



the dplg

Department:
Provincial and Local Government
REPUBLIC OF SOUTH AFRICA



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Bushbuckridge Nodal Economic Development Profile

Mpumalanga

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Section 1: Introduction

1.1 Purpose

This document is intended to serve as a succinct narrative report on the Bushbuckridge Nodal Economic Development Profile.¹ The profile report is structured to give digestible, user-friendly and easily readable information on the economic character of the Bushbuckridge Integrated Sustainable Rural Development (ISRDP) Node.

1.2 The Nodal Economic Profiling Project

In August 2005, in a meeting with the Urban and Rural Development (URD) Branch,² the minister of Local and Provincial Government raised the importance of the dplg programmes playing a crucial role in contributing to the new economic growth targets as set out in the Accelerated and Shared Growth Initiative of South Africa (ASGISA). He indicated that an economic development programme of action (PoA) for the urban and rural nodes needed to be developed.

In response the URD branch developed a *Programme of Action for Building Productive and Sustainable Nodal Economies* in September 2005. The PoA is intended to stimulate economic growth and development in the poverty nodes. It is important to understand the economic potential of the nodes; to identify opportunities for public and private sector investment; to identify barriers and constraints to economic activity within the nodes; to acknowledge the recommendations on strategic interventions for improving the nodal business climate, and the institutional recommendations for implementation.

Three high level deliverables form the core of the PoA, namely:

- (a) Nodal Economic Profiles (in which information such as demographics, institutional capacity, potential economic interventions, space economy, competitiveness profiles and so on, is contained).
- (b) the Nodal Investment Atlas (a compendium of public and private sector investment opportunities).
- (c) the Nodal Economic Development Support Agency (recommendations and proposals).

In order to fund the PoA deliverables, various development partners were approached. The Business Trust believed in the credibility of this initiative, and funded it through the Community Investment Programme (CIP). Nonetheless, it needs to be pointed out that the Nodal Economic Profiling Project is a government-based project intended to raise the importance of productive and sustainable nodal economies.

¹ Information is sourced from a detailed PowerPoint profile of Bushbuckridge.

² The Urban and Rural Development Branch is one of the deputy director-general divisions within the dplg.

Section 2: An Overview of Bushbuckridge

2.1 Administration

Bushbuckridge was established in 2000 after the amalgamation of the three former Transitional Local Councils of North and South Midland. Historically, it was made up of the homelands of Gazankulu and Lebowa. Gazankulu was designated for the Shangaan- and Tsonga-speaking people, while Lebowa was designated for the Pedi- and Northern Sotho-speaking people. Until recently, it was spread across parts of Limpopo and Mpumalanga. It is now fully integrated into Mpumalanga.

2.2 Spatial information

Main settlement areas

The municipality borders the Blyde River Canyon in the west, and the Kruger National Park/Sabie Sands reserves in the east; Manyeleti and Andover Game Reserves fall into its area along the northern border. The Bushbuckridge Local Municipality has a population of about 500 000 people residing in 133 dispersed villages and rural settlements. There are four main settlement areas, namely Bushbuckridge Town, Mkhuhlu, Thulamahashe and Acornhoek.

Transport

- The R40 is the main road through the municipal area.
- A railway line cuts across the municipal area.
- Taxis operate throughout the entire area, but the cost per trip is very high.

Terrain and natural resources

- The terrain is mostly sandy plains and rocky ridges, although the region near the Kruger National Park is slightly mountainous.
- The natural resources are mostly ecological – soil, flora and fauna – although some clay deposits are also found.

2.3 Socio-economic information

- The population of about 499 054 people live in an area that covers 2 123 km². The total population is rural. The population density is 235 persons/km².
- Bushbuckridge faces serious backlogs in the provision of services (water, electricity, sanitation, health care, schools):
 - o Only 27% of households have electricity and 45% access to piped water within 200 m of their homesteads.
 - o Seventy per cent of households live in traditional houses.
 - o There are 139 primary and 170 secondary schools. Each primary school must serve an average of 1 068 eligible children between the ages of 5 and 14 years and each secondary school must serve an average of 404 eligible children between the ages of 15 and 19 years. This has resulted in overcrowding, poor attendance and inadequate education delivery.
 - o There are three hospitals, 30 clinics, two mobile clinics and two community health centres in the node.

- Xitsonga is the predominant language in the area and is spoken by 58% of the population, while 27% of the population speak Sepedi.
- Females make up 53% of the population, and comprise 56% of heads of households.
- Most households are large with about 46% of households consisting of four to seven members and 40% of households consisting of one to three members.
- Approximately 72% of the population are under the age of 30 years which points to the need for youth development programmes in stimulating nodal development.

Employment

- Over 85% of the population lives below the poverty line earning less than R19 200 per annum. Only 14% of the residents between the ages of 15 and 65 years are economically active.
- More than 84% of the employed are paid employees and only 3% are self-employed.
- The public sector is the single largest employer in the node, accounting for one-third of all jobs (33%), although manufacturing is also a major source of employment (23%).

Education

- Approximately 40% of residents do not have any education, with the remaining 60% having some form of education.
- Over 70% of schools have no access to water or electricity.

Health care

- Health spending in Bushbuckridge (R55 per capita) is substantially lower than it is on average across the rest of South Africa (R199 per capita) – the IDP notes a lack of health-related data.
- There is strong prevalence of HIV and AIDS in Bushbuckridge with 29% of the population infected.
- Bushbuckridge has three hospitals, 30 clinics, two mobile clinics and two community health centres.

2.4 Municipal funding and budget breakdown

As with most of the poverty nodes, about 75% of municipal capital is used for water development. Capital expenditure on water and reticulation during 2003 amounted to R30,9 million out of a total capital expenditure of R41,2 million.

Sources of funding and budget breakdown

	2001/2002	2002/2003
Operating expenditure	55 061 200	50 390 000
General income	3 687 800	10 550 000
Grants and subsidies	1 123 000	0
Intergovernmental transfer	26 027 000	46 125 000
Surplus/Deficit	-25 223 400	6 285 000

2.5 Key remarks about Bushbuckridge

The nodal overview of Bushbuckridge highlights the following development challenges:

- The Bushbuckridge Local Municipality has a population of about 500 000 residing in 133 dispersed villages and rural settlements.
- The political centre of the Municipality is the Mkhuhlu township, but there are plans to move it to Bushbuckridge town in the near future. The municipality has 11 regional offices/areas.
- The municipality borders the Blyde River Canyon in the west and the Kruger National Park/Sabie Sand reserves in the east; Manyeleti and Andover Game Reserves fall into its area along the northern border.
- The node continues to face large infrastructure and service backlogs, with access to water posing the single greatest challenge.
- Bushbuckridge has a limited economic base, and only 14% of the adult population is employed. The local economy is strongly driven by remittances.
- The majority of the land is traditionally administered, with approximately 83% of the total municipal area currently under land claims.
- A lack of urban or settlement planning and the resultant residential sprawl is complicating and driving up the cost of service delivery and may affect future viability of agriculture as land becomes scarce.

Key LED projects identified in the IDP are as follows:

Project description	Total cost	Status
Injaka Dam Development: Storage for bulk water supply into communities in the eastern part of Bushbuckridge	R209 million	In second phase
Jim Brown Water Reticulation: Deliver water services and reticulation to Jim Brown	R1,2 million	Completed
Mariti/Madras water reticulation: Increase clean water from Hoxani Dam to communities in Mariti and Madras	R800 000	Under construction
Bulk water supply phase III: Upgrading of Acornhoek water supply from Acornhoek Dam and Klaserie River	R4,3 million	Under construction
BBR sanitation: Provision of toilets and sanitation to 32 villages	R15 million	Awaiting approval
Road tarring: Tarring of Thulamahashe, Cunningmore and Lisbon roads	R15 million	Awaiting appointment of contractor
Establishment of taxi ranks: Increase transport efficiency in Acornhoek, Hluvukani and Lilydale	R4 million	To be implemented
Electrification of settlements: Street lighting and increased access to electricity to Maviljan town, Mthunzini RDP, Allandale, Acornhoek A, B & D	N/A	To be budgeted
My Acre of Africa: Tourist attraction centre	R18 million	Under construction

Section 3: The Economy of Bushbuckridge

Bushbuckridge is exceptionally poor – over 85% of households live below the household subsistence level (HSL) and only 14% of the adult population are employed. The description of the economy of Bushbuckridge is provided at three levels: GDP (output), employment and consolidated sectoral analysis.

The nodal economy essentially comprises four divergent sub-economies:

- **Government and public service:** Public spending (infrastructure spending, salaries) is an important source of capital for the area.
- **Services and retail:** There are a number of shopping centres in some of the larger towns. These host national brands like Spar, Shoprite, Jet, OK Furniture, Pep and Chicken Licken. Informal trading also occurs.
- **Agriculture:** Although there is very limited commercial farming at present in Bushbuckridge, many households rely on small-scale farming for their livelihoods. Numerous estates, which used to be large employers, lie dormant.
- **Tourism:** Some trading of arts and crafts is found on access roads to the large game farms and reserves in the east.

However, considerable income is earned outside Bushbuckridge. According to USAid, “almost 70% of working-age males and 40% of females work outside the area for more than half the year, while half the males and 14% of females between the ages of 25 and 59 are long-term migrant workers.”

The potential for economic growth lies in two sectors, namely:

- **Agriculture:** reactivating dormant commercial farms/unlocking growth in small holding farming
- **Tourism:** developing local attractions and capturing spending of visitors to surrounding attractions.

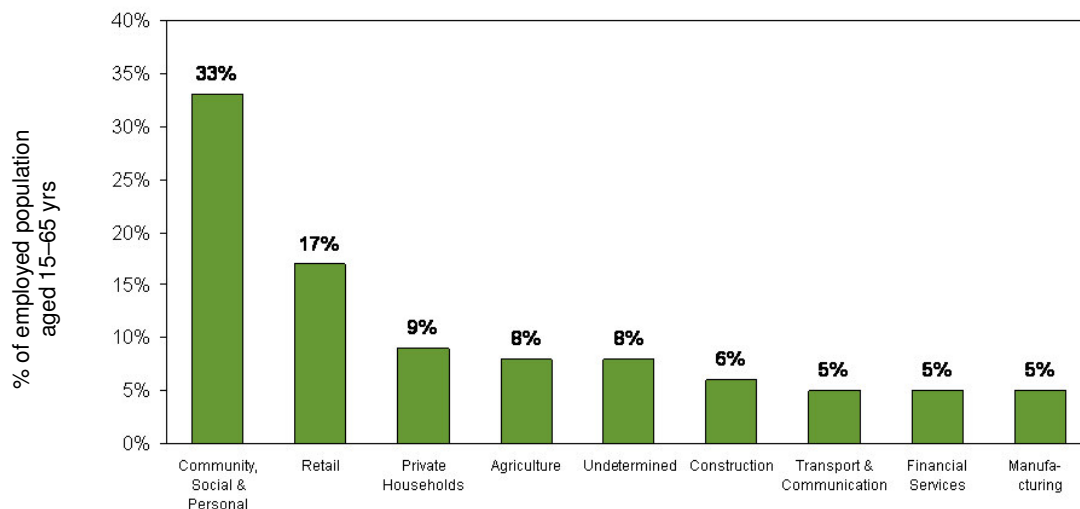
The services and retail sector may also grow. However, this will depend on increasing disposable income, which can potentially be derived from the tourism and agriculture sectors.

3.1 Location of economic activity

Mkhuhlu is a main development node with commercial and (dormant) industrial activity. The municipal offices are situated in Mkhuhlu. As it lies on the route to Skukuza/Kruger there is a high potential to attract tourists to the area. Small-scale manufacturing, retail and agri-businesses are situated in Marite. Bushbuckridge is the future municipal centre and contains numerous (expanding) shopping centres. There is a large retail centre in Dwarsloop, which also attracts foreign traders. High growth in the retail sector, both formal and informal, was noted at Acornhoek.

3.2 Sectoral contribution to employment

The public sector is the single largest employer in the node, accounting for 33% of all formal jobs, while the retail sector is also a major source of employment (17%).



No. of jobs	12 414	6 258	3 487	3 121	2 423	2 031	1 866	647	416
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Figure 3.2.1: Formal employment by major sector: 2001

3.3 Sectoral prioritisation

In particular, general government services and community, social and other personal services present growth opportunities for the region.

Sectors	Average index	Potential for growth
General government services	73	The public sector is the largest employer in the district and makes an important contribution to nodal GDP. However, the public sector is funded by taxation, and therefore is itself dependent on growth in the private sector.
Community, social and other personal services	62	This is also part of the public sector, and includes teachers and health care professionals. Therefore, the same assessment applies as for general government services.
Wholesale and retail trade, catering and accommodation	51	This sector includes tourism, which has good potential for growth as the area boasts many cultural, historical and eco-tourism attractions. Linkages with Kruger National Park increase potential for tourism. There is already a thriving retail sub-sector, and further/sustained growth of the sector will depend on rising incomes and economic development of the area's consumers.
Finance and business	38	The sector is a relatively significant contributor to GDP and is seeing good growth. However, it is a consumption sector, and

Sectors	Average index	Potential for growth
services		its strength is dependent on other sectors that generate wealth.
Transport and communication	25	This sector is a support service and relies heavily on economic activity in other sectors. Although there is some potential for growth, linkages with other sectors make it difficult to prioritise.
Agriculture, forestry and fishing	16	Historically, the agricultural sector has been a large contributor to GDP in the node. There are plenty of opportunities to resuscitate abandoned projects. Agriculture promises broad employment creation and an inflow of capital to the area.

Section 4: Selected Sectors

4.1 Tourism

Bushbuckridge has two distinct aspects to its tourism sector:

- On the one hand, it can benefit from employment in tourist areas that surround the region (wildlife areas to the north, east and south; and the Drakensberg escarpment to the west).
- On the other hand, the area offers its own (potential) tourist attractions, which include Injaka Dam, the Bushbuckridge Nature Reserve, Manyeleti and Andover wildlife areas, and cultural tourist attractions.

At present, the area is losing considerable income opportunities as tourists bypass Bushbuckridge on their way to the attractions of the surrounding areas, and both immediate tourist spending and tourist industry supply spending is captured by other areas. Potential tourist attractions in Bushbuckridge remain underdeveloped, with little or no accommodation facilities. Other sectors, like agriculture, are too underdeveloped for outside tourist attractions to want to partner with Bushbuckridge producers.

The key to unlocking the full potential of the tourism sector for Bushbuckridge therefore lies in the following:

- Using the surrounding attractions to strengthen the appeal of the attractions within in the area.
- Tapping the economic potential of the surrounding area by providing labour and products.

At present, Bushbuckridge does not contribute strongly to the tourism value chain, although it could provide the following:

- Trade: Arts and crafts, restaurants and service stations along the access routes of the wildlife areas of the east.
- Accommodation: Lodges and hotel facilities along the access routes of the wildlife areas of the east,
- Cultural products: Village tours, dance and music shows.

4.2 Agriculture

The current strategy of the provincial Department of Agriculture is to move farmers up the value pyramid, which promises to unleash considerable dormant capacity in the area.

Bushbuckridge is mostly a rural area, dominated by subsistence and small farming activities. Most households farm for household consumption only. The lack of access to markets implies that many producers sell only to the community.

Inefficient and untargeted activity means that considerable income potential remains latent. Numerous former Development Corporation projects lie abandoned and

unused. Targeted interventions could develop subsistence to smallholding activity with creation of slight disposable income; and small farmers could move into a more commercial arena, generating stronger inflow of capital into the area. Although ecological circumstances (soil types, land and water availability) may limit the total size of commercial farming activity in the area, a considerable gap between current and potential activity remains.

Agricultural development will be constrained by a shortage of water, and the competition with domestic uses and conservation will be fierce, implying the need for careful management. The area is dry, with approximately 600 mm of rain p.a. There is no rainfall from April to October, rainfall is highly variable and rain often occurs in intense downpours, increasing risk of erosion and irrigation/dam damage. There are few catchment areas in the region.

Irrigation systems currently feed off rivers, with only Champagne Irrigation being supplied by the Casteel Dam, and Injaka Irrigation by Injaka Dam. There are three major irrigation schemes, all of which are currently being rehabilitated. The area generally does not have a high groundwater-bearing capacity.

The construction of Injaka Dam will increase water security. The construction of Zoeknog Dam was aborted after floods in 2000 broke the dam wall. Reconstruction is progressing slowly, and the completed dam would improve water availability for the area considerably.

Section 5: Economic Growth and Investment Opportunities

The Bushbuckridge Local Municipality has identified agriculture and tourism as the areas of economic growth and investment opportunities.

5.1 Tourism

As Bushbuckridge falls into a tourism area that extends beyond its borders, a holistic view should be taken, and attractions both around and inside the node be considered.

Kruger to Canyons Biosphere Reserve

Most of Bushbuckridge falls into the Kruger to Canyons Biosphere Reserve, which is a major tourist attraction. In 2001, the Kruger to Canyons (K2C) Biosphere Reserve was registered with UNESCO. Biosphere reserves are designated regions where internationally important ecosystems and protected areas lie adjacent to human settlements. They are established to promote solutions to reconcile the conservation of biodiversity and its sustainable use. K2C is at the interface of the Eastern Transvaal Drakensberg Escarpment and the Central Lowveld, covering three biomes (savannah woodlands, afro-montane forests and montane grasslands). These protected and resource areas are approximately 4,8 million ha, including the transfrontier and escarpment protected areas. In the transition zone, more than 1,5 million people reside on communal land.

Making use of external attractions

Bushbuckridge should exploit the employment opportunities of external attractions, while at the same time using the pull of tourists to the area to make the node's internal attractions more viable.

The wildlife cluster has potential for visitors who drive to wildlife areas, as they have to pass through Bushbuckridge and accommodation is found along the fringe of the parks. Bushbuckridge's agriculture can supply game lodges and has direct employment potential. Cultural tours to Bushbuckridge would be an "add-on" for visitors to the wildlife areas like Kruger and Sabie Sands. The hiking and cultural cluster can potentially be developed, benefiting employment creation. Cultural tours to Bushbuckridge, accommodation facilities and formalised curio markets would be an "add-on" for visitors. The wildlife cluster and hiking and cultural cluster are faced with barriers such as:

- A lack of facilities along roads passing through Bushbuckridge means that visitors do not stop.
- Other routes are marketed as scenic routes, resulting in road like the R40 losing out.
- Limited capacity in agriculture currently impedes supply contracts.
- No marketing structures are in place – tourists visiting game areas are unaware of the cultural offering in Bushbuckridge.

- It is a highly competitive environment.
- Large sections (especially around Pilgrim's Rest) are already well-established tourist areas.
- Pilgrim's Rest is 40 km away from Bushbuckridge.
- The Blyde River area is likely to compete for the same tourists as the forest areas of Bushbuckridge.

The wildlife cluster and hiking and cultural cluster do, however, present Bushbuckridge with potential solutions to the barriers, namely:

- Develop access routes to wildlife areas into tourist routes/attractions in their own right.
- Start co-operation with game areas to ensure that their customers are aware of Bushbuckridge's cultural offering.
- Make interventions in the agricultural sector.
- Train Bushbuckridge citizens in relevant skills (e.g. as tour guides, conservationists).
- Develop attractions in Bushbuckridge to make it worthwhile for visitors to the area to stay in Bushbuckridge.
- Integrate tour offerings to increase the linkage between the area and Bushbuckridge.

Making use of attractions in Bushbuckridge

The Injaka Dam development provides potential for water sports and this could be linked with restaurants, accommodation and resorts. The game reserves on the northern perimeter and in the south of the area provide the potential for accommodation and eco-tourism. The area has a rich Northern Sotho and Shangaan heritage, which could be marketed with dance festivals, tours and cultural centres as well as the provision of accommodation and day visitor facilities.

Although there are potential attractions in Bushbuckridge, it is faced with certain challenges:

- Projects are in their early phases.
- There are outstanding land claims.
- There is competition from other game areas.
- There is uncertainty about how broad the reach of game-farm tourism is.
- Seventy-five per cent of Blyde River Canyon National Park is outside Bushbuckridge.
- The area outside Bushbuckridge is already established and has a strong brand.

5.2 Target markets for Bushbuckridge tourism

Domestic visitors

Taking into consideration current domestic tourism trends to Mpumalanga, Bushbuckridge should develop its attractions accordingly. There are more holiday and business trips to Mpumalanga than trips to visit friends and relatives. Holiday trips, with a share of only 12% of national trips contribute 32% of spend. Business trips, although representing only 5% of trips, contribute 12% of spend. The average domestic tourist in Mpumalanga spends 52% less per trip than tourists in other

areas, partly because the average trip to Mpumalanga is 25% shorter than elsewhere. Gauteng, which contributes 39% of the total domestic tourism spend, is the most important source of domestic tourists. The focus for domestic visitors should, therefore, be on holiday and business visitors (high levels of spend), especially providing facilities for short trips.

Domestic holiday visitors

When focusing on domestic holiday visitors, Bushbuckridge can develop a very wide range of activities and attractions, although segment-specific analysis will be required. The target market for domestic holiday visitors is families, individuals, adventure sports people and eco-tourists on either short or long visits. The products created for tourism should focus on natural endowments such as nature reserves, water sports and hiking activities. Provision should be made for overnight accommodation, adventure sports and eco-tourism facilities. Some of the potential locations in Bushbuckridge are Bushbuckridge and northern nature/game reserves, Injaka Dam (water sports and potential for resort development) and forest reserves.

Domestic business visitors

The purpose of business visitors travelling in Mpumalanga is likely to be visiting major cities (Nelspruit, Witbank), visiting specific businesses/projects distributed across the province, and attending conferences. Business travellers usually need conference facilities and accommodation with business facilities (e.g. communication centres). Some of the potential locations for conference venues are Bushbuckridge Nature Reserve, Injaka Dam and along R40 and Skukuza Roads.

International visitors

International tourists visiting other attractions will be the prime target group, especially when they visit the area as part of a packaged tour to view points and day visitor centres. International tourists would offer potential for single day, full service tourist attractions. These tourists are unlikely to be attracted by the dam apart from stop-over visits and are likely to stay at their final destination (i.e. parks, Blyde River). International tourists can be attracted if international tour operators take note of opportunities.

Bushbuckridge should develop its attractions by taking into consideration current international tourist characteristics. International tourists generally visit the Kruger National Park (82%). As more than half these tourists visit Blyde River as well as Kruger Park, it is assumed that most of them pass through Bushbuckridge. Most visitors are first-time visitors, and only a small number visit the area again. Therefore, it is crucial that attractions are easily accessible to visitors on their trip to the area. It should be taken into account that if tourists visit Kruger Park, they are unlikely to visit other game reserves on the same journey.

5.3 Agriculture

Although Bushbuckridge is suitable for agricultural use, careful consideration of investments should be taken. Agriculture does have potential to ensure livelihoods for local people, but large commercial operations will require professional operations

if they are to remain successful. The following points need to be taken into account when planning investment in agriculture:

- Rainfall is too variable and too limited for large-scale cultivation relying on rainwater.
- Water is in too short supply to considerably expand irrigation.
- Cattle graze across the area, but are affected by foot-and-mouth disease along the eastern perimeter.
- Only the western section has climate suited to forestry, but large sections of this will be converted to a national park.
- Bluegum requires much water, threatening ecological diversity in Kruger.
- Higher elevations in other areas allow for faster forestry turnover.
- Although citrus is viable, ecological conditions in the southern neighbouring areas are even more ideal for growing citrus.
- Medicinal plants and marula trees abound in the area and do not have any commercial competition from neighbouring areas. However, large-scale commercialisation and cultivation is unlikely.

Therefore, while fruit and vegetable and livestock production sectors offer potential for growth, there is limited potential for crops and forestry. Chicken farming requires little infrastructure, as processing facilities are already available. In addition, a strong tradition of stock farming and availability of uncultivated tribal land allows small farmers to expand their cattle farming activities.

There are numerous dormant citrus estates that could be revived with some investment. Fruit plantations could be expanded if irrigation is developed and land made available. Plans are already in place to expand greenhouse/shade net vegetable plantations. The majority of former commercial estates are not in operation, although infrastructure and land availability would make these prime development targets.

Overview of irrigated development corporation estates

Name	Commodity	Size ha	Employment	Comments
Lisbon	Mangos, citrus	570	400, + 500 temp	Successfully transferred to claimants
Hoxane	Mixed – orchards and vegetables	400	40	Technoserv is assisting the Sabie Haxana Farmers' Co-operative to grow (15 farmers, 150ha)
Sandford	Avocados, pecans, litchis, citrus	120	82	Land claims being processed
Zoeknog	Coffee	132	130	Stopped 5-6 years ago because the low price of coffee made it unviable
Waterval	Coffee, mangos	97	14	Land claims. Stopped 5-6 years ago: conversion to banana/macadamia nut
Injaka	Coffee	186	175	Land claims. Stopped 5-6 years ago: conversion to banana/macadamia
New Forest	Tobacco,	120	470, + 100	Lack of water, DoA trying to revive project PESIS in co-operation with ECI

Name	Commodity	Size ha	Employment	Comments
	vegetables		temp	project RESIS in co-operation with ÉCI Africa
Wales	Coffee, macadamia	400	160, + 500 temp	Dormant
Zoeknog	Rice	10	24	Lack of water, rice particularly heavy on water
Allendale	Citrus	53	70	Lack of funds, dormant, under claim
Champagne	Citrus, mangos	298	124, + 500 temp	Land claims being processed
Dingleydale	Vegetables	700	648	DoA yet to undertake studies in the area
Cork	Vegetables	500	400?	Technoserv is investigating reactivation
Dumfries	Vegetables	40	7	No production – lack of young farmers, DoA is attempting resuscitation

Focus on citrus

Citrus is one of the high potential crops for the Bushbuckridge, with numerous citrus estates having been successfully operated under the homeland development corporations. The main members of the citrus family are oranges, lemons, grapefruit, naartjies and limes.

Potential target markets

By achieving a sufficient scale of production, local agri-processing could be made worthwhile.

A more consistent supply situation and increased scale of production will make it more viable to transport produce outside the area and find customers for dedicated supply contracts as the Kruger National Park has expressed interest in procuring from Bushbuckridge. Furthermore, the railway to Gauteng could be exploited. Specialisation in high-value produce (e.g. organic produce) or produce specific to the area (banana juice, marula), could gain international customers.

Section 6: Summary

The area consists of two former apartheid-era homelands and the legacy of tribal divisions remains a factor in municipal politics. The municipality was recently moved from Bohlabela District Municipality in Limpopo to Ehlanzeni District Municipality in Mpumalanga.

Bushbuckridge has a population of 500 000 people with four major economic centres. The public sector is the largest source of income for residents with another source of income being remittances from migrant workers. A thriving retail sector is dependent on the other sectors. There is very little production and GDP per capita is less than half of the provincial average. Sectors to be stimulated to increase economic growth are the agricultural and tourism sectors.

Most farmers are small-scale or subsistence farmers. The primary constraints in agriculture are the availability of water and land claims. In addition, farmers are unable to make the transition from small-scale to commercial farming. Currently, a number of community-based initiatives provide small farmers with greater access to markets. An important factor for agricultural development will be increased water supply and co-operatives/community pooling to spread the cost of inputs.

The focus needs to be on building capacity for export in order to bring funds into the node, and the development of agri-processing industries to extract economic and employment value from products grown in the node. Bushbuckridge needs to manage and support community-based and co-operative ventures, and develop markets and secure partnerships with agricultural buyers.

Bushbuckridge is surrounded by attractive tourist destinations on each of its borders. Tourism attractions in Bushbuckridge have never been developed. Therefore, the key to tourism development will be tapping the economic potential of the surrounding area and using the surrounding attractions to strengthen the appeal of attractions within in the area. Tourism development requires the building of appropriate infrastructure so that tourists and tour operators will include the area in their programmes.

Education and capacity building will be required to transform this node over the long term, especially in public administration, tourism and agriculture. Integration of plans with the Kruger National Park and other players in the surrounding areas will be crucial to achieve cost savings and synergies and to take control of haphazard urbanisation.

Infrastructure provisioning and service delivery (particularly water) continues to be the primary focus of development efforts in the node. The municipality has tried to pump money into the community through various supply contracts. A long list of LED projects has been identified and several have been allocated funding (see Section 2).

More targeted interventions are required to address problems in order to create an environment conducive to growth. There is a need to address the blockages and service backlogs in the system. Land claims still need to be urgently addressed. Bushbuckridge can exploit the fact that it is in a UNESCO biosphere, but needs to integrate its tourism activities into provincial tourism plans.

The following potential sources for economic growth have been identified:

Short term	Long term
<ul style="list-style-type: none"> • Products and services <ul style="list-style-type: none"> o Expedite community-based initiatives o Provide small farmers with greater access to markets o Leverage natural flora and fauna o Rapidly implement projects that are free from land claims • Skills development <ul style="list-style-type: none"> o Engage government's support structures to assist small farmers to move up the value pyramid o Develop special interest zones to lure tourists into Bushbuckridge o Increase capacity in municipality • Infrastructure <ul style="list-style-type: none"> o Clarify governance structures of Bushbuckridge with respect to Bohlabela o Expedite land claims o Increase water availability and manage demand o Build appropriate infrastructure so that tourists and tour operators are compelled to visit the area 	<ul style="list-style-type: none"> • Products and services <ul style="list-style-type: none"> o Focus on capacity for export in order to bring funds into the node o Develop agri-processing industries to extract the most economic and employment value from products grown in the node o Manage and support community-based and co-operative ventures o Develop markets and secure partnerships with agricultural buyers • Quality of current offering to be increased <ul style="list-style-type: none"> o Develop and implement targeted tourism strategy • Skills <ul style="list-style-type: none"> o Education and capacity building will be required to transform this node over the long term, especially in public administration, tourism and agriculture • Infrastructure <ul style="list-style-type: none"> o Take control of haphazard urbanisation o Integrate plans with Kruger National Park and other players to achieve cost savings and synergies

The involvement of the following stakeholders is required for the process to move forward:

- Local government (district and municipal)
- Department of Agriculture
- Department of Water and Forestry
- Department of Trade and Industry
- Department of Environment and Tourism
- Department of Land Affairs
- Community leaders/traditional authorities
- Private investors: agribusiness, developers, tour operators, community co-operatives
- Government support structures: Mpumalanga Economic Growth Agency (MEGA), Small Enterprise Development Agency (SEDA), Mpumalanga Agricultural Development Corporation (MADC)
- The local people.