



**REPORT TO: THE EXECUTIVE MAYOR AND MEMBERS OF THE MAYORAL COMMITTEE [MAYCO]
AND FUTURE PLANNING AND RESILIENCE AND ECONOMIC GROWTH SECTION 79
COMMITTEES**

1. ITEM NUMBER

2. SUBJECT

**FEEDBACK ON THE INTERNATIONAL / OUTSIDE THE BORDERS OF
THE RSA TRIP UNDERTAKEN FROM 21 TO 24 MAY 2023 TO LEAD A
CITY OF CAPE TOWN DELEGATION SIGN A SISTER CITY AGREEMENT
WITH THE CITY OF NAIROBI, KENYA.**

ONDERWERP

**TERUGVOERING OOR DIE INTERNASIONELE REIS ONDERNEEM VAN
21 TOT 24 MEI 2023 OM 'N AFVAARDIGING VAN DIE STAD KAAPSTAD
TE LEI OM 'N SUSTERSTADOOREENKOMS MET DIE STAD NAIROBI,
KENIA, TE ONDERTEKEN.**

ISIHLOKO

**INGXELO ENGASEMVA EMALUNGA NEHAMBO KUMAZWE
APHESHEYA/ANGAPHANDLE KWEMIDA YASEMZANYTSI AFRIKA
EQHUTYWE UKUSUSELA NGOWAMA21 UKUYA KOWAMA24
KUCANZIBE 2023 ENGOKUKHOKHELA IGQIZA LASEKAPA
UKUTYIKITYA ISIVUMELWANO ESINGEZIXEKO EZIZANAYO KUNYE
NESIXEKO SASENAIROBI, EKENYA**

P4018

3. EVENT SUMMARY

EVENT DETAILS	
CONFERENCE/SEMINAR	
OTHER	Sister City Agreement Signing
DATE	21 – 24 May 2023
VENUE	Nairobi City Hall & Various others to meet with strategic stakeholders
TOTAL COST TO THE CITY	R84 691. 96
CITY	Nairobi
COUNTRY	KENYA

ATTENDEE DETAILS	
NAME AND SURNAME	DESIGNATION
Ald Geordin Hill-Lewis	EXECUTIVE MAYOR
Ald James Vos	MAYORAL COMMITTEE MEMBER FOR ECONOMIC GROWTH
PROVIDE SUMMARY OF HOST ORGANISATION / CITY	
Nairobi is the capital city of Kenya; and regarded as the economic powerhouse of East Africa. The city has a vibrant private sector, generally reliable infrastructure and strong labour force. Finalisation of the agreement was a historic moment in the City of Cape Town's relations with African counterparts. The signing facilitated the fostering of a co-operative relationship in the areas of: • Trade and Investment; • Tourism and Air Links; • Business and financial services; • Digital Innovation; • Climate Change & Environmental Sustainability; and • Waste (Solid & Waste Water) Management. The areas noted above provide the foundation upon which the City of Cape Town will interface with the NCCG. However, both cities are confronted with developmental challenges, which provides a foundation to enhance and leverage best practice learnings and exchange to the betterment of residents in both cities that go beyond the specific areas noted in the agreement. Notwithstanding, the cooperation areas noted in the agreement, additional priority areas will include Human Settlements Development (e.g., both cities are faced with major challenges in terms of informal dwellings), Solid Waste Management, Energy, Parks and Recreation, as well as Innovation in Government (e-services).	

4. OBJECTIVES

To attend and participate in a Sister City Signing Ceremony facilitated by the Nairobi City County Government (NCCG). This was complemented by a combined technical presentation of the NCCG to gain an understanding of how Nairobi functions and delivers services. In addition, the delegation met with strategic stakeholders, including the Kenyan Investment Authority, Kenya Film Commission, and Kenya Airways, as well as the South African High Commissioner to Kenya.

5. OUTCOMES

Successfully participated in a Signing Ceremony with the City of Nairobi. In addition, successfully engaged with strategic stakeholders as mentioned already.

6. ACTIONS REQUIRED

- 6.1 Link the Enterprise and Investment Department with KenInvest to explore opportunities to increase trade, investment and marketing opportunities between Cape Town and Nairobi / Kenya [Responsible: Enterprise and Investment]
- 6.2 Send an invitation to KenInvest to attend the Choose Cape Town Investment Conference [Responsible: Enterprise and Investment]
- 6.3 Initiate a process where relevant city role-players in the film and creative industry sectors can exchange information and best practice with the Kenya Film Commission [Responsible: Events Department and Cape Town Film Office]
- 6.4 Cape Town and the Kenya Film Commission to share their various locations for filming with one another [Responsible: Events Department, Cape Town Film Office and Kenyan Film Commission]
- 6.5 The Kenya Film Commission to send an invitation to Cape Town to attend the Kalasha Film and TV Market [Responsible: Kenya Film Commission]
- 6.6 City of Cape Town to initiate a process where a closer working relationship is fostered with Kenya Airlines in order to collaborate on and share promotional initiatives and platforms in order to position Cape Town more actively in the Nairobi market, and vice versa [Responsible: Enterprise and Investment and Kenya Airways]
- 6.7 Link Kenya Airways to the Winelands Airport [Responsible: Wesgro Air Access]
- 6.8 Provide the latest destination marketing material to promote Cape Town to all delegations that visit the South African High Commission [Responsible: Enterprise and Investment]
- 6.9 Cape Town to support Nairobi in their application to become a member of the C40 Steering Committee for Africa Representative [Responsible: International Relations]
- 6.10 Invite the Governor of Nairobi City County Government to attend the Mayor's Water Reuse Conversation schedule for November 2023. [Responsible: International Relations]

7. IMPLICATIONS

7.1 Constitutional and Policy Implications No ☒ Yes ☐

7.2 Environmental implications No ☒ Yes ☐

7.3 Financial Implications No ☒ Yes ☐

7.4 Legal Implications No ☒ Yes ☐

7.5 Staff Implications No ☒ Yes ☐

7.6 Risk Implications No ☒ Yes ☐

7.7 POPIA Compliance

☒ It is confirmed that this report has been checked and considered for POPIA Compliance.

NOTE: POPIA Section MUST be completed otherwise the report will be returned to the author for revision.

Contact your Directorate POPIA Stewards should you require assistance.

The City has a contract in place with XL Embassy Travel for the safe-keeping of Traveller's personal information as required by the POPI Act.

8. RECOMMENDATION

It is recommended that the feedback report on the trip to lead a City of Cape Town delegation to sign a Sister City Agreement with the City of Nairobi, Kenya from 21 to 24 May 2023 **be considered and noted.**

AANBEVELING

Daar word aanbeveel dat die terugvoerverslag oor die reis onderneem van 21 tot 24 Mei 2023 om 'n afvaardiging van die Stad Kaapstad te lei om 'n susterstadooreenkoms met die Stad Nairobi, Kenia, te onderteken, **oorweeg word en daarvan kennis geneem word.**

ISINDULULO

Kundululwe ukuba **makuthathelwe ingqalelo kwaye kuqwalaselwe** ingxelo engasemva kohambo engokukhokhela igqiza leSixeko saseKapa ngenjongo yokutyikitywa kweSivumelwana esingeziXeko ezazanayo esikunye neSixeko saseNairobi, eKenya ukususela ngowama21 ukuya kowama24 kuCanzibe 2023

9. GENERAL DISCUSSION

9.1 Meeting with Kenya Investment Authority

The Executive Mayor (EM) and Managing Director (MD) of the Kenya Investment Authority, commonly referred to as KenInvest, opened the meeting. They commenced with introducing their respective teams. Thereafter, the Cape Town delegation played a 'Cape Town's Open for Business' promotional video, in order to provide the KenInvest team with a broad overview of Cape Town's catalytic sectors. Ald James Vos commented that he is aware of several Cape Town businesses that have invested in Nairobi, as well as businesses in Nairobi that have invested in Cape Town. He also pitched the Atlantis Special Economic Zone, and its link to Renewable Energy investments and related incentives.

The EM added that Cape Town has developed an Ease of Doing Business Index, where Cape Town benchmarks itself with relevant peers. The overall goal is for Cape Town to become an easier place for businesses to invest. The MD responded that she was happy to hear of the initiative, and spoke of other initiatives such as the African Continental Free Trade Area, and closer to home; the visa free travel for Kenyans to South Africa that have created opportunities and synergies for cooperation.

The MD enquired as to what Cape Town needs in Nairobi and the broader Kenya, as KenInvest can promote Cape Town across the country, and not just in Nairobi. The EM extended an invitation to the KenInvest team to attend an Investment Conference that the Enterprise and Investment Department is arranging later in the year, called the "Choose Cape Town Conference".

9.2 Meeting with Kenya Film Commission

The Chief Executive Officer (CEO) of the Kenya Film Commission (KFC) explained that the KFC falls under the National Department of Information Communication and Technology (ICT), and is a state corporation. He expressed that he is very happy to host the delegation from Cape Town, and commented positively on Cape Town's excellent locations and historical factors as it relates to film. The CEO highlighted that the delegation's visit is well timed, as there is a series of agreements that have been signed recently between South Africa and Kenya. This provides a basis for cooperation in the Film and Creative Industries space with the CEO explaining that they are aligned to the Arts and Culture sector as well.

The EM highlighted that Cape Town and Nairobi share many similarities, such as emerging technology sectors, growing film and creative industries, increasing innovation, all of which presents opportunities to learn and share best practice. The EM emphasised that he would like to boost Cape Town as a Film Destination, hence taking the opportunity while in Nairobi to engage with the KFC. Ald James Vos added that the City of Cape Town has a Film Strategy, and is responsible for permitting as it relates to Film. He also mentioned that Cape Town has diverse locations, and good natural light, which has made it popular as a location to shoot films in the sector. In addition, Cape Town is in the process of setting up a Film Fund. Ald James Vos noted that an opportunity exists for the KFC and Cape Town to share their various locations for filming with one another.

The CEO explained that by promoting film, you promote companies that has a level of universality. For example, Kenya has 47 tribes, but they all come together under

the banner of Film. The Film production value chain employs many people; with the global value of Film estimated to be USD177-billion. The CEO mentioned that they are busy developing the idea of a Kenya Digital Media City, also referred to as a Smart City Initiative.

The EM enquired as to how the KFC manages communities, who are often not happy with the closing of streets to shoot movies. The CEO responded that the KFC tries to create an understanding with the NCCG and communities. This is achieved through good communication, and explaining the value addition that shooting a movie provides to the local economy. The challenges are therefore similar in both cities, with no definitive answer or solution.

The EM explained that the South African Department of Trade and Industry (DTI) provides incentives for film crews to choose South Africa as a destination. The City of Cape Town provides a service whereby they help film crews to complete the documentation in order to apply, with an official assisting to get all the permits. The EM further explained that the Film Fund mentioned earlier is about location scouting support, which is an investment that does not always necessarily guarantee that production will ultimately be in Cape Town. The EM also mentioned that there is a Film Cape Town Website, which has a series of stock footage of Cape Town's locations for potential filmmakers to have a look at, without necessarily coming to Cape Town. Ald Vos noted that Cape Town is also looking to attract series, as that type of film project tends to stay longer in the City.

The South African High Commission enquired about the KFC's relationship with Naspers. The CEO responded that Naspers has been investing in the Kenyan market, particularly in production and commissioning of local content. He also highlighted that Showmax is the most popular online streaming service in Nairobi and Kenya.

The KFC proposed that areas of work and future cooperation with Cape Town could include learning about the science behind the incentives offered for Film Production in Cape Town. In addition, location promotion of each destination. Furthermore, to consider how local content from both cities can receive more airplay in the respective cities. In addition, to explore the opportunity for creating a peer-to-peer forum between Cape Town and the KFC to create exchanges and identify skills gaps that are critical to promoting Film. Lastly, the KFC proposed that an invitation be extended to Cape Town to attend the Kalasha Film and TV Market. The EM was happy for the proposed areas of cooperation and committed to linking the KFC with the appropriate persons in Cape Town.

9.3 Meeting with Kenya Airways

The EM enquired about Kenya Airways flight frequency post-Covid, with the CEO indicating that they are operating at 85% of the network capacity, with this set to improve even more by June 2023. Ald Vos mentioned that Cape Town's international arrivals stand at 111%, post-Covid. He explained that they always try to increase frequencies and lobby for more flights. The EM enquired about the total size of the Kenya Airways fleet with the CEO indicating that they have 42 aircrafts.

The EM asked enquired about Kenya Airways' fastest growing markets in Africa. The CEO noted that these include Johannesburg, Cape Town, Lagos, Kigali and Accra.

The CEO also explained that Cape Town is a critical and key route for Kenya Airways, even more so after the South African government removed visa requirements for Kenyans. In fact, after this decision, traffic from Kenya to South Africa increased by 20%. With reference to the Nairobi – Cape Town route, he would prefer to fly the Dreamliner every day, but unfortunately, the route only allows for two direct flights with the Dreamliner due to passenger numbers. He indicated that on a Thursday and Saturday the Dreamliner flies direct, and includes freight out of Cape Town to distribute to East Africa, especially flowers. He explained that flowers is a very popular good to trade via a direct route from Cape Town to Nairobi. The CEO explained that Kenyans love Cape Town and would travel there every day if they could. Kenya Airways operates one daily flight between Cape Town and Nairobi, while they operate four daily flights to Johannesburg, with the main reasons for travel being tourism and conferences. The CEO emphasised that Kenya Airways is a network carrier, which means that they have the potential to connect Cape Town with various destinations.

The CEO enquired about the Nairobi to Cape Town route, and if it would be possible for the City of Cape Town to help market the route. Ald James Vos responded that it is important to explore opportunities to increase demand for the route in both directions, as well as promoting two-way trade. In this regard, in terms of passengers, it is important to stimulate the route by exploring marketing opportunities. For example, there may be opportunities for Kenya Airways to show a Cape Town destination promotional video onboard their aircraft, and destination marketing material such as magazines on board the aircraft. Similarly, Kenya Airways can provide material to include on the City of Cape Town's online platforms, such as the Invest Cape Town website, in order to promote Nairobi in Cape Town. Ald Vos indicated that a way forward could then include the proposed marketing opportunities and opportunities to increase cargo trade on the Kenyan Airlines. Kenya Airways expressed that they would appreciate increased support in marketing Kenya in Cape Town with Ald Vos indicating that he would look into the options available.

Kenya Airways also indicated that they would be interested in shuttling material, such as freight and e-commerce equipment via Johannesburg to Cape Town if opportunities allow in the future. Ald Vos enquired as to what products Kenya Airways are aware of that are good opportunities to increase trade in Cape Town, with Kenya Airways responding that flowers, fruits, avocados and clothing are the top products. The EM suggested that the CEO be connected with the planned new Winelands Airport.

Ald Vos commented on the positive contribution that Kenya Airways always makes in terms of travel and trade, especially at the World Travel Market Africa, where they always have a booth. The CEO mentioned that Wesgro is pushing them to host their conferences in Cape Town. The CEO also indicated that the Kenya Airways team might have a team building in June in Cape Town, and shall inform the EM if this becomes a reality.

9.4 Courtesy Call with the South African High Commissioner in Kenya

The EM thanked the High Commissioner for the extremely valuable and professional assistance provided by the Economic and Marketing Counsellors, namely Ms Zanele Sanni and Mr Gerald Ockotch of the High Commission, in supporting the delegation's visit to Nairobi. The High Commissioner thanked the EM for visiting Nairobi and

connecting with the High Commission. He explained that often delegations would either inform the High Commission they are coming but then nothing happens; alternatively, delegations from South Africa do not inform the High Commission that they are coming to Nairobi on official business. Overall, the High Commissioner explained that he is extremely happy to be working with the Cape Town delegation during their brief visit to Nairobi, and appreciates the visit to the Mission for a Courtesy Call.

The High Commissioner explained that a series of Memorandum of Agreements were signed between 2021 and 2022 between the South African and Kenyan Governments that lay a good foundation for cooperation. For example, the High Commissioner just returned from Mombasa where the Kenyan School of Government and South African School of Government signed an agreement to collaborate. The High Commissioner explained that there is vast potential in terms of trade, with citrus fruits and wine from Cape Town being very popular in Nairobi, and Kenya at large, with lots of tourism potential as well. A suggestion was made to forward destination marketing material from Cape Town to the High Commission, which they could then provide to their visiting delegations and strategic stakeholders in Nairobi and broader Kenyan Stakeholders.

9.5 Sister City Signing Ceremony, Technical Presentation and Site Visit

The Signing Ceremony proceedings started with the Speaker for the NCCG, who commented that Cape Town is a well-planned city, with Cape Town and Nairobi facing similar challenges, while emphasising that this is a good time for twinning between the two cities. The Deputy Governor then provided some remarks, mentioning amongst others, that he is looking forward to more interactions between the two cities in the future. The Formal Signing Ceremony was then concluded.

Following the Signing Ceremony, the EM delivered a speech. He highlighted in his speech that this is the start of a lifelong partnership build on mutual respect and shared interests. He specifically noted that there are many similarities between Cape Town and Nairobi, with plenty of opportunities for learning. The EM mentioned that there are opportunities to expand commercial links, tourism, film and increase investment and trade, amongst others. In addition, the relationship is not limited to commercial opportunities, but also in shared governance challenges. These include, but are not limited to, rapidly urbanising populations, which place pressure on infrastructure and provision of housing.

In his response, the Governor explained that this relationship provides an opportunity to sell Cape Town and Nairobi in each other's cities. He noted that Cape Town is an older city, so there is opportunity for Nairobi to learn and cooperate. In addition, he noted that both cities are members of the C40 Climate Leadership Group, and he intends to apply for the Vice Chairperson for the African region, and hopes that Nairobi's newest Sister City would support this application. He also mentioned that given the shared challenges and priorities, the two cities would be able to share learnings, best practice and work together in areas of shared mutual interest. The High Commissioner commented that this cooperation agreement is a good example of all three levels of government working in harmony. In particular, he emphasised that the City-to-City twinning is a practical example of cooperation.

Following the Signing Ceremony, the NCCG delivered a technical overview presentation, in order for the EM and his delegation to familiarise themselves and gain an understanding of the NCCG, its structure, and some of their priorities. The presentation started with an overview of the Nairobi City County, coupled with a focus on Planning and Budgeting processes. This was followed by an overview of some of the challenges Nairobi faces, which includes a growing population, demands on water, sanitation and solid waste management, housing demand, informal settlements, and the need to develop more mass transport options. They then provided an overview of the Development Nexus where Nairobi is a City of Order, City of Dignity, and a City of Hope and Opportunities.

Based on a specific request by the EM, the NCCG provided a more detailed overview of their Housing and Urban Renewal, as well as Human and Informal Settlement Upgrading programmes. They explained that over 60% of city residents in Nairobi are living in unplanned and unserviced informal settlements, with the Nairobi housing market predominantly a rental market of approximately 80%. Government has a programme of affordable housing to promote home ownership. The NCCG has identified priority areas of intervention for housing and urban renewal, which include the development of a legal framework to support housing policy and delivery, create a data bank of housing gaps and interventions to facilitate public and private sector investment, upscale informal settlements upgrading, develop more affordable housing units, and develop a social housing programme. The NCCG explained that an Eastlands Master Plan has been developed with support of the World Bank, an urban renewal and regeneration policy has been developed and approved, with at least two projects currently underway in phase one, namely the Pangani and Jevanjee developments. They went on to explain that phases two and three include projects currently being procured or advertised. Furthermore, the NCCG is also focusing on Estate Management, with several estates earmarked for redevelopment with approximately 16 400 housing units managed by the sub sector.

The NCCG explained that some of the guiding principles is to work jointly between the NCCG and developers, through a participatory approach. The Eastland's Urban Renewal Master Plan, with a focus on a Human Settlements approach (that looks at housing, livelihoods, commercial and social), will guide the projects. There is a local content requirement of 70% for local materials and labour, with unskilled labour having to come from the community, particularly targeted at youth and women. The NCCG noted that potential opportunities for cooperation with Cape Town include learning lessons from South Africa's Housing Subsidy Programme, how investments in Housing delivery for home ownership is made, and what type of initiatives exist for capacity building of human settlements upgrading.

The EM commented that in terms of housing challenges, for Cape Town, like Nairobi, demand surpasses supply. The EM commented positively on the NCCGs achievements regarding Estate Developments. The Governor responded that the important thing is how to get ahead of the curve, with one of the main challenges in Nairobi being the value of land. The Governor emphasised that it is not the government's job to build houses, but to collaborate with the private sector. One of the key things the NCCG does is to make land available to increase access for the private sector, and working with the private sector to build. Other areas include the NCCG adjusting zoning frameworks, and where feasible to regularise previously

demarcated informal housing and developments, where it is safe and practical to do so.

The Executive Director for Human Settlements enquired in terms of Estate Upgrading, how the NCCG manages the beneficiary lists, tenancy management, revenue management, and how the process of Public Private Partnerships (PPP) are developed. The Governor responded that in terms of revenue from estates, the key for the NCCG is to keep the prices low, but also to digitise the process. He added that community involvement is key to get buy-in. The Executive Director indicated that she would request a more in-depth technical one on one session with the relevant Department to discuss these areas further.

Following the technical presentations, the delegation visited the Pangani Affordable Housing project, which is currently under construction. The project is on a five-hectare property, with 1562 apartments. The development will consist of eight blocks, with two blocks allocated for affordable housing units, with the rest being open market units. The NCCG provides the land, and developer, develops with pricing on the affordable housing side regulated by the NCCG. Thereafter, the delegation visited the Kibera informal settlement. Visiting the Settlement allowed the delegation to get a sense of the challenges that the NCCG faces in upgrading these areas.

10. ANNEXURE

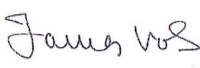
ANNEXURE A: Signed Sister City Agreement

FOR FURTHER DETAILS, CONTACT:

DATE			
NAMES	DENVER & REAGAN	CONTACT NUMBER	021 444 9348
E-MAIL ADDRESS	ReaganBernard.Mathys @capetown.gov.za		
DIRECTORATE	FPR	FILE REF No	
SIGNATURES :	Denver Van Schalkwyk Digitally signed by Denver Van Schalkwyk Date: 2023.06.02 15:29:52 +02'00'	Reagan Mathys Digitally signed by Reagan Mathys Date: 2023.06.02 15:38:26 +02'00'	

ECONOMIC GROWTH MAYCO MEMBER

COMMENT:

SIGNATURE:  Digitally signed by Ald James Vos
Date: 2023.06.07 08:16:48 +02'00'

NAME ALD JAMES VOS

DATE

FP&R MAYCO MEMBER

COMMENT:

SIGNATURE:

NAME ALD GEORDIN HILL-LEWIS

DATE 7 June 2023

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

LEGAL COMPLIANCE

☐ NON-COMPLIANT

NAME

TEL

DATE

COMMENT:

Certified as legally compliant based on the content of the report.