

DRAFT RURAL DEVELOPMENT STRATEGY

June 2025



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FOREWORD

Throughout South Africa, rural communities hold significant potential to promote inclusive growth, resilience, and innovation. In Stellenbosch, our rural areas are at the heart of the municipality's identity, economy, and future. However, these communities also face complex, interconnected challenges ranging from spatial inequality and historical marginalisation to the effects of climate change and a shifting global economy.

This strategy emerged from a bold commitment: to reimagine rural development not as a top-down intervention, but as a community-led transformation rooted in local identity, strengths, and aspirations and a practical and inspirational roadmap for fostering thriving rural communities.

This document closely aligns with the Stellenbosch Municipality's Integrated Development Plan (IDP), Spatial Development Framework (SDF), Rural Area Plan, and national priorities and regulations. More importantly, it centres on the voices, leadership, and agency of rural residents. The strategy promotes a vision that invites collaboration from public, private, civic, and academic stakeholders to co-create pathways to prosperity.



1. EXECUTIVE SUMMARY

Regarding the Stellenbosch Investment Prospectuses, 2025, Stellenbosch's combination of economic opportunities, cultural richness, educational excellence, and lifestyle benefits makes it an appealing destination for residents and businesses seeking quality of life, growth, and prosperity. These are all elements that will support the development of a strong and thriving rural development strategy. The details include:

Proximity to Cape Town: Stellenbosch is situated near Cape Town (approximately 50 km), a significant economic and tourism hub in Africa. This proximity provides access to a primary regional market, excellent infrastructure, an international airport (32 km away), and global business opportunities.

A compelling investment economy: Stellenbosch has an advanced, dynamic, and capital-rich entrepreneurial economy, a robust infrastructural base, and an extensive business network in the greater Cape Metro region.

Education hub and network: Stellenbosch University is one of Africa's leading research universities with an innovative enterprise development model. This institution contributes significantly to the town's intellectual capital, attracting postgraduate researchers, an international network of researchers, and research-driven businesses

World-renowned wines and agricultural industry: Stellenbosch is a central agricultural manufacturing export region with the highest agricultural revenues in South Africa. It is in the Golden Triangle of South African wines, renowned for its world-class wine

production. It is also the leading region in viticulture and oenology research in Africa.

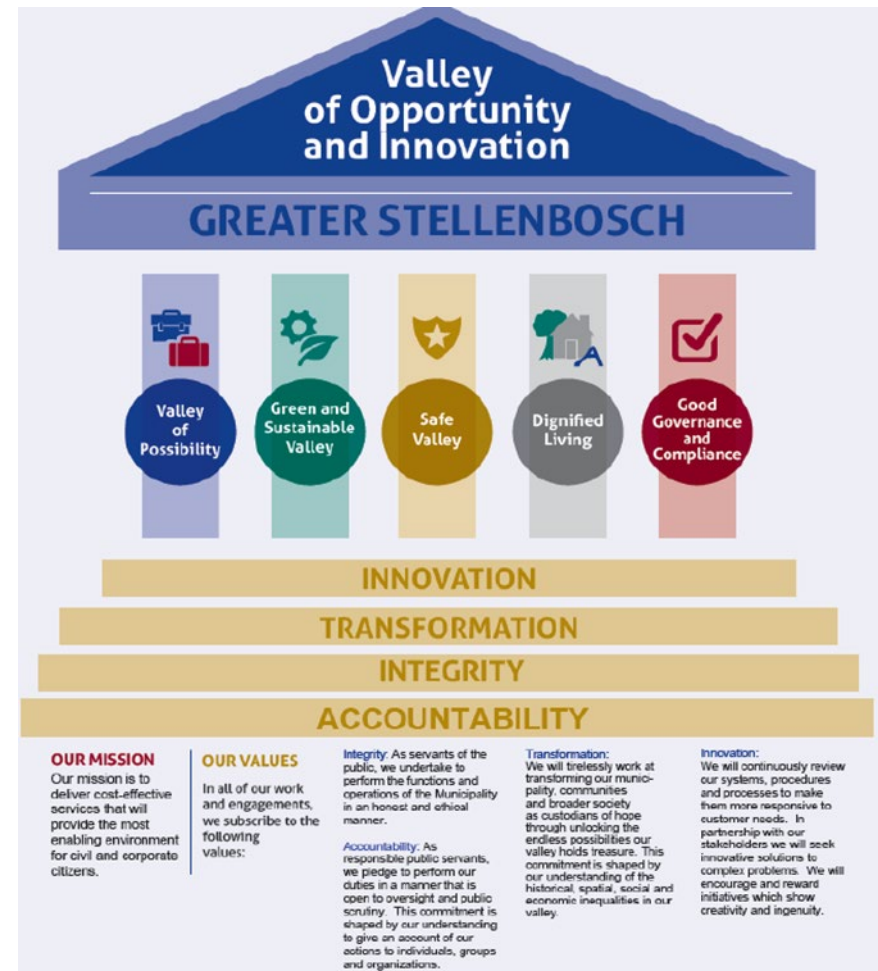


Figure 1: Municipal strategic Framework

Technology and innovation: Stellenbosch has international-quality tech startups, entrepreneurs, and investors capitalising on emerging technologies. Initiatives like the Stellenbosch Digital Innovation Hub (digiSTAN), Technopark, and LaunchLab support it.

Infrastructure development: Stellenbosch has experienced considerable infrastructure development, encompassing residential estates, commercial spaces, and enhanced transport links. This growth in infrastructure supports both residential living and business operations.

Tourism: Stellenbosch's allure as a historic town, characterised by Cape Dutch architecture, wine routes, restaurants, art galleries, and hospitality services, establishes it as a popular destination for both international and domestic tourists.

Political stability: South Africa, including Stellenbosch, benefits from a stable democratic government, which is crucial for fostering a conducive environment for business and investment.

In line with the above, the document structure is outlined on Figure 2.



Figure 2: Document Structure

2.CONTEXT AND BACKGROUND

This section provides an analysis of the context relevant to a Rural Development Strategy. As indicated in Section 1, this document is aligned with and informed by the Stellenbosch Municipality's Integrated Development Plan (IDP), Spatial Development Framework (SDF), and Rural Area Plan. The focus of this analysis is therefore on the priorities established within these plans.

The municipal Spatial Development Framework includes several spatial categories directly relevant to rural development, including concepts such as urban edges, cultural landscapes, scenic routes, green networks, agriculture focus areas, and rural nodes. From an overall development perspective, the IDP views SLM as a valley of opportunity (economic potential), environmentally sustainable (bio-physical), safe, characterised by dignified living (built environment), and governed by good governance and compliance.

The analysis to understand the context of a relevant Rural Development Strategy includes:

- Conceptual understanding of Rural
- Institutional and policy context
- Spatial Development Framework (SDF) alignment
- Land Management
 - Stellenbosch draft Rural Area Plan
 - Rural land use management
 - Land reform
- Spatial and physical context
- Built environment context
- Culture and heritage
- Socio-economic context
- The rural economy
 - Farm size, productivity and employment
 - Agricultural land resources

2.1. Conceptual understanding of rural

It is widely accepted that the urban-rural dichotomy is an outdated concept that cannot effectively capture the complex interrelations between various forms of settlement along a rural-urban continuum. In this document, the spatial notion of “rural” refers to areas outside the urban edges of settlements, as well as development nodes classified as “rural nodes”.

This aligns generally with the functional area delineation used in the Stellenbosch LM Capital Expenditure Framework (2023), which identifies three main categories of functional areas within Stellenbosch: urban nodes (1.29% of the municipal area), rural nodes (4.48%), and the rural regions (94,23%).

This strategy also considers the functional interactions between the “rural” and the “urban” components of the study area. For example, areas designated as “rural” based on the spatial interpretation largely depend on urban nodes for social and economic functions and facilities. Furthermore, many characteristics that define the nature of urban nodes in Stellenbosch LM are rooted in the surrounding regions, such as agriculture (mainly vineyards and related activities), scenic landscapes, cultural landscapes, and areas of high biodiversity.

These predominantly “rural” features substantially influence the growth and appeal of the “urban” components of Stellenbosch. Therefore, the concept of “rural” in this document includes both spatial and functional interpretations, recognising the interdependence between these “rural” areas and the “urban” component of the study area.

2.2. Institutional and Policy Context

Effective rural development requires robust governance frameworks and strong institutional collaboration across all levels of government, civil society, and the private sector. The strategy aligns with several key national legislative and policy instruments that enable integrated, place-based rural development as summarised in Table 1.

Policy/Plan	Key issues relevant to rural development
National Development Plan (NDP) 2030:	The NDP is South Africa’s long-term strategic plan to eliminate poverty and reduce inequality by 2030. Chapter 6 addresses rural development explicitly, emphasising the creation of inclusive rural economies. It proposes a differentiated rural development strategy that recognises rural areas'

Policy/Plan	Key issues relevant to rural development
	<p>diverse challenges and opportunities. Key priorities include:</p> <ul style="list-style-type: none"> • Infrastructure investment in rural roads, energy, water, sanitation, and digital connectivity. • Strengthening rural institutions, including municipalities and local governance structures. • Promoting land reform and supporting smallholder farmers with access to land, extension services, and finance. • Building rural-urban linkages to enable mobility, trade, and access to services and markets. • Supporting agri-parks, agro-processing, and agricultural cooperatives to stimulate value chain participation. • Enhancing rural education, skills development, and healthcare services as part of an integrated human development approach.
National Spatial Development Framework (NSDF) 2050	The NSDF aims to address the legacy of spatial inequality and underdevelopment in rural regions through:

Policy/Plan	Key issues relevant to rural development
	<ul style="list-style-type: none"> • Spatial Transformation: Correcting apartheid-era spatial distortions by integrating rural areas into national development patterns. • Targeted Investment: Identifying strategic spatial areas for infrastructure and economic development, including rural zones. • Inclusive Growth: Promoting equitable access to land, resources, and services in rural communities.
Integrated Urban Development Framework (IUDF)	The IUDF recognises that rural and urban areas are interdependent and interconnected through flows of people, and natural and economic resources.
Spatial Planning and Land Use Management Act (SPLUMA), Act No. 16 of 2013	Establishes a uniform framework for spatial planning and land use management. It supports integrated development and equitable access to land, enabling municipalities to plan spatially for thriving rural communities.

Policy/Plan	Key issues relevant to rural development
Agricultural Policy Action Plan (APAP)	APAP is an implementation pillar for the National Development Plan and the New Growth Path, promoting equitable and inclusive growth in the agricultural sector while enhancing competitiveness. It aims to create a more inclusive agrarian economy by supporting smallholder farmers and new entrants and encouraging market-driven interventions.
National Integrated Rural Development Strategy (NIRDS):	Guides coordinated and integrated interventions in rural areas to promote sustainable livelihoods, access to basic services, and economic opportunity.
Western Cape Rural Development Strategy	This strategy frames the province's priorities for rural economic development, focusing on agri-processing, renewable energy, eco-tourism, and rural enterprise development.
Western Cape Land Use Planning	These guidelines aim to promote smart growth by containing urban sprawl and recognising the unique role of the rural landscape in the Western Cape, underpinning much

Policy/Plan	Key issues relevant to rural development
Guidelines. Rural Areas.	of agriculture, manufacturing, exports, and tourism.

Table 1: Relevant National and Provincial policy and legislation

Together, these policies indicate a need for spatial integration, institutional strengthening, inclusive economic participation, and coordinated implementation. Addressing these issues is central to the success of Stellenbosch's rural transformation vision.

- Local Government Partnerships and Collaboration: Strengthening relationships with government, businesses, and civic organisations.
- Cooperative and Trust Structures: Encouraging community ownership and shared benefits.
- Multi-Stakeholder Coordination: Creating inclusive decision-making processes.
- Digital Tools and Data Management: Utilising dashboards, real-time data, and digital tools for better governance, and strong institutional collaboration across all levels of government, civil society, and the private sector.

This strategy aligns with several key national legislative and policy instruments that enable integrated, place-based rural development.

2.3. SDF Alignment

The municipality abuts several adjacent municipalities whose spatial development framework proposals will impact the rural areas of SLM to a greater or lesser extent.

2.3.1. City of Cape Town: Municipal SDF

The City of Cape Town has recently approved the review of its SDF (see Map 1). It strongly promotes inwards urban growth into its inner urban core and discourages or prohibits urban growth on its periphery. However, the Kuils/Eerste river corridor, which provides a green link between the winelands and the sea, has been increasingly closed off with urban development in recent years.

There are a number of urban townships abutting the municipal boundary which also coincides with the City of Cape Town's Urban Edge in these sections.

As a result of the approval of the Metro SDF the pressure to convert farms to urban development adjacent to existing development is likely to considerably diminish as these areas are now designated as "Discouraged Growth Areas".

2.3.2. Breede Valley and Theewaterskloof municipal SDFs

These two municipalities border Stellenbosch municipality in the high mountains, and their SDFs propose Core 1 and 2 spatial planning categories along these boundaries. These coincide with similar terrain on Stellenbosch Municipality's side of the boundary and, thus, there is alignment.

A portion of the Stellenbosch municipality, located on the eastern side of the watershed at the top of the Franschhoek Pass, physiographically forms part of the Theewaterskloof Basin.

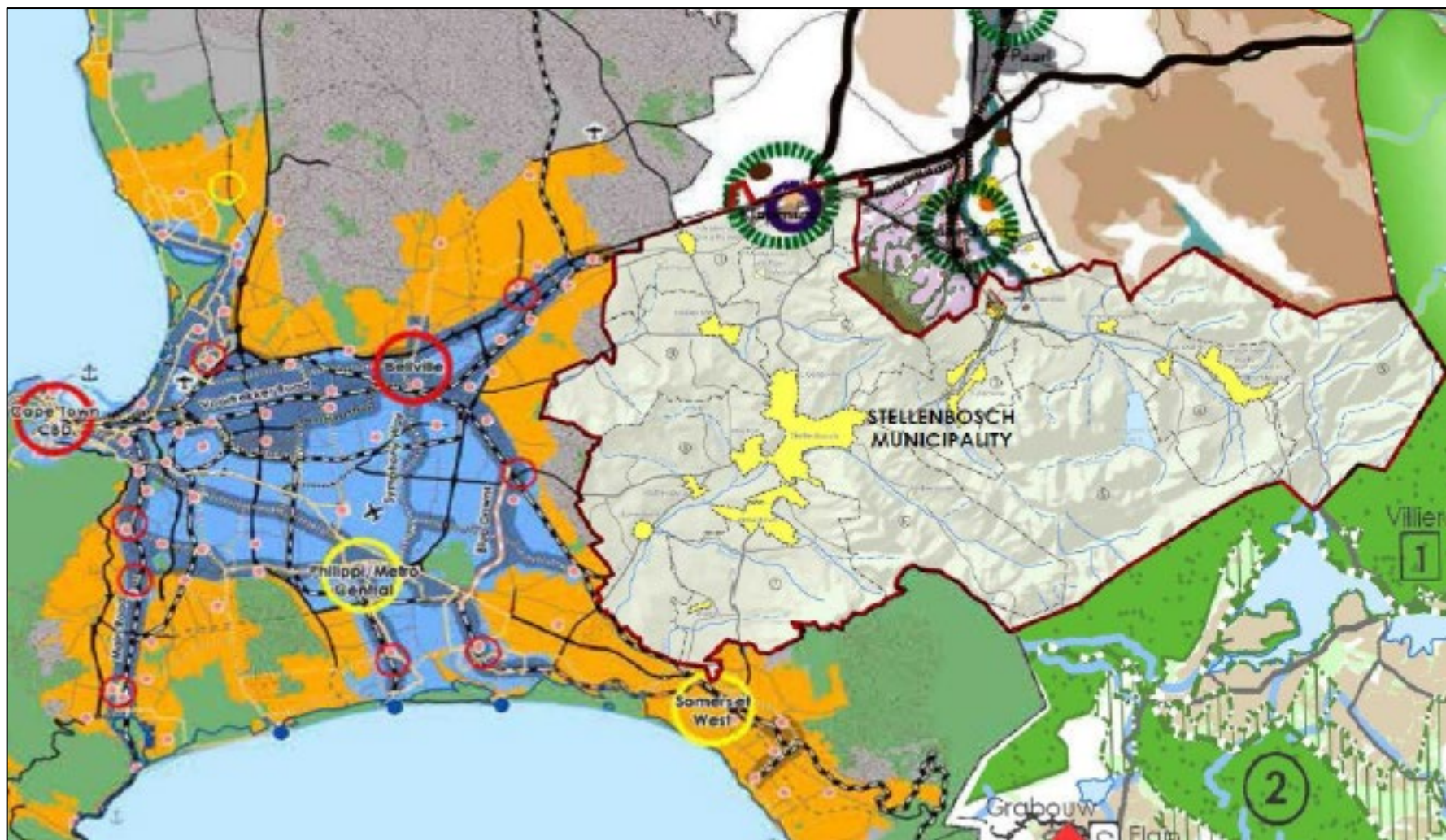
2.3.3. Drakenstein Municipality SDF

Much of Drakenstein's southern boundary abuts the high mountains of the Simonsberg and Wemmershoek along the Stellenbosch municipal boundary. It is proposed for the Core 1 and Core 2 spatial planning categories; therefore, the SDFs are considered to be aligned in these sections.

Pressure points exist around Klapmuts and along the R101 (Old Paarl Road). Drakenstein municipality owns a large farm on the northern boundary of the N1 at Klapmuts around which its SDF notes the possibility of a node with specific development options. However, these proposals are omitted

in other options. It also proposes a node to the east along the R101 in the Ben Bernard area, where retail and industrial development have already occurred on the Drakenstein side of the boundary.

The N1 is a provincial scenic route between Paarl and Kraaifontein and a gateway to the Cape Winelands. The Drakenstein SDF also proposes a node near Groot Drakenstein along the R45 to Franschhoek.



Map 1: Alignment with SDFs, Rural Area Plan (2018)

2.4. Land Use Management

2.4.1. Stellenbosch Draft Rural Area Plan

A draft development guidelines primer has been compiled to assist the municipality with completing its review of the Municipal SDF in the rural areas outside the urban settlements.

An essential element of the Area Plan is the feedback received during the public workshops held in Stellenbosch and Franschhoek. No written comments were received during the remainder of the public workshop process.

The main issues arising from the public participation sessions, and that will influence the drafting of the Rural Development Strategy, include (Rural Area Plan, 2018):

- Lack of civil services (water, sanitation) to the (relatively few) remaining rural residents;
- Access to social facilities such as schools;
- Lack of farmworker staff transport from nearby urban areas;
- Dangerous pedestrian crossings across arterial roads, e.g. Vlotenberg, or lack of pedestrian sidewalks/verges/emergency shoulders; e.g. R104 and M24 through the Bottelary Hills;
- Crime, drugs, and violence in rural settlements with low-income populations. In some instances farmers are requesting satellite police stations to be located on the farms and are prepared to make space available for this (sub area 8, Eerste River Valley corridor);
- Suspected “illegal” developments, e.g. de Meyer, sub-area 1 (de Nova flats);
- Urban development pressure, particularly along the city of Cape Town municipal boundary (Vergenoegd);
- Informal settlements, e.g. near Koelenhof station (Spoornet land);
- Pollution of rivers by inadequate WWTWs;
- Fires and fire management - much of it suspected to be arson especially in the high mountain catchment areas – three hotspots identified in Franschhoek and Jonkershoek;
- Poorly managed or inadequately used publicly owned rural land, e.g. around the Berg Rivier dam;
- Future of small isolated settlements, such as Fish Point/the Compound/Op die Bult, in the Jonkershoek Valley and the Forestry villages;
- Lack of progress with land reform – municipal owned land at “Spier Corridor” is seen as an opportunity in this regard; and,
- Insensitive upgrading of rural arterial roads including Baden Powell extension, and proposed R44 between Somerset West and Stellenbosch.

Vision statements arising from the public participation for the future included:

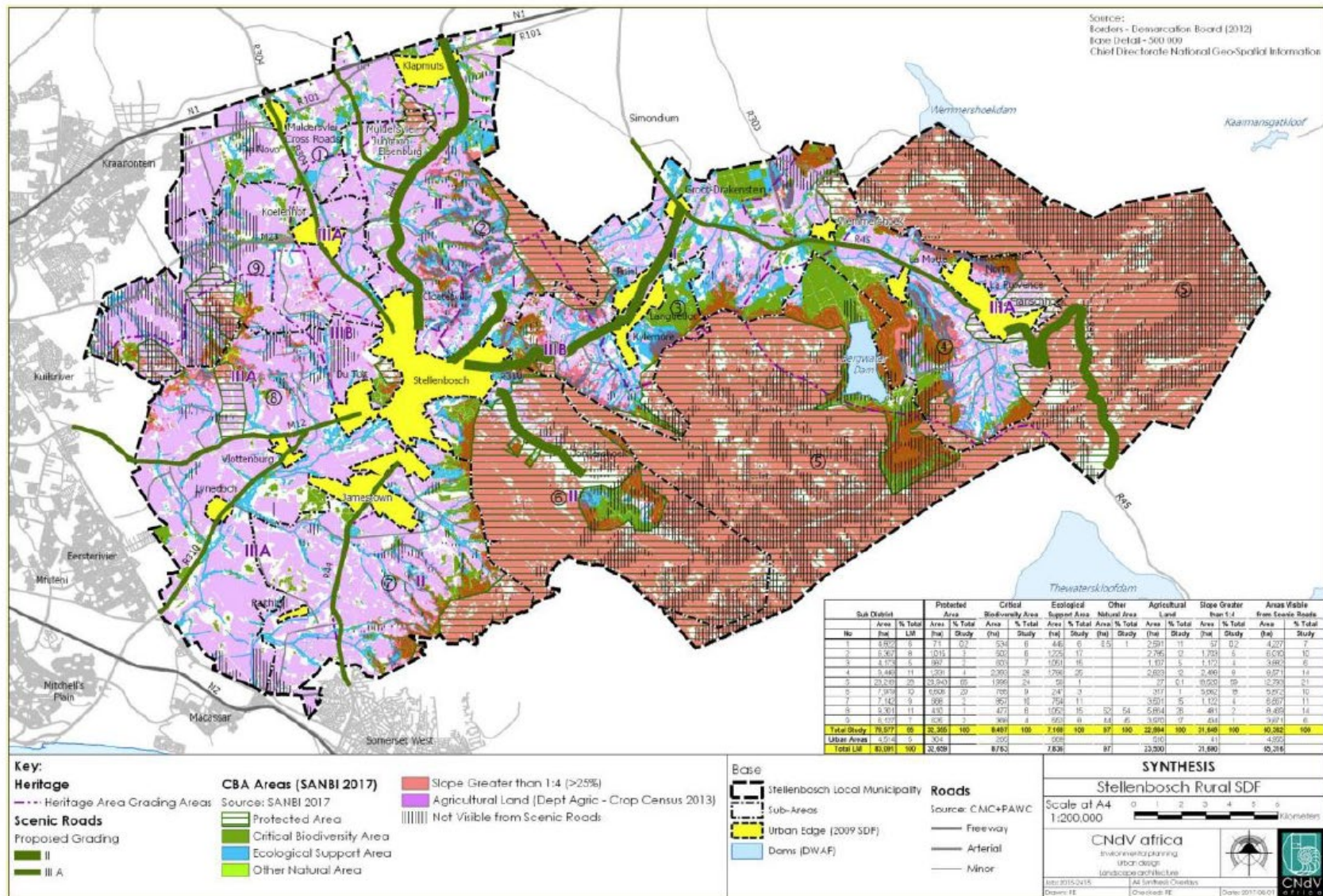
- Improved public transport services for staff working in rural areas or residing in nearby urban areas and improved access to social facilities (schools, clinics, home affairs) for those still living on farms;
- Improved security in rural areas, including fire watchers and improved response systems;
- More tourist accommodation to be provided on farms and in rural settlements to increase this market;
- Promote adventure tourism with facilities on farms and in rural settlements, including mountain biking, hiking, and mountaineering (rock climbing);
- Public policy acknowledgement of the role that farms and undeveloped rural areas play in promoting the tourism economy through mechanisms such as reduced rates; and,
- Sympathetic upgrading of certain rural roads, e.g. Annandale and R44, that do not detract from the rural character through which they pass. Upgrading proposals should incorporate a multimodal approach to alleviating traffic congestion, i.e. to provide for public land non-motorised transport.

2.4.2. RURAL LAND USE MANAGEMENT

This synthesis has identified key foci which need to underpin a long-term sustainable land-use management approach to Stellenbosch's local areas concerning assessing building plans for buildings, roads infrastructure and conservation of agricultural resource act permits (ploughing) permits:

- Slope
- Visual impact
- Aquatic and terrestrial critical biodiversity resources
- Agricultural land
- Heritage resources

Map 2 comprises a land use management overlay composite, which can assist municipal, SANBI and DWA officials in assessing applications.



2.4.3. Land Reform

Land reform is an increasingly important issue facing South Africa's rural areas, particularly those with significant economic and employment creation potential, such as the Stellenbosch region.

The current land reform target is to transfer 30% of white-owned agricultural land to black ownership. The area-based plan (ABP) for Stellenbosch, completed in 2008, suggested there were approximately 52,000 ha of agricultural land, giving a target of approximately 16,000 ha of land to be acquired.

It noted that 9700 ha had been acquired, leaving 6000 ha to be obtained. Projects underway included two farm equity schemes and a proposed transfer of 4,000 ha of land – the MTO equity share project in Jonkershoek. The ABP proposed several strategies, including:

- Security of tenure for rural people: This mainly focused on providing space on the municipal housing waiting lists for rural dwellers;
- Small-scale farming opportunities: Two sites were identified for these projects: the “Spier” corridor and the Berg River Dam Sustainable Utilisation Plan (SUP) area. Subsequent environmental assessments indicate that virtually nothing of the Berg River dam SUP area is suitable for agriculture. Further clarification is required in this regard.

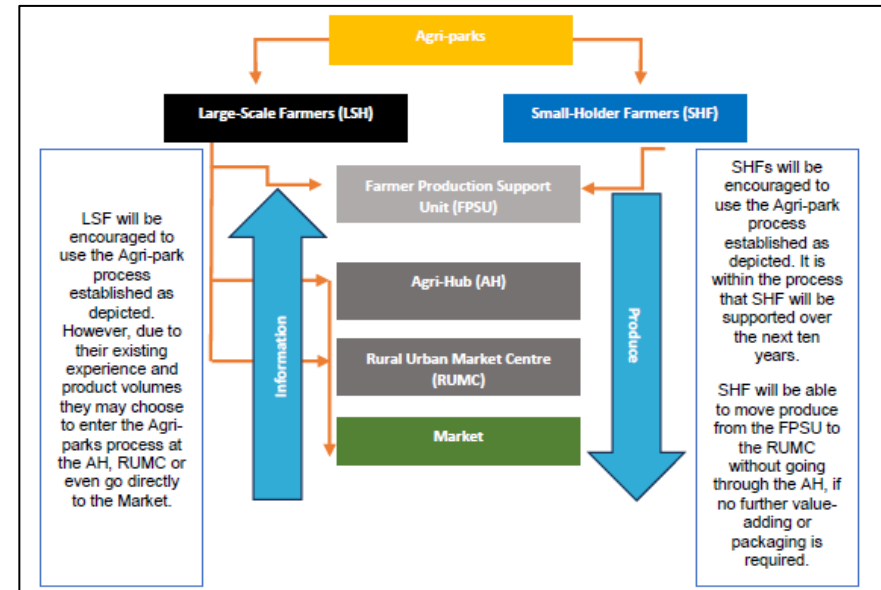


Figure 3: Agri - park produce and infrastructure flows (MERO, 2016)

- Participation in equity share projects: This has happened to various extents on several commercial properties in the municipality, the most notable being Solms Delta. In 2008, this project achieved a 33/33/33 share ownership in the land and operating company between staff and two mentors. This was recently converted to a 50/50 share with the assistance of the Department of Rural

Development and Land Reform and the National Empowerment Fund. Other properties include:

- Bouwland (Beyerskloof) – 60 participants;
- Enaleni - 32 ha - 23 participants;
- Koopmanskloof;
- La Motte – Dennegeur village;
- Bellevue Farm Workers Trust – Sizanani - 80 participants;
- Stellenrust – 100 ha - 70 participants; and,
- Uitzicht

SLM currently owns approximately 86 agricultural units covering a total of 1,680ha, of which long-term lease agreements encumber 76. Of these land units, 432ha have water rights. (SDF, 2023)

In general, there has been little significant progress in land reform in the municipality's rural areas. In 2015, the government devised the Agri-Park Program by recognising the many shortcomings in the land reform programme.

2.5. Spatial and Physical Context

The landscape creates a topographical pattern of ridgelines and river valleys that become steeper and more scenically dramatic from the north-west to the south-east, providing the municipality with a strong visual character and a quality sense of place.

This pattern sets the scene for the land use and settlement patterns.

These patterns encompass fertile arable land in most of the municipality's western regions and the Franschhoek Valley. Fertile arable land in South Africa is a limited resource, which has prompted the Department of Agriculture to introduce a new bill aimed at enhancing its protection.

The Eerste and Blauwklippen valleys, along with the northern slopes of the Bottelary, are particularly fertile. However, some urban areas in and around Stellenbosch town, including Onderpapegaaiberg (PG Bison site), Die Boord, parts of Paradyskloof, De Zalze, and Jamestown, have encroached upon this land.

Stellenbosch town is also established on good agricultural land, except Cloetesville. Jamestown was originally a farming village laid out on “watererven” containing some of the best land for growing strawberries.

Interestingly, the land along the valleys and ridges of the Plankenbrug River, north of Stellenbosch and between the R304 and R44 to Klapmuts, is classified as suitable only for grazing. However, **Map 3** indicates that this corridor contains several high-value wine and fruit farms. This suggests that the inherent soil resource has been significantly enhanced and should be considered an essential natural asset to conserve as much as possible.

Property owners, tourism operators, interest groups, and the general public have also raised concerns about the industrial scale and intrusive locations of some larger agricultural and industrial buildings on farms, as well as the prominent positioning and intrusive design of specific large residential properties.

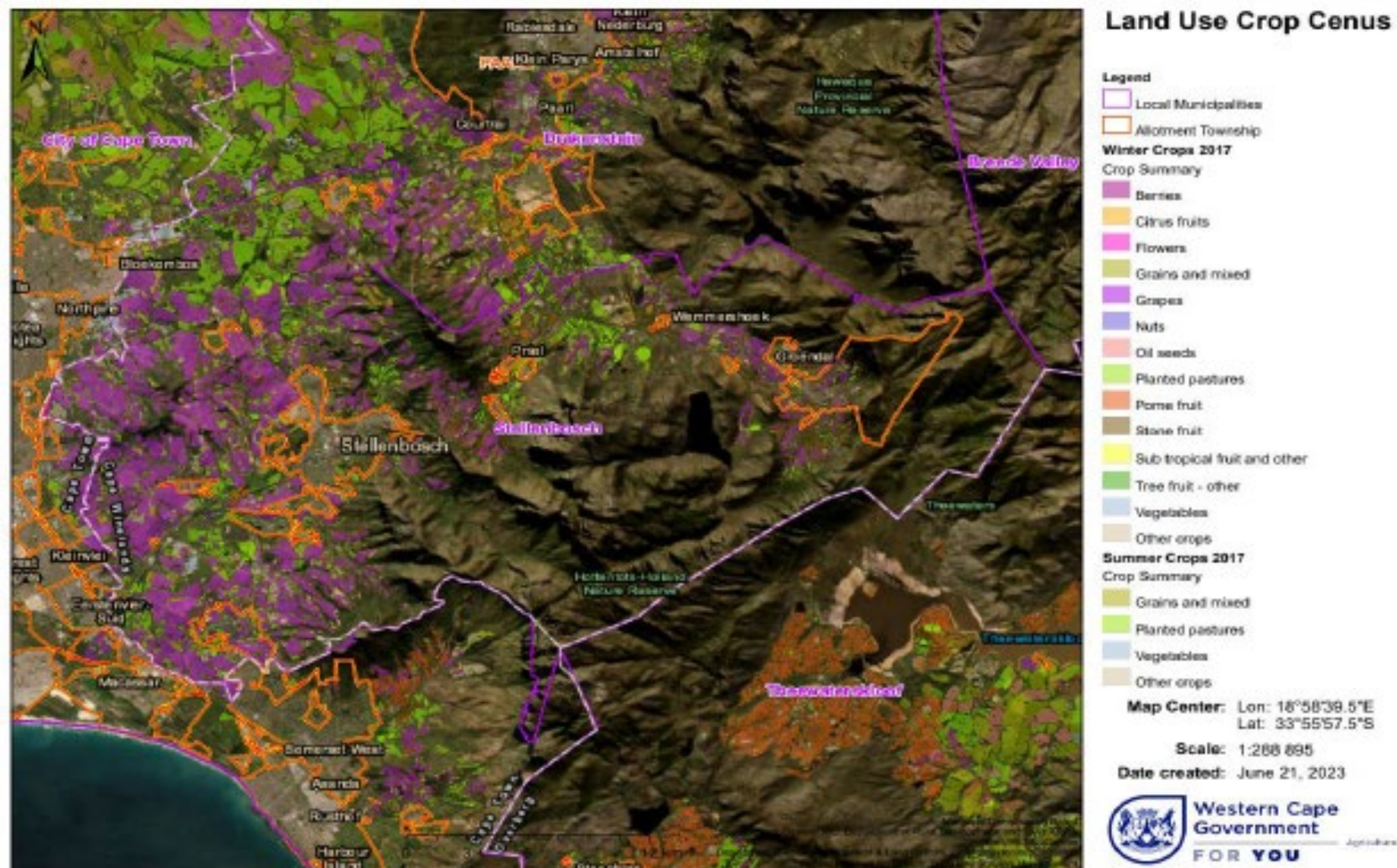
According to the Draft Rural Area Plan (2018), the sensitive scenic composition of the municipality comprises various components:

- a series of valleys along which pass the main rivers and rural arterial roads and from which the scenic attractiveness of the municipality is primarily experienced;
- a series of visually exposed ridge lines dividing up and bounding these valleys, thereby creating viewsheds; and,
- All of this occurs on a topographical basis, ranging from undulating rolling hills in the west to steep and dramatic mountain escarpments in the east.

Significant portions of SM fall within globally recognised biosphere areas and designated public and private conservation zones. Eleven public conservation areas cover Some 28 741ha or 34,6% of the municipal area, with a further 3 000ha managed as private conservation areas (SDF 2023).

A large portion of Stellenbosch Municipality is also designated as a Strategic Water Source Area (SWSA). SWSAs are areas that supply a disproportionate amount of mean annual runoff to a specific region. Deterioration of water

quality and quantity in these areas can significantly impact downstream ecosystems and threaten the sustainability of growth and development in the regions they support (SEMF, 2018).



Map 3: Land use (FARM MAPPER 2023)

2.6. Built Environment Context

The rural character of the Stellenbosch municipality is central to its sense of identity, distinctiveness, and appeal for urban development and tourism. Notably, there is a unique changing pattern from west to east, transitioning from the rolling hills of Bottelary to the lofty mountains of Simonsberg, Helderberg, Stellenboschberg, Franschhoekberg, and Groot Wemmershoek, which provide a dramatic backdrop for the eastern regions of the municipality.

The municipality's scenic quality is mainly experienced from the rural arterial roads, depending on the visually intrusive development alongside them and within the corridors they pass. A systematic visual analysis of the view of corridors along these routes revealed a wide range of quality, depending on how the road construction was resolved and the buildings' nature, scale, and location. A distinct urban character is emerging, particularly along certain recently upgraded roads and like newer buildings alongside, especially in the western parts of the municipality.

According to the municipal SDF, there is a backlog of over 3,000 housing opportunities in the rural areas of the municipality (SDF, 2023). Approximately 25% of all land-development applications submitted to SM also pertains to rural land (SDF 2023). It is clear from the analysis in the preceding sections that the physical characteristics and

visual appeal is an inherent key characteristic on which the economy (both rural and urban) is dependent. The preservation of the character and visual appeal of the municipal area is thus an important concern from a built-environment perspective.

The information depicted in Figures 4 and 5 provide some contextual analysis of this aspect and compares the trends in the estimated total built-up surface over various epochs between 1995 and 2020 within some of the key components of the rural landscape. This analysis is based on the Global Human Settlement Layer (GHSL) GHS built-up surface raster dataset that depicts the distribution of the built-up surfaces estimates from 1975 in 5-year intervals. These include both residential and non-residential built-up surfaces. Taking into consideration remote-sensing technology characteristics and limitations, the implicit definition of a building” is “*any roofed structure erected above ground for any use*”.

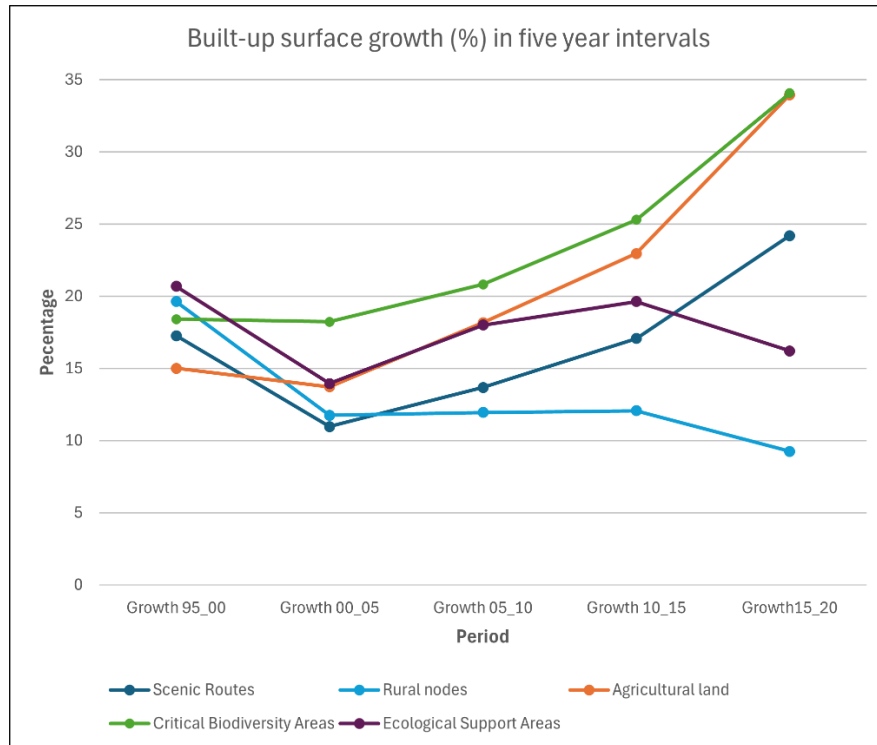


Figure 4: Build up surface growth, Own Calculations based on Pesaresi & Politis (2023)

This information indicates several significant trends and characteristics:

- Existing policies and plans appear to have been largely successful in protecting the critical biodiversity areas and protected areas from disturbance through built-up footprints (see Figure 5), limiting the extent thereof to near-zero levels in these areas. Although from a very low base, the five-yearly growth in the critical biodiversity

areas has, however, continued to increase unabatedly from 1995 to 2020 (see Figure 4).

- The extent of built-up surfaces in agricultural areas has increased (although still from a low base – see Figure 5), but the five-yearly growth rates of built-up structures in these areas have increased rapidly since 2000.
- The proportion of built-up surfaces along scenic routes have increased substantially between 1995 and 2020 (see Figure 5), and the growth rate has been increasing since 2020 (see Figure 4).

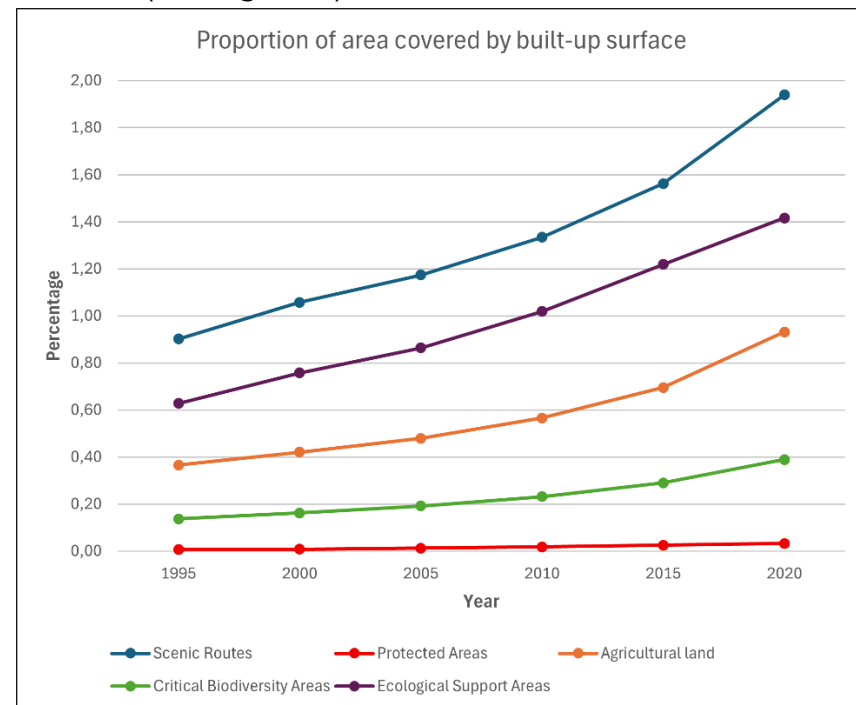
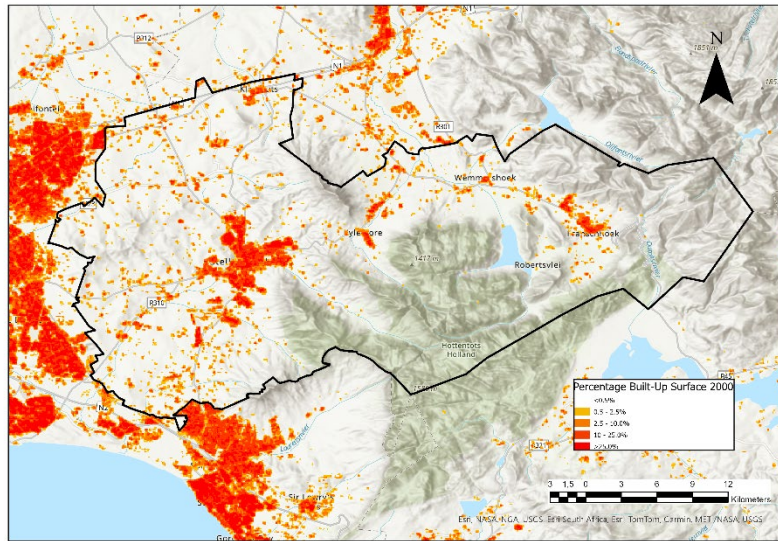
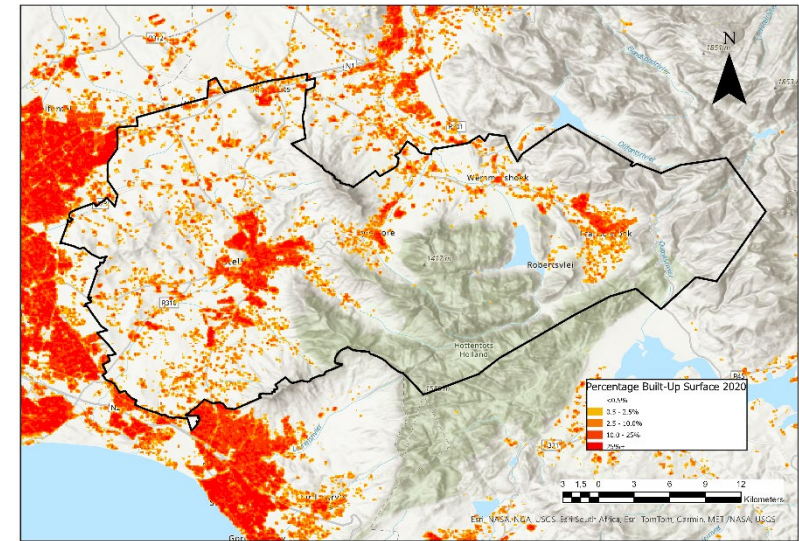


Figure 5: Proportion of area covered by built-up surface, Own Calculations based on Pesaresi & Politis (2023)



Map 4: Built-up surface 2000, Own analysis based on Pesaresi & Politis (2023)



Map 5: Built-up surface 2020, Own analysis based on Pesaresi & Politis (2023)

These trends are also spatially illustrated in Maps 4 and 5. The implication is that although the proportion of built-up surfaces in sensitive rural landscapes has remained low in absolute terms, the growth rates have increased over the past 25 years, particularly along scenic routes, in areas identified as ecological support zones, and in agricultural focus areas. Maps 4 and 5 also demonstrate the extent of the spatial distribution of built-up surfaces in the rural landscape and the potential impact on the sense of place in these regions.

2.7. CULTURAL AND HERITAGE

The Stellenbosch municipality boasts a rich cultural heritage, evident in its scenic landscapes and historic buildings, which are found in both rural and urban areas. This heritage includes layers of pre-settler, colonial, apartheid, and post-apartheid histories, along with structures and artefacts of both the oppressed and their oppressors.

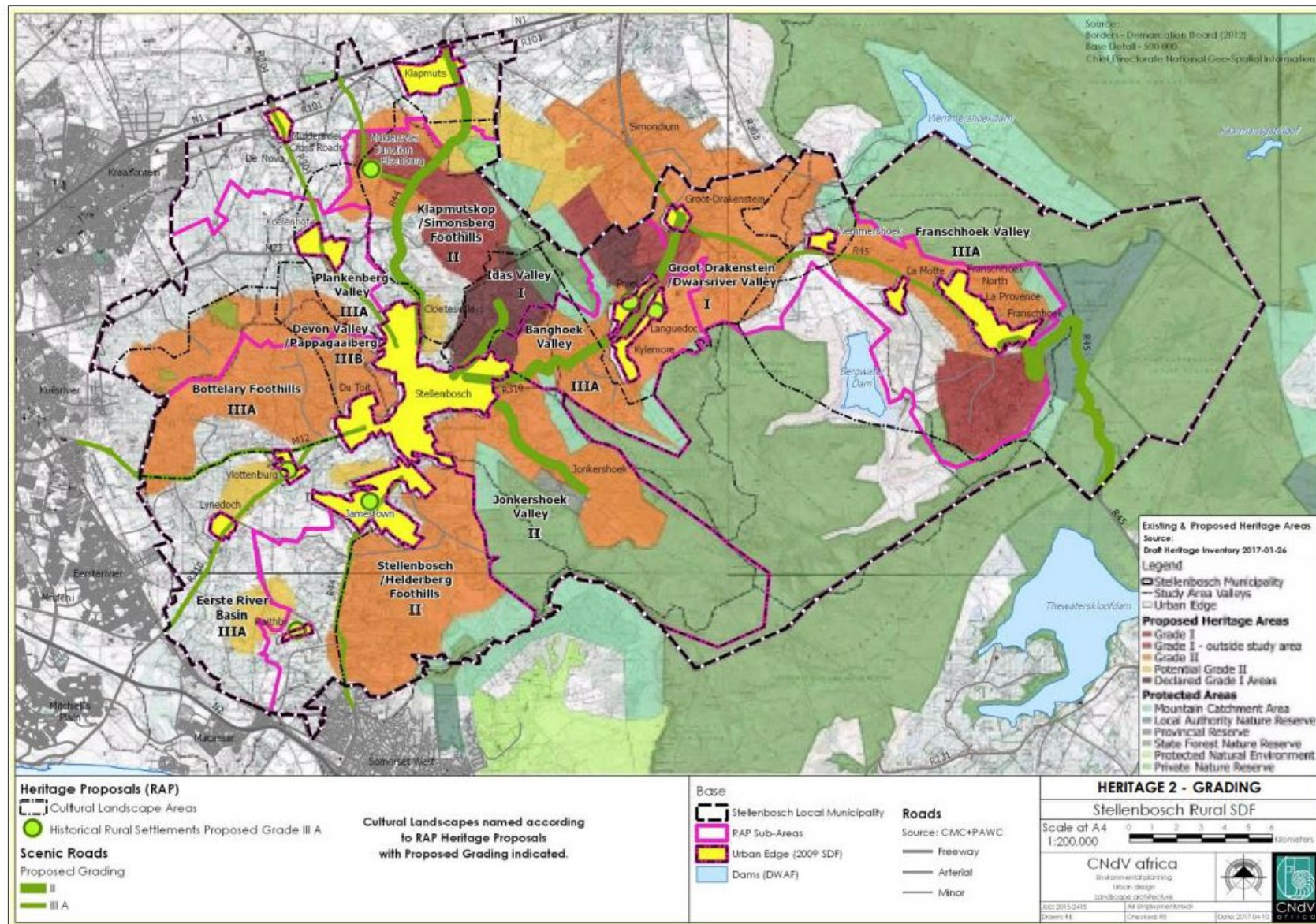
Besides its vital role in memory and memorialisation, this heritage also significantly contributes to economic growth and job creation, especially within the tourism sector.

It is also crucial in the agricultural and agri-industry economy, especially regarding the relationship between emerging and commercial farming, which supports the land reform programme.

Strong legislative dictates and policy imperatives are driving the need for a rigorous programme of heritage protection.

The pattern of significant rural farms, homesteads, and settlements in the municipality follows the courses of the rivers, and agricultural landholdings are included. Therefore, it is clear how connections with the patterns of agricultural production, scenic landscapes, and tourism centres such as restaurants and wineries are reinforced by the pattern of significant heritage landscapes and buildings (see Map 6).





Map 6: Overlay of Rural Area Plan (RAP) proposed grading with draft heritage inventory proposals, SLM Rural Area Plan (2018)

2.8. Socio-Economic Context

According to the functional area typology used in the SLM Capital Expenditure Framework (CEF, 2023), the total population residing in rural nodes increased from 12,999 in 2011 to 20,310 in 2020, and the population in rural areas from 41,690 to 45,421. This indicates that the population in the rural nodes grew by 56.2% between 2011 and 2020 (compared to an increase of 33.2% in the urban nodes), and 8.9% in the rural areas. It also suggests that 22.7% of the total population lived in rural areas in 2020, and 10.1% in rural nodes.

The household size in rural nodes declined from 4.75 to 4.28 between 2001 and 2011, while it remained largely unchanged with a marginal change from 4.25 to 4.26 in the rural areas over the same period (CEF, 2023). Increases have occurred in all population groups in rural areas, with the most significant increase observed among Africans.

It is estimated that approximately 1,500 permanent residential households were accommodated in the rural areas between 2001 and 2011 (Rural Area Plan, 2018). This would have mainly occurred in farming areas and may include some informal dwellings.

In general, this trend is considered problematic from several viewpoints (RAP, 2018):

- It creates a need for better access to social facilities. These are difficult to provide in widely dispersed rural areas and

require rural residents to travel to the nearest urban settlement. This can create transport challenges in terms of affordability and convenience.

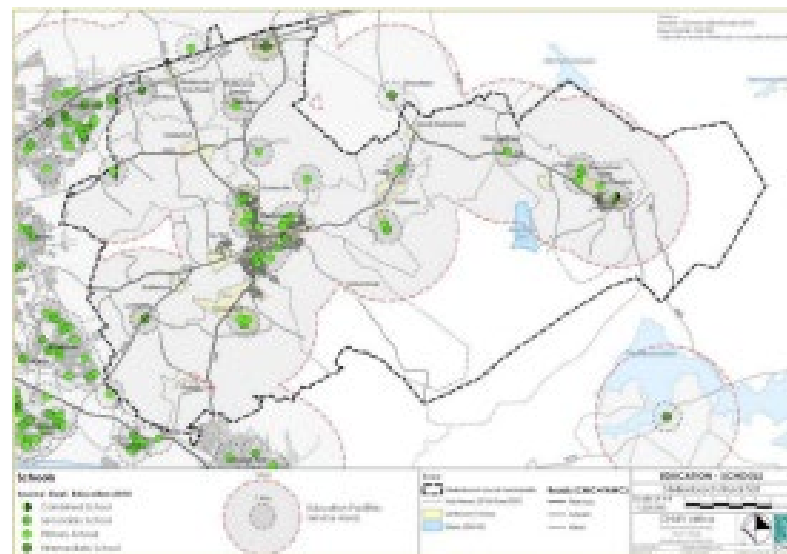
- If residents are not bona fide agriculture workers, they will likely commute to the nearest town, creating transport pressures on minor rural roads.
- Security of tenure in the form of residential freehold is inappropriate, as it involves small urban-sized subdivisions on farms, thereby complicating their

agricultural viability and scale. Provision of municipal services to scattered rural dwellings is not viable in this context; see section: Rural access to facilities.

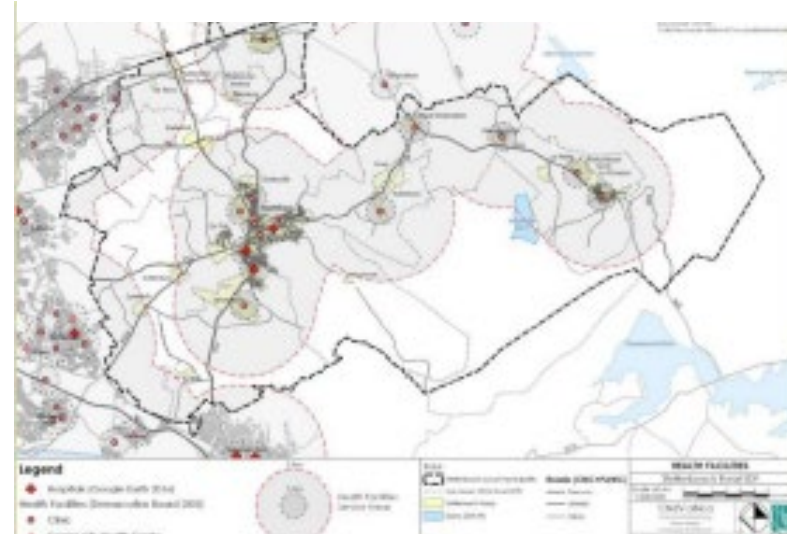
Access to social facilities, particularly schools and clinics, was highlighted as an issue during the public participation process in the preparation of the rural area plan.

According to the Rural Area Plan (2018) rural populations west of the municipality will likely have access to the City of Cape Town's educational and health facilities. In contrast, health and education facilities in the larger villages and towns within the municipality will serve other rural populations, as shown in Maps 7 and 8.

These facilities generally have a comprehensive distribution, which aligns with the relatively low population. However, rural transport to these facilities for those still living on the farms appears to be the primary challenge. The Farmworker Household Survey (Stellenbosch Agricultural Society 2015) found that rural schoolchildren travelled an average of 4.9 km to school.



Map 7: Health facilities, Rural Area Plan (2018)



Map 8: Education facilities, Rural Area Plan (2018)

2.9. Rural Economy

This agricultural and scenic land represent an important component of Stellenbosch's municipal economy in terms of agriculture, agri-processing, tourism, and exports. According to the Municipal Economic Review and Outlook for 2023/24 (WCG, 2023) the respective contributions to the municipal GDP were agriculture R1 144m, a part of manufacturing (total R3 551m), and a share of wholesale and retail trade, catering, and accommodation (total R3 731m).

Other significant contributions are likely to arise from agricultural and scenic resources feeding into construction (R728m) and from financial services, insurance, real estate, and business services (R5 309m). Agri-processing mainly involves winemaking, including an estimated 165 in Stellenbosch, which has the highest number of private cellars in a Western Cape municipality.

The district economy also benefits from these activities in agri-processing, including wine tourism, the presence of internationally acclaimed restaurants, and the local food processing industry.

It is evident that Stellenbosch municipality is well represented across all these economic comparative advantages. The area's main export product in 2022 was wine valued at R4 384m (MERO 2023-24).

The economic significance of Stellenbosch municipality's rural areas is also evident in their role as essential inputs in the agricultural and tourism value chains. These inputs include:

- Natural assets (beautiful natural scenery and indigenous flora and fauna);
- Cultural and heritage assets (scenic landscapes, historic buildings, historical narratives of both indigenous and settler cultures); and,
- Land and water - (vineyards, orchards, grazing).

There is clearly significant overlap between these inputs for both the agricultural and tourism value chains; each individual input, such as agricultural land, supports multiple value chains, including agriculture, agri-processing, and tourism. As a result, the degradation of a single input will adversely affect several value chains.

In recognition of these dependencies, several initiatives aim to further promote agriculture, agri-processing, and tourism in the Cape Winelands, including Stellenbosch Municipality. These include:

- Increasing the amount of water available for agriculture; and,
- Extending the range of tourism products to include adventure tourism, which requires agricultural and dramatic scenic rural landscapes.

Tourism depends on the agricultural and natural landscapes, as well as the cultural heritage of rural regions. There are more than 100 wineries listed on the, nearly all of which feature wine tasting facilities. In addition, there are over 220 accommodation establishment and 150 restaurants available, as well as 90 conference venues situated in the rural areas (Rural Area Plan, 2018). The geographical distribution of these tourist largely directly coincides with agricultural activities.

Adventure tourism activities, such as mountain biking, hiking, and rock climbing, further extend the tourism footprint, sustainably and with minimal impact, into the municipality's remote rural areas, thereby creating economic and biodiversity value in these areas as well.

2.9.1. Farm Size, Productivity & Employment

Agriculture is a major contributor to employment, both directly and as part of the system through the value chain. There are significant variations in the different estimates of employment directly in agriculture. To try and establish a reasonable rural employment estimate a number of sources have been examined:

- The Cape Winelands District indicated that 20.9% of the district's workforce is employed in agriculture. Approximately 10,994 jobs equate to 15.3% of the economically active population in the Stellenbosch municipality.
- Census 2011 found that there were 18,250 employed in the municipal rural areas. This suggests that a figure of 20,000 employed directly in agriculture and in the agricultural/agri-processing/tourism value chain in the rural areas is reasonable.

2.9.2. Agricultural Land Resource

There are approximately 23,000 hectares of land under cultivation, including around 3,000 hectares of dryland

crops, primarily vineyards and orchards, and roughly 19,000 hectares under irrigation. Of these, approximately 16,000 hectares are vineyards. It is estimated that about 214 hectares of agricultural land were lost to development between 2000 and 2015 (SDF, 2023).

Stellenbosch is the primary economic centre within the municipal area and the second-oldest town in South Africa. The Stellenbosch and Franschhoek regions are renowned for their fruit and wine production as well as their cultural and heritage sites. Stellenbosch is also considered a university town, as it is home to Stellenbosch University, attracting students from both national and international backgrounds.

Agriculture is a crucial part of the Stellenbosch municipal area's economy, with agro-processing constituting a significant segment of the manufacturing sector. The Stellenbosch region has the largest wine grape hectarage in the country, covering 14,933 hectares. Over the past decade, the South African economy grew at an average rate of 1.0 per cent, with a total growth of 9.5 per cent. The agriculture sector (55.4 per cent) experienced the highest cumulative growth during this period (see Figure 6).

The irrigated vineyards and orchard blocks are significantly invested in, with a focus on enhancing agricultural

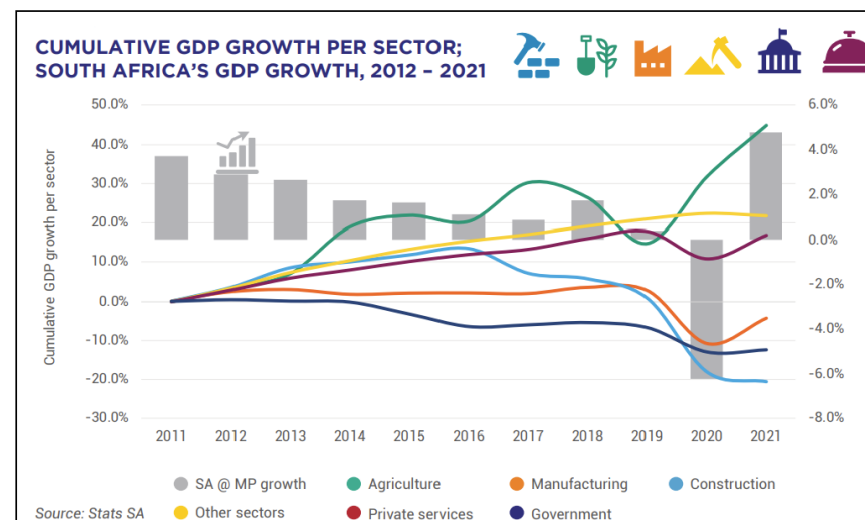


Figure 6: Cumulative GDP growth per sector

infrastructure and productivity. These are primarily located in the western parts of the municipality and in the Dwars River and Franschhoek valleys. There is also approximately 4700 hectares of grazing land, mainly used for cattle and horse farming.

The total area of land under cultivation fluctuates slightly over time due to market, climatic, and business cycle factors. Recently, there appears to have been a slight decline in land dedicated to vineyards in favour of grazing.

3. SYNTHESIS

The following table provides an overview of the synthesis of the context based on the preceding analysis, as well as relevant key issues identified in the municipal IDP, SDF and other sector plans, structured according to the IDP municipal priorities and SDF rural elements.

SDF "Rural" elements (outside urban edges)	Municipal strategic focus areas		
	1. Possibility (economic opportunities)	2. Green and sustainable (Bio-physical)	3. Safety and Security
Agriculture	<ul style="list-style-type: none"> • Small farmer support • Develop food systems and networks. • Set up market opportunities and map the supply chain opportunities • Agri-parks or food hubs to collect, process, and distribute local produce. • Develop value chains in herbs, vegetables, and indigenous plants for health and beauty sectors. • Promote composting agricultural waste, solar-powered irrigation, agroforestry, and local food processing to create sustainable economic models. 	<ul style="list-style-type: none"> • Development of agri- and green tourism opportunities. • Explore forest agriculture opportunities. • Support water security efforts. • Support efforts to improve soil quality and control erosion. Natural buffers, fynbos, and groundcover along slopes and water bodies help maintain topsoil. • Promote investment in drought-resistant crops, regenerative soil practices 	<ul style="list-style-type: none"> • Support and expand farm watch initiatives. • Introduce community safety campaigns and training. Establishing or strengthening rural safety forums involving SAPS, farm owners, workers, and local community policing structures. • Support and promote worker safety. Farm workers, often living on or near the farm, are vulnerable to social unrest, substance abuse, domestic violence, and gender-based violence.
Green network	<ul style="list-style-type: none"> • Support community-based tourism opportunities, e.g., walking and biking trails. • Community gardens along river corridors and buffer zones. • Green events and festivals in public parks and open spaces. 	<ul style="list-style-type: none"> • Provide green-friendly tourism infrastructure • Partner with Stellenbosch University for a "Green Economy Learning Hub". • Biodiversity-based enterprises promoting indigenous plant nurseries or natural remedies. 	<ul style="list-style-type: none"> • Use trail builders to act as trail watchers or green watchers. • Agritourism (wine farms, farm stalls, farm stays) depends heavily on the perception of rural safety for visitors.

	<ul style="list-style-type: none"> Continue ecosystem restoration jobs via projects (wetlands, invasive removal, stormwater buffers). 		
High-value cultural landscapes	<ul style="list-style-type: none"> Develop Tourist safety services (e.g., visitor info points, trained guides, safe route maps) to create jobs. Support Eco-tours on working farms initiatives that integrate wine, history, and community stories. Support Heritage-branded product initiatives, e.g. jams, soaps, textiles, wine, or honey, branded with place identity. 	<ul style="list-style-type: none"> Explore ways that villages and traditional farms can protect old trees, mountain viewsheds and other cultural assets. Explore strategies that combine stewardship to unlock sustainable tourism, green jobs, and landscape-based enterprises. 	<ul style="list-style-type: none"> Well-maintained, actively used public and heritage spaces reduce crime through social activation (CPTED – Crime Prevention Through Environmental Design). Public pride in local identity, when cultivated through storytelling, monuments, and cultural education, encourages stewardship and collective protection. Shared heritage offers a platform for reconciliation and social bridging across communities (e.g., between historically advantaged and disadvantaged areas).
Rural nodes	<p>Rural nodes that serve as service, trade, or innovation hubs within a rural landscape, can unlock a range of economic opportunities when strategically developed.</p> <ul style="list-style-type: none"> Small-scale food processing (drying, bottling, juicing, dairy, baking) Farm-to-market logistics and cold-chain hubs Cooperative-owned processing facilities Training centres and demo farms for youth and emerging farmers Farm stays, storytelling experiences, and culinary tourism Eco-tourism linked to trails, mountains, and biodiversity) 	<ul style="list-style-type: none"> Microgrids and solar energy systems for off-grid or semi-rural communities. 	<p>Rural nodes play a strategic role in enhancing the safety and security agenda of a municipality. When properly developed, activated, and governed, rural nodes not only address spatial inequality and economic underdevelopment but also contribute directly to a safer and more resilient rural environment.</p> <p>By embedding monitoring tools and digital platforms in rural nodes (e.g., incident reporting apps, community check-ins, service usage dashboards), the municipality can track trends and deploy resources more efficiently. These insights</p>

	<ul style="list-style-type: none"> • Integration into Stellenbosch's wine and tourism routes with authentic local content • Community care enterprises (elder care, ECDs, after-school programmes) • Health, nutrition, and mental wellness enterprises • Social franchising models for proven service delivery innovations • Upgraded rural marketplaces and informal trader zones • Mobile shops and digital ordering/delivery systems • Support for stokvels, local buying groups, and consumer clubs 		support smarter safety strategies and budget allocation.
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Table 2: Alignment of SDF rural elements and Municipal Strategic focus areas

4. RURAL DEVELOPMENT STRATEGY

This section addresses the proposed Rural Development Strategy. The strategy section structure is illustrated in Figure 9.

4.1. Vision and Mission

The proposed vision, which supports the Stellenbosch municipality's overall vision, is:

"Thriving, inclusive rural communities across Stellenbosch that honour their heritage, steward their natural resources, and build sustainable local economies through collaboration, innovation, and dignity for all."

This vision expresses the commitment to place-based, people-centred development that integrates social cohesion, economic opportunity, ecological balance, and institutional resilience.

The proposed mission is to:

"To implement a participatory, adaptive rural development model that empowers communities, strengthens rural-urban linkages, and promotes systemic wellbeing through coordinated action, inclusive investment, and regenerative land use practices."



Figure 7: Strategy elements

4.2. Guiding Principles

The following set of principles guide the development of the strategic objectives, implementation strategies and how the overall strategy should be monitored and evaluated.

1. Place-Based and Context-Specific

Development must be rooted in the unique character, history, culture, assets, and aspirations of each rural community, recognising that one-size-fits-all solutions are ineffective.

2. People-Centred and Citizen-Enabled

Rural development must prioritise human dignity, agency, and participation—empowering residents to shape their futures through inclusive governance and collective action.

3. Systems-Thinking and Integration

Economic, social, environmental, and spatial dimensions must be addressed holistically, recognising their interdependence to build long-term resilience and thriveability.

4. Equity, Inclusion, and Justice

The strategy must actively redress historical inequalities and promote the participation of marginalised groups, including women, youth, and historically excluded communities.

5. Regenerative and Circular Economies

Resource use must align with ecological limits and promote renewal—prioritising local production, closed-loop systems, and sustainable land stewardship.

6. Collaborative Governance and Partnerships

Strong networks among government, communities, businesses, academia, and civil society are essential for co-creating, co-implementing, and co-monitoring development efforts.

7. Resilient Local Economies

The foundation of rural wellbeing lies in vibrant local economies anchored in entrepreneurship, smallholder farming, micro-enterprise, and cooperative value chains.

8. Innovation and Appropriate Technology

Digital tools, data platforms, and appropriate technologies must be leveraged to expand access, improve services, and unlock new economic and civic opportunities.

9. Precinct-Scale Transformation

Spatial transformation should be focused and catalytic, with integrated projects concentrated in key rural precincts and areas to maximise impact, unlock investment, and support community hubs.

10. Sustainability and Stewardship

All actions must be evaluated for their long-term social, economic, and ecological impacts, with an emphasis on intergenerational responsibility and community ownership.

4.3. Strategic objectives

The following seven strategic objectives form the backbone of the Rural Development Strategy and will guide project selection, stakeholder engagement, investment, and monitoring:

Objective 1: Enable Inclusive Economic Participation and Local Enterprise Development

- Promote rural entrepreneurship through support for agri-processing, tourism, small-scale manufacturing, and creative industries.
- Strengthen cooperative models and local value chains.
- Expand market access via local procurement, digital platforms, and community marketplaces.

Objective 2: Build Skills and Human Capital for a Resilient Rural Economy

- Develop and implement a rural skills development framework aligned with local economic opportunities.
- Partner with academic institutions (e.g., Stellenbosch University), TVETs, and private sector to offer relevant, accessible training.
- Foster youth participation through incubation, mentorship, and employment pathways.

Objective 3: Enhance Rural Infrastructure and Service Delivery

- Improve access to water, sanitation, transport, energy, broadband, and mobility solutions in rural nodes.
- Promote green infrastructure, circular systems (waste, water, energy), and climate-smart design.
- Strengthen alignment with municipal service plans and budgets.

Objective 4: Promote Environmental Stewardship and Climate Resilience

- Support sustainable land management and regenerative agricultural practices.
- Protect biodiversity corridors, wetlands, and high-value cultural landscapes.
- Embed climate adaptation in project design and community planning.

Objective 5: Foster Social Cohesion, Culture, and Heritage

- Support community arts, storytelling, and cultural programming that celebrate local identity and unity.
- Ensure safety and well-being through community-led safety networks and psychosocial services.
- Recognise and restore the heritage of marginalised communities through spatial and cultural redress.

Objective 6: Strengthen Governance, Participation, and Accountability

- Establish participatory planning mechanisms at the ward and precinct levels.
- Develop and institutionalise multi-stakeholder rural forums and clubs/hubs.
- Promote transparent data use, participatory budgeting, and co-monitoring.

Objective 7: Mobilise Investment and Build Sustainable Financing Mechanisms

- Attract public, private, and blended financing for high-impact rural projects.
- Leverage digital tracking, investment transparency, and reward-based citizen participation.
- Develop community-owned investment vehicles, such as revolving funds or development trusts, to support local economic development.

5. IMPLEMENTATION STRATEGY

The successful implementation of the Stellenbosch Rural Development Strategy hinges on a structured and phased approach responsive to local realities in Stellenbosch and Franschhoek. Although both regions are embedded within a strong agri-tourism and winemaking economy, they exhibit different community dynamics, spatial patterns, and development opportunities. Implementation must, therefore, be tailored to local needs while remaining aligned with the broader strategy.

5.1. Short, Medium, and Long-Term Goals

Short-Term Goals (0–2 years):

- Conduct participatory mapping and socio-economic profiling in rural nodes.
- Establish community-led stakeholder forums to guide local planning and priority setting in conjunction with ward committees.
- Launch pilot projects such as the Agri-Innovation Hub in Klapmuts and a Youth Digital Skills Lab in Franschhoek.
- Develop a rural infrastructure audit and begin upgrades of essential services (e.g., rural roads, water systems, broadband).

- Formalise partnerships with Stellenbosch University, Elsenburg Agricultural College, and local cooperatives.
- Continue with the small farmers' support programme.
- Implement a Rural Land Use Management process that includes:
 - Phase 1: The Responsibility of Council
 - Phase 2: Establishment of an Advisory Committee
 - Phase 3: Establishment of a Land Award Committee
 - Phase 4: Establishment of an Operational Committee
 - Phase 5: Application to Acquire Land or Rights on Agricultural Land
 - Phase 6: Monitoring and Evaluation of Land and Farming Practices
 - Phase 7: Policy Review Process

Medium-Term Goals (2–5 years):

- Expand precinct-based regeneration projects in targeted rural clusters using appropriate development model (e.g., Pniel precinct plan).
- Operationalise the Rural Technology Incubator and Renewable Energy Cooperative in Stellenbosch's peri-urban zones.
- Roll out circular economy programmes (e.g., waste-to-value, composting stations) in agri-villages.

- Integrate rural nodes into the municipal digital dashboard and monitoring system.
-

Long-Term Goals (5–10 years):

- Establish interconnected rural economic zones across Stellenbosch and Franschhoek that link agri-processing, creative industries, and tourism.
- Strengthen cooperative governance structures, such as rural development trusts.
- Achieve measurable income generation, land access, and food security improvements.
- Integrate climate-smart and regenerative agricultural practices across all rural farming clusters.
- Position Stellenbosch as a model of rural resilience and sustainable economic transformation.

6. PROGRAMMES AND PROJECTS

6.1. Supporting and Developing Small Farmers

Small farmer development and support are one of the main programmes and include the following phases:

Phase 1: The Responsibility of Council

Phase 2: Establishment of an Advisory Committee

Phase 3: Establishment of a Land Award Committee

Phase 4: Establishment of an Operational Committee

Phase 5: Application to Acquire Land or Rights on Agricultural Land

Phase 6: Monitoring and Evaluation of Land and Farming Practices

The details of each phase include:

Phase 1: The Responsibilities of Council

Council is permitted to:

- Reserve and manage immovable property in its ownership for municipal purposes in a manner that supports its strategic objectives and permits such property to be enclosed and cultivated.

- Reserve and manage immovable property in its ownership for municipal purposes aligned with operational needs.
- Acquire immovable property and rights in property by way of private treaty, cession, donation, and expropriation to support its strategic objectives.
- Alienate immovable property and rights in property by way of direct sale, public tender, auction, and donation.
- Let immovable property in its ownership on a long-term or short-term basis by way of direct negotiation or public tender.
- Acquire, use or dispose of any capital assets owned by the Municipality, unless it is precluded from so doing by law or the conditions under which the Municipality acquired such immovable assets.
-

Phase 2: Advisory Committee

It is recommended that a committee be established to play a key role in municipal agricultural land administration and management, by applicable legislation. The committee should ideally comprise:

- The Municipal Manager (or assigned)
- Director: Planning and Economic Development (including officials from LED),

- Director: Integrated Human Settlements and Property Management (including officials from Property Management)
- Senior Legal Advisors of Legal Department.
- Western Cape Department of Agriculture.
- Department of Water Affairs
- Winelands Water Board
- Stellenbosch University
- Department of Rural Development and Land Reform
- Special Purpose Vehicle
- Organised stakeholders with formalised relationships, e.g Agricultural Societies
- Any other relevant stakeholder as approved by the Municipal Manager

Guided by the Policy principles as stated earlier, the responsibilities of the Strategic Advisory Committee are varied and include the following:

- Providing strategic land access management and information to the Council (among others)
- Changing the existing land ownership patterns whilst respecting and upholding current property rights. This should be undertaken by terminating current leases where municipal agricultural land is not currently being used optimally.

- Ensure the productive and sustainable use of land to attain both household and food security, as well as increase agricultural output.
- Provide sound and competent advisory service regarding municipal agricultural land allocations and matters of access.
- Identify the sources of land acquisition and select eligible occupants based on specified criteria.
- Ensure compliance with the relevant strategic plans, policies and legislation.
- Ensure that interdepartmental and intersectoral cooperation and alignment occur.
- Ensure alignment with the National Development Plan, Municipal Integrated Development Plan, Municipal Spatial Development Framework, and other relevant sector plans.
- Coordinate the municipal agricultural land allocation system to ensure the successful implementation of the plan.

Phase 3: Land Award Committee

This committee consists of all directors and their primary function is to decide on the most appropriate candidate using the following:

- The Land Award Committee evaluate and provides recommendations to the Operational Committee that will initiate the administrative process.
- Property Management will prepare an agenda item to MAYCO to authorise the public competitive process as described by the MATR.
- Evaluation criteria and preferential point system to be included in the agenda item.

Phase 4: Operational Committee

Guided by the policy principles as stated earlier, the responsibilities of the Operational Committee are varied and include providing land administration and information to the Strategic Advisory Committee. It is recommended that the following departments form part of the Operational Committee:

- Property Management
- Local Economic Development
- Legal Services
- Environmental Management

The functions of this Committee will be to:

- Facilitate partnerships between established and emerging farmers, industry, and government to facilitate investment, sustainability and efficiency of farming enterprises.
- Coordinate local support services.
- Receive and review land applications and/or proposals in terms of principles and specified criteria as set out in this policy and the applicable legislation.
- Maintain a database or register of land inventory and conduct periodic land audits.

Phase 5: Process to Acquire Land or Rights on Agricultural Land

Rural development and land reform are not municipal functions per se; however, rural development has a spatial dimension and is implemented in municipal spaces. Therefore, the role of local government cannot be overemphasised. The disposal of agricultural land and the awarding of rights in agricultural land will be addressed by this policy and the applicable legislation.

As the custodian of relatively large tracts of land, Stellenbosch can make a meaningful contribution to the Government's efforts to correct disparities in land use as a result of policies of a previous dispensation. The Municipality has a core responsibility to acquire and avail land, in the first

instance, for its use for purposes of developing and maintaining municipal infrastructure, promoting service delivery and facilitating social and economic development and spatial integration.

The Municipality has a further responsibility in terms of acquiring, managing, developing and releasing its land and other immovable assets and rights on behalf of its residents and ratepayers. In this regard, the key consideration is that the best interests of the Municipality (and thus its residents) should be paramount in all land transactions that the Municipality enters into.

Beneficiaries will be selected from lists compiled from advertising in all the printed media in Stellenbosch. The advertisements will specify the size and type of land available, as well as for which kind of farming or land use the land is earmarked. Applicants for land lease must complete a set of documents obtainable from LED, which will specify inter alia:

- What documents should be attached to the application (ID's etc.)
- Type of application (Cooperative, Trust or individual Farmer)
- Farming category: Community gardens; emerging farmers; commercial farmers.

- Agricultural beneficiation: The development or use of existing or agreed-upon infrastructure for value addition through refinement, bottling, packaging, processing, etc.
- A business plan covering:
 - Proposed business model
 - Production viability
 - Market access
 - Financial Viability
 - Support Services
 - Financial model.
- Further criteria as occasioned by the needs of the specific project, which may include, where appropriate:
 - A residential requirement (e.g. must have been a resident of Stellenbosch for 10 years or more);
 - Experience in farming and/or business management at an appropriate level;
 - A means test income requirement.
 - Monthly cash flow or banking statements
 - Assets owned without encumbrance
 - Assets available but encumbered
 - Partnership and cooperation with a mentor if required.
 - Attendance at human development opportunities as prescribed.

- Compliance with the policies of the Municipality and other applicable legislation and with the rules and regulations as set out by the Municipality from time to time.
- The criteria and process to be determined by the Municipal Manager and may vary on a project-to-project basis based on the following principles:
 - Must be a South African citizen
 - Must be an adult.
 - Must be from a previous disadvantaged group
 - Must have at least been a permanent resident of the Stellenbosch Municipal Area (minimum 5 years) on a sliding scale.
 - Must have a proven agriculture track record weighted by the fact that such a person has been employed in an overseeing capacity.
 - Supply chain guidelines to be followed.

Phase 6: Monitoring and Evaluation

The municipality cannot monitor and evaluate the progress of agricultural land and farming practices in general. It is therefore imperative that Partners / Mentors must be found to assist in the process to not only mentor a new generation farmer but also take up the responsibility to oversee proper farming processes that is in the best interest of Stellenbosch.

It will, however, be in the best interest of Stellenbosch municipality to have its own database of Partners/ Mentors, and therefore LED will set a process in motion to identify willing and able persons, with expertise not only in agriculture, but also in other aspects (e.g., beneficiation) relating to farming enterprises.

Phase 7: Policy Review Process

- The Rural Development Strategy shall come into effect on the date of the Council resolution.
- This Rural Development Strategy may be reviewed annually and when required by way of Council resolution.

6.2. Catalytic Projects and Programmes

The next set of catalytic projects is aligned with the overall strategy but requires further exploration. They include:

1. **Agri-Innovation Hub:** Establish a hub that supports small-scale farmers and agri-entrepreneurs through training, mentorship, and shared infrastructure, including processing facilities, cold storage, and packaging services.
2. **Wine and Culinary Route Expansion:** Enhance existing wine routes by integrating culinary tourism, local art, and cultural experiences to attract higher-value tourists.
3. **Renewable Energy Cooperatives:** Promote solar and wind energy projects owned by local communities to reduce energy costs and create revenue streams.
4. **Youth Empowerment and Skills Training:** Develop programs focused on digital skills, technical training, and entrepreneurship for rural youth.
5. **Cultural and Creative Industry Clusters:** Create hubs where local artists, designers, and crafts people



can collaborate, produce, and sell their work, supported by digital marketing platforms.

6. **Regenerative Agriculture Programs:** Promote sustainable farming practices that improve soil health, reduce water usage, and enhance biodiversity.
7. **Rural Technology Incubator:** Provide support for tech-based startups in rural areas, including access to co-working spaces, mentorship, and funding.
8. **Local Food Systems and Market Linkages:** Strengthen local food systems by connecting small producers with larger markets and promoting local consumption.
9. **Circular Economy Initiatives:** Develop recycling, composting, and waste-to-value projects to reduce environmental impact and generate income.
10. **Community-Owned Tourism Ventures:** Support community-driven tourism businesses that preserve local heritage and share economic benefits.



7. PARTNERSHIPS AND STAKEHOLDER ENGAGEMENTS

Stakeholder engagement and the involvement of rural communities are vital for the implementation of the Stellenbosch Rural Development Strategy.

By rooting the strategy in local partnerships and empowering rural voices, Stellenbosch can foster a culture of shared responsibility and sustained transformation. Community engagement is not an event—it is a continuous process that will shape the heartbeat of rural development.

Examples where rural communities have taken the lead in development partnerships with the municipality and local stakeholders, to develop their rural regions, include:

- **Spier Wine Farm and Valley Collaborative:** A leading example of sustainable development and community investment, Spier supports arts initiatives, farming mentorship, and conservation. Its model of linking business success to community empowerment offers a replicable approach for other agri-enterprises in Stellenbosch.
- **Franschhoek Wine Valley Tourism Association:** This group has championed inclusive tourism development,

Promoting local products, culture, and hospitality businesses while preserving the heritage landscape. Their work provides a strong foundation for community-owned tourism ventures.

The Valley Collaborative began with a group of community leaders who were concerned about food security during the Covid-19 pandemic in Lynedoch Valley, which includes the Vlotenburg, Vlaeberg, and Lynedoch communities. Over time, this evolved into a monthly meeting of an informal group called the Community Committee.

Today, the committee has expanded to over 20 individuals from various stakeholders in the area, united by a shared desire to bring about positive change in their communities. Concerns have broadened from food security to include education, youth unemployment, physical and mental health, art and recreational activities, among other issues.

The value of the approach is that it offers the Vlotenburg and Lynedoch community stakeholders **innovative strategies** that promote integration and sustainability and link planning closely to implementation.

Significant benefits of the approach include:

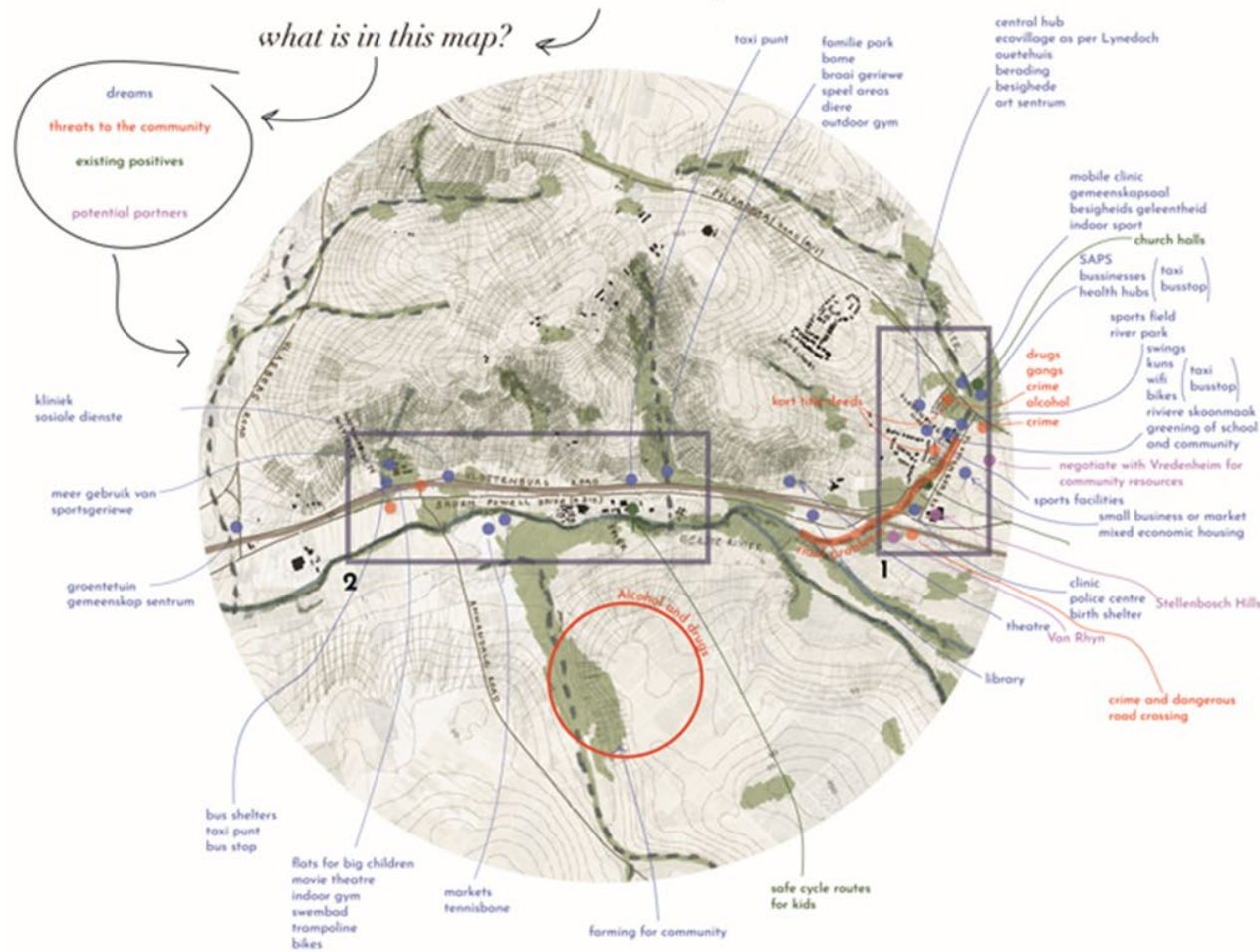
- A common agenda and shared vision;
- Mutually reinforcing activities or aligned actions by participants;
- Continuous communication to build trust and engagement;

- A shared measurement system to encourage accountability alignment; and
- A dedicated 'backbone' or organisational support is needed to coordinate the partnership's work.

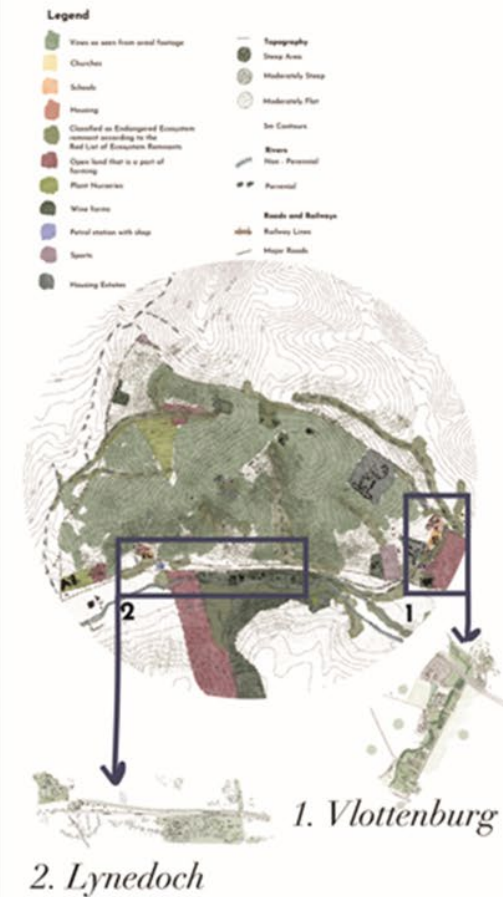


what do we have in lynedoch and vlottenburg?

Community Voices



Activity Mapping



can we use what we have as a starting point to dream?

Zooming in on Vlottenburg and Lynedoch

Arrival Points

Development Principles

Environmental Sustainability

Focus on preserving and restoring natural ecosystems, biodiversity, and water resources. Implement renewable energy sources and sustainable agricultural practices.

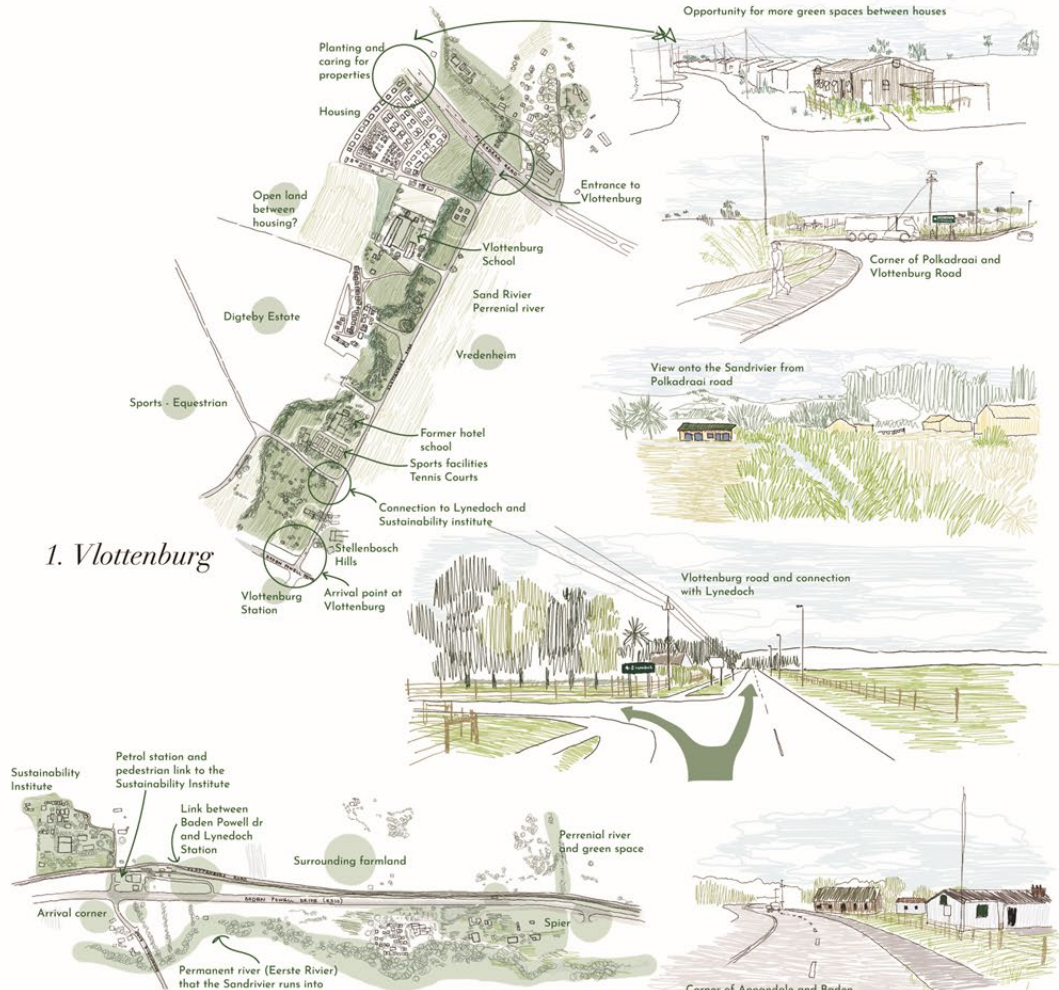
Economic Sustainability

Develop local economies that are resilient and diverse. Promote activities that have minimal environmental impact and encourage circular economy practices.

Social Sustainability

Focus on full participatory planning, social equity, access to essential services, and community well-being.

1. Vlottenburg



2. Lynedoch

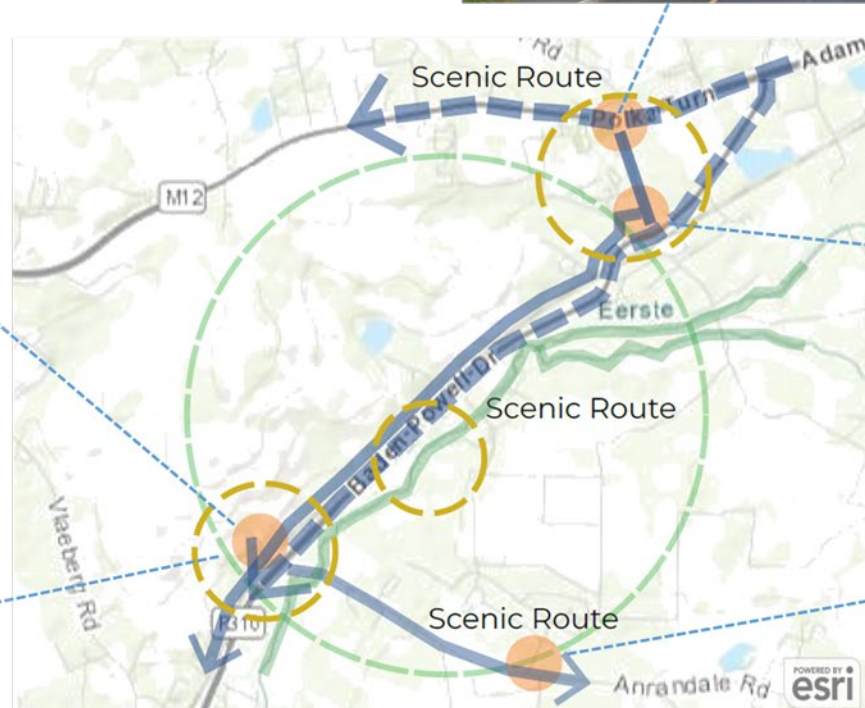
GATEWAY 1: Vlotenburg



GATEWAY 4: Lynedoch Station



GATEWAY 5: SI Entrance



GATEWAY 2: SI Vlotenburg



GATEWAY 3: Spier
Annandale Entrance



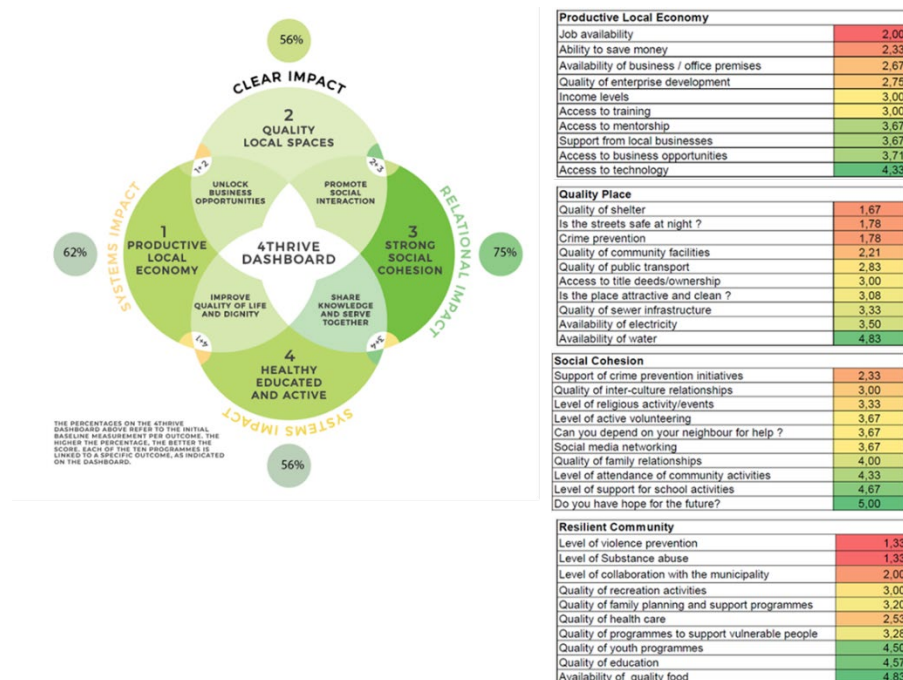
From February to June 2024, Vlotenburg and Lynedoch community stakeholder engagements were held as part of a process (see Roadmap illustration) to identify priorities and possible interventions. The stakeholders identified the following challenges and opportunities :

- School safety needs attention;
- There is a need for quality recreation spaces;
- The existing sports fields are unsafe;
- There are insufficient counselling services for children;
- Health facilities are not sufficient;
- Support for enterprise development is needed;
- Violence is high, and where appropriate, communities should get involved with crime prevention activities;
- Enterprises need assistance with product development; and
- Job creation and further enterprise development need attention.

What was encouraging is that there was a clear message from the engagement sessions that the community of Vlotenburg and Lynedoch Valley is already working together to address some of the mentioned priorities, challenges and opportunities.

By involving communities in participatory spatial mapping, valuable local insights were gathered and a collaborative environment fostered that can drive successful and sustainable development projects.

In summary, involving the Valley communities in participatory spatial mapping ensures that development projects are more accurate, inclusive, sustainable, and reflective of local needs and conditions. This collaborative approach not only enhances the quality of the maps but also fosters stronger, more resilient communities.



8. FUNDING MODELS AND RESOURCE MOBILISATION

Funding the Stellenbosch Rural Development Strategy requires an innovative, diverse approach that blends public, private, and community resources. Relying solely on traditional government funding is inadequate to address the scale and complexity of rural transformation.

The strategy proposes a blended finance approach that mobilises investments via various channels—utilising municipal budgets, catalytic donor funding, private sector partnerships, and contributions from local communities.

Each rural precinct or region can create an investment-ready portfolio of projects that align with local priorities and economic potential. This approach allows for the development of tailored strategies to mobilise resources across sectors like agriculture, infrastructure, enterprise development, skills training, and social services.

At the core of the funding model is the principle of shared value and co-ownership. By engaging a variety of stakeholders—from development finance institutions and commercial banks to cooperatives, SMMEs, and informal traders—the model encourages financial sustainability, risk-sharing, and inclusive growth. Innovative mechanisms, such as impact investing, development trusts, revolving loan

funds, along with appropriate incentives and a digital platform, will promote transparency, encourage participation, and ensure that resources are directed to projects with the highest social and economic returns. The proposed model is flexible and scalable, designed to expand over time and adapt to emerging opportunities and challenges across the municipality's rural landscape.

- **Blended Finance Models:** Combine public sector grants and infrastructure funding with private investment and commercial capital. This approach reduces project risks and attracts long-term funding for initiatives such as agri-parks, eco-tourism sites, and energy cooperatives.
- **Impact Investing:** Mobilize capital from investors seeking measurable social and environmental returns alongside financial returns. Targeted impact areas include regenerative agriculture, rural enterprise development, and youth employment.
- **Social Impact Bonds (SIBs):** Outcome-based contracts where private investors fund upfront project implementation and are repaid by government or donors upon achieving agreed outcomes (e.g., job creation or graduation from training programs).
- **Municipal and Provincial Budget Allocations:** Secure multi-year budget commitments for rural infrastructure, services, and precinct planning. Embed rural development into IDP and LED budget frameworks.

- **Green Finance and Climate Adaptation Funds:** Access funds such as the Green Climate Fund, the South African Green Fund, and agricultural sustainability grants to support renewable energy, water stewardship, and climate-resilient farming.
- **Development Finance Institutions (DFIs):** Partner with institutions like the IDC, DBSA, and Land Bank for concessional loans, equity investments, and blended capital for enterprise and infrastructure projects.
- **Community Equity and Cooperative Ownership:** Promote models where communities own equity in ventures (e.g., tourism lodges, processing plants, solar farms), ensuring long-term benefit sharing and reinvestment in local priorities.
- **Philanthropy and Donor Funding:** Leverage foundations and international donors to fund catalytic projects (e.g., digital skills labs, innovation hubs), particularly during early stages or pilot implementation.
- **Platform-based Crowdfunding and Member Contributions:** Use digital tools and pay-what-you-can models to mobilise local support and unlock grassroots contributions toward shared infrastructure and enterprise development.
- Blend municipal budgets with private sector investment, social impact bonds, and donor funding.
- Leverage shared infrastructure platforms (e.g., community hubs, shared workspaces).
- Facilitate access to green finance and rural development incentives from the provincial and national governments.
- Promote cooperative and trust-based financial structures that reinvest in the local economy.

9. MONITORING AND EVALUATION

Monitoring and evaluation (M&E) is central to the success of this strategy. It ensures that implementation stays on track, outcomes are measured, and resources are allocated effectively. A robust M&E framework enables adaptive learning, community participation, and accountability across all stakeholders. The system must integrate both quantitative and qualitative data and reflect the unique dynamics of Stellenbosch's rural environment.

Example KPIs include:

- Number of new enterprises and cooperatives established.
- Increase in household income in targeted rural communities.
- Number of youth and women completing accredited training programmes.
- Hectares of land under regenerative or climate-smart agriculture.
- Reduction in unemployment rates within rural nodes
- Proportion of rural households with access to broadband connectivity.
- Growth in the volume of locally processed agricultural products.
- Number of community-owned tourism initiatives supported.

- Volume of funding mobilised from blended finance and impact investors.
- Number of community clubs and hubs operating sustainably.

As a principle, the following should be considered:

- **Defining Key Performance Indicators (KPIs):** Develop a detailed KPI framework tailored to each intervention area (e.g., job creation, household income, land use change, school enrollment, SME growth, food security levels). Indicators should be SMART (Specific, Measurable, Achievable, Relevant, and Time-bound) and disaggregated by gender, age, and location to ensure inclusive tracking. Baseline data collection must be prioritised in the initial implementation phase to enable meaningful comparison over time.
- **Impact Assessment Framework:** Implement a results-based monitoring and evaluation (M&E) system that tracks both outputs (e.g., number of cooperatives established, infrastructure upgraded) and outcomes (e.g., increased incomes, reduced poverty rates, environmental improvements). Use quantitative and qualitative tools, including household surveys, focus groups, case studies, and geo-spatial data. Incorporate Social Return on Investment (SROI) and Theory of Change methodologies to assess broader systemic impact.

- **Continuous Learning and Improvement:** Establish a feedback loop that regularly reviews data and community input to guide decision-making. Quarterly and annual review sessions should be held with community representatives and stakeholders to reflect on lessons learned, successes, and areas needing adjustment. Learning labs and peer-to-peer exchanges between rural nodes should be institutionalised to encourage innovation and replicability.
- **Reporting and Transparency:** Develop a transparent and participatory reporting mechanism. Publish progress reports, visual dashboards, and infographics accessible to community members, funders, and municipal leadership. Include citizen scorecards and participatory audits to strengthen local accountability. Use digital tools to streamline data collection, visualisation, and dissemination. Measuring economic, social, and environmental outcomes.

9.1. Risk Management and Contingency Planning

Effective rural development requires the ability to anticipate, monitor, and respond to a range of risks that could undermine outcomes. The Stellenbosch Rural Development

Strategy incorporates risk management as a cross-cutting function, integrated into all stages of planning, implementation, and evaluation. The following table identifies risk categories and relevant examples.

Risk Category	Examples
Market Risks	Agricultural price fluctuations, input cost increases, and consumer demand shifts
Climate & Environmental Risks	Droughts, floods, wildfires, soil degradation, and biodiversity loss
Institutional Risks	Policy misalignment, poor interdepartmental coordination, governance vacuums
Social Risks	Community conflict, stakeholder fatigue, and exclusion of vulnerable groups
Financial Risks	Funding delays, withdrawal of donors, and poor financial management
Operational Risks	Implementation capacity gaps, contractor underperformance, and skills shortages
Technological Risks	Failure of digital platforms, low digital literacy, and cyber vulnerabilities

Table 3: Risk categories

Proactive Risk Management Measures

Proactive risk management measures include the following:

Early Warning Systems and Indicators	<ul style="list-style-type: none"> • Develop a set of resilience and risk indicators, monitored quarterly at the precinct level (e.g., food price sensitivity, rainfall variability, community trust levels). • Link these to a digital to flag early signs of systemic stress.
Scenario Planning and Contingency Strategies	<ul style="list-style-type: none"> • Use scenario planning to test vulnerabilities and create contingency plans (e.g., how to pivot from export crops to local food production in case of trade disruption). • Integrate flexibility in contracts and funding arrangements to allow for rapid reallocation.
Inclusive and Adaptive Design	<ul style="list-style-type: none"> • Design projects to allow for iterative changes based on local feedback and real-time monitoring. • Use “learning-by-doing” and prototyping as part of implementation, especially in early-phase precincts.

Local Capacity Building	<ul style="list-style-type: none"> • Train community facilitators and hub coordinators to identify and escalate risks early. • Develop community safety and resilience plans that include mapped roles, triggers, and resources in advance.
Institutional Risk Sharing and Coordination	<ul style="list-style-type: none"> • Establish clear interdepartmental MOUs and coordination protocols to avoid role confusion or duplication. • Promote co-financing and pooled investment models to distribute financial risk among stakeholders.

Table 4: Risk management measures

10. SUMMARY AND RECOMMENDATIONS

The Stellenbosch Rural Development Strategy presents a bold, integrated plan to address spatial inequality, unlock local economic potential, and promote thriving rural communities. Rooted in place-based, people-focused, and citizen-empowered development principles, the strategy recognises that genuine transformation must come from the lived experiences of Stellenbosch's diverse rural settlements. It advocates moving away from fragmented, project-specific initiatives towards a cohesive, systems-based approach that boosts resilience through collaboration, innovation, and inclusion.

To realise this vision, the strategy outlines a clear framework starting with understanding the context and establishing shared principles. It then advances to focused implementation plans and a system for monitoring and evaluation. Success relies not just on the actions implemented but also on their execution — emphasising strong governance, coordination across government levels, active community participation, and strategic investment in catalytic projects.

Building local institutions' capacity and leveraging digital tools will be crucial for ensuring transparency,



responsiveness, and continuous learning throughout the process.

Key Recommendations:

1. **Institutionalise** the strategy within Stellenbosch Municipality's Integrated Development Plan (IDP), LED Strategy, and Spatial Development Framework (SDF).
2. **Prioritise precinct-based pilots** in areas such as Jonkershoek and Pniel, to demonstrate early wins and build momentum.
3. **Establish a Rural Development Steering Committee** with representation from communities, government, civil society, and private sector actors.
4. **Mobilise blended investment portfolios** that combine public funds, impact capital, and community savings for key projects.
5. **Embed monitoring, learning, and feedback loops** at every level through citizen reporting tools, and open data dashboards.

By implementing these recommendations, Stellenbosch can pioneer a model of inclusive rural transformation that not only uplifts its communities but also sets a benchmark for sustainable rural development across South Africa.