



Alleviation of Poverty Through the Provision of Local Energy Services (APPLES)

Project no. EIE-04-168

**Project Deliverable No. 19:
Community Visits**

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Abstract

The present report is deliverable no. 19 of the COOPENER project ‘ Alleviation of Poverty through the Provision of local Energy Services(APPLES)’ and covers Work Package 6. The APPLES project commenced on 1 June 2005 and is implemented in South Africa by ECN, The Netherlands, University of Oxford, UK, Risoe National Laboratory, Denmark, Parallax South Africa and the Energy Research Centre of the University of Cape Town.

The main objectives of APPLES are to understand the energy needs and energy priorities within the target communities, to determine and demonstrate the best practices for energy service provision to meet the needs of these communities, and to strengthen the embryonic networks of existing energy centres in South Africa.

The present report presents short descriptions of the main interactions with key stakeholders and visits to local communities during the establishment of the Highflats Energy Centre. These activities were aimed at raising awareness of APPLES activities and associated energy issues, and to demonstrate the available energy systems to be offered by HEC.

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Disclaimer

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Contents

1.	Overview	4
2.	Pre-Launch Stakeholder Visits	4
2.1	Meeting with Zukiswa Mzimkulu, KZN leC Officer, Nov 07	4
2.2	Meeting with Martin Sithole, Municipal Manager (Nov 07)	5
2.3	Community Visit (Nov 07)	5
2.4	Meeting with Local & District Municipalities, & PSA (Jan 08)	6
3.	Interaction with Key Stakeholders	7
3.1	National Development Agency	7
3.2	United Kingdom Foreign & Commonwealth Office	8
3.3	Small Enterprises Development Agency	8
3.4	Further Education and Training College	8
3.5	District Department for Economic Development	8
3.6	Deputy Mayor, uBuhlebezwe Municipality	9
4.	HEC Launch - Supplier Presentations	9
5.	Conclusions	10
	Annex 1: Photos from Supplier Demonstrations at HEC Launch	11
	Annex 2: Stakeholders Invited to the HEC Official Opening	12

1. Overview

This content of this report is intended to cover the deliverable that was originally described as arranging community training and demonstration visits for local decision makers in different communities. It was expected that at least two such visits would be undertaken for each energy centre established. In the event, although key stakeholders were given the opportunity to interact with local community representatives during the project, the nature of the intended awareness-raising activities was adapted to reflect the practical development of the project concept.

Due to the later-than-expected opening of the Highflats Energy Centre¹, the highlight of this deliverable was the participation of key stakeholders in the launch event, which gave the opportunity for decision-makers to meet with representatives from the local communities targeted by APPLES. Previous meetings had also been held between local stakeholders to provide greater awareness of APPLES activities and associated energy issues, and to demonstrate the available energy systems to be offered by HEC.

2. Pre-Launch Stakeholder Visits

A wide range of visits to and from key stakeholders were undertaken during the preparations for launching the Highflats Energy Centre. These communications were primarily aimed at familiarising the relevant local decision-makers with HEC and building the capacity of these stakeholders to understand the intended HEC operations in the rural communities around uBuhlebezwe. Some of the most significant interactions are described briefly below.

2.1 Meeting with Zukiswa Mzimkulu, KZN IeC Officer, Nov 07

Ms Mzimkulu is the provincial officer for the national Government's Integrated Energy Programme in KwaZulu Natal. In the lead up to launching HEC, it was essential that she was fully aware of the approach intended and the prospects for introducing this approach into the IeC programme. The latest APPLES developments were presented.

Some of the relevant issues raised were:

- all IeCs managed by DME² are now modelled on co-operatives and experience has suggested that this would be the best approach for HEC to adopt
- for rural communities, DME realises that petrol stations will not be possible in IeCs³ so other models are being considered
- fraud is a big problem at the IeCs so careful auditing procedures are required; this will be particularly important in rural areas
- all IeCs have extensive municipality involvement and this will be important for HEC
- consideration should be given to providing HEC with a vehicle to assist with the movement of supplies and staff; the decentralised co-op model being demonstrated

¹ late due to the delays in the construction of the Multi-Purpose Community Centre that was originally expected to accommodate HEC

² national Government Department of Minerals and Energy

³ the current DME IeC programme is funded by large oil companies, whose support was initially dependent upon petrol stations being the focus of the IeCs; a broader scope has recently become a recognised requirement

by APPLES may reduce the transportation requirement, but this will probably still be an important requirement

- ZM will try to find relevant information material to be used by APPLES

2.2 Meeting with Martin Sithole, Municipal Manager (Nov 07)

Mr Sithole was Municipal Manager for uBuhlebezwe for most of the duration of the APPLES project and a positive relationship was formed with him and Municipal staff. Unfortunately, due apparently to party politics, Mr Sithole was subsequently replaced in March 2008. However, his interaction with HEC members and willingness to learn about the rural communities targeted have provided a strong link to the Municipality, which seems to have been successfully maintained.

Key issues from these discussions included:

- the planned opening day for Highflats MPCC⁴ is 21 March, though keys to rooms should be available before then
- the District is responsible for the construction phase of the MPCC; responsibility for operation transfers to the local municipality after construction is complete
- APPLES events can be hosted at the local municipality, provided that sufficient advance notice is provided
- ethanol gel and stoves are provided by the municipality to local residents at no charge (through Greenheat) so this may not be useful stock for the centre⁵
- a co-operative model seems appropriate for uBuhlebezwe and would provide some control over the selling price
- regulating the centre operation in the form of a franchise (with Board representatives for unserved areas) should be considered
- it is possible for entrepreneurs to be part of the centre's co-operative, with the incentive of lower-cost supplies
- the municipality can provide in-kind co-operation and may be able to provide funds from the Free Basic Services budget for the indigent population

After providing Mr Sithole with the details of the HEC approach, and discussing the needs of the targeted rural communities, he agreed that a direct link from the Highflats centre to local entrepreneurs (not through satellite centres) seems to be a preferable approach

2.3 Community Visit (Nov 07)

This visit to the project location was undertaken by Sten Dieden (APPLES), Herman Bos (Bosco) and Zimbili Kumalo (HEC Manager). This involved an inspection of the MPCC site at Highflats and a visit to one of the remote areas (Nkweletsheni) expected to be serviced by the centre. The aim was to familiarise the project team with the environment and determine any relevant developments since the initial project activities. This also provided direct knowledge of a rural community to feedback to other stakeholders.

⁴ the MPCC was expected to house HEC. These plans were dramatically changed when the building contractor abandoned the site, causing an estimated delay of 9 months before completion. Consequently, APPLES had to revise plans for the location of HEC and the launch was inevitably delayed

⁵ this programme ended before the HEC launch, providing an opportunity for the supply of gelfuel and gel stoves, hoping to meet demand that had been generated by the Municipal programme

During this site visit, the APPLES team members held a meeting with Duncan Dlamini, the LED⁶ Manager at uBuhlebezwe Local Municipality and the key contact for the MPCC. The key points that were addressed at the meeting were:

- APPLES must apply for space at the MPCC⁷
- DD believes that the co-operative structure for an energy center would be most appropriate
- we should not involve the existing co-operatives in the area since current experience has often not been very positive; HEC could set a good example
- we need to ensure that the energy center is clearly seen as an independent operation and that local councilors are not involved in any way
- established entrepreneurs will probably be the best members of the co-operative
- DD is trying to make arrangements for an individual within the local municipality to be involved in operating the energy center; this would then provide HEC/APPLES with an ongoing contact point in the local authority
- DD proposed a meeting in two weeks time, with a member from Sisonke District, the Municipal Manager, himself, Herman Bos and Zimbili Kumalo. The meeting will include a visit to site and hopefully specification of the energy centre location

2.4 Meeting with Local & District Municipalities, & PSA (Jan 08)

Participants: M Sithole (Municipal Manager, uBuhlebezwe)
N Ndlovu (District Officer responsible for Highflats MPCC)
N Mdadane (Regional Manager, Paraffin Safety Association)
N Gaines (Regional Assistant, Paraffin Safety Association)
D Cooper (MD, Parallax)
H Bos (Regional Manager, Bosco)
Z Kumalo (Manager, HEC)

The status of the APPLES project was reviewed, primarily for the benefit of N Ndlovu (the representatives from PSA had already been briefed by H Bos at a previous meeting, and had indicated their interest in contributing to the planned Energy Centre).

It was noted that the District Municipality has responsibility for the construction of the MPCC, but the local Municipality will have responsibility for its operation. Therefore, APPLES must agree terms with the local Municipality for the operation of an Energy Centre at the MPCC.

The plans for the MPCC were described by N Ndlovu. The building contractors for the MPCC have a deadline of end February 2008 for completion. However, earlier interaction between Parallax and the contractors had indicated that achieving this deadline was unlikely. The contractors have a right to claim for lost time due to “rain days” over the summer so have little incentive to meet the contractual deadline. N Ndlovu agreed that end Feb is not a realistic completion date but was unsure of the likely timing in practice – this clearly needs some follow up.

N Ndlovu brought a plan of the MPCC to the meeting, with provisional allocation of space to various Government departments. No allocation of space for the Energy Centre was indicated

⁶ Local Economic Development

⁷ this recommended application process was subsequently followed by the APPLES team, with an office for HEC at the MPCC being written into the local plans

on this plan. From the plan, a building that was scheduled for demolition was identified as a useful storage facility for the Energy Centre⁸. M Sithole agreed that this could be used by the Energy Centre, but would require agreement from the Executive Committee of the Municipality through a Board resolution. This could be achieved through a presentation to the ExCo meeting. A time for D Cooper to make such a presentation was then agreed for the ExCo meeting the following day.

One of the new MPCC office areas nearest to this storage facility was then identified as a good location for the Energy Centre. This was agreed by the Municipal Manager.

A site visit to the location of the planned Centre helped to raise the awareness of PSA regarding the intended approach and target communities. The PSA representatives agreed that they would be interested to help HEC with capacity building initiatives as part of their involvement with the Centre – this would require some meeting space at the venue. A discussion was held regarding the most appropriate format for paraffin provision at the Energy Centre. Paraffin that is pre-packed by the suppliers is the preferred solution. This option is being discussed by Parallax with Engen, the local supplier.

The main outcome from this visit of local decision-makers was full agreement of all participants to the incorporation of an Energy Centre in the MPCC at Highflats. One concern is the timing of construction of the MPCC, which will need to be followed carefully, with a plan developed by APPLES in the event that the MPCC is not completed in time for occupation by the Energy Centre before the APPLES project deadline.

These interactions with influential stakeholders are a small number of the discussions and visits made to HEC and surrounding areas. Although no formal group visits were carried out during the APPLES project, the objectives of improved awareness and capacity building regarding the HEC approach was achieved through contact with individuals with influence over the development of the rural communities targeted by HEC.

3. Interaction with Key Stakeholders

During the preparations for the launch of the Highflats Energy Centre, and at the launch itself, a number of decision-makers have become established as key stakeholders for the successful future operation of HEC. These people have been encouraged to interact with the local community representatives and have met repeatedly with APPLES team members to facilitate their awareness of the HEC initiative and develop their own skills regarding support for the sustainable operation of the Centre. These efforts have contributed to the objectives expected from community visits and training initially envisaged in the work programme.

3.1 National Development Agency

The Regional NDA Manager, Mr Xolani Zungu, expressed interest in the establishment and intended operations of HEC at an early stage. NDA has budget allocated to support the sustainability of initiatives such as HEC. Mr Zungu has visited the area to be targeted by HEC and has been involved with preliminary discussions with stakeholders, workshops and the formal launch. His enthusiasm encouraged a proposal from HEC to the NDA for future funding support. At present (August 08), the due diligence process carried out prior to the agreement of NDA funding is being completed.

⁸ this building was ultimately used to house all HEC operations, at least until the availability of offices in the new MPCC

3.2 United Kingdom Foreign & Commonwealth Office

The UKFCO has a programme in South Africa designed to support energy development and climate change activities. After being informed by APPLES of the approach adopted for HEC, representatives from FCO were keen to visit the area to have a better understanding of the operation. Two representatives from the FCO office in Pretoria attended the HEC launch and have subsequently expressed interest in supporting future HEC activities. This visit of UK officials to the project location provided the opportunity to meet community representatives from the areas targeted by HEC as well as many other influential local decision makers.

3.3 Small Enterprises Development Agency

Seda is the Department of Trade and Industry's agency for supporting small business in South Africa. During the APPLES project, Seda was in the process of establishing a new office in Ixopo.⁹ The Seda staff gave very positive messages when they were invited to visit the project site and address one of the meetings of project stakeholders. Seda is now the preferred training provider for HEC co-op members, particularly since HEC can access a 90% subsidy from national Government. Unfortunately, despite offering great encouragement to develop the necessary training for co-op members, at the time of writing Seda had still failed to deliver the promised training. After several visits to the project, including discussions with the co-op members representing many rural communities, Seda now have a much better understanding of the project conditions and should now be able to arrange the relevant training. To ensure that this project deliverable is successfully achieved, APPLES is also making contingency plans with an alternative training provider.

3.4 Further Education and Training College

The local FET College was made aware of the APPLES activities to establish HEC through the network of local ward councillors¹⁰. The college has a particular focus on developing entrepreneurs in the area. This offers a good potential link for HEC, which would benefit from a long-term capacity-building function. The FET College is in a good position to offer capacity development for co-op members and members of the targeted local communities who want to gain entrepreneurial skills. The manager from the FET college visited the HEC site and actively participated in the pre-formation meeting. This is now another local stakeholder that is aware of the HEC approach and could help to provide useful services in the future.

3.5 District Department for Economic Development

Mr Andile Matomane is the facilitator of co-operative development for the Sisonke district, appointed by the Department of Economic Development. After introducing Matomane to the HEC Manager, he agreed to provide support to APPLES in the process of establishing a co-operative to run the Energy Centre. This includes training for co-op members, the development of a business plan for the co-op and access to funding. Matomane was very keen to assist with the HEC model and the relations to rural communities.

The district Department of Economic Development is involved with the Department of Education to provide 3 months' training for all new co-op members – this could be offered to a new co-op established for the Energy Centre. Such training can be provided after the formation of the co-op. To further this process, and to learn more about the rural communities targeted by HEC, Matomane helped to chair discussions at the pre-formation meeting for HEC. His introduction to local community representatives helped him to understand better the issues faced and

⁹ at the time of writing, this office has not yet been formally opened, but is expected to offer a very useful contact point for HEC

¹⁰ several presentations by the APPLES team to committee meetings at the local Municipality have meant that APPLES and the HEC are now well known amongst local officials

led to his commitment to involve other relevant service providers (such as the district small business advisor).

3.6 Deputy Mayor, uBuhlebezwe Municipality

Deputy Mayor Councillor Vezi has been a good supporter of the Highflats Energy Centre approach and is already familiar with the rural communities targeted by HEC. After continued contact with the HEC Manager and interaction with the APPLES project team, he has become familiar with the HEC approach and the alternative energy supplies that will become accessible. Vezi has helped to steer discussions with visiting stakeholders and provided the welcome address at the formal HEC launch. He is a very influential local decision maker with important contact to Ward Councillors who represent the people in the rural communities targeted by HEC. Helping to build Vezi's knowledge and understanding of the energy situation in uBuhlebezwe, and the potential resources available for people in rural areas, has resulted in a well-informed proponent of the HEC approach who has helped to facilitate the visits of other stakeholders.

4. HEC Launch - Supplier Presentations

The HEC launch provided an opportunity for some of the key stakeholders to visit Highflats, to meet with the co-op representatives from the communities targeted by HEC and to learn more about the energy sources and technologies offered by HEC from suppliers. The supplier presentations provided a focus for capacity building of all participants, including local decision makers and co-op members.

The following suppliers were present at the opening:

- **Bio Corp** demonstrating
 - gel fuel stoves and
 - lamps
- **Lion Match** demonstrating
 - the Parasafe stove (safe paraffin stove for household use – single cooker)
 - the Parasafe heater (small paraffin heater for household use)
- **New Dawn** demonstrating
 - The Vesto stove (super-efficient barrel-like cooking stove)
 - The “big heavy iron” stove (also for household cooking)
 - Paper brick maker (for paper bricks to be burnt inside the stove; it's the “make-your-own-fuel” concept)
- **Wozani gas**
 - LPG stove (large, double plate stove)
- **Bosco** demonstrating (upon request)¹¹
 - Solar panels

All of the demonstrations provided by suppliers were held outside, on the grounds of the HEC, and were an integral part of the opening event (see Annex 1 for some photos of the event). Every demonstrator was provided with a table for their exhibits, allowing participants to closely

¹¹ Regrettably, the solar phone chargers ordered by Bosco from China did not arrive in time to be demonstrated at the launch

view the systems and ask questions of suppliers. All demonstrations were carried out in English and Zulu to ensure that the details of energy services and equipment available from HEC were understood correctly¹².

The most innovative products (gel fuel stove, Parasafe stove and Vesto stove), were demonstrated twice – first to the all the attendants of the HEC opening (on which occasion the stakeholders could also familiarize themselves with the products that will be provided to the communities of uBuhlebezwe through the HEC and the co-op members) and then again separately only for the co-op members to ensure they fully understand the product they will be selling.

Significant attention was devoted to the safe handling of the fuels and stoves. The safety of alternative fuels is regularly registered as the primary concern amongst rural customers, where the spread of fires can be very rapid and devastating to properties.

All of the products demonstrated by supplies received a lot of attention, but perhaps the most was given to the Vesto stoves. Some demonstrators provided printed information material on their products that is now available at the HEC.

The list of invited guests to the launch is included in Annex 2. In the event, almost 70 stakeholders participated

5. Conclusions

The community visits for training and demonstration were not provided to local decision-makers in the form that was originally anticipated in the APPLES work programme. The late launch of the Centre due to unforeseeable circumstances meant that community relations were not sufficiently well established to provide great benefit to stakeholders. Instead, interaction with and between stakeholders and community representatives provided the basis for achieving this task goal of increased awareness and understanding of general energy issues and the objectives of the Highflats Energy Centre.

Meetings with key stakeholders were important to raise the profile of HEC and to encourage wide support for the transfer of energy supplies demonstrated. These also prepared the way to launch the Centre, at an alternative location from that originally anticipated, close to the end of the project. The opportunity for interaction between local community representatives and stakeholders, including suppliers of the appropriate products, was an essential requirement to achieve aims of this deliverable. This was facilitated by the launch of the HEC in July 2008.

Once the Centre is fully operational and has some experience in delivering the appropriate energy products and services to local communities, the links established will merit further interaction between local decision-makers and the targeted communities. Ongoing support from the GEF-Small Grants Programme can help to facilitate this. A clear conclusion is that the process of identifying and communicating with relevant local decision-makers, and inviting them to witness the advances made by local communities that will have better access to energy, should be viewed as a continuous operational requirement for HEC, not an isolated project deliverable. It is therefore expected that further visits of stakeholders to the target communities will be arranged in the future.

¹² except for the presentation on the Vesto stove, which was provided in English only at the request of the audience

Annex 1: Photos from Supplier Demonstrations at HEC Launch



Preparation of demonstrations



Public demonstrations



Separate demonstrations for co-op members

Annex 2: Stakeholders Invited to the HEC Official Opening

Position	Organisation	Type	Location	Tel (w)
Mayor	uBuhlebezwe	stakeholder	local	039 834 2074
Deputy Mayor	uBuhlebezwe	stakeholder	local	039 834 2074
Municipal manager	uBuhlebezwe	stakeholder	local	039 834 2074
Special Project Officer	uBuhlebezwe	stakeholder	local	039 834 2074
IDP manager	uBuhlebezwe	local govt	local	038 834 2074
Financial Manager	uBuhlebezwe	local govt	local	039 834 2074
Council Speaker	uBuhlebezwe	local govt	local	039 834 2074
LED Manager	Sisonke District	local govt	local	039 834 8705
Responsible for MPCC	Sisonke District	local govt	local	039 834 1599
Member	Business Forum	private	local	
Manager	Private	private	local	
Counsellor, Development	Danish Embassy	stakeholder	Pretoria	012 430 9340
Regional Manager	District Dept of Econ Devt	stakeholder		
Dept Director	DME	stakeholder	Pretoria	012 3178025
leC Project Officer, KZN	DME	stakeholder	Durban	031 333 9405
Regional leC Manager	DME	stakeholder	Port Elizabeth	
Director, Global Projects	DST	stakeholder	Pretoria	012 317 4345
Head/Co-ordinator of ODA	Dutch Embassy	stakeholder	Pretoria	012 425 4552 (g
Head of Delegation	EC Delegation	stakeholder	Pretoria	012 4525248
Assist Director: Quality Mgt Systems	Esayidi FET College	stakeholder	Sisonke	039 318 1433
Communications Officer	NDA	stakeholder	Durban	031 305 5542
Project Manager	NDA	stakeholder	Durban	031 305 5542
Provincial Manager	NDA	stakeholder	Durban	031 305 5542
Area Co-ordinator	Seda	stakeholder	Kokstad	
Regional Manager	Seda	stakeholder	Kokstad	039 727 1428
Prog Mgr - Climate Change and Energy	UKFCO	stakeholder	Pretoria	012 421 7604
Manager, GEF-SGP	UNDP/GEF-SGP	stakeholder	Pretoria	012 354 8155
Marketing Director	Bio Corp	supplier	Durban	031 502 5522
Sales Manager	Cadac	supplier	Durban	031 914 0205
Sales	Easigas	supplier	Durban	031 910 7700
DSM Manager	Eskom	supplier	Pretoria	
Sales Manager	Lion match (Parasafe stove)	supplier	Durban	031 308 1711
Sales Manager	New Dawn Engineering (Vesto Stove)	supplier	Swaziland	+268 518 5016 (
Provincial Manager	Paraffin Safety Assc	supplier	Durban	031 266 4883
Sales Manager	Prices Candles	supplier	East London	043 748 1640
Sales & Promotion	Wozani Berg (Engen)	supplier	Port Shepstone	
Marketing Manager	Zenzele cell phone air time sales	supplier	Durban	031 368 9050
HEC Manager	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
HEC member	HEC	co-op	local	
Local sales (Ixopo area)	Eskom	supplier	PMB	033 395 7071
Councillors, Ward 1-12	uBuhlebezwe	local govt	local	039 834 2074
Committee Chairs, Ward 1-12	uBuhlebezwe	local govt	local	039 834 2074
HEC Co-op member guests	uBuhlebezwe	co-op	local	