19/52

THABO MOFUTSANYANA

DISTRICT MUNICIPALITY **FS**

This scenic area is named after Communist Party Stalwart, Edwin Thabo Mofutsanyana, well known for annual festivals, the Golden Gate Highlands National Park and looking to lead with its very large comparative advantage in the agriculture sector.

PROFILE AND ANALYSIS
DISTRICT DEVELOPMENT MODEL

cooperative governance & traditional affairs
Department:
Cooperative Governance and Traditional Affairs
REPUBLIC OF SOUTH AFRICA

THABO MOFUTSANYANA District Municipality

STAY SAFE
SAVE SOUTH AFRICA

2030 NDP

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Thabo Mofutsanyana
BY NUMBERS

739305
POPULATION

GENDER

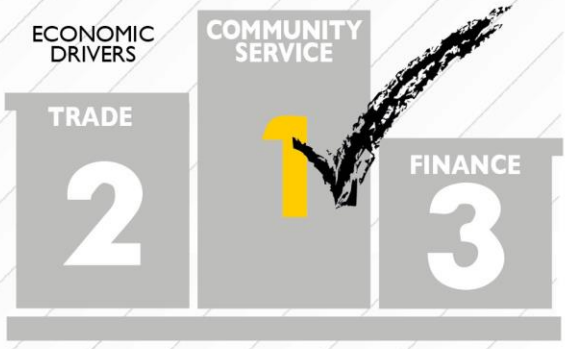
♀ 53.3%

♂ 46.7%

39
COVID-19 INFECTIONS (11/6/2020)

7973
COVID-19 DEATHS (11/6/2020)

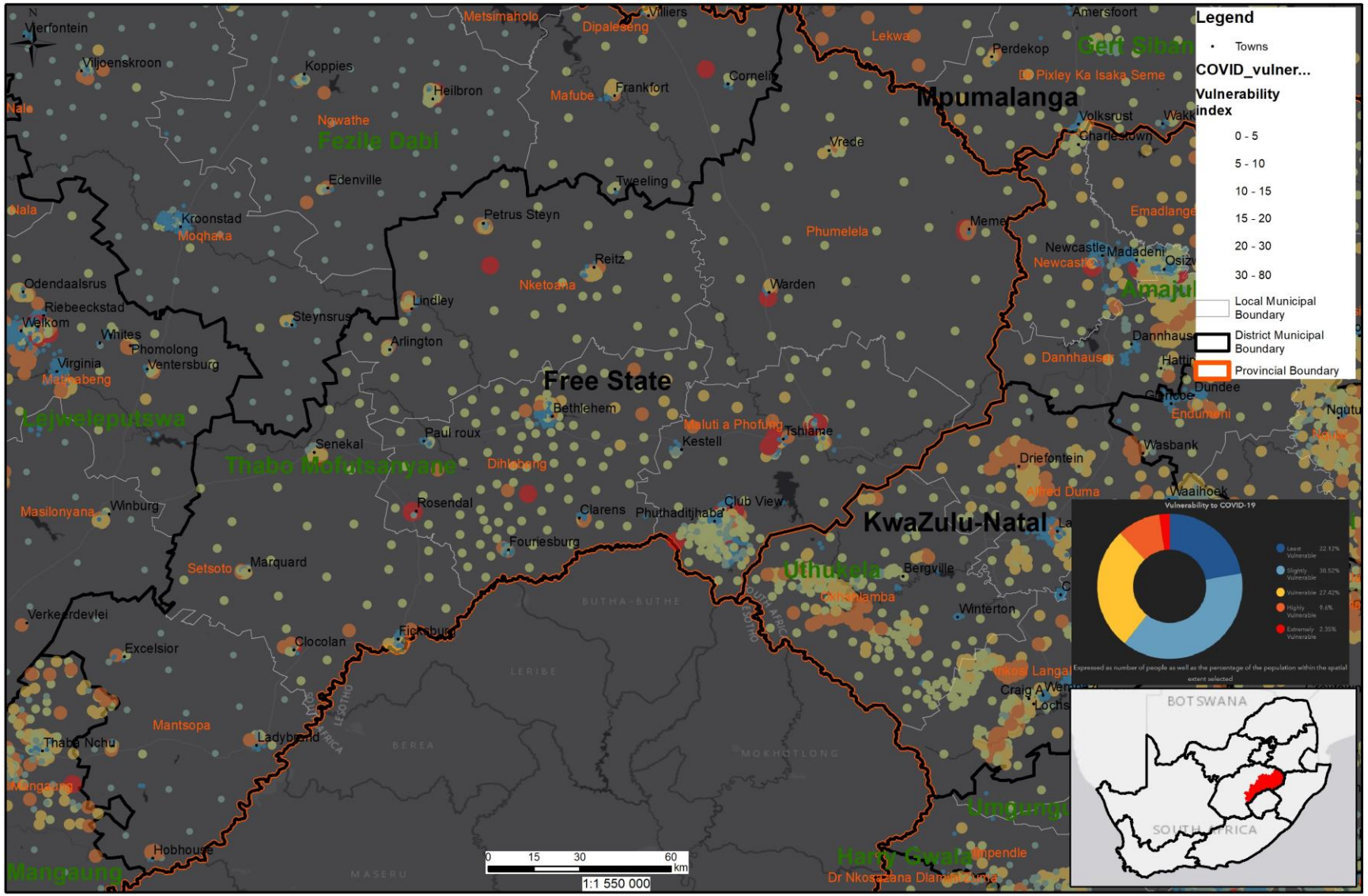
ECONOMIC DRIVERS



ALONG THE WAY OF THE MAJESTIC MOUNTAIN VIEWS, BLOSSOMS THIS "CHERRY REGION"

NEXT BIG THING

A Logistics Hub to link Durban-Free State-Gauteng logistics and industrial corridor, intended to improve customs clearance and reduce import and export costs.



COVID-19 Vulnerability Index
Thabo Mofutsanyana
Source: CSIR/NCDM

1. Executive Summary

Thabo Mofutsanyana District Municipality is a Category C municipality located in the eastern part of the Free State Province and is a semi-arid region with a dispersed settlement pattern.

To its north west, Thabo Mofutsanyana shares its boundaries with Fezile Dabi District Municipality, Lejweleputswa District to its west and Mangaung metro to its south west. To its south east, Thabo Mofutsanyana shares a boundary with the province of KwaZulu-Natal and Mpumalanga to its north east. The District shares a border with Lesotho to its south.

The district is named after Edwin Thabo Mofutsanyana, a stalwart of the communist party. The eastern parts of Free State, are a scenic area, well known for the several tourist attraction and features a variety of annual festivals. The biggest tourist attraction is the Golden Gate Highlands National Park which is home to a variety of animals (wildebeest, eland, blesbok, oribi and springbok).

The total population of Thabo Mofutsanyane District Municipality is 739 305 in 2019 an increase from 736 812 in 2018. The District has been growing at a rate of 0.5% per annum, which is lower than the provincial (0,6%) and national rate (1,5%).

Maluti-a-Phofung remained the most populated local municipality accounting for 45% of Thabo Mofutsanyana's total population size followed by Dihlabeng at 18%, Setsoto at 15%, Nketoane at 8%, Mantsopa and Phumelela's share was 7%.

In respect of COVID-19, as of 11 June 2020, a total of 7 973 people was screened, with 39 confirmed cases, 1 reported death and 8 recoveries. There is a total of 8 quarantine facilities in the district providing a total number of 614 beds. None of the quarantine sites have been activated.

Thabo Mofutsanyane District Municipality has a very large comparative advantage in the agriculture sector. The tertiary sector made the largest GVA contribution at 72.3%, with community services being the largest contributor at 29.4%. In the primary sector, agriculture had the largest contribution at 11.5% and in the secondary sector, manufacturing at 7.6%.

The Harrismith Logistics Hub is part of the Durban-Free State-Gauteng logistics and industrial corridor, intended to improve customs clearance, where varying levels of inefficient procedures delay shipments and increase import and export costs. The project leverages on the strategic position of the Free State. The town of Harrismith

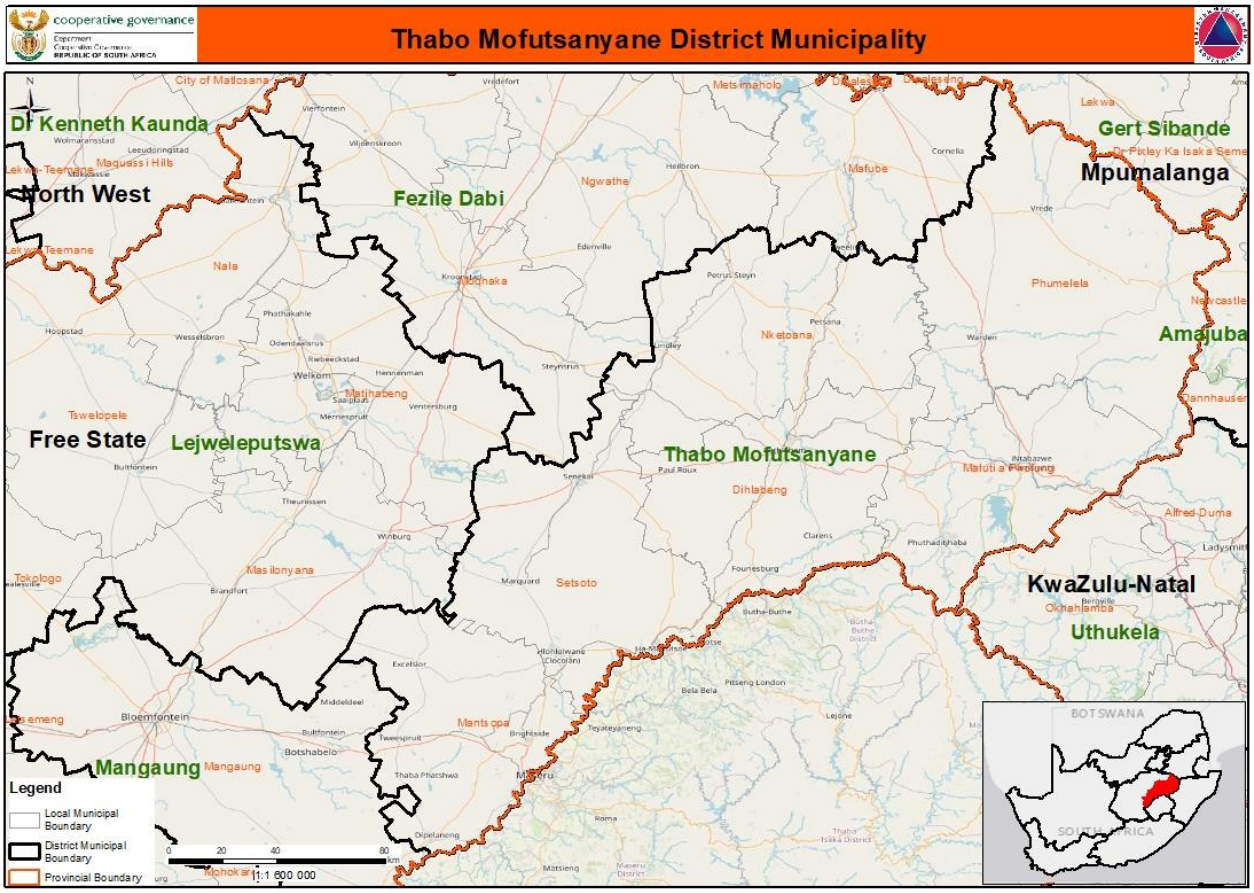
forms part of the N3 Corridor linking Gauteng, the Free State and KwaZulu-Natal. This corridor underpins what is referred to as the SIP2 project.

2. Brief Overview

2.1 Location

Thabo Mofutsanyana District Municipality is a Category C municipality located in the eastern part of the Free State Province and is a semi-arid region with a dispersed settlement pattern.

To its north west, Thabo Mofutsanyana shares its boundaries with Fezile Dabi District Municipality, Lejweleputswa District Municipality to its west and Mangaung to its south west. To its south east, Thabo Mofutsanyana shares a boundary with the province of KwaZulu-Natal and Mpumalanga to its north east. The District shares a border with Lesotho to its south.



Thabo Mofutsanyana District Municipality (DC19) was established in 28 September 2000. In 2011 the municipal boundaries were altered. The District together with Motheo District were de-established. Parts of Motheo now form part of the Mangaung Metro. Thabo-

Mofutsanyana District Municipality was by the same notice re-established, to now include Mantsopa, which was part of Motheo as one of its local municipalities.

2.2 Spatial Status

The district is named after Edwin Thabo Mofutsanyana, a stalwart of the communist party. The eastern parts of Free State, are a scenic area, well known for the several tourist attraction and features a variety of annual festivals. The biggest tourist attraction in the district is the Golden Gate Highlands National Park which is home to a variety of animals (wildebeest, eland, blesbok, oribi and springbok).

The District makes up 32 734km² of the geographic land area of the province. Thabo Mofutsanyana is one of the 5 districts of the Free State province. The District is a typical rural district with 24 small towns. Thabo Mofutsanyana consists of six local municipal areas namely Dihlabeng Local Municipality, Maluti-a-Phofung Local Municipality, Mantsopa Local Municipality, Nketoana Local Municipality, Phumelela Local Municipality and Setsoto Local Municipality.

Dihlabeng Local Municipality, derives its name from the Lesotho Highlands Water Scheme which flows into the Caledon River near Clarens which is known as "Metsi a Dihlaba" in Sesotho. The water from the Caledon River near Clarens is also known as "Metsi a Dihlaba" which means “water for the nations”. The water from the Caledon River flows into the As River near Bethlehem. The rivers supply water to the towns that form part of the new municipality. The municipality is located in the central part of the district with Bethlehem as its seat which is also the commercial hub of the district. The municipality is located in the heart of the picturesque north-eastern Free State, adjacent to the N5 road between Bloemfontein and Durban. The municipality is home to the majestic Golden Gate and the Highlands National Park which is at the heart of the picturesque north-eastern Free State and originally developed as a service centre. Growth is stimulated by the strategic location of the area, which is situated adjacent to the N5 between Bloemfontein and Durban and serves as a central regional centre.

“Maluti-A-Phofung Local Municipality derives its name from the Sesotho name of the Drakensberg Mountains, which run from the Cape through Lesotho, the Free State and KwaZulu-Natal, and are known as Maluti."

The scenic town of Clarens, often referred to as the ‘Switzerland' of South Africa, is situated approximately 34km south-east of Bethlehem. Clarens is a mere 20km from the Golden Gate Highlands National Park. Fouriesburg is situated on the R26 route and in close proximity to Lesotho. The town has the predominant function of a small service centre and is increasingly being supported by the tourism industry. Paul Roux is situated 35km west of Bethlehem. Rosendal is located at the foot of the Witteberg Mountain Range on the R70. The town offers excellent property investment opportunities. Key towns and places of interest include Bethlehem, Clarens, Fouriesburg, Golden Gate Highlands National Park, Paul Roux, and Rosendal. Key economic activities include services (29.7%), trade (18.6%), finance (18%), manufacturing (14.4%), transport (9.3%), agriculture (7.1%), and construction (1.9%).

Maluti-A-Phofung Local Municipality derives its name from the Sesotho name of the Drakensberg Mountains, which run from the Cape through Lesotho, the Free State and KwaZulu-Natal, and are known as "Maluti". The Drakensberg is flat but has peaks. The

highest peak is known as Mount-Aux-Sources. The peak in Qwaqwa is known as the Sentinel, which is called "Phofung" in Sesotho. The name is a combination of the Maluti (Drakensberg) and Phofung (Sentinel). The municipality is located on the eastern parts of the district and it shares boundaries with Phumelela in the north, the KwaZulu-Natal Province in the east, and Dihlabeng in the west. It also shares a border with the Kingdom of Lesotho in the south.

The municipality encompasses substantially all of the former Bantustan homeland of QwaQwa, except for the small enclave of Botshabelo. Towns in the area include Harrismith, Kestell, and Phuthaditjhaba with social services government (28%), and agriculture (18%) are the key economic drivers.

Mantsopa Local Municipality derives its name from the sister of King Moshoeshoe who was called Mantsopa and lived at Modderpoort. She was banished from the Kingdom of King Moshoeshoe when he suspected that her powers were greater than his. When she arrived at Modderpoort there were no houses and she stayed in a cave. She was a great prophetess and everything that she predicted happened. In 1886 a group of men called "The Brotherhood of St Augustine" arrived at Modderpoort on their way to Durban. Mantsopa accommodated them in her cave. She later left them in this cave and settled at Spitskop Mountain and built a small house for herself. This cave was later known as "Lehaha la Mantsopa". The missionaries decided to stay and not go to Durban anymore and they turned the cave into a chapel. Mantsopa also had a fountain (this fountain still exists to date) that does not dry up at a mountain called "Verve". She used the water from the fountain to cure sick people. Mantsopa believed in God but did not know modern religion. She later joined the church and was baptised and given the name Anna. Mantsopa's grave continues to be visited and offerings are still placed on or near it. The entire area was later known as "Lekgalong la Mantsopa" (Mantsopa's Pass).

The municipality is located on the southern part of the district and shares boundaries with Masilonyana and Setsoto to the north and Mangaung Metropolitan Municipality to the west. It borders the Kingdom of Lesotho to the east, and at 4 292 km^2, it is the smallest of six municipalities in the district, making up 13% of its geographical area. The area is accessible via the N8 and R26 roads, which transverse the area. A railway line that runs along these routes services the area. The municipality incorporates five small towns, which accommodate a large proportion of the total population of Mantsopa. These small towns serve the surrounding rural community. Key towns

include Excelsior, Hobhouse, Ladybrand, Thaba Patchoa, and Tweespruit. The main economic sectors are commercial farming, private sector, public sector, and tourism.

Nketoana Local Municipality derives its name from the Reitz/Petrus Steyn river passing which is called Nketoana in Sesotho. The Highlands water flows into the Caledon River, then into the As River and continues into the Nketoana River near Reitz and Petrus Steyn. As the water flow from one river into another, the river changes names. The Nketoana Local Municipality is situated in the north western past of the district, at 5 611 km^2 it is the second-smallest of six municipalities in the district, making up 17% of its geographical area. Towns in the municipality include Arlington, Lindley, Petrus Steyn and Reitz. The key sectors in the municipality are agriculture and retail businesses.

Phumelela Local Municipality derives its name from isiZulu meaning to succeed. After the1994 elections, there were political tensions between the left and right-wingers around the towns in this area, culminating in unrest and a culture of non-payment of services. The Council has managed to make the area governable and there is now peace and harmony.

The municipality is located on the north east end of the district and at 8 196 km^2 it is the largest municipality in the district, making up a quarter of its geographical area. Vrede (‘at peace') rests in the north-eastern Free State about 20km east of the N3, close to the Mpumalanga boundary. Vrede is surrounded by undulating Highveld hills. It is 220km from northern Johannesburg and about 30km from Cornelia on the R102 to Warden and Harrismith, on the Volksrust-Newcastle Road. It is the spine of the Drakensburg off the N3 highway from Durban to Mbombela, and the alternative Durban to Johannesburg, and also on the main route from Johannesburg via Newcastle to the North Coast and Zululand. Travellers from down south can use it to make their way to the Kruger National Park.

Warden is a town situated on the N3 highway between Johannesburg and Durban. The town has one of the largest Dutch Reformed Churches in South Africa, with seating for 1 750 people. Memel is a Russian word meaning ‘surrounded by water' and is named after a small town in east Prussia. This pristine country village is situated in the north-eastern corner of the Free State close to the Drakensberg escarpment, 240km from Johannesburg and 300km from Pietermaritzburg. The village of Memel is the central hub of the local farming community but is fast becoming one of South Africa's most sought-after birding spots. Also, the well-known Amajuba Mountain is

only 40km from Memel. Towns in the municipality include Memel, Vrede and Warden, the main economic activities are agriculture and tourism.

Setsoto Local Municipality, derives its name from the Sesotho word meaning "beauty". The area is characterised by its unique demographics, natural beauty and environmental features (e.g. the historical heritage of the mountains near Senekal called Thaba-Tshweu). Also, the richness in agriculture, e.g. orchards, wheat, etc. and beautiful mountains boasting of holiday resorts underscore the choice of name.

The municipality in the central southern parts of the district and it is the gateway to the Kingdom of Lesotho through Ficksburg. It shares boundaries with the Fezile Dabi District in the north, Dihlabeng in the east and Lejweleputswa District in the west. Towns in the municipality include Clocolan, Ficksburg, Marquard, and Senekal. Key economic sectors are finance, insurance, real estate and business (21.21%), manufacturing (17.62%), wholesale and retail trade (13.07%), agriculture, hunting, forestry and fishing (11.83%), government services (11.45%), community, social and personal services (11.31%), transport, storage and communication (6.79%), electricity, gas and water (3.5%), and construction (2.17%).

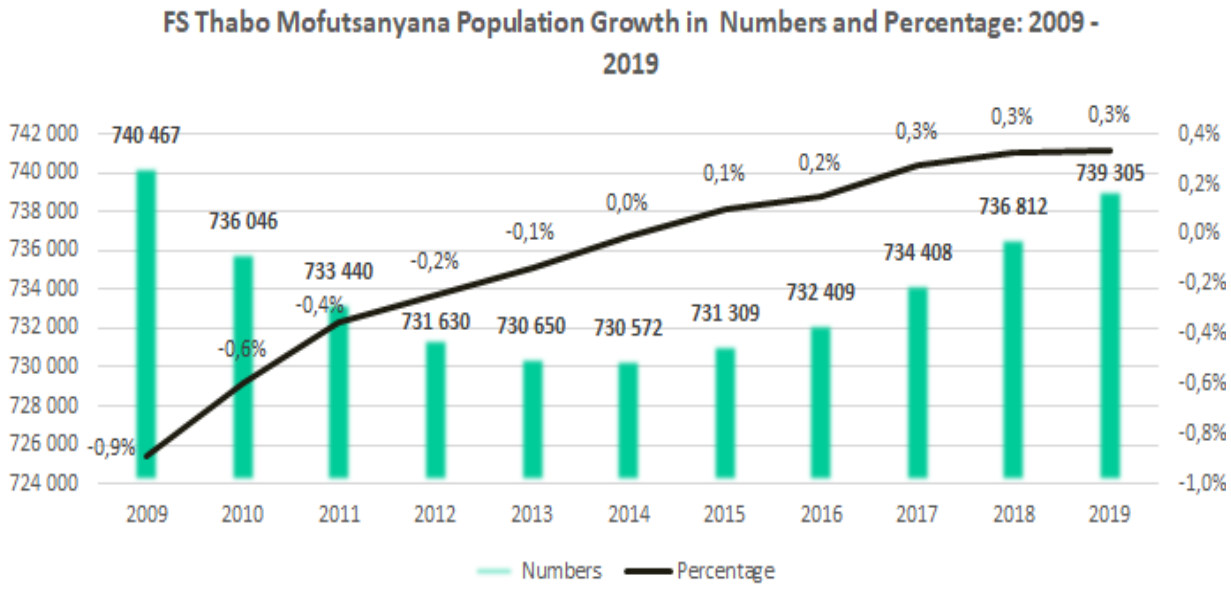
“THE BIGGEST TOURIST ATTRACTION IS THE GOLDEN GATE HIGHLANDS NATIONAL PARK WHICH IS HOME TO A VARIETY OF ANIMALS (WILDEBEEST, ELAND, BLESBOK, ORIBI AND SPRINGBOK)”

3. Social Development Profile

3.1. Key Demographics

3.1.1. Population and Household Profile

The total population of Thabo Mofutsanyane District Municipality is 737 305 in 2019 an increase from 736 812 in 2018. The District has been growing at a rate of 0.5% per annum, which is lower than the provincial (0,6%) and national rate (1,5%).



Maluti-a-Phofung remained the most populated local municipality accounting for 45% of Thabo Mofutsanyana's total population size followed by Dihlabeng at 18%, Setsoto at 15%, Nketoane at 8%, Mantsopa and Phumelela's share was 7%.

The Community survey of 2016 estimated that there were 246 030 households with child headed households being at 2 028. Some 46,3% of households are female headed.

3.1.2. Gender, Age and Race

The District has 393 788 (53.27%) females and 345 506 (46.73%) males. In 2016, the median age was 24, with 56% of the population being constituted by those of a working age between 18 and 64 years. 41% of the population are aged below 19 and 20% are between the ages of 0 and 9 years old.

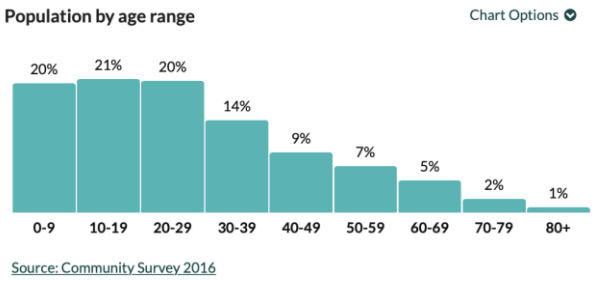
Age

24

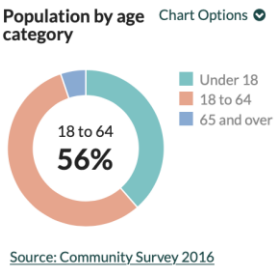
Median age

about 90 percent of the figure in Free State: 26

a little less than the figure in South Africa: 25

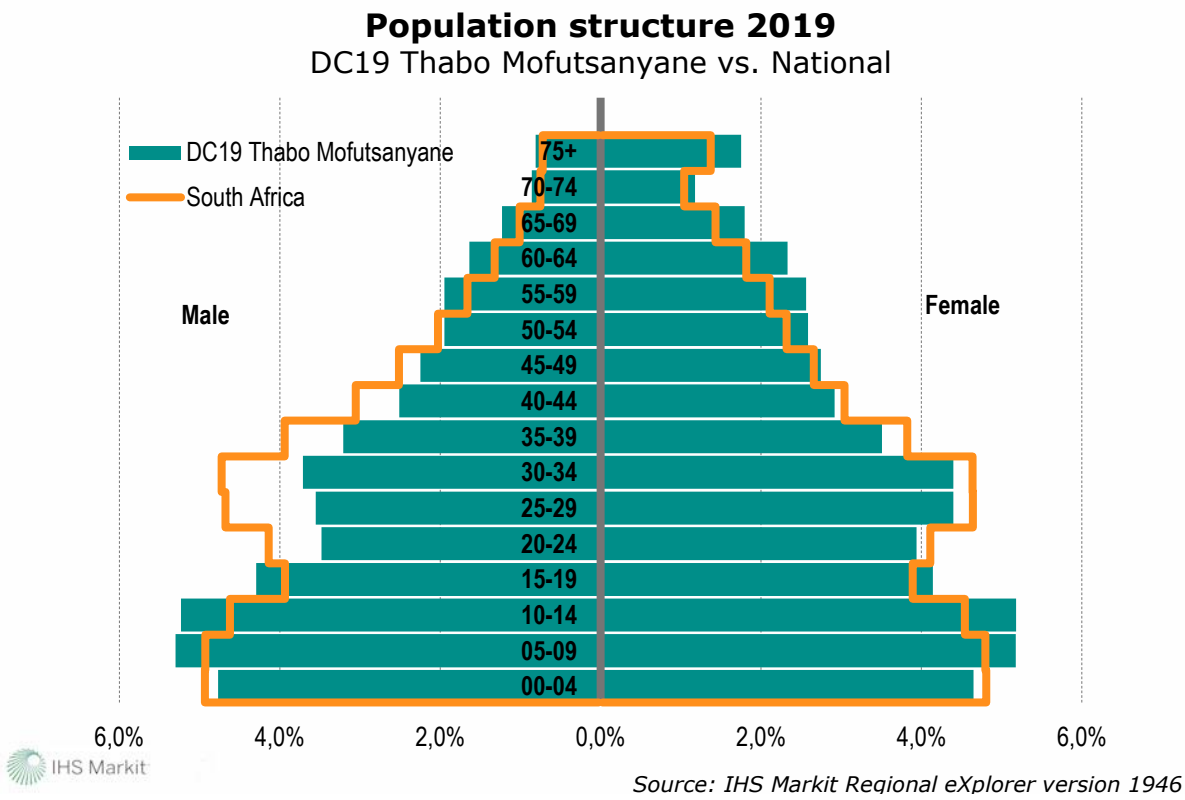


Source: Community Survey 2016



Source: Community Survey 2016

The largest share of population is within the young children (0-14 years) age category with a total number of 208 508 (30.31%) of the total population. The age category with the second largest number of people is the young working age (25-44 years) age category with a total share of (28.2%), followed by the older working age (45-64 years) age category with 133 087 (18%) people. The age category with the least number of people is the retired / old age (65 years and older) age category with only 56 345 people. The municipality with largest population is Maluti-a-Phofung.



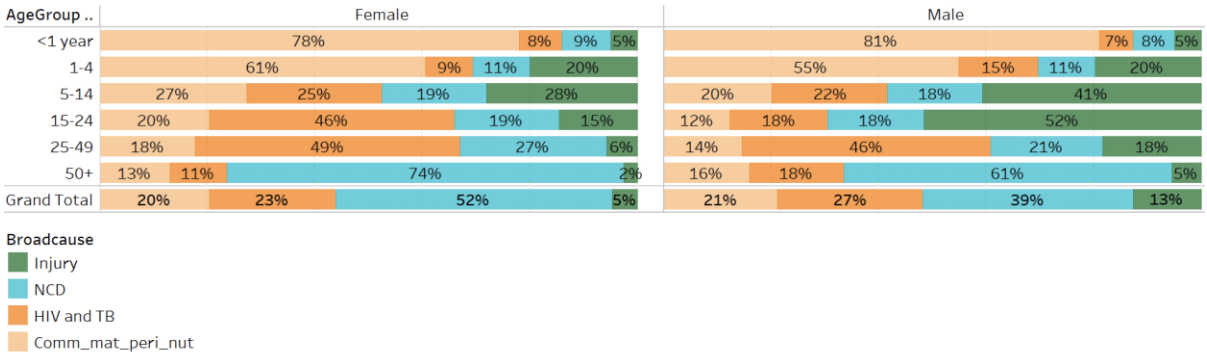
Source: IHS Markit Regional eXplorer version 1946

The district is dominated by the African population at 95% of the total population, whilst the White population contributed 4%, and the Coloureds at 1%. The language spoken the most is Sesotho at 83% followed by isiZulu at 9% and Afrikaans at 4%.

3.2. Health Profile

According to the District Health Plan 2019/20 – 2021/22, the leading cause of death for the 5-64 age groups in Thabo Mofutsanyana is HIV/AIDS. The HIV and AIDS death trends are no different from those of other district municipalities in the Free State, an increasing HIV rate and decreasing AIDS deaths. The number of persons living with HIV increased from an estimated 94 000 in 2008 to 96 700 thousands in 2017, which represents 12.9% of the total population of Thabo Mofutsanyana. The two local municipalities of Maluti-a-Phofung and Dihlabeng had the highest prevalence of HIV while Mantsopa Local Municipality had the lowest in Thabo Mofutsanyana. Declining AIDS mortality rates can primarily be attributed to an increase in the roll-out of the antiretroviral therapy, prevention of mother-to-child transmission, the distribution of condoms and medical male circumcision.

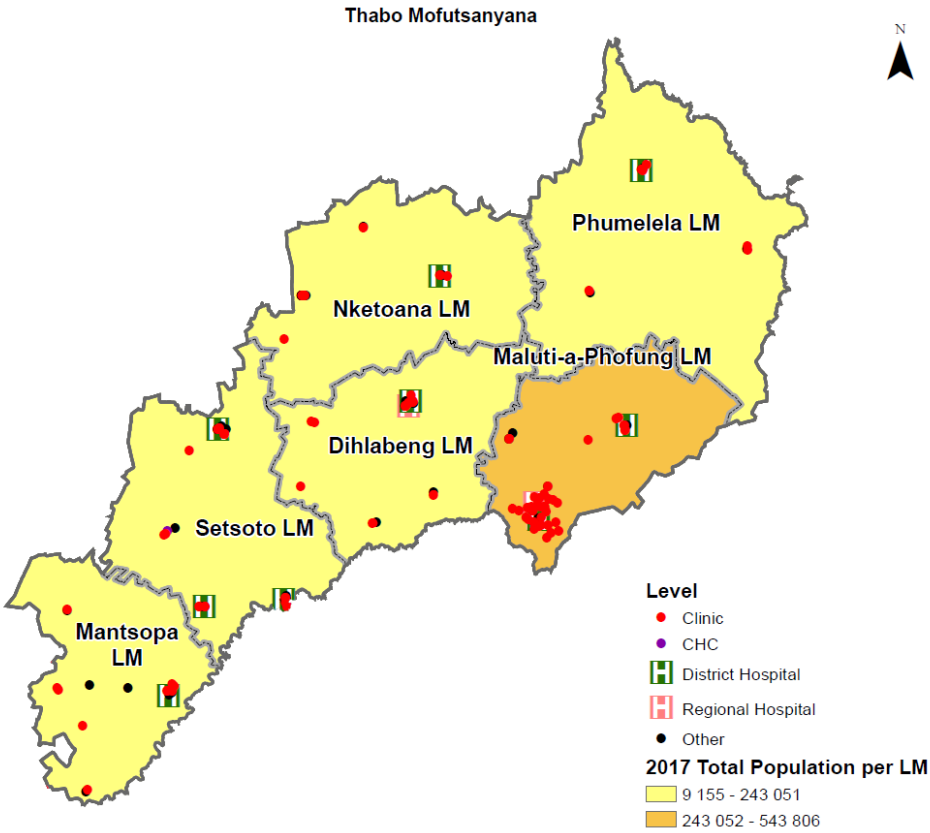
For children under 5, diarrhoeal diseases were the leading cause of death at 20.2% followed by lower respiratory infections at 18.4%. Cerebrovascular disease such as stroke was the leading cause of death for the elderly at 16.1% followed by hypertensive heart disease at 11.7%.



Source: Stats SA.

In terms of maternal conditions for females between the ages of 15-49, indirect maternal conditions (31.6%) and other maternal (24.3%) were the leading causes of death. Thabo Mofutsanyana was noted as having the highest mortality rate in the country due to poverty and poor road conditions. The district has a maternal mortality in facility ratio per 100 000 of 140.2. Mantsopa local municipality recorded the highest at 172.4 followed by Dihlabeng local municipality (169.5) and Maluti-a-Phofung local municipality (145.1).

Health services are delivered through 2 regional hospitals, 9 district hospitals, 1 community health centre, 73 clinics and 24 mobile service units.



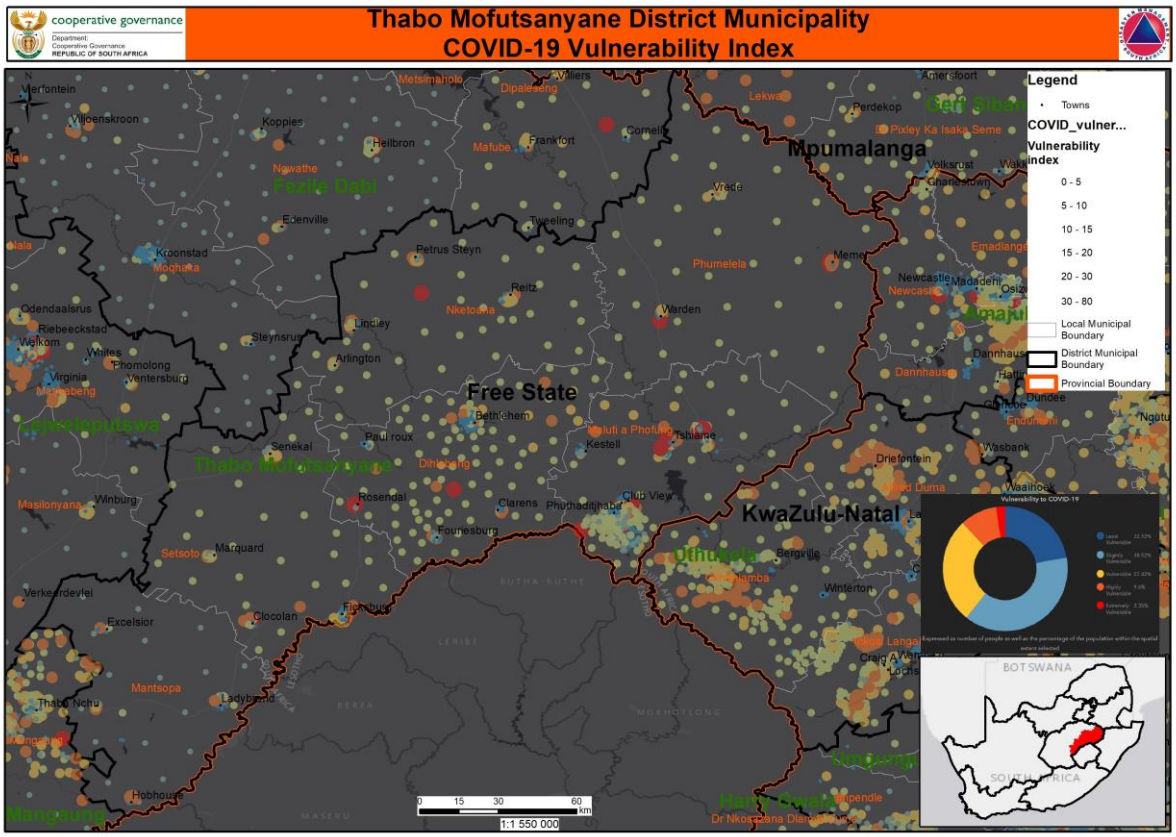
3.3. Covid-19

In the early stages of the Covid-19 pandemic in South Africa, Mangaung Metropolitan Municipality in the Free State was a hotspot following a church gathering where 300 worshippers came into contact with five tourists who had tested positive for Covid-19. Thabo Mofutsanyane district has recorded some of the lowest cases in the province.

As of 11 June 2020, a total of 7 973 people was screened, with 39 confirmed cases and 1 reported deaths and 8 recoveries.

The Council for Scientific and Industrial Research (CSIR) in collaboration with Albert Luthuli Centre for Responsible leadership have developed a set of COVID-19 Vulnerability Indicators using available data and knowledge. It identifies vulnerabilities present in communities and identifying areas in need of targeted coordinated interventions and early response. The purpose of the indicators is intended to support the early prevention/mitigation and preparedness phase of the disaster management cycle and informing disaster management decision making. It is not based on epidemiological modelling but a response to highlighting intervention areas due to underlying situation. The composition of the index follows two main factors, namely: transmission potential and health susceptibility. Transmission potential areas identify areas that prevent social distancing to be practiced and where limitations of practicing

good basic hygiene. The health susceptibility index denotes areas where large number of people are potential more susceptible to being adversely affected by COVID-10 due to factors such as age and underlying health conditions. The Thabo Mofutsanyane vulnerability profile is presented below. The map shows low vulnerability areas (blue dotted areas) versus areas with higher vulnerability (red dotted areas).



Relative population density, poverty and access to basic services such as water and sanitation are key determinants of vulnerability. With the added burden of being a transit town, Maluti a Phofung in Tshiame and Phuthaditjhaba display extreme vulnerability. As are the major towns of Wareden, Rosendal and Petrus Steyn. Area specific live GIS vunerability maps are available curtosy of CSIR at: https://pta-gis-2-web1.csir.co.za/portal2/apps/opsdashboard/#/390a74fb10844c7a85396e60555a866d

There is a total of 8 quarantine facilities in the district providing a total number of 614 beds. None of the quarantine sites have been activated.

"As of 11 June 2020, a total of 7 973 people was screened, with 39 confirmed cases and 1 reported deaths and 8 recoveries."

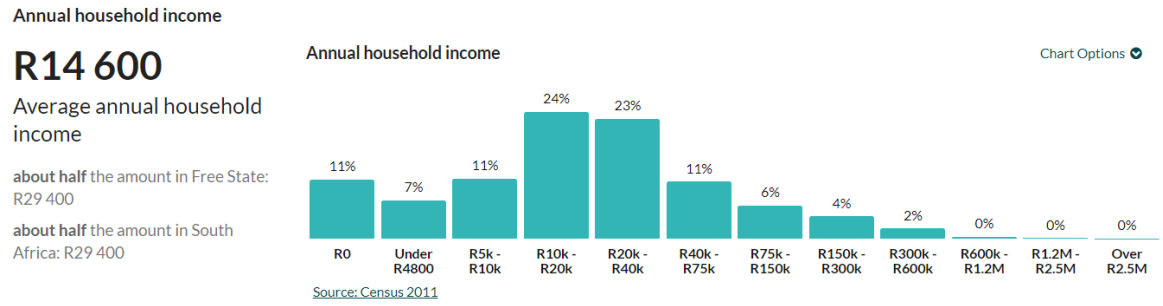
3.4. Poverty

3.4.1. Multiple Dimensions of Poverty

According to IHS Markit (Global Insight), Thabo Mofutsanyana had 52.1 % of its population living below the lower poverty line in 2019. This is lower than the provincial rate at 60% and national at 58.6%. When looking at the human development index, Thabo Mofutsanyana fared better with illiteracy with 15% of the population being illiterate whilst the national rate is at 26%. The human development inverse was at 0.39 (SA at 0.34).

The gini-coefficient for Thabo Mofutsanyana district was at 0,6% in 2019.

According to Census 2011, the average annual income was R14 600 and 29% of the population received an income below R10 000.



3.5. Unemployment/Employment

The economically active population (EAP) is defined as people (aged between 15 and 64 years) who are able willing and willing to work, and who are actively looking for work. In 2017, the Economically Active Population for the district was at 33,0%. 41,0% were males and 36,8% were females. Dihlabeng local municipality recorded the highest economically active population at 43.3% and Maluti-a-Phofung the lowest at 33.6%.

The overall municipal unemployment rate of Thabo Mofutsanyane district was found to be 32.0%. The female working age population had highest unemployment rate across all municipalities in the district. In 2017, 39.1% of women were unemployed in compared to men at 32.4%.

Maluti-a-Phofung local municipality recorded the highest unemployment rate of 44.1% in the District Municipality followed by Setsoto at 34.9% and Phumelela at 26.4%. This upward trend in unemployment rate in both genders and all municipalities demonstrate the inability to create necessary employment in Thabo Mofutsanyana District Municipality.

3.6. Crime

For the 2018/2019 financial year, 20 422 serious crimes were reported by the community in Thabo Mofutsanyana, an increase of 4.1%, from the 19 623 similar crimes reported in 2017/2018. Sub-categories of these crimes ranged from property related crimes (7 213), and contact related crimes that included arson (24) and malicious damage to property (1 449).

There were 7 690 total contact crimes, 992 robbery with aggravating circumstances, 301 common robbery, 2 465 common assault, 180 attempted murder, 826 sexual offences and 248 murder incidents. This represented a decrease of -5.3% from the 2017/2018 period. Assault with the intent to inflict grievous bodily harm was at 2678 cases while common assault was at 2 465.

Incidents of burglary at non-residential premises were standing at 1 247, burglary at residential premises 3 223, theft of motor vehicle and motorcycle 287, theft out of or from motor vehicle 871 and stock-theft at 1 585. This meant an increase of 2.6% of property related crimes..

3.7. Education

The number of people without any schooling in Thabo Mofutsanyana District Municipality dropped between 2008 to 2018 with an annual average rate of -5.13%.

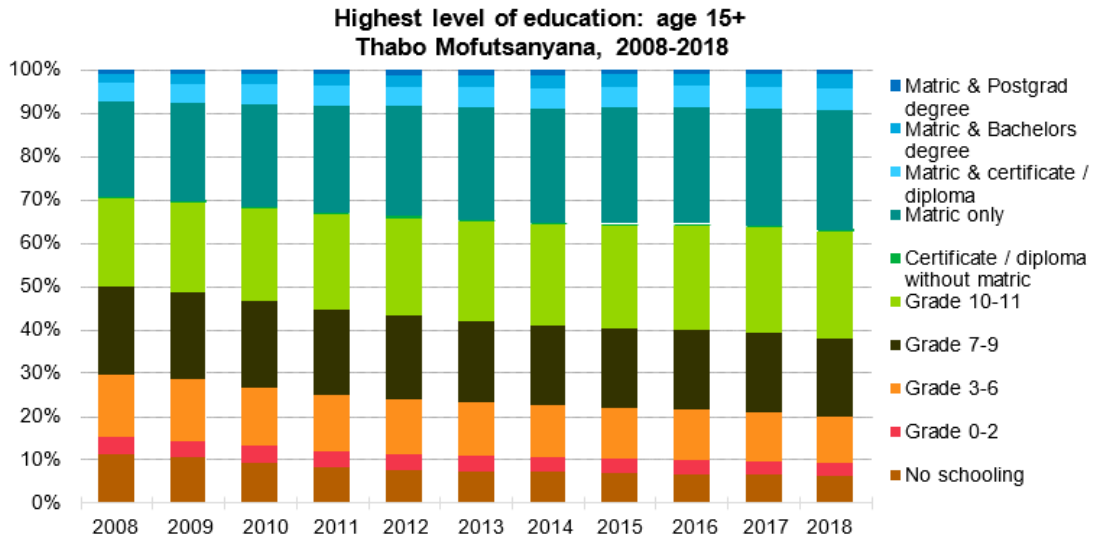
The number of people who falls within the 'Matric only' category rose from 93 800 to 124 000. More encouraging was that the number of people with 'Matric and a Certificate/Diploma' increased with an average annual rate of 2.07%, while those with a 'Matric and a Bachelor's' degree equally increased with an average annual rate of 3.78% in Thabo Mofutsanyana.

In terms of attendance, the male population that attended school slightly increased from 76.4% in 2011 to 76.9% in 2016 and female population increased from 73.7% in 2011 to 76.5% in 2016.

Male population that were not attending school slightly decreased from 23.6% in census 2011 to 23.1% in CS 2016 whereas females population decreased from 26.3% in 2011 to 23.5% in 2016.

In 2011, Maluti-a-Phofung local municipality had highest number of people who obtained some primary education (92 626) followed Dihlabeng (32169) and Setsoto (30945). Nketoane local municipality (17819), followed by Phumelela (14 875) and Mantsopa (14 015) had the lowest number of people obtained some primary education.

In all local municipalities female population obtained higher education than male population.



Highest Level of Education: age 15+, 2018 Source: IHS Markit Regional eXplorer version 1803

The Education Management Information System (EMIS) reflects that there are 188 208 learners in 427 schools, 406 schools are public whilst 21 are private/independent schools.

In terms of tertiary education, there is only one TVET college, Maluti TVET College. Maluti TVET College is based in Phuthaditjhaba, Free State has a number of campuses around the Free State, including Bethlehem, Bonamelo, Harrismith, Itemoheleng, Kwetlisong and Sefikeng. NCV programmes offered include engineering related field, business related field and service related field.

4. Economic Drivers

4.1. Economic Overview

Thabo Mofutsanyane District Municipality has a very large comparative advantage in the agriculture sector.

It is projected that in 2023, Thabo Mofutsanyane's forecasted GDP will be an estimated R 29 billion (constant 2010 prices) or 17.5% of the total GDP of Free State Province. In terms of its gross domestic product, Thabo Mofutsanyana recorded an annual average growth of 1.3%. Although the district's economic outlook remained somehow depressed, there were pleasing signs of recovery.

Senekal, Thabo Mofutsanyana

PICTURE: Arleen Wiese

All the local municipalities had a positive growth rate in 2017. Setsoto grew by 7.1%, Dihlabeng by 4.7%, Nketoane by 8.7%, Maluti-a-Phofung by 1.4%, Phumelela by 4.8% and Mantsopa by 7.7%. This recovery was as a result of an increase in agricultural output.

The tertiary sector made the largest GVA contribution at 72.3%, with community services being the largest contributor at 29.4%. In the primary sector, agriculture had the largest contribution at 11.5% and in the secondary sector, manufacturing at 7.6%.

Sectors	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Agriculture	13.3%	12.6%	10.5%	10.1%	9.7%	9.7%	10.1%	9.5%	10.9%	11.5%
Mining	2.3%	2.1%	2.3%	2.3%	2.2%	2.5%	2.5%	1.9%	1.6%	2.0%
Primary Sector	**15.5%**	**14.7%**	**12.9%**	**12.3%**	**11.9%**	**12.1%**	**12.6%**	**11.5%**	**12.5%**	**13.5%**
Manufacturing	8.8%	7.6%	7.3%	6.9%	6.9%	6.9%	6.5%	7.4%	7.6%	7.6%
Electricity	1.7%	2.2%	2.4%	2.6%	2.9%	2.8%	3.1%	3.6%	3.6%	3.8%
Construction	3.6%	4.3%	3.5%	3.7%	3.4%	3.6%	3.3%	3.1%	3.1%	2.8%
Secondary Sector	**14.1%**	**14.1%**	**13.3%**	**13.2%**	**13.2%**	**13.3%**	**12.9%**	**14.1%**	**14.3%**	**14.2%**
Trade	16.7%	17.8%	20.8%	19.5%	19.0%	18.3%	17.6%	17.4%	17.2%	16.8%
Transport	10.4%	9.5%	8.9%	9.5%	10.2%	10.4%	11.0%	10.9%	10.6%	10.7%
Finance	15.8%	15.5%	15.5%	15.4%	15.2%	15.4%	15.9%	16.4%	15.5%	15.4%
Community services	27.4%	28.4%	28.7%	30.0%	30.5%	30.5%	29.9%	29.7%	29.9%	29.4%
Tertiary Sector	**70.3%**	**71.2%**	**73.9%**	**74.4%**	**74.8%**	**74.6%**	**74.5%**	**74.4%**	**73.2%**	**72.3%**
Industries	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**

Gross Value Added Source: IHS Markit, Reginal eXplorer, 2019

4.2. Primary Sectors

4.2.1. Agriculture

The primary sector (13,5%) is almost exclusively supported by the agriculture which contributed 11.5% to the Gross Value Added (GVA) of the district.

The agricultural sector is crucial for Thabo Mofutsanyana. Not only is the agricultural sector important for food security, it has a high labour absorption rate compared to other economic sectors. Thabo Mofutsanyana produces 90% of the country`s cherry crops. Its northern parts has many sunflower-seed farms. Seed potatoes are produced in the Reitz, Kestell, Memel, Bethlehem and Fouriesburg. Tweespruit is a major sunflower seed production centre.

The fruits that are grown in and around Thabo Mofutsanyana District Municipality are sub-tropical and deciduous fruits such as nectarines, apples, apricots, peaches.

In Dihlabeng Local Municipality, maize production is also prominent, but a range of higher valued crops are also produced in that area. These include niche products such as peaches, cherries, apples, cut flowers, sorghum, asparagus, beans, potatoes, cabbage and carrots.

4.2.2 Mining

Mining had a low contribution at 2.0%. Uranium mining potential exist in the towns of Ficksburg and Phuthaditjhaba, diamonds in Senekal, sandstone in Phuthaditjhaba and limestone in Ficksburg.

There is also discrete uranium zones that can be explored in Setsoto and Dihlabeng local municipalities.

"THE HARRISMITH NODE, FROM A FREIGHT PERSPECTIVE, IS OF SIGNIFICANCE ON THE N3 CORRIDOR BETWEEN GAUTENG AND KWAZULU-NATAL"

4.3. Secondary Sector

4.3.1. Manufacturing

Dihlabeng local municipality has above average potential in manufacturing. There are industries in Tshiame, Phuthaditjhaba, Harrismith and Bethlehem, manufacturing products that include furniture, protective clothing, plastic products, clothing and textile.

Thabo Mofutsanyana used to be one of the key regions where the textile sector was thriving. The region still possesses huge quantities of skills that can be productively utilised to revive textile sector.

The Phuthaditjhaba Industrial Park forms part of the national governments programme to revitalise Industrial Parks, with 8 744 job opportunities being created in Phuthaditjhaba Industrial Park. More job and business opportunities will continue to be realised. The Industrial Park is as an economic hub producing different products such as textile, plastic, electrical goods and food products.

4.3.2. Transport

The central location of the Free State sees significant volumes of freight being moved, which gives it a competitive advantage. However, this is primarily dependent on some value-adding to freight and transport management processes.

The Harrismith node, from a freight perspective, is of significance on the N3 corridor between Gauteng and Kwazulu-Natal. To take advantage of this opportunity, adequate and efficient infrastructure networks, and linkages between rail, road and air should be prioritised. Similarly, the efforts to improve rural transport infrastructure should also not be neglected.

4.4 Tertiary Sector

4.4.1. Tourism

Despite all the socio-economic challenges facing the district, the area has huge potential for tourism development because of its scenic beauty and its rich cultural heritage. The N3 and N5 National Roads pass through Thabo Mofutsanyane, and the famous Golden Gate is found in the area on the slopes of the Drakensberg Mountains.

Tourism in Thabo Mofutsanyana was dominated by friends and relative visits category, which accounted for 58.5% trips in 2017. Visits to friends and relatives recorded the highest number of visits in 2017 at 320 000, with an average annual growth rate of -2.13%. Recent trends indicate business and leisure, have increased to 19.5% and 12.3% in 2017, respectively. The new trends are because of increasing exposure of eco-tourism (Golden Gate on the Drakensberg Mountains) and strategic logistical business hub (Maluti-a-Phofung SEZ).

Dihlabeng local municipality, has been categorised as having above-average tourism potential. Both Dihlabeng and Mantsopa local municipalities recorded the highest tourism expenditure in the district. Phumelela and Nketoane local municipalities had the least tourism spend.

In Thabo Mofutsanyana, tourism and fruit farming are the major economic activities, which are characterised by the beautiful landscapes such as the Maluti and Drankensberg mountain ranges, wetlands in the north, well-watered River valleys and the plains on the north and west.

The most famous asset is the Golden Gate National Park and the Basotho Cultural Village in Phuthaditjhaba that offers beautifully handmade crafts and traditional meals. There are rock paintings of the earlier inhabitants of the area. Numerous paleontology finds have been made in the park including dinosaur eggs and skeletons. One of the tourism attractions is the Sentinel – hiking trails.

More potential can still be realised through the promotion of the N5 Tourism Corridor, which starts at Bloemfontein and links nodes such as Winburg, Senekal, Bethlehem and Harrismith.

5. Service Delivery

5.1. Human Settlements

In Thabo Mofutsanyana, there are 246 030 households with 15.8% of the households living in an informal dwelling whilst 70% resided in a house. The number of very formal dwellings in Thabo Mofutsanyana was 51 700, formal dwellings was 124 000, informal dwellings was 26 700 and 21 600 of the dwellings were traditional.

Maluti-a-Phofung recorded the highest proportion of households residing in formal dwellings in 2016 followed by Dihlabeng local municipality at 37 542 and Setsoto 28 564 and Phumelela 10 157 had the lowest proportion of households residing in formal dwellings.

In informal dwelling, there was a sign of increase in local municipalities between the 2011 and 2016 except in Nketoane and Mantsopa municipalities. The highest number of traditional dwellings were found in Maluti a Phofung (9 294) in 2016 followed by Dihlabeng (1 214).

Households

246 030
Households

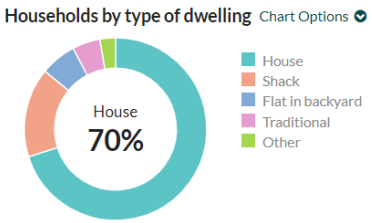
about one-quarter of the figure in Free State: 946,637L

less than 10 percent of the figure in South Africa: 16,923,307L

15.8% (38 964)
Households that are informal dwellings (shacks)

about 10 percent higher than the rate in Free State: 13.99% 132,448

about 25 percent higher than the rate in South Africa: 12.96% 2,193,968



Source: Community Survey 2016

5.2. Water and Sanitation

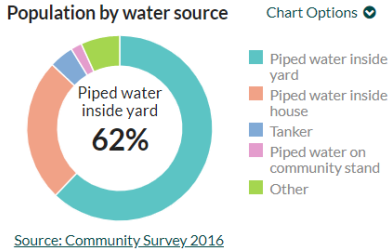
The Community Survey shows that 727 874 (93.4%) are getting water from a regional or local service provider. Only 62 % of the population had access to piped water inside their yard, while 25% had access to piped water inside a house and 4% used a tanker.

Water

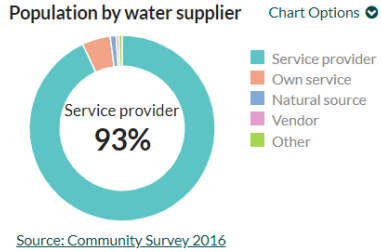
93.4%
Are getting water from a regional or local service provider

about the same as the rate in Free State: 94.18%

about 10 percent higher than the rate in South Africa: 86.2%



Source: Community Survey 2016



Source: Community Survey 2016

In terms of toilet facilities, only 59.6% of the population have access to a flush or chemical toilet. 1.1% have no access to any toilets.

Toilet facilities

59.6%

Have access to flush or chemical toilets

about 80 percent of the rate in Free State: 74.02%

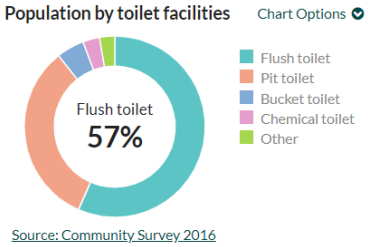
a little less than the rate in South Africa: 63.53%

1.1%

Have no access to any toilets

about 80 percent of the rate in Free State: 1.3%

about two-fifths of the rate in South Africa: 2.39%



Source: Community Survey 2016

5.3. Waste Management

In Thabo Mofutsanyana, 50.3% of the population are getting refuse removal from a local authority, private company or community members. 48% of the population receive refuse disposal from a service provider regularly.

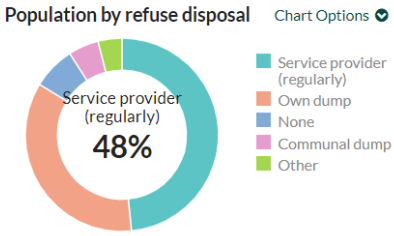
Refuse disposal

50.3%

Are getting refuse disposal from a local authority, private company or community members

about two-thirds of the rate in Free State: 73.77%

about 80 percent of the rate in South Africa: 59.37%



Source: Community Survey 2016

5.4. Electricity

According to the Community Survey, only 6.2% had no access to electricity in Thabo Mofutsanyana district municipality. 81% of the population have in-house prepaid meters, while 10% have inhouse conventional meters. 2% rely on other sources they are not paying for.

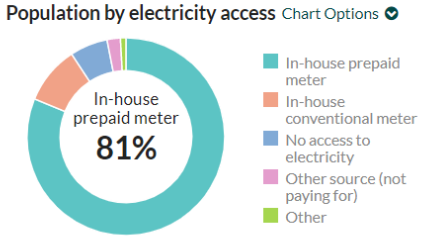
Electricity

6.2%

Have no access to electricity

about 1.3 times the rate in Free State: 4.75%

about 80 percent of the rate in South Africa: 7.29%



Source: Community Survey 2016

The number of households that used electricity as the main source of energy for fuel for cooking which increased from (45 001) in 1996 to (213 677) in 2016. The households that used wood as main source of fuel for heating were higher in Maluti-a-Phofung local municipality (6 077) in 1996 and decreased to (4 753) in 2016, followed by Setsoto at 5 648 and Dihlabeng at 4 323.

5.5. Roads and Transportation

The road network within the district falls under the jurisdiction of three (3) levels of authority who are each responsible for a specific road network:

- The South African National Roads Agency Limited (SANRAL), who are responsible for national roads that traverse the district,
- The Free State Department of Police, Roads & Transport (FS DPRT), who are responsible for the provincial roads, i.e trunk, main, district and minor roads within the district, and
- All six local municipalities are responsible for all municipal roads.

The district is currently developing an integrated public transport network plan with the assistance of National Department of Transport to ensure coordination and integration of all public transport services in the Thabo Mofutsanyana. The integration of various types of public transport that would provide a single and consolidated system which will be essential in order to optimize the utilization of existing transport and public transport services.

6. Governance

The council of Thabo Mofutsanyana consists of 41 councillors affiliated to different parties. The Executive Mayor and the Speaker form part of this council and are full time office bearers.

Thabo Mofutsanyana has 12 senior traditional leaders and 69 headmen/headwomen at Maluti-a-Phofung local municipality, and 1 senior traditional leader and 112 headmen/headwomen at Mangaung Metro Municipality.

The Batlokwa ba Mokgalong community in the Phumelela local municipal area was officially recognised as a traditional community on 25 July 1991. Morena David Lebaka

Tsotetsi was recognised as traditional leader in terms of section 2(7) of the Black Administration Act, 1927 (Act No. 38 of 1927) and was granted civil jurisdiction in terms of section 12(1)(a) of the said Act.

Due to the unavailability of land, the members of the community are working as farm labourers on privately owned farms in the districts of Vrede, Warden, Villiers and Harrismith. Some members of the community work in urban areas.

6.1 Municipal Performance

Sound financial management is important to ensure that the required services are provided effectively and efficiently. Above all, it creates a trustworthy government. Undesirably, the audit outcomes of all municipalities in Thabo Mofutsanyana were not reassuring with regressions as the most common feature.

Auditee	Audit Outcomes			Movement
	2015/16	2016/17	2017/18	
Thabo Mofutsanyana	Unqualified	Unqualified	Qualified audit	Regression
Dihlabeng	Unqualified	Unqualified	Qualified audit	Regression
Maluti-a-Phofung	Qualified audit	Audit in progress	AFS outstanding	
Nketoana	Qualified audit	Disclaimer	Audit in progress	Regression
Phumelela	Unqualified	Unqualified	Qualified audit	Regression
Setsoto	Unqualified	Unqualified	Qualified audit	Regression
Mantsopa	Qualified audit	Qualified audit	Qualified audit	Unchanged

Audit Outcomes Source: Department of Cooperative Governance, Free State, 2019

Details show that Thabo Mofutsanyana, Dihlabeng, Setsoto and Phumelela regressed from an unqualified audit opinion with findings to a worrying qualified audit opinion. Only Mantsopa's audit outcome remained unchanged over the past three years with a qualification. Nketoana local municipality submitted their financial statements late.

All municipalities in Thabo Mofutsanyana reported unauthorised expenditure except Dihlabeng. Dihlabeng and Mantsopa reported fruitless and wasteful expenditure. No performance was reported for both Maluti-a-Phofung and Nketoana local municipalities.

6.2. Institutional Capacity

The existence of an efficient, effective and accountable local government in predicated on institutional stability indicative of a capable and developmental state. This included the filling of vacant positions with qualified individuals to set in motion quality service delivery provision.

For the July 2018 and June 2019 reporting period, Dihlabeng, Nketoana, Phumelela and Matsopa local municipalities reported that the positions of municipal managers were filled.

Filling of Section 56 managers who report directly to the municipal managers varied from municipality-to-municipality with Thabo Mofutsanyana displaying the lowest occupancy rate.

Reports submitted indicate that Dihlabeng and Nketoana local municipality had 100% occupancy rates. Matsopa and Phumelela reported 92% and 75% occupancy levels, respectively. The lowest figure was stated by Thabo Mofutsanyana, which reported 42% occupancy rate.

Information on the occupancy rates for the positions of the CFOs showed that

Thabo Mofutsanyana	Number of times reported on Section 56 positions	Average Number of Section 56 positions across reporting months	Average number of Section 56 positions filled	Average % of positions filled
Thabo Mofutsanyana	12	4	2	42
Dihlabeng	12	4	4	100
Nketoana	2	3	3	100
Phumelela	8	2	2	75
Mantsopa	6	4	4	92
Total	**40**	**4**	**3**	**82**

Dihlabeng and Nketoana's positions in this regard were filled. In the eight times that it reported, Phumelela stated five times to have had the CFO position filled and the other times vacant.

Mantsopa local municipality reported seven times and on six occasions stated that the CFO position was filled.

"For the July 2018 and June 2019 reporting period, Dihlabeng, Nketoana, Phumelela and Matsopa local municipalities reported that the positions of municipal managers were filled."

7. Projects to Diversify and Grow the Economy

7.1 Social Development Projects

Boxing sport is very popular in Ficksburg and has produced an Intercontinental Champion in the junior Flyweight Division-Thabiso Moorosi. The town has only one boxing club and about ten professional boxers as well as numerous amateur boxers. However, lack of sponsorship and development is diminishing interest in this code. Lekala Foundation is having an annual Boxing Tournament held at Manie Fourie Stadium every Easter Weekend where the proceeds are being channelled to some of the non-governmental organisation in the area.

Tennis sport used to be practiced by the young and old within the entire municipal area and has died due to lack of facilities and development. In the former towns the existing facilities are not maintained well enough to encourage participation in this sport and these facilities need to be revived and new ones developed.

Soccer sport is undisputedly the most loved game in the municipal area, the District, the Province and the whole of South Africa.

There must be a vision to have a least one or two teams from this area representing the municipality in the Mvela and ABC Motsepe League in the next three years. This will have to be done by introducing the Setsoto Soccer League within the next twelve months. Relevant stakeholders shall have to be involved in the meantime to look at the realisation of this programme.

All other sporting codes also need to be accommodated in the planning cycle of the municipality so that we have an Integrated Sporting Support Programme for the municipality that encompasses everyone and every corner of the municipal boundary.

7.2. Economic Projects

7.2.1. The Harrismith Logistics Hub (HLH)

This Logistics Hub project, which is part of the Durban-Free State-Gauteng logistics and industrial corridor, intended to improve customs clearance, where varying levels of inefficient procedures delay shipments and increase import and export costs.

The project leverages on the strategic position of the Free State. The town of Harrismith forms part of the N3 Corridor linking Gauteng, the Free State and KwaZulu-Natal. This corridor underpins what is referred to as the SIP2 project.

The Harrismith Logistics Hub (HLH) precinct will consist of 1 000 000m2 and the expected capital cost requirement is R600-million. The project is intended to establish a distribution centre for the de-stuffing and break-bulk packaging of inland-bound cargo as well as for the consolidation of outbound cargo, as follows:

- Warehousing and distribution, freight forwarding, customs brokerage, transportation and supply-chain management services,
- Domestic and international transportation management, customs brokerage and freight forwarding, supply-chain consulting, warehousing and distribution services,
- Warehousing and distribution, air and ocean shipping, supply-chain management, dangerous goods,
- Customs clearance of inbound and outbound cargo documentation, freight forwarding, break-bulk distribution and consolidation, in-transit warehousing, cross docking of cargo between road and rail.

The HLH will be supported by the manufacturing hub in Tshiame, 8km from the hub precinct. This facility will enable the relocation of entities in the manufacturing sector for export through the Durban harbour.

7.2.2. Phuthaditjhaba Industrial Park

Located in Maluti-A-Phofung local municipality, the Industrial Park is as an economic hub producing different products such as textile, plastic, electrical goods and food products. The Phuthaditjhaba Industrial Park forms part of the national governments programme to revitalise Industrial Parks, with 8 744 job opportunities being created.

The Park is divided into industrial estates, namely factory units. The factories are rented for manufacturing and service industries and to a lesser extent retail (wholesaling) and warehousing (storage). There are a total of 296 factories in the Phuthaditjhaba Industrial Park.

Thabo Mofutsanyana used to be one of the key regions where the textile sector was thriving. The region still possesses huge quantities of skills that can be productively utilised to revive textile sector.

The first phase of the revitalised R50m Phuthaditjhaba Industrial Park, was launched October 2018.

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