



REPORT TO: THE EXECUTIVE MAYOR AND MEMBERS OF THE MAYORAL COMMITTEE
AND THE ECONOMIC OPPORTUNITIES AND ASSET MANAGEMENT PORTFOLIO
COMMITTEE

LC 22253

1. ITEM NUMBER

2. SUBJECT

FEEDBACK ON THE INTERNATIONAL/OUTSIDE THE BORDERS OF THE
RSA TRIP UNDERTAKEN FROM 14th TO 15th MARCH 2019 TO ATTEND
THE 100 RESILIENT CITIES COLU CHALLENGE WORKSHOP IN TEL
AVIV, ISRAEL.

ONDERWERP

TERUGVOERVERSLAG OOR DIE INTERNASIONALE REIS VAN 14 – 15
MAART 2019 OM DEEL TE NEEM AAN DIE WERKSWINKEL VIR DIE 100
RESILIENT CITIES COLU CHALLENGE IN TEL AVIV, ISRAEL

ISIHLOKO

INGXELO ENGOHAMBO OLUYA KUMAZWE APHESHEYA/NGAPHANDLE
KWEMIDA YASEMZANTSI AFRIKA OLUSUSELA NGOWE-14 UKUYA
KOWE-15 KWEYOKWINDLA 2019 LOKUZIMASA IWEKSHOPHU
ENGEPHULO LE-100 RESILIENT CITIES COLU CHALLENGE WORKSHOP
ESE-TEL AVIV, ISRAEL.

LSU K3809

3. EVENT SUMMARY

EVENT DETAILS	
CONFERENCE/SEMINAR	100 RESILIENT CITIES COLU CHALLENGE WORKSHOP IN TEL AVIV
OTHER	<i>n/a</i>
DATE	14th - 15th MARCH 2019
VENUE	COLU TECHNOLOGIES
CITY	TEL AVIV
COUNTRY	ISRAEL

ATTENDEE DETAILS	
NAME AND SURNAME	DESIGNATION
Enrico Girolo	PROGRAMME MANAGER

PROVIDE SUMMARY OF HOST ORGANISATION / CITY
<p>Cape Town was selected to be part of the 100 Resilient Cities (100RC), pioneered by the Rockefeller Foundation, in May 2016. This network comprises 100 cities from across the world that are each committed to building city resilience around the social, economic and physical challenges of the 21st century.</p> <p>Through membership of the 100RC network a challenge was issued by a partner organization, called Colu Technologies, for participation in a workshop assessing the viability of running a pilot programme. Colu helps cities catalyse urban resilience with local based coins/rewards. With this technology Cities are able to create and adopt their own coins as a tool for economic growth and resilience.</p> <p>A citywide rewards platform would allow stakeholders to incentivize residents for impactful and positive behaviour, from stimulating local spending, through to sustainable living and social inclusion.</p>

4. OBJECTIVE

Participation in the workshop provided exposure to expert training, knowledge sharing from Cities who have a City currency and insights into what stage of readiness is required to begin designing and evaluating a prototype.

Given the scale of Cape Town's unemployment problem, need for socio-economic reform and spatially segregated spending patterns it would be hugely beneficial for the City to start evaluating technology-driven solutions that could form the basis of targeted, scalable interventions.

5. OUTCOMES

- ☐ - Partnership Agreement
- ☐ - Membership Agreement
- ☐ - Grants Agreement
- ☐ - Memorandum of Understanding
- ☐ - Statement of Intent
- ☒ - Other

6. ACTIONS REQUIRED

- Follow up electronic interaction with Colu Technologies regarding City Priority areas that are required for input into a presentation being supplied by them. This will involve consultation with the Director of Resilience.
- Presentation of the potential applications of the City Currency Model to identified stakeholders in order to establish the level of willingness and readiness to apply the tool. This will involve consultation and guidance from the Director of Resilience.

7. IMPLICATIONS

- | | | |
|---|--|------------------------------|
| 7.1 Constitutional and Policy Implications | No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> |
| 7.2 Environmental implications | No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> |
| 7.3 Financial Implications | No <input checked="" type="checkbox"/> | Yes <input type="checkbox"/> |

7.4 Legal Implications

No ☒

Yes ☐

7.5 Staff Implications

No ☒

Yes ☐

7.6 Risk Implications

No ☒

Yes ☐

8. RECOMMENDATIONS

Recommended that:

- a) the feedback report on the trip 100 Resilient Cities Colu Challenge Workshop undertaken by Enrico Girolo on 14th March 2019 **be noted**; and
- b) the feedback report be referred to the Economic Opportunities and Asset Management Portfolio Committee for noting

AANBEVELINGS

Daar word aanbeveel dat:

- a) daar kennis geneem word van die terugvoerverslag van die reis onderneem deur Enrico Girolo op 14 Maart 2019 om deel te neem aan die werkswinkel vir die 100 Resilient Cities Colu Challenge; en
- b) die terugvoerverslag na die portefeuljekomitee oor ekonomiese geleenthede en batebestuur verwys word ter kennisname.

IZINDULULO

Kundululwe ukuba:

- a) Makuqwalaselwe ingxelo emalunga nohambo lokuzimasa i-100 Resilient Cities Colu Challenge oluthatyathwe ngu-Enricho Girolo ngowe-14 kweyoKwindla 2019; kwakhona
- b) Ingxelo mayidluliselwe kwiKomiti yeSebe laMathuba oQoqosho noLawulo lwee-Asethi ukuze iyiqwalasele.

9. GENERAL DISCUSSION

The following learnings from the workshop are worth noting:

- The City Currency/Coin (CC) was originally intended to be issued as a cryptocurrency on the Blockchain. Due to the limitation of the technology as well as the regulatory hurdles posed by this approach, the current methodology is to provide a platform-based application.

- Belfast is planning on using the CC to incentivize spending around an area that has limited access due to a recent fire of the Primark historical building in the center of their CBD. The proposed deadline for launch is August 2019.
- Michael Eisenberg, the chief investor in Colu technologies, gave a talk that hypothesized most trust mechanisms will in the future, assisted by technology, devolve to an interpersonal level. He believes that economic power lies with Cities and a more conscious effort be made by them to enable and empower citizens to take ownership and action around sticky social issues.
- Colu provides a high level of flexibility to incentivize areas or priorities for City goals and priorities, examples of themes that can be packaged include living local, health, farm to table, mobility, kids and family and pay it forward. Each theme can then be linked to merchants or programmes in a specific area. This is an advantage of a technology based solution.
- The traceability and impact of each intervention and related reward can be tracked and measured - allowing a high level of accountability regarding the incentive spend. There is a large gap in the City's ability to understand economic activity at a neighborhood level, and the opportunity to generate this data through a pilot should be seriously considered.
- Regarding the mechanics of the transacting, Colu would need to set up a local bank account and operation to operate in an area, and this may be facilitated through an existing financial service provider.
- Users currently load money into their wallet using credit cards, and merchants require bank accounts to receive payment. Both users must have apps on their phones, and access to data. There is flexibility in adapting this to the market in question.
- The City has 2 roles – the first to define the priority areas and themes that enhance citizen wellbeing, and the second, is to fund the incentive and reward citizens for participating in goals. The latter requires the City to deposit funds to be managed and distributed by Colu according to the terms agreed to, for example a reward may be 10 CC for taking 5 bus rides or 15 CC for volunteering for 2 hours etc.
- There has to be a verifiable handshake event (i.e. be able to verify the behavior has occurred) in order for the reward to be paid – this can be

integrated with other APIs where possible, or can be done manually via a spreadsheet.

- Users at the moment don't swap wallet or CC funds person to person, however they can donate to a common cause. This functionality may be developed if required
- Employers may have CSI funds or reward schemes that they currently offer to their employees – this is an opportunity to crowd in impact and align. It also provides a potential immediate large scale user base, along with University students

10. ANNEXURES

FOR FURTHER DETAILS, CONTACT:

DATE	19 th March 2019		
NAME	Enrico Girolo	CONTACT NUMBER	0214009324
E-MAIL ADDRESS	Enrico.girolo@capetown.gov.za		
DIRECTORATE	EOAM	FILE REF No	
SIGNATURE :			



EXECUTIVE DIRECTOR

KELCY LE KEUR

COMMENT:

NAME

KSC LE KEUR

DATE

2019. 03. 22



MANAGER: INTERNATIONAL RELATIONS

DR. DENVER VAN SCHALKWYK

COMMENT:

NOTED

26/03/2019

DATE



LEGAL COMPLIANCE

☐ REPORT COMPLIANT WITH THE PROVISIONS OF COUNCIL'S DELEGATIONS, POLICIES, BY-LAWS AND ALL LEGISLATION RELATING TO THE MATTER UNDER CONSIDERATION.

☐ NON-COMPLIANT

COMMENT:

NAME

Patricia Davis

TEL

(021) 400-1549

DATE

26.03.2019

For information. 


CITY MANAGER

Lungelo Mbandazayo

DATE

2019 -03- 27

☒ SUPPORTED FOR ONWARD SUBMISSION TO:

MAYCO ☒

RELEVANT SECTION 79 OR 80 COMMITTEE ☒

☐ NOT SUPPORTED

☐ REFERRED BACK

COMMENT:
