

ANNEXURE 1: POLICY AND LEGISLATIVE DIRECTIVE

Municipalities within the South African context, operate within a complex structure dictated by numerous legislation and policies which set out the roles and function of local municipalities. This section is thus dedicated to provide an overview of legislation, strategies, policies, plans and programmes on National, Provincial and Local level which informs, influences and adds value to Lepelle-Nkumpi Local Municipality's LED.

1.1 POLICIES AND LEGISLATION

The following policies and legislation were consulted in the process of compiling the LED strategy for the Lepelle-Nkumpi Local Municipality to ensure that it is aligned with national, provincial, district and local objectives:

1.1.1 NATIONAL POLICIES AND LEGISLATION

The following national policies and legislation have been consulted to ensure alignment with the LED strategy for the Lepelle-Nkumpi Local Municipality:

- The Constitution of the Republic of South Africa (Act 108 of 1996)
- New Growth Path for South Africa, 2010
- National Development Plan 2030
- Medium Term Strategic Framework, 2006 to 2009
- Integrated Sustainable Rural Development Programme, 2000
- Comprehensive Rural Development Programme, 2009
- Broad Based Black Economic Empowerment Strategy, 2003
- Broad Based Black Economic Empowerment Act (Act 53 of 2003)
- National Industrial Policy, Framework and Action Plan, 2007
- New Partnership for Africa's Development
- National Spatial Development Perspective, 2006
- Regional Industrial Development Strategy
- Co-operatives Act (Act 14 of 2005)

- White Paper on Agriculture, 1995
- Land Redistribution for Agricultural Development, 2009
- Municipal Systems Act (Act 32 of 2000)
- National Framework for Local Economic Development, 2006-2011
- Tourism Growth Strategy, 2008-2010
- Integrated Strategy on the Development and Promotion of Co-operatives, 2010-2020
- Industrial Policy Action Plan, 2011/12-2013/14
- Outcome 9

THE CONSTITUTION OF THE REPUBLIC OF SOUTH AFRICA (ACT 108 OF 1996)

The cornerstone for all legislation and policy-making in South Africa is the Constitution (Act 108 of 1996). Chapter 7 of the Act defines the role of local government in its community, and five objectives of local government are outlined in section 152:

1. To provide democratic and accountable government for local communities
2. To ensure the provision of services to communities in a sustainable manner
3. To promote social and economic development
4. To promote a safe and healthy environment
5. To encourage the involvement of communities and community organisations in the matter of local government

Furthermore, section 153 stipulates the following developmental duties of all municipalities:

- a. A municipality must structure and manage its administration, budgeting and planning processes to give priority to the basic needs of the community, and to promote social and economic development
- b. A municipality must participate in national and provincial development programmes

Key implications for the Lepelle-Nkumpi Local Municipality

All provinces and municipalities located within South Africa are legally bound to promote social and economic development within its community. This implies that public investment should largely focus on developing the municipal area in terms of local economic development and providing for the basic needs of the community.

THE NEW GROWTH PATH FOR SOUTH AFRICA

The South African Government has determined that a growing consensus exists in that to create decent work, reducing inequality and defeating poverty a new growth path has to be established

through the restructuring of the South African economy to improve its performance in terms of labour absorption as well as the composition and rate of growth. The new growth path has been developed to be a new alignment of economic objectives and growth initiatives building on the previous growth initiatives GEAR and AsgiSA which sought to half poverty by 2014 and create economic recovery by raising economic growth to 6%.

The new growth path is based on determining:

- Where employment opportunity creation is possible, both within economic sectors as conventionally defined and in cross-cutting activities and,
- Analysis of the policies and institutional developments required to take advantage of these opportunities.

The new growth path further aims to target limited capital and capacity that maximise the creation of decent work opportunities within the context of macro and micro economic policies to create a favourable economic climate and to support the development of labour-absorbing activities.

In order to achieve the new growth path proposed, key trade-offs have been identified which must be addressed in order to achieve the desired long term future economic development goals. These trade-offs have been identified as:

- Between present consumption and future growth, since that requires higher investment and saving in the present,
- Between the needs of different industries for infrastructure, skills and other interventions
- Between policies that promise high benefits but also entails substantial risks, and policies that are less transformative and dynamic but are also less likely to have unintended consequences,
- Between competitive currency that supports growth in production, employment and exports and a stronger rand that makes imports of capital and consumer goods cheaper and,
- Between present costs and future benefits of a green economy.

The strategy seeks to introduce changes in the wider economic systems by means of considering changes in the structure of savings, investments and production through constantly pursuing key policies and programmes. In support of the previously mentioned, the focus would be to encourage an effective social dialogue to help establish deliberation and consensus on long term policies, trade-offs and sacrifices. The approach further focuses on the re-industrialisation on the back of

opportunities identified in the growth path. This essentially focuses on the expansion and development of value adding in the economy to produce final products and not only provide raw materials to international markets. This focuses on deepening the local and regional markets of South Africa as well as to widen the market through diversified products and goods.

In relation to the previous discussion, the strategy has identified main indicators of success. These indicators are listed below as:

- Jobs (the number and quality of jobs created),
- Growth (the rate, labour intensity and composition of economic growth),
- Equity (lower income inequality and poverty) and,
- Environmental outcomes.

Key implications for the Lepelle-Nkumpi Local Municipality

The LED Strategy for Lepelle-Nkumpi must focus on industries which would be able to provide large amounts of labour/employment while continued focus should also be placed on existing advanced industries crucial to sustained growth. This means that existing core industries should be encouraged to provide continued growth and development whilst, industries which provide labour intensive or large amounts of jobs should be facilitated to grow to provide a wider base of employment. The LED must also encourage the investment by private and public sectors into proposed economic opportunities to enable the growth in employment-creating activities. The Strategy should further focus production/provision of products and services based on meeting local needs. This would essentially be aimed towards identifying possible regional products which can be exported throughout the South African domestic market, as well as servicing local communities in products necessary to advocate the basic needs to maintain sustainable livelihoods. Lastly the strategy should seek to provide a basis from which local SMME's and entrepreneurs can forge new businesses and opportunities as well as to facilitate the growth and development of skills and knowledge.

THE NATIONAL DEVELOPMENT PLAN 2030 (NDP 2030)

The National Development Plan 2030 is geared towards charting a new path for South Africa which includes eliminate poverty and reduce inequality to ensure that every individual has access to opportunities which have been hampered in the past by the apartheid legacy.

According to the NDP 2030, the above can only be achieved through ensuring that each person has access to or comprise over:

- Education and skills

- Proper housing
- Proper nutrition
- Safe communities
- Social security
- Efficient transport
- Job opportunities

In order to be able to achieve the goal of eliminating poverty and to ensure that everyone has access to these basic services mentioned above, the government must take on an approach which requires and enables individuals to actively engage and mobilise their own development. This will require government to reassess their strategies to achieve the following:

- The active efforts and participation of all South Africans in their own development
- Redressing the injustices of the past effectively
- Faster economic growth and higher investment and employment
- Rising standards of education, a healthy population and effective social protection
- Strengthening the links between economic and social strategies
- An effective and capable government
- Collaboration between the private and the public sectors
- Leadership from all sectors in society

The plan identifies key priority areas that need to be focussed on to ensure that poverty is eliminated by 2030. These include creating an economy that will create more jobs, improve infrastructure, switch to a low-carbon economy, ensure an inclusive and integrated rural economy, reversing the spatial effects of apartheid, improving the quality of education, training and innovation, ensure quality health care for all, achieve social protection, build safer communities, reform the public service, fight corruption and unite the country.

Key implications for the Lepelle-Nkumpi Local Municipality

The NDP 2030 sets out a number of objectives to eliminate poverty by 2030. This implies that the LED for Lepelle-Nkumpi Local Municipality needs to ensure that it aims to aid in eliminating poverty through implementing projects and programmes that will enable individuals to take charge of their own future through skills development and job creation.

THE MEDIUM TERM STRATEGIC FRAMEWORK (MTSF) (2006 TO 2009)

The MTSF builds on the successes of democracy, and is a statement which identifying South Africa's development challenges and outlines the medium-term strategy for improvements in the conditions of life of the citizens of South Africa. The aim of the MTSF is focussed on sustaining higher GDP growth, job creation, investment and exports, as well as broadening economic participation and activity through Black Economic Empowerment and enterprise development. The MTSF provides:

- A translation of the electoral mandate
- Priorities for the next 5 years
- Focus on economic investment and growth
- An expansionary fiscal outlook

Planning and resource allocation across all the spheres of government should be guided by the MTSF. National and provincial departments in particular will need immediately to develop their five-year strategic plans and budget requirements taking into account the medium-term imperatives. Similarly, informed by the MTSF and their 2006 mandates, municipalities are expected to adapt their IDPs in line with the national medium-term priorities.

The MTSF is informed by the electoral mandate. The national government's mandate underscores the need to create a nation united in diversity, working together to weave the threads that will result in the creation of a democratic, non-racial, non-sexist and prosperous society.

The following objectives are identified:

- Halve poverty and unemployment by 2014
- Ensure a more equitable distribution of the benefits of economic growth and reduce inequality
- Improve the nation's health profile and skills base and ensure universal access to basic services
- Improve the safety of citizens by reducing incidents of crime and corruption
- Build a nation free of all forms of racism, sexism, tribalism and xenophobia

The priority areas to give effect to the above strategic objectives are:

- More inclusive economic growth, decent work and sustainable livelihoods
- Economic and social infrastructure

- Rural development, food security and land reform
- Access to quality education
- Improved health care
- The fight against crime and corruption
- Cohesive and sustainable communities
- Creation of a better Africa and a better world
- Sustainable resource management and use
- A developmental state including improvement of public services

Key implications for the Lepelle-Nkumpi Local Municipality

The LED strategy for Lepelle-Nkumpi Local Municipality should strive to focus on crosscutting issues that will drive the local economy. Economic backlogs in Lepelle-Nkumpi Local Municipality should be addressed by issues such as, amongst others, technological innovations, access to credit and infrastructure and human resources development. The LED strategy should strive to broaden the participation of local labour in the local economy through encouraging BEE and enterprise development. These elements will contribute to reducing poverty and inequality.

INTEGRATED SUSTAINABLE RURAL DEVELOPMENT PROGRAMME (ISRDP)

The strategy is about coordinating existing initiatives and programmes to maximise the development of rural communities. Selected additional initiatives, specifically accelerated land reform and community-based income generating programmes, will complement this approach and mechanism. This vision is a radical one in that it envisages transformed rural economies, which move away from subsistence economic activities. Local government is the point of delivery and the implementation of the ISRDP.

The mechanism and the complementary support measures outlined in the ISRDP will ensure the realisation of the vision of the Integrated Sustainable Rural Development Strategy (ISRDS), namely to attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who equipped to contribute to growth and development. To achieve this vision, the ISRDS proposes that government leads in the consolidation, formulation, implementation, monitoring and evaluation of well-coordinated programmes and projects, which will allow for participation of all spheres of government and civil society.

The vision of ISRDP is informed by four elements, which include:

- **Rural development:** going beyond just the poverty alleviation connotation, but focusing on changing rural environments to create enabling platforms for people to earn more and to invest in themselves and their communities. This emphasises that rural people must be the masters of their own destiny and to survive and improve their own economic packages within their environments
- **Sustainability:** sustainability evolves from increased local growth, with people enjoying own gains and maintaining available resources for future development
- **Integrated:** this calls for coherent coordination across traditional sectors in all spheres of government. It requires the Municipal five year plan (IDP) to establish coordination and maintain integration at the municipal sphere
- **Rural Safety net:** in responding to the continuous crisis facing rural people, social assistance has been extended to all rural people and the ISRDP is also consolidating that effort.

Key implications for the Lepelle-Nkumpi Local Municipality

The LED strategy for Lepelle-Nkumpi Local Municipality has to be tailored towards creating an enabling environment for its people. The LED strategy must incorporate the local population, with rural youth women working in developmental projects to increase their income and investments in order to gain ownership of local businesses. This will require coordination and interaction among both public and private organisations in Lepelle-Nkumpi Local Municipality.

COMPREHENSIVE RURAL DEVELOPMENT PROGRAMME (CRDP)

The CRDP is strategic priority number 3 of the National Government's Medium Term Strategic Framework (MTSF) and takes a proactive participatory community-based planning approach towards rural development compared to the 'traditional' interventionist approach.

The ultimate aim of the CRDP is to be an effective response against poverty and food insecurity, improve the standards of living and address skewed patterns of distribution and ownership of wealth and assets through:

- Maximising the use and management of natural resources
- Rectify past injustices through rights-based interventions

This will set the stage for the creation of vibrant, equitable and sustainable rural communities. The CRDP therefore aims to facilitate integrated development and social cohesion through participatory

approaches in partnership with all sectors of society by implementing a three-point strategy. This strategy is based on the following:

- a coordinated and integrated broad-based agrarian transformation;
- strategically increasing rural development; and
- an improved land reform programme

This strategy entails a **Rural Employment Creation and Skills Training Model** aimed at creating 'development specialists' at ward level. These specialists will train and mentor a selection of unemployed community members who will be employed on a two-year basis on the Extended Public Works Programme (EPWP) principles.

The CRDP further emphasise the involvement of various stakeholders and role-players, as well as the importance of clear-cut roles and responsibilities of the various stakeholders, as the CRDP involves all aspects of rural life which cannot be addressed by the alone by the National Department of Rural Development and Land Reform.

Key implications for the Lepelle-Nkumpi Local Municipality

The LED strategy for Lepelle-Nkumpi has to align with the principles of the CRDP and strive towards creating a vibrant, equitable and sustainable community through agrarian transformation, skills development and job creation. The LED strategy should, just like the CRDP, involve all stakeholders and clearly define roles and responsibilities to ensure sustained economic growth and community well-being.

BROAD BASED BLACK ECONOMIC EMPOWERMENT (BBBEE) STRATEGY

The South African Government defines BBBEE as 'an integrated and coherent socio-economic process that directly contributes to the economic transformation of South Africa and brings about significant increases in the numbers of black people that manage, own and control the country's economy, as well as a significant decline in income inequalities'. The Strategy is underpinned by four key principles, which indicate that BBBEE is:

- An inclusive process
- Broad-based
- Part of the national growth strategy
- Associated with good governance

In addition to this, the Strategy calls for broader access to finance by SMMEs and cooperative enterprises. The Strategy states that companies, closed corporations, co-operatives, sole proprietorships and partnerships, will be assisted to acquire land and buildings, machinery, commercial vehicles and equipment for new projects or the expansion of existing projects related to manufacturing, high value agriculture, agro-processing, aquaculture, agro-processing, biotechnology, tourism, information and communication technology investment.

Key implications for the Lepelle-Nkumpi Local Municipality

The Strategy proposes that local development strategies and social programmes be aligned with the BBBEE Strategy to create an environment in which marginalised groups can develop and flourish. The Lepelle-Nkumpi Local Municipality should furthermore establish a communication vehicle that will provide information regarding available incentives and programmes to these groups. The LED projects identified for Lepelle-Nkumpi Local Municipality should be geared towards business ownership by previously disadvantaged groups in the municipality. Certain measures are necessary to facilitate this, and skills development needs to be intensified in realising these efforts. The identified LED projects must also refrain from producing social projects without economic gains, and must create an enabling environment that will allow emerging black beneficiaries to develop enterprises and grow their businesses.

BROAD BASED BLACK ECONOMIC EMPOWERMENT ACT

The aim of the Act is mainly to establish a legislative framework for the promotion of black economic empowerment. This Act was promulgated in order to promote the achievement of the constitutional right to equality, to increase broad-based and effective participation of black people in the economy and promote a higher growth rate, and to increase employment and more equitable income distribution. The Act was further promulgated to establish a national policy on broad-based black economic empowerment so as to promote the economic unity of the nation, protect the common market, and promote equal opportunity and equal access to government services.

The objectives of this Act are to facilitate broad-based black economic empowerment by –

- a. Promoting economic transformation in order to enable meaningful participation of black people in the economy
- b. Achieving a substantial change in the racial composition of ownership and management structures and in the skilled occupations of existing and new enterprises

- c. Increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises and increasing their access to economic activities, infrastructure and skills training
- d. Increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training
- e. Promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity
- f. Empowering rural and local communities by enabling access to economic activities, land, infrastructure, ownership and skills
- g. Promoting access to finance for black economic empowerment

Key implications for the Lepelle-Nkumpi Local Municipality

Every local municipality in Limpopo has to cooperate to facilitate transformation in the Province. Therefore, local plans, strategies and development programmes put in place by the Lepelle-Nkumpi Local Municipality must be compliant with the BBBEE legislation. This suggests that development projects and public infrastructure investment should focus on the upliftment of the previously disadvantaged community and ultimately increase their participation in the local economy.

NATIONAL INDUSTRIAL POLICY, FRAMEWORK AND ACTION PLAN (NIPF)

The NIPF sets out government's approach to industrialisation and its targets of halving unemployment and poverty through accelerated growth. The core objective of the NIPF is to outline government's approach to South Africa's industrialisation route in order to help align both private and public sector development efforts. Although the NIPF aims to improve growth and employment conditions across much of the economy generally, its primary focus is on the relatively low-medium skill intensity industries.

The vision of the NIPF is:

- To facilitate diversification beyond our current reliance on traditional commodities and non-tradable services
- The long-term intensification of South Africa's industrialisation process and movement towards a knowledge economy
- The promotion of a more labour-absorbing industrialisation path with a particular emphasis on tradable labour-absorbing goods and services and economic linkages that catalyse employment creation

- The promotion of a broader-based industrialisation path characterised by greater levels of participation of historically disadvantaged people and marginalised regions in the mainstream of the industrial economy
- Contributing to industrial development on the African continent with a strong emphasis on building its productive capabilities

Key implications for the Lepelle-Nkumpi Local Municipality

Development in the Lepelle-Nkumpi Local Municipality should be geared towards the diversification of the local economy to better absorb economic shocks. Skills development and transfer is of vital importance, and job creation should be one of the key focus areas in the municipality. Labour-based production methods should receive preference, as this will ensure employment in the local economy and will result in the upliftment of the local community.

NEW PARTNERSHIP FOR AFRICA'S DEVELOPMENT (NEPAD)

NEPAD is a vision and strategic framework for Africa's renewal. The NEPAD strategic framework document arises from a mandate given to the five initiating Heads of State (Algeria, Egypt, Nigeria, Senegal, and South Africa) by the Organisation of African Unity (OAU) to develop an integrated socio-economic development framework for Africa. NEPAD is designed to address the current challenges facing the African continent, and issues such as the escalating poverty levels, underdevelopment and the continued marginalisation of Africa needed a new radical intervention.

The primary objectives of NEPAD are as follows:

- To eradicate poverty
- To place African countries, both individually and collectively, on a path of sustainable growth and development
- To halt the marginalisation of Africa in the globalisation process and enhance its full beneficial integration into the global economy
- To accelerated the empowerment of women

The NEPAD priorities are to establish the conditions for sustainable development by ensuring:

- Peace and security
- Democracy and good political, economic and corporate governance
- Regional co-operation and integration
- Capacity building

Key implications for the Lepelle-Nkumpi Local Municipality

LED projects identified for Lepelle-Nkumpi Local Municipality should embark on eradicating poverty, promoting sustainable growth and developing and facilitating the empowerment of women and the poor and other previously disadvantaged groups. The LED strategy should furthermore promote agriculture, human development, infrastructure development and the diversification of exports. Skills development and capacity building is of extreme importance to ensure sustainable local economic growth. It is important to note that the above can only be achieved through regional co-operation and integration.

NATIONAL SPATIAL DEVELOPMENT PERSPECTIVE (NSDP) 2006

The NSDP provides a framework which outlines future developments of the national spatial economy in areas in need of certain economic activities and in areas of severe deprivation. The challenge facing South Africa is rooted in its failure to provide services to all communities. Another challenge is in the economic fraternity where the fruits or gains of the first economy are not shared in the second economy. These challenges have been compounded by the failure of the Constitutional principles of integrating, coordinating and aligning the actions of the three spheres of government.

The purpose of the NSDP is to reconfigure apartheid spatial relations and implement spatial priorities that meet the Constitutional imperative of providing basic services to all and alleviating poverty and inequality. It provides a set of principles and mechanisms for guiding infrastructure investment and development decisions. The NSDP serves as a tool for identifying key areas of tension and/or priority in achieving positive spatial outcomes.

The NSDP, therefore, involves the following:

- A set of principles and mechanisms for guiding infrastructure investment and developmental decisions
- A shared understanding of the national space economy by describing the spatial manifestations of the main social, economic and environmental trends
- An interpretation of the spatial realities and the implications for government intervention

Given the objective to develop the economy, create jobs, address poverty and promote social cohesion, the NSDP assists government in confronting three fundamental planning questions, namely:

- Where should government direct its investment and development initiatives to ensure sustainable and maximum impact?
- What kinds of spatial reforms and arrangements are more conducive to the achievement of the objectives of democratic nation building and social and economic inclusion?
- How can government as a whole capitalise on complementarities and facilitate consistent decision making; and move beyond mere focus on integration and coordination procedures to establishing processes and mechanisms that would bring about strategic coordination, interaction and alignment?

The NSDP is also informed by the following principles:

- Rapid economic growth that is sustained and inclusive is a prerequisite for the achievement of other policy objectives, amongst which poverty alleviation is key
- Government has a constitutional obligation to provide basic services to all citizens, wherever they reside
- Beyond the constitutional obligation identified in Principle 2, government spending on fixed investment should be focused on localities of economic growth and/or economic potential in order to gear up private sector investment, stimulate sustainable economic activities and create long-term employment opportunities
- Efforts to address past and current inequalities should focus on people, not places.
- In order to overcome the spatial distortions of apartheid, future settlement and economic development opportunities should be channelled into activity corridors and nodes that are adjacent to or link the main growth centres.

NSDP has a critical role to play in reconstructing the historical spatial distortions of the past. It is very relevant in surfacing spatial dimensions of social exclusion and inequality in accessing economic and social development projects in communities. This will also accelerate the level of development and contribute to the broader growth and development policy objectives of government.

Key implications for the Lepelle-Nkumpi Local Municipality

Sustainable investment and growth in Lepelle-Nkumpi Local Municipality can be ensured if the principles of the NSDP are applied. The economic and infrastructural development needs of Lepelle-Nkumpi Local Municipality have to be aligned within the LED strategy, and sectors of importance such as agriculture and mining have to be strengthened to ensure progressive economic development. Investment in these areas needs to be coordinated and integrated with the IDP of Lepelle-Nkumpi Local Municipality, and should form part of the LED programmes identified as part of the LED strategy.

REGIONAL INDUSTRIAL DEVELOPMENT STRATEGY (RIDS)

The purpose of RIDS is to respond to issues of spatial differentiation in economic welfare levels. The key challenge is however to support lagging regions while assisting leading regions to capitalise on their inherent strengths and potential. RIDS recognises the dynamics of social transition, as it is natural for people to migrate from poor regions to regions with greater economic opportunities.

RIDS provides a regional targeted development strategy rather than merely an industrial policy framework. It recognises the role played by the service sectors, notably tourism, and therefore does not only focus on the manufacturing industry. RIDS recognises that it is impossible to achieve a spatially uniform distribution of economic activity, and that the best policy is to encourage industrial development at a relatively limited number of locations which are able to develop a competitive edge in regional and international markets. In districts or regions where little economic potential can be identified, public sector investment into social services in the identified regional economies should be increased.

The strategic objectives of RIDS are:

- Attempt, as far as is possible to reduce economic disparities between regions, address the needs of both the first and the second economies, and narrow the gap between them
- Pay particular attention to the needs of those regions which are lagging behind the national norms
- Enhance current regional strengths and lead sectors of the economy
- Promote sustainable economic growth and employment in provinces and municipalities
- Build regional competitive capabilities and firm-level support measures
- Enhance regional performance in attracting foreign direct investment

These objectives will be achieved through:

- i) Localised direct support to the SMME sector using technical assistance funds to provide business advisory services, and upgrade overall productive capability, development and training
- ii) Advisory services including the maintenance of a database on developments. This is fundamental to success in a system based on value chains. RIDS will be embedded in a system where support is assured throughout the operating cycle in the regional interest
- iii) Creating a predictable regional investment and business climate to attract private sector investments that do not rely on public-sector guarantees
- iv) To increase production in, and improve competitiveness and diversification of, regional markets, especially in agro-industrial, manufacturing and services sectors with potential for export and employment creation
- v) Organise dialogue between government and the private sector to develop a shared vision of an economic development strategy and remove constraints on private-sector development
- vi) Strengthen appropriate infrastructure support to regions through the provision of appropriate finance and improve access to productive support resources
- vii) Build effective industrial, trade and productive capacity needed to ensure optimisation of production and product diversification

Key implications for the Lepelle-Nkumpi Local Municipality

RIDS indicates that the optimal policy for poor regions might well lie in the upgrading of human capital in order to provide their populations with competitive skills to maximise their incomes. Through such action, it is anticipated that quality of life will be improved, based on the leveraging of appropriate talent, resources and innovative capacities in the different regions of the country. The Lepelle-Nkumpi Local Municipality should maximise the region's comparative advantage and should support the lead sectors of the local economy. Capacity across all sectors should be increased and investment in the local economy should be priority.

CO-OPERATIVES ACT (ACT 14 OF 2005)

The Act specifically indicates that government will facilitate targeted support for emerging cooperatives, especially those owned by black people and women. The Act regulates the functioning, purpose and registration procedures of cooperatives within the Republic, and recognises:

- The co-operative values of self-help, self-reliance, self-responsibility, democracy, equality and social responsibility

- That a viable, autonomous, self-reliant and self-sustaining co-operative movement can play a major role in the economic and social development of the Republic of South Africa, in particular by creating employment, generating income, facilitating broad-based black economic empowerment and eradicating poverty
- That the South African economy will benefit from increasing the number and variety of viable and sustainable economic enterprises
- That government is committed to providing a supportive legal environment to enable co-operatives to develop and flourish

In order to ensure that international co-operative principles are recognised and implemented in the Republic of South Africa, the Act:

- Enables co-operatives to register and acquire a legal status separate from their members
- Facilitate the provision of targeted support for emerging co-operatives, particularly those owned by women and black people

Key implications for the Lepelle-Nkumpi Local Municipality

The LED strategy should assist emerging cooperatives in finding a fixed position in business. The strategies and LED projects identified should also be aligned to the provision of the Co-operatives Act, which allows for the registration of cooperatives according to regulatory procedures. In Lepelle-Nkumpi Local Municipality, this will facilitate a progressive and accelerated system of registration of emerging black farmers, agri-business, micro-enterprises, tourism enterprises, traders and other businesses owned by young black people and women, allowing them to have joint ownership, risk sharing and ultimately to expand.

WHITE PAPER ON AGRICULTURE (1995)

The Paper is aimed at ensuring equitable access to agriculture and the promotion of the contribution of agriculture to the development of all communities, society at large and the national economy, in order to enhance income, food security, employment and quality of life. Farmers have through this policy been assured of equitable access to efficient financial services, as most financial institutions, whether public or private, previously served only part of the agricultural sector. This had a major effect on many emerging farmers, black farmers, small-holders and part-time farmers. The policy recognises that all farmers should be made aware of issues surrounding the sustainable utilisation of the natural agricultural resources. In addition, South Africa's productive agricultural land should be retained for agricultural use.

The policy is based on addressing the following critical agricultural policy goals:

- Developing a new order of economically viable, market-directed commercial farmers, with the family farm as the basis
- The broadening of access to agriculture via land reform should be enhanced by adequate agricultural policy instruments, and supported by means of the provision of appropriate services
- Financial systems should focus on the resource-poor and beginner farmers, enabling them to purchase land and agricultural inputs
- Trade in and the marketing of agricultural products should reflect market tendencies
- Agricultural production should be based on the sustainable use of the natural agricultural and water resources available

A critical premise of the policy is to direct efforts customised to promote, facilitate and support institutional development and to enhance the capacity of farm workers, farmers and other rural dwellers at local, provincial and national level and to ensure that they have a say in the formulation of policy that affects them

Key implications for the Lepelle-Nkumpi Local Municipality

The LED Strategy for Lepelle-Nkumpi Local Municipality should support and encourage existing and emerging farmers and agricultural activities and agri-businesses in the area. Agricultural activities in the region are responsible for a large number of jobs and contribute immensely to the local economy, and should therefore be supported and invested in. The acceleration of land claims to ensure the speedy completion of this process should also be advocated by the LED Strategy.

LAND REDISTRIBUTION FOR AGRICULTURAL DEVELOPMENT (LRAD)

Land reform in South Africa encompasses three primary segments, namely land restitution, tenure reform and land redistribution. The redistribution segment has different components which include:

- **Agricultural Development:** to make land available to people for agricultural purposes.
- **Settlement:** to provide people land for settlement purposes.
- **Non-agricultural enterprises:** to provide people land for non-agricultural enterprises, for example eco-tourism projects.

LRAD has two distinct parts. Firstly, LRAD deals with the transfer of agricultural land to specific individuals or groups. Secondly, LRAD deals with commonage projects, which aim to improve people with access to municipal and tribal land, primarily for grazing purposes.

The strategic objectives of the sub-programmes include:

- Contributing to the redistribution of 30% of the country's agricultural land over 15 years
- Improving nutrition and incomes of the rural poor who want to farm on any scale
- De-congesting over-crowded former homeland areas
- Expanding opportunities for women and young people who stay in rural areas

Key implications for the Lepelle-Nkumpi Local Municipality

The agricultural sector in Lepelle-Nkumpi is dominated by private land where the focus is on the production of fruit (oranges, grapes etc.). In order to expand farming enterprises, land is required. Therefore, the LED for Lepelle-Nkumpi Local Municipality needs to advocate the increased availability of land. The lengthy land claims process constrains development in Lepelle-Nkumpi Local Municipality with land not being able to be developed until the claims have been settled. Land reform elements, therefore, have to materialise in this regard.

MUNICIPAL SYSTEMS ACT (MSA (ACT 32 OF 2000))

The Municipal Systems Act sets out a framework to guide a municipality's performance through the development of a performance management system. Performance management seeks to ensure that local government strategy and policy deliver concrete results. It measures the outcomes, behaviours and activities of an organisation, its departments and staff, which contribute to the achievement of the strategic vision of the organisation. It is a multi-level process comprising council-wide, departmental and individual performance.

The aim of the Act is, amongst other factors, to:

- Provide for the core principles, mechanisms and processes that are necessary to enable municipalities to move progressively towards the social and economic upliftment of local communities
- Provide for community participation
- Establish a simple and enabling framework for the core processes of planning, performance management, resource mobilisation and organisational change which underpin the notion of developmental local government
- Provide a framework for local public administration and human resource development
- Empower the poor and ensure that municipalities put in place service tariffs and credit control policies that take their needs into account by providing a framework for the provision of services, service delivery agreements and municipal service districts

According to section 4(2) of the Act, the council of a municipality, within the municipality's financial and administrative capacity and having regard to practical considerations, has the duty to:

- a) Exercise the municipality's executive and legislative authority and use the resources of the municipality in the best interests of the local community
- c) Encourage the involvement of the local community
- d) Strive to ensure that municipal services are provided to the local community in a financially and environmentally sustainable manner
- g) Promote and undertake development in the municipality
- i) Promote a safe and healthy environment in the municipality

Key implications for the Lepelle-Nkumpi Local Municipality

According to the Municipal Systems Act, all local municipalities are legally bound to fulfil its duties and produce an IDP document and accordingly a LED strategy to encourage development in their community. In addition to this, the Act outlines the duty of the Lepelle-Nkumpi Local Municipality to provide services to its area of jurisdiction. The Lepelle-Nkumpi Local Municipality must furthermore operate in a manner that satisfies the conditions set out by the Act.

NATIONAL FRAMEWORK FOR LOCAL ECONOMIC DEVELOPMENT (NFLED)

The NFLED aims to serve as a guide that seeks to ensure an understanding of LED, and has put forward a strategic implementation approach that municipalities, provinces, national government, state-owned enterprises and communities can follow to improve local economic development. The NFLED seeks to mobilise local people and local resources in an effort to fight poverty. This framework also seeks to guide the implementation of the LED Key Performance Indicator of the 5-year Local Government Strategic Agenda.

The focus of the NFLED is upon:

- Improving competitiveness of the 52 District and Metropolitan municipal regions in South Africa by providing an approach to developing local economies with the participation of all relevant stakeholders
- Rendering economic growth compatible with social equity and safeguarding the environment
- What the state can do to support and reward citizens who organise locally and operate in local level partnerships to engage in greater economic activity, spreading economic activity in an even manner

- How the state can be a platform to facilitate the inclusion of all to participate in the economy

Flowing from the evolving practice of LED and the South African national context, there are ten principles identified that guide this framework. These are:

- 1) Through a developmental approach, Government has a decisive and unapologetic role to play in shaping the economic destiny of our country
- 2) Creating an environment in which the overall economic and social conditions of the locality are conducive to the creation of employment opportunities is the responsibility of Local Government
- 3) LED is an outcome of actions and interventions resulting from local good governance and the constant improvement and integration of national priorities and programs in local spaces
- 4) Inward investment from the state or private sector will only be effective where the potential and competitive advantages of each area are known and exploited
- 5) Promoting robust and inclusive local economies requires the concerted, coordinated action of all spheres and sectors of government centred on the application and localisation of the principles espoused in the NSDP
- 6) Locally owned appropriate solutions and strategies must emerge to support national frameworks in both rural and urban local spaces and should promote sustainable development and sustainable human settlements
- 7) South Africa competes in a global and increasingly integrated world economy whose threats must be minimised and whose opportunities must be exploited
- 8) Private companies, including social enterprises and cooperatives, form the heart of the economy and have a crucial role to play as partnerships with public and community role players that will ultimately stimulate robust and inclusive local economies
- 9) People are the single greatest resource and including all citizens in development and increasing their skills leads to increased opportunities for stimulating local economies
- 10) Local initiative, energy, creativity, assertive leadership and skills will ultimately unlock the latent potential in local economies and will shape local spaces

Objectives of the framework:

- To shift towards a more strategic approach to the development of local economies and overcome challenges and failures in respect of instances where municipalities themselves try to manage litany of non-viable projects or start-ups
- To support local economies in realising their optimal potentials and making local communities active participants in the economy of the country
- To elevate the importance and centrality of effectively functioning local economies in growing the national economy
- To wage the national fight against poverty more effectively through local level debates, strategies and actions
- To improve community access to economic initiatives, support programmes and information
- To improve the coordination of economic development planning and implementation across government and between government and non-governmental actors
- To build greater awareness about the importance and role of localities and regions which globally are playing an increasingly significant role as points of investment facilitated by supportive national policies

Key implications for the Lepelle-Nkumpi Local Municipality

According to the NFLED, the Lepelle-Nkumpi Local Municipality should provide leadership and direction in LED policy-making; administer policy, programmes and projects and be the main initiator of economic development programmes through public spending, regulatory powers and their promotion of industrial- and small business development, social enterprises and co-operatives.

TOURISM GROWTH STRATEGY (TGS)

The TGS provides a three year plan (2008-2010) to boost South Africa's competitiveness in the global tourism- and travel market. The tourism industry aims to contribute significantly industry growth target through increasing global competitiveness. There are, however, some key challenges which include the following:

- Transformation of the tourism industry through increased participation of the previously disadvantaged community
- Increased distribution of the industry through promoting less traditional tourism routes and activities
- Creating an industry that is sustainable

In order to address these challenges, the TGS stresses the need for South Africa to identify and pursue opportunities in the international, domestic and business tourism market, while simultaneously developing its existing market.

Key implications for the Lepelle-Nkumpi Local Municipality

Lepelle-Nkumpi Local Municipality has some potential for tourism, and needs to develop and expand the existing tourism market in a way that promotes transformation, distribution and sustainability in the industry. This suggests that a local tourism strategy is essential for boosting and guiding economic development in the area.

INTEGRATED STRATEGY ON THE DEVELOPMENT AND PROMOTION OF CO-OPERATIVES (ISDPC)

The vision of the ISDPC is to promote strong, self-reliant and sustainable co-operatives that contribute to economic growth, assist in the eradication of poverty and creates employment to bring about economic transformation.

The strategy aims to promote all forms of co-operatives (existing and emerging), which include survivalist, micro and small to medium co-operatives, to unleash their potential. This will ensure sustainable employment, poverty reduction, human resources development, strengthened competitiveness and an improved social and economic well-being.

The objectives of the ISDPC in order to achieve the above, are set out below:

- Grow all forms and types of co-operatives and increase its contribution to the country's GDP growth rate, economic transformation and social impact
- Promote co-operatives as a vehicle to assist in creating decent employment and reducing poverty through income-generating activities
- Support co-operatives in developing their human resource capacities; understanding co-operative principles and values through the provision of education and training;
- Strengthen co-operative sustainability, through the provision of access to information, markets, support services, business infrastructure and institutional finance
- Increase savings and investment, through the promotion and support co-operative banks and financial services co-operatives
- Foster co-operation among co-operatives, through supporting the creation of the vertical structure of co-operatives and conducting awareness campaigns
- Raise the profile of co-operatives as a dynamic and effective business organisation

- Raise the profile of co-operatives as an institution that allows the agglomeration of small-scale economic activities into massive activities, market linkages mobilisation of captive markets, as well as the enabling of vulnerable groups to compete with big market players, via research and awareness campaigns
- Promote closed co-operatives, which constantly attract high levels of membership as captive markets, enabling them to be highly sustainable
- Promote co-operatives as an effective vehicle that contributes to the development of rural and peri-urban areas of the economy, as well as improve primarily the economic and social well-being of the following targeted groups: black people, women, the youth and people with disabilities.

Key implications for the Lepelle-Nkumpi Local Municipality

The LED for Lepelle-Nkumpi Local Municipality has to create an enabling environment for the promotion and support of co-operatives and ensure that existing and emerging co-operatives receive the necessary training and awareness to ultimately bring about economic transformation, strengthen competitiveness and ensure poverty alleviation.

INDUSTRIAL POLICY ACTION PLAN 2011/12-2013/14 (IPAP2)

The Industrial Policy Action Plan (IPAP2) is the national labour-absorbing growth path which forms part of a larger set of inter-related policies. IPAP2 is a central implementation tool in the New Growth Path Strategy and the National Industrial Policy Framework (NIPF).

IPAP emphasises that sectors have differing characteristics and are important in an economy in their own right, as well as through the impact they have on other sectors. This calls for a set of policies to achieve a shift towards strengthening the productive side of the economy. IPAP2 identifies the following seven policies:

1. Stronger articulation between macro- and micro-economic policies;
2. Industrial financing channelled to real economy sectors;
3. Promotion of public and private procurement, to raise domestic production and employment in a range of sectors, including the alignment of B-BBEE and industrial development objectives, and influence over private procurement;
4. Developmental trade policies that deploy trade measures in a selected and strategic manner, including tariffs, enforcement, and SQAM or Standards, Quality Assurance, Accreditation and Metrology measures;
5. Competition and regulation policies that lower costs for productive investments, and for poor and working-class households;

6. Skills and innovation policies that are aligned to sectoral priorities; and
7. Deployment of these policies in general and in relation to more ambitious sector strategies, building on work already done.

The above steps form part of a qualitative step towards government's industrial turnaround. A number of action plans or key action programmes are identified within the three key sector clusters for 2011/12-2013/14 IPAP2:

Cluster 1 – Qualitatively New Areas of Focus

- Realising the potential of the metal fabrication, capital and transport equipment sectors, particularly arising from large public investments;
- Oil and gas;
- 'Green' and energy-saving industries;
- Agro-processing, linked to food security and food pricing imperatives; and
- Boatbuilding.

Cluster 2 – Scaled-Up and Broadened Interventions in Existing IPAP Sectors

- Automotive products and components, and medium and heavy commercial vehicles;
- Plastics, pharmaceuticals and chemicals;
- Clothing, textiles, footwear and leather;
- Biofuels;
- Forestry, paper, pulp and furniture;
- Strengthening of linkages between cultural industries and tourism; and
- Business process servicing.

Cluster 3 – Sectors with Potential for Long-Term Advanced Capabilities

- Nuclear;
- Advanced materials; and
- Aerospace.

Key implications for the Lepelle-Nkumpi Local Municipality

The LED for Lepelle-Nkumpi Local Municipality has to align its thrusts, projects and programmes with those identified in IPAP2, to strive towards strengthening the productive side of the economy, especially regarding agro-processing in Lepelle-Nkumpi.

OUTCOME 9

National Government have designed 12 Outcomes for Government and all its service delivery functions. The 12 Outcomes are based on a concept of The Outcomes Approach which is essentially a strategic approach which focuses on achieving the expected real improvements in the life of all South Africans.

The outcomes approach broadly defines what is expected to be achieved, how it is to be expected to be achieved and whether the outcomes are being achieved. The overall goal of the 12 outcomes that have been designed is to ensure that government does not just carry out the functions it is supposed to, but to ensure that results from these functions are achieved and show impacts on the lives of South Africans.

The outcomes approach mainly:

- Focuses on results
- Makes explicit and testable the chain of logic in our planning, so we can see the assumptions we make about the resources that are needed
- Links activities to outputs and outcomes and to test what works and what doesn't
- Ensure expectations are as clear and unambiguous as possible
- Provides clear basis for discussion, debate and negotiation about what should be done and how it should be done
- Enables learning and regularly revising and improving policy, strategy and plans through experience
- Makes co-ordination and alignment easier

The 12 Outcomes have been based on the Election Manifesto and the Medium Term Strategic Framework, as well as consultation on ministerial and administrative levels. The outcomes are a representation of the desired development impacts to be achieved by government's policy priorities.

The 12 Outcomes are listed as:

- Improved quality of basic education
- A long and healthy life for all South Africans

- All people in South Africa are and feel safe
- Decent employment through inclusive economic growth
- A skilled and capable workforce to support an inclusive growth path
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities with food security for all
- Sustainable human settlements and improved quality of household life
- A responsive, accountable, effective and efficient local government system
- Environmental assets and natural resources that are well protected and continually enhanced
- Create a better South Africa and contribute to a better and safer Africa and World
- An efficient, effective and development orientated public service and an empowered, fair and inclusive citizenship

The Limpopo Provincial Government has realised that local municipalities are different in nature and as a result varying approaches and concepts need to be applied to address the issues related to resource spending, weaknesses and addressing the needs of the local communities within that specific municipality. In response to the above mentioned, the adoption of Outcome 9 and the application of this approach within government within the Limpopo Province is a strategic process whereby government is aiming at producing a responsive, accountable, effective and efficient local government system. Outcome 9 has been built around 7 critical issues which have been identified as the vision for outcome 9. These critical issues are:

- Output 1: Implement a differentiated approach to municipal financing, planning and support
- Output 2: Improving access to basic services
- Output 3: Implementation of the community work programme
- Output 4: Actions supportive of the human settlement outcomes
- Output 5: Deepen democracy through a refined ward committee model
- Output 6: Administrative and financial capability
- Output 7: Single window of coordination

The outputs have been designed to engage a new approach which would allow for the support and implementation throughout the local municipalities within the province. Implementation of differentiated approach encumbers the assistance to local municipalities in terms of case specific circumstances in each municipality, focussing on the special circumstances which exist within the context of that municipality. Improving the access to basic services focuses on improving the way,

quantity and quality of services provided to communities accounting for growth in socio-economic terms. The implementation of the community work programme looks towards providing opportunities for citizens to gain employment opportunities based on a 1 to 2 or one week a month basis. A number of actions which are supportive of the human settlement outcomes have been designed to allow for effective and efficient provision thereof. These actions are:

- Increasing densities in metros and large towns
- Release of public land for low income and affordable housing
- Supporting the expansion of the national upgrading support programme in 45 priority municipalities to facilitate the upgrading of informal settlements
- Developing and monitoring a national coordination grant framework
- Finalising new national legislation on spatial and land use planning

The refined ward committee model seeks to implement a more democratic and communicative framework between the wards and local government to enable information sharing and local decision making. Outcome 6 will look towards improving the administrative and financial capabilities of municipalities within the province to ensure the accountability and transparency of municipal structures as well as the coordinated management of these systems. Lastly, the single window of coordination seeks to create a cross-cutting system of inter-departmental cooperation and coordination to ensure the efficient and effective working and delivery of governmental departments.

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi LED will require initiating cross-cutting collaboration between departments to ensure efficient delivery of proposed outcomes. Collaboration with other departments will also require the implementation of projects, information sharing and promotion and inter-departmental marketing. Aspects such as case specific analysis of the municipality and the inherent circumstances are required, and focussing on the community work programme within the local communities.

1.1.2 PROVINCIAL POLICIES AND LEGISLATION

The following provincial policies and legislation have been consulted to ensure alignment with the LED strategy for the Lepelle-Nkumpi Local Municipality:

- Limpopo Employment, Growth and Development Plan, 2009-2014
- Status Quo of Co-operatives in Limpopo, 2007
- The Impact of Government Procurement on Enterprises, 2007

- The Status of Rural Trade in Limpopo, 2007
- Limpopo SMME Strategy
- Draft Revised Limpopo Co-operatives Strategy, 2012
- Limpopo Province Simplified Standardised Framework for LED
- Limpopo Agriculture Development Strategy, 2007
- Limpopo Agro Processing Strategy, 2012
- Limpopo Department of Agriculture Strategic Plan, 2010/11-2014/15

LIMPOPO EMPLOYMENT, GROWTH AND DEVELOPMENT PLAN 2009 – 2014 (LEGDP)

The Limpopo Employment, Growth and Development Plan 2009 – 2014 (LEGDP) is based on the previous Limpopo Growth and Development Strategy of 2004. The LEGDP has been designed to provide an enabling framework through which provincial government would be able to develop a new growth path for the province which would seek to tackle the deep seeded issues of the province and to effectively and efficiently provide decent work and sustainable livelihoods which would in the end product achieve the goal of halving unemployment by 2014.

The LEGDP seeks to create opportunities for the structural change within the provinces within identified critical areas of the provinces economy. The document strives to provide a strategic base from which key decisions can be made in relation to the Medium Terms Strategic Framework (MTSF). The strategy further functions as a baseline construction tool for long term strategic future aspirations of the province. The strategy functions as a short term implementation tool for the longer term 2030 Provincial Growth and Development Strategy and the Limpopo Vision 2030 goals and objectives. Essentially the LEGDP is an alignment between National and Provincial Strategies which will in essence influence district and local levels by providing a unified approach in relation to national growth principles and objectives.

Provincial government has contextualised 10 priority areas which informs the strategic intent and objectives of the LEGDP. These objectives are:

- Ensuring more inclusive economic growth, decent work and sustainable livelihoods,
- Economic and social infrastructure,
- Rural development, food security and land reform,
- Access to quality education,
- Improved health care,
- Fighting crime and corruption,
- Cohesive and sustainable communities,

- Creation of a better Africa and a better world,
- Sustainable resource management and use, and
- A developmental state including improvement of public services

Of the above mentioned government has selected five priorities which will form the priority areas over the next five years. These priorities are:

- Creation of decent work and sustainable livelihoods,
- Education,
- Health,
- Rural development, food security and land reform, and
- The fight against crime and corruption.

In order to achieve the above mentioned five priorities, government seeks to integrate and create bilateral plans and strategies which will tackle these priorities in a combined and integrated manner to achieve a supportive structure for sustainable implementation. One of the main drives for this strategy is to utilise the economic achievements of the province over the last 15 years as ground work to promote and accelerate economic growth and development, as well as the integration and collaboration between economic and social programmes which would be structured to support each other to promote economic sustainability. The selected priorities have been specifically selected to target the needs of the youth, woman, workers, the rural poor, the elderly and people with disabilities.

The LEGDP has highlighted key action programmes which will specifically function as the main directives to achieve the goals and objectives of the 5 priority areas for the province. The action programmes have been structured by reviewing the proposed programme, providing oversight into the key strategic challenges and lastly provides the key strategic interventions for each programme. These action programmes are reviewed below and are listed as:

Industrial Development Programme: Priority Growth Sectors:

This section proposes the development of an Industrial Development Master Plan for the Limpopo Province which will seek to provide a number of high impact sectoral portfolios and initiatives which will seek to design strategic programmes and targets which would effectively align the various policies, plans and interventions relevant to this project. The plan will also seek to identify the challenges specifically associated with the industrial sector.

Mining and Minerals Beneficiation Industries:

The programme proposes the diversification of the mining and minerals sector into not just a resource based industry, but through value-addition and a conducive environment, knowledge based industry by the year 2030.

Enterprise Development: SMME's and Cooperatives Development Programme:

The programme seeks to transform the economy of the province through the promotion and development of the SMME sector. The SMME sector must be enabled to contribute and benefit from sustained economic growth to become more competitive, profitable, and create more sustainable employment opportunities.

Regional Economic Development and Integration Programme:

The programme is used as an instrument to address the functioning of the economy. This is done to provide access to all regions to the economy by focussing on infrastructure interventions to capacitate regions to the full economic potential they pose in terms of market access and resources.

Public Infrastructure Investment Programme:

This programme is aimed at the provision of physical, social and economic infrastructure within the socio-economic realms of the province. The core aspects associated with this are:

- Bulk infrastructure (Sewer, water and sanitation, electricity and communication)
- Social infrastructure such as housing, schools and hospitals, and
- Economic infrastructure such as freight and logistics.

Water Resource Development and Demand Management:

The programme seeks to enhance the delivery as well as the continued sustainable usage of water to local communities and water-reliant industries. The programme will focus on building up water sources, providing clean water, maintaining water infrastructure and management of water sources.

Agriculture and Rural Development Programme:

The programme is based on the promotion and expansion of the agricultural sector of the province, focussing on primary agricultural producers and promoting emerging up-coming farmers. The programme further seeks to promote international and national distribution of products as well as

the sustainable management of resources. The programme lastly seeks to provide guidance in terms of food scarcity within the province and rural communities.

Education and Skills Development Programme:

The programme directly seeks to provide education and skills training to individuals in order to grow the skills base of the province and the country as such to encourage economic growth as a whole. The programme looks towards the development and expansion of the reach of Sector Education and Training Agencies, the University of Limpopo and Venda and the skills related training provided by the local mining institutions. The focus will enable the local communities to be able to employ the skills and educational qualities into sustainable jobs.

Health Care Development Programme:

The programme focuses on the upgrading and effective provision of health services within the province. This relates to the provision of medicines to all communities, the quality of health care provided, the employment of more health care practitioners, and the effective curing of diseases such as TB.

Safety and Security:

The programme looks into the provision of safe and secure environments within which local communities can function. The plan looks into community safety forums and street committees, rural safety, violence and crimes against woman and children and border management etc.

Environmental and Natural Resources Development Programme:

The programme directly focuses on management of environmental and natural resources such as national parks, wildlife and fauna and flora and considers key aspects related to global warming and climate change initiatives, green job creation and the enforcement of environmental legislation and policies.

The Green Economy and Creation of Green Jobs:

The programme is in line with global directions aimed towards environmentally lower impacts created by urban centres and people based on their footprint. The green economy is placed in context within the agricultural, manufacturing construction, installation, and maintenance, as well as scientific and technical, administrative and service related activities which can be utilised to restore and manage sustainable environmental assets and quality.

Corporate Governance:

The programme is based on enforcing the Code of Governance Principles within the Limpopo Province. The province has identified challenges within the governmental structures that require solutions to promote a coherent and integrity based government structure.

ICT and Innovation Enabled Industries:

The strategy focuses its ICT interventions towards the achievement of broad-based development goals in diverse communities in key areas including health, education, economic opportunity, empowerment, participation and environment. It adopts a holistic approach to strengthen synergies between the components of the development dynamic, leverage spill-over effects and directly addresses rural development imperatives by aligning interventions in a number of strategic areas.

Key implications for the Lepelle-Nkumpi Local Municipality

The LED must take consideration of the five priorities that have been selected for the provincial priority list over the next 5 years. These specifically focus on the development of employment opportunities, skills transfer and training and economic growth and diversification. In light of this, the LED must focus on the expansion and diversification of the economy through the continued growth of existing economic activities such as agriculture, mining and tourism. In conjunction to the previous statement, the development of SMME"s in the municipality would also have to be a focal point, along with the necessary skills transfer and training opportunities to local communities. The LED would also need to take into consideration regional and national linkages with other economies and the strengthening of these linkages to promote agglomeration.

STATUS OF CO-OPERATIVES IN LIMPOPO, 2007

The Status of Co-Operatives in the Limpopo Province is a study done to assess the growth and development of co-operatives within the province as well as to determine the constraints, challenges and issues related to these co-operatives to determine possible ways forward and solutions to the problems faced by these communities. The project was based on a number of objectives which would provide the most sound information and directives in conjunction to co-operatives in the province. These objectives are:

- Assess the economic impact of co-operatives within the province,
- Determine the level of success amongst co-operatives within the province,

- Ascertain if there has been any significant growth or decline in the number of co-operatives within the province,
- Establish if the government can play a role in the proliferation of co-operatives as drivers of growth within the province,
- Based on the evaluation, make recommendations emanating from the findings of the study.

Co-operatives are used as a tool within the South African economy to provide equitable redistribution of wealth within a local community. In the Limpopo province co-operatives has shown a significant growth over the years, predominantly located within the rural areas, providing a basis from which to launch rural development objectives. Co-operatives within the province have a tendency to be unsustainable in terms of jobs, and many of the co-operatives are not run in accordance to business structures resulting in co-operative members earning low income salaries. Co-operatives who had reasonable education would also do better than those who didn't. The members of co-operatives showed limited skills or knowledge regarding marketing of the business and so electively are struggling. Training structure are showed to be generic in nature and not sector specific with insufficient mentorship, which are causing co-operatives to have limited capacity and capabilities.

The study has effectively drawn the following conclusions in terms of the status and impacts created by co-operatives in the Limpopo Province. These conclusions are as follow:

- Standards of living remained the same as low to no salaries are being paid
- Little to no monitoring and evaluation are being conducted. Mentoring has been used to support co-operatives to a lesser degree
- Training is inadequate as it does not cover basic principles for running a successful enterprise.

The study has identified that if mentorship and proper capacity building is done, co-operatives will be able drive economic growth within the province into the future. The research showed that no stable or sustainable co-operative has lasted longer than 10 years in the province. On the basis of the previously mentioned, the report had made recommendations to enable the growth and development of cooperatives.

These recommendations are:

- All projects should be continued
- Media coverage of successful co-operatives

- Co-operatives should be run on clear business principles to ensure that idealism and reality do not become intertwined
- There should be a clear definition of roles in the co-operative, including an agency responsible for monitoring and evaluation
- Improvement of communication channels in the co-operative sector
- Compulsory annual auditing
- Co-operatives to be included in government department tender procedures
- Government departments must include co-operatives in their tender procedures
- Intensive education amongst the unemployed youth over the merits of being involved in co-operatives
- The private sector must be involved
- Co-operative members must be coached on the implementation of the business plans
- Training according to the specific needs of the industry and job criteria
- Co-operative members must be trained according to their job criteria. They should not be
- Successful co-operatives/success stories to inspire other co-operative
- Business plans should be critically revised and evaluated
- Production and marketing strategies must be developed before the project(s) commence(s)

Key implications for the Lepelle-Nkumpi Local Municipality

The LED must focus on the promotion and development of co-operatives within the various sectors of agriculture, mining and tourism. The LED must seek to provide clear and concise training and mentorship to identified and new co-operatives, as well as guidance in terms of marketing for regional and inter-regional distribution. The LED must also seek to enable the creation of business plans which provide a strong base and clear definition and directive for the business.

THE IMPACT OF GOVERNMENT PROCUREMENT ON ENTERPRISES, 2007

This study was done to determine whether historically disadvantaged individuals (HDI) and small, medium and micro enterprises (SMMEs) are benefitting from government procurement and to establish the challenges faced by these target groups in procuring government and sector specific opportunities. The objectives of the project research are:

- To ascertain if SMMEs and HDI are benefitting from government procurement,
- To establish the impact, effectiveness and efficiency of procurement policy on HDI and SMMEs,
- To establish sector specific opportunities on HDI and SMME procurement, and

- To establish if there is a link between HDI and SMME procurement and job creation.

The study revealed that HDI companies are benefitting largely by government procurement, showing that on average 65% of contracts and 81% of contract values are procured by HDIs. The research also showed that in certain sectors, non-HDI businesses were also benefitting from procurement. This inevitably indicated that departments were not completely complying with the Preferential Procurement Policy Framework Act (PPPF) in terms of points awarded for SMME promotion and in addition, treasury departments could not quantifiably show the extent to which SMMEs are benefitting from procurement. In contrast to the previous findings it was determined that HDI owned SMMEs which have SMME status do not benefit from high value tenders as the HDIs previously mentioned do. The dominant challenge that had been identified by the report showed that HDI owned SMMEs have significant problems when trying to access working capital to be able to initiate projects. This ultimately meant that contracts are awarded to bigger companies. The limited access to working capital to SMMEs has created a questionable view of the effectiveness of the Procurement Policy for SMMEs.

HDIs and SMMEs are also further hampered by the limited or uncoordinated access to procurement support services. The report has determined that a lack of coordination exists between service providers and government departments which limit the essential tender support services to SMMEs in relation to government tenders. Government departments have also been determined to be inefficient in terms of payments to SMMEs and HDIs rendering services to government, as well as ill formed terms of references leading to resource wastage. The end result is a negative impact on the cash flow of the business which may have detrimental effects on the future operations of the business.

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi LED should seek to provide an enabling environment through which SMMEs and HDIs can access tenders from government departments. The LED should seek to create an electronic supplier database through which SMMEs are contracted. The SMMEs cited on the databases should also be selected based on merit and not rotation to ensure that a competitive nature is fostered between competing businesses. Tender monitoring should further be engaged to improve the economic benefit realisation from tenders. A form which scores the developmental goals of the tenders should be designed which would analyse the socio-economic impacts and outcomes proposed in tenders. The LED should also seek to enhance the access to working capital for SMMEs and HDIs to promote the sustainability of projects and the efficient implementation thereof. Lastly, the LED must also seek to enhance the linkages between government departments and service providers to allow SMMEs access to knowledge and assistance with projects and procurement.

THE STATUS OF RURAL TRADE IN LIMPOPO, 2007

The Status of Rural Trade in Limpopo report was done to determine what the current status of rural trade is within the Limpopo Province from the perspectives of sustainability and viability. The study looked into determining the key challenges faced by rural SMME traders based on the adequacy of service provision, sustainability of prices charged, types of goods sold, service provided and whether businesses in the rural setting were benefitting from government initiated support services. The objectives for the have been determined as:

- To ascertain the challenges being faced by SMMEs in the rural setting,
- To find out why rural consumers are choosing to shop in urban areas,
- To find out the level of service provision offered by SMMEs in rural areas,
- To ascertain the impact of non-locals taking up business within the rural environment,
- To find out the level and composition of competition faced by SMMEs in rural areas,
- To find out the products being sold, and prices being charged are sustainable in rural environments, and
- To find out if SMMEs are benefitting from government support services, with a bias towards nonfinancial services aimed at enhancing business sustainability.

The report indicated that rural inhabitants classify themselves as urban shoppers and also predominantly choose to travel to urban centres to do shopping for basic goods and services. The preference to travel to urban centres for shopping purposes has been based on the perception of

rural inhabitants that products and services in urban centres are of a better quality and have lower prices.

Rural inhabitants also travelled to urban centres to be able to gain access to clothing stores and supermarkets, which are not readily available within the rural areas or do not provide the expansive services the larger chain stores can. The influence of media and marketing of stores also play a large role in the sequential preference of urban stores above those located in rural areas. The findings indicated that local rural consumers prefer to purchase goods from Asian-owned businesses and not locally owned businesses (which are in the majority). The reason for this is based on the perception that goods sold from Asian-owned businesses are lower in price, and consequently, price sensitive rural inhabitants would prefer these businesses to local owned businesses.

The major challenges facing local rural businesses, as determined in the report, are:

- Lack of access to financial and non-financial services, and
- Lack of business skills and the inability to creatively deal with competition.

The majority of businesses in rural areas are operated as sole proprietorships and was not able to access financial and non-financial services. The failure to attain these services provided by government and service providers have been attached to limited awareness of the opportunities provided by these entities as well as not being registered as a business entity. Based on these, most local rural businesses have succumbed to competitors.

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi LED should identify urban rural nodes through which support structure should be developed which would enable growth of the existing rural businesses in the area. The support structure should also encourage the growth and development of new businesses which can create a inter-linked value chain of good products and services. Campaigning to register businesses and enable accessing of funds must be marketed to inform local rural businesses of the possible opportunities and services at their disposal. Skills development such as marketing and basic business skills should also be a focus to encourage the effective management of the business.

THE LIMPOPO SMME STRATEGY

The Limpopo SMME Strategy evolves from the efforts by the Limpopo Department of Economic Development, Environment and Tourism to resurrect economic growth, by supporting the

development of a small business driven economy. The Strategy was conceived by the Province, essentially to create a strong equilibrium between the startling unemployment rate and the growing provincial economy. The SMME strategy seeks to address obstacles to economic intensification by reducing poverty, creating employment opportunities at a larger scale and enhancing quality of life for all. The Strategy holds strong that SMMEs are the impetus for economic growth as they directly generate income for community members and reduce poverty at a larger scale. The Strategy was informed by the research project that detected and identified major challenges facing SMME in Limpopo province and feasible solutions to conquer them. The main purpose of the SMME strategy is to create an enabling framework in the business environment to reach the following economic goals:

- To increase the contribution of small business towards the economic growth of the Province and to reduce the poverty levels;
- To increase the impact on job creation and reduction of poverty levels in the Province;
- To ensure that the Province's growing economy proportionally contribute to the GDP; and
- To ensure that there is effective and efficient co-ordination and integration of SMME programmes in the Province.

The Strategy has also identified ways to overcome the challenges as identified in the previous strategies. The current framework strives to enhance the impact of small businesses on the socioeconomic crisis facing South Africa. The Strategy focuses on:

- The need to have business development information. This set of strategies is critical in assisting development planning and the monitoring and review of the impact of small business development support services.
- The need to integrate business development support strategies in order to streamline activities and maximize the impact and resources allocated to small business development.
- To overcome the challenges of unemployment, there is a need to improve the competitiveness of small business, which will then ensure sustainability and increase profitability of small businesses. This will include tailor made capacity building programmes.
- There is also a need to increase access to local and international markets, as well as business linkages within small business.
- The issue of lack of or inadequate funding resources is also dealt with as the research has proven that the available funding programmes don't respond to the needs of the different categories of SMMEs. Small business promotion is the last strategy to be dealt with, which

also emphasizes the role of the formal education system in assisting to educate and create awareness on small business development.

- The institutional framework will seek to define the role of the different government institutions in small business development.
- The Strategy will be reviewed mid-term in order to gauge the impact it will have on society and specifically to the business community.

It is a geographical reality that Limpopo Province is well positioned in the international markets and particularly close to the South African borders with other major African countries. The economic activities of Limpopo Province are integral to the Southern African Development Community (SADC) and the New Partnership for African Development (NEPAD) initiatives. Limpopo Province is located in the northern-most part of the Republic of South Africa and has a conducive competitive advantage to trade economically with SADC countries. The Limpopo Provincial government has already implemented programmes to generate economic growth. The Provincial Spatial Development Initiative (SDI) aims to unlock the potential of four developed corridors by attracting investments for various projects. Polokwane International Airport is in a better position to facilitate movement of goods and services to and from SADC region and Africa. Taking advantage of all these factors should assist developing and initiating trade for SMME programmes in the Province.

The expansion of trade to international players will necessarily not only boost economic growth in the Province, but will go beyond and also empower SMMEs and other business ventures in SADC countries. The government procurement policy has positioned itself to realize its mandate of affording the local communities opportunities to access resources that will enable them to participate and contribute significantly to economic growth of the Province and SADC region. In addition and most importantly, supply chain management makes provision for the SMMEs to render a variety of expertise in economic growth, either in Agriculture, Manufacturing, Tourism, Mining, Construction, etc. In order to ensure that the SMMEs involvement in the procurement process yields positive results, local communities need to be well informed about the process. Through proper co-ordination, the Department should ensure effective monitoring of the impact of the procurement process and how the process benefits the Black Economic Empowerment (BEE) initiatives. Taking into account the levels of literacy and inability to access information by the majority of rural communities in Limpopo Province, the government is compelled to monitor procurement related issues, such as ensuring that the targeted groups are benefiting from the process and ensuring the

establishment of sustainable SMME"s, whilst facilitating an information dissemination mechanism on procurement policy.

The implementation of the SMME Strategy is tailored towards reducing poverty, creating employment opportunities, reducing dependency, improving quality of life for all etc. All these objectives are benchmarks against which the success of the Strategy will be evaluated. The Strategy also takes cognisance of the fact that the implementation process is not a static process and must not be pursued in a vacuum. Most critically, the environmental factors around which the SMME programmes are implemented often change in response to social, economic, political and cultural changes taking place. The Strategy review process should then take due cognisance of all environmental factors that may impact negatively on the successful implementation of SMME activities and should focus on the planning, implementation, monitoring and evaluation of the proposed and prioritised SMME activities from all stakeholders.

Key implications for the Lepelle-Nkumpi Local Municipality

In developing the LED Strategy, Lepelle-Nkumpi Local Municipality must take note of the importance of SMMEs in reducing poverty locally. Therefore, the availability of relevant business information and support in Lepelle Nkumpi Local Municipality should urgently be addressed, together with education and skills development. Particular focus should be placed on providing local business with the skills to write business plans and proposals for funding, as well as other skills related to managing a small business. Furthermore, issues related to access to funding needs a concerted effort. The LED Strategy also needs to advocate the improved competitiveness of small businesses in the Municipality. The LED Strategy must also emphasize the importance of small business agglomeration or clusters in order to enhance competitiveness in trade and to boost the economy of the locality.

DRAFT REVISED LIMPOPO CO-OPERATIVES STRATEGY, 2012

The Limpopo Co-operatives Strategy is one of the government's approaches to promote economic development. The strategy focuses on the establishment of co-operatives within the province as a mechanism as part of enterprise development to address issues related poverty and unemployment. The purpose and objectives of the strategy has been based on objectives within the Co-operatives Act No.14 of 2005 and has been formulated to be in line with these objectives. The objectives can be listed as:

- Create an enabling environment for establishment, development, sustenance and profitability of co-operatives in all sectors

- Encourage persons and groups who subscribe to values of self-reliance and self-help, and who choose to work together in democratically controlled enterprises, to register co-operatives,
- Promote equity and greater participation by black persons (especially marginalised persons in rural areas), in the formation and management of co-operatives
- Outline institutional arrangements and the implementation plan of the province
- Facilitate the provision of support programmes that target emerging co-operatives, especially those co-operatives that consist black marginalised persons in the rural areas who promote equity and greater participation by its members
- Ensure the design and implementation of the Limpopo co-operative support measures across all spheres of government, including delivery agencies and adherence to a framework that reflect fairness, equity transparency, economy, efficiency, accountability and lawfulness
- Facilitate the effective co-ordination and reporting mechanism across all spheres of government on co-operatives
- Provide guidelines and direction for support of co-operatives by government, other institutions, organisations and the private sector.

In recent years the performance of co-operatives within the provincial economy has been insignificant and hasn't posed any development and growth toward expansion and opportunity creation. Various constraints and challenges have been identified in relation to the establishment and continued running of co-operatives. According to the co-operative strategy, low skills, literacy and education levels are posing numerous problems. Members may poses complete or some schooling but various parties have issues related to business knowledge and skills, financial implementation and marketing. The data suggested that people have knowledge on what the principles of a co-operative are but are actually operating the co-operative in another manor or direction. Co-operatives also have trouble accessing funds from the private sector as a result of the co-operatives democratic formation and management structures, the limitations to joint responsibilities on liabilities and the historical management of co-operatives as a project instead of a business.

Co-operatives also have a number of challenges associated with access markets locally and regionally base on the limited access to existing main stream economic systems, as well that co-operatives are not viewed as being formal businesses. Government structures have also not made it possible for cooperatives to access government orders. In addition to not access markets, co-

operatives tend to have various problems related to management and internal conflicts. The basis of various members having voting rights and the gap between educated and non-educated individuals create an ignition point for internal conflicts. Further limitations are created by that co-operatives pay low or no salaries to its members because of low funding for salaries and when money is available, a fear exist to actually remunerate the members.

Some co-operatives have been provided machinery when they had been established, and in essence have been used for extended time periods. the necessary knowledge concerning the durability and also maintenance of these machines are not provided to co-operative members, which in turn causes the machines to break or become dormant. Other factors influencing the working capacity of machines are related to the availability of parts and that budgets are very constraining and so further disable to effective functioning of the business. In relation to machinery and the production of products, cooperatives also have extensive problems related to the supply of products to customers. The limited business and production skills hamper the production of sufficient amounts of products and cause the business to either stagnate or fail. Lastly, access to information for co-operative entities are in many cases limited and as such do not allow for the co-operative to expend the knowledge base needed to grow the business or attend to issues such as marketing, production and financials. Information sharing would pose to be a constant barrier and would require extensive implementation and solutions.

The strategy has based interventions based on the concept of four pillars for sustained co-operative development. For the four pillars a number of subset interventions have been devised which seek to implement or achieve the four pillars. The four pillars and the subset interventions are listed below:

Increased access to information

- Develop a comprehensive database
- Information material
- Access to information
- Continuous research and development, annual surveys, conferences

Increase skills levels within co-operatives

- Education and training on co-operative principles
- Provide business management training to increase skills level
- Innovation and technological enhancement
- Technical training
- Competitive and quality assurance

Increase access to resources

- Facilitate access to business infrastructure for co-operatives
- Increase access to finance for co-operatives
- Facilitate access to incentives from national, provincial and local government for co-operatives
- development and promotion

Increase access to markets

- Demand driven production
- Value-chain approach
- Access to procurement opportunities for co-operatives
- Marketing assistance

Key implications for the Lepelle-Nkumpi Local Municipality

The LED must identify the importance of existing and future co-operatives within the Lepelle-Nkumpi Local Municipality. The identification of market sectors in which co-operatives can be established are essential as well as the types of co-operatives that can be established, eventually aiming to create value-chains within the various economic sectors of Lepelle-Nkumpi Local Municipality. The LED should further focus on the institutional components of co-operatives and look towards training, accessible financing opportunities and skills development.

LIMPOPO PROVINCE SIMPLIFIED STANDARDISED FRAMEWORK FOR LED

The drafting of Local Economic Development Plans (LED) within each municipality is part of its official mandate. This holds true for the drafting of Integrated Development Plans as well. The Limpopo Province Department of Local Government and Housing has through workshops with representatives from LED departments within the 30 local municipalities within Limpopo has devised a standardised framework for the drafting of a LED document. This has been done to provide technical assistance to local government departments to collectively draft aligned and co-ordinated LED documents, which represent all the necessary information and directives, as well as to enable that outcomes and strategic projects are created.

The standardised framework for LED is reviewed below, showing all the necessary components to a LED within the Limpopo Province.

1. Cover page
2. Table of content
3. Acronyms

4. Foreword: Mayor

5. Preface: Municipal Manager

6. Executive summary (Maximum of 2 pages)

- Summary of the entire document

7. Introduction

- Purpose of the document
- Methodology
- Outline of the structure of the document

8. Legislative / policy framework (the purpose of this section is to situate the LED strategy in the IGR Mandate)

- National imperatives
- Provincial context
- Municipal

9. Situational analysis

- Demographic information
- Economic analysis (opportunities / economic drivers)
- Spatial analysis (where growth is / where to invest / land resources)
- Environmental profile
- Infrastructure analysis

10. LED strategy framework

- Vision
- Mission
- Economic department critical interventions – anchor projects
- Stakeholder engagement / management / mobilisation / partnership establishment

11. Implementation plan

- Conceptualise programmes and projects, and sources of funding
- Project plan
- Institutional arrangements (both internal and external resources, PPP)
- Risk analysis

12. Monitoring and evaluation

- Framework for monitoring and evaluation

- Indicators for monitoring and evaluation
- Document best practices and gaps
- Strategic overview

13. Conclusion

14. References

15. Annexure

Key implications for the Lepelle-Nkumpi Local Municipality

The standardised framework for LED is guideline tool to the development of a LED. All LED frameworks in Limpopo Province must be compiled according to these guidelines.

LIMPOPO AGRICULTURE DEVELOPMENT STRATEGY, (LADS) 2007

The Limpopo Agriculture Development Strategy (LADS), 2007, is a strategic document designed to guide and assist agricultural growth and development throughout the Limpopo Province. The document sought to analyse various components of the agriculture industry such as land capability, commodity suitability, agriculture economics, etc. The LADS builds upon the Strategic Plan for the Limpopo Department of Agriculture.

The plan looks to strategically mobilise, distribute and utilise resources equitably and efficiently to achieve the four Governmental objects namely:

- Growing the economy,
- Job creation,
- Economic empowerment, and
- Poverty alleviation.

The LDA has also further identified twelve key strategic programmes which look at the promotion of economic development and growth within the agriculture sector as well as to enable job creation and poverty alleviation. The twelve key strategic programmes are:

- Restructuring of State Assets to empower farmers, communities and workers through Revitalisation of Smallholder Irrigation Schemes (RESIS) as well as projects under the Agricultural Rural Development Corporation (ARDC);
- Promotion and implementation of AgriBEE;
- Development and implementation of succession planning based on youth infusion into the agricultural sector;

- Promotion and development of appropriate research based production and value adding technologies for successful agri-businesses;
- Redistribution of agricultural land, capacitating beneficiaries and promoting sustainable commercial enterprises;
- Sustainable Graduating Poverty alleviation and household food security and nutrition strategies;
- Promotion and establishment of reliable information and communication strategy through information technology for knowledge and information sharing;
- Formation of farmer based commodity associations and other agri-business entities for farmer support to ensure full participation in local economic development opportunities;
- Provision of appropriate advisory support to develop and strengthen capacity of commodity association and other farmer formations;
- Promotion of sustainable natural resource utilisation and agricultural land use management;
- Animal production and health to improve livestock and also control animal diseases;
- Human Resource Development to increase knowledge, skills and competency of motivated officials.

Based on the above information the LADS (2007) had created a number of projects and recommendations based on each of the analysis sections focussed on within the LADS (2007). The discussion below will focus on the sections contained within the strategy as well as the projects and recommendations proposed.

Land Capability:

- The section focussed on determining the land capabilities for the Limpopo for dry-land cultivated agriculture. The objectives were to determine the sustainable and efficient natural resource management and to analyse the production base/land capability/agricultural enterprises.
- Recommendations:
 - Agricultural zonation: zoning of high potential agriculture areas,
 - Agricultural hubs: using the zoning information determine optimal places for the development of agricultural hubs,
 - Agriculture policy: to protect high potential agricultural land,
 - Land use planning: of the areas identified as hubs,
 - Implementation: integration of the agricultural strategy into local level plans.

Commodity Suitability Study:

- This section focuses on the analysis of the commodity and production base to determine agricultural development enterprises at local level which would be able to contribute to the economy in real terms as well as assist in the growth and development of the agriculture sector.
- Recommendations:
 - Local Municipality IDP's: integration of the result of the commodity suitability study into IDPs, LEDs and SDFs to ensure provincial alignment and the promotion of development of appropriate projects and initiatives,
 - Agricultural Hubs: the development of business plans for these proposed hubs and the promotion thereof,
 - Niche Crops: the development of suitability models for selected niche crops.

Agricultural Economics:

- This section focuses on the status-quo conditions within the Provinces agriculture sector. The various aspects considered are agricultural industries overview, value-chains, key economic drivers and socio-economic aspects.

Recommendations:

- Profile of game ranch owners: determine game ranch owner motives and possibly develop a game ranching policy,
- Game ranch policy: compile a game ranch policy,
- Gross margin databank for Limpopo Province: compilation of a gross margin database of commercial and emerging farmers to be incorporated in to local plans,
- Establishment of a development parastatal: investigations into the establishment of a parastatal to facilitate land claims and provide supportive structures to local farmers,
- Business plans for Agricultural Hubs: compile business plans to determine development objectives, farming programme, capital requirements, financial and economic viability.

Human Resources Analysis

- This section looks at the human resources contained within the LDA and within the agricultural community of Limpopo.

Management and Organisation Strategy

- The section dissects the roles and challenges associated within management structure of departmental and organisations and those who manage the core functions of departments.

The core functions include strategic decision making, resource management, strategic control and reward systems, service delivery and technology, diversification, cooperative strategy, creation and mobilisation of knowledge and the composition and process of top management teams and decision makers.

Analysis of Trans-Boundary Environment (Multi Lateral Issues)

- This section considers the issues pertaining to cross-boundary natural resources and te effective management and usage thereof.

Provincial Analysis

- This section reviews certain stakeholders specific to their role and linkages to the LDA. The section further investigates the linkages between these role-players and the LDA.
- Recommendations
- The establishment of a committee to monitor all agreements as well as look at progress and constraints of projects,
- The development of a coordination forum to coordinate actions and interaction between various departments and role-players.

The projects and recommendations provided throughout the LADS (2007) is based on developing a basis from which local level authorities can implement these actions and facilitate effective development projects and the implementation thereof.

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi Local Municipality LED must take due cognisance of the projects and recommendations proposed within the LADS. The proposed interventions such as departmental co-ordinations may require implementation at all levels to facilitate the effective transfer of information and intergovernmental alignment. Further opportunities exist for the development of agricultural databases and the growth of regional importance through agricultural hubs and support.

LIMPOPO AGRO PROCESSING STRATEGY

The Limpopo Agro Processing Strategy is aimed at accelerated agro industrial development and increased job creation in key sectors. The strategy includes an analysis of existing agricultural activities and investigates agro-processing opportunities and includes a feasibility analysis with a competitive and comparative advantage analysis, export potential and gap analysis.

The strategy identifies and emphasise the importance of stakeholders, the implementation of sector development plans and talent development to create an enabling environment for the development and advancement of agro processing in the province, to enhance value addition activities to increase local revenue and sustainable livelihoods in rural areas.

A strategic intervention plan/recommendations for Limpopo are included in the strategy with eleven pillars:

1. Institutional Capacity Development
2. Government/Public Sector Intervention
3. Private Sector Intervention
4. Stakeholder Identification/relations
5. Management, Coordination and Implementation
6. Research, Development and Innovation
7. Expansion of Commodity Production
8. Talent Development
9. Finance and Other Support Mechanism
10. Investment Promotion
11. Identification of Project Investment Opportunities

The strategy further includes implementation guidelines for agro-processing endeavours. These include general guidelines (such as project prioritisation, identification of location, development of business plans), application guidelines, risk analysis and assessment guidelines (such as risk identification, risk quantification, mitigation and control measures, risk measures etc.) including types of risks (economic and environmental risks) and a monitoring and evaluation assessment (such as development indices and monitoring matrices).

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi Local Municipality LED has to encourage agro-processing projects and ensure that the guidelines as set out in the Limpopo Agro Processing Strategy are followed to ensure that the relevant stakeholders are involved and that these projects are implemented and managed appropriately to realise an increase local revenue and sustainable livelihoods in rural areas.

The Limpopo Department of Agriculture Strategic Plan assess the accomplishments and challenges faced by the agriculture sector in 2008/09 and outlines strategies and quantifiable objectives for the years ahead. The strategic plan also works towards achieving the Province's Growth and Development Strategy and government objectives.

The main aim of the Strategic Plan is to promote economic growth and food security through sustainable agricultural development and entrepreneurship development. This is promoted through the strategic programmes and objectives set out in the strategy:

- Effective administration
- Sustainable resource management
- Farmer support and development
- Veterinary support
- Technology research and development services
- Agricultural economics and value chain activities
- Training

Key implications for the Lepelle-Nkumpi Local Municipality

Farmer support, development and training as well as value chain activities as set out in the Limpopo Department of Agriculture Strategic Plan 2010/11-2014/15 should be promoted through the projects and programmes recommended in the LED strategy.

1.1.3 CAPRICORN DISTRICT MUNICIPALITY POLICIES

The following district policies and legislation have been consulted to ensure alignment with the LED strategy for the Lepelle-Nkumpi Local Municipality:

- Capricorn Spatial Development Framework, 2011
- Capricorn Integrated Development Plan, 2012/13
- Capricorn Local Economic Development Strategy, 2008
- Capricorn Investment and Marketing Strategy, 2009
- Agricultural Strategy for Capricorn District Municipality, 2009

CAPRICORN SPATIAL DEVELOPMENT FRAMEWORK (SDF) 2011

The main objective of the Capricorn SDF is to indicate desired patterns identify developable areas and priority areas where intervention and spending is required within the District Municipality, and inform the five Local Municipal SDFs (which includes Lepelle-Nkumpi Local Municipality).

The SDF identifies Lebowakgomo, the urban centre for Lepelle-Nkumpi Local Municipality, as a district growth point within Capricorn District, with the second largest population composition of the five local municipalities and the third largest GDP.

Environmental features are highlighted, with a number of conservation areas and nature reserves located within Lepelle-Nkumpi identified (Zebediela Citrus Farm, Wolkeberg Caves Nature Reserve and Lekgalameetse Nature Reserve). The southern parts of Lepelle-Nkumpi Local Municipality are identified as a major concentration of agriculture potential, with no significant agricultural or industrial activities currently occurring.

The key economic sectors and its current contribution and potential for each local municipality is discussed, with Lepelle-Nkumpi featuring in terms of tourism, agriculture (Zebediela Citrus Estate), mining, (platinum, diamond and clay mining potential). Community facilities and other municipal services are discussed with problem areas highlighted.

A set of thirteen development objectives for the Capricorn District Municipality were identified from which thirty two priority actions/projects were derived. The objectives are set out below:

Principle 1: Environmental Management

Principle 2: Hierarchy of Settlements

Principle 3: Thusong Centres

Principle 4: Engineering Infrastructure

Principle 5: Corridors and Linkages

Principle 6: Public Transportation

Principle 7: Commercial Farming and Fresh Produce Markets

Principle 8: Tourism Promotion

Principle 9: Mining

Principle 10: Industrial and Agro-processing Activities

Principle 11: Commercial/ Retail Sector and Polokwane CBD

Principle 12: Strategic Development Areas (Infill and Densification).

Principle 13: To optimise urban-rural linkages throughout the Capricorn District

Key implications for the Lepelle-Nkumpi Local Municipality

The Capricorn District SDF implies that the district should strive towards economic growth and social development in an integrated manner. All plans, policies and programmes on local level, including the Lepelle-Nkumpi LED should be aligned with the objectives set out in the Capricorn District SDF

CAPRICORN INTEGRATED DEVELOPMENT PLAN (IDP) 2012/13

The act of compiling and implementing an IDP is a legal requirement for all municipalities in accordance to the Municipal Systems Act (Act 23 of 2000). The IDP is a five year plan which contains all the plans, priorities and budget for the municipality.

The IDP for the Capricorn District Municipality sets out a framework to enable the entire region to plan, set up budgets, implement programmes and monitor its performance. The IDP serves as a guide for the Local Municipalities as it is informed by participatory processes and engagement with local communities and inputs from regional, provincial and national stakeholders. The IDP establishes its position within the legal framework, and provides an overview of the Capricorn District Municipality.

The numerous challenges experienced throughout the district are highlighted. Challenges highlighted for Lepelle-Nkumpi Local Municipality are set out below:

- High infrastructure development backlog
- Land un-availability due to tribal ownership and spatial reconstruction
- Infrastructure management and maintenance systems
- Environmental management
- By-laws enforcement
- Low Revenue Base

Cross-cutting issues identified for the Capricorn District Municipality are set out below:

- Lack of funding due non-core function of the District
- Lack of Coordinators at local level
- Lack of Monitoring & Evaluation of programmes
- Lack of reasonable accommodation for people with disabilities in the district.
- Lack of economic empowerment for people with disabilities:
- Employment target for people with disabilities of 2% is not met in the district.

The main goal for this IDP is to develop development priority issues as long term goals, to link to the vision and mission of the District through ensuring 'health and dignity, secure living conditions, education, financial security and good governance', through implementing the following (summarised) strategies:

- Prioritising settlement upgrading and growth points
- Updating GIS database
- Provide, maintain and monitor water supply
- Provide Rural Sanitation to RDP levels
- Investigate renewable energy sources
- Provide electricity to schools and clinics
- Fast-track 'free basic electricity'
- Ensure public participation and socio-economic development of communities
- Upgrade roads and public transport infrastructure
- Provision and preparedness in emergency/disaster scenarios
- Waste and landfill management
- Upgrade existing and establishing new sport, recreation, arts and culture facilities
- Tourism branding and products offering intervention and exhibition
- SMME and tourism development support
- Boost investment
- Develop frameworks, databases and electronic support systems
- Manage human capital and communication strategies

Key implications for the Lepelle-Nkumpi Local Municipality

Lepelle-Nkumpi Local Municipality fall under the jurisdiction of Capricorn District Municipality. This implies that the LED strategy of Lepelle-Nkumpi needs to comply and align with the programmes, policies, plans and objectives set out in the Capricorn District IDP. This means that the LED strategy ultimately needs to ensure that its projects achieve the vision as set out in the IDP.

CAPRICORN LOCAL ECONOMIC DEVELOPMENT STRATEGY (LED), 2008

The Capricorn District LED Strategy is a tool which provides an investigation into the economic development opportunities which exist within the district. The Capricorn District Municipality has compiled a number of strategies and plans which are used to accomplish these development

opportunities and the LED is used to combine all these plans and strategies into a unified response to strategic economic development.

Capricorn District Municipality comprise of the third strongest (district) economy with the transport and trade sector growing the fastest. Apart from the contribution of community services to the district’s GGP, the finance, trade and transport sectors contribute the to the district’s GGP.

The LED strategy focuses on determining the strengths and weaknesses of the local economy to determine the possible avenues through which economic diversification can be accomplished. The economic diversification will allow for the counteraction of fluctuations within certain sectors of the economy and provide the basis from which numerous job opportunities can be created and from where diversified skills and competitive advantages can be fostered.

The LED has identified a number of objectives which allow the Capricorn District Municipality to achieve its set out economic development goals. These objectives are:

- Growing the first economy
- Developing the second economy
- Building a knowledge economy
- Land and infrastructure
- Governance and Partnerships

The LED has determined a number of key programmes which will be the primary drive and linkage between projects and actions. These thrusts have subsequent identified key programmes which will allow each thrust to be fully accomplished. The table below indicates the objectives and its key programmes.

Table 1: Key programmes as identified by the Capricorn District Municipality LED

Objective	Key Programmes
<p>Growing the first economy</p>	<p>Driving Growth through:</p> <ul style="list-style-type: none"> • Tourism • Transportation and Logistics • Manufacturing & Agro-Processing • Retail Trade • Community Services • the export sector through a range of initiatives aimed at local firms
<p>Developing the second</p>	<ul style="list-style-type: none"> • Promote SMMEs and co-operatives development through a

Objective	Key Programmes
economy	holistic support system <ul style="list-style-type: none"> • Facilitate improved economic access for the poor through co-operatives • Address poverty by promoting self-help livelihood methods
Building a knowledge economy	<ul style="list-style-type: none"> • Improve the competitiveness of the district economy through investment in research, ideas, technology, design and creativity • Encourage district connectedness by improving access to information, communication and technology
Land and infrastructure	<ul style="list-style-type: none"> • Improve access to affordable land to support growth and development in both economies • Improve the availability of services and infrastructure to support economic development
Governance and Partnerships	<ul style="list-style-type: none"> • Strengthen LED governance, leadership and coordination • Establish a strong LED network by fostering robust partnerships between government, the private sector, donor community and NGOs • build a strong base of LED understanding and knowledge across the district

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi LED must strive to align itself with the objectives and key programmes contained within the District LED. This alignment will ensure that provincial objectives are met. The LED should further consider diversification and development of existing stronger sectors and the growth of weaker sectors in the economy such as tourism. The focus should further be on local businesses and aspiring entrepreneurs to encourage local growth imperatives and further expand economic functions.

CAPRICORN INVESTMENT AND MARKETING STRATEGY, 2009

The Investment and Marketing Strategy is based on the need to create awareness of the opportunities in Capricorn District Municipality in order to stimulate economic growth. The document was informed by the Capricorn District Municipality IDP, LED, SDF and the Local Municipalities’ LED strategies.+

Innovative and coordinated efforts in partnership with supporting bodies and other stakeholders are required for the Capricorn District Municipality to be transformed into a more enabling environment for investors. The following set of criteria served as an evaluation tool to identify areas with potential for development and opportunities within each of the local economic sectors:

- Availability of raw materials and resources
- Availability of labour
- Economic linkages

- Market trends
- Value chain/Gap analysis
- Agglomeration advantages
- Logistics / Nodal point function
- Regional service delivery function
- Technology change
- Enabling policy environment

Projects were identified on the basis of its economic development potential, equality enhancing potential and sustainability and implementation within the Capricorn District Municipality. These are set out below:

Agriculture

- Expansion of horticulture production and diversification
- Expand poultry projects to supply local demand and extend value chain
- Commercialisation of subsistence livestock production (goats)
- Hydroponics crops and herbs production
- Farming of vegetarian niche products and free range products
- Organic farming of cotton and vegetables
- Development of fish farms and aquaculture cluster
- Farming in oilseeds for oil extraction
- Cultivation of indigenous medicinal plants
- Cassava farming

Mining

- Develop platinum cluster
- Beneficiation of diamonds
- Cement production
- Develop clay processing cluster
- Mining assisted small business development
- Pebbles extraction and polishing thereof for landscaping purposes
- Stone crushing and sand mining

Manufacturing

- Expansion of paper-recycling project
- Establish a detergent manufacturing plant
- Establishment of metal products cluster
- Establishment of food processing cluster
- Brick and tile manufacturing
- Establishment of pharmaceutical cluster
- Processing of sorghum into beer brewing and cattle feed
- Arts and crafts manufacturing, sewing of traditional clothing, hide processing
- Furniture making
- Thermocouple wire manufacturing
- Organic clothing manufacturing

Tourism

- Develop a Nature Reserve Belt
- Aero-estate

The strategy furthermore includes a monitoring and evaluation system which includes the following indices:

- Investment Environment Index
- Agriculture Expansion Index
- Industrial and Beneficiation Index
- Mining Sector Development Index
- SMME Development and Support Index
- Human Resource Development Index
- Tourism Development Index
- Rural Development Index
- Investment Implementation Index

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi LED should take cognisance of the Capricorn Investment and Marketing Strategy and align and incorporate its programmes and projects into those identified for the Strategy. The monitoring and evaluation strategy should also be applied to projects and programmes identified for Lepelle-Nkumpi LED.

AGRICULTURAL STRATEGY FOR CAPRICORN DISTRICT MUNICIPALITY, 2009

Agriculture and agricultural development is extremely important and has been identified by the PGDS as one of the three economic development pillars in the Limpopo Province. However, within rural local municipalities such as Lepelle-Nkumpi, the natural resource base is not effectively utilised and due to a number of challenges, the natural agricultural resources are left exposed and vulnerable.

This strategy set out a set of objectives to ensure that the Capricorn District Municipality achieves its full agricultural potential through assistance and proper service delivery. These objectives are set out below:

- Development and implementation of a possible opportunities, human resources and priorities for the agricultural sector
- Ensure sustainable and efficient natural resource management under varying climatic conditions
- Verification of existing land capability in all municipalities per land use pattern
- Zoning of existing agricultural infrastructure from the service centres and municipalities
- Identify existing and potential anchor projects per local municipality based on natural resources base for agriculture

A number of anchor projects have been identified for the Capricorn District Municipality:

- Aganang grazing project
- Glen Alpine irrigation scheme (Blouberg)
- Molemole potato project
- Polokwane poultry project
- Lepelle-Nkumpi agricultural hub project

A feasibility level business plan for the Lepelle Nkumpi Agricultural hub has been undertaken. It occupies an area of approximately 3, 265 Ha in the Lepelle Nkumpi Local Municipality, spread across

14 farms, which are suitable and available for crop production. Nearly 2,000ha have irrigation potential and the remainder is suitable for dryland crops. A total capital investment of about R65 million is required of which R15 million is financed by government for infrastructure development. The farms cover the majority of the western half of the municipality. The following crops are included: maize, sunflower, tomatoes, pastures, cabbage, planted pasture, maize, citrus, and green manure.

This strategy aims to implement and promote these projects through creating and empowering co-operatives and capacity development programmes, by investing in training and education (with local education institutions' assistance) and through hosting road shows and seminars to entice the youth to take part in agricultural activities.

Key implications for the Lepelle-Nkumpi Local Municipality

The Agricultural Strategy should be used as a baseline for projects to be proposed for the Lepelle-Nkumpi Local Municipality LED, and take cognisance of the mechanisms for implementation.

1.1.4 LEPELLE-NKUMPI LOCAL MUNICIPALITY POLICIES

The following local policies have been consulted to ensure alignment with the LED strategy for Lepelle-Nkumpi Local Municipality:

- Lepelle-Nkumpi Local Municipality IDP, 2012/13
- Lepelle-Nkumpi Local Municipality SDF, 2007
- Lepelle-Nkumpi Local Municipality Investment Strategy, 2009
- Lepelle-Nkumpi Local Municipality Local Spatial Development Plan (LSDP) for Lebowakgomo, 2012
- Agric Profile and Agri-Market Overview for Lepelle-Nkumpi Municipality, 2011
- Lepelle-Nkumpi Agricultural Hub, 2009

LEPELLE-NKUMPI LOCAL MUNICIPALITY IDP, 2012/13

As is the case with District IDPs, Local Municipalities are also required by law to compile and IDP. The IDP for Lepelle-Nkumpi Local Municipality sets out the development objectives and strategies, performance indicators and projects.

The development objectives as identified by the IDP, are set out below:

- Provision of clean portable water according to RDP standards to 80% of the communities by 2016.
- Provision of sanitation services to 60% of the communities by 2016
- Provision of electricity to all communities by 2013
- Halve unemployment by 2016 and achieve 6% annual economic growth
- Upgrading of 40 km of roads from gravel to tar by 2015
- Provision of weekly households removal services to 50% of the households by 2016

The IDP furthermore identified projects to be implemented. These projects were divided into three categories, Projects to be implemented without budget, projects to be budgeted for implementation by Lepelle-Nkumpi and projects budgeted for implementation by other stakeholders. Broad themes include mining, agricultural development, infrastructure upgrading and community upliftment.

Key implications for the Lepelle-Nkumpi Local Municipality

According to legislation, all activities and actions conducted by the Lepelle-Nkumpi Local Municipality must be aligned with the IDP, including the LED. The IDP in turn needs to be aligned with the District IDP and other policies and legislation on district and provincial level. Projects contained in this IDP aimed at improving and developing the local economy (especially those classified as to be implemented without budget) needs to be incorporated and expanded on within the LED strategy.

LEPELLE-NKUMPI LOCAL MUNICIPALITY SDF, 2007

The Lepelle-Nkumpi SDF is a strategic document which informs the spatial objectives and future spatial form of the municipal area. The SDF functions to co-ordinate and organise the various spatial structuring elements such as urban areas, rural areas and industrial areas to construct a sustainable spatial layout of core functions to improve long term sustainable practices, strategically promote development and growth along lines providing optimal growth advantages and enable accessibility to the various functions .

The SDF has identified a set of objectives and desired outcomes to guide the final outcomes of the strategy. The overall objectives ensure the alignment with national, provincial and district strategies.

These **objectives** can be classified as:

- To promote the creation of sustainable human settlements;
- To contain urban sprawl
- To encourage urban integration and redressing the imbalances of the past; and
- To promote good land use management

Outcomes to achieve these objectives are listed as:

- The restructuring of spatially inefficient settlements;
- The sustainable use of land and other resources;
- The channelling of resources to areas of greatest need;
- Stimulate economic development in Lepelle-Nkumpi; and
- The promotion of accountable, open and transparent decision-making with regards to land use and development.

The SDF identifies core spatial development strategies. These include three Spatial Development Areas or (SDAs) Clusters which have been identified as main focus areas for future development.

These SDAs include:

- SDA 1: Area between Mashite and Makotse which includes Lebowakgomo and Seleteng;
- SDA 2: Area between Mogoto and Magatle which includes Moletlane; and
- SDA 3: The two (2) areas of Ga-Mathabatha and Mafefe.

Apart from these strategies, a number of other strategies are proposed to ensure sustainable spatial and economic development.

Key implications for the Lepelle-Nkumpi Local Municipality

The SDF provides spatial development guidance for the Lepelle-Nkumpi Local Municipality and has determined Strategic Development Areas (SDAs) which would provide optimal developmental benefits and advantages. The LED must take due cognisance of these spatial approaches, in the promotion and selection of areas for development.

LEPELLE-NKUMPI LOCAL MUNICIPALITY INVESTMENT STRATEGY, 2011

The main goal of the Lepelle-Nkumpi Investment Strategy is to 'formulate guidelines for the Lepelle-Nkumpi Local Municipality for retaining the existing businesses, assisting in their expansion and attracting new investment to the area'.

The strategy paints a clear picture and provides an understanding of the local economy's advantages and challenges, labour availability, resources, prominent economic sectors and the state of service delivery within the Local Municipality. It further aims to identify the growth sectors and market opportunities and business constraints linked to specific economic sectors.

A number of possible projects to be implemented within Lepelle-Nkumpi Local Municipality are identified:

- Goat Meat Production
- Citrus Juice Extraction
- Zebediela Farm Stay
- Production of Slate Slabs
- Organic Cotton Farming
- Mafefe Tourism Centre
- Aquaculture
- White Meat Cluster
- Develop Golf Estate

The strategy furthermore comprise of an investment guide to retain and expand existing businesses and attracting new investment. Upon implementation of the strategy, it will ultimately reveal the Lepelle-Nkumpi Local Municipality's potential, reveal investment opportunities among potential investors, create co-operation between local businesses and public stakeholders and improve the regulatory environment with regards to local and other large companies.

Key implications for the Lepelle-Nkumpi Local Municipality

The Investment Strategy provides a number of lucrative, possible projects which will enhance the local economy. The Lepelle-Nkumpi SDF should align with and exploit the proposed projects to ensure successful local ventures to uplift Lepelle-Nkumpi Local Municipality as a whole.

LEPELLE-NKUMPI LOCAL MUNICIPALITY LOCAL SPATIAL DEVELOPMENT PLAN (LSDP) FOR LEBOWAKGOMO, 2012

The Lepelle-Nkumpi LSDP is focussed on spatial and economic development opportunities contained within the economic hub of Lepelle-Nkumpi Local Municipality, Lebowakgomo. The main objective for the LSDP is to 'revitalise the nodal point by creating an integrated and functional urban

environment and rehabilitating the dysfunctional components of the area through economic and infrastructure development’.

Secondary objectives identified include:

- To identify the economic base and other sectors;
- To determine the infrastructure assets;
- To determine the social settings and people’s visions of the future;
- To evaluate the aesthetic environment;
- To trace the movement of people and goods within the area and to establish the dynamic interactions of the study area;
- To ascertain the comparative and competitive advantages of the area;
- To determine the strengths, weaknesses, opportunities and threats affecting the area;
- To develop a re-invented plan for the town that was inspired by the town’s citizens;
- To ensure an integrated network of streets and public space areas;
- To create a sense of place and to define public open space as focal points;
- To integrate all the social amenities within a robust Development Framework;
- To address safety and security through innovative planning and design;
- To ensure the sustainability of the total urban environment and to focus on developing the unique qualities of the town;
- To develop a broad strategy for revitalising the different functional parts of the CBD;
- To create a platform for the establishment of partnerships between the public and private sector and to secure multiple sources of funding.

The LSDP includes the following implementable components:

- Land Use Plan
- Land Information System
- Spatial Plan

Key implications for the Lepelle-Nkumpi Local Municipality

The Lepelle-Nkumpi LED should take cognisance of the LSDP and incorporate identified objectives and opportunities identified within Lebowakgomo to further enhance the towns economic status.

AGRIC PROFILE AND AGRI-MARKET OVERVIEW FOR LEPELLE-NKUMPI MUNICIPALITY, 2011

These accompanying documents were compiled by Limpopo Provincial Department of Agriculture and it investigates the land capability, climatic conditions, traditional authority’s farming areas,

produce, livestock and employment. It furthermore looks at the numerous types of implemented projects within Lepelle-Nkumpi Local Municipality as well as the current market situation, challenges and opportunities.

Key implications for the Lepelle-Nkumpi Local Municipality

These documents give the status quo of agricultural activities within the Local Municipality. The LED should base agricultural related projects on the findings contained within these documents to ensure relevant and successful project implementation.

LEPELLE-NKUMPI AGRICULTURAL HUB, 2009

The Lepelle-Nkumpi Agricultural Hub document accompanies the Agricultural Strategy for Capricorn District Municipality. Within this strategy the Lepelle-Nkumpi Agricultural Hub is identified as a viable project to be implemented within the Lepelle-Nkumpi Local Municipality.

This document gives a detailed analysis of the environmental conditions (climate assessment, agriculture evaluation, environmental hazards etc.), an analysis of the financial implications and viability as well as an infrastructural analysis and implementation and stakeholder engagement guidelines.

Key implications for the Lepelle-Nkumpi Local Municipality

This document gives a detailed analysis and feasibility plan for creating an agricultural hub within Lepelle-Nkumpi Local Municipality. The Lepelle-Nkumpi SDF should align its agricultural projects and programmes to link to and promote the proposed agricultural hub.

1.2 IMPLICATIONS FOR LEPELLE-NKUMPI LOCAL MUNICIPALITY

The legislation and policies listed above, all contain principles and objectives which are all meant to inform and guide the development of the LED strategy for the Lepelle-Nkumpi Local Municipality. These policies and legislation from all spheres of government have various objectives and strategies which all strive to achieve the same overarching goals. These are to ensure effective, efficient and sustainable service delivery, to achieve economic development, to stimulate skills development and to combat unemployment. This subsection will provide a brief overview of these objectives in terms of the relevant legislation, and its implications and relevance for the Lepelle-Nkumpi Local Municipality LED strategy.

Service delivery is an important issue that needs to be addressed. It is clear when looking at the policies and legislation that this is a perplexity evident within all three spheres of government. The importance and obligation of local authorities to supply proper basic service delivery is stipulated within the Constitution and the MSA. The Limpopo Employment, Growth and Development Plan acknowledges the importance of service delivery, the uplifting of the living conditions of the local population as well as the impact that service delivery has on the local economy. The District and Lepelle-Nkumpi Local Municipality SDF and the Lepelle-Nkumpi Local Municipality IDP set out projects and strategies to upgrade service delivery as it is a great concern within this region. It is thus very important for the Lepelle-Nkumpi Local Municipality LED to strive to achieve efficient and effective service delivery through its programmes and projects.

Stimulating economic development and growth is a priority throughout the country and is thus reflected in legislation and policies as discussed previously. It has been revealed that it is of cardinal importance that economic developments benefit everyone and be distributed equally. The agriculture sector of Lepelle-Nkumpi Local Municipality was identified as holding significant potential, and thus further development and expanding of the agriculture sector should be supported as it has the potential inject into the local economy. According to the White Paper on Agriculture (1995), existing and emerging farmers and agri-businesses should be supported.

Numerous projects and plans to improve and expand the economy of Lepelle-Nkumpi Local Municipality have been proposed such as the Orange Juice Manufacturing Programme, Goat Meat Production and White Meat Cluster and as initiated by the District and Local Investment Strategies, other proposals include fast tracking access to land for emerging farmers to expand the agriculture sector of Lepelle-Nkumpi Local Municipality and through encouraging and supporting SMMEs.

As mentioned, skills and human capital development is a matter of importance for development within our country. The reason for emphasising skills and human capital development is because by investing in people and equipping them with skills and education, they not only gain a skill, but also employment opportunities and prospects which may lead to a better financial future and thus to poverty alleviation and indirectly to better living conditions.

Job creation, the eradication of poverty and the upliftment of previously disadvantaged groups are important priorities in numerous documents like the MTSF, BBBEE Strategy and BBBEE Act, NEPAD and LRAD. District and local level IDPs and SDFs view the issues of unemployment and poverty in a

serious light, and strive to supply in the needs of those that have suffered under apartheid practices. The Lepelle-Nkumpi Local Municipality LED should be focussed on stimulating job creation through creating a platform for entrepreneurs and emerging SMMEs to develop and thrive.