



Image on the left taken from the MMSEZ EIA report from site surveys of the South site. Image on the right taken from the MMSEZ website of a fuel terminal

## Other Development and Environmental Applications

### MMSEZ Water Use Licence Application (WULA)

On 15 April 2024, Matukane & Associates, the appointed EAP, notified I&APs of the resumption of the suspended public participation process for the WUL and on 22 April 2024 shared a link to the documentation, 10 days after public participation purported to have begun. The WULA Summary Report and the Risk Assessment Report were uploaded only on 27 May 2024 (i.e. 45 days after the commencement of public participation), and the public participation process was extended for 30 days until 16 July 2024.

This application is for the abstraction of groundwater from eight (8) boreholes on the project site. The water will only be used for services, infrastructure development, and associated support. MMSEZ applied for the water use licence to use the water for a period of five (5) years. According to the WULA, the intention is not to use this water for industrial processing - sources will apparently be developed for this purpose "in due time". In other words, this application is the first of many WULAs that will follow for a large and unsustainable project.

On 16 July 2024, All Rise, acting on behalf of the Herd Reserve, Living Limpopo and the Centre for Applied Legal Studies (CALS), submitted objections to the WULA.

One of the main objections was that the water source that MMSEZ depends on is unreliable and insufficient. The area is known to be water scarce. Specialist reports on water supply for the MMSEZ recommend arranging additional water supply from Zimbabwe to cope with the water demands. These arrangements with the Zimbabwean government have not been secured. Further, implementing water transfers from Zimbabwe are long-term projects that require detailed studies on hydrological determination, current and future water demand in the catchment, current and various future demographic, socio-economic and developmental

scenarios, funding, security of supply, reliability of current and future international relations, and energy challenges faced by neighbouring countries.

Dr. Munnik, in a report for our clients, stated that “earlier figures pointed to 123 million m<sup>3</sup>/year [water demand], subsequently revised to 80 million m<sup>3</sup> per year when in operation, and 30 million m<sup>3</sup> during the construction phase. Only 35 Mm<sup>3</sup> of this has been planned for in the Department of Water and Sanitation's most recent (2016) reconciliation strategy, leaving a gap of 45 Mm<sup>3</sup> in an overall water budget of 771 Mm<sup>3</sup> by 2025.”

Thus, MMSEZ has failed to secure the majority of the water needed for the project.

### **Ferrochrome and Ferroalloy Smelter Plant EIA**

The EIA process for the ferrochrome smelter began in September 2024. Kinetic Development Group Limited is the Applicant for the proposed ferrochrome and alloys smelter plants.

South African Energy Metallurgical Base Pty Ltd (EMSEZ) is the Applicant for all other plants and facilities. EMSEZ is the local subsidiary of Shenzhen Hoimor Resources Holding Company Limited, the licensed operator of the MMSEZ energy-metallurgical zone, also registered in Hong Kong

The [Scoping Report](#) cites the benefits of cheap labour (235 jobs will be created), cheap chromium ore and coal “to provide cheap electricity for smelting” as well as offshoring pollution in a tax haven — the Musina-Makhado Special Economic Zone will “develop the advantages of China-Africa production capacity cooperation under the Belt and Road Initiative” and “transfer China’s excess steel capacity and reduce China’s high energy-consuming pollution”. (See page 6 of the feasibility study report)

On 9 December 2024, All Rise, acting on behalf of the Vhembe Biosphere Reserve, Herd Reserve, Living Limpopo and the Centre for Applied Legal Studies (CALS), submitted comments on the Ferrochrome Smelter Plant Scoping Report.

We raised major flaws found in the report, including:

- insufficient water to support the plant without having severe repercussions on the overall water supply required for the province.
- major negative contributions to the amount of greenhouse gas (GHG) emissions produced in South Africa.
- the plant requires approximately 80 MW of electric power, and Eskom is only able to supply 5 MW. The EIAR for the MMSEZ notes that electricity services need to be confirmed and secured. Thus, the feasibility of this plant is uncertain as there is no large existing electrical supply that the plant can depend on.

These comments included objections to LEDET acting as the competent authority. No response has been received on this critical issue, and no notice of decision on the acceptance of the Scoping Report has been received.

On 19 May 2025, we wrote to the Minister of Forestry, Fisheries and the Environment (DFFE) requesting that he assume the role of competent authority responsible for deciding the application for environmental authorisation in respect of the proposed ferrochrome smelter and related projects within the MMSEZ and any ongoing and future Scoping and EIA process/es in terms of the National Environmental Management Act, Act No. 107 of 1998

(NEMA) and the Environmental Impact Assessment (EIA) Regulations, 2014 the Regulations) connected to projects within the MMSEZ. Receipt of our letter was acknowledged, but nothing further has been received.

The application is currently before LEDET (Reference No.: 12/1/9/2-V196; 20/09/2024).

### **MMSEZ Township Application**

The Notice of Application for Establishment of the Township Musina-Makhado Special Economic Zone Extension 1, Makhado Local Municipality, and the Notice of Application for the establishment of the Township Musina-Makhado Special Economic Zone Extension 2, Musina Local Municipality, was published on 28 June 2024. A copy of the application was not made available, despite requests.

On 26 July 2024, All Rise, acting on behalf of the Vhembe Biosphere Reserve, Herd Reserve, Living Limpopo and the Centre for Applied Legal Studies (CALS), JL Du Preez & Sons CC, submitted an objection to the township application.

The major objection raised was that the establishment of a township is contrary to spatial planning legislation as it forms part of the Vhembe Biosphere Reserve. The Vhembe District Municipality's Spatial Development Framework (SDF) is focused on nature conservation and sustainable use of the land. One of the central SDF visions is to 'optimise the rich and balanced mix of the region's agriculture, tourism, heritage, natural and mineral resources, and ecosystem services within their scenic settings.'<sup>1</sup> The SDF promotes the principle of spatial sustainability, efficiency, and resilience in municipal planning, as well as activities that are compatible with the characteristics of the area and mindful of its sensitivities. This aligns with the SPLUMA principles and is applied to the specific needs of the district.

The Vhembe District Municipality's SDF was prepared using the Ecological Socio-Economic Relationship (ESER) Framework. This framework is based on the principle that the relationship between economic efficiency, social justice, human well-being, and ecological integrity is not one of equal and overlapping spheres where losses in one area can be set off by enhancements in another. It directly connects these principles to the spatial component.

The entire area is a UNESCO-designated Biosphere Reserve in recognition of its outstanding biodiversity value. According to analysis by Living Limpopo, the value of the biodiversity and carbon credit yield from the creation of the proposed [Great Vhembe Conservation Area](#) exceeds the value of the economically recoverable coal reserves. As an added bonus of this competing land use scenario, no dedicated power is needed, no water resources will be depleted, no environmental degradation will result, no damage to the agricultural sector will be done and no harm will be caused to human health, food and water security. Instead, the expansion of the protected areas network will produce income for poor, rural communities, as well as create the stimulus for a [biodiversity-based economy](#) in the Vhembe's 'mega-living landscape' and grow tourism, which Rand-for-Rand is [forty times more efficient](#) at generating job opportunities compared to investment in mining.

The township application conflicts with the desired state of the region, and the specific site is not compatible in terms of land use.

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<sup>1</sup> Ibid.

No acknowledgement of our objections, nor a copy of the application, was received. However, an “Objection Hearing Invite” was received on 26 November 2024 with two weeks’ notice of the Tribunal Hearing. All parties objected to the short notice and the fact that the application and response to objections raised had not been received. The matter was postponed with no date set.

### More Links to various sources

- 15 September 2023 interview with Kirsten Youens and Lauren Liebenberg on Just Us and the Climate titled, “The public versus the Musina-Makhado Special Economic Zone - Part 1”  
<https://iono.fm/e/1360705>
- 19 March 2025-Carte Blanche, from media interest in the MMSEZ, conducted their own investigation on it. Find a link to a short clip of their exposé here:  
[https://www.youtube.com/watch?v=CW\\_CanP31Mk](https://www.youtube.com/watch?v=CW_CanP31Mk)
- 14 January 2025- Business Day article by Toby chance, “Signs of progress at trade department, but trouble below the surface”: [TOBY CHANCE: Signs of progress at trade department, but trouble below the surface](#)
- 12 November 2024 interview with Lauren Liebenberg, Living Limpopo, on SAfm Night Talk with Oliver Dickson  
<https://omny.fm/shows/late-night-conversation/vhembe-biosphere-reserve-under-thre-at>
- 16 November 2024 interview with Kirsten Youens on SAfm Jet Set Breakfast with Michelle Constant titled, “Thirsty, energy-hungry steel ‘monster’ set to destroy thousands of Limpopo protected trees in industrial drive”  
<https://omny.fm/shows/the-jet-set-breakfast-1/thirsty-energy-hungry-steel-monster-set-to-destroy>
- 25 November 2024-Daily Maverick Opinion from Lauren Liebenberg called: [Old King Coal's pursuit of a marginal economic zone in Limpopo](#)

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