MEDIA RELEASE



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## Municipality in support of niche and light industry

According to Mncedisi Skosana, Knysna Mayoral Committee Member for Planning & Development, the organisation has been investigating ways of diversifying the area's economic drivers and contributors. "To this end we have compiled the Draft Knysna Municipality Niche Manufacturing/Light Industry Growth Strategy as one of the prioritised short- to medium term interventions identified in our Economic Development Strategy to stimulate development within relevant sectors."

Tourism has long been the area's main economic driver, but the industry is under severe pressure following the 2017 fires and the current COVID-19 pandemic. "Our tourism partners will always have our support," said Skosana. "But we must look at other ways of creating and maintaining a healthy economy with sustainable employment opportunities for our local workforce. The focus of this strategy is to identify mechanisms to enable sustainable growth in different sectors and to develop economic diversity that is not reliant solely on tourism and the financial sector. This has been a long-term goal, the need of which has been compounded by recent events."

Knysna has a niche manufacturing sub-sector comprised of boatbuilders, indigenous wooden furniture makers, classic car manufacturers and many other unique light industry products. "The manufacturing sector is the fourth largest contributor to our overall GDP-R," said Skosana. "Our draft strategy explores alternative manufacturing sub-sectors that local business can take advantage of, as well as market and export opportunities that should be investigated."

The document was compiled following a stakeholder survey of niche manufacturers and key stakeholders in greater Knysna, analysis of stakeholder inputs, further research and a situational analysis workshop. This intense process identified existing resources and opportunities, and interventions that may enable growth.

"Three main outcomes that would encourage growth were identified," Skosana continued. "These are market linkages to leverage stakeholder opportunities; the creation of reliable and affordable infrastructure; and brand development to promote market access to the niche manufacturing and light industry sectors."

The strategy highlights six key interventions for the short-, medium- and long term. Short term:

- Market access should be prioritised and a number of trade shows have been identified to maximise exposure.
- The expansion of launching and commissioning sites within the estuary should be facilitated in conjunction with SANParks.
- A sustainable supply of timber needs to be secured.

## Medium term:

- An increase in the development of woodworking and boatbuilding skills will strengthen the luxury wooden furniture and boatbuilding clusters in greater Knysna.
- Knysna is well positioned to host its own boat show with the aim of turning the event into an international show, which has the potential to attract considerable economic investment.

## Long term:

 Improving the reliability, security and competitive pricing of electricity will have a significant impact on the ability of local manufacturers to operate sustainably and supply competitively priced goods to the market.

"The proposed short term interventions all fall within the approved 2021/2022 budget allocations for various projects within the Economic Development Department," Skosana explained. "We must look ahead and work with our niche and light industry partners to secure a profitable economic future for greater Knysna. Our commitment to support development within these sectors is a move towards economic and employment security, and an inclusive, innovative, inspired Knysna."

## **ENDS**

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