



INVESTMENT OPPORTUNITIES BROCHURE



CAPRICORN
DISTRICT MUNICIPALITY

2019

Re Soma Le Setšhaba

TABLE OF CONTENTS

1. WELCOME ADDRESS FROM EXECUTIVE MAYOR

2. OVERVIEW OF CAPRICORN DISTRICT MUNICIPALITY

- 2.1. Locality of the District
- 2.2. Economic Activity
- 2.3. Opportunities
- 2.4. Competitive advantage
- 2.5. Access to Markets
- 2.6. Raw materials
- 2.7. Land, Premises and Infrastructure
- 2.8. Electricity, Water, Waste Management
- 2.9. Labour
- 2.10. Telecommunications
- 2.11. Trade licenses, permits and regulatory requirements
- 2.12. Finance and Banking
- 2.13. Climate

3. OVERVIEW OF MUNICIPALITIES IN CAPRICORN DISTRICT

- 3.1. Polokwane Local Municipality
- 3.2. Lepelle Nkumpi Local Municipality
- 3.3. Blouberg Local Municipality
- 3.4. Molemole Local Municipality

4. TRADE OVERVIEW

- 4.1. Imports
- 4.2. Exports

5. OVERVIEW OF KEY SECTORS

- 5.1. Agriculture
- 5.2. Mining
- 5.3. Manufacturing

6. INVESTMENT OPPORTUNITIES THAT WERE RESEARCHED FURTHER

7. BUSINESS SUPPORT INSTITUTIONS

8. NATIONAL PERSPECTIVE

WELCOME ADDRESS FROM EXECUTIVE MAYOR

Capricorn District Municipality (CDM) in Limpopo Province of South Africa has conducted an extensive research program with our private commercial, mining, construction, agricultural business sectors and have prepared a series of detailed project feasibility studies in order to compile a portfolio of pre-qualified and verified viable Trade & Investment Opportunities to bring to you.

We have been encouraged by the fruits of our labour as a wealth of new business opportunities ranging from several giga and mega projects and nearly two hundred SMMEs have been identified and are recorded in our portfolio.

As a result we are now pro-actively engaged in unlocking this immense value that Capricorn holds by actively seeking trade and investment partners. To facilitate this a comprehensive system of business support services covering every aspect of your research, feasibility study, business plan preparation, motivation to your board-of-directors and shareholders, business licences, setting up of your business, finding partners, investment incentives, project finance and operating capital even finding appropriate housing for your family and schooling for your children have been put in place. In return we need access to new partnerships, modern technologies, state-of-the-art processes and methodologies and access to new international markets. If you can provide one of these you are welcome to join us in Capricorn and make your fortune.

CAPRICORN DISTRICT WELCOMES YOU!

Contents of this booklet



In this booklet is a summary of our efforts as recorded in our various strategic documents and clearly outlines the sectors, spatial profiles, demographics, and introduces key role players through whom you will be able to secure your investment.

As the District Municipality we have spared no effort in maintaining and developing our infrastructure to prepare for this investment drive and are continually upgrading and updating all of our resources creating a fertile environment for business to flourish. In this regard the human resource, which is our most valuable commodity, is being continually retrained and up-skilled to provide an enthusiastic and competent work force.

Vast tracks of fertile land have been earmarked for co-operative farming and agro-processing for you. Capricorn also has rich mineral deposits creating lucrative mining and beneficiation opportunities for you.

The information, technology and communications (ITC) networks in our

District are comparable to the best in the southern hemisphere with international standard broadband, mobile and satellite capabilities.

Coupled with this our world-class financial sector boasts the leading electronic banking services in the world. This allows for secure, efficient and effective transaction management. The N1 highway, which runs from the southern most point in Africa (Cape Town) through Zimbabwe to the heart of the Southern African Development Community (SADC) and continues onto Cairo in Egypt, cuts through Capricorn.

This together with a reliable transport infrastructure including Rail and the Gateway International Airport at Polokwane creates access to a market of 1 billion people on the African continent.

You and your family will be invigorated by the African experience that Capricorn has to offer. Excellent recreation, healthcare and prestigious education institutions coupled with convenient shopping, lifestyle facilities and tourist attractions make Capricorn Municipal District a safe, secure and stable investment destination. Your destination of choice!

Capricorn is open for business and invites you to come and make your fortune here!

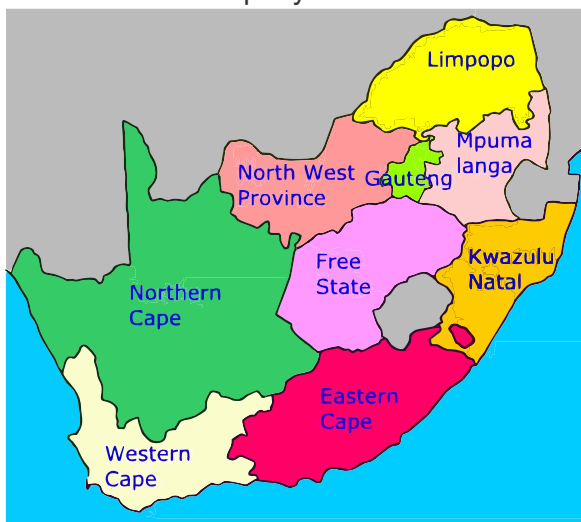
Cllr John Mpe
Executive Mayor

1. OVERVIEW OF CAPRICORN DISTRICT MUNICIPALITY

1.1. Locality of the District

Capricorn District is situated in the centre of the Limpopo Province, the most northern province in South Africa and includes the province's capital, the City of Polokwane. Capricorn District Municipality is made up of the four local municipalities namely, Blouberg, Lepelle-Nkumpi, Molemole and Polokwane. Capricorn District is named after the Tropic of Capricorn latitude, which runs through the district.

Map of South Africa, showing the provinces. The Limpopo Province can be seen in the upper right hand side of the map in yellow:



Source: <https://www.southafrica.to/provinces/provinces.htm>

Map of Capricorn District Municipality, showing the local municipalities



Source: CDM, GIS Unit

2.1. Economic Activity

Key sectors driving the economy are Agriculture, Manufacturing, Transport and Mining. Agriculture incorporates such activities as farming, commercial hunting, game propagation, forestry, logging, and fishing. The manufacturing sector is dominated by the food and beverages sub-sector with other important sub sectors including steel-product manufacturing, concrete, wood & timber and electronic products, weaving of polypropylene bags and sisal products and canvass manufacturing. Mining is focused on the extraction and beneficiation of minerals occurring naturally, as well as solids, liquids and crude petroleum and gases.

2.2. Opportunities

A multitude of exciting business opportunities exist to boost the rapid growth of Trade and Investment in the Capricorn District. We have enormous potential for the expansion of crop cultivation, grains, livestock farming, establishment of agro-processing facilities and export of produce and beneficiated products. Mining potential in the area includes platinum, gold, diamonds, granite, kaolin, iron ore, marble, coal and others. Opportunities also exist for beneficiation of mining outputs and supply of inputs to mining operations. Establishment of manufacturing operations makes business sense given the vast resources available, value chain clustering, development zones, logistical transport hub including the establishment of a dry port and support to bring goods to market.

A number of these opportunities (but not all) are also listed in each of the Local Municipalities' profile pages.

2.3. Competitive advantage

Capricorn is an ideal gateway to the rest of the African continent as it is situated within the heart of the Southern African Development Community (SADC) as well as at the core of economic development in the Limpopo Province. Its capital city, Polokwane is also an important regional logistics hub situated along strategic transport routes traversing Africa.

SADC with its 15 member states is a market of 250 million consumers and Africa a market of 1 billion consumers. The strategic location of Capricorn ensures close proximity to raw materials and natural resources, logistical infrastructure to provide efficient transport and access to markets in Africa and the rest of the world.

Abundant land and premises at low cost is available with the potential for a variety of applications and industries including agriculture, manufacturing, mining, tourism and others. Lower input costs, including labour at internationally competitive prices, ensure higher returns on investment in a shorter period of time.

Low cost financing is available from a variety of government funded development institutions and commercial banks. Government incentives are also available to further encourage investment and development. The established Business Support Services Institutions are ready to identify and match suitable business partners, provide research and inputs to business proposals and assist with accessing finance.

2.4. Access to Markets

Access to SADC markets is via the N1 highway that runs through the district. With only a 2 hour drive the national freeway links the Limpopo Province with the Gauteng Province, the economic heart of Africa. A rail line running parallel to the N1 highway traverses the Limpopo Province providing railway transportation to the City Deep Industrial Zone in Johannesburg and SADC countries.

Capricorn is connected with the Maputo Development Corridor running between Johannesburg and the Maputo Port in Mozambique through the Phalaborwa Corridor. Industries in the district therefore have access to a deepwater port in Maputo, Mozambique, which is located only 300 kilometres from the main mining and agricultural areas.

The district is also linked to the international markets by air through the new Gateway International Airport situated in Polokwane and by road through the Cape to Cairo highway.

2.5. Raw materials

The availability of raw materials, agricultural produce and minerals and the opportunities that they present are discussed under the various industry sector headings on separate pages in this booklet (agriculture, mining, manufacturing etc.)

2.6. Land, Premises and Infrastructure

Land and premises are available with the potential for a variety of applications and industries including agriculture, manufacturing, mining, tourism and others. The District is interested in discussing the requirements of business people and investors and will facilitate the making available of land and or premises, and will provide the necessary infrastructural support and services.

Developmental strategies have been formulated which include the clustering of related industries to facilitate critical mass and access to markets, economies of scale, bulk logistics and supply and value chain management. To this end the District will also facilitate the partnering of investors who are interested in the development and running of industrial parks to house all the new business and industries who are coming to the area.

2.7. Electricity, Water, Waste Management

Businesses and industry in the Capricorn District all have access to Electricity, Water and Waste Management and related services at competitive rates. The District is committed to ensuring that all new Businesses and Industries that wish to establish themselves in the area will be supported and provided with all the services that they may require.

The District is happy to discuss investor's special requirements and is able to supply services to all sizes of business and industry, from giga projects to SMME's.

2.8. Labour

According to the Capricorn Investment and Marketing Strategy, the district employed a total number of 289 288 people in 2018, translating into an employment rate of 66.0%. According the skills profile, the Capricorn workforce comprise of about 28% skilled, 44% semi-skilled and 27%

low skilled workers.

2.9. Telecommunications

The District's telecommunications infrastructure is equal to world class standards. A variety providers of telecommunications services operate in the District and are able to provide a full world class spectrum of products and services including telephone, mobile telephone, mobile data (4G and 3G), broadband internet, satellite communication and dedicated high speed lines for any size project or business. A number of internet service providers operate throughout South Africa with local points of presence in all areas of the District with direct link to three separate undersea cable connections and satellite links to the rest of the world.

2.10. Trade licenses, permits and regulatory requirements

The District will assist all Businesses and Industries that wish to expand or establish themselves in the area to obtain necessary trade licenses, permits and to fulfil regulatory requirements.

2.11. Finance and Banking

Funding is available from a variety of government funded development institutions and commercial banks. South Africa has a sophisticated world class banking system with the four major banks' branch network fully represented in the District. South African banks are world leaders in electronic banking systems and offer full forex transfer facilities via Swift, transactional accounts, internet banking and high availability of ATM's (automated teller machines). All major international banks are represented in South Africa and innovative financing is available from various merchant bank houses and commercial banks.


2.12. Climate

South Africa in general and Capricorn District in particular has a sunny pleasant climate and is not subject to extremes in weather conditions like hurricanes, cyclones or monsoons. The area lies in a summer rainfall region with mild frost free winters (20°C / 70°F) and warm summers (26°C / 79°F) and is 1 200 m above sea level. Average annual rainfall is 478 mm (19 inch) mostly during the months October to March. It is also not subject to earthquakes or tsunamis and has no active volcanoes.

2.13. Facilities

Capricorn District has all the facilities that one could want including:

- World class healthcare at a number of private and government hospitals and medical service providers including the best doctors and medical specialists in the world.
- Reasonably priced spacious modern housing with private gardens in a variety of suburbs.
- Public and private schooling.
- Local campuses of universities and other tertiary educational institutions.
- Satellite and terrestrial television entertainment offering hundreds of channels from around the world.
- Better than world class telecommunication facilities including fixed line, mobile (4G & 3G) and broadband internet.
- Sophisticated world class banking system from the four major banks offering full forex transfer facilities via Swift, transactional accounts, internet banking and high availability of ATM's (automated teller machines).
- A variety of regional and suburban shopping malls offering every conceivable product and



service you may need.

- Restaurants and entertainment venues including a casino.
 - Convenience food outlets for all tastes including international brands such as McDonalds and KFC.
 - Well developed transportation infrastructure.
 - Nature reserves and other tourist attractions and huge variety of sports and outdoor activities.
-

3.. OVERVIEW OF MUNICIPALITIES IN CAPRICORN DISTRICT

3.1. Polokwane Local Municipality



Contact details

E-mail: Suzanp@polokwane.gov.za

Mail: PO Box 111, Polokwane, 0700

Physical Address: Street: cnr Landdros Mare
and Bodenstein Streets, Polokwane

Tel: +27 15 290 2000

Fax: +27 15 290 2106

Overview of Polokwane Local Municipality

The name Polokwane means 'place of safety' and is known as the 'place of peace'. The City of Polokwane, located within Polokwane Local Municipality is the economic and administrative capital of Limpopo Province. Wide streets, jacaranda and coral trees, colourful parks and sparkling fountains describe the vibrant city. The city holds an enviable position. Its proximity as a major centre near the neighbouring countries of Botswana, Zimbabwe, Mozambique and Swaziland make it a strategically located, fully equipped destination, and it is within convenient distance from the Kruger National Park and Magoesbaskloof.

Topography

Polokwane Local Municipality is situated on a plateau, 1,200m above sea level, which is bordered in the south by the Strydpoort Mountains, in the west and north by the Waterberg Mountains and in the east by the Great Escarpment. The highest part of the plateau lies in the south near the Strydpoort Mountains, which forms the watershed between the Olifants and Sand River systems.

Economic Activity

Key growth areas of the Polokwane economy include Agriculture, Manufacturing, Mining and Transport. The City of Polokwane is an important regional logistics hub situated along strategic transport routes traversing Africa. The informal sector also makes up a significant component of the economy which creates tremendous opportunities for SME development.

Trade and Investment Opportunities

Opportunities available in Polokwane Local Municipality include (but are not limited to):

- Processing of oilseeds for oil extraction
- Establishment of a food processing cluster
- Establishment of a pharmaceutical cluster
- Processing of indigenous medicinal plants
- Construction of an Industrial Development Zone (IDZ)
- Development of a Dry Port
- Mining potential: diamonds, gold and silicone
- Mineral processing and beneficiation hub
- Development of a Nature Reserve Bel
- Development of tourist lodges at Molepo Dam and Sego Game Reserve

Recreation

Polokwane is the tourism mecca of the district. The City of Polokwane is endowed with a casino, museums, shopping facilities, art gallery, cultural village facilities and nature reserves. The Polokwane Municipality also boasts a good supply of accommodation

Agriculture and Agro-processing.

Agricultural production is found in Polokwane to a lesser extent, however there are many agricultural households that are involved in livestock production, poultry products and vegetable production in the Polokwane Municipality.

Agro-processing plays an important role in Polokwane Local Municipality. The following key agricultural produce and agro-processing products were exported:

- Fruit juices and vegetable juices that is unfermented and not containing added spirit.
- Wheat or meslin flour.
- Cane or beet sugar and chemically pure sucrose that is in solid form.
- Sunflower-seeds, safflower or cotton-seed oil and fractions thereof.
- Meal and pellets cereal or groats.
- Soya-bean oil and its fractions.
- Cereal flours (excluding that of wheat or meslin).
- Waters, including mineral waters and aerated waters that contain added sugar or other sweetening matter or flavouring.
- Provisionally preserved fruit and nuts.
- Sauces and preparations including mixed condiments and mixed seasonings.
- Jams, fruit jellies, marmalades, fruit or nut purées and fruit or nut pastes, obtained by cooking.
- Fresh or dried citrus fruit.

Manufacturing

The city of Polokwane is the manufacturing power-house of the region and plays an important role within agro-processing and mineral beneficiation. The Polokwane Investment and Marketing Strategy further delineated the possibility to increase exports of the top ten exported products by diversifying its markets or product ranges in:

- Hydrogen, Rare Gases and Other Non-Metals
- Fruit and Vegetable Juice
- Wheat or Meslin Flour
- Ferro-alloys
- Cane or Beet Sugar and Chemically Pure Sucrose
- Safflower, Sunflower and Cotton-Seed
- Cereal Grouts, Meal and Pellets
- Soya-Bean Oil
- Chemical Industry Products and Residues
- Soap

Trade

The Polokwane Central Business District (CBD) is approximately 4km², and consists out of a number of retail and other commercial space. In addition to the CBD, Polokwane Local Municipality had zoned 23 shopping malls of which 16 had already been constructed in 2015.

A high level assessment of existing shopping malls found that although Polokwane as a whole could sustain additional shopping malls, there were limited areas in Polokwane that were not already covered by existing malls. The areas that were not covered would also not be able to sustain a shopping mall due to low volumes of population. The final finding was that shopping malls in Polokwane Local Municipality should rather expand their existing shop floor space.

3.2. Lepelle Nkumpi Local Municipality



Contact details

Acting Municipal Manager: Mr. Nyiko Mashamba

E-mail: Nyiko.mashamba@lepelle-nkumpi.gov.za

Mail: Private Bag X07, Chuenespoort, 0745

Physical Address : Street: 170 Ba Lebowakgomo, 0737

Tel: +27 15 633 4500

Fax: +27 15 633 6896

Overview of Lepelle-Nkumpi Local Municipality

Lepelle-Nkumpi Local Municipality is located 55 km south of Polokwane. The municipality is predominantly rural. It is divided into 30 wards, four of them being a township called Lebowakgomo and one of the Capricorn District's growth points. All sittings of the provincial legislature take place at Lebowakgomo Old Parliament for the former homeland.

Topography

The north-eastern part of Lepelle-Nkumpi is mountainous with the Great Escarpment or Northern Drakensberg being a prominent feature. The south-western part of the area is more flat.

Economic Activity

Key growth areas of the Lepelle-Nkumpi economy include Agriculture, Mining, Manufacturing and Tourism. The informal sector also makes up a significant component of the economy which creates tremendous opportunities for SME and co-operative development.

Trade and Investment Opportunities

Opportunities available in Lepelle-Nkumpi Local Municipality include (but are not limited to) :-

- Establishment of a red and white meat processing cluster.
- Goat meat production.
- Broiler farming.
- Agriculture potential – citrus, vegetables, grapes, maize.
- Organic cotton farming.
- Aqua-culture cluster.
- Citrus juice extraction.
- Production of inputs to the Capricorn District processing plants -
- Oil seeds (sunflower seeds, soybeans and groundnuts)
- Fruit and vegetables
- Indigenous medicinal plants.
- Brick and tile manufacturing.
- Mining potential - platinum, gold, silica, diamonds, kaolin, and limestone.
- Slate excavation and Tile manufacturing .
- Stone crushing operations.
- Retailer of mining sector inputs.
- Truck and machinery servicing and refurbishment facility.

- Recycling of waste timber beams.
- Produce products from waste truck tyres.
- Forestry cluster opportunities - community forestry, indigenous plantation harvesting, treated poles, building joinery, charcoal, beekeeping, olive trees, wild silk worms.
- Development of Game farms.
- Guided forest canopy tours.
- Numerous nature and heritage tourism resources (rivers, waterfalls, caves).
- Tourism - Zebediela farm stay and Mafefe tourism camp

Agriculture

The Lepelle-Nkumpi Local Municipality Local Economic Development Strategy of 2018 found the following regarding agriculture in the region:

- The expansion and development of citrus processing facilities will mainly benefit emerging and small-scale producers to prevent post-harvest loss and waste.
- There is potential for the agri-tourism at the Zebediela Estate Farm which would be key towards development in Lepelle-Nkumpi.
- The development and expansion of the citrus production will enable the province to compete nationally with other companies.

Mining

The Dilokong Corridor mining corridor, which runs through the Lepelle Nkumpi Local Municipality is a key enabler for the mining sector in the Lebowa kgomo and Zebediela areas. Illegal mining still is 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. Lack of skills is required to provide more support in mining initiatives.

Manufacturing

The Lepelle-Nkumpi Local Municipality Local Economic Development Strategy of 2018 found the following regarding manufacturing in the region:

- 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
- The industrial area has turned into a ghost town with underutilised buildings

Trade

The Lepelle-Nkumpi Local Municipality Local Economic Development Strategy of 2018 found the following regarding trade in the region:

- The retail and trade sector in Lepelle-Nkumpi is key towards employment 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

- Trade services do not sufficiently cater for the rural settlements
- There are opportunities for recycling projects and initiatives in the area

Tourism

Tourism opportunities in this Municipal area are vast. Attractions include the Stydpoortberge, Bewaarkloof, the Wolkberg Wilderness area, the Downs, and Lebowakgomo.

The western part of Lepelle Nkumpi (around Lebowakgomo) is dominated by many rural villages and the Zebediela Citrus Estate. An Ivory Route camp has been opened at Mafefe to the south of the Wolkberg peaks on the Mohlapitsi River, and there are tentative plans to upgrade the road from this village over the Downs and via the Orrie Baragwanath Pass to Lekgalameetse.

The Lepelle-Nkumpi Local Municipality also boasts different rated accommodation establishments including camping sites, restaurants and other places interest for tourists.

Significant Tourist Attractions in Lepelle-Nkumpi Local Municipality	
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 Iron Crown

3.3. Blouberg Local Municipality



Contact details

E-mail: Ramolomom@blouberg.gov.za

Postal / Mail Address:

PO Box 1593, Senwabaranwa, 0790

Physical Address

Street: Mogwadi, Senwabaranwa Road,

Tel: +27 15 505 7100

Overview of Blouberg Local Municipality

The Blouberg Local Municipality is named after the mountain (Blue Mountain) and its associated peaks that are a prominent feature in the area. Blouberg Mountain is situated about 30km from Senwabarwana which offers the biggest mountain climbing venue in South Africa. A hiking camp is situated on top of the mountain and is used as a base camp for day hikes, educational, visiting historical and archaeological sites. Blouberg is located at the Northern tip of the District, 95km from Polokwane and covers a wide geographic area right up to the Botswana border. Blouberg prides itself with the world famous Marula and yellow wood trees that are found in abundance in the area and it the marula fruits are even appear on the Municipality's coat of arms.

Topography

East and south of the Blouberg is the Brak River basin. Also south of the Blouberg is the Makgabeng Mountain. The Mokgalakwena River flows from south to north limb of the municipality. The remainder of the municipality is relatively flat, apart from small localised hills.

Economic Activity

Key growth areas of the Blouberg economy include Agriculture, Mining, Manufacturing, and Tourism and Retail. The informal sector also makes up a significant component of the economy which creates tremendous opportunities for SME and co-operatives development.

Agriculture

Blouberg has abundant land, which is mainly used for agricultural development. The area consists of two economies in the farming sector, namely the established and commercial farmers and the less established and subsistence farming community.

Blouberg municipality is suitable for livestock farming particularly the Nguni and Bonsmara breed. The area is known for its sweet veld and mixed grass, which is good for cattle farming. Livestock farming is practiced in almost all sections of the community, though at varying degrees and intensity of farming.

Game farming is practiced mainly in areas to the north and southwestern part of Blouberg. This includes the Alldays, Vivo, Tolwe, Maastroom and Baltimore areas. Private game farms are prevalent in such areas and this has attracted massive tourist influx, especially during the winter hunting season.

Tomatoes and potatoes are cultivated in Blouberg, predominantly in the Vivo area, Tolwe and

Baltimore, which are mainly sold to the national and international markets. The area also have potential for tobacco cultivation and pumpkins.

Mining

There are mining deposits, which have mining potential, including mineral deposits found in Harriet's wish (platinum) and Arrie, Steamboat farms (pencil and coal, gold and other minerals). The area may also have potential for sand mining in Indermark and Eussoringa.

Trade

Three retail centres have been established in Senwabarwana and there is massive retail expansion in the town. A state of the art retail centre is being constructed in Alldays town.

The Blouberg Municipality is proactive in coordinating the retail and business sector, and identified nodal points such as Eldorado, Alldays and Senwabarwana as areas where major retail should be encouraged. The municipality secured an investor to construct a mall in Senwabarwana town from 2021.

Tourism

Tourism is one of the key economic drivers for the Blouberg area because of its rich cultural and heritage background. The Blouberg Local Municipality has several eco-tourism and heritage initiatives.

The area has several potential tourist products that are under-developed, including the rock art paintings at the Makgabeng plateau, the Malebogo \ Boer battlefields that have been declared a Provincial Heritage Site, the footprints of the missionaries at areas such as Leipzig and Milbank, the existence of two nature reserves (Malebogo and Blouberg) as well as the game farms, which mainly attract international tourists.

Blouberg is also home to the cape vulture colony breeding at The Glade (Morale village). The Blouberg also have wetlands which have a historical significance. The Blouberg-Makgabeng forms part of the Vhembe Biosphere Reserve.

The Glen Alpine dam provides the municipality with the opportunity to enhance tourism if developed to an acceptable standard. The dam currently offers fishing activities. Other attractions include the Alldays and Senwabarwana towns. Around Alldays are a number of large ranches most of which offer hunting and game viewing facilities. Present markets are drawn mainly from within the Province and consist of nature-lovers, hikers, and biltong hunters. In addition, there is a regular flow of travellers from Gauteng en route to the Tuli Block in south-east Botswana. These travellers could be persuaded to stop over if appropriate facilities were created.

Significant Tourist Attractions in Blouberg Local Municipality.

Blouberg Nature Reserve (World's largest colony of Cape Vultures)
Blouberg Mountain
Maleboho Nature Reserve
Makgabeng Plateau and Rock Art
Devilliersdale Natural Canyons
Yellow wood trees
Cape vulture colony
Wetlands

Blouberg Conservation Education Centre
Statue and Battlefields of Chief Maleboho of Bahananwa
Leipzig German Mission
Helena Franz legacy (Lutheran Church, Leprosy asylum, hospital)
1903 Prison Camp at Beauliy

Trade and Investment Opportunities

Opportunities available in Blouberg Local Municipality include (but are not limited to) -

- Agriculture potential – marula fruits, maize, vegetables (especially tomatoes), poultry.
- Agro processing - fruit juices and jams production from marula fruits, mangoes, oranges, litchis, watermelons, peaches and bananas.
- Red meat processing (this area produces a large portion of the beef in the Limpopo province) – deboning factory, a hide tannery and a packaging factory.
- Production of inputs to the Capricorn District processing plants -
 - Oil seeds (sunflower seeds, soybeans and groundnuts)
 - Fruit and vegetables
 - Indigenous medicinal plants.
 - Manufacturing – marula products (oil, beer etc.).
 - Manufacturing – pottery items, bricks, textile and clothing.
 - Mining potential - marble, platinum, iron ore and manganese,
 - Retailer of mining sector inputs.
- Numerous nature and heritage tourism resources -
 - Blouberg Mountains
 - Maleboho Nature Reserve
 - Blouberg Nature Reserve
 - German mission in Senwabarwana and Leipzig
 - 1903 prison in the Blouberg Mountain
 - Lutheran church next to Helena Franz hospital
 - Stone and Iron Age sites on the Makgabeng Mountains
 - African Ivory Route camp at Beauliy.

3.4. Molemole Local Municipality



Contact details

E-mail: maphalaml@molemole.gov.za

Mail: Private Bag X44, Mogwadi, 0715

Street: 303 Church Street, Mogwadi

Tel: +27 15 501 0243

Fax: +27 15 501 0419

Overview of Molemole Local Municipality

Molemole Local Municipality is named after the mountain range in Botlokwa and was chosen by the community to preserve the history and culture of the Batlokwa tribe. Molemole is home of the Tropic of Capricorn monument, which indicates where the Tropic of Capricorn passes through the area. The Tropic of Capricorn is the southern boundary of the tropics and marks the furthest point South at which the sun can be seen directly overhead at noon. Molemole is located in the eastern part of the District 62km north of Polokwane.

Topography

The area in Molemole is relatively flat, apart from small localised hills.

Economic Activity

Key growth areas of the Molemole economy include Agriculture, Mining, Manufacturing and Tourism. The informal sector also makes up a significant component of the economy which creates tremendous opportunities for SME and co-operative development.

Molemole Municipality is endowed with a plethora of feasible opportunities in various economic sectors that can be successfully converted into economically value-adding commercial activities that will accordingly generate a wider spectrum of socio-economic benefits for the local economic growth.

Agriculture

Molemole strengths include arable land which is able to produce potatoes, tomatoes, and vegetables; Profitable commercial livestock industry; Proximity to Polokwane and National highways. Analysis of potential in the economy of Molemole reveals the following:

- Potatoes production in Molemole contributes at least 25% to the entire province;
- This excludes other vegetables such as tomatoes, cabbage, spinach, onion, etc.; however, the above farming activities mainly take place in the Morebeng area (in the western part of the municipality) which has abundant ground water.
- There is an opportunity for the formalization of the livestock farming in the western parts of Molemole, where there is approximately 7000 livestock located on the communal land.

Mining

Mining and quarrying contribute very little to the economy of the Molemole Municipality due to small occurrence of mineral deposits. However, the existence of such minerals provides an opportunity for small-scale mining operations some of which are currently taking place and some

are being explored. Minerals such as iron ore, conundrum, gneiss, granite, are prevalent in various parts of the Municipality and it is the responsibility of the Department of Minerals and Energy to support potential and interested small mining companies.

Another form of mining which is prevalent is quarrying where sand, crusher stone is excavated from granite. This provides potential for small entrepreneurial development in the business of brick making, crusher stone and sand supplies for government projects. Mining explorations have backward and forward linkages in the economy which can contribute towards local economic development and job creation.

Manufacturing

The Molemole Food processing factory which currently processes marula jam, marula atchaar and marula juice is the only main industrial development in the area with a potential to expand.

Trade

The municipality has three main economic activity nodes comprising of Botlokwa (Ramotsowe), Mogwadi and Morebeng and other small retail outlets providing retail services to local residents. The retail outlets in these areas are mainly supported by people from the agricultural sector and government services such as teachers, nurses and police.

Opportunities for wholesale and trade have arisen based on the strong agricultural and mining sectors through beneficiation projects and backward and forward linkages. This includes inputs such as fertilisers, pesticides, machinery and seeds or seedlings.

Trade and Investment Opportunities

Opportunities available in Molemole Local Municipality include (but are not limited to):

- Agriculture potential – potatoes, tomatoes, vegetables, cassava, jathropa, curcas.
- Production of inputs to the Capricorn District processing plants -
- Oil seeds (sunflower seeds, soybeans and groundnuts)
- Fruit and vegetables
- Grain crops
- Indigenous medicinal plants.
- Food processing - tomatoes, peanuts, marula, figs, potatoes, sweet potatoes, and other vegetables.
- Agricultural markets
- Water Source and catchment project
- Tomato processing plant.
- Manufacturing – detergent.
- Brick and tile manufacturing.
- Potato Processing Plant
- Mining potential – granite, magnesite, corundum, graphite, iron ore, gold, sand, brick clay.
- Granite beneficiation.
- Retailer of mining sector inputs.

- Brick manufacturing yard.
- Clay quarry.
- Forestry cluster opportunities - community forestry, indigenous plantation harvesting, treated poles, building joinery, charcoal, beekeeping, medicinal plants, olive trees, wild silk worms.
- Guided forest canopy tours
- Numerous natural and cultural tourism resources.
- Tropic of Capricorn Needle
- Motumo Trading Post
- Machaka Game Reserve and Golf Estate
- Development of Game farms
- Township Development Along N1 in Matoks
- Molemole Annual Potato Festival
- Development of a Nature Reserve Belt.

4. TRADE OVERVIEW

Trade involves the buying and selling of goods and services, with compensation paid by a buyer to a seller, or the exchange of goods or services between parties.

4.1. Imports

CDM has imported R 475,64 million worth of goods and services in 2018 compared to R 525,07 million in 2013, indicating a decrease in imports of -1,96% per annum.

4.2. Exports

CDM has exported R 1 862,04 million worth of goods and services in 2018 compared to R 2 222,44 million in 2013, indicating a decrease in exports of -3,48% per annum.

5. OVERVIEW OF KEY SECTORS

5.1. Agriculture

Agriculture, Forestry and Fishing (Agriculture) industry comprises of establishments primarily engaged in growing crops, raising animals, harvesting timber, hunting animals and harvesting fish on farms or from their natural habitats.

Agriculture in CDM was worth about R 893,03 million in 2018 and contributed about 1,82% to the overall GVA generated by the municipality.

The top eight agricultural commodities in the Capricorn District area are as follows:

- Potatoes
- Tomatoes
- Onions
- Broilers
- Beef
- Goat / Pork
- Citrus
- Maize

5.2. Mining

This sector includes the extraction and beneficiation of minerals occurring naturally, including solids, liquids and crude petroleum and gases. It also includes underground and surface mines, quarries, operation of oil and gas wells and all supplementing activities related to dressing and beneficiation of ores and other crude materials.

Although, judging by the contribution of the mining sector to the District's GDP it could seem that it is not the most important sector in the Capricorn District's economy, it fulfils an important role in some of the Local Municipalities' economies, especially Lepelle Nkumpi.

The following mining operations can be found within the CDM:

- Mussina Platinum Mine

- LONMIN
- Rooibosch
- Granite
- Diepsloot

Mining holds major possibilities for the District, especially the Lepelle-Nkumpi Local Municipality. The sector presents a number of backward and forward linkage opportunities for the entire district and there is considerable potential to utilize the mining sector as a catalyst for developing other economic activities by strengthening these linkages.

5.3. Manufacturing

The manufacturing sector holds great potential for the Capricorn District Municipality and is wide open for new entrants to develop value added production and beneficiation of local agricultural and mining products. Opportunities also exist to enhance important backward and forward linkages between manufacturing, agriculture and mining.

The manufacturing sector of the Capricorn District is dominated by the food and beverages sub-sector and includes big companies such as SA Breweries, Enterprise Foods, several milling companies and bakeries.

Other important sub-sectors in the area are:

- Steel product manufacturing.
- Concrete products.
- Wood and timber products.
- Weaving of polypropylene bags and sisal products.
- Electronic products.
- Canvass manufacturing.

6. INVESTMENT OPPORTUNITIES THAT WERE RESEARCHED FURTHER

Capricorn District Municipality has recently completed the review its Investment and Marketing Strategy. The investment opportunities identified are more disposed towards the agricultural, mining, manufacturing and tourism sectors in the Capricorn District economy. The most lucrative investment opportunities were prioritized through a stakeholder consultative session and researched further. A summary of these investment opportunities is as follows:

6.1. Blouberg Irrigation Pipeline

Nature of the initiative

Construction of a pipeline from the Water Package Plant at Bochum to farmlands in the vicinity to supply farmers with excess water (with sediments) for irrigation purposes.

Location

The Water Package Plant is located at Bochum in the Blouberg Local Municipality

Impact

The initial construction phase of the project will create 166 direct jobs and contribute an additional R13,161,088 of GDP to the area.

Cost implications

The cost of planning and constructing the irrigation pipeline and support infrastructure is about R30 million.

Maintenance will be costed at 8% per annum of the original construction cost. The consumer price of groundwater is R3 per kilolitre in 2018 to farmers. Irrigation water, that contains more sediment, than ground water, will be sold to irrigation farmers at R 1.5 per kilolitre.

Impact

The initial construction phase of the project will create 166 direct jobs and contribute an additional R 13,161,088 of GDP to the area. The real impact will be in agriculture where 3,600,000 kl of irrigation water will be able to irrigate about an additional 327 hectares of land for potato farming, assuming each hectare requires 30kl of irrigation water per day. This will be enough water to support seven or eight commercial farmers or 60 to 70 upcoming small farmers.

6.2. Dimension Stone

Nature of the initiative

This initiative proposes the establishment of a stone crushing facility near Molemole, to crush existing waste marble and granite into pebbles, which is used in landscaping and as building material.

Location

The Water Package Plant is located at Bochum in the Blouberg Local Municipality

CAPEX and OPEX

It is estimated that the project CAPEX will cost about R19,041,850 if:

- The cost of land is R5,000,000.
- The pre-development activities will be less expensive than starting a new mine since the current owners have already undergone a mine works programme, geo - technical survey, conducted an EIA and EMPR, and attained mining rights.
- CAPEX and OPEX amounts increased by CPI.
- The operation will employ between 8 and 10 personnel.
- Income will be equivalent to current export value of pebbles, i.e. US\$0.15 per or R2.10 per kg.

Impact

Given the CAPEX of R 19,041,850, the project will create about 8 employment opportunities and an additional R 11,940,613 of economic activity (GDP)

6.3. Lepelle-Nkumpi Road

Nature of the initiative

The 47 km gravel road (called the Orrie Baragwanath Pass) between Ga-Mafefe and Ofcolaco should be upgraded to a two-lane road to improve connectivity between the eastern side of Lepelle-Nkumpi and the rest of Limpopo. The road will also create an additional route between Gauteng and the Limpopo side (northern side) of the Kruger National Park.

Location

This initiative is located within the Lepelle Nkumpi Local Municipality between Ga-Mafefe and Ofcolaco.

Benefits of Tarring the Road

By being more connected with other communities, the local community will benefit from increased economic potential in agriculture, trade, logistics and tourism.

Financials

The cost of construction a road varies based on the width of the road, the terrain, land cost and whether the road is built in urban or rural areas. Based on the World Bank Report entitled "The Cost of Road Infrastructure in Low and Middle Income Countries", constructing a two-lane road will cost approximately R10 million per km. The cost of the 47km road will therefore cost about R470 million.

Impact

Given the CAPEX of about R470 million, the construction phase of the project will create about 260 direct jobs and contribute an additional R20,619,037 of GDP to the area. The real impact will be in the community being more connected enabling them to participate in agriculture, trade, logistics and tourism activities.

6.4. Polokwane Holiday Resort

Nature of the initiative

This initiative proposes the development of a holiday resort in a concession area (of about 50 hectares) within the existing Polokwane Nature Reserve. The Polokwane Holiday Resort will provide a variety of facilities and tourism activities for the family such as game viewing and adventure special interest group.

Market Demand

According to the Mastercard Global Destination Cities Index, Polokwane was the third most visited city in Africa with 1.88 million visitors in 2017, highlighting that Polokwane is one of the most visited cities in Africa

Market Supply

There is currently no family resorts in Capricorn. The nearest competition in context of the Gauteng market, is found in the Waterberg District Municipality.

Location

The Polokwane Resort will be located within the Polokwane Game Reserve. Key benefits of this location include a wide variety of species of game, birds and flora within the game reserve. In addition, the Polokwane Game Reserve is within close proximity to the Peter Mokaba Stadium, Golf Club, Polokwane Racetrack and Capricorn Racing Club.

Investment Requirements

The investment requirements are listed in the table below:

Investor Type	Target Investor	Development	Potential Investment Value (CAPEX)
Public Investor	City of Polokwane	Planning and Installation of Bulk Services	R50 Million
Private Investor	Tourism Resort Operators	Hotel Chalets Caravan Park Camp Site Retail Recreational Facilities	R450 million

Economic Impact

Given the CAPEX of about R500 million, the development phase of the project has the potential to create about 2,762 jobs and may contribute an additional R 219 million to GDP within Capricorn

6.5. Retirement Precinct

The retirement precinct comprises of a variety of housing types, services and facilities that will be developed to create an invigorating environment for retirees / aged.

A key feature will be a medical facility to provide retirees with personalized care plans to keep track of their basic health by conducting regular check-ups for cholesterol, blood sugar levels, blood pressure, heart rate, etc. In addition, members will have access to a multi-disciplinary team of medical professionals such as an audiologist, physiotherapist, social worker and dietician.

Location

The ideal location for the precinct will be in Polokwane within the vicinity of five of the existing retirement homes which are all located in the proximity of South Street. The land south of South Street is owned by the City of Polokwane and can be zoned for the precinct.

Investment Requirements

The private sector investment requirements are R4 Billion for the precinct development. The Public Sector investment requirement is R300 million, which will be dedicated to planning and installation of bulk services.

Market Demand

Limpopo only has seven old age homes of which six are located within Polokwane in Capricorn. The total supply of retirement homes are about 548 self-care units and 146 assisted care or frail care units.

Existing retirement homes have indicated waiting lists longer than the number of units available in the retirement home. This indicates a severe shortage of retirement homes that will rise as the local and provincial aged population increases.

The extreme disparity between the number of aged by 2050 and the capacity of existing retirement homes, translate in a massive demand for a retirement precinct supplying about 5,000 housing units.

Economic Impact

The development phase of the project has the potential to create about 23,752 jobs and may contribute an additional R1.89 Billion to GDP within Capricorn.

6.6. Informal Manufacturing Market

Nature of the initiative

The informal manufacturing market will provide upcoming businesses with light industrial space for rental space (in various growth point areas in the Capricorn District such as Senwabarwana, Botlokwa, Mankweng and Lebowakgomo). The typical businesses that should be encouraged to establish in the market are Carpenters, Upholsterers, Bricklayers, Painters, Tilers, etc. The rental facility will create an environment where informal manufacturing businesses are clustered, and where they can manufacture and trade their goods and services.

Location

This initiative can be implemented in various growth point areas in the Capricorn District such as Senwabarwana, Botlokwa, Mankweng and Lebowakgomo.

Market Supply

The identified areas do not have adequate facilities for light industrial activities. The industrial space available cater for the larger industrialists, and the size of available industrial space which all were larger than 200m².

Legal Entity and Management

The market will be owned and managed by the private sector. Tenants will go into a lease agreement with the owners.

Investment Requirements

The cost of developing a market with 36 stalls of which 30 stalls will be 24m² (4m x 6m) and six stalls will be 48m² (8m x 6m), as well as facilities, hallways between shops, sidewalks, parking, etc. will cost about R3 million to plan and construct. About 5,000m² of land will be required at an estimated cost of about R6 million or R50,000 per month over 30 years. This may be in the form of rent or a bond.

Other opportunities of interest include the following:

- Bochum FPSU and Agri-Hub
- Tala Foods
- Ironveld Mine and Smelter
- Agro-Processing Park and Agri-Logistics Hub in Polokwane
- Motumo Trading Post
- Polokwane Game Reserve Development
- Zebediela Citrus Farm Development

7. BUSINESS SUPPORT INSTITUTIONS

The various agencies and institutions listed below are waiting to assist you to ensure success of your trade or investment enterprise in the Capricorn District. Your destination of choice!

The Department of Trade and Industry (DTI)

Postal Address:	Private Bag X84, PRETORIA, 0001
Street Address:	The dti, 77 Meintjie Street, Ground floor, Shared Services Centre, Sunnyside, PRETORIA
Phone:	012 394 5561
E-mail:	GCalitz@thedti.gov.za
Website:	www.thedti.gov.za

The Industrial Development Corporation (IDC)

Postal Address:	PO Box 784055 Sandton, 2146
Street Address:	19 Fredman Drive, Sandown
Phone:	011 269 3000
Website:	https://www.idc.co.za
Call Centre	
Tel:	086 069 388
Email	callcentre@idc.co.za

Invest South Africa

Postal Address:	The Place 1 Sandton Drive Sandton Johannesburg, 2196 South Africa
Street Address:	The Place 1 Sandton Drive Sandton Johannesburg, 2196 South Africa
Phone:	+27 (0) 11 085 2321
E-mail:	refilwem@investsagauteng.co.za
Website:	www.gautenginvest

Small Enterprise Development Agency (SEDA)

Postal Address:	P.O. Box 56714, Arcadia, 0007
Street Address:	The Fields, Office Block A, 1066 Burnett Street, Hatfield, Pretoria, 0833
Phone:	012 441 1000 / 0860 103 703
E-mail:	info@seda.org.za
Website:	www.seda.org.za

Limpopo Economic Development Agency (LEDA)

Postal Address:	Private Bag X 9540, Polokwane, 0700
Street Address:	6 Platinum Street, Ladine, Polokwane, 0699
Phone:	015 287 3000
Email	maropeng.mangwane@lieda.co.za
Website:	http://www.lieda.co.za

8. NATIONAL PERSPECTIVE

South Africa has joined the ranks of the fastest emerging economic countries namely Brazil, Russia, India and China, coined the BRICS group. (The S is for South Africa). It is also a member of the G20, which bring together the 20 most industrialized nations and has also taken its place as a non-permanent member of the United Nations Security Council (UNSC) for the second time. As a member of the African Union (AU) and the Southern African Development Community (SADC), the regional organization, South Africa it is able to exercise significant influence on the continent. These memberships, appointments and affiliations highlight South Africa's active and substantial role and status in the multilateral sphere.

This unique position, of South Africa, on the International arena creates a myriad of opportunities and competitive advantages for traders and investors in the Capricorn district. Significant among these are strategic access to markets locally, nationally, regionally, across the African continent and to the fastest emerging economies of the world. This variable alone acts as a catalyst for sustained economic growth, asset growth, value add and motivation to overcome challenges that may arise. To exploit this advantage for its residents the Capricorn Municipal International Relations (CMIR) policy framework provides Capricorn District Municipality (CDM) with the mandate to engage and interact with these bodies, groupings and institutions. It also allows the District Municipality to access, facilitate, negotiate and enter into cooperation agreements directly on a peer-to-peer level.





CAPRICORN

DISTRICT MUNICIPALITY

PHYSICAL ADDRESS

41 Biccard Street
Polokwane
0700

POSTAL ADDRESS

P.O. Box 4100
Polokwane
0700

CONTACT DETAILS

Tel: (015) 294 1000
Fax: (015) 291 4297
Email: info@cdm.org.za
Website: www.cdm.org.za

