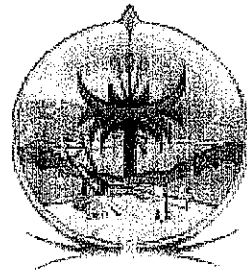


# **A CASE FOR CHRIS HANI DISTRICT MUNICIPALITY**

## **Anchor Industries, Commodities, and Priority projects for Chris Hani District Municipality**

21 May 2013

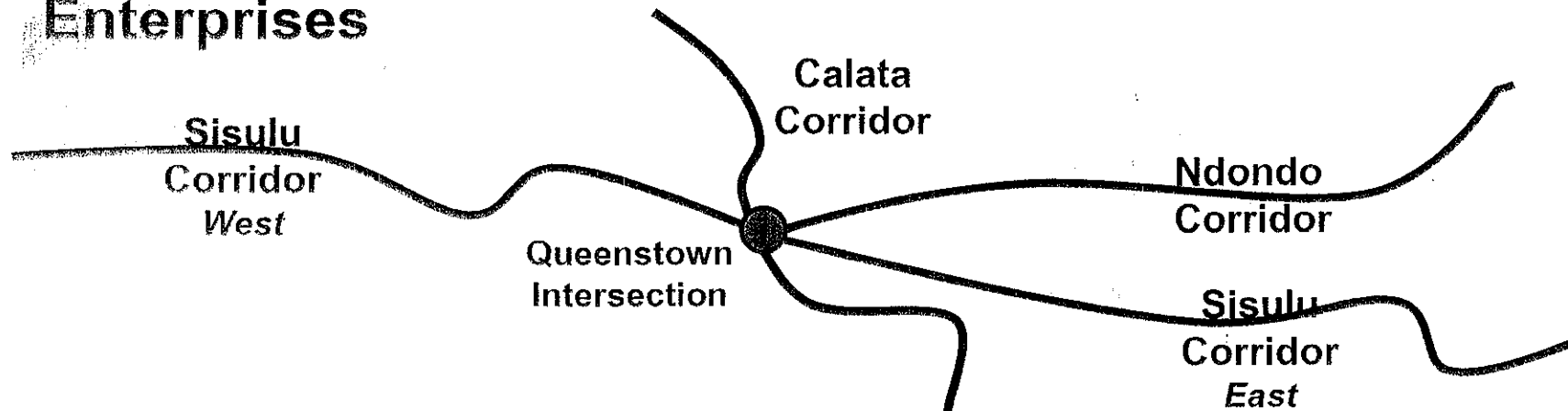


**CHRIS HANI**  
**DISTRICT MUNICIPALITY**  
SUSTAINING GROWTH  
THROUGHOUT PEOPLE

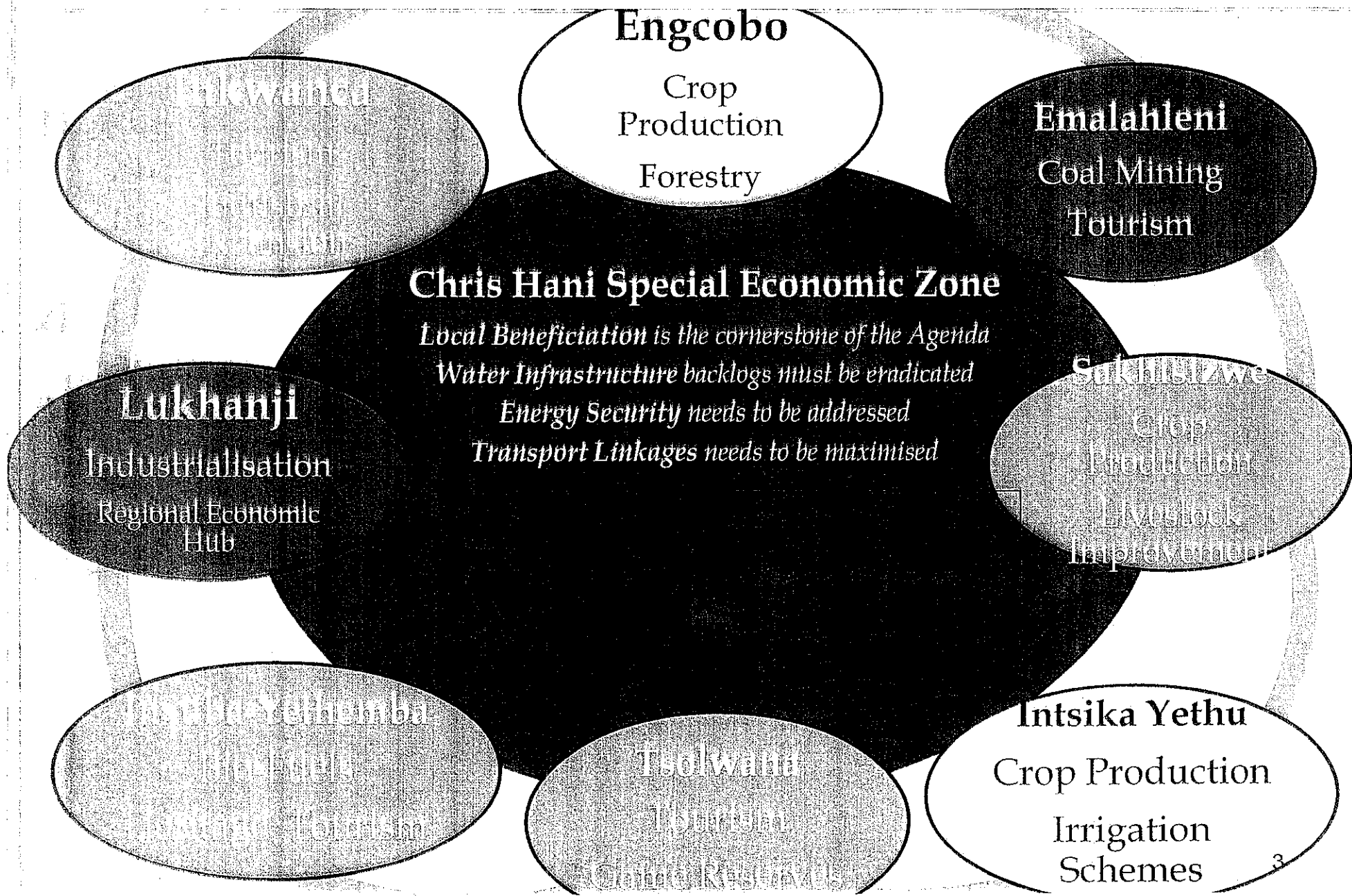
**SEZ2013/7A**

# OUTLINE OF PRESENTATION

- 1) Background on Chris Hani Development Agenda, Principles and Operational Framework for Integrated Agro-Industrial development
- 2) Opportunities, possibilities, linkages and needs by Corridor and Commodities (inclusive of infrastructure)
- 3) Select Opportunities and Possibilities by Anchor Enterprises



# Chris Hani District Development Agenda



## Engcobo

Crop Production  
Forestry

## Emalahleni

Coal Mining  
Tourism

## Chris Hani Special Economic Zone

*Local Beneficiation is the cornerstone of the Agenda*  
*Water Infrastructure backlogs must be eradicated*  
*Energy Security needs to be addressed*  
*Transport Linkages needs to be maximised*

## Sakhisizwe

Crop Production  
Livestock Improvement

## Intsika Yethu

Crop Production  
Irrigation Schemes

## Tsolwana

Tourism  
Other Resources

## Lukhanji

Industrialisation  
Regional Economic Hub

## Mankwato

Tourism

## SISULU CORRIDOR *East* –

### INTEGRATED AGRO-INDUSTRIAL ZONE conjoining Intsika Yethu, & Engcobo

1. Revitalisation of 3 Irrigation Schemes at Ncorha-Qhumanco and Qamata-Bilatye as key nodes of zone

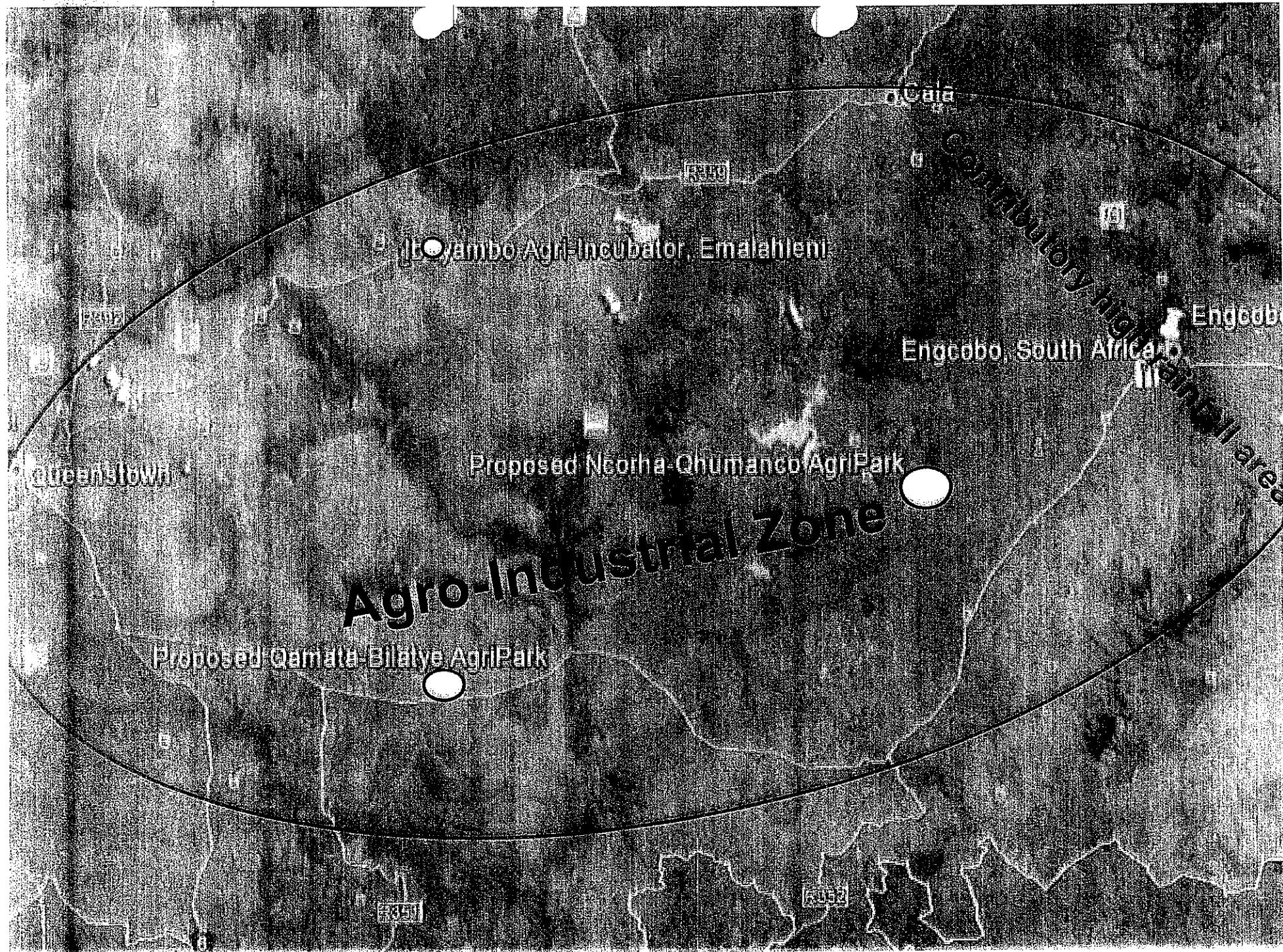
#### (1) Nchorha-Qhumanco

- 5000ha capacity; 3000ha under irrigation; Ncorha dam +18 lay dams
- Opportunity for production of a number of commodities
- Plan developed for integrated agro-industrial complex comprising localised value-chain for (i) production of grain (*maize*), with upgraded silo storage and milling plant (funds already committed); (ii) legumes production and processing, including edamame soya cultivar (scientific partner already identified); (iii) vegetable crop production and processing (Fort Hare-based Ilima already committed as development partner); (iv) dairy production and processing (Amadlelo already operating); (v) livestock, stone-fruit, and aquaculture

#### (2) Qamata-Bilatye

- 4000ha capacity; 2000ha under irrigation; Lubisi dam + 23 lay dams
- Similar opportunities as Ncorha, plus lucerne and wheat production and processing; plus pork (piggery) and poultry (technical partners already identified for latter, in addition to partners to also support Ncorha-Qhumanco)

2. **Engcobo** to initially focus on primary production of maize and legumes, sorghum, beans, sunflower, vegetable crops, livestock and forestry. Logistical linkages to be established for large-scale processing at Qamata (R61 advantage); plus first-level processing in Engcobo in medium to longer term.



# Agro-Industrial Zone

Ityambo Agri-Incubator, Emalahleni

Proposed Neooha-Qhumancob AgriPark

Proposed Qamata-Bilaye AgriPark

Contributory high rainfall area

Cala

Engcobo

Engcobo, South Africa

Queenstown

R300

R350

R532

# Summary Vision for Ncorha-Qhulhanco AgriPark Complex

Development proposal within yellow shaded area on the map to improve image of Ncorha school

PRIMARY

5500 ha or larger, 2000 under irrigation, 2000+ dry/irrigated, as much possible, smaller farmers outside immediate Ncorha villages or village

Community-owned agro-processing complex, including local vegetable, grain and legume crop products, poultry, meat and fish processing and Fish

Packaging, Warehousing & Farmer Services

Mechanisation & Service Centre

SECONDARY

Upgrade offices & training facilities

Business park & related services centre

Multi-grade residential complex

Day-Care/Creche or preschool

Sports facilities

Opportunities for business training

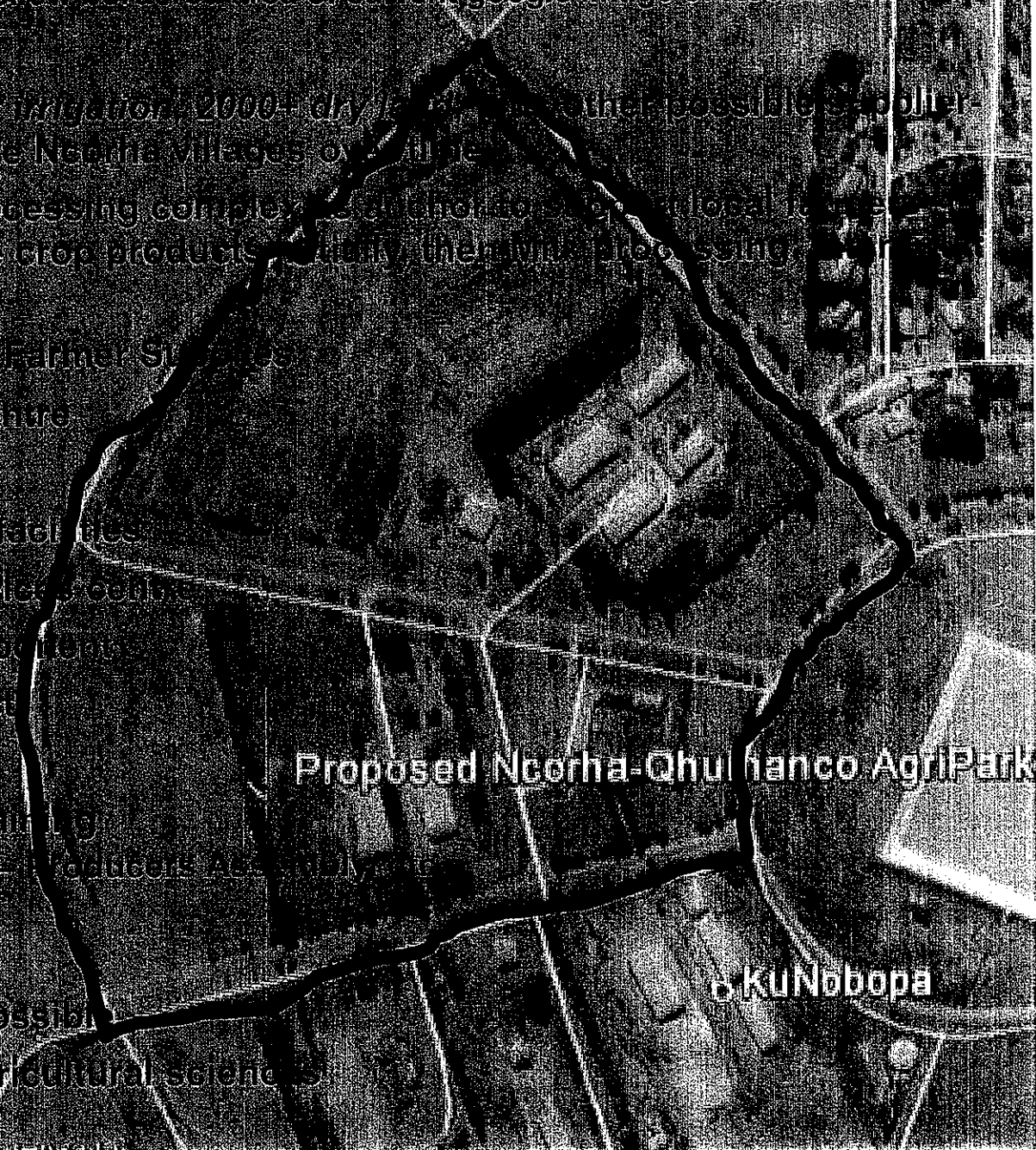
• Coordinating agencies - National Agricultural Extension

• Co-operatives & NGOs

• International donors

Approximately 500 jobs possible

Upgrade local school for agricultural sciences



## Vision for Qamata-Bilatye AgriPark Complex

- 1) 4000ha of land; 2000ha under irrigation
- 2) Similar components to Ncorha, plus 2500+ additional jobs
- 3) Qamata strategically positioned on R61 to serve immediate and adjoining localities, including providing key processing centre for produce from Engcobo
- 4) Location along R61 also enables reasonable access to main cities of Queenstown and Mthatha as big market centres
- 5) Arthur Mfebe SS, St Marks, targeted for agricultural sciences for skills development

# SISULU CORRIDOR (WEST)

## Inxuba-Yethemba (Tarkastad, Craddock and Middleburg)

**Craddock in Inxuba-Yethemba** is targeted for the production and processing of biofuel, has been made to establish sugar beet and sorghum as raw material for ethanol production

- The factory will process sorghum requiring over 200 000 tons per annum,

- Factory needs approximately 67,000 ha for production of sorghum ( at 3 tons per ha) The bi-product of the project is a feed for livestock industry

The area is also good for the following:

2. Lucerne Production

3. Sheep farming and

4. Game farming



## **NDONDO CORRIDOR – conjoining Emalahleni & Sakhisizwe**

- ▣ Ibuyambo grain-milling plant (operational) as anchor agro-processor/ agro-incubator in **Emalahleni**
  - Livestock Feeding off sorghum cultivation
  - Opportunity to mobilise communal as well as LRAD land-owners – 150 LRAD farms in Sakhisizwe and Emalahleni area for the production of sorghum to supply biofuel industry & maize for the mill.
  - Livestock opportunity
  - Elitheni coal mine – opportunity for secondary infrastructure development
  - An opportunity for a power plant at Emalahleni to support energy requirement for the district.
  - **Cala Indwe and Elliot** region for development of livestock (over 10000 cattle 156 farms with an abattoir), maize and sorghum, stone fruit and forestry

## **CALATA CORRIDOR –**

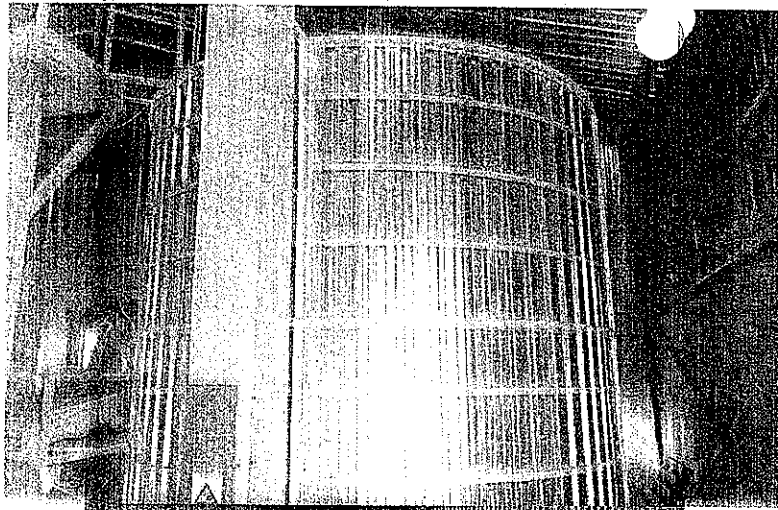
### **Tsolwana, Inkwanca and Lukhanji (Queenstown and Sada/Whittlesea**

**Inkwanca and Tsolwana** are targeted for livestock, ostrich farming, sheep and wool production

An opportunity to increase production of the organic karoo lamb.

1. The Shiloh Irrigation scheme is part of the irrigation schemes' revitalisation programme, and already hosts a dairy project, and vineyards with an opportunity to grow towards processing and tourism.
2. The urban and peri-urban areas of Queenstown in Lukhanji are to be revived and developed as an intersecting industrial hub for all CHDM corridors. This should include, in the medium to long term, upstream agro-processing and warehousing, and the establishment of waste recycling enterprises.
3. The positioning of Lukhanji strengthens the case of industrialisation and its infrastructure.

# Qamata Feed-Mill Enterprise & Value Chains



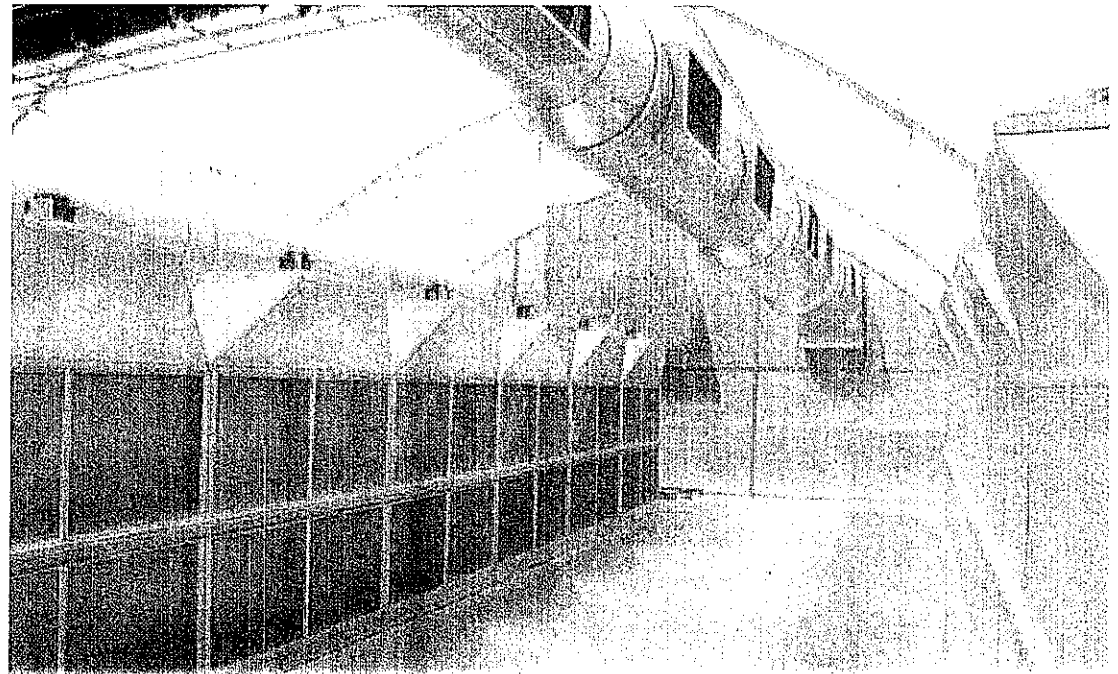
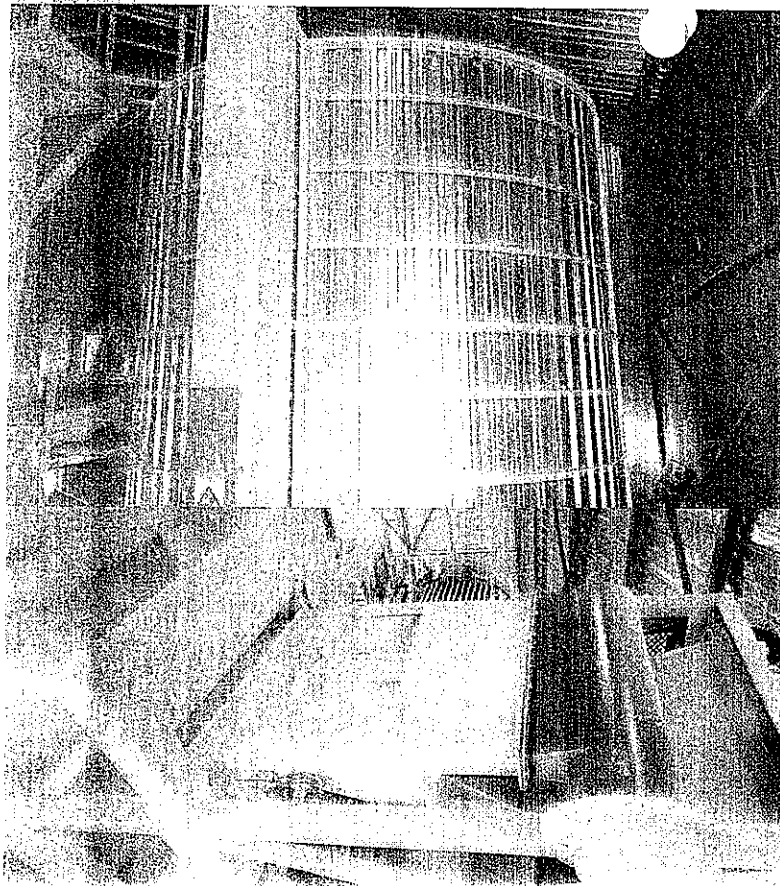
Supporting feed demand from –

1. **Piggery and Pork Production** – *Bilatye in short-to-medium and long term; Ncorha medium to long term; etc* (technical partner already identified)
2. **Livestock** – (Ikhephu, Zulukama) all areas of region
3. **Poultry production** – Qamata-Bilatye medium-to-longer term; etc
4. **Ostrich production** – Tsolwana medium to long term, etc
5. **Sheep production** – Tsolwana, Nkwanca into medium and long term, etc

Input supplies from –

- **Yellow maize** – Ngcobo, Intsika Yethu and Sakhlsizwe
- **Lucerne** – Qamata, Inxuba Yethemba
- **Sorghum** – Emalahleni, Engcobo
- **Wheat and soya** – Qamata, Sakhlsizwe and Engcobo

# Ncorha Grain-Mill & Products & Value Chains



Input supplies from –

- **Maize** – Ngcobo, Intsika Yethu and Sakhlsizwa
- **Wheat** – Qamata, Engcobo

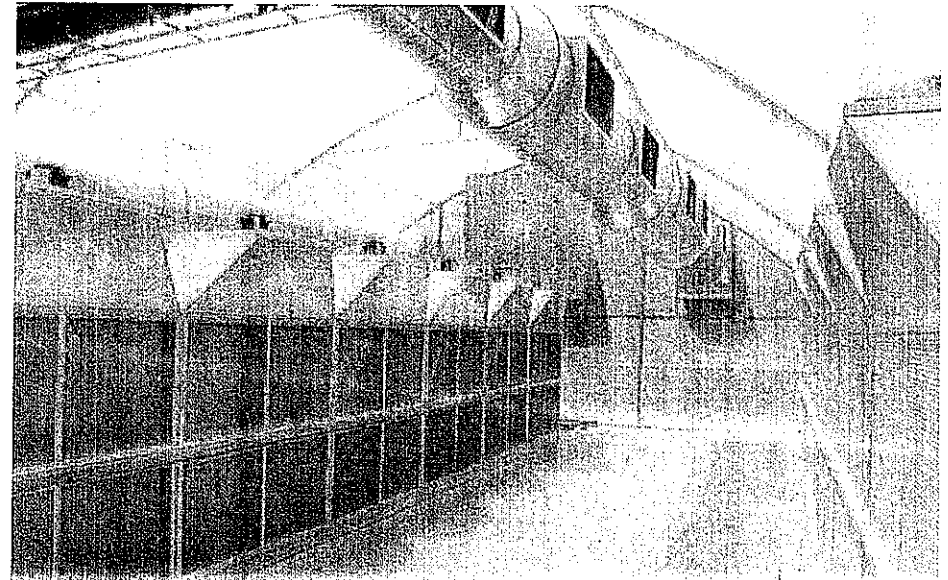
Products to include –

- Somp, mielle-meal, mielle-rice, flour, malze chips and cornflakes

## Vegetable & Crop Products & Value Chains

Value chain from nurseries to farmers, and then fresh produce sales to agro-processing enterprise

Variety of farming operations and techniques – open land, tunnel, conventional, conservation and organic (medium to long term)



### Products to include –

- Fresh, cut, diced and packed vegetables
- Dried vegetables (technology already developed and tested)
- Growing product range into medium to long term to include canned and bottled products

# Livestock Enterprises

## Identified Commodities

- Beef farming – Sakhisizwe, Intsika Yethu, Engcobo, Lukhanji and Inkwanca Municipalities

- Sheep farming – Tsolwana, Inkwanca and Inxuba Yethemba

- Ostrich farming – Tsolwana, and Inxuba Yethemba

- Piggery farming – Intsika Yethu

- Poultry Farming – Lukhanji, and Emalahleni.

### ▣ **Supply of Input –**

▣ Feed lots – beef farming, identified areas

Intsika Yethu, Engcobo, Lukhanji and Sakhisizwe in partnership with NAMAC

Supply of feed – identified Qamata for Feed Mill Enterprise

### - **Processing and Packaging**

- Abattoirs , wool processing and leather works and processed meat

# Bilatye Piggery Enterprise

- ▣ Size – 1000sow piggery
- ▣ It will produce approximately 20,000 weaners
- ▣ Ten out-growers – 2000 weaners per out grower
- ▣ It will supply approximately 400 baconer per week, s
- ▣ Size – 55kg and 105kg
- ▣ Market related – R480,000 turnover per week

## **Bi-Products**

- Erection of bio-refinery structure for bio-gas
- Fertilizer, that will be supplied to other enterprises

## **Capacity Building**

Training of 80 learners in Bilatye and Mkhonjane on Piggery Husbandry, NQF accredited programme by Agri-SeTA

Job Creation- approximately 60 workers will employed on full time basis

# Other Commodities

- ▣ Stone fruit – identified areas in Sakhisizwe, and Intsika Yethu Municipalities
- ▣ Forestry Industry – identified at Sakhisizwe, Engcobo and Intsika Yethu Municipalities
- ▣ Wool Processing – Lukhanji LM
- ▣ Milk processing – identified areas, Intsika Yethu, Lukhanji and Emalahleni
- ▣ Grape processing – Whittlesea Wine Region



# Way forward

- ▣ Strengthen Chris Hani case as an SEZ
- ▣ Increase primary production for agro processing
- ▣ Funding for primary production
- ▣ Mechanisation model
- ▣ Model for the management & institutional arrangement of irrigation schemes.
- ▣ Funding for economic infrastructure
- ▣ Technical support in planning & implementing of the agro processing plan.

# Case for Chris Hani District

- ▣ Agricultural potential of the District
- ▣ Abundance of water resources
- ▣ Suitable soils and climate for agriculture
- ▣ Political and administrative stability
- ▣ 3 major irrigation schemes
- ▣ Clear agenda for development and plans
- ▣ Abundance of raw materials (agriculture & forestry)
- ▣ Close proximity to the ELIDZ and Coega IDZ for export market
- ▣ Access to road transport network via N6, N10 and R61
- ▣ District at the centre of the Eastern Cape

**Thank You**