



## rural development & land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA



## agriculture, forestry & fisheries

Department:  
Agriculture, Forestry and Fisheries  
REPUBLIC OF SOUTH AFRICA

### PROVINCIAL SELECTIONS FOR AGRI-HUBS



## Province of the **EASTERN CAPE**

**RURAL DEVELOPMENT AND  
AGRARIAN REFORM**

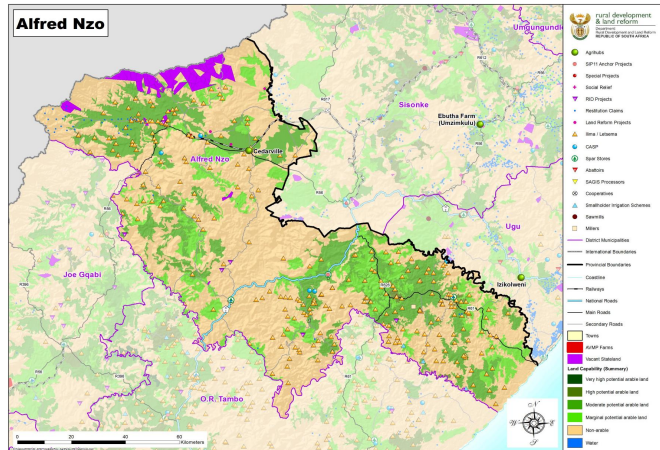


## EASTERN CAPE PROVINCE

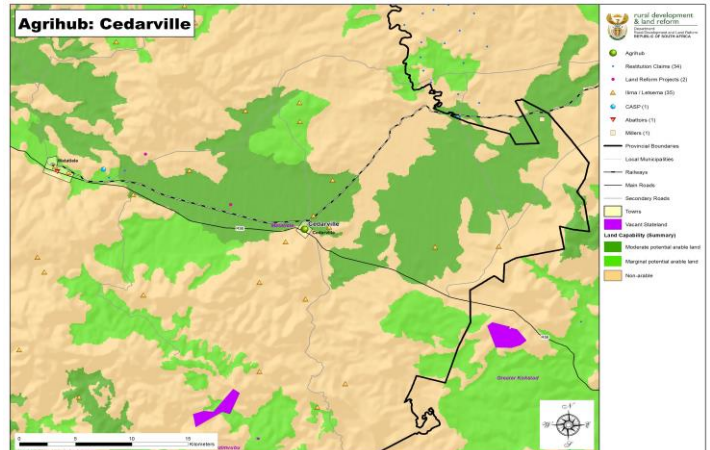
27 PRIORITY DISTRICTS		
PROVINCE	DISTRICT MUNICIPALITY	PROPOSED AGRI-HUB
Eastern Cape	OR Tambo	Lambasi (Port St Johns)
	Chris Hani	Ncora
	Amathole	Butterworth
	Joe Gqabi	Sterkspruit
	Alfred Nzo	Cedarville
Eastern Cape	Sarah Baartman (Cacadu)	Addo

# EASTERN CAPE PROVINCE

## Alfred Nzo District Municipality



## Proposed Agri-Hub: Cedarville



### District Context

Total Area: 10 731km<sup>2</sup>. The Alfred Nzo District Municipality is a Category C municipality located in the north-eastern corner of the Eastern Cape province. It stretches from the Drakensberg Mountains, bordering Lesotho in the west, Harry Gwala District Municipality (Sisonke District Municipality) to the north and OR Tambo District Municipality in the east and south. The municipality is comprised of the Matatiele, Ntabankulu, Mbizana and Umzimvubu Local Municipalities. The district surface area has increased due to the incorporation of the Mbizana and Ntabankulu Local Municipalities. The process also entailed the amendment of all four municipalities' wards where the wards for Umzimvubu Local Municipality (LM) increased from 24 to 27, due to some wards from Ntabankulu Municipality being incorporated under Umzimvubu LM; Matatiele from 24 to 26; Mbizana from 25 to 31; and Ntabankulu from 15 to 18 wards. The changes resulted in Alfred Nzo District Municipality being formed by a total of 102 wards. Cities/Towns: Bizana, Cedarville, Matatiele, Mount Ayliff, Mount Frere, Ntabankulu. Main Economic Sectors: Community services (28%), wholesale/trade (15%), agriculture (12%), manufacturing (10%), transport (6.4%), construction (6%), transport (4%).

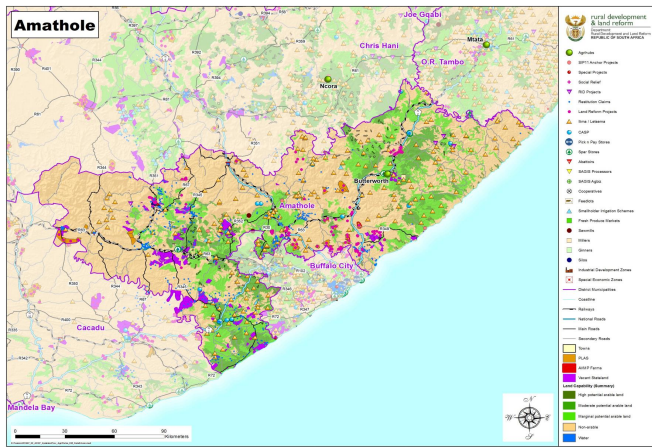
Alfred Nzo District Municipality is situated in the North Eastern corner of the Eastern Cape Province and covers 11119 km<sup>2</sup>. It stretches from the Drakensberg Mountains, borders Lesotho in the West, Sisonke District Municipality to the North and O.R. Tambo District Municipality in the East and South. This district is part of the 27 priority districts. The Branch SPLUM has commissioned a district SDF for Alfred Nzo, as well as a local municipal SDF for Ntabankulu local municipality. The N2 bisects this district that links East London with KwaZulu-Natal Province.. There are CRDP sites that have been completed between 2011-12 and 2012-13 financial years. The municipal area is predominantly rural with large number of villages scattered across the district. The N2 highway between Kokstad, located in Sisonke District Municipal area and Mthatha transects the most central part of the district. The local municipalities include: Umzimvubu, Matatiele, Ntabankulu and Mbizana.

### Demographics

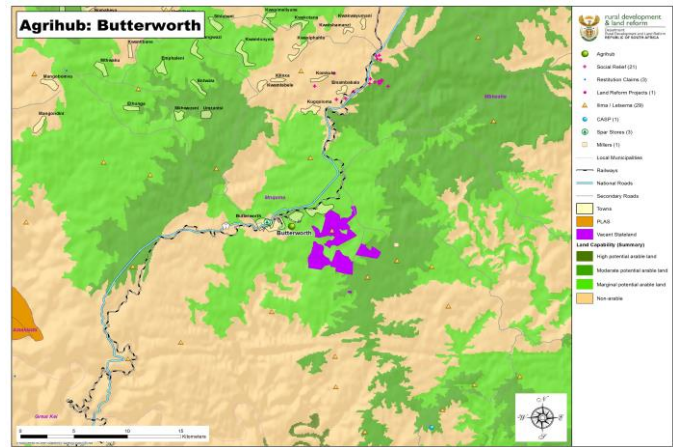
The Alfred Nzo District now has a total population of 804 500 (as a result of changes) which accounts for 12,2% of the Provincial population, however other data sources indicate that the population of the district is above 910 000 persons. Statistically the situation indicates an average of 5 persons per household. The average population density for the district is approximately 75 persons per square kilometer. The Alfred Nzo population is predominantly female. Females constitute approximately 54% of the population while males constitute 45%. The potentially economically active population (16 – 65 years) constitutes 40% of the population. Survey (2007), there are 178 394 households in the Alfred Nzo District, of which 47 803 are in Umzimvubu Local Municipality; 54 208 in Matatiele Local Municipality; 48 408 in Mbizana Local Municipality and 27 930 in Ntabankulu Local Municipality. The total number of households is 169261 with an average household size of 4.7 (Census 2011). There are 169261 households with an average household size of 4.3. 52.9% of the total population lies in the 15 to 64 year age group. 58.8% of all households are headed by females. The total population is 801344 (Census 2011).

<p><b>Agriculture</b></p> <p>Agriculture is the main economic activity in the District. Currently, it is a limited base for economic expansion due to the fact that the majority of farming is traditional subsistence farming. Commercial farming is limited to the Cedarville area in the north east of the District. The District has favourable conditions for the development of the agriculture sector and it is critical to assess the potential of this industry and devise methods of exploiting this untapped potential. There is at least one miller in the district. In terms of agriculture enterprise classification, the area can be divided as follows: Top half (40%): cattle, sheep and maize (in that order), the bottom half (60%): Cattle, sheep and goats. There are clusters of restitution claims in the far western part of the district. The major road is the N2 between Durban and Mthatha. The IFNSI food security project covers this district with at least 40% of the 84000 hectares of land identified for maize production. Livestock farming, which is primarily cattle, sheep and goats is very important in the District, but generally provides very low incomes compared to commercial livestock farming elsewhere in the Province. Livestock farming is being supported by the Provincial Department of Agriculture through construction of stock dams, dipping tanks, shearing sheds, fencing (under CASP) and veterinary services etc. The challenge is to increase income from communal livestock farming. There are 13 CASP agricultural projects in the district scattered across the entire district and 1 Letsema project. There is very good potential for maize, sorghum, wheat, sunflower, hemp, beans, vegetables (cabbages, potatoes, butternut, green pepper and spinach) and deciduous fruits (peaches, apples).</p> <p>The DAFF has the following projects in the district:</p> <ul style="list-style-type: none"> <li>• Siyazondla Homestead food production (Green Revolution)</li> <li>• Siyakhula Step Up Food Production Programme</li> <li>• Massive food programme (Matatiele only)</li> <li>• Mechanization Conditional Grant and Loan schemes</li> <li>• Land Care programme</li> <li>• CASP</li> <li>• Eastern Cape Livestock Production Improvement programme</li> </ul>	<p><b>Gateway Analysis</b></p> <p>Based on the analysis done by the Province, Cedarville should be developed as the Agri-hub for Agro-Processing in the district for the following reasons:</p> <ul style="list-style-type: none"> <li>• Cedarville is in close proximity to Matatiele, an EDD district gateway</li> <li>• There is a miller and meat Abattoir in the location</li> <li>• The land capability is moderate potential arable</li> <li>• There are restitution claims to the west and north-east of Cedarville</li> <li>• Enterprise areas are cattle, sheep and maize</li> <li>• Many 1 CASP and 35 Ilima/Letsema Projects surrounding the proposed location</li> <li>• There are a few land reform projects to the west of Cedarville</li> <li>• There are potential vacant state land parcels to the south and south east of Cedarville</li> </ul>
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## Amathole District Municipality



## Proposed Agri-Hub: Butterworth



### District Context

Total Area: 21 595km<sup>2</sup>. The Amathole District Municipality is situated in the central part of the Eastern Cape stretching along the Sunshine Coast from the Fish River Mouth, along the Eastern Seaboard to just south of Hole in the Wall along the Wild Coast. It is bordered to the north by the Amathole Mountain Range. It is comprised of seven local municipalities: Mbhashe, Mquma, Great Kei, Amahlathi, Ngqushwa, Nkonkobe and Nxuba. Four heritage routes have been developed that are named after Xhosa kings and heroes. They are the Maqoma Route, the Makana Route, the Sandile Route and the Phalo Route. These intertwine with the other tourism routes located within the district, namely the Sunshine Coast Route, the Wild Coast Route, the Amathole Mountain Escape Route and the Friendly N6 Route. Cities/Towns: Adelaide, Alice, Amatola Coastal, Bedford, Butterworth, Cathcart, Dutywa, Elliotdale, Fort Beaufort, Hamburg, Hogsback, Kei Mouth, Kei Road, Keiskammahoek, Kentani, Komga, Middeldrift, Morgan Bay, Ngqamakhwe, Peddie, Seymore, Stutterheim, Willowvale. Main Economic Sectors: Community services (44%), finance (19%), manufacturing (14%), trade (13%), transport (4%), agriculture (3%), construction (2%).

The Amathole District Municipality is situated within the Eastern Cape Province, between Port Alfred and Port St John's. The district stretches from the Indian Ocean coastline in the south to the Amathole Mountains in the north. The District includes the large parts of the former Ciskei and Transkei homeland areas, which means the district has large disparities within its borders. It is bordered by the Cacadu, Chris Hani, and OR Tambo municipalities. The District covers a land area of roughly 21 229km<sup>2</sup>. This district is part of the 27 priority districts. The main town is Fort Beaufort. There are at least 10 RID infrastructure projects in this district. There are also many restitution claims around Fort Beaufort Town and central areas of the district. The N2 bisects the district, with the N6 from Aliwal North to King Williams Town. The local municipalities are: Amahlathi, Nxuba Yethemba, Nkonkobe, Ngqushwa, Great Kei, Mquma and Mbhashe.

### Agriculture

There are 5 CASP projects, 1 Letsema project and 3 millers in the DM. There are a few land reform projects in the district in Great Kei local municipality and around Fort Beaufort town. There is at least one miller in the district. In terms of geographic analysis it has the following characteristics:

- Amathole District has several gateway towns: Butterworth which is the hub of economic activities in the region, Stutterheim, Dutywa and Alice
- The majority of land within the District is shared between private and municipal ownership.
- Amathole District Municipality is well connected to various districts and towns by a national road (N2) linking Cape Town to Durban, the (N6) connecting the city of East London and Queenstown and regional roads namely the R61 connecting King Williams Town to Fort Beaufort and the R72 connecting East London to Port Alfred.
- The land use patterns and land ownership in ADM are diverse. The latter varies from communal land ownership, particularly in the former

### Demographics

According to information from the 2011 Census, the population of the Amathole District Municipality was estimated at 892 637 in 2010. The population is unevenly distributed among the 7 Local Municipalities. The number of households was estimated at 237776. The majority of the Amathole District population reside Mbhashe Local Municipality (28.6%), followed by Mquma Local Municipality (28.3%) The two Local Municipalities with the smallest percentages of the Amathole District population are Great Kei Local Municipality (4.4 %) and Nxuba Local Municipality (2.7 %). The ADM is made up predominately by Black South Africans (97.6%), this is followed by White South Africans (0.9%) then Coloureds (1.4%) and finally Indian or Asians (0.1%). The total number of households is 237776 with an average household size of 3.8 (Census 2011). Unemployment is rated at 42.9% with 57.6% of the total population in the 15 to 64 year age group. 53% of all households are headed by females.

### Analysis

Based on analysis done by the Province, it is proposed that Butterworth be developed as a hub for agro-processing because of the following reasons:

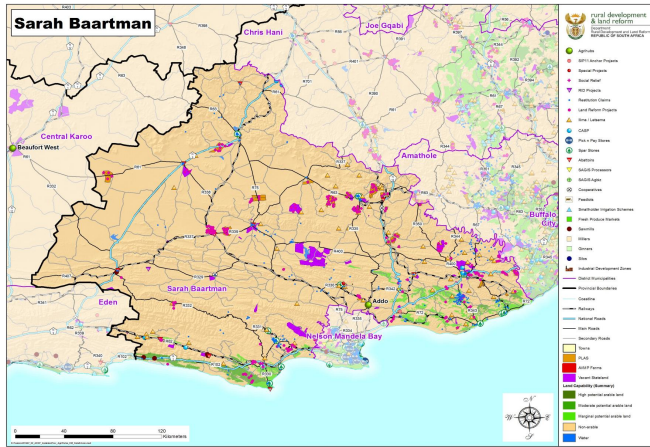
- Butterworth is an EDD district gateway
- There is ample state land, for the development of an Agri-Park
- Butterworth is on a national road, the N2, the town therefore is not only accessible but is connected to transportation routes that can ensure speedy delivery of products to both East London and Mthatha
- The town is also connected by a (decommissioned) railway
- There are existing agricultural processing facilities for forestry and meat production
- Land capability is marginal to moderate
- There is a miller to the east of Butterworth town
- There are potential vacant state land parcels to the east of Butterworth town
- There are many CASP 15-16 projects surrounding the proposed location

homelands, to private commercial land ownership. Agriculture in most parts of the ADM has not yet developed beyond subsistence because of constraints facing agriculture in rural areas. The prospects of agriculture currently look dim because of the lack of inputs, resources and a lack of interest from the youth. Agriculture production projects for grain, citrus and pineapple, agro-processing, aquaculture, forestry

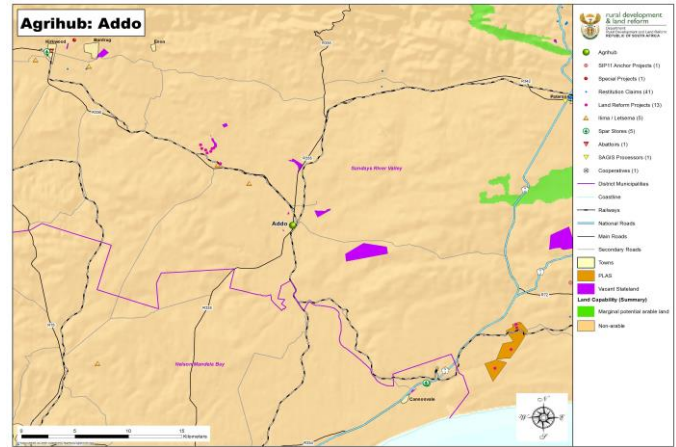
- There are 3 SPAR foodstores at the proposed location
- There are 3 potential vacant land parcels to the east of the proposed location



## Sarah Baartman (Cacadu) District Municipality



## Proposed Agri-Hub: Addo



### District Context

Total Area: 58 243km<sup>2</sup>. The Sarah Baartman District Municipality (previously Cacadu District Municipality) is situated in the Eastern Cape province, stretching from Graaff-Reinet in the north to the Indian Ocean in the south, and between the Bloukrans River in the west and Great Fish River in the east. It comprises nine local municipalities: Camdeboo, Blue Crane Route, Ikwezi, Makana, Ndlambe, Sundays River Valley, Baviaans, Kouga and Kou-Kamma. The district surrounds one of the largest metropolitan ports in South Africa, Nelson Mandela Bay (Port Elizabeth). Cities/Towns: Aberdeen, Addo, Adendorp, Alexandria, Alicedale, Bathurst, Boknes/Cannon Rocks, Bushmans River, Cape St Francis, Clarkson, Cookhouse, Gamtoos Mouth, Graaff-Reinet, Grahamstown, Hankey, Humansdorp, Jansenville, Jeffreys Bay, Joubertina, Kareedouw, Kendrew, Kenton-on-Sea, Kirkwood, Klipplaat, Krakeel River, Lorieheuwel, Louterwater, Misgund, Nieu-Bethesda, Nompumelelo, Oyster Bay, Patensie, Paterson, Pearston, Petersburg, Port Alfred, Riebeeck East, Rietbron, Sanddrif, Seafiel, Sidbury, Somerset East, St Francis Bay, Steytleville, Storms River, Thornhill, Waterford, Willowmore, Woodlands. Main Economic Sectors: Community services (36%), trade (18%), finance (17%), agriculture (7%), manufacturing (7%), transport (7%), construction (5%), electricity (3%).

The Sarah Baartman (formerly Cacadu) District Municipality (CDM), is the largest (58 243 km<sup>2</sup>) of the six (6) District Municipalities in the Eastern Cape Province. The District is situated in the western portion of the Province, bordering the Western Cape, Northern Cape and two other District Municipalities in the Eastern Cape, namely Chris Hani District Municipality and Amathole District Municipality. The District consists of nine (9) local municipalities (Category B Municipalities) and two other portions that are National Parks, namely the Addo Elephant National Park and the Tsitsikamma National Park. These parks are managed by the South African National Parks Board<sup>1</sup>. The District wholly borders the Nelson Mandela Metropolitan Municipality (NMMM), and consequently, land access to the NMMM is via the CDM. The nine local municipalities in CDM are: Camdeboo, Blue Crane Route, Ikwezi, Makana, Ndlambe, Sunday River Valley, Baviaans, Kouga and Kou-Kamma (Draft IDP 2014-2015). The LM's differ widely in character and economic potential – in most cases there is limited economic activity and a low level of entrepreneurship. The Western part of CDM follows an own growth path mainly based on agriculture (SALGA & South Africa LED Network, 2015).

### Agriculture

The leading economic sectors in regard to Gross Value Added are community services (36%), trade (18%), finance (17%), agriculture (7%), manufacturing (7%) and transport (7%). IDP identified Agro-processing opportunities in the Cacadu region. Many of the opportunities are also coupled with the expansion of agricultural production to supply raw materials to the identified potential/new agro-processing facilities. Some of opportunities are:

- Red meat industry with specific reference to beneficiation of by-products (hides and carcass meal in particular)
- Mohair industry (Goat population and thus mohair fibre)

### Demographics

According to CDM's Draft IDP 2014-2015 the population is 450 584. The CDM covers approximately one third of the Eastern Cape's land area, however it only houses 6.8% of the provinces' population, with the lowest average distribution of eight people per square kilometer in the Eastern Cape. Only 22% of houses are informal, and 2/3 of households have potable water and flush toilet or pit latrine on site. Cacadu has the lowest population density of the Eastern Cape Districts and Metros, due to the area covered by the district. This results into high costs per capita of providing services in the district. CDM consists of a predominantly rural or agricultural base but differs from the mainstream 'rural' definition that refers primarily to the former homelands. Population concentrations are in Makana, Kouga and ndlambe, with more than 50% of residents in the District residing in these municipalities. The remaining municipalities all have less than 60 000 inhabitants per municipality. The largest languages among the 450584 people are Xhosa and Afrikaans. (2011 Census). Unemployment is at 24.9% with 65.8% of the total population in the 15 to 64 year age group. 38.5% of all households are female headed. There are 125632 households in the district.

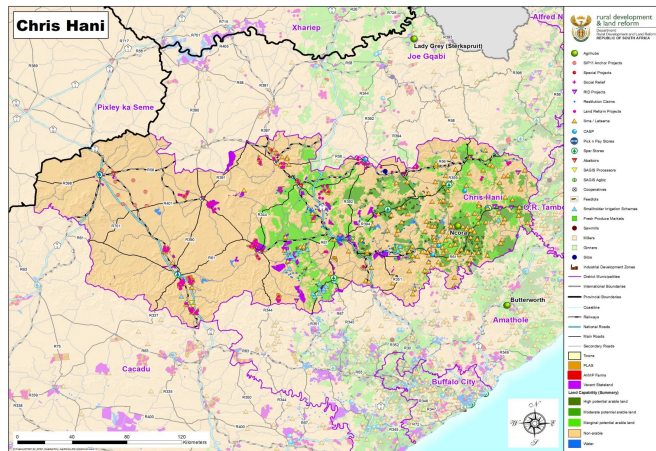
### Gateway Analysis

Based on both data analysis and geographic analysis, it is proposed that Addo be developed as a hub for agro-processing because of the following reasons:

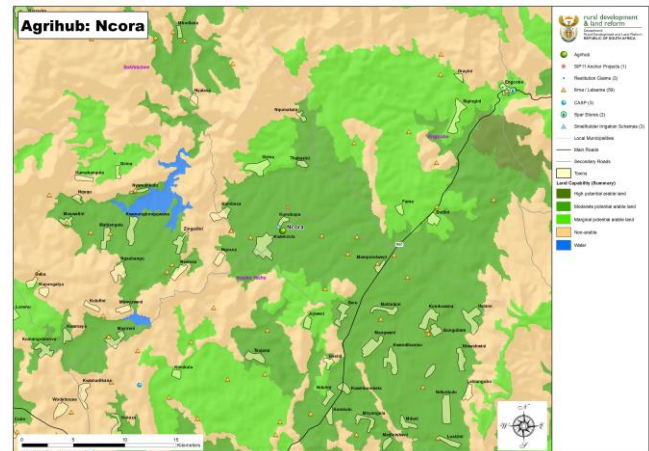
- Five SPAR foodstores to the north west and south east, 5 Ilima Projects, at the proposed location
- Proximity to Restitution Claims to the west of the proposed location
- Addo is in close proximity to EDD Regional gateway, Port Elizabeth
- Good road (N2 & N10) and railway connectivity
- Enterprise areas are Angora sheep and goats

<p>volumes need to be increased to fit growing demand for meat and natural fibre in particular</p> <ul style="list-style-type: none"> <li>• Poultry industry including ostriches (with specific reference to the opportunity of free range chickens)</li> <li>• Vegetable processing (both hot and cold)</li> <li>• Renewable energy from biomass, the manufacturing of organic compost and charcoal(biochar) from biomass</li> <li>• Animal and pet feed industry</li> </ul>	<ul style="list-style-type: none"> <li>• Land capability is not suitable for agriculture</li> <li>• There is 1 SIP11 Anchor project and 1 abbatior to the north west,1 special project to the south east</li> <li>• Potential vacant state land to the south east of the location, as well as Land Reform Acquisition projects</li> <li>• There is an PLAS farm to the south east of the proposed location</li> <li>• Close proximity to Port Elizabeth which is an EDD Regional gateway</li> </ul>

## Chris Hani District Municipality



## Proposed Agri-Hub: Ncora



### District Context

Total Area: 36 144km<sup>2</sup>. The Chris Hani District Municipality is a Category B municipality situated in the heart of the Eastern Cape, and is a linking node to all the regions in the province. It comprises eight local municipalities: Inxuba Yethemba, Tsolwana, Inkwanca, Lukhanji, Intsika Yethu, Emalahleni, Engcobo and Sakhisizwe. It provides an ideal investment opportunity due to its proximity to the ports of East London and Port Elizabeth and its locality to the N6 and N10 routes to Gauteng. Cities/Towns: Cala, Cofimvaba, Cradock, Dordrecht, Elliot, Engcobo, Hofmeyr, Indwe, Lady Frere, Middelburg, Molteno, Mount Zebra National Park, Queenstown, Sada, Sterkstroom, Tarkastad, Tsomo, Whittlesea. Main Economic Sectors: Community services (52%), trade (15%), finance (14%), transport (6%), agriculture (4%), manufacturing (4%), electricity (2%).

Chris Hani District Municipality covers an area of 36 558 km<sup>2</sup>, a change from its previous size of 36, 561 square kilometres in extent due to the changes in demarcation. Inxuba Yethemba is the largest single municipality (32%) in the district, followed by Tsolwana (16%); Sakhisizwe and Engcobo are the smallest in terms of size (6% each). This district forms part of the 27 priority districts. There is a LUMS and SDF developed for Inxuba Yethemba local municipality by Branch SPLUM, as well as an SDF for Lukanji local municipality. The main economic hub is Queenstown. There are a few restitution claims in the eastern half of the district, at least 150 NARYSEC youth field workers also deployed in the same space. There are a few land reform projects around the central and western parts of the district occurring in small clusters. The Chris Hani DM covers an area of 37 111 km<sup>2</sup>, and includes the LocalMunicipalities of: Inxuba Yethemba, Tsolwana, Inkwanca, Lukhanji, Intsika Yethu, Emalahleni, Engcobo, Sakhisizwe. There are 4 CASP agricultural projects, one near Queenstown and 2 in the far eastern part of the district. There are 6 RID infrastructure projects within the district, focused in the far eastern part of the district. Major routes are the N6 from Queenstown to Buffalo City, the N10 via Cradock and the N9 via Aberdeen.

### Agriculture

Agriculture forms one of the key potential growth sectors in the CHDM. The Integrated Agricultural Strategy was adopted by Council but hence it's a bit outdated it has to be developed from scratch, it prioritised the following sectors for investment:

- Agro – processing e.g. cheese production
- Livestock farming particularly Goats and Cattle
- High Value crop production e.g. hydroponics and bio-fuels

Livestock farming is an important source of income for both commercial and communal farming. The western part of the region is increasingly turning to game farming especially in the areas around Queenstown, Cradock, Tarkastad and Molteno. The District Municipality has engaged in partnerships with National Wool Growers Association (NWGA) to improve the quality of wool sheep, develop wool growers associations, train farmers on livestock and veld management and build appropriate infrastructure such as shearing sheds and fences. In the past financial year a number of Shearing

### Demographics

The total population residing in the Chris Hani District Municipality is estimated as being approximately 795461. This may be broken down as follows:

- 71% of the population resides in rural areas;
  - 53.7% of the population is female;
  - 7.3% of the population is elderly;
  - 53.9% of the population is potentially economically active
  - 54.4% of the population is under the age of 20
  - 33% of the residents in Chris Hani have no income
  - 20.2% employed in the community / social / personal services sector
- According to Statistics South Africa (Community Survey of 2007) the population of CHDM show a decrease in population from 809 581 in 2001 to 798 597 in 2007. Global Insight statistics/update of 2011 which is unofficial shows that the total population for Chris Hani is 809 459. The African segment of the DM population is the most affected by poverty, with 54,2% living in poverty, followed by the coloured population at 51,6%, Asians at 10,8 and whites at 0,6%. Unemployment is a major challenge in our economy. It is estimated to be about 57%. The total number of households is 210852 with an average household size of 3.8 (Census 2011). There are 210852 households, with 51.6% of these households that are female headed. Unemployment rate is at 39% with 57.6% of the total population in the 15 to 64 year age group.

### Analysis

Based on analysis done by the Province, it is proposed that Ncora town be developed as site for the Agri-hub due to the following:

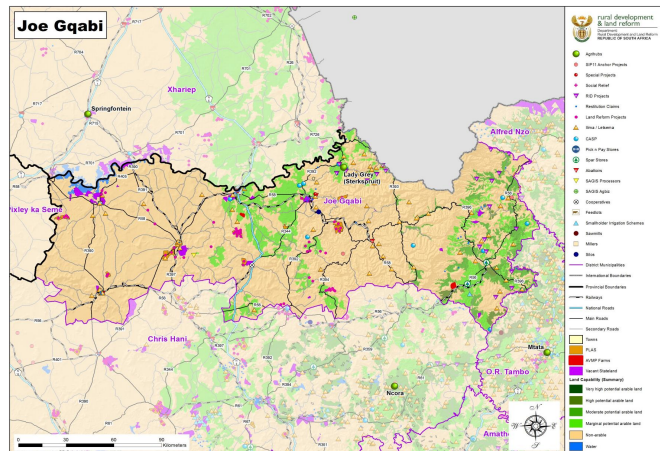
- Existing Road connectivity (R61)
- Many CASP Projects
- Land capability is marginal to moderate
- Good water sources (Dams, rivers)
- Poorest wards surround the site
- CRDP sites to the north east and south of Ncora Town
- It is not an EDD district or regional gateway
- Many CASP 15-16 projects surrounding the proposed location
- Road connectivity may be poor due to prevailing road surface condition
- 2 SPAR food stores to the north east of the proposed location
- No agricultural infrastructure exists at this proposed location which means it will have to be constructed from scratch
- There is one smallholder irrigation scheme at Ncora



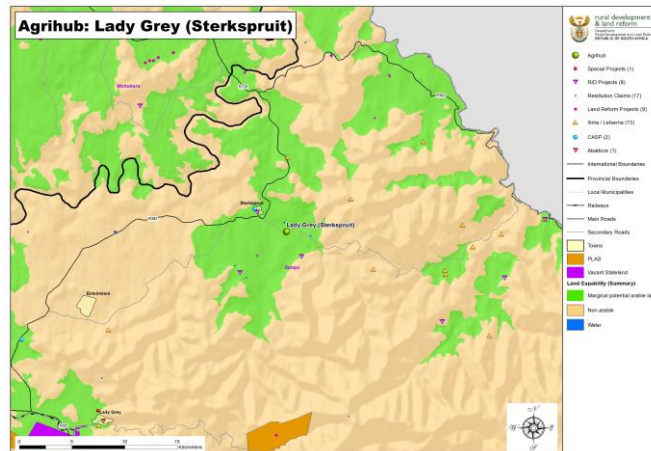
sheds were built and completed at Intsika Yethu LM, Lukhanji and Engcobo. The greatest challenge to livestock production remains low skills level, access to land, poor veld and livestock management, limited access to market, limited access to financial and credit access by emerging farmers due in part to insecure land tenure, poor infrastructure.

• Land care projects to the far north west of the proposed location

## Joe Gqabi District Municipality



## Proposed Agri-Hub: Sterkspruit



### District Context

Total Area: 25 663km<sup>2</sup>. The Joe Gqabi District Municipality, previously known as Ukhahlamba District Municipality, is a Category C municipality located within the Eastern Cape province. It borders the Free State province and country of Lesotho to the north. It is located to the west of Alfred Nzo, north of OR Tambo and Chris Hani District Municipalities, and to the east of the Northern Cape province. It lies approximately 34km north of Queenstown and its northern border is formed by the Orange River, which also forms the southern boundary of the Free State. It consists of four local municipalities: Elundini, Gariep, Maletswai and Senqu. Aliwal North is the main commercial and tourism centre. Cities/Towns: Aliwal North, Barkly East, Burgersdorp, Jamestown, Lady Grey, Maclear, Mount Fletcher, Oviston Nature Reserve, Rhodes, Rossouw, Sterkspruit, Steynsburg, Ugie, Venterstad Main Economic Sectors: Community services (55%), finance (12.6%), trade (9.7%), manufacturing (9.6%), agriculture (6.2%).

The JGDM covers an area of 2,564,705 ha and displays a diverse set of landscapes, from deeply incised mountainous terrain to flat far-reaching plains. The JGDM is located to the west of Alfred Nzo, north of OR Tambo and Chris Hani District municipalities and to the east of the Northern Cape Province. The District municipal area consists of four local municipalities. These municipalities and the most important population centres are the following: Gariep (Burgersdorp, Steynsburg, Venterstad); Maletswai (Aliwal North, Jamestown); Senqu (Barkly East, Rhodes, Rossouw, Lady Grey, Sterkspruit) and Elundini (Maclear, Ugie, Mount Fletcher). This district forms part of the 27 priority districts. The Branch SPLUM commissioned a local municipal SDF that was completed for Gariep local municipality. The N6 bisects the district between Aliwal North and East London. There are a few scattered land reform projects in the central area and western part of the district. There are very few restitution claims in the district, also concentrated in the far eastern part of the district.

### Agriculture

In terms of agriculture enterprise classification, the area can be divided as follows: Central area (70%): woolled sheep, cattle and maize (in that order), far western part (10%): woolled sheep; north eastern area (8%): Cattle, sheep and Maize (in that order); south eastern part (8%): sheep, goats, cattle and maize (in that order); and lastly the far eastern part (4%): Cattle, sheep and goats. Livestock farming is the most important activity with cultivation and cropping of secondary importance. The high incidence of stock theft in the region has forced many livestock farmers to change their focus from sheep to cattle farming. Cattle farming are also less labour intensive, but the returns are normally lower than for sheep farming. Livestock in the area is field reared, resulting in a good quality product. Animals that are not sold directly via marketing agents for slaughter often leave the area for feedlots close to the main markets of South Africa. Most livestock is sold to markets outside of the District. The continued incidence of stock theft (and deaths due to small predators) has resulted in many farmers changing their focus from small stock to

### Demographics

The population of the District slightly increased from 341 750 in 2001 to 349 768 in 2011 representing a 2.3% growth. Population density was estimated to be 14.7 people per km<sup>2</sup> in 2010. The JGDM experienced a decrease in population from 341 813 in 2001 to 308 365 in 2007. All local municipalities experienced a decline in population numbers with the exception of Maletswai where an average increase of 13% was experienced. Approximately 46% of the JGDM population falls between the ages of 20 and 65 years, which are defined as the economically active sector of the population. Males and females account for approximately 46% and 54% respectively of the JGDM population. At least 18% of District households against 15.2% of provincial households reports of at least one migrant household member. Approximately, 7% of the District population overall migrates from their households. The number of persons in each household has shown a slight decline from 4.0 in 2001 to 3.6 in 2011. This is directly congruent with the increase in the number of households which increased from 84 835 in 2001 to 97 775 in 2011, representing a 15% increase. The total number of households is 97775 with an average household size of 3.6 (Census 2011).

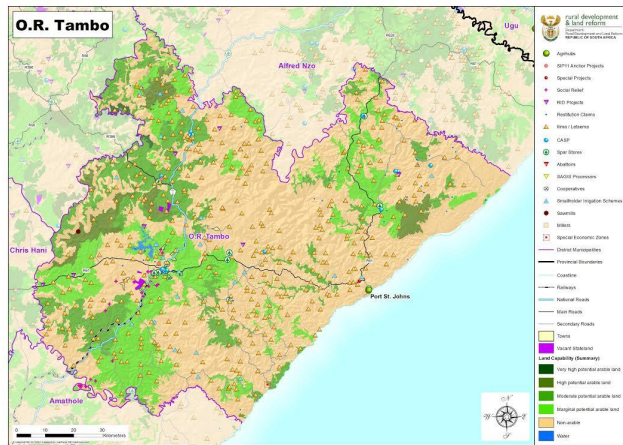
### Analysis

Based on the analysis done by the Province, it is proposed that Sterkspruit be considered for the location of the Agri-hub based on the following:

- Sterkspruit is an EDD District Gateway
- Close Proximity to Lesotho
- Marginal Land Capability
- Fair road connectivity
- Ginner to the west of the location
- RID Projects to the east of Sterkspruit town
- Restitution Claims, CASP projects in the area
- Rivers available for water source
- Poorest wards to the north of the location
- There are many CASP 15-16 Projects surrounding Sterkspruit town
- There is an AVMP farm to the north west of the proposed location
- Road condition may be poor due to prevailing road surface condition
- Closest Railway link is at Lady Grey (27 kilometers away)

large stock (cattle) and game which require fewer input costs and are relatively easier to manage. There are 8 CASP projects in the district. Agricultural activities should be focused on areas of high agricultural potential. Agricultural projects should be located in suitable areas without compromising natural areas and other environmentally sensitive areas.

## OR Tambo District Municipality



## Proposed Agri-Hub: Lambasi (Port St Johns)



### District Context

Total Area: 12 096km<sup>2</sup>. The OR Tambo District Municipality is one of the six district municipalities and one of the four ISRDP nodes of the Eastern Cape province. It covers about 80% of what used to be marginalised homeland in the Transkei and is formed by five local municipalities: King Sabata Dalindyebo, Nyandeni, Mhlontlo, Port St Johns, and Ingquza Hill. The municipality is located to the east of the Eastern Cape province, on the Indian Ocean coastline. It is bordered by the Alfred Nzo District Municipality to the north, the Joe Gqabi District Municipality to the north-west, the Chris Hani District Municipality to the west and the Amathole District Municipality to the south-west. From the east to the west the district measures 170.143km, and north to south it measures 121.725km. Cities/Towns: Flagstaff, Libode, Lusikisiki, Mqanduli, Mthatha (previously Umtata), Ngqeleni, Port St Johns, Qumbu, Tsolo. Main Economic Sectors: Community services (55%), trade (18.5%), finance (16.9%), agriculture (3.5%), transport (3.1%), manufacturing (2.8%), construction (2.7%).

This district is part of the 27 priority districts. Area: 12 096km<sup>2</sup>  
Description: OR Tambo District Municipality is one of the six district municipalities and one of the four ISRDP nodes of the Eastern Cape province. It covers about 80% of what used to be marginalised homeland in the Transkei and is formed by five local municipalities: King Sabata Dalindyebo, Nyandeni, Mhlontlo, Port St Johns, and Ingquza Hill. The municipality is located to the east of the Eastern Cape province, on the Indian Ocean coastline. It is bordered by the Alfred Nzo District Municipality to the north, the Joe Gqabi District Municipality to the north-west, the Chris Hani District Municipality to the west and the Amathole District Municipality to the south-west. From the east to the west the district measures 170.143km, and north to south it measures 121.725km. Cities/Towns: Flagstaff, Libode, Lusikisiki, Mqanduli, Mthatha (previously Umtata), Ngqeleni, Port St Johns, Qumbu, Tsolo. Main Economic Sectors: Community services (55%), trade (18.5%), finance (16.9%), agriculture (3.5%), transport (3.1%), manufacturing (2.8%), construction (2.7%)

### Agriculture

There are 4 CASP agricultural projects in the far northern part of the district, and there are very few restitution claims also concentrated in the northern part of the district. The IFSNI food security project covers this district with at least 60% of the 84000 hectares of land identified for maize production. In terms of agriculture enterprise classification, the area can be divided as follows: Top half (80%): cattle, sheep and goats (in that order), the bottom half (20%): Sheep, goats, cattle and maize. The OR Tambo District:

- Has one Regional Gateway centre, Mthatha which is the hub of economic activities in the region.
- Land ownership is mostly by the state, being a former Transkei Region.
- Is connected to various districts and towns by a national road (N2) from Cape Town to Durban, a regional road, the R61 from Port St Johns to Cradock.
- The region has two municipalities with a coastline, Nyandeni and

### Demographics

The total population for the OR Tambo district is 1 676 463 with the total number of households is 298229 with an average household size of 4.6 (Census 2011). The unemployment rate is at 63.6% (Census 2011). The vast majority of its 1 676 463 people speak Xhosa (2011 Census). The local municipalities in OR Tambo District have the following populations:

- King Sabata Dalindyebo LM: 415227
- Nyandeni LM 281252
- Ngquza Hill LM: 255371
- Mhlontlo LM: 196675
- Port St Johns LM: 146134

53% of the population is female and Africans make up 99% of the total population. 60% of the total population is in the 0-24 years age group. 55% of the total population is between 15 and 64 years of age. There are 298 229 households in the municipality with an average household size of 4.3.

### Analysis

Based on analysis done by the Province, it is proposed that Lambasi (Port St Johns) town be developed as a hub for agro-processing (Agri-hub) because of the following reasons:

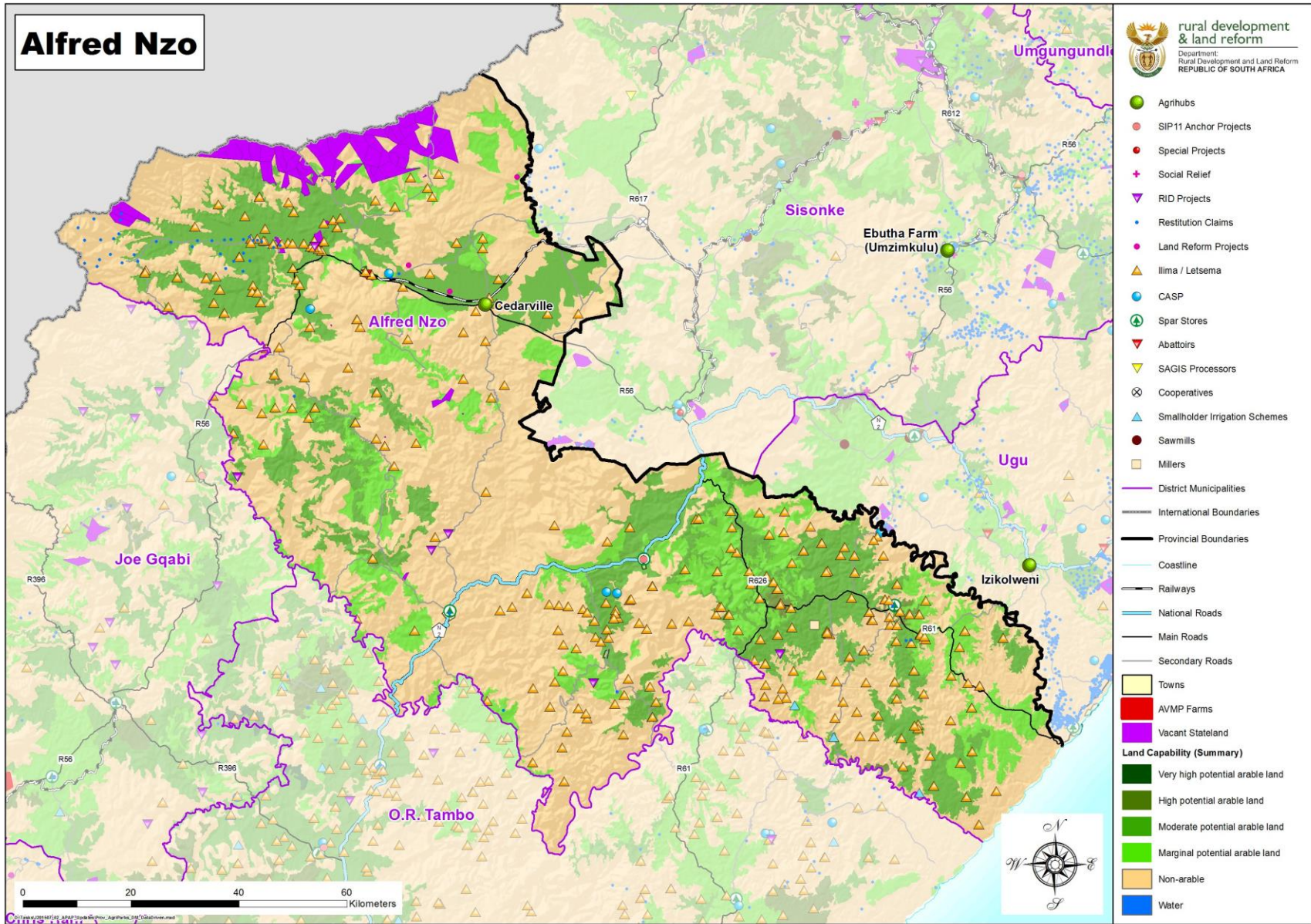
- Land Capability is poor
- Land ownership is mostly by the state, being a former Transkei Region.
- There is no existing agricultural infrastructure at Port St Johns town
- There is a SPAR food store in Port St Johns
- There is a small holder irrigation scheme at Port St Johns town
- There is no vacant state land in the area, mostly old unalienated state land
- There are many Ilima-Letsema projects in the area
- There is reasonable road connectivity (R61)
- Potentially suited for cattle, sheep and goats and in terms of crops it is soya, sorghum, partially wheat, and maize
- There are scattered restitution claims in the area



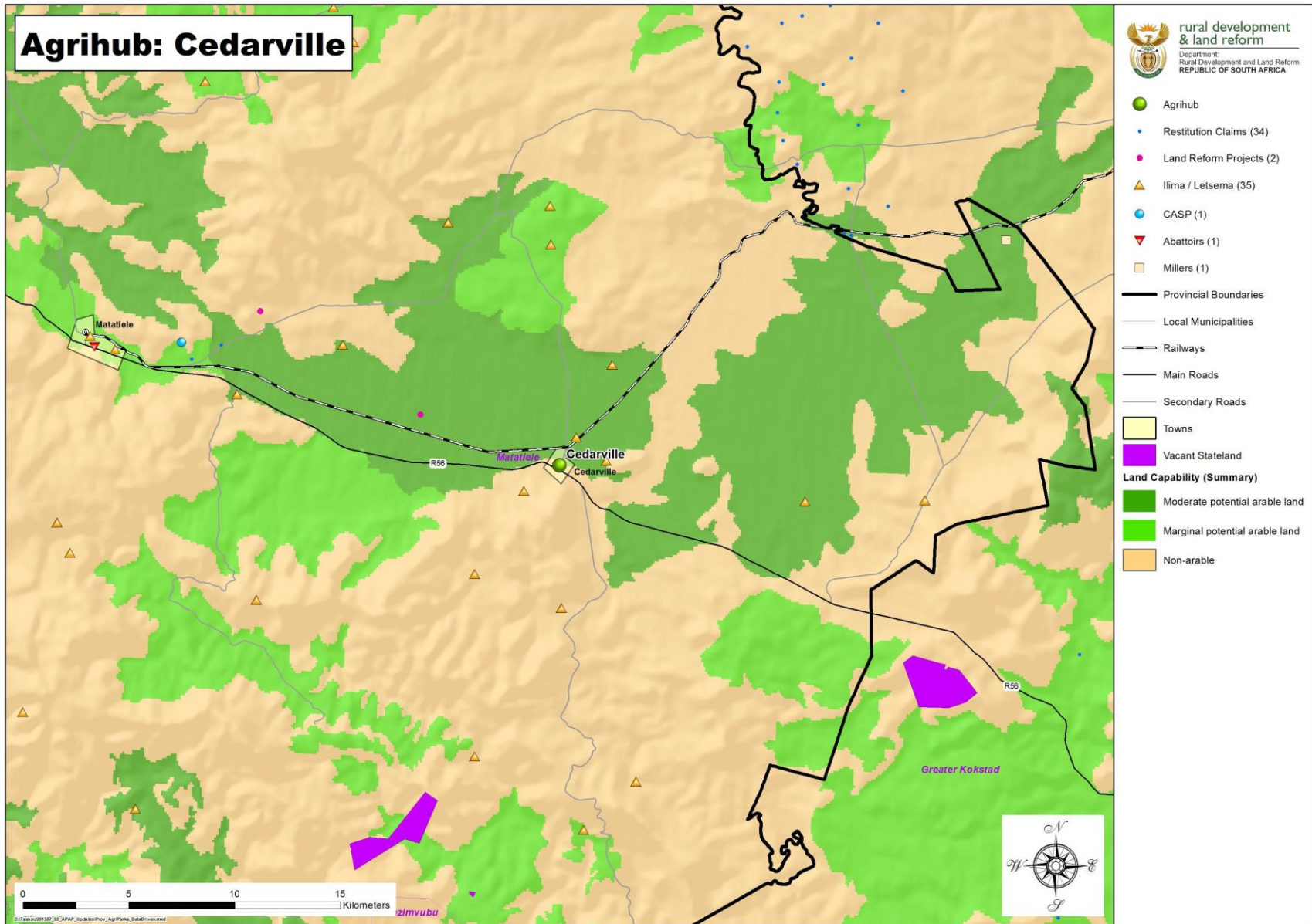
King Sabata Dalindyebo.

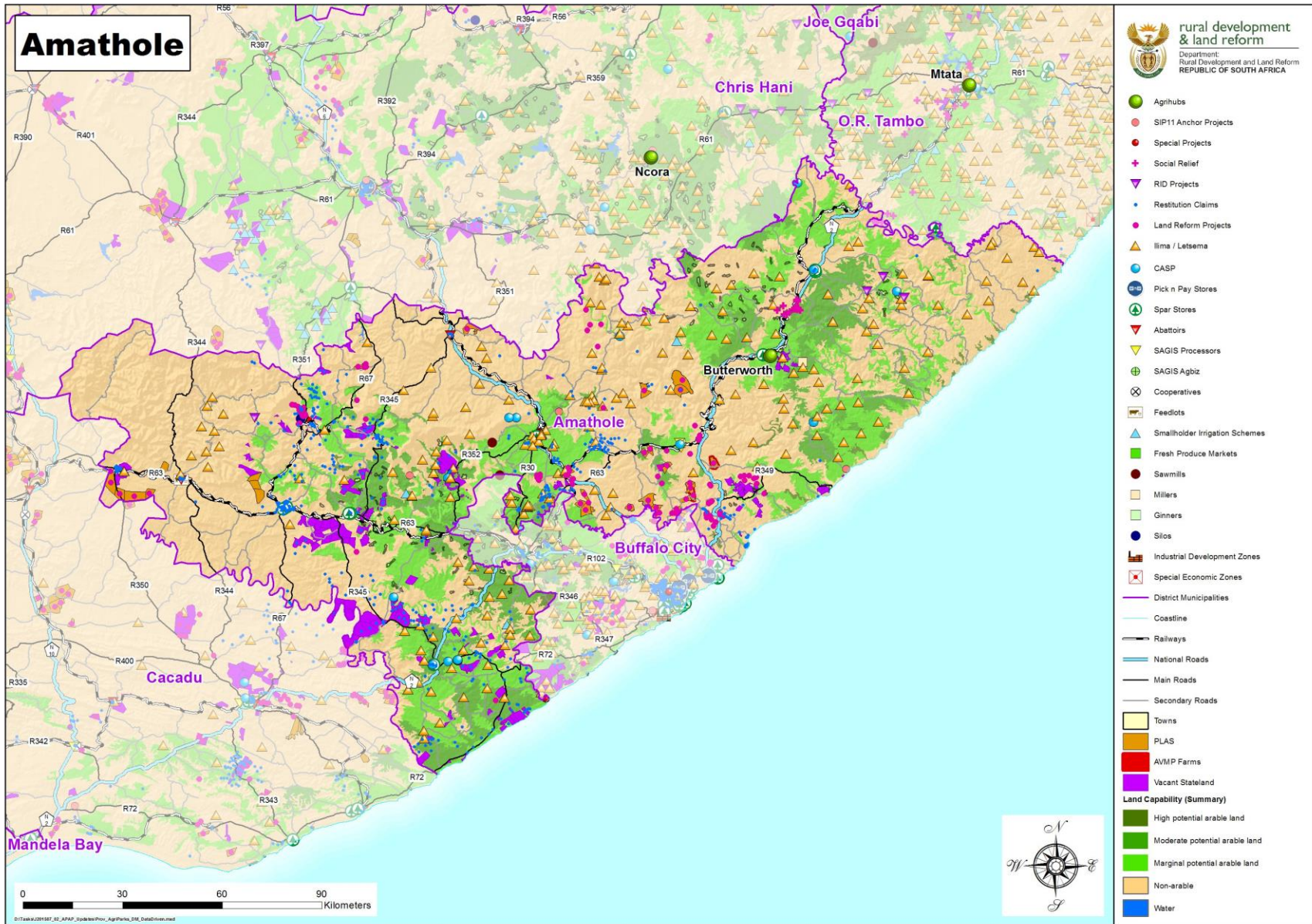
•Being a city, there already a market that is readily available.

• Good road connectivity, but actual road conditions may be poor due to surface conditions











# Agrihub: Butterworth



- Agrihub
- + Social Relief (21)
- Restitution Claims (3)
- Land Reform Projects (1)
- ▲ Ilima / Letsema (29)
- CASP (1)
- ♻️ Spar Stores (3)
- Millers (1)
- Local Municipalities
- Railways
- National Roads
- Secondary Roads
- Towns
- PLAS
- Vacant Stateland
- Land Capability (Summary)**
  - High potential arable land
  - Moderate potential arable land
  - Marginal potential arable land
  - Non-arable

