

MUSINA MAKHADO SEZ SOC

Portfolio Committee: Trade, Industry and Competition

21st September 2022

Virtual



the dti

Department:
Trade and Industry
REPUBLIC OF SOUTH AFRICA



LEDA
LIMPOPO ECONOMIC
DEVELOPMENT AGENCY
AN AGENCY OF THE LIMPOPO
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

ROOTED IN THE FUTURE

Purpose

To share information on the Implementation of the project and highlight some challenges.



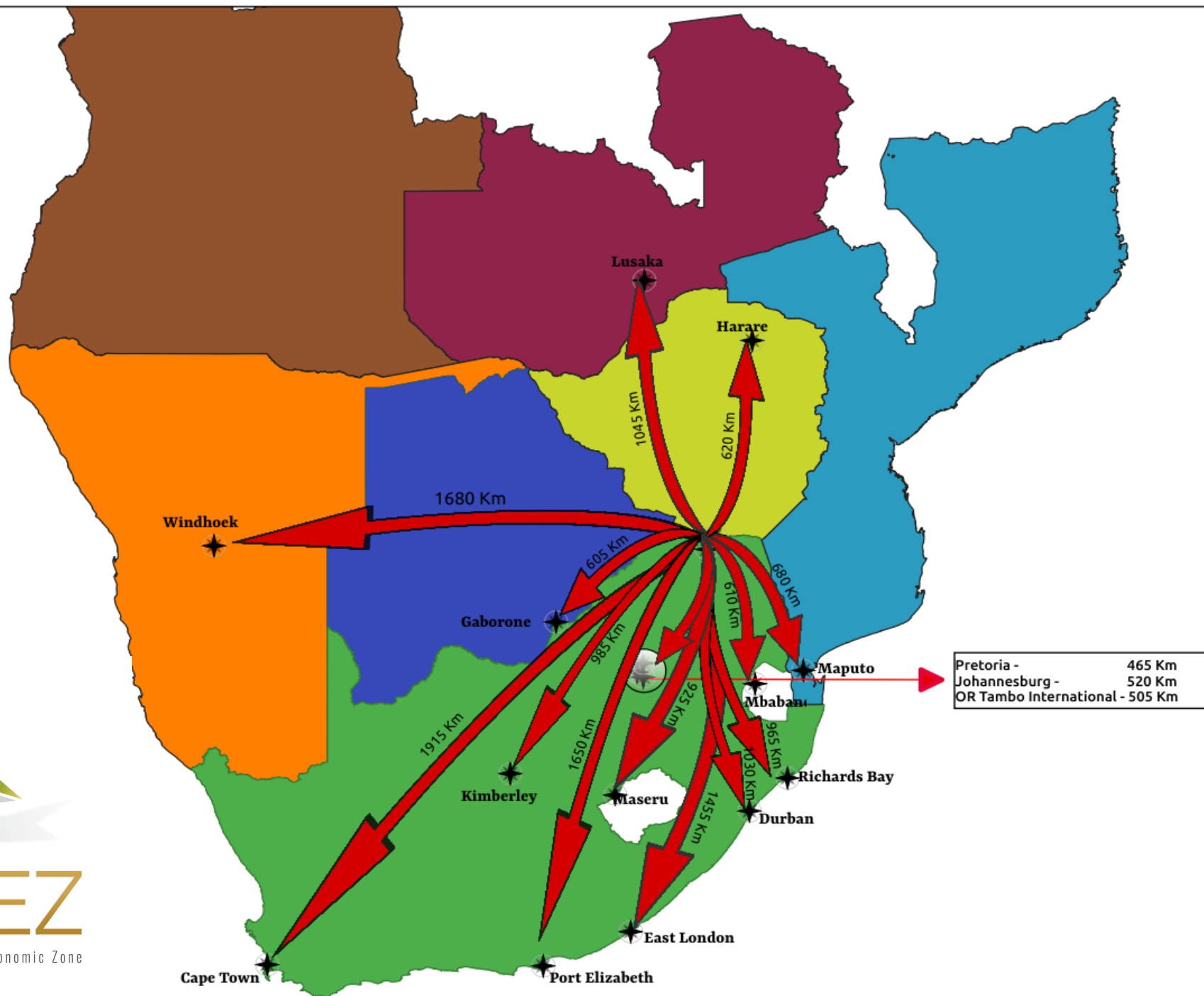
Introduction & Context

- ✓ The SEZ initiative provides an opportunity for the decentralization of domestic supply chains and participation in Global Value Chains.
- ✓ They provide an opportunity for industrialization.
- ✓ MMSEZ is poised to provide a strategic platform for industrialization through beneficiation for the minerals and agriculture resources.
- ✓ MMSEZ is also a strategic platform to promote regional economic integration and best candidate for the actualization of the Africa Continental Free Trade Area.
- ✓ We see a potential for the first continental modern Inland Dry Port

MMSEZ Location



Regional Integration & AfCFTA



Locality Map & MMSEZ Sites

Locality of MMSEZ
Northern and Southern
sites relative to Musina
and Beitbridge

TITLE:
**MUSINA/MAKHADO
SOUTH AFRICAN
ENERGY AND METALLURGICAL
SPECIAL ECONOMIC ZONE (SEZ)**
Locality Plan

LEGEND:

- Limpopo Provincial Boundary
- Municipal Boundaries
- Main Towns
- Roads and Railways**
 - Freeway
 - Arterial
 - Main
 - Railway Line
- Parent Farm
- Erf
- Musina/Makhado SEZ Phase 1
- Musina/Makhado SEZ Phase 1A



NOT TO SCALE

PROJECTION:
Transverse Mercator Lo29° WGS 84

PREPARED FOR:



PREPARED BY:

aurecon

MAP REFERENCE:
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Compiled by: Mthembu

BEITBRIDGE

MUSINA

Musina Municipality

N1

**Baobab
Toll Gate**

Southern Site

Northern Site

Farms and Farm Numbers		Coordinates
Musina/Makhado SEZ Phase 1A: Light and Medium Industries		
1.	Portion 1 of Antonvilla 7 MT, size of 3125.9858 hectares	S 22 19.703 E 30 5.493
2.	R/E of Antonvilla 7 MT, size of 375.7383 hectares	S 22 18.025 E 30 6.228
Musina/Makhado SEZ Phase 1: Heavy Industries		
1.	Battle 585 MS, size of 751.240 hectares	S 22 42.411 E 29 52.088
2.	Portion 1 of Joffre 585 MS, size of 631.913 hectares	S 22 44.105 E 29 52.433
3.	Dreyer 526 MS, size of 1310.078 hectares	S 22 37.591 E 29 53.472
4.	Somme 611 MS, size of 992.450 hectares	S 22 41.515 E 29 53.607
5.	R/E of Lekkerlag 580 MS, size of 868.453 hectares	S 22 43.255 E 29 53.750
6.	Antrobus 566 MS, size of 962.222 hectares	S 22 39.306 E 29 53.472
7.	Steenbok 565 MS, size of 988.855 hectares	S 22 40.011 E 29 52.876
8.	Van der Bijl 528 MS, size of 1508.711 hectares	S 22 37.591 E 29 53.472

Source: Map: Topographical, Satellite, Aerial, and other sources. Data: Mthembu, 2014. All rights reserved. No part of this publication may be reproduced without prior written permission from the publisher.

MMSEZ Targeted Clusters



Energy and Metallurgy

~~Coal~~ Solar & Hydrogen Power Plant
 Steel Plant / Stainless Steel Plant
 Coking Plant
 Pig Iron Plant
 Ferro Manganese Plant
 Ferro Chrome Plant
 Chrome Plating
 Lime Plant



Agro-Processing

Food Processing Facility
 Fresh Produce Handling
 Canning Facility
 Timber Processing
 Skin Products
 Hemp Beneficiation



Logistics

Logistics Services
 Warehousing
 Distribution
 Container Yard
 Vehicle Distribution
 Cold Storage
 Bonded Warehouses



General Manufacturing

Electromechanical operations
 OE manufacturing plants
 Automobile Centre
 Component manufacturing
 Fertilisers
 Agro-chemicals
 Petro-chemicals



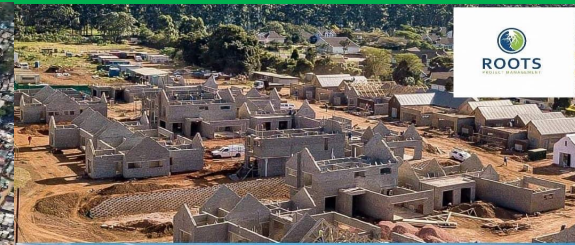
Progress to Date

1. Built an institution - **MMSEZ SOC**
2. Feasibility Study for **Agro-Processing**
3. Feasibility Study for **Timber Beneficiation**
4. Feasibility Study for **Logistics and Manufacturing**
5. Feasibility study for the **SMME Incubation Centre**
6. Feasibility Study for **Musina Dam**
7. Regional **Fresh Produce Market** Feasibility Study
8. **Enterprise Development/BBBEE** Strategy
9. **ICT** Master Plan (Strategic Information System Plan - SISP)
10. **Smart City** Model

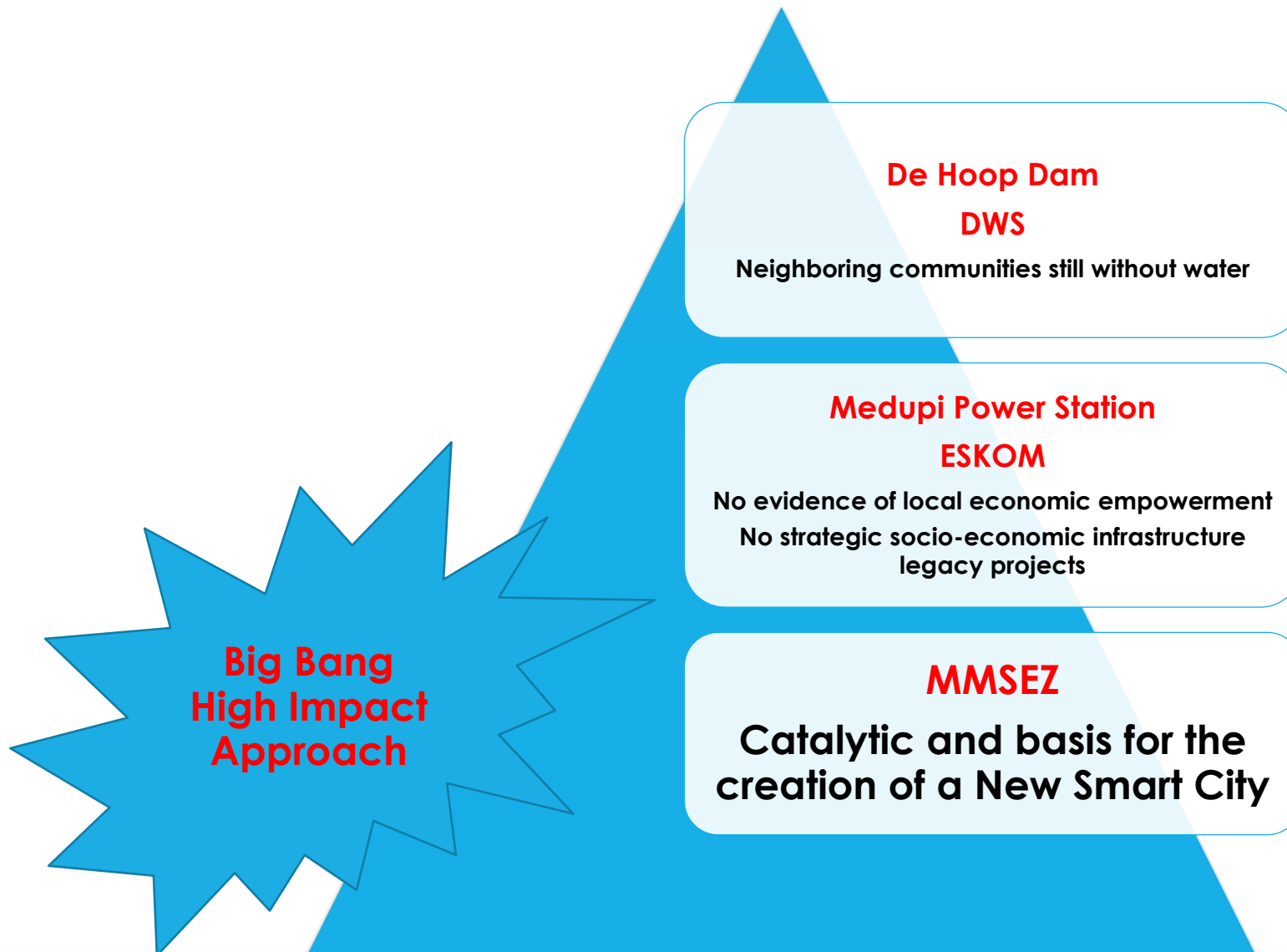
Progress to Date cont...

1. **3D Model** for the North site
2. **EIA** for the North Site North Site
3. **EIA Basic Assessment** for the North Site Basic Assessment
4. **Environmental Authorization** for the South site
5. North site **Internal Master Plan**
6. South Site **External and Internal Master Plans**
7. **Township Establishment** for the North Site
8. **Mineral Identification Study** and Beneficiation Strategy
9. **Investment Promotion Strategy**
10. **Engineering Designs** for the Bulk Infrastructure Installation
11. Secured **ICT partners** for the North and South Sites

Why Investing in Planning is Important?



MMSEZ High Impact Approach



Pillar of the Development Model

- ☐ Limpopo Development Plan (NDP)
- ☐ District-Based Development Model
- ☐ Regional Spatial Development Framework (RSDF)
- ☐ New Smart City Model
- ☐ External Master Plan approach
- ☐ Investment in Developmental Infrastructure (water, electricity, ICT, roads, transport, human settlement, airport, education and training, etc.)



Opportunity



Missed



Taken



Projects Underway

1. **Security** Master Plan
2. **Logistics Sector** Development Strategy
3. North Site Bulk Infrastructure **Installation**
4. Regional **Fuel Terminals** Feasibility Study
5. South Site **Township Establishment**
6. **Rail Connectivity** Feasibility Study
7. Renewable **Energy Strategy (USAID)**
8. Launching the **Musina Office**



STREET SECTION Option 1										
	Green Zone	1.5m	Green Zone	2 Lane Roadway	Median	2 Lane Roadway	Green Zone	1.5m	Green Zone	
				3.5m x 2 = 7m	4.2m	3.5m x 2 = 7m				
STREET SECTION Option 2										
	Green Zone	3m	Green Zone	2 Lane Roadway	Median	2 Lane Roadway	Green Zone	3m	Green Zone	
				3.5m x 2 = 7m	4.2m	3.5m x 2 = 7m				

Targeted Projects for EIA Application

1. 3 million tons of coke/year and heat recovery plant
2. 3 million tons of ferrochrome/year plant
3. 3 million tons of stainless steel per year
4. 1000 MW photovoltaic power station
5. 10 million tons of vanadium titanomagnetite/year smelter

North Site Investment Pipeline

1. Fresh Produce Market: Partnership
2. Regional Fuel Terminal: Partnership
3. Electric Vehicles – Busses & Trucks Manufacturing
4. Chemicals Manufacturing: Investor
5. Surgical Gloves Manufacturing
6. Vhembe TVET College Campus

North Site Infrastructure Rollout

R600 million allocated over an MTEF Period for Bulk Infrastructure

- a) Roads and storm water: **Service provider on-site**
- b) Water pipeline/reticulation: **Due for BAC**
- c) Water treatment plant: **Due for BAC**
- d) Water storage: **Due for BAC**
- e) Two sanitation projects: **Due for BEC**
- f) Integrated Security Infrastructure: **Appointed**
- g) Electricity lead materials: **Due for board approval.**

North Site Launch

1. Service provider for the Roads and Storm Water has

take site and already employed 20 locals
2. Political Oversight Visit conducted on 28th July 2022

Local Economic Empowerment

1. It is anticipated that the construction phase will create over 2000 job opportunities over the next 24 months.
2. Over 2000 local will be provided with training targeting women and youth.
3. It is expected that more than R240 million will be transferred into local business through the 30% local content rule.

Catalytic Stimulus Projects

1. Connecting Roads
2. Human Settlement (Social Housing)
3. Private Hospital
4. New Clinic
5. Relocation of Mopane School to the east and conversion into a technical school
6. Pre-School/s
7. Development of the Musina Airport through a PPP Model
8. Inter-Modal Transport Facility (Cross Border Buses and Taxis Facility)
9. Satellite Police Station



The Change We Want to See

SANRAL New Musina Ring Road
R625 million

The Future
Achievable?



MUSINA MAKHADO SMART CITY

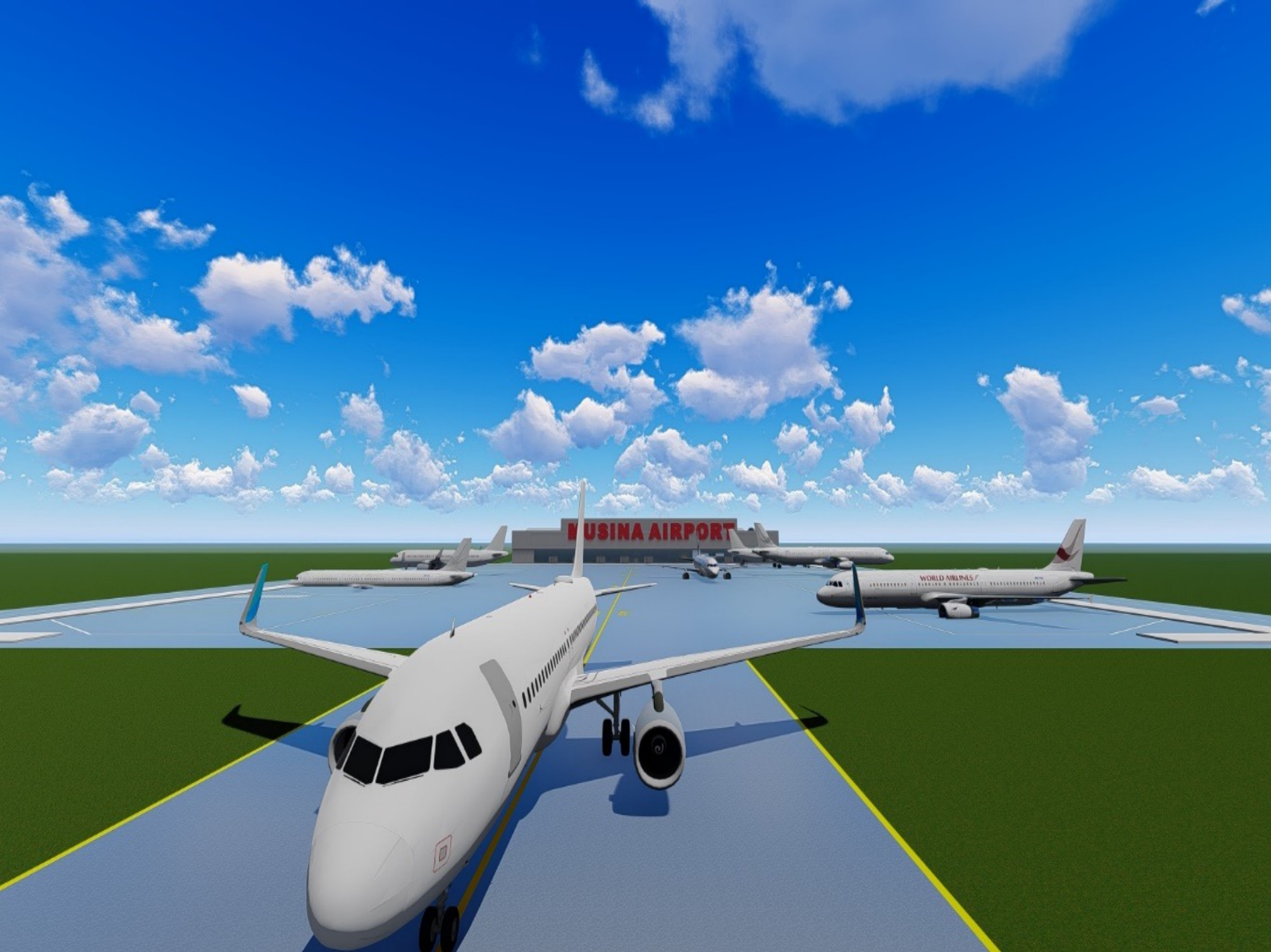
*"A leading innovative, sustainable and
inclusive high-tech Africa gateway city"*



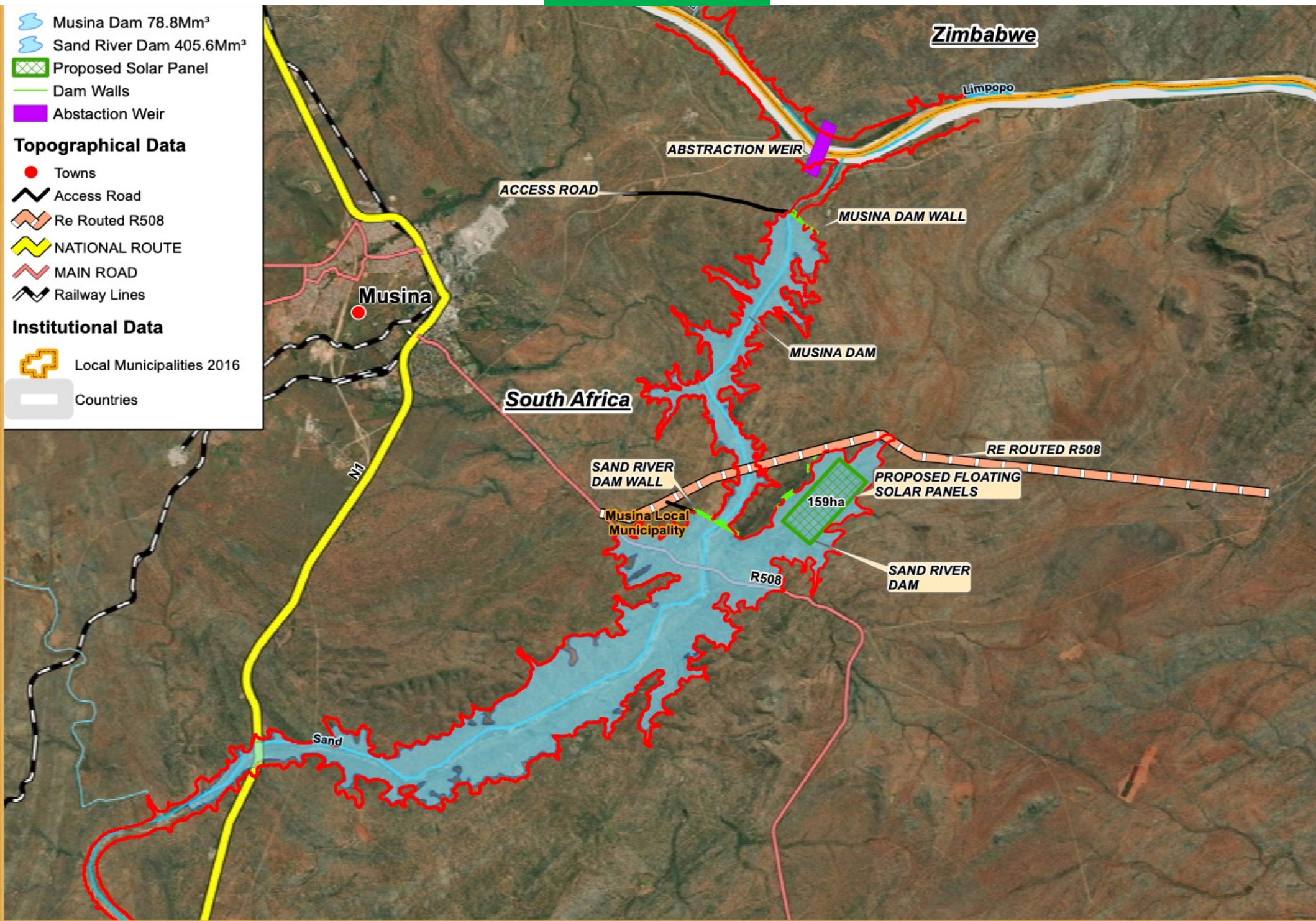
MMSEZ

Musina Makhado Special Economic Zone

A world of game-changing opportunities



Musina Dam



Challenges



1. Ramping up infrastructure implementation on the North Site
2. Unlocking funding for the North Site infrastructure (SEZ Fund)
3. Finalizing the project-based EIA applications
4. Accelerating Investment Promotion and signing off investors.
5. Unlocking the Zimbabwe water through the DWS
6. Securing funding for the Musina Dam Feasibility Study.
7. Unlocking PPA with Municipalities for green energy
8. Land transfer from from DALRRD for the North Site
9. Land transfer from DPWI to develop the Musina Airport

Potential Socio-Economic Impact

1. Industrialisation through manufacturing and agro-processing of value-added products
2. SMMEs Development and support
3. Job Creation: Construction and Operational phases
4. Skills Development - VTVET College
5. Technology Localization
6. Provincial and national GDP growth
7. Attraction of Foreign Direct Investment
8. Investment in economic and social infrastructure
9. Unlocking water supply for industrial and domestic use
10. Development of integrated human settlement
11. Potential for a creation of a New Smart City
12. Promotion of regional economic integration





Thank You

