



PUBLIC CONSULTATION NOTICE

Invitation for Public Comment on the Mopani District Municipality District Development Model Local Economic Development Initiative (MDM DDM LED Initiative). MDM DDM LED Initiative is a strategic collaboration between Mopani District Municipality and MAPEO for the Implementation of the Technology Business Incubator & Value Chain Aggregator as well as a Hybrid Energy Project at Moshupatsela Farm

Mopani District Municipality is inviting all members of the community to participate in a **Public Consultation** on the strategic collaboration between the MDM and **MAPEO** (Mukhufhi Agro-Processing and Essential Oils). The collaboration aims to implement a **Technology Business Incubator and Value Chain Aggregator** at **Moshupatsela Farm**, alongside a **solar-wind hybrid energy project** that will generate 58- 62 MW of renewable power to address the energy needs of the district.

This initiative, designed to stimulate economic growth, promote sustainable energy, and empower local businesses, is a significant step forward for Mopani District. The public consultation process will allow the community to review the proposed collaboration and provide feedback on its potential impact.

Key Highlights of the Collaboration:

- Establishment **Technology Business Incubator** to support local farmers and agro-processors.
- Adoption of a **Value Chain Approach** anchored by a **Hub and Spoke Cluster Model** for the incubation and growth of SMMEs in selected value chains taking one value chain at a time, starting with avocados, poultry, essential oils and textile.
- Development of Moshupatsela Farm as a model farm for practical training and development of farmers in the district and agricultural graduates in production and farm management. The farm will also be used for advanced training and refresher courses to ensure that the trainees and incubates are kept up to date with the state of the technologies, the industry and markets. The farm will also serve as the benchmark for the district clusters to set standards for performance within the value chain commodities under incubation.
- Creation of a **Value Chain Aggregator** to enhance agricultural production and local, continental and global market access in line with Strategic Planning Resolution to leverage SMMEs opportunities emanating from Africa Continental Free Trade and BRICS.
- Development of a **hybrid solar-wind energy project** to generate 58- 62 MW of renewable energy for the district to support the manufacturing economy with energy security and ensure basic service delivery to the community.

Progress to date:

- In an Ordinary Council Sitting held on 31 October 2024 the MDM council noted the management decision to consider the MDM- MAPEO collaboration in line with section 113 of the Municipal Finance Management Act with the aim of catalysing Local Economic Development in Mopani District Municipality through the Value Chain Approach, Value Chain Aggregator and a Hub and Spoke (cluster) Business Incubation Model. **(Resolution Number OCN/34/2024)**
- Council resolved that the farm Broederstroomdrift 534 PTY (commonly known as Moshupatsela farm) under title deed number T92555/2007, located in Tzaneen area, will not be needed by Council for purposes of providing basic municipal service in term of section 14 and Section 90 of the MFMA.
- Council noted that the objective of the MoU with MAPEO, which includes a long-term lease agreement of the Moshupatsela farm, is Local Economic Development as the farm will be used as a centre for training and product standard measurement for the benefit of SMMEs in the Mopani District Municipality through the Value Chain Approach, Value Chain Aggregator and a Hub and Spoke (cluster) Business Incubation Model.

Novel, Innovative Concept, an Intellectual Property (IP) of MAPEO:

- In terms of Section 37 (2) of the MDM Supply Chain Management Policy, the MDM “decides in terms of section 113(2) of the Act to consider an unsolicited bid, it may do so only if- • The product or service offered in terms of the bid is a demonstrably or proven unique innovative concept; • The product or service will be exceptionally beneficial to, or have exceptional cost advantages for, the Mopani District Municipality; • The person who made the bid is the sole provider of the product or service; and • The reason for not going through the normal bidding processes are found to be sound by the Accounting Officer “

The innovative concept presented by MAPEO in their proposal will be implemented utilising their Unique IP and can therefore be provided by only MAPEO as the sole provider. The development concept adheres to provisions of Section 37 (2) of MDM Supply Chain Management Policy.

Benefits accepting the unsolicited bid by MAPEO.

- The implementation of the LED catalytic project collaboration with MAPEO anchored on Moshupatsela to establish a Technology Business Incubator and Value Chain Aggregator utilising the Value Chain Approach and the Hub and Spoke (cluster) Model will benefit SMMEs, more especially small-scale rural farmers in the district. Since the incubator and value chain aggregator is not limited to only agricultural value chains, the use of the farm will benefit even enterprises and entrepreneurs that are not participating in the agricultural sector.
- The MoU with MAPEO will help the MDM implement the District Development model aligned programme with the aim of the MDM DDM LED Initiative aims to provide comprehensive support to small and medium enterprises including small-holder farmers, land reform projects in mentorship in relation to administration and finance, institutional governance, enterprise development support, product/service aggregation, quality control and market access activities through the incubation model.
- Coordinate facilitation processes for SMMEs and farmer involvement/ networking and their mobilizations across the value chain for participation in the hub and spoke cluster incubation model.
- Implementing the Value Chain Approach in the MDM to catalyse science-based policy intervention on consumption/utilization and production value chains that the municipality has competitive advantage within the Agriculture and Manufacturing sectors.
- The implementation of the Hybrid Solar and PV project on the farm will, in addition to providing energy security for the manufacturing economy, also contribute to the long-term revenue stream utilising the Moshupatsela farm as a municipality resource.
- The implementation of the development concept will generate revenue for MDM and contribute to the sustainability of MDM.

Public Comment Period: The commenting period will be open from **05 December 2024 to 10 January 2025**. During this time, members of the public are encouraged to submit their comments, suggestions, and concerns regarding the proposed collaboration. **How to Participate:** Interested individuals may submit their comments via email: **Public Consultation Details:** • **Comment Period: 05 December 2024 – 10 January 2025** • **Email for Submissions: BaleM@Mopani.gov.za**

The Mopani District Municipality values the input of all community members and stakeholders. Your participation is essential to ensure that the proposed collaboration aligns with the needs and aspirations of the local community.

We look forward to receiving your comments and engaging with you in shaping the future of our district.

For More Information, Contact: Mopani District Municipality • Tel: 015 811 6379 Email: **BaleM@Mopani.gov.za**

MR TJ MOGANO - MUNICIPAL MANAGER

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