

**DEPARTMENT: PUBLIC ENTERPRISES**

**REPUBLIC OF SOUTH AFRICA**

**BRIEFING TO THE PORTFOLIO COMMITTEE ON THE OUTCOMES OF THE ENGAGEMENTS WITH THE DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM AND DEPARTMENT OF PUBLIC WORKS ON THE OUTSTANDING ISSUES ON THE REPEAL OF THE OVERVAAL RESORTS LIMITED BILL**

The Department presented to the Portfolio Committee on the Overvaal Resorts Bill in May 2018. The Portfolio Committee requested the following from the Department:

1. Copy of the Purchase and Sale Agreement entered into between the Department and Forever Siyonwaba Consortium.
2. Progress on the resolution of the land claims where Aventura Badplaas (Mpumalanga) and Tshipise (Limpopo) are situated.
3. Progress on the conclusion of the lease agreement between the Department of Public Works and Forever Resorts pending resolution of the land claims on the land where Aventura Blydepoort and Swadini in Mpumalanga are situated.

**1. Purchase and Lease Agreement**

The copy of the Sale and Purchase Agreement as requested is herein enclosed for ease of reference.

**2. Progress on the resolution of land claims**

The Department has engaged the Office of the Land Claims Commission in Mpumalanga on Aventura (Badplaas). The Department was advised that the land claim is not yet settled but that the Land Claims Commission (Commission) was engaging with the land owner to give the Commission an offer so as to enable the Commission to proceed with the settlement of the claim. The Commission could not provide a definite answer as to when will the matter be settled.

With regard to Aventura Tshipise, the Department was advised the Land Claims Commission in Limpopo that the claims that affect Aventura Tshipise are from the Nedondwe community and Nethengwe family.

1. **Nedondwe Community**

The research was approved and the claim was accepted. The claim has been gazetted. However, the claimant verification still needs to be done. Furthermore, claimants will still have to adopt a settlement option.

1. **Nethengwe family**

The research was approved and the claim was accepted. The family is part of the Nedondwe community. The claim has been gazetted and claimant verification was done. Furthermore, claimants will still have to adopt a settlement option. The Commission explained that these claims are at negotiations stage and are still to be settled.

The Commission was not in a position to give clear timelines on finalisation as the settlement/finalisation depends on a number of factors. The main factor is that the land claimants must choose a settlement option and the Commission must engage current landowners to determine their position on these land claims. It was indicated that in case the claimants opt for land restoration, the Commission will have to engage the landowners accordingly.

**(3) Progress on conclusion of lease agreements**

The Department and Forever Resorts met with the Department of Public Works regarding the conclusion of the lease agreement in Blydepoort and Swadini. After the deliberations, the Department of Public Works agreed to consider giving long term leases to Forever Resorts in Blydepoort and Swadini.

However, before long term leases are considered, Forever Resorts has to present a business case to the Department of Public Works demonstrating Forever Resorts impact in the economy of the affected areas. Thus, Forever Resorts has to show what investment it has made and still intends to make in the affected areas. Furthermore, it must provide full details of its job creation programmes in the areas concerned and how it will promote localisation in Blydepoort and Swadini. In this regard, Forever Resorts will be required to make an application by way of completing an assessment form to be provided by the Department of Public Works. The form will be used to determine Forever Resorts’ impact on the economy of Blydepoort and Swadini before a lease could be concluded. The evaluation will also assist to determine the rental that Forever Resorts will be charged for the lease of the land in Blydepoort and Swadini.

It was indicated that after the assessment, a submission must be made by the Department of Public Works (supported by the DPE). The submission will need to be made to the Minister of Public Works on the nature of the leases to be concluded with Forever Resorts. To ensure that the matter is prioritised, the Minister is required to write to the Minister of Public Works in this matter.

The Department of Public Works also advised that due to the pending land claims in the affected areas, the lease agreement with Forever Resorts will take cognizance of the land claims instituted. Furthermore, provision will be made for the leases to be ceded to the claimants’ communities once the land claims are finalised.

The Department of Public Works could not commit to any timeline by which the process to enter into the lease agreements will be concluded. However, the Department of Public Works indicated that it will ensure that the matter is prioritised.