



**iLembe Chamber of Commerce,
Industry & Tourism**

ANNUAL REPORT 2012

Introduction

The iLembe Chamber of Commerce, Industry and Tourism (ICCIT) has consistently and successfully executed a variety of exciting events and projects since its inception in February 2011, in which it continues to engage and partner with both public and private sectors with the vision of creating a vibrant business environment on the North Coast of KwaZulu Natal.

The ICCIT has risen to the challenge of operating in a relatively small local market, with only 750 registered businesses within a 25km radius of which the Chamber now has 230 member companies, an estimated 30% market penetration. With our research indicating that this is a fairly high percentage, we endeavour to be creative, innovative and dynamic in our approach, driving projects and initiatives which will give maximum benefit to our members, the business community at large and its communities, all contributing to a thriving local economy.

The ICCIT continues to position itself as a dynamic and innovative Chamber with its service initiatives, and for the purpose of this report we have chosen to showcase our projects in particular which highlight innovation, corporate social investment, environmental responsibility, local economic development, entrepreneurship and the growth and development of SMME's to greater or lesser extent.

The projects & initiatives presented in this report are:

- ❖ The Green Legacy
- ❖ Ballito UIP
- ❖ HOT Ballito
- ❖ The Entrepreneur Competition
- ❖ BR&E Programme for Isithebe & Mandini
- ❖ Events
- ❖ Forums
- ❖ Upcoming Initiatives

The Green Legacy

Overview

The iLembe Chamber conceptualized and orchestrated a multi-faceted Green Legacy Project ahead of the United Nations COP17 which took place in Durban late Nov/early Dec 2011.

The aim of the project was to host a number of activation events to raise awareness of the impact of our activities on the environment and to empower local businesses, organizations, community leaders, and individuals to get involved and demonstrate stewardship by giving them an opportunity to actively participate in the improvement of their environment.

These events marked the beginning of a legacy to highlight commitment to bringing about sustainable local economic development on the North Coast by driving financial success together with sustainable returns for the environment and its communities.

Partners involved in this initiative were Wildlands Conservation Trust, Cambridge University, Conservation South Africa, KwaDukuza Municipality, African Bank, Enterprise iLembe, Airports Company SA, Bonitas, 50/50, Ogilvy Earth, Climate Knowledge and Development Network, as well as a host of local businesses, individuals and community members.

The Green Legacy was made up of 5 elements as follows:

- ❖ Green Golf Day
- ❖ Beach Clean Up
- ❖ Tree Planting Campaign
- ❖ Drafting of an Environmental Policy for Local Municipality
- ❖ Oasis of Fresh Thinking Workshop at COP17



Green Golf Day

On the 23rd of February 2012, the ICCIT hosted a Green Golf Day at the Simbithi Country Club. This event was the first of its kind in SA and offered a high profile opportunity to bring environmental commitment and performance to life with tangible, lasting outcomes. As golf days are not typically seen as 'green', the organisers implemented a number of interventions and procedures to encourage the minimal use of water and electricity. A waste management and recycling programme was also included. To counteract the golf day's carbon footprint, 200 trees were planted at Simbithi Eco-Estate and some of these by the golfers themselves. Eco-friendly, re-useable sports water bottles which were refilled on the course, biodegradable golf tees, and recycled scorecards were all used. Golfers were encouraged to wear gear which was locally manufactured and arrive using the 'car pooling' system to help reduce their carbon footprint. Excess catering from the event was donated to a community feeding scheme, and a portion of the funds raised went to the local golf development fund. 200l of plastic, 100l of glass, 100l of tin and 50l of paper and cardboard were collected and recycled on the day.

The event successfully showcased environmental best business practice in action, by raising awareness and providing a framework for an ethical value system, as well as influencing decision makers to drive sustainability in their own businesses.

Drafting of an Environmental Policy

The ICCIT orchestrated a full participation process in partnership with KwaDukuza Municipality, WCT and Cambridge University, Tripo14 Environmental Solutions and other stakeholders, facilitating several seminars and workshops to develop a draft environmental policy for the region. This draft policy was then presented for review and discussion at an 'Oasis of Fresh Thinking Workshop' which took place on the 29th of November 2011 as part of COP 17. The workshop which was attended by approx 100 people was organised by the iLembe Chamber of Commerce and KwaDukuza Municipality and facilitated by The University of Cambridge Programme for Sustainable Leadership and included local businesses, stakeholders and interested individuals who all benefited from the open discussions which sought to seek solutions to the problems posed by climate change in the region. One of the important outcomes was the formulation of two Community Ecosystem Based Adaptation (CEBA) projects which were initiated for the areas of Zinkwazi and Shaka's Kraal. CEBA moves beyond the idea of ecosystems helping people to adapt to climate change to a much more active engagement of local communities in natural resource restoration and management that facilitates transformative green economic development and social upliftment through community engagement in poverty alleviation and capacity building activities linked to the protection and transformation of their local ecosystems.

Green Legacy Beach Day

The Green Legacy Beach Day initiative took place on 26th of November, 2011 and involved a variety of activities to highlight the importance of preserving the area's coastline. These included the beach clean-up, beach litter recycling and a volleyball tournament. Its aim was to emphasize the importance of having a healthy and clean open space for everyone to enjoy and to highlight the threat which pollution poses to the oceans, sea creatures and beaches.

Various organizations, local businesses, schools and individuals all rolled up their sleeves and got stuck in, with over 3000 people collectively participating in the event. Amongst some of the organizations represented on the day were KZN Wildlife, SST (Sustainable Seas Trust), Ballito Ski Boat Club, African Bank, Ashton International College, ACCSA who all demonstrated stewardship by giving of their time and energy to actively participate in the improvement of their environment.

Sixty people participated in the beach clean up and volleyball tournament; signatures were collected from volunteers on the day by a representative of the Sustainable Seas Trust, which were included in a petition to the UN at the COP17 event and; 52kg's of litter was collected from the beaches and approx half of that was successfully recycled.



Tree Planting

The ICCIT in a joint project partnership with African Bank, Airports Company SA (ACCSA), KwaDukuza Municipality and Wildlands Conservation Trust, embarked on a massive greening initiative which saw the planting of 5000 indigenous trees in the 2 weeks leading up the COP17. The aim of the campaign was to increase awareness about environmental sustainability and contribute to off-setting the conference's carbon footprint.

The 5000 trees were donated by the Wildlands Conservation Trust Treepreneur Programme and were divided into 5 areas as follows; 1300 trees were planted at 30 schools throughout the KZN north coast; 200 trees were planted at the Luthuli Museum and 500 trees planted at Isithebe and Shakashead Industrial Parks respectively; 2000 trees were planted at the Nonoti Low Cost Housing Development. The reason for planting trees near industrial parks is to help mitigate pollution impacts, and are typically known as carbon sinks or green lungs. The schools and community leg of the project also included an education and awareness element and all the trees were well received by learners and community members alike, and certainly created excitement for some of the school children for whom it was the first time they had ever planted a tree.

This initiative was a great start to caring for our environment and as the project name suggests, leaving a Green Legacy for future generations.



Ballito UIP

Overview - Ballito Urban Improvement Precinct (UIP)

Ballito is experiencing increasing levels of urban decay, specifically around the issue of crime, grime and by-law enforcement. This is negatively impacting on property values, investor confidence, business viability and the quality of life in Ballito.

Five years ago uMhlanga faced the same challenges, however today the area has been completely transformed with property values outperforming those of surrounding areas like Ballito. This is directly attributed to the establishment of an Urban Improvement Precinct (UIP) by property owners. The UIP is a private sector driven initiative which works in partnership with the municipality to optimize municipal service delivery while providing supplementary services to public areas, see www.umhlangauip.co.za for more details.

The aim of the UIP:

- ❖ Secure property values, retain existing investment and create future value
- ❖ Build investor and business confidence in the precinct
- ❖ Support vibrant business activity and economic opportunity
- ❖ Improve the quality of life for those who live, work and visit Ballito

Based on the uMhlanga UIP success story Trenley Tilbrook, CEO of the iLembe Chamber of Commerce, Industry and Tourism (ICCIT) opened exploratory discussions about establishing a UIP in Ballito with Brian Wright, the driver behind the uMhlanga UIPs. This led to an extensive process of pulling together key property owners and representatives in Ballito, resulting in a mandate from these stakeholders and ICCIT members to allow Tilbrook and Wright to open initial discussions with the municipality in September 2011.

The successful outcome was the municipality adopting a resolution to research and adopt UIP policy by December 2012, allowing for the official establishment of a UIP by July 2013.



Ballito UIP

But what is a UIP and what does it mean for Ballito?

The UIP mechanism is based on the Municipal Property Rates Act of 2004, which makes provision for the establishment of what is technically termed a Special Rating Area (SRA). The SRA is a defined geographic area within which the majority of property owners agree to pay for certain services supplementary to those supplied by the municipality. The levy is collected by the municipality at no cost and paid over to the property owner Non Profit Company for delivery of services as determined by an annual Business Plan.

The SRA is referred to by a variety of descriptive names, Urban Improvement Precinct is one such term, with City Improvement Districts (CID), Business Improvement Districts (BID) or Management Districts (MD) some of the other management vehicles used both locally and abroad. South Africa's biggest UIP success is the Cape Town City CID, where this year alone property owners will contribute nearly R40million to supplementing municipal services in Cape Town's city centre.

Because the UIP mechanism is best suited to economic, tourism and mixed use nodes, there are two proposed precincts, which will be operationally managed as one integrated area under the Ballito UIP structure. These are the commercial node comprising the business park and surrounding commercial properties and the promenade node comprising all properties bordering the promenade and the commercial node on the southern end of the Ballito beach promenade.

To formally initiate the UIP a Feasibility Study which focuses on public areas will commence in October 2012, to assess the current situation and provide a framework for the project plan to be rolled out over the next 3-5 years.

A steering committee comprising of property and businesses owners within the UIP Ballito boundaries has been formed, and voluntary funding has been committed to kick start the project until the official SRA is adopted in 2013.

International and South African statistics reflect that the UIP approach to the management of public areas, in partnership with the municipality, results in property values and business vitality outperforming those areas outside of managed areas and continues to demonstrate best business practice in action. As SACCI is constantly on the look out for sustainable project models which can be successfully replicated through other chambers, the UIP concept is certainly worthy of consideration.

HOT Ballito

The iLembe Chamber of Commerce Industry and Tourism has recognized that Ballito not only has very attractive beaches and a desirable climate, but also a host of top quality accommodation, dining, sporting, cultural and recreational activities which all contribute to making a visitor's stay more attractive and fulfilling.

In an endeavor to further develop this highly attractive tourism product, the ICCIT created and launched the HOT Ballito campaign to the media on the 31st of August 2011 at the ZAR in Johannesburg. Personalities including 5FM's Gareth Cliff, DJ Fresh, KwaZulu-Natal former East Coast Radio host Daren Scott mingled with the likes of Carte Blanche host Derek Watts and John Walland from Jacaranda, together with other high profile guests and Hot Ballito product owners.

The aim of the campaign is to showcase the areas attractions and 'hot spots' and encourage visitors and locals to spend more time discovering and enjoying what the area has to offer.

This has been achieved by means of a cooperative marketing initiative encouraging local business to make use of the Hot Ballito logo on their individual marketing which will in effect mean that they are marketing Ballito under one banner. This is anchored by a website www.hotballito.co.za which is integrated into the social media space.

The campaign was further leveraged by showcasing at the Getaway show in Johannesburg in early September 2012, in conjunction with Enterprise iLembe and Tourism KZN, where a range of 'Hot Deals' were promoted including discounted offerings from accommodation, restaurants and recreational products. These are all available on the website and regularly punted to its facebook audience as well as an extensive database.



HOT BALLITO

Discover the *hottest* destination on the North Coast!

Beachlife | Entertainment | World's Dining | Fishing | Swimming | Cycling | Spa | Building Sandcastles | Golf

Surfing | Mountain Biking | Surfing | Micro-fishing | Glass Bottom | Fishing | Dungennoe | Snowshoeing

For hot deals visit www.hotballito.co.za



The Entrepreneur Competition

Overview

The Entrepreneur competition was initiated in 2011 in a joint venture partnership between African Bank, Enterprise Ilembe and the Ilembe Chamber of Commerce, with the purpose to provide entrepreneurs and micro-businesses with a platform and vehicle to move their business forward to a sustainable level of growth. The competition provides the opportunity for the entrepreneur to gain the necessary business skills, receive mentorship training and prepare a comprehensive business plan in order to grow and develop their businesses.

The selected entrepreneurs were able to engage personally with an accredited business mentor over a 6 week period, after which they presented their business idea to a panel of judges. The winners received an expansion capital amount which would be used as per their approved business plan. They also received on-going mentorship for a 12 month period and a year membership to the iLembe Chamber of Commerce Industry and Tourism.

The pilot competition initiated in 2011 was very successful in meeting its objectives. Not only did it provide a number of entrepreneurs with the exposure and assistance they needed to get their businesses operating at a sustainable level, but it provided the sponsors with good exposure, and it contributed towards local economic development in the area.

The success of the 2011 competition stimulated the interest of many new potential sponsors and service providers, paving the way for a more expansive programme in 2012.



The Entrepreneur Competition

Benefits of the Competition

Like other chambers in the country, the ICCIT recognises that a strong local business environment encourages the growth and expansion of existing businesses and, international research shows that up to 80% of all new jobs are created through the growth of existing businesses.

The Entrepreneur competition is aligned to the chamber's objectives in that it promotes and supports new and established local enterprises, it identifies and creates employment opportunities and promotes best practice in business. The joint venture has also enhanced public/private relationships and has used local resources and skills to maximise opportunities for business growth and development.

Furthermore, the competition has helped enhance business competitiveness, has increased markets for many new businesses, and has highlighted obstacles to business growth. Through the marketing campaign linked to the competition, the Chamber has received great exposure and thereby increased membership numbers as well.

In summary the benefits are:

- ❖ Supports local economic development (LED)
- ❖ Promotes Business Retention and Expansion (BR&E)
- ❖ Promotes enterprise development (ED)
- ❖ Assists corporates with their BEE scorecard, avenues for their enterprise development points
- ❖ Promotes, inspires and develops entrepreneurship
- ❖ Creates linkages between established business within economic hubs and the second economy
- ❖ Gives fledging businesses access to opportunities
- ❖ Provides exposure to micro-enterprises (entrants)
- ❖ Showcase chamber's commitment to LED, ED, BR&E and small business development
- ❖ Gives chambers excellent exposure
- ❖ Encourages chamber member companies participation

The Entrepreneur Competition

The 2012 Competition

Building on the outcomes and experiences of the 2011 competition, this year's competition increased its reach through an extensive, engaging and directed marketing campaign resulting in excess of 200 entries. African Bank and Enterprise iLembe once again sponsored the competition offering R320 000 worth of cash investment for the winners.

Thirty semi-finalists were selected, who all participated in an extensive 8 week training and mentorship programme, which helped the entrants to develop and refine their business plan and empower them with the skills and confidence needed to successfully engage in the local business arena.

Eleven entrepreneurs were then selected to go through to the final round where they presented their business plans to a live audience and panel of judges, which took place on the 1st of November at the Pumpkin Theatre in Ballito. The event was a great success and The finalists who also all received a 12 month free Chamber membership will be closely monitored and further assisted with developing their businesses through the offerings of the Business Support Desk which will be established in 2013.



The future of The Entrepreneur Competition

The Entrepreneur has the potential to have an enormous impact on enterprise development and job creation in South Africa. Unemployment is one of the greatest challenges facing South Africa, and the Chamber has the opportunity to increase its impact on job creating through this innovative competition and be at the forefront of this positive change in South Africa.

Local and international organisations, both in the private and public sector, have expressed interest in partnering with the ICCIT on this programme to further develop and drive this worthy and impactful initiative.

BR&E Programme

Isithebe & Mandini

In 2011 the iLembe Chamber of Commerce Tourism & Industry implemented its first business retention and expansion programme. Following the success of the programme, and recognising that up to 80% of all new jobs are created by the growth of existing business, the Chamber with support from Ithala Bank and funding from the Industrial Development Corporation (IDC), decided to implement a programme in the Isithebe Industrial Estate.

The overall goal of the Isithebe/Mandeni BR&E programme is to stimulate local economic development and create employment opportunities by retaining and expanding existing business. This is done by conducting a confidential survey of local business in order to learn what it is like to be in business locally and to record ideas, concerns, priorities and the obstacles to business growth. The information from the survey is then used to develop proposals for a local action plan and may also provide useful input to the plans and thinking of external role-players.

The Task Team met for the first time on 7 August 2012 to begin planning the programme. The next few weeks were spent determining the scope of the business survey, agreeing a questionnaire, identifying and inviting businesses to participate and recruiting volunteers to conduct the interviews.

The programme was launched on 6 September 2012, and the interviews followed shortly afterwards. A total of 24 people stepped forward as volunteer interviewers and attended one of the two training courses. They went out in pairs and interviewed 59 businesses within the Isithebe Industrial Estate.

The survey period ended on schedule, 1st October 2012. On 10th October, the Task Team met to review the findings in detail in order to identify the key issues and draft proposals for action which were presented at the feedback event on 24 October 2012.



BR&E Programme

Isithebe & Mandini

The feedback session was well attended and represented by both the private businesses sector and local government representatives.

Some of the key issues raised as concerns in the survey included labour challenges, the need for business support services, current infrastructure conditions and lack of maintenance, lack of social infrastructure such housing and schools, skills shortages etc.

The task team applied the PASTA criteria when evaluating the findings of the survey; proposals had to be popular, affordable, Short Term in terms of implementation and achievable. The key recommendations in addressing some the challenges facing the business sector in Mandeni & Isithebe includes;

- ❖ Skills (shortage of technical skills)
- ❖ Labour (labour issues affecting productivity)
- ❖ Quality of Life (lack of social infrastructure)
- ❖ Image of the Area (poor image of the area does not attract new businesses)
- ❖ Networking (need for networking between private and public sector, access to information)
- ❖ The next step of this process will include participants from the business sector championing each of the recommendations to ensure quick and achievable results.

His Worship Mayor of Mandeni Municipality Cllr. S. Zulu once again expressed his commitment to working with the businesses sector in addressing issues and challenges identified in the survey. He also added that engagement with the business sector is a priority for the municipality and as such was pleased to see businesses working together in an organised and coherent manner.

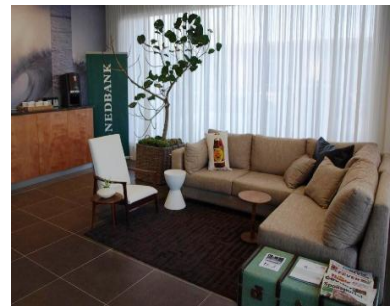
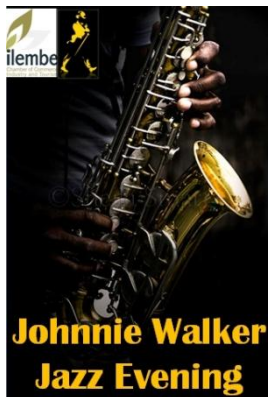
Events

The Chamber offers a variety of networking, informative, social and fundraising events throughout the year, including bi-monthly workshops & information sharing sessions, monthly forum lunches, an Annual Networking Golf Day and Gala Dinner.

In February 2012 ICCIT took occupation of its new office premises at The Quarters in Ballito. A modern, multi-functional boardroom and reception space was created and sponsored by Nedbank, for the purpose of providing a comfortable and well equipped meeting environment for various events.

Members are encouraged to make use of these facilities for meetings or conferences, and the Chamber aims to further increase the offerings of these facilities by installing a WIFI hotspot system (in 2013).

Sponsorships at our events provide promotional opportunities for Chamber members and local business organizations. To showcase their support and involvement in the local business arena.



Forums

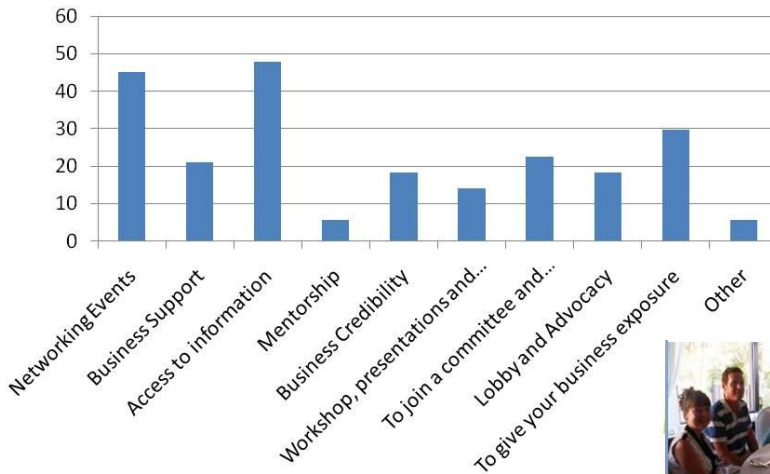
Following a member survey conducted in Sept 2012, the Chamber identified the top reasons for businesses deciding to join the ICCIT. In line with these results and in an effort to continuously provide an effective platform which could provide access to industry related information, discuss relevant issues, drive initiatives and to network with industry peers, the Chamber established two forums, namely:

- ❖ Tourism Forum
- ❖ Property & Development Forum

Each forum is headed up by an elected task team made up of key industry stakeholders who report back to the forum members on a monthly basis.

Members are encouraged to participate in these forums or to set up new committees to deal with specific industry related topics.

Why did you or would you decide to join the iLembe Chamber? Please select your top 2 reasons



iLembe Chamber Property & Development Forum Lunch, 25 September at Hotel Izulu

Upcoming projects

Business Support Desk

The Entrepreneur not only highlighted the benefits for local business and the local economy, but it also highlighted the demand for small business assistance centred on sound, basic business advice. The Competition currently only provides mentorship and guidance to the top finalists, yet many more businesses could flourish and expand with some assistance. This void has prompted the ICCIT to facilitate the launch and operation of a Business Support Desk that will not only benefit entrants to the competition, but also serve a wider market of emerging businesses.

The aim of the Business Support Desk is to provide an all-in-one service to the local business community, at little or no cost. The type of services this support desk would initially provide but would not be limited to include assisting small businesses with financial, marketing, production, organization, technical support and business planning.

This resource will be based at the ICCIT offices, located in Ballito and will be operated by a trained individual in conjunction with a private business organization who understand the needs of SMME's and are able to provide additional services including accounting, tax planning, BEE advisory services and business administration.

The Business Support Desk will incorporate the following elements:

Help Desk, Resource Centre, Seminars, workshops and information sharing sessions,
Training & Skills-building workshops, Networking Platform, Mentorship Panel

Mobile Unit – Outreach (phase2)

Once the support desk is has been in operation for a couple of months and so called “found its feet”, the chamber will launch phase two of the programme which sees the actual support desk fulfilling more of an outreach function. Although, within phase one, the desk manager will be travelling to outlying local municipalities within the district like Mandeni, Ndwedwe and Maphumulo to provide some level of support, we believe that in order for the manager to do this effectively, we need a mobile unit.

Administratively and operationally this mobile unit would be managed by the person managing the support desk. This person would then venture out to the various outlying areas on a weekly basis and not only provide some of the services mentioned above but also inform the deeper rural communities of the products offered by the DEDT and set up and run various forums and committees in these areas getting the local businesses organised.

The ICCIT has secured sponsorship though the DEDT and local private businesses to facilitate the establishment of the Business Support Desk which will be launched in the coming months.

Conclusion

In closing the iLembe Chamber president and the executive committee would like to thank its members and sponsors for all their support, without which we would not be celebrating the successes we have had since our inception less than two years ago.

Sincerely,



Mr Mel Clark

President

iLembe Chamber of Commerce, Industry & Tourism

Winner, SACCI Chamber of the Year 2011/2012