

RURAL DEVELOPMENT PLAN

Ehlanzeni District Municipality

RURAL DEVELOPMENT PLAN

3 March 2016



rural development
& land reform

Department:
Rural Development and Land Reform
REPUBLIC OF SOUTH AFRICA



EHLANZENI
DISTRICT MUNICIPALITY

Vision & Development Objectives

Vision

“To ensure sustainable livelihoods for those households residing in the rural areas of the Ehlanzeni District Municipality”.

- This vision places people – rather than resources, facilities or organizations – as the focus of concern and action, emphasizing that development must be participatory and improvements must be sustainable.
- In this sense the term **“livelihood”** is seen as including:
 - capabilities, knowledge and skills;
 - assets and resources; and
 - activities and actions required for a means of living.
- A **“sustainable livelihood”**:
 - can cope with and recover from stress and shocks,
 - maintain and enhance its capabilities and assets,
 - and provide sustainable livelihood opportunities for the next generation;
 - and which contributes net benefits to other livelihoods in the short and long term.
- In line with this vision, efforts should focus on empowering the poor to build their own opportunities.

Development objectives

Improve foods security and household income

- Implement measures to ensure households migrate from subsistence agriculture to that of a commercial kind.
- Improvement in ecological situation
- Develop sustainable food quality
- Improve Households income

Develop rural business and community organizations

- Harness the power of BIG Business to incubate business acumen as part of the agri-park concept
- Develop a number of business in each local municipality every year
- Assist increasing self-sustaining small business up to 5 members per entity
- Attract youths and agricultural graduates to setup rural business
- Develop operational and self-sustaining cooperatives
- Expand business through incubating at least 20 new ventures per annum

Provide flexible training and education

- Public /Private partnerships to provide training in the agricultural and tourism sectors
- Advance small business through regular mentoring
- Do rural community business developmental via monthly workshops
- Create entrepreneurial skills development by group practical exercises every month.

Provide cost effective infrastructure without sacrificing quality of services

- Prioritise spending on capital projects that will enable some of the projects in this plan
- Assist in providing rural infrastructure in every local municipality
- Create cost-effective and excellent working environment
- Deliver quality construction at local cost within budget limits

Economic sector development to create jobs for especially youths, women and people with disabilities.

- Create temporal and permanent jobs for artisan workers
- To empower youths to appreciate and implement agricultural related projects

Functional areas

Functional areas

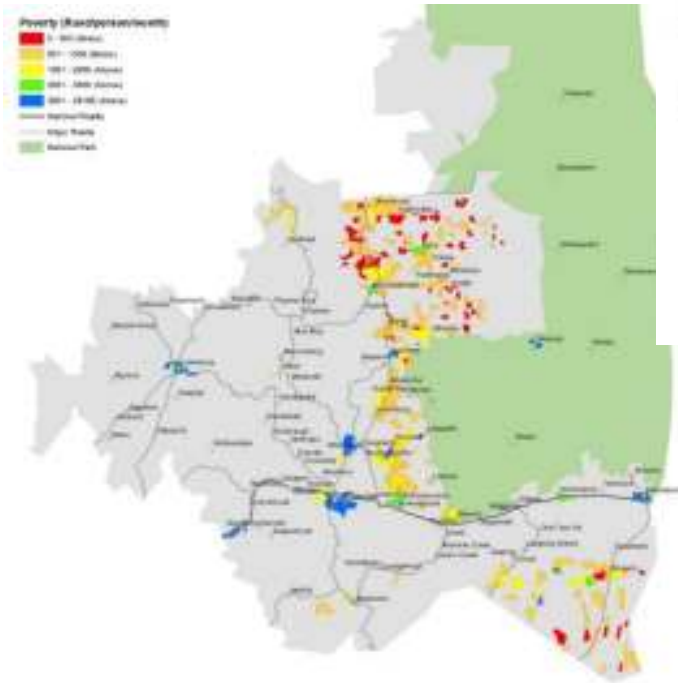
The Department of Rural Development and Land Reform - Guidelines for the Development of Rural Development Plans:

The RDP should be focused on **homogeneous functional areas** identified according to factors such as **unique environmental** and climatic conditions, land ownership profile (communal land areas), and **rural areas of high population concentration or unique settlement functions and spatial distribution**".

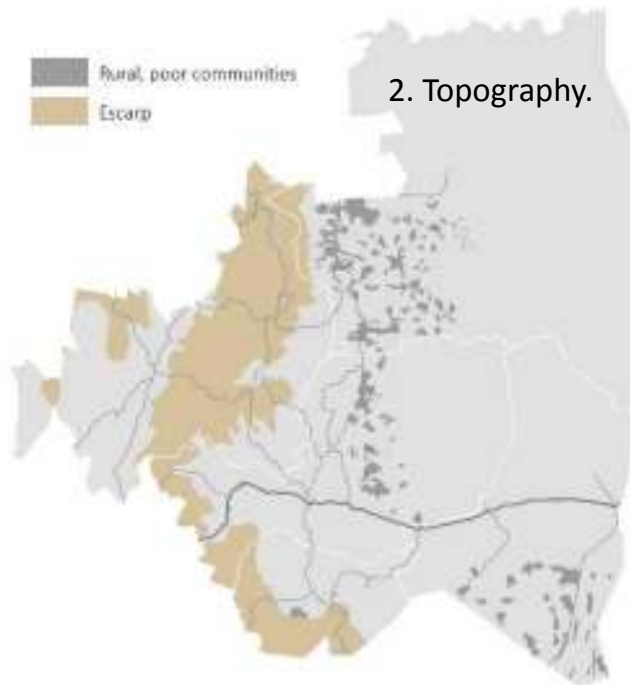
Furthermore, the RDP is seen as a "regional spatial development framework", and therefore the plan is not compiled for the entire district municipality, but rather for certain regions in the district..

Functional areas

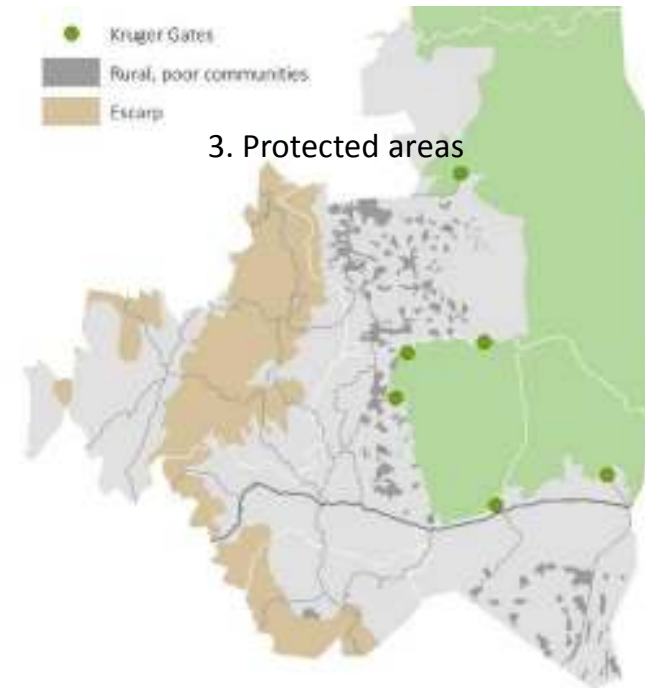
1. Pockets of poverty.



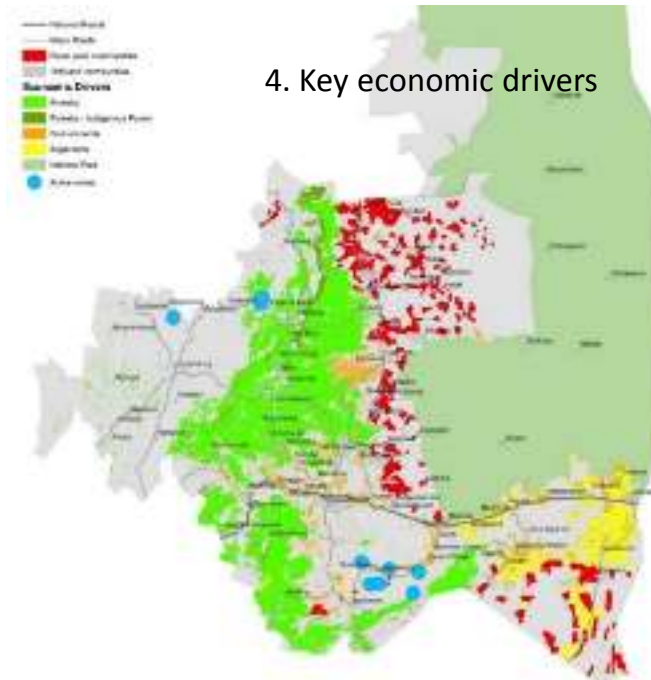
2. Topography.



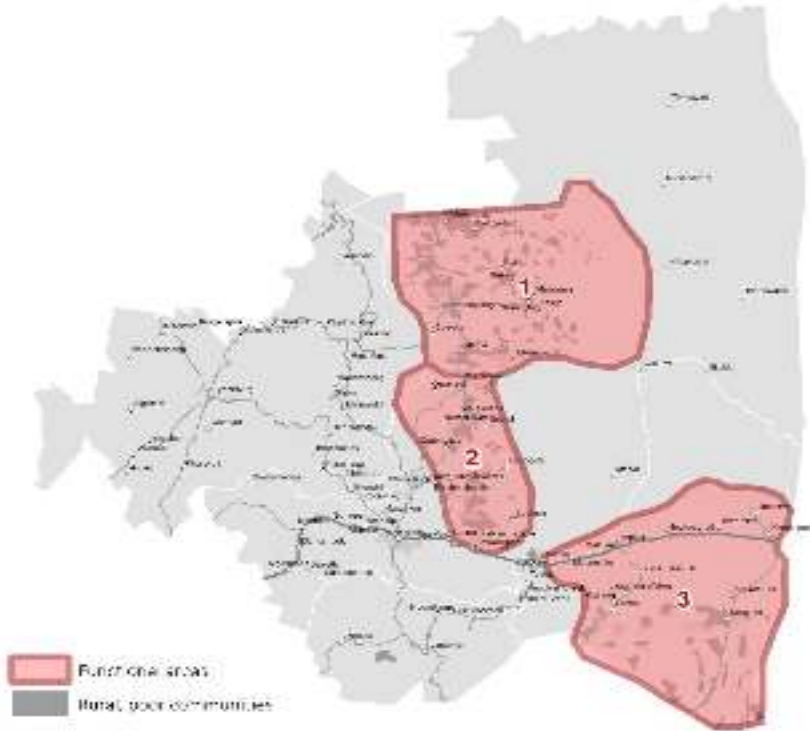
3. Protected areas



4. Key economic drivers

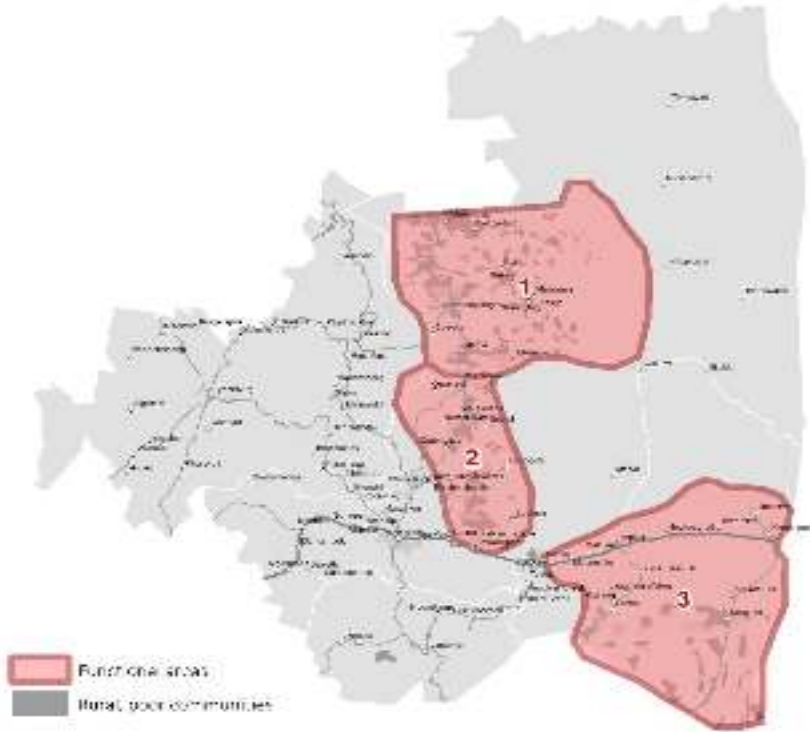


Functional areas



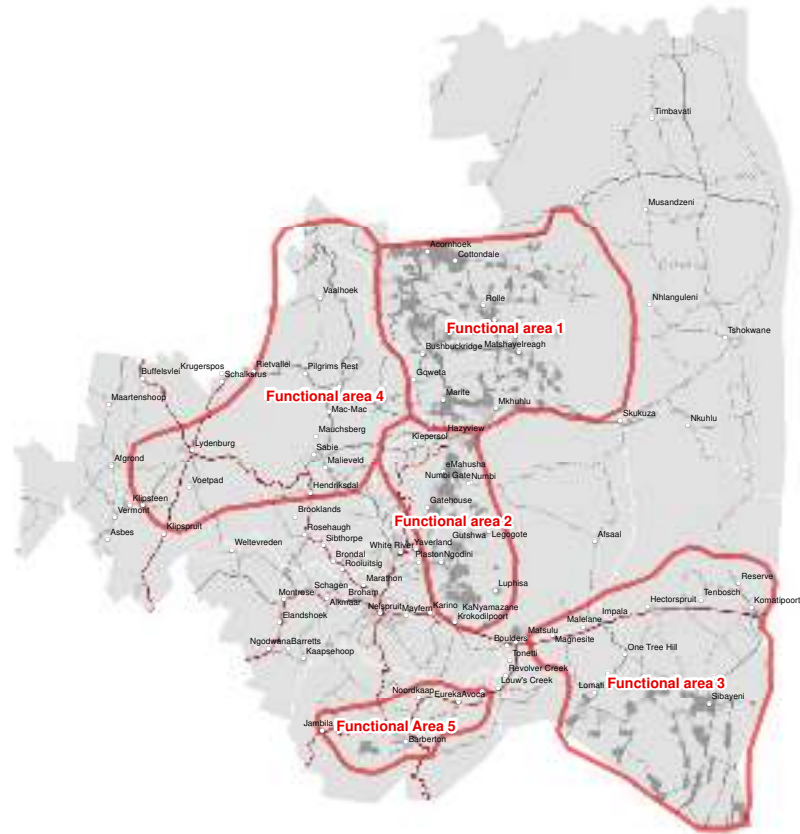
- **Functional area 1** comprises of most of the Bushbuckridge Municipal Area with local nodes located in Bushbuckridge (Dwarsloop area), Acornhoek, Mkhuhlu and Thulamahase. The bulk of the population reside in areas under the management of traditional authorities. The bulk of the municipal area is located on land with a medium to high suitability for agriculture, although limited commercial agriculture can be found in the area. Some subsistence agriculture can be found in and around commonage areas. The area is bordered on the eastern side by the Kruger National Park Opportunities in this functional area include:
 - The proposed agri-hub located in Mkhuhlu
 - The proposed tourism node around Injaka dam
 - Activities related to the tourism value chain – but with opportunities outside the functional area (e.g. people from the functional area working in lodges located in the Kruger National Park or even closes such as Mala Mala Game Reserve
 - Forestry activities are located on the western side of the functional area. Opportunities linked to the forestry sector include:

Functional areas



- **Functional area 2** is located on the eastern side of Mbombela Local Municipality and includes the municipal node Hazyview and local nodes Swalala, Kabokweni, and Kanyamazane. The major opportunity in this area comes from the commercial agriculture (specifically fruit and citrus grown around the Hazyview area. This area should also be linked with the agri-park concept and specifically the agri-hub located in Mkhuhlu. The area also exhibits medium to high potential for agriculture.
- **Functional area 3** is located in the Nkomazi Municipal area. The economy of the area is mostly driven by the sugarcane industry with TSB Sugar RSA Limited a dominant player in this area. Nodes located on the N4 Maputo corridor include Malelane (the administrative node in the area) and Komatipoort – the gateway to Mozambique. Local nodes in the area include the Buffelspruit/Schoemandsal area, Kwazibukwane as well as the Madadeni area. Opportunities in this functional area include the following:
 - Domestic forest use opportunities.
 - Tourism opportunities located around Sibayeni
 - Agriculture value chain opportunities linked to the sugar cane industry, and
 - Agricultural opportunities linked to growing vegetables in the Madadeni area.
- Opportunities linked to the SEZ in Komatipoort

Functional areas



- **Functional area 4** is located within the Thaba Chweu Municipal Area. The biggest “rural poor community” within this area is Leroro. Opportunities exist in and around the Lydenburg area for limited agriculture as well as fish production (linking to the Dullstroom area as well as other fly fishing areas). In addition the Sabie, Graskop, Pelgrimsrest area is known for its tourism – although this has declined significantly in the past couple of years.
- **Functional area 5** is located in the Baberton area.

Rural Development Plan

The Concept

The Agri-park concept.

The Department of Rural Development and Land Reform has been allocated R6bn over the next three years for Agri_park projects across South Africa and will draw in financial contributions from other departments and the private sector. The plan dovetails with the Department of Trade and Industry's focus on agro-processing to create jobs and boost exports, with some of the planned agri-parks linked with the department's special economic zones. Although the Agri-Park concept has been launched recently, it has major implications on the development of the Rural Development Plan, especially linked to the vision and development objectives of the plan. Some of the key definitions of the agri-park concept is highlighted below.

Agripark (AP)

The agripark is a system innovation of agro-production, processing, logistics, marketing and training and extension services located in District Municipalities. As a network it enables a market-driven combination and integration of various agricultural activities and rural transformation services.

Rural Urban Marketing Centre (RUMC)

RUMCs are located on the periphery of large urban areas, these facilities provide market intelligence assist farmers, processors in managing a nexus of contracts. With large warehousing and cold storage facilities to enable market management. Both FPSU's and Agri-hubs provide inputs to the RUMC. Agriparks share RUMCs. A RUMC should have a reach of between 150km - 250km.

The Concept

Agri-Hubs (AH)

Agri-hubs are located in central places in a District Municipality, preferably places both sufficient, physical and social infrastructure to accommodate; storage/warehousing facilities; agri-processing facilities; packaging facilities; logistics hubs; agricultural technology demonstration parks; accommodation for extension support training; housing and recreational facilities for labourers. Agri-hubs receive primary inputs from FPSU's for processing, value adding and packaging which is through-put into the Rural Urban Market Centres or exported directly to markets. Mkhuhlu has been earmarked as the Agrihub (or at least one of them) for the Ehlanzeni Agri-park.

Location parameters:

- centrality and accessibility
- available infrastructure
- close to logistics brokerage networks (transport networks)
- has a reach of between 60km and 120km

Farmer Production Support Units (FPSU).

Are centres (more than one per district) of agricultural input supplies, extension support, mechanization support, local logistics support, primary produce collection, and through-put to Agri-hubs. The FPSUs have limited sorting, packaging, storage, processing for local markets with through-put of excess product to Agri-hubs.

Parameters:

- 10 – 30 Km reach depending on density from where agricultural activity takes place.

Logistics Brokerage

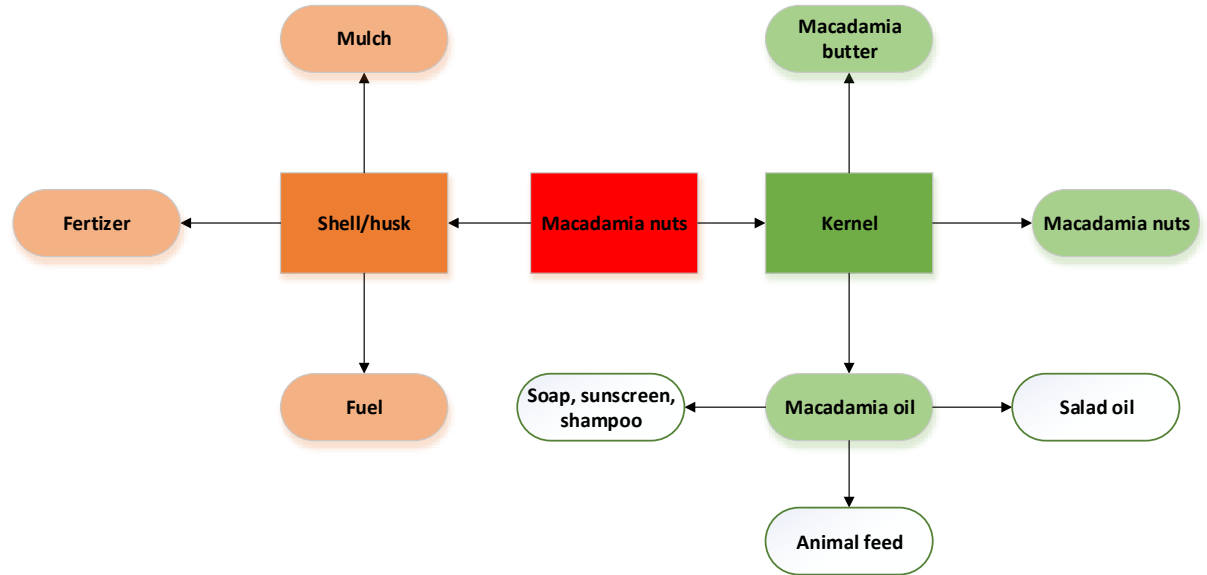
The Concept

Commodities

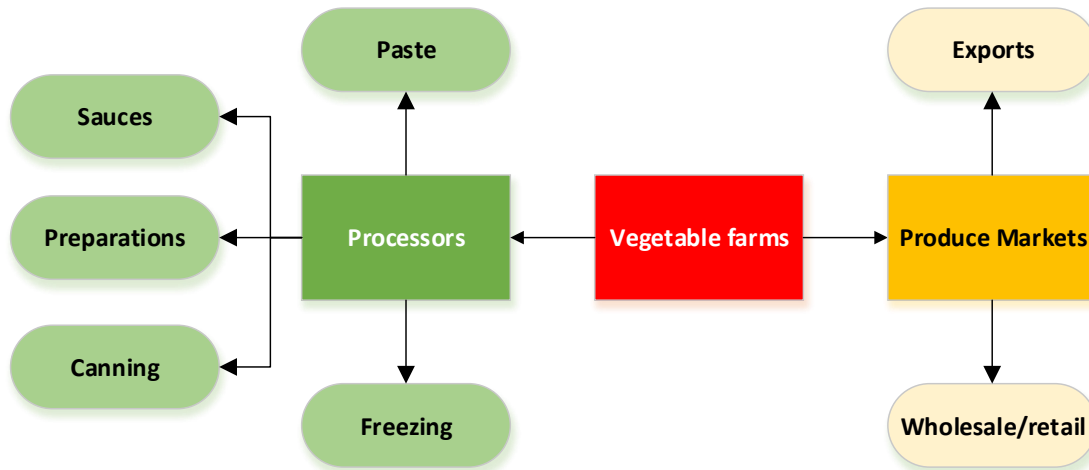
- **Macadamia nuts:** The Barberton area has the biggest Macadamia planting outside of Australia, and are probably amongst the most favourable places on earth to cultivate this very high-value crop. Highly recommended for this district
- **Vegetables:** The district is competitive in Tomatoes, Green Bean, Pepper, Potatoes, and strong commercial potential also exists for Cabbage, Carrot, Cucumber, Green mealie, Lettuce, Onion, Pumpkin, Phaseolus bean and Sweet potato.
- **Agroforestry:** Various tree species (including drought-tolerant indigenous trees and shrubs) tailored to the area can be planted to produce wood (for timber, energy or craft), food (including honey, indigenous fruits e.g. marula, etc.), fodder to increase animal carrying capacity, medicinal plant material, environmental functions, etc. Require little capital, skills, effort or water. Highly suitable for marginal land where no other crop can be grown, or animal enterprise can be cost efficiently established. Important guard against possible future food security and climate change impacts, and income generation potential for the poorest of the poor.
- **Sugar cane:** Favourable climate in the southeast and ample support from the commodity organisation (SASA) and local Miller (TSB) available, however, water for irrigation are limited.
- **Poultry:** Viable due to size of local market and relative proximity to major feedstock sourcing areas.
- **Livestock:** Cattle plays an important role in the District Municipality with around 170 000 head of cattle distributed in the three areas of Bushbuckridge (80 000), Nsikasi area (20 000) and Nkomazi (70 000)

Value chains

Macadamia nuts:



Vegetables:

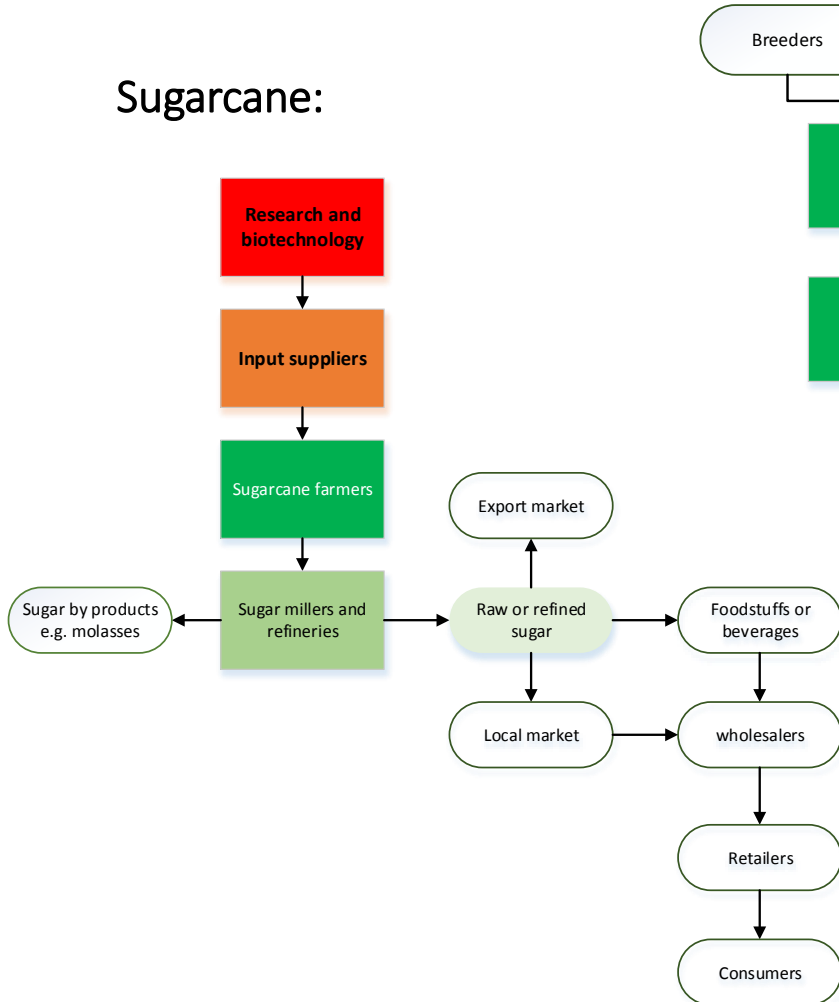


Agroforestry:

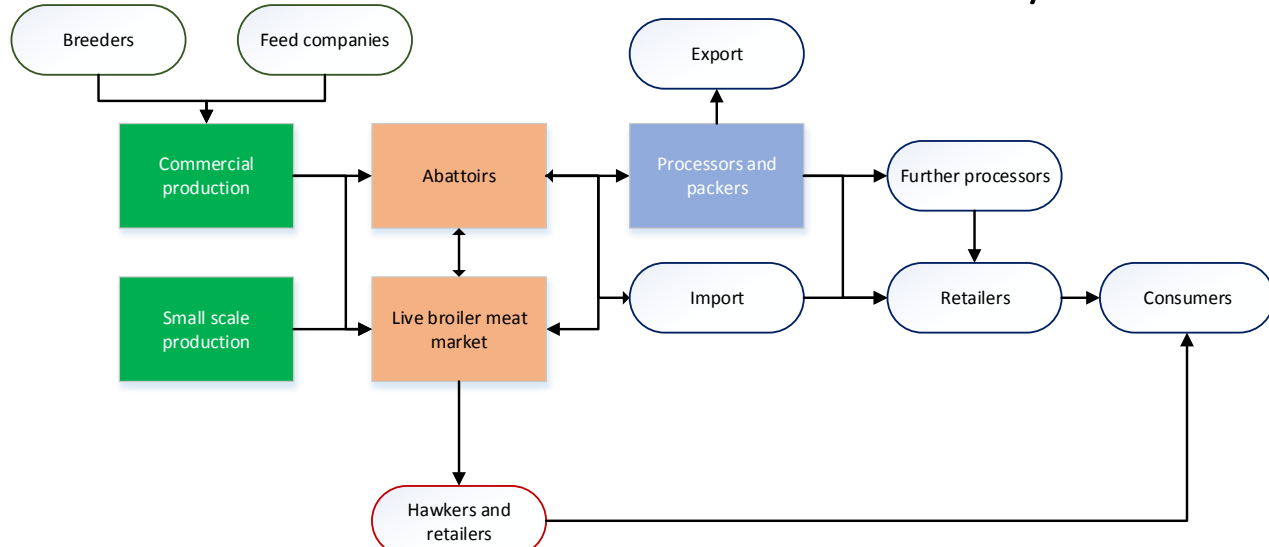
- Incorporating tree production on smallholder farms used for agriculture (small timber growers);
- roadside fuel wood to tourists;
- small-scale sawmillers;
- medicinal plant vendors;
- woodcarvers; and
- wild fruit sellers.

Value chains

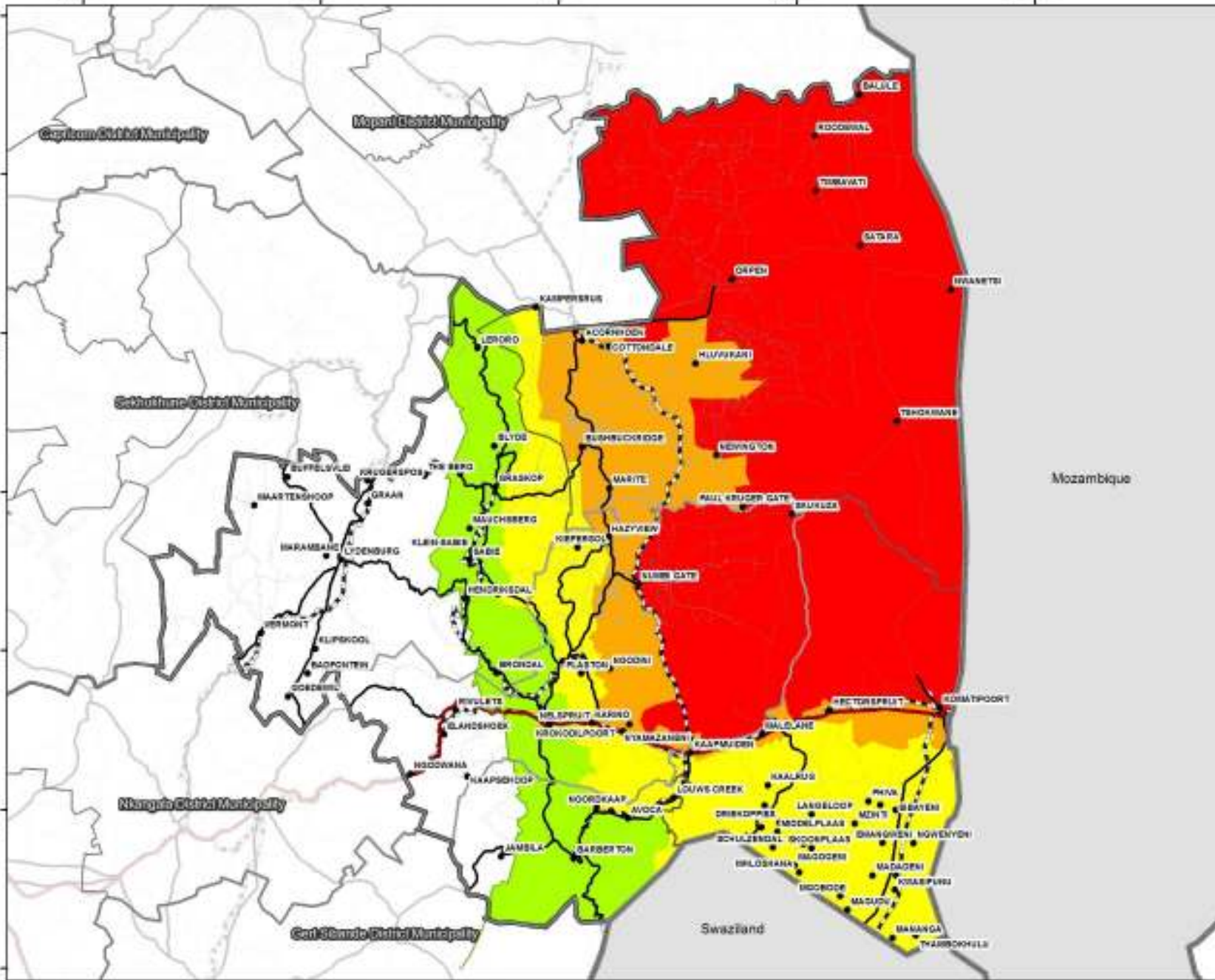
Sugarcane:



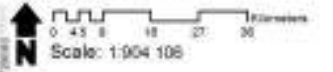
Poultry:



FOOT AND MOUTH DISEASE CONTROL AREAS



NOTE:
The position of all roads (both national and provincial roads) as well as railway lines outside proclaimed townships are approximate and not final.



- Towns
- Transportation**
 - National Roads
 - Main Roads
 - Roads
 - Railways

- Legend**
- Foot and mouth disease control areas**
- FMD infected zone
 - FMD protection zone with vaccination
 - FMD protection zone without vaccination
 - High surveillance area of the free zone

Cattle farming & FMD:








- **FMD infected area:** The foot and mouth disease has been identified in this area due to the presence of the FMD carrier buffalo. Keeping of livestock in this area should be discouraged as far as possible. If cattle are resident in this area, it should be identified with official (ZAF) green ear tags. Movement of livestock is only allowed from areas where at least 50% of the dip tanks and cattle herd have been inspected during the last month, and only if the animals originate from a herd that was fully vaccinated during the last vaccinated campaign. Cattle must be vaccinated every 4 months.
- **FMD protection zone with vaccination:** This zone has been established to protect the health status of the animals. Cattle in this zone should be vaccinated every four months (first six vaccinations per annum per farmer are free – thereafter R600 per head of cattle). All cattle in this zone should be identified with official green ZAF ear tags. Movement of livestock is only allowed from areas where at least 50% of the dip tanks and cattle herd have been inspected during the last month, and only if the animals originate from a herd that was fully vaccinated during the last vaccinated campaign. Routine mouth examinations shall be performed and recorded on at least 10 randomly selected cattle.
- **FMD protection zone without vaccination:** No vaccination is practised in this area. However, strict movement control of animals and products is still applicable. Cattle in this area should be identified with official ZAF pink ear tags. Inspection of cattle must be done every 14 days. Movement of livestock is only allowed from areas where at least 50% of the dip tanks and cattle herd have been inspected during the last month, and only if the animals originate from a herd that was fully vaccinated during the last vaccinated campaign. Routine mouth examinations shall be performed and recorded on at least 10 randomly selected cattle.

Rural Development Plan




The Frameworks (Where)

Functional area 1:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas



Agri-park logistics

-  Logistics - road
-  Logistics - railway



Spatial development pattern

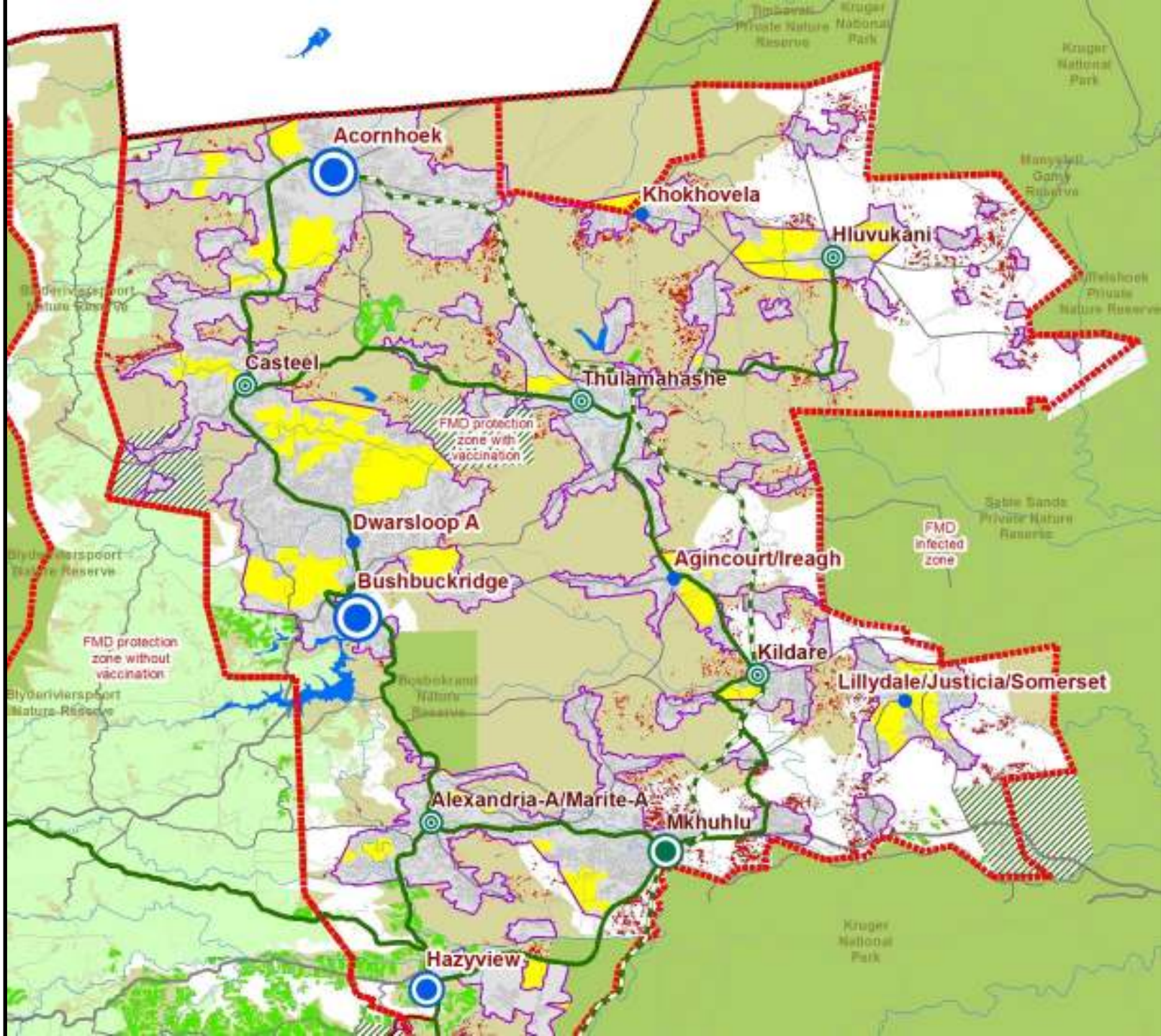
-  Existing developed areas
-  Future development area
-  Existing Large scale farmers (LSH)
-  Existing Small holder farmers (SHF)
-  Existing Plantations

Opportunities/interventions

-  High/Medium Potential Agriculture
-  Existing initiatives

Land use controls

-  Development boundary
-  Foot and mouth disease control lines











Re-thinking the positioning of the New Forest Abattoir




- Currently DARDLEA is in the process of planning a **new abattoir located at New Forest**. This initiative started before the proposed agri-park initiatives. With the agri-hub proposed in the Mkhuhlu area, it would make more sense to have the abattoir move to become part of the agri-hub development at Mkhuhlu. An **abattoir located at Mkhuhlu** is accessible (through the proposed logistics corridors and Farmer Production Support Units) not only for small holder farmers in Bushbuckridge, but also for cattle farmers in the Kabokweni area.
- The proposed abattoir need to facilitate the process for small holder farmers. Farmers lack cold storage facilities and transport facilities that large scale cattle farmers can readily access. A small holder farmer needs to be paid for the animal once it is delivered to the abattoir. Requirements for this type of abattoir include the following:
 - feedlots to accommodate cattle,
 - inspectors that can grade the meat, and reward the smallholder farmer accordingly,
 - facilities for the slaughtering of animals,
 - cold storage facilities, and
 - distribution network to provide meat to butcheries and other markets.
- Grazing camps. At the moment, most cattle roam free in the villages of Bushbuckridge. Various traditional leaders have expressed interest or the requirements to have grazing camps. This could be an opportunity to link these camps with the farmer production support units.

Functional area 1:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)
-  Abattoir






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas



Agri-park logistics

-  Logistics - road
-  Logistics - railway



Spatial development pattern

-  Existing developed areas
-  Future development area
-  Existing Large scale farmers (LSH)
-  Existing Small holder farmers (SHF)
-  Existing Plantations

Opportunities/interventions

-  High/Medium Potential Agriculture
-  Existing initiatives








Land use controls

-  Development boundary
-  Foot and mouth disease control lines






Functional area 1:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas


Agri-park logistics

-  Logistics - road
-  Logistics - railway


Spatial development pattern

-  Existing developed areas
-  Future development area
-  Existing Large scale farmers (LSH)
-  Existing Small holder farmers (SHF)
-  Existing Plantations






Opportunities/interventions

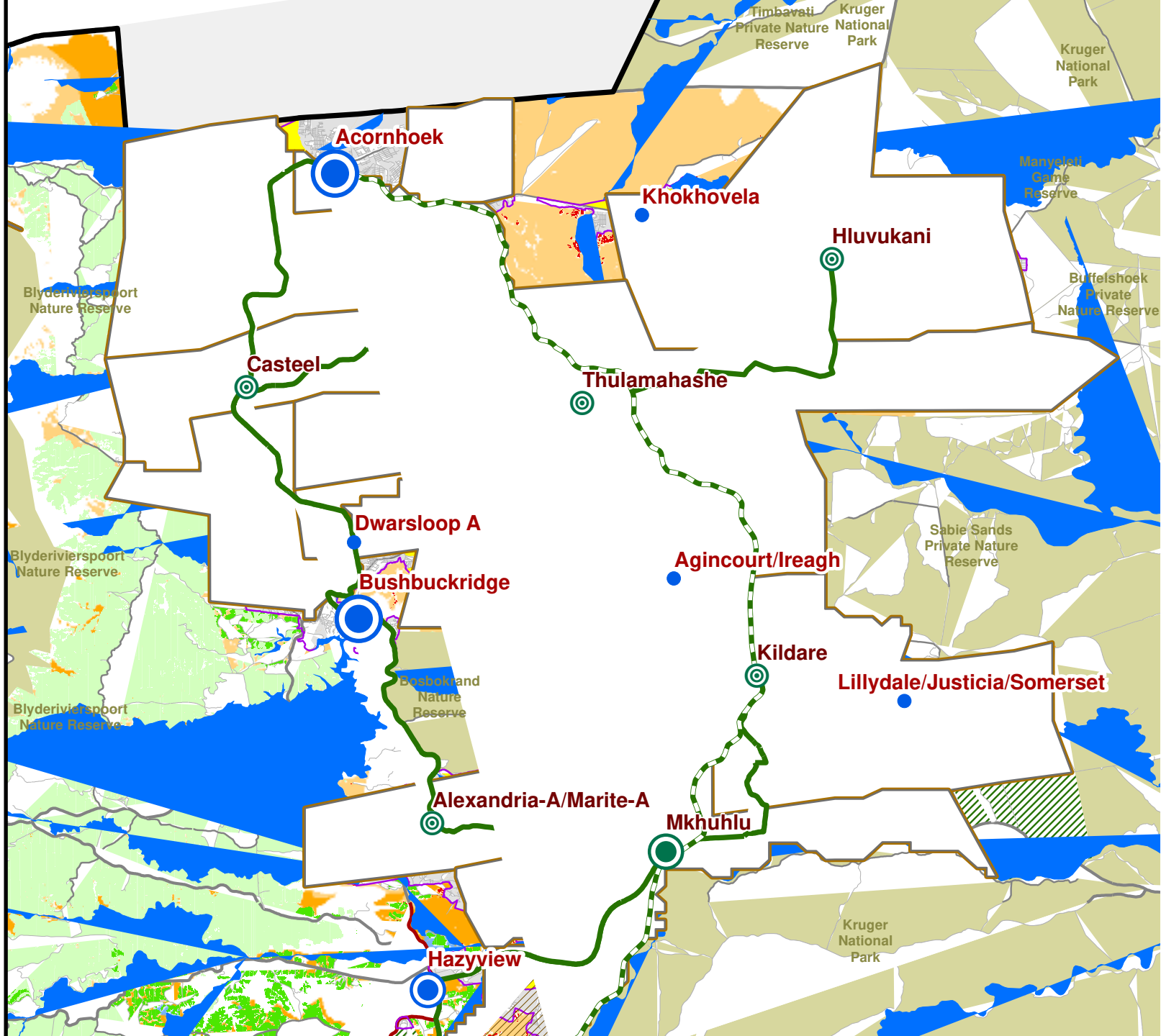
-  Commodities/activities

Land use controls

-  Development boundary

Ownership

-  Municipal
-  Private
-  State
-  Unkown
-  Traditional authority areas



Commodities grown in the area include:

- Vegetables
- Bananas (specific to the farm recapitalisation project to the north of Swalala)
- Sugar cane (on the farm Bellevue to the east of Kabokweni).

Functional area 2:
Rural development framework
Nodal hierarchy

- Urban node
- First order activity node
- Second order activity node
- Tertiary node
- Rural nodes/Service delivery centers
- Agri-Hub (AH)
- Farmer Production Support Units (FPSU)
- Abattoir

Areas to protect

- Rivers
- Surface water
- Conservation Areas

Agri-park logistics

- Logistics - road
- Logistics - railway

Spatial development pattern

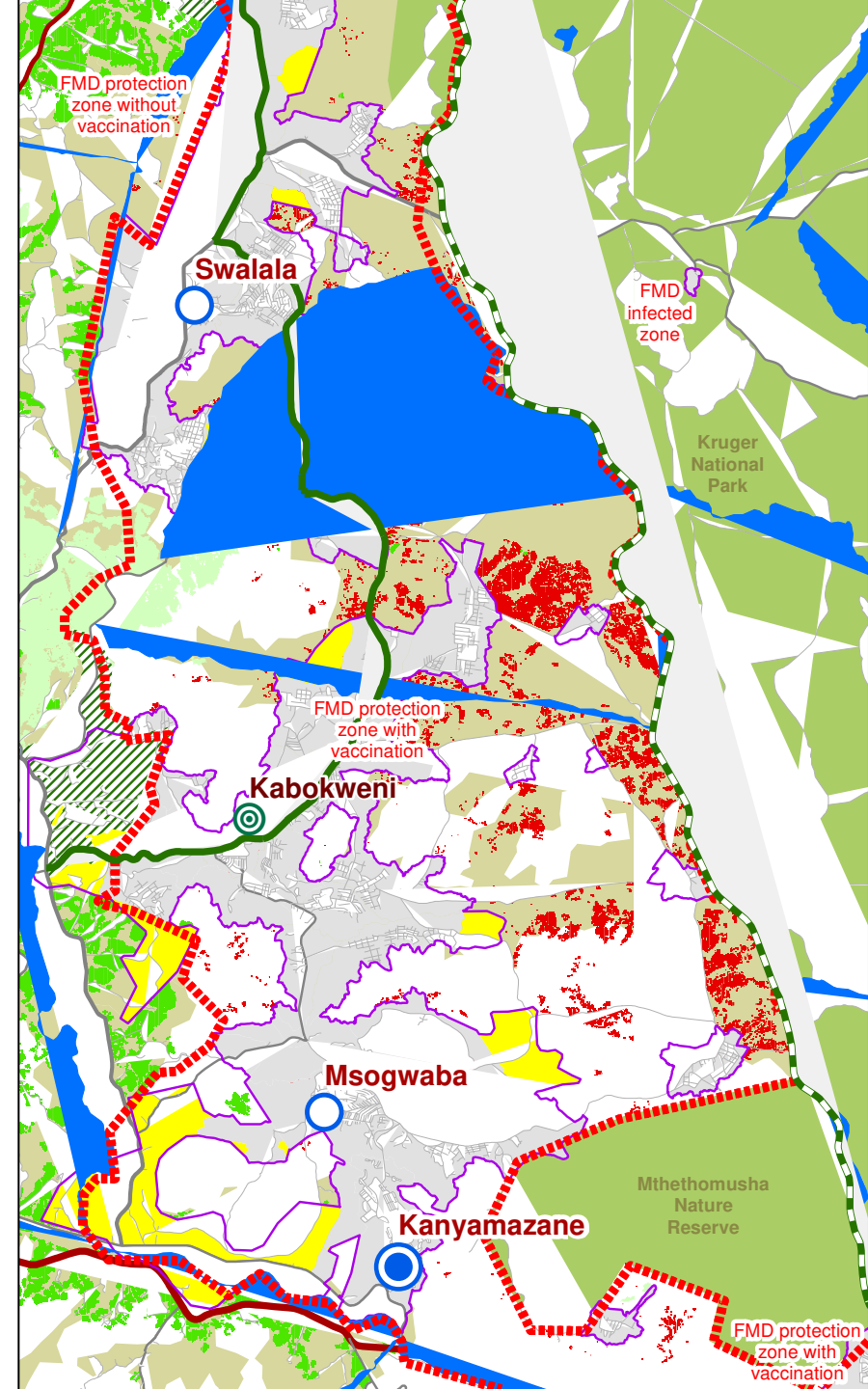
- Existing developed areas
- Future development area
- Existing Large scale farmers (LSH)
- Existing Small holder farmers (SHF)
- Existing Plantations

Opportunities/interventions

- High/Medium Potential Agriculture
- Existing initiatives









Land use controls

- Development boundary
- Foot and mouth disease control lines






Functional area 3:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)
-  Abattoir






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas



Agri-park logistics

-  Logistics - road
-  Logistics - railway



Spatial development pattern

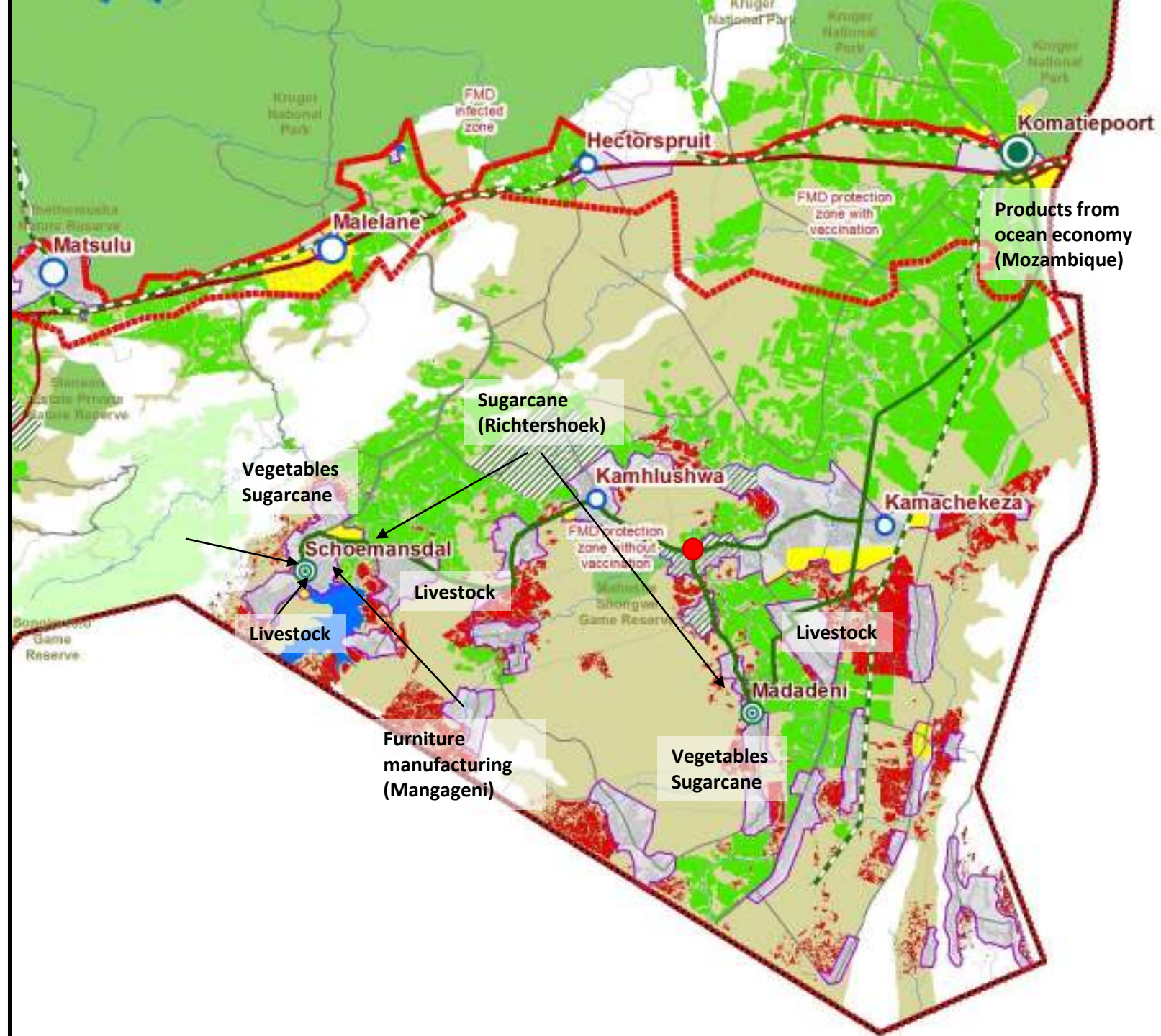
-  Existing developed areas
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-  Existing Large scale farmers (LSH)
-  Existing Small holder farmers (SHF)
-  Existing Plantations

Opportunities/interventions

-  High/Medium Potential Agriculture
-  Existing initiatives








Land use controls

-  Development boundary
-  Foot and mouth disease control lines






Functional area 3:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas


Agri-park logistics

-  Logistics - road
-  Logistics - railway



Spatial development pattern

-  Existing developed areas
-  Future development area
-  Existing Large scale farmers (LSH)
-  Existing Small holder farmers (SHF)
-  Existing Plantations






Opportunities/interventions

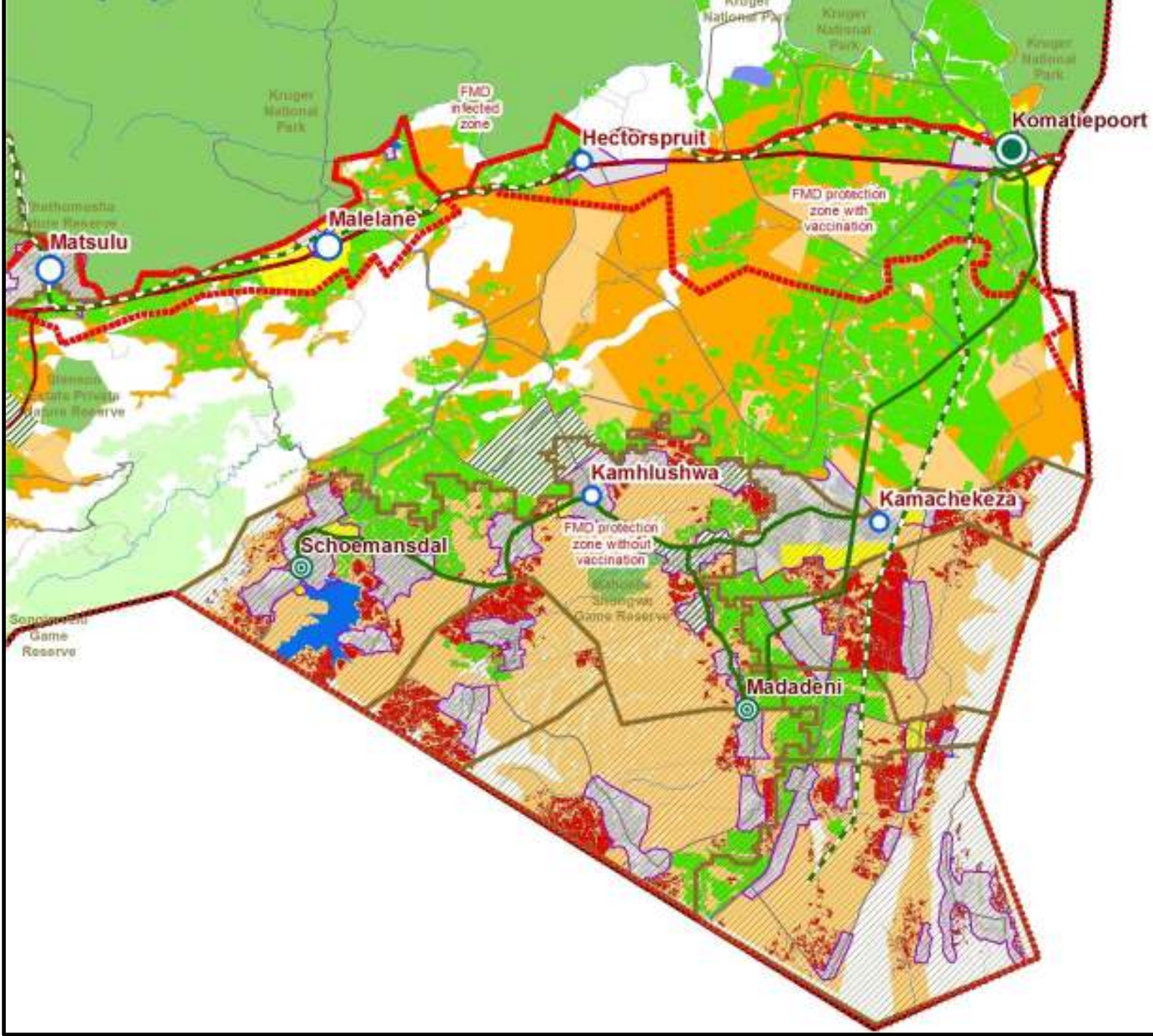
-  Commodities/activities

Land use controls

-  Development boundary
-  Foot and mouth disease control lines








Ownership

-  Municipal
-  Private
-  State
-  Unkown
-  Traditional authority areas






Functional area 4:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas



Agri-park logistics

-  Logistics - road
-  Logistics - railway



Spatial development pattern

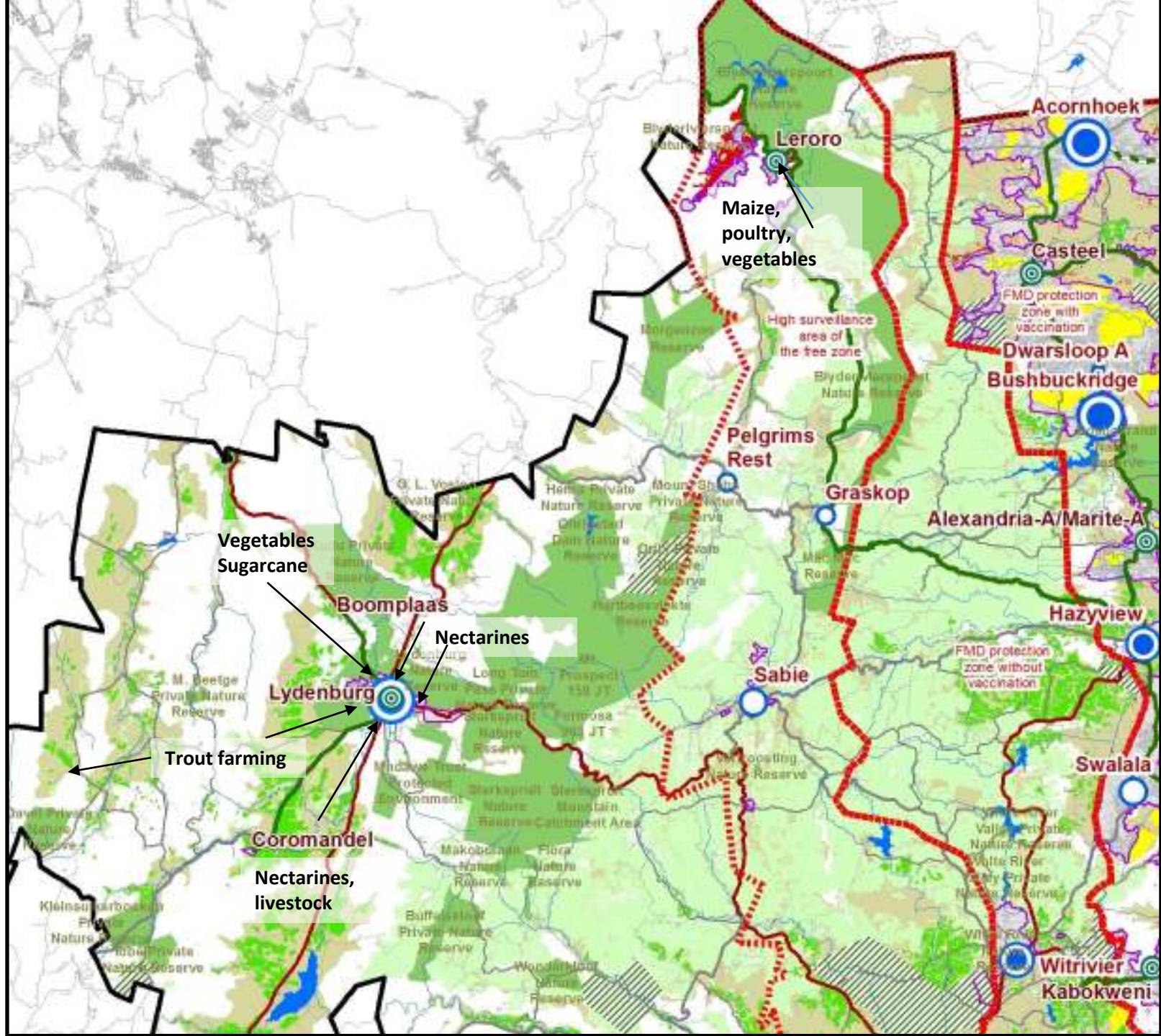
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Opportunities/interventions

-  High/Medium Potential Agriculture
-  Existing initiatives

Land use controls

-  Development boundary
-  Foot and mouth disease control lines



Sport and Adventure Tourism opportunities:

The towns of Graskop, Sabie and Pelgrims Rest as well as the areas in between typically dedicated to growing timber are some of South Africa's prime Mountainbike destinations. Annual mountain bike events include:

- MTN Sabie (February)
- Komatiland Forest-2-Falls (May)
- Spar Sabie Experience (December)

These events attract around 20 000 – 30 000 tourists to the area every year. Opportunities in this category should be based on the model currently yielding massive community benefits in the Kwazulu Natal region – the Sani2C. The event was founded on a development model that sees communities along the route being paid to host the race events. In recent years, more than 23 community organisations benefitted from the R5.2 million (South African Rand) that was raised. Throughout the year, the race organisers employ local labour in route development as well as for a tree planting initiative. They also build sidewalks along the route to ensure the safety of competitors during the event and pedestrians throughout the year. Total manpower involved in the event is almost 2000.








Agri-park related proposals:

Two farmer production support units are proposed for this functional region:




- Lerero Farmer Production Support Unit. This FPSU will provide support for small holder farmers in the Lerero area. Commodities supported by this FPSU include maize, poultry and vegetables.
- Lydenburg Farer Production Support Unit. This FPSU support small holder farmers and community property associations in the Coromandel area (nectarines, peaches and livestock) as well as the Boomplaas area supporting nectarines

Functional area 5:
Rural development framework



Nodal hierarchy

-  Urban node
-  First order activity node
-  Second order activity node
-  Tertiary node
-  Rural nodes/Service delivery centers
-  Agri-Hub (AH)
-  Farmer Production Support Units (FPSU)






Areas to protect

-  Rivers
-  Surface water
-  Conservation Areas



Agri-park logistics

-  Logistics - road
-  Logistics - railway


Spatial development pattern

-  Existing developed areas
-  Future development area
-  Existing Large scale farmers (LSH)
-  Existing Small holder farmers (SHF)
-  Existing Plantations

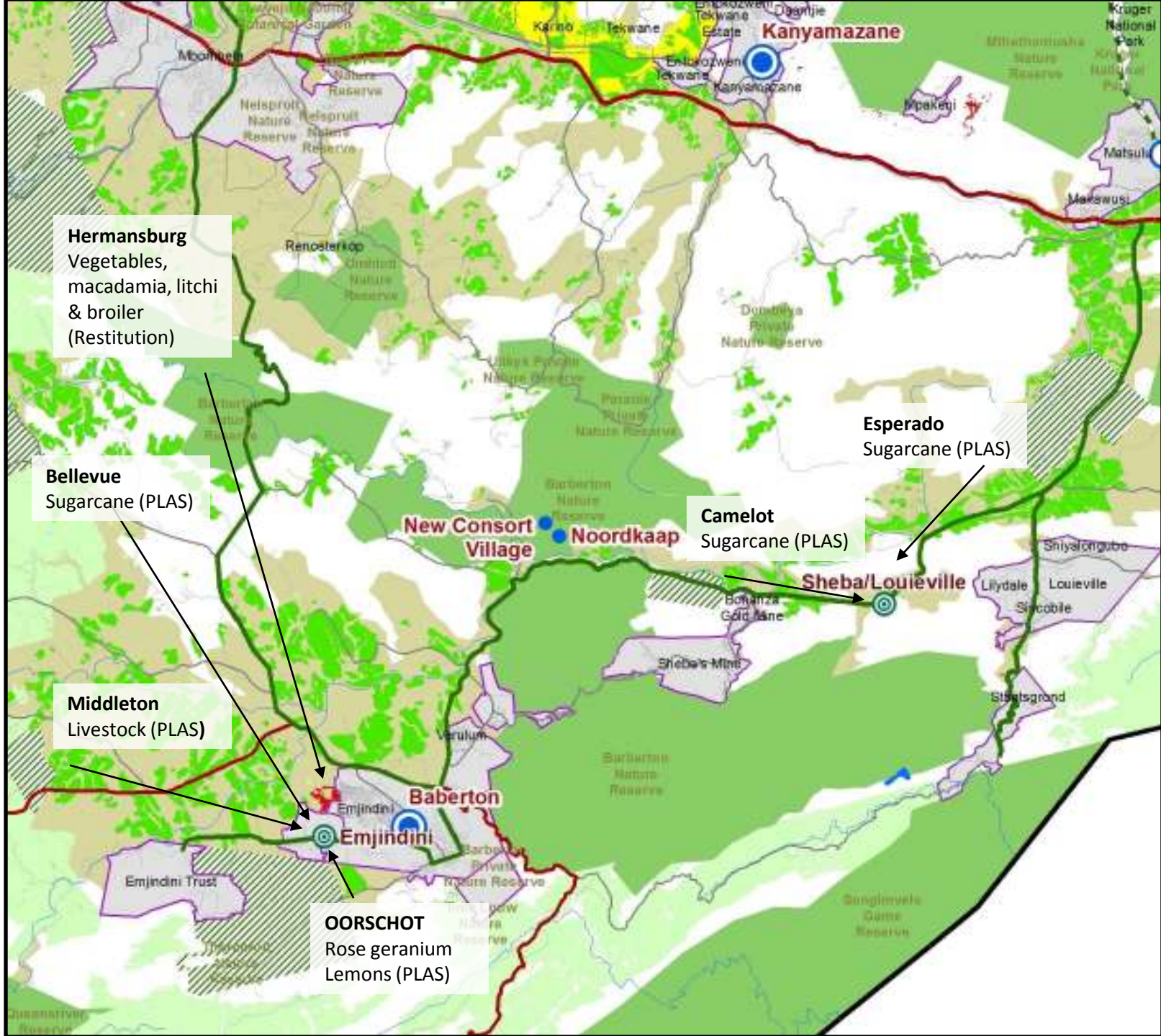
Opportunities/interventions

-  High/Medium Potential Agriculture
-  Existing initiatives

Land use controls

-  Development boundary

Proactive Land Acquisition Strategy (PLAS)



Agri-park related proposals:

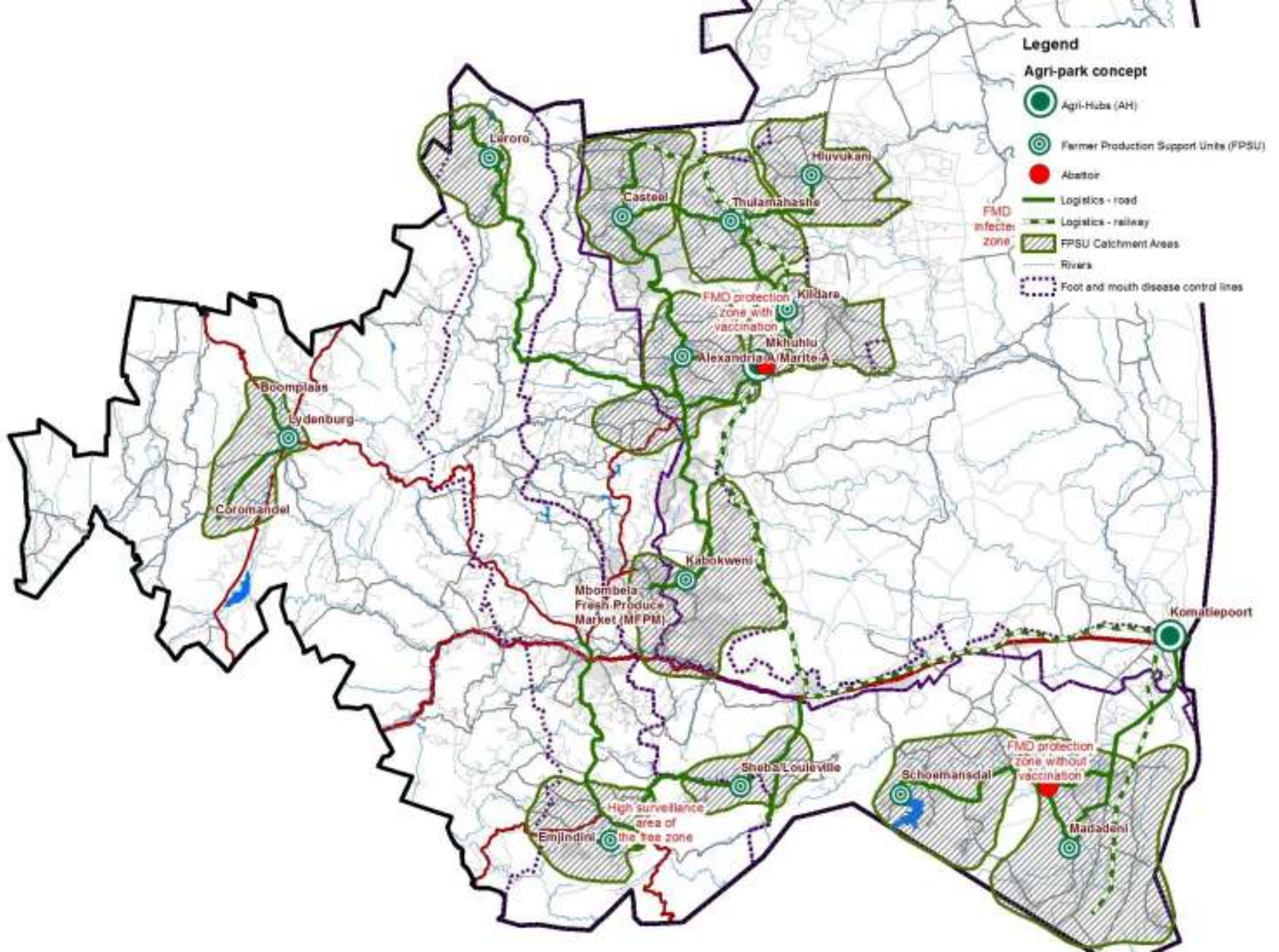
Two farmer production support units are proposed for this functional region:

- Emjindini Farmer Production Support Unit. This FPSU will provide support for communities linked to some of the PLAS initiatives in the area. Commodities supported by this FPSU include vegetables, sugarcane, livestock, rose geranium, lemons and poultry.
- A second farmer production support unit is proposed that will support the communities in the Sheba mine/Louieville area. Two PLAS initiatives in the area (on the farms Camelot and Esperado) support sugarcane, which should be the focus of this FPSU.

Tourism opportunities:

Similar to Functional Region 4, a number of tourism opportunities can be harness in this region to provide economic development to the local communities.

- The current Barberton MTN/Nissan/Advendurance mountainbike race held in January attracts thousands of tourists to the area. The main benefits of this race does however not directly translate to disadvantaged communities. A workshops should be held with the race organisers to see how communities can be involved in the race.
- The area also has some of the oldest geological formations in South Africa. The “Geotrail” provides unique opportunities for tourists to view these formations.
- A number of 4x4 trails can be found in the area including some that runs through Eureka City
- Hiking trails also abound in the Barberton area. The Primrose hiking trail is rated as one of the finest in the country.
- Traditional games held at the Emjindini Trust area.
- IDP and LED projects related to the manufacturing of jewellery by the local community.



Rural Development Plan

The Strategy (How)

The Strategy

Agricultural development

- **Food Security and Nutrition.** The emphasis here is the actual production of crops, and animals as well as animal products
- **Production.** The emphasis in this thrust is the economic value addition that arises by rural communities engaging in cash crop production
- **Farm Produce Storage Facilities.** The agri-hub will play a key part in achieving this strategic thrust, but of vital importance is the ability of farmers (and of the FPSU) to make use of the rail facilities to transport goods to the Mkhuhlu and Komatipoort agri-hubs
- **Access to markets as off-set point for local farmers.** The agri-hubs located in the production zones are a critical element as they will absorb the rural produce and eliminate the pressure for the rural communities to source for markets independently.
- **Vegetation and Reforestation** – no immediate benefits, but sustainable in terms of agroforestry opportunities over the long term.

The Strategy

Rural Infrastructure Development

- **Roads, Transport and Communication.** In communities this thrust is vital as there is need to bring in inputs and take out the produce timeously. Communication means when cut means that there is no possibility of becoming part of the outside world. Communities that are cut off from the outside world remain poor and underdeveloped.
- **Agriculture related infrastructure requirements.** Focus should be places on infrastructure required to unlock the economic opportunities offered by the agri-park initiative. The recapitalisation of key farms or the refurbishment of certain irrigation schemes are vital in ensuring that small farmers have access to infrastructure and services such as water that is necessary to ensure crop production.
- **Sanitation Waste Disposal Management.** This thrust focuses on health and health issues in the communities. Sanitation and waste disposal management ensures that the environment remains self-sustaining. This benefits not only the present generations but even those to come.
- **Rural Housing Development.**
- **Rural Financial Institutions.** The absence of a distinct rural economy means that the rural communities have to rely on the same financial institutions that fund other urban and established businesses. This has an unfair leverage on the rural communities because they normally do not satisfy the requirements for capital or funding by these commercial institutions. What is required are unique and innovative models of finance for the rural people. These models cannot be prescribed in one way or the other but arise from the general need of the rural population for particular type of funding. Thus for instance rural banks will not arise as a matter of policy but as a solution to the quest for such facilities.

The Strategy

Education and Skills Development

- **Skills development centres aligned to opportunities.** Different areas exhibit different economic opportunities. Skills development centres should be matched with these opportunities. Examples include a skills development centre focusing on imparting skills in the tourism value chain close to
- **Rural Libraries.** These should become the resource centres. This implies they must be well resourced with the latest technologies to allow villagers to research on issues of interest. The manpower manning these libraries need to be people with understanding able to assist in the search for relevant information. The libraries should be encouraged and supported by the relevant authorities. Ideally the libraries need to be Centres for Information not only for children but for development-oriented adults as well.
- **Brainstorming Ideas and freewheeling.** Communities will be encouraged to solve their challenges by contributing ideas. The process should result in the generation of creative ideas and solutions through intensive group discussion. Analysis, discussion or criticism of the aired ideas is allowed when the brainstorming session is over and evaluation session begins.
- **New Venture Bootstrapping.** The process involves the rural business men and women starting their ventures with little capital of their own. From this little operating base, the rural entrepreneurs will build their business to become possible giants that will compete in the world. The idea of bootstrapping will eliminate the need for venture capital or hand-outs. The rural businesses will be able to maintain control over all business decisions. Because the entrepreneur carries ALL the risk of the business this may encourage the entrepreneurs to work extra hard to ensure the venture does not fail. Only assistance of nonfinancial nature is given to those willing to engage in business.
- **Best Practices and Benchmarking.** Benchmarking is the process of measuring products, services and processes against those of organisations known to be leaders in one or more aspects of their operations. It provides necessary insights to help understand how your organisation compares with similar organisations, even if they are in a different business or have a different group of customers.

The Strategy

Rural Business Incubation

- **Small Business Development and Management Support.** This thrusts recognises that the SME sector in the rural areas is still in its infancy. This therefore calls for the direct intervention by the responsible authorities in giving SMEs business development and support. Such support need not be for a short term but must be stretched until the SME is able to stand on its own.
- **Community Property Associations.** This element looks at safeguarding community property. The promotion of community property associations not only ensures physical safety of property but results in an awareness that the current legacy is passed on to future generations only if property is maintained.
- **Special Purpose Vehicles for Project Development.** The legal form of the Special Purpose Vehicle may be a trust and for rural communities this may be the best form or arrangement. The SPV is an entity created by transferring assets to the SPV to carry out some specific purpose or circumscribed activity or a series of such transactions. The formation of SPV is highly recommended especially for complicated projects such as the Inyaka Dam in Bushbuckridge as well as the Kruger-Malalane Junction.
- **Community Development Trusts (Public Private Community partnerships – PPCPs).** As a variation to the SPV idea, the community development trusts may be formed. Such trusts are superior to the SPV in that they are comprised mainly of locals.

The Strategy

Rural Economic Sector Development and Support

- **Tourism: Arts and Craft, Culture and Traditional Medicines.** Tourism as a sector has the potential to bring about an economic turnaround for many local communities
- **Health: Wellness Farms, Production of Herbs.** This thrust focuses on health. The emphasis is in the promotion of wellness even in the rural communities.
- **Manufacturing: Agro processing.** The focus on agro-processing is at a small scale, because venturing into full scale agro-processing will put the project out of scope of the rural communities. Again the benchmarking Report provides ample examples of small scale agro-processing ventures successful elsewhere in the world, and these can be adapted for South Africa.
- **Sustainable/Renewable environmental management.** Like the conservation thrust, the issues of renewable environmental management is not a profit making zone. As a result appropriate government departments have to be Renewable Environmental involved. People have to be made aware of the benefits of management this type of management. Usually it is more 'expensive' to use the environmentally-friendly management practices, but in the long term the benefits are immeasurable.
-
- **Mining Value Addition.** Value addition in mining is a highly contested area, considering that most of the processes are highly technical and capital intensive. To some extent some value addition can be introduced whereas the rural communities will benefit but this is very limited in nature to such things as supplying protective clothing, supplying consumables, routine security on the mine, minor refurbishments of buildings

Rural Development Plan

Implementation

#	Action	Responsibility	Timeframe
1	Alignment of municipal strategic plans		
1.1.	<p>Review municipal spatial development frameworks to align with the development plans for focus area 1, 2 and 3. Typically the municipal SDF is reviewed in 5 year cycles. The principle of an Agri-Park, with supporting agri-hubs and farmer productions support units and logistics corridors is relatively new – and does not form part of most of the municipal SDF’s. While many projects have been identified as part of the IDP and SDF, these also do not necessarily form part of the SDF or the capital expenditure framework. While the target dates for the SDF revision below is noted, it is proposed that amendments be made to these documents to include the proposals of the Rural Development Plans.</p> <ul style="list-style-type: none"> • Nkomazi 2010 - Overdue • Bushbuckrdge 2010 - Overdue • Mombela 2012 – Due 2017 • Thaba Chweu 2014 – Due 2019 • Umjinji 2009 - Overdue 	All municipalities	2016
2.	<p>Development of precinct plans for agri-hubs and farmer productions support units. This rural development plan proposes agri-hubs and farmer production support units at various nodes in the three functional areas. There is a need for more details plans to be developed for each of the following areas:</p> <ul style="list-style-type: none"> • Region 1: Mkhuhlu, Casteel, Alexandria A, Mildare, Hlulukani, Thulumahashe • Region 2: Kabokweni • Region 3: Komatipoort, Schoemansdal, Mandaneni <p>These precinct plans should clearly indicate the proposed location of each of the agri-hubs and farmer productions support units, together with cadastral boundaries and property descriptions that can feed into the business plans for the agri-park concept.</p>	Bushbuckridge, Mbombela, Nkomazi local municipalities, and Dept. of Rural Development and Land Reform, DARDLEA	2016-2017
2.	<p>Include Rural Development Plans in Municipal Land Use Schemes. Many of the proposals included in the Rural Development Plan occur in areas that are either not part of an existing town planning scheme, or in areas that are currently being included in SPLUMA complaint land use schemes. Areas that have until now not been zoned, can be included in the land use scheme with the accompanying correct zoning. SPLUMA allows a municipality to amend its land use scheme by rezoning any land considered necessary by the municipality to achieve the DEVELOPMENT GOALS AND OBJECTIVES OF THE Spatial Development Framework (which in this case includes the Rural Development Plans). In addition, most of the land affected by the rural Development Plan proposals belongs to the State – thereby making such as rezoning easier.</p>	All municipalities	2017
1.4.	<p>Agreements with traditional authorities. A key principle of the plan is that land suitable for small holder farming in and around communities be used as such, and not be allocated for other land uses. To this end, once the precinct plans are finalised, it will be necessary to obtain the commitment from traditional councils that these pockets f land will be protected and used only for the purposes highlighted in the Rural Development Plan, the precinct plan and the land use scheme</p>	All municipalities	2017

#	Action	Responsibility	Timeframe
2.	Alignment of current initiatives to support the Rural Development Plan		
2.1.	Projects around Casteel FPSU		
	RADP - Farm Zoeknog 500 KT, Casteel, Bushbuckridge. Revising the business plan to remove coffee plantation in the current business plan.	DRDLR	
	LED Projects: Allandale Citrus Farm	Bushbuckridge LM	
2.2.	Projects around Thulumahashe FPS		
	RADP - New forest 234 KU. Business plan development stage.	DRDLR	
	LED Projects: New Forest And Dingleydale Irrigation Scheme. Business plan process aimed at vegetable commodities.	Bushbuckridge LM	
	Champagne Citrus Farm restitution project – supporting citrus and mango commodities.	Bushbuckridge LM	
2.3.	Projects around Hlulukani FPS, and in support of the hospitality function		
	Andover Game Reserve, Manyeleti Game Reserve, Integrated Tourism Node (Thulani), Sabi Sands Lodge development project	Bushbuckridge LM	
2.4.	Projects around Alexandria FPS and Mkhuhlu agri-hub		
	Aquaculture projects around Hazyview and Sandfort, compost manufacturing from waste (Nkambeni & Sandfort), cosmetics form essential oils (Hazyview), furniture production (Hazyview), informal trade management programme (Numbi & Mahushu), Job linkage centre at Hazyview & Swalala, Juice extraction at Hazyview, Macadamia nut and oil production (phased development at Hazyview), Organic vegetable production (Hazyview and Swalala), SMME retail development (Hazyview and Swalala), Sabie-Hoxane Irrigation Scheme (Hoxani)	LED projects of Bushbuckridge and Mbombela Local Municipalities.	
	Lisbon restitution project in support of citrus commodities.	DRDLR	
2.5.	Projects around Kabokewni FPS		
	Aquaculture at Tekwane and White River, Furniture producti (Kabokweni), Informal Trade Management Programme (Gutshwakop, Newscom and Zwelisha), juice extraction at White River, Macadamia nut and oil production at White River, production of essential oil from citrus peel at White River.	LED projects of Mbombela Local Municipality.	
	South African Renaissance - Bellevue A2 520 Jt And Bellevue B 519 Jt, Sugarcane commodities.	PLAS	
2.6.	Projects around Schoemansdal FPSU		
	Magogeni Furniture Manufacturing Project,	Nkomazi LM	
2.7.	Projects around Mandadeni FPSU		
	Cotton Project Mgobodzi – to explore cotton production, Mangweni Manufacturing & Distribution Complex, Mzinti precast project and bakery, Sibange Vegetable Irrigation Scheme – provide facilities for development of business opportunities, Upgrading of sugarcane irrigation systems – Mbongozi, Blue Dot, Langelooop, Vlakkbult, Ntunda.	Nkomazi LM	

#	Action	Responsibility	Timeframe
3.	Implementation of priority projects		
3.1.	<p>Finalisation of agri-park business plan. This study has already commenced and has identified vegetables, sugarcane, agroforestry and poultry. Priority actions include the following:</p> <ul style="list-style-type: none"> ○ Confirm the placement of agri-hubs and farmer production support units as proposed in this rural development plan. ○ Obtain the buy-in of Transnet for the use of rail as a mean of transporting produce from the Farmer production support units to the agri-hubs. ○ Confirm the commodities to be supported by each farmer productions support unit and agri-hub and ensure that enabling infrastructure development is prioritised to unlock the necessary potential. ○ Meet and discuss with key private sector role-players in the sugarcane industry (TCB Sugar), forestry industry, and vegetable and fruit growers the agri-park initiative. Obtain where possible commitments from these role-players to support the initiative. 	DARDLEA, Dept. of Economic Affairs, DRDLR, Transnet, Local Municipalities.	
2.	<p>Value Addition for Organic Fertiliser. This project revolves around the Development of an Organic Fertilizer Plant to manufacture seaweed organic fertilizer, with the seaweed coming from Mozambique. The project will strengthen international business and the Maputo Development Corridor initiative. The actual organic fertiliser plant will not employ vast amounts of the locals but will produce an output which can be accessed by a larger majority of the rural population. Most people will be absorbed in the agriculture value chain once more as they utilise the fertiliser from the Organic Fertiliser Plant. The illustration below also shows the expected beneficiaries in the organic fertiliser value chain.</p>	Ehlabeni District Municipality, Dept. of Economic Affairs, Local Municipalities.	
2.	<p>Business plan for skills development centre focused on the tourism value chain located at Hluvukani. Role players include Department of Tourism, SANPARKS and the management of the Kruger National Park, Timbavati Private Nature Reserve, Buffelshoek Nature Reserve, Sabie Sands Nature Reserve, Mayeloti Game Reserve. The focus of the business plan should be on what skills can be thought to rural communities bordering these nature reserves that can enhance their ability to obtain work in the tourism sector. Examples include anti-poaching tracking and skills, catering and hospitality etc.</p>	Bushbuckridge Local Municipality, SANPARKS, Private Nature Reserves.	
2.	<p>Forestry and reforestation. This is one of the red-flagged projects in the District strategy, implying that over the next 10 years or so, project benefits may take time to be realized. Naturally timber takes longer to mature, up to 25 years for some trees. This project can also be carried out in any locality in the District. However critical to the whole project is the issue of land availability. Land in this case is required in hundreds of thousands of hectares. In addition it is critical to note that the growing of timber requires meticulous attention to conservation management practices and a lot of patience.</p>	DAFF, Local Municipalities.	
2.	<p>Tourism and Hospitality Management- Kruger-Malelane Junction. This project will support Malelane Railway Station for unique “tourism and hospitality” destination. This will focus on all activities that supports human feelings, mental drills and soul mending, reflecting in “body, mind and soul” uplifting. This project will impact more in Nkomazi but benefits will extend to other municipalities such as Bushbuckridge, Umjindi, Mbombela as well as Thaba Chweu. Tourism tends to affect all sectors of the economy and hence the range of job creating activities is unlimited.</p>	Nkomazi Local Municipality, SANPARKS.	
2.	<p>Inyaka Dam Project. This project based in Bushbuckridge should bring benefits to the local area by concentrating on projects to transform Inyaka dam into a tourism and hospitality destination. Possible sub-projects include tree camping, honey farming, mushroom farming, a waterfront, art and music school, community workshops, film school, academy for environmental management, a lodge model farm and B&B, hotel and accommodation</p>	Bushbuckridge Local Municipality, SANPARKS.	

Rural Development Plan

Monitoring implementation of the plan.

Development Objective	Performance Indicators	Responsible stakeholder (To monitor/complete task)	Stakeholder's role	Proposed Timeframe
Improve food security and household income	Successful completion of Ehlanzeni Agri-Park business plan.	DRDLR	Consider the requirements for each component of the Agri-hub, in line with the commodities and initiatives highlighted in this report. Workshop requirements with community organisations. Complete business plan and budget.	2016
	Successful completion of Mkhuhlu Agri-Hub	DRDLR	Conduct feasibility study, plan, tender and construct Agri-hub	2017-2020
	Successful completion of Komatipoort Agri-hub	DRDLR	Conduct feasibility study, plan, tender and construct Agri-hub	2017-2020
	Successful completion of FPSU at Casteel, Thulamahase, Hluvukani, Kildare, Alexandria-A, Kabokweni, Schoemansdal, Madadeni, Lydenburg, Lerero, Emjindini, Sheba/Louieville	DRDLR	Conduct feasibility study, plan, tender and construct Agri-hub	2017-2020
	Number of emerging farmers	Department of Agriculture	Compile register of emerging and small holder farmers, update and report on progress annually	2016 onwards
	How many hectares of arable land successfully acquired for rural farming?	DRDLR (Land acquisition)	Acquisition of farms	2017 onwards
	Number of operational co-operatives	Department of Agriculture	Compile register of co-operatives, update and report on progress annually	2016 onwards
	Number of food security projects	Department of Agriculture	Compile register of number of food security projects, update and report on progress annually	2016 onwards
	Number of cash crops projects	Department of Agriculture	Compile register of number of cash crops projects, update and report on progress annually	2016 onwards
	Number of reforestation and tree planting	DAFF	Register umber of trees planted per community, update and report on progress	2016 onwards
	Increase in average annual household income	Ehlanzeni District Municipality	Conduct sample socio-economic survey on 2 year intervals to monitor average household income.	2017, 2019, 2021
	Agriculture sector GDP (Increase in GDP, GVA)	Department of Agriculture	Report on GVA per region, per annum.	Annually
	Agriculture sector Employment	Department of Agriculture	Report on employment in the agricultural sector per region, per annum.	Annually
	Agro-processing GDP	Department of Agriculture	Report on GVA per region, per annum.	Annually
	Agro-processing Employment	Department of Agriculture	Report on employment in the agricultural sector per region, per annum.	Annually
	Signed MOU's with private sector agreeing to buy produce from Agri-Hubs		Drafting of MOU and identifying relevant companies within the private sector. Organise meetings between private sector companies and community based organisations (e.g. Bushbuckridge Primary and Secondary Co-operatives), identify needs from private sector	

Development Objective	Performance Indicators	Responsible stakeholder (To monitor/complete task)	Stakeholder's role	Proposed Timeframe
Develop rural business and community organizations	Signed MOU's with private sector agreeing to buy produce from Agri-Hubs	Department of Agriculture and DRDLR	Drafting of MOU and identifying relevant companies within the private sector. Organise meetings between private sector companies and community based organisations (e.g. Bushbuckridge Primary and Secondary Co-operatives), identify needs from private sector and match with commodities at Agri-hubs and communities.	2017
	Signed MOU's with private sector agreeing to fund and staff tourism development centre at Hluvukani in support of skills development	Mpumalanga Tourism and Parks Agency	Drafting of MOU and identifying relevant companies/ private parks within the Kruger National Park. Organise meetings between role-players and develop business plan	2017
	Number of registered SMMEs	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor the number of SMME's and whether the SMME's are successful and challenges encountered	Annually
	Number of registered co-operatives	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor the number of SMME's and whether the SMME's are successful and challenges encountered	Annually
	Overall GDP (Increase in GDP, GVA)	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on the overall increase in GVA produced by SMME's, co-operatives and other community organisations on an annual basis.	Annually
	Number of direct permanent employment	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on number of people employed by SMME's, co-operatives and other community organisations on an annual basis.	Annually
	Number of direct temporary employment	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on number of people employed by SMME's, co-operatives and other community organisations on an annual basis.	Annually
	How many Community Property Associations	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on the number of CPA's and new registrations per annum	Annually
	Number of Special Purpose Vehicles	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on the number of SPV's and new registrations per annum	
	Number Community Development Trusts	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on the number of Community Development Trusts and new registrations per annum	
	Successful implementation and roll out of mentoring and skills development facilities programmes and assets at FPSUs	DRDLR, Dept. of Agriculture, Mpumalanga	Determine what skills are required at each FPSU (related to key commodities). Determine skills gaps between existing skills and what would be required by small farmers to be competitive. Develop skills development programmes. Determine facilities requirements at each FPSU. Implement and monitor	2017 onwards

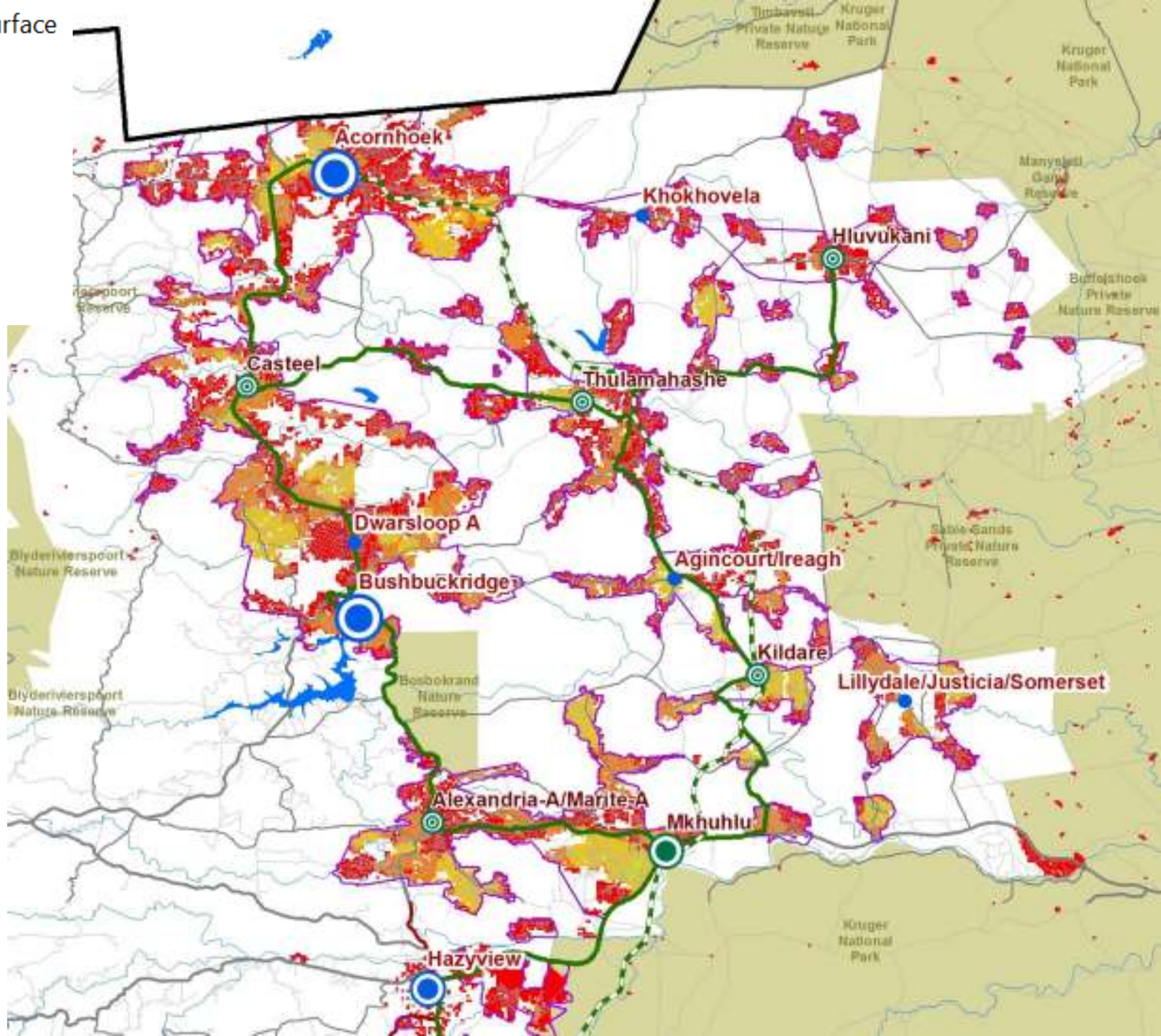
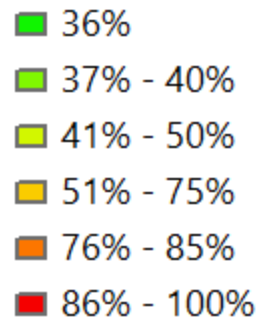
Development Objective	Performance Indicators	Responsible stakeholder (To monitor/complete task)	Stakeholder's role	Proposed Timeframe
Provide flexible training and education	Successful implementation and roll out of mentoring and skills development facilities programmes and assets at FPSUs	DRDLR, Dept. of Agriculture, Narysec	Determine what skills are required at each FPSU (related to key commodities). Determine skills gaps between existing skills and what would be required by small farmers to be competitive. Develop skills development programmes. Determine facilities requirements at each FPSU. Implement and monitor	2017 onwards
	Value of mentoring related projects executed successfully	DRDLR, Dept. of Agriculture, Narysec	Quantify and report on the value of mentoring projects executed per annum. Including the number of small holder farmers that benefited from such projects	2017 onwards
	How many mind mapping and brainstorming of ideas	DRDLR, Dept. of Agriculture, Narysec	Quantify and report on the number of mapping and brainstorming activities, . Including the number of small holder farmers that benefited from such projects	2017 onwards
	Number of successful and productive incubators for rural development	DRDLR, Dept. of Agriculture, Narysec	Identify and report on the number of rural development incubators per annum	2017 onwards
	New businesses created and bootstrapped	DRDLR (Recap), Mega, Dept., of Economic Development	Monitor and report on the number of new business created per annum	
	Best practices and successful benchmarking	DRDLR, Mega, Dept., of Economic Development	Conduct benchmarking study even two years across participating District Municipalities. Identify best practises. Conduct workshops and brainstorming activities that communicate best practises to small holder and emerging farmers.	2018, 2020, 2022 onwards
Provide cost effective infrastructure without sacrificing quality of services	Number of infrastructure projects directly linked to Agri-park related projects	DRDLR, CogTA, Municipalities, DWAS, Roads Agency, District Municipality etc.	Evaluate existing projects and prioritise those within proximity of FPSU and Agri-hubs (where possible).	2016
	Development of agricultural related infrastructure at Agri-hubs and FPSUs	DRDLR, CogTA, Municipalities, DWAS, Roads Agency, District Municipality etc.	Identify infrastructure requirements at each FPSU and Agri-hub (as key input into business plan mentioned earlier). Prioritise spending on these projects.	2016 onwards
	Number of VIP toilets build successfully	DWAS, Municipalities	Audit and report on number of VIP toilets constructed annually	Annually
	Number of water closets toilets	DWAS, Municipalities	Audit and report on number of water closets toilets constructed annually	Annually
	Kilometre of tarred roads in rural areas	Roads Agencies, Municipalities, District Municipality	Audit and report on km of roads and value thereof tarred annually	Annually
	Successful rural transport system executed	Roads Agencies, Municipalities, District Municipality	Audit and report on number of transport systems executed annually	Annually
	Number of rural radio stations for communication	Department of Communications.	Report on number of radio stations in rural areas	Annually
			Report on number of waste treatment plants in	

Development Objective	Performance Indicators	Responsible stakeholder (To monitor/complete task)	Stakeholder's role	Proposed Timeframe
Provide cost effective infrastructure without sacrificing quality of services	Number of infrastructure projects directly linked to Agri-park related projects	DRDLR, CogTA, Municipalities, DWAS, Roads Agency, District Municipality etc.	Evaluate existing projects and prioritise those within proximity of FPSU and Agri-hubs (where possible).	2016
	Development of agricultural related infrastructure at Agri-hubs and FPSUs	DRDLR, CogTA, Municipalities, DWAS, Roads Agency, District Municipality etc.	Identify infrastructure requirements at each FPSU and Agri-hub (as key input into business plan mentioned earlier). Prioritise spending on these projects.	2016 onwards
	Number of VIP toilets build successfully	DWAS, Municipalities	Audit and report on number of VIP toilets constructed annually	Annually
	Number of water closets toilets	DWAS, Municipalities	Audit and report on number of water closets toilets constructed annually	Annually
	Kilometre of tarred roads in rural areas	Roads Agencies, Municipalities, District Municipality	Audit and report on km of roads and value thereof tarred annually	Annually
	Successful rural transport system executed	Roads Agencies, Municipalities, District Municipality	Audit and report on number of transport systems executed annually	Annually
	Number of rural radio stations for communication	Department of Communications.	Report on number of radio stations in rural areas	Annually
	Number of waste treatment plants	DWAS, Municipalities	Report on number of waste treatment plants in rural areas against backlog in these areas	Annually
	Number of RDP housing projects completed at a density of less than 15 units per hectare (low density)	Human Settlements, Housing Development Agency	Number of stands per area at this density	Annually
	Number of RDP housing projects completed at a density of more than 15 units per hectare (low density)	Human Settlements, Housing Development Agency	Number of stands per area at this density	Annually
Economic sector development to create jobs for especially youths, women and people with disabilities.	Increase in Agricultural GDP in Mbombela, Bushbuckridge and Nkomazi Municipalities	Department of Agriculture	Report on GVA per region, per annum.	Annually
	Increase in the number of people employed in the agricultural sector	Department of Agriculture	Report on employment in the agricultural sector per region, per annum.	Annually
	Successful development of Inyaka Dam project	BBR Municipality	Implement and develop project	2018
	Number of tourists visiting Inyaka Dam	BBR Municipality	Monitor and report on the number of tourists visiting the inyaka Dam per annum	Annually
	Development of Hluvukani tourism development centre	BBR Municipality, Mpumalanga Tourism and Parks Agency	Implement and develop project	2020
	Number of people trained at Hluvukani in tourism related economic sector	BBR Municipality	Monitor and report on the number of people trained at the Hluvukani centre	Annually
	Completion of Tourism and Hospitality Management - Kruger-Malelane Junction	Nkomazi Municipality, Mpumalanga Tourism and Parks Agency	Implement and develop project	2020

Thank You!

Social facility backlog surface

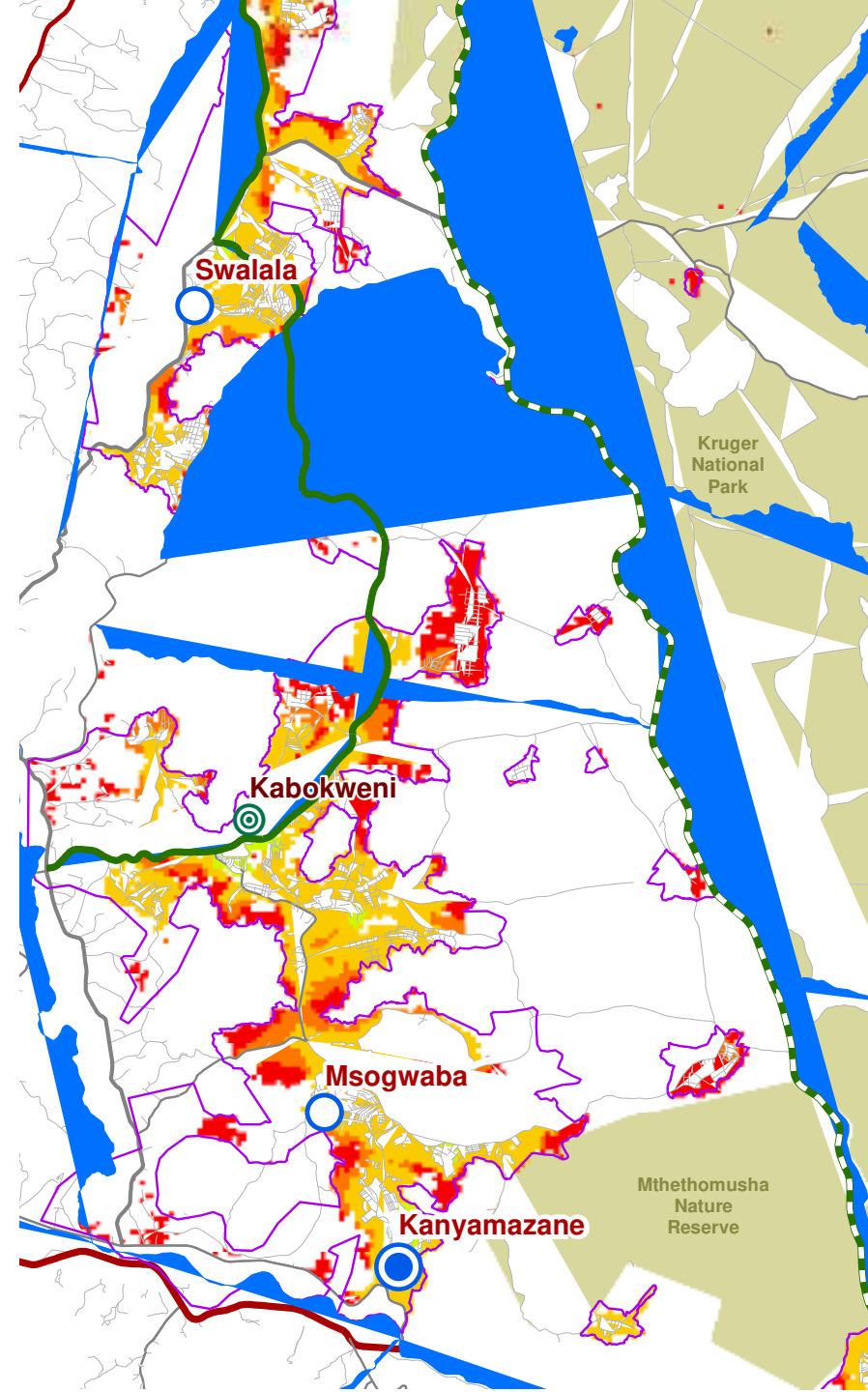
Value

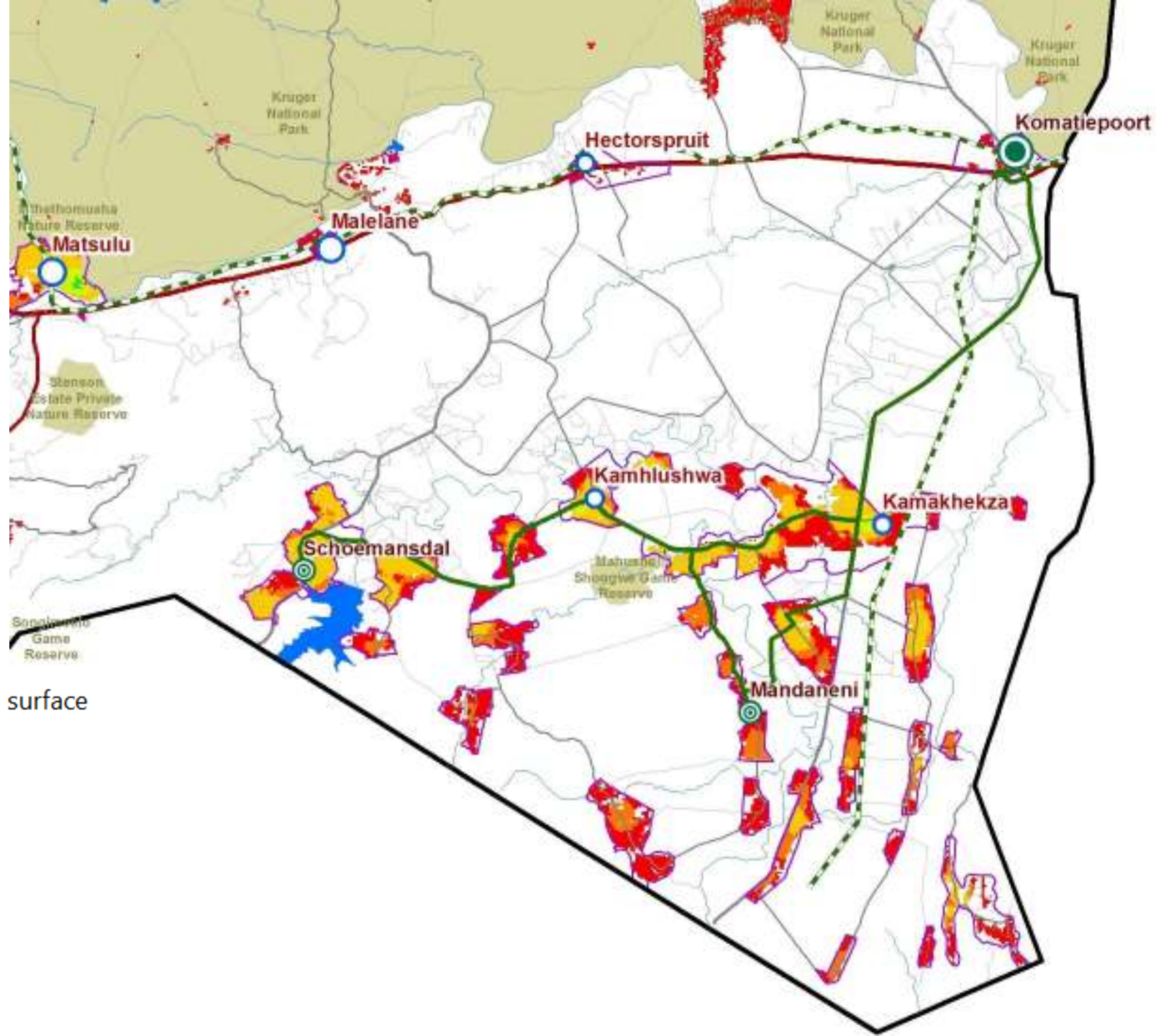


Social facility backlog surface

Value

- 36%
- 37% - 40%
- 41% - 50%
- 51% - 75%
- 76% - 85%
- 86% - 100%





☐ Social facility backlog surface

Value

- 36%
- 37% - 40%
- 41% - 50%
- 51% - 75%
- 76% - 85%
- 86% - 100%