

CASE STUDY: Participatory Economic Action Planning in Limehill – Project Preparation

Trust KZN

Main objectives:

To conduct a rapid Participatory Economic Action Planning (PEAP) process in Limehill, Indaka Municipality, with the objective of participatively developing action plans for residents to improve their local economy without depending on government or donor grants or subsidies to do so.

Project benefits:

The project has provided people with the knowledge and means to generate income and promote economic growth without being dependent on donor or government funding and projects, as well as having strengthened social capital within the Limehill community.

Project overview:

Limehill is but one of the many artificial communities created by the apartheid policy of “black spot” removal. Limehill is in Indaka Municipality some 20 km SE of Wasbank where the Indaka Municipal offices are located. It is one of a complex of settlements and “villages” some 50 km to the east of Ladysmith. There are a couple of schools, a community hall and tribal authority offices. Limehill has no commercial centre although there are the beginnings of one near the taxi rank in Uitval some 4-5 km away. People consequently shop in Ladysmith (at a cost of R50 return by taxi) and for expensive item they go to Newcastle.



PPT was approached by a resident of the Limehill community who had researched PPT and felt that PPT’s LED projects would be of benefit to the area. A preliminary visit to the area revealed that both formal and informal leaders of the community were concerned about the culture of dependency that had developed as a result of government projects such as the Extended Public Works Programme, and noted that the limited nature of this type of job creation also had a negative impact on the social capital of the community as a result of disputes arising from perceptions of unfair allocation of resources. The community is compact and clearly defined which increases the impact of group participatory activities such as PEAP. Despite obvious challenges such as the distance from Durban and the apparent lack of economic opportunities in the area, it was decided to begin implementing a PEAP that had been designed in such a way that participants would be required to do a significant amount of research and analysis of local conditions. If at any point it appeared that participants were not prepared to do so, PPT would consider stopping the PEAP process.

Service provider to PPT:

Gerry Delany and Mandla Sindane, assisted by PPT’s Trainee Project Manager, Sphiwe Qwabe.

Project preparation:

Following a meeting requested by Limehill residents, PPT conducted a preliminary assessment of: (a) the economic conditions of the area; (b) the degree of social infrastructure and organisation; and (c) the willingness of residents to participate in a PEAP process which would require an input of both time and effort from participants. It was concluded that conditions for conducting a PEAP were present.

Project implementation:

The project was implemented over a period of approximately eight weeks in the following phases:

1. Initial meeting / Workshop 1 with leadership team and brief PACA exercise
2. Workshop 2- Feedback on initial meeting, mapping of economic activity and local skills, resources and relationships
3. Outside interviews
4. Workshop 3 - Feedback, economic mapping, additional exercises, charting local institutions
5. Sector workshops and further interviews where necessary
6. Planning workshop incl. review of assets and opportunities, visioning exercise, priority setting and outline plan
7. Write up

The PEAP process used the Asset Based Community Development (ABCD) model which uses participatory techniques to assist residents to identify assets within the community as a starting point to develop social capital as well as income generating activities. Participants were asked to list assets in Limehill (e.g. natural resources, infrastructure, and social networks). People were invited to speak about aspects of Limehill of which they were proud. Participants then inventoried these assets by means of splitting into groups and drawing maps of Limehill showing where the assets were and how they connected to one another. Using the “Leaky Bucket” analogy, residents identified sources of income to the community, money circulating within the community and money “leaking” out of the community.





Residents were then asked to identify successful businesses in the area so that the PEAP facilitators could speak to these entrepreneurs to learn how they had become successful. Nine entrepreneurs were interviewed and all identified obstacles that they felt prevented them from becoming more successful. However, two common themes amongst all entrepreneurs were clear: (a) each had a desire to be able to teach other community members their skills, e.g. sewing, welding, upholstery, farming and traditional crafts; and (b) each had more than one source of income, e.g. in addition to their primary businesses, people would sell airtime, make traditional crafts, or bake.

At the following session, participants mapped the additional assets which they had identified in the intervening period. Participants were then asked to identify realistic businesses that they wished to develop based on the information that had been gathered from participants and entrepreneurs. Participants identified four sectors in which they had an interest: retail, services, manufacturing and agriculture. The participants formed groups based on which sector they wished to operate in. Each group then participated in a workshop specifically aimed at identifying opportunities for generating income in this sector, with heavy emphasis on “DIY Funding” i.e. identifying businesses for which there is a market and establishing them without outside funding.

The final workshop, for all participants, was a planning session at which residents were asked to envision economic and social changes they wanted to see in their community within the next five years that were not dependent on outside funding or other resources. Priorities were then identified in order to achieve this vision, from which plans were made. The common themes across plans for each sector included:

- A need for both business and technical skills development. It is noted that all the entrepreneurs who were interviewed had expressed a desire to teach their technical skills to others.
- The need for and benefits of sharing information with one another.
- The need to “buy local” to decrease leakage of cash from the local economy.
- The value of informal co-operation to improve quality and decrease costs, e.g. shared transport and bulk buying.



Again people formed themselves into groups to implement the plan which they felt they could contribute to the most. Convenors were chosen and dates set for followup meetings.

Monitoring and impact evaluation:

Monitoring of the implementation plans is ongoing, mainly by means of telephonic mentorship and coaching. As the process has only just been completed, it is not yet possible to quantify impact. However, qualitative impact measurement gained from feedback from participants has been very positive, with people reporting that they believed changes could be achieved if the plans were implemented.

Main lessons:

- The PEAP process is an effective means of changing people’s perceptions of their economic assets and opportunities, and providing people with the means to make changes to their local economies, thereby decreasing the culture of dependency.
- A PEAP process will only be successful if participants’ expectations are realistic, and it is important to have highly skilled facilitators implementing the PEAP who will ensure that participant’s expectations of the PEAP process and the plans that arise from it remain realistic.
- A PEAP process will only be successful if there is an active demand for it from a significant portion of the community.
- A PEAP process will only be successful if beneficiaries are required to invest time and effort in it, rather than be passive recipients of information. This is crucial to build social capital, cohesion in the community and the will to plan and implement plans together.
- Isolation from major economic sectors can be a benefit for small communities wishing to grow their economy, because if they agree to share skills and resources and take steps to keep money circulating within the economy instead of leaking into major commercial sectors (e.g. “buy local”) the local economy will slowly start to grow, providing further entrepreneurial and employment opportunities.
- As demonstrated in previous PPT projects of a similar nature, this approach can only be successful if it focuses on one reasonably sized area, for example an area which is small enough to allow all participants to walk to their destinations rather than using transport. Local economic conditions vary greatly between one community and the next and therefore too large a focus area is going to make a PEAP process ineffective.

