

**TO: THE PORTFOLIO COMMITTEE ON ECONOMIC DEVELOPMENT,
ENVIRONMENT AND TOURISM**

**FROM: THE CHAIRPERSON OF THE BOARD: MMSEZ
DR NF MPHEPHU**

**CC: THE HEAD OF DEPARTMENT: LEDET
MR I M RATHUMBU**

**CC: THE CHAIRPERSON OF THE BOARD: LEDA
MR C LITHOLE**

REPORT ON THE DEVELOPMENT STATUS OF THE MUSINA-MAKHADO SPECIAL ECONOMIC ZONE

1. PURPOSE

Following the site visit undertaken by the LEDET Portfolio Committee (PC) to the Musina-Makhado Special Economic Zone (MMSEZ) sites, this report is aimed at:

- 1.1. Providing the detailed and comprehensive report on the developmental status of the special economic zone.
- 1.2. Provide the highlights on the overall status of the development of the special economic zone.

2. THE MMSEZ SITES

- 2.1. The MMSEZ's Northern site is located roughly 2.5 km East of the Musina Central Business District (CBD). The site measures a total of 1,239 hectares of developable land comprising of 638 hectares of Industrial and Commercial Use and 601 hectares of Residential and Recreational Use. The remainder of the land has been in the ownership of the National Department of Rural Development and Land Reform but has since been donated to the Musina Municipality for MMSEZ activities.

- 2.2. The Municipal Council has since resolved to dispose of the land for MMSEZ activities from which the Special Power of Attorney has been issued to the MMSEZ for the industrial township establishment.
- 2.3. The stated development objective of the MMSEZ Northern site is to create a node that attracts agricultural and agro-processing, logistics, automotive, general manufacturing and metal beneficiation industries into a shared service.
- 2.4. To commence with operationalisation and realisation of the special economic zone, in the year 2021, the MMSEZ adopted an Internal Site Engineering Master Plan (ISEMP) for the Northern Antonvilla site of the SEZ. This ISEMP served as the framework plan for the targeted planning and implementation of external and internal infrastructure required to develop the Northern Antonvilla site.
- 2.5. The ISEMP has earmarked three (3) Phases of Development of the SEZ based on market demands over time, as follows:
- 2.5.1. Phase 1: Industrial and Commercial Use (351 hectares)
 - 2.5.2. Industrial and Commercial Use (287 hectares)
 - 2.5.3. Phase 3: Residential and Recreational Use (601 hectares)

3. RESPONSE TO QUESTIONS 1, 2 AND 3

Timelines for Restarting the Infrastructure roll-out Programme

- 3.1. During the month of January 2025, the MMSEZ adopted and implemented an infrastructure focused delivery turnaround plan which was aimed at changing the current status quo, resuscitating the projects and acting proactively to move the project forward. To this effect, the following measures were put in place:
- (i) The technical skills gap in infrastructure delivery was closed by appointing the Industrial Zones Programme component of the Industrial Development Corporation as an Implementing Agent. This appointment came with 4 professional engineers who will be allocated to the MMSEZ on a full-time basis.
 - (ii) The critical position of the Executive Manager: Infrastructure Development, which has been vacant for about 18 months, was filled.
 - (iii) The land availability challenge was addressed
 - (iv) The outstanding disputes with all service providers pertaining to their fees were resolved

- (v) Designs review processes on all designs, including an independent design review on the internal roads and stormwater project were initiated.
- (vi) Engaging Eskom to resolve the material non-compliance issue. An application for concession has been lodged and is currently under consideration by Eskom.

3.2. With these requirements addressed, it is anticipated that the first set of projects will commence with construction on site by the month of **September 2025**. The timelines for each project are as follows:

3.2.1. **Construction of Internal Roads and Stormwater**

- Peer review of the designs and project performance of the PSP: **31 August 2025**
- Appointment of PSP: **30 November 2025**
- Completion of New Designs: **30 March 2026**
- Obtain Construction Permits: **30 June 2026**
- Appoint a Contractor: **2026**

It is important to note that the Construction of this project will have to come after the sewer reticulation project

3.2.2. **Construction of Bulk Sewer Pipeline Reticulation**

- Review of Technica Designs: **19 June 2025**
- Review of the Bill of Quantities and the Contract Sum: **30 June 2025**
- Appointment of SHE Professionals: **30 June 2025**
- Appointment of Social Facilitators: **30 June 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Hand Over of Construction Site: **15 September 2025**

3.2.3. **Construction of Wastewater Treatment Works**

- Review of Technica Designs: **15 June 2025**
- Review of the Bill of Quantities and the Contract Sum: **30 June 2025**
- Appointment of SHE Professionals: **30 June 2025**
- Appointment of Social Facilitators: **30 June 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Hand Over of Construction Site: **15 September 2025**

3.2.4. Installation and Construction of Electro - Mechanical Components on Sewer Treatment Works

- Review of Technica Designs: **30 June 2025**
- Review of the Bill of Quantities and the Contract Sum: **30 June 2025**
- Appointment of SHE Professionals: **30 June 2025**
- Appointment of Social Facilitators: **30 June 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Appointment of a Contractor: **30 March 2027** (dependent on the progress of the WWTW)
- Handover of the Construction Site: **30 June 2027**

3.2.5. Construction of Security Infrastructure Fence, Fire Breaks and Security Tower

- Review of Technical Designs: **30 May 2025**
- Completion of Bid Document: **27 June 2025**
- Appointment of Contractor: **15 August 2025**
- Appointment of SHE Professionals: **30 July 2025**
- Appointment of Social Facilitators: **30 July 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Hand Over of Construction Site: **30 September 2025**

3.2.6. Construction of Bulk Electricity Infrastructure

- Review of Technical Designs: **30 March 2025**
- Completion of Bid Document: **15 April 2025**
- Appointment of Contractor: **21 July 2025**
- Appointment of SHE Professionals: **30 July 2025**
- Appointment of Social Facilitators: **30 July 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Hand Over of Construction Site: **15 September 2025**

The dates may be affected by feedback from Eskom

3.2.7. Construction of Bulk Water Abstraction Works

- Review of Technical Designs: **15 May 2025**
- Completion of Bid Document: **30 May 2025**
- Appointment of Contractor: **30 August 2025**
- Appointment of SHE Professionals: **30 July 2025**
- Appointment of Social Facilitators: **30 July 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Hand Over of Construction Site: **30 September 2025**

3.2.8. Construction of Water Treatment Works

- Review of Technical Designs: **24 May 2025**
- Completion of Bid Document: **30 May 2025**
- Appointment of Contractor: **30 August 2025**
- Appointment of SHE Professionals: **30 July 2025**
- Appointment of Social Facilitators: **30 July 2025**
- Completion of Statutory Compliance (Permits): **30 August 2025**
- Hand Over of Construction Site: **30 September 2025**

3.2.9. Construction of Water Storages

- Review of Technical Designs: **15 December 2025**
- Completion of Bid Document: **15 February 2026**
- Appointment of Contractor: **18 May 2026 (Procurement will commence in FY2025/26 but appointment will happen in the following year)**

4. RESPONSE TO QUESTION 4.

Reasons For Commencing Work without Land Development Rights

4.1. The MMSEZ commenced with construction of the roads project because it was taken for granted that the remainder of the land was still owned by government. Accordingly considering the land transfer needed to happen from one organ of state to another, it was assumed that the process will be expediting which was not case.

5. RESPONSE TO QUESTION 5.

The Status of the Equipment and Offices on Site.

5.1. The Equipment and material that were observed on Site are in what used to be the site office of the Contractor. Ordinarily on any active project, equipment and offices on site would be claimed under what is referred to as Preliminaries and General. However, in this case, the contract has been terminated and as such the MMSEZ has no obligation towards any equipment and offices that the contractor has left on site. It was be noted that upon the termination of the contract by the contractor and seeking relief from the courts, the contractor approached the MMSEZ for a settlement out of court which would have seen the contractor returning to site.

5.2. The MMSEZ considered the proposal by the contractor which was ultimately rejected after numerous legal advises. The contractor was only informed in the month of May that the reinstatement is not possible. It is on this basis that the contractor did not de-establish site because he believed he would be returning to site. Furthermore, the same contractor has been awarded a second contract for the construction of the sewer line, the contractor therefore had the intention of utilising the same offices and equipment for the new site offices that has to be established for the new contract.

5.3. It must be noted that the plant and offices that are on site are the responsibility of the contractor and the MMSEZ has no obligation towards them as there is no contract under which they can be claimed.

6. RESPONSE TO QUESTION 6.

Details of the white rocks on site.

- 6.1. The white rock materials currently located on the MMSEZ site were transported there by the contractor, Tshiamiso Trading. It has since come to MMSEZ's attention on January 2024 through Mr. Boetie Visser that these materials were allegedly taken from a third party without the owner's consent and without any formal transactional agreement or compensation. Tshiamiso Trading is therefore alleged to have removed the white rock unlawfully.
- 6.2. Upon discovering the removal of the white rock, the purported materials owner confronted Tshiamiso Trading and demanded the immediate return of the materials. Tshiamiso did not comply with this demand. Consequently, the purported owner initiated urgent legal proceedings in the High Court on the 14 February 2024 seeking relief for the alleged unlawful removal and recovery of the materials. However, the High Court dismissed the application on grounds of lack of urgency on the 5th March 2024. Since the dismissal, the owner has not taken any further legal remedial action.

The implications of keeping or returning the white rock materials are as follows:

- 6.3. Given the allegation that the materials were taken without consent, there remains a potential risk of future litigation or compensation claims against Tshiamiso Trading, or possibly MMSEZ if the materials continue to be retained on-site and are perceived to be in use by MMSEZ.
- 6.4. As MMSEZ did not source or authorise the acquisition of these materials, liability primarily rests with the contractor. However, MMSEZ must remain cautious not to create an impression of benefiting from unlawfully obtained materials, which could expose the organisation to reputational and legal risk.
- 6.5. Tshiamiso Trading has since terminated its contract with MMSEZ. This may complicate any obligation on their part to remove the white rock or resolve the matter with the owner, and MMSEZ is now be left with materials of contested origin on-site.
- 6.6. While the court case indicates that the alleged owner had a clear and active interest in reclaiming the white rock, the lack of subsequent legal follow-up or engagement since the dismissal of the court application suggests that the matter may no longer be actively pursued. However, MMSEZ cannot conclusively confirm whether the owner has abandoned their claim for the white rocks material. As such, the potential for future reassertion of rights by the owner remains. MMSEZ has the option of incurring costs of loading and taking back the white rocks material which remains open.

7. RESPONSE TO QUESTION 7.

Lack of security on site

7.1. The reason there is no security on site at the expense of MMSEZ is that the MMSEZ evaluated the risk to the works that were completed and paid for which is now the property of the MMSEZ. According to the MMSEZ the risk of damage or theft to the roads project did not exist.

7.2. As such the MMSEZ saw no need to acquire the services of a security to guard the road layer works which are constructed on site. As indicated above, the unestablished site is not the responsibility of the MMSEZ but that of the contractor. Accordingly, the security of the site office and equipment in there is the responsibility of the contractor and not MMSEZ and as such should be done at the cost of the contractor.

8. RESPONSE TO QUESTIONS 8 AND 9.

Details of Contractors and Engineers, how they were contracted, and if they had skills and resources to undertake the work.

8.1. The below table is a list of services providers appointed. All service providers were appointed following the MMSEZ procurement process which calls for competitive bidding and they all had the necessary skills and equipment to carry out the project.

CONSULTANTS APPOINTED		
Name of Consultant	Method of appointment	Skills
Tshashu Consulting and Project Managers	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Mamadi and Company SA	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Penyo Consulting Engineers	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
DBI Consulting Engineers 1	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
DBI Consulting Engineers 2	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
SLM Consulting Engineers	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Zeal Consulting Engineers	Open Tender	Offer submitted for tendering reflected adequate skills, and competency

CONSULTANTS APPOINTED		
Name of Consultant	Method of appointment	Skills
Ndidali Quantity Surveyors	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Superfacta (Dynamic Power Engineering)	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Tshiamiso Trading 1	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Tshiamiso Trading (2)	Open Tender	Offer submitted for tendering reflected adequate skills, and competency
Rembu Construction	Open Tender	Offer submitted for tendering reflected adequate skills, and competency

9. RESPONSE TO QUESTION 10.

List of professional service providers appointed associated costs and nature of appointment.

CONSULTANTS APPOINTED			
Name of Consultant	Accepted Offer	Expenditure To Date	Details of appointment
Tshashu Consulting and Project Managers	R11 435 111.25	R8 003 919,51	Designs & implementation of bulk sewer pipeline & wastewater treatment works (domestic & industrial) infrastructure
Mamadi and Company SA	R 7,115,262.18	R6 047 972,87	Design and implementation of integrated security infrastructure as in perimeter fence & fire breaks, security guard house & access gate, security tower, public streetlights and CCTV system
Penyo Consulting Engineers	R 8,964,640.00	R 6 644 617,46	Designs & implementation of bulk water supply pipeline & water treatment works infrastructure
DBI Consulting Engineers 1	R 6,054,768.00	R 4 702 756,65	Designs & implementation of bulk water storages infrastructure
DBI Consulting Engineers 2	R5 681 996,39	R5 271 357,36	The appointment of a service provider to conduct the

CONSULTANTS APPOINTED

Name of Consultant	Accepted Offer	Expenditure To Date	Details of appointment
			township establishment for the Musina Makhado Special Economic Zone south site
SLM Consulting Engineers	R19,715,000.00	R 21 731 687.50	Designs & implementation of roads & stormwater infrastructure
Zeal Consulting Engineers	R4,976,972.4	R1 866 364.85	Appointment of service provider supervise the procurement of lead material, Construction of the line, Transformer and control plants.
Ndidali Quantity Surveyors	R3 750 780.94	R3,544,487.98	Appointment of quantity surveyor for MMSEZ north site (Antonvilla) for cost estimation of the MMSEZ-bulk electricity infrastructure projects (10MVA Sub-station and main lines) in line with this agreement and the terms of reference.
Ndisani Trading Enterprice	R2 012 500,00	R1 207 500,00	Appointment of service provider to procure and supply trees for the period of three years
Naledzi Environmental Consultants	R1 129 071,17	R1 041 077,24	Horticulturist to manage biomass relocation for the north and south site
Matukane and Associates	R872 850,00	R685 446,40	Appointment of professional service provider for water user licence application on bulk infrastructure projects in the MMSEZ north site
Fulwana planning consultants	R1 920 000,00	R288 650,00	Appointment of service provider in the built environment space to complete township establishment for the North site
Naledzi Environmental Consultants	R1 129 071,17	R1 041 077,24	Horticulturist to manage biomass relocation for the north and south site
Minenviro	R872 850,00	R685 446,40	OHS consultants for road & storm water

CONSULTANTS APPOINTED			
Name of Consultant	Accepted Offer	Expenditure To Date	Details of appointment
Low Flow/Ditsamai Consortium	R708 400,00	R708 400,00	Develop a solid waste management master plan for the MMSEZ north site
Freddy Makondo land surveyors (Pty)Ltd	R498 900,00	R249 450,00	To conduct survey work for the township establishment for the MMSEZ North Site
Matukane and associates	R1 825 380,63	R1 740 616,71	Appointment of professional service provider for water user licence application on bulk infrastructure projects in the MMSEZ north site
Mulaifa Development Projects	R1 981 105,00	R1 816 212,89	Social management and consultancy services on bulk infrastructure project (internal roads and stormwater) in the MMSEZ north site
Ronell group	R1 656 000,00	R624 000,00	Appointment of service provider for bulk engineering projects categorised as water, wastewater, electricity, roads & stormwater and integrated security infrastructure
MVE Consulting	R350 000,00	0	Appointment of service provider to conduct traffic engineering report for the township establishment application for South site
VOMBE Consulting	R585 700,00	0	Appointment of a professional service provider to manage MMSEZ SOC South site EIA applications for a period of (1) year
Fulwana planning consultants	R1 920 000,00	R288 650,00	Appointment of service provider in the built environment space to complete township establishment for the North Site
SUPPLIERS APPOINTED			
ESKOM SOC	R20 122 078.00	R15 488 553,95	To conduct the north and south site electricity cost study and detailed design for the external of the MMSEZ

CONSULTANTS APPOINTED			
Name of Consultant	Accepted Offer	Expenditure To Date	Details of appointment
Superfacta (Dynamic Power Engineering)	R36 486 692.00	R21 421 086.16	Appointment of service provider for 10MVA sub-station long lead electricity material for bulk electricity infrastructure project in MMSEZ North site development.
CONTRACTOR APPOINTED			
Tshiamiso Trading 1	R200 000 000	R50 412 070,14	Internal roads and stormwater in phase 1B for Musina Makhado Special Economic Zone
Tshiamiso Trading (2)	R99 339 660,69	0	Appointment of service provider for construction of bulk sewer & wastewater treatment works (Domestic& Industrial) Phase 1D -Bulk sewer reticulation.
Rembu Construction	R134 000 000	R134 007 035,99	Appointment of service provider for construction of bulk sewer & wastewater treatment works (Domestic& Industrial) Phase 1D -WWTW.
TOTAL	R579 176 890,12	R155 032 830,69	

Tshiamiso Trading (1) terminated their internal roads and storm water contract, citing a non-payment of standing time. The matter is under litigation.

10. RESPONSE TO QUESTION 11.

A report on how the beneficiation will be done in this project.

- 10.1. MMSEZ appointed a PSP named DMT Kai Batla to carry out a full study on Minerals Beneficiation for the South site. The study identified available minerals in the province and further highlighted opportunities for beneficiation. (see copy of the summary report)

11. RESPONSE TO QUESTION 12

- 11.1. MMSEZ will ensure that the project goes according to top plan as there still needs to be accountability on the activities that were done in the past since the project was started.

Noted.

12. REPONSE TO QUESTION 13.

- 12.1. MMSEZ should provide the report, and instruction notes from the MEC to the SEZ on when the project was not going according to plan, with the explanation on how they were mitigated.
- 12.2. Reports were presented to the MEC on progress, challenges and interventions. The biggest impediments for the development were the availability of land development rights in the north, as well as EIA and township establishment in the South.

13. RESPONSE TO QUESTION 14

Report on whether the MMSEZ entity and its stakeholder in the south site has offices on the sites, also indicate where they are located if they are not on the sites. Initiate plans to ensure that there is an office and boardroom in the site especially south site where there is a building that could be renovated.

MMSEZ and its stakeholders currently do not have offices in the South site. Whilst the operator intends to build offices and boardrooms in the south site, this cannot be immediately realised due to the site not having the township establishment status. The land is agricultural and still in the process of being rezoned for industrial use.

14. RESPONSE TO QUESTION 15.

Provide breakdown on gender representation in the MMSEZ board and how the department will ensure that there is compliance with the laws in this regard.

The current board is constituted of 6 males and 3 females. The acting CEO and the CFO who are both females, are ex officio members of the board.

15. RESPONSE TO QUESTION 16

Provide the detailed report on the capacity (human resources) available to implement the projects in both north and south site, also in relation to the staff available for the Fetakgomo Tubatse SEZ. Provide the report on why the project was initiated and implemented without the required capacity especially of engineers.

MMSEZ identified minimum critical skills that were required to start the project, and these positions were adequately filled. However, the entity suffered several resignations which could not be filled due to moratorium on filling of positions.

16. RESPONSE TO QUESTION 17 AND 24

Provide a report on how the entity is collaborating with other stakeholder within the inter-governmental framework, indicating the role of each stakeholder (including the municipalities, SANRAL, ESKOM as well as the challenges experienced and how they are addressed.

As part of rolling out the infrastructure development, the MMSEZ has been in collaboration with all affected interested parties in area of common interest. These include the following:

- (i) ESKOM: We have concluded a self-built agreement which will see the MMSEZ building its own electricity infrastructure and transfer it to ESKOM after completion. This will result in MMSEZ receiving discounted rates for the specified period as a form of payback for the contribution toward the capital for the project.
- (ii) RAL: Consultation have been held with RAL regarding the development of provincial road network around the North site. In this effect, it was agreed that RAL will upgrade and build the two main connector road to the North site while the MMSEZ will be responsible for the upgrading of the internal road traversing the SEZ.
- (iii) SANRAL: Consultation are in place with SANRAL for the South site for inputs for access provision from the national road into the South Site. According to the draft traffic impact assessment, this provision will be done in a progressive way where the access point will be developed in accordance with the growth of the development. As the access point changes, the funding modalities will be aligned to the applicable framework.
- (iv) DWS: Engagement with the department have also been taking place around how bulk raw water will be provided to both sites. Both the developments are aligned with the plans that the DWS has for the region and there is constant discussion with the department in this regard.
- (v) Local and district municipalities: The MMSEZ has concluded the MoU's with Vhembe municipality of the water and wastewater provisions. The MMSEZ is also in a process of concluding an SLA with the Musina Municipality regarding the services that are ordinarily provided for by the municipality

17. RESPONSE TO QUESTION 18 AND 19

Report should be provided on the south site, with clarity on the map, and what each colour represent. Provide details of each of the activities that will be implemented and timelines.

The site is dedicated for the development of the metallurgical cluster. In this regard a number of metallurgical plants such as ferrochrome, iron and steel, vanadium, manganese plants are planned to be build. Front end engineering work which includes the layout and master plan have been finalized. The layout depicts the location of the above-mentioned plants in the south site. The colours and the site numbering serve to depict the different operational plants.

Timelines of implementation are dependent on finalization of township establishment and plant specific EIA's.

18. RESPONSE TO QUESTION 20 AND 21.

Provide a report on the EIA and all assessments that were done, also indicate the challenges experienced as the detail's information on the objections of the EIA outcome. What is the basis of objections Also provide details on which EIA or assessments will be required before the different projects could be implemented especially in the south site?

The following EIA approvals were attained:

EIA Approvals		
Site	Nature	Year Obtained
North Site EIA	This is the EIA for the whole of the North site. It covered development of all Bulk Infrastructure for the North site	2017
South Site EIA	This is the EIA for the whole of the North site. It covered development of all Bulk Infrastructure for the South site	2022

19. CHALLENGES WITH INTERESTED PARTIES

- 19.1. It must be highlighted that since the pronouncement of the South site, there has been fierce oppositions, dissenting views and pushbacks from some interested parties. These are in the main from environmental lobby groups. Some of these objections are, the Environmental 44 Impact Assessment that was approved by the competent authority in accordance with the NEMA, is being subjected to the judicial review by the lobby groups at the High Court of South Africa, Polokwane Division.

19.2. Notwithstanding the challenges and oppositions, there has not been any interdict against the development. Therefore, all activities leading to the development, including township establishment processes are expected to proceed. The challenge that these strong oppositions present to the township establishment, is that the township establishment application should be beyond reproach and be premised on reasonable, clear and justifiable scientific facts.

19.3. The application must therefore be tight and fully compliant to be able to withstand the criticism and critique from those opposed to the development. This is because all interested and affected parties are invited to the MPT hearing and in this instance, they have already indicated that they will be attending the MPT hearings. Accordingly, in compiling the application for the township establishment for this development, the highest level of due care and diligence must be exercised to ensure full compliance of the application.

20. BASIS AND INTENTIONS FOR THE OBJECTIONS

20.1. That the appeal decision taken by the MEC: Limpopo Department of Economic Development and Tourism (LEDET) on the 08th of July 2022, is reviewed and set aside;

20.2. That the decision taken by the Chief Director: Environmental Trade and Protection, LEDET on the 21st of February 2021 to grant the environmental authorisation with reference number 12/1/9/2-V79, as amended, be reviewed and set aside;

20.3. It be declared that the Minister of Forestry, Fisheries and Environment is the competent authority in terms of section 24C of the National Environmental Management Act 107 of 1998 in relation to the 5th Respondent (MMSEZ SOC)'s application for environmental authorisation;

20.4. The 5th Respondent (MMSEZ SOC)'s application for environmental authorisation be remitted to The Department of Forestry and the Environment; Alternatively, Limpopo Department of Economic Development and Tourism for fresh determination;

21. RESPONSE TO QUESTION 22.

Unpack who the operator is, and what is the relationship between the operator and government.

Operator is the company called South African Energy and Metallurgical Base (SAEMB), which is a subsidiary of Shenzhein Hoi Mor and which was appointed by MMSEZ and granted the operating permit by the **dtic** minister, in line with the SEZ Act. The operator's permit authorizes the operator to develop, operate and manage the South Site.

22. RESPONSE TO QUESTION 23

Provide a report (and supporting documentation) regarding the ownership of the land for the implementation of the project in the south site.

The land is owned by the Mulambwane Communal Property Association. MMSEZ entered into a long-term lease agreement with the community for the development of the metallurgical cluster.

23. RESPONSE TO QUESTION 24.

See response to question 17 (S.16).

24. RESPONSE TO QUESTION 25.**Water Supply to both the Sites**

24.1. The demands for water for both sites were determined in the infrastructure masterplans for both sites. On the basis of these demands, the MMSEZ approached the Water Service Authority (Vhembe) and the catchment management agency (DWS) in the region if they have enough capacity, either from the treated or raw water to supply the developments.

24.2. On the North Vhembe agreed that it can provide the MMSEZ with some of its allocation for raw water to kickstart the development. This allocation will be enough to see the development of the entire plans. The DWS outlined its project of bring treated water from Zimbabwe to the region. For future development of the site will be supplied by this pipeline. For the South, a few boreholes were drilled in order to start the development of the site. For further development, a pipeline need to be built to connect to the bulk pipeline from Zimbabwe. Furthermore, two dams are earmarked to be constructed in future to specifically provide water to the site as it grows.

25. RESPONSE TO QUESTION 26

On investors and operators- provide the report of each one of them and which project they will be implementing in the SEZ

Of the initial investors, only Kinetic have come forward to commit with implementation of project. Kinetic will build the ferrochrome plant upon obtaining township establishment and plant EIA approvals.

26. RESPONSE TO QUESTION 27.

Provide a report on how local beneficiation that will be done on the south site and the north site.

Beneficiation of minerals resources like iron ore, ferrochrome, manganese, vanadium, copper is planned to take place on the south site through identified investors like Kinetic for ferrochrome. Other metallurgical plants for Stainless steel are also targeted for making specialised metal products to be further used by downstream manufacturers like those who will build stainless steel tanks (mostly for food industries) and equipment. The DMT report gives full details on how this will be achieved.

CONCLUSION

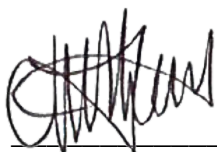
To bring to the confidence of the Public Service Administration Portfolio Committee Musina-Makhado Special Economic Zone has thus developed its five-year plan of action 2025/2030 strategy. Considering the stage that the entity finds itself in, this strategy is mainly focused on infrastructure development and therefore provides a guide to how resources should be allocated in the next five years.

Although much more focus will be on infrastructure delivery, the strategy has also outlined some aspirations pertaining to investment attraction. Accordingly, the next five-year plan also includes activities that are aimed at ensuring that these aspirations come to fruition.

The focus for infrastructure development is to provide bulk infrastructure for the 500 000 m² of Gross Lettable Floor Area (GLFA) for the first phase of the Northern Antonvilla site. This means that this portion of land should be fully serviced by 2030. Further to this, at least two top structures to accommodate investors must have been provided by the end of the year 2030.

For the South site, which is under the development, operations and management of the appointed Operator, the plan for the next coming five years is to ensure that all the infrastructure planning and compliance matters are finalised, and to ensure delivery of 25% of infrastructure needed to operationalise the site.

In order to achieve the above targets, a number of activities and plans have been adopted to enable effective investment attraction. These plans will be pragmatically executed over the five-year period, and they include activities that are aimed to create an enabling environment and those that targeted at attracting investors



DR NF MPHEPHU

CHAIRPERSON OF THE MMSEZ BOARD

28 MAY 2025