

Chapter 1:**Introduction, review objectives and rationale of the review****1. Introduction**

Lepelle-Nkumpi Local Municipality (LNLM) is committed to addressing poverty and unemployment through creating an enabling environment for local economic growth and development.

LNLM's vision seek "to be a financially viable municipal council, geared towards the improvement in the quality of life for people by providing sustainable services". The municipality has reviewed its 2019 Local Economic Development (LED) Strategy in-house reflecting new economic realities and opportunities post COVID-19 pandemic.

The municipality is predominantly rural, and the town of Lebowakgomo and the offices of Lepelle-Nkumpi are in Lepelle-Nkumpi Local Municipality. A gap exists in LNLM between the levels of development and the potential development which is noted by probable economic opportunities that have not been utilised regardless of the comparative and competitive advantages of LNLM. To bridge this gap, the LED strategy attempts to recoup the underlying development potential through encouraging both private and public-sector investment which will result in economic prosperity in LNLM.

The 2025/2030 LED strategy is anticipated to serve as an economic development framework and a tool to be used to promote the local economic growth in a proactive and dynamic manner, thereby improving socio-economic outcomes in the municipality. The strategy will achieve this through investigating sector-based economic opportunities which will contribute towards economic growth and development in the local economic sphere, thereby addressing the triple challenge of inequality, unemployment and poverty.

The purpose of this LED strategy is to assemble all economic information and investigate the coordinated and integration options, and opportunities available to broaden the economic base of the municipality which will be packaged as a strategic implementation framework, to address the creation of employment opportunities, investment growth and an enabling business environment throughout the economy.

1.1. Review Objectives

The approach to the review of the LED Strategy is grounded on the view that local mobilisation of resources, the convergence of interest around competitive local advantages, and capacity building of local communities will enable local role-players and the municipality to plan for LED, and implement the opportunities emanating from the LED strategy.

Furthermore, the main goal of an LED Strategy is to re-focus on the municipality's development needs and opportunities, as well as its competitive and comparative advantages which help to address the triple challenges in the area.

Based on this goal, the following objectives have been identified:

- To develop an LED strategy that will guide economic development for the municipality and support the development of infrastructure, thereby enhancing SMME growth and human resource development
- To undertake a sectoral LED development opportunity analysis which will be summarised through the SWOT technique
- To conduct an in-depth analysis of the opportunities in key economic sectors of the municipality

- To ensure the LED Strategy aligns with and adds value to the existing policies
- To perform a comprehensive economic, socio-economic and business development analysis which enables understanding of the current development climate in the municipality
- To identify sectoral programmes and projects that can be used as a basis for pro-active economic development initiatives
- To ensure integration with other municipal plans which will enable the municipality to partner with other stakeholders
- To review the business models for LNLN and facilitate an implementation of the LED and unlock economic development potential in the area

1.2. Why an LED?

Local Economic Development (LED) is an approach towards economic development that enables and encourages local stakeholders to work together and achieve sustainable economic growth and development, thereby bringing economic benefits and improved quality of life for all residents in a local municipal area. In addition, LED involves the identification and use of local resources, ideas and skills to stimulate economic prosperity in an area.

An LED is characterised by the following:

- Establishing a job-creating economic growth path
- Embarking upon sustainable rural development and urban renewal
- Bringing the poor and disadvantaged to the centre of development

Local Economic Development is an ongoing process, rather than a single project or a series of steps to follow. It involves identifying and using local resources, ideas and skills to stimulate economic growth and development. Local economic development initiatives always take place in the context of changes in the global and national economies, as this has an impact on how the local economy will be structured. A local area has its unique set of opportunities and challenges, and as a result LEDs are developed to meet specific needs of the local market in the area.

The mandate of an LED seeks to create employment opportunities for residents, alleviate poverty, redistribute resources and create opportunities to benefit all residents in a local area. In the South African context, an LED is viewed as a key macro-economic growth pillar as it seeks to create jobs, new economic opportunities and increase income levels to broaden the tax and revenue bases of a municipality, thereby enabling municipalities to pay for services. An LED encompasses a range of disciplines which include physical planning, economics and marketing. Additionally, it incorporates many local government and private sector functions such as environmental planning, business development, infrastructure provision, real estate development and finance which translate into a range of sector investment.

According to the Department of Provincial and Local Government, key principles underlying LED include:

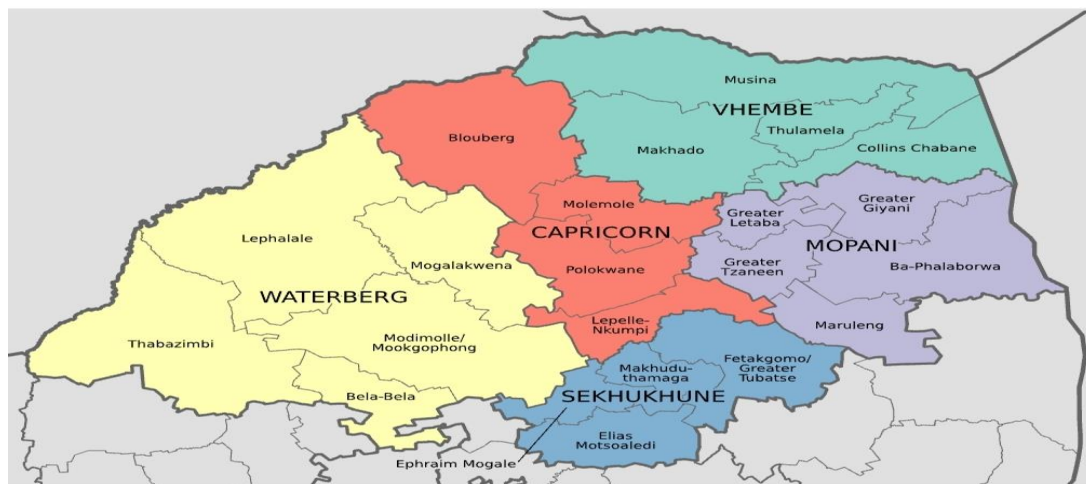
- LED strategies prioritise job creation and poverty alleviation as poverty and unemployment are the main challenges facing South Africa.
- LED enhances black economic empowerment enterprises and SMMEs to allow them to participate fully in the economic life of the country, particularly for previously disadvantaged people, marginalised communities and geographical regions.

- LED promotes local ownership, community involvement, local leadership and joint decision making.
- LED involves local, national, and international partnerships between communities, businesses and government to solve problems, create joint business ventures and build local areas.
- LED uses local resources and skills and maximizes opportunities for development.
- LED involves the integration of diverse economic initiatives in an all-inclusive approach to local development.
- LED relies on flexible approaches to respond to changing circumstances at local, national and international level.

1.3. Review Area

Lepelle-Nkumpi Local Municipality is situated within the Capricorn District Municipality of Limpopo province in South Africa. The municipality comprises of 30 Wards and is predominantly rural, with an estimated population of approximately 284 404 as per the 2022 Census report. It covers an area of 3 454.78km², which is 20.4% of the district's total land area.

Map 1: Limpopo Province



The map above locates Lepelle-Nkumpi Local Municipality within the Limpopo province. The Capricorn District consists of 4 Local Municipalities, namely Polokwane, Bloubaai, Molemole, and Lepelle-Nkumpi Local Municipality. The municipality can be found at the southern tip of the Capricorn District Municipality (CDM) and borders on Polokwane, Mogalakwena, Modimolle, Ephraim Mogale, Greater Tubatse, Makhuduthamaga, Maruleng and Greater Tzaneen.

Many of the large areas of land in the municipality form part of the former Lebowa homeland and are now held in trust by tribal and community authorities. In this regard, traditional authorities play a very important role in terms of their traditional culture and the availability of land for development purposes. The economy of Lepelle-Nkumpi Municipality has a dualistic approach in terms of having a formal economy and an informal economy. The first economy is largely attributed towards the high contribution generated by the services sector, whereas the second economy comprise of subsistence farming and informal trading largely practiced in Lebowa gomo.

The Limpopo province represents 10% of the total area of South Africa, covering 123 910 km². The municipal area stretches for about 3 454.78km². The topography of the area consists mainly of dolomite, shale, gabbro, basalt, granite and an iron formation. Regardless of LNLM having low water

availability as it has no major rivers or dams, agriculture plays a key role as it comprises of the Zebediela Estate and small-scale subsistence agriculture that has potential to grow.

LNLN is strategically located, as all sittings of the Provincial Legislature take place at Lebowakgomo at the parliamentary buildings of the former homeland. This has become the pride of the area which the residents view as their heritage.

Map 2: Capricorn District with location of Lepelle-Nkumpi



1.4. Review Methodology

The review method adopted entails the desk-top updating of information of the 2019 LED Strategy and focused on an inward analysis based on all dimensions in Lepelle-Nkumpi located within the Capricorn District Municipality. Consultations with other sector departments, the LED Forum was adopted to source inputs. The review highlights the Lepelle-Nkumpi Local Municipality within its strategic competitiveness covering all its 30 wards.

1.5. Document Structure

Lepelle-Nkumpi Local Economic Development Strategy is a comprehensive document providing a holistic view of the municipality and serves a framework for addressing the opportunities and challenges therein. The remainder of the report is summarised below:

Chapter 2: Provides the introduction, review objectives and rationale of the review

Chapter 3: Provides the overview of the policy framework

Chapter 4: Describes the development profile that clearly outlines the status for LNLN

Chapter 5: The sectoral analysis aims to identify the growth sectors and market opportunities that could potentially be exploited in the area

Chapter 6: Provides the sector potential analysis which identifies the business constraints and risks related to specific economic sectors towards the development of the LED strategy for LNM

Chapter 7: Provides the guiding principles for implementing catalytic projects/programmes that aim to rejuvenate and create an enabling economic environment that will attract investment in LNM

Chapter 8: Will assess and manage the achievement of targets which guides the performance in terms of implementing the strategy

Chapter 9: Investment Attraction Plan

Chapter 2

2. Policy Framework

2.1. National Policies

2.1.1. The Constitution of the Republic of South Africa

The most important legislation is the Constitution of the Republic of South Africa (Act 108 of 1996). **Section 152 (1)** outlines the objectives of local government as follows:

- To **provide** democratic and accountable government for local communities
- To **ensure** the provision of services to communities in a sustainable manner
- To **promote** social and economic development
- To **promote** a safe and healthy environment
- To **encourage** the involvement of communities and community organisations in the matters of local government

Implications for Lepelle-Nkumpi Municipality: Lepelle-Nkumpi Municipality is constitutionally compelled to promote social and economic development in its area of jurisdiction. The LED strategy should be focused on addressing the basic needs of the population, reflecting on the importance of service and infrastructure provision, community services, educational components and business support to all the areas where there is lack thereof or where government improvements are required.

2.1.2. National Development Plan (NDP)



The National Development Plan 2030 is seen as a “blueprint” for the development of the country and aims to eliminate poverty and reduce inequality by 2030. The plan sets a target of reducing the unemployment rate and seeks to increase GDP almost threefold to achieve an increased GDP per capita of R110 000 per person by 2030 (at constant prices).

The strategic framework for the NDP is based on the following development priorities which are:

1. Promote an inclusive and labour-absorbing economy
2. Increase capital spending, specifically on infrastructure
3. Transition into a low-carbon economy
4. Create an inclusive and integrated rural economy
5. Reverse apartheid constraints through spatial planning
6. Improve the quality of healthcare for all South Africans
7. Invest in quality healthcare for all South Africans
8. Develop a robust social security system
9. Build safer communities and reduce crime

10. Reform the public sector
11. Fight corruption in government
12. Transform society and unite the country

Implications for Lepelle-Nkumpi Municipality: The NDP guides decision-making in all spheres of government. The directives provided in the NDP must be integrated into the LED Strategy for Lepelle-Nkumpi Municipality. It is envisioned that by implementing the strategic guidelines and directives outlined in the NDP, Lepelle-Nkumpi Municipality will achieve the NDP's goals for the country with regards to eliminating poverty and reducing inequality in the area.

2.1.3. New Growth Path

The New Growth Path (NGP) is a broad framework that sets out a vision and identifies key areas where jobs can be created. Furthermore, the NGP seeks to address the issues surrounding unemployment, inequality, and poverty through strategy implementation relating to job creation. Government seeks to achieve this objective through restructuring the South African economy to achieve labour absorption and accelerated economic growth. Towards achieving this objective, Government intends to:

- 1 Identify areas where employment creation is possible on a large scale because of substantial changes in conditions in South Africa and globally
- 2 Develop a policy package to facilitate employment creation in these areas, through:
 - a. A comprehensive drive to enhance competitiveness and social equity,
 - b. Systemic changes to mobilise domestic investment around certain activities, and
 - c. Strong social dialogue to encourage growth in employment-creating activities.

The New Growth Path prioritises sectors in which employment will be created which include:

- The agricultural value chains
- The mining value chains
- The Green economy
- Manufacturing sector
- Tourism and services

- **Implications for Lepelle-Nkumpi Municipality:** The New Growth Path is predicated on the importance of job creation. It is therefore important that these priorities inform recommendations and guidelines provided for the LED Strategy in terms of creating sustainable and decent employment opportunities.

2.1.4. National Industrial Policy Framework and Action Plan (NIPF)

The primary objective of the NIPF is to set out government's approach to the industrial development for the South African economy, with much focus on relatively low-medium skill intensity industries. The vision of NIPF for the industrial development is as follows:

- To facilitate the diversification of the South African economy beyond the current reliance on traditional commodities and non-tradable services
- To contribute towards industrial development on the African continent with an emphasis on building productive capabilities
- To promote a more labour-absorbing industrialisation path with an emphasis on tradable labour-absorbing goods and services, and economic linkages that catalyse job creation
- To instigate the movement towards a knowledge economy through the intensification of South Africa's industrialisation process
- To promote a broader-based industrialisation path characterised by greater participation by historically disadvantaged individuals and marginalised regions in the mainstream of the industrial economy
- To contribute to industrial development on the African continent with an emphasis on building its productive capabilities

Implications for Lepelle-Nkumpi Local Municipality: The NIPF seeks to identify sector specific constraints and opportunities through different strategic programmes. The NIPF strategy informs the strategic direction industrialisation should take place on a national scale which signifies the long-term intensification process of South Africa's industrialisation process and movement towards a knowledge economy.

2.1.5. National Spatial Development Perspective (NSDP)

The NSDP plan is a framework that highlights the development of the future of the national spatial economy. The NSDP mandate is to essentially coordinate government action and alignment. The NSDP perspective highlights the future development of the national spatial economy. The NSDP mandate is to essentially coordinate government action and alignment, thereby maximising the social and economics of government spending. In addition, the NSDP provides a rigorous basis for interpreting strategic direction.

The NSDP assists the government in confronting three fundamental questions which include:

1. Where should government direct its investment and development initiatives to ensure sustainable and maximum impact?
2. What kind of spatial forms and arrangements are more conducive to the achievement of government objectives for democratic nation building and social and economic inclusion?
3. How can the government:
 - a. Capitalise on complementarities and facilitate consistent decision-making?
 - b. Move beyond mere focusing on integration and coordination procedures to establishing processes and mechanisms that would bring strategic coordination, interaction and alignment?

The NSDP plan makes available a set of principles and mechanisms for guiding infrastructure investment and serves as a tool for identifying key priority areas in achieving positive spatial outcomes.

Implications for Lepelle-Nkumpi Local Municipality: The NSDP provides guidance on the principles that should underpin the strategic approach relating to the use, spatial development and management in the province. The NSDP will inform the LED Strategy to identify areas of economic significance for government investment and development interventions.

2.1.6. Industrial Policy Action Plan (IPAP)

The IPAP is an annual series of industrial strategies aimed at promoting diversification beyond the current reliance on traditional commodities and non-tradable services. The purpose of the IPAP is to expand value-added sectors, promote labour-absorbing industries, increase economic participation by historically disadvantaged individuals, and expand into regional markets. Furthermore, a key priority of the IPAP is to coordinate the efforts of different government departments, agencies and state-owned enterprises towards the goal of industry development and ultimately job creation. The IPAP is guided by the National Industrial Policy Framework and aims to implement the government's approach to industrialisation. The document is specifically concerned with promoting the following industries, identified as having long-term growth potential. These include:

- Metal fabrication and beneficiation, and equipment manufacturing
- Clothing, textiles, leather, footwear, and crafts
- Advanced and technology-based manufacturing
- Green and energy-saving industries
- Agro-processing and biofuels
- Plastics and pharmaceuticals
- Automotive components and vehicles
- Forestry, paper, pulp and furniture
- Tourism-related industries

Implication for Lepelle-Nkumpi Municipality: The IPAP is guided by the National Policy Framework which aims to implement the government approach towards industrialisation. The IPAP supports cluster development, thereby enhancing efficiency and competitiveness of local firms. It is therefore essential that the IPAP informs the LED Strategy which will yield towards improvement on the competitiveness and efficiency of local businesses within the area.

2.2. Provincial Policies

2.2.1. Limpopo Development Plan

The LDP is an ongoing journey to eliminate poverty, reduce inequality and improve the quality of life of citizens as visualised in the National Development Plan. The province needs to institutionalise long-term planning, integration and coordination to realise development objectives. The essence of the LDP is to improve standards of living and to reduce poverty, unemployment and unacceptable levels of inequality. To achieve development objectives, the

province seeks to improve on sustainable economic development, social infrastructure and institutional development with emphasis on transformation. With regards to economic prosperity and transformation, the LDP plan will focus on mining, agriculture, tourism and manufacturing as well as empowering the SMMEs sector and Cooperatives. In terms of enhancing development, much focus will be placed on horticulture, meat, forest and tourism clusters to promote development in the rural areas.

Implications for Lepelle-Nkumpi Municipality: The LED Strategy for Lepelle-Nkumpi Municipality needs to be aligned with the LDP to ensure appropriate measures for fostering social cohesion towards a vibrant, self-reliant and mutually supportive society in the area.

2.2.2.Limpopo Agro-Processing Strategy

The Limpopo Agro-Processing Strategy seeks to enhance agro-processing capabilities of the province and to address economic development challenges. The strategy creates sustainable job opportunities in the medium to long-term periods by achieving key objectives. The key benefits of the Limpopo Agro-Processing Strategy entail:

- Job opportunities in the entire value chain of the agriculture sector
- Promotion and investment in the agro-processing sector for the province
- Rural development through interventions in a range of sectors
- Improved competitiveness in the local economy using resource base and locational advantages
- Integration between the different economic sectors of the province
- Enterprise and skills development enhancement in agriculture industries
- The overall growth and development of the agriculture industries

Implication for Lepelle-Nkumpi Municipality: The agriculture value chain has been identified as one of the key sectors for employment creation, thus efforts to grow and develop agro-processing will promote government action whilst contributing to the number and quality of jobs created in the area.

2.2.3.Limpopo Tourism Strategy

The Limpopo Tourism Strategy emphasises the concept of tourism clusters and their importance for economic development for the province. The cluster focus is conducted to raise international competitiveness in the province and to combine public and private contributions to have greater impact in the local economy.

The tourism chapter intends:

- To promote private and public partnerships
- To attract more tourists than isolated tourism products
- To increase the number of tourists coming into the province

Tourism development is important for achieving economic prosperity. The Limpopo Tourism strategy identifies nine tourism cluster developments which are listed below:

- South-East Bushveld
- Northern Bushveld
- Lepelle-Nkumpi Central
- Polokwane
- Upper Letaba
- Limpopo Low-veld
- Sekhukhune land
- North-East Limpopo
- Limpopo River Valley

Tourism in rural areas specifically is very important as it contributes to the local economic development. It provides a platform for small-scale businesses and fosters the local tourism value chain. A strong and stable tourism value chain encourages tourists to travel to a specific destination, thereby preventing leakages into other provinces.

Implication for Lepelle-Nkumpi Municipality: Lepelle-Nkumpi Municipality needs to develop and expand the tourism market in a way that promotes transformation, distribution and sustainability in the industry, as the tourism clusters have the potential to promote and bring public partnerships. If the local tourism can flourish, the local populace will benefit from new jobs, opportunities and investment in the area. The Tourism Strategy should also inform the LED Strategy as the Gateway to the Kruger Canyons Biosphere which has been declared by UNESCO.

2.2.4. Limpopo Five Year Industrial Plan

The Limpopo Five Year Industrial Plan seeks to contribute towards the development of key sectors within the province by strengthening industrial linkages, increasing value-added activities and enhancing productivity. The province mandate is to create sustainable job opportunities in the medium to long-term periods by reaching the objectives as indicated by the Industrial Policy Action Plan 2. The master plan will also aim to intensify technology development to improve the comparative and competitive advantages of the economy, as well as to promote overall growth and development of the industrial sector through promotion of and investment in high-value production and value-added technologies and activities.

Implication for Lepelle-Nkumpi Municipality: The Limpopo Five Year Industrial Plan will industrialise Lepelle-Nkumpi through innovative strategies to create sustainable job opportunities. Furthermore, Lepelle-Nkumpi Municipality can also improve its comparative and competitive advantages which will promote the overall growth and the development of the industrial sector in the Lepelle-Nkumpi.

2.3. District Policies

2.3.1. Capricorn District Municipality Local Economic Development Strategy

The Capricorn District Municipality Local Economic Development Strategy objective is to contribute towards economic growth and development, thereby addressing unemployment and poverty. The Strategy's priority areas consist of:

- Growing the first economy
- Developing the second economy
- Building a Knowledge economy
- Land and infrastructure development
- Good Governance and Partnerships

The Capricorn LED highlights agriculture as one of the region's main opportunities, with the agricultural sector set to play a strong role in the districts economy. Furthermore, the strategy also serves to position Capricorn District Municipality as the Hub of Creative Sustainable Economic Development within Limpopo Province due to its geographical positioning, and South Africa, SADC, and Africa through establishing partnerships with communities in the Capricorn District.

Implication for Lepelle-Nkumpi Municipality: The Capricorn LED strategy also serves as the Hub of Creative Sustainable Economic Development within Limpopo Province. Lepelle-Nkumpi LED Strategy should be focussed on stimulating job creation through creating a platform for entrepreneurs and emerging SMMEs to develop and thrive.

2.3.2. Capricorn District Municipality Investment and Marketing Strategy

The Capricorn District Municipality Investment and Marketing Strategy is focused on promoting integrated and sustainable development in the local economy. The District Municipality has specific coordination, and facilitation responsibilities which need to be addressed in an innovative manner to initiate and promote integrated and sustainable development and investment attraction. The Investment Strategy seeks to provide the following benefits:

- A clear understanding of the area's potential and the regulatory environment
- Assist in raising the awareness of the Capricorn DM among potential investors
- Create a working relationship between public sector and local businesses

The Investment and Marketing Strategy has identified the following projects in agriculture, mining, tourism and manufacturing for investment which have the potential to yield maximum benefits in terms of sectoral linkages. These include:

- Farming in oilseeds for oil extraction

- Production of indigenous medicinal plants
- Mining assisted small business development
- Establishment of food processing cluster
- Establishment of pharmaceutical cluster
- Processing of sorghum into beer brewing and cattle feed
- Developing the Nature Reserve Belt

Implication for Lepelle-Nkumpi Municipality: The LED Strategy for Lepelle-Nkumpi Municipality should be aligned with the Capricorn District Municipality Investment and Marketing Strategy as the agriculture and mining sectors present several backward and forward linkage opportunities for the local economy and there is considerable potential to utilise these sectors as a catalyst for developing other economic activities by strengthening these linkages.

2.3.3. Capricorn District Municipality Integrated Development Plan

The Capricorn District Municipality Integrated Development Plan seeks to improve the coordination and integration of planning, budgeting, and development within the Capricorn District Municipality. According to the Local Municipal Systems Act of 2000, the IDP is used by local municipalities as a method to plan and provide a framework for the future development in their areas. The Capricorn Integrated Development Plan further identifies key development priority issues for the district which will provide opportunities for rural development related to agriculture amongst others with the right levels of investment. These include:

- Health and Dignity
- Secure Living Conditions
- Education at early childhood
- Financial Security
- Good Governance

Implication for Lepelle-Nkumpi Municipality: The Capricorn District IDP acts as a broad business plan for the Capricorn District. The IDP will improve the coordination and integration of planning, budgeting, and development for Lepelle-Nkumpi Municipality which will result in economic prosperity and economic linkages in the area.

2.3.4. Capricorn District Municipality Tourism Growth Strategy

The Tourism Growth Strategy for Capricorn seeks to address the tourism development gaps and opportunities identified in the area. The strategy suggests that Lepelle-Nkumpi echoes the all-time roles of the Olifants and Nkumpi rivers as the life-giving sources to the area. In addition, the area comprises nature reserves which are the Wolkberg Wilderness Area and Lekgalameetse Nature Reserve in the Drakensberg mountain range.

The significant tourism attractions in the area include:

- Zebediela Citrus Estate
- Provincial Legislature Buildings – Lebowakgomo
- Segwaigwai Cableway
- Lekgalameetse Nature Reserve
- Wolkberg Wilderness
- Sefagafaga Magic Tree
- Mafefe Traditional History
- Cape Colony Vulture at Ga-Mathabatha

Implications for Lepelle-Nkumpi Municipality: Linking tourism development with Local Economic Development (LED) is key to ensuring that the benefits of a local tourism development accrue to the local economy, rather than being lost through leakages to other economies.

2.3.5. Capricorn District Spatial Development Framework

The purpose of the Capricorn Spatial Development Framework is to evaluate the position of the CDM from a national and provincial perspective and to serve as a guide for the respective local municipalities to ensure spatial development links with the overall perspective of the district. The Capricorn SDF proposes focused primarily around these nodal points which include:

- Blouberg LM: Senwabarwana and Matlala
- Molemole LM: Between Mogwadi and Mphakane, and Ga-Ramokgopha
- Polokwane LM: Mankweng
- **Lepelle-Nkumpi: Lebowakgomo, Mphahlele and Mahlatjane/ Mafefe**

The SDF was drafted in accordance with 13 principles, of which principle 7 aims to promote extensive commercial farming and subsistence farming activities in the district, and principle 10 seeks to concentrate industrial and agro-processing activities around the Polokwane/Seshego cluster and at Zebediela. Key areas for economic growth that have been identified in the include agriculture, tourism and mining in the Capricorn District Municipality.

Implication for Lepelle-Nkumpi Municipality: The LED Strategy should be aligned with the SDF which identifies potential growth nodal points such Lebowakgomo in Lepelle-Nkumpi LM which has the potential to develop Lebowakgomo industrial park in the area.

2.3.6. District Development Model

The District Development Model (DDM) was a Presidential model initiated in 2019. It aims to improve the coherence and impact of government service delivery with focus on the development of spaces that can be used as centres of services delivery and economic development, including job creation. The model builds on the White Paper on Local

Government (1998) seeking to ensure that local government is capacitated and transformed to play a developmental role.

Implication for Lepelle-Nkumpi Municipality: The municipality should be aligned with the prescripts of the DDM, whereby integrated, joint and collaborative planning is fostered.

2.4. Local Policies

2.4.1. Lepelle-Nkumpi Local Economic Development

The LED Strategy for Lepelle-Nkumpi forms part of the municipality's overall strategic plan, which seeks to promote viable local economic activities that benefit the local population, through the creation of direct and indirect employment. According to section 152 of the constitution (1996:84), local government should promote social and economic development of communities and find sustainable ways to meet their needs and improve the quality of their lives. The LED Strategy investigates economic opportunities for broadening the local economic base to address the creation of employment opportunities and the resultant positive spin-off effects.

The LED is based on the underlying principle that there is a gap between the existing levels of development in Lepelle-Nkumpi Local Municipality and the potential level of development. In this regard the Strategy provides the municipality with:

- A strategically focussed local economic development profile
- Identification of the development potential of the municipality
- Constraints to development in the municipality
- Opportunities for SMME development in the municipality
- Strategies to enhance co-ordination, integration and participation
- A local economic development plan
- Business opportunities that are sustainable

Implications for Lepelle-Nkumpi Municipality: Lepelle-Nkumpi Municipality holds significant potential, and thus further development and expanding of the agriculture sector should be supported as it has the potential to inject into the local economy.

2.4.2. Lepelle-Nkumpi Integrated Development Plan (IDP)

The IDP vision and mission of the Lepelle-Nkumpi Local Municipality is to become a financially viable municipality which is geared towards improving the quality of life and providing sustainable services for people in the area. The IDP suggests that Lepelle-Nkumpi has significant agricultural development potential in terms of horticulture and livestock. The major economic sector focusses in the Lepelle-Nkumpi LM are agriculture, mining and tourism.

The municipality's key priorities areas include water and sanitation, roads and storm water, employment, land and housing, and community and sport facilities. The IDP suggest that high income earners are concentrated mostly in the Township of Lebowakgomo, which is the only pure urban area within the municipality. In respect to Lepelle-Nkumpi, the following routes play an important role, namely:

- R37: Provincial Corridor between Polokwane and Burgersfort;
- R518: Main Road (Lebowakgomo – Mokopane)
- R519: Main Road (Polokwane – Zebediela – Roedtan)
- R579: Main Road (Lebowakgomo – Jane-Furse)

The IDP also identifies key economic development opportunities in the areas which include the following:

- Natural resource base
- Agro-processing and cluster development
- Mining, manufacturing and existing skills base in the area
- Retail and services
- Tourism and property development
- Location connectivity (From Polokwane to Burgersfort, one needs to drive through Lepelle-Nkumpi)

Implications for Lepelle-Nkumpi Municipality: The IDP sets out projects and strategies to upgrade service delivery as it is a great concern within this region. In this regard, the LED Strategy for Lepelle-Nkumpi will ensure effective, efficient and sustainable service delivery, which will achieve economic development, stimulate skills development and combat unemployment in the area.

2.4.3. Lepelle-Nkumpi Investment Attraction and Marketing Strategy

The Lepelle-Nkumpi Investment Strategy focuses on retaining and expanding the existing businesses, and secondly, on attracting new investment to the area. The implementation of the Investment and Marketing Strategy has the potential benefits of:

- Creating a clear understanding of the area's potential
- Assisting in raising the awareness of the Lepelle-Nkumpi LM among potential investors
- Creating a working relationship between public sector and local businesses
- Improving the regulatory environment of the Municipality regarding support of local and large companies

The Lepelle-Nkumpi Investment and Marketing Strategy also identifies land suitable for sorghum production and various irrigated pieces of land for further development just outside Lebowakgomo, which provides an investment opportunity in the area.

Implications for Lepelle-Nkumpi Local Municipality: The LED Strategy for Lepelle-Nkumpi Local Municipality needs to be aligned with the Investment and Marketing Strategy as this will encourage the expansion and growth of existing businesses and attract new investment to the area.

2.4.4. Lepelle-Nkumpi Spatial Development Framework

The SDF for Lepelle-Nkumpi sets guidelines for Land Use Management, as well as the council's local economic development goals. The SDF attempts to influence the overall spatial distribution of current and future land use within a municipality to give effect to the vision, goals and objectives of the Municipal Integrated Development Plan (IDP). According to the Municipal Systems Act of 2000 (Act 32 of 2000), an SDF must include the provision of basic guidelines for a land use management system for the municipality. The development principles for Lepelle-Nkumpi municipality is based primarily on the SPLUMA principles for development as contemplated in Chapter 2, namely:

- Spatial justice
- Spatial sustainability
- Efficiency
- Spatial resilience
- Good administration

To refine the growth points for the Municipality and further explore the unique opportunities within urban and rural development areas, the SDF for Lepelle-Nkumpi is based on six development principles which include:

- Achieving a sustainable balance between urban and rural development, conservation, mineral resources and agriculture
- Ensuring sustainable human settlements and viable communities by promoting and creating compact urban settlements
- Providing for rural development in a sustainable manner and ensuring that residents in rural areas have adequate access to a quality life and equal protection of their environment
- Utilising the economic and development potential created by natural resources such as nature conservation areas and the biosphere

Implications for Lepelle-Nkumpi Municipality: The LED Strategy for Lepelle-Nkumpi Municipality needs to be aligned with the SDF as this will encourage integration, environmental and socio-economic sustainability in the local economy, wherein the residents have adequate access to a quality of life.

Chapter 3

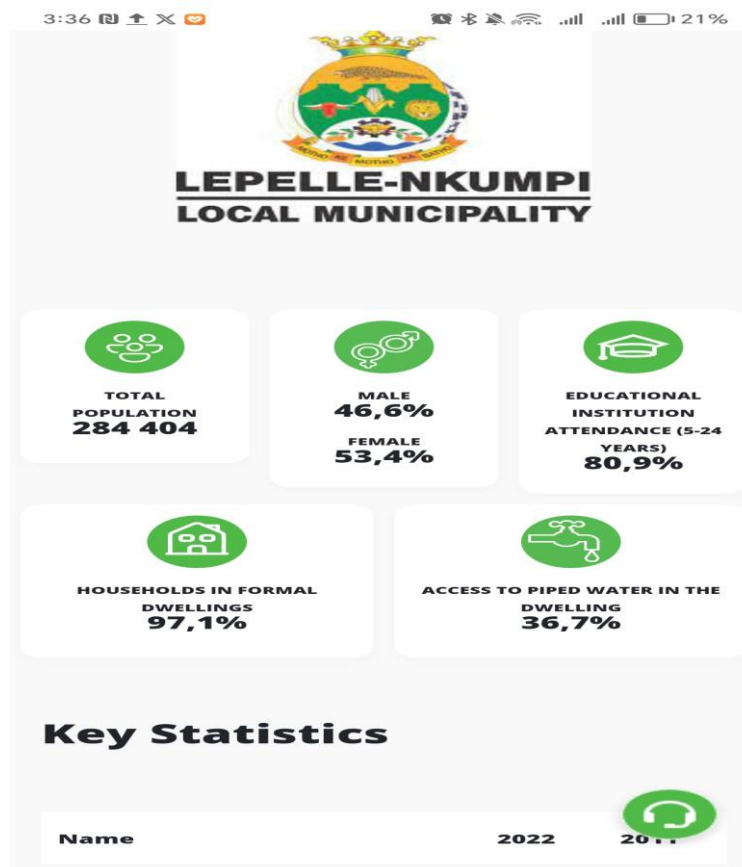
3. Development Profile

This section describes and clearly outlines the status quo which provides an understanding of the local economy of LNLM, its location advantages and disadvantages, economic profile and natural resources, and the level of delivery of municipal services.

3.1. Population Overview

This section will provide an overview of the population of Lepelle-Nkumpi. Population is the number of individuals that live within a specified area.

Population data 1996-2022



Source: Census 2022.

Trends shows that the population for Lepelle-Nkumpi has been increasing over time. It is important to note that the population of Lepelle-Nkumpi Local Municipality increased from about **231 239 in 2011 to about 284 404 in 2022**, at an annual growth of 53 165 people between the census years of 2011 and 2022. The period signifies an increase in the growth rate of 2.0 which indicates that more people have migrated into the area.

46,6% of the population are male compared to 53,4% of females. Economic development and empowerment programs in Lepelle-Nkumpi need to accommodate women noting the high number.

3.1.1. Population by race

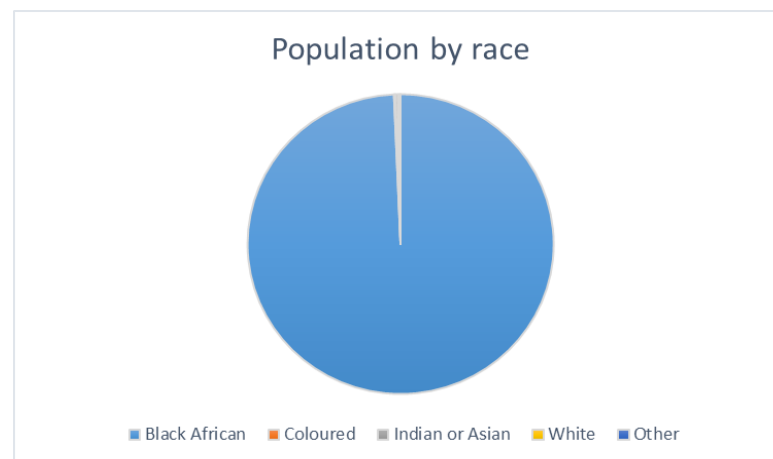
The population in Lepelle-Nkumpi is comprised of 99.3% as black Africans. The age dependency ratio is 77.9. 53.4% of the population are females compared to 46.6 males. Most of the people (86.1%) speak Sepedi as their first language, followed by IsiNdebele at 4.6%, Xitsonga at 3.7% and other languages at 5.6%. Only 2% of the population have a degree or similar qualification, whereas 5% have completed secondary education. 12% of the population had no schooling. The municipality has 115 primary schools, 81 secondary schools and 1 FET College. The figure **Error! Reference source not found.** shows the population groups for Lepelle-Nkumpi.

Table 1: Population Groups in Lepelle-Nkumpi 2022.

Race	Frequency	%
BLACK AFRICAN	282 315	99,3%
COLOURED	416	0,1%
INDIAN/ASIAN	741	0,3%
WHITE	521	0,2%
OTHER	411	0,1%

Source: Census 2022

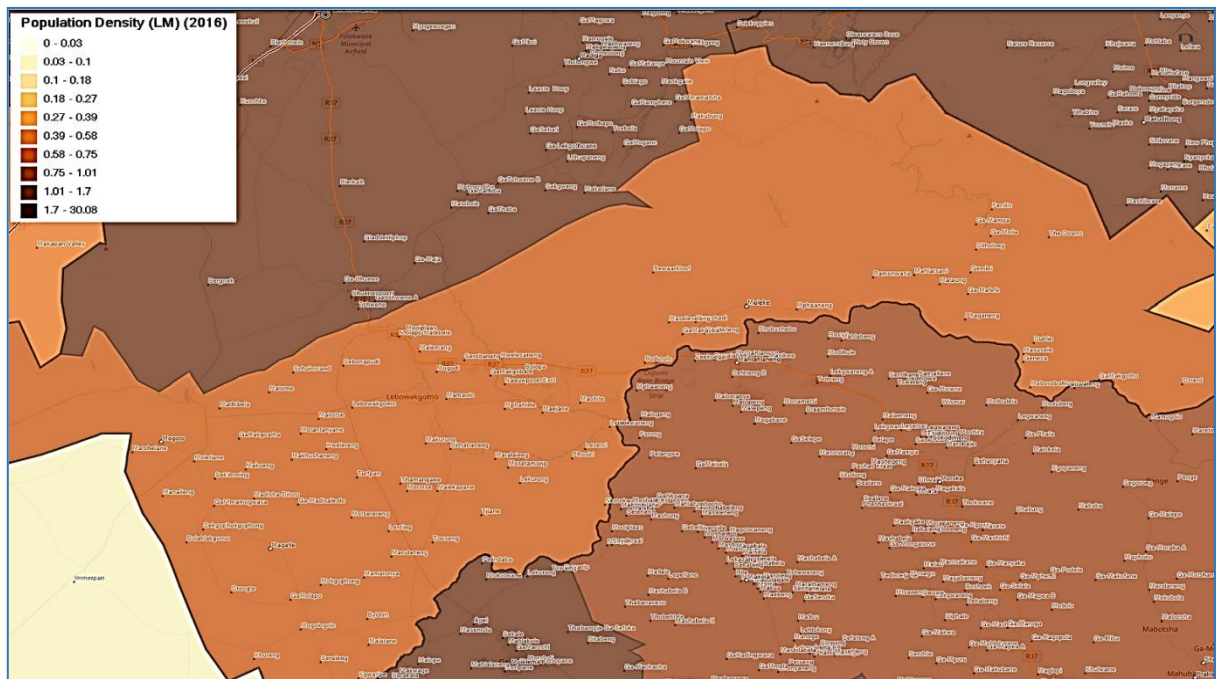
Figure 1: Population by race



Source: STATS SA, 2022

3.1.2. Population density

Population density is the number of individuals that live in an area per km². The population density in Lepelle-Nkumpi Local Municipality increased from about 68.55 people per km² in 2011 to about 71 people per km² in 2022 at an annual growth rate of about 0.23% per annum. The map **Error! Reference source not found.** illustrates the population density for Lepelle-Nkumpi Municipality as per the SDF: **Map 3 below**



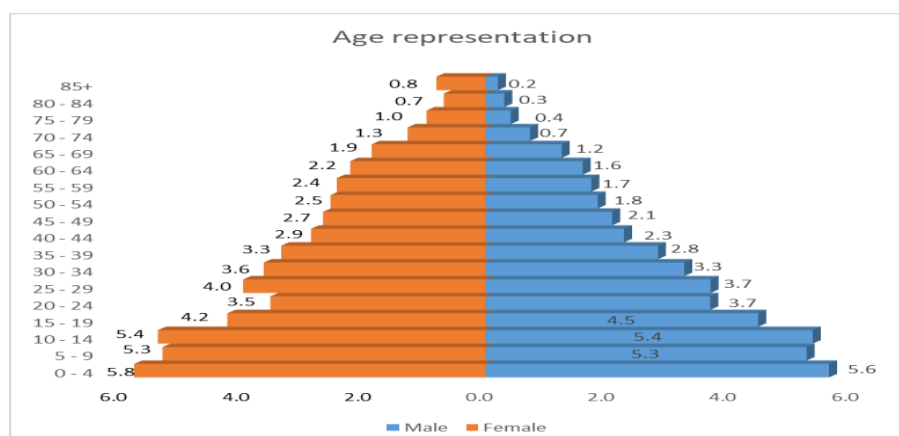
3.1.3. Number of households

A household is a group of people, often a family, who dwell under the same roof or occupy a housing unit. The number of households in Lepelle-Nkumpi Local Municipality increased from about 59 885 in 2011 to about 78 217 in 2022. Amongst the competitors, Polokwane has the most households, while Modimolle had the least households.

3.1.4. Gender and age distribution

The age-gender distribution profile provides a breakdown of the gender of the inhabitants of the area within age categories. Three age groupings are of importance within this section, namely 0-15-year-olds (32.7%) which represents the youth, 16-64-year-olds (58.8%) which represents the working age population and 65-year-olds and older (8.5%) that represents the aged. From the diagram below, it can also be concluded that the large portion of the population is within the working age population (0 years–49 years) while the youth (less than 15 years) and the aged (more than 64 years) are relatively smaller portions of the population respectively.

Figure 2: Age representation



Source: STATS SA, 2022

Table 2: Population by age

	Male	Female	Total
0 – 4	16002	16372	32374
5 – 9	14962	15051	30013
10 – 14	15250	15267	30516
15 – 19	12704	12030	24734
20 – 24	10474	10026	20500
25 – 29	10488	11292	21780
30 – 34	9257	10336	19593
35 – 39	8034	9518	17552
40 – 44	6454	8130	14584
45 – 49	5898	7569	13467
50 – 54	5227	7217	12443
55 – 59	4925	6929	11854
60 – 64	4526	6304	10829
65 – 69	3548	5301	8850
70 – 74	2074	3630	5705
75 – 79	1173	2749	3922
80 – 84	870	1942	2812
85+	589	2285	2874
Total	132455	151949	284404

Source: STATS SA, 2022

The table above indicates that the majority of the population in Lepelle-Nkumpi are a younger generation between 0-34 years of age, making up to 63,12% of the population. This signifies the importance of encouraging the development of institutions of learning from early childhood to tertiary education to prepare the groundwork for skills development and partly work opportunities specifically for youth above 20 years upwards.

The group between 35-64 years make up 28,38% of the population. The implication to the municipality emanating from the existence of this group is the need to have an enabling environment for job opportunities and entrepreneurship. Lepelle-Nkumpi should also provide quality services to enhance property investment by this group. The last group is comprised of mostly senior citizens requiring high health care services. There are two hospitals in Lepelle-Nkumpi to cater for the health needs with on mental institution to provide services for all the various groups

3.1.5. Dependency ratio

The dependency ratio can be shown as a child-dependency ratio, aged-dependency ratio or total dependency ratio. The child-dependency ratio illustrates the number of youths per 100 working-age population, while the aged-dependency ratio illustrates the number of aged per 100 working-age population.

The total-dependency ratio is a ratio between those typically not in the labour force and those typically in the labour force which is normally shown as a ratio between the sum of the number of youth and the aged per 100 working-age population.

Lepelle-Nkumpi Local Municipality had a total-dependency ratio of about 70.0% dependents per 100 (15-64) working-age population in 2022. This was divided into 65, 55 child-dependents per 100 working aged population and 14,04 aged population per 100 working aged population. The proportion of youth and aged population in Lepelle-Nkumpi Local Municipality were at the lower end of the range.

The proportion of youth population for Lepelle-Nkumpi Local Municipality was at the lower end of the range. Amongst the competitors, Blouberg had the highest child-dependency ratio, while Modimolle had the lowest child-dependency ratio.

3.1.6. Gini coefficient

The Gini Coefficient is a statistical way of measuring income inequality that condenses the entire income distribution for an area into a single number between 0 and 1, where a value closer to 1 indicates total inequality and a value closer to 0 indicates income equality. The Gini Coefficient for Lepelle-Nkumpi Local Municipality decreased from about 0.60 in 2019 to 0,56 in 2023. This is a positive sign of income inequality gap coming closer to 0 comparative to 2019. A decline by 0.04.

The figure below indicates a gradual positive decline whereby if maintained from 2025 to 2030, a target of 0.36 could be reached by 2030.

Figure 3: Gini Coefficient for Lepelle-Nkumpi - 2024



Source: S&P Global Market Intelligence

Table 3: Gini Coefficient for Lepelle-Nkumpi

Gini Indicators	Gini Coefficient	Gini Annual Growth
Lepelle-Nkumpi	0,56	-0,04%

Table 4: Average household income for Lepelle-Nkumpi - 2024

Income range	Number
R1 - R2 400	0
R2 401 - R6 000	2682
R6 001 - R12 000	2898
R12 001 - R18 000	4827
R18 001 - R30 000	5486
R30 001 - R42 000	7210
R42 001 - R54 000	5081
R54 001 - R72 000	4419
R72 001 - R96 000	2476
R96 001 - R132 000	2719
R132 001 - R192 000	1985
R192 001 - R360 000	6247
R360 001 - R450 000	404

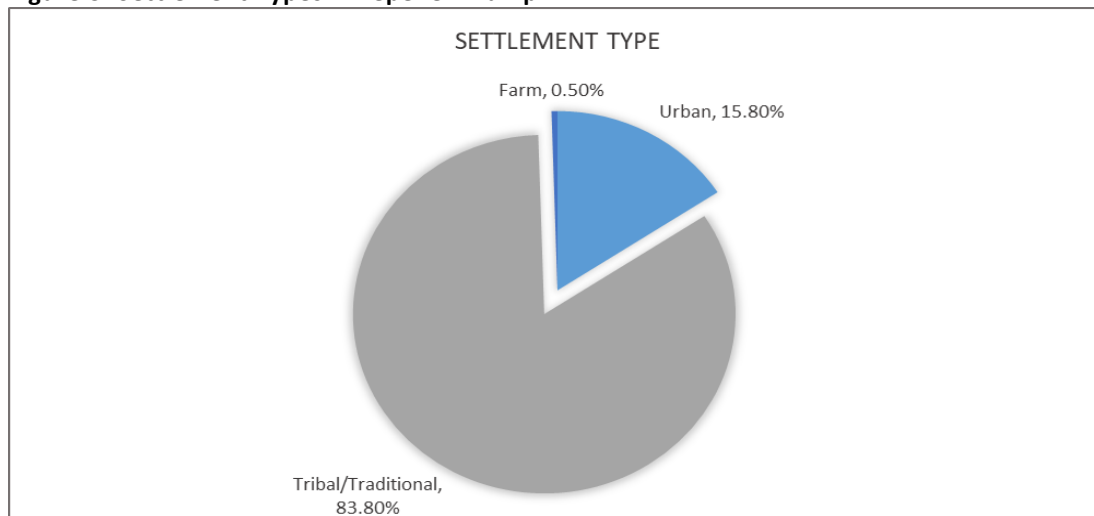
Source: STATS SA, 2022

The above table illustrates the average household income for Lepelle-Nkumpi. It can be concluded that there is a wide spread of most people in Lepelle-Nkumpi earning between R12,001 and R96,000 making up to 29,559 of the working force. This projects a positive sustainable income for the working class.

The municipality should continue providing an enabling environment with sustainable provision of basic services. Furthermore, there a need to adopt a campaign to encourage payment for services as a means of cost recovery for services provided by the municipality.

3.1.7.Settlement type

The municipality is predominantly rural with Lebowakgomo town being more developed compared to other areas in the eastern side such as Mathabatha, Mafefe etc. The breakdown of the Municipality is illustrated in **Figure**.

Figure 3: Settlement Types in Lepelle-Nkumpi

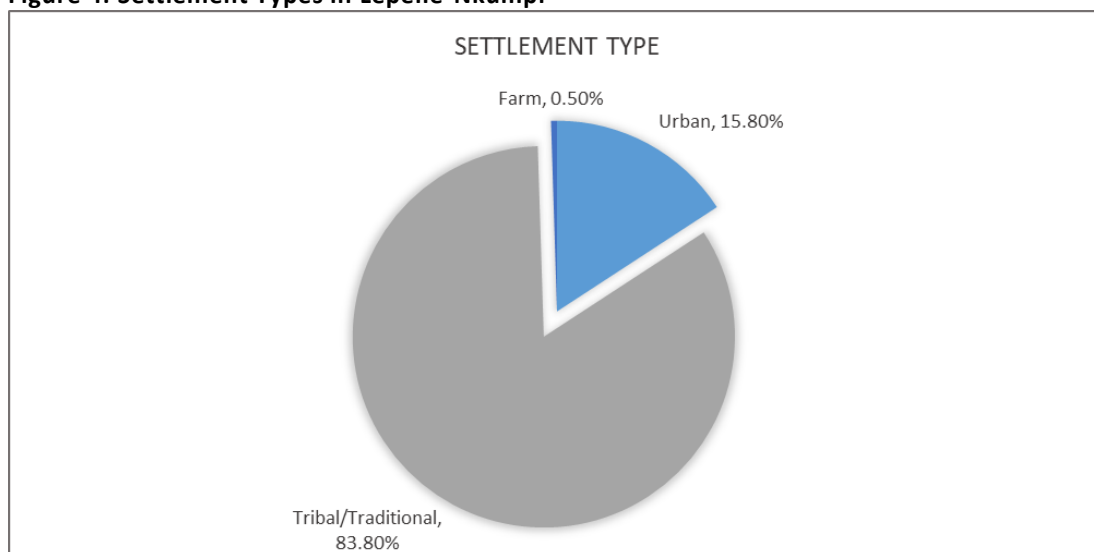
SOURCE: STATS SA, 2022

A vast majority of the Municipality has the presence of tribal authorities apart from the town area around Lebowakgomo and the mountainous area on the eastern side of the Municipality.

There are seven traditional leaders in the Municipality who have had a strategic partnership with the Municipality regarding developing the region and form part of the stakeholders engaged by the Municipality when planning occurs (Lepelle-Nkumpi Local Municipality, IDP, 2024).

The dwelling profile of Lepelle-Nkumpi Local Municipality indicates that most of the population lives within formal housing. The settlement breakdown for the area is about 96,45% formal and 3,55% informal in 2022.

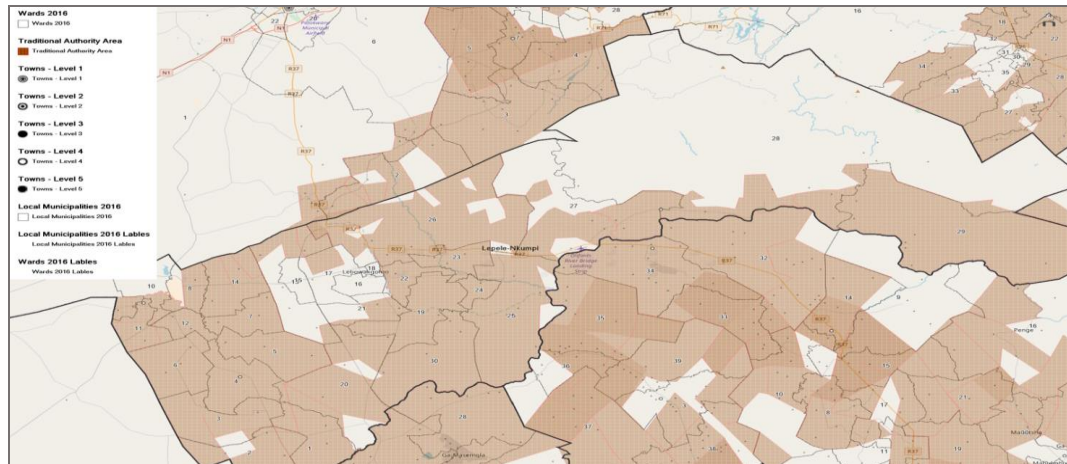
Figure 4: Settlement Types in Lepelle-Nkumpi



SOURCE: STATS SA 2022

As illustrated in the map on page 27, a vast majority of the Municipality has the presence of tribal authorities apart from the town area around Lebowakgomo and the mountainous area on the eastern side of the Municipality.

There are seven traditional leaders in the Municipality who have a strategic partnership with the Municipality regarding developing the municipality and form part of the stakeholders engaged by the Municipality when planning occurs (Lepelle-Nkumpi Local Municipality, IDP, 2024).

Map 4: Tribal Authority Areas within Lepelle-Nkumpi

SOURCE: SDF, 2016

Housing

Dwelling types

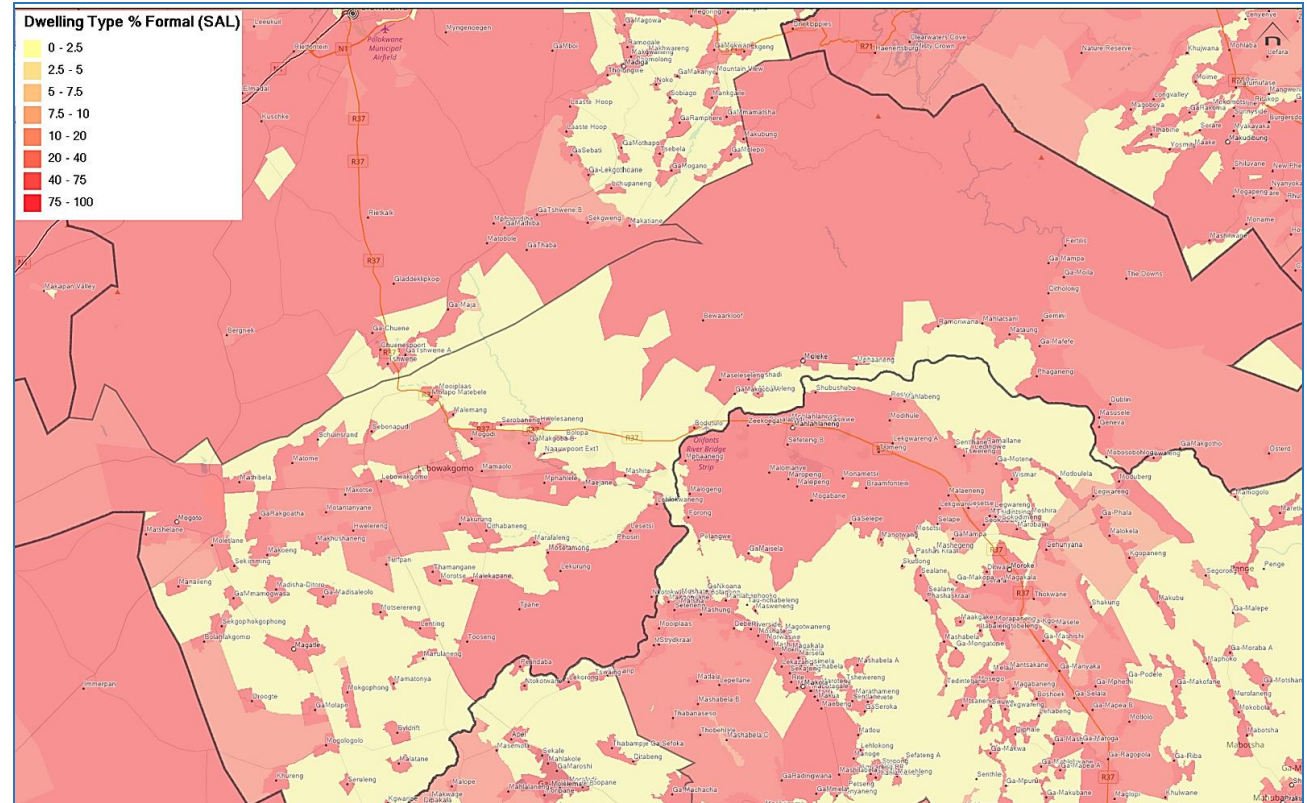
The map below illustrates the distribution of formal dwellings for Lepelle-Nkumpi in 2011. The map shows that less than half of the dwellings in 2011 were formalised. The implication when comparing the 2011 and 2024 information is that the municipality has improved significantly with regards to the formalisation of dwellings over the period.

Dwelling types can be classified into formal dwellings and informal dwellings. Formal dwellings refer to a structure built according to approved plans, i.e. house on a separate stand, flat or apartment, RDP houses, townhouse, room in backyard, rooms or flat-let elsewhere.

Informal dwellings are makeshift structures not erected according to approved architectural plans, for example shacks or shanties in informal settlements or in backyards.

The dwelling type profile provides a breakdown of the proportion of households who live within formal and informal housing.

Map 5 spatially illustrates the distribution of formal dwellings within the Municipality. The majority of the Municipality's dwellings were formalised with a few informal dwellings present in the region.

Map 5: Formal Dwellings Distribution

SOURCE: SDF, 2016 AND IDP, 2024

The dwelling profile of Lepelle-Nkumpi Local Municipality indicates that most of the population lives within formal housing. The settlement breakdown for the area was about 96,45% formal and 3,55% informal in 2022.

3.1.8. Health

HIV/AIDS

HIV/AIDS can be broken down into HIV infections and AIDS deaths. HIV infections refers to the number of people that are infected with the virus over an annual period, which is expressed as HIV infections per 1 000 people. AIDS deaths refer to the number of people that die because of AIDS, which is expressed per 10 000 people. The table below provides the breakdown of the HIV/AIDS prevalent rate found within the population.

Table 5: HIV/AIDS prevalence Overview

Health Indicators	HIV infections per 1000 people	HIV infections per 1000 people AGR	AIDS deaths per 10 000 people	AIDS deaths per 10000 people AGR
Lepelle-Nkumpi	75	2,26%	27	4,76%

SOURCE: IDP, 2024

It can be noted that HIV/AIDS infections are a challenge for Lepelle-Nkumpi and may potentially have a distinct effect on the population totals in the future.

The health profile of Lepelle-Nkumpi Local Municipality indicates that the HIV infection rate increased from about 68 out of every 1,000 people in 2011 to about 75 out of every 1,000 people in 2022 at an annual growth rate of about 2,26%.

AIDS deaths in Lepelle-Nkumpi Local Municipality had increased from about 22 people out of every 10 000 in 2011 to about 27 people in 2022 at an annual growth rate of 4,76%.

Mortality rate, crude death rate & other deaths

Crude death rate is the measure of the number of deaths per year in a population, or group. Infant mortality rate is the number of deaths of young children, typically those less than one year of age.

Other deaths are the number of deaths that occur within an area over a period that are not crude deaths.

The health profile of Lepelle-Nkumpi Local Municipality indicates that the crude death rate increased slightly between 2011 and 2022 to about 11 out of every 1000 people, increasing at an annual growth rate of about 0,64%. Other deaths in Lepelle-Nkumpi Local Municipality had increased from about 8 out of every 1 000 people in 2011 to about 9 people in 2022 at an annual growth rate of 0,20%.

The effect of the COVID-19 pandemic had huge economic impact as the major economic sectors were completely closed down subjecting businesses to be unproductive, while some collapsed leading to increased joblessness. The death rates also impacted the economy negatively as part of the national phenomenon.

Health facilities and services

Clinics refer to an establishment or hospital department where outpatients are given medical treatment or advice, especially of a specialist nature. The number of clinics in Lepelle-Nkumpi Local Municipality was about 22 in 2011. This translates into one facility for every 10 810 populations and covering about 157 km² in Lepelle-Nkumpi Local Municipality in 2022.

Emergency Medical Services (EMS) refer to the treatment and transport of people in crisis health situations that may be life-threatening. The number of EMS facilities in Lepelle-Nkumpi Local Municipality is about 2 in 2022.

This translates into one facility for every 118 909 of the population and covering about 1731,72 km² in Lepelle-Nkumpi Local Municipality in 2022.

3.1.9.Safety and security (SAPS programs to deal with crime)

A crime is defined as the number of serious offenses per 10 000 population. The serious offences include crimes against a person such as assault and robbery, as well as contact related crimes such as arson and malicious damage to property which relates to property related crime.

A high number of serious criminal offences may indicate a lack of law enforcement and lower safety and security within the area. High crime levels tend to hinder economic progression for the constituency of an area.

The SAPS in Lepelle-Nkumpi has the situation under control for the positive projection of the economy. The occurrence of crime incidents in the area are addressed as the need arises.

The municipality continues to experience incidents of business robberies and other related incidents like any other area within the Capricorn District and the province as a whole.

3.1.10. Education

Adults with grade 12

Adults with Grade 12 education consist of individuals who have obtained basic education qualifications by completing 12 years of schooling. It reflects the acquisition of basic and required skills for the economy.

The education profile of Lepelle-Nkumpi Local Municipality indicates that the adult population with at least Grade 12 has increased from about 17,74% in 2011 to about 18,51% in 2022 at an annual growth rate of about 1,07%.

Adults with tertiary education

Adults with tertiary education consist of individuals who have obtained Higher education qualifications. This consists of certificates, degrees and diplomas issued by an accredited institution.

The education profile of Lepelle-Nkumpi Local Municipality indicates that the proportion of adult population with tertiary education has increased from about 4,41% in 2011 to about 4,69% in 2022 at an annual growth rate of about 1,53%.

Number of schools

Schools are educational institutions within the area that are designed to provide learning spaces and learning environments for the teaching of students (or "pupils") under the direction of teachers.

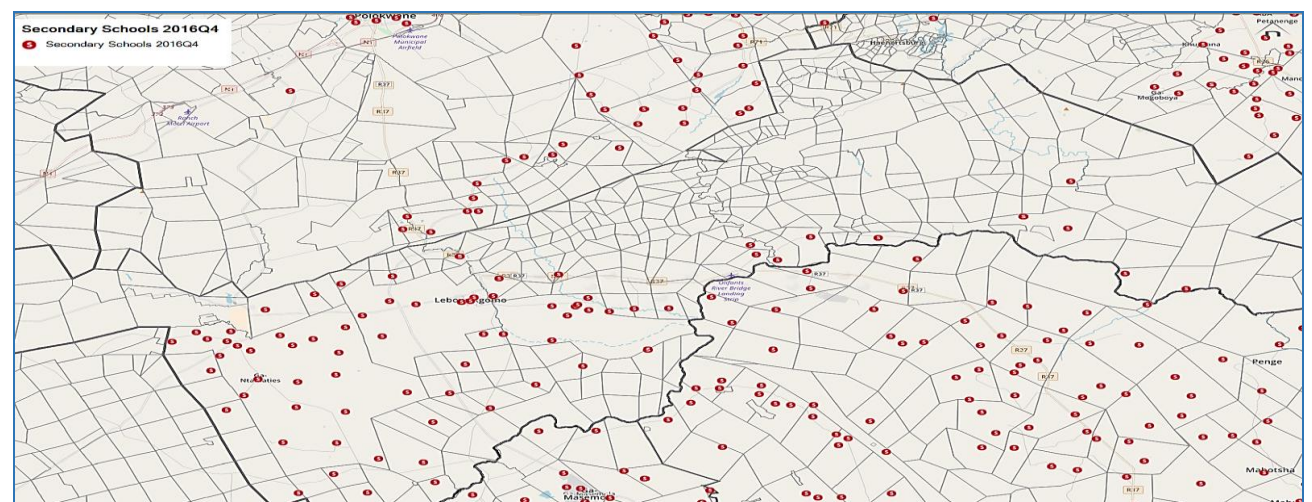
The number of schools in Lepelle-Nkumpi Local Municipality was about 189 in 2011. This translates into one facility for every 454-youth population and covering about 18,33 km² in Lepelle-Nkumpi Local Municipality in 2022. The map bellow illustrates primary schools within Lepelle-Nkumpi in the last quarter of 2022. The map shows that many primary schools are on the western side of the municipality.

There is a need for more school facilities in the municipality, especially on the eastern side where there is a handful of facilities. Participation in higher education is low throughout the municipality.

Primary Schools 2016Q4

Primary Schools 2016Q4

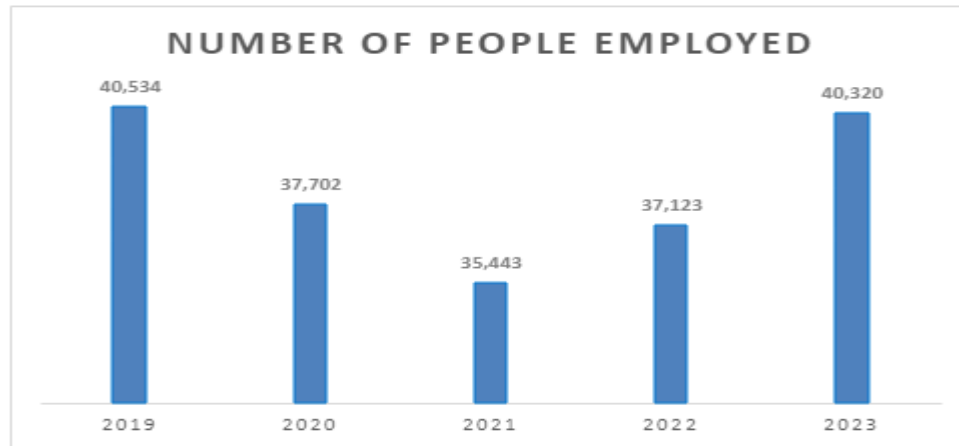
Map 7: Secondary Schools in Lepelle-Nkumpi 2024



3.2. Labour Profile

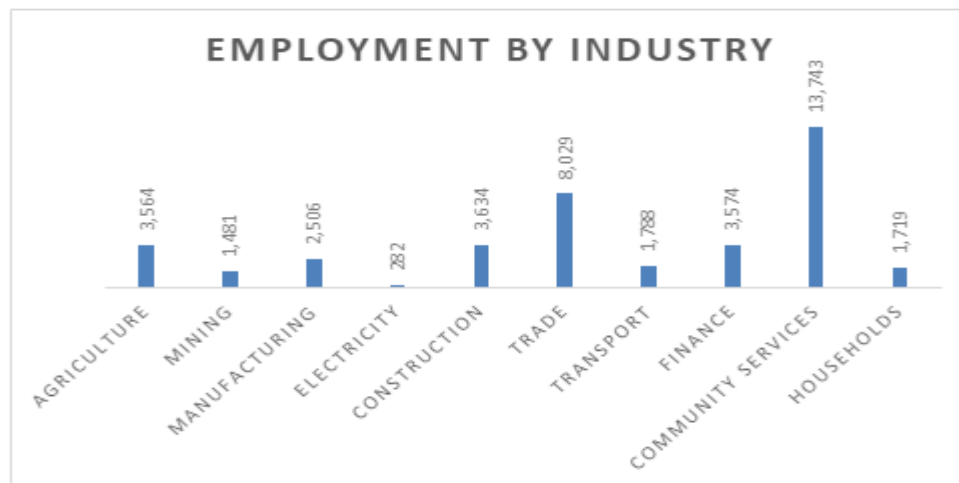
3.2.1. Total employment

29

Figure 5: Number of people employed

Source: STATS SA, 2022

The diagram above indicates a fluctuating account of the number of people employed between 2019 and 2023. There were 40,534 people employed in 2019, decreasing to 37, 702 in 2020, 35,443 in 2021 (due to the impact of COVID-19) and the employment recovery in 2022 increased to 37,123 and 40,320 in 2023.

Figure 6: Employment by Industry

Source: 2024

The employment status as per the industry/sector indicates that, Lepelle-Nkumpi relies more on jobs created by Community Services at 13,743 persons, followed by trade at 8,029. Ideally, manufacturing, agriculture, and construction should be providing more jobs but are currently under-employing as per the figure above. Measures to promote job creation by the sectors should be encouraged through the creation of a conducive environment to do business.

3.2.2. Employment rate

The employment rate is defined as a strict measure of the extent to which available labour resources (people available to work) are being used, generally calculated as the percentage between the employed population and the labour force.

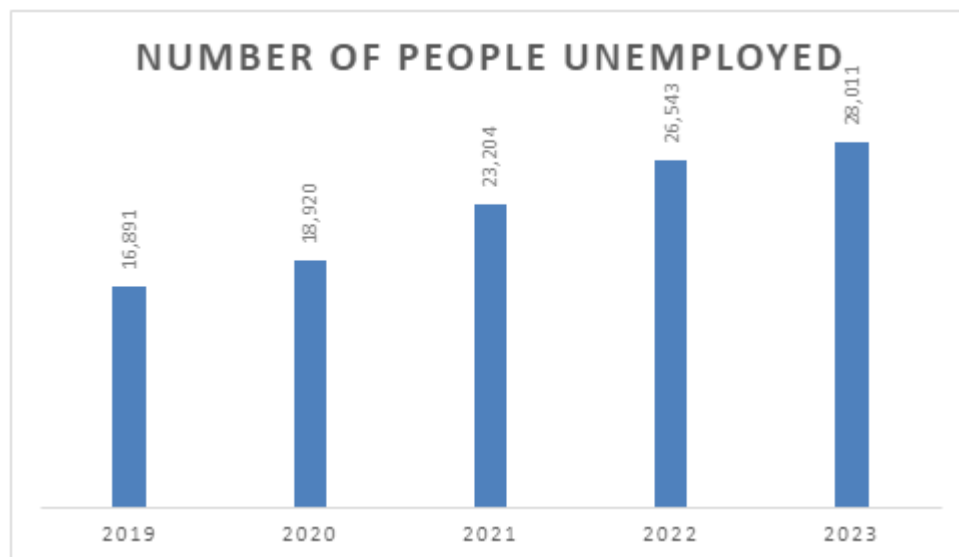
The employment rate for Lepelle-Nkumpi Local Municipality is 0,74% in 2023 indicating a decrease at an annual growth rate of -0,74% over the period.

3.2.3. Unemployment rate

There were 16,891 unemployment persons in Lepelle-Nkumpi in 2019, increasing to 18,920 in 2020, 23,204 in 2021, 26,543 in 2022 and 28,011 in 2023.

The unemployment rate for Lepelle-Nkumpi Local Municipality grew by about 11,120 persons between 2019 and 2023. This indicates that Lepelle-Nkumpi Local Municipality's unemployment rate is increasing at a very high rate.

Figure 7: Number of people unemployed



Source: 2024

3.2.4. Not Economically Active

Not economically active (NEA) refers to people between 15 year and 64 years who are neither employed nor unemployed such as students. The NEA for Lepelle-Nkumpi Local Municipality was about 79 744 in 2011 and 74 900 in 2017, and currently is at 84389 in 2024 indicating an increase in the number of not economically active persons.

3.2.5. Labour Absorption Rate

Labour absorption rate is the proportion of the working-age population, aged 15-64 years, that are employed. The labour absorption rate for Lepelle-Nkumpi Local Municipality was about minus 214 between 2019 and 2023 which is a decrease by 0,52% in 2024.

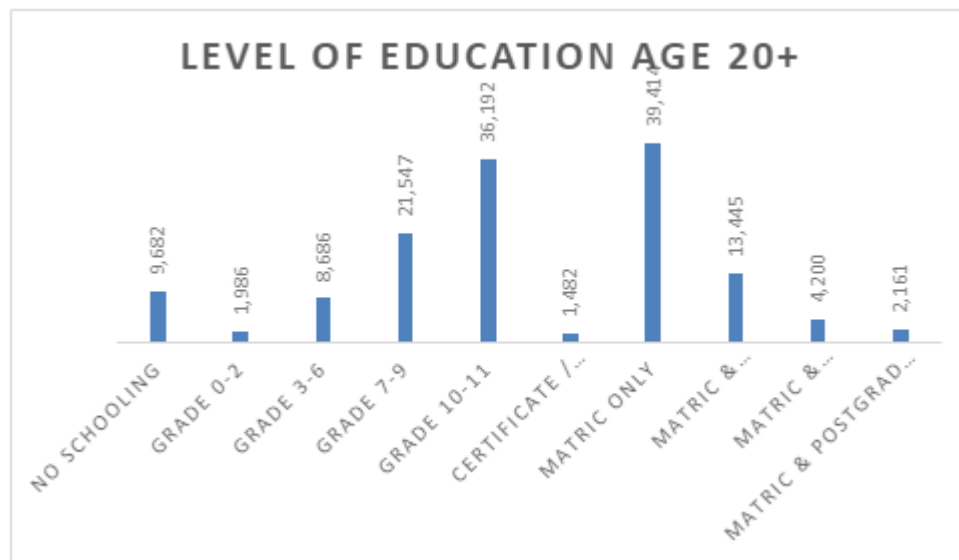
3.2.6. Informal employment

Informal employment refers to the employment of a person without establishing a working agreement, and the work is often temporary in nature. In Lepelle-Nkumpi Local Municipality, about 8 137 people were the informal employment in 2011 and 9 782 people were informally employed in 2022.

Skills profile

The skills profile refers to employment of individuals in the formal economy according to level of expertise, capacity and ability to perform a task according to the job expectations. Formal employment skill is categorised according to skilled, semi-skilled and low skilled.

Figure 8: Level of education



The current status indicates that the workforce in Lepelle-Nkumpi comprises of 39,414 persons having attained matric, followed by 36,192 persons with education levels of Grades 10-11. Much efforts need to be put in improving the skills levels beyond matric with postgraduate qualifications. The attainment of post graduate qualifications is important for the economic development of Lepelle-Nkumpi.

Therefore, the engagements with institutions of higher learning which began in 2024 should be accelerated and sustained to attract and create a skills based economy within the municipal area. For the municipality to grow in sectors such as manufacturing, mining, agro-processing and beneficiation of locally produced products and services, enhanced skills require post matric qualifications are necessary.

3.2.7. Poverty levels

Table 6: Poverty levels

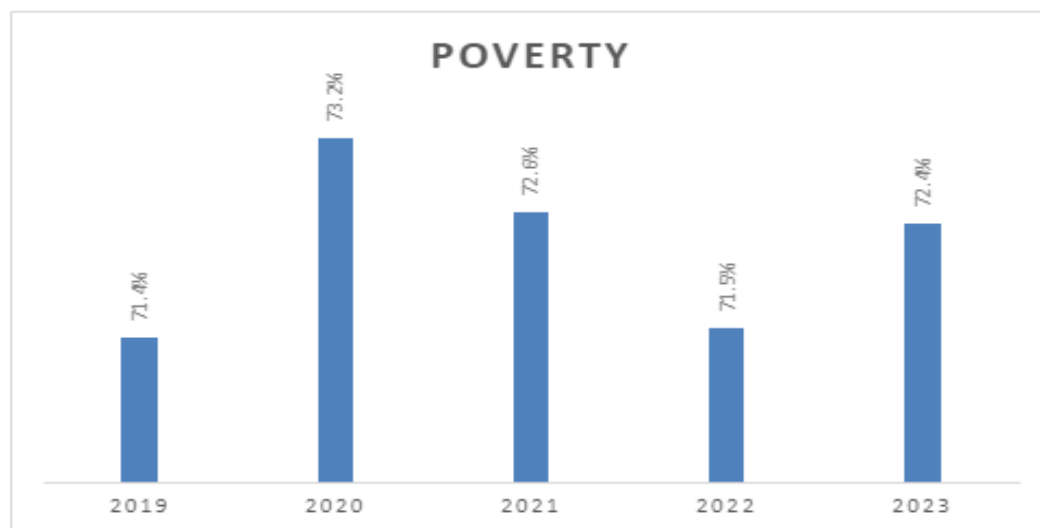
2019	132,829
2020	140,272
2021	138,942
2022	136,054
2023	141,608

Source: 2024

Lepelle-Nkumpi had 132,829 persons living in poverty in 2019, the numbers increased to 141,608 in 2023, an increase by 8,779 persons overall. The increase represents 6,6% year on year increase between the periods under review. There is a need to diversify the current economic streams to open up opportunities for job creation by developing the low performing sectors of the economy.

The graph below outlines the poverty percentage levels between 2019 and 2023, whereby in 2019, there were 132,829 (71,4%) persons living in poverty, and the numbers increased to 140,272 (73,2%) in 2020 due to the impact of COVID-19, a decrease to 138,942 (72,6%) in 2021, signifying the ease of the COVID-19 grip when the economy opened up, a further decline to 136,054 (71,5%) in 2022.

Figure 9: Poverty



Source: Stats SA 2022

However, the numbers increased to 141,608 (72,4%) in 2023 due to the various global economic impact influences by increased interest rates, fuel increases, underperforming Rand against other currencies such as the Dollar and the Russia/Ukraine War had a negative knock-off effect on the local economy.

3.3. Economic Profile

This sub section provides the broader understanding of the local economy in Lepelle-Nkumpi. This section highlights the gross value added (GVA) which indicates the relative size of Lepelle-Nkumpi's economy and its sectors of importance.

3.3.1.GVA

Gross value added is the measure of the value added to goods and services produced in an area, industry or sector of an economy. There is better accessibility to the GVA on the western side of Lepelle-Nkumpi which indicates that there is a higher level of production than on the eastern side.

Most of the economic activities are situated on the western side of Lepelle-Nkumpi compared to the eastern side. The eastern side is very mountainous, and in terms of accessibility, road conditions are not favourable. Therefore, there is a need to upgrade the Orrie Baragwanath Road connecting Lepelle-Nkumpi and Maruleng Local Municipalities through the Lekgalameetse Nature Reserve.

SANRAL has committed to the upgrading of the R579 from R37 up to the Olifants River bridge towards Jane-Furse in 2026. This will enhance the outlook of the Lebowakgomo node.

3.4. Bulk services

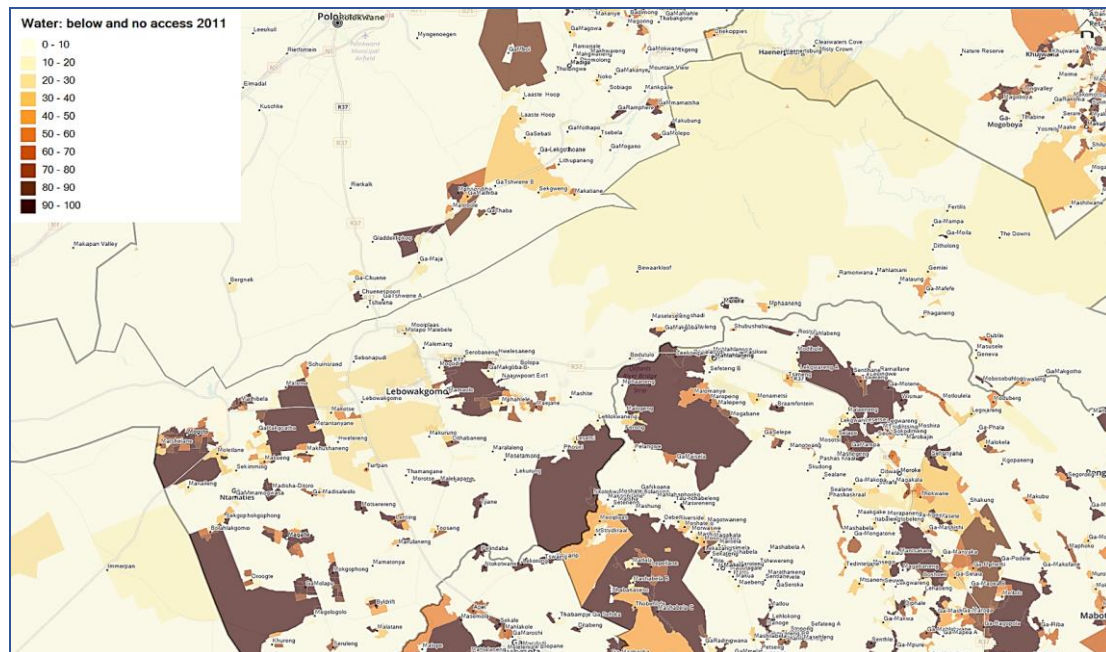
This section provides an overview of the provision of bulk services and phone access in Lepelle-Nkumpi.

3.4.1.Access to water

Access to water is a basic service that municipalities provide to residents. It refers to piped water in the yard as well as piped water inside dwellings. Water is a major challenge in the Capricorn district and has a major effect on agriculture productivity for the area.

There are 12 irrigation schemes in which lack of proper infrastructure and water use rights for communities in adjacent areas make it difficult to exploit the available resource (cropping land) maximally.

There are areas that have water below the required amount and areas with no access within Lepelle-Nkumpi in 2024. There has been a slight improvement in access to water within the municipality as briefly mentioned above.

Map 8: Lack of access to water 2024**Sources of water for Lepelle-Nkumpi (2024)**

The current status of water supply in Lepelle-Nkumpi is 60ML/day. The Department of Water and Sanitation is planning to increase the supply with 24ML/d to improve the bulk water supply. According to the LNLMDP, (2024-2025), water is supplied via the Olifantspoort Water Treatment Works, which acquires its raw water from the Olifantspoort weir on the Olifants River, which runs along the eastern border of the cluster.

Water is pumped from the Olifantspoort weir through a rising to the water treatment works which has a full design average capacity of 11 Million m³/a rising to a peak treatment of 15.30 Million m³/a according to the 2011 stats. The bulk water supply is supplemented by 219 boreholes of which 175 are operational and 38 are not operational due to theft of transformers, vandalism and general operation and maintenance challenges.

The demand for water supply within the Lepelle-Nkumpi Local Municipality has increased due to population growth, putting additional pressure on available water resources in the municipality.

To mitigate the above water supply risks, the Department of Water and Sanitation (DWS) has provided financial support as follows:

- R72m under the Water Services infrastructure Grant (WSIG) for the 2023/24 financial year
- DWS plans to further allocate R76million and R80million in the 2024/25 and 2025/26 financial years respectively

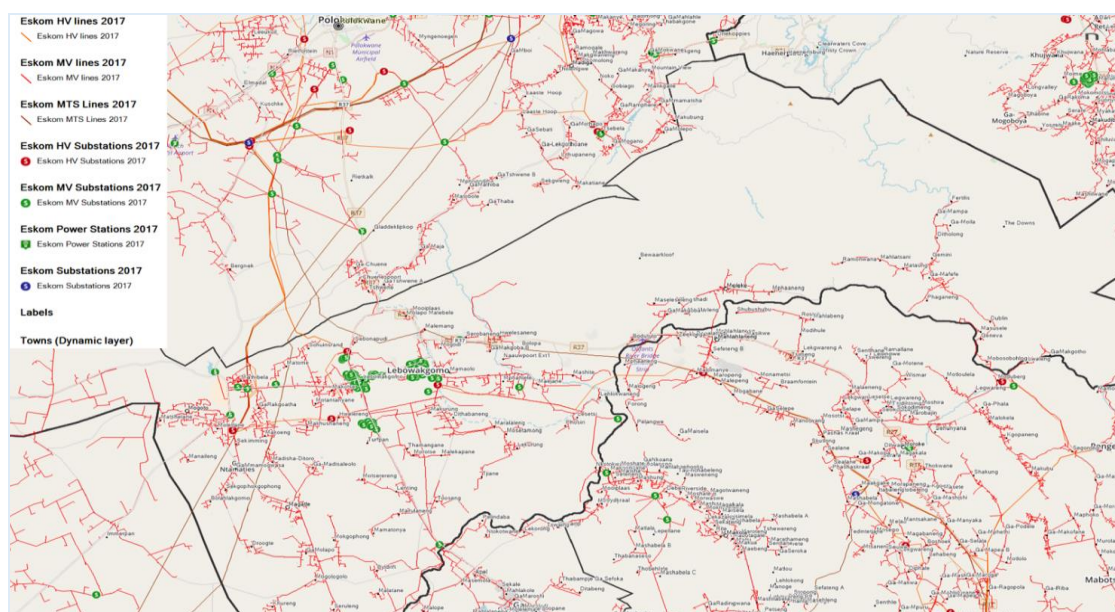
The above projects are expected to be finalised by July 2026 to ensure availability of water to meet the projected water demands by 2036.

3.4.2. Access to electricity

Electricity is very important when it comes to the aspect of development. In Lepelle-Nkumpi, electricity has been provided to most of the households in the area. Over 90% of households in Lepelle-Nkumpi has access to electricity. This indicates that the proportion of households with access to electricity in Lepelle-Nkumpi Local Municipality is at the upper end, and gradually heading closing

Furthermore, there are electricity projects aimed at electrifying new settlements or villages' extensions which will always be here now and beyond LNLN IDP (2024-2025).

Map 9: Electricity Infrastructure for Lepelle-Nkumpi (2024)



Source: LED Strategy 2019

3.4.3. Access to refuse removal

Access to refuse removal is a basic service that municipalities provide to residents. Refuse is removed by local authorities at least once a week. According to Census 2022 results, 21% of households in Lepelle-Nkumpi have access to solid waste disposal service. Refuse removal services are being provided at Lebowaqomo Township and two rural villages of Mathibela and Rakgoatha LNLN IDP (2024-2025).

Refuse removal is a challenge in Lepelle-Nkumpi because of illegal dumping taking place within the municipality. Some residents in Lepelle-Nkumpi dispose their waste via burying whereas some discard their green waste to nearby empty fields. One of the challenges encountered in the municipality is that members of the community still dump regardless of a sign stating, "NO DUMPING" even in 2024. There is need for a behavioural change through educating residents on the proper way of disposing waste coupled with general



awareness programs.

Map 10: Lack of Access to Refuse Removal 2024

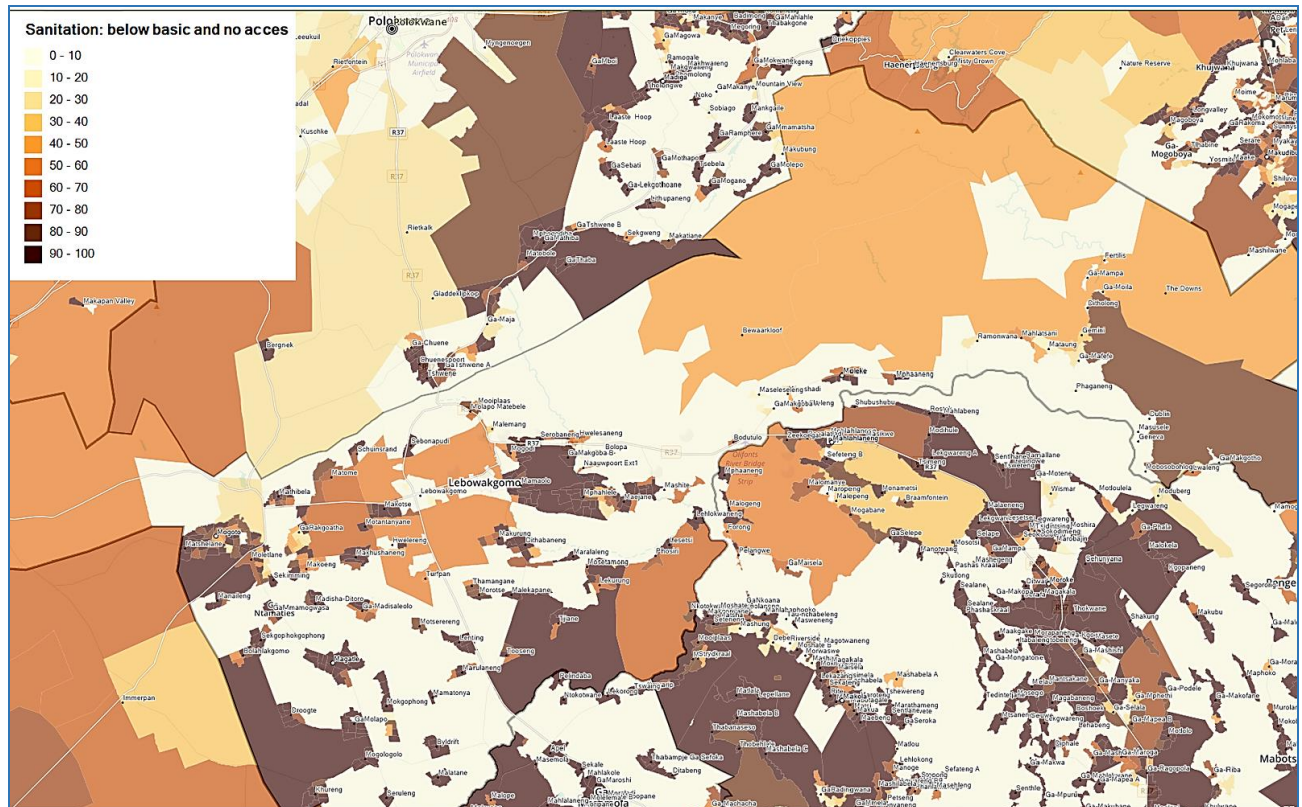


Source:

The map above illustrates areas that have refuse removal below the required amount and areas with no access within Lepelle-Nkumpi in 2024. The map shows that a large portion of households lacked access to sanitation, with sluggish improvement.

3.4.4. Access to sanitation

The map below shows the proportion of households with access to sanitation. The number of households with access to sanitation in Lepelle-Nkumpi Local Municipality increased from about 11 252 households in 2011 to about 12 033 households in 2022, at an annual growth rate of about 1,69%. The current status indicates that access to sanitation in Lepelle-Nkumpi shows slight improvement on access to sanitation.

Map 11: Lack of Access to Sanitation 2024

Access to sanitation is very important to consider when it comes to local economic development. An investor would invest in an area that has access to sanitation services rather than a lack thereof. It is important for the municipality to take note of sanitation services as sanitation facilities, communication facilities and roads in most parts of the municipality prohibit development and growth of SMMEs in the area.

3.4.5. Access to Phone Facilities

Access to telephone facilities refers to the accessibility to communication services that connect residents. The number of households with access to a telephone in Lepelle-Nkumpi Local Municipality increased from about 47 671 households in 2011 to about 53 613 households in 2023, at an annual growth rate of about 2,98%. The current situation indicates a status whereby 22% has access to phone facilities in any other way such as cell phones, access from work, and home.

Figure 10: Access to internet services

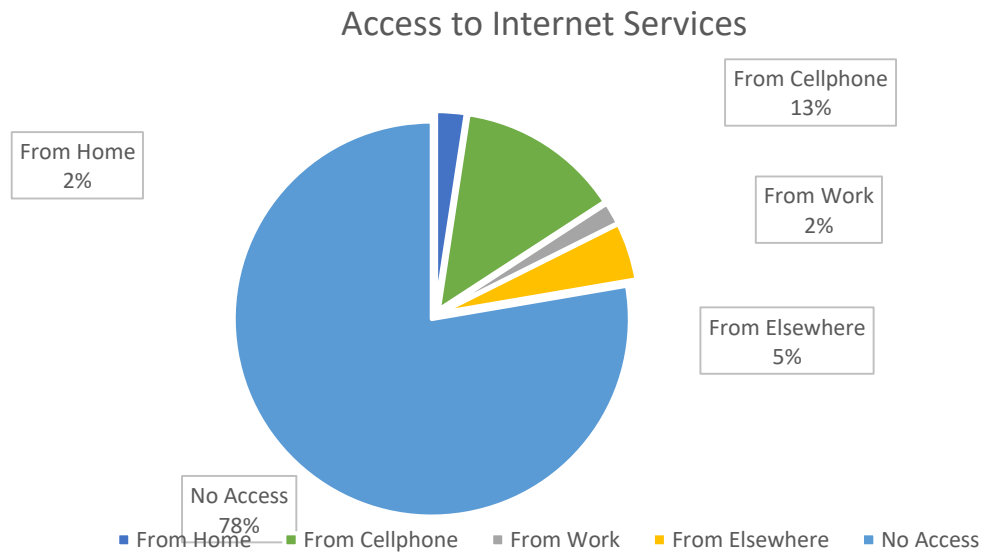
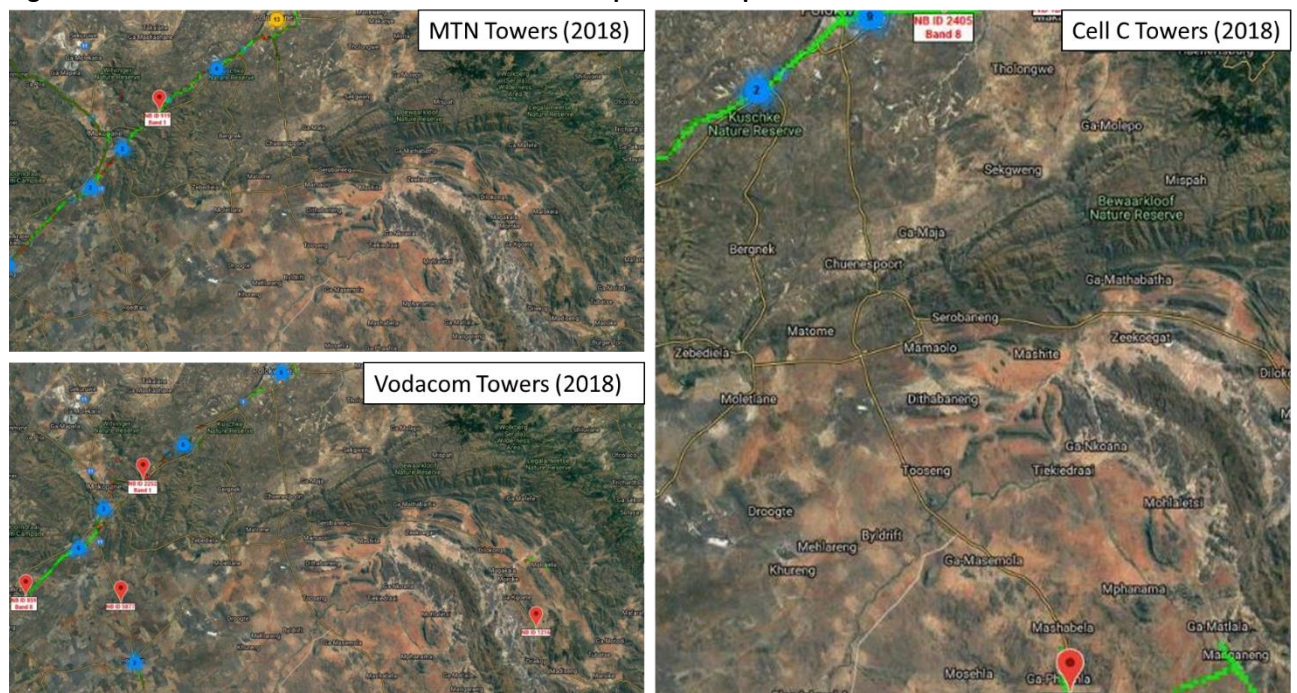


Figure 11: Service Provider Network Towers Around Lepelle-Nkumpi



still has limited network access therefore affecting the competitiveness and attractiveness of the area to potential investors

The Communication Strategy for the Municipality states that there was communication with the Independent Communication Authority of South Africa (ICASA) to assist in receiving better network coverage from network providers in most parts of Lepelle-Nkumpi Local Municipality for the period covering 2024 onwards.

Chapter 4

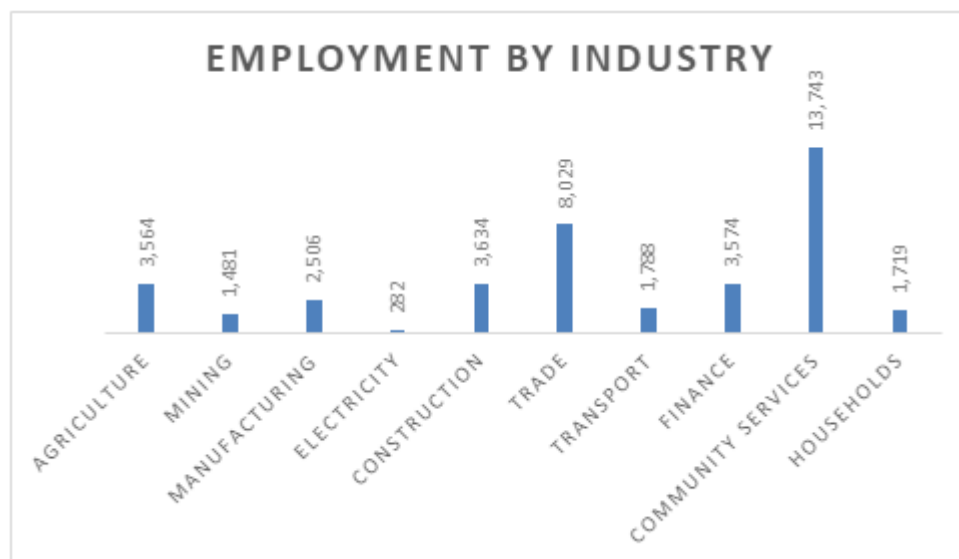
4. Section 4: Sectoral Analysis

This section aims to examine the economic sectors for Lepelle-Nkumpi Municipality. This analysis will be helpful towards analysing the local economy and identifying the key sectors that are essential for local economic development for Lepelle-Nkumpi.

4.1. Agriculture, forestry and fishing

The Agriculture, Forestry and Fishing (Agriculture) industry comprises establishments primarily engaged in growing crops, raising animals, harvesting timber, hunting animals and harvesting fish on farms or from their natural habitats. Below is the agriculture GVA trend over time.

Figure 12: Employment by Industry



The GVA for agriculture trend overtime decreased 5,025 to 3,564 people employment between 2019 and 2023. The decline in GVA at can be attributed to the COVID-19 pandemic whereby the economy came to a halt.

The decline in agriculture activity for Lepelle-Nkumpi can be attributed to the Zebediela estate that has not been fully functional at 100% from the past years and the challenges of water that have affected the municipality. The department of Agriculture has taken efforts to re-invest in the Zebediela Citrus in the 2024/25 financial year with a master plan concluded and awaiting implementation.

There are efforts to resuscitate the Habakkuk abattoir by LEDET through LEDA, where a service provider has been appointed. There are challenges faced with regard to vandalism which need to be mitigated as a matter of priority.

Local agricultural produce

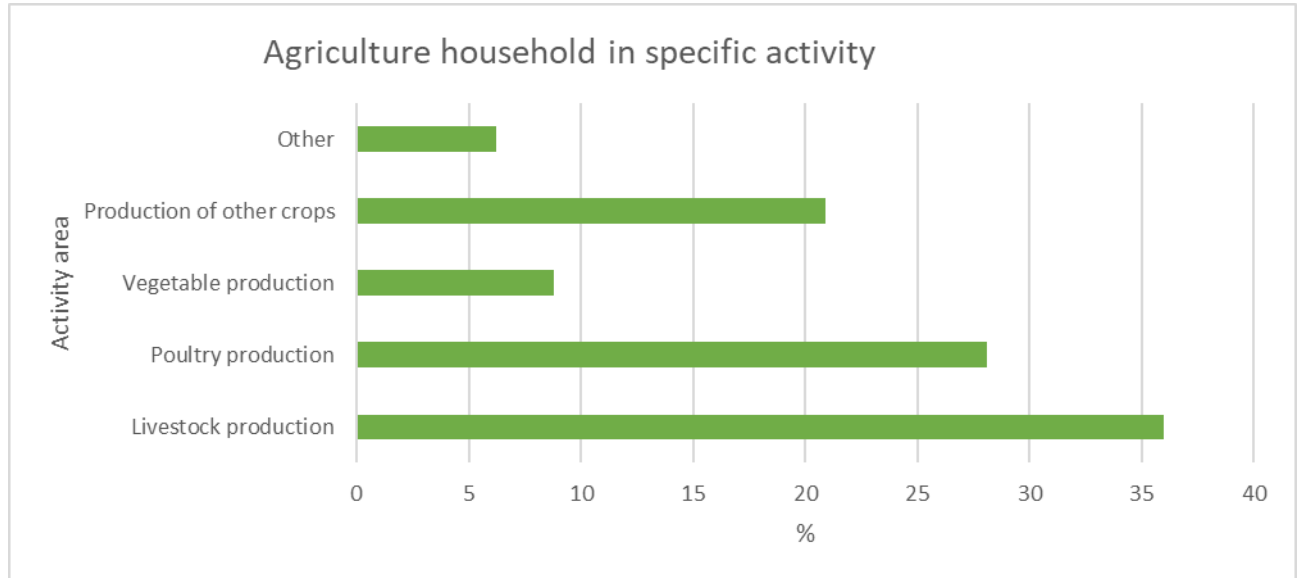
Maize, sorghum, millet, vegetables, and runner crops like watermelons, cow peas and dry beans are the main crops grown in Lepelle-Nkumpi Local Municipality. The Zebediela estate is well-known to produce citrus fruits and macadamia nuts. The municipality is very much suitable for both large-scale and small-scale farming activities.

The small-scale farming activities entails goats, sheep and pigs, while large stock are beef cattle and both broilers and layers are produced in Lepelle-Nkumpi. The Zebediela Citrus is one of largest citrus farms in the Southern Hemisphere. Agriculture remains a key strategy for economic growth and rural development in the Lepelle-Nkumpi Local Municipality. The table below shows the optimal plant species for Lepelle-Nkumpi.

Table 7: Optimal plant species for Lepelle-Nkumpi 2024

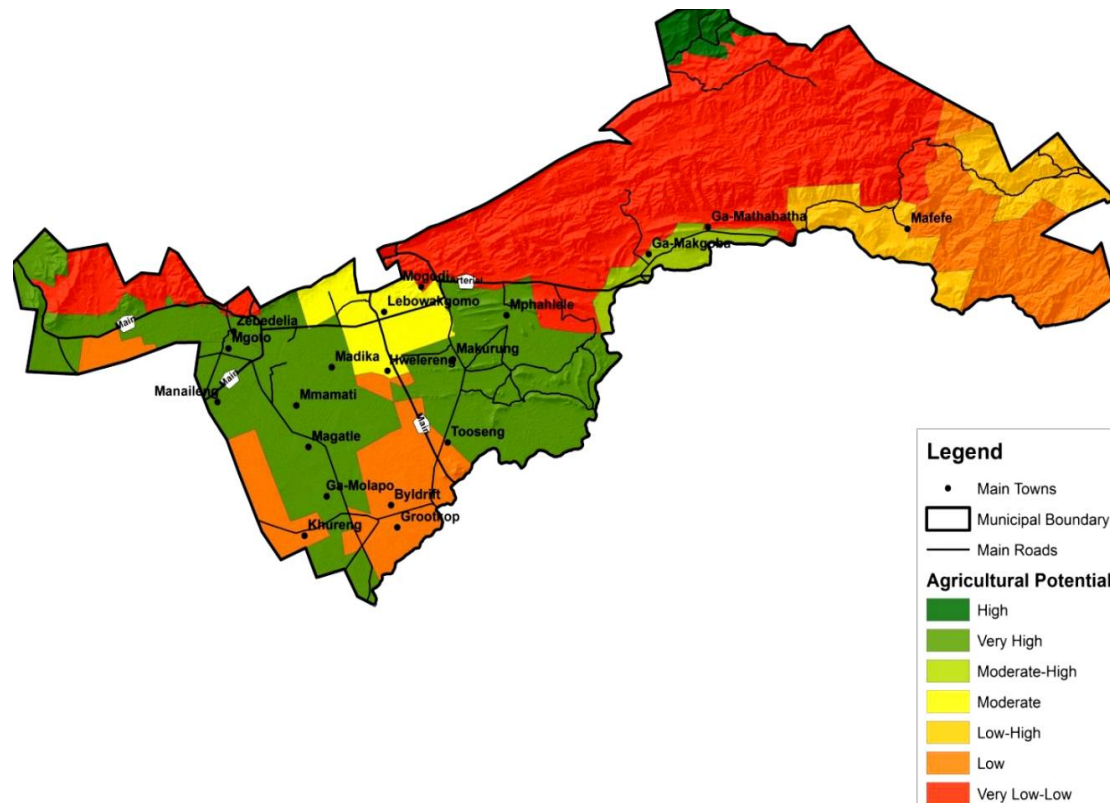
Apple	Cole; Cole-seed	Rape Cole (Canola)	Lentil
Apricot	(Canola)	Rapeseed (Canola Oil)	Lettuce
Arabica Coffee	Common / Runner	Red Pepper	Llama
Artichoke	Bean	Rice	Luquat
Banana	Common Garden Pea	Rocket Salad	Maize
Barley	Coriander	Rye	Mango
Basil	Cotton	Safflower	Mexican Hawthorn
Beetroot	Cow Cabbage	Skirret	Millet
Bengal Bean	Cumin	Soy Bean	Mountain Spinach
Big Kidney Bean	Dalmation Insect	Spinach	New Zealand
Bitter Melon	Flower	Strawberry	Spinach
Black Mustard	Date Palm	Sugar Cane	New Zealand Hemp
Brinjal / Eggplant	Dill	Summer Wheat	Oats (Common)
Broadbean	English Rhubarb	Sunflower	Old-man Saltbush
Brown Mustard (Oil)	Field Mustard	Sweet Anise	Olive
Brussels Sprouts	Flax; Linseed (Fibre)	Sweet Cherry	Onion, Garlic
Buckwheat	Gherkin, Musk-melon	Sweet Cicely Cicle	Oyster Plant
Butter Bean	Grapes	Sweet Pepper	Parsley
Carrot	Ground Nut	Sweet Potato	Parsnip
Cashew Nut	Guava	Tea	Pawpaw; Papaya
Cassava	Headed Cabbage	Tobacco (Turkish)	Pineapple
Caster-Oil Plant	hemp (fibre)	Tomato	Plum
Cauliflower	Horse Radish	Topinambur	Potato
Celery	Hungarian Turnip	Valencia	Pumpkin, Squash
Chicory	Indian Beal	Velvet Apple	Purple Granadilla
Chinese cabbage	Indian Colze (Canola)	Winter Wheat	Pusa Hemp
	Indian Millet		Radish
	Italian Broccoli		Rape

SOURCE: LEPELLE-NKUMPI INVESTMENT STRATEGY

Figure 13: Agricultural activities for households

Source: Department of Agriculture

The above figure illustrates that agriculture household activities for Lepelle-Nkumpi. From the figure it can be noted that livestock, poultry and production crops are predominantly practiced in Lepelle-Nkumpi.

Map 12: Agriculture potential in Lepelle-Nkumpi 2024

The map above illustrates agriculture potential within Lepelle-Nkumpi Local Municipality. From the map, it can be noted that much of agricultural activities are on the western side. The eastern side has little agriculture activity in terms of forestry, which has great potential in the area.

Market opportunities

The market opportunity in the agricultural sector of Lepelle-Nkumpi Local Municipality is contained in the agro-processing-based industries that are focused on the beneficiation of the existing agricultural products.

Agro-processing involves the transformation of raw materials from primary agriculture into finished or semi-finished products ready for use by the end user or immediate user. The opportunities under the agriculture sector that can be investigated are below.

Table 8: Market opportunities

Market opportunity	Development constraints
Expansion of citrus production	<ul style="list-style-type: none"> • Revitalisation of irrigation schemes • Skills development • Poor infrastructure and road connectivity • Blue drop status
Agro-processing capacity development	<ul style="list-style-type: none"> • Revitalisation of the industrial park • Inadequate equipment and machinery • Lack of technical skills development • Zoning for development/investment purposes
Expansion in livestock farming	<ul style="list-style-type: none"> • Limited abattoirs • Poor accessibility of road infrastructure
Agri-tourism (Zebediela Farm Stay and Caravan Park)	<ul style="list-style-type: none"> • Road accessibility • Limited activities for tourism and hospitality • Road signage

Key findings and issues

- The expansion and development of the Zebediela Citrus processing facilities will mainly benefit emerging and small-scale producers to prevent post-harvest loss and wastage. The

Department of Agric has developed a Masterplan for the revitalisation of the citrus with funds (R3million) allocated.

- There is potential for agri-tourism at the Zebediela Estate Farm which would be key towards the economic development of the Lepelle-Nkumpi Local Municipality, the Capricorn District and Limpopo Province
- The development and expansion of the citrus production will enable the province to compete nationally with other companies
- Most of the youths in this area are unemployed and only few youths are involved in agriculture activity

4.2. Mining and quarrying

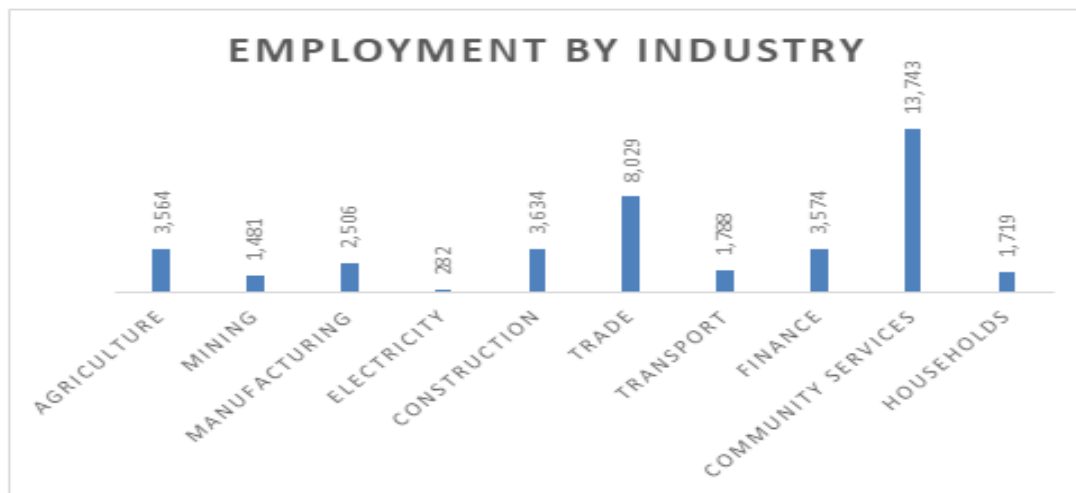
Mining and quarrying refer to the investigation of potential sites for the extraction of valuable minerals or other geological materials from the earth (usually from an orebody, lode, vein, seam, reef or placer deposit), and the processing of the geological materials with heat or chemicals to extract the metal or any other substance of interest.

Figure 14: Mining activities in Lepelle-Nkumpi



Mining in Lepelle-Nkumpi remained stagnant during the post-apartheid period. The period from 2019 to 2023 reflected a decline in mining at a growth rate of -0,98% and further to -0,12%. Mining productivity has been on a downward scale and there hasn't been much growth in the mining sector during the 2024/25 financial year. There are engagements with mining houses which are busy with the consolidation of their Social Labour Plans.

Figure 15: Employment in Mining

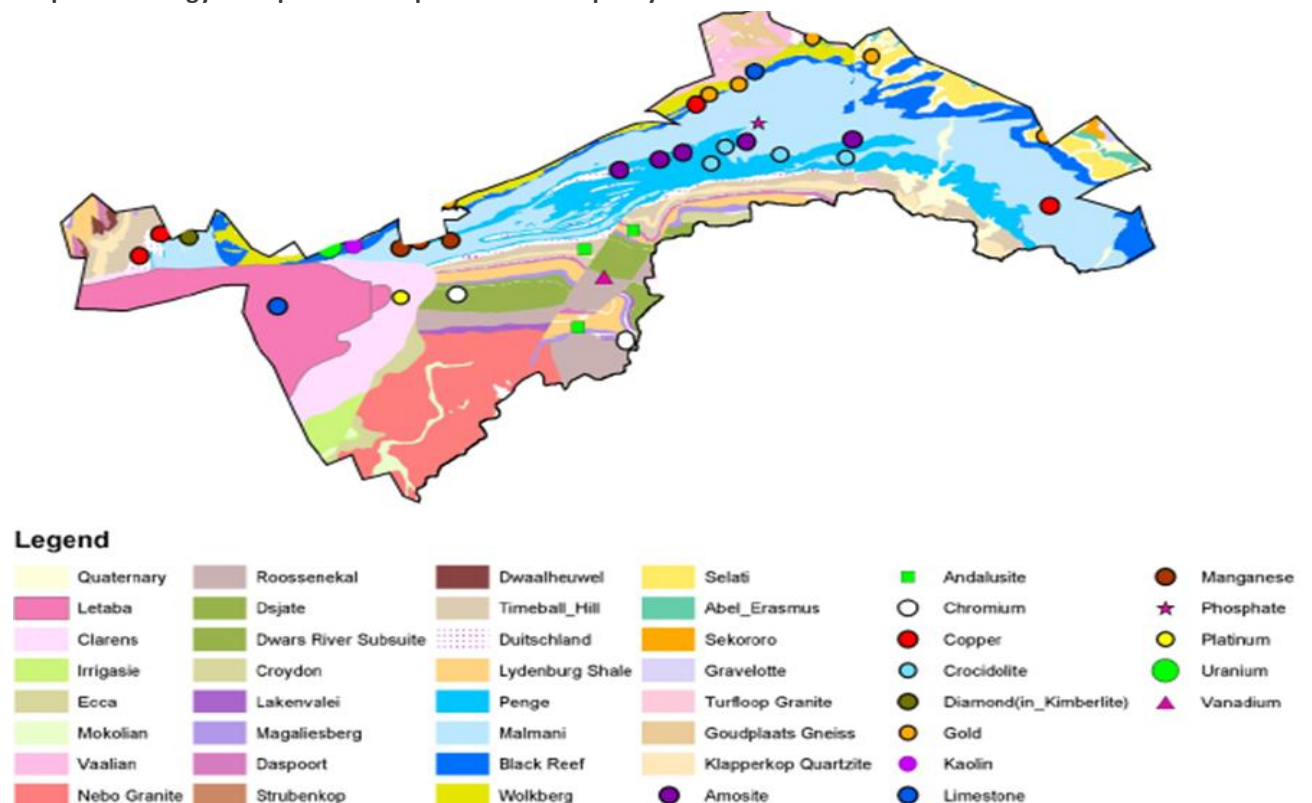


The figure above shows that employment in mining stands at 1,481 persons in 2023. Employment in mining has been on a downward scale, which can be attributed to most mines adopting automated machinery and some championing green mining initiatives to preserve and protect the environment.

Local mining produce

The mining industry is thus a valuable driver of the economy, as the province possesses large mineral reserves. The map below shows the geology with the mineral composition in Lepelle-Nkumpi.

Map 13: Geology of Lepelle-Nkumpi Local Municipality



Market opportunities

The industrial area in Lepelle-Nkumpi Local Municipality has not been productive in terms of the expected outcome and the potential in the area. However, opportunities in mining that can be identified are shown below.

Table 9: Market opportunities

Market opportunity	Development constraints
Development of mining zones and environmental protected areas	<ul style="list-style-type: none"> • Illegal mining • Skills development and capacity • Road signage in the area • Poor communication between the municipality and community • Inadequate technical skills • Mining sector not adhering to SLA to give back to the municipality and community
Mining, beneficiation and processing	<ul style="list-style-type: none"> • Road signage in the area • Revitalisation of the industrial park • A need for more support to mining activities
Recycling	<ul style="list-style-type: none"> • Machinery and equipment • Skills development and capacity • Industrial park needs to be revitalised

Key findings and issues

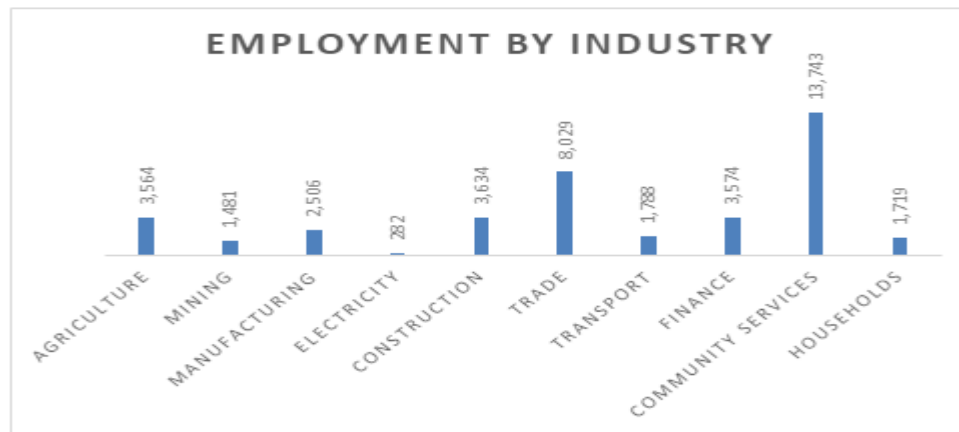
- Dilokong Corridor mining corridor is a key enabler for Lebowakgomo and Zebediela areas
- Lack of skills is required to provide more support in mining initiatives
- Illegal mining is still a challenge that is being faced in the area
- Funding still needs to be attained for the establishment of small-scale excavation and tile manufacturing of slate in Mafefe

4.3. Manufacturing

Manufacturing is a value-adding process which involves a large production of goods that convert raw materials, components, or parts into finished goods that meet customer's expectations or specifications using manual labour or machines. Finished goods from

manufacturing can be sold directly to consumers, other manufacturers to produce more complex products, or wholesalers who distribute the goods to retailers.

Figure 16: Employment in Manufacturing



The diagram above shows manufacturing GVA for Lepelle-Nkumpi over the period of the study. Manufacturing employed close to 2,506 persons in 2023.

There is a need to mobilise the growth of the manufacturing sector as it has the potential to add more jobs in Lepelle-Nkumpi.

Local manufacturing productivity

Manufacturing productivity in Lepelle-Nkumpi has not been competitive as compared to its competitors in the region. The industrial park in Lebowakgomo (Habakkuk and Unit J) has the potential to improve the economy in Lepelle-Nkumpi in terms of manufacturing.

One of the fundamental stumbling blocks has been poor infrastructure and the need of the revitalisation of the industrial park at Habakkuk and develop Unit J as a light industrial hub. Furthermore, the lack of basic skills largely constrains further development of manufacturing, agro-processing and mining industries in the municipal area. The picture below depicts the status quo of the industrial activity in Lebowakgomo.

Figure 17: Manufacturing facilities at Habakkuk



Market opportunities

Regardless of inactivity in the industrial park and undeveloped Unit J, an opportunity exists which could be a key enabler for the economy in Lepelle-Nkumpi. The market opportunities in the manufacturing sector are shown in **Table** below.

Table 10: Market opportunities

Market opportunity	Development constraints
Agro-processing	<ul style="list-style-type: none"> • Infrastructure development and rehabilitation • Inadequate technical skills • Information and technology
Mineral and beneficiation	<ul style="list-style-type: none"> • Machinery and equipment • Poor infrastructure • Weak forward and backward linkages
Industrial Park facility	<ul style="list-style-type: none"> • Industrial park facility is not operational • Lack of finance • Information and technology • Leakages in the economy (manufactured good need buying power locally)
Textile and clothing	<ul style="list-style-type: none"> • Advanced machinery • Information and Technology

Key findings and issues

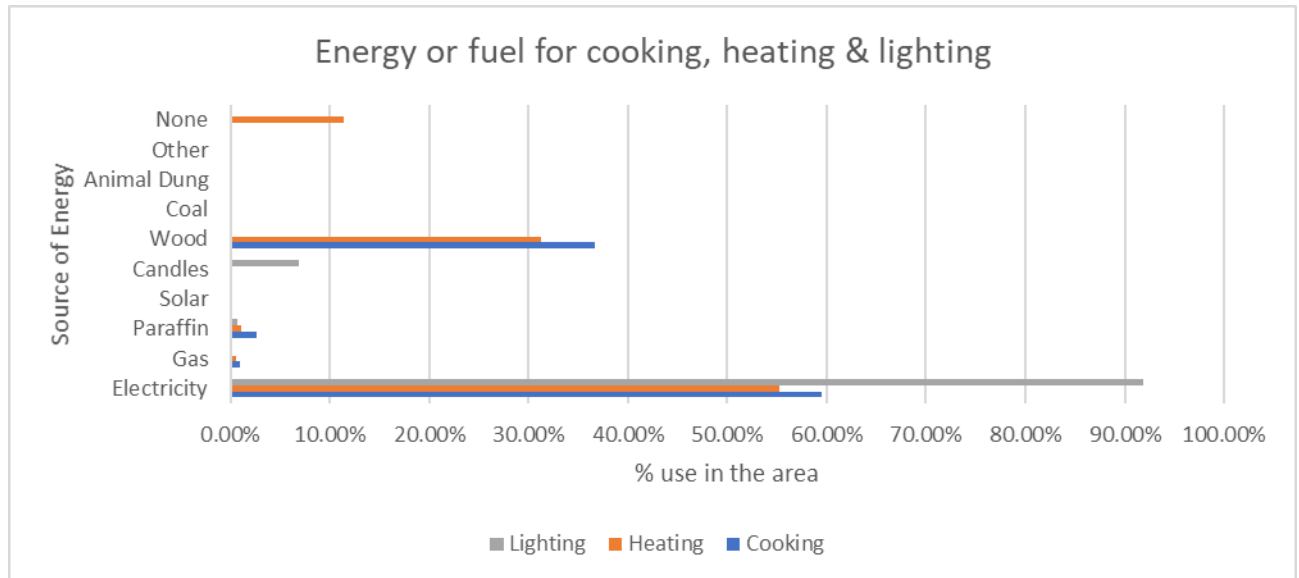
- The processing of raw materials from mining will contribute significantly in expanding the manufacturing sector within the municipality
- Agglomeration of mining and manufacturing activities will result in economies of scale that would increase both economic development and employment opportunities
- Poor service infrastructure at the industrial park and non-serviced Unit J.
- The industrial area has turned into a ghost town with underutilised buildings and the current situation must be turned around as part of building a “Smart and Vibrant town”.

4.4. Utility (electricity, gas and water)

The utilities industry refers to a service which includes electricity, gas and water and is often regulated by the government. Electricity has been provided to 92% of the households and all villages within the municipality have access to an electricity grid. Meaning, the general

livelihood of the households has improved, with the potential to save the environment and protection of trees. There is a need to add in the equation alternative means of energy such as renewable energy mix.

Figure 18: Energy or fuel for cooking heating & lighting (2024)



Source: Stats SA , 2022

The figure above shows the status in terms on the energy use for cooking, heating and lighting for Lepelle-Nkumpi.

Key findings and issues

- Current electricity projects are aimed at electrifying new settlements or villages' extensions which will continue to be even beyond 2024.
- Energy-saving bulbs are being used to replenish old ones in maintenance of electricity infrastructure of the municipality
- Upgrading of transformers and feeder lines to improve electricity access.

4.5. Construction

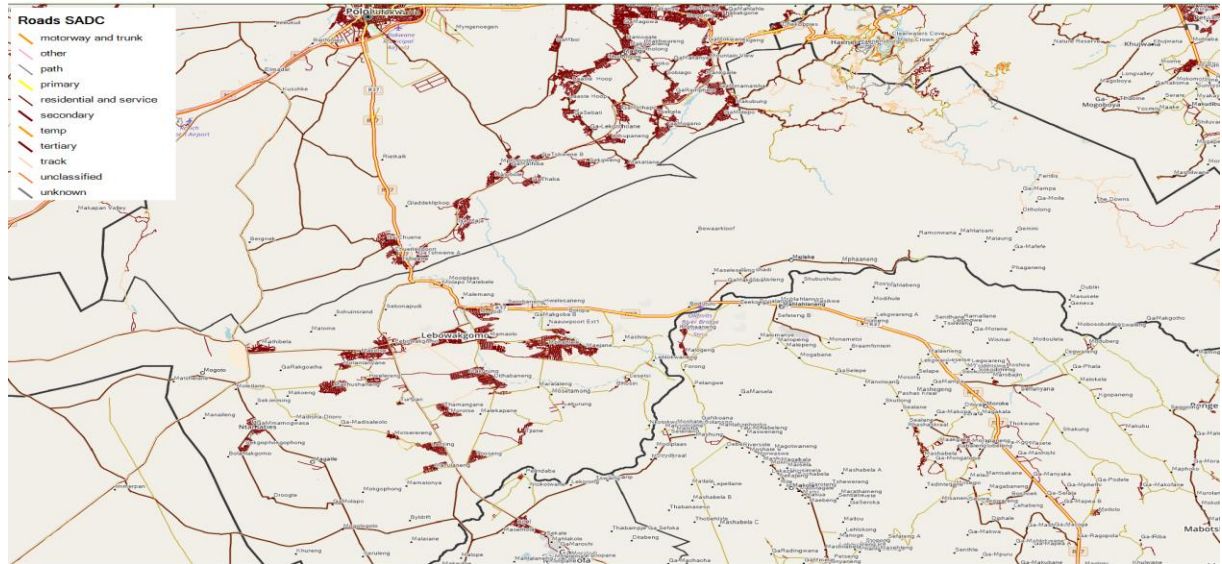
The construction sector includes the building, erection, demolition and putting up of large or small infrastructure in an area. The construction sector in Lepelle-Nkumpi Local Municipality is worth about R167,44 million and contribute about 2,73% to the overall GVA generated by the municipality.

Local construction in the area

The building and construction sector are key towards the growth of an economy. It has been seen to be at the forefront of economic development in a country. The Map below illustrates road infrastructure for Lepelle-Nkumpi. It can also be observed that rural places are often the most places with a dire need for urbanisation, which is mostly in the eastern and some parts of the western side. Construction brings enormous economic opportunities which are key

towards local development. There is a need to integrate the principles of the “Green Building” for sustainable living in Lepelle-Nkumpi as part of building a “Smart and Vibrant Town”.

Map 14: Road infrastructure in Lepelle-Nkumpi (2024)



The map further shows the enumerated area types (EA) for Lepelle-Nkumpi. Most of development has taken place on the western side of the municipal area as compared to the eastern side which is predominantly rural. There is a need for concerted effort to put in place numerous IDP road construction projects as well as numerous housing projects. This would be key towards local economic development if the construction of EA types improves in the municipality area which includes commercial space created, formal residential places (property market development) and parks and recreational activities.

Market opportunities

Market opportunities identified in the construction sector are shown in **Ta**

Table 11: Market Opportunities

Market opportunity	Development constraints
Demand for bricks and construction materials	<ul style="list-style-type: none"> Poor economic linkages (forward and backward linkages) Revitalisation of the industrial park Blue drop status/water challenges affecting the district
Housing developments (property market development)	<ul style="list-style-type: none"> Infrastructure development in term of road expansion

Market opportunity	Development constraints
Refurbishment of infrastructure	<ul style="list-style-type: none"> Red tape/bureaucracy (decisions to be made may take time)
Constriction of educational facilities	<ul style="list-style-type: none"> Financial obstacles Land availability for construction Bargaining for construction of the land with traditional leaders

Key findings and issues

- Natural disasters may affect construction activities and operation of basic services infrastructure,
- Construction and maintenance of Public facilities is still required
- Need for the construction of roads to improve the connectivity of Lepelle-Nkumpi and other areas, specifically the construction of the Orrie Baragwanath Road.

4.6. Transport, storage and Communications

Transport, storage and communication (Transport) refers to the movement of people, animals, goods or information from one location to another, and the action or method of storing something for future use.

Transport & communications GVA and trend

The transport industry in Lepelle-Nkumpi Local Municipality contributed 6,09% to the overall GVA generated by the municipality with transport output increasing from R333,52 million in 2011 to R373,23 million in 2023 at an annual growth rate of 2,85%.

Transport & communications employment

Transport, storage and communication in Lepelle-Nkumpi Local Municipality employed about 1 440 people in 2011 and contributed about 4,30% to the overall employment in the municipality.

Employment in the sector grew at a slower rate between 2011 and 2022 with 1,788 persons employed, an addition of 348 persons employed by the sector.

Transport infrastructure

The location of Lepelle-Nkumpi municipality is an advantage to open economic opportunities in the area, provided the transport nodes are developed to open economic activity. The most important form of transport services are minibus taxis and buses as the most popular forms of transport.

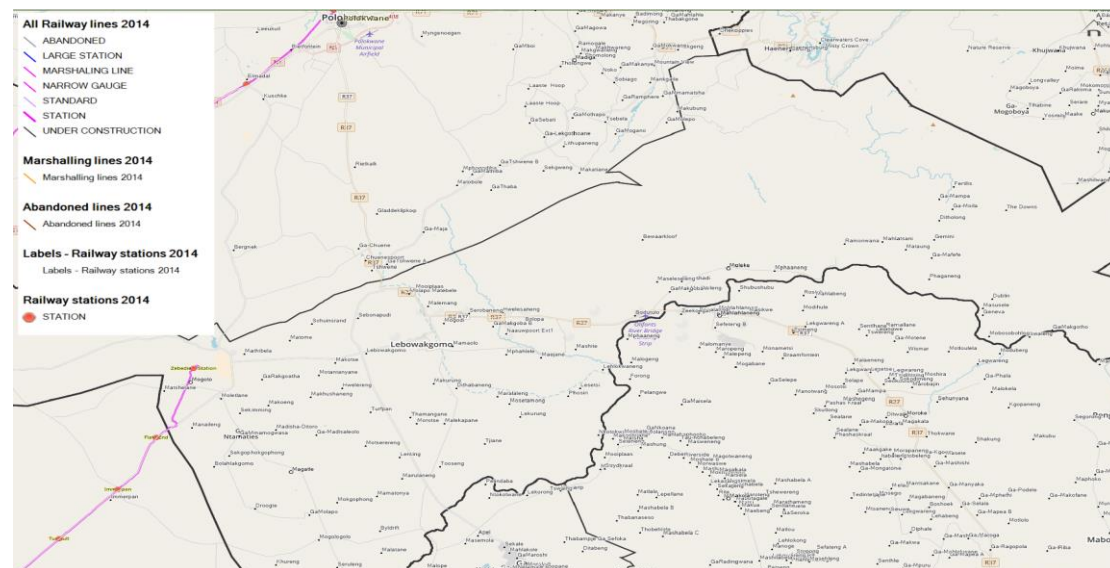
Regardless of minibus taxis and buses being the most common modes of transport for commuters, lack of transport facilities, poor rural roads are not maintained, with no specific

attention given to storm water drainage, which discourages bus and taxi operators from going to these poor roads.

This does not promote economic opportunities in the area, thereby prohibiting development. In some cases, roads are in a bad condition in a way that public transport is not available for people in such areas. SANRAL in 2024 has committed to upgrade the R579 (from R37) and R518 roads and expand the road carriage. The upgraded roads will enhance the aesthetics of the Lebogakgomo to a desired state.

There is an urgent need to upgrade the Orrie Baragwanath road (which has been submitted as part of the Capricorn District DDM package) as a Panorama Route (for tourism promotion) to connect Lepelle-Nkumpi and Maruleng as part of the “Gate-way to the Kruger to Canyons Biosphere”. The map below illustrates the infrastructure transport in Lepelle-Nkumpi including the rail network.

Map 15: Rail infrastructure in Lepelle-Nkumpi



The map above also shows the rail infrastructure in Lepelle-Nkumpi. The railway line from Zebediela Citrus Estate need to be revitalised as it is a key enabler for the development and connectivity between Zebediela and Johannesburg for the exportation of goods such as oranges and any other product from within Lepelle-Nkumpi and the neighbouring municipal areas such as Maruleng to Johannesburg, particularly with the much needed upgrading of connecting routes such as the Orrie Baragwanath.

As shown in the map above, the transport sector forms part of the bottlenecks for development, with poor connectivity and access to villages. Lepelle-Nkumpi Local Municipality is also situated in a mountainous area which inhibits development, because the topography also causes physical obstruction on transport routes.

Market opportunities

The municipality is situated in a mountainous area with very beautiful landscapes, which inhibits development and causes physical obstruction on transport routes. Despite the mountainous terrain, opportunities available in the area are shown in the table below:

Table 12: Market opportunities

Market opportunity	Development constraints
Development of a logistic hub	<ul style="list-style-type: none"> Poor transport connectivity Revitalization of the rail network connecting Zebediela and Johannesburg There is no infrastructure investment plan
Road expansion	<ul style="list-style-type: none"> Storm-water drainage is not channelled or controlled in most areas Undeveloped Orrie Baragwanath Route Shortage of technical/engineering skills 95% of land is owned by traditional authorities where municipality has little control over matters on land allocation and development

Key findings and issues

- There is an urgent need for the establishment of an effective, affordable public transport system in Lepelle-Nkumpi.
- The municipality should look into the development of mono-rail transport in the anticipated Business Area (Lebowakgomo) that will soon be developed into a prime Green Building compliant “Smart and Vibrant” trading area with prime businesses attracted to invest in the BA Zone.
- Roads are poorly maintained with no specific attention given to storm water drainage in rural areas to mitigate typical floods that took place in 2025.
- Proximity to Polokwane makes it easy for locals in Lepelle-Nkumpi to travel considering that Polokwane has well-established suppliers and support services which are within reach.
- Proximity to Polokwane creates the perception that there is no need to further the development of the municipal area which results in leakages out of the economy.
- The municipal area lacks proper signage on the road to areas of interest for visitors.
- Revitalization of the railway line from Zebediela Citrus Estate to Johannesburg for the exportation of goods such as oranges and any other products from within and outside Lepelle-Nkumpi.

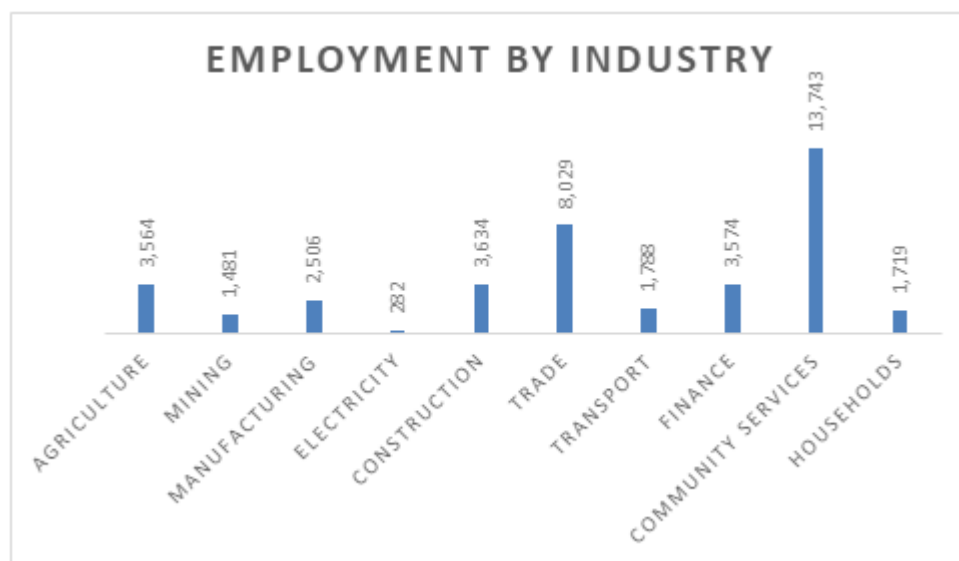
- The municipality is also constrained by inadequate public transport, and the bad road conditions aggravate the shortage of transportation.
- Municipality is situated in a mountainous area which inhibits development, and causes physical obstruction on transport routes particularly in the Mathabatha/Mafeke area with the urgent need to upgrade the Orrie Baragwanath Panorama Route

4.7. Trade (wholesale and retail trade)

Wholesale, retail, trade, catering and accommodation (Wholesale, Retail and Trade) can be broken up into: wholesale, which refers to the sale of goods in bulk at a discount to merchants for resale to retailers; industrial, commercial, institutional or professional users; or other wholesalers.

The diagram below illustrates that the Trade (wholesale and retail trade) is currently creating 8,029 jobs in 2023 for the municipality. This is an increase from 3,405 in 2011, signifying a growth by 4,624 over a 10 years' period.

Figure 19: Employment in the Trade cluster



Local trade produce

According to the LNLM IDP (2024-2025), a strong agricultural sector in the region is key towards opportunities arising for the trade of agricultural inputs. This includes inputs such as fertilizers, pesticides, machinery and seeds or seedlings.

The development of the retail and services sectors should also be focused on serving the needs of the residents and business support should be provided to ensure the development of viable and sustainable businesses.

The trade sector in Lepelle-Nkumpi Local Municipality is confined mainly to the retail component, in respect of both formal and informal trade activities.

The municipality as the trading licensing authority has embarked on awareness programs to regulate all formal and informal businesses in whole municipal area and apply the provisions of the Limpopo Business Registration Act (LIBRA), Act No.5 of 2003). The 2024 Presidential proclamation to have all businesses registered, permitted and licensed has led to the processing of close 1090 by January 2025.

The trade sector is spread across the whole municipality area, with a lot of work still to be done to have the sector regularised. It should be noted that most formal trade activities are confined to Lebowakgomo. Given the extensively rural nature of the remainder of the municipal area, the eastern side has a low Gross Value Added outcome in the area.

This might be alluded to lack adequate transport networks, hence the need to unlock the potential presented by the need to have the Orrie Baragwanath road upgraded which will result in huge economic spin-offs in the long run.

Market opportunities

The wholesale and retail sector can be a key enabler for the local economic development for Lepelle-Nkumpi. The potential market opportunities are shown in the table below.

Table 13: Market Opportunities

Market opportunity	Development constraints
Development of the informal sector	<ul style="list-style-type: none"> Land availability for zoning Red tape/bureaucracy
Agro-processing to stimulate SMME growth	<ul style="list-style-type: none"> Industrial park not fully productive Skills development Advanced machinery and equipment
Development of arts and crafts markets	<ul style="list-style-type: none"> Development of the tourism sector if road connectivity is improved Skills development and training

Key findings and issues

- The retail and trade sector in Lepelle-Nkumpi is key towards employment in the area
- There are opportunities for recycling projects, green economy ventures and various other economic initiatives in the area
- Municipality area is served only by small retail shops, which are scattered throughout the villages.
- Trade sector needs to expand as there are limited activities found within Lepelle-Nkumpi Local Municipality, hence the need to develop the Business Area (BA), Unit J and expanded economic activities at Habakkuk.
- Trade services do not sufficiently cater for the rural settlements

4.8. Finance, insurance, real estate and business services

Finance services refers to economic services that encompass a broad range of businesses that manage money, including credit unions, banks, credit-card companies, insurance companies. The finance services in Lepelle-Nkumpi Local Municipality was worth about R 1 217,90 million in 2023 and contributed about 19,89% to the overall Gross Value Added generated by the municipality.

There is a need to call for proposals for the expansion of the sector by location in the anticipated Business Area BA) which is about to receive a development injection from the 2024/25 financial year whereby bulk infrastructure such as roads, water and sanitation is being planned and to be installed by the Capricorn District Municipality.

Finance and business labour and trend

The finance services in Lepelle-Nkumpi Local Municipality employed about 3 138 people in 2011 and contributed about 9,37% to the overall employment in the municipality. 3574 persons has been employed by the sector in 2023 the job creation status has increased by adding 436 new jobs.

Key findings and issues

- The finance industry is one of the lowest performing sectors in Lepelle-Nkumpi,
- There is need for diversification of the finance industry, hence the need to expand in the newly anticipated Business Area from 2024 onwards.
- Relatively few people are employed in this sector

4.9. Government and Community Services

Government services refers to services that are provided by the government to people living within its jurisdiction, either directly (through the public sector) or by financing provision of services. The government services industry in Lepelle-Nkumpi Local Municipality employed about 8 244 people in 2011 and contributed about 24,61% to the overall employment in the municipality.

The employment for Government services has increased to 13,743 persons in 2023, at a growth of 5,499 new jobs added to the economy for the period between 2011, and 2022.

Key findings and issues

- The anticipated movement of the legislator to Polokwane would have a negative impact on the economy of Lepelle-Nkumpi, as it has been key towards the history and development of the municipality area.
- The possibility of other departments relocating to Sekhukhune will have a negative economic impact for Lepelle-Nkumpi.
- The municipality's dependency on government services is very high.
- There is a need for greater focus on creating and diversifying other sectoral employment opportunities.
- The economy is rather centred on the government services sector, leaving the local economy vulnerable for any significant changes in this industry.
- The municipality should be aiming to diversify its economy into other sectors such as green economy, ICT, renewable energy etc.

4.10. Tourism

Overview

Tourism comprises activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year, for leisure, business and other purposes (UNWTO, 2018).

Tourism is prominent in the local municipalities within Capricorn and its strategic location off the national and provincial movement corridors is of prime advantage. Of key importance is the potential international and national cross boundary linkages and marketing with the N1, The African Ivory Route (Open Africa) including the Blouberg and Mafefe Camps within the Kruger to Canyons Biosphere (K2C).

Lepelle-Nkumpi is a highly favourable tourist destination, and in a perfect position to absorb and entice a fairly large number of visitors and should therefore be promoted to reach full potential considering the vibrant mix of tourism assets identified and the strategic location. The municipality can develop into a major tourist destination due to the vast tourism opportunities in the area.

The Olifants and Nkumpi River which is situated right in the heart of the K2C as the part of the “Gateway to the K2C” in the municipality area, play a major role in terms of strategically locating Lepelle-Nkumpi towards tourism potential. The Olifants River forms the southern boundary of Lepelle-Nkumpi. Several branches of the Olifants River divide the municipality including the Nkumpi River, Hlakaro River and the Mohlapiitse River.

These rivers flow from north to south through the municipality and end in the Olifants River. The area boasts wetlands which have the potential to bring out a scenic view, provided other facilities that support the development are established.

Furthermore, Lepelle-Nkumpi is positioned in a province that is rich in wildlife and wealth and has a great history in terms of culture and heritage. The municipality is strategically situated at the entrance to the Kruger to Canyons Biosphere thus, positioned as the “Gateway to the K2C”, a UNESCO declared conservancy biome and this is a low hanging fruit that Lepelle-Nkumpi can take advantage of to increase the number of tourists into the area linked to the Lekgalameetse, Bewaarskloof and Wolkberg Conservancies.

It should also be considered that natural resources, if used responsibly in an efficient manner, could result in the tourism sector flourishing. Opportunities in Lepelle-Nkumpi, which will be discussed in the following section, fall under ecotourism, adventure, recreational activities, agri-tourism, and cultural and heritage activities.

Market opportunities

The status quo of Lepelle-Nkumpi in terms of tourism development still requires improvement as the sector has a huge development potential and linkages to the surrounding areas such as the African Ivory Route. The table below illustrates the opportunities for tourism development in Lepelle-Nkumpi.

Table 14: Market opportunities in the tourism sector

Development Potential & site location	Brief Description
Lekgalameetse Nature Reserve in Ga-Mafefe	<ul style="list-style-type: none"> Has the potential to be the main tourist attraction in Capricorn There is a waterfall which guests enjoy Low/ non-existing signage in the area There is a need for a 4x4 to access the reserve Poor road conditions (gravel roads) There is a need for resting points on route to the reserve
Wolkberg Wilderness Area in Ga-Mafefe	<ul style="list-style-type: none"> Popular reserve which is the home to the Iron Crown (highest point in Limpopo at 2126m above the sea level) Development of a useful resort area for hiking and bird watching The area is supposed to have leopards and brown hyenas Low signage and no accommodation in this mountainous area
Bewaarskloof Nature Reserve in Ga-Mafefe	<ul style="list-style-type: none"> No fencing, signage, water, electricity in this reserve Illegal squatters using this reserve as pasture for cattle and for timber collection
Asbestos Museum in Ga-Mathabatha	<ul style="list-style-type: none"> The museum can be a useful tool to educate visitors about the history of the area Museum is decorated attractively There is need for decorations and maintenance of the restrooms Need for construction of parking bays for the museum to cater for visitors
Makgatho Air Museum in Ga-Mathabatha	<ul style="list-style-type: none"> Open air museum free of charge with no security checks No official parking Museum has potential to employ a tour guide who could inform visitors and guide them as they tour the museum
Segwaigwai Cableway in Ga-Mafefe	<ul style="list-style-type: none"> Built by locals to cross the Olifants river The construction of the bridge has eased the use of the cableway Has potential to be a tourist destination activity but safety checks are needed
Sefagafaga Magic Tree in Ga-Mafefe	<ul style="list-style-type: none"> Very sacred tree and accessibility is limited due to traditional practices that take place regularly Has potential to have an impact on tourists Limited/no signage in the area
Mafefe Information Centre in Ga-Mafefe	<ul style="list-style-type: none"> Information centre has been destroyed by fire and was dilapidated state Has the potential to become the launch pad for tourism id the Orrie Baragwanath Route is developed The centre had three rondawels with limited electricity which are in desperate need of maintenance
Lebowakgomo Stadium in Lebowakgomo	<ul style="list-style-type: none"> Stadium needs upgrade and further development Signage for this establishment is also very limited There is a need for shade at the terraces and the stadium will have to meet the international standards for it to become a sporting destination for tourism There is a lot of litter in the area
Lapalesehle Village in Ga-Mafefe	<ul style="list-style-type: none"> Establishment offers river rafting in summer for beginners Natural scenery and water sports There is also need for the signage No building in the area and the construction of a building with proper tables, chairs and ablutions systems would help the owner to expand
Limpopo Entertainment in Lebowakgomo	<ul style="list-style-type: none"> The centre is ideal for family gatherings, picnics and swimming activates There is potential for more signage and expansion

Development Potential & site location	Brief Description
	<ul style="list-style-type: none"> Is an essential site for people to relax and engage in various activities
Zion City Church in Serobaneng	<ul style="list-style-type: none"> A key tourist destination for religious purposes Big establishment with regional offices located in Serobaneng Attracts a lot of people during the Passover holiday Upgrading parking and allocating more signage could increase the number of tourists
Zebediela Citrus Estate in Zebediela	<ul style="list-style-type: none"> Largest citrus estate in South Africa Has potential for agri-tourism to grow Railway from Mookgophong to Zebediela currently not used

figure 20: Tourism adventure in Lekgalameetse



Tourism value chain

The tourism value chain describes the full range of activities that are required to facilitate visitors and how private sector firms in collaboration with government and civil society receive or access resources as inputs, add value through various processes (planning, development, financing, marketing, distribution, pricing, positioning, among others), and sell the resulting products to visitors. Tourism on a provincial level creates a supporting and conducive environment for all tourism establishments to perform to the best of their abilities. Furthermore, it can also be concluded that the nature reserves, if developed, would be a key enabler for local economic development.

The involvement and intervention projects that create a more efficient and functional external environment for the tourism sector will develop the tourism sector to be competitive for Lepelle-Nkumpi. One of the essential elements is that the tourism value chain should be driven by the passion, pride and confidence of key stakeholders that visitors will experience the best that a destination can offer. The opportunities identified are also depicted on the graph below.

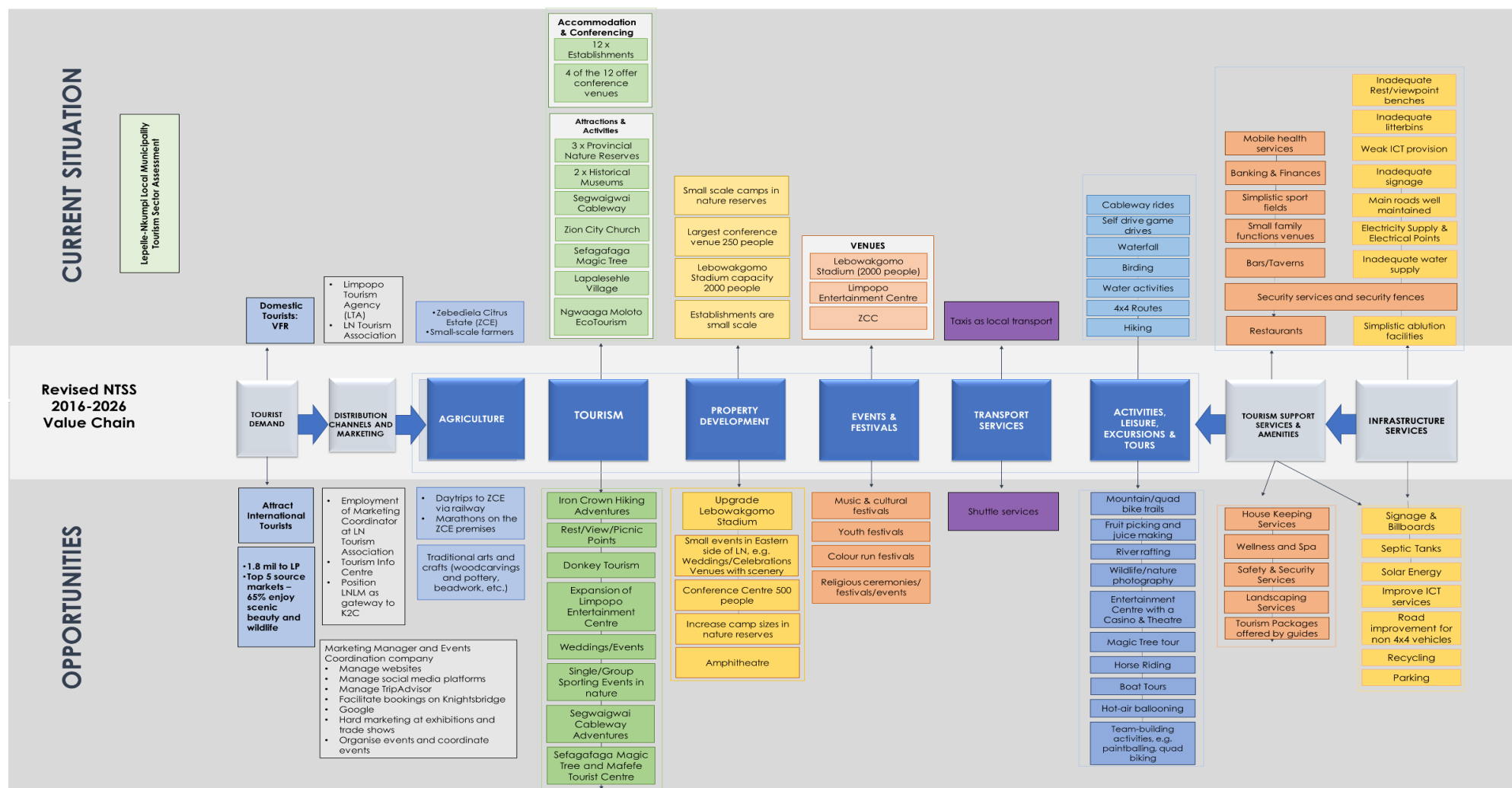


Figure 21: Tourism potential value- chained products in Lepelle-Nkumpi

Nature reserve

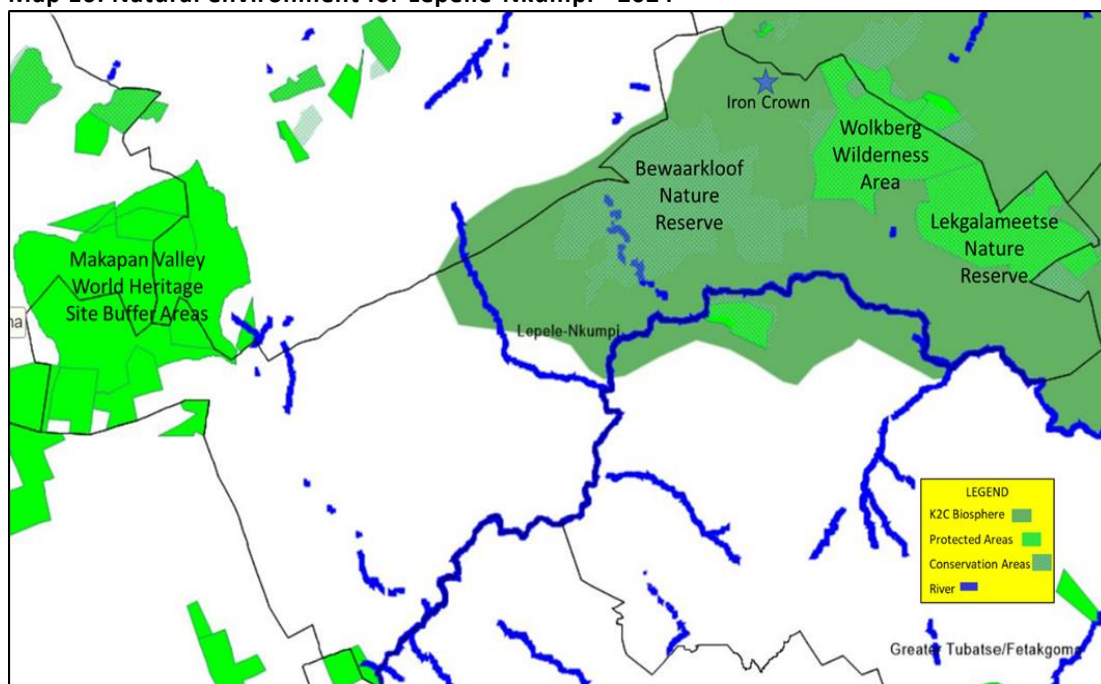
Nature reserves are key towards protecting biodiversity and the degree of variation of life which a satisfactory biodiversity is required to keep the ecosystem in its natural balance. Lepelle-Nkumpi is very mountainous, especially on the north-eastern side where the Wolkberg Wilderness Area, Lekgalameetse, and Bewaarskloof Nature Reserves in the Northern Drakensberg mountain range can be found.

The three reserves are provincial nature reserves and form part of conservation efforts as formally protected areas. It is considered that 35% of the municipal area consists of “irreplaceable” sensitive biodiversity that should be protected at all cost.

The highest point in Limpopo, better known as the Iron Crown at 2128m above sea level also forms part of the Wolkberg mountain range and is located close to the Greater Tzaneen Local Municipality border. There are opportunities for eco-trails from the side of Lepelle-Nkumpi to complement walking trails currently operating from the Haenertzburg side.

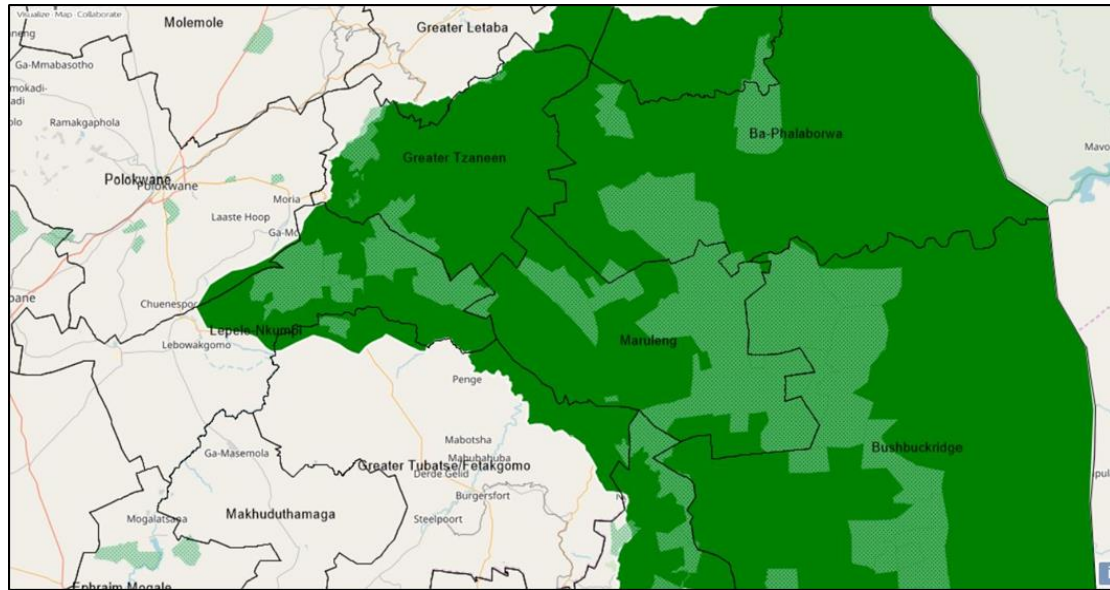
Nature reserves also allow a large gene pool to be conserved and protected so that it can serve as an invaluable resource for future usage. **Error! Reference source not found.** illustrates the natural environment for Lepelle-Nkumpi.

Map 16: Natural environment for Lepelle-Nkumpi - 2024

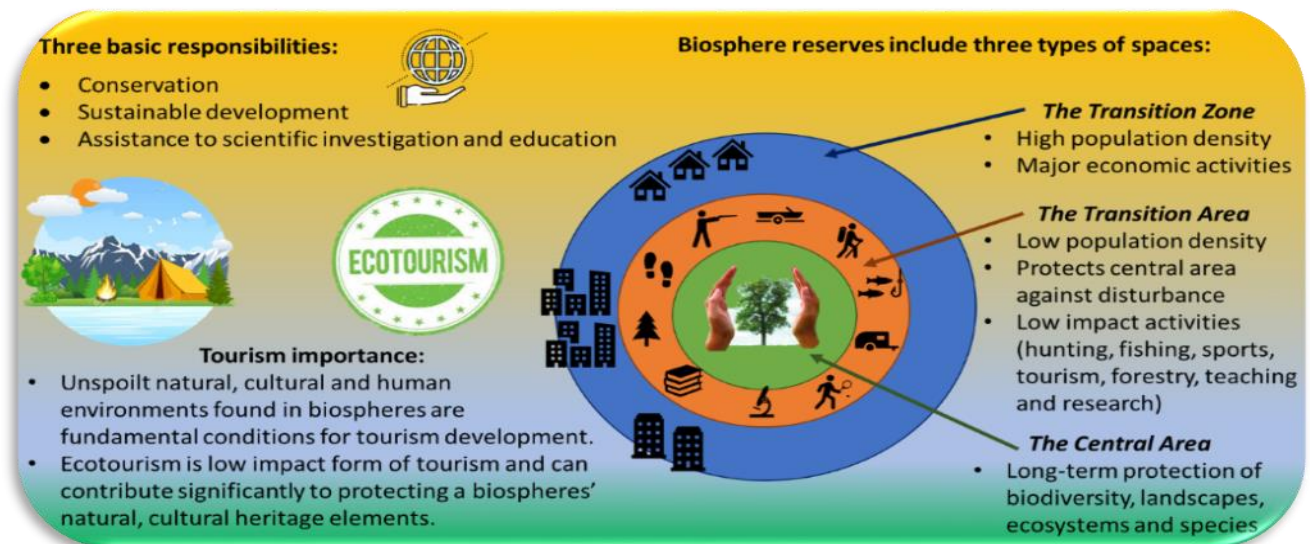


Source: LNM LED Strategy, 2019.

Lepelle-Nkumpi is well-positioned to be the Gateway to the Kruger Canyons Biosphere which has been declared by UNESCO in 2001. The map below illustrates the biosphere reserve.

Map 17: Kruger to Canyons Biosphere - 2024

Lepelle-Nkumpi Local Municipality can leverage from these natural features found in the K2C biosphere to diversify its economic streams. The picture below explains the importance of tourism development in UNESCO declared biosphere reserves.

Figure 22: Tourism potential in the Kruger to Canyons Biosphere (K2C)

Key findings and issues

- The natural scenic beauty of Lepelle-Nkumpi creates a feeling of escapism and isolation.
- The rivers and mountains offer great potential for adventure tourism activities such as river rafting, 4x4 routes, cableway trips, quad biking, mountain biking, hiking, abseiling, Avitourism (birdwatching) and rock climbing.
- The climate reduces seasonality slightly due to the pleasantly warm temperatures in the winter.

- The dangers posed by issues related to the Climate Change requires measures to mitigate the risk outcomes.

Chapter 5

5. Sector Potential Analysis

This section will provide an in-depth analysis for LNLM identified within the previous chapters. The chapter includes the analysis of LNLM from a secondary and a primary perspective.

5.1. Socio Demographic Profile

The table shows the potential analysis for socio-demographics for LNLM by employing a SWOT analysis approach.

Table 15: Socio Demographic Potential Analysis SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> LNLM has the third largest formal and informal dwellings in the Capricorn District. Proportionately, LNLM is third when it comes to households with access to water. Based on the annual growth rate LNLM is ranked second for adults with tertiary education. 	<ul style="list-style-type: none"> LNLM has the largest number of the aged population. LNLM has the highest number of HIV infections.
Opportunities	Threats
<ul style="list-style-type: none"> LNLM has the third largest youth population. Adults with tertiary education. 	<ul style="list-style-type: none"> Based on the working age, LNLM is ranked ninth. High crime rates growth reported in the area. Climate change negative ramifications

5.2. Market Growth and Conditions

The table shows the potential analysis for market growth and conditions for LNLM through employing a SWOT analysis approach.

Table 16: Market Growth and Conditions SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> LNLM is ranked first on the durable goods. LNLM has the largest household size income. 	<ul style="list-style-type: none"> LNLM has the third highest unemployment rate in the area. Based on the annual growth rate, LNLM has a low growth rate.
Opportunities	Threats
<ul style="list-style-type: none"> Based on informal employment, LNLM is ranked fifth in the CDM. LNLM has the fourth largest skills workforce. Household income growth is ranked seventh amongst its potential but has the potential to grow. 	<ul style="list-style-type: none"> LNLM has the lowest annual growth rate for formal employment. LNLM is ranked sixth in terms of the population that is not economically active.

5.3. Agriculture

The table below shows the potential analysis for the agriculture industry for LNLM through employing a SWOT analysis approach.

Table 17: Agriculture Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> The growth rate in the agriculture industry for LNLM is relatively better than other local municipalities in the district. The annual GVA growth in the agriculture industry rate for LNLM highest in the CDM. LNLM has a proportionately skilled and a semi-skilled work force in the agriculture industry. 	<ul style="list-style-type: none"> Based on the GVA, LNLM has the smallest agriculture industry compared to all the local municipalities in the district. LNLM does not have a competitive industry based on GVA LQ (0,63) and employment LQ (0,81). LNLM has the smallest work force.
Opportunities	Threats
<ul style="list-style-type: none"> Zebediela Citrus. Potential for forestry farming in the eastern side. Converting small scale farmers to commercial farmers. Co-operative farming/development. Commercialising individual farms. Agriculture tour base walks. 	<ul style="list-style-type: none"> Poor road conditions and connectivity. Traditional land vs municipal land. Low water supply in the area. Electricity supply. ICT network. Climate change risks

5.4. Mining

The table below shows the potential analysis for the mining industry for LNLM through employing a SWOT analysis approach.

Table 18: Mining Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Based on GVA, LNLM has the largest mining industry in the CDM. LNLM has the second largest workforce in the CDM. Proportionately, LNLM does have skilled and semi-skilled workforce. LNLM has the most competitive industry based on GVA LQ and the employment LQ. 	<ul style="list-style-type: none"> LNLM has the slowest growth in the mining industry. Low annual employment growth rate in the mining industry. Inadequate signage in the area.
Opportunities	Threats
<ul style="list-style-type: none"> Beneficiation of raw mineral resources and mining materials has the potential to contribute significantly in expanding the manufacturing sector. 	<ul style="list-style-type: none"> Green mining has a potential threat to affect employment opportunities for the workforce in the mining industry.

5.5. Manufacturing

The table below shows the potential analysis for the manufacturing industry for LNLM through employing a SWOT analysis approach.

Table 19: Manufacturing Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> • LNLM is strategically located. • Lebowakgomo showground which can host activities for both commercial and emerging enterprises. 	<ul style="list-style-type: none"> • Proportionately LNLM has the least skilled and semi-skilled workforce. • LNLM does not have a competitive manufacturing industry based on GVA LQ (0,10) and employment LQ (0,66) • Lack of infrastructure development • Limited infrastructure and services provided. • Lack of finance hindering the development.
Opportunities	Threats
<ul style="list-style-type: none"> • LNLM manufacturing industry has potential to grow as it is ranked sixth in the CDM, provided there is an improvement in agriculture production. • Agro-processing. 	<ul style="list-style-type: none"> • Accessibility of roads. • Land issues. • Water supply. • Electricity supply.

5.6. Utilities (Electricity, Gas and Water)

The table below shows the potential analysis for the utility industry for LNLM through employing a SWOT analysis approach.

Table 20: Utilities Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> • Based on the GVA, LNLM has the fourth largest industry in the CDM. • The LNLM utilities industry annual GVA growth rate is fifth in the CDM. • LNLM has the fourth largest workforce in the CDM. • The utilities industry has the third most competitive utilities industry based on employment LQ (1,14) in the CDM. • Proportionately, LNLM has the third most skilled workforce in the CDM. 	<ul style="list-style-type: none"> • Limited water supply in the district. • Lack of formal housing.
Opportunities	Threats
<ul style="list-style-type: none"> • Amongst its competitors LNLM has potential to improve on the competitiveness of the utility industry based on the GVA LQ. 	<ul style="list-style-type: none"> • Poor economic supporting infrastructure.

5.7. Construction

The table below shows the potential analysis for the construction industry for LNLM through employing a SWOT analysis approach.

Table 21: Construction Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Strategically located. 	<ul style="list-style-type: none"> Based on the GVA, LNLM is ranked 7th in the CDM in the construction industry. The LNLM construction industry annual GVA growth rate is 0,15%, which is ranked 8th in the CDM. LNLM does not have a competitive construction industry based on GVA LQ (0,65).
Opportunities	Threats
<ul style="list-style-type: none"> Residential construction. Road infrastructure improvement will be a key enabler for the growth in construction. 	<ul style="list-style-type: none"> Inadequate development planning. Water shortages. Poor roads. Electricity supply.

5.8. Wholesale and Trade

The table below shows the potential analysis for the wholesale and trade industry for LNLM through employing a SWOT analysis approach.

Table 22: Wholesale and Trade Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Based on GVA, LNLM has a GVA size of R 773,91 (million). The LNLM wholesale and trade industry annual GVA growth rate is the third 5th in the CDM. The wholesale and trade industry play a significant role in the workforce in the CDM. Proportionately, LNLM has the most skilled workforce. 	<ul style="list-style-type: none"> LNLM does not have a competitive wholesale and trade industry based on GVA and employment LQ of (0,80). A payment fee to use the toilets at the mall.
Opportunities	Threats
<ul style="list-style-type: none"> Information centre. 	<ul style="list-style-type: none"> Hawkers close to the mall. Lack of an ambush system around the mall.

5.9. Transport and Communication

The table below shows the potential analysis for the transport, storage and communication industry for LNLM through employing a SWOT analysis approach.

Table 23: Transport and Communication Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Based on GVA, LNLM is the 4th largest transport and communication industry in the CDM. The LNLM transport and communication industry annual GVA growth rate is the 3rd highest in the CDM. Proportionately, LNLM has most of skilled and semi-skilled workforce. 	<ul style="list-style-type: none"> LNLM has the least competitive transport and communication industry based on the GVA LQ in the CDM. Poor road conditions.
Opportunities	Threats
<ul style="list-style-type: none"> Road connectivity. 	<ul style="list-style-type: none"> Very little signage. Climate change destruction of road infrastructure

5.10. Finance Services

The below shows the potential analysis for the finance service industry for LNLM through employing a SWOT analysis approach.

Table 24: Finance services Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Based on GVA, LNLM has a large finance service industry. The LNLM finance service industry annual GVA growth rate is the 2nd highest in the CDM. 	<ul style="list-style-type: none"> The LNLM has a large semi-skilled workforce.
Opportunities	Threats
<ul style="list-style-type: none"> LNLM has potential to improve in the competitiveness for the finance service industry based on GVA and employment LQ which is (0,94) and (0,64) respectively. 	<ul style="list-style-type: none"> Poor ICT network. Electricity supply.

5.11. Government and Community Services

The table below shows the potential analysis for the government services industry for LNLM through employing a SWOT analysis approach.

Table 25: Government services Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Based on GVA, LNLM has a large government service industry. LNLM has a competitive industry based on the GVA and employment. 	<ul style="list-style-type: none"> The LNLM government industry annual GVA growth rate of (1,29%).
Opportunities	Threats
	<ul style="list-style-type: none"> Moving the Legislator offices to Polokwane.

The table below shows the potential analysis for the community services industry for LNLM through employing a SWOT analysis approach.

Table 26: Community services Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> LNLM has the most skilled workforce in the community service industry. LNLM has a large community service workforce employing about 363,57 people. Proportionately, LNLM has the most skilled community service workforce. LNLM does have a competitive community service industry based on GVA LQ (1.00) and employment. 	<ul style="list-style-type: none"> High dependency on Community Services
Opportunities	Threats
<ul style="list-style-type: none"> Education awareness. 	<ul style="list-style-type: none"> Skills brain drain to affluent areas

5.12. Tourism

The table below shows the potential analysis for the community services industry for LNLM through employing a SWOT analysis approach.

Table 27: Tourism Industry SWOT

Strengths	Weaknesses
<ul style="list-style-type: none"> Kruger to Canyons Biosphere. Escapism. Adventure potential. Warmer winter climate. Scenic beauty (wetlands). 	<ul style="list-style-type: none"> Plenty of litter. Lack of facility maintenance (stadium & rest points). Lack of signage along roads. Lack of tourist information (physically & online). Lack of medical facilities. Poor communication and telephone skills. Insufficient water provision for residents.
Opportunities	Threats
<ul style="list-style-type: none"> Marketing (Kruger to Canyons Biosphere). Iron Crown. Agri-tourism/Citrus route. Pre- and/or post-business events tours. Adventure & ecotourism (Zip line, hiking, quad biking, river rafting). 	<ul style="list-style-type: none"> Competitors (Polokwane and surrounding areas development rate). Political instability and manipulation. Tourist safety and security. Implementation of tempo in the area. Poor road connectivity.

- | | |
|---|--|
| <ul style="list-style-type: none"> • View/rest points with historical/environmental information. • Culture exposure. • Donkey tourism. • Limpopo Entertainment Centre. • Wedding/other cultural celebrations. • Sport events. | <ul style="list-style-type: none"> • Lack of water supply. • Electricity supply. • Climate change risks |
|---|--|

5.13. ICT and Smart Municipality

5.13.1. Infrastructure:

There are two ways in which Lepelle-Nkumpi's Smart Municipality approach should factor into infrastructure development. The first is how the municipality constructs the infrastructure and systems to make things work. The second is how citizens interact with the municipality on infrastructure. Sometimes citizens might not see the municipal workings behind the scenes, but having efficient, effective systems goes a long way towards better service delivery. One example is how Smart Municipality public transport allows the municipality better control over costs and maximising usage of its assets. Smart tools empower citizens with crucial information, or ways to communicate with the municipality about problems.

5.13.2. Energy

The provision of energy is one of most municipalities' key sources of revenue. Being able to monitor this has a direct impact on the municipality's budget. Smart solutions can help billing and collection, and in the same way as can be done with water, make sure that utilities remain profitable and can continue to supply uninterrupted service. The next level is Smart meters, which can help municipalities move to efficient systems to capture, plan and manage energy usage.

5.13.3. Transport

Transport is an area in which Smart Municipality have a big impact. Effective transport planning, usage of roads, and development of public-transport systems can have an impact on people's everyday lives. With South Africa's spatial planning history, this is one area where greenfield projects using broadband technology can make a difference.

5.13.4. Health

As populations grow, health services become more important. A stressed health delivery system can be assisted by intelligent ways of dispensing medicine, and more effective communication through broadband technology for medical solutions and linking hospitals, clinics, doctors and others.

5.13.5. Safety & security

Lepelle-Nkumpi should conduct feasibility studies on enhanced integrated safety and security System set up in highly populated areas which are to be monitored by CCTV cameras. When the footage is analysed in real time, petty crimes can be isolated and punished. There are other ways of ensuring safety too, such as early-warning weather applications which encourage citizens to seek cover ahead of time. Disaster prevention can benefit greatly from efficient broadband capability, and allow teams to communicate quickly in emergency situations.

5.13.6. Waste

The most important element of waste management is that it continues to move on time. In Lepelle-Nkumpi, there are stresses on waste management systems and bottlenecks can be identified in the

expansion of the services and need to be cleared quickly and effectively. Using Smart Municipal technology, systems can be integrated into the broadband capability to provide real-time information.

5.13.7. Water

Fresh water is vitally important to the development of the municipal areas. Billing failures can lead to inefficient payment collection. This has a negative impact on the reduction of the municipal budget for purification and maintenance. The CDM should fast track its smart metering program to help the municipality's affected by these problems. Citizens should be encouraged to also watch out for water leaks and report them through smart reporting tools before losses take place.

5.13.8. Governance

An integrated local-government application made available by affordable Wi-Fi or broadband would bring citizens closer to real time updates from municipalities. The communication could be two-way and problems could be reported and resolved much faster. Creating new centres for growth New technology means new opportunities and new jobs. In 20 years from now (2025), young people might be doing jobs that do not exist and are not even dreamt of today. Smart Municipality strategy using broadband technology offers such opportunities.

5.14. Climate Change

The most important factor limiting economic development particularly in the agricultural production in Lepelle-Nkumpi is climate change which has a negative effect on the availability of water and possible damages caused by floods.

This is also true for the municipality because as part of the Limpopo Province, which is located in the dry savannah sub-region, issues related to climate change affect the municipality. 2024 was one of those years whereby some areas in Lepelle-Nkumpi suffered devastating floods thus damaging important infrastructure such as roads.

In general, the municipality experiences hot summers and mild winters, with the average annual rainfall in ranging between 300-400 and 600 mm. The municipality also encompasses a wide range in respect of its topography, with its elevation varying between 600 m and 900 m above mean sea level. This gives rise to varied climatic characteristics throughout the municipal area.

Table 28: Climate summary for Lepelle-Nkumpi

Climate													
Mean Annual Rainfall	453-474mm												
Rainfall coefficient variation	30.78												
Mean monthly evaporation	121.91												
Mean annual temperature	19.69												
Mean growth season days	111-123 days												
Growth season start	23 October												
Growth season end	24 February												
Average summer temperature	Min	15°C	Max	29°C	Avg.	23°							
Average winter temperature	Min	6°C	Max	27°C	Avg.	20°							
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	

Average rainfall (mm)	76	60	43	20	4	0	0	0	5	33	69	78
Average evaporation (mm)	154	133	135	110	95	81	83	103	124	139	145	154
Average min daily temperature (°C)	18	18	17	13	9	6	6	8	12	15	16	18
Average max daily temperature (°C)	29	29	28	27	24	22	24	24	27	28	28	29
Average mean daily temperature (°C)	24	24	22	20	17	14	16	16	20	21	22	23

Source: Department of Agriculture

From the table above, it is evident that the mean annual rainfall for Lepelle-Nkumpi is between 453mm to 474mm with the rainfall coefficient variable at 30.78%. The rainfall coefficient variation indicates the rainfall variability. The higher the value, the more the rainfall varies from year to year. A 30.78% rainfall coefficient variation indicates that rainfall is rather stale from year to year. The mean annual temperature for Lepelle-Nkumpi Local Municipality is approximately 20°C with an average summer temperature of 23°C and average winter temperature of 20°C.

5.15. Innovation and Green Economy

South Africa's Green Economy Accord, signed in 2011, as an outcome of social dialogue between government, business and labour to identify the tangible benefits of a green economy transition.

The initiatives are expected to be innovative, practical and implementable, and are built on existing best practices in key sectors with the real potential to bring about significant change and respond to critical issues such as resource inefficiencies in the water and energy.

In Lepelle-Nkumpi, there is a need to achieve the following in the long run:

5.15.1. Energy: The municipality will require an ongoing shift from coal based electricity sources to renewable energy. The solar power plant in Witkop should be supported with other potential investments in renewable energy attracted.

5.15.2. Transport and infrastructure: As a concept, the municipality should adopt the Bus Rapid Transit (BRT) system and apply to receiving substantial funding linked to large-scale transport planning at national and municipal levels. Lepelle-Nkumpi should conduct feasibility studies towards this direction of attaining sustainable transport infrastructure is a matter of priority. Projects addressing non-motorised transport should be identified with support in this sector focusing on greater integration of non-motorised transport into spatial planning, and to support Small, Medium and Micro-sized Enterprises (SMMEs) that provide eco-mobility solutions.

5.15.3. Agriculture, food production and forestry: This sector has huge potential to create direct jobs (relative to other sectors surveyed in this Inventory), noting the existence of the Nkumpi dam (appropriate for fish production) that can be value-chained to include fisheries with innovations that support more integrated systems that link the food, energy, waste and water components of agriculture, including sharing of good practices as part of sustainable agriculture.

5.15.4. Resource conservation and management: The sustainable management of natural resources is critical to biodiversity-rich but water-stressed South Africa. The largely publicly-funded Expanded Public Works Programme (EPWP) and Community Works Programme (CWP) has significantly improved ecosystem health in Lepelle-Nkumpi, notably through initiatives in the Environment and Culture sector. The fact that Lepelle-Nkumpi is the "Gateway to the Kruger to

Canyons Biosphere” should serve as a policy imperative to encourage resource conservation and management.

- 5.15.5. **Buildings and the built environment:** South Africa is a global leader in green buildings. From an initial focus on commercial buildings, increasing investment is now being directed towards green residential property development and public buildings. Social housing also presents an opportunity to implement green design principles, building on existing environmental guidelines for low-income housing which Lepelle-Nkumpi should adopt and comply to.
- 5.15.6. **Sustainable Consumption and Production (SCP):** Activities in this area are largely focused on energy efficiency and are largely domestically funded. Key programmes, oriented towards the private sector should be implemented though there is limited financial support to implement energy efficiency measures in both the private and public sector, and access to finance is key to change in this sector.
- 5.15.7. **Sustainable waste management practices:** The waste sector has immense potential to create work opportunities across the value chain and should focus on employment creation and reduction of Green House Gas (GHG) emissions. Although there is a significant focus on employment creation through waste collection, employment opportunities along the entire value chain – from recovery at source through to waste beneficiation opportunities – have to be explored to maximise the economic potential of sustainable waste management.
- 5.15.8. **Water management:** This sector has high potential for taking existing innovations to improve efficient water use, including local-level initiatives, to scale. It is recommended that mechanisms for investing in catchment, water management and ecological infrastructure are investigated and be put in place for Lepelle-Nkumpi through the Capricorn District Municipality. The activities of this sector are relevant to resource conservation management, SCP, agriculture and energy. Although the energy, agriculture and transport sectors are driving South Africa’s green economy at present (notably, through investments in the solar and bio-energy, farming and planning for non-motorised transport), there are identified sectors that can be used as key areas for growth. The knowledge base on each sector can be considerably expanded.

Chapter 6

Section 6: Local Economic Development Framework

6.1. Introduction

The previous sections of the study analysed the policy review that mandates Lepelle-Nkumpi Municipality towards local economic development. The review further investigated the development profile and sectoral analysis of the industries and concluded with a sector potential analysis.

This chapter formulates the framework that will guide the LED strategy for Lepelle-Nkumpi Local Municipality. The strategy seeks to advance opportunities identified in the sectoral potential analysis. The opportunities identified for local economic development will be considered in terms of their ability to broaden the local economic base of the region and the creation of job opportunities that would stimulate business development.

Sectoral opportunities identified will be grouped according to strategic interventions, programmes and projects. Strategic interventions will be further broken down into numerous programmes identified which will be beneficial for local economic development, which results in projects for the LED strategy development. It is also important to note that appropriate linkages and interactions between programmes and projects be established, as such integration is essential towards the development of the strategy that seeks to re-focus on the municipality's development needs and opportunities, and its competitive and comparative advantages. The development needs and projects identified will help to address the triple challenges of poverty, unemployment and inequity in the area.

6.2. Vision, Mission & LED Development Objectives

The vision for Lepelle-Nkumpi Municipality is to be a financially viable municipality, geared towards the improvement of quality of life of the people by providing sustainable services.

The economic Vision for Lepelle-Nkumpi Local Municipality is to ***“Build a Smart and Vibrant Town”***.

The mission for the municipality is to effectively and efficiently provide quality basic services and thus make a significant contribution to social and economic development of the community.

Based on the mission of the municipality and guided by the Provincial and National focus areas, the Key Performance Areas of the municipality are as follows:

- Basic Services and Infrastructure Development
- Community Empowerment
- **Economic Development**
- Institutional Transformation

LNLM local economic development addresses four basic questions which are:

1. Where are we now as a municipality?
2. Where do we want to go as a municipality?
3. The roadmap on how are we going to get there?
4. How do we know when we have arrived?

The main development principles for local economic development for Lepelle-Nkumpi Municipality are:

- To promote the well-being of all communities through job creation and alleviation of poverty
- To ensure economic growth and financial viability and accountability
- To promote a conducive environment for business, SMMEs and Cooperative development
- To attract, develop and retain human capital
- To improve the skills level in Lepelle-Nkumpi
- To promote community involvement and ensure effective communication
- To ensure the management and efficient use of local resources, skills and maximising opportunities for development
- To encourage concentration of business activities, formal and informal, within identified activity nodes to optimise their development potential.
- To improve accessibility within settlements by tarring main transport networks
- To develop and implement an integrated management and governance systems

One of the key components to also consider in LED Planning is the aspect of strategic planning. Strategic planning is a systematic process that provides a general framework for action. The general framework entails providing a way to determine priorities that evolve towards wise choices and the allocation of scarce resources (e.g., time, money, skills) in order to achieve the development objectives. Furthermore, it is also essential to consider that the principles of economic growth should be focused upon were the identified strategic interventions address the key essential gaps and potential sector economic opportunities that are suitable for the LED framework for Lepelle-Nkumpi economy.

6.3. Strategic Intervention Areas

To achieve the objectives of the LED strategy for LNLN the following strategic intervention areas are proposed and shown below:

Figure 23: Strategic Intervention Areas



Source: LNM LED Strategy, 2019

Based on the figure above, Strategic Intervention Areas to be considered for stimulating local economic development for Lepelle-Nkumpi include: agro-processing, tourism development, mining, trade and business environment enablement. In addition, strategic interventions shown above are based on the socio-potential analysis experienced for the economy in Lepelle-Nkumpi. The LED framework including programmes and projects is further summarised in the table below:

Table 29: Strategic Interventions, Programmes & Projects

Strategic Intervention	Programmes	Projects
Create an enabling environment	Information and Communications Technology (ICT)	<ul style="list-style-type: none"> Municipality should establish adequate ICT infrastructure Develop smart classrooms with access to computers and broadband internet at schools
	Infrastructure and zoning	<ul style="list-style-type: none"> Provision of enabling road infrastructure/connectivity/ expansion <ul style="list-style-type: none"> Development of the Baragwanath Pass route 37: Provincial Corridor between Polokwane and Burgersfort; R518: Main Road (Lebowakgomo – Mokopane) R519: Main Road (Polokwane –

Strategic Intervention	Programmes	Projects
		<p>Zebediela – Roedtan)</p> <ul style="list-style-type: none"> ○ R579: Main Road (Lebowakgomo – Jane Furse • Refurbishment of water treatment plant in Lebowakgomo • Refurbishment of waste water treatment plant • Improved & distribution of electricity to: <ul style="list-style-type: none"> ○ Matjatji ○ Ga-Molopo ○ Mamaolo ○ Seruleng ○ Moshongoville ○ Makweng ○ Volop • Safety and security provision in the municipality • The establishment of educational & health facilities (schools, libraries, clinics, etc.)
	Business skills development	<ul style="list-style-type: none"> • Small business skills training incubator – (finance, human resources, marketing etc.) • Entrepreneurship incubators • Entrepreneurship training at schools
	Technical skills development	<ul style="list-style-type: none"> • Establishment of the Lepelle-Nkumpi Technical Skills Academy • Agricultural “hands on” skills development (ploughing, planting, harvesting, irrigation, mechanical skills, animal care, etc.) • Youth in agriculture programme • Technical “hands on” skills development (mechanics, plumbing, carpentry, gardening, electrical, etc.) • Basic hospitality skills training
Agro-processing	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> • Expansion of Lombardi grape production • Expansion of the Zebediela citrus juice (orange) and packaging plant • Packaging and distribution of processed oranges • Sweet orange oil production • Beverages production • Marmalade production • Production of sauces • Spice mixtures
	Livestock farming	<ul style="list-style-type: none"> • Integrated goat farming • Processing of dairy milk (goat milk) • Expansion of abattoirs • Meat processing plants • Housing expansion for goats (shelter) • Construction of cold storage facilities • Establishment of collection centres (promotion skinning, storage and preservation) • Expansion of SMMEs butcheries

Strategic Intervention	Programmes	Projects
	Expansion of poultry production	<ul style="list-style-type: none"> • Expansion and the revitalisation of the chicken abattoir • Broiler chicken farming & processing • Supply and distribution of chicken pies, burgers, polony etc. • Production of cushions • Deboning of chicken • Production of bioenergy • Supply of fertiliser/manure • Housing of chickens
	Agro-processing capacity development	<ul style="list-style-type: none"> • Revitalisation of the industrial area in Lebowakgomo • Establishment of a research and development centre
Tourism development	Promotion of arts, crafts and heritage festivals	<ul style="list-style-type: none"> • Protection and promotion of heritage sites • Partnership with the mall for events • Supporting existing tourism facilities through training or marketing through websites, etc. • Refurbishment of the stadium in Lebowakgomo
	Development of conservation areas	<p>Development and marketing of tourism routes include:</p> <ul style="list-style-type: none"> • Bewaarskloof Conservancy • Wolkberg wilderness area • Lekgalameetse reserve <ul style="list-style-type: none"> ○ Develop hiking trails (Iron Crown hiking adventures) ○ Rock climbing ○ River rafting ○ Quad biking ○ Establish picnic sites
	Tourism expansion and enhancement	<ul style="list-style-type: none"> • Establishment of an Information Centre for tourism in Lebowakgomo • Village tourism (adventure node development on the eastern side)
	Agri-tourism	<ul style="list-style-type: none"> • Zebediela Farm Stay and Caravan Park (Agri tourism) <ul style="list-style-type: none"> ○ Citrus trail walks ○ Picnic sites ○ Development of a play park ○ Train drives in the farm ○ Treasure hunt activities ○ Cultural route (awareness of heritage) ○ Orange picking season ○ Summer orange festival ○ Kiddies birthday party special ○ Educational experience tours for school kids • Establishment of restaurants/accommodation (farm ranch/ranch vacations, B&Bs, guest ranch)
Mining & mineral beneficiation	Development of mining zones and environmental protected areas	<ul style="list-style-type: none"> • Development of the Dilokong Platinum Corridor (Town planning) • Environmental protection of non-mining zones

Strategic Intervention	Programmes	Projects
	Mining, beneficiation and processing	<ul style="list-style-type: none"> • Expansion of brick making in Zebediela • Gravel and stone crushes at Mathabatha, Molapo, Matebele, Rietvlei, Staanplaas for civil, roads and buildings • Polishing of stones • Slate excavation & tile manufacturing in Mafefe
	Recycling	<ul style="list-style-type: none"> • Recycling and producing products from waste car and truck tyres
Retail & business environment enablement	Revitalisation of the informal sector	<ul style="list-style-type: none"> • Land rezoning for informal sector development (town planning) • Upgrading of hawker's stalls • Construction of storage units (hawkers) • Establishment of an Information Centre (registration and licencing) • Amenities at the hawker's stalls (toilets, wash room, etc.) • Informal sector training programme
	SMME development	<ul style="list-style-type: none"> • Establishment of a green market • Co-operative development • Establishment of a logistic hub • Business precinct development (town planning) • Business incubators for SMMEs • Street-facing shops space • Pedestrian walkways in front of shops • Transport node development next to business precinct (bus and taxi rank)
Marketing	Develop local marketing promotion on campaigns	<ul style="list-style-type: none"> • "Buy Lepelle-Nkumpi" local coupon incentives • "Buy Lepelle-Nkumpi" develop an advertising campaign for local products • Lepelle-Nkumpi agriculture marketing

6.3.1. Strategic Intervention 1: Create an enabling environment

An enabling environment is essential towards providing support for certain activities to develop. For local economic development to take place, it is crucial for an enabling environment to be established which generally provides the foundation for economic development.

Furthermore, this intervention is key towards the achievement of other catalytic projects for the municipality. The municipality should take note of creating an enabling environment, as this will position Lepelle-Nkumpi at the centre of economic development.

An enabling environment, understood in its broadest sense, encompasses the whole panoply of national and international policies, measures and institutions in the economic, social, legal and political domains that influence or affect the growth and development prospects of a

country. In a local economic context, an enabling environment can be viewed as the key launch-pad needed to kick start development in a certain area.

Lepelle-Nkumpi needs to establish an environment in the area that will enable the attraction of investment and the development of catalytic projects to take place. It is essential that for an enabling environment to be created, the municipality should provide good road conditions in terms of connectivity and ICT infrastructure.

This is critical as it forms the foundation for other projects to kick off. The following programmes under creating an enabling environment have been identified, which include:

Programme 1: Information and Communications Technology (ICT)

ICT refers to the technology used to manage and assist with communication. Its purpose is to unify communications by joining telecommunications, computers and audio-visual technologies, usually via a single cabling or link system, to enable users within Lepelle-Nkumpi to access, store, transmit and manipulate information in the most productive and efficient way.

The technologies involved with ICT include computers, the internet, broadcasting technologies (radio and television) and telephony. Lepelle-Nkumpi is still a very rural area and as such it does not yet have adequate infrastructure to properly assist its students with learning. ICT will be a great benefit to the education system and the municipality as libraries and textbooks are often outdated and worn out.

ICT is of key importance towards transforming an economy to be a knowledge-based economy as it provides benefits which entail:

- ICT gives individuals a competitive edge as they search for a job in the global job market
- ICT provides easier access to more learning materials online, such as the latest textbooks, other classroom resources and better teacher training
- ICT enables access to resource persons, mentors, experts, researchers, professionals, business leaders and peers all over the world
- It enables students to play an active role in their own education, thereby increasing their motivation to study.

Programme 2: Infrastructure and zoning

The main goal of this programme is to zone and designate land for investment purposes. This is essential towards enabling the ease of doing business for potential investors. One of the key essential elements under infrastructure and zoning is the purification of water, tarring of internal roads, provision of sanitation services, and maintenance and upgrading of gravel roads to surfaced roads, including putting up road signage.

The eastern side of Lepelle-Nkumpi is very mountainous and has challenges in terms of accessibility as the road conditions are very poor. The western side comprises Lebowa kgomo town where most economic activity takes place. The western area is known as the economic

centre of the LNLNLM. The core activities in this town range from specialised services to functions such as government offices, hospitals, shopping facilities for luxury goods and financial services.

The area still has infrastructure and zoning challenges as it still does not provide an enabling environment for local economic development. The infrastructure and zoning approach will provide greater flexibility and adaptive management of land used for the provision of public or private infrastructure development.

It is crucial that Lepelle-Nkumpi be an area that attracts investment. This can be achieved with the key aspects of the blue drop status, improvement in safety and security, and provision of good schools in Lepelle-Nkumpi (which is essential to an investment eye).

Programme 3: Business skills development

Business skills development is one of the fundamental elements towards creating an enabling environment for businesses to operate. Skills development is a powerful motivator for new and existing employees, whether it is through learnerships, internships or workplace-based training programmes. It enables the ease of doing business to be relatively favourable and individuals who feel that their company is investing in them, personally and professionally are more likely to be loyal to the organisation.

Success in every economy is dependent on the availability of a skilled workforce that can serve the sectors where growth can be best achieved, and the same principle can also be applied in a business set up. In Lepelle-Nkumpi there is a gap between the demand for skills that can help the economy to grow and supply of skills from within the domestic labour market. This programme seeks to close the gaps that exist and offer programmes that can develop small businesses and develop entrepreneurship training at early childhood development.

Programme 4: Technical skills development

The technical skills development programme will develop the appropriate skills, setting standards for training and qualifications, building institutions capable of delivering high quality courses, and training of trainers and creating links with business and communities. Technical skills development is of importance towards local economic development as it can embed interventions in ministries, companies, chambers of commerce and enterprises that are best positioned to make change happen.

Technical skills in Lepelle-Nkumpi can be developed when it comes to “hands on” skills such as agriculture development, mechanics, plumbing, carpentry, gardening, electrical, etc.

A well-developed technical skills economy enables governments to mobilise private capital for productive investment, delivering improved infrastructure provision and higher economic growth. Technical skills development in Lepelle-Nkumpi can be beneficial towards creating an enabling environment for local economic development to take place.

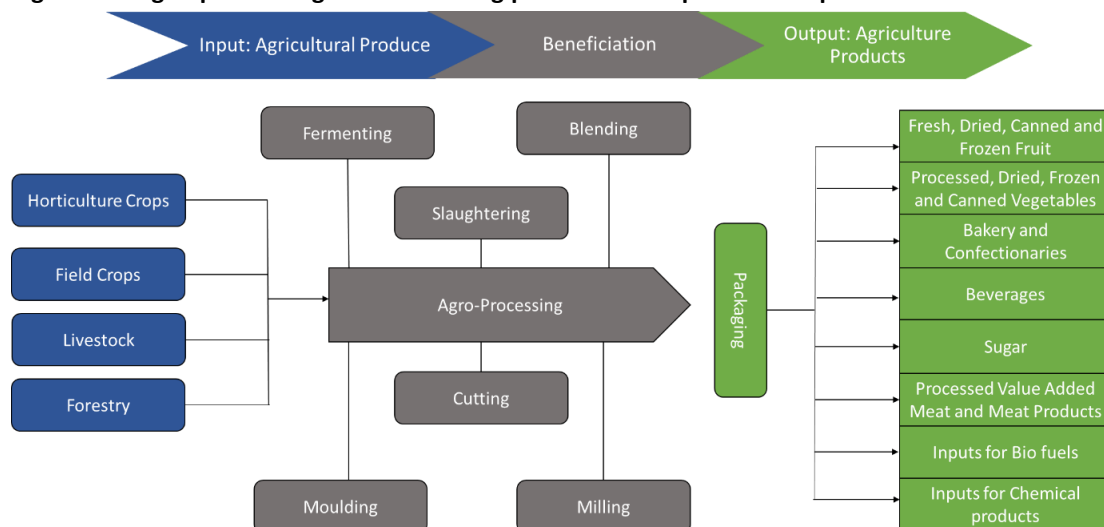
Table 30: Creating an enabling environment description

#	Project	Project programme	Project description
1	Municipality should establish adequate ICT infrastructure	Information and Communications Technology (ICT)	<ul style="list-style-type: none"> The enhancement of ICT infrastructure in the local economy. A key consideration entails access to internet services and the setup of more network towers within the municipality.
2	Developing smart classrooms with access to computers and broadband internet at schools	Information and Communications Technology (ICT)	<ul style="list-style-type: none"> This project seeks to provide ICT services such as computers and smart e-learning from early childhood development.
3	Provision of enabling road infrastructure/connectivity/expansion	Infrastructure zoning	<ul style="list-style-type: none"> This project seeks to improve and expand road connectivity by providing good roads. Key roads for consideration are: <ul style="list-style-type: none"> Development of the Orrie Baragwanath Pass route 37: Provincial Corridor between Polokwane and Burgersfort; R518: Main Road (Lebowakgomo – Mokopane) R519: Main Road (Polokwane – Zebediela – Roedtan) R579: Main Road (Lebowakgomo – Jane Furse)
4	Refurbishment of water treatment plant in Lebowakgomo	Infrastructure zoning	<ul style="list-style-type: none"> This project seeks to investigate the water purification/treatment in Lepelle-Nkumpi which will result in a blue drop status for the environment.
5	Refurbishment of waste water treatment plant	Infrastructure zoning	<ul style="list-style-type: none"> This project seeks to ensure the provision of sanitation services to communities in a sustainable manner.
6	Improved & distribution of electricity	Infrastructure and zoning	<ul style="list-style-type: none"> This project seeks to ensure that electricity distribution is improved and is enough.
7	Security and safety provision	Infrastructure zoning	<ul style="list-style-type: none"> This project seeks to zone areas that will be suitable for the establishment of more safety and security facilities such as police stations in the municipality
8	Establishment of educational & health facilities (schools, libraries, clinics etc.)	Infrastructure zoning	<ul style="list-style-type: none"> This project seeks to zone areas that will be suitable towards the establishment of more schools and libraries in the municipality.
9	Small business skills training incubator	Business skills development	<ul style="list-style-type: none"> This project will provide business skills training in relation to finance, human resources, marketing, etc.
10	Entrepreneurship incubators	Business skills development	<ul style="list-style-type: none"> This programme seeks to establish entrepreneurship incubators that help new and start-up companies to develop by providing services such as management

#	Project	Project programme	Project description
			training or office space.
11	Entrepreneurship training at schools	Business skills development	<ul style="list-style-type: none"> This project seeks to introduce early childhood internships at schools. The municipality should engage with organisations like SEDA to develop this concept.
12	Agriculture “hands on” skills development	Technical skills development	<ul style="list-style-type: none"> This project seeks to provide skills in relation to agriculture which entail ploughing, planting, harvesting, irrigation, mechanical skills, animal care, etc.
13	Youth in agriculture programme	Technical skills development	<ul style="list-style-type: none"> This project seeks to incorporate youth into the agriculture where they will be trained on farming skills by the farmer.
14	Technical “hands on” skills development	Technical skills development	<ul style="list-style-type: none"> This project seeks to provide practical specific skills in relation to (mechanics, plumbing, carpentry, gardening, electrical etc.)
15	Basic hospitality skills training	Technical skills development	<ul style="list-style-type: none"> The project will provide the basic training for the hospital, such as how to make a bed, telephone/communication skills, etc.
16	Repairing of machinery parts and farming equipment	Technical skills development	<ul style="list-style-type: none"> This project seeks to assign a local company that will focus on the repairing of machinery parts and farming equipment.
17	Establishment of the Lepelle-Nkumpi Technical Skills Academy	Technical skills development	<ul style="list-style-type: none"> The establishment of the academy will seek to transfer technical skills (through training and development) relevant for the development of Lepelle-Nkumpi.

6.3.2. Strategic Intervention 2: Agro-Processing Sector

Figure 24: Agro-processing value-chaining potential in Lepelle-Nkumpi



The figure above illustrates agro-processing which involves the transformation of raw materials from primary agriculture into finished or semi-finished products ready for use by the end user or immediate user. This process of transformation involves seven distinctive processes, which include fermenting, slaughtering, blending, moulding, cutting, milling and packaging. Furthermore, a well-developed agro-processing sector has important benefits for food price stability and food security.

It is also important to note that for agro-processing to be successful, some of the factors to consider that influences agro-processing are R&D, technology and marketing, input supplies, government support, multinationals, logistics, training and skills development, machinery, quality assurances and standards and investors. The following programmes under agro-processing which have been identified include:

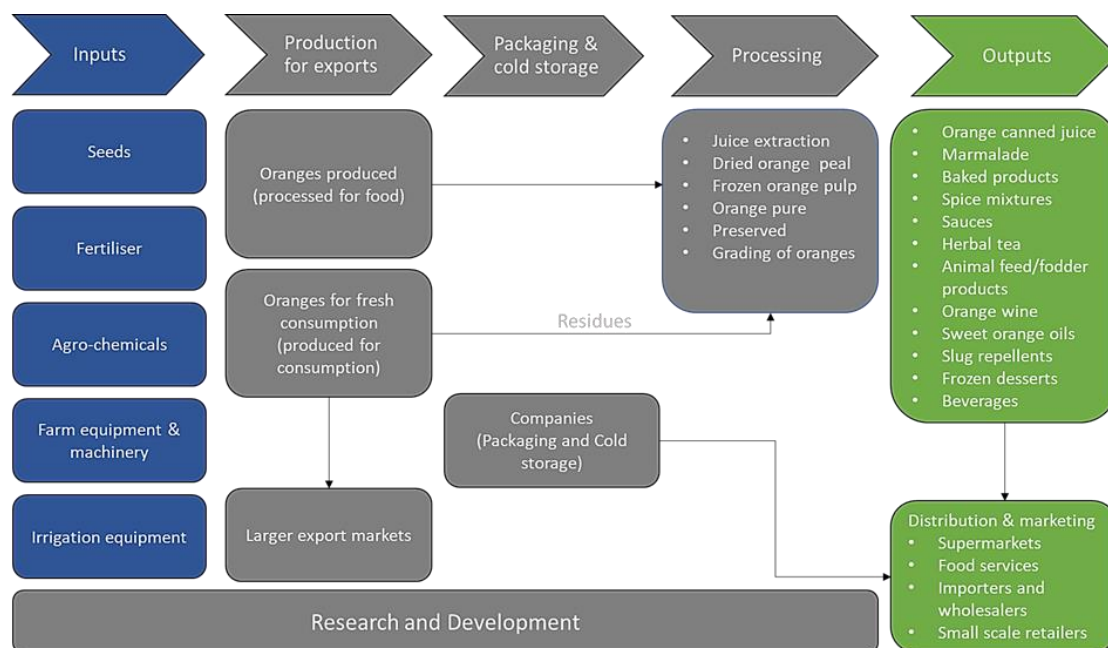
Programme 1: Citrus agro-processing (cultivation & production)

The programme is a key enabler for employment opportunities and SMME sector development in the municipality. The citrus industry has vast employment opportunities for local SMME as they can produce fertilizer, packaging material and nurseries to provide the industry with seedlings. Furthermore, expanding cultivation by assisting current farmers in producing quality fruits can assist with access to market and ensuring processing facilities have enough supply.

The citrus and agro-processing cluster has a lot of opportunities which exist with fruit and juice extraction and packaging at the Zebediela citrus farm. Citrus processing entails juices, fruit pulp, concentrates and blending it with other fruits where the final product is packaged and sold as juice products to retailers or sold as bulk concentrate for further processing. Lepelle-Nkumpi has a very advantageous climate and land for the development of high value organic food products, which could complement the activities of the tourism cluster. There is a need to mainstream climate change mitigation plans to support sustainable economic production.

Citrus agro-processing for Lepelle-Nkumpi will mainly benefit emerging and small-scale producers to prevent post-harvest loss and wastage. Products produced can be branded for local market making products within reach to local communities. The citrus value chain includes several species, mainly oranges, grapefruit and lemons. The diagram below illustrates an example of a citrus value chain.

Figure 25: Orange Value Chain



Programme 2: Livestock farming

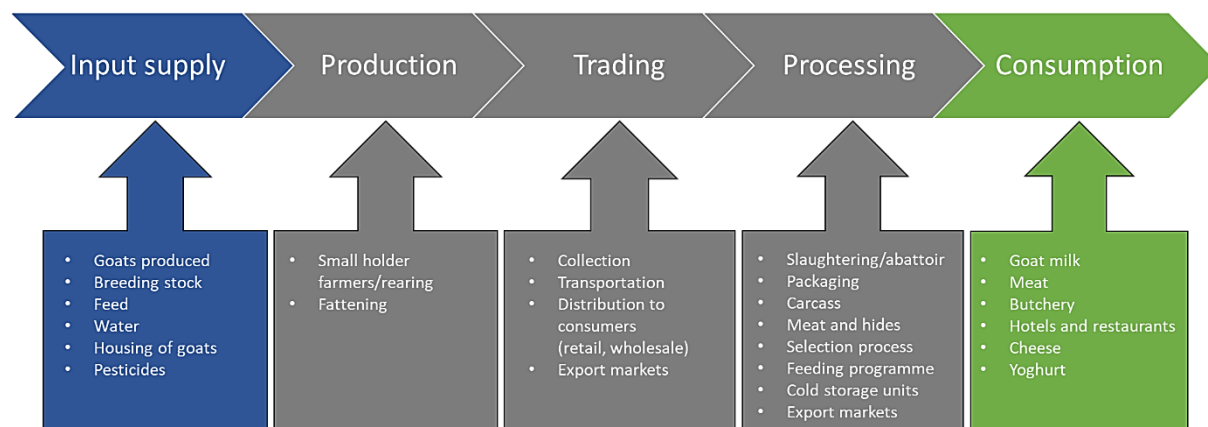
Lepelle-Nkumpi Local Municipality is suitable for both small and large stock. Small stock are goats, sheep and pigs, while large stock are beef cattle. The livestock farming programme aims to expand goat production for exports, optimising slaughtering of goats and meat processing. Furthermore, the programme includes developing the SMME opportunity in meat and hide processing (butcheries and leather tanneries).

In Lepelle-Nkumpi, livestock farming of goats constitutes most livestock in the area. Goats are scattered all over Lepelle-Nkumpi but are reportedly more abundant in the Ga-Mphahlele, Zebediela and Mafefe areas. It can also be noted that opportunities for developing a goat slaughtering, meat and milk processing, packaging and marketing plant exists in Mphahlele.

Goat products have become popular over the years and are suitable for small-hold farm conditions. Goats currently offer the biggest scope for improvement and development in the animal agriculture industry. This includes the commercialisation of the unimproved indigenous goat resources as well as the development of value-added traits and products.

The figure below illustrates the value chain in livestock farming which essentially will be focused on goat production.

Table 26: Goat Value Chain



Programme 3: Expansion of poultry production

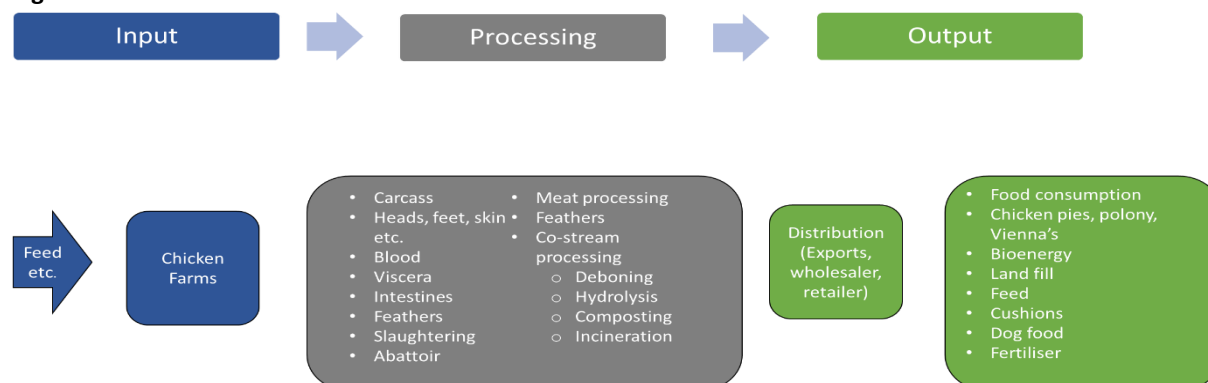
The expansion of poultry programmes seeks to expand existing poultry production, thereby optimising the existing abattoirs in Lepelle-Nkumpi. The programme also aims to provide inputs to animal feed suppliers and the opportunity of meat (butcheries) development in the SMME sector.

White meat production encompasses two main commodities which are pork and poultry production. The poultry industry plays a huge role in providing food security and income generation. In the production of poultry, processing of broilers has the largest profit margins that exist in the poultry industry, thus the need for processing activities to be established and maintained.

The white meat industry uses easier processing technologies as compared to other meats, thus productivity is higher than other meats. White meat is also a healthier and cheaper alternative to red meat. In Lepelle-Nkumpi, poultry production is mostly in Lebowakgomo, Mphahlele, Mafefe and Khureng.

The figure below illustrates the value chain which essentially will be focused on chicken production.

Figure 27: Chicken Value Chain



Programme 4: Agro-processing capacity development

The aim of this programme is to capacitate and develop one's own potential to enhance performance. The agro-processing capacity development programme is key towards sustainable development in agro-processing and improving agriculture production.

The agro-processing capacity development is concerned with developing the conditions, skills and the ability to manage and facilitate productive change. This programme will make use of the existing infrastructure for the Lebowakgomo Industrial Park, as well as any other infrastructure available in and around Lebowakgomo. The revival of the industrial park and the establishment of a research and development centre would be a catalyst for the economy in Lepelle-Nkumpi in terms of economic growth, job creation and improvement in trade.

The projects that support the achievement of this strategic intervention for Agro-processing in Lepelle-Nkumpi include:

Table 31: Agro-processing project description

#	Project	Project programme	Project description
1	Expansion of Lombardi grape production	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> This project seeks to maximise opportunities on the production and expansion of grape production in the municipality.
2	Expansion of the Zebediela citrus juice	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> This project involves the expansion of the Zebediela citrus juice extraction which focuses on the processing of juice. Noting the injection of R3m in the department by the Department of Agriculture with a finalised Master Plan valued at R2m
3	Beverage production (frozen canned juice)	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> This project will entail the packaging and canning frozen juice as part of the Value-Chaining program.
4	Packaging and distribution of processed oranges	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> This project will package and distribute processed oranges from the Zebediela estate farm to other areas.
5	Sweet orange oil production	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> Production of sweet orange oil which can be beneficial for health purposes.
6	Marmalade production	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> This project will produce marmalade from juice and peels of citrus fruits boiled with sugar and water.
7	Production of sauces (spice mixtures)	Citrus agro-processing (cultivation & production)	<ul style="list-style-type: none"> This project will produce spice mixtures that are used when preparing food, e.g. orange puree recipe, orange barbeque sauce.
8	Integrated goat farming	Livestock farming	<ul style="list-style-type: none"> Farming for the purposes of selling live goat meat or goat products.
9	Processing of dairy milk	Livestock farming	<ul style="list-style-type: none"> This project will focus on the processing of milk to produce other products such as cheese, yoghurt, etc.
10	Expansion of abattoirs	Livestock farming	<ul style="list-style-type: none"> The expansion of more abattoirs has the opportunity of developing a goat slaughtering facility. The project will include meat and milk processing and packaging, and it is considered that the marketing plant exists in Mphahlele.
11	Meat processing plants	Livestock farming	<ul style="list-style-type: none"> This project looks at the development of a meat processing plant in Mphahlele
12	Housing expansion for goats	Livestock farming	<ul style="list-style-type: none"> This project will expand and create more housing for goats.
13	Establishment of collection centres (promotion, skinning and preservation)	Livestock farming	<ul style="list-style-type: none"> This project will establish a collection centre that will preserve, skin and promote the carcass.

#	Project	Project programme	Project description
14	Expansion of SMME butcheries	Livestock farming	<ul style="list-style-type: none"> This project seeks to expand and support SMME butcheries in the area.
15	Expansion and the revitalisation of the chicken abattoir	Expansion of poultry production	<ul style="list-style-type: none"> The expansion and revitalisation of more abattoirs and the provision of the necessary equipment needed to slaughter chicken.
16	Broiler chicken farming & processing	Expansion of poultry production	<ul style="list-style-type: none"> This project will supply local demand and extend value chain (e.g. feeds, hatcheries, etc).
17	Supply of chicken pies, burgers, polony and viennas	Expansion of poultry production	<ul style="list-style-type: none"> This project will investigate the production of products for consumption which include chicken pies, burgers, polony and viennas.
18	Production of cushions	Expansion of poultry production	<ul style="list-style-type: none"> This product will produce cushions from chicken feathers.
19	Deboning of chicken	Expansion of poultry production	<ul style="list-style-type: none"> An establishment of a centre that focuses on deboning chickens.
20	Production of bio-diesel	Expansion of poultry production	<ul style="list-style-type: none"> This project focus on the production of biodiesel from orange oils.
21	Housing of chickens	Expansion of poultry production	<ul style="list-style-type: none"> This project will construction housing needed for chicken.
22	Revitalisation of the industrial area in Lebowakgomo	Agro-processing capacity development	<ul style="list-style-type: none"> This project will revitalise the industrial park in Lebowakgomo which will enable agro-processing to take place.
23	Establishment of a research and development centre	Agro-processing capacity development	<ul style="list-style-type: none"> A centre that will focus on research and development for agro-processing and development.

6.3.3. Strategic Intervention 3: Tourism development

Tourism development is one of the key enablers for local economic development for Lepelle-Nkumpi. According to the National Department of Tourism's Master Plan 2023, the South African national tourism's overall strategy has three pillars aligned to the 2030 National Development Plan and the 2016-2026 National Tourism Sector Strategy namely:

- On the supply side, the Department of Tourism is enhancing the South African tourism destination by improving infrastructure at tourism magnets, developing skills, instilling a culture of service excellence and ensuring quality offerings. These are all factors that contribute to the enhancement of tourists' experience.
- On the demand side, the Department of Tourism has implemented a marketing strategy to promote tourism in South Africa.
- Through inter-governmental coordination and collaboration, the Department of Tourism is addressing barriers to seamless travel and connectivity to develop South Africa's tourism asset base.

The municipality area has a vast amount of natural resources that can scale up the tourism sector if used efficiently. Opportunities for development in the tourism sector include agri-tourism (thus agri-tour base), recreational activities, adventure, ecotourism, and the promotion of arts, culture and heritage activities.

The strategic intervention also includes the component of agri-tourism which is a growing industry as more tourists prefer to experience "life on a farm" or simply to get out into nature for a while. People are moving away from the typical beach vacations and moving more towards discovering and exploring their world.

Lepelle-Nkumpi has a suitable climate to make the region a pleasant all-year round holiday destination. Natural and cultural resources could be transformed or developed into tourism attractions that create jobs and generate income for Lepelle-Nkumpi. Furthermore, natural features of the area such as parks and reserves, waterfalls, and other water catchment areas, caves, rock formations and the general unhampered beauty of the region provides infinite potential activities. Mainstreaming of climate change mitigation plans in the tourism cluster is prime.

Lepelle-Nkumpi also boasts the Olifants and Nkumpi Rivers, which form the southern boundary of Lepelle-Nkumpi including the Nkumpi River, Hlakaro River and the Mohlaitse River. In addition, the wetlands in the area provide the scenic beauty which can be a catalyst towards drawing tourists to Lepelle-Nkumpi.

The municipality area is mountainous towards the north-eastern side where the Wolkberg Wilderness Area, Lekgalameetse Nature Reserve, and Bewaarskloof Nature Reserve in the Northern Drakensberg mountain range can be found.

These areas can be commercialised into a main tourism attraction of Lepelle-Nkumpi and Capricorn District as a whole. Furthermore, the Kruger to Canyons Biosphere (K2C) that is located on the western side encompasses the Kruger National Park along with other reserves

such as the Blyde River Canyon Nature Reserve positioning Lepelle-Nkumpi as the “Gateway to the Kruger to Canyons Biosphere”.

This biosphere consists of three biomes, namely grasslands, Afromontane forests and savanna and can be a useful tool for tourism growth and development. It can also be considered that the location of the Kruger to Canyons Biosphere in LNLM creates an ideal opportunity to position the municipality as the Gateway to the Kruger to Canyons Biosphere reserve. The municipality has many natural resources that can result in a flourishing tourism sector if used sustainably and responsibly. The following programme under Tourism development identified is explained below:

Programme 1: Promotion of arts, crafts and heritage festivals

The main objective of this programme is to promote, foster and develop tourism in Lepelle-Nkumpi as a resort tourist pleasant destination, considering that Lepelle-Nkumpi is positioned as the “*Gateway to the Kruger to Canyons Biosphere Reserve*”. Tourism is prominent in the local municipalities within Capricorn and its strategic location off the national and provincial movement corridors is of prime advantage.

Literature suggests that the promotion of arts, crafts and heritage festivals has been viewed to have a key role towards marketing and developing a corporate brand for a city (Karabağ, Yavuz, & Berggren, 2011).

Furthermore, promotion of arts, crafts and heritage festivals is also seen as a key substitute to compensate for the seasonality of ordinary tourism. According to Seisdodos (2006), face-to-face promotional activities such as trade fairs, business seminars, cultural and sporting events sponsorship, road shows, and study tours tend to have a greater impact on tourism development within an area.

Lepelle-Nkumpi has potential to develop the tourism segment, provided the promotional and heritage activities are put in place. The programme for promotion of arts, crafts and heritage festival would create an interactive, relational, and experience-based atmosphere that attracts people from all walks of life.

The municipality area has a rich history which elaborates how Lepelle-Nkumpi has evolved over time. The cultural aspect of the programme could be a key enabler towards the tourism enhancement.

The programme will take advantage of religion as one of the drivers towards promoting arts, crafts and heritage festivals, considering that the municipal area received a high number of tourists for religious purposes due to the Moria Pilgrimages and the ZCC religious events and ceremonies.

Lepelle-Nkumpi could attract this whole market by hosting regular events at the ZCC regional offices found in the municipality. Development opportunities include sorghum beer brewing, sewing of traditional clothing, arts and crafts manufacturing (wooden crafts, beadwork, jewellery).

Programme 2: Development of conservation areas

Conservation areas seek to protect a variety of ecological resources and services such as biodiversity and productive farmland. The development of conservation areas can be a useful programme towards developing tourism potential. The province is very rich in wildlife, spectacular scenery, and has a wealth of historical and cultural treasures.

Lepelle-Nkumpi is very mountainous especially on the north-eastern side where the Wolkberg Wilderness Area, Lekgalameetse Nature Reserve, and Bewaarskloof Nature Reserve in the Northern Drakensberg mountain range can be found. These areas have a challenge in terms of accessibility, as the road conditions are not favourable and require a 4X4 vehicle.

These areas are suitable for hiking, rock climbing, quad biking and river rafting. Developing hiking trails and offering support amenities for development could attract more tourists to the area.

The Iron Crown in the Wolkberg wilderness area presents an opportunity for the more adventurous type of hikers and rock climbers. Putting a big frame like the big yellow frames in Cape Town at the Iron Crown could further inspire tourists to get to the highest point in Limpopo. Development of such route(s) along with eco-adventure companies would challenge tourists to reach this point of the Wolkberg.

Lepelle-Nkumpi should develop conservation areas as this will increase marketing efforts for the unique attractions and activities such as the Cable way, Miraculous tree, African Ivory Route Camp, Iron Crown and the three nature reserves. The municipality should upgrade from gravel to tar roads which will be a key enabler towards increasing the number of tourist visits to the area. Furthermore, extending the road towards the eastern side of the mountains towards the towns in Greater Tzaneen and Maruleng municipalities, and the Kruger National Park, will increase the flow of travellers as it becomes more convenient.

Programme 3: Tourism expansion and enhancement

Tourism expansion and enhancement is the result of collaborative efforts of various stakeholders. It involves identifying all the stakeholders in private and public sectors, DMOs, tourism and allied businesses, and their respective roles in creating or developing part of the tourism product. Tourism products include natural or man-made attractions, hotels, resorts, restaurants, theatres, activities, festivals and events¹.

This programme aims to develop the tourism product for Lepelle-Nkumpi which includes the establishment of a tourism information centre in Lebowa kgomo, the provision of a 4x4 tour guide vehicle for the Mafefe camp, revitalisation of the Limpopo entertainment centre and provision of picnic sites.

The programme will also create a tourism village, thus bringing people together from different regions due to the various product offerings. Product development in the tourism sector is identified as a catalytic element for future growth in the whole of the Limpopo province. In addition, a sense of identity in the different market levels such as in the local, national and international market can be attained.

The development and enhancement of tourism products will help the municipality to achieve its vision in tourism which seeks to position Lepelle-Nkumpi as a *“Gateway to the Kruger to Canyons Biosphere Reserve”* and to develop tourism as a sustainable competitive economic sector, thereby improving the quality of life for the residents by means of creating employment through a financially viable municipality. It is of importance that the quality of tourism establishments in Lepelle-Nkumpi benchmarks with its competitors to attract more tourists and further develop the tourism sector in LNLN.

The strategic directions that will develop the tourism product for LNLN entail:

- The improvement in connectivity in terms of access to strategic areas in the municipality
- The enhancement and the development of conservation areas, thereby making the areas the main tourist attractions
- The enhancement of institutional structures and the quality of skilled manpower
- To increase the investment in product development and marketing
- To benchmark with other municipalities to enhance a comparative advantage
- To enhance security and safety measures for tourism as poor safety and security measures result in negative perception of the area

Figure 28: Asbestos Museum at Ga-Mathabatha



Product development for tourism is a vital component which also provides a platform for quality management. It is essential for the quality of tourism establishment in Lepelle-Nkumpi to be upgraded to meet the standards of their competitors. The map below illustrates the tourism destination and activities for Lepelle-Nkumpi.

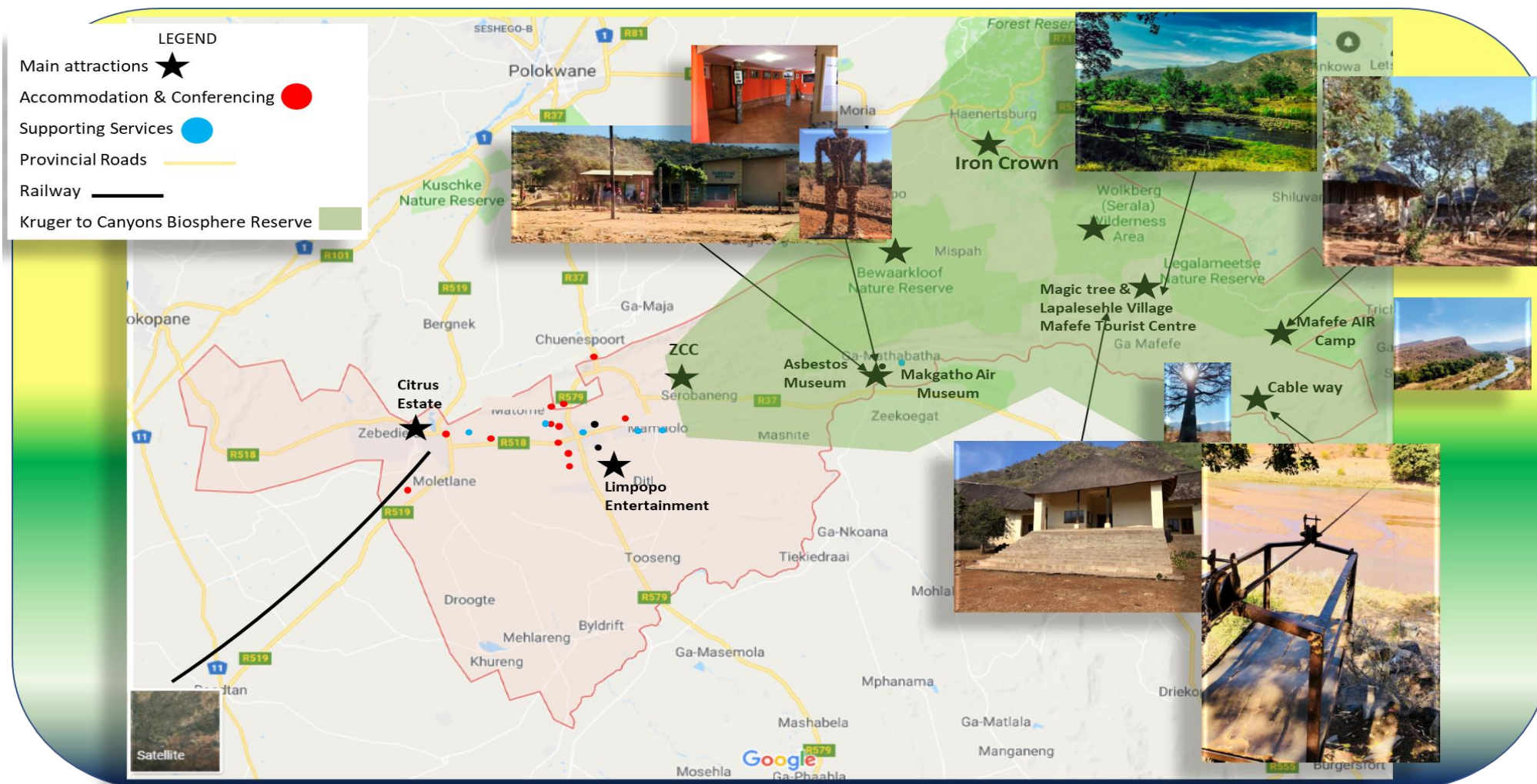


figure 18: Tourism Map for Lepelle-Nkumpi

The potential projects supporting the achievement the strategic intervention for Tourism development in Lepelle-Nkumpi include:

Table 32: Tourism project descriptions

#	Project	Project programme	Project description
1	Protection and promotion of heritage sites	Promotion of arts, crafts and heritage festivals	<ul style="list-style-type: none"> This project seeks to market Lepelle-Nkumpi as a tourism resort area with vast amount of activities to engage in the area.
2	Partnership with the mall for events and exhibitions	Promotion of arts, crafts and heritage festivals	<ul style="list-style-type: none"> This project seeks to establish a partnership between the mall and the municipality where events with the mall could be a pull driver for tourists.
3	Supporting existing tourism facilities through training or marketing through websites and tourist maps	Promotion of arts, crafts and heritage festivals	<ul style="list-style-type: none"> This project seeks to support existing tourism facilities so that they can be competitive and evolve towards the demand of the current tourism needs.
4	Development of and marketing of tourism routes (Bewaarskloof Conservancy, Wolkberg wilderness area & Lekgalameetse reserve)	Development of conservation areas	<ul style="list-style-type: none"> Conservation areas need to be developed and be easily accessible for tourist. This entails developing hiking trails, rock climbing, river rafting and quad biking.
5	Establishment of a Visitors Information Centre (VIC) in Lebowakgomo	Tourism expansion and enhancement	<ul style="list-style-type: none"> The project seeks to establish an Information Centre that seeks to be the centre for providing information and activities that can be done in the municipality area.
6	Village tourism (adventure node development on the eastern side)	Tourism expansion and enhancement	<ul style="list-style-type: none"> This project seeks to develop and expand product offerings on the eastern side area in terms of adventure tourism.
7	Home Stays	Tourism expansion and enhancement	<ul style="list-style-type: none"> Encourage households to make available their excess properties into graded Home-stays facilities
8	Zebediela Farm Stay Caravan Park	Agri-tourism	<ul style="list-style-type: none"> The Zebediela farm stay Caravan park will be a tourist destination area with a vast amount of activities to partake in and establish restaurants.
	<ul style="list-style-type: none"> Citrus trail walks 	Agri-tourism	<ul style="list-style-type: none"> Citrus trail walks need to be developed where tourist can tour the citrus estate at a fee.
	<ul style="list-style-type: none"> Development of a play park 	Agri-tourism	<ul style="list-style-type: none"> A play park needs to be developed to cater for children activities with recreational equipment such as (seesaw, merry-go-round, slide, jungle gym, chin-up bars, sandbox, spring rider, trapeze rings, playhouses, and mazes)

#	Project	Project programme	Project description
	<ul style="list-style-type: none"> Picnic sites 	Agri-tourism	<ul style="list-style-type: none"> Picnic sites needs to be developed in areas such as Zebediela Citrus farm, Mafefe with facilities to support the sites that are well maintained.
	<ul style="list-style-type: none"> Train drives in the farm 	Agri-tourism	<ul style="list-style-type: none"> Train drives in the farm should be developed to move children around the estate at a fee, as train drives are a highlight event for children
	<ul style="list-style-type: none"> Treasure hunt activities 	Agri-tourism	<ul style="list-style-type: none"> Treasure hunt activities should be established at the Zebediela Stay Caravan which provides children with activities to do at the park.
	<ul style="list-style-type: none"> Cultural route (awareness of heritage) 	Agri-tourism	<ul style="list-style-type: none"> A cultural route with historical exhibitions can be hosted by the Zebediela Caravan park during festivals or historical events which informs the tourists of the activities taking place.
	<ul style="list-style-type: none"> Orange picking season 	Agri-tourism	<ul style="list-style-type: none"> An orange picking season can take place during summer were people pay a certain fee to enter the estate to pick up fresh oranges.
	<ul style="list-style-type: none"> Kiddies birthday party 	Agri-tourism	<ul style="list-style-type: none"> Kiddies birthday parties can be hosted at the park. This will require the necessary facilities to support this development
	<ul style="list-style-type: none"> Winter Orange Festivals 	Agri-tourism	<ul style="list-style-type: none"> Festivals can be hosted during the year at the Zebediela Citrus Farm Estates which will host a variety of different cultures from diverse areas.

.4. Strategic Intervention 4: Mining & mineral beneficiation

Mining and beneficiation are of strategic importance to the economic development for the municipality. The Platinum mining cluster on the Dilokong Corridor that extends through the municipal area is a development priority for provincial government and creates a range of opportunities. This strategic intervention offers key essential elements for mining and beneficiation which include economic linkages (backward linkages and forward linkages). These economic linkages have potential to develop the mining sector by expanding on the supply and value chains during various stages of production.

Strengthening and developing economic linkages has the potential impact to prevent any further leakages from occurring within the municipality. The following programmes support the strategic intervention for mining:

Programme 1: Development of mining zones and environmental protected areas

Mining remains an important part for local economics in the foreseeable future. The essence of this programme is to develop zones that are precisely suitable for mining. The development of areas that are specifically zoned for mining results in untapped minerals being discovered, which could potentially improve the growth of the economy and provide job opportunities for the locals. The municipality needs to establish a database of available land in the municipality for mining development which would ease the identification of mineral rights ownership towards mining development. It is also of importance for mineral zones areas to be identified and made known to prospectors and/or investors.

In addition, zoning also develops a sustainable mining sector. Environmental protected areas also have a long history and are a feature of cultures around the area. Environmentally protected areas essentially provide for biodiversity conservation. Programmes that support the strategic intervention for mining and beneficiation include the following as shown below:

Programme 2: Mining, beneficiation and processing

Mining, beneficiation and processing programme is essential towards providing economic linkages which could potentially create more jobs for the municipality area. Beneficiation is key in mining as this entails the transformation of a mineral (or a combination of minerals) to a higher value product which can either be consumed locally or exported.

The mining, beneficiation and processing programme has the potential to develop economic linkages i.e. (both backwards and forwards linkages). This programme consists of the expansion of the brick making in Zebediela due to the demand in bricks and construction material, gravel and stone crushes, slate and scale manufacturing in Mafefe.

The programme also ensures improvements in the value chain process which can create jobs and generate income for the municipality.

Programme 3: Recycling

Globally, the mining industry plays a leading role in waste management and is one of the few industries that recycles most of its own waste. Lepelle-Nkumpi is rich in manganese, platinum, silicon and granite (EMNP, 2010). Mining waste comes in many forms and varies from harmless to highly hazardous, much of which has little or no economic value, but the mining industry is trying to find new alternative uses for waste to reduce environmental impacts considering the prices of commodities moving up and down by large amounts. Products

that can be recycled in mining are paper and cardboard, plastic bottles, batteries and other e-waste, and steel and aluminium cans.

This programme entails the development and recycling of waste products from mining. The mining sector also produces a lot of waste such as tyres and timber beams. Recycling is not only more sustainable, but it is also fundamentally cheaper, good for the environment and can be beneficial for local economic development in Lepelle-Nkumpi. Recycling has resulted in the belief that what may be waste today can suddenly become a valuable resource tomorrow. The table below shows the mining and mineral project descriptions.

Table 33: Mining and Mineral beneficiation project description

#	Project	Project programme	Project description
1	Development of the Dilokong Platinum Corridor (Town planning)	Development of mining zones and environmental protected areas	<ul style="list-style-type: none"> The development of the Dilokong platinum corridor should be a zone for platinum mining, which has the potential to create jobs.
2	Environmental protection of non-mining zones	Development of mining zones and environmental protected areas	<ul style="list-style-type: none"> The project seeks to develop the environmental protected areas and ensure that the beauty of the natural environment is not harmed.
3	Expansion of brick making in Zebediela	Mining, beneficiation and processing	<ul style="list-style-type: none"> This project seeks to expand brick making in Lebowakgomo considering the demand of the bricks and construction materials.
4	Gravel and stone crushes	Mining, beneficiation and processing	<ul style="list-style-type: none"> This project entails gravel and stone crushes for civil, roads and buildings for the municipality.
5	Polishing of stones	Mining, beneficiation and processing	<ul style="list-style-type: none"> This project entails the extraction and polishing of pebbles for landscaping purposes.
6	Slate excavation & Tile manufacturing	Mining, beneficiation and processing	<ul style="list-style-type: none"> Zoning of areas should be done to ensure that slate exaction & tile manufacturing does not affect tourism.
7	Produce products from waste car and trucks	Recycling	<ul style="list-style-type: none"> This project seeks to produce products from waste truck tyres.
8	Plastics, paper	Recycling	<ul style="list-style-type: none"> This project seeks to recycle plastic and paper.

SOURCE:

6.3.5. Strategic Intervention 5: Retail & business environment enablement

Retail & business environment enablement is one of the key drivers towards local economic development in an area. Trade is defined as a “commercial transaction involving the sale and purchase of a good, service, or information.”² According to a municipal perspective, trade can either be formally developed through town planning and other activities or left to grow organically, mostly within informal trade structures.

Retail & business enablement pillar seeks to expand and diversify trade in Lepelle-Nkumpi, thereby enabling the ease of doing business. This can be achieved if business support structures are developed to stimulate business development in Lepelle-Nkumpi.

Currently, the business environment and structure in Lepelle-Nkumpi needs entrepreneurship support through developing the SMMEs sector which is predominate in the area. This will have a spin-off effect towards business growth and the creation of further job opportunities in the area. Lepelle-Nkumpi also needs to market itself to attract investment in the municipality area through creating an enabling environment which enables the ease of doing business. To mention a few these, include a business information centre, provision of basic amenities near the mall, and infrastructure and facilities to support the development of the informal sector trade.

The following programmes under the retail & business enablement have been identified:

Programme 1: Revitalisation of the informal sector

The revitalisation of the informal sector programme is geared towards the development of skills, enhancing the employability and opportunities of its population within the municipality. The programme envisions the SMMEs sector having a distinct and vital role to play in Lepelle-Nkumpi in terms of creating a vibrant socially inclusive, labour-absorbing and growing economy.

This programme will also guide the municipality towards ensuring that hawkers are regulated and permitted to trade by having the necessary facilities such as upgrading of the hawker's trading areas and the provision of facilities for the smooth operational of business activities. The municipality needs to provide zoning of land for hawkers which will also enable the ease of doing business and ensure the success of the revitalisation programme.

Furthermore, there is also a need for a business information centre to be established as this will assist with the registration of businesses and the approval of business licences and permits for operation.

Programme 2: SMME development

The SMME development programme is designed to assist existing businesses to grow and diversify their trade offering to Lepelle-Nkumpi. All businesses are expected to attain municipal trading licenses in compliance to the LIBRA provisions. The 2024 Presidential proclamation for all businesses to be registered with the municipality is an ongoing program to support legitimate trading. The establishment of small business support structures is key towards the local economic development for Lepelle-Nkumpi as this will be a catalyst towards developing the municipality.

Existing businesses in Lepelle-Nkumpi face various challenges which restricts them in terms of growth and development. Businesses in the municipality need support skills training related to all the sectors in the economy. This has a key aspect in terms of improving business and financial management skills which is essential towards the growth of SMMEs.

Furthermore, having an information centre could be a very useful resource to the business community. An information centre will be the voice of business which will provide the capacity to enable the growth of the SMME sector. Businesses in Lepelle-Nkumpi have several issues pertaining to littering which has a detrimental effect when it comes to investment attraction. It is key for the municipality to support the business environment through having a clean-up crew campaign to ensure that the business vicinity is always appealing to an investor's eye.

Table 34: Retail & business enablement project description

#	Project	Project programme	Project description
1	Land rezoning for informal sector development (Town planning)	Revitalisation of the informal sector	<ul style="list-style-type: none"> Land needs to be zoned for hawkers so that informal sector development takes place.
2	Upgrading of hawker's stalls	Revitalisation of the informal sector	<ul style="list-style-type: none"> Hawkers stalls need to be renovated and the necessary amenities need to be provided to support the development.
3	Construction of storage units (hawkers)	Revitalisation of the informal sector	<ul style="list-style-type: none"> Storage facilities need to be established for hawkers to store their products. This enables the ease of doing business for hawkers.
4	Establishment of Information Centre (registration and licencing)	Revitalisation of the informal sector	<ul style="list-style-type: none"> An information centre for hawkers needs to be established which will assist hawkers with registration and licencing for operational purposes
5	Amenities at the hawker's stalls	Revitalisation of the informal sector	<ul style="list-style-type: none"> Amenities such as toilets, stalls, safety features, seating capacity at the refreshment centres improved ventilation, etc.
6	Business precinct development	SMME development	<ul style="list-style-type: none"> Zoning of areas to be developed for business activities to take place.
7	Business incubators for SMMEs	SMME development	<ul style="list-style-type: none"> Establishment of organisations geared towards speeding up growth, start-up and early stage companies (domestic/local companies).
8	Co-operative development	SMME development	<ul style="list-style-type: none"> This projects seeks to develop SMMEs/emerging farmers to be commercial farmers.
9	Street-facing shops space	SMME development	<ul style="list-style-type: none"> Development of under-serviced areas and transforming them to street shopping space.
10	Transport node development next to business precinct	SMME development	<ul style="list-style-type: none"> Development of a taxi rank close to the business precinct to support the growth of the local SMMEs in the area.

SOURCE: LED STRATEGY 2019

6.3.6. Strategic Intervention 6: Marketing

The marketing strategic intervention for Lepelle-Nkumpi will play a critical role towards strategically positioning and marketing the municipality for investment purposes. ³Marketing is about determining the value of your product or service and communicating that information to customers. A gap exists in Lepelle-Nkumpi when it comes to the marketing of local products and SMMEs that are still at a developmental stage. It is of importance that marketing is considered a pillar as this will position Lepelle-Nkumpi as an area for investment.

Lepelle-Nkumpi is an attractive investment location for larger enterprises to establish offices or industries. This in turn creates further job opportunities and spin-offs for local people and economic growth for the municipality.

Lepelle-Nkumpi has many buying leakages as many of its citizens venture outside the municipality to do most of their shopping. It is of importance that local producers are developed so as keep more business within the municipality. Strengthening local businesses will lead to a constant growth of SMMEs, which will also bring in

job opportunities and reduce buying leakages out of the municipality. This strategic intervention is supported by the following programme below;

Programme 1: Develop local marketing and promotion of investment opportunities

Developing the local market and promoting investment opportunities for Lepelle-Nkumpi is an essential catalytic programme that yields towards investment growth in the area. The objective of this programme is to develop the SMMEs sector in Lepelle-Nkumpi and promote the municipality as a suitable investment destination. Development of the SMMEs has the potential to create job opportunities for the local market. The end of this programme is to have “Buy Lepelle-Nkumpi” initiative concept where local consumers buy products from the local economy.

This programme will create incentives where local consumers obtain a membership card that enables them to get discounts for certain products purchased. Most of the locals in the municipality predominantly do their shopping in Polokwane. The table below shows the project descriptions for the strategic intervention for marketing.

Table 35: Marketing project description

#	Project	Project programme	Project description
	“Buy Lepelle-Nkumpi” local coupon incentives	Develop local marketing and promotion of investment opportunities	<ul style="list-style-type: none"> This project seeks to provide small percentage-based discounts towards the purchase of certain key local products for Lepelle-Nkumpi. To obtain this, consumers should have a membership card that will offer them discounts.
	“Buy Lepelle-Nkumpi” develop an advertising campaign for local products	Develop local marketing and promotion of investment opportunities	<ul style="list-style-type: none"> This project initiative is geared towards promoting local products, identifying potential linkages and market access that leads towards the promotion of Lepelle-Nkumpi products.
	Lepelle-Nkumpi agriculture marketing	Develop local marketing and promotion of investment opportunities	<ul style="list-style-type: none"> This project seeks to create a brand for agriculture products for Lepelle-Nkumpi.

SOURCE: LED STRATEGY 2019

6.4. Conclusion

The LED framework for Lepelle-Nkumpi Local Municipality has been reviewed and formulated to guide local economic development for the municipality. An LED Framework is of importance when it comes to planning and the implementation of the strategic interventions for the economy.

The development of an LED should be an integral approach, thus developing a short, medium and long-term range of activities for the municipality to undertake in supporting their LED Strategy and achieving increased localised employment, investment, and ultimately socio-economic benefit and growth in the local economy.

It essential to note that Lepelle-Nkumpi Local Municipality has the capacity to enforce the strategic interventions for the local economy in line with the programmes. The well-oiled LED Forum is playing a crucial role in pooling resources from the private and public sectors for the development of the municipal area.

Key questions that the municipality needs to consider include:

- Who takes the responsibility for each programme or project?
- What targets are to be taken in terms of outputs, time and funding?
- What steps need to be taken to achieve the targets?
- What will be the reporting structures (including stakeholders)?
- What is the performance monitoring and evaluation systems and process?
- What must happen to ensure the monitoring and evaluation processes are in place?
- What are the budgetary and human resource requirements for the sustained delivery of the project or program?

Chapter 7

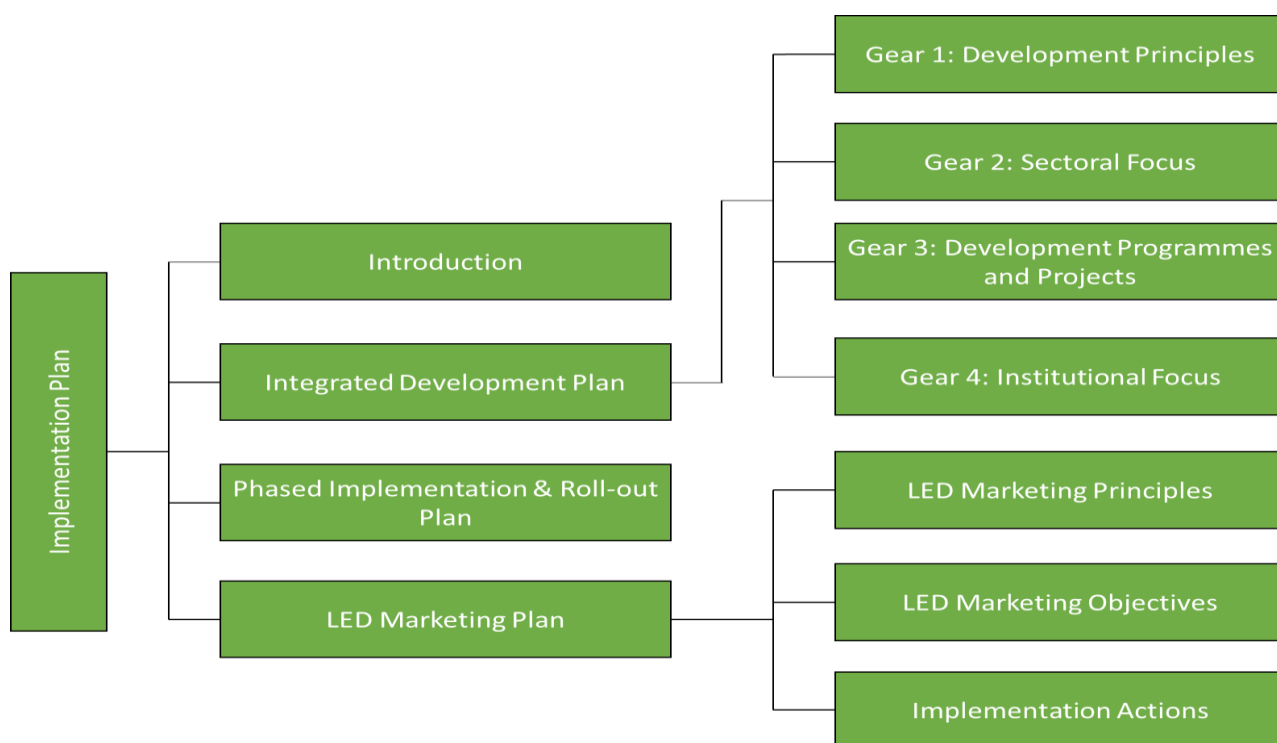
7. Implementation Plan

This section presents the Implementation Plan for the projects identified and prioritisation that are essential towards LNLNLM. The success of these projects will depend on the role-players for Lepelle-Nkumpi Local Municipality to create a conducive environment that will enable local economic development to take place.

7.1. Introduction

The success of the strategic interventions for Lepelle-Nkumpi identified will depend on the role-players for the municipality whose task would be to create an enabling environment, that would be key towards local economic development. This requires the implementation of selected turn-key projects, as well as the provision of effective investment brokering activities to attract investment from the private sector. The figure below provides the contents in this section that pertains to the implementation plan.

Figure 29: Implementation Plan



The Implementation Plan serves as a key component of the LED development strategy. It is aimed at ensuring that programmes, projects and recommendations made in the 2025-2023 LED Strategy are effectively planned and implemented according to defined budgets and timeframes while maximising the strategy's socio-economic impact.

7.2. Integrated Implementation Plan

An Integrated Implementation Plan enables the facilitation, streamlining and fastpacking of the delivery of various stages of the LED Development Plans and the respective programmes for development. The Lepelle-Nkumpi implementation plan is sub-divided into four gears which entail:

- Development Principles
- Development Programs
- Sectoral Focus
- Institutional Focus

The gears listed above will be discussed in the section to follow in a practical, action-oriented context within the overall integrated implementation plan. It is essential to consider the integrated nature of these gears to ensure the alignment and coordinated approach to the development. Each gear will be clearly explained in the table below.

Gear 1: Development Principles

Development principles for Lepelle-Nkumpi are shown in table below. It is essential for LNLN to follow throughout the entire implementation process as development principles are important considering overall community development and empowerment consideration.

Table 36: Development Principles

Principles	Description
Sustainability	<ul style="list-style-type: none"> • Sustainability is essential in terms of economic, social, as well as environmental impacts. Accurate assessment of this dimension prior to the implementation of any LED initiative must be undertaken to limit the irresponsible application of resources.
Broad-Based Black Economic Empowerment	<ul style="list-style-type: none"> • Considering the distribution of opportunities in terms of demographic characteristics, the development of the economy should be performed against the background of national B-BBEE guidelines.
Employment	<ul style="list-style-type: none"> • All development projects that are implemented must be guided by employment creation as the goal of the project. In other words, where applicable labour-intensive methods should be employed.
Income	<ul style="list-style-type: none"> • LED initiatives must aim to better the income profile of local households and communities. As far as possible, steps should be taken to ensure an equitable distribution of income emanating from projects. Good results in this regard can be observed among cooperatives and joint ventures.
Comparative advantage	<ul style="list-style-type: none"> • The competitive advantage is based on the rationale of building on local comparative advantages. Local economic sectors with such advantages will be targeted for investment and expanded upon. Investment constraints should also be mitigated through development interventions (e.g. a lack of serviced business plots).
Identified needs	<ul style="list-style-type: none"> • LED initiatives should be presented to targeted local communities and beneficiaries before implementation. The purpose of such communication is not only to obtain a

Principles	Description
	buy-in and support but also to identify additional community needs which the project can potentially address in a creative manner. These needs should be translated into development priorities for the implementation of projects
Investment	<ul style="list-style-type: none"> Investment attraction from outside Lejweleputswa is important as this implies that funds are injected into the District economy. This also implies efforts to increase local levels of investment as well as the circulation of locally generated capital.
Capacitation	<ul style="list-style-type: none"> A key element to the success of LED initiatives is the availability of skills and the competency of workers. It is recommended that this component be addressed in the feasibility study and business plans of projects to ensure it is properly budgeted for. Contributing factors also include business mentoring and SMME incubation.
Latent potential	<ul style="list-style-type: none"> Existing but under-utilised resources and development opportunities are regarded as latent potential. Such resources and opportunities should be utilised to implement LED projects (e.g. unused mine buildings such as workshops).
Linkages	<ul style="list-style-type: none"> Linkages in the economic development context refer to both the flow of economic goods and services and the communication of both government and non-government entities with each other. The business models presented in this report are all based on such linkages.
Efficiency	<ul style="list-style-type: none"> Efficiency improvement can be regarded as the increase in the rate at which work (or specific tasks) is completed. This concept focuses on the outcomes that must be achieved. An overall improvement of efficiency is central to the Implementation Plan and applicable to all role players in Lepelle-Nkumpi. This term is viewed as “doing things right”. The road to improved efficiency can be achieved through rethinking institutional mandates and organisational arrangements (such as task teams and institutional systems), as well as implementing LED projects in accordance with most appropriate business models.
Effectiveness	<ul style="list-style-type: none"> Closely related to efficiency is effectiveness. This term is, however, aimed at the improvement of the relationship between the outputs and the energy or inputs required to perform a specific task. Therefore, the focus should be “doing things right with less”. This concept is central to LED which will always be faced with resource constraints. Effectiveness in economic development is achieved through a partnership between role players and creative thinking.
Poverty alleviation	<ul style="list-style-type: none"> Specific focus should be placed on poverty alleviation throughout the implementation process. Although market forces would determine the optimal location of investment, communities subject to poverty and hardship should always be considered during project planning. If market forces dictate that a project will not be feasible in such an area, the business plan must outline how the initiative will benefit those who are most

Principles	Description
	disadvantaged in the Lepelle-Nkumpi Local Municipality.

Gear 2: Sectoral Focus

The first gear provided the descriptive principles for development that are essential during the implementation of the LED for Lepelle-Nkumpi Local Municipality. An LED Implementation Plan is seen as a living document subject to review and change over time. Lepelle-Nkumpi Local Municipality is not restricted to only the pillars or projects identified in this report. The sectoral focus assumes a broader framework to guide the development planning and implementation in the municipality. The table below denotes the specific direct and indirect LED benefits of the sectoral focus selected.

Table 36: Sectoral focus 2025/2030

Strategic Intervention	Sector	Direct Benefits	Indirect Benefits
Creating an enabling environment	<ul style="list-style-type: none"> Infrastructure Industrial development 	<ul style="list-style-type: none"> Informed spatial planning Increased job opportunities Ease of doing business 	<ul style="list-style-type: none"> Economic growth Investment attraction Business retention Strategic infrastructure provision
Ago-processing	<ul style="list-style-type: none"> Agriculture Manufacturing 	<ul style="list-style-type: none"> Technical skills development Increased job opportunities 	<ul style="list-style-type: none"> Innovation and creativity Entrepreneurship
Tourism development	<ul style="list-style-type: none"> Tourism Agri-tourism 	<ul style="list-style-type: none"> Skills development Attract tourists 	<ul style="list-style-type: none"> Environment sustainability Broadening the economic base
Retail & business environment enablement	<ul style="list-style-type: none"> Development of the informal economy Skills development 	<ul style="list-style-type: none"> Better information flows Increased job opportunities Informed spatial planning 	<ul style="list-style-type: none"> Business retention Investment attraction Entrepreneurship
Marketing	<ul style="list-style-type: none"> Enterprise Development and Support 	<ul style="list-style-type: none"> Institutional development Trust & participation between the municipality and external partners 	<ul style="list-style-type: none"> Community well-being Investment attraction Economic growth

SOURCE: LED STRATEGY 2019

Gear 3: Development Programmes and Projects

Development projects and programmes listed in the previous sections must be implemented to facilitate an improvement in the local economic climate for Lepelle-Nkumpi. The development projects are aligned with specific focus areas and will be further explained below.

The main LED initiatives associated with this Strategic Intervention are sectioned according to long, medium- and short-term programmes and projects. The programmes and projects crafted in this format provide a growth trajectory for Lepelle-Nkumpi.

Table 38: Short-term, Medium-term & Long-term projects (Strategic Intervention 1: Creating an enabling environment)

Programme	Short-term project	Medium-term project	Long-term project
Information and Communications (ICT)	Establish adequate ICT infrastructure	Repairs and maintenance	Expansion, repairs and maintenance
	Developing smart classrooms with access to computers and broadband internet at schools	Repairs and maintenance	Expansion, repairs and maintenance
Infrastructure and zoning	Installation of water infrastructure and awareness programmes on the preservation of water	Refurbishment of water treatment plant in Lebowakgomo	Expansion, repairs and maintenance
	Improved distribution of electricity to new extensions and newly developed areas in the proclaimed township areas	Repairs and maintenance	Expansion, repairs and maintenance
	Feasibility studies to be conducted on the expansion of each road.	Provision of enabling road infrastructure/connectivity/ expansion	Expansion, repairs and maintenance
	<ul style="list-style-type: none"> Development of the Orrie Baragwanath Pass route R37: Provincial Corridor between Polokwane and Burgersfort; R518: Main Road (Lebowakgomo – Mokopane) R519: Main Road (Polokwane – Zebediela – Roedtan) R579: Main Road (Lebowakgomo – Jane Furse) Development of infrastructure in the Business 	<ul style="list-style-type: none"> Development of the Orrie Baragwanath Pass route 37: Provincial Corridor between Polokwane and Burgersfort; R518: Main Road (Lebowakgomo – Mokopane) R519: Main Road (Polokwane – Zebediela – Roedtan) R579: Main Road (Lebowakgomo – Jane Furse) 	

Programme	Short-term project	Medium-term project	Long-term project
	Area (BA), Unit J, Remainder Voorspoed Farm		
Business skills development	Small business skills training incubator – (finance, human resources, marketing, etc.)	Ongoing business skills training and expansion	Ongoing business skills training and expansion
	Entrepreneurship training programmes at schools	Entrepreneurship training programmes at schools and expansion	Develop entrepreneurship incubators
Technical Skills development	Youth in agriculture programme	Ongoing expansion and development	Ongoing expansion and development
	Develop agricultural “hands on” skills development (ploughing, planting, harvesting, irrigation, mechanical skills, animal care, etc.)	Ongoing expansion and development	Ongoing expansion and development
	Develop technical “hands on” skills development (mechanics, plumbing, carpentry, gardening, electrical, etc.)	Ongoing expansion and development	Ongoing expansion and development
	Skills development initiatives by the municipality	Expansion and development of skills development initiatives by the municipality	Establishment of the Lepelle-Nkumpi Technical Skills Academy
	Basic hospitality skills training	Support services for tourism	Support services for tourism and expansion

Table 39: Short-term, Medium-term & Long-term projects (Strategic Intervention 2: Agro-processing)

Programme	Short-term project	Medium-term project	Long-term project
Citrus agro-processing (cultivation & production)	Revitalisation of the railway line	Expansion of the Zebediela citrus juice (orange) and packaging plant	Ongoing expansion and maintenance
	Identification of key partners	Expansion of Lombardi Blue-Berry production	Ongoing expansion and maintenance
	Skills development in beverage production	Beverages production	Ongoing expansion and maintenance
	Skills development in the production of sauces & spice mixtures	Production of sauces & spice mixtures	Ongoing expansion and maintenance
	Skills development in marmalade production	Marmalade production	Ongoing expansion and maintenance
	Skills development in packaging	Packaging and distribution of processed oranges	Ongoing expansion and maintenance
	Skills development in sweet orange oil production	Sweet orange oil production	Ongoing expansion and maintenance
Livestock farming	Expansion of abattoirs	Ongoing expansion and maintenance	Ongoing expansion and maintenance
	Goat farming development	Processing of dairy milk (goat milk)	Ongoing expansion and maintenance
	Research and development	Meat processing plants	Ongoing expansion and maintenance
	Establishment of collection centres (promotion, skinning, storage and preservation)	Ongoing expansion and maintenance	Ongoing expansion and maintenance

Programme	Short-term project	Medium-term project	Long-term project
	Housing expansion for goats (shelter)	Ongoing expansion and maintenance	Ongoing expansion and maintenance
	Research and development	Expansion of SMME butcheries	Meat processing plants
Expansion of poultry production	Expansion and the revitalisation of the chicken abattoir	Ongoing expansion and maintenance	Ongoing expansion and development
	Broiler chicken farming & processing	Ongoing expansion and maintenance	Ongoing expansion and development
	Feasibility studies to be conducted at this stage	Deboning of chicken	Ongoing expansion and development
	Research and development	Supply and distribution of chicken pies, burgers, polony and viennas	Ongoing expansion and development
	Feasibility studies	Production of bioenergy	Ongoing expansion and development
	Feasibility studies	Production of cushions	Ongoing expansion and development
	Housing of chickens	Ongoing expansion and development	Ongoing expansion and development
	Research and development	Supply of fertiliser/manure	Ongoing expansion and development
Agro-processing capacity development	Revitalisation of the Industrial area in Lebowakgomo	Ongoing expansion and development	Establishment of a research and development centre
	Research seminars, conferences etc.	Ongoing development	Establishment of a research and development centre

Table 40: Short-term, Medium-term & Long-term projects (Strategic Intervention 3: Tourism development)

Programme	Short-term project	Medium-term project	Long-term project
Promotion of arts, crafts and heritage festivals	Protection and promotion of heritage sites	Ongoing expansion and maintenance	Ongoing expansion and maintenance
	Partnership with the mall for events	Ongoing expansion and development	Ongoing expansion and development
	Supporting existing tourism facilities through training or marketing through websites, etc.	Ongoing expansion and development	Ongoing expansion and development
Development of conservation areas	Development and marketing of tourism routes (Bewaarskloof Conservancy, Wolkberg wilderness area, Lekgalameetse reserve) include: Development of hiking trails, rock climbing, river rafting, quad biking and establish picnic sites at the Nkumpi Dam	Ongoing expansion and development	Ongoing expansion and development
Tourism expansion and enhancement	Establishment of an Information Centre for tourism in Lebowakgomo	Ongoing expansion and development	Ongoing expansion and development
	Revitalisation of the stadium in Lebowakgomo	Ongoing expansion and development	Ongoing expansion and development
Agri-tourism	Establishment of restaurants/accommodation farm ranch/ranch vacations, B&Bs, guest ranch	Ongoing expansion and maintenance	Ongoing expansion and development

	Feasibility studies to be conducted	Zebediela Farm Stay and Caravan Park (Agri-tourism)	Ongoing expansion and development
	Village tourism (adventure node development on the eastern side)	Ongoing expansion and development	Ongoing expansion, marketing and development

Table 50: Short-term, Medium-term & Long-term projects (Strategic Intervention 4: Mining and mineral beneficiation)

Programme	Short-term project	Medium-term project	Long-term project
Development of mining zones and environmental protected areas	Development of the Dilokong Platinum Corridor (Town planning)	Ongoing development	Ongoing development
	Awareness and importance of environmental protection of non-mining zones	Environmental protection of non-mining zones	Ongoing protection
Mining, beneficiation and processing	Expansion of brick making in Zebediela	Ongoing development	Ongoing development
	Gravel and stone crushes	Ongoing development	Ongoing development
	Slate excavation & tile manufacturing	Ongoing development	Ongoing development
	Polishing of stones	Ongoing development	Ongoing development
Recycling	Recycling and producing products from waste car and truck tyres	Ongoing development	A waste sorting plant that recycles and reuses waste material to reduce landfill needs in the municipality

Table 51: Short-term, Medium-term & Long-term projects (Strategic Intervention 5: Retail & business environment enablement)

Programme	Short-term project	Medium-term project	Long-term project
Revitalisation of the informal sector	Upgrading of hawkers' stalls	Repairs and maintenance	Repairs and maintenance
	Construction of storage units (hawkers)	Ongoing repairs and maintenance	Ongoing repairs and maintenance
	Land rezoning for informal sector development (Town planning)	Ongoing development	Ongoing development and expansion
	Establishment of an Information centre (registration and licencing)	Ongoing development and expansion	Ongoing development and expansion
	Informal sector training programme	Ongoing training	Ongoing training, development and expansion

Programme	Short-term project	Medium-term project	Long-term project
	Amenities at the hawkers' stalls (toilets, wash room, etc.)	Repairs and maintenance	Repairs and maintenance
SMME development	Business precinct development (Town planning)	Ongoing development	Ongoing development
SMME development	Establishment of a green market	Ongoing development	Ongoing development
	Co-operative development	Ongoing development	Ongoing development and expansion
	Feasibility studies to be conducted	Establishment of a logistic hub	Ongoing development and expansion
	Feasibility studies to be conducted	Transport node development next to business precinct (bus and taxi rank)	Ongoing development and expansion
	Land rezoning and development of pedestrian walkways in front of shops	Pedestrian walkways in front of shops expansion	Ongoing development and expansion
	Land rezoning for Business incubators	Business incubators for SMMEs	Business incubators for SMMEs expansion and development

Table 52: Short-term, Medium-term & Long-term projects (Strategic Intervention 6: Marketing)

Programme	Short-term project	Medium-term project	Long-term project
Develop local marketing promotion on campaigns	Feasibility studies to be conducted	"Buy Lepelle-Nkumpi" local coupon incentives	Ongoing development, marketing and product development
	Feasibility studies to be conducted	"Buy Lepelle-Nkumpi" develop an advertising campaign for local products	Ongoing development and product development
	Feasibility studies to be conducted	Lepelle-Nkumpi agriculture marketing	Ongoing development and product development

Gear 4: Institutional Focus

The implementation of the activities associated with the development of the LED Strategy must be facilitated by Lepelle-Nkumpi Local Municipality. The municipality has a dedicated LED Manager who oversee all aspects pertaining to LED development in Lepelle-Nkumpi.

Furthermore, the unit requires LED assistances to effectively manage and execute office duties which ensures the effective economic planning in the key economic sectors for the municipality. The unit also needs to have a budget that enables the smooth operations of the office, as it is evident that effective planning, management and implementation of the LED Strategy will be successful in terms of poverty alleviation and employment creation. This is essential as it will ensure that the LED Strategy is comprehensively executed.

The development status and needs in the LED unit for the municipality will have to be address the following key focus areas which entail:

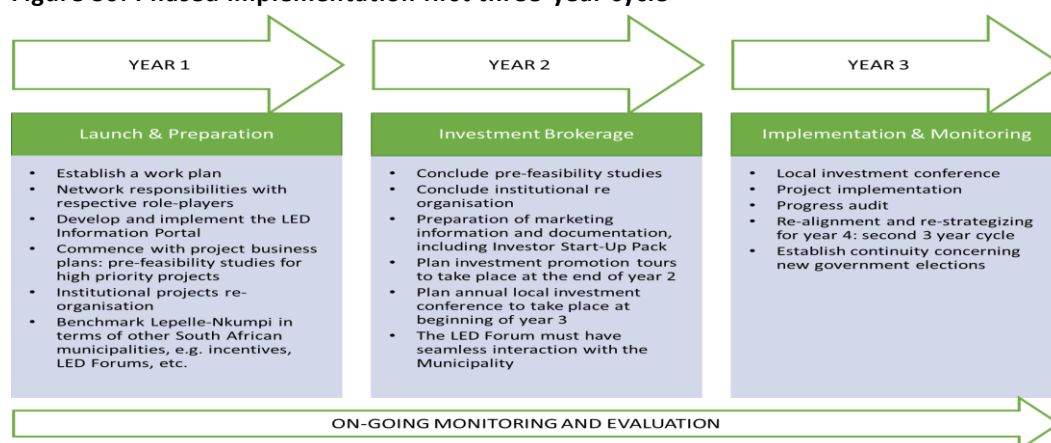
- The planning and implementation of catalytic and turn-around projects that will contribute to economic growth, employment creation and diversification across the key target economic sectors
- The implementation of projects that enable local economic development within specific focus areas in Lepelle-Nkumpi
- The facilitation and implementation initiatives that promote job creation, entrepreneurship and skills development
- Establishing networks that will enable skills to be matched with demand
- The marketing and promotion of economic opportunities in Lepelle-Nkumpi including investment brokerage and aftercare

The strengthening of the Lepelle-Nkumpi Local Municipality division is creating an enabling environment within the institution which will be essential for capacity development to take place. The division is tasked with performing the necessary facilitating functions and activities associated with LED.

The capacitation of the LED unit is viewed as a catalyst in the overall economic development for Lepelle-Nkumpi. Therefore, the strengthening of the LED unit must be undertaken to facilitate and initiate the LED implementation environment noting that the unit has been entrusted with the business registration function by LEDET.

Phased Implementation and Roll-Out Plan

The phased implementation and roll-out plan for Lepelle-Nkumpi is shown on figure 30. The figure summarises the important sections and budgetary allowances for business plans, investment tours to be undertaken and the investment conferences to provide for the injection and attraction of direct investments in Lepelle-Nkumpi over the coming five-years (2025-2030) operationalised within a three-year cycle (2025/2027, 2027/2028 and 2028/2030).

Figure 30: Phased implementation first three-year cycle

LED Marketing Plan

The sections provide the LED Marketing Plan for the Strategy. The strategy concluded that there are several issues that are worth highlighting in relation to marketing.

LED Marketing Principles

There are several features for Lepelle-Nkumpi that need to be strengthened and exposed to drive and underpin the LED marketing of the area.

Table 53: LED Marketing Principles

Marketing Indicator	Principle
Existing strengths on which to build	LED Place Marketing should not be about re-inventing Lepelle-Nkumpi, but rather about doing everything possible to ensure that specific audiences really understand what the area has to offer them now regardless of their preconceptions about the area.
Growing a local sense of place	The locals see Lepelle-Nkumpi as their home and have strong feelings of connection to specific parts of the area; for many others the area is an “adopted” home. Although much of the marketing drive will be externally focused, it must also ensure that the people already working and living in the area understand the region and are willing to speak up for the area.
Clarifying the message	Lepelle-Nkumpi suffers from inadequate signage in the areas. Some locations in the municipality are well-known with signage. The entire municipality as an entity is not well positioned in terms of marketing. Marketing efforts need to build basic awareness of the geographic make-up of an area and identify and link locations and attractions which are near of each other. When addressing individual audiences, it is vital to create awareness of the greatest attractions the Lepelle-Nkumpi has to offer.

Marketing Indicator	Principle
Ensure cross functional involvement:	Lepelle-Nkumpi is home for most of the locals in the community. It is essential for the community to buy into the marketing process and communicate the same message to target audiences.

SOURCE: LED STRATEGY 2019

LED Marketing Objectives

The following LED marketing objectives have been identified for Lepelle-Nkumpi Municipality, and based on the marketing principles shown above, the objectives are to:

- Develop a common language to describe Lepelle-Nkumpi Local Municipality and to ensure that this language is used consistently across the Municipality.
- Improve the image for Lepelle-Nkumpi in the eyes and minds of specific audiences whose perceptions of the area have an impact on the economic well-being of the area.
- Support and extend the work of partners across the Lepelle-Nkumpi considering the planned activities that make a direct contribution towards the delivery of changed perceptions among target audiences.

Objective 1: Developing and using a common language

Lepelle-Nkumpi need a compelling, up-to-date description (words and images) of what the area is and what it is like to live and work in the area. It needs to provide connotations and associations of the area that will furnish and build an understanding and awareness of the physical boundaries of the area. In developing the first version of this description across multiple media.

The following actions need to be incorporated:

- Branding exercise for Lepelle-Nkumpi. The value of a branding exercise will not in the short-term solve image problems. A branding exercise need to instil some of the positive aspects of the current image behind Lepelle-Nkumpi.
- Furthermore, there is considerable work to do to resolve the broader use of brands throughout Lepelle-Nkumpi and beyond.
- Develop a small number of concise, focused messages which address key aspects of living in, working in, investing in and visiting Lepelle-Nkumpi that are linked to specific images.
- Focus specifically on raising awareness of the rural and natural parts of Lepelle-Nkumpi, both as part of the overall area and as major contributors to not only the area's economy but also to its quality of life.
- Build on the knowledge people already have about locations and icons of the area and extend these to build links with places, themes and people that are not generally associated with the area

Objective 2: Improving Lepelle-Nkumpi's image among key audiences

This objective seeks to focus on improving the image of Lepelle-Nkumpi for specific audience groups whose perceptions have an impact on the economic well-being of the area.

Table 54: Image Among Key Audiences

Indicator	Description
Business decision-makers	This includes decision makers who are making investment, location and re-location decisions on behalf of businesses whose continued presence in the area or whose choice of Lepelle-Nkumpi as a location for one or more of their operations would contribute to the delivery of the marketing drive.
Visitors to the area	This includes tourists, business visitors, and people who visit Lepelle-Nkumpi for a short while. Marketing efforts should be focussed on instilling positive images on these visitors as an area that provides for a good quality of life with excellent business opportunities.
The national and international media community	This entails good publicity such as the Limpopo media community who need to better understand for themselves the make-up and strengths of Lepelle-Nkumpi and, as a result, be better placed to portray the area positively and fairly.
Local communities	This is specifically three groups: school children who can be educated on the history, make-up and potential future of Lepelle-Nkumpi; the 16-34 population group who are already enjoying the lifestyle on offer in the area and whose long-term perceptions of it can be influenced by marketing; and the local and national decision makers who belong to or came from Lepelle-Nkumpi.

SOURCE: LNM LED STRATEGY, 2019

Objective 3: Supporting and extending the work of partners

The marketing drive must recognise that there are already marketing activities either underway or planned across the area, which directly contributes to the aims of the marketing drive, particularly the delivery of changed perceptions among target audiences.

It is vital to consider the marketing drive as a framework for coordinating the activities of organisations around the area and specifically a framework for ensuring that by making the right connections across sub-areas, and organisations marketing resources of the area are used as effectively as possible to change perceptions. Therefore, the marketing drive should be integrated with the networking and collaboration activities of the Lepelle-Nkumpi's LED Forum.

Implementation Actions

The marketing drive needs to be owned and delivered by people and organisations around Lepelle-Nkumpi. At the same time the right balance needs to be achieved of mandating a group, with the right expertise that will be accountable for and able to deliver an objective. The following steps or actions for delivering the marketing objectives are now discussed.

Action 1: Developing and using a common language

Lepelle-Nkumpi Municipality must co-ordinate local role-players in the development of a compelling, up-to-date description of the area and a description of what it is like to live and work in the area.

A delivery group of 10-15 people from across Lepelle-Nkumpi should be commissioned to develop creative concepts behind the development of a common language. At key stages of development, they will engage with other marketers and communication professionals from the municipality area and district to get sounding board information for their ideas.

The short-term actions of the delivery group will include:

- Produce a description (across multiple media) of Lepelle-Nkumpi as a place to live and work in.
- Create a bank of digital images that represent the area.
- Disseminate the description to public and private organisations across the area.
- Find ways to encourage the use of the new description and image bank across the area and monitor its adoption.
- Agree on a procedure for refreshing this description and image bank over time.

Action 2: Improving Lepelle-Nkumpi's image among key audiences

Delivery and consultation groups should be established through the LED Forum for each of the four target audiences. Although the target audience of each delivery group is different, the actions required of each are similar:

- Understand the target audience's starting point in terms of perceptions of the Municipality.
- Agree on quantifiable objectives with regards to the audience and how progress towards achieving these will be measured.
- Develop and deliver awareness-building and image-development campaigns for each audience, both within and beyond Lepelle-Nkumpi, which build on and extend current work.
- Develop and deliver programmes of awareness-building and education to key contacts within the media to which the audience is exposed, to build and extend current work.
- Measure and report on progress.

Action 3: Supporting and extending the work of partners

The Lepelle-Nkumpi Municipality should lead this delivery group along with individuals from the private, public and voluntary sectors. The short-term actions of this group will include:

- Establishing a baseline from which it will be possible to measure the performance of the marketing drive.
- Constructing a balanced programme of support of partners' activities.
- Putting in place arrangements with third party providers to monitor performance versus objectives.
- Publishing an annual report on progress for dissemination across the area.

7.3. Project Implementation guidelines

The following factors lead to the successful implementation of projects:

- Good planning
- Clear systems of procedures for business plan approvals
- The LED Unit supports LED Projects due to their involvement during the project planning processes
- Clear roles and responsibilities are outlined throughout project implementation
- Excellent Performance Management Systems in place to track implementation in terms of deliverables, quantities, duration and budget spending

- Commitment from stakeholders including political support for projects
- Good communication among stakeholders as well as among government departments

The following factors lead to the failure of implementing projects:

- Budget Constraints
- All role-players and stakeholders not supporting the projects including political support
- Procurement takes too long as well as other red tape delaying project implementation
- Change in strategic direction of LED Projects
- Lack of proper planning & administrative leadership
- Not having the right stakeholders involved in projects

The following resources are listed as important resources regarding project implementation:

- Skilled staff & financial resources
- Strategic partners
- Realistic Business and Implementation Plan
- Accredited Training in LED & good intergovernmental relations to promote coordination

7.4. Project prioritisation

The previous sections highlighted the LED framework with a comprehensive list of potential projects and programmes that are key towards the development of the local economy for Lepelle-Nkumpi.

Furthermore, projects identified need to be prioritised in terms of each project's importance to the municipality. Projects identified under the LED Strategic Framework are evaluated using a prioritisation model. The prioritisation model was developed specifically for Lepelle-Nkumpi Local Municipality. Therefore, each indicator in the model and its weighted importance reflects the objectives of the strategy and the needs and priorities for the local economy. Annexure A prioritises the programmes/projects identified for Lepelle-Nkumpi Municipality, which are:

- Strategic importance
- Feasibility of the project
- Economic impact
- SMME development potential
- Ease of implementation

The model evaluates the projects potential according to the following indicators which is shown on the table below.

Table 55: Evaluation Criteria

Criteria	Description
Strategic Importance	<ul style="list-style-type: none"> Strategic importance is based on the potential impact the project will have in the local economy. These evaluation criteria consider elements such as the project scale, the impact the project will have on the economy, and the comparative advantage the project has on the local economy.
Feasibility of the Projects	<ul style="list-style-type: none"> These evaluation criteria evaluate the financial feasibility of the project and it is essential to these indicators in the assessment of the project. Aspects to be considering entail: <ul style="list-style-type: none"> Existing research on the project topic Availability of resources, skills and technology
Economic Impact	<ul style="list-style-type: none"> Economic impact criterion is used to assess the project in terms of socio-economic aspects. Economic impact refers to the sum of projects' influences on the local economy and includes the following aspects <ul style="list-style-type: none"> Increased income Growth in businesses and sales Creation of jobs Potential agglomeration effects and advantages Foreign direct investment in the economy
SMME Development Support	<ul style="list-style-type: none"> The criteria are based on aspects such as providing support and training to small, medium and micro enterprises and supporting companies that actively promote development and skills transfer to its employees.
Ease of Implementation	<ul style="list-style-type: none"> The ease of implementation criteria considers if a project can be easily implemented and if it would yield a greater economic impact in the economy.

SOURCE: LNM LED STRATEGY, 2019

From the prioritisation model (Annexure A) the following main Anchor Projects have been identified, as shown below:

Table 56: Anchor projects identified for Lepelle-Nkumpi

Strategic Intervention	Projects
Create an enabling environment	<ul style="list-style-type: none"> Municipality should establish adequate ICT infrastructure Provision of enabling road infrastructure/connectivity/ expansion Improved distribution of electricity Refurbishment of water treatment plant in Lebowakgomo Refurbishment of waste water treatment plant
Agro-processing	<ul style="list-style-type: none"> Revitalization of the industrial park area in Lebowakgomo Expansion of the Zebediela citrus juice (orange) and packaging plant Integrated goat farming Expansion of abattoirs (chicken & goat) Establishment of collection centres
Tourism development	<ul style="list-style-type: none"> Protection and promotion of heritage sites Zebediela Farm Stay and Caravan Park (Agri tourism)

	<ul style="list-style-type: none"> • Establishment of a tourism information centre • Development of conservation areas • Village tourism (adventure node development on the eastern side)
Mining & mineral beneficiation	<ul style="list-style-type: none"> • Development of the Dilokong Platinum Corridor (Town planning) • Environmental protection of non-mining zones • Gravel and stone crushes at Mathabatha, Molapo, Matebele, Rietvlei, Staanplaas for civil, roads and buildings • Plastics, paper recycling • Produce products from waste car and truck tyres
Retail & business environment enablement	<ul style="list-style-type: none"> • Upgrading of hawker's stalls • Construction of storage units (hawkers) • Establish an information centre (registration and licencing) • Business precinct development (town planning) • Street-facing shops space
Marketing	<ul style="list-style-type: none"> • "Buy Lepelle-Nkumpi" local coupon incentives • "Buy Lepelle-Nkumpi" develop an advertising campaign for local products • Lepelle-Nkumpi agriculture marketing

SOURCE: LNM LED STRATEGY, 2019

These projects have received the highest rating in the project prioritisation model due to their strategic importance to the Lepelle-Nkumpi local economy, their potential to support entrepreneurs and small businesses, as well as the potential impact they are anticipated to have on employment creation. The table below further provides project cost estimates for the projects identified. Please note the budget provided is an estimate and may vary according to economic conditions, extra requirements and unforeseen circumstances of the area. These audiences entail:

Table 57: Project Cost Estimates for the 2025-2030

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
Strategic Intervention 1: Creating an enabling environment				
Establish adequate ICT infrastructure	Long-term	Relevant communication and cell phone companies, LED Forum, The DTI, CoGTA	35 Million	<ul style="list-style-type: none"> • Improve ICT services and offerings • Mainstream 4IR and 5IR principles of creating a “Smart and Vibrant Town” • Classrooms must be fitted with appropriate technology • Schools need access to suitable learning resources in line with the e-learning curriculum
Provision of enabling road infrastructure/connectivity/expansion	Long-term	CDM, LED Forum, PRASA, Department of Transport	100 Million	<ul style="list-style-type: none"> • Establish a comprehensive infrastructure masterplan to support growth and sustainability • Upgrade the Orrie Baragwanath Road into a tourist Panorama Route • Main roads need to be widened for better traffic control • Refurbishment of the railway line from Zebediela to Johannesburg
Improved distribution of electricity	Long-term	Eskom, LNLN	1 000 000	<ul style="list-style-type: none"> • To ensure the community in Lepelle-Nkumpi receives all basic services effectively and pays for these services • Provision of services to indigent households

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
				<ul style="list-style-type: none"> Consistent maintenance of electricity-related infrastructure All wards in the Municipality electrified
Refurbishment of water treatment plant in Lebowakgomo	Long-term	CDM, LNLM, EPWP	1 500 000	<ul style="list-style-type: none"> Developed infrastructure for sustainable provision of basic bulk services Essential infrastructure should be developed to provide enough services in a sustainable manner
Refurbishment of waste water treatment plant	Long-term	CDM, EPWP, LED Forum,	1 000 000	<ul style="list-style-type: none"> Develop a litter awareness programme Established fines system for unauthorised dumping and waste disposal Development of a new waste disposal cell at Lenting landfill site Construction of Waste Transfer Station EPWP to enforce waste compliance
Strategic Intervention 2: Agro-processing				

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
Revitalization of the industrial park area in Lebowakgomo	Ongoing	DPA, LED Forum,	2 000 000	<ul style="list-style-type: none"> Acquire the required machinery for agro-processing Provide skills development and training Facilitate partnership and collaboration to assist small-scale farming enterprises Establishment of an agro-processing hub
Expansion of the Zebediela citrus juice (orange) and packaging plant	Long-term	DPA, LED Forum, PRASA	1 500 000	<ul style="list-style-type: none"> Municipality should engage with Zebediela Estate and find out its readiness for this initiative Establish partnerships with the target market for the ease of implementation of agri-tourism Establish a regional Fresh Produce Market
Integrated goat farming	3 years	DPA, LED Forum	900 000	<ul style="list-style-type: none"> Develop a distribution network for agricultural export produce Develop a distribution network for small-scale farmers
Expansion of abattoirs (chicken & goat)	3 years	LNLM, DPA	1 000 000	<ul style="list-style-type: none"> More abattoirs developed and used Maintenance of infrastructure consistently for sustained use of abattoirs

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
Establishment of collection centres	Ongoing	DPA, LED Forum	800 000	<ul style="list-style-type: none"> • A feasibility study needs to be conducted • Promotion and awareness on the value of a carcass
Strategic Intervention 3: Tourism development				
Protection and promotion of heritage sites	Ongoing	LTA, LED Forum, LEDET	1 000 000	<ul style="list-style-type: none"> • Host an annual festival/event • Develop heritage offerings
Zebediela Farm Stay and Caravan Park (Agri tourism)	Long-term	LTA, LED Forum, LEDET	7 000 000	<ul style="list-style-type: none"> • Municipality should engage with Zebediela Estate and find out its readiness for this initiative • Establish partnerships with the target market for the ease of implementation of agri-tourism
Development of conservation areas	Ongoing	LTA, LNLN, LEDET	2 000 000	<ul style="list-style-type: none"> • Develop hiking trails and routes • To conduct a feasibility study to determine different routes

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
Village tourism (adventure node development on the eastern side)	Ongoing	LTA, LNLN, LEDET	2 500 000	<ul style="list-style-type: none"> Identify key stakeholders and role-players for each adventure activity Create a project planning and steering committee with clear roles and responsibilities to facilitate and prioritise the proposed development and renovations Source funding for the proposed development and renovations.
Establishment of a tourism information centre	Ongoing	LEDET, LED Forum	5 200 000	<ul style="list-style-type: none"> Identify a suitable location which is easily accessible for both the tourists and the tourism establishments Design the layout of the building Recruit potential services assistants and tour guides
Strategic Intervention 4: Mining & mineral beneficiation				
Development of the Dilokong Platinum Corridor (Town planning)	3 years	DME, LED Forum	500 000	<ul style="list-style-type: none"> Develop a database of available land for mining development and ownership of mineral rights land
Environmental protection of non-mining zones	Ongoing	DME, LNLN	450 000	<ul style="list-style-type: none"> Identification of non-mining zones

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
Gravel and stone crushes at Matabata, Molapo, Matebele, Rietvlei, Staanplaas for civil, roads and buildings	Ongoing	LNLM, LEDA	850 000	<ul style="list-style-type: none"> • Technical skills development • Development of ancient rocks (flake granite, ironstone and marble, and other precious stones)
Plastics, Paper recycling	3 years	LNLM, LEDA	350 000	<ul style="list-style-type: none"> • Conduct feasibility for the recycling of plastic and paper
Produce products from waste car and truck tyres	3 years	LNLM, LEDA	450 000	<ul style="list-style-type: none"> • Conduct feasibility to produce products from waste car and truck tyres
Strategic Intervention 5: Retail & business enablement				
Upgrading of hawker’s stalls	Ongoing	LED Forum, LNLM,	850 000	<ul style="list-style-type: none"> • Provision of amenities for hawkers • Zone land for hawkers • Licensing of stalls
Construction of storage units (hawkers)	Ongoing	LED Forum, LNLM	2 000 000	<ul style="list-style-type: none"> • Stalls and storage facilities maintained and secured • Licensing of storage units
Hawkers information centre (registration and	3 years	LED Forum, LNLM	700 000	<ul style="list-style-type: none"> • Establish an information centre

Project	Timeframe	Key “role players”	Estimate budget (R)	Actions
licencing)				<ul style="list-style-type: none"> Develop a mentorship programme
Street facing shops space	3 years	LED Forum, LNLM	700 000	<ul style="list-style-type: none"> Demarcate areas permitting street trading Annual update of bylaws guiding street trading Zone land for hawkers
Strategic Intervention 6: Marketing				
“Buy Lepelle-Nkumpi” local coupon incentives	3 years	LNLM, CDM, LEDA, LED Forum	750 000	<ul style="list-style-type: none"> Update and maintain vibrant and user-friendly website
“Buy Lepelle-Nkumpi” develop an advertising campaign for local products	3 years	LNLM, CDM, LEDA, LED Forum	1 300 000	<ul style="list-style-type: none"> Radio announcements, information on municipal website
Lepelle-Nkumpi agriculture marketing	3 years	LNLM, CDM, LEDA, LED Forum	750 000	<ul style="list-style-type: none"> Advertise on radio and municipal website

7.5. Identification of location

Identification of project location is key towards a potential investor. Once the project to be implemented has been identified, the next step would be to identify where it will be located. Aspects that investors consider when doing a site assessment include:

- Proximity and accessibility to transport routes and/or the target market.
- Proximity to inputs such as raw materials and labour.
- Communities that are forward looking and exhibit a high standard of land management.
- Informed communities who understand the value of the development and have data on their own needs, strengths and weaknesses.
- Proper due diligence of the site has been conducted in terms of any rezoning or Environmental Impact Assessment planning procedures to be followed and the bulk and geotechnical capacity is appropriate for the development.

7.6. Pre-feasibility and detailed feasibility studies

Feasibility studies are conducted to determine the viability of a project/area. In some cases, the project/area may require a pre-feasibility study which would serve as the pre-cursor for the feasibility study. The pre-feasibility study ensures a solid basis for the feasibility study.

- A pre-feasibility assessment entails the following:
- Location data
- Potential project limitation
- Potential alternatives
- Preliminary estimated cost
- Detailed information required in a feasibility study
- Potential funding sources
- The terms of reference for the feasibility study

Feasibility assessments comprise the following:

- Location analysis
- An initial environmental assessment
- Market research (demand and supply analysis)
- Identification and qualification of income streams and the identification of potential funding sources

The development concept is then refined, and concrete concept designed, and planning is done. The feasibility study translates into information for the investor(s) on:

- Demonstrated existence of a market that it is viable for a new entrant to gain enough size of the market share
- Macro-economic environment is sufficiently stable to support and/or grow the current market

- Costs such as start-up capital, labour, supply chain logistics, utilities and taxation are investigated and accurately estimated
- Income streams are accurately calculated based on market research and the income will be enough to cover cost and earn a return on investment (RoI)

7.7. Partnership identification & Project match making

The purpose of this step will be to identify stakeholders, potential partners, funders and project leaders. A project leader is needed who will drive and coordinate the process going forward. The person will be responsible for the steps that follow and, as such, should be provided with the necessary information, data and authority to successfully and timeously lead the project from this point to eventually hand it over to the developer/operator. This can be someone from within the LED Unit, the LED Forum or another suitable industry driver.

Stakeholders may range from government departments that are required in the planning process, industry experts or representative bodies, communities/beneficiaries, land owners and so on. At this stage of the project preparation, it is necessary to ensure that all parties understand the project. The requirements of stakeholders, if any, are identified. This may include training requirements, for example.

It is also possible at this stage to begin to engage investors and match them with existing or potential projects. Investors will require not only the feasibility studies, but also a comprehensive business plan as described below. Depending on the attractiveness of the opportunity, some potential investors may develop their own business plans, while in other scenarios a business plan will be needed to draw investors to the project.

7.8. Potential Funders and Support Services

This section presents potential funders to facilitate successful implementation of the projects identified. Local Authorities and Regional Councils are responsible for mobilising as much funding as possible for LED initiatives locally within their respective stakeholder networks. For longer term programmes that require regular funding, local and regional budgets must reflect these priorities and they should be motivated through LED. The funding component includes funding sources for private sector investors and public sectors interventions. These can be explained below:

- **Funding sources for private sector investors:** Various incentive schemes and other funding sources exist in the form of subsidies and loans to contribute to the start-up capital requirements of large development projects.
- **Funding sources for public sector interventions:** Various grants and other funding sources exist for municipalities working toward improving their readiness for investment by the private sector

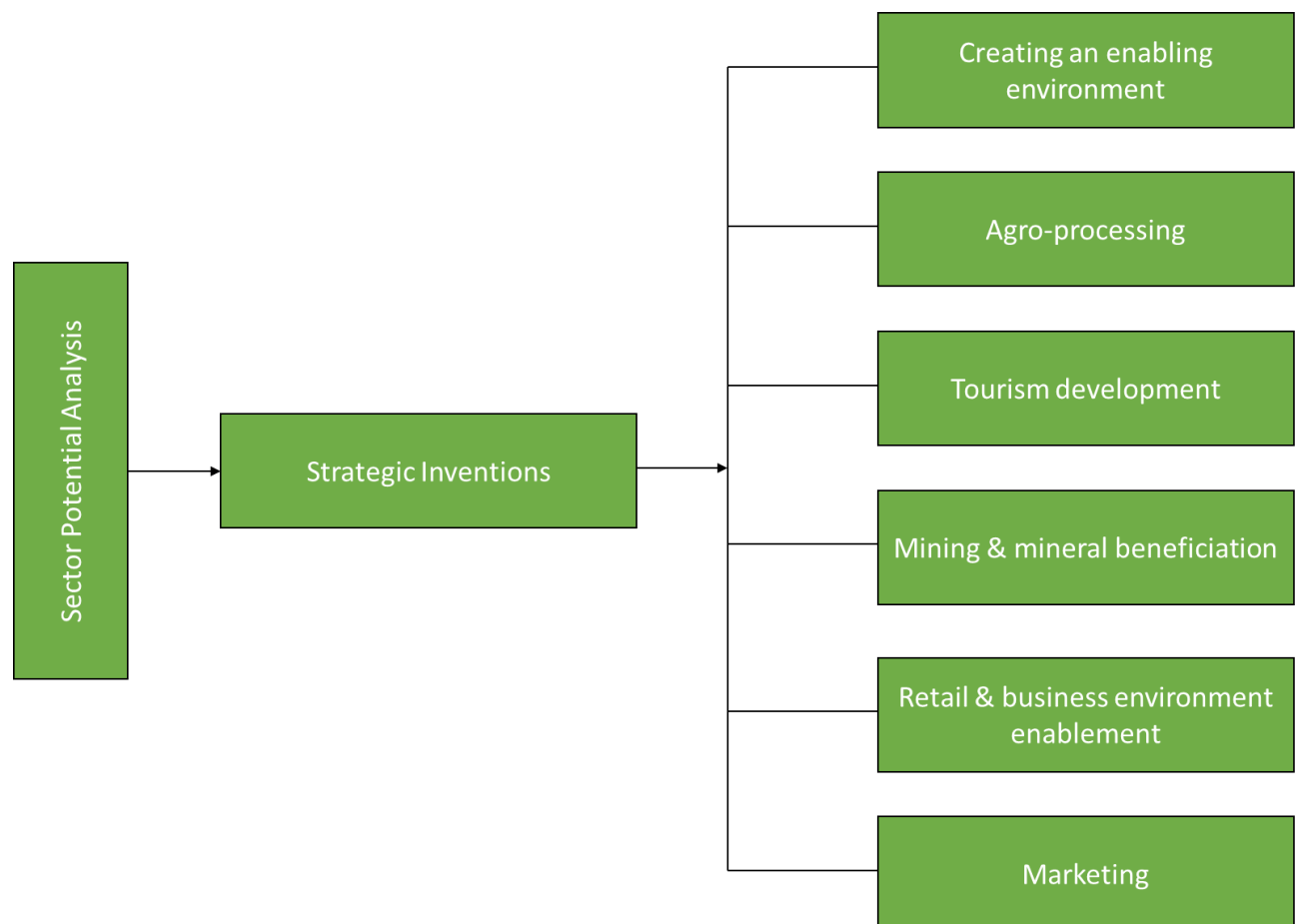
Potential Funders and Support Service agencies have a vital role to play in the development of a sustainable, dynamic, which is diverse for Lepelle-Nkumpi. Most residents, entrepreneurs, SMMEs and established businesses in the municipality do not have access to the services provided by support services agencies. Other potential funders that could be made use of are:

- The Department of Trade and Industry (DTI)
- The Industrial Development Corporation (IDC)
- Trade and Investment South Africa (TISA)
- Small Enterprise Development Agency (SEDA)
- Development Bank of South Africa (DBSA)
- Agriculture Research Council & CSIR
- Bokoni Platinum

7.9. Conclusion

The reviewed LED Strategy has been formulated to guide local economic development efforts for Lepelle-Nkumpi Municipality. It is essential that the LED strategy is significant in the planning and implementation of the strategic interventions in alignment with the projects and programmes key towards local economic development for the area. Key actions and projects are identified and prioritised as shown on the figure below which shows the summary of the strategic interventions.

Figure 31: Summary of Strategic Interventions



8. Monitoring and Evaluation Plan

8.1. Introduction

The implementation of an LED Strategy needs to be monitored on an ongoing basis. Monitoring and Evaluation (M&E) is commonly seen as one concept, but in fact monitoring and evaluation are two different organizational activities which are related to one another, but not identical.

Monitoring refers to the continuous assessment of a project's implementation. The main aim is to improve the efficiency and effectiveness of the project. Monitoring is based on set targets which are determined in the planning phases of the project.

Evaluation is the comparison of the actual impacts of the project against the agreed targets (objectives). Evaluation can be formative (during the life of the project with the intention of improvement) or summative (learning from a completed project or project that is no longer functioning).

Monitoring and evaluation framework aim to improve the efficiency and effectiveness of projects/policies mainly through the evaluation of expected and actual impacts. The table provides the rationale according to the World Bank for implementing a monitoring and evaluation framework.

Table 58: Rationality behind Implementation of M&E Plan

Track Progress	Better allocated resources	Improve delivery
Improve management	Increase accountability	Improve quality
Inform decision-making	Design better policies	Facilitate benchmarking
Track flows of funds	Provide answers	Identify side-affects
Demonstrate results	Draw lessons	Compare different groups
Clarify objectives	Identify leakages	Empower poor people
Identify problems	Take corrective action	Learn from experience

SOURCE: LNM LED STRATEGY, 2019

The prime benefits of implementing a good monitoring and evaluation plan are:

- The improvement of the management of projects
- It can report on internal and external progress of projects
- The comparison of actual impact with intended impacts (and provides adjustment where necessary)

Monitoring and evaluation need to take place in twofold, of which on one hand, projects need to monitor and evaluated and on the other, the institutional capacity needs to be monitored and evaluated. The M&E framework presented within the LED Strategy is performed as follows:

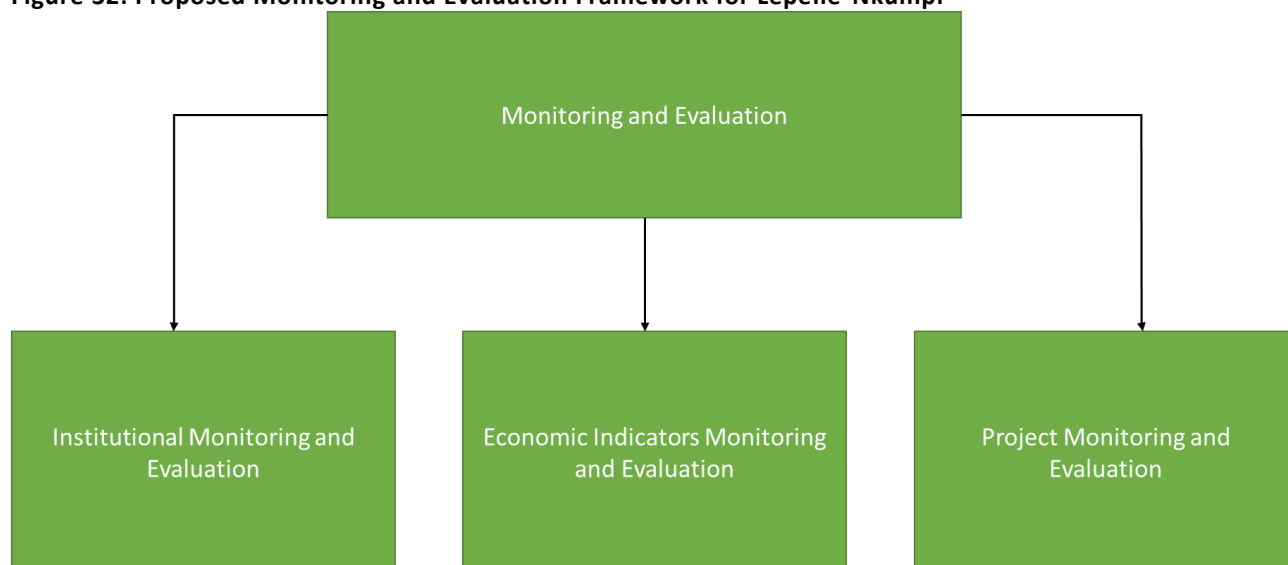
- Monitoring framework for projects and institutional capacity
- To monitor if projects are meeting targets within the desired timeframe and budget
- To monitor if the LED institutional capacity is effective in terms of implementing the LED Strategy
- Evaluation framework for projects and institutional capacity
- Evaluate whether the implementation of the LED Strategy is leading to positive or negative impacts of identified indicators linked to the drivers of the LED Strategy

8.2. Proposed Lepelle-Nkumpi Monitoring and Evaluation Framework

The measuring and evaluation of the LED must be done in accordance with baseline criteria which represent the minimum criteria that must be met for KPI Targets to be set and reached successfully each year.

The diagram below shows the proposed monitoring and evaluation framework for Lepelle-Nkumpi Local Municipality.

Figure 32: Proposed Monitoring and Evaluation Framework for Lepelle-Nkumpi



The monitoring and evaluation framework for Lepelle-Nkumpi is divided into three main dimensions which entail:

Table 59: Broad Framework

Indicator	Description
Institutional	Institutional Monitoring and Evaluation focusses on ensuring that the foundations of an LED have been laid. This includes evaluating the institutions paying special attention to their activities and ability to build relationships with key stakeholders

Economic	This will provide an overview of both the general success of LED implementation, as well as whether the Lepelle-Nkumpi has created the environment within which investors will want to invest by focussing on the size and sectoral composition of the local economy.
Project Monitoring and Evaluation	Project Monitoring and Evaluation includes evaluating the project pipeline in terms of the number of projects and the stages of the projects. The most critical element of each project that needs to be evaluated is the impact that the project had.

SOURCE: LNM LED STRATEGY, 2019

8.3. Institutional Indicators

LED Department Institutional Review

It is essential to strengthen the unit responsible for local economic development within the municipality. This focusses on the capacity of the unit to function properly. It is beneficial for a municipality to have a functioning LED department. The table below shows the LED Department Institutional Review.

Table 60: LED Department Institutional Review

Indicator	Baseline	KPI Target
Do you have a functioning LED Department?	Yes	Yes
How many personnel in your LED Department (Including LED Manager)?	3	5
Do you have a LED strategy that is less than 5 years old?	Yes	Yes

SOURCE: LNM IDP, 2024/25

LED Department Activity Review

It is of importance for the department to comply with institutional requirements. Furthermore, the department unit should be the voice of the community regarding local economic development. Key things to take note of that the LED department can be held accountable for are shown below:

Table 61: LED Department Activity Review

	Indicator	Baseline	Annual KPI target
How many LED forum meetings were held in your LM during the past 12 months?	# of meetings held	12	18
How many people attended these meetings (cumulative number) during the past 12 months?	# of people attending meetings	50	80

How many feasibility studies have you conducted in the past 12 months?	# of studies	2	4
How many investors did you approach during the past 12 months?	# of investors approached	10	15
How many investors did you take for site visits?	# of investors taken for site visit	3	6
How much LED funding was secured during the past 12 months?	% of requirement reached	1	2
How many LED projects were successfully implemented during the past 12 months	# of successful projects	8	20

SOURCE: LNM IDP, 2024/25

LED Stakeholder Development and Management

The effectiveness and success of the Lepelle-Nkumpi LED department will be affected by Lepelle-Nkumpi LEDs stakeholders. In general, there are four types of stakeholders that the Lepelle-Nkumpi LED department will have to build and maintain relationships with:

- **Enabling stakeholders** have some control and authority over the organization. These stakeholders provide an organization with resources and necessary levels of autonomy to operate.
- **Functional stakeholders** are essential to the operations of the organization and are divided between:
 - input—providing labour and resources to create products or services.
 - output—receiving the products or services.
- **Normative stakeholders** are associations or groups with which the organization has a common interest. These stakeholders share similar values, goals or problems.
- **Diffused stakeholders** are the most difficult to identify because they include publics who have infrequent interaction with the organization and become involved based on the actions of the organization. These are the publics that often arise in times of a crisis; linkages include the media, the community, activists and other special interest groups.

It is essential to note that a stakeholder scorecard needs to identify which stakeholders are the most important with which to build relationships. A stakeholder scorecard should also include how each stakeholder will contribute, as well as the inducement they will receive for participating. The lack of these inducements will most likely result in a deterrent for participation or in a weakened relationship with Lepelle-Nkumpi LED scorecard.

Table 62: Stakeholder Scorecard

Contribution	Inducements and Deterrents	Score	How can relationship be improved
Critical Relationships			
Lepelle-Nkumpi LED Staff	<ul style="list-style-type: none"> • Time • Effort • Ideas • Results • Functioning organisation • Support • Personal incentives 		
Projects Steering Committee	<ul style="list-style-type: none"> • Time • Effort • Ideas • Results • Functioning organisation • Support • Personal incentives 		
Investors	<ul style="list-style-type: none"> • Returns on Investment • Project Risk 		
Development Agencies	<ul style="list-style-type: none"> • Returns on Investment • Project Risk 		
Important Relations			
Provincial and National Spheres of Government	<ul style="list-style-type: none"> • Increased employment • Policy Implementation 		

Business Chambers	<ul style="list-style-type: none"> • Business Protection • Return on Investment • Employee productivity • Skill development 		
Labour Unions	<ul style="list-style-type: none"> • Labour Protection • Skill development • Competitive salaries 		
Agricultural Unions and Organisations	<ul style="list-style-type: none"> • Farmer Protection • Return on Investment • Employee productivity • Skill development 		
Political Parties	<ul style="list-style-type: none"> • Political Policy input 		
Lepelle-Nkumpi Business Forum	<ul style="list-style-type: none"> • Business Protection • Return on Investment • Employee productivity • skill development 		
Lepelle-Nkumpi residents	<ul style="list-style-type: none"> • Improved living conditions • Work opportunities 		
Other relations			
NGOs	<ul style="list-style-type: none"> • Participation • Voice for Members and their interest 		
Voters	<ul style="list-style-type: none"> • Improved living conditions 		

SOURCE: LNM LED STRATEGY, 2019

8.4. Economic Indicators

The main objective of LED is to create an environment within which investors will want to invest. Investment in return is necessary to create jobs and to reduce unemployment. The three main criteria against which Lepelle-Nkumpi will be able to measure success are:

- Local quotient of each of the main economic sectors
- GDP
- Employment

This LED document suggests that Lepelle-Nkumpi should focus its efforts on key economic sectors for the economy which show potential towards development. Successful implementation of LED in these sectors will be reflected in the LQ of each of the sectors as it would be expected that Lepelle-Nkumpi should become more competitive in these sectors. Targets for these sector's LQs should reflect Lepelle-Nkumpi's intention to be competitive in these sectors:

- A minimum requirement for each of the economic sectors that Lepelle-Nkumpi will focus on is to have a LQ of 1 for both the GVA and employment by the end of the next three years (2025 to 2030).
- The tourism sector has a competitive advantage over the other areas, the competitive advantage needs to be increased.
- In agriculture, where Lepelle-Nkumpi has a significant competitive advantage over the other areas, the competitive advantage needs to be increased.
- The other sectors, (Manufacturing, SMMEs, Mining, Construction, Finance, Personal and Government) will be monitored to identify changes and opportunities.

Successful implementation of LED will also be reflected in GDP and unemployment figures within Lepelle-Nkumpi and its LMs. The GDP numbers should increase, and the unemployment should decrease if LED was successfully implemented.

8.5. Project indicators

Number and stages of LED projects

For the purpose of monitoring and Evaluation, an LED Project will be defined as any LED project that has at least reached the Feasibility stage. LED in general can be described in six main status criteria:

- **Potential Project Identification** - LED forums and LED managers will identify potential project concepts that have the potential to become a LED project
- **Pre-Feasibility** – a project concept that has not been clearly defined, but some basic research would already have been implemented, including potential problems and opportunities, possible objectives, outcomes and benefits. The LED will still be in a conceptual or planning phase.

- **Feasibility study** - a controlled process for identifying problems and opportunities, determining objectives, describing situations, defining successful outcomes and assessing the range of costs and benefits associated with several alternatives for solving a problem.
- **Business Plan** - formal statement of a set of business goals, the reasons they are believed to be attainable and the plan for reaching those goals. It may also contain background information about the organization or team attempting to reach those goals.
- **Active LED Project** – A LED project that is in the process of being implemented against a set scope of work, budget and schedule for all participating role players.
- **Completed LED Project** – A LED project that had been completed against the scope of work, budget and schedule that was set out before implementation commenced.

LED Project Monitoring and Evaluation

Each LED project must be monitored through the project stages. Project Monitoring will focus on enhancing the efficiency and effectiveness of the project and bring the project to a successful conclusion.

Project Planning Phase

The planning phase of the project will have three main components:

- The outcome of the feasibility study will indicate whether a project should be undertaken or not.
- The Business Plan will formalise the LED Project by providing a development path for the economy.
- Put together a Comprehensive Project Plan based on the Business Plan with project objectives, scope, budget and schedule.

Table 63: Comprehensive project Plan Deliverables

Comprehensive Project Plan Deliverables	Completed
Refine Objectives of Project <ul style="list-style-type: none"> • Determine baseline data • Quantify Objective: in real numbers and timing 	
Create comprehensive project plan with clearly defined project phases, including: <ul style="list-style-type: none"> • Scope of work for project phase • Cost of project phase • Schedule for each • Assign responsibility to a project team member for each of the project 	

<p>phases</p> <ul style="list-style-type: none"> Determine how project communication will take place, including how a completed phase will be signed off and how the next phase will be initiated 	
Determine KPIs against each of the project phases	
<p>Determine how frequently the project team will meet to monitor the project. This will be determined by:</p> <ul style="list-style-type: none"> How “big” the project is in terms of importance, cost, technical requirements, etc. How long the project will take? How long each of the project phases will take The importance of certain project phases The cost and time involved to meet 	

Project implementation and Monitoring Phase

The implementation phase of the project will consist of two main phases:

- Project inception which entails the setup of the project team and adopting and making final alterations to comprehensive project plan
- Continued Project Monitoring

Table 64: Continuous Project Monitoring Questionnaire

Continues Project Monitoring Questionnaire	Yes / No
<p>Is the project on schedule? (compared to the Comprehensive Project Plan)</p> <ul style="list-style-type: none"> Are we in the project phases indicated on the Comprehensive Project Plan? What is the status of each of the project phases currently being implemented? 	
<p>Is the project on budget? (compared to the Comprehensive Project Plan)</p> <ul style="list-style-type: none"> How much has already been spent on each of the project phases that are currently being implemented? How much is estimated to still be spent on each of the project phases that are currently being implemented? 	

<ul style="list-style-type: none"> What is the cumulative amount spent on all phases already implemented or in progress compared to the Comprehensive Project Plan? 	
Does the project team foresee any issues or problems that will affect schedule, cost or scope of work?	

Project Completion and Evaluation

Once a project had been completed, the project needs to be evaluated against the initial Comprehensive Project Plan.

Table 65: Project completion and Evaluation framework

Project Completion Evaluation	Yes / No	Reason / Learning
Did the project achieve its objectives?		
Did the project achieve its scope of work?		
Was the project implemented on budget?		
Was the project completed on schedule?		

It is also suggested that a personal evaluation of all team members is conducted at the end of the project to improve future team cohesion and project success.

Chapter 9: Investment Attraction Plan

GOAL:

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.

In order to achieve the above goal, the Investment Strategy encompasses the following:

- **Doing business in Lepelle-Nkumpi:** Creates a clear understanding of the local economy's locational advantages and disadvantages, supply of labour and natural resources, economic drivers, and level of delivery of municipal services.
- **Strategic perspective analysis:** Aims to identify the growth sectors and market opportunities that could be exploited in the area, as well as business constraints and risks related to investment in specific economic sectors.
- **Project portfolio:** provides a brief summary of possible projects to be undertaken by investors.
- **Investment guide:** Provides a complete guide of activities for retaining and expanding existing business, as well as attracting new investments to the area.

Overall, the implementation of the Investment Strategy will provide the following benefits:








- Create a clear understanding of the Lepelle-Nkumpi's economic and development potential
- Assist in raising the awareness of the Lepelle-Nkumpi LM among potential investors
- Create a working relationship between public sector and local businesses
- Improve regulatory environment of the Municipality with regard to support of local and large companies

Doing Business in Lepelle-Nkumpi

This chapter gives an overview of the investment environment in the Lepelle-Nkumpi Local Municipality. In particular, the overview will give investors an idea of the current situation in Lepelle-Nkumpi Local Municipality and will influence their investment decision. The existing condition of the investment environment, as identified in this chapter, could also be used to be able to measure change in the future and to set benchmarks against which performance can be measured.

The investment environment is assessed by looking at the following indicators:

- Land
- Supporting infrastructure
- Labour force
- Licensing
- Accessibility to markets

-  Incentives
-  Supporting service industries
-  Agglomeration economies
-  Tax environment
-  Place marketing
-  Government Support mechanisms
-  Business Support Framework

This section gives an overview of the land available for agricultural, manufacturing and tourism purposes and also gives an overview of the land claims situation in the area.

Agriculture

In terms of land availability for agriculture, the north-eastern side of the Municipality along the Olifants River on the Southern boundary has numerous opportunities for development. An example is approximately 80 hectares, around the Grootfontein area, that could be operated as one farm unit. Across the road there is also about 35 hectares available for agriculture development, there is a possibility of negotiating with land owners to develop it as one piece of land.

Just outside of Lebowakgomo there is available **land suitable for sorghum production** and various **irrigated pieces of land** are also suitable for further development, like the irrigated land around Badfontein.

The Local Economic Development Plan (November 2006) identifies that a very small area in the north-eastern region of the municipality consists of **Forest Biome**, a type of vegetation that is mostly associated with activities such as forestry, grazing and eco-tourism.

In the south-west of Lepelle-Nkumpi (around Magatle and Zebediela), on the western border (Mokopane area) and on the north western border (towards Polokwane) there are **broilers and egg layers**. Not all of the chicken farms in the area are productive. There is **one chicken abattoir in Lebowakgomo**, which is mainly used for white meat processing. Cost of land in Lepelle-Nkumpi is subject to a property evaluator's assessment.

Manufacturing

Customized factories for meat and hide processing are vacant in the Lebowakgomo Industrial Park, which creates opportunities in cluster development for meat production. The industrial area (Habakkuk) also has potential to include other industries such as metals, chemicals, textiles, clothing and footwear. The industrial area is dominated by factories for the processing of sorghum, wheat and other crops. There is high occupation vacancy rate in the Lebowakgomo Industrial Park (Habakkuk).



















The sizes of factory units also vary considerably, ranging from the smallest at 82 m² to the largest at 14 400 m². The rentals are commensurate with the size of the buildings and type of tenants, and fit into a national profile for this type of a park i.e. large space/small rental and small space/large rental. The average gross rental per m², according to LEDA, rental roll is approximately R3.36. An area of 250 m²

in Polokwane could be rented for R24.75 per m². The lower rentals in Lepelle-Nkumpi will ensure a lower overall cost of production.

Tourism

The tourism industry in Lepelle-Nkumpi Municipality has great development potential. Not only is there land available for development of tourism products such as lodges, but existing tourism products in the area has the potential to be further developed.

Existing tourism products in the area, that could be further developed, includes:

-  Various forms of accommodation such as B&Bs and guesthouses in Lebowakgomo, which is a district growth point
-  Arts and craft entities
-  Nature reserves of Lekgalameetse, Wolkberg and Bewaarskloof
-  Wolkberg caves
-  Hiking and walking trails
-  The Iron Crown (2127m above sea level, as the highest point in Lepelle-Nkumpi
-  Game watching
-  4x4 trails
-  Eco-trails
-  Homestays
-  Mountain Climbing
-  Mafefe village tours, which forms part of the Ivory Route
-  Agri-tours
-  Olifants River Gorge
-  Donkerkloof caves
-  Wetlands
-  Mafefe Miraculous tree
-  Unique butterflies

Potential exists for the development of **an integrated tourism node** in Lepelle-Nkumpi. Projects in the programme include linking all tourism products in the area, improving access roads, developing new tourism products in area, etc.

The Lekgalameetse, Wolkberg and Bewaarskloof Nature Reserves are located in the Lepelle-Nkumpi LM which presents numerous opportunities for nature-based and adventure tourism. The LM also presents opportunities for the development of culture and heritage tourism.

Between Lebowakgomo and Mafefe opportunity exists for the development of game farms. There is land available for the development of lodges along the Olifants River. The African Ivory Route that traverses the LM also presents opportunity for tourism development.

The spectacular scenery and landscapes offer potential for the development of a golf estate in Lepelle-Nkumpi LM in the Zebediela area.

The Mafefe tourism Centre was an information hub in Mafefe, erected by the Capricorn District Municipality, but got burnt and is not revamped at the moment. This centre has vast tourism




opportunities since it had all the facilities such as accommodation in the form chalets with water and electricity situated in a beautiful area with numerous eco-tourism and cultural attractions.

Supporting infrastructure

This section provides an overview of the supply of basic services to the area in Lepelle-Nkumpi and assesses the condition and availability of infrastructure such as road, air and rail transport, and telecommunications, as well as the availability of infrastructure at the Industrial Park in Lebowakgomo.

Electricity

Electricity is generated and distributed by ESKOM in the municipality. Electricity and energy is provided by means of the following sources:

-  Grid electricity, which is supplied from power stations;
-  Non-grid electricity which basically includes petrol, diesel generators and solar based energy in private properties; and
-  Other alternative sources of energy, which amongst others includes batteries, paraffin, coal, wood, candles, gas, etc.

Electricity is not generated by the Municipality itself, thus making it vulnerable to the unreliability of the national network. A total of 96,7% of households in the municipal area has access to electricity according to STATS SA, 2022.

Water supply

The tariff for water consumption by businesses in Lepelle-Nkumpi is R22.00 per kilolitre across all business sectors. This remains competitive in comparison to other municipalities bordering Lepelle-Nkumpi. It is therefore evident that water supply in Lepelle-Nkumpi is slightly less expensive and would result in slightly lower overall cost.

A total of 80% households have access to clean water with 36.7% households have water connections inside their dwellings. The water service levels differ from village to village depending on the availability of funds, the type of settlement, topography and whether people can afford such services.

Roads

One of the three significant freight corridors through Limpopo is traversing through Lepelle-Nkumpi, i.e. the R37 from Mashishing to Polokwane, through Burgersfort and Lebowakgomo. The general description of most roads in the Lepelle-Nkumpi need urgent attention for maintenance, however, SANRAL is in the process of upgrading its connecting roads in the 2026 financial year.

The rural roads are in the process of being upgraded by the municipality with the potential of sustained maintenance and grading, with specific attention to storm water drainage. There is significant freight transport due to mining activities in Lepelle-Nkumpi. There are 19 subsidised bus routes and also 25 taxi facilities in the Lepelle-Nkumpi area of which 2 are informal.

Air & rail transport

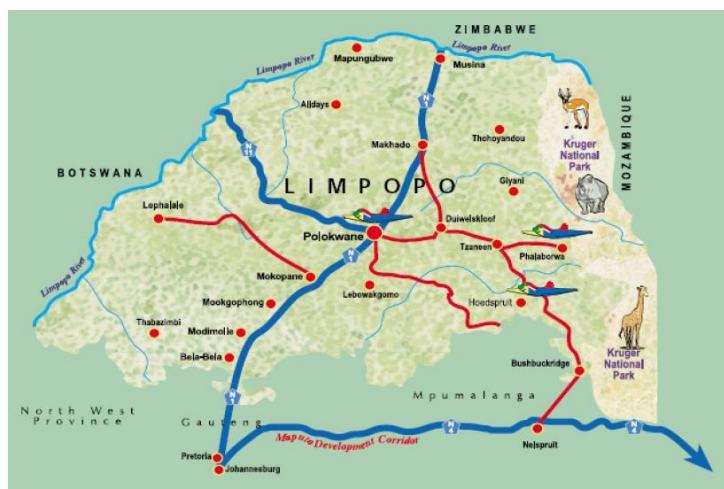
Lepelle-Nkumpi Municipality has no airport in its area of jurisdiction, and there is a disused rail line in the Zebediela area that used to connect the citrus estate with Johannesburg for exportation of oranges. There is potential to resuscitate the rail route to complement the potential upgrading of the Orrie Baragwanath road connecting Lepelle-Nkumpi to Maruleng via Calys.

Telecommunications

Telkom's public telephone service provides telecommunication in the municipal area. There are other privately owned service providers such as Vodacom and MTN that provide cellular services with a wide coverage in Lepelle-Nkumpi. Some isolated areas in Mafefe has poor reception. Therefore, a substantial percentage of households have access to mobile phones.

Infrastructure in Lebowakgomo Industrial Park

The following figure outlines the infrastructure status quo in Lebowakgomo industrial park as summarized in the Industrial Resuscitation Strategy for Industrial Parks in Limpopo Province:



Water Supply

- Existing water reticulation consists mainly of 75 mm ϕ d
- No known problems exist concerning the supply of water
- The residual pressure head on site is 570 kPa.

Sewerage

- Existing sewer network, situated inside the road reserve
- It is estimated that 40% of the network will require inter

Stormwater drainage

- A 450 mm ϕ piped system exists along 80% of the roads replacement.

Waste disposal

- The municipality maintains the park.

Roads

- There is a gravel road on the north of the park of 975m
- Potholes in the roads that need to be fixed.

Railway line

- There is a disused railway line in the Zebediela

Electricity

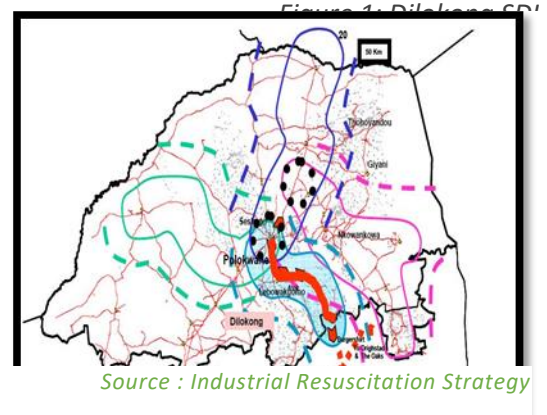
- Shortage of power supply to the park.
- Two sub-stations (both in need of upgrading according

Accessibility to markets

The Limpopo Province is located on the north of South Africa providing access to South African Development Community (SADC) countries and its markets. It covers 124 000 km, or approximately 10% of South Africa's surface area. On the south side, it borders with the Gauteng Province, the South African financial, trade and business hub, and the Mpumalanga Province. On the north, west and east it borders with Zimbabwe, Botswana, and Mozambique, respectively

Access to SADC markets is obtained through the N1 highway. The national route also links the Limpopo Province with the Gauteng Province. A rail line parallel to the N1 highway traverses the Province providing railway transportation towards the City Deep Industrial Zone in Johannesburg and SADC countries.

Industries in the Province have access to deep-water ports through the Maputo Corridor (N4 highway) linking Johannesburg and Pretoria region with Maputo and Matola in Mozambique. These ports have traditionally provided the nearest facilities for the importers and exporters of the Limpopo, Mpumalanga, and Gauteng Provinces.



The Maputo port is located 300-400 kilometres from the main mining and agricultural regions in the Limpopo Province compared to a thousand kilometres distance to the port in Durban. With an international consortium investing an initial US\$70 million to upgrade it, Limpopo exporters estimate they would save about one third of their transportation costs by using the facility.

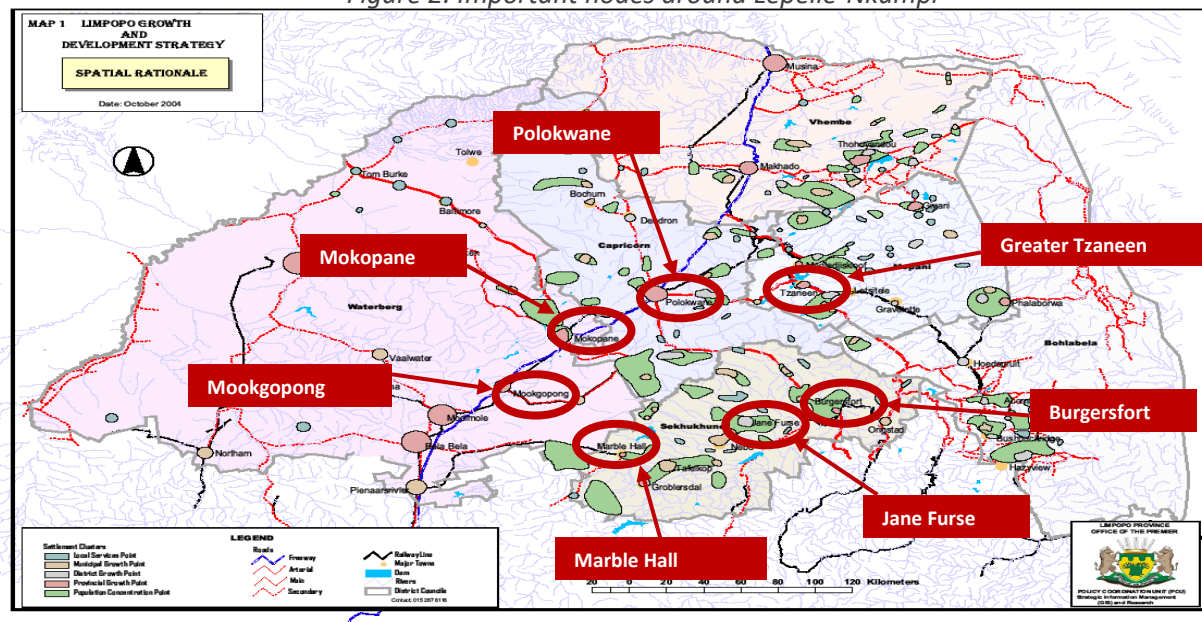
In addition to the road and railway transportation, the Limpopo Province is linked to the international markets by air through the Gateway International Airport situated in Polokwane and on the Cape to Cairo highway, thus 50km away from Lebowakgomo. The Polokwane airport offers improved services and in the future will offer such facilities as a new terminal and larger freight and cold storage capacity.

Lebowakgomo industrial park is situated on the R518 regional route, approximately fifty kilometres from Polokwane and seventy kilometres from the N1 highway. The industrial park, however, is located on the Dilokong Corridor that covers the platinum mining area in the Province.

Figure 2 There are important nodes around Lepelle-Nkumpi Local Municipality. Polokwane, which serves as the economic hub of the District, is connected to the municipality by means of the R37 from Lydenburg that traverses Lebowakgomo.

The nodes, indicated on the map below, surrounding the Municipality have a population of approximately 380,855 which could be seen as a possible consumer market for the products in Lepelle-Nkumpi.

Figure 2: Important nodes around Lepelle-Nkumpi



Incentives

The Lepelle-Nkumpi Municipality currently has no incentive packages available for potential investors. Municipal tariffs do not distinguish between different businesses and do not offer discounts to local businesses.

Supporting services

There are no development agencies active in the municipality except LEDA.

Tax Environment

There are different kinds of taxes paid in South Africa and applicable in Lepelle-Nkumpi that include:

- | | |
|-----------------------|-----------------------------------|
| Income tax | Skills Development Levy (SDL) |
| Capital gains tax | Unemployment Insurance Fund (UIF) |
| Value Added Tax (VAT) | Donations Tax |
| Customs Duty | Fuel Levy |
| Excise Duty | Environmental Levy |
| Transfer Duty | Pay As You Earn (PAYE) |
| Estate Duty | Retirement Funds Tax (RFT) |
| Stamp Duty | Other Taxes |

Place Marketing

Place marketing is imperative to make potential investors aware of business perspectives in Lepelle-Nkumpi. This also increases knowledge of the area and would increase the effectiveness of an investment promotion programme.

Branding

Lepelle-Nkumpi Municipality is expected to brand itself as the *“Gateway to the Kruger to Canyons Biosphere”* or alternatively as a *“Smart and Vibrant Town”*.

Promotional material & other exposure

The Municipality has developed a tourist map for the promotion of tourism products. There is a need to develop an economic profile to be used to sell the economic potential of Lepelle-Nkumpi.

Collaborative marketing initiatives

The CDM, LEDET and the Department of Agriculture undertakes regular exhibitions of SMME products at trade shows and business trips which are arranged in conjunction with Trade and Investment Limpopo (TIL). The Capricorn District Municipality also provides support to the local municipality in terms of marketing potential investment opportunities and lobbying for investors by:

- Participating in joint marketing initiatives with the national department of Trade and Industry and various provincial agencies.
- Facilitating investment by applying for national government incentives, assisting in negotiations between investors and provincial and local authorities, and providing after-care service to investors.
- Identifying and facilitating joint ventures and community participation in investment, where feasible.
- Promoting Lepelle-Nkumpi and its potential and products at trade and investment exhibitions in South Africa and abroad.
- Seeking and establishing new markets for local products.
- Maintaining contacts with foreign and prospective investors through personal meeting during outward missions.
- Disseminating information through communication channels such as *Trade and Investment Limpopo*, a quarterly publication reporting on investment opportunities and recent developments.

Opportunity Prioritisation

Priority Project	Location
1. Establish Zebediela juice extraction and packaging plant	Zebediela
2. Develop goat meat and milk slaughtering, processing, packaging, and marketing plant	Mphahlele
3. Develop white meat (poultry) cluster centred around	Lebowakgomo

Lebowakgomo	
4. Develop aquaculture cluster involved with fish processing, freezing, packing, marketing	Mafefe
5. Establish small-scale excavation and tile manufacturing of slate slabs in Mafefe	Mafefe
6. Merging and commercialisation of Lekgalameetse, Wolkberg and Bewaarskloof reserves	Strydpoort mountains
7. Develop farm-based tourism and recreation opportunities linked to Zebediela citrus estate	Zebediela
8. High-value organic food farming	Grootfontein
9. Manufacturing of pesticides and fertilizers as inputs to the horticulture sector	Habakkuk
10. Clothing manufacturing & textile weaving	Habakkuk
11. Arts & crafts manufacturing	To be decided
12. Farm visits: Zebediela – citrus production as tourist attraction	Zebediela Estate
13. Development of Tourism Information Centre as tourism information & interpretation centre	Lebowakgomo
14. Develop mining cluster involved with beneficiation and other value-adding activities	To be decided
15. Development of natural features as tourism products (SMME opportunities)	Throughout municipality
16. Development of a strategically located shopping complex	Business Area (Lebowakgomo)

References

- Karabağ, S., Yavuz, M., & Berggren, C. (2011). *The impact of festivals on city promotion: A comparative study of Turkish and Swedish festivals*.
- Adler, S. (2016). *Value Chain for Chicken*.
- DAAF. (2017). *Department of Agriculture, Forestry and Fishing*. Retrieved from Agro-processing: <http://www.nda.agric.za/doaDev/sideMenu/AgroProcessingSupport/docs/Quarterly%20Brief%20No%204%202017%20Q4%20-%20edited.pdf>
- DTI. (2018). *Industrial Development*. Retrieved from Department of Trade and Industry: http://www.thedti.gov.za/industrial_development/agroprocessing.jsp
- EMNP. (2010). *ENVIRONMENTAL MANAGEMENT PLAN FOR LEPELLE-NKUMPI LOCAL MUNICIPALITY*.
- Fernandez-Stark, K., Bamber, P., & Gereffi, G. (2011). *Workforce Development in the Fruit and Vegetable Global Value Chain*.
- Lepelle-Nkumpi Local Municipality. (2018). *Mayor pays homage to Traditional Leaders at a breakfast meeting*. Retrieved from Lepelle-Nkumpi Local Municipality: <http://www.lepelle-nkumpi.gov.za/?q=oldstory4>
- Limpopo Provincial Government. (2012). *Limpopo Agro-Processing Strategy*.
- LNLM IDP. (2024-2025). *Integrated Development Plan for Lepelle-Nkumpi Local Municipality*.
- Mebratu, D. (1998, November). Sustainability and sustainable development: Historical and conceptual review. *Environmental Impact Assessment Review*, 18(6), 493-520.
- Ncube, P., Roberts, S., & Zengeni, T. (2016). *Development of the animal feed to poultry value chain across Botswana, South Africa, Zimbabwe*.
- Njuki, J., & Sanginga, P. (2013). *Women, Livestock ownerships and markets*.
- Seisdedos, G. (2006). *State of the art of city marketing in European cities*.
- UNWTO. (2018). Retrieved from www.tugberkugurlu.com/.../definintion-of-tourism-unwto-definition-of-tourism-what...

Annexure A

Project name	PRIORITISATION – 2025-2030						Key (Rating): 1 = low 2 = below average 3 = average 4 = above average 5 = high	
	Strategic Importance	Feasibility of the Project	Economic Impact	SMME Development	BEE Capacity Building			
WEIGHTING	30%	20%	25%	15%	10%		RATING	RANK
Creating an enabling environment								
Municipality should establish adequate ICT (4 th Industrial Revolution (4IR) & 5 th Industrial Revolution (5IR)) infrastructure	5	5	5	5	5		5	1
Developing smart classrooms with access to computers and broadband internet at schools	5	5	4	4	4		4,5	3
Provision of enabling road infrastructure/connectivity/expansion	5	5	5	4	4		4,75	2
Refurbishment of water treatment plant in Lebowakgomo	4	4	5	4	5		4,35	5
Refurbishment of waste water treatment plant	4	4	5	5	4		4,4	4
Improved electricity distribution	4	4	5	4	4		4,25	6
Safety and security provision in the municipality	5	4	3	5	3		4,1	10
Establishment of educational & health facilities	4	4	4	5	4		4,15	9
Entrepreneurship training schools	4	4	4	4	4		4	12
Entrepreneurship incubators	4	4	3	3	3		3,5	16
Small business skills training incubator	5	5	4	3	3		4,25	6
Establishment of the Lepelle-Nkumpi Technical Skills Academy	5	4	4	4	3		4,2	8
Agricultural “hands on” skills development	4	4	4	3	3		3,75	13

Youth in agriculture programme	5	4	4	3	3	4,05	11
Technical “hands on” skills development	4	3	4	3	3	3,55	15
Basic hospitality skills training	4	4	4	3	3	3,75	13
Agro-processing							
Expansion of the Lombardi grape production	4	4	4	4	4	4	7
Expansion of the Zebediela citrus juice (orange) and packaging plant	5	5	5	4	4	4,75	1
Packaging and distribution of processed oranges	4	4	4	4	3	3,9	8
Sweet orange oil production	3	3	3	3	3	3	17
Beverages production	3	4	3	4	3	3,35	16
Marmalade production	3	3	3	3	3	3	17
Production of sauces	3	2	3	3	3	2,8	21
Spice mixtures	3	2	3	2	3	2,65	23
Integrated goat farming with climate change mitigation plans	5	4	4	4	4	4,3	4
Processing of dairy milk (goat milk)	4	4	3	4	3	3,65	13
Expansion of abattoirs (chickens and goats)	5	5	4	4	3	4,4	3
Meat processing plants with climate change mitigation plans	4	4	4	4	3	3,9	8
Housing expansion for goats (shelter)	4	4	4	4	3	3,9	8
Establishment of collection centres	5	4	4	3	4	4,15	5
Expansion of SMME butcheries	3	3	3	3	3	3	17
Broiler chicken farming & processing	4	3	4	4	4	3,8	12
Supply of chicken pies, burgers, polony and viennas	3	2	3	3	3	2,8	21
Production of cushions	4	4	4	3	4	3,85	11
Deboning of chicken	3	3	3	3	2	2,9	20

Production of bioenergy	4	3	4	3	3	3,55	14
Housing of chickens	4	3	4	3	3	3,55	14
Revitalisation of the industrial area in Lebowakgomo	5	5	5	4	4	4,75	1
Establishment of a research and development centre	4	5	4	4	3	4,1	6
Tourism development							
Partnership with the mall	5	4	4	4	4	4,3	6
Development of conservation areas with climate change mitigation plans	5	5	5	3	3	4,5	2
Protection and promotion of heritage sites	5	5	4	4	4	4,5	2
Supporting existing tourism facilities	3	3	3	3	3	3	8
Refurbishment of the stadium in Lebowakgomo	3	3	3	3	3	3	8
Establishment of an information centre for tourism	5	4	4	5	4	4,45	5
Village tourism (adventure node development on the eastern side)	5	5	5	5	4	4,9	1
Zebediela Farm Stay and Caravan Park (Agri-tourism)	5	5	4	4	4	4,5	2
Establishment of restaurants	4	4	3	3	3	3,5	7
Mining & Mineral beneficiation							
Development of the Dilokong Platinum Corridor (Town planning)	5	4	4	3	4	4,15	1
Environmental protection of non-mining zones	5	4	4	3	4	4,15	1
Expansion of brick making in Zebediela	4	3	3	3	3	3,3	8
Gravel and stone crushes	4	3	4	3	3	3,55	5
Polishing of stones	4	4	3	3	3	3,5	6
Slate excavation & Tile manufacturing in Mafefe	4	4	3	3	3	3,5	6
A waste sorting plant that recycles and reuses waste material to reduce landfill needs in the municipality	5	3	4	3	3	3,85	3

Recycling and producing products from waste car and truck tyres	4	4	4	3	3	3,75	4
Retail & business environment enablement							
Land rezoning for informal sector development (town planning)	5	4	5	4	4	4,55	6
Upgrading of hawkers' trading areas	5	5	5	4	4	4,75	1
Construction of storage units (hawkers)	5	5	5	4	4	4,75	1
Establishment of an information centre (registration and licencing)	4	5	5	5	4	4,6	5
Amenities at the hawkers' stalls (toilets, wash room, etc.)	5	4	5	4	4	4,55	6
Informal sector training programme	5	4	5	4	4	4,55	6
Establishment of a green market	4	4	4	4	4	4	11
Establishment of a logistic hub	5	4	4	4	4	4,3	10
Business precinct development (town planning)	5	5	5	4	4	4,75	1
Street facing shops space	4	5	5	5	5	4,7	4
Pedestrian walkways in front of shops	4	4	5	5	5	4,5	9
Street parking in front of shops	4	4	4	3	3	3,75	13
Transport node development next to business precinct (bus and taxi rank)	4	4	4	4	4	4	11
Marketing							
"Buy Lepelle-Nkumpi" local coupon incentives	5	5	4	4	4	4,5	1
"Buy Lepelle-Nkumpi" develop an advertising campaign for local products	4	4	5	4	4	4,25	2
Lepelle-Nkumpi agriculture marketing	4	4	4	4	4	4	3

