1. **Joint oversight Report to Limpopo Province, Mopani District by the Select Committees on Economic and Business Development and Trade and International Relations, from 30 July – 3 August 2018, Dated 19 March 2019.**

The Select Committee on Economic and Business Development jointly with the Select Committee on Trade and International Relations, having conducted an oversight visit to the Limpopo Province, Mopani District, from 30 July – 3 August 2018, reports as follows:

**1. Introduction**

In terms of section 42(4) of the Constitution, the National Council of Provinces (NCOP) are mandated to ensure effective cooperative governance and intergovernmental relations between the three spheres of government. This unique mandate of the NCOP further seeks to ensure that the provincial interests are taken into account in the national sphere of government. It is within this context that the two Select Committees - Economic & Business Development and the Trade & International Relations conducted a joint oversight to Mopani District (District) Municipality in Limpopo Province.

The District is one of the five districts in the Limpopo Province, and its headquarters are in Giyani. The District is composed of five local municipalities namely: Greater Tzaneen; Greater Letaba; Ba-Phalaborwa, Greater Giyani and Maruleng.

The purpose of the oversight was to assess progress in implementing government development programmes, and identify challenges that need to be addressed by various government departments and agencies in order to influence growth and development of the regional economy. In the main it is to ensure that government programmes, in partnership with the private sector including civil society, support job creation, enable local businesses to expand and increase investments in the regional economy.

Before the *Joint Committees* embarked on the oversight visit to the *Mopani District Municipality,* the followingkey growth points were identified as critical issues that need to be lifted in order the district municipality to succeed to meet *National Development Objectives:*

* Establish and Enhance public-private growth coalitions (*formed with public sec­tor agencies and private sector firms)*;
* Build internal capacity and capability of the district municipality including local municipality under the district municipality (*The capacity of the local government to facilitate economic development depends on its internal organisational health and capability);*
* Establish and enhance regional and national relations to mobilize resources to spur economic growth, attract investments and job creation (*Need to enhance inter-governmental relations to cement economic development)*.

**2. Multiparty delegation**

The delegation consisted of the following members:

Hon MI Rayi (ANC) Chairperson and Co-Leader of the delegation

Hon ER Makue (ANC) Chairperson and Co-Leader of the delegation

Hon BG Nthebe (ANC)

Hon JM Mthethwa (ANC)

Hon JJ Londt (DA)

Hon B Mathevula (EFF)

The delegation was accompanied by the following parliamentary officials: Mr H Mtileni and Ms NG Dinizulu (Committee Secretaries), Mr L Sishuba (Content Advisor), Mr Z Ngxishe and Mr A Ganief (Researchers), and Mr M Erasmus (Committee Assistant).

**3. District local government to facilitate growth, to attract investments in order to create sustainable jobs**

**3.1 Mopani District Municipality**

The Mopani District Municipality is a category C municipality located within the north-eastern quadrant of the Limpopo Province. It is bordered in the north by Zimbabwe and Vhembe District Municipality. In the south, the by the Mpumalanga Province through Ehlanzeni District Municipality, in the south-west by Sekhukhune District Municipality, in the east by Mozambique, and in the west by the Capricorn and Vhembe District Municipalities. There are 16 urban areas (towns and townships), 354 villages (rural settlements) and a total of 125 wards. The seat of Mopani is Giyani, and the district is part of the Great Limpopo Trans frontier Park.

The population of the District is 1,093 million (Census 2011). Out of the entire District population, 81 per cent reside in rural areas, 14 per cent in urban areas and 5 per cent reside on farms. The available statistics suggests that the District is one of Limpopo Province’s most developed economies. The District’s economy grew by 4 per cent, above the provincial and national average, between 1996 and 2006.

The water backlog for the households below the RDP minimum service standard is 124 366. Households above the RDP standard are not considered to be part of the water Supply backlog. It was indicated that the District is characterised by low rainfall, especially in the Greater Giyani and Ba-Phalaborwa local municipal areas. This situation results in severe water shortages and regular drought conditions. Consequently, there are Competing demands for scarce water between economic sectors (agriculture, mining and forestry) and domestic users. The main sources of water are the Letaba River catchment

Area and boreholes.

Eskom is the main supply of electricity. However in urban areas the local municipalities also play a brokerage role in distribution of electricity. Further, most of the people in rural areas and low income households still use other source of energy such as wood for cooking.

There is high unemployment, which like the national picture hit hard the vulnerable groups in society*; women and youth.* Mining and Agriculture are the most industries that employ most people. Tourism, agriculture, mining, trade and manufacturing are the most industries that have the potential growth that could attract investment and create jobs. Mining has been the dominant sector in the District since 1996, and in 2006 accounted for 31 per cent of the gross value added. The main economic industries of the of the District: mining (30.1 per cent), community services (22.6 per cent), trade which includes tourism) (14.6 per cent), finance (14.6 per cent), transport (8.2 per cent), agriculture (3.2 per cent), electricity (2.8 per cent) and construction (2 per cent). which includes tourism) and finance.

The manufacturing industry is poorly performing, representing 2 per cent in relation to the overall economic industries. The mining industry is concentrated in the Ba-Phalaborwa regional area, and for the past eight years experienced rapid expansion. Agriculture it is the fourth-largest economic sector after mining, government and community services, and wholesale and retail. It is predominated in Tzaneen, Maruleng and Letaba, although it is also significant in other districts.

The District boasts remarkable tourist attraction landmarks. The entrancing and breath-taking sceneries have become a standard characteristic of the District. The district is also home to the world-renowned Rain Queen; giant baobabs; tropical paradise of Tzaneen; wildlife haven of Ba-Phalaborwa and Maruleng. The district is named Mopani because of the abundance of nutritional Mopani worms found in the area. By virtue of the Kruger National Park being part of Ba-Phalaborwa and Greater Giyani Municipalities, the District is part of the Great Limpopo Trans frontier Park, which borders South Africa, Mozambique and Zimbabwe.

Limpopo Trans frontier Park presents great economic opportunity for eco-tourism, game farming with spin over effects to the growth of SMMEs. This is the industry that needs to be exploited for the benefit of local communities to improve the rural incomes and generally to raise the living standards.

The economic growth in the District like most municipalities presented a challenge. Economic growth, investment and job creation efforts cannot be led alone by the District. Economic growth and development initiatives need joint efforts by key actors in the economy; the private in cooperation with, the local government, and national government (including state owned enterprises).

**3.1.1 Ba-Phalaborwa Local Municipality**

The Joint Committees also visited the Ba-Phalaborwa Municipality (Municipality). It is one of the five local municipalities in the Mopani District. The local municipality has a geographic area of 7462km², with private farms covering an enormous area, as well as land under traditional authority, namely Ba-Phalaborwa Traditional Authority, Maseke Traditional Authority, Maseke Traditional Authority, Selwane Traditional Authority and Majeje Traditional Authority. The other areas are proclaimed towns of Namakgale, Lulekani and Gravelotte.

Farms constitute 27 per cent of the total of municipal area. Most of the farms in Ba-Phalaborwa belong to private owners and are used for game and citrus farming. Ba-Phalaborwa serves as a convenient gateway to the Kruger National Park and the Greater Limpopo Trans frontier Park through the Mozambique (Masingir-Xai-Xai) channel. The Vision of Ba-Phalaborwa is to provide quality services to promote tourism development, with the objective of positioning the municipal area as a tourist destination of choice.

According to the local economic development (LED) strategy, the strategy notes that Ba-Phalaborwa currently prides itself as the best tourism hub in the District with quality tourism products. Mining, agriculture and manufacturing play an important economic role in job creation. Informal trading is bourgeoning within the economic hubs of Namakgale, Lulekani and Phalaborwa. To this end, public-private support initiatives would be needed to support informal industry, and further help growth potential informal trading entities to formalise. Therefore development agencies (Small Enterprise Development Agency, Small Enterprise Finance Agencies including National Empowerment Fund) with the support of the private sector should create their presence in the municipal area.

On mining activities, the Municipality informed the joint select committees that is ranked number 11 in terms of the largest twenty municipalities ranked by the current value of mining, and mining contributes 44.85 per cent gross value added (GVA) to the local economy. The municipality face a certain level vulnerability in terms of unemployment in the event of a slowdown of the mining economic activity. Hence there is a need to grow other growth potential industries such as tourism and agric-business.

Tourism industry is one of the industries that need to be exploited to address unemployment, and spur economic growth. The geographic position of the Ba-Phalaborwa and the abundance of wildlife, and the proximity of the Municipality to the Kruger National Park present an opportunity in diversifying tourism investment opportunities. Tourism offers a great potential to spur economic development of the region due to its ideal location and climate. The municipal area need to further invest to tourism infrastructure and facilities. Current has 1400 beds in the accommodation establishment and over 20 restaurants.

On the Kruger National Park tourism spin-offs, the Kruger National Park and the Greater Limpopo Trans frontier Park contribute to the fighting the scourge of poverty in mainly impoverish disadvantaged communities. Due to Ba-Phalaborwa’s proximity to the Kruger National Park, the municipality directly benefits from tourist’s flow to the Kruger National Park through sleeping local accommodation establishments or buying of artefacts/local crafts, and memorabilia items.

The Joint Committees noted the plans the municipality intends to implement in an effort to fight rhino poaching. The Municipality indicated that there are also monthly and quarterly joint operation meetings with SAPS to discuss rural safety, priority crimes and anti-poaching. However, the Joint Committees indicated that the scope and capacity of the municipality would hinder the Municipality in carrying the task. Hence collaborative efforts with national and provincial government should be a priority to strategical plan and implement a comprehensive strategy to fight rhino poaching.

The local municipality needs, with the support of the national and provincial government backed by the private sector to invest in Municipal infrastructure such as road and possible rail infrastructure to support potential growth industries such as tourism, agriculture including mining. Further, the municipality needs to build relations with the local Hoedspruit airport and Ba-Phalaborwa airport to search for economic opportunities that could spread as spin offs to spur local economic development. The local airport should be used as a one of key elements that could forge development partnerships with the private sector. Currently, the IDP of the local municipality is silent in exploring this economic opportunity. Joint Committee noted that collaborative efforts between the public and private sectors would bring lasting economic development solutions.

The challenge the Municipality including the District is facing is to how to use the potential of the current airports to link them to the overall local industrial action plans. The government has the industrial strategy to establish competitive Special Economic Zones (SEZs). The District including the local municipality have the potential to form a competitive SEZs, taking into account that the Districts is one of the advanced economies in Limpopo Province.

Investment in Information Communication and Technology (ICT) infrastructure should be a priority. This position was emphasised by the Joint Committee. The ICT has is one of powerful enablers towards a more *responsive economy, which is inclusive.* Again, the Joint Committee emphasised the need for partnerships between the Municipality with national and provincial governments backed by the private sector including institutions of higher education. The local communities including rural areas should access to high speed broadband. Tolling-out Wi-Fi service to local communities should deserve no further emphasis, emphasised the Joint Committee.

The Joint Committee further emphasised that partnerships should also be extended to [neighbouring](https://www.google.com/search?biw=1920&bih=963&q=neibouring&nfpr=1&sa=X&ved=0ahUKEwiR5tnU6PvcAhVQPsAKHR6VDJEQvgUIJCgB) countries with the aim to maximise economic opportunities. In this case the Municipality was encouraged to explore economic opportunities presented by the Xai-xai development, Mozambique. The tourism development offers significant economic development opportunities.

**4. Public-private growth coalitions**

**4.1 Progress on the revitalization of the Nkowankowa Industrial Parks**

The Department of Trade and Industry provided a background on the revitalization of industrial parks in the country. The department explained that a structured programme for the revitalization of industrial parks located in the old industrial areas across the country was initiated in September 2015. The programme initially identified the first ten (10) state owned industrial parks to be revitalized in various provinces. The programme focuses on both the physical infrastructure and other support requirements in line with outcome 4 and 6 of the National Development Plan. The Department of Trade and Industry has forged strategic partnerships for the implementation of the programme on a national scale. The first phase covering 13 industrial parks has been initiated

The rationale of revitalisation of the industrial parks seek to respond to the following critical issues:

* Revitalise South Africa’s state owned industrial parks enabling them to serve as catalysts for broader economic and industrial development in their host regions (townships and rural areas),
* Modernise the industrial parks infrastructure and upgrade security features to ensure a safe and secure working environment for both firms and clients,
* Redesign the industrial park layout and enhance the visual appeal of park for investor attractiveness,
* Lift security and control of the industrial park boundaries to curb encroachment and prevent environmental hazards.

To date, approximately R511 million has be allocated to jump-start the industrial parks revitalisation programme. The Department of Trade and Industry indicated that six industrial parks have been launched and four would be ready to be launched in the current financial year.

Reporting on the progress of the Nkowankowa Industrial Park, the department reported the industrial park’s scope of services is currently in construction and is expected to be completed by August 2018. A total of 83 employment opportunities were created thus far. A local contractor was appointed and local subcontractors are also benefiting from the project.

The following activities are currently being undertaken to improve the security of the industrial park*: setting out (7880m) of fence route; excavation of set out route; installing fence; installing of the CCTV system; installing main access gates; installing of guard houses; site clearing*. Further to levelling, finishing-off on fence route; refurbishment of high mast lights; and refurbishment of identified buildings.

**4.2 Phalaborwa Wild Activity Hub**

One of the Department of Tourism strategic objectives is to diversify and enhance tourism offerings. In response to this strategic objective, the Department of Tourism in partnership with South African National Parks (SANParks) have developed the Phalaborwa Wild Activity Hub. The Joint Committee received the report from the Department of Tourism and SANParks with regard to the implementation of the Phalaborwa Wild Activity Hub programme.

It was reported that the objectives of the Wild Activity Hub seek to address the following;

* Diversify and enhance tourism offerings at the Phalaborwa gate;
* Improve the tourism infrastructure in the Phalaborwa area and also attract other investments to become a feasible tourism destination;
* Development and enhancement of the Phalaborwa Gate through the development of the Wild Activity Hub includes tourism infrastructure such as entrance gate, rhinos’ orphanage, bird viewing, walkways, backpackers, and cool down area, braai and waiting areas,
* To use the Wild Activity Hub as leverage to provide opportunities for local entrepreneurs to operate some activities in the Kruger National Park;
* To create local hospitality facilities to benefit local communities, and thus support growth of local enterprises;

The SANParks, further expounded on the objectives highlighted by the Department of Tourism. According to the SAParks, the tourism development programme would create job opportunities the Phalaborwa municipal region. A detailed plan of the Wild Activity Hub was shared with the Joint Committee which includes facilities such as spa, bush braais, archery including activities such as mountain bike safaris, shortened overnight trips to Olifants River, fat Cleveland, hiking, horse riding , Craft beer, reptile information sessions, Photographic courses and leather making.

Further, the SANParks reported on the progress in relation to the regulatory requirements as determined by the Environmental Impact Assessment (EIA). The SANPaks gave an undertaking that as soon the environmental regulatory requirements are met, the construction of the tourism development would start with socio-economic spin-offs guaranteed to benefit the local economy.

The Department of Tourism further explained that through the Tourism Incentive Programme (TIP) funds, was able to fund the Wild Activity Hub programme to the tune of R25 million. The Joint Committee noted the efforts of government to create tourism assets that would benefit the whole community. Further, the Joint Committee noted that the development programme to succeed, partnerships with the public, private, civil society sectors including local community needed to be formed to implement the initiative in order spur job creation and economic growth.

**4.3 Enterprises are Critical Partners for Inclusive Growth**

The Joint Committee recognise the role of enterprises including social enterprises in creating jobs and driving economic growth. To this effect, the Joint Committee visited several enterprises in the District.

**4.3.1 Taunetix [Pty] LTD**

The company was registered with Companies and International Property Commission (CIPC) on the 07 March 2015. It is 100 per cent owned by Mr Lodewyk Franxis van Der Zee. The business is situated Tzaneen.

Mr van Der Zee run banana ripening business that supply and sells fresh produce to the informal sector in and around Tzaneen area. The company was funded by Small Enterprise Finance Agency (Sefa) for a loan amounting to R2,7 million in 2015. The purpose of the fund was to purchase vehicles with the amount of R349 015.00 and acquisition of the business which costed R2,35 million. The repayment of the loan facility was scheduled for the period of five years. The business created 12 permanent employment opportunities.

**4.3.2 Tzaneen Blueberries**

Tzaneen Blueberries was established in 2013 by Henry Hayes (24.5 per cent), Nino Burelli (51 per cent) and Stephen Taylor (24.5 per cent). The farm is located at portion 31, 32 and 40 of the Hamawasha 557 LT farm, which is at the south east of Tzaneen.

The farm is the first blueberry farm to be established in the Tzaneen area. Henry Hayes, a papaya farmer, started experimenting with blueberries under subtropical conditions about five years ago. He conducted research with no licenced but soon realised that the licenced plant material is of much better quality, albeit more expensive. Based on the early success of the trial plantings and due to a lack of own capital he partnered with leading businessmen in the fruit industry, Steven Taylor, the largest blueberry producer in Europe.

Blueberries enterprise, received financial support (R13 million) from the Industrial Development Corporation (“the IDC”). The IDC play a significant role to enable the enterprise to reach both domestic and international markets. Most of the produced are exported to international markets due to the current low demand of the Blueberries in the domestic market.

The enterprise supply chain stores such as Woolworths in the domestic market and export to countries such as United States of America, Europe, and China. The company is not the main producer of blueberries in South Africa, there are big companies in the blueberry subsector that have a competitive advantage and exploit economies of scale based on their vastness and advanced business networking capabilities.

The enterprise does not have ownership of the intellectual property rights to produce the blueberries. The intellectual property rights are owned by the United Exports Group, based in US. The growers like Tzaneen Blueberry enterprise do not have control over pricing and marketing of produce and there are merely price takers in the market. Farmers are therefore obliged to pay royalties to the breeders.

The farm produces and packs the fruit at its packing facility. The enterprise has entered into a plant supply and fruit marketing agreement with Eurafruit that carefully selects its members based on climate, water quality and availability, soil conditions and business acumen. The Eurafruit growers club is a supplier of licenced plant material, mainly from the USA. Most of its varieties have been tried and tested in South Africa. It also has established local and international marketing channels.

During harvesting season of the berries, Tzaneen Blueberries employs over 300 people, during pruning season, the farm employs over 100 people. The majority of these workers are normally women. Currently, Tzaneen Blueberries has a total of 45 permanent employees of which 15 work at the pack house during harvesting season.

**5. Inter-governmental networks**

**5.1 Public Works Cost Centre**

This is one of the social development initiatives implemented as part of the Department’s contribution to government’s strategic initiative aimed at addressing unemployment and improving the livelihoods of the poor; mainly women, youth and people with disability. The project is implemented throughout the province under the Empowerment Programme, an umbrella of the Expanded Public Works Programme (EPWP).

This Cost Centre is one sub- project under Mopani General Maintenance where the EPWP Chief Directorate has partnered with Building Maintenance unit to implement projects In-house. The decision to pool resources was meant to optimise on creation of more work opportunities for locals. 100 percent of the incentive grant has been utilised to provide labour on construction, rehabilitation and maintenance of government infrastructure assets.

Building maintenance unit provides planning, funding for materials, in-house labour (Artisans) and technical supervision based on their Annual Performance Plan (APP). The EPWP Directorate aligns projects to EPWP Guidelines, plan and as well facilitate recruitment of local unskilled labour. The project is implemented in Tzaneen Cost Centre under Greater Tzaneen Municipality.

The project focused mainly on general maintenance of Government assets (office and residential houses) rehabilitation, development and maintenance of Government grounds (Landscaping and maintenance). Participant’s focus on clearing of grounds and minor maintenance on residential houses within the Cost centre and are not yet involved in renovation works for other Government Departments such as:

* Department of Education-Day to day Maintenance
* Social Development-Day to day maintenance
* Department of Health-Day to day maintenance
* Department of Agriculture-Day to day maintenance

It was reported that participants in the Landscaping Project would be offered accredited training at NQF level three (3). The process to procure services of an accredited service provider has commenced, and the project is planned to start in September 2018.

Further, the social development programme has recorded few successes such as the training of the participants in *Maintaining of Immovable Government Assets, including* construction of new structures. The nature of the programme (short duration) poses a challenge. The participants have undergone training in plastering, painting, carpentry, plumbing and electrical.

Resource allocation remains a challenge. The beneficiaries of the programme in most cases exit the programme before mastering the skills acquired, and being ready to venture into their own businesses. Currently the *Provincial Department of Public Works, Roads and Infrastructure* does not have a retention and exit strategy in place. Further there is a need to restructuring the *Integrated Grant* to provide additional upfront budget allocation to improve planning and coordination of the EPWP. Provincial Treasury need to support provincial department to lobby National Treasury, or Public Works to restructure the Integrated Grant to cater needs of provinces.

The Joint Committee noted that higher education institutions including the private sector needs to support the training and development programmes. Further the Joint Committee noted the need to improve the quality of the basic education system. In addition, it was highlighted that education and skills system needs more significant improvement in the provision of vocational

skills and education. The functional role of Setas was emphasised. Hence there is a need for concerted efforts to increase funding for public works support programmes. Further coordination by all state entities backed by the private sector including institutions of higher education need to be improved.

Further, the Joint Committee emphasised the role of the district political leadership to ensure that national and provincial government support the implementation of the social development programmes. At a district level, social engagement forums, which compose all critical stakeholders should be established. The Joint Committee emphasised the importance of forging interde­pendent relationship between the District with national and provincial governments in pursuing economic development. Further, public and private sector leaders at District level need to leverage the support of the national government (backed by the private sector) finance social development initiatives.

**5.2 Energy projects in Mopani District Municipality**

It was indicated that settlements in the District area are small and scattered. As a result, infrastructure costs are high. The case highlighted in Ba-Phalaborwa was the capital cost of electrification under the INEP programme. However, it was submitted by the Department of Energy, that under INEP it will be able to meet the targets for universal access to electricity by 2025.

Joint Committee noted the support Eskom is providing to local businesses including households. Furthermore, the electrification programme should also support the growth of local business.

The Department of Energy submitted that to connect an enterprise takes 6 months and an amount R40 000 to expedite such electrical connections. The Department further reported that after the processes of conducting feasibility studies and designs by civil engineers, it takes about 12 months to electrify a designated area under development. However, in setting up bulk infrastructure development such as power stations it takes approximately 24 months, and thus leads to the electrification of the settlements that needs to powered with electricity. The Joint Committee urged local municipalities to improve relations with the Eskom. Electrification plans should find expression to the Integrated Development Plans (IDPs).

**6. Observations**

* The level of unemployment in Mopani District is estimated at about 39 per cent , which is by far higher than the national average of 27.2 per cent as reported by Statistics South Africa in the second quarter of 2018.
* In terms of demographic composition, in both Ba-Pharaborwa and Tzaneen local municipalities, the youth constitute half of the district population and this is consistent with the national trend of burgeoning youth unemployment.
* On the issue of integrated planning between the three spheres of government, the Joint Committee observed that there is poor coordination between the *three tiers of government* and this result to poor delivery of quality in services, which undermines the realisation of the high level objectives articulated in the *National Development Plan.*
* Further, the non-participation of national government departments in the development of IDPs is astoundingly problematic in that, municipalities, provincial and national departments end up implementing parallel programmes and this does not help in maximising the rand value of the public funds allocated to development.
* The Mopani district municipality for example, indicated that, IDC could implement a project within the district jurisdictional boundaries, but the District does not have such development project in the municipal IDP.
* Most of the municipalities have Local Economic Development (LED) forum, which is facilitated by the Executive Mayors. In supporting the high level LED forums, there is a technical committee representing sector directors, which synchronise development planning. However the scope and capacity of the LED units need to be improved, and private sector including civil society and higher education’s institutions should be used to enhance the planning capacity.
* The district is confronted by poor levels of skills development emanating from ineffective schooling system meant to produce requisite skills in line with prevalent economic sectors operating in the district.

**7. Recommendations**

* The oversight visit highlighted four broad implications for District Municipality including the local municipalities under district jurisdiction. The local government leaders need to work closer with the private sector (businesses), educational partners, national and provincial government (including state owned entities and development agencies such as DBSA). Better coordination and planning would deliver good growth: economy, boost jobs and attract investment.
* It was noted that countries with well-developed systems of vocational education for young people who do not go to university have higher employment rates for young people. The Department of Higher Education and Training (including Setas), private sector including the Department of Labour need to work closer with the District. There is a need to address high levels of skill shortages. To increase funding of skills development should be supported and encouraged. Further, vocational education and training needs to be more employer-led and responsive to local business needs.
* The joint select committees identified a need for national government (state owned enterprises and development agencies) to intervene in order to fuel productive investments to boost job creation. Further, there is a need for private-sector initiatives, backed by government support.
* Further, local municipalities need to create space for the private sector to take central role in leading economic development functions in growth industries and including in emerging industries.
* The Joint Committees further noted a need to investment in economic infrastructure such as a water infrastructure, quality energy infrastructure to boost power for both residential and commercial clients in the district. The Department of Public Enterprise through its SOEs such as Eskom, Transnet and the Department of Water and Sanitation (Water Boards) with the backing of the private sector should increase investments in the District to support growth and development.
* Lack of investment in critical economic infrastructure would hinder economic growth and development, and thus deepen social unrest and compromise social cohesion.
* The District needs to develop prioritised action plan to attract investments. To this end, the District working with *local municipalities in partnership with the private sector need to lift their efforts in terms of resource mobilisation* to proactively engage national government to fund investments, develop trading links and promoting exports. National functional departments such as *Trade and Industry, Economic Development; Transport, Water and Sanitation, Rural Development, Small Business Development, Tourism, Agriculture, Forestry and Fisheries, Energy including Public Enterprise and their SOEs and development agencies* need to enhance their support in local government to drive regional integrated development.
* The District further needs to focus and enhance economic development strategies to achieve inclusive, place based growth supported by local industrial strategies bridging skills, drive infrastructure investment working with private sector and national government. Further it need to spur innovation (supported by higher education institutions and private sector).
* The Joint Committee noted the role that should be played by the national functional departments such as Science and Technology, Postal and Telecommunications including the SOEs backed by the private sector. Thus the District need to position itself to tap to the opportunities presented by the 4th industrial revolution. Further to be in a position to mitigate risks posed by the 4th industrial revolution. It should be emphasised that the success of the District would require a concerted effort. The responsibility to attain *better life cut across departments*.
* *Land reform and development* should be one of the priorities. That would need closer working relations with traditional authorities to unlock value for the land to attract investment in agriculture, tourism, and thus spur growth for property and retail industry including boosting construction and electricity industries. Manufacturing activities particular in the agricultural industry need to be improved and enhanced. The department of *Rural Development and Land Reform, Cooperative Governance and Traditional Affairs, Tourism, Agriculture, Forestry and Fisheries, Tourism and Transport including Energy and Public Enterprises and other functional departments such as Economic Development, Small Business Development and Trade and Industry* backed by the private sector should support growth of the regional and rural economies. These investment efforts would need to be better coordinated, and planning across levels of government should be improved.
* The District including traditional authorities need to create conducive business environment to attract investment in order to drive economic development.
* Settlements in the District area are small and scattered. This settlement pattern constraint the provision of basic and social services and affects long term sustainable development in these settlements. The case highlighted in Ba-Phalaborwa was the capital cost of electrification under the INEP programme.
* Too sum up the visit, the Joint Committee emphasised that the District with local municipalities under its jurisdiction, backed by national government, higher education institutions and private sector needs to focus on: *Developing skills and education; Invest on economic and social infrastructure; Supporting investment, innovation and business growth.* Ensuring a *balanced economy,* in terms of *sectors and local municipal regional growth areas.*

Report to be considered