Programme Facilitator: Mr Phillip Sithole (The DCM for Economic Development and Planning)
The Executive Vice President of Toyota: Mr Nigel Ward
The Co-Chairperson of the KZN Growth Coalition: Mr Moses Tembe
The EThekwini Municipality CFO: Dr Krish Kumar
Esteemed Captains of Industry
The Leadership of EThekwini Municipality
Representatives of Various Business Associations
The EThekwini Business Fraternity
Ladies and Gentlemen
Good Morning
We welcome the opportunity to engage with our social partners within the economic development space on how best we can deal with the impact of COVID-19 on the City’s economy for sustainable development.

This is a clear indication that despite the challenges we are facing today, the ANC government has not reneged on its historical mission of building a non-racial, non-sexist, democratic and prosperous society. COVID 19 has laid bare the inequalities that exist in our society for everyone to see. This calls on us to accelerate plans that seek to build a better life for our people.

Critically, we welcome this platform because it provides an opportunity to for eThekwini Municipality to further unpack the Economic Recovery Action plan of our strategies for economic recovery beyond COVID-19. We have deliberately convened this platform because of our firm belief that economic development in general, and economic recovery in particular, is not the sole function of government, but of all the social partners including business; labour; civil society and other societal stakeholders.

We also subscribe to the notion that ours is a developmental state. While the state carries stewardship over economic development, it is not the only player in the economy of our City. The state is a catalyst, an enabler, an intervener and plays its role within economic development. For sustainable and inclusive economic development all the social partners need to come on board. This morning’s platform is a practical manifestation of all of us as social partners coming together to chart a new economic development course for our City.
COVID19’s ECONOMIC IMPACT ON DURBAN

327 000 people lost their income / employment

We anticipate unemployment to rise by 42%

R10bn of FDI has been put on hold and another R8.5bn is at risk

Sharp and deep contraction in economy

34% of Durban’s economy has returned in stage 4, but will take 18 months to get back to pre-lockdown levels

many businesses will close
The Economic Recovery Plan is a living document that is updated weekly with progress.

Let’s talk about the **progress** we are making against the **Nine Pillars** of the plan.
In April, the Municipality’s revenue dropped by R1.5bn

To protect the Municipality, we can’t offer blanket rates write-offs

However, the Executive Management Team is monitoring the financial health of Municipality and forecasting

We are also looking at businesses that employ many people (and that are in trouble) We may need to intervene to protect jobs
We are lobbying national government to target R30bn of support to large and small businesses in eThekwini.

Businesses needing support to access national support should call our hotline 0800331011 or email sizakala@durban.gov.za or visit a Sizakala Centre.

Invest Durban is assisting existing FDI businesses with COVID 19 recovery and restart plans; a Tourism investment retention/expansion program to start. FDI firms can contact Russell Curtis Russell.curtis@durban.gov.za

On 19th May, we will launch an Easy Support Finder, in partnership with Open Cities Lab through Durban Edge portal (visit edge.durban).
PILLAR 2: FACILITATING THE CITY’S SHARE OF NATIONAL SUPPORT, PLUS INDUSTRIAL RETENTION & EXPANSION

eThekwini funded industry clusters are providing support to large and small businesses and linking them with procurement opportunities. Contact the City’s Cluster Desk for information: Mthokozisi Zondi mthokozisi.zondi@durban.gov.za

The Economic Cluster has also launched a “Buy Local. Invest Local” Campaign, which will be further fleshed out with Stakeholders.
Hotels and restaurants lost R600m in April and will lose >R4bn by the end of winter season with 8200 jobs lost.

Durban Tourism has started a soft re-introduction campaign of Durban to domestic market as a fresher and clean Durban that is cautious with COVID19, health and safety.

An aggressive domestic market campaign will depend on COVID19 and will include more blue flag beaches.

All City-sponsored events over the next 6 months have been postponed.
PILLAR 3: RE-STARTING THE TOURISM SECTOR

The City will re-categorize B&Bs and Guest Houses to residential rates for 6 months (April to September 2020). B&Bs can Contact Fikile Manqele on Fikile.manqele@durban.gov.za from 01 July 2020

Durban Tourism is helping tourism industry access national support contact Nelisa Mshengu on nelisa.mshengu@durban.gov.za

We are doubling funding to community tourism organisations from 01 July 2020 contact Sibusiso Mngoma on Sibusiso.mngoma@durban.gov.za

The Durban Film Office will issue filming permits without charge. contact Toni Monty antoinette.monty@durban.gov.za
Informal and township businesses needing support should call our hotline 0800331011 email sizakala@durban.gov.za or visit a Sizakala Centre.

The Municipality will provide a 6-month rental holiday for Informal Businesses from April to September 2020 (no application necessary).

There will be no increase in rentals and business licenses in 2020/21.

We are working with Innovate Durban and SmartXchange to move township businesses online. The programme will be launched by 10 June 2020.
PILLAR 5: CREATING AN EXTRAORDINARY ENVIRONMENT FOR CONSTRUCTION AND INFRASTRUCTURE INVESTMENT

The Municipality will waive all development application fees from 01 July 2020 to 30 June 2021. Contact Lihle Phewa lihle.phewa@durban.gov.za

Everyone should use this opportunity of low interest rates, and fee-free development window to get their developments started.

From 01 July 2020 there will be a bold investment Incentive Scheme to incentivize development. Contact Nuthan Maharaj Nuthan.maharaj@Durban.gov.za

The Catalytic Projects Office is fast tracking high impact projects worth R10bn. Contact George Mohlakoana george.mohlakoana@durban.gov.za
The Development Planning Unit has begun testing an online system for all planning applications to fast-track the processing of plans.

We areAccelerating the implementation of government projects.

We will convene a webinar with developers by 08 June 2020 to provide information and support as part of a series of Webinars organized by the Municipality.
PILLAR 5: CREATING AN EXTRAORDINARY ENVIRONMENT FOR CONSTRUCTION AND INFRASTRUCTURE INVESTMENT

We will spend **R485m** in the next 12 months

To unlock **R10bn** worth of private sector development

- Avoca development: **R30m**
- Midway crossing: **R8m**
- Ntshongweni: **R8.5m**
- Point upgrades: **R119m**
- Inner City: **R40m**
- Township projects: **R214m**
- ICC and Ushaka: **R26m**
- Agriculture and Informal sector: **R40m**
We are already accelerating payments to small companies within 7 days as well as the issuing of new tenders.
The Municipality has established a socio-economic relief fund with oversight by respected members of business:

1. President Durban Chamber Mr. Nigel Ward
2. Co-chair KZN Growth Coalition Mr. Moses Tembe
3. President of the Minara Chamber Mr Solly Suleman
4. Former Head IEC KZN Mr. Mawethu Mosery
5. eThekwini CFO Dr. Krish Kumar and Deputy City Manager Mr. Phillip Sithole

The Municipality has contributed R40m into this fund and business has contributed R350 000 thus far.

Business and staff are urged to contribute to support these relief efforts.
The Municipality has set aside COVID19 procurement for co-operatives and micro enterprises, related to the government warehouse and PPEs, etc.

The city will use all its levers including procurement to ensure that the previously marginalised participate in the mainstream economy.
PILLAR 9: BUILDING SOCIAL COALITIONS AND PARTNERSHIPS

We are building on partnerships such as Shape Durban, the KZN Growth Coalition, the Durban Chamber, academia, labour, civil society and other formations.

We will soon launch the Durban Economic Council as a broad coalition across society.
## WHAT WILL THIS COST THE CITY?

### R586m
Made up as follows

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<td>Wavering development application fees</td>
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<td>Investment incentives</td>
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<th>CAPITAL EXPENDITURE</th>
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*Approximate values
CONCLUSION

Programme director, we are in the centre of this historic moment in the life of our City. We can decide to be petty and self-absorbed or we can decide to be pragmatic in response to this unprecedented reality that we face. If we are pragmatic, focused and implement our plans, future generations will remember us as leaders who defied the odds and did the most for our City’s economic recovery. However, if we are petty and inward-looking, we put the future of the millions of residents of this City in real jeopardy.

Today, we must respond to the dare by Martinique revolutionary, Frantz Fanon who once said:

“Each generation must discover its mission, fulfil it or betray it, in relative opacity”.

As we engage today, let us all appreciate that this engagement, and many others, are not about the few of us on this platform, but the millions in our City who are looking forward to better life post COVID-19.
Let us adhere to the lockdown so we can move to level 3!