

SARAH BAARTMAN DISTRICT MUNICIPALITY

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Sarah Baartman DISTRICT | EASTERN CAPE

The Sarah Baartman District is situated in the western portion of the Eastern Cape and wholly surrounds Nelson Mandela Bay. It is the largest (58 243km²) of the six districts in the Eastern Cape. Covering 34% of the Eastern Cape province's geographical footprint, the District stretches from the Karoo area in the north to the coastal belt of the Indian Ocean in the south, and includes inland areas, which lie between the Bloukrans River in the west and Great Fish River in the east.

The Eastern Cape province is incredibly rich in culture and home to four tribal kingdoms, namely Xhosa, Pondo, Sotho, and the Khoisan – said to be among the first inhabitants of the province. Known as the 'Adventure Province', the Eastern Cape has the only Big Seven reserve in the world, namely Addo Elephant National Park, and a World Heritage Site, namely the Baviaanskloof, within its boundaries.

The lifestyle is relaxed, balanced and family-orientated, while the tourism industry is thriving. The area is characterised by immense contrasts in scenery, vegetation, wildlife, history and culture. Residents have access to world-class medical and sports facilities, and education facilities like the Rhodes, Walter Sisulu, Nelson Mandela Metropolitan and Fort Hare Universities. The Eastern Cape offers one of the best combinations of lifestyle and opportunity. Whatever your line of business, the province boasts a healthy economic variety of manufacturing, industry and agro-industry supported by infrastructure and development initiatives, while motoring giants like Volkswagen South Africa, Ford and General Motors are also based here. It is also the only province that is home to two Industrial Development Zones (IDZs) and a deep water port.

The Sarah Baartman District Municipality focuses on creating projects to grow skills, employment and initiate sustainable economic development, as well as elevating the quality of life in the District. Some of the rare skills, such as shearing Angora goats for mohair, are available in the District and where a skills shortage is being experienced, initiatives are being undertaken to combat the skills shortage and, in turn, create jobs for local people.

POTENTIAL AREAS FOR INVESTMENT

FISHERIES AND AQUACULTURE

Aquaculture comprises diverse systems of farming plants and animals in inland, coastal and marine areas, using and producing a wide variety of animal and plant species. It can be a very productive use of resources due to the amount of food produced per hectare when compared to arable farming or livestock rearing. Aquafeed resource production is also one of the fastest-growing agricultural industries in the world, with growth rates of more than 30% per year.



The industry in South Africa and the Eastern Cape is still in its infancy, with only four aquaculture facilities currently operating in the District. These are located in the Camdeboo, Ndlambe, Makana and Kouga Local Municipalities. The largest of these projects is located in Graaff-Reinet and is called the Camdeboo Satellite Aquaculture Project (CSAP). It aims to establish a mega aquaculture cluster, comprised of a core farm of six hectares, 39 outgrower farms and three hatcheries. As a result of this project, the freshwater fish industry in the Graaff-Reinet area will be preserved, whilst it also creates sustainable self-employment opportunities for rural women. At maximum capacity, this project will produce about 13 728 tons of farmed fish (primarily catfish) a year, creating 670 direct jobs and 3 281 indirect jobs. Once perfected and successfully implemented in Graaff-Reinet, CSAP may be replicated in other rural and remote areas of the country, creating enormous social and economic benefits for thousands of South Africans, as well as a source of affordable protein and nutrients for millions of people.

The other aquaculture and fisheries projects in the Sarah Baartman District are much smaller, one of which involves the production of oysters off the coast of Port Alfred (Ndlambe).

CITRUS

The citrus industry in the District is largely focused in the Sundays River Valley Local Municipality. The town of Kirkwood is considered the primary producer in the District and the province, contributing about 12% of national production.

It is home to 12 000 hectares of citrus orchards. Varieties produced in this area include clementines, navels, lemons, valencias and grapefruits.

The Sundays River Citrus Company is responsible for a large chunk of the area's production capacity, producing two million pockets of citrus for the export market. They are the largest producer of citrus in southern Africa, while the Eastern Cape, consistently since 2004, is the most significant contributor to citrus production in the country.

Several citrus nurseries operate within the District (Sundays River Valley and Kouga), from which initial plants for future cultivars can be procured. Most cultivars start to bear fruit in their third year, although the climate can affect this.

On a national level, about 11.2% of citrus produced is sold to local markets, 70.1% is exported and 28% is sent for further processing. Currently, there is a lack of large-scale processing facilities available for citrus fruit in the Sarah Baartman District.

HONEYBUSH

Honeybush, found exclusively in South Africa, is a component of the horticultural industry of the District. It is an indigenous fynbos-type plant that is used to produce a type of herbal tea. The processing of the plant is divided into three parts, namely: cutting the tea into fine particles; fermenting the cuttings with pure spring water; and drying, sifting and sorting the residue into coarse fine and superfine grades of tea. This process is essential for the development of its characteristic sweet scent, taste and reddish brown colour.





The plant takes two years to grow and is harvested in its third year. There are several honeybush processing facilities located within the District, three of which are found in the Kou-Kamma Local Municipality, while another is located in the Kouga Local Municipality.

Of the national production, 90% is exported. Markets include Germany and the USA. The South African market for honeybush is largely untapped, with international demand outweighing national supply capacity.

LIVESTOCK

Livestock farming within the District is largely attributed to the farming of cattle, sheep and goats. The mixed veld types of the Eastern Cape present a competitive advantage for livestock activities.

With respect to goats raised for slaughter, the most common are the Boer, Savanna and Kalahari Red goats. Nationally, goats are primarily raised within the Eastern Cape, while the Sarah Baartman District possesses about 70% of the value of the industry in the province. Flocks of goats intended for meat production are usually smaller than sheep flocks, averaging approximately 300 head per farm.

There are numerous abattoirs spread across the District. Kouga Local Municipality's climate is ideally suited for raising goats and sheep and is home to 10 facilities that process this type of meat, while the Camdeboo Local Municipality has a further seven such facilities. There are another six similar facilities located in the District. The majority of these abattoirs also slaughter beef cattle. Nationally, there are shortages with respect to cattle production, with demand for more than 300 000 head of cattle extra per annum.

A potential shortage in the supply of lamb is predicted in the near future, posing a possible investment opportunity, while the skill level of shearers in the District could be improved.

POULTRY

The poultry industry in the Sarah Baartman District includes broilers, egg-layers and ostrich production. The coastal regions are more suitable for broiler and egg production, whereas the dryer, inland regions are more suitable for ostriches.

Poultry-related cooperatives within the District are scarcely distributed, with only 12 cooperatives identified in 2013. There are opportunities that exist in the District for free-range chicken production, while the area is well suited for ostrich production. This industry produces leather, feather-related products and ostrich meat.

In South Africa, white meat is generally considered as the healthier and cheaper alternative to red meat. In 2012, the South African Poultry Association found that more chicken and eggs are consumed per capita than any other animal protein.

PINEAPPLES

The Sarah Baartman District is the largest producer of pineapples in the province, contributing about 90% of the provincial output. The industry is located almost exclusively in the Ndlambe Local Municipality, positively impacting on the social and economic growth of the area. The plant takes approximately one to one-and-a-half years to flower. Usually, the first crop is harvested after 18 to 24 months. Currently, all pineapples produced in the District are processed at a special facility located in East London.

The pineapple plant is well suited to the conditions in the District and is able to grow in environments where irrigated plants struggle.

A range of products can be produced from pineapples, including juice concentrate, dietary fibre and textile fibre. Enzymes that have medical properties can also be extracted from pineapple waste products, while the plant waste can be used to produce biogas.

MOHAIR

The Eastern Cape province is the largest producer of mohair in South Africa, contributing approximately three quarters of the nation's current production. The Sarah Baartman District is the province's largest producer of mohair, with approximately 52% of South Africa's market share. More than 90% of the country's total mohair clip is exported in the grease or semi-processed form – both washed and combed. Turkey, Argentina and Lesotho pose strong competition to South Africa's mohair production.

Angora goats produce a fibre that combines the warmth of wool with the durability to be coloured, similar to synthetic material. Colouring of the fibre results in a high reflectance value and clarity of colour. Kid mohair, due to its exceptional quality, continues to be in high demand worldwide and used in the manufacturing of fashion garments.

Currently, the focus within the industry should be on skills, however development in management, husbandry and mohair production, investment in research and development could pay off due to new technologies being introduced to increase the yield and quality of the fibres that are produced.

RENEWABLE ENERGY

Renewable energy harnesses naturally-occurring non-depletable sources of energy, including solar, wind, biomass, hydro, tidal, wave, ocean current and geothermal, to produce electricity, gaseous and liquid fuels, heat, or a combination of these types of energy. The renewable energy industry is therefore comprised of those enterprises that seek to commercialise these natural processes to generate electricity for consumers.

Approximately 90% of South Africa's electricity is still being generated from the burning of coal. The Sarah Baartman District has significant potential to produce energy using naturally-occurring sources, such as wind.

The most significant gap in the market for the Sarah Baartman District, over the short- to medium-term, will be in the provision of ancillary services (e.g. legal services, EIAs, engineering services, construction, security services, fencing, maintenance, cleaning and logistics). With each renewable energy development coming online, the demand will increase for the manufacturing of components and the provision of operational and maintenance services.

The Blue Crane Route Local Municipality is home to the District's only hydro-electric initiative, developed along the Fish River. The Ndlambe, Sundays River and Kouga Local Municipalities are suitable for biogas production, as by-products of their agricultural activities. The Kouga Local Municipality also offers potential for hydro-electricity generation.

FOR MORE INFORMATION ABOUT THE POTENTIAL INVESTMENT OPPORTUNITIES WITHIN THE DISTRICT, CONTACT:

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