Infrastructure essential for Limpopo’s continued growth

Mining, agriculture and tourism identified as key drivers of growth

Thobe Mabanga

Strengthening governance and curbing corruption while addressing skills shortages, especially among the youth, are two of the number of key steps that Limpopo must implement to realise the province’s economic potential.

This is according to Deputy President Cyril Ramaphosa, who delivered the keynote address at the Limpopo Economic Summit last week at the Ranch Resort in Polokwane.

The summit, held under the theme An Industrialisation Path Towards Creating Sustainable Jobs and Reducing Poverty for Limpopo’s Development, was attended by representatives from government, the private sector and civil society.

Ramaphosa said that a good governance framework is key to boosting investor confidence. “We want to see government officials acting in a non-corrupt manner to achieve good governance. Corruption must be brought to an end in our country and Limpopo should take the lead,” said Ramaphosa.

He told delegates that investors are attracted by sound planning, stability and capable leadership and emphasised his belief that Limpopo leadership can deliver in this area.

Ramaphosa said Cabinet recently approved a framework for the participation of the private sector in infrastructure delivery.

“To grow our economy and develop our people, we need new roads, rail lines, broadband networks, port facilities, dams, power stations, colleges and clinics. We need them on a significant scale, and we need them without delay,” he said.

Limpopo is host to a number of key infrastructure projects including the Waterberg railway line, which transports coal to Richards Bay, as well as water projects such as the Groot Letaba Water Augmentation project and De Hoop Dam.

Ramaphosa told the summit that helping young people earn work experience would help South Africa address youth unemployment. He said that the tide could be reversed if the private sector worked with government. “What many young people lack today is experience in the world of work. All they need is to be given a chance,” he said.

He urged the province to emulate the South East Asian tigers, economies that were grown with little or no natural resources through investment in education and infrastructure.

Investment destination

Seaparo Sekoati, MEC for economic development and tourism, noted that Limpopo has a number of distinct advantages as an investment destination. The first is its proximity to a number of neighbouring countries; it is therefore a strategic location that can serve as a regional hub for regional integration in Southern Africa.

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“Limpopo’s mineral, agricultural and tourism endowment is unmatched and attractive to investors,” said Sekoati, pointing out that the province hosts the eastern limb of the bushveld mining complex and has platinum, chrome coal and copper reserves. He also noted the province’s proximity to Gauteng as a financial hub and its agricultural and other outputs.

“The tourism sector is also a key foreign exchange revenue earner and a key attraction for the province,” Sekoati said of a sector that is seeing improvement in the length of stays of foreign visitors.

He said the Limpopo government has identified mining, agriculture and tourism as key drivers of growth, spread across five growth regions of the Musina-Makhado corridor, Lephalale, Tubatse, Mogalakwene and Polokwane. The Musina-Makhado corridor will benefit from a R42-billion investment aimed at creating 21 000 jobs through a metals metallurgical complex in a Special Economic Zone (SEZ).

The province has adopted a Limpopo Development Plan, which will run from 2015 to 2020. The key feature of the plan is that the province plans to move up the value chain by investing in beneficiation and agro-processing. “This [will] allow us to add value to our primary goods and reduce dependence on primary industries,” said Sekoati.

The Lephalale area, recently boosted but also “overwhelmed” by the slow development of the Medupi power station due to a lack of infrastructure is envisaged to be a petrochemical hub and energy complex once Medupi’s construction is completed.

The Tubatse area will also see the development of a mining industry supplier park along the lines of the automotive supplier park in Rosslyn, Gauteng. Polokwane is to become a regional logistics hub and business travel centre that will see the construction of an International Convention Centre to attract the events, conference and exhibition industry.

Challenges in mining

Anglo Platinum chief executive Chris Griffith praised the efforts advanced at the summit and acknowledged that his company is operating in a tough environment; in the case of Limpopo this is because of the historically high unemployment rate.

“Collaboration between private sector and government is important to tackle many of the challenges,” said Griffith, who serves on a technical working group that works with government in a range of areas. He noted that delivery by municipalities is important to help create an environment where the private sector can come in and make an impact on development. He also emphasised the need for good governance to achieve desired goals.

Griffith said that the commodity price slump makes it tougher for all parties to realise their objectives: “Falling revenue means there is less money for the mine to do what it would like for the community, but it also means less payments for the municipality and less tax for national government to invest in what they would like to do for the communities.”

Three prongs: Deputy President Cyril Ramaphosa (above), delivering the keynote address at the Limpopo Economic Summit last month. The province has many assets to exploit for its growth, says Seaparo Sekoati (far left), MEC for economic development and tourism. Anglo Platinum chief executive Chris Griffith (left) encouraged co-operation between government and the private sector. Photos: Mukurukuru Media
Building Limpopo’s small businesses

Provincial government has its eye on developing rural areas, co-operatives and SMMEs

Limpopo Economic Summit

Thabiso Ntuli

Limpopo Economic Growth and Development

Unlocking opportunities for all players, big and small
Polishing up the jewel of the north

The Limpopo Tourism Agency is marketing the province as the destination of choice

Lucas Ledwaba

In his state of the province address Matlala said the tourism sector remained one of the strategic economic competitive advantages for the province, and that it had recorded a steady growth despite the prevailing economic challenges. Matlala said they are on course to take Limpopo to the top. “We are the Mercedes Benz (of tourism.),” he told the Mail & Guardian ahead of the Limpopo Economic Development Summit in Polokwane recently. “But people don’t realise that. They think that we are just a [VW] Golf.”

The provincial treasury has allocated a marketing budget of R30-million to the LTA for the current financial year. Matlala said the level of marketing by the LTA in the past few years was not at a satisfactory level. “If you don’t do marketing sufficiently, obviously people won’t know much about you,” he said.

Limpopo is home to two Unesco World Heritage sites: the historic Mapungubwwe National Park and the Makapans Valley. It is also home to the only savannah biosphere reserve in southern Africa — the Waterberg Biosphere Reserve — which is also on the list of UNESCO’s protected sites. Another interesting and often ignored fact is that at least 50% of the renowned Kruger National Park is actually located in Limpopo province, which is also blessed with a rich culture of history, music and arts in its picturesque rural villages and peri-urban settlements.

Matlala said they are also working on reviving their marketing offices internationally as part of a renewed and aggressive strategy to sell the Limpopo brand. Earlier this year, the LTA invited and hosted international tour guides to the province in a bid to entice more visitors. Last month, the agency bought advertising space on billboards during the biggest sporting event in the country, the Soweto derby, which was played before a crowd of 80 000 in Johannesburg and watched by an audience of millions.

Tomorrow (Saturday, November 12) the province plays host to the Fifa World Cup qualifying match between the national football team Bafana Bafana and West African giants Senegal. This is part of a broader strategy to boost its image as a host of major international events. The province already attracts thousands of visitors to its premier events such as the Mapungubwe Arts Festival, with a line-up that includes top international arts. The annual Marula Festival injects an estimated R100-million into the provincial economy each year, said Matlala.

Although it doesn’t have the capacity to compete with the likes of KwaZulu-Natal, Western Cape and Gauteng in hosting international conventions, Limpopo boasts the highest number of religious tourists in the country. The province is home to the Zion Christian Church based at Zion City Moria, just 40km from Polokwane. Every month hundreds of thousands make their way to Moria for spiritual healing and prayer. The biggest event on the church’s calendar is the annual Easter pilgrimage, which attracts an estimated three million people.

The Legend Golf and Safari resort in the Waterberg has a unique 19-hole course, which has become a firm favourite among golfing enthusiasts, who travel from afar to tee off in the stunning mountainous landscape.

Matlala is hopeful that the continued exposure of Limpopo’s potential by the LTA’s marketing drive will bear fruit in about three years, the time it normally takes for potential tourists to respond to attempts to lure them to certain destinations.

Despite the tough economic times, the World Tourism Association forecasts better prospects for the sector all over the world, including South Africa and Limpopo. “Global research shows tourism is not only a growing sector. It will continue to grow despite all other factors that threaten the world economy. It’s so resilient that it will survive terrorism and economic decline. More and more people are waking up to the pleasures and benefits of travel,” said Matlala.

While the tourism sector is expected like other arms of the economy to help create jobs and eradicate poverty, Matlala argued that agencies like the LTA should not necessarily be viewed as organisations responsible for creating jobs. “Government should not be in the business of actually creating jobs. We should in the business of creating an enabling environment, facilitating investment and activities that will lead to jobs,” he said. But he acknowledged the sector also plays a huge role in job creation. “Tourism numbers should increase to help sustain jobs and establish new operations,” he said.

Historically mining has been the province’s top earner, followed by agriculture and tourism. But mining is in decline and agriculture has hit tough times as a result of the devastating drought of the past few years. However, Matlala said the drought has not impacted on tourism, game hunting and game breeding, all of which are massive contributors to the province’s economy.
How Limpopo plans to rise to the challenge

The provincial government aims to raise the province’s contribution to South Africa’s GDP from the current level of 7% to 8% by the end of this term of office. Acting director-general of the Office of the Premier Nape Nchabeleng expresses confidence that the province now has a capable public service in place that can deliver on this goal.

Nchabeleng recently gave a brutally frank but encouraging picture of the province’s attempts to meet key targets in the Limpopo Development Plan. He says the province aims to maintain a growth trajectory of at least 3% to 2020 and increase its matric pass rate from the current 72% to 85% and 90% of the population, the province is struggling in areas such as reaching the desired numbers of people being tested for HIV, thereby placing at risk the government’s goal of halving new HIV infections by 2020. The Limpopo government has succeeded in reducing incidence of poverty from 4-million people or 80% in 2002 to below 3-million people or 69% at present.

The province has a number of key infrastructure projects. The most significant of these is the Strategic Infrastructure Project (SIP), which is the largest of 18 SIPs has a value of R842 billion. The projects is the cantered on the Waterberg coal line to Richards Bay and has seven projects currently under construction. Three have been completed, while 21 are in pre-construction, suggesting a strong pipeline of projects.

Nchabeleng says government has also identified the need to strengthen capacity at municipalities through Local Economic Development (LEDs). The department has partnered with Wits University to roll out a training programme for LED departments in all of Limpopo’s district municipalities. The LDP notes that a municipalities leadership must perform above average as a condition for sustainable development of the province.

The Limpopo Economy Summit recently adopted resolutions across six areas of work that are the pillars of the Limpopo development Plan.

Industrialisation
Industrialisation is centred on mineral beneficiation and agro-processing. It is centred on the province’s five growth nodes and starts with targeted spatial planning.

The province then aims to manage the portfolio of investment concepts and their value chains through the entire project development cycle: from concept to bankability and implementation. The resolutions state that project development cycles should be tight but realistic.

The province aims to establish industrial parks where none existed and revitalise those that do, as well as introducing industrial development promotion incentives.

The government aims to establish a Centre of Excellence to support research, innovation and industrialisation. The aim is to prioritise bulk water reticulation from key dams in support of industrial development. These include De Hoop, Nswamitwa, NANDONI, Flag Boshielo & Vaalkop (Northam) and raising the Tzaneen Dam by 3m. These will also be supported by wastewater treatment plants, to be built by September 2017.

Infrastructure
Infrastructure will see improved road linkages from concept to bankability and revived secondary airports.

The primary focus of infrastructure is in bulk water supply focused on the five growth nodes to support industrialisation. The aim is to prioritise bulk water reticulation from key dams in support of industrial development. These include De Hoop, Nswamitwa, NANDONI, Flag Boshielo & Vaalkop (Northam) and raising the Tzaneen Dam by 3m.

How Limpopo plans to rise to the challenge

Investment in infrastructure, including broadband, is key

The province is also looking towards programmes to make entrepreneurs ready to access opportunities in mining.

SMMEs
The government plans to establish legislative framework for informal business and strengthen regulatory framework for small business. The aim is to also develop rural development strategies in partnership with traditional leaders. Leda will also be recapitalised in order for focus on youth-owned businesses.

ICT and knowledge economy
The government is promoting ICT in all spheres of the provincial government. The aim is to also develop a Science and Technology Park Master Plan in line with the Polokwane Municipal Smart City 2030 Vision.
Break away and make Limpopo your fortress. Enjoy the culture, explore nature and chase the adventure. Visit www.golimpopo.com or call 015 293 3600 to discover the beauty that Limpopo has to offer.

Limpopo is an ancient land of myth and legend that is broad, boundless and exquisite. She beckons with a mystic allure that travellers far and wide find impossible to resist. This is the land of the Golden Rhino, the Rain Queen Modjadji, The Kruger National Park, the proud and majestic Baobab Tree. Whatever your pleasure, whatever your game, come and experience the warm hospitality of our people, our mouth-watering cuisine, the diversity of wildlife, the vast landscape, history and a melting pot of cultures that is admirable.
The Limpopo government is balancing growth and social needs in its R50-billion budget

Thebe Mabanga

Increasing its contribution to the national economy, raising its skills base and reducing dependence on primary industries of mining and agriculture are some of the challenges that Limpopo has to overcome as it seeks to elevate its growth trajectory.

Although Limpopo has the fastest rate of growth in contribution to the national economy, it still contributes 7% to South Africa’s GDP, a level it has hovered around for the last decade or so. Seaparo Sekoati, the MEC for economic development, environment and tourism says the provincial government has set itself the objective of increasing its contribution to GDP from 7% to 8% by the end of this term of government in 2019. He reiterated this goal at the recent Limpopo Economic Summit, held in Polokwane.

Sekoati says that the province needs to change its economic profile and eventually employment profile. “Our economy is dependent on primary industries like mining and agriculture and is thus vulnerable to shock such as a fall in commodity prices, whether in mining or agriculture” he says.

He also adds that having government as the largest private employer is not ideal. “Our labor market suffers from a low labour absorption rate because of the skills mismatch in our economy” said Kgopong, the head of departments at says to address these challenges the province has adopted an industrialisation strategy that rests on minerals beneficiation, agro processing and an energy hub to grow alongside tourism. These are contained in the Limpopo Development Plan (LDP).

Acting Director General of the province gave a detailed picture of progress made in achieving some of the LDP targets. The province aims to maintain a growth trajectory of at least 3% to 2020 and increase its matric pass rate from the current 72% to 80% by 2020 and create 429 000 jobs in that period. This is meant to help reduce the unemployment rate to 14% from the current level of 59.4%. The province has a number of key infrastructure projects. The most significant of these is Strategic Infrastructure Project (SIP) which is the largest of 18 SIPs has a value of R442-billion. The projects is centered in the Waterberg coal line to Richards Bay and has seven projects currently under construction, while three have been completed and 21 are pre-construction, suggesting a strong pipeline of projects.

Kgopong says government has also identified the need to strengthen capacity at municipalities through Local Economic Development (LEDs). “We have to ensure that once we have communicated our development objectives, the LEDs responsible are crucial in ensuring that programmes are carried forward” he says. The department has part-funded a training programme for LED departments in all of Limpopo’s municipalities.

The LDP notes that a municipality’s leadership must perform above average as a condition for sustainable development of the province.

“Our leadership has to rise to the challenge” says Nhlabeleng.

Running a tight ship

The Limpopo government is balancing growth and social needs in its R50-billion budget

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Rising to the leadership challenge

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Seaparo Sekoati (left), Limpopo MEC for economic development, environment and tourism, at the Limpopo Economic Summit. Photo: Mukurukuru Media

MIEC for Sport, Arts and Culture Onicca Moloi, MEC for Treasury Rob Tookey, MEC for Co-operative Governance and Traditional Affairs Makgona Makurupetje and MEC for Agriculture Mapula Mokaba-Phukwana talk at the Limpopo Economic Summit last month. Photo: Mukurukuru Media

sources include payments for vehicle licenses and traffic fines, technical and liquor licenses as well as various permits.

Between December 2011 and March this year, parts of the Limpopo government were under administration from National Treasury under section 109 of the constitution. Tookey says the decision may have been politically correct but administratively harmful the province. This is because he feels the mismanagement that led to administration was due to a lack of accountability and administration has helped restore that. The province has managed to wipe off a R2 billion overdraft and now has the buffer of a positive cash balance.

The effects of the administration are felt in a range of areas. From infrastructure projects, including houses that stand incomplete to schools that were damaged by storms and are yet to be repaired and civil servants who have not received a performance bonus for a number of years now.

Tookey notes that solving Limpopo’s economic challenges requires more than just financial resources but also leadership. Tookey notes that for example in land requisition, many of the farms that were returned to right- owners have collapsed. Tookey says the primary cause of this is a move from a single or handful of owners to multiple owners in a community. New owners require technical and financial assistance.

The province also has the challenge of developing its mineral beneficiation and agro processing capacity while mitigating the effects of climate change in agriculture. Tookey says the best way to create new jobs is to transform its business sector, in mining and agriculture, but to achieve that, South Africa needs to transform its banking sector to more inclined to fund new ventures. That would ease pressure on government finances.

About 75% of the budget is directed towards health, education and social welfare spending which are government policy priorities. At the same time, about 72% of the budget is taken up by compensation of employees, whose ranks have expanded rapidly since 2008. Government remained the only sector that had created jobs through the recession that struck in 2008, and is the largest employer in Limpopo.

This leaves a limited amount of money to invest in infrastructure and fund industrialisation to help grow the economy. But Tookey is optimistic. “We have to be more efficient and focus more on serving the population” he says.

In spite of the budget constraints they still manage to direct about R5 billion in spending to infrastructure. “If managed well, this can go far and have the desired impact” says Tookey. Almost half of which, or R 2 billion, goes to Human Settlements, Agriculture and Rural Development and the Department of Economic Development, Environment and Tourism about R1 billion each while sports and recreation, which Tookey believes has a critical role in a diverse province like Limpopo, receives R400 million.

Government infrastructure spending is complemented at municipal level by spending the Municipal Infrastructure Grant and spending by State Owned Enterprises such as Transnet and Eskom as well as the private sector at national level. Limpopo is host to one of the largest rail projects in the R200 billion Waterberg Rail projects that carries coal from the region through Limpopo to Richards Bay in order to reach global markets.

Tookey says the province is steadily improving its own fundraising capabilities, increasing revenue from R500 million in 2010 to R1 billion in the last financial year. Revenue inflows and administrative efficiency have increased from R3 billion to R4.5 billion, about R3 billion of which is to GDP from 7% to 8% by the end of this term of government in 2019. Tooley notes that solving Limpopo’s economic challenges requires more than just financial resources but also leadership. Tookey notes that for example in land requisition, many of the farms that were returned to right- owners have collapsed. Tookey says the primary cause of this is a move from a single or handful of owners to multiple owners in a community. New owners require technical and financial assistance.

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Limpopo Growth and Development

Mining transforms the once sleepy Tubatse

Lucas Ledwaba

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enjamin Mphahlele remembers a time when travelling on the R57 road that cuts through the Tubatse region of Limpopo was as easy as driving on the highway with no traffic. The area was plagued by grinding poverty brought about by the combination of a dormant economy and years of neglect by the apartheid regime.

"But you go to Tubatse today," enthuses Mphahlele, managing director of the Limpopo Economic Development Agency (Leda), "it would appear [on the surface] that the area is not meeting the expectations. But that is because they happen in different formations. [But] because the level and depth of poverty has been so deep, it would appear [on the surface] that there hasn't been anything that changed," said Mphahlele.

Indeed, the winds of change have reached this once predominantly rural backwater, thanks to aggressive economic revitalisation programmes. Shopping malls have sprung up, while heavy traffic and areas where there was once nothing but dense bush for communal grazing are now filled with thousands of stylish Tuscan houses.

Tubatse forms part of the Greater Sekhukhune district of Limpopo, which is right in the middle of the mining rich northeastern part, a mining complex. Although it is the smallest in the province, making up just 11% of the total population, the Sekhukhune is arguably the busiest and fastest growing economic hub. Back at the turn of the millennium it was home to only a few chrome and platinum mines. Many of its more than 170,000 people were unemployed and relied on remittances from relatives working in Gauteng and other urban areas.

But, said Mphahlele, between 2001 and the present 17 new mining operations were established in the region, which has led to an unprecedented economic and population boom. The area which incorporates the towns of Burgersfort, Stevepoort and more than 116 rural villages and settlements is set for further economic growth with a proposed 22 new mining ventures set to begin operations in the near future and the proposed Special Economic Zone (SEZ) that will grow the manufacturing sector.

Leda has applied to the national government through the department of trade and industry to grant the Tubatse region SEZ status, to expand the strategic and competitive industries that will attract more and more investments in the area.

The provincial government hopes the SEZ will help increase exports of value added manufactured goods, and foreign and domestic investment. The Greater Tubatse Municipality, which is in the heart of the proposed SEZ, is hoping that retail and service businesses will respond to the opening of mines and the development of housing by also locating close to these areas. In time, this may eventually alter the current fragmented spatial pattern by creating a few large urban settlements, if the expected scale of mining activities materialises.

It is also expected that the development will help Limpopo improve on the 147 000 jobs it created last year. According to Statistics South Africa’s Labour Force Survey the province created 59 000 jobs in the last quarter of 2015. Mphahlele believes that this will also go a long way towards eradicating the poverty that continues to gnaw at many of the area’s households.
SOUTH AFRICAN'S FOOD Security

Limpopo province is Without a doubt South Africa’s greengrocer, supplying three-quarters of the country’s mangoes and two-thirds of its tomatoes. But it can also be regarded as South Africa’s butcher, as a key red meat supplier and a grain merchant through the Sekhukhune region. The province’s challenges are to grow and diversify its agriculture, bring new, mainly black players into the fold and deal with the effects of climate change.

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Ramatsimele Maisela, head of the department of agriculture and rural development. Source: Statistics South Africa General Household Survey, Ramatsimele Maisela, head of the department of agriculture and rural development.

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Ramatsimele Maisela, head of the department of agriculture and rural development, says agriculture is a key strategic sector for a province that is 80% rural. Although agriculture contributes just 2% to South Africa’s economy, it contributes 7.6% to Limpopo’s economy while agro-processing, which entails activities such as fruit juice and puree manufacturing, accounts for 4% and is an area that the Limpopo government has identified as one that must grow.

Agriculture is the cornerstone of Comprehensive Rural Development, one of the key outcomes of the Limpopo Development Plan. The outcome also includes pursuing sustainable agrarian reform, improved food security and the development of smallholder farmers. It also includes the growth of strong rural enterprises and industries with strong urban linkages, and includes investment in agro-processing. The aim is to improve Limpopo’s food security, as a significant portion of the province’s households is food insecure and 60% of the population depends on grants.

Maisela says agriculture is a key job creator, even if employment is seasonal and cyclical in nature. Limpopo services a fragmented market. Gauteng is the largest market, through the Johannesburg and Tshwane Fresh Produce markets. Citrus fruit from Limpopo is exported to the US and the EU, with new markets opening up in the Middle East. She also points to a large, vibrant “informal” market in the neighbouring countries of Botswana, Zimbabwe and Mozambique, comprising people with bakkies and small trucks driving to various regions to sell and buy wares.

Maisela notes that their most pressing challenge at present is to help farmers deal with the devastating effects of drought. In the medium term, the government needs to revitalise the sector and boost its skills levels. The government’s comprehensive agricultural support includes infrastructure support for small farmers. Government also helps farmers use electricity more efficiently so as to reduce its costs. Farmers are advised on initiatives such as co-operative marketing and pooling their production resources in transport and logistics so as to share the costs and risks involved.

Limpopo is host to five of the 44 Agri Parks being set up nationwide. Limpopo’s Agri Parks are set up roughly according to commodities so as to share the costs and risks involved. Government also helps farmers use electricity more efficiently so as to reduce its costs. Farmers are advised on initiatives such as co-operative marketing and pooling their production resources in transport and logistics so as to share the costs and risks involved.

The next is to strengthen agro-processing, through the establishment of agro-processing infrastructure, including upgraded machinery and irrigation systems. The province is also working with its local universities, the University of Limpopo and University of Venda, to improve ways of producing crops under changing climatic conditions.

South Africa’s greengrocer, butcher and grain merchant

Limpopo has 11.3 million hectares available for production

88% of its population live in non-urban areas, while
60% are involved in agriculture, well above the national average of 46.2%

LIMPOPO PRODUCES:
- 75% of South Africa’s mangoes
- 65% of its papayas (pawpaws)
- 60% of its avocados,
- 25% of its bananas and citrus
- 20% of its litchis
- The province also produces
- 60% of SA’s macadamia nuts
- Two thirds of its tomatoes
- 285,000 tons of potatoes

Source: Statistics South Africa General Household Survey, Limpopo Department of Agriculture and Rural development

Graphic: Kenny Leung

Mining transforms the once sleepy Tubatse

From page 8

The province’s economy grew from second smallest – just above Northern Cape – to an annual R31-billion in 1995 to R231-billion in 2014. This was achieved mainly through the opening up of the bushveld mining complex. Mining contributes 27% to Limpopo’s provincial GDP and the province has 44% of the country’s platinum group metals, mostly in Tubatse. The province also accounts for 50% of the country’s coal reserves, mainly in the Waterberg region.

Mphahlele said it took lots of research and consultation with investors to lure them to the bushveld mining complex. One of Led’a’s functions is to ensure that key stakeholders share a common vision and pull in the same direction. “We had to negotiate nose-to-nose with mining companies to say to them, come and mine,” said Mphahlele.

A provincial mining roundtable, which sits every two years, was established to enable all stakeholders to iron out obstacles. He said they had to first understand the investors’ needs and also lay down the groundwork for mutually beneficial co-operation. Government worked on ensuring that mining houses have access to water resources, which are key to their operations. This included structural changes to the Flag Boshielo Dam to release 30 cubic million metres of water for mining operations.

But now, with almost two-dozen new mines set to start operations in the area, the need to upgrade the road infrastructure has been identified.

According to Mphahlele, when the mines eventually begin operating at optimum level, it will translate into a heavy-duty truck taking to the already congested road every five minutes to transport mineral ore to the smelter near Folokwane, in the northwest of the area. “We need to improve the road infrastructure,” he said.

To this end, said Mphahlele, they are now looking into a long-term solution: creating a rail link to shift the pressure on the road, which is the main artery that connects the Tubatse region to the northern and western parts of the province.