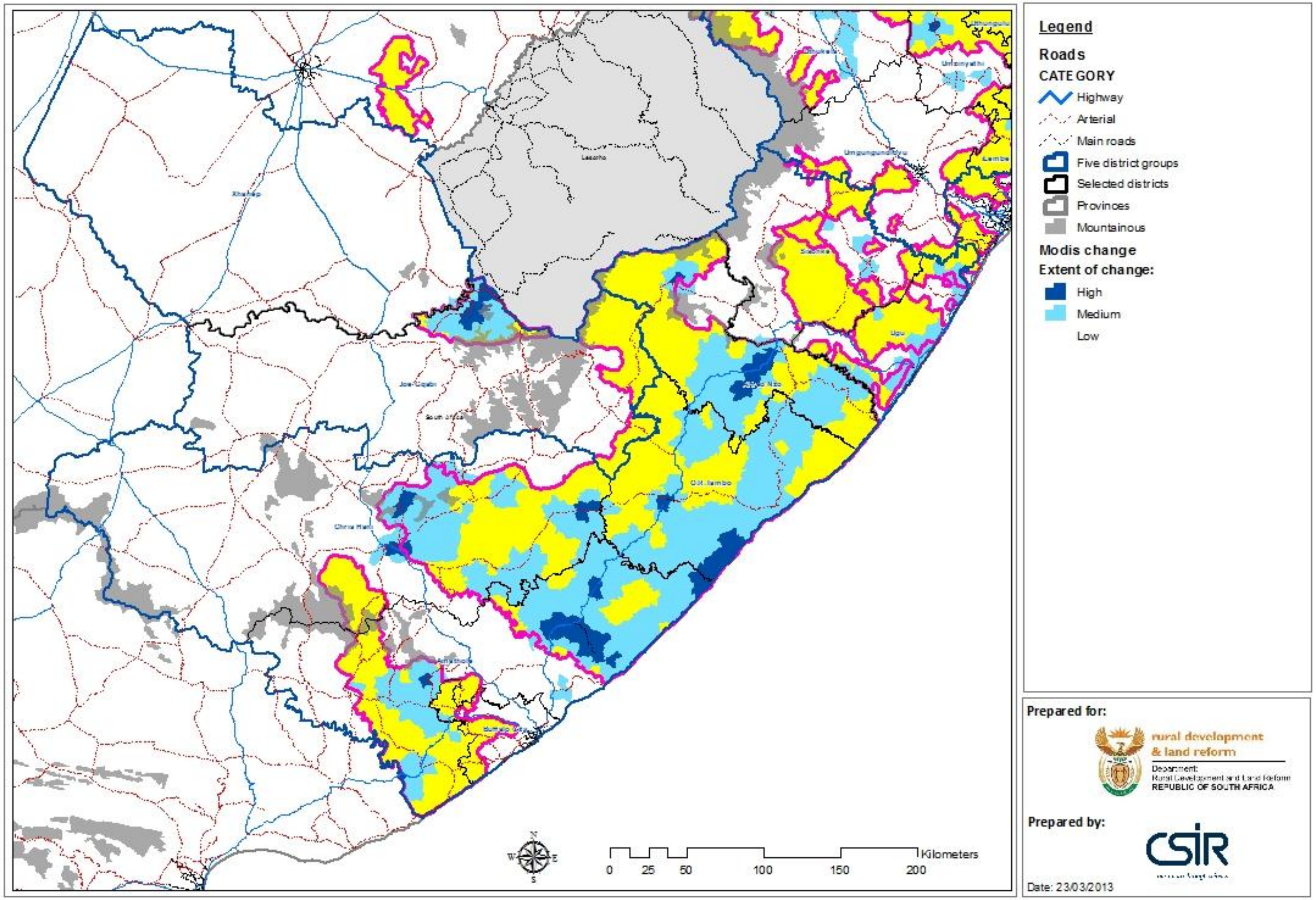

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Figure 3.7: Settlement related change (picked up by MODIS Change detection 2001-2012) in relation to the traditional authority areas (yellow on map)

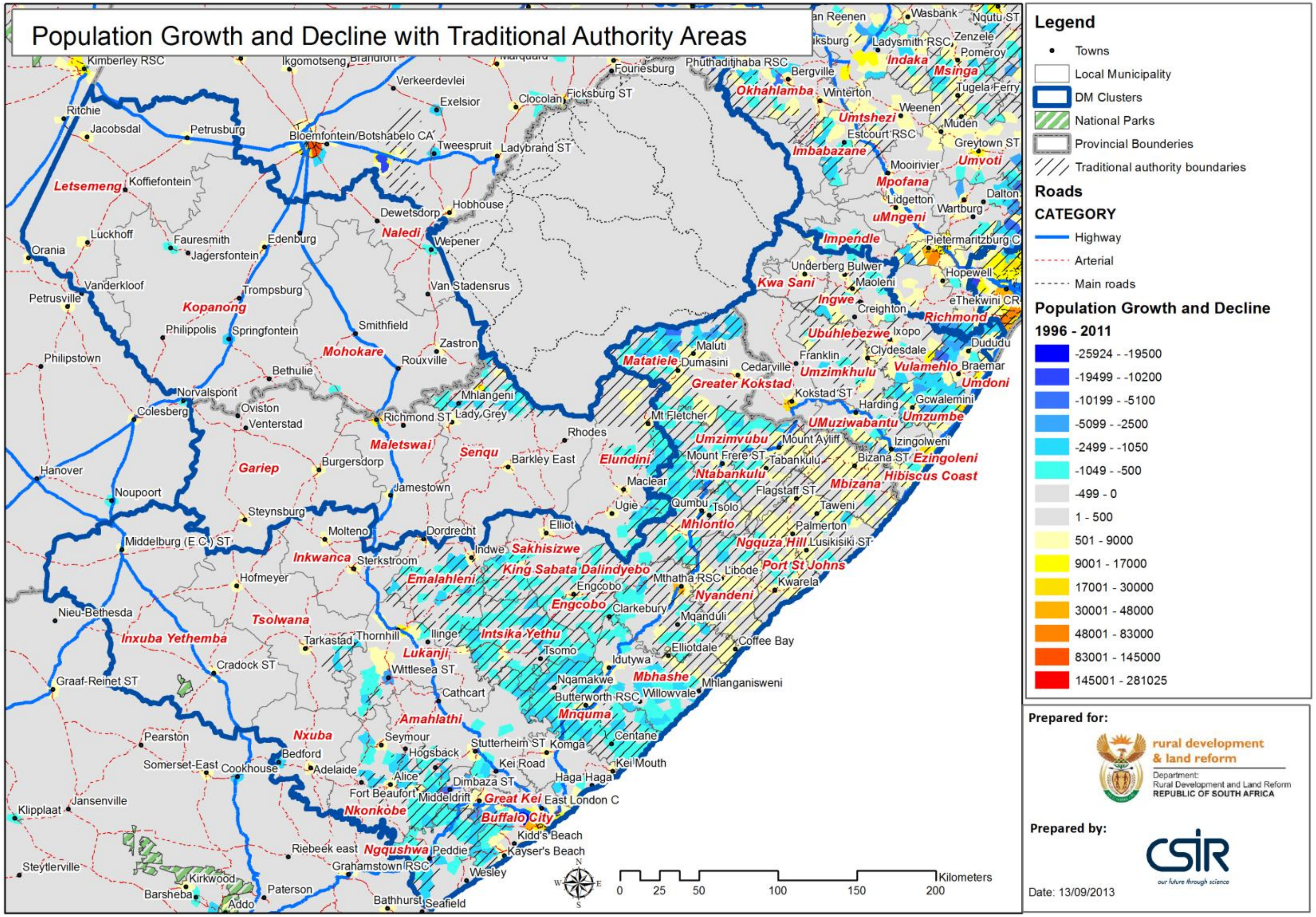


Figure 3.8: Settlement related population change in relation to the traditional authority areas (population growth and decline mapped per mesozone (50 km²))

Making use of the identified areas of change from the MODIS imagery and the StatsSA data, the level of population changes were mapped per small area (by mesozone within the CSIR Geo Spatial Analyses Platform – GAP). From Figure 3.8 above the settlement related change in population numbers is clearly visible. It is noted that in many of the areas under the management of traditional authorities in the southern part of the eastern cape, the change that was detected by MODIS is actually negative growth in the population, i.e. people are moving out of these areas (see Figures 3.4 to 3.7), while the northern part of the eastern cape shows pockets of positive growth in the population. The changes in the local and niche towns mostly indicate positive growth.

A detailed analysis of growth rates and service backlogs per town is set out in Section 4, providing a clear indication of how these growth trends also influence service point backlogs and the need for government investment in the region.

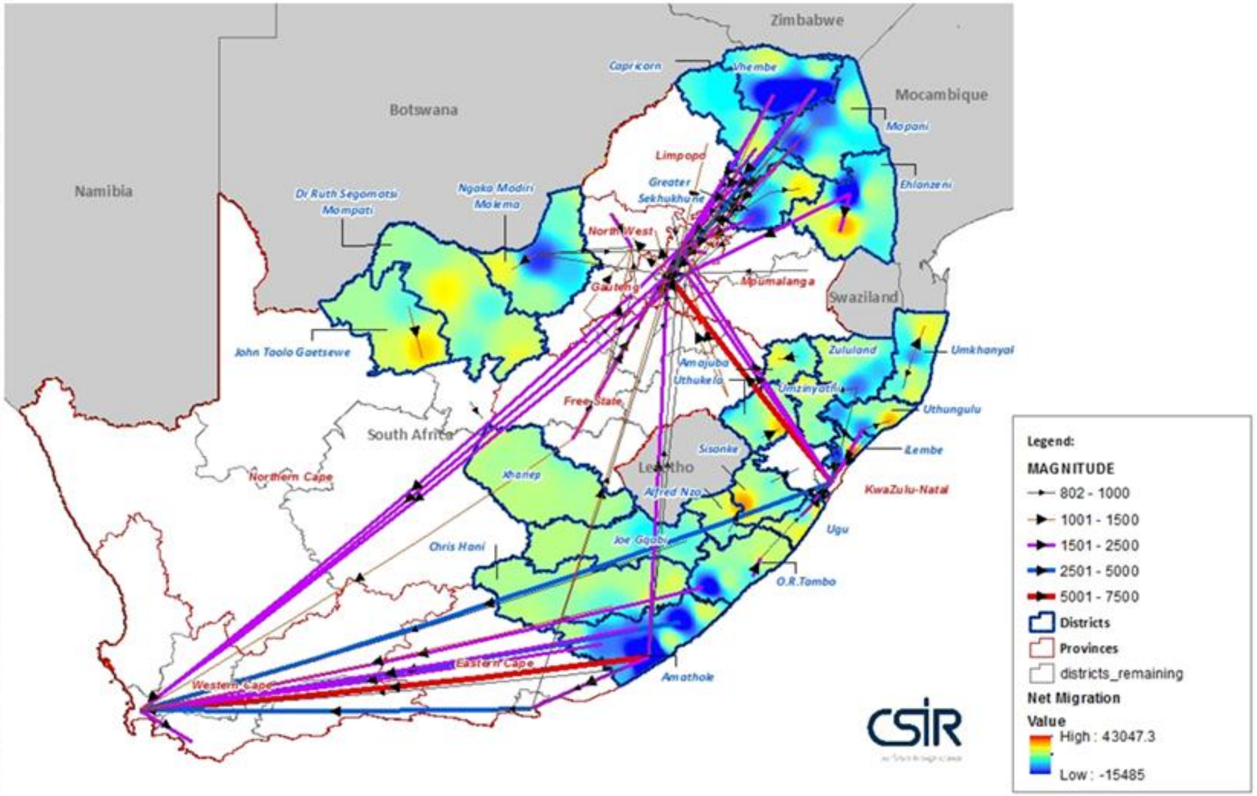
3.3 Migration impacts on the area

At a national scale, it is clear that there is migration out of rural districts. Figure 3.9 illustrates the net migration occurring within the 23 priority districts. Some districts in the Eastern Cape show strong net out-migration, in particular Amathole and O.R. Tambo to southern parts of the Eastern Cape, but more particularly to the Western Cape. It is also noticeable that internal migration (within districts) is occurring in O.R. Tambo. Sisonke is the only district experiencing some noticeable in-migration.

3.4 Surrounding area and/or settlement under pressure of settlement growth or change

In spite of out-migration and slow growth or even decline, the natural population and settlement growth is still significant resulting in continued demand for access to basic services and rising pressures on municipalities to address backlogs and provide (and maintain) services in a sustainable way. The following map (Figure 3.10) shows areas where the greatest population pressures occur: these are the regional service centres such as Queenstown, King William’s Town, Butterworth, Umtata, and Port Shepstone. All the areas that are highly and densely populated and have many poor households are experiencing high population pressures. These are mostly in the former homeland areas.

Migration patterns – illustration of net migration flows, using IEC voting district data (1996-2009)#.



Within the 23 districts internal as well as migration to the main urban and metropolitan centres is taking place. Overall a strong out-migration can be observed. The map (above) illustrates the net migration occurring within the 23 distressed districts. # (STEPSA.org)

Figure 3.9: Migration trends focussing on the 23 districts

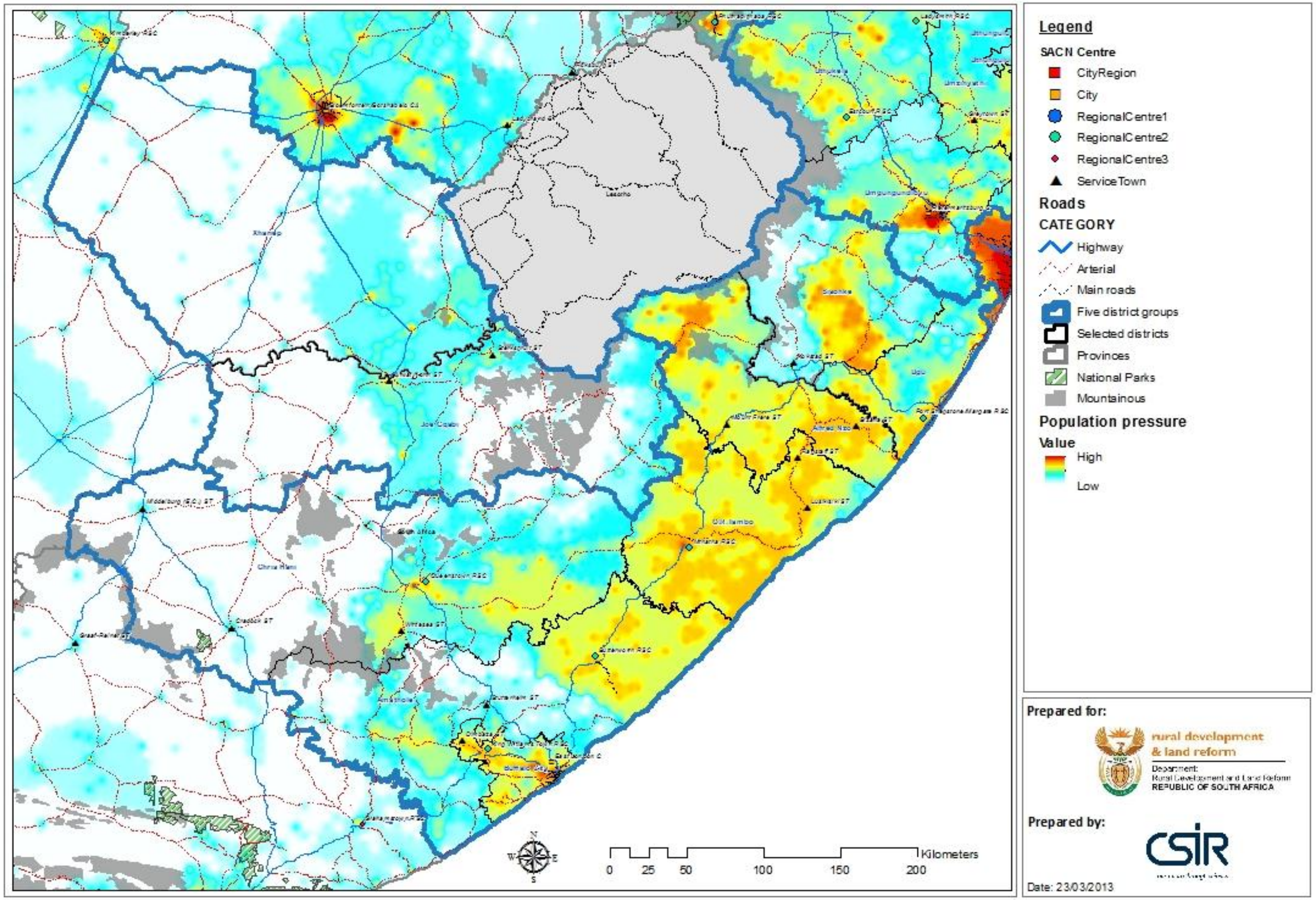


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Figure 3.10: Areas under pressure due to a combination of high densities, growth and in-migration of population

IMPLICATIONS:

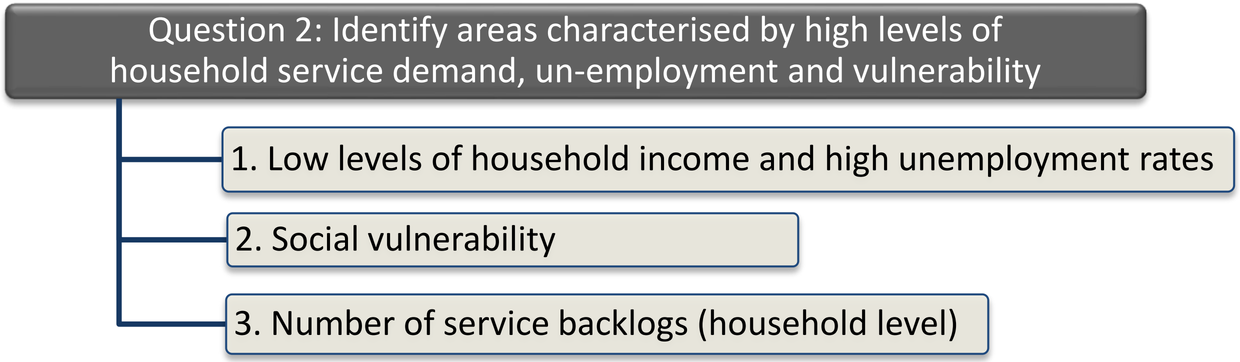
A few trends are discernible from the analysis:

- The areas that are under traditional authority are for the most part highly populated, with poor households widely distributed across these districts. They therefore experience high population pressures even though the population growth rate and their share in the national population may be declining, and they may be experiencing out-migration.
- There are no large cities in these priority districts, and only a few regional service centres. The local or niche towns are fairly evenly distributed across these districts. The towns seem to be growing, and are attracting households with a low income.

In the sparsely populated districts of Xhariep, Joe Gqabi and Chris Hani, very few changes in population or spatial growth are noticeable. Amathole district is showing the highest decrease in population growth rate and has some of the strongest out-migration trends in the country. Two districts in KwaZulu-Natal – Sisonke and Ugu – show population growth and some in-migration. They are also the districts in which most people live in settlements, towns or cities. Alfred Nzo and O.R. Tambo are some of the most densely populated districts experiencing high population pressure.

4 Where are the places in the Priority Rural Districts that are under huge pressure due to high levels of service backlogs and social vulnerability (including low income, high dependency and low employment ratios)?

Access to the basic services of water, electricity and sanitation is enshrined in the Constitution. Many people, especially the rural poor, 21 years after democracy, still do not have reliable access to these services and most cannot afford to pay for them. Thus, in identifying areas where there is a high demand on government to provide services, it is critical to understand the level of affordability of such services. The starting point is thus to review the level of income and unemployment within the regions as follows.



4.1 Household income and unemployment

From the graph below it can be deducted that almost 15% of households in these priority districts are without an income. Another 18% earn less than R800 per month, the majority of the population earn between R800 and R3 180, and some 20% earn R3 180 and above per month. Xhariep has the lowest percentage of people with no income, whereas O.R. Tambo has the highest. Ugu and Xhariep have the highest percentage of people earning above R3 180, and Alfred Nzo the least.

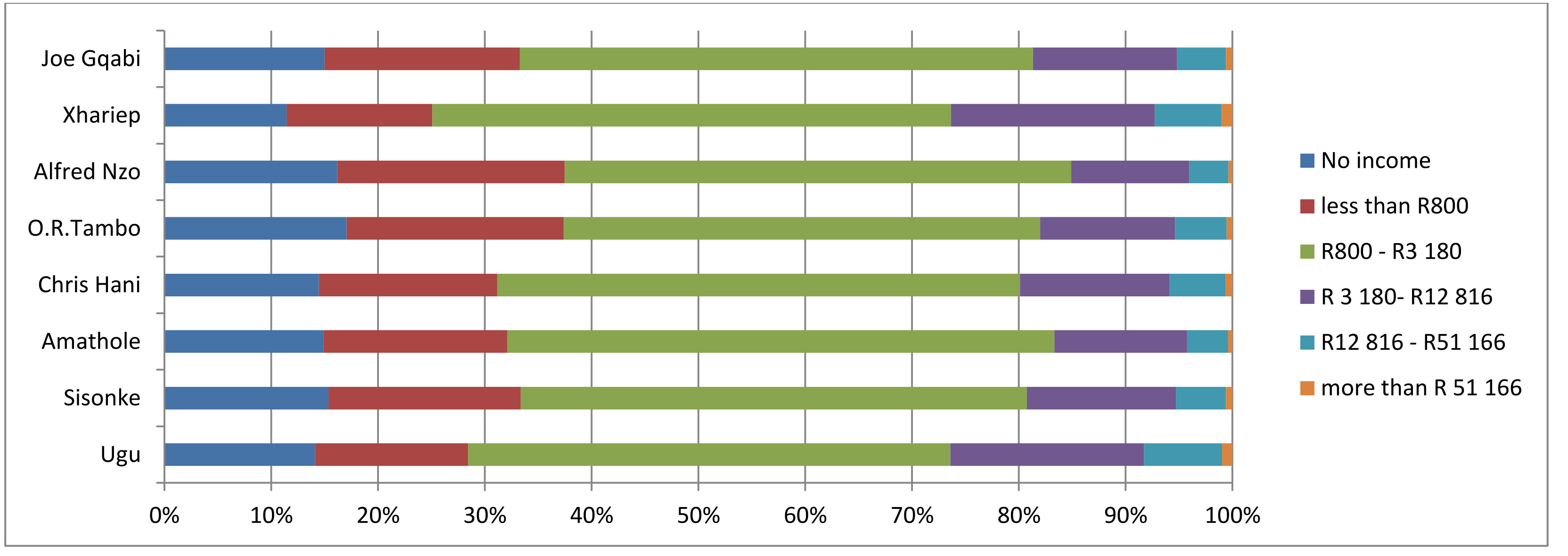


Figure 4.1: Household Income Groups

Unsurprisingly, as shown in Figure 4.2, the rate of employment in these districts is very low.

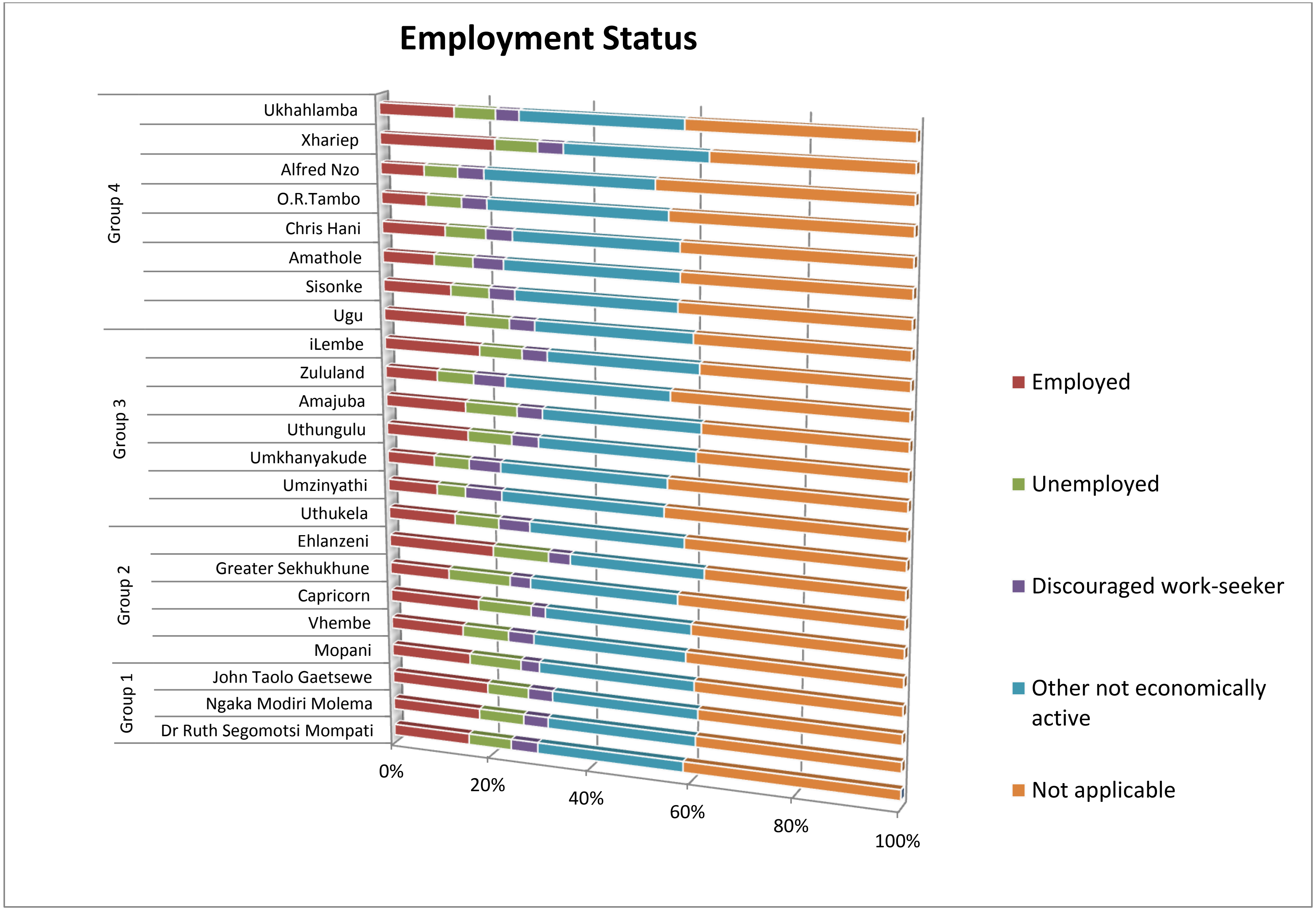


Figure 4.2: Comparative overview of employment status and dependency levels

4.2 Social Vulnerability

O.R. Tambo has by far the most number of children younger than 15 years (around 550 000, which is approximately 200 000 more than, for example, the Alfred Nzo district which has the second highest number) (Figure 4.3). This age category has huge implications for schooling and health care, as well as for the dependency ratio. O.R. Tambo also has the highest number of people under the age of 35, at one million people. This age category has immense implications for health care, future services delivery and employment creation.

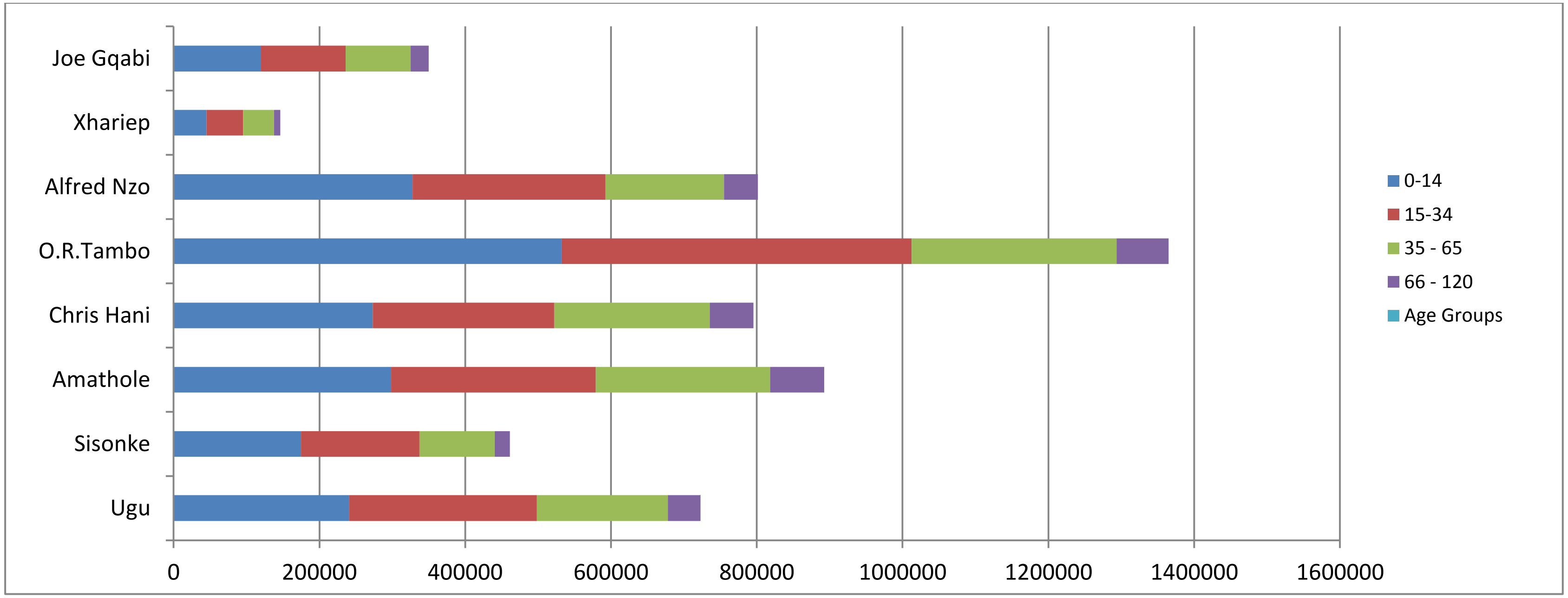


Figure 4.3: Age distribution

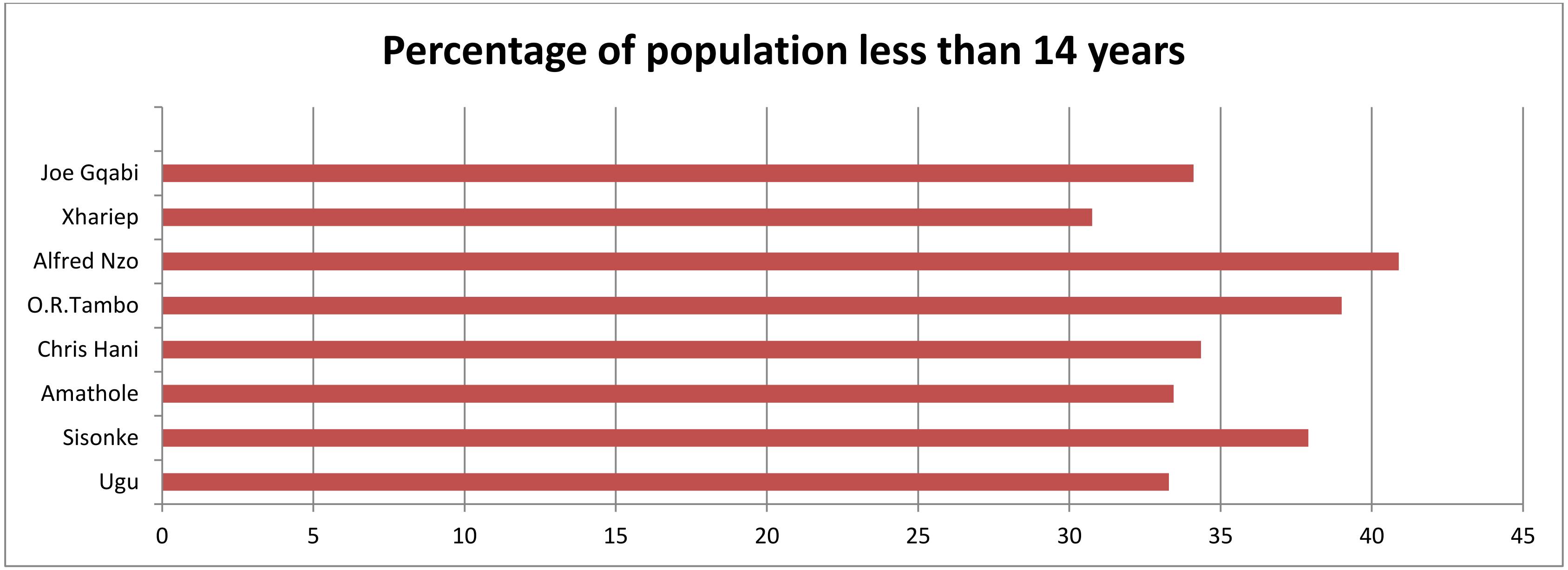


Figure 4.4: **Percentage of population younger than 14 years**

In Alfred Nzo, those under 14 years old make up 40% of the district's population, compared to Xhariep where it is 31% (Figure 4.4).

The large number of youth, elderly and the high unemployment rate result in a very high rate of dependency on those that are working (Figure 4.5). At a national scale there is a 60% dependency. This is much higher in Alfred Nzo at almost 90% and O.R. Tambo at almost 80%, while all the other districts, apart from Xhariep, have dependency ratios above 65%. The burden on the economically active population is very heavy, particularly in Alfred Nzo.

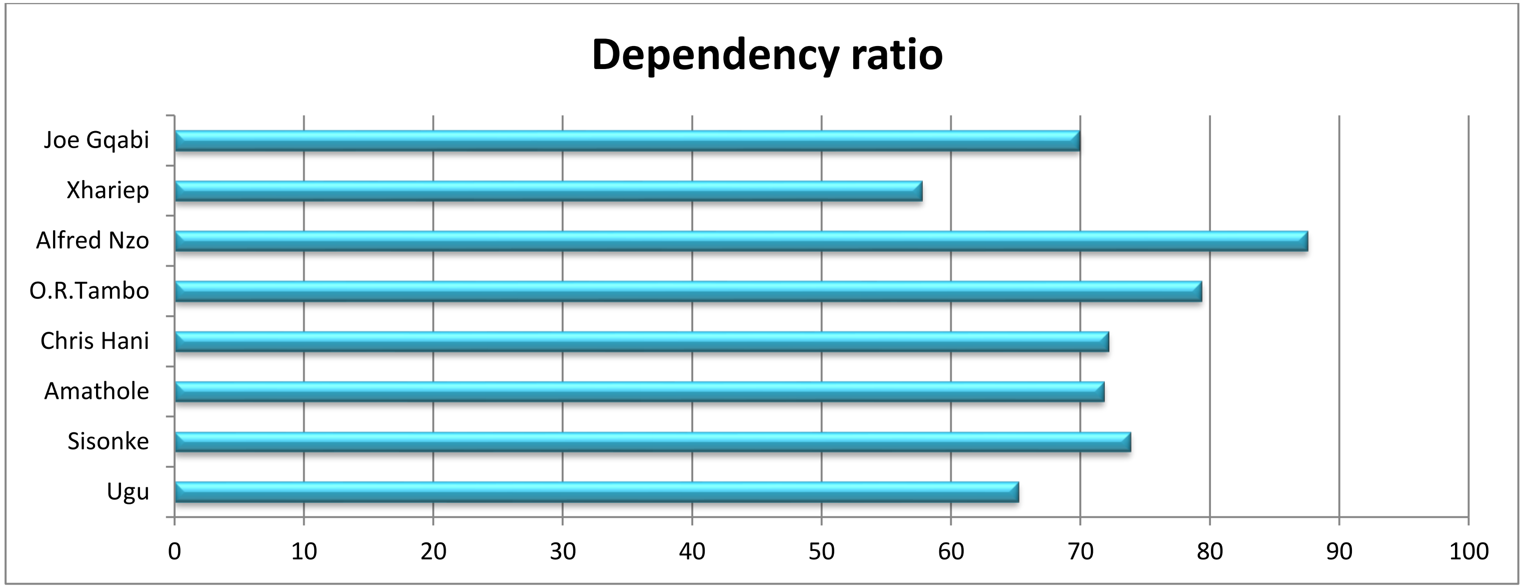


Figure 4.5: Dependency ratio (non-economically active in relation to economically active population)

4.3 Number of service backlogs

In order to identify investment priority areas, an extensive analysis was undertaken of service point backlogs across the region, with a specific focus on water, sanitation and electricity. In the table that follows, a number of indicators that have been discussed before are again listed, such as the ratio of people living in non-settlements versus settlements, population growth rate, population below 14 years, dependency ratio, and income levels, as well as key service related statistics at an LM and DM level that measure the percentage of households with limited or no service provision to three services – water, sanitation and electricity. As in most of the 23 priority districts, there is evidence of concentrations of population and poverty which places a huge burden on development, service delivery and job creation within the towns and smaller settlements.

Table 4.1 presents an overview of the key service related statistics at LM and DM level. Following on this, Table 4.2 provides a more detailed breakdown of the service backlogs at a settlement level. A breakdown of the backlog in services, as well as information on the population size and growth status, is presented for every town, settlement or rural area of a district.

Xhariep has the highest percentage of people with access to piped water, here between 91% and 96% of households have access to piped water in their dwellings or within 200 meters, while only 2% have no access to piped water. This is in sharp contrast to the O.R. Tambo and Alfred Nzo districts where 50 to 51% of the population do not have access to piped water – in Mbizana local municipality it is as high as 85% of the population. More than 20% of the population in almost half of the local municipalities (and all the municipalities in Alfred Nzo and O.R. Tambo) do not have access to piped water in their dwelling or within 200 metres.

The percentage of households with access to electricity is generally higher than for water provision, ranging from 93% in Xhariep to 45% in Alfred Nzo – the only district where less than 50% of the population do not have access to electricity. Access to flush toilets ranges from 5% in Intsika Yethu (Chris Hani District) to 87% in Naledi (Xhariep District). Mbhashe local municipality in Amathole has the highest percentage of households (58%) that do not have access to flush toilets or pit latrines, while this access is the lowest in Greatest Kokstad (Sisonke) and Ngqushwa (Amathole) at 6%.

It is important to consider that the ability of households to pay for basic services is restricted to a very small portion of the population, for most residents have a very low income. Low income is defined as households with less than R 38 201 per annum income. Alfred Nzo generally has the lowest levels of service provision and the highest levels of poverty, with 85% of the population earning a salary below R 30 200 per annum. There seems to be a correlation between the size of the population and the dependency ratio, levels of service provisions and income levels. Thus, the more populous districts have the highest dependency ratio, highest poverty levels and lower levels of service provision.

Table 4.1: District and local municipal population and socio-economic trends and service level backlogs

MUNICIPALITIES: DISTRICT & LOCAL	POPULATION		SETTLEMENT (% of population in high density settlements, cities, towns)	POPULATION ANNUAL GROWTH RATE (%)	POPULATION BELOW 14 YEARS (%)	DEPENDENCY RATIO	WATER SERVICE INDEX (% of households)	SANITATION SERVICE INDEX (% of households)	ENERGY SERVICE INDEX (% house-holds)	INCOME LEVELS (% households annual income)
	No. of people (2011)	% of national populat-tion	****Non-settlement/ Settlement** *[highlighted: non-settlement ≥ 40%]* ***ĦĦ*** *Where more than 80% in settlements*	*[highlighted: growth rate ≥ national rate of 1.86%]*	*[highlighted: >35%]*	**No. of unemployed dependent on the employed** *[highlighted: ≥ 7 persons]*	**Piped in dwelling or within 200 metres/ Piped not within 200 metres/ No piped water** *[highlighted: No piped water ≥ 20%]*	**Flush/ Pit latrine/ Other** *[highlighted: Other ≥ 20%]*	**Electricity/ No electricity** *[highlighted: No electricity ≥ 50%]*	**(R0-R38 200/ R38 201-R307 600/ More than R307 600)** *[highlighted: R0-R38 200 ≥ 85%]*
Alfred Nzo	802 521	1.55	31/69	0.29	41	11	16/34/50	12/68/20	45/55	85/14/1
Matatiele	203 832	0.39	28/72	-0.02			28/46/26	17/64/19	60/40	85/13/2
Mbizana	283 094	0.55	25/75	1.08			7/9/84	6/74/20	24/76	85/14/1
Ntabankulu	122 775	0.24	36/64	0.12			8/41/51	9/58/33	45/55	87/12/1
Umzimvubu	192 820	0.37	41/59	-0.27			17/45/38	15/70/15	70/30	84/15/1
Amathole	919 049	1.78	40/60	-0.74	33	9	27/44/29	23/45/32	82/18	82/16/2
Amahlathi	114 638	0.22	39/61	-0.83			37/47/16	25/63/12	80/20	82/16/2
Great Kei	38 991	0.08	34/66	-0.07			40/51/9	36/36/28	49/51	81/17/2
Mbhashe	257 535	0.50	45/55	-0.31			8/34/58	8/34/58	61/39	85/14/1
Mnquma	250 598	0.48	42/58	-0.90			18/43/39	19/38/43	91/09	83/16/1
Ngqushwa	105 914	0.20	40/60	-1.33			43/55/2	32/62/6	88/12	79/19/2
Nkonkobe	127 112	0.25	37/63	-0.91			42/52/6	35/56/9	92/08	82/16/2
Nxuba	24 261	0.05	***ĦĦ*** 16/84	-0.04			87/10/3	65/6/29	76/24	76/21/3
Chris Hani	794 609	1.53	48/52	-0.35	34	7	43/44/13	36/36/28	79/21	80/18/2
Emalahleni	119 461	0.23	69/31	-0.83			29/63/8	21/43/36	51/49	87/12/1
Engcobo	154 012	0.30	70/30	-0.64			8/59/33	8/42/50	92/08	86/13/1
Inkwanca	21 972	0.04	***ĦĦ*** 13/87	0.80			96/2/2	89/2/9	64/36	78/19/3
Intsika Yethu	146 021	0.28	74/26	-1.03			9/66/25	5/53/42	96/04	87/12/1
Inxuba Yethemba	65 562	0.13	***ĦĦ*** 18/82	0.94			96/3/1	90/3/7	91/09	66/30/4
Lukanji	190 714	0.37	***ĦĦ*** 16/84	0.49			73/24/3	70/21/9	79/21	71/25/4
Sakhisizwe	63 577	0.12	41/59	-0.47			45/45/10	28/48/24	88/12	80/17/3
Tsolwana	33 290	0.06	39/61	-0.47			58/37/5	25/55/20	70/30	83/15/1
O.R.Tambo	1 364 913	2.64	23/77	0.47	39	10	19/30/51	18/58/24	73/27	82/16/2
King Sabata Dalindyebo	451 701	0.87	***ĦĦ*** 19/81	0.75			38/22/40	34/49/17	73/27	76/21/3
Mhlontlo	188 219	0.36	48/52	-0.60			13/48/39	9/65/26	64/36	85/14/1
Ngquza Hill	270 970	0.52	25/75	0.74			8/23/69	13/67/20	71/29	84/15/1
Nyandeni	290 383	0.56	***ĦĦ*** 15/85	0.67			7/38/55	6/60/34	66/34	86/13/1
Port St Johns	163 640	0.32	***ĦĦ*** 16/84	0.37			7/27/66	13/54/33	61/39	88/11/1
Sisonke	462 564	0.89	29/71	1.27	38	6	33/32/35	26/65/9	81/19	81/17/2

MUNICIPALITIES: DISTRICT & LOCAL	POPULATION		SETTLEMENT (% of population in high density settlements, cities, towns)	POPULATION ANNUAL GROWTH RATE (%)	POPULATION BELOW 14 YEARS (%)	DEPENDENCY RATIO	WATER SERVICE INDEX (% of households)	SANITATION SERVICE INDEX (% of households)	ENERGY SERVICE INDEX (% house-holds)	INCOME LEVELS (% households annual income)
	No. of people (2011)	**% of national populat-tion**	****Non-settlement/ Settlement** *[highlighted: non-settlement ≥ 40%]* *ĦĦ Where more than 80% in settlements*	*[highlighted: growth rate ≥ national rate of 1.86%]*	*[highlighted: >35%]*	**No. of unemployed dependent on the employed** *[highlighted: ≥ 7 persons]*	**Piped in dwelling or within 200 metres/ Piped not within 200 metres/ No piped water** *[highlighted: No piped water ≥ 20%]*	**Flush/ Pit latrine/ Other** *[highlighted: Other ≥ 20%]*	**Electricity/ No electricity** *[highlighted: No electricity ≥ 50%]*	**(R0-R38 200/ R38 201-R307 600/ More than R307 600)** *[highlighted: R0-R38 200 ≥ 85%]*
Greater Kokstad	65 977	0.13	ĦĦ 18/82	5.89			75/23/2	71/23/6	50/50	67/28/5
Ingwe	100 225	0.19	25/75	0.51			32/26/42	16/69/15	76/24	83/15/2
Kwa Sani	14 380	0.03	61/39	0.87			72/10/18	50/39/11	54/46	70/25/5
Ubuhlebezwe	101 685	0.20	39/61	1.92			21/45/34	21/71/8	64/36	82/16/2
Umzimkhulu	180 297	0.35	26/74	0.46			17/36/47	11/81/8	72/28	86/13/1
Ugu	721 249	1.39	ĦĦ 9/91	0.88	33	5	34/49/17	34/53/13	80/20	74/23/3
Ezingoleni	52 540	0.10	ĦĦ 18/82	0.79			14/71/15	7/84/9	86/14	83/16/1
Hibiscus Coast	256 129	0.49	ĦĦ 0/100	2.29			50/46/4	49/39/12	76/24	64/31/5
Umdoni	78 852	0.15	ĦĦ 1/99	2.64			53/45/2	50/31/19	80/20	67/28/5
Umuziwabantu	95 364	0.18	ĦĦ 12/88	1.43			19/65/16	27/59/14	49/51	83/15/2
Umzumbe	160 968	0.31	ĦĦ 14/86	-0.09			13/41/46	12/75/13	37/63	84/15/1
Vulamehlo	77 396	0.15	26/74	-1.59			17/49/34	22/66/12	74/26	85/14/1
Joe Gqabi	349 757	0.68	41/59	0.23	34	6	42/32/26	31/47/22	46/54	81/17/2
Elundini	138 140	0.27	60/40	-0.13			18/35/47	14/58/28	91/09	86/13/1
Gariep	33 670	0.07	21/79	0.82			95/3/2	80/3/17	84/16	72/25/3
Maletswai	43 803	0.08	ĦĦ 13/87	2.24			80/18/2	79/6/15	81/19	66/29/5
Senqu	134 144	0.26	35/65	-0.01			41/40/19	19/61/20	92/08	84/14/2
Xhariep	146 256	0.28	28/72	-0.12	31	3	94/4/2	80/8/12	93/07	74/23/3
Kopanong	49 169	0.09	28/72	-0.22			96/3/1	86/4/10	93/07	72/25/3
Letsemeng	38 626	0.07	27/73	0.48			91/7/2	76/16/8	90/10	70/27/3
Mohokare	34 142	0.07	30/70	-0.46			96/3/1	73/7/20	94/06	76/21/3
Naledi	24 319	0.05	30/70	-0.26			94/4/2	87/5/8	81/19	80/18/2

"Non-settlement" = areas largely characterised by dense rural and sparse rural settlement (average < 100 people/km², excluding areas with average 10 people/km² with economic activity in services sector)

"Settlement" = areas largely characterised by dense settlements, towns & cities (average >100 people/ km² OR 10 people/km² with economic activity in services sector)

(Definition as used in SACN/Presidency/dplg/CSIR Functional Settlement Typology (2008)

Source: Functional Settlement Profile, 2013 CSIR/DRDLR Update (CSIR, Geospatial Analyses Platform, 2013)

Table 4.2 provides a more detailed breakdown of the service backlogs at a settlement level. The service backlogs per number of households are shown in detail for each town and settlement type grouped by local municipality in Table 4.2 below and in Figures 4.6 and 4.7. The service backlogs are defined and calculated as follows:

- Water backlog = no piped water within 200m of dwelling
- Electricity backlog = no electricity for lighting
- Sewage backlog = does not have access to a flush or pit toilet
- Total service backlogs = sum of all backlogs (may be 3 per household)
- Percentage backlog = index of backlog in relation to total households in area.

GROWTH CATEGORIES	
Major Decline	(7000)-(25000)
Decline	(1000)-(7000)
Minor Decline	(500)-(1000)
Stable	(500)- 500
Small Increase	500-1000
Increase	1000-8000
High Increase	8000-25000
Significant Increase	25000 plus
SYMBOLS	
Δ	Less than 2% growth
ΨΨΨ	More than 4% growth
ΦΦ	More than 10000 growth in population

Key for Table 4.2: Definitions of symbols and categories of growth

In deciding on the rate and type of service delivery, note should be taken of the rate of population growth or decline in each district. Most areas in Alfred Nzo (see below) have seen an increase in the population growth, with a few rural areas experiencing a decrease in population growth. All local, niche and service towns have shown an increase in population growth, in some instances a large increase. The percentage of backlogs in relation to the total households in the area is lowest in the service town of Matatiele at 56% and highest in the sparse rural settlement of Mbizana at 225%. More than 70% of the population is poor in all of the settlements of the District.

Table 4.2: Settlement/town specific population and socio-economic trends and service level backlogs

CLUSTER 4	Alfred Nzo		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Matatiele	Dense Rural	Dense Rural	52 337	46 483	41 048	(11 289)	Δ			Major decline	10 386	4.5	6 451	2 415	8 825	17 691	170.3	9 350	
Matatiele	HD_Rural	HD_Rural	90 843	89 723	94 140	3 297	Δ			Increase	22 009	4.1	9 717	4 373	12 399	26 489	120.4	19 494	
Matatiele	HD_Rural	TRANSKEI	1 280	4 770	4 768	3 488			ΨΨΨ	Increase	1 162	4.1	636	201	184	1 021	87.8	981	
Matatiele	Local or Niche Town	Cedarville	1 825	2 560	4 311	2 486			ΨΨΨ	Increase	1 068	2.4	145	156	430	731	68.5	817	
Matatiele	Local or Niche Town	Dumasini	-	6 050	5 960	5 960			ΨΨΨ	Increase	1 476	4.1	953	283	364	1 600	108.4	1 265	
Matatiele	ServiceTown	Matatiele	20 926	28 236	36 717	15 791		ΦΦ	ΨΨΨ	Large increase	9 478	3.0	1 819	1 113	2 421	5 352	56.5	6 699	
Matatiele	Sparse Rural	Sparse Rural	37 122	17 343	16 888	(20 234)	Δ			Major decline	3 949	4.4	1 812	857	2 684	5 354	135.6	3 427	
Mbizana	Dense Rural	Dense Rural	54 691	52 710	56 463	1 772	Δ			Increase	9 655	5.5	9 025	2 149	5 223	16 397	169.8	8 551	
Mbizana	HD_Rural	HD_Rural	139 724	141 843	158 287	18 563	Δ	ΦΦ		Large increase	26 649	5.3	25 334	5 791	10 763	41 887	157.2	22 987	
Mbizana	RegionalCentre2	Port Shepstone/Margat	13 765	14 253	20 263	6 498				Increase	4 463	3.2	4 272	290	838	5 400	121.0	3 563	
Mbizana	ServiceTown	Bizana ST	23 307	25 893	32 614	9 307		ΦΦ		Large increase	6 936	3.7	4 172	801	1 698	6 672	96.2	5 303	
Mbizana	Sparse Rural	Sparse Rural	12 186	12 753	15 467	3 281	Δ			Increase	1 054	12.1	1 038	460	882	2 379	225.6	922	
Ntabankulu	Dense Rural	Dense Rural	41 331	46 491	41 513	182	Δ			Stable	7 963	5.8	5 711	2 811	6 837	15 359	192.9	7 097	
Ntabankulu	HD_Rural	HD_Rural	47 284	50 090	48 852	1 568	Δ			Increase	9 179	5.5	6 366	2 660	7 579	16 605	180.9	8 126	
Ntabankulu	HD_Rural	TRANSKEI	13 032	13 344	13 471	439	Δ			Stable	3 036	4.4	1 948	1 269	2 106	5 323	175.3	2 445	
Ntabankulu	Local or Niche Town	Tabankulu	15 596	16 169	16 341	745	Δ			Small increase	3 404	4.8	1 408	1 278	1 355	4 040	118.7	2 797	
Ntabankulu	Sparse Rural	Sparse Rural	3 300	2 974	2 598	(702)	Δ			Minor decline	542	5.5	503	37	522	1 062	195.8	489	
Umzimvubu	Dense Rural	Dense Rural	74 778	73 692	62 503	(12 275)	Δ			Major decline	15 351	4.8	9 336	2 967	10 501	22 803	148.5	13 447	
Umzimvubu	HD_Rural	HD_Rural	65 936	70 127	67 336	1 400	Δ			Increase	15 019	4.7	8 867	2 262	7 843	18 972	126.3	13 159	
Umzimvubu	HD_Rural	TRANSKEI	8 527	9 808	10 913	2 386	Δ			Increase	2 663	3.7	907	290	1 164	2 361	88.6	2 202	
Umzimvubu	Local or Niche Town	Mount Ayliff	10 440	10 806	11 673	1 233	Δ			Increase	3 266	3.3	616	429	1 559	2 604	79.7	2 328	
Umzimvubu	ServiceTown	Mount Frere ST	19 099	20 044	24 495	5 396	Δ			Increase	6 933	2.9	2 805	592	2 101	5 498	79.3	5 099	
Umzimvubu	Sparse Rural	Sparse Rural	22 290	20 524	15 900	(6 390)	Δ			Decline	3 934	5.2	2 433	722	2 847	6 002	152.6	3 459	

Most areas in Amathole (see below) have seen a decline in the population growth, to the extent that almost all settlements grew below the national growth rate of 2%. Some towns are growing, but most remain stable. All the rural areas are experiencing a decrease in population growth. The percentage of backlogs in relation to the total households in the area is lowest in the regional centre of King William's Town at 16.8% and highest in the local niche town of Mhlanganisweni at 280.6%. In only three settlements in the District is less than 70% of the population poor.

CLUSTER 4	Amathole		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Amahlathi	Dense Rural	Dense Rural	21 608	19 048	15 905	(5 703)	Δ			Decline	4 457	4.3	2 041	875	957	3 873	86.9	3 887	
Amahlathi	HD_Rural	CISKEI	10 002	9 145	7 388	(2 614)	Δ			Decline	2 222	4.1	827	168	162	1 158	52.1	1 953	
Amahlathi	HD_Rural	HD_Rural	21 022	18 666	16 463	(4 559)	Δ			Decline	4 333	4.3	913	299	607	1 819	42.0	3 817	
Amahlathi	Local or Niche Town	Cathcart	7 841	8 049	7 727	(114)	Δ			Stable	2 062	3.9	286	338	375	1 000	48.5	1 599	
Amahlathi	Local or Niche Town	Kei Road	2 416	2 777	2 358	(58)	Δ			Stable	608	4.6	230	69	126	425	70.0	517	
Amahlathi	Local or Niche Town	Keiskammahoek	10 026	11 496	10 166	140	Δ			Stable	3 070	3.7	1 038	137	258	1 433	46.7	2 409	
Amahlathi	ServiceTown	Stutterheim ST	20 240	25 604	25 579	5 339	Δ			Increase	7 292	3.5	757	377	837	1 970	27.0	5 475	
Amahlathi	Sparse Rural	Sparse Rural	37 749	34 094	29 052	(8 697)	Δ			Major decline	8 007	4.3	3 327	1 751	2 397	7 476	93.4	6 778	
Great Kei	City	East London C	15 747	15 911	14 537	(1 210)	Δ			Decline	3 829	4.2	1 719	1 184	566	3 469	90.6	3 034	
Great Kei	Local or Niche Town	Haga Haga	749	672	557	(192)	Δ			Stable	150	4.5	21	50	37	108	71.9	104	•••
Great Kei	Local or Niche Town	Kei Mouth	2 129	2 856	2 933	804				Small increase	788	3.6	112	261	193	567	71.9	546	•••
Great Kei	Local or Niche Town	Komga	6 032	7 297	7 692	1 660	Δ			Increase	2 404	3.0	262	242	721	1 225	50.9	1 898	
Great Kei	Sparse Rural	Sparse Rural	14 722	17 614	13 272	(1 450)	Δ			Decline	3 138	5.6	818	1 118	527	2 463	78.5	2 760	
Mbhashe	Dense Rural	Dense Rural	118 578	114 724	105 532	(13 046)	Δ			Major decline	25 342	4.5	18 013	16 031	13 223	47 268	186.5	22 206	
Mbhashe	HD_Rural	HD_Rural	67 183	69 243	65 195	(1 988)	Δ			Decline	14 797	4.7	11 116	9 239	7 769	28 125	190.1	12 824	
Mbhashe	HD_Rural	TRANSKEI	44 325	42 851	41 153	(3 172)	Δ			Decline	9 252	4.6	7 666	5 505	5 422	18 593	201.0	7 839	
Mbhashe	Local or Niche Town	Elliotdale	5 501	5 810	7 273	1 772				Increase	1 883	3.1	950	749	842	2 542	135.0	1 396	
Mbhashe	Local or Niche Town	Idutywa	8 557	11 865	16 111	7 554			ψψψ	Increase	3 996	3.0	1 961	909	1 126	3 996	100.0	2 929	
Mbhashe	Local or Niche Town	Mhlanganisweni	4 563	4 288	4 420	(143)	Δ			Stable	850	5.0	741	811	833	2 385	280.6	739	
Mbhashe	Local or Niche Town	Willowvale	7 315	7 504	7 313	(2)	Δ			Stable	2 018	3.7	1 033	768	412	2 214	109.7	1 505	
Mbhashe	Sparse Rural	Sparse Rural	14 217	11 766	10 538	(3 679)	Δ			Decline	2 652	4.4	1 422	1 591	1 118	4 131	155.8	2 341	
Mnquma	Dense Rural	Dense Rural	119 760	110 518	94 507	(25 253)	Δ			Major decline	25 213	4.4	16 884	13 834	11 186	41 904	166.2	22 120	
Mnquma	HD_Rural	HD_Rural	38 241	36 223	32 550	(5 691)	Δ			Decline	8 634	4.2	5 372	3 464	3 722	12 559	145.5	7 599	
Mnquma	HD_Rural	TRANSKEI	35 873	33 401	29 286	(6 587)	Δ			Decline	7 833	4.3	5 889	4 378	3 118	13 385	170.9	6 832	
Mnquma	Local or Niche Town	Centane	6 493	6 770	5 460	(1 033)	Δ			Decline	1 486	4.6	996	1 096	558	2 649	178.3	1 257	
Mnquma	Local or Niche Town	Nqamakwe	4 852	6 125	5 209	357	Δ			Stable	1 452	4.2	1 057	488	571	2 116	145.7	1 198	
Mnquma	RegionalCentre2	Butterworth RSC	70 308	78 071	73 807	3 499	Δ			Increase	22 071	3.5	6 746	5 134	5 941	17 821	80.7	16 179	
Mnquma	Sparse Rural	Sparse Rural	14 420	11 313	9 779	(4 641)	Δ			Decline	2 586	4.4	2 086	1 494	1 598	5 178	200.2	2 293	
Ngqushwa	Dense Rural	Dense Rural	26 403	22 794	19 946	(6 457)	Δ			Decline	5 544	4.1	1 681	463	428	2 572	46.4	4 885	
Ngqushwa	HD_Rural	CISKEI	14 046	13 048	10 265	(3 781)	Δ			Decline	3 011	4.3	738	218	298	1 254	41.6	2 629	
Ngqushwa	HD_Rural	HD_Rural	13 354	11 210	9 550	(3 804)	Δ			Decline	2 969	3.8	1 102	149	239	1 490	50.2	2 650	
Ngqushwa	Homeland	CISKEI	1 894	1 685	1 422	(472)	Δ			Stable	440	3.8	125	34	46	205	46.6	378	
Ngqushwa	Local or Niche Town	Hamburg	2 179	2 129	1 941	(238)	Δ			Stable	600	3.5	170	46	63	279	46.6	516	
Ngqushwa	Local or Niche Town	Peddie	6 624	6 577	6 848	224	Δ			Stable	2 222	3.0	333	131	124	588	26.5	1 682	
Ngqushwa	Local or Niche Town	Wesley	1 672	1 681	1 554	(118)	Δ			Stable	479	3.5	127	40	50	217	45.2	411	
Ngqushwa	RegionalCentre2	King Williams Town RS(	36 568	33 397	33 727	(2 841)	Δ			Decline	9 400	3.6	331	311	939	1 582	16.8	5 774	•••

NOTE: East London, as referred to in the table above, is merely the part of the functional area of East London that falls within the Vulamehlo District.

CLUSTER 4	Amathole		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Ngqushwa	Sparse Rural	Sparse Rural	29 570	25 388	20 661	(8 909)	Δ			Major decline	6 119	4.1	1 974	398	591	2 963	48.4	5 306	
Nkonkobe	Dense Rural	Dense Rural	30 827	28 059	22 696	(8 131)	Δ			Major decline	6 339	4.4	1 286	645	762	2 694	42.5	5 444	
Nkonkobe	HD_Rural	CISKEI	22 883	19 612	17 448	(5 435)	Δ			Decline	4 916	4.0	1 139	440	760	2 339	47.6	4 172	
Nkonkobe	HD_Rural	HD_Rural	8 340	7 782	8 105	(235)	Δ			Stable	1 797	4.3	249	170	66	484	26.9	1 516	
Nkonkobe	Local or Niche Town	Alice	16 157	14 410	17 730	1 573	Δ			Increase	5 015	2.9	507	212	348	1 068	21.3	3 736	
Nkonkobe	Local or Niche Town	Fort Beaufort	26 866	24 982	26 855	(11)	Δ			Stable	7 783	3.2	991	635	629	2 254	29.0	5 883	
Nkonkobe	Local or Niche Town	Hogsback	886	796	815	(71)	Δ			Stable	231	3.5	62	29	44	134	58.3	185	
Nkonkobe	Local or Niche Town	Middeldrift	5 478	5 139	6 018	540	Δ			Small increase	1 611	3.2	270	106	118	495	30.7	1 318	
Nkonkobe	Local or Niche Town	Seymour	2 906	2 729	3 702	796	Δ			Small increase	1 034	2.6	279	187	379	845	81.7	884	
Nkonkobe	Sparse Rural	Sparse Rural	32 768	26 012	23 743	(9 025)	Δ			Major decline	6 627	3.9	2 174	897	984	4 054	61.2	5 798	
Nxuba	Local or Niche Town	Adelaide	11 282	13 535	12 637	1 355	Δ			Increase	3 469	3.9	173	1 127	234	1 535	44.3	2 604	
Nxuba	Local or Niche Town	Bedford	8 905	8 654	7 657	(1 248)	Δ			Decline	2 196	3.9	141	575	182	898	40.9	1 711	
Nxuba	Sparse Rural	Sparse Rural	4 208	2 627	3 967	(241)	Δ			Stable	1 047	2.5	66	242	108	415	39.7	817	

Many rural areas in Chris Hani (see below) have experienced a decline in the population growth, and apart from two settlements, all others grew below the national growth rate of 2%. Most of the towns are growing, and Queenstown has experienced a large increase in the population growth rate. The percentage of backlogs in relation to the total households in the area is lowest in the service town of Cradock at 7.4% and highest in the dense rural settlement of Engcobo at 163.6%. In only three settlements of the District is less than 70% of the population poor.

CLUSTER 4	Chris Hani		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS						INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Emalahleni	Dense Rural	Dense Rural	51 983	47 467	46 401	(5 582)	Δ			Decline	12 008	4.0	3 315	4 595	2 247	10 157	84.6	10 582	
Emalahleni	HD_Rural	HD_Rural	4 603	3 967	4 507	(96)	Δ			Stable	1 180	3.4	346	563	190	1 099	93.1	1 052	
Emalahleni	HD_Rural	TRANSKEI	15 414	12 204	13 047	(2 367)	Δ			Decline	3 411	3.6	864	1 451	429	2 744	80.5	2 814	
Emalahleni	Local or Niche Town	Dordrecht	9 043	8 964	9 834	791	Δ			Small increase	2 710	3.3	314	349	211	873	32.2	2 326	
Emalahleni	Local or Niche Town	Indwe	7 748	8 083	9 771	2 023	Δ			Increase	2 595	3.1	351	461	459	1 272	49.0	2 131	
Emalahleni	Sparse Rural	Sparse Rural	47 668	41 206	35 901	(11 767)	Δ			Major decline	9 775	4.2	2 813	3 896	3 273	9 981	102.1	8 652	
Engcobo	Dense Rural	Dense Rural	87 448	83 994	77 850	(9 598)	Δ			Major decline	18 330	4.6	10 176	9 669	10 149	29 994	163.6	16 008	
Engcobo	HD_Rural	HD_Rural	19 492	18 285	18 324	(1 168)	Δ			Decline	4 259	4.3	2 505	2 002	904	5 410	127.0	3 577	
Engcobo	HD_Rural	TRANSKEI	9 700	8 936	8 850	(850)	Δ			Minor decline	2 145	4.2	1 377	607	770	2 754	128.4	1 782	
Engcobo	Local or Niche Town	Clarkebury	4 388	3 478	3 466	(922)	Δ			Minor decline	833	4.2	358	560	256	1 174	140.9	696	
Engcobo	Local or Niche Town	Engcobo	12 179	12 909	15 373	3 194	Δ			Increase	4 384	2.9	1 568	1 426	1 036	4 030	91.9	3 338	
Engcobo	Sparse Rural	Sparse Rural	37 134	33 827	30 149	(6 985)	Δ			Decline	6 893	4.9	5 042	4 141	4 769	13 952	202.4	6 127	
Inkwanca	Local or Niche Town	Molteno	10 176	10 849	11 824	1 648	Δ			Increase	3 135	3.5	36	140	251	428	13.6	2 492	
Inkwanca	Local or Niche Town	Sterkstroom	6 079	6 378	7 308	1 229	Δ			Increase	2 209	2.9	56	244	173	473	21.4	1 762	
Inkwanca	Sparse Rural	Sparse Rural	3 360	3 042	2 840	(520)	Δ			Minor decline	885	3.4	34	168	93	295	33.3	620	
Intsika Yethu	Dense Rural	Dense Rural	98 328	88 864	80 704	(17 624)	Δ			Major decline	22 089	4.0	12 124	9 974	9 534	31 632	143.2	19 718	
Intsika Yethu	HD_Rural	HD_Rural	15 778	14 124	12 291	(3 487)	Δ			Decline	3 407	4.1	1 361	1 429	471	3 261	95.7	3 036	
Intsika Yethu	HD_Rural	TRANSKEI	19 079	19 604	22 146	3 067	Δ			Increase	6 609	3.0	1 798	1 986	1 331	5 115	77.4	5 130	
Intsika Yethu	Local or Niche Town	Tsomo	3 108	2 694	2 881	(227)	Δ			Stable	877	3.1	560	195	245	1 000	114.0	662	
Intsika Yethu	Sparse Rural	Sparse Rural	36 383	30 761	27 999	(8 384)	Δ			Major decline	7 626	4.0	4 136	3 565	3 036	10 737	140.8	6 774	
Inxuba Yethem	ServiceTown	Cradock ST	28 917	31 292	35 434	6 517	Δ			Increase	10 102	3.1	85	361	304	750	7.4	6 231	●●●
Inxuba Yethem	ServiceTown	Middelburg (E.C.) ST	17 691	18 082	18 575	884	Δ			Small increase	5 219	3.5	43	176	266	485	9.3	3 612	●●●
Inxuba Yethem	Sparse Rural	Sparse Rural	10 843	10 969	11 553	710	Δ			Small increase	3 143	3.5	142	781	233	1 156	36.8	2 271	
Lukanji	Dense Rural	Dense Rural	13 267	11 708	12 313	(954)	Δ			Minor decline	3 343	3.5	798	442	285	1 526	45.6	2 843	
Lukanji	HD_Rural	HD_Rural	2 975	3 726	4 910	1 935			ΨΨΨ	Increase	1 380	2.7	277	158	156	590	42.8	1 138	
Lukanji	HD_Rural	TRANSKEI	3 926	3 552	2 945	(981)	Δ			Minor decline	781	4.5	166	359	33	558	71.4	702	
Lukanji	Local or Niche Town	Ilinge	14 054	13 528	14 461	407	Δ			Stable	3 775	3.6	574	1 086	473	2 133	56.5	3 263	
Lukanji	RegionalCentre2	Queenstown RSC	87 186	92 658	103 658	16 472	Δ	ΦΦ		Large increase	28 052	3.3	1 156	1 544	2 703	5 403	19.3	17 720	●●●
Lukanji	ServiceTown	Wittlesea ST	36 775	37 731	33 741	(3 034)	Δ			Decline	8 756	4.3	705	252	313	1 270	14.5	6 934	
Lukanji	Sparse Rural	Sparse Rural	19 586	19 815	18 686	(900)	Δ			Minor decline	5 086	3.9	1 031	741	670	2 443	48.0	3 868	
Sakhisizwe	HD_Rural	HD_Rural	870	835	540	(330)	Δ			Stable	123	6.8	32	38	33	103	84.2	109	
Sakhisizwe	HD_Rural	TRANSKEI	20 553	21 161	21 150	597	Δ			Small increase	5 803	3.6	990	1 102	1 170	3 261	56.2	4 361	
Sakhisizwe	Local or Niche Town	Elliot	12 228	15 397	15 594	3 366	Δ			Increase	3 928	3.9	444	838	1 156	2 438	62.1	2 987	
Sakhisizwe	Sparse Rural	Sparse Rural	34 709	29 165	26 293	(8 416)	Δ			Major decline	6 296	4.6	2 225	1 862	1 012	5 099	81.0	5 514	
Tsolwana	Dense Rural	Dense Rural	7 502	6 354	6 225	(1 277)	Δ			Decline	1 631	3.9	432	91	151	675	41.4	1 402	
Tsolwana	HD_Rural	HD_Rural	2 778	2 852	2 802	24	Δ			Stable	749	3.8	138	71	57	266	35.5	645	

CLUSTER 4	Chris Hani		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Tsolwana	Local or Niche Town	Hofmeyer	2 401	3 589	3 538	1 137				Increase	1 105	3.2	119	366	170	655	59.3	915	
Tsolwana	Local or Niche Town	Tarkastad	5 131	6 369	6 016	885	Δ			Small increase	1 864	3.4	28	641	358	1 027	55.1	1 441	
Tsolwana	Local or Niche Town	Thornhill	10 272	8 674	8 066	(2 206)	Δ			Decline	2 206	3.9	248	318	152	717	32.5	1 888	
Tsolwana	Sparse Rural	Sparse Rural	7 731	4 682	6 643	(1 088)	Δ			Decline	1 939	2.4	259	473	249	981	50.6	1 609	

Joe Gqabi district (see below) saw a decline in the population growth rate in a few rural areas, while the most significant increase was in Aliwal North and Sterkspruit. All the other local niche towns, except for Mhlangeni, also saw an increase in the growth rate. Much of the growth is below the national growth level. The percentage of backlogs in relation to the total number of households in the area is lowest in the local town of Burgersdorp at 17.3% and highest in the sparse rural settlement of Elundini at 186%. In only two settlements of the District is less than 70% of the population poor.

CLUSTER 4	Joe Gqabi		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Elundini	Dense Rural	Dense Rural	18 430	15 668	15 082	(3 348)	Δ			Decline	3 841	4.1	2 947	1 066	1 765	5 778	150.4	3 417	
Elundini	HD_Rural	HD_Rural	8 355	7 773	7 184	(1 171)	Δ			Decline	1 820	4.3	1 479	621	330	2 429	133.4	1 643	
Elundini	HD_Rural	TRANSKEI	6 558	7 992	8 364	1 806	Δ			Increase	1 809	4.4	1 335	178	1 015	2 528	139.8	1 637	
Elundini	Local or Niche Town	Maclear	8 271	9 900	12 471	4 200				Increase	3 603	2.7	1 035	821	875	2 732	75.8	2 787	
Elundini	Local or Niche Town	Mt Fletcher	9 381	13 144	15 710	6 329			ΨΨΨ	Increase	4 906	2.7	3 622	1 209	1 598	6 428	131.0	3 635	
Elundini	Local or Niche Town	Ugie	7 518	8 283	11 612	4 094				Increase	3 786	2.2	224	225	401	850	22.5	3 183	
Elundini	Sparse Rural	Sparse Rural	82 288	74 659	67 717	(14 571)	Δ			Major decline	18 086	4.1	12 739	6 570	14 334	33 644	186.0	16 056	
Gariep	Local or Niche Town	Burgersdorp	12 549	15 093	14 631	2 082	Δ			Increase	3 979	3.8	88	277	322	688	17.3	3 004	
Gariep	Local or Niche Town	Oviston	552	579	608	56	Δ			Stable	191	3.0	2	6	27	34	18.0	142	
Gariep	Local or Niche Town	Steynsburg	6 316	7 190	7 150	834	Δ			Small increase	2 086	3.4	58	921	188	1 167	55.9	1 549	
Gariep	Local or Niche Town	Venterstad	4 212	4 792	4 342	130	Δ			Stable	1 365	3.5	14	39	192	245	18.0	1 015	
Gariep	Sparse Rural	Sparse Rural	6 367	3 655	6 939	572	Δ			Small increase	2 149	1.7	83	425	196	704	32.8	1 361	●●●
Maletswai	Local or Niche Town	Jamestown	3 707	3 436	4 465	758	Δ			Small increase	1 282	2.7	232	270	225	727	56.7	1 026	
Maletswai	ServiceTown	Aliwal North ST	23 008	28 696	33 468	10 460		ΦΦ		Large increase	9 260	3.1	737	1 357	1 503	3 597	38.9	5 819	●●●
Maletswai	Sparse Rural	Sparse Rural	6 077	5 176	5 870	(207)	Δ			Stable	1 561	3.3	187	227	183	597	38.3	1 147	
Senqu	Dense Rural	Dense Rural	35 579	31 433	26 553	(9 026)	Δ			Major decline	7 256	4.3	3 871	1 828	1 234	6 934	95.6	6 455	
Senqu	HD_Rural	HD_Rural	27 058	26 851	27 417	359	Δ			Stable	7 787	3.4	2 955	1 034	714	4 704	60.4	6 917	
Senqu	HD_Rural	TRANSKEI	2 025	2 015	1 904	(121)	Δ			Stable	527	3.8	320	214	119	653	124.0	462	
Senqu	Local or Niche Town	Barkley East	7 432	11 066	11 449	4 017				Increase	3 073	3.6	225	942	613	1 780	57.9	2 341	
Senqu	Local or Niche Town	Lady Grey	5 525	5 312	6 947	1 422	Δ			Increase	2 113	2.5	105	236	171	513	24.3	1 624	
Senqu	Local or Niche Town	Mhlangeni	6 490	6 091	5 424	(1 066)	Δ			Decline	1 726	3.5	333	200	159	691	40.1	1 547	
Senqu	Local or Niche Town	Rhodes	568	740	747	179				Stable	206	3.6	41	137	74	252	122.2	172	
Senqu	ServiceTown	Sterkspruit ST	23 971	28 293	33 802	9 831		ΦΦ		Large increase	9 728	2.9	2 766	1 771	3 095	7 633	78.5	7 674	
Senqu	Sparse Rural	Sparse Rural	25 768	24 346	19 901	(5 867)	Δ			Decline	5 632	4.3	1 980	1 209	1 002	4 191	74.4	4 921	

Some rural areas in O.R. Tambo (see below) have experienced a decline in the population growth, and much of the growth rate is below the national growth rate of 2%. Almost all the towns are growing, and Mthatha has experienced a significant increase in its population growth rate. The percentage of backlogs in relation to the total households in the area is lowest in the regional centre of Mthatha at 40.8% and highest in the local town of Coffee Bay at 197.6%. In only one settlement in the District is less than 70% of the population poor.

CLUSTER 4	OR Tambo		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
King Sabata Dal	Dense Rural	Dense Rural	86 637	86 682	79 718	(6 919)	Δ			Decline	15 389	5.6	13 879	5 199	5 883	24 961	162.2	13 529	
King Sabata Dal	HD_Rural	HD_Rural	138 503	138 891	140 451	1 948	Δ			Increase	27 951	5.0	20 968	6 339	9 501	36 808	131.7	23 830	
King Sabata Dal	HD_Rural	TRANSKEI	20 823	19 048	18 700	(2 123)	Δ			Decline	3 893	4.9	3 462	982	2 798	7 241	186.0	3 344	
King Sabata Dal	Local or Niche Town	Coffee Bay	6 380	6 830	7 410	1 030	Δ			Increase	1 329	5.1	901	514	1 210	2 626	197.6	1 137	
King Sabata Dal	Local or Niche Town	Mqanduli	8 762	9 624	8 590	(172)	Δ			Stable	1 906	5.0	1 395	360	390	2 145	112.5	1 534	
King Sabata Dal	RegionalCentre2	Mthatha RSC	139 206	149 785	191 331	52 125		ΦΦ		Significant increase	53 571	2.8	9 299	4 487	8 075	21 861	40.8	35 100	•••
King Sabata Dal	Sparse Rural	Sparse Rural	5 904	6 029	5 501	(403)	Δ			Stable	1 197	5.0	832	183	198	1 213	101.3	1 044	
Mhlontlo	Dense Rural	Dense Rural	78 274	76 770	70 860	(7 414)	Δ			Major decline	16 215	4.7	9 844	5 047	4 458	19 350	119.3	14 069	
Mhlontlo	HD_Rural	HD_Rural	52 900	51 771	50 404	(2 496)	Δ			Decline	11 442	4.5	6 128	3 022	3 029	12 179	106.4	9 748	
Mhlontlo	HD_Rural	TRANSKEI	26 030	25 310	22 440	(3 590)	Δ			Decline	5 143	4.9	2 317	883	992	4 192	81.5	4 381	
Mhlontlo	Local or Niche Town	Qumbu	9 536	9 583	10 429	893	Δ			Small increase	2 818	3.4	853	512	476	1 842	65.4	2 238	
Mhlontlo	Local or Niche Town	Tsolo	15 713	17 139	15 182	(531)	Δ			Minor decline	3 305	5.2	2 175	464	1 056	3 695	111.8	2 666	
Mhlontlo	Sparse Rural	Sparse Rural	24 302	22 971	18 904	(5 398)	Δ			Decline	4 490	5.1	2 407	1 325	1 876	5 608	124.9	3 905	
Ngquza Hill	Dense Rural	Dense Rural	56 296	52 133	53 578	(2 718)	Δ			Decline	10 311	5.1	9 695	2 511	6 263	18 469	179.1	9 104	
Ngquza Hill	HD_Rural	HD_Rural	95 334	95 856	105 361	10 027	Δ	ΦΦ		Large increase	20 080	4.8	17 534	4 215	7 993	29 742	148.1	17 490	
Ngquza Hill	HD_Rural	TRANSKEI	9 016	8 937	7 980	(1 036)	Δ			Decline	1 545	5.8	1 423	569	927	2 919	188.9	1 377	
Ngquza Hill	Local or Niche Town	Palmerton	6 800	7 498	7 416	616	Δ			Small increase	1 507	5.0	1 371	225	181	1 778	117.9	1 224	
Ngquza Hill	Local or Niche Town	Taweni	10 133	10 636	10 926	793	Δ			Small increase	2 235	4.8	1 793	651	497	2 941	131.6	1 865	
Ngquza Hill	ServiceTown	Flagstaff ST	13 728	16 880	20 552	6 824				Increase	4 719	3.6	3 007	1 100	941	5 047	107.0	3 578	
Ngquza Hill	ServiceTown	Lusikisiki ST	37 182	40 241	50 473	13 291		ΦΦ		Large increase	12 140	3.3	6 675	1 146	1 512	9 332	76.9	9 316	
Ngquza Hill	Sparse Rural	Sparse Rural	15 456	15 925	14 684	(772)	Δ			Minor decline	2 693	5.9	2 348	576	1 812	4 736	175.9	2 372	
Nyandeni	Dense Rural	Dense Rural	37 582	42 111	41 110	3 528	Δ			Increase	8 177	5.1	6 326	3 266	2 107	11 699	143.1	7 408	
Nyandeni	HD_Rural	HD_Rural	184 384	189 647	201 633	17 249	Δ	ΦΦ		Large increase	42 012	4.5	31 143	15 104	13 330	59 578	141.8	36 361	
Nyandeni	HD_Rural	TRANSKEI	13 982	15 093	15 852	1 870	Δ			Increase	3 395	4.4	2 616	1 562	1 221	5 400	159.1	2 900	
Nyandeni	Local or Niche Town	Libode	7 343	8 805	9 268	1 925	Δ			Increase	2 239	3.9	1 246	344	395	1 985	88.7	1 764	
Nyandeni	RegionalCentre2	Mthatha RSC	17 193	16 349	19 589	2 396	Δ			Increase	5 243	3.1	2 510	802	681	3 993	76.2	4 072	
Nyandeni	Sparse Rural	Sparse Rural	3 289	2 938	2 931	(358)	Δ			Stable	582	5.0	234	52	148	434	74.6	525	
Port St Johns	Dense Rural	Dense Rural	23 096	22 471	22 910	(186)	Δ			Stable	4 420	5.1	4 182	2 056	2 252	8 490	192.1	3 980	
Port St Johns	HD_Rural	HD_Rural	102 550	103 944	109 684	7 134	Δ			Increase	21 211	4.9	17 004	7 288	6 345	30 637	144.4	18 735	
Port St Johns	HD_Rural	TRANSKEI	18 124	16 856	20 527	2 403	Δ			Increase	4 903	3.4	2 433	1 069	1 999	5 501	112.2	4 109	
Port St Johns	Local or Niche Town	Kwarela	6 376	7 526	7 254	878	Δ			Small increase	1 568	4.8	833	246	225	1 304	83.2	1 378	
Port St Johns	Sparse Rural	Sparse Rural	4 798	3 336	3 265	(1 533)	Δ			Decline	598	5.6	576	267	162	1 006	168.2	537	

Towns in the Sisonke District (see below) have all experienced population growth, while Kokstad has experienced a significant increase in its population growth rate. The population growth rate has declined in a few rural areas. The percentage of service backlogs in relation to the total households in the area is lowest in the service town of Kokstad at 21% and highest in the dense rural settlement of Ubuhlebezwe at 143.4%. In only four settlements of the District is less than 70% of the population poor.

CLUSTER 4	Sisonke		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Greater Koksta	Local or Niche Town	Franklin	721	948	982	261				Stable	253	3.7	30	30	132	192	76.0	189	
Greater Koksta	ServiceTown	Kokstad ST	22 159	38 486	50 912	28 753		ΦΦ	ΨΨΨ	Significant increase	14 924	2.6	838	506	1 789	3 133	21.0	9 958	●●●
Greater Koksta	Sparse Rural	Sparse Rural	10 167	14 388	12 182	2 015	Δ			Increase	3 385	4.3	502	454	1 550	2 505	74.0	2 307	●●●
Ingwe	Dense Rural	Dense Rural	16 510	17 200	14 420	(2 090)	Δ			Decline	3 348	5.1	1 600	371	1 868	3 839	114.7	2 838	
Ingwe	HD_Rural	HD_Rural	39 181	47 896	46 348	7 167	Δ			Increase	10 125	4.7	6 037	1 516	5 457	13 010	128.5	8 618	
Ingwe	HD_Rural	KWAZULU	8 946	8 553	6 546	(2 400)	Δ			Decline	1 403	6.1	641	95	827	1 563	111.4	1 190	
Ingwe	Local or Niche Town	Bulwer	940	988	1 466	526				Small increase	396	2.5	186	27	90	303	76.4	313	
Ingwe	Local or Niche Town	Creighton	578	729	907	329				Stable	243	3.0	83	42	123	248	102.4	187	
Ingwe	Local or Niche Town	Donnybrook	7 381	8 070	7 553	172	Δ			Stable	1 783	4.5	817	655	936	2 407	135.0	1 420	
Ingwe	Local or Niche Town	Maoleni	9 520	13 571	12 581	3 061				Increase	3 134	4.3	1 514	505	1 081	3 100	98.9	2 523	
Ingwe	Sparse Rural	Sparse Rural	10 003	10 777	10 404	401	Δ			Stable	2 554	4.2	1 039	341	1 158	2 538	99.4	2 100	
Kwa Sani	Dense Rural	Dense Rural	3 466	4 989	4 323	857	Δ			Small increase	993	5.0	600	22	558	1 179	118.7	820	
Kwa Sani	HD_Rural	HD_Rural	838	657	819	(19)	Δ			Stable	250	2.6	28	22	48	98	39.1	193	
Kwa Sani	Local or Niche Town	Himeville	1 486	1 629	2 503	1 017			ΨΨΨ	Increase	705	2.3	62	140	103	305	43.3	466	●●●
Kwa Sani	Local or Niche Town	Underberg	1 704	2 137	2 287	583				Small increase	810	2.6	32	113	52	197	24.3	471	●●●
Kwa Sani	Sparse Rural	Sparse Rural	5 223	3 379	4 448	(775)	Δ			Minor decline	1 326	2.5	159	175	240	574	43.3	928	
Ubuhlebezwe	Dense Rural	Dense Rural	16 840	18 124	18 548	1 708	Δ			Increase	3 892	4.7	3 240	241	2 100	5 580	143.4	3 304	
Ubuhlebezwe	HD_Rural	HD_Rural	40 118	52 878	50 918	10 800	Δ	ΦΦ		Large increase	10 975	4.8	5 741	1 025	4 115	10 881	99.1	9 154	
Ubuhlebezwe	Local or Niche Town	Ixopo	5 423	9 891	10 662	5 239			ΨΨΨ	Increase	3 422	2.9	911	296	1 567	2 774	81.1	2 560	
Ubuhlebezwe	Sparse Rural	Sparse Rural	16 579	21 250	21 557	4 978				Increase	5 197	4.1	2 573	402	3 055	6 031	116.0	4 309	
Umzimkhulu	Dense Rural	Dense Rural	39 857	39 683	39 224	(633)	Δ			Minor decline	9 142	4.3	6 380	759	4 209	11 348	124.1	8 088	
Umzimkhulu	HD_Rural	HD_Rural	86 708	89 059	91 065	4 357	Δ			Increase	21 185	4.2	12 884	1 644	7 226	21 754	102.7	18 357	
Umzimkhulu	HD_Rural	TRANSKEI	23 740	22 902	23 506	(234)	Δ			Stable	5 558	4.1	3 025	604	2 269	5 898	106.1	4 767	
Umzimkhulu	Local or Niche Town	Clydesdale	10 982	15 092	18 850	7 868			ΨΨΨ	Increase	5 305	2.8	1 706	92	521	2 318	43.7	4 024	
Umzimkhulu	Sparse Rural	Sparse Rural	7 316	8 177	7 652	336	Δ			Stable	1 718	4.8	1 311	103	1 025	2 439	141.9	1 523	

In Ugu District (see below) most towns are experiencing an increase in their population growth rate, particularly the regional centre of Port Shepstone/Margate. Many dense rural areas have seen a major decline in the population growth rate. The percentage of service backlogs in relation to the total number of households in the area is lowest in the local niche town of Harding at 27.9% and highest in the local niche town of Gcwalemini at 190.1%. In only four settlements of the District is less than 70% of the population poor.

CLUSTER 4	Ugu		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Ezingoleni	Dense Rural	Dense Rural	8 211	6 151	5 743	(2 468)	Δ			Decline	1 329	4.6	522	134	437	1 094	82.3	1 114	
Ezingoleni	HD_Rural	HD_Rural	14 943	18 086	18 328	3 385	Δ			Increase	3 811	4.7	1 799	292	542	2 633	69.1	3 189	
Ezingoleni	HD_Rural	KWAZULU	4 127	5 429	4 414	287	Δ			Stable	1 138	4.8	541	152	462	1 155	101.5	952	
Ezingoleni	Local or Niche Town	Izingolweni	16 195	21 423	20 574	4 379	Δ			Increase	4 404	4.9	1 803	314	663	2 780	63.1	3 622	
Ezingoleni	Sparse Rural	Sparse Rural	3 522	3 654	3 481	(41)	Δ			Stable	789	4.6	397	108	198	703	89.0	659	
Hibiscus Coast	HD_Rural	HD_Rural	35 421	34 695	37 593	2 172	Δ			Increase	7 763	4.5	2 330	980	1 767	5 077	65.4	5 950	
Hibiscus Coast	RegionalCentre2	Port Shepstone/Margat	155 031	183 575	218 302	63 271		ΦΦ		Significant increase	64 320	2.9	10 206	7 392	8 586	26 185	40.7	40 007	●●●
Hibiscus Coast	Sparse Rural	Sparse Rural	281	219	234	(47)	Δ			Stable	92	2.4	14	9	18	41	44.1	55	●●●
Umdoni	CityRegion	eThekwini CR	55 885	61 440	77 984	22 099		ΦΦ		Large increase	22 575	2.7	3 483	4 169	5 367	13 018	57.7	15 227	●●●
Umdoni	Sparse Rural	Sparse Rural	596	1 028	868	272				Stable	288	3.6	34	66	54	154	53.5	203	
Umuziwabantu	Dense Rural	Dense Rural	8 232	8 753	8 708	476	Δ			Stable	1 758	5.0	1 036	279	607	1 922	109.3	1 536	
Umuziwabantu	HD_Rural	HD_Rural	56 550	66 204	66 972	10 422	Δ	ΦΦ		Large increase	14 491	4.6	6 357	2 133	2 850	11 340	78.3	12 363	
Umuziwabantu	HD_Rural	KWAZULU	6 315	6 410	7 054	739	Δ			Small increase	1 392	4.6	836	311	134	1 281	92.0	1 183	
Umuziwabantu	Local or Niche Town	Harding	3 354	6 386	9 639	6 285			ΨΨΨ	Increase	2 999	2.1	66	277	493	836	27.9	1 958	●●●
Umuziwabantu	Sparse Rural	Sparse Rural	4 066	3 620	2 991	(1 075)	Δ			Decline	672	5.4	319	102	162	583	86.7	570	
Umzumbe	CityRegion	eThekwini CR	24 337	40 196	46 744	22 407		ΦΦ	ΨΨΨ	Large increase	10 002	4.0	3 165	1 633	1 670	6 468	64.7	7 521	
Umzumbe	Dense Rural	Dense Rural	27 834	24 962	18 790	(9 044)	Δ			Major decline	4 113	6.1	2 896	306	2 567	5 769	140.3	3 545	
Umzumbe	HD_Rural	HD_Rural	82 735	95 660	74 187	(8 548)	Δ			Major decline	16 237	5.9	11 808	2 204	9 754	23 766	146.4	14 181	
Umzumbe	HD_Rural	KWAZULU	11 816	11 714	6 999	(4 817)	Δ			Decline	1 636	7.2	1 447	207	1 127	2 781	170.0	1 463	
Umzumbe	Local or Niche Town	Gcwalemini	8 744	15 172	10 532	1 788	Δ			Increase	2 358	6.4	2 217	130	2 137	4 484	190.1	2 092	
Umzumbe	Sparse Rural	Sparse Rural	7 664	5 688	3 716	(3 948)	Δ			Decline	825	6.9	713	62	676	1 451	175.8	735	
Vulamehlo	CityRegion	eThekwini CR	25 974	24 965	24 256	(1 718)	Δ			Decline	4 534	5.5	2 187	673	1 979	4 839	106.7	3 667	
Vulamehlo	Dense Rural	Dense Rural	30 153	21 320	18 805	(11 348)	Δ			Major decline	3 986	5.3	2 529	519	3 044	6 092	152.8	3 447	
Vulamehlo	HD_Rural	HD_Rural	33 566	22 091	20 307	(13 259)	Δ			Major decline	4 543	4.9	2 251	498	3 669	6 419	141.3	3 961	
Vulamehlo	Local or Niche Town	Braemar	2 798	4 781	3 321	523	Δ			Small increase	739	6.5	488	127	460	1 075	145.4	647	
Vulamehlo	Local or Niche Town	Dududu	8 686	8 740	9 734	1 048	Δ			Increase	2 112	4.1	1 542	82	890	2 514	119.0	1 739	
Vulamehlo	Sparse Rural	Sparse Rural	425	1 107	973	548			ΨΨΨ	Small increase	222	5.0	126	33	142	301	136.1	192	

NOTE: eThekwini as referred to in the table above, is merely the part of the functional area of eThekwini City Region that falls within the Vulamehlo District.

Towns in Xhariep District (see below) have almost all experienced stable growth or some increase in their population growth. Some of the sparse rural areas in the district have shown a decline in the growth rate. It is interesting to note that there are only local or niche towns in the District and no high order towns. The percentage of backlogs in relation to the total number of households in the area is lowest in the local town of Edenburg at 5.5% and highest in the local niche town of Rouxville at 43.2%. In six settlements of the District less than 70% of the population is poor.

CLUSTER 4	Xhariep		POPULATION								HOUSEHOLDS		SERVICE BACKLOGS					INCOME STATUS	
LOCAL MUNICIPALITY	SACN_Type	SACN_Town	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS	NUMBER	SIZE	WATER	SANITATION	ELECTRICITY	TOTAL POINTS	BACKLOG %	POOR HOUSE-HOLDS	LESS THAN 70% POOR
Kopanong	Local or Niche Town	Bethulie	6 830	6 416	6 466	(364)	Δ			Stable	1 942	3.3	32	80	130	241	12.4	1 401	
Kopanong	Local or Niche Town	Edenburg	5 534	8 145	6 348	814	Δ			Small increase	1 946	4.2	11	10	86	107	5.5	1 342	•••
Kopanong	Local or Niche Town	Fauresmith	3 617	4 072	2 697	(920)	Δ			Minor decline	886	4.6	21	160	109	290	32.7	666	
Kopanong	Local or Niche Town	Jagersfontein	5 867	5 814	5 601	(266)	Δ			Stable	1 891	3.1	24	31	92	148	7.8	1 376	
Kopanong	Local or Niche Town	Philippolis	3 794	3 585	3 604	(190)	Δ			Stable	1 125	3.2	6	56	69	131	11.7	760	•••
Kopanong	Local or Niche Town	Reddersburg	4 315	4 594	4 263	(52)	Δ			Stable	1 346	3.4	37	187	101	326	24.2	1 002	
Kopanong	Local or Niche Town	Springfontein	3 865	5 360	2 659	(1 206)	Δ			Decline	867	6.2	37	172	83	292	33.7	658	
Kopanong	Local or Niche Town	Trompsburg	4 064	5 013	3 744	(320)	Δ			Stable	1 206	4.2	40	194	92	326	27.0	806	•••
Kopanong	Sparse Rural	Sparse Rural	12 986	13 001	13 787	801	Δ			Small increase	4 433	2.9	123	664	391	1 177	26.6	3 195	
Letsemeng	Local or Niche Town	Jacobsdal	5 185	7 667	7 209	2 024				Increase	1 893	4.0	181	232	98	512	27.0	1 400	
Letsemeng	Local or Niche Town	Koffiefontein	10 252	13 905	10 546	294	Δ			Stable	2 971	4.7	43	98	82	223	7.5	2 061	•••
Letsemeng	Local or Niche Town	Luckhoff	2 749	3 084	3 333	584	Δ			Small increase	948	3.3	23	86	76	185	19.5	652	•••
Letsemeng	Local or Niche Town	Petrusburg	6 238	9 042	7 132	894	Δ			Small increase	2 218	4.1	198	79	137	414	18.6	1 596	
Letsemeng	Sparse Rural	Sparse Rural	11 612	9 149	10 406	(1 206)	Δ			Decline	3 213	2.8	244	421	417	1 082	33.7	2 189	•••
Mohokare	Local or Niche Town	Rouxville	5 589	6 222	5 300	(289)	Δ			Stable	1 634	3.8	21	567	118	706	43.2	1 161	
Mohokare	Local or Niche Town	Smithfield	4 519	4 682	4 662	143	Δ			Stable	1 632	2.9	32	277	198	507	31.1	1 267	
Mohokare	Local or Niche Town	Zastron	12 555	10 912	14 044	1 489	Δ			Increase	4 257	2.6	84	436	446	967	22.7	3 263	
Mohokare	Sparse Rural	Sparse Rural	14 004	14 474	10 136	(3 868)	Δ			Decline	3 270	4.4	59	933	344	1 336	40.8	2 508	
Naledi	Local or Niche Town	Dewetsdorp	8 045	9 101	7 546	(499)	Δ			Stable	2 296	4.0	92	179	117	389	17.0	1 833	
Naledi	Local or Niche Town	Van Stadensrus	1 073	1 489	1 322	249	Δ			Stable	442	3.4	9	59	47	116	26.2	328	
Naledi	Local or Niche Town	Wepener	9 055	8 689	8 212	(843)	Δ			Minor decline	2 684	3.2	41	134	160	334	12.4	2 172	
Naledi	Sparse Rural	Sparse Rural	7 146	7 085	7 239	93	Δ			Stable	2 267	3.1	82	217	154	453	20.0	1 773	

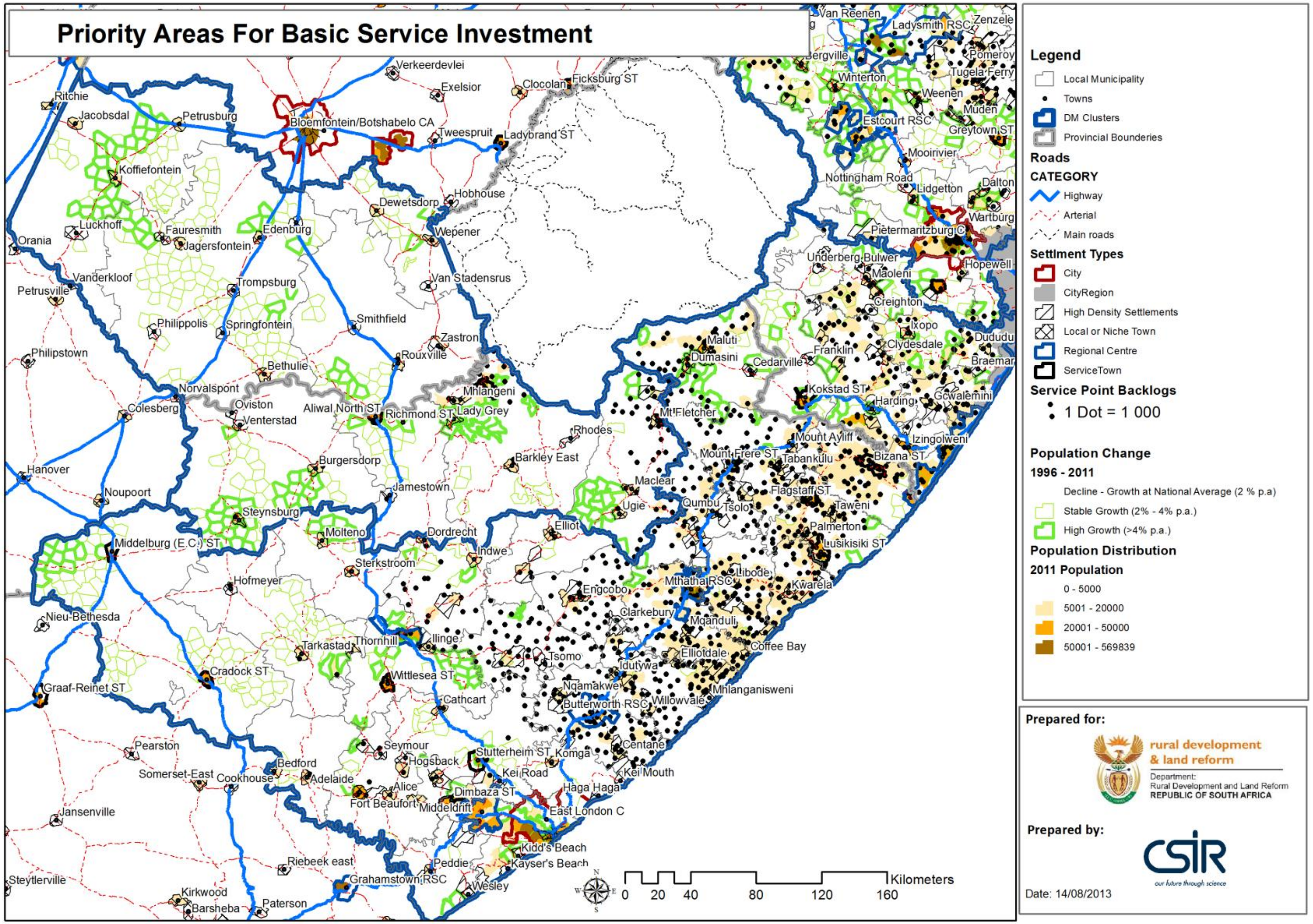


Figure 4.6: Regional indication of pockets of high basic service demands, high population densities and growth

Figure 4.6 illustrates pockets where there is high demand for basic services, the highest population densities and areas of population growth. These areas should be prioritised for attention with regard to the provision of services, specifically for water and sanitation. The figure shows those mesozones that have been experiencing high population growth (bright green outlined polygons), decline, or which have remained stable (light green outlined polygons) from 1996 to 2011. This should be read together with the 2011 population distribution index. Also indicated are service delivery backlogs (black dots indicate 1 000 service points). It can be deducted from the map that some of the most populous areas are the former homeland areas, and all the towns are spread across the districts. Most towns in the cluster of districts are experiencing a rise in their population growth rate. The backlogs in services are evident in those areas where the population densities are highest, i.e. in the towns and, particularly, in the areas under traditional authority.

4.4 Implications of the places that are under huge pressure due to high levels of service backlogs and social vulnerability

The social vulnerability in these priority districts is quite severe. Approximately 15% of households have no income and approximately 80% of the population lives in poverty. This is exacerbated by the high dependency ratio (almost 90% in Alfred Nzo), which is caused by the high percentage of children under 14 years and the high unemployment of the districts. The burden on the economically active, but poor population, is very heavy.

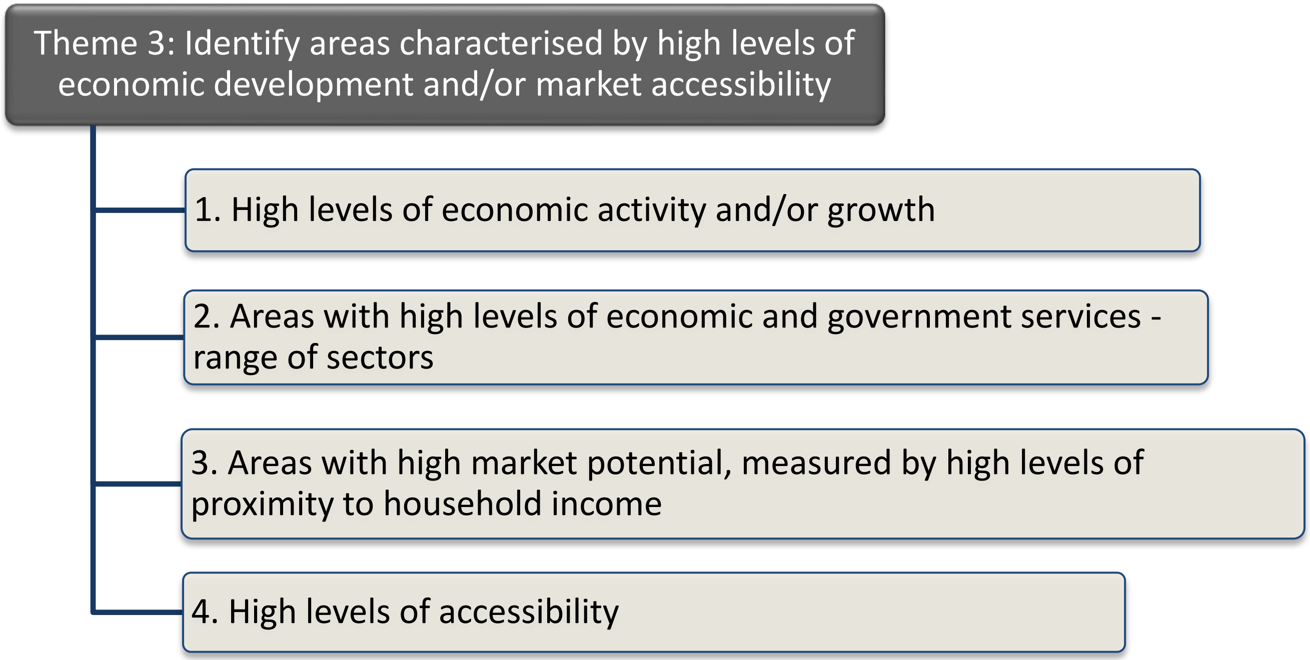
Towns and regional services centres have mostly shown an increase in their population growth rate, though few have seen a significant increase. In the sparsely populated districts, the towns appear to be the dynamic places in terms of population growth and service delivery; however, in the more densely populated districts, the rural areas seem to be the most dynamic places, but have severe service delivery backlogs, high dependency ratios and the extent of the poverty is great.

Alfred Nzo and O.R. Tambo Districts appear to experience the most population pressure in this cluster of districts: having high dependency ratios where the below 15 years age category constitutes up to 40% of the population, poor service delivery, and high poverty levels. Xhariep seems to be experiencing the least population pressure; it has a very small population compared to the other districts, it is sparsely populated, has the least service delivery backlogs, and its population growth rate is relatively stable.

Huge settlement related change and settlement growth can be found in the densely settled rural areas under traditional authority and these should therefore be prioritised for basic service investment, especially in those areas where there is a high population growth. With respect to water, sanitation and electricity services, there is an opportunity to explore the application of alternative and more “green” service provision while in the case of social services, the reliance on periodic services, e-government or agency type services will have to be explored. In deciding on the rate and type of service delivery, note should be taken of the rate of population growth or decline.

5 Where are the economic development strengths, sectors and areas in the priority rural districts?

The purpose of this analysis is to identify existing strongholds of economic activity and resource potential in districts, i.e. areas with relatively high economic activity and employment functions; economic diversification across sectors; and areas with resource based potential for agriculture, mining or natural resources. In addition, spatial concentrations of sector specific activity as well as employment and infrastructure investment initiatives need to be considered. In order to answer these specific questions, the analysis reviewed the economic data with respect to four sub-themes as indicated below.



5.1 High levels of economic activity or growth

In terms of economic activity, the significance of the resource base, in especially the northern and central parts of the country, is well recognised – especially in terms of the potential for job opportunities within the National Development Plan. In terms of providing opportunities for up-scaling rural development, it is significant to note that, in 2009, more than 34% of the national agriculture gross domestic product and almost 20% of that of mining was generated within the 23 priority districts (Spatial Diagnostics Report: Economics: NPC 2010, www.stepsa.org.za/Regional Spatial profiler/Documents).

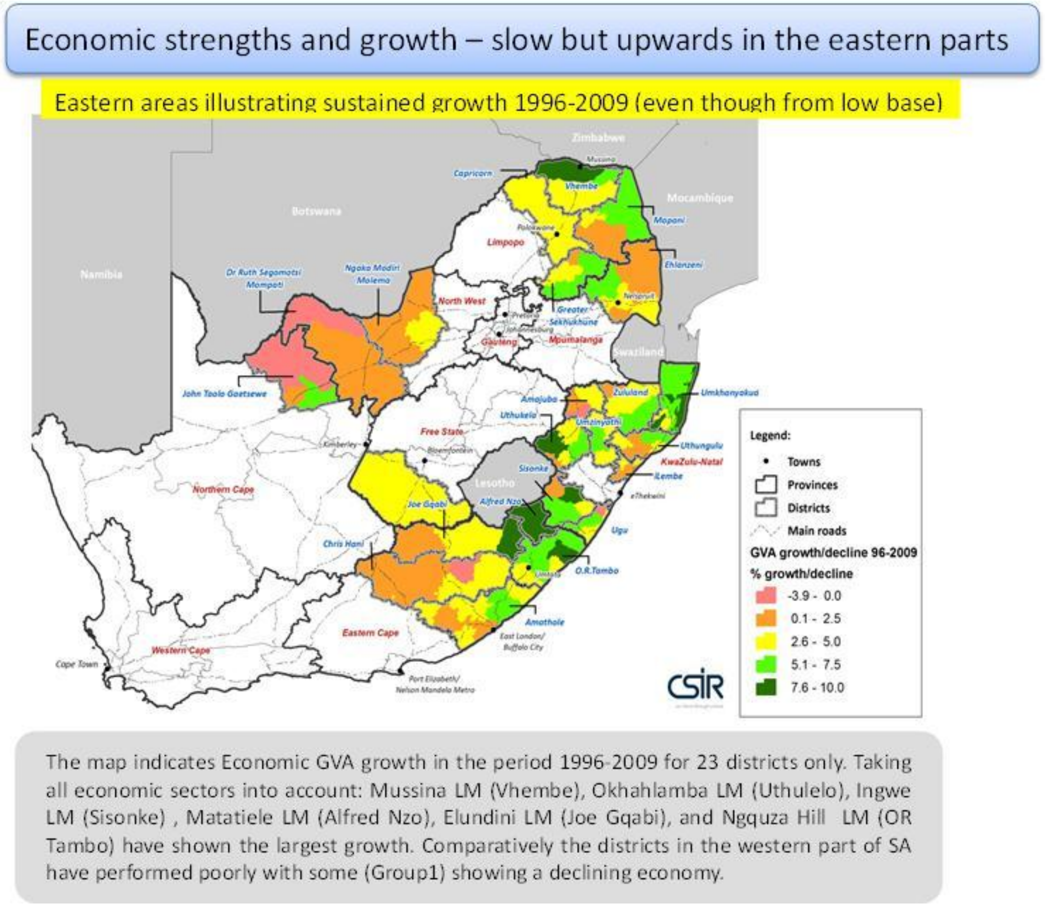


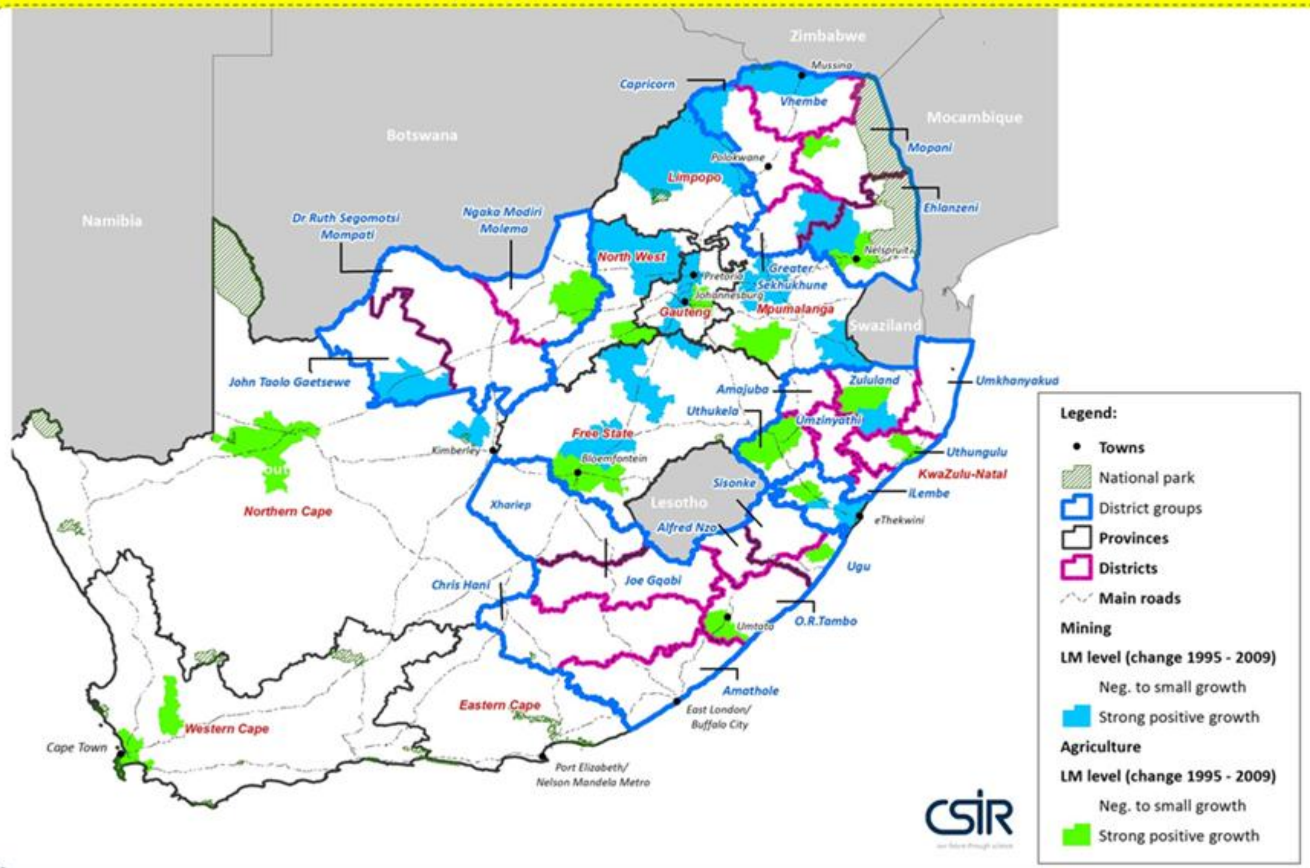
Figure 5.1: Economic strengths and growth (1996-2009)

In spite of the recent economic downturn and the largely low base of economic activity in the rural development focus areas (the 23 districts), districts in the eastern parts and some northern parts of the country (Figure 5.1) showed signs of increases in economic and employment growth (1996-2009). Among the cluster of districts in the Free State, Eastern Cape and KwaZulu-Natal, Alfred Nzo and parts of O.R. Tambo and Chris Gqabi showed strong growth, while parts of Chris Hani and Ugu have shown zero to negative GVA growth.

Given municipal growth trends for mining and agriculture production (Figure 5.2), two local municipalities in the cluster showed strong positive growth in agriculture but there was none in mining. The areas with strong agricultural growth also showed a positive GVA growth between 1996 and 2009, indicating that they are important drivers of the economy in these districts.

Economic strengths: National significance in resource based economy

Local Municipalities where Mining & Agriculture has experienced positive growth



- 34.3% of national agriculture production occurs in 23 DMs (2007, Quantec)
- 19.8% of national mining production takes place in the 23 DMs (2007, Quantec)

Mining growth prevalent in the following areas: Ga-segonyana LM (John Toalo Gaetsewe), Mussina LM (Vhembe), Greater Tubatse LM (Sekhukhune), Thaba Chweu LM (Ehlanzeni) and Ulundi LM (Zululand).

Figure 5.2: National significance in resource based economy

5.2 Areas with high levels of economic and government services – range of sectors

A more detailed analysis was conducted of economic activity in a range of other sectors and the geographic significance thereof within the 2009 time period. The comparative overview of the economic activity, as well as employment for the various municipalities for this time period, is set out below in Figures 5.3 and 5.4 and Table 5.1.

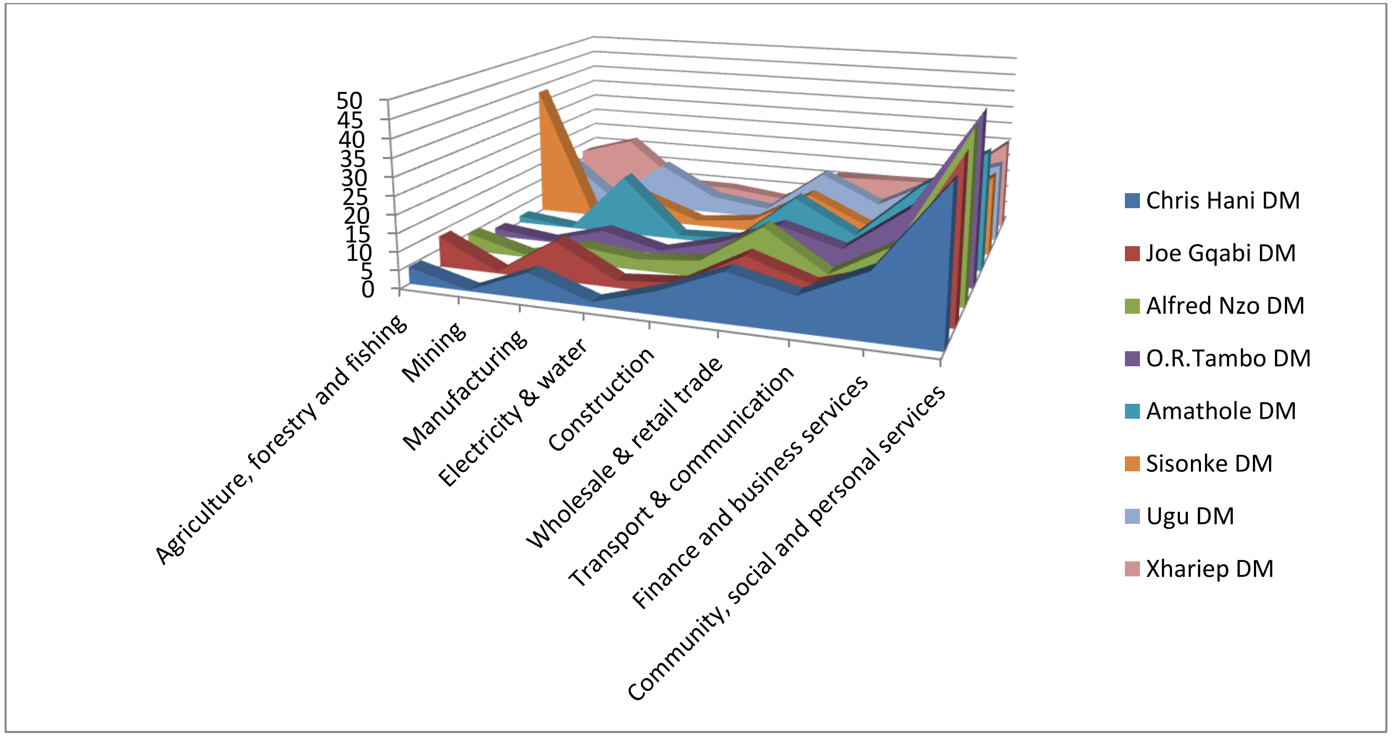


Figure 5.3: GVA contribution of each economic sector

The important contribution of community, social, personal and government services to the GVA in all the districts is reflected in the graph above (Figure 5.3). It is also apparent that agriculture, forestry and fisheries is important in Sisonke, while manufacturing shows spikes in some districts, and wholesale, retail and trade are quite important in all the districts. Finance and business services make an important contribution to the GVA in all the districts.

The orange bar on the right of each local municipality in the graph below (Figure 5.4) indicates the total employment for 2009 in the municipality, while the other coloured bars indicate the type of economic sector in which people are employed. Community, social and personal services as well as government services is the most important sector in terms of employment for all the districts. In fact, apart from eight local municipalities, it is the biggest employer in all the local municipalities in all eight districts (42% on average across all districts). This sector is the biggest employer in Xhariep and Chris Hani at more than 49%. The agriculture, forestry and fisheries sector is the second biggest employer in this cluster of districts (22% on average across all districts). In Joe Gqabi it is 33%. This is followed by the wholesale and retail sector (14% on average across all districts), and the financial intermediation, insurance, real estate and business services sector (11% on average across all districts). Manufacturing is quite a big employer in Sisonke and Ugu, at almost 14%. The least significant sectors in terms of employment is mining and quarrying at 0.32%, and electricity, gas and water supply at 0.33% across all districts.

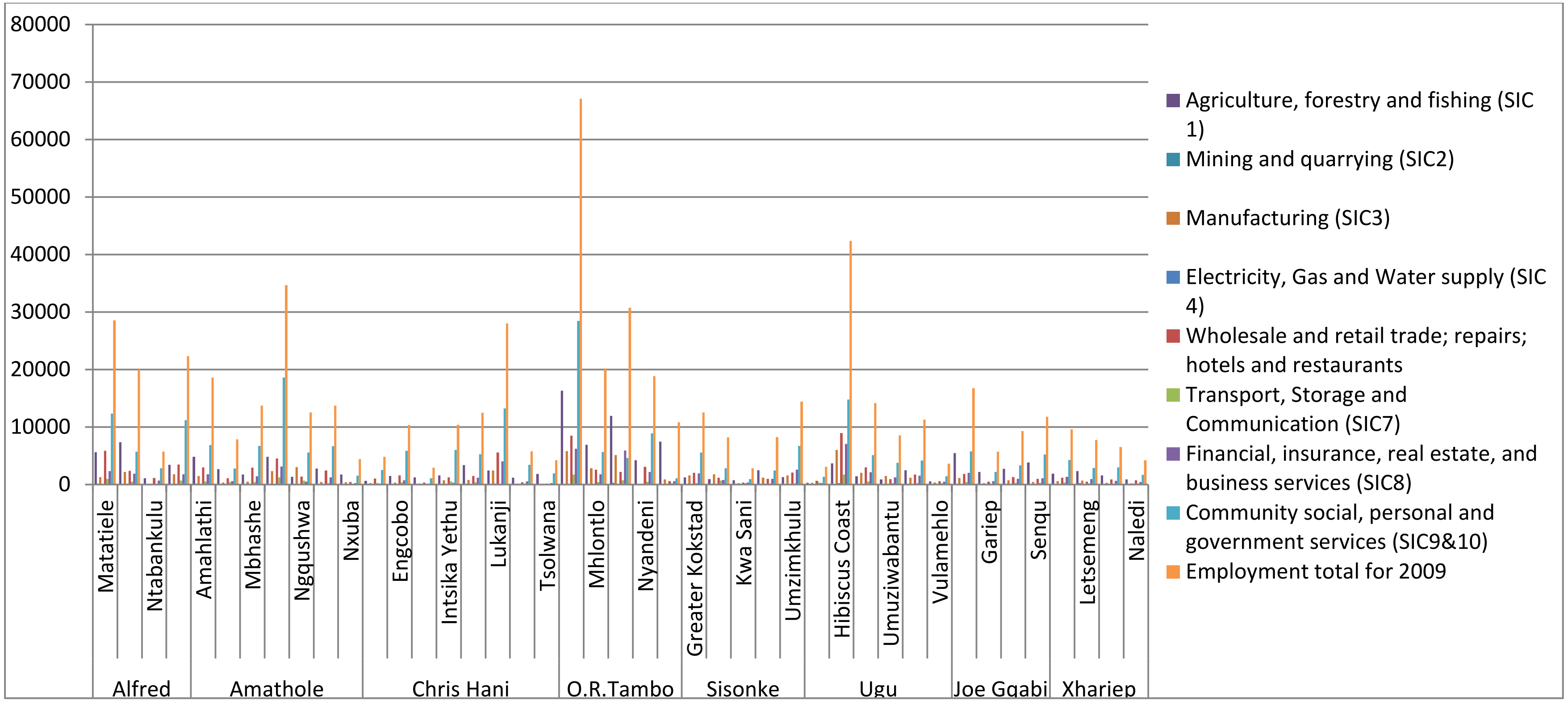


Figure 5.4: Employment for the various sectors at LM level (2009)

Table 5.1: Comparative economic activity per local municipality

District Municipality	Local Municipality	Total GVA (R Millions)	GVA as % of total RSA GVA	Total 2011 Population	% of national population	Employment total for 2009	Percentage Employed	Agriculture, forestry and fishing (SIC1)	Mining and quarrying (SIC2)	Manufacturing (SIC3)	Electricity, gas and water supply (SIC4)	Wholesale and retail trade; repairs; hotels and restaurants (SIC6)	Transport, storage and communication (SIC7)	Financial intermediation, insurance, real estate, and business services (SIC8)	Community social, personal and government services (SIC9&10)
Alfred Nzo	Matatiele	3 928	0.19%	203 832	0.39	28 518	14.0%	5 584.1	148.1	1 286.8	45.4	5 869.2	960.4	2 314.1	12 315.0
Alfred Nzo	Mbizana	2 347	0.11%	283 094	0.55	19 982	7.1%	7 344.4	-	2 185.1	9.0	2 377.8	485.4	1 859.9	5 723.6
Alfred Nzo	Ntabankulu	690	0.03%	122 775	0.24	5 716	4.7%	1 078.1	-	-	-	1 126.1	-	686.9	2 824.5
Alfred Nzo	Umzimvubu	3 108	0.15%	192 820	0.37	22 315	11.6%	3 415.0	-	1 778.1	18.0	3 485.9	671.4	1 753.1	11 196.4
Total		**10 074**	**0.48%**	**802 521**	**1.55**	**76 531**	**9.5%**	**22.8%**	**0.2%**	**6.9%**	**0.1%**	**16.8%**	**2.8%**	**8.6%**	**41.9%**
Amathole	Amahlathi	2 565	0.12%	114 638	0.22	18 608	16.2%	4 808.3	118.5	1 485.5	72.0	2 977.7	535.8	1 748.5	6 856.7
Amathole	Great Kei	924	0.04%	38 991	0.08	7 848	20.1%	2 647.9	24.3	337.4	7.4	1 051.2	418.0	588.2	2 772.5
Amathole	Mbhashe	2 081	0.10%	257 535	0.50	13 699	5.3%	1 708.2	-	461.2	54.5	2 912.8	418.7	1 430.0	6 712.9
Amathole	Mnquma	5 256	0.25%	250 598	0.48	34 649	13.8%	4 814.9	-	2 338.3	42.2	4 517.4	1 241.7	3 116.5	18 582.2
Amathole	Ngqushwa	2 172	0.10%	105 914	0.20	12 522	11.8%	1 335.4	54.2	3 007.8	52.0	1 364.0	661.5	481.6	5 566.2
Amathole	Nkonkobe	1 853	0.09%	127 112	0.25	13 733	10.8%	2 747.4	86.8	403.0	27.0	2 410.5	232.6	1 204.5	6 625.4
Amathole	Nxuba	597	0.03%	24 261	0.05	4 406	18.2%	1 727.7	7.1	398.0	6.2	452.4	68.5	218.7	1 528.8
Total		**15 449**	**0.74%**	**919 049**	**1.78**	**105 465**	**11.5%**	**18.8%**	**0.3%**	**8.0%**	**0.2%**	**14.9%**	**3.4%**	**8.3%**	**46.1%**
Chris Hani	Emalahleni	710	0.03%	119 461	0.23	4 815	4.0%	602.0	50.0	242.7	0.9	1 022.8	229.9	123.1	2 538.1
Chris Hani	Engcobo	1 516	0.07%	154 012	0.30	10 342	6.7%	1 486.0	-	309.9	25.4	1 555.6	382.1	743.4	5 837.9
Chris Hani	Inkwanca	311	0.01%	21 972	0.04	2 920	13.3%	1 233.3	4.9	149.1	8.7	333.8	14.6	116.1	1 064.2
Chris Hani	Intsika Yethu	1 540	0.07%	146 021	0.28	10 359	7.1%	1 576.3	24.1	714.7	12.1	1 238.0	535.5	265.0	5 991.5
Chris Hani	Inxuba Yethemba	1 929	0.09%	65 562	0.13	12 446	19.0%	3 373.7	5.1	763.7	23.7	1 457.3	362.7	1 189.7	5 264.6
Chris Hani	Lukanji	4 912	0.24%	190 714	0.37	27 970	14.7%	2 431.0	42.2	2 431.1	139.7	5 562.6	138.3	3 986.5	13 234.5
Chris Hani	Sakhisizwe	761	0.04%	63 577	0.12	5 755	9.1%	1 151.9	25.7	145.7	10.6	391.4	126.7	506.7	3 397.2
Chris Hani	Tsolwana	399	0.02%	33 290	0.06	4 219	12.7%	1 841.7	18.8	-	3.1	150.1	74.7	218.1	1 917.2
Total		**12 079**	**0.58%**	**794 609**	**1.53**	**78 826**	**9.9%**	**17.4%**	**0.2%**	**6.0%**	**0.3%**	**14.9%**	**2.4%**	**9.1%**	**49.8%**
O.R.Tambo	King Sabata Dalindy	9 813	0.47%	451 701	0.87	67 087	14.9%	16 277.9	-	5 810.3	79.0	8 511.1	1 744.3	6 207.8	28 460.6
O.R.Tambo	Mhlontlo	2 457	0.12%	188 219	0.36	20 188	10.7%	6 913.5	69.7	2 799.6	5.8	2 560.6	413.5	1 767.9	5 656.1
O.R.Tambo	Ngquza Hill	4 416	0.21%	270 970	0.52	30 716	11.3%	11 905.8	267.2	5 123.1	20.6	2 169.4	719.4	5 897.9	4 611.4
O.R.Tambo	Nyandeni	2 403	0.12%	290 383	0.56	18 835	6.5%	4 195.4	-	-	35.3	3 042.6	501.2	2 181.1	8 877.2
O.R.Tambo	Port St Johns	955	0.05%	163 640	0.32	10 803	6.6%	7 446.5	-	899.3	1.3	588.6	246.8	568.9	1 050.5
Total		**20 044**	**0.96%**	**1 364 913**	**2.64**	**147 629**	**10.8%**	**31.7%**	**0.2%**	**9.9%**	**0.1%**	**11.4%**	**2.5%**	**11.3%**	**33.0%**

District Municipality	Local Municipality	Total GVA (R Millions)	GVA as % of total RSA GVA	Total 2011 Population	% of national population	Employment total for 2009	Percentage Employed	Agriculture, forestry and fishing (SIC1)	Mining and quarrying (SIC2)	Manufacturing (SIC3)	Electricity, gas and water supply (SIC4)	Wholesale and retail trade; repairs; hotels and restaurants (SIC6)	Transport, storage and communication (SIC7)	Financial intermediation, insurance, real estate, and business services (SIC8)	Community social, personal and government services (SIC9&10)
Sisonke	Greater Kokstad	2 142	0.10%	65 977	0.13	12 516	19.0%	1 242.8	-	1 550.6	29.8	2 016.7	216.0	1 911.2	5 550.4
Sisonke	Ingwe	1 559	0.07%	100 225	0.19	8 194	8.2%	940.2	-	1 772.0	21.6	1 166.4	699.9	774.0	2 820.1
Sisonke	Kwa Sani	477	0.02%	14 380	0.03	2 792	19.4%	708.7	-	207.8	-	341.7	249.2	347.0	937.3
Sisonke	Ubuhlebezwe	1 394	0.07%	101 685	0.20	8 215	8.1%	2 482.2	-	1 174.3	10.1	960.3	179.1	997.0	2 413.9
Sisonke	Umzimkhulu	2 051	0.10%	180 297	0.35	14 406	8.0%	1 249.9	-	1 588.0	85.8	2 072.8	165.7	2 552.5	6 691.7
Total		**7 624**	**0.36%**	**462 564**	**0.89**	**46 123**	**10.0%**	**14.4%**	**0.0%**	**13.6%**	**0.3%**	**14.2%**	**3.3%**	**14.3%**	**39.9%**
Ugu	Ezingoleni	559	0.03%	721 249	1.39	3 073	5.8%	254.8	18.4	282.7	16.1	609.1	350.5	220.9	1 319.5
Ugu	Hibiscus Coast	7 966	0.38%	721 249	1.39	42 382	16.5%	3 656.0	50.3	5 991.0	217.7	8 932.7	1 724.9	7 048.1	14 759.7
Ugu	Umdoni	2 638	0.13%	721 249	1.39	14 171	18.0%	1 409.1	77.0	2 007.0	17.1	2 953.1	508.3	2 111.4	5 088.8
Ugu	Umuziwabantu	1 388	0.07%	721 249	1.39	8 525	8.9%	887.9	-	1 485.4	25.2	936.1	225.5	1 212.9	3 752.2
Ugu	Umzumbe	1 795	0.09%	721 249	1.39	11 267	7.0%	2 459.5	-	1 153.3	21.7	1 712.0	229.3	1 527.3	4 165.1
Ugu	Vulamehlo	639	0.03%	721 249	1.39	3 630	4.7%	535.2	60.9	342.6	3.6	572.2	226.2	472.6	1 413.5
Total		**14 985**	**0.72%**	**721 249**	**1.39**	**83 048**	**11.5%**	**11.1%**	**0.2%**	**13.6%**	**0.4%**	**18.9%**	**3.9%**	**15.2%**	**36.7%**
Joe Gqabi	Elundini	2 186	0.10%	138 140	0.27	16 734	12.1%	5 449.3	37.3	1 138.9	55.8	1 807.2	450.8	2 044.2	5 752.1
Joe Gqabi	Gariep	651	0.03%	33 670	0.07	5 698	16.9%	2 190.3	-	232.5	11.2	496.1	14.6	572.7	2 176.2
Joe Gqabi	Maletswai	1 389	0.07%	43 803	0.08	9 307	21.2%	2 702.6	39.2	704.3	37.0	1 266.1	261.8	988.3	3 313.9
Joe Gqabi	Senqu	1 523	0.07%	134 144	0.26	11 796	8.8%	3 824.8	-	440.4	18.6	970.9	269.4	1 057.3	5 210.5
Total		**5 749**	**0.28%**	**349 757**	**0.68**	**43 535**	**12.4%**	**32.5%**	**0.2%**	**5.8%**	**0.3%**	**10.4%**	**2.3%**	**10.7%**	**37.8%**
Xhariep	Kopanong	1 607	0.08%	49 169	0.09	9 575	19.5%	1 879.9	-	578.3	23.7	1 173.2	346.0	1 330.5	4 248.7
Xhariep	Letsemeng	1 348	0.06%	38 626	0.07	7 759	20.1%	2 334.5	246.0	680.9	63.5	488.8	163.6	924.5	2 854.5
Xhariep	Mohokare	1 017	0.05%	34 142	0.07	6 501	19.0%	1 568.4	20.3	271.9	39.8	857.0	149.4	619.8	2 975.9
Xhariep	Naledi	740	0.04%	24 319	0.05	4 186	19.0%	875.2	33.7	178.8	105.8	742.7	161.8	429.4	1 656.8
Total		**3 972**	**0.19%**	**121 937**	**0.24**	**23 835**	**19.4%**	**27.9%**	**1.3%**	**7.2%**	**1.0%**	**13.7%**	**3.4%**	**13.9%**	**49.2%**

From Table 5.1 (see above), it can be deduced that the total GVA as a percentage of the national GVA is the highest in O.R. Tambo at 0.96% (compared to 2.64% nationally), and is the lowest in Xhariep at 0.19% (compared to 0.24% nationally). Xhariep, however, has the largest percentage of people employed of all the districts at 19.4%, and Alfred Nzo the least at 9.5%.

A spatial analysis of production points also provides a very good indication of spatial distribution and proximity of jobs located in the specific sectors (see Figures 5.5 to 5.12). The sectors include:

- Agriculture, forestry and fisheries (Figure 5.5)
- Mining and quarrying (Figure 5.6)
- Manufacturing (Figure 5.7)
- Electricity, gas and water supply (Figure 5.8)
- Wholesale and retail trade (Figure 5.9)
- Transport, storage and communications (Figure 5.10)
- Financial intermediation, insurance, real estate and business services (Figure 5.11)
- Community, personal services and government services (Figure 5.12).

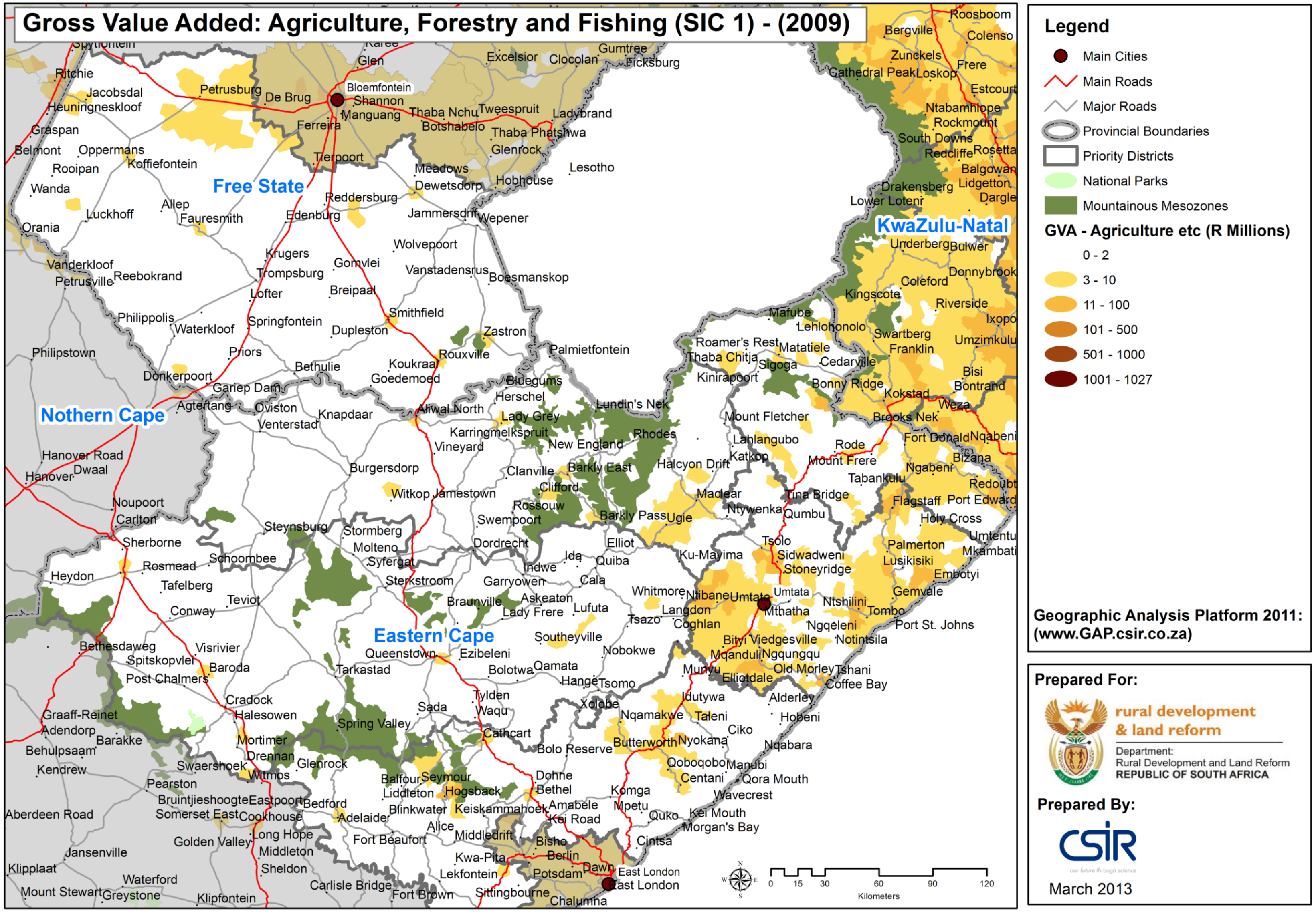


Figure 5.5: Economic Strengths: Agriculture, Forestry and Fishery

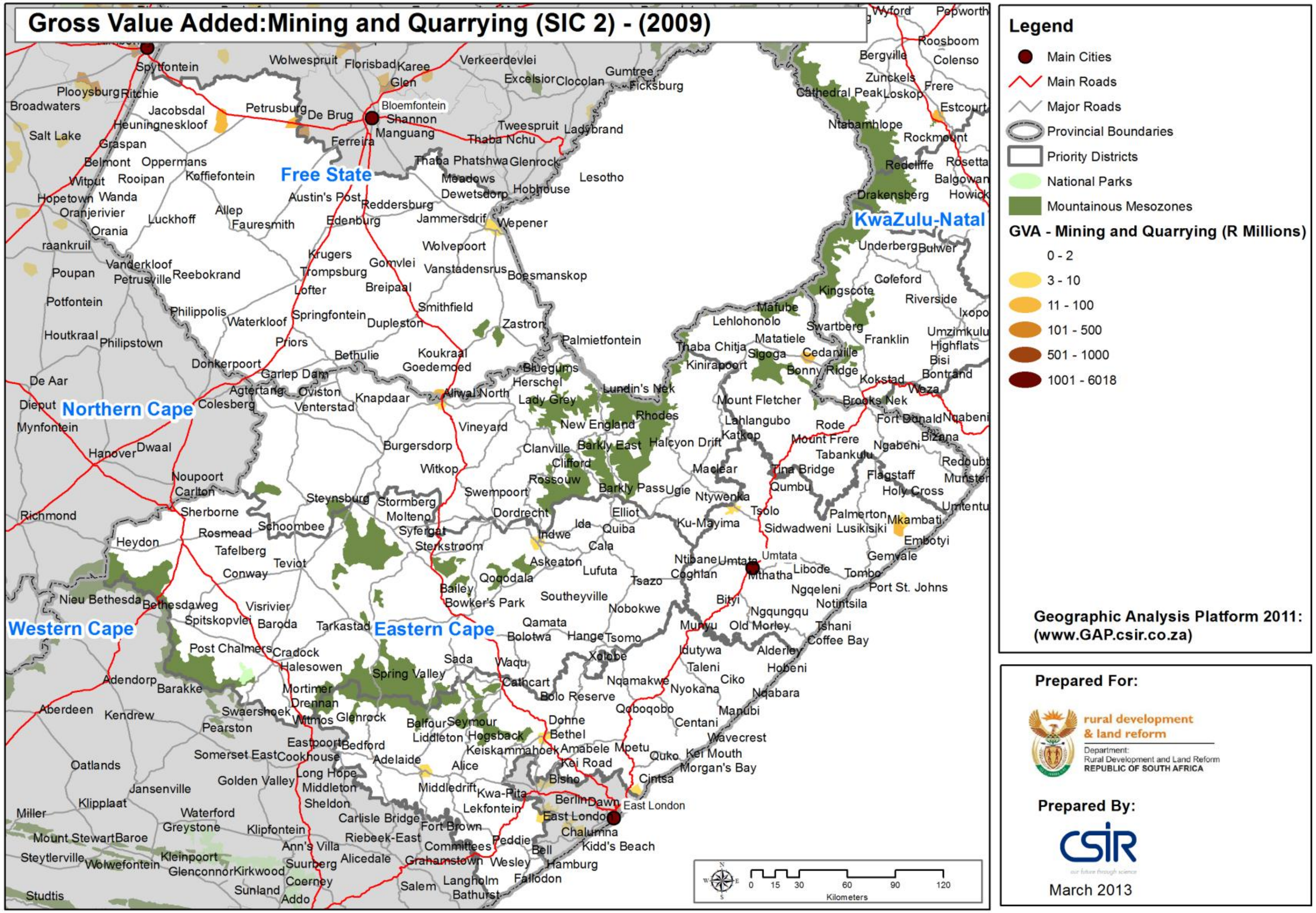


Figure 5.6: Economic Strengths: Mining and Quarrying

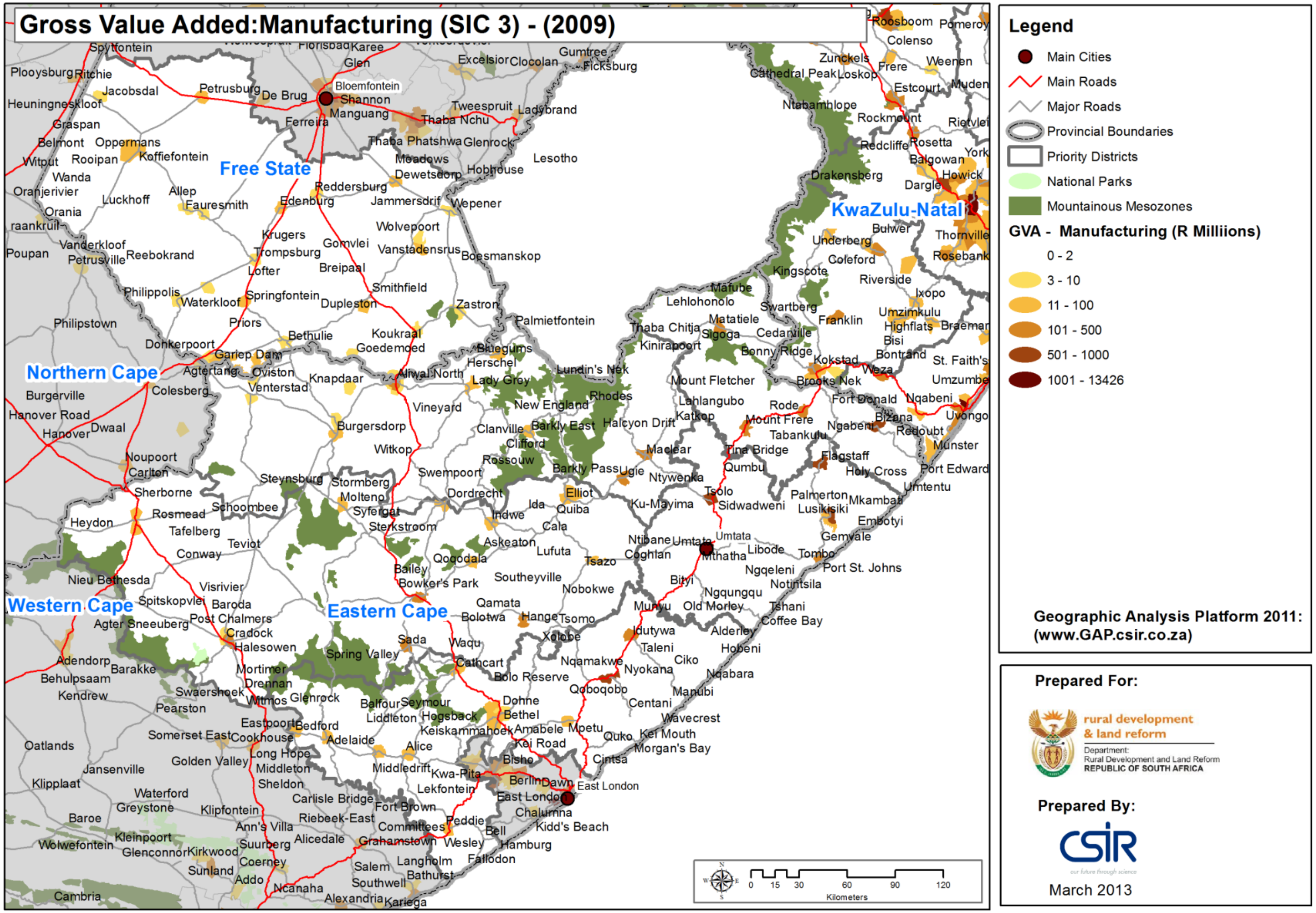


Figure 5.7: Economic Strengths: Manufacturing

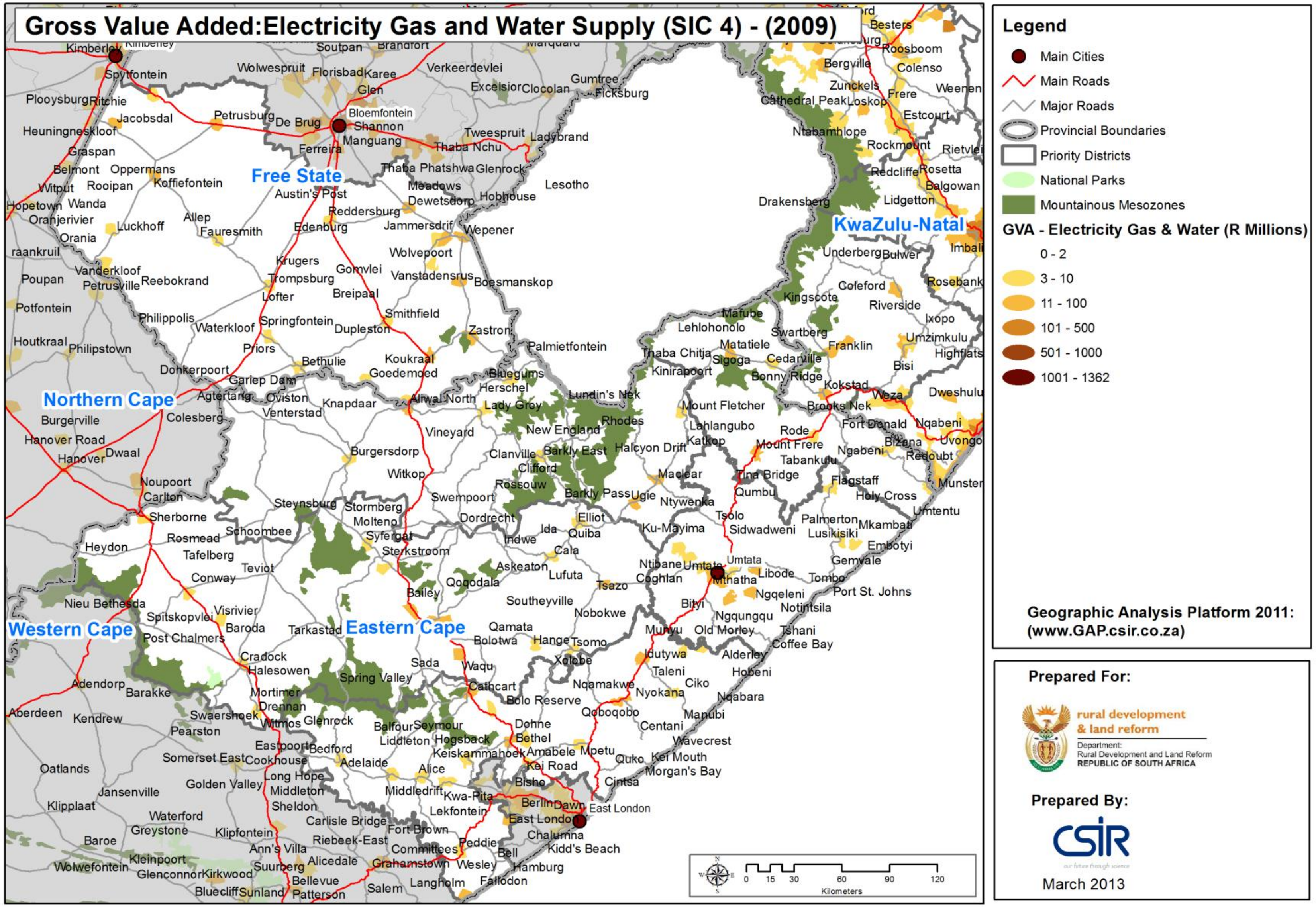


Figure 5.8: Economic Strengths: Electricity, Gas and Water Supply

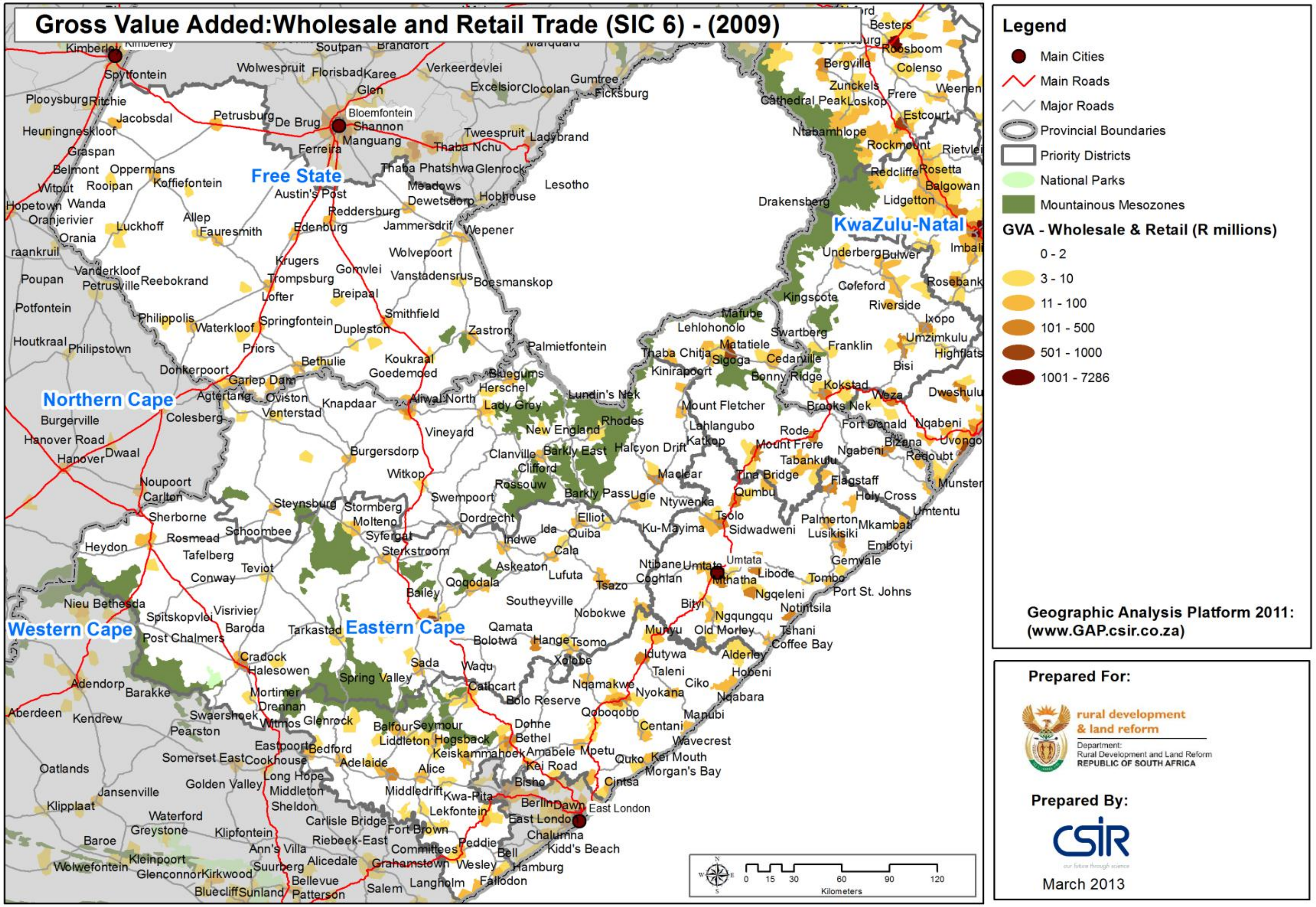


Figure 5.9: Economic Strengths: Wholesale, Retail and Trade

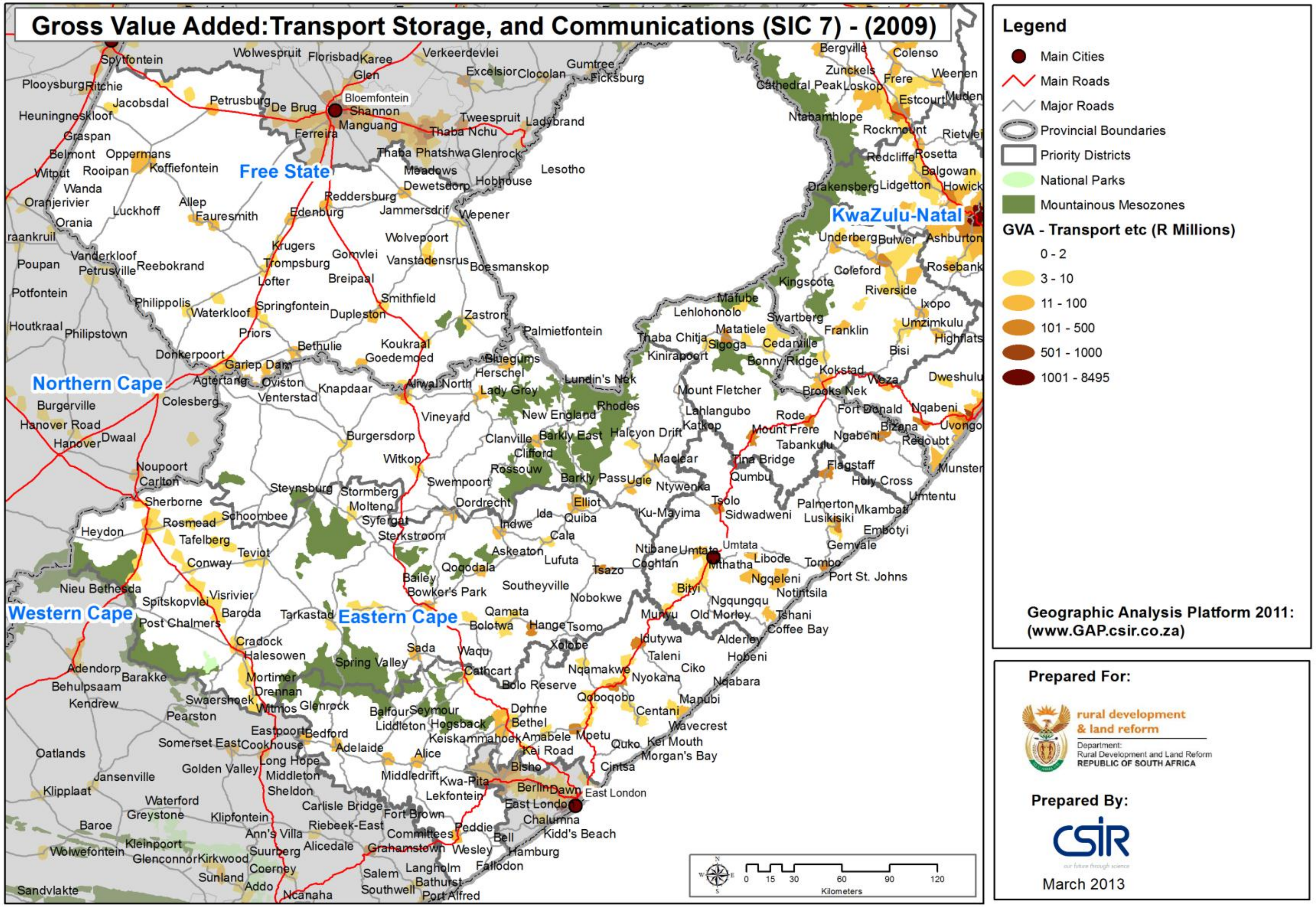


Figure 5.10: Economic Strengths: Transport, Storage and Communications

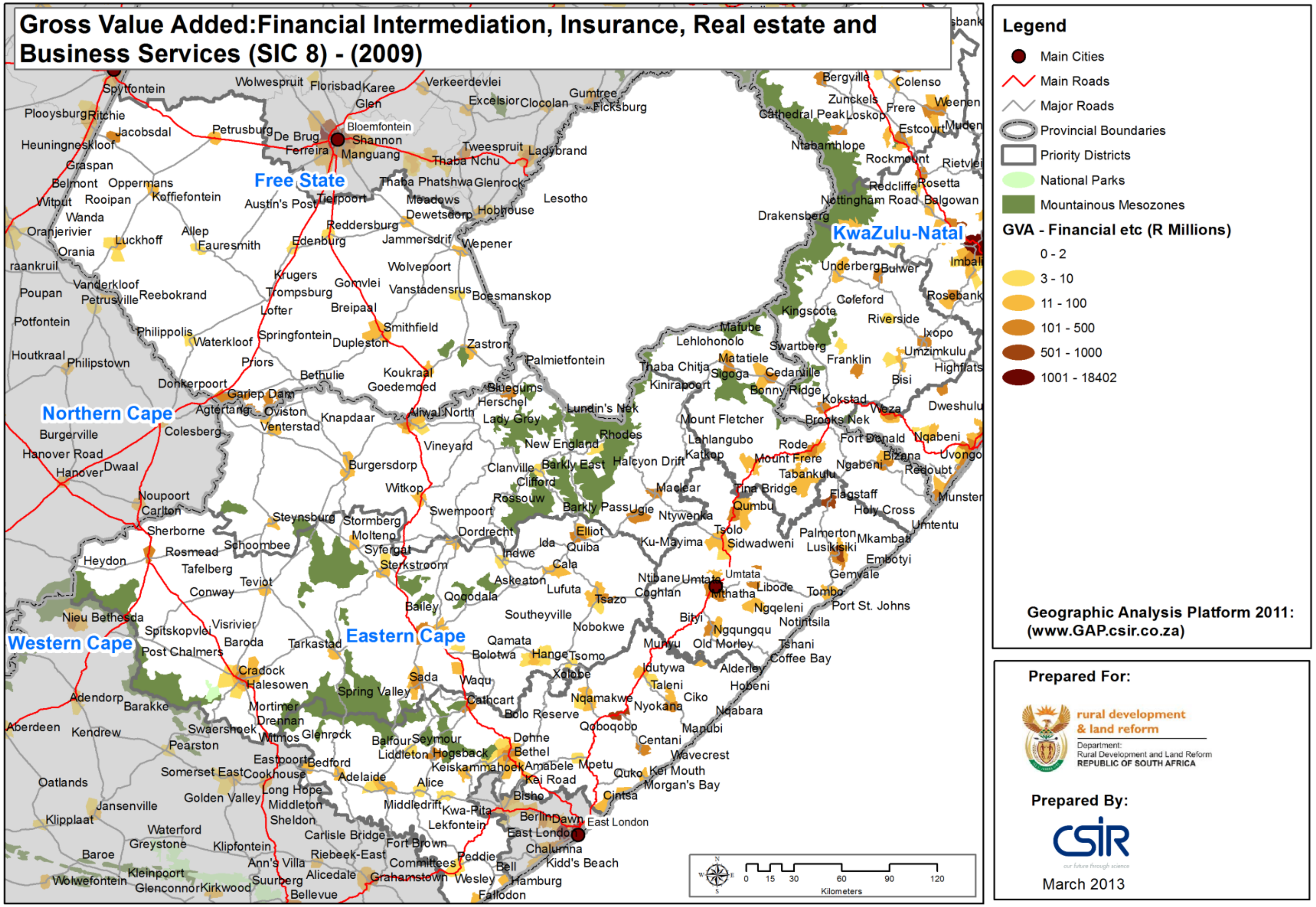


Figure 5.11: Economic Strengths: Financial Intermediation, Insurance, Real Estate and Business Services

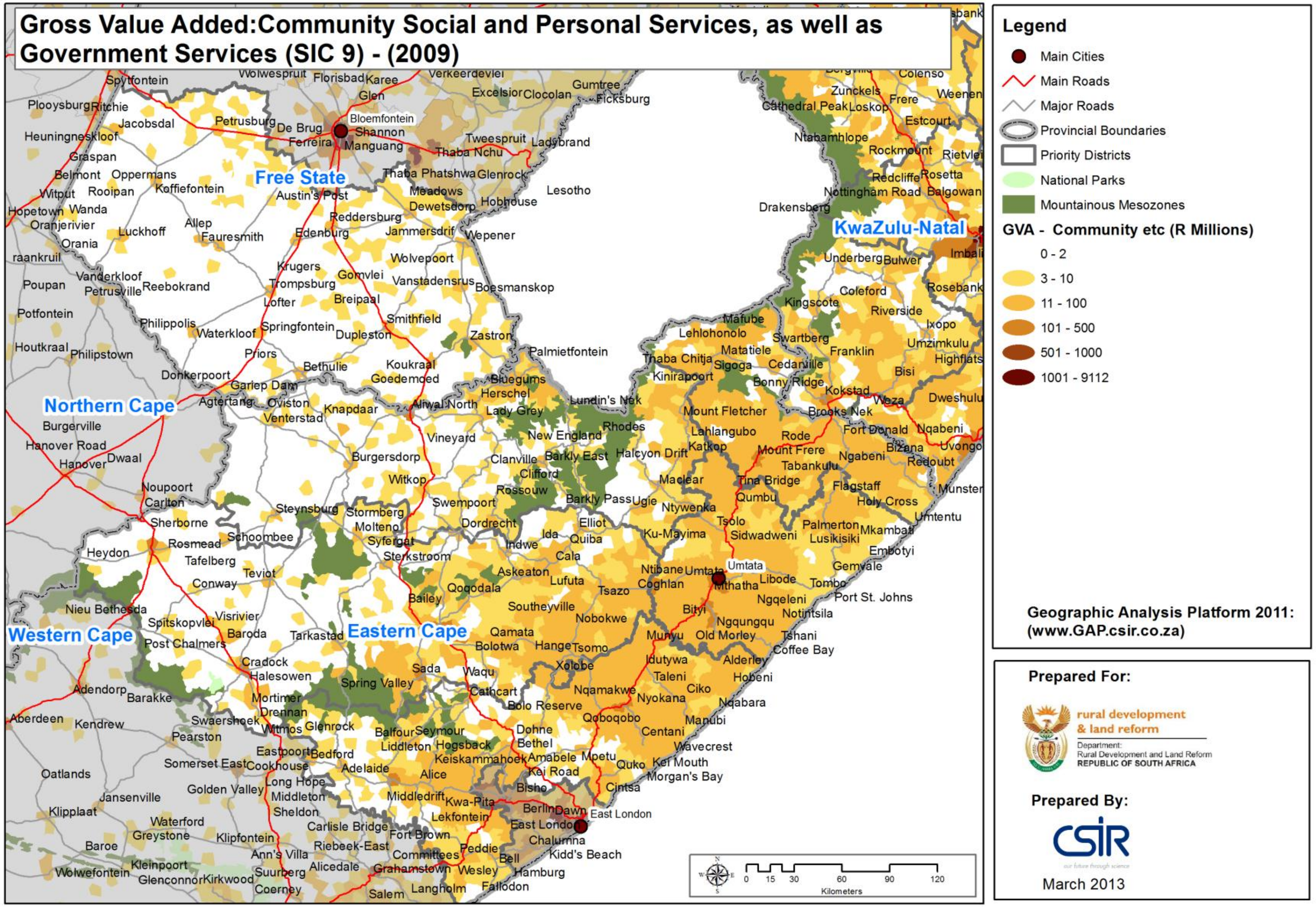


Figure 5.12: Economic Strengths: Community, Social, Personal and Government Services

An analysis of the spatial distribution of the contribution to the GVA in the eight districts shows that:

- The agriculture, forestry and fisheries sector is spatially the most prevalent sector in the Ugu, Sisonke, O.R. Tambo and Alfred Nzo Districts. This sector is also concentrated around the local towns, particularly in Xhariep. Its contribution to the GVA is spatially wide, but not deep.

- Mining and quarrying forms a very insignificant sector in these districts. There are only a few isolated spots on the map where it makes a small contribution to the GVA, and most of this is in the Xhariep and Ugu Districts.

- Manufacturing is clustered around many local and niche towns in these districts. While it is widely distributed in most districts, it employs the most people in Ugu and Sisonke.

- The generation, transmission and distribution of electricity, gas and water is an insignificant sector in these districts, and only employs 0.33% of the working population. What little related activity there is, is mostly clustered around towns and in particular around Mthatha and along the coast of the Ugu District.

- The wholesale and retail sector is mostly concentrated in towns and cities, indicating the importance of centrality and accessibility for this economic sector, with the highest employment in this sector found in the Ugu and Alfred Nzo Districts. In a few towns, it makes a major contribution to the GVA (indicated by the darker colours).

- The contribution of the transport, storage and communications services sector to employment is approximately 3%, and it is one of the few sectors that is not solely concentrated in the towns and cities, but is also clustered around the major roads in all the districts, in particular in Ugu District along the N2, and in Chris Hani along the N10.

- Financial intermediation, insurance, real estate and business services are widely distributed across the districts in most of the towns and cities, and make a rather significant contribution to the GVA. In some of the district municipalities, it features among the top three sectors in terms of employment.

- The community, personal and government services sector is the most important economic sector for all the district municipalities except for Ugu. It is particularly widespread in the rural and remote parts of the districts, and the areas under the management of traditional authority.

From this analysis, the towns and cities and their surrounding areas that display economic strength in almost all of the sectors are Umtata, Queenstown, Aliwal North, Cradock, and the towns on the coast of the Hibiscus Coast local municipality.

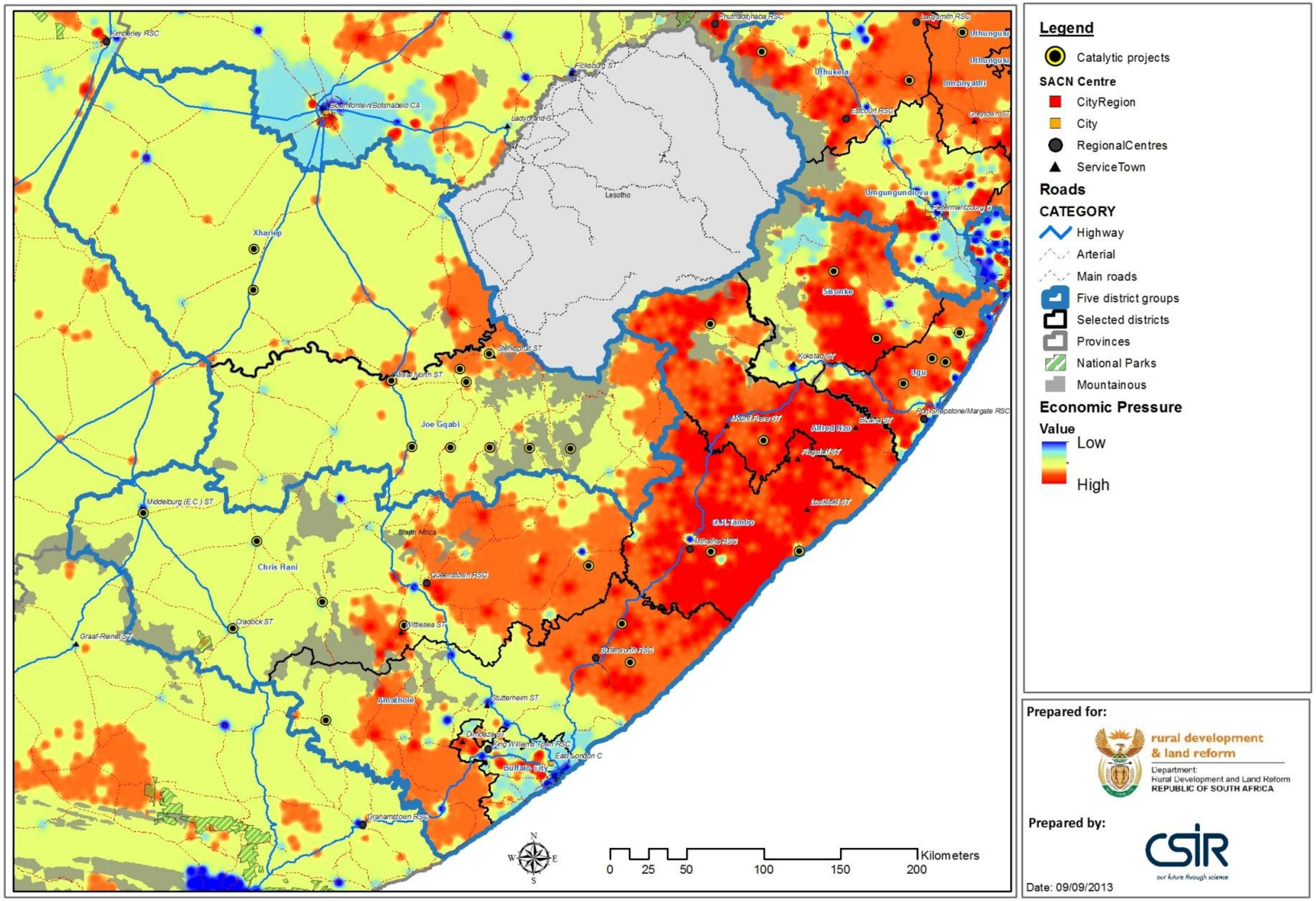


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Figure 5.13: Economic Vulnerabilities/Hot Spots areas characterised by low economic base, low GDP per capita and single sector economy dependence

Figure 5.13 indicates the economic vulnerable areas of the districts in red; these are areas where the economies are characterised by a low economic base, low GDP per capita and single sector economic dependence. The areas coincide to a large extent with those areas where community, personal and government services make a large contribution to the GVA, and they are largely dense and rural areas. Thus, O.R. Tambo, Alfred Nzo and Sisonke are the most economically vulnerable areas, whereas many of the local towns experience less economic pressure (dark blue colour on the map).

Figure 5.14 indicates the education and skills levels of the population in the eight districts. On average, more than 45% of the population did not complete primary school, and some 85% did not complete high school. Only about 13% of the population has matric, and the number of people with degrees is so insignificant it is difficult to discern on the graph. The skills levels are thus quite low in these districts, with only some 15% of the population having a matric- and post-matric education. This partly explains why less than 12% of the population in all the eight districts is employed (see Table 5.1).

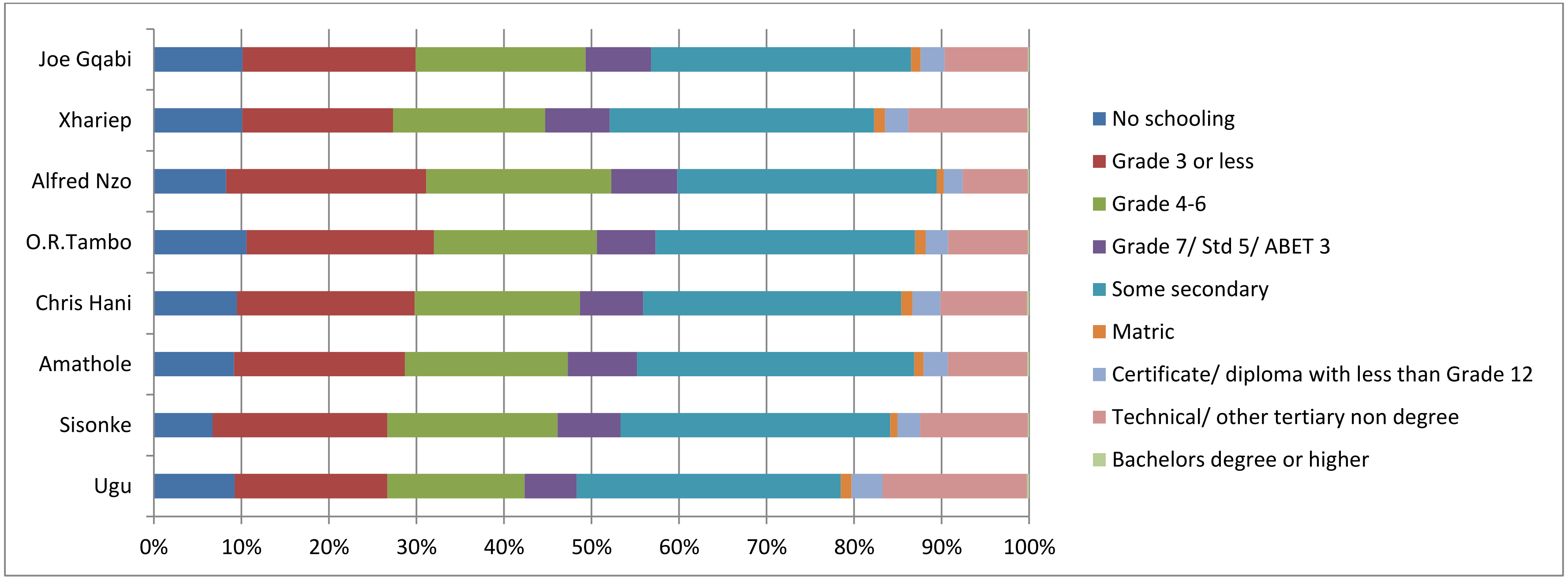


Figure 5.14: Education and skills levels

5.3 Implications for the economic development strengths, sectors and areas in the priority rural districts

It is evident that there is some economic potential in the natural resource base of these districts, i.e. mining is negligible but agriculture is the second biggest employer in these districts, though its contribution to the GVA is not as high as some of the sectors'. The most significant economic sectors in the eight districts are those related to the services industries – wholesale and retail, community and government services, as well as financial intermediation, insurance, real estate and business services. The services industries, as well as manufacturing, need towns and cities to flourish due to the accessibility, concentration of people and spending power provided by these higher order settlements. Agriculture, and community, personal and government services fill much of the space in between towns and cities – in particular in the rural and more remote areas of the districts, though these are also the economic vulnerable areas. The contribution to the national GVA of these districts ranges between 0.24% and 0.96%, only about 13% of the population has a matric qualification, and approximately 12% of the population is employed.

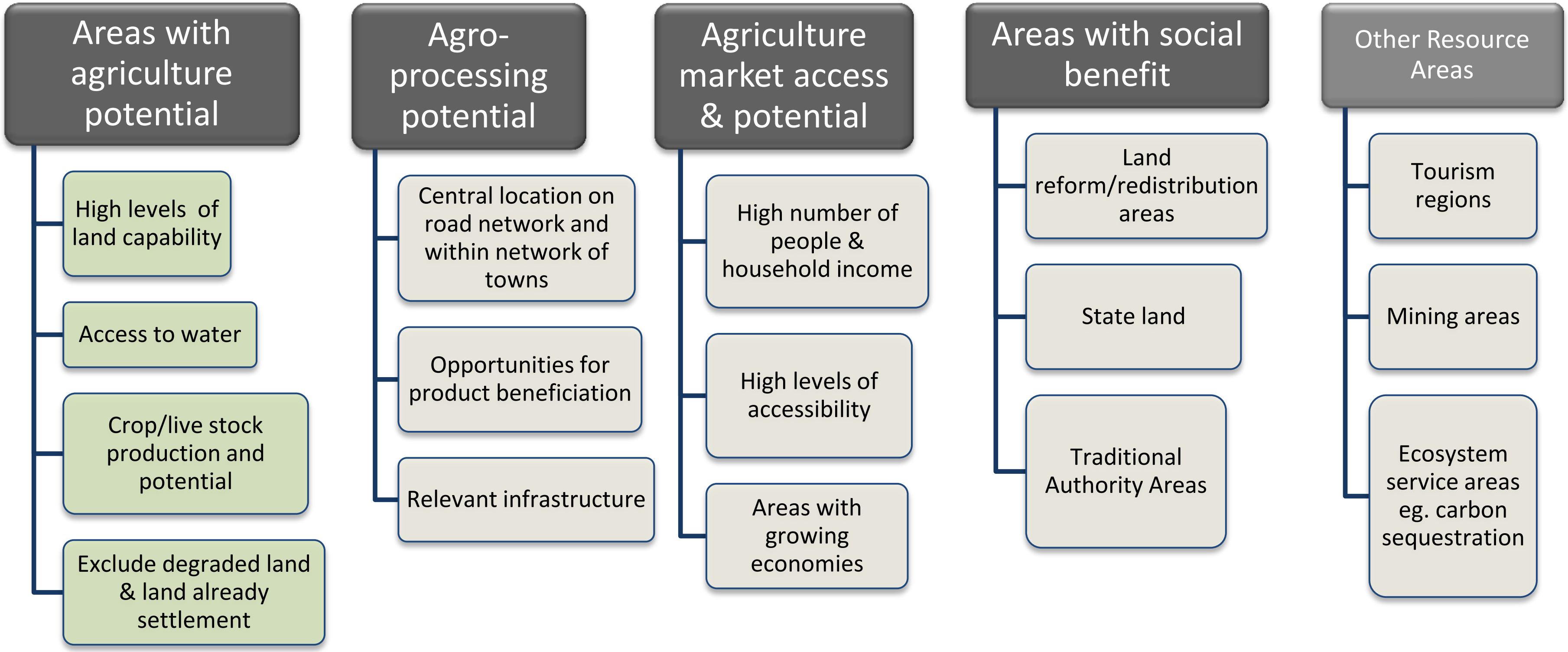
The few towns that that seem to be playing an important economic role are Umtata, Queenstown, Aliwal North, Cradock, and the towns on the coast of the Hibiscus Coast local municipality. Overall, there is a lack of vibrant and economically strong cities in this cluster of districts. The potential for the various economic sectors to contribute to GVA and job creation should be further explored, and the infrastructure which would grow, support and maintain these economic sectors should be supplied.

6 Where are the areas that should be prioritised for consolidation and protection of prime rural production areas/zones

The existing economic activity, as reviewed in the previous section, provides a good indicator of the potential for continued future economic activity, job creation, institutional capacity and current natural resource potential within rural districts. Natural resource potential is considered to be a key aspect to support and grow the economy and employment of the priority districts and, as such, it is necessary to support infrastructure in areas that have, or can be prioritised, as prime rural production areas, i.e.:

- Agricultural production, in areas with potential related to specific products – especially smallholder farming and also in traditional authority areas
- Agro-logistics and production in relation to areas where there is high potential. This also relates to areas with high levels of access to key markets.
- Natural resource asset and tourism areas that can support local and regional economies
- Urban agriculture potential and a focus on hydroponics within settlements
- Within all of the above – areas for beneficiation, such as traditional authority areas and state land, to explicitly be considered as a priority.

The following diagram provides a framework for the analysis of the rural districts with respect to key parameters to identify areas that should be prioritised and supported as key rural production areas or zones. As we have seen in the previous set of analyses, the towns and settlements of all levels play a pivotal role in these rural districts as they are areas of the highest population and economic activity. They also, in the case of the niche and service towns and regional services centres, play a significant role with respect to social, government, community and financial services in an extensive, sparsely populated hinterland. To this end, they can be considered the closest market areas for fresh produce and are most likely to be the centres for product consolidation, beneficiation, processing, agricultural extension services, logistics and transport services. Like healthy growing hinterlands depend on services in towns, the economic health of the towns in agricultural/rural areas in South Africa is closely linked to production within the surrounding areas or hinterland. In the following sets of analyses, the focus is placed on areas in the rural hinterland with the potential for investment; however, also keeping in mind the need to invest and support the social and economic infrastructure in the closest town.


Areas with agriculture potential
High levels of land capability
Access to water
Crop/live stock production and potential
Exclude degraded land & land already settlement
Agro-processing potential
Central location on road network and within network of towns
Opportunities for product beneficiation
Relevant infrastructure
Agriculture market access & potential
High number of people & household income
High levels of accessibility
Areas with growing economies
Areas with social benefit
Land reform/redistribution areas
State land
Traditional Authority Areas
Other Resource Areas
Tourism regions
Mining areas
Ecosystem service areas eg. carbon sequestration

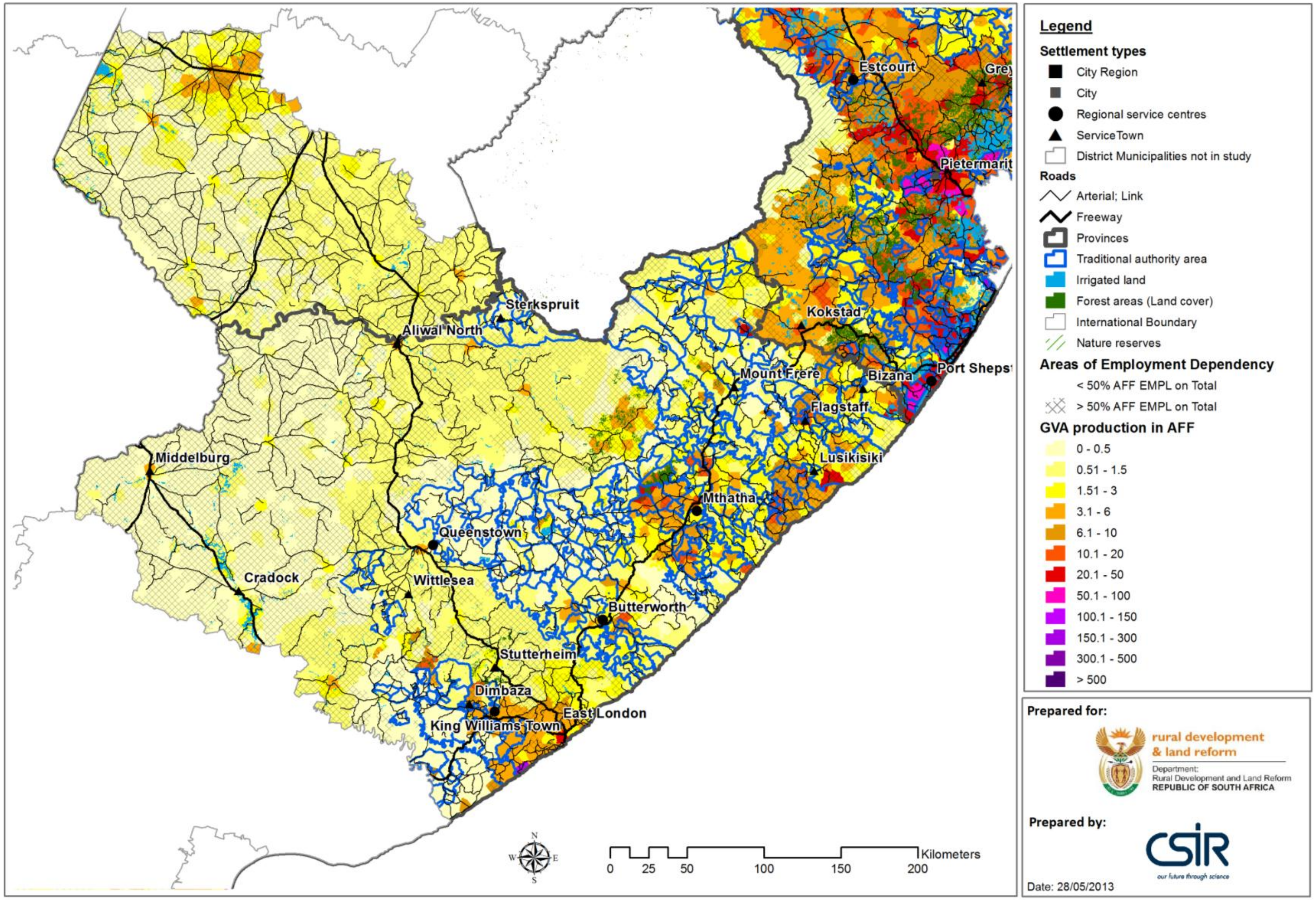


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Figure 6.1: Areas of employment dependency on agriculture, forestry and fisheries combined with the sector's contribution to economic activity

Figure 6.1 indicates the areas of employment dependency on the agriculture, forestry and fisheries sector (AFF), shows that almost the whole study area, but in particular in those areas outside the traditional authority areas, more than 50% of the population is dependent on the AFF sector for employment. The contribution to economic activity (using GVA as a proxy indicator) increases from west to east, and is the highest in Sisonke, Ugu and O.R. Tambo. Thus, even though its contribution to the economic activity is quite small in the sparsely populated areas, many people are dependent on this sector for employment.

Figure 6.2 below indicates where there is more than a 50% employment dependency on the AFF sector, as well as more than 50% dependency for economic activity generated in this sector. These two indicators correspond to a large extent in all the districts; though, when compared to the economic activity map above, in very few of these areas does the AFF sector contribute significantly to the economic activity. It, thus, means that both the economy and people rely heavily upon this sector, but the significance of its contribution to the economy falls short of the demands placed on the sector. Both the sector's contribution to the economy needs to be strengthened (though compared to the map on land capability below this may not be an option) and the economy should be diversified. Much of the traditional land is unaffected by these indicators (see land capability below).

The agriculture, forestry and fisheries land capability in the priority districts is illustrated in Figure 6.3. What immediately catches the eye is the huge area of land in the north and west with low or no land capability (even though there are some water resources there), while both the population and economic activity (GVA) are highly reliant on the AFF sector. This map also explains why most of the tribal land does not contribute to or rely on this sector for its economy, for much of the land under traditional authority is densely populated. Because of the population density, the few areas with high or moderate land capability in the traditional authority areas has been degraded (see Figure 6.4 below).

In Figure 6.4, one can see that much of the land capability is threatened by land degradation, particularly in the Alfred Nzo, O.R. Tambo and Chris Hani Districts, as well as pockets of land in the Amathole District. Most of these areas are high density rural settlements, signifying the effects human settlements have had on the natural environment.

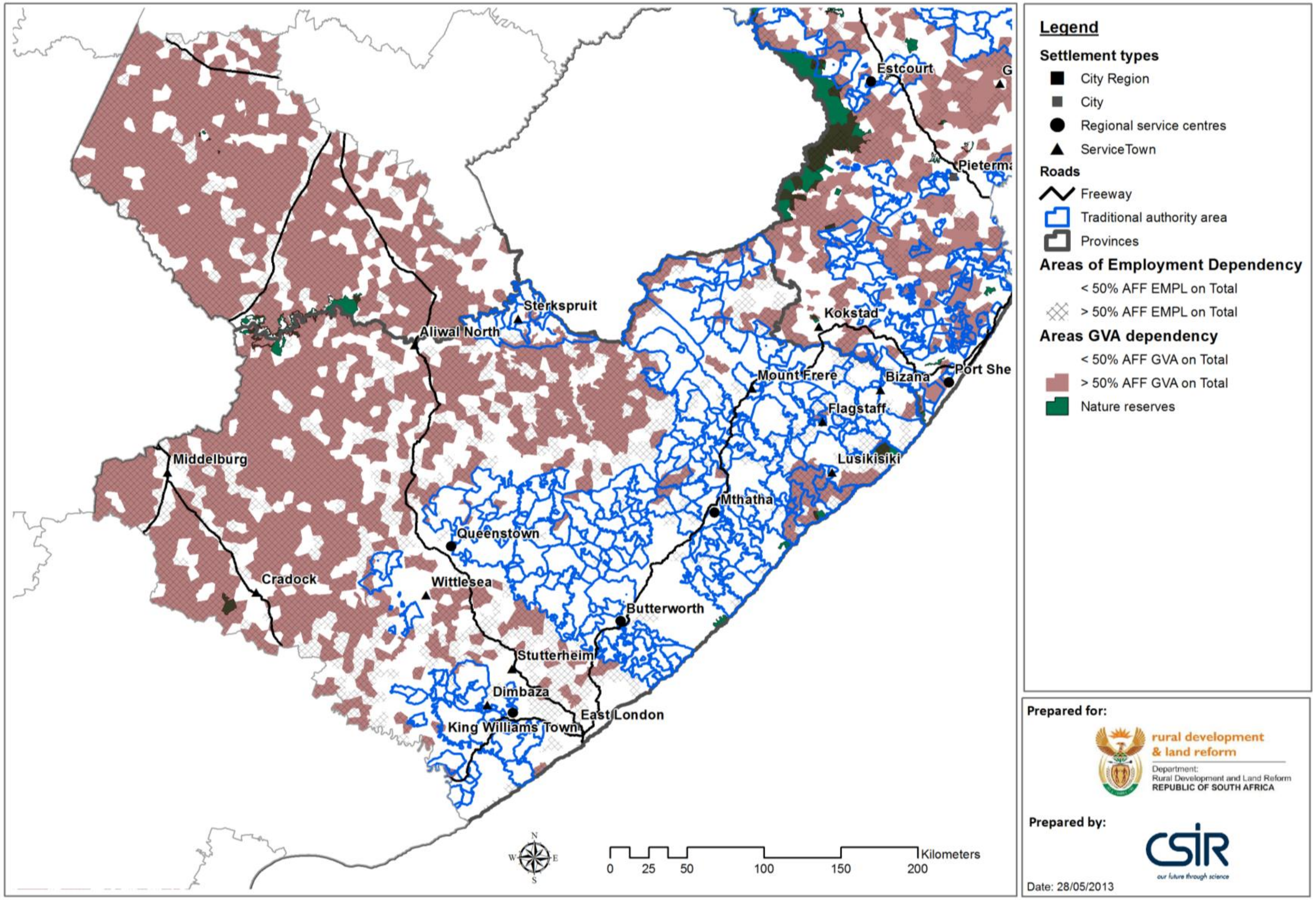

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Figure 6.2: Areas of employment and economic activity (GVA) dependency on the agriculture, forestry and fisheries

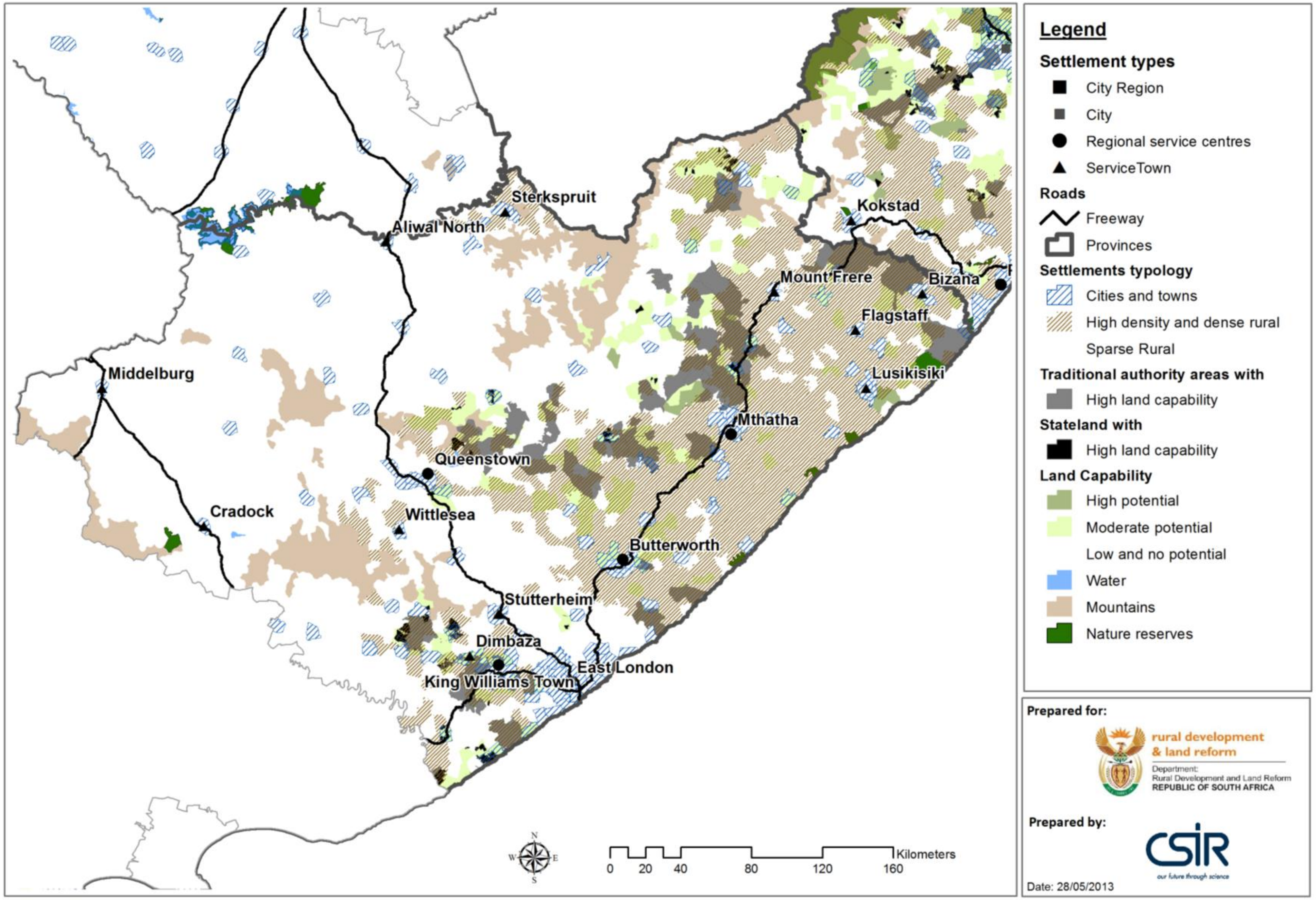

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Figure 6.3: Agriculture, forestry and fisheries land capability

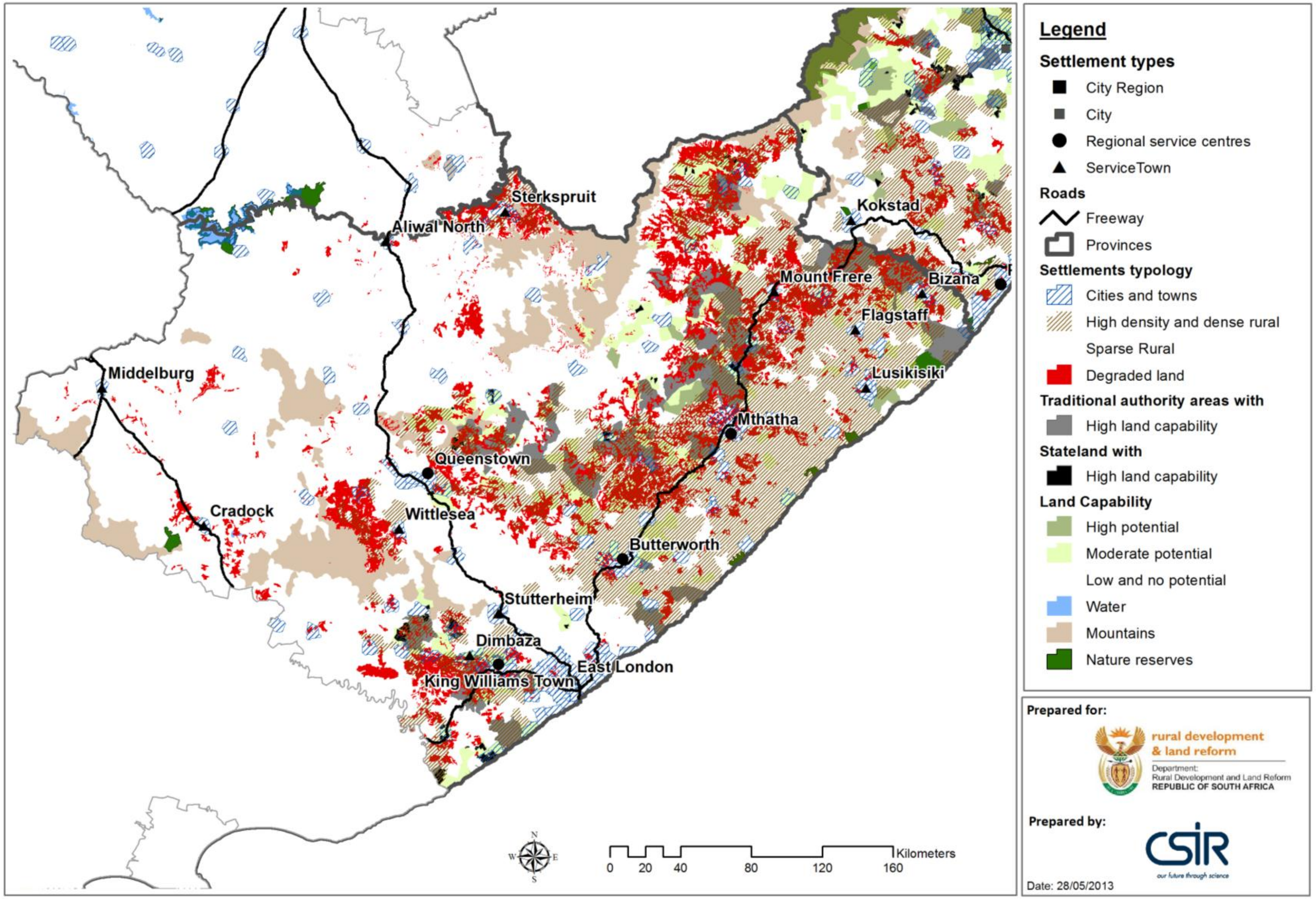

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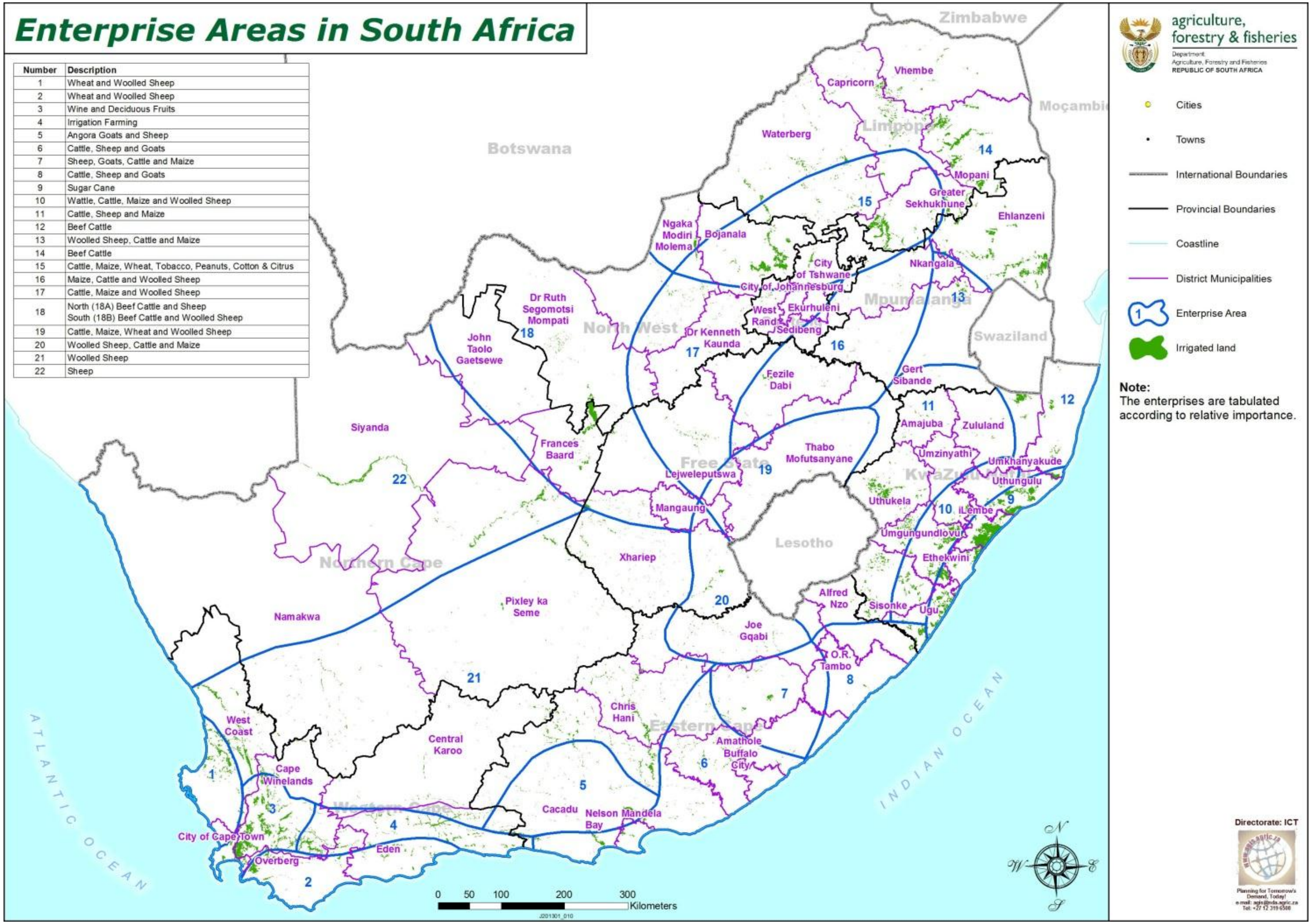
Figure 6.4: Agriculture, forestry and fisheries land capability and land degradation



Number	Description
1	Wheat and Woolled Sheep
2	Wheat and Woolled Sheep
3	Wine and Deciduous Fruits
4	Irrigation Farming
5	Angora Goats and Sheep
6	Cattle, Sheep and Goats
7	Sheep, Goats, Cattle and Maize
8	Cattle, Sheep and Goats
9	Sugar Cane
10	Wattle, Cattle, Maize and Woolled Sheep
11	Cattle, Sheep and Maize
12	Beef Cattle
13	Woolled Sheep, Cattle and Maize
14	Beef Cattle
15	Cattle, Maize, Wheat, Tobacco, Peanuts, Cotton & Citrus
16	Maize, Cattle and Woolled Sheep
17	Cattle, Maize and Woolled Sheep
18	North (18A) Beef Cattle and Sheep South (18B) Beef Cattle and Woolled Sheep
19	Cattle, Maize, Wheat and Woolled Sheep
20	Woolled Sheep, Cattle and Maize
21	Woolled Sheep
22	Sheep

Figure 6.5: Enterprise areas in South Africa

Figure 6.5 indicates the enterprise area contours in South Africa, and Figure 6.6 for the cluster of districts. Parts of Xhariep, Joe Gqabi and Chris Hani fall in the woollen sheep contour and woollen sheep, cattle and maize contour; parts of Amathole and Chris Hani fall into the maize, cattle, sheep and goats enterprise areas; O.R. Tambo mostly falls into the cattle, sheep and goats contour; Ugu and part of Sisonke falls into the sugar cane, wattle, cattle, maize and woollen sheep enterprise area; and Alfred Nzo and Sisonke fall into the cattle sheep and maize contour. It is interesting to note how little land within and close to towns and cities has a high land capability. Much of the land capability falls in rural areas under state and traditional authority, with no major rural settlements being identifiable as rural nodes.

In Figure 6.7, the mining potential and risks for the districts are indicated. There are only a few isolated spots on the map where there is a high dependency on the mining sector for employment. These are in Lusikisiki, Wepener and close to Petrusburg in Xhariep. There is high mining potential in Bonny Ridge and a few places in Xhariep, and medium mining potential in the belt running from the Northern Cape through the Free State, and in the north of Chris Hani District. Few of these areas with potential are presently contributing significantly to the economic activity in the area (see GVA map – Figure 5.6).

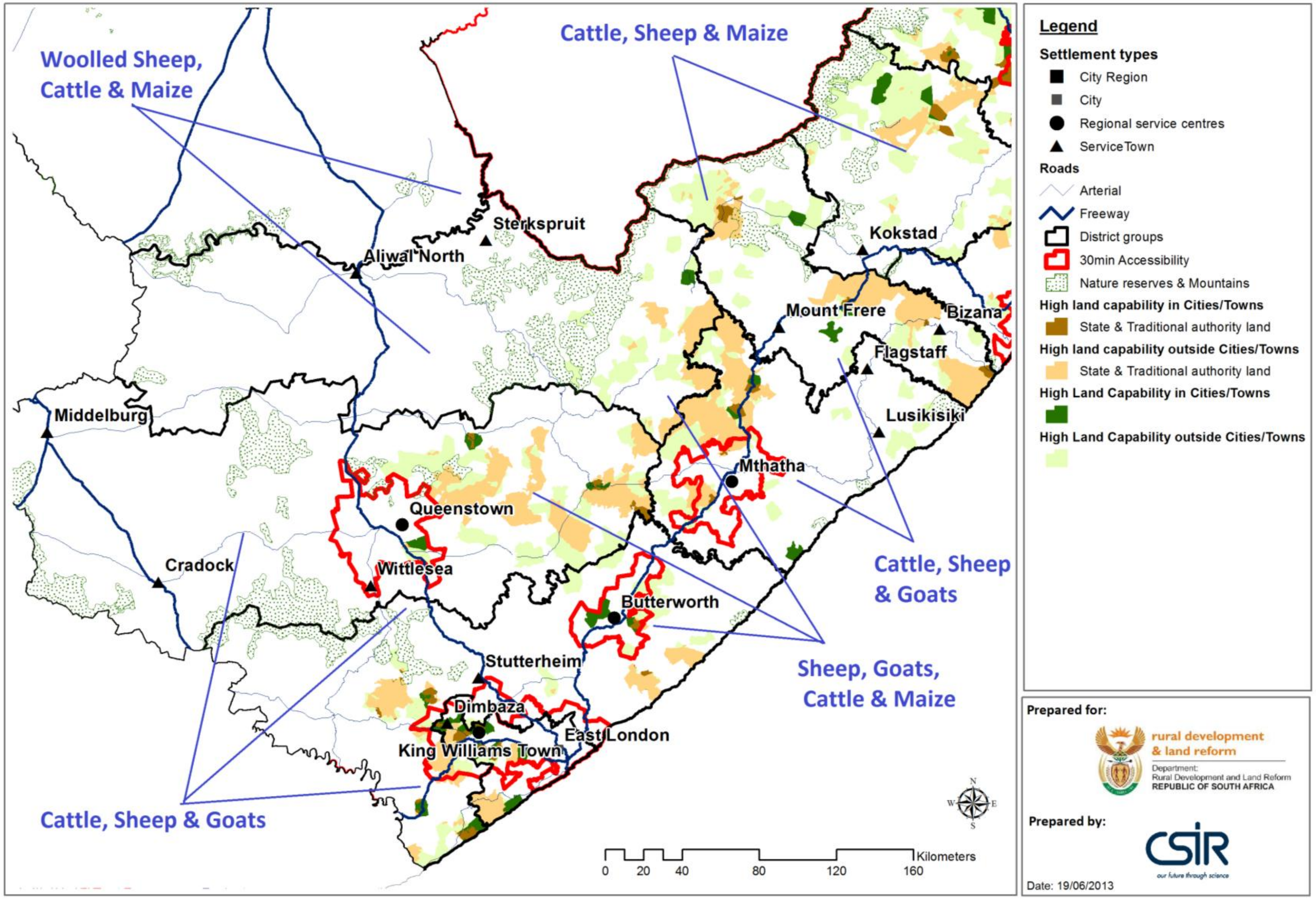


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Figure 6.6: Rural Production Zones: Agriculture production and areas with highest market potential

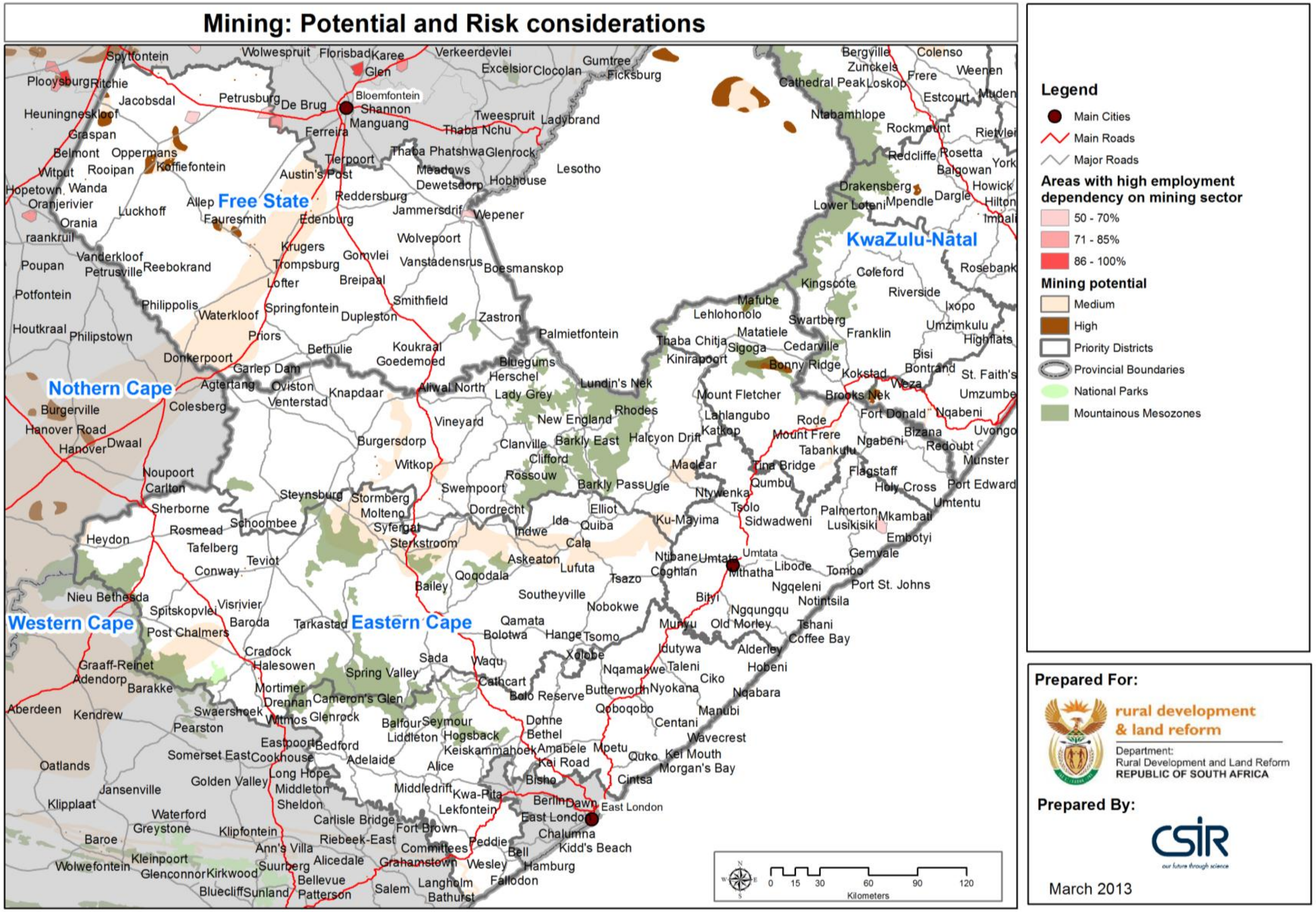

Figure 6.7: Rural Production Zones: Mining potential and risks

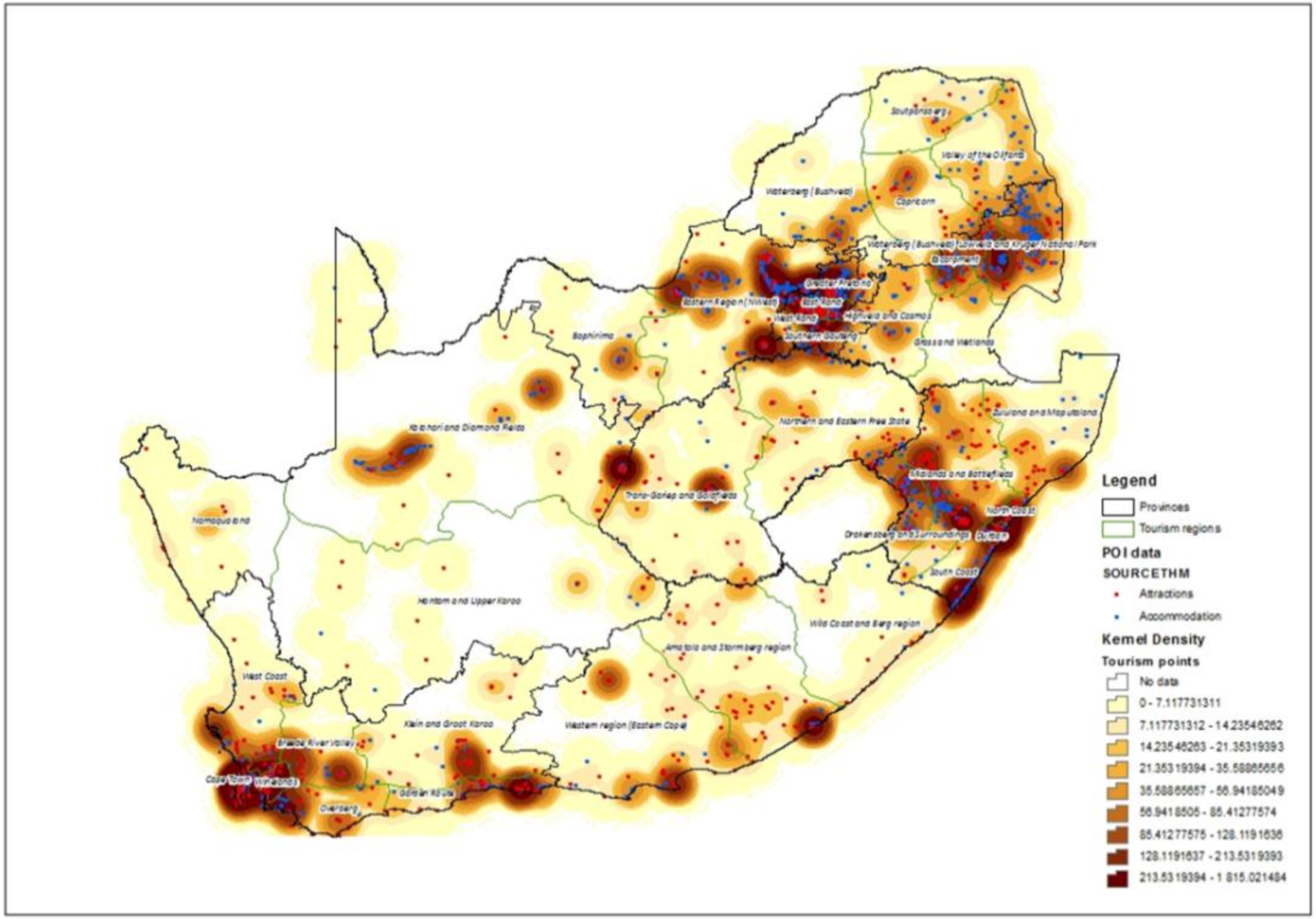

Figure 6.8: Economic Strengths: Tourism attraction regions

Tourism is an important industry in the retail, wholesale and trade sector. The map above (Figure 6.8) indicates the density of tourism points across the country. The South Coast has quite a high density of tourism points, with lots of attractions and accommodation (particularly on the coast) and some tourism is also found on the Wild Coast and in the Amatole and Stormberg region.

The points of tourism interest, national parks, nature reserves, protected areas and mountains in the priority districts, combined with accessibility to centres, are indicated on Figure 6.9. There are a number of tourism points in land under traditional authority, and most of them seem quite accessible from centres according to the accessibility index. Other tourism points of interest are quite remote and not very accessible, such as in the western parts of this cluster of districts, on the border between the Free State and the Eastern Cape, and in the mountainous areas on the border with Lesotho, where it can take up to 10 hours to reach them from the closest centre.

In Figure 6.9, the carbon sequestration (CS) potential is clearly illustrated. The areas close to the coast all have medium to high carbon sequestration potential, though many of these areas are strewn with settlements. Xhariep, Joe Gqabi and Chris Hani Districts have low to no potential for carbon sequestration. Stressed catchment areas are also indicated on the map, and are found in most of the local municipalities bordering on Lesotho and also in the west of Chris Hani.

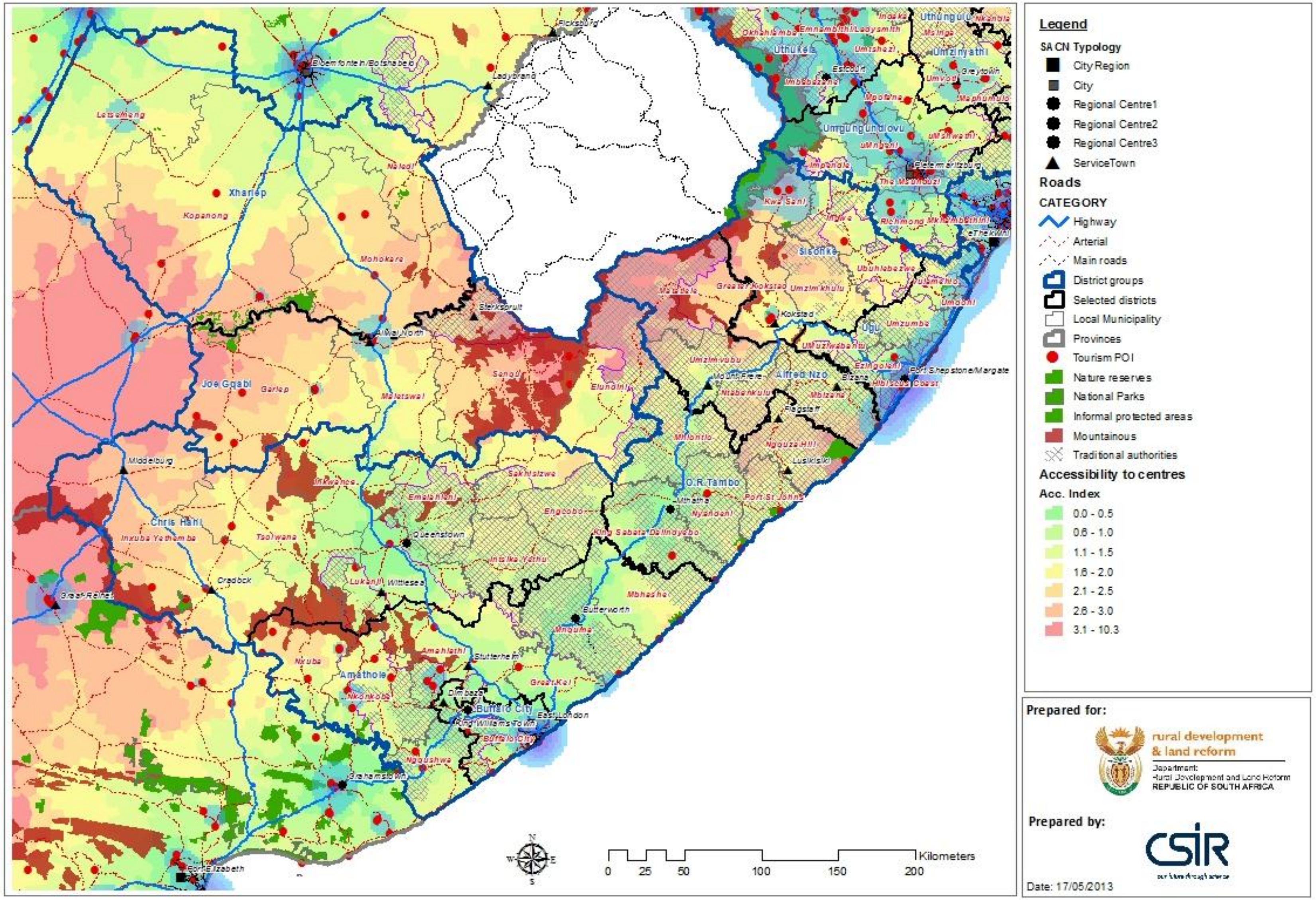

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Figure 6.9: Rural Production Zones: Tourism Attraction Points (red) in relation to levels of accessibility (green high and red remote)

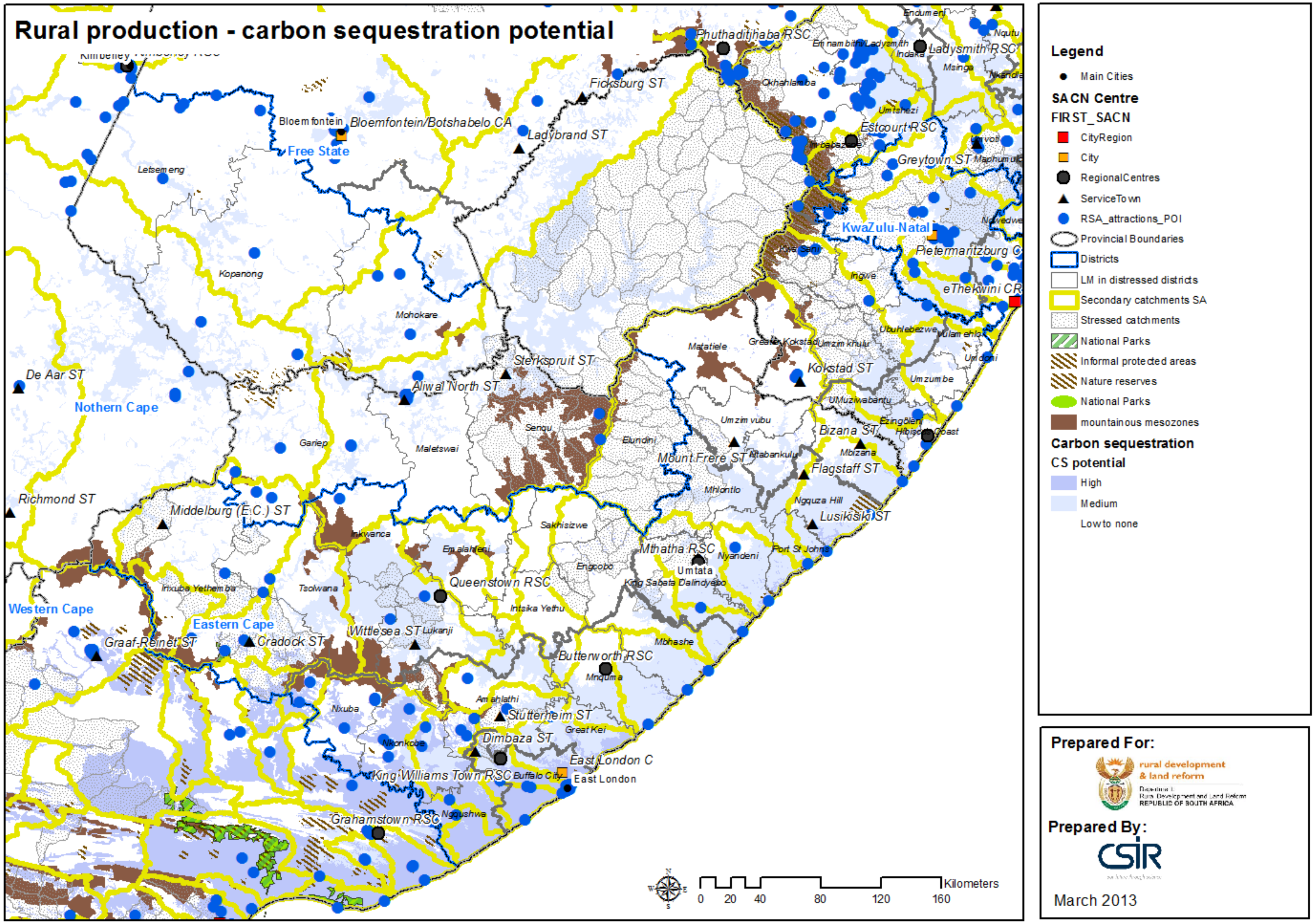


Figure 6.10: Rural Production Zones: Carbon Sequestration Potential

6.1 Implications for the prioritisation for consolidation and protection of prime rural production areas/zones

From the previous analysis, the areas that should be prioritised for the consolidation and protection of prime rural production areas seem to be the following:

- Agricultural production: Sisonke, Ugu and O.R. Tambo Districts, though land degradation needs to be addressed to realise the potential.
- Natural resource assets and tourism areas: there seems to be some untapped mining potential in Xhariep and Chris Hani. Rural tourism nodes could be developed in the areas under traditional authority, especially those areas on the coast. The mountainous areas on the border with Lesotho also hold potential, though many of these areas are quite remote.
- Urban agriculture potential: there is seemingly not much potential for urban agriculture. King William's Town seems to be the only town with high land capability within 30 minutes accessibility.

One concern is the many areas that rely heavily on the AFF sector for employment and GVA, while the related GVA contribution is in fact quite low, and there is little to no agricultural land capability. Many of these areas are also remote, less accessible and far from urban services (see the section below). Land under traditional authority has a low share in the AFF sector, but this is due to the fact that this land is densely populated. The services sectors play a more important role in many of these areas.

7 Within high density rural areas or outstretched regions, which anchor-points can play a key role as government service nodes, and market concentration areas for government and economic services, both at local level and regional level?

Given the centralisation trends, limited resource potential and current economic and market strengths, it is important to identify areas where potential exists to cluster government, community services and economic services, thus forging agglomeration opportunities and synergies in addressing access to higher order social facilities and economic services. To support regional and rural development, a strong network of services places is required which can act as loci for development and services in the surrounding regions. CSIR has developed a typology of settlements of different orders for South Africa. This is the starting point for the identification of a network of places to support the development of the priority rural districts.

In order to identify key regional centres, settlements need to be analysed in terms of their densities and market potential for service, manufacturing and agro-processing activities as they play a strong role in providing access to government services and economic opportunities within sparsely populated area to which they are linked and which essentially form their functional hinterlands.

In terms of understanding the functional interaction between areas and specifically between the priority districts and any economic anchor points, as well as to identify any possible regions with economic potential, a number of functional regional analyses were undertaken – many of which have been discussed earlier in this report. [This will be supplemented in more detail by a follow up project spearheaded by Economic Development Department to identify economic areas of interaction.]

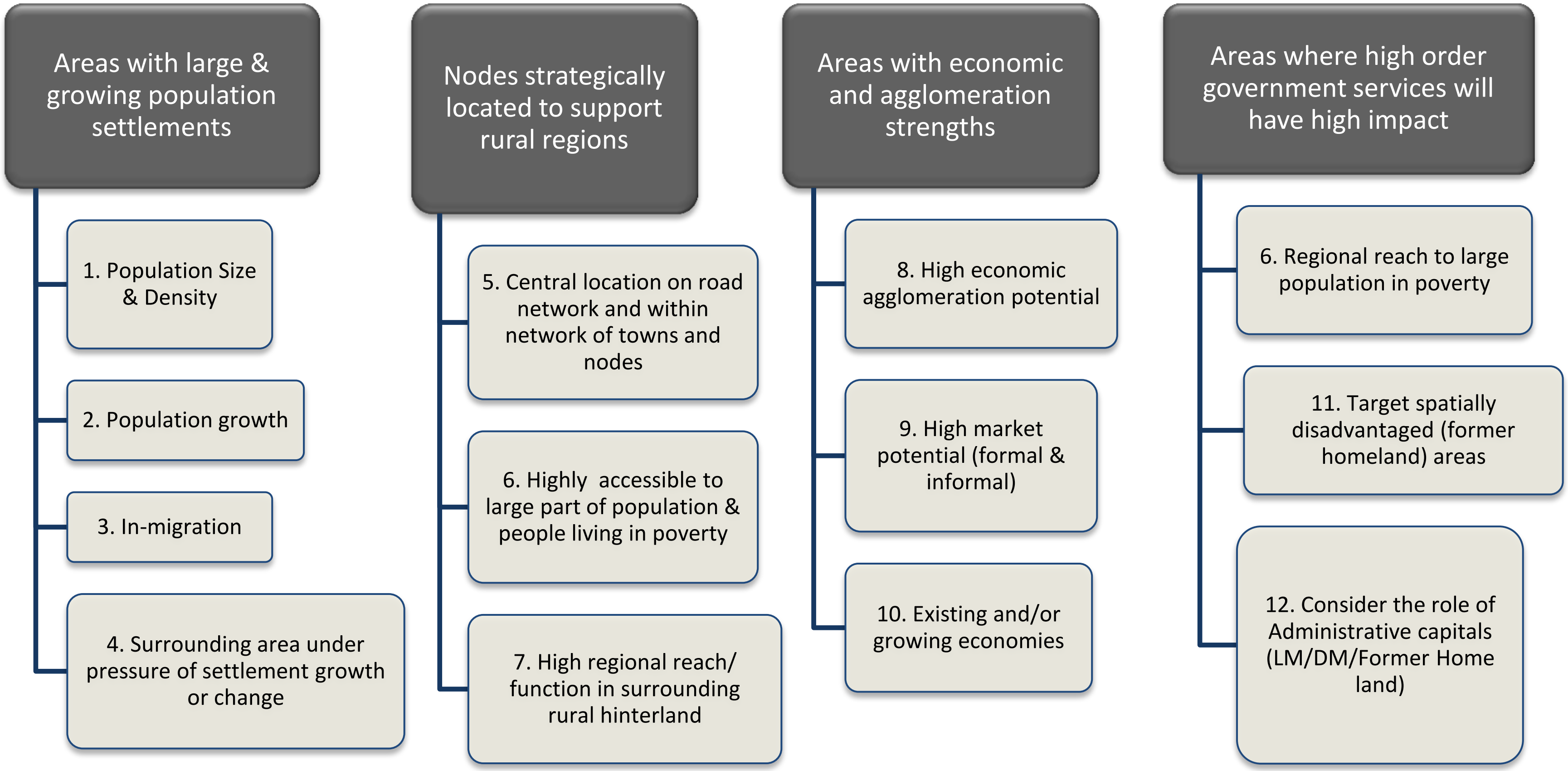
In the development of a network of local nodes, it is firstly important to identify Regional Service Centres, Service Towns and Niche/Local Towns.

7.1 Identification of Regional Centres of Excellence

In the analysis to establish which anchor points can be used to play a key role as government service nodes and areas of market concentration of the region, a set of key questions was developed and the framework outlined below was used to answer the questions and identify areas of specific types, namely:

- areas with large and growing populations
- nodes that are strategically located to support rural regions

- areas of economic agglomeration strengths
- areas where higher order government service will have the most impact.



In each instance the sub-questions as indicated in the framework were used to derive the identification of additional anchor points as well as being used to create a typology and differentiation of places.

Figure 7.1 provides the settlement typology for the cluster of districts. This typology is based on population density, employment, urban functional service index and economic activity. For more details see Table 7.1.

A city is a place that together with its functionally linked urban areas is home to a population of more than 400 000 people; it has significant multi-nodal economies; plays a significant role in the region in terms of service delivery and the economy; play a major role in government and commercial service delivery; has a relatively high economic growth rate; and attracts people. A regional centre is a medium and high order town that plays a prominent role in offering services to the hinterland. These towns typically have large populations in densely settled areas, or are towns in resource-rich areas that are relatively accessible, or are smaller towns playing a key service function in a more isolated and less accessible area. Service centres are smaller towns that seem to fulfil a particular service role within the local area. These centres may have a small service index but serve a large population, or serve a small population in a sparsely populated or isolated area. Local and niche towns are small towns that fulfil a local function or fulfil a particular niche function. Such towns have a smaller population and economic activity and are geographically more evenly distributed throughout the country than settlements in other categories. High density rural areas are densely populated but play a very limited service role and are often under traditional land ownership[2].

The typology and hierarchy of towns help to understand the role and functions of towns and indicates that not all towns have the same function in the space economy, and motivates for a differentiated investment strategy. The long term development potential, the need for infrastructure and service delivery, and the role in development will be determined by the manner in which the town is affected by economic development trends and its ability to respond to these demands. It also illustrates why the approach to economic development in rural South Africa has to be intrinsically linked to the realities of economic anchors and networks of settlements, and the importance in maintaining and investing in services in these areas.

The wide reach of the network of service towns and regional service centres and the number of high density rural settlements that are further away than 30 km from higher order service centres (including regional service centres and small service centres – towns with at least some significant level of economic and government services) are evident in Figure 7.2. There are quite a number of dense rural and high density rural areas that do not have access to higher order functional settlements within 30 kilometres. Note the areas in Sisonke in KwaZulu-Natal, in Alfred Nzo on the border with Lesotho, on the coast in O.R. Tambo and Amathole, and in the eastern parts of Chris Hani. In the sparsely populated rural areas, functional settlements are relatively evenly distributed across space, but their reach is much smaller than the higher order settlements.

The following table (Table 7.1) shows the population and the growth rate of the main towns in the region.

[2] Van Huyssteen, E.; Biermann, S.; Naudé, A. & Le Roux, A. (2009). Advances in spatial analysis to support a more nuanced reading of the South African space economy, in Urban Forum, Vol. 20, pp195–214.

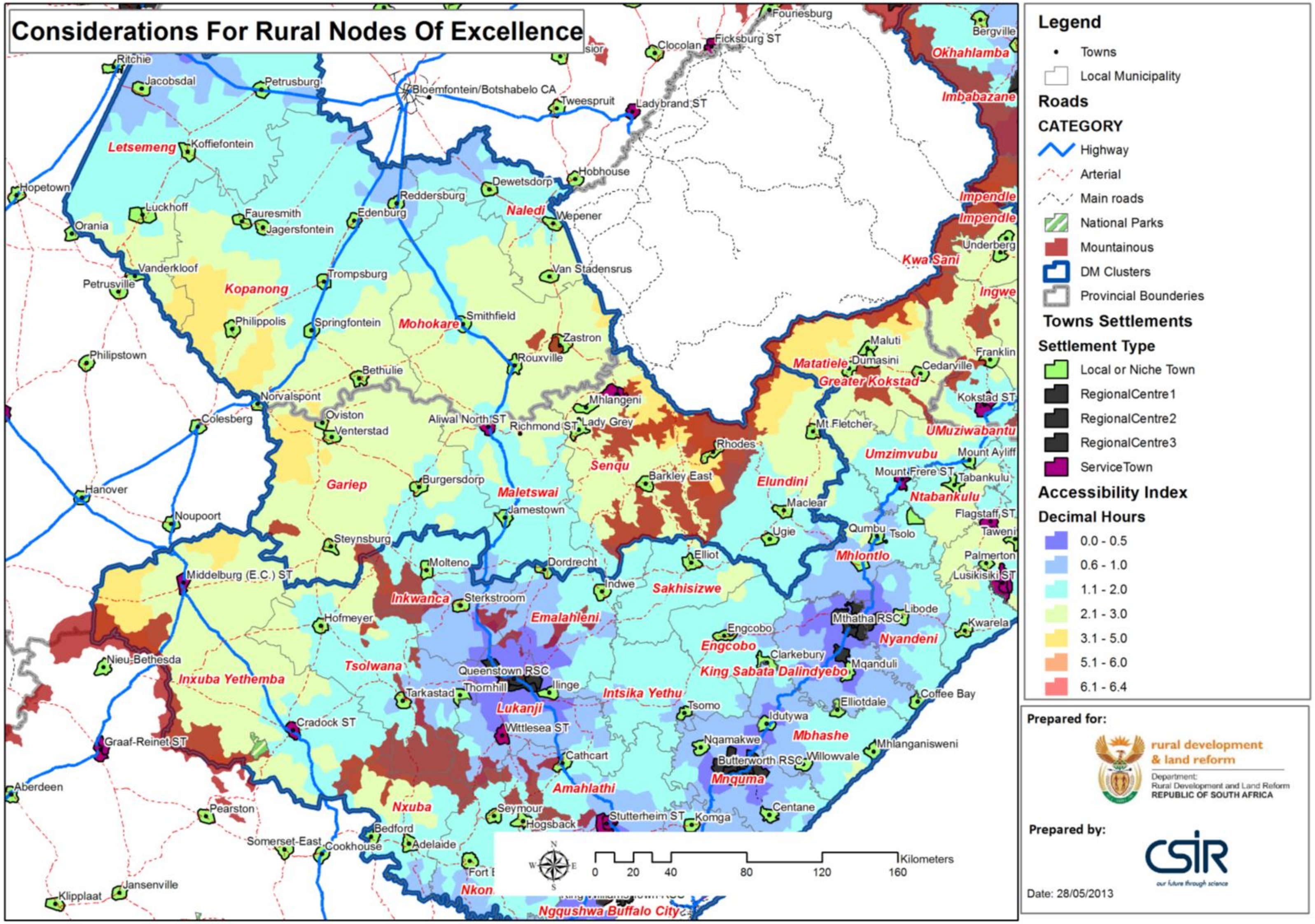


Figure 7.1: Functional settlement areas and service regions

Table 7.1: CLUSTER 4: Summary of population in Regional Service Centres and Towns

TOWN NAME IN FUNCTIONAL SETTLEMENT TYPOLOGY	DISTRICT MUNICIPALITY	LOCAL MUNICIPALITY	1996	2001	2011	CHANGE 1996 - 2011	GROWTH BELOW NATIONAL 2%	LARGE INCREASE	RAPID GROWTH	GROWTH STATUS
REGIONAL SERVICE CENTRES										
Butterworth RSC	Amathole	Mnquma	70 308	78 071	73 807	3 499	Δ			Increase
King Williams Town RSC	Amathole	Ngqushwa	36 568	33 397	33 727	(2 841)	Δ			Decline
Mthatha RSC	O.R.Tambo	King Sabata Dal	139 206	149 785	191 331	52 125		ΦΦ		Significant increase
Mthatha RSC	O.R.Tambo	Nyandeni	17 193	16 349	19 589	2 396	Δ			Increase
Mthatha RSC	O.R.Tambo	Nyandeni, King	156 398	166 134	210 920	54 522		ΦΦ		Significant increase
Port Shepstone/Margat	Alfred Nzo	Mbizana	13 765	14 253	20 263	6 498				Increase
Port Shepstone/Margat	Ugu	Hibiscus Coast	155 031	183 575	218 302	63 271		ΦΦ		Significant increase
Queenstown RSC	Chris Hani	Lukanji	87 186	92 658	103 658	16 472	Δ	ΦΦ		Large increase
SERVICE TOWNS										
Aliwal North ST	Ukhahlamba	Maletswai	23 008	28 696	33 468	10 460		ΦΦ		Large increase
Bizana ST	Alfred Nzo	Mbizana	23 307	25 893	32 614	9 307		ΦΦ		Large increase
Cradock ST	Chris Hani	Inxuba Yethem	28 917	31 292	35 434	6 517	Δ			Increase
Flagstaff ST	O.R.Tambo	Ngquza Hill	13 728	16 880	20 552	6 824				Increase
Kokstad ST	Sisonke	Greater Kokstad	22 159	38 486	50 912	28 753		ΦΦ	ΨΨΨ	Significant increase
Lusikisiki ST	O.R.Tambo	Ngquza Hill	37 182	40 241	50 473	13 291		ΦΦ		Large increase
Matatiele	Alfred Nzo	Matatiele	20 926	28 236	36 717	15 791		ΦΦ	ΨΨΨ	Large increase
Middelburg (E.C.) ST	Chris Hani	Inxuba Yethem	17 691	18 082	18 575	884	Δ			Small increase
Mount Frere ST	Alfred Nzo	Umzimvubu	19 099	20 044	24 495	5 396	Δ			Increase
Sterkspruit ST	Ukhahlamba	Senqu	23 971	28 293	33 802	9 831		ΦΦ		Large increase
Stutterheim ST	Amathole	Amahlathi	20 240	25 604	25 579	5 339	Δ			Increase
Wittlesea ST	Chris Hani	Lukanji	36 775	37 731	33 741	(3 034)	Δ			Decline

LOCAL AND NICHE TOWNS TOWNS											
Adelaide	Amathole	Nxuba	11 282	13 535	12 637	1 355	Δ			Increase
Alice	Amathole	Nkonkobe	16 157	14 410	17 730	1 573	Δ			Increase
Barkley East	Ukhahlamba	Senqu	7 432	11 066	11 449	4 017				Increase
Bedford	Amathole	Nxuba	8 905	8 654	7 657	(1 248)	Δ			Decline
Bethulie	Xhariep	Kopanong	6 830	6 416	6 466	(364)	Δ			Stable
Braemar	Ugu	Vulamehlo	2 798	4 781	3 321	523	Δ			Small increase
Bulwer	Sisonke	Ingwe	940	988	1 466	526				Small increase
Burgersdorp	Ukhahlamba	Gariep	12 549	15 093	14 631	2 082	Δ			Increase
Cathcart	Amathole	Amahlathi	7 841	8 049	7 727	(114)	Δ			Stable
Cedarville	Alfred Nzo	Matatiele	1 825	2 560	4 311	2 486			ΨΨΨ	Increase
Centane	Amathole	Mnquma	6 493	6 770	5 460	(1 033)	Δ			Decline
Clarkebury	Chris Hani	Engcobo	4 388	3 478	3 466	(922)	Δ			Minor decline
Clydesdale	Sisonke	Umzimkhulu	10 982	15 092	18 850	7 868			ΨΨΨ	Increase
Coffee Bay	O.R.Tambo	King Sabata Dal	6 380	6 830	7 410	1 030	Δ			Increase
Creighton	Sisonke	Ingwe	578	729	907	329				Stable
Dewetsdorp	Xhariep	Naledi	8 045	9 101	7 546	(499)	Δ			Stable
Donnybrook	Sisonke	Ingwe	7 381	8 070	7 553	172	Δ			Stable
Dordrecht	Chris Hani	Emalahleni	9 043	8 964	9 834	791	Δ			Small increase
Dududu	Ugu	Vulamehlo	8 686	8 740	9 734	1 048	Δ			Increase
Dumasini	Alfred Nzo	Matatiele	-	6 050	5 960	5 960			ΨΨΨ	Increase
Edenburg	Xhariep	Kopanong	5 534	8 145	6 348	814	Δ			Small increase
Elliot	Chris Hani	Sakhisizwe	12 228	15 397	15 594	3 366	Δ			Increase
Elliotdale	Amathole	Mbhashe	5 501	5 810	7 273	1 772				Increase
Engcobo	Chris Hani	Engcobo	12 179	12 909	15 373	3 194	Δ			Increase
Fauresmith	Xhariep	Kopanong	3 617	4 072	2 697	(920)	Δ			Minor decline

Fort Beaufort	Amathole	Nkonkobe	26 866	24 982	26 855	(11)	Δ			Stable
Franklin	Sisonke	Greater Koksta	721	948	982	261				Stable
Gcwalemini	Ugu	Umzumbe	8 744	15 172	10 532	1 788	Δ			Increase
Haga Haga	Amathole	Great Kei	749	672	557	(192)	Δ			Stable
Hamburg	Amathole	Ngqushwa	2 179	2 129	1 941	(238)	Δ			Stable
Harding	Ugu	Umuziwabantu	3 354	6 386	9 639	6 285			ΨΨΨ	Increase
Himeville	Sisonke	Kwa Sani	1 486	1 629	2 503	1 017			ΨΨΨ	Increase
Hofmeyer	Chris Hani	Tsolwana	2 401	3 589	3 538	1 137				Increase
Hogsback	Amathole	Nkonkobe	886	796	815	(71)	Δ			Stable
Idutywa	Amathole	Mbhashe	8 557	11 865	16 111	7 554			ΨΨΨ	Increase
Ilinge	Chris Hani	Lukanji	14 054	13 528	14 461	407	Δ			Stable
Indwe	Chris Hani	Emalahleni	7 748	8 083	9 771	2 023	Δ			Increase
Ixopo	Sisonke	Ubuhlebezwe	5 423	9 891	10 662	5 239			ΨΨΨ	Increase
Izingolweni	Ugu	Ezingoleni	16 195	21 423	20 574	4 379	Δ			Increase
Jacobsdal	Xhariep	Letsemeng	5 185	7 667	7 209	2 024				Increase
Jagersfontein	Xhariep	Kopanong	5 867	5 814	5 601	(266)	Δ			Stable
Jamestown	Ukhahlamba	Maletswai	3 707	3 436	4 465	758	Δ			Small increase
Kei Mouth	Amathole	Great Kei	2 129	2 856	2 933	804				Small increase
Kei Road	Amathole	Amahlathi	2 416	2 777	2 358	(58)	Δ			Stable
Keiskammahoek	Amathole	Amahlathi	10 026	11 496	10 166	140	Δ			Stable
Koffiefontein	Xhariep	Letsemeng	10 252	13 905	10 546	294	Δ			Stable
Komga	Amathole	Great Kei	6 032	7 297	7 692	1 660	Δ			Increase
Kwarela	O.R.Tambo	Port St Johns	6 376	7 526	7 254	878	Δ			Small increase
Lady Grey	Ukhahlamba	Senqu	5 525	5 312	6 947	1 422	Δ			Increase
Libode	O.R.Tambo	Nyandeni	7 343	8 805	9 268	1 925	Δ			Increase
Luckhoff	Xhariep	Letsemeng	2 749	3 084	3 333	584	Δ			Small increase
Maclear	Ukhahlamba	Elundini	8 271	9 900	12 471	4 200				Increase
Maoleni	Sisonke	Ingwe	9 520	13 571	12 581	3 061				Increase
Mhlanganisweni	Amathole	Mbhashe	4 563	4 288	4 420	(143)	Δ			Stable
Mhlangeni	Ukhahlamba	Senqu	6 490	6 091	5 424	(1 066)	Δ			Decline

Middeldrift	Amathole	Nkonkobe	5 478	5 139	6 018	540	Δ			Small increase
Molteno	Chris Hani	Inkwanca	10 176	10 849	11 824	1 648	Δ			Increase
Mount Ayliff	Alfred Nzo	Umzimvubu	10 440	10 806	11 673	1 233	Δ			Increase
Mqanduli	O.R.Tambo	King Sabata Dal	8 762	9 624	8 590	(172)	Δ			Stable
Mt Fletcher	Ukhahlamba	Elundini	9 381	13 144	15 710	6 329			ΨΨΨ	Increase
Nqamakwe	Amathole	Mnquma	4 852	6 125	5 209	357	Δ			Stable
Oviston	Ukhahlamba	Gariep	552	579	608	56	Δ			Stable
Palmerton	O.R.Tambo	Ngquza Hill	6 800	7 498	7 416	616	Δ			Small increase
Peddie	Amathole	Ngqushwa	6 624	6 577	6 848	224	Δ			Stable
Petrusburg	Xhariep	Letsemeng	6 238	9 042	7 132	894	Δ			Small increase
Philippolis	Xhariep	Kopanong	3 794	3 585	3 604	(190)	Δ			Stable
Qumbu	O.R.Tambo	Mhlontlo	9 536	9 583	10 429	893	Δ			Small increase
Reddersburg	Xhariep	Kopanong	4 315	4 594	4 263	(52)	Δ			Stable
Rhodes	Ukhahlamba	Senqu	568	740	747	179				Stable
Rouxville	Xhariep	Mohokare	5 589	6 222	5 300	(289)	Δ			Stable
Seymour	Amathole	Nkonkobe	2 906	2 729	3 702	796	Δ			Small increase
Smithfield	Xhariep	Mohokare	4 519	4 682	4 662	143	Δ			Stable
Springfontein	Xhariep	Kopanong	3 865	5 360	2 659	(1 206)	Δ			Decline
Sterkstroom	Chris Hani	Inkwanca	6 079	6 378	7 308	1 229	Δ			Increase
Steynsburg	Ukhahlamba	Gariep	6 316	7 190	7 150	834	Δ			Small increase
Tabankulu	Alfred Nzo	Ntabankulu	15 596	16 169	16 341	745	Δ			Small increase
Tarkastad	Chris Hani	Tsolwana	5 131	6 369	6 016	885	Δ			Small increase
Taweni	O.R.Tambo	Ngquza Hill	10 133	10 636	10 926	793	Δ			Small increase
Thornhill	Chris Hani	Tsolwana	10 272	8 674	8 066	(2 206)	Δ			Decline
Trompsburg	Xhariep	Kopanong	4 064	5 013	3 744	(320)	Δ			Stable
Tsolo	O.R.Tambo	Mhlontlo	15 713	17 139	15 182	(531)	Δ			Minor decline
Tsomo	Chris Hani	Intsika Yethu	3 108	2 694	2 881	(227)	Δ			Stable
Ugie	Ukhahlamba	Elundini	7 518	8 283	11 612	4 094				Increase
Underberg	Sisonke	Kwa Sani	1 704	2 137	2 287	583				Small increase

Van Stadensrus	Xhariep	Naledi	1 073	1 489	1 322	249	Δ			Stable
Venterstad	Ukhahlamba	Gariep	4 212	4 792	4 342	130	Δ			Stable
Wepener	Xhariep	Naledi	9 055	8 689	8 212	(843)	Δ			Minor decline
Wesley	Amathole	Ngqushwa	1 672	1 681	1 554	(118)	Δ			Stable
Willowvale	Amathole	Mbhashe	7 315	7 504	7 313	(2)	Δ			Stable
Zastron	Xhariep	Mohokare	12 555	10 912	14 044	1 489	Δ			Increase

7.2 Identification of Potential Rural Nodes

A regional scale analysis of the densely settled rural areas outside of the 30 km catchment of the towns was undertaken in order to extend the network of towns and urban service delivery points more widely and thus identify potential alternative markets in addition to the identified towns (Figure 7.2). This was supported by an analysis of places in relation to levels of household income. This analysis assisted in the identification of potential rural nodes – indicated in Figure 7.3 - as having the potential of serving as rural nodes. As such they could provide an ideal opportunity for synergy between government service activities in the local regions and opportunities for differentiated strengths as well as a network of more consolidated settlement with agglomeration potential for economic activity within the high density settlement areas.

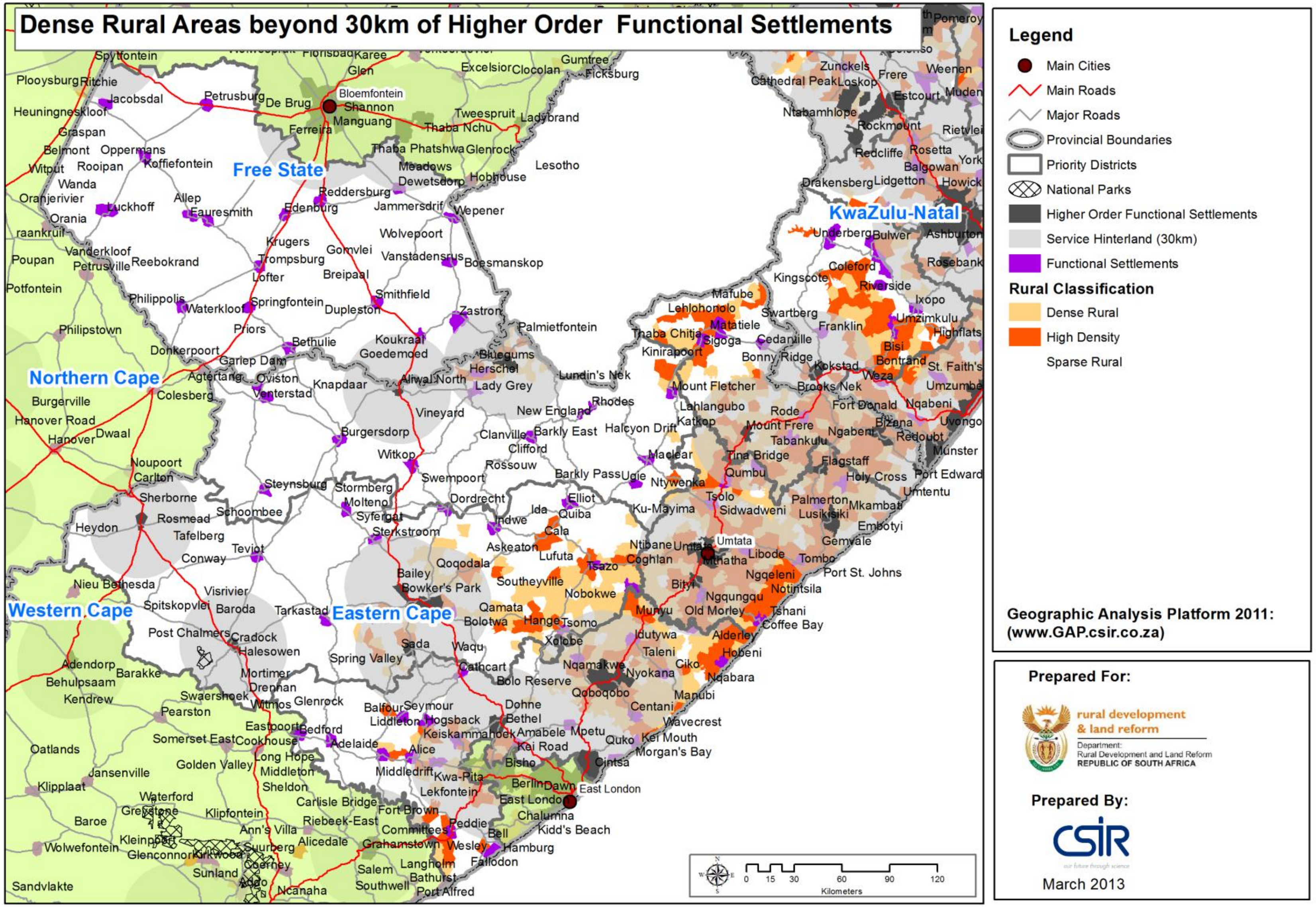


Figure 7.2: High density settlements beyond 30 km access of significant service centres

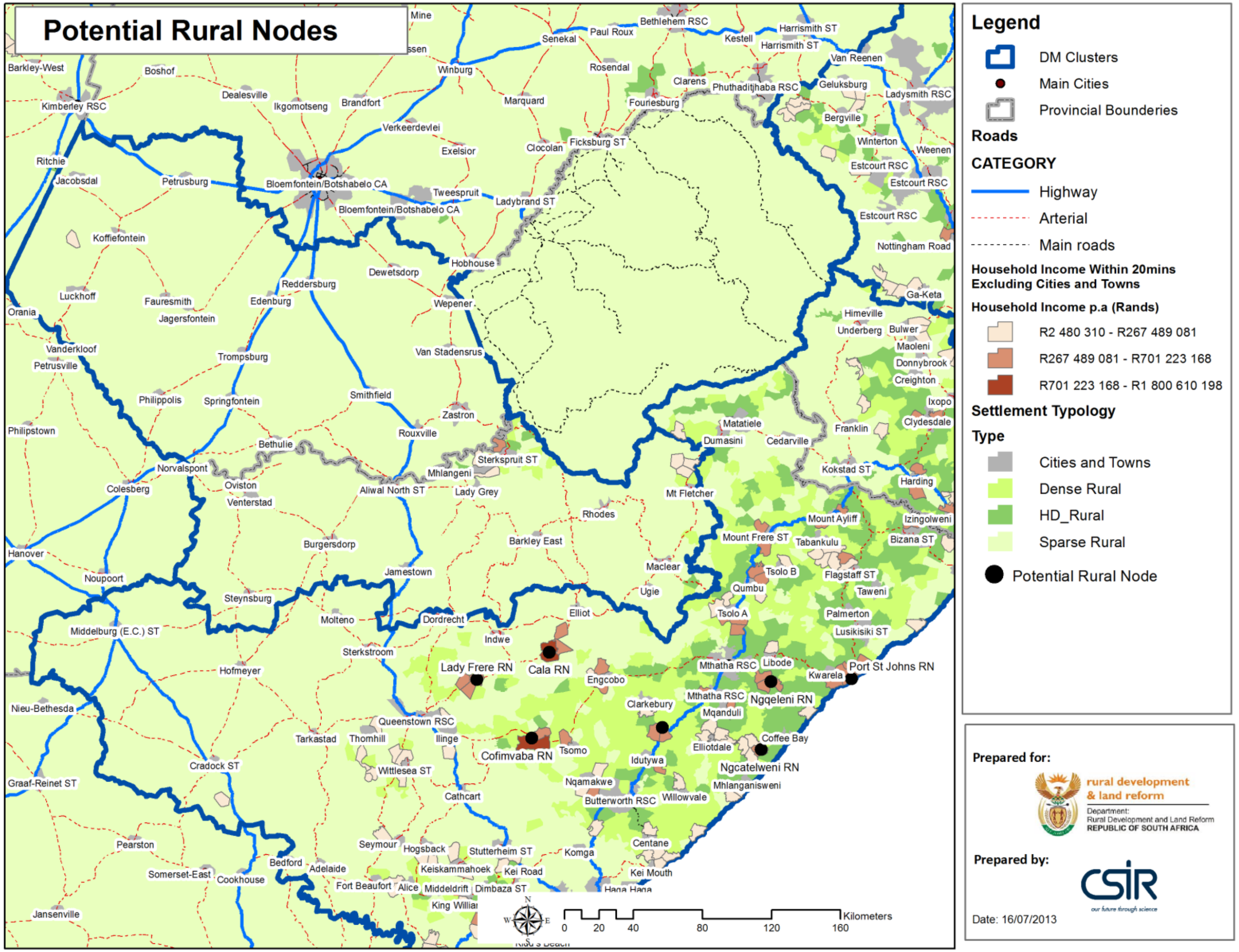


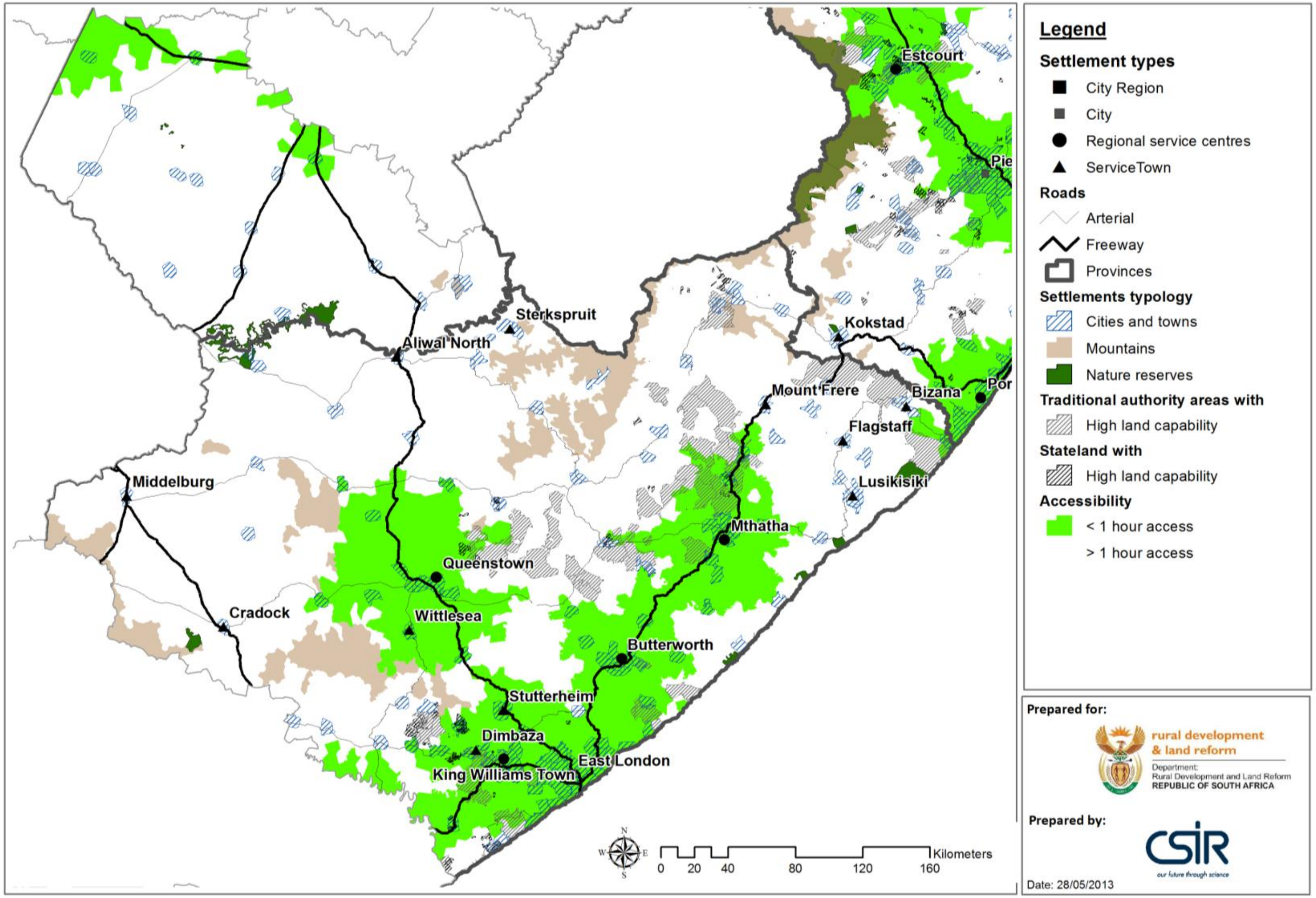
Figure 7.3: Potential focus for extending rural node role

7.3 Accessibility to services and markets

The analysis in Figure 7.4 indicates areas with a relatively high accessibility to both markets (buying power of the population) and transportation. Areas with accessibility of less than an hour to markets and access to good transport are indicated in bright green, and include all the regional centres and some of the service towns. Areas with accessibility of longer than an hour to markets and access to transport are all the white spaces on the map, and include most of the Xhariep, Joe Gqabi, Alfred Nzo and Sisonke Districts. Accessibility to markets and transport is clearly generally low across these districts.

An analysis was done of the accessibility of the population to higher order services, based on the typical functions of existing high order towns (see Figure 7.1 below), this was then compared with a scenario where service towns were to provide a more extensive set of services (see Figure 7.6 below). The weighted average access to cities, regional service centres, service towns, and local and niche towns is indicated in terms of time in shades from blue (good access) to red (poor access). In the first instance, no-one in the rural areas has to travel more than 5.2 to 6.8 hours to gain access to urban services and opportunities, with most of the districts having access within 3.8 to 5.1 hours to higher order services. Those areas near major highways have better access.

The 2nd scenario (Figure 7.6) has an astounding effect on the quality of life and access to opportunities in high density settlements, when higher order service centres are upgraded (note: the categories in the index are smaller). In this scenario, everyone travels shorter times to access urban services and opportunities, and no-one in the rural areas has to travel more than 3.1 to 3.9 hours to gain access to urban services and opportunities – which is approximately a 3 hour improvement on access from the 1st scenario. The influence of the higher order service centres are much wider in the 2nd scenario than in the first, and many more people in the dense rural settlements have quicker access to markets and transport.



Document Path: F:\Projects_2013\1161\Map 5 market access cluster 1.mxd

Figure 7.4: Areas with good access to markets and transport

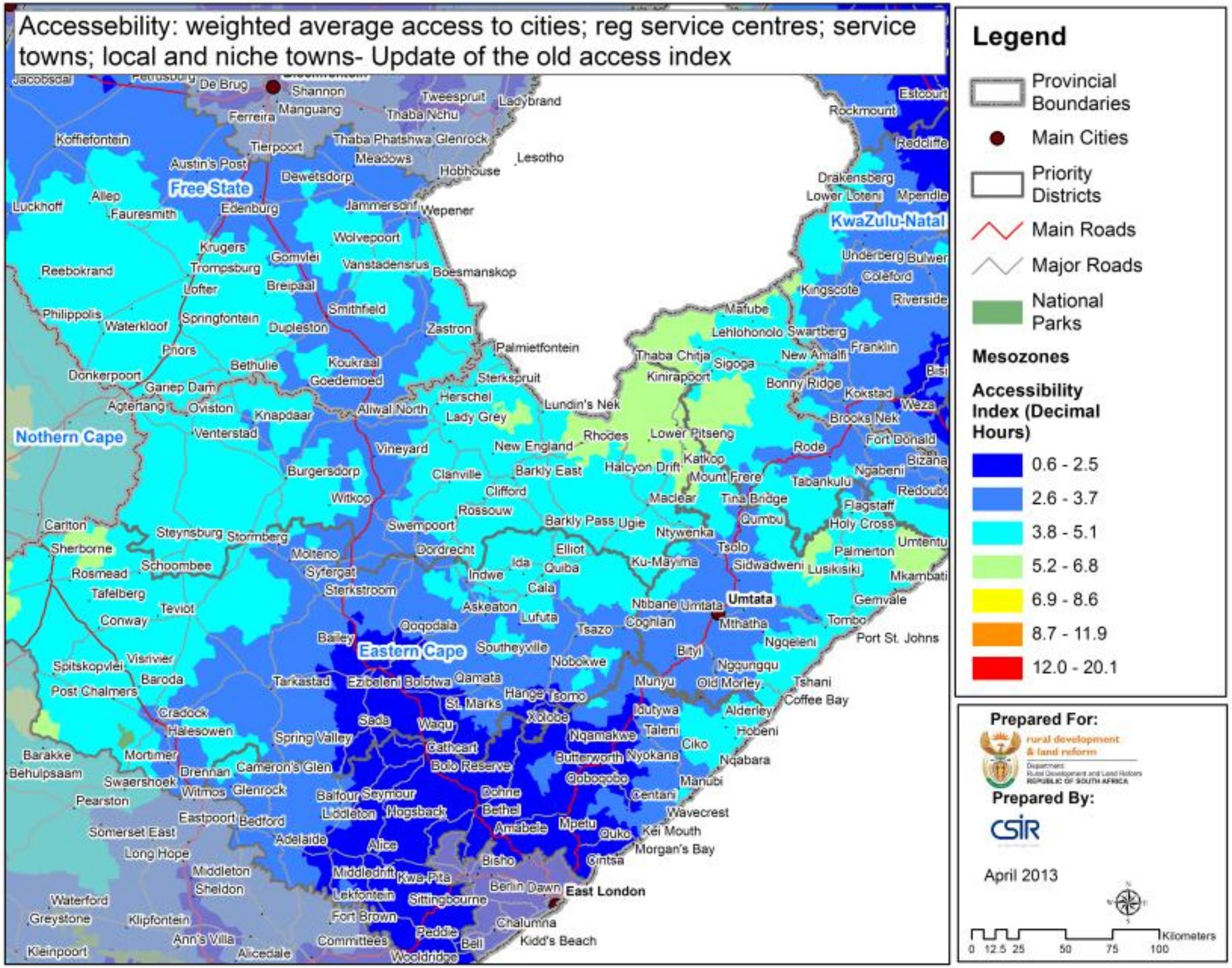


Figure 7.5: Weighted average access to cities, regional service centres, service towns, and local and niche towns

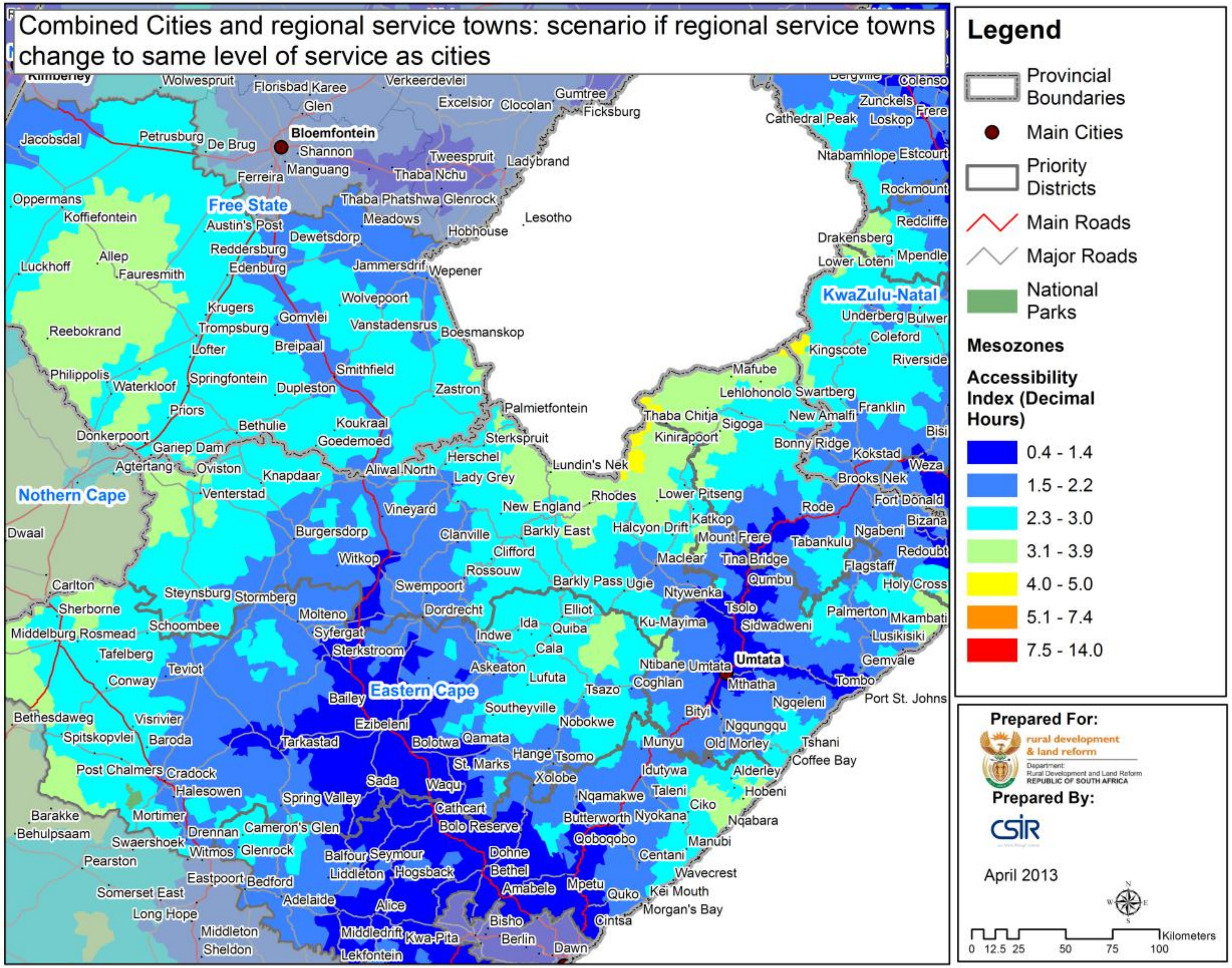


Figure 7.6: Weighted average access to cities, regional service centres, service towns, and local and niche towns

7.4 Implications for high density rural areas and anchor-points

From the previous analysis, the following towns and cities were shown to play an important economic and services rendering role:

- Areas with a large and growing population: Mthatha, Queenstown, Matatiele, Bizana, Lusikisiki, Kokstad, Port Shepstone, Aliwal North, and Sterkspruit.
- Nodes strategically located to support rural regions: Mthatha, Kokstad, Butterworth, Sterkspruit, Cofimvaba, Bizana and Lusikisiki.
- Areas with economic and agglomeration strengths: Mthatha, Queenstown, Aliwal North, King William's Town, Cradock, Butterworth, and Port Shepstone.
- Areas where high order government services will have high impact: Mthatha, Queenstown, and Kokstad.

Thus, suggestions for high density rural areas and anchor-points that can play a key role as government service nodes, and market concentration areas are: Mthatha, Queenstown, Butterworth, King William's Town, Kokstad, Port Shepstone, Aliwal North, Cradock, Matatiele, and Lusikisiki.

8 Summary of Key Interventions

The range of analyses, findings and next steps are provided in an intervention summary table, set out in the following section. An overview of the priority infrastructure investment for catalytic transformation is summarised and set out in the following tables. The guiding questions can be utilised with the more detailed accompanying information as evident from the analyses.

Table 8.1: Summary of investment priorities

CATALYTIC INFRASTRUCTURE INVESTMENT PRIORITIES IDENTIFIED	AREAS OF FOCUS TO HARNESS OPPORTUNITY
Basic service innovation as job creation catalyst in high density settlements and growing towns - Utilise basic service provision and maintenance as sustainable jobs and technology driver	Growing settlements, well located and with good accessibility, high potential to make use of alternative energy solutions
Consolidate & protect prime rural production zones – for income generation, regional food and ecosystem security. Investment and protection of high value agriculture land, market access zones, ecosystem resources, tourism asset areas.	**High potential agriculture production land,** areas within traditional authority ownership, potential land reform sites, land owned by the state, Areas in close proximity to large markets for agro-production in diary/poultry/vegetables, ecosystem resources, tourism asset areas.
Create and formalise key service nodes (local) as catalyst in high density settlements – Identify and prioritise selected, highly accessible rural service nodes in areas with sprawling high density rural settlements. Infrastructure and economic agglomeration opportunity points in areas with high levels of household income proximity.	**Large number of people and high density formal and informal market access** (proximity to household income high), physical consolidation of settlement structure, potential for consolidation of local level services access
Capitalise on centralisation through rural centres (regional) of excellence – Government driven services, facilities and employment to stimulate and consolidate regional markets, rural nodes of excellence and economic opportunity	Well-connected and accessible, evidence of economic service hub formation, need for higher order government facilities, potential for consolidation of government facilities
Place Specific Investments/Project priority areas – Major infrastructure, manufacturing or mining investment opportunities	Large scale SIP infrastructure projects, IDZs, mining opportunities

Table 8.2: Basic Services – Summary of investment priorities

Basic service innovation as job creation catalyst in high density settlements and growing towns		
Basic service innovation as job creation catalyst in high density settlements and growing towns (LM & Settlement level)		
Rationale Utilise basic service provision and maintenance as sustainable jobs and technology driver - High density settlement areas - Limited formal economic base	**Key aspects to consider** • Settlements with large population • Growing settlements • Areas with high levels of in-migration • Relative high service point back-logs • Low household income levels • High levels of social and economic vulnerability	**BLUE FLAGS:** • Well located and with good accessibility to road network and other service centres (improving access to higher order government services) • High potential to make use of alternative energy solutions • High potential agriculture land – with possibility for urban agriculture **RED FLAGS:** • Unsustainable service provision areas – topography, distance/remoteness • Areas experiencing population decline/marked by high levels of out-migration

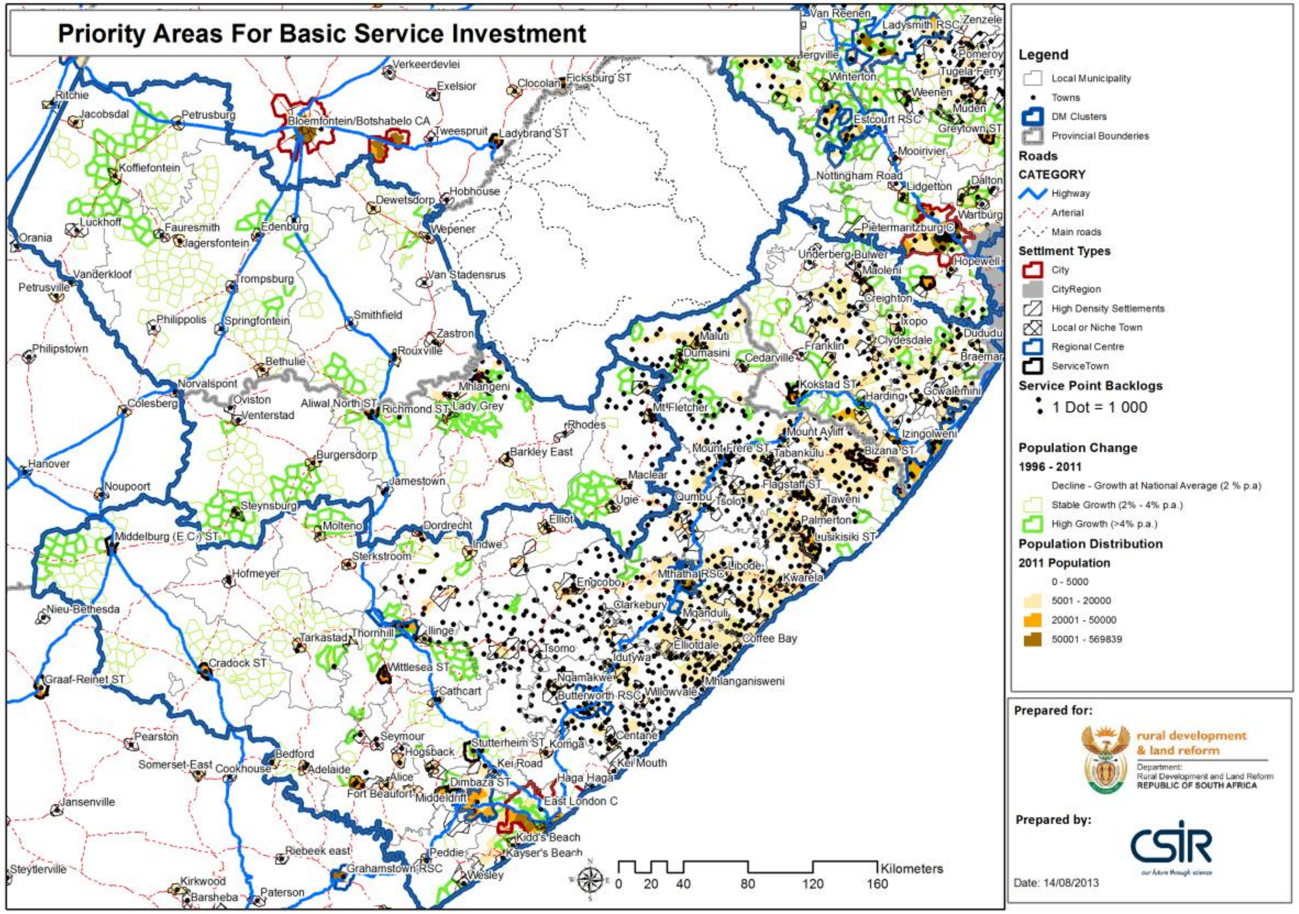
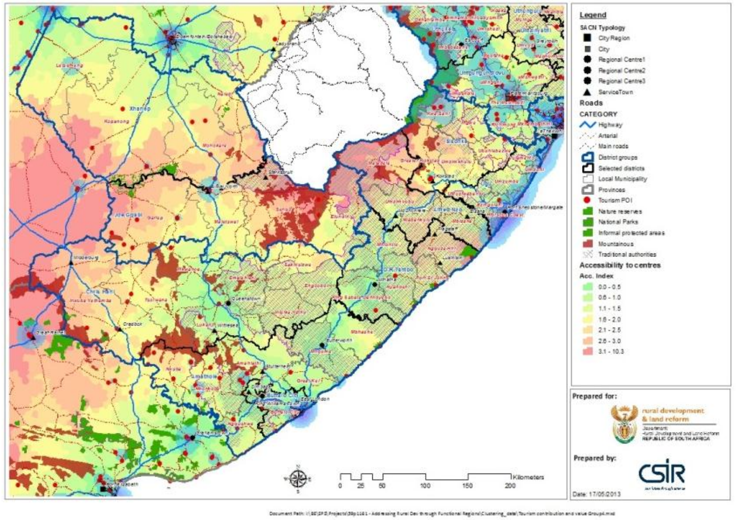

Priority Areas For Basic Service Investment
Legend
Local Municipality
Towns
DM Clusters
Provincial Bounderies
Roads
CATEGORY
Highway
Arterial
Main roads
Settlment Types
City
CityRegion
High Density Settlements
Local or Niche Town
Regional Centre
ServiceTown
Service Point Backlogs
1 Dot = 1 000
Population Change
1996 - 2011
Decline - Growth at National Average (2 % p.a)
Stable Growth (2% - 4% p.a.)
High Growth (>4% p.a.)
Population Distribution
2011 Population
0 - 5000
5001 - 20000
20001 - 50000
50001 - 569839
Kilometers
0 20 40 80 120 160
Prepared for:
rural development & land reform
Department: Rural Development and Land Reform REPUBLIC OF SOUTH AFRICA
Prepared by:
CSIR
our future through science
Date: 14/08/2013

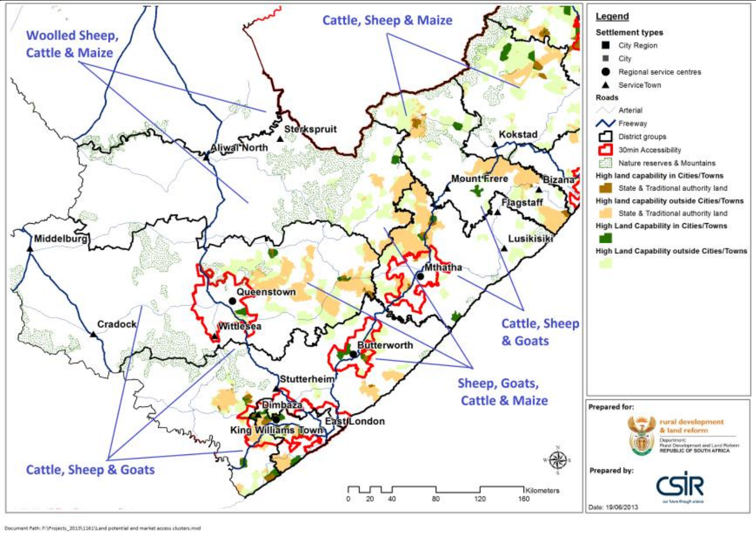
Table 8.3: Rural Production Zones – Summary of investment priorities

<table>
<tr><th colspan="3">Consolidate & protect prime rural production zones</th></tr>
<tr><td colspan="3">Consolidate and Protect Prime Rural Production Zones</td></tr>
<tr>
<td>Rationale

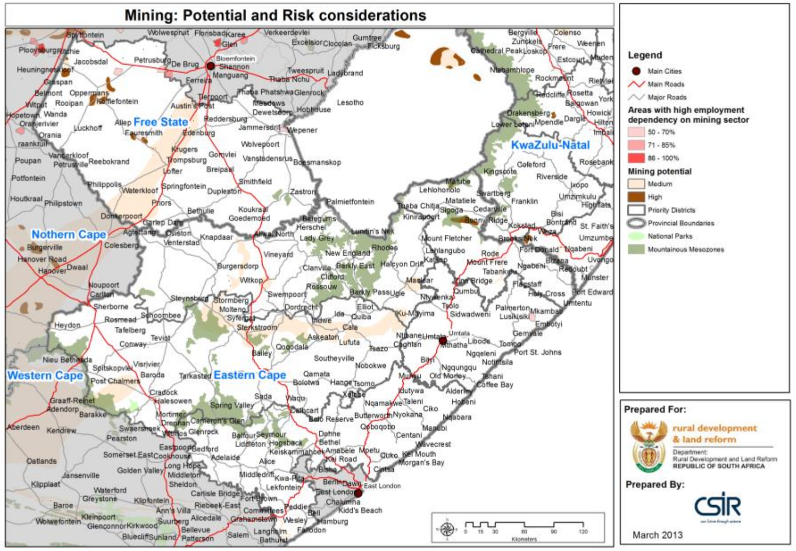
Prioritise key areas to support:
Agriculture production, in areas with potential related to specific products - especially small holder farming and also in traditional authority areas
Agro-logistics and production in relation to areas where high potential also relates to areas with high levels of access to key markets
Natural resource asset and tourism areas, that can support local and regional economies
Urban agriculture potential and focus on hydroponics within settlements</td>
<td>Key aspects to consider
Current agriculture potential
Access to water
Areas in close proximity to large markets for agro-production in diary/poultry/vegetables, ecosystem resources, tourism asset areas.
Tourism regions and points of interest
Areas where high agriculture production drives economic activity
Areas where employment in agriculture is significantly contributing to employment
Catalytic infrastructure
Areas within traditional authority ownership, Potential land reform sites, Land owned by the state</td>
<td>BLUE FLAGS:
Areas with high agriculture potential
Areas with high resource potential
Access to regional markets and high market accessibility
Agro-processing for small scale/individual but can be rolled out at large scale
RED FLAGS:
Water scarcity
Access to land
Willingness and capability to engage in agriculture</td>
</tr>
</table>



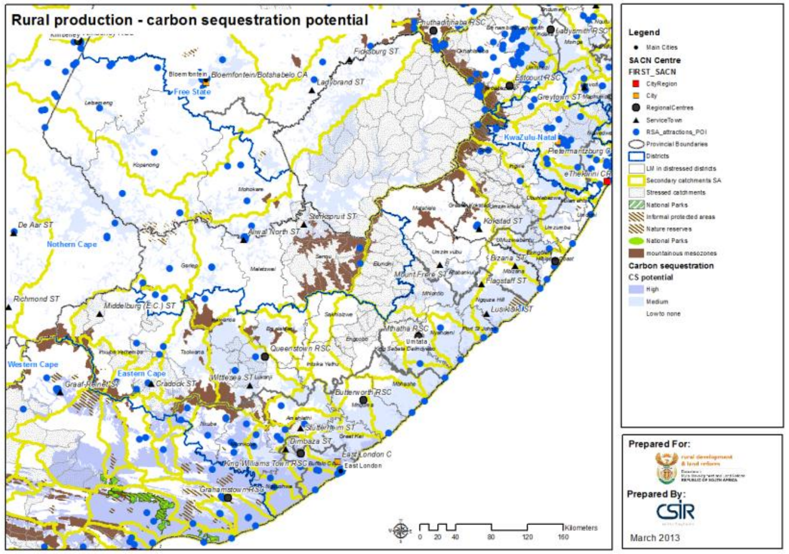
Legend
SACN Typology
City Region
City
Regional Centre1
Regional Centre2
Regional Centre3
ServiceTown
Roads
CATEGORY
Highway
Arterial
Main roads
District groups
Selected districts
Local Municipality
Provinces
Tourism POI
Nature reserves
National Parks
Informal protected areas
Mountainous
Traditional authorities
Accessibility to centres
Acc. Index
0.0 - 0.5
0.6 - 1.0
1.1 - 1.5
1.6 - 2.0
2.1 - 2.5
2.6 - 3.0
3.1 - 10.3
Prepared for:
rural development & land reform
Prepared by:
CSIR
Kilometers
0 25 50 100 150 200
Date: 17/05/2013



Woolled Sheep, Cattle & Maize
Cattle, Sheep & Maize
Sterkspruit
Aliwal North
Kokstad
Mount Frere
Bizana
Flagstaff
Lusikisiki
Middelburg
Mthatha
Queenstown
Cradock
Whittlesea
Cattle, Sheep & Goats
Butterworth
Stutterheim
Sheep, Goats, Cattle & Maize
Dimbaza
King Williams Town
East London
Cattle, Sheep & Goats
Legend
Settlement types
City Region
City
Regional service centres
ServiceTown
Roads
Arterial
Freeway
District groups
30min Accessibility
Nature reserves & Mountains
High land capability in Cities/Towns
State & Traditional authority land
High land capability outside Cities/Towns
State & Traditional authority land
High Land Capability in Cities/Towns
High Land Capability outside Cities/Towns
Prepared for:
rural development & land reform
Prepared by:
CSIR
Kilometers
0 20 40 80 120 160
Date: 19/06/2013



Mining: Potential and Risk considerations
Free State
KwaZulu-Natal
Nothern Cape
Western Cape
Eastern Cape
Legend
Main Cities
Main Roads
Major Roads
Areas with high employment dependency on mining sector
50 - 70%
71 - 85%
86 - 100%
Mining potential
Medium
High
Priority Districts
Provincial Boundaries
National Parks
Mountainous Mesozones
Prepared For:
rural development & land reform
Prepared By:
CSIR
March 2013



Rural production - carbon sequestration potential
Legend
Main Cities
SACN Centre
FIRST_SACN
CityRegion
City
RegionalCentres
ServiceTown
RSA_attractions_POI
Provincial Boundaries
Districts
LM in distressed districts
Secondary catchments SA
Stressed catchments
National Parks
Informal protected areas
Nature reserves
National Parks
mountainous mesozones
Carbon sequestration
CS potential
High
Medium
Low to none
Prepared For:
Prepared By:
CSIR
March 2013

Table 8.4: Key Service Nodes – Summary of investment priorities

Create and formalise key service nodes (local) as catalyst in high density settlements		
Create and formalise key service nodes "potential rural nodes" as catalyst in high density settlements (IN High Impact Basic Service Intervention Areas)		
Rationale Within high density areas, identified areas showing clustering potential, acting as start up of service nodes - for government and economic services that can also act as drivers to cluster other service sector activities and create opportunity for small centres marked by: - High density settlement areas - Limited formal economic base - No 'town base' - Potential for clustering & service role	**Key aspects to consider** • High density formal and informal market access (proximity to household income high) • High potential for physical consolidation of settlement structure • Potential for consolidation of *existing* government facilities AND/OR • Proximity to *existing* formal economic activity (Including *agriculture activities, tourism points, manufacturing* etc.) • Proximity to existing levels of household income • Potential role within in network of settlements	**BLUE FLAGS:** • **Well located and with good accessibility to road network and other service centres (improving access to higher order government services)** • **High potential to make use of alternative energy solutions** • **Agriculture potential** • **Access to regional markets** • **Proximity to large scale infrastructure project investment** **RED FLAGS:** • **Unsustainable service provision areas - topography, distance/remoteness**

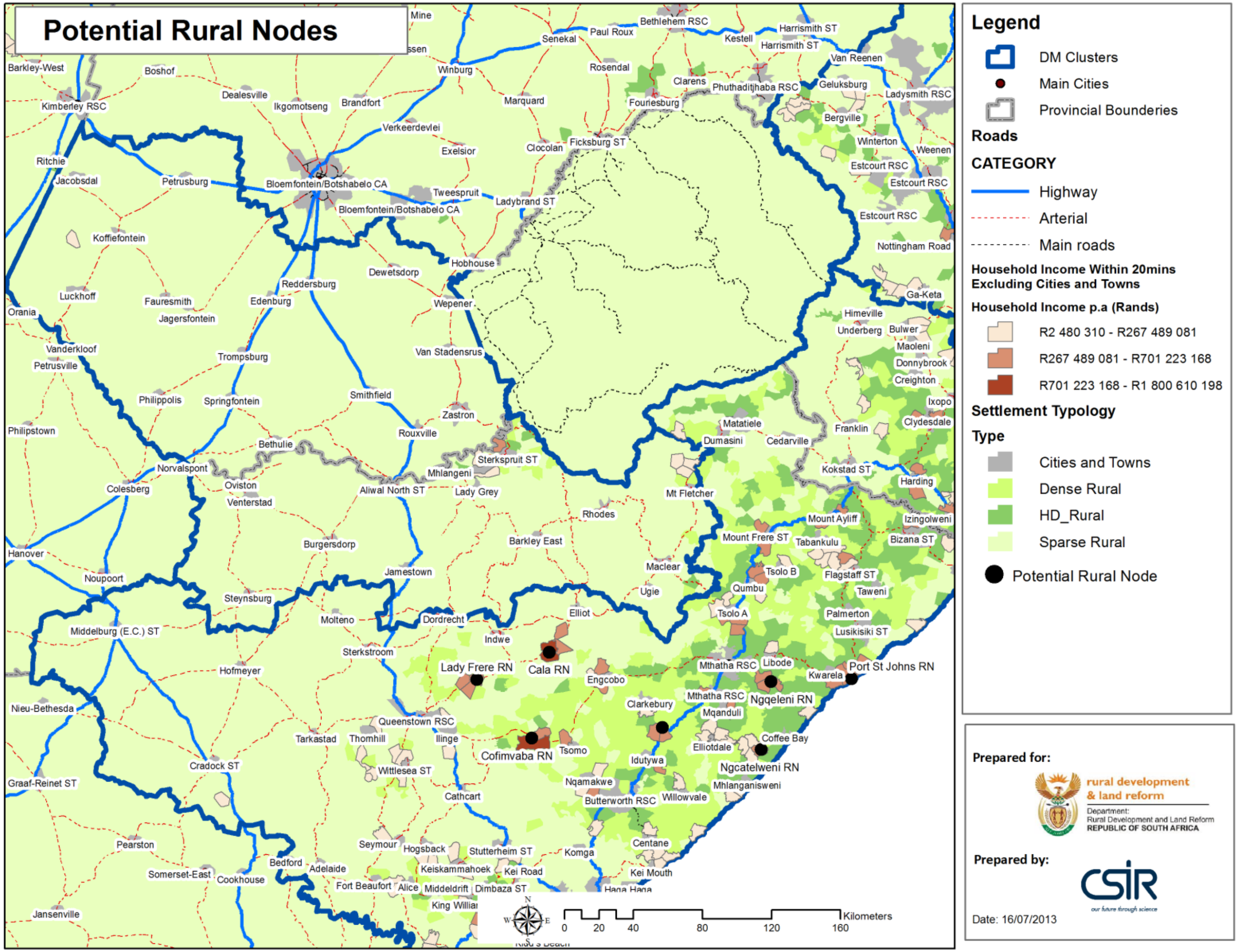
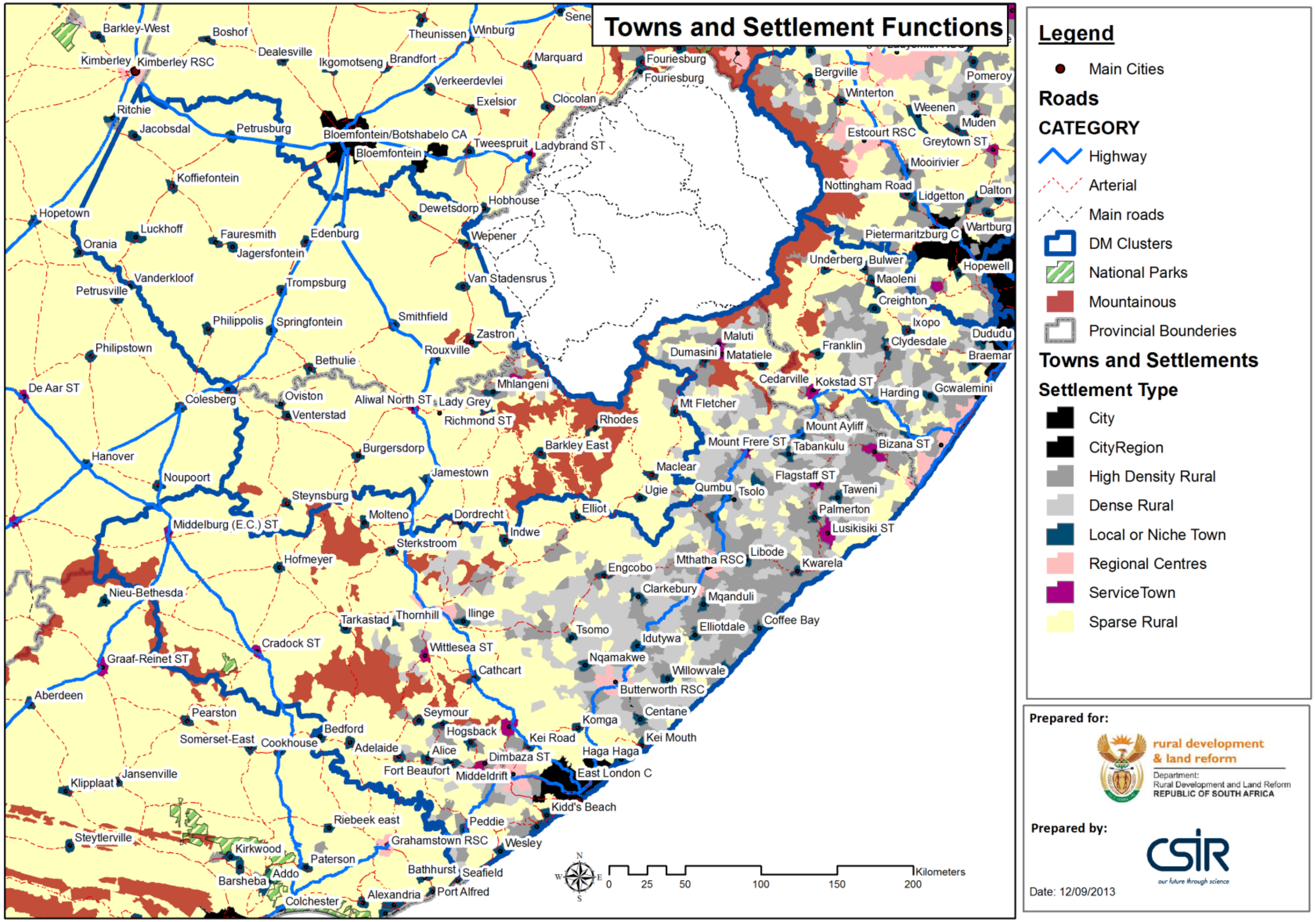

Potential Rural Nodes
Lady Frere RN
Cala RN
Cofimvaba RN
Ngqeleni RN
Port St Johns RN
Ngcatelweni RN
0 20 40 80 120 160 Kilometers
Legend
DM Clusters
Main Cities
Provincial Bounderies
Roads
CATEGORY
Highway
Arterial
Main roads
Household Income Within 20mins Excluding Cities and Towns
Household Income p.a (Rands)
R2 480 310 - R267 489 081
R267 489 081 - R701 223 168
R701 223 168 - R1 800 610 198
Settlement Typology
Type
Cities and Towns
Dense Rural
HD_Rural
Sparse Rural
Potential Rural Node
Prepared for:
rural development & land reform
Department: Rural Development and Land Reform REPUBLIC OF SOUTH AFRICA
Prepared by:
CSIR
our future through science
Date: 16/07/2013

Table 8.5: Rural regional centres of excellence – Summary of investment priorities

Capitalise on centralisation through rural centres (regional) of excellence		
Capitalise on centralisation through rural service centres In large rural hinterlands & regions		
Rationale Within high density rural areas or outstretched regions, identified areas playing a key role as government service nodes and market concentration areas - for government and economic services. Create opportunity for regional service centres by: - Critical role in surrounding hinterland; - High levels of accessibility; - Relatively high levels of government and economic service activity - Informal and formal economic base - Relatively high levels of population concentration and growth	**Key aspects to consider** • Major service towns that play a key role as service access and towns • High density formal and informal market access (proximity to household income high) • High potential for physical consolidation of settlement structure • Potential for consolidation of existing government facilities • Areas with large & growing population settlements • Nodes strategically located to support rural regions • Areas with economic and agglomeration strengths • Areas where high order government services will have high impact	BLUE FLAGS: • Well located and with good accessibility to road network and other service centres (improving access to higher order government services) • High potential to make use of alternative energy solutions • Agriculture potential • Access to regional markets • Proximity to large scale infrastructure project investment RED FLAGS: • Unsustainable service provision areas - topography, distance/remoteness


Towns and Settlement Functions
Legend
Main Cities
Roads
CATEGORY
Highway
Arterial
Main roads
DM Clusters
National Parks
Mountainous
Provincial Bounderies
Towns and Settlements
Settlement Type
City
CityRegion
High Density Rural
Dense Rural
Local or Niche Town
Regional Centres
ServiceTown
Sparse Rural
Prepared for:
rural development & land reform
Department: Rural Development and Land Reform REPUBLIC OF SOUTH AFRICA
Prepared by:
CSIR
our future through science
Date: 12/09/2013
0 25 50 100 150 200 Kilometers
Barkley-West
Boshof
Theunissen
Winburg
Kimberley
Kimberley RSC
Dealesville
Ikgomotseng
Brandfort
Marquard
Fouriesburg
Bergville
Pomeroy
Verkeerdevlei
Exelsior
Clocolan
Winterton
Weenen
Ritchie
Jacobsdal
Petrusburg
Bloemfontein/Botshabelo CA
Tweespruit
Ladybrand ST
Estcourt RSC
Muden
Greytown ST
Bloemfontein
Mooirivier
Koffiefontein
Nottingham Road
Lidgetton
Dalton
Hobhouse
Dewetsdorp
Hopetown
Luckhoff
Fauresmith
Edenburg
Wepener
Pietermaritzburg C
Wartburg
Orania
Jagersfontein
Underberg
Bulwer
Hopewell
Vanderkloof
Maoleni
Petrusville
Trompsburg
Van Stadensrus
Creighton
Ixopo
Philippolis
Springfontein
Smithfield
Dududu
Clydesdale
Maluti
Franklin
Philipstown
Zastron
Dumasini
Matatiele
Braemar
Bethulie
Rouxville
Cedarville
Kokstad ST
De Aar ST
Mhlangeni
Harding
Gwalemini
Colesberg
Oviston
Aliwal North ST
Lady Grey
Mt Fletcher
Venterstad
Richmond ST
Rhodes
Mount Ayliff
Burgersdorp
Barkley East
Mount Frere ST
Tabankulu
Bizana ST
Hanover
Maclear
Jamestown
Flagstaff ST
Noupoort
Ugie
Qumbu
Tsolo
Taweni
Steynsburg
Elliot
Palmerton
Molteno
Dordrecht
Middelburg (E.C.) ST
Indwe
Lusikisiki ST
Sterkstroom
Libode
Hofmeyer
Engcobo
Mthatha RSC
Kwarela
Nieu-Bethesda
Clarkebury
Mqanduli
Ilinge
Thornhill
Tarkastad
Coffee Bay
Elliotdale
Tsomo
Idutywa
Cradock ST
Wittlesea ST
Graaf-Reinet ST
Nqamakwe
Cathcart
Willowvale
Butterworth RSC
Aberdeen
Seymour
Centane
Pearston
Komga
Bedford
Hogsback
Kei Road
Kei Mouth
Somerset-East
Cookhouse
Adelaide
Alice
Haga Haga
Dimbaza ST
Fort Beaufort
Middeldrift
East London C
Jansenville
Klipplaat
Kidd's Beach
Riebeek east
Peddie
Steytlerville
Grahamstown RSC
Wesley
Kirkwood
Paterson
Bathhurst
Seafield
Barsheba
Addo
Colchester
Alexandria
Port Alfred