

## Media Statement on the Outcomes of an Ordinary Meeting of the KZN Provincial Executive Council

Good day, ladies and gentlemen of the media and thank you very much for gracing us with your presence here today.

### Introduction

The Provincial Executive Council of KwaZulu-Natal has just concluded its ordinary session where it reflected on a number of important developments within the province.

### Anniversary of His Majesty's Coronation

The Provincial Executive Council has noted, with a sense of pride, the 48th anniversary of the coronation of His Majesty King Goodwill Zwelithini kaBhekuzulu. The momentous event which we celebrated yesterday took place on 3 December 1971. We take this opportunity to express our boundless gratitude to His Majesty for the leadership he has provided to the people of KwaZulu-Natal over the years and we wish him many more productive years on the throne.

### Plans to grow the economy and reduce unemployment

The Provincial Executive Council is satisfied that the plans to grow the provincial economy and reduce unemployment are gaining momentum on a daily basis. Since the last quarter we have had commitments of investments worth billions of rand, starting with the announcement of the expansion of the Richards Bay Minerals' mining operation by holding company Rio Tinto. The pulp and paper giant Sappi Saiccor is also investing R5-billion towards expanding its manufacturing operations on the South Coast.

This is in addition to smart cellphone manufacturer, Mara Phone, opening its multi-million rand factory at Dube Trade Port and Toyota launching a R454-million investment in additional capacity for its plant in Prospecton. It must be noted that all of these efforts are already creating jobs and adding much-needed financial investments to the economy of our province. For example in the case of the Mara Phone, over 200 young people, of whom 67% are women, are now fully employed at the factory.

The Provincial Executive Council once again expresses its appreciation to all investors and further commits itself to redoubling its efforts in creating an investor- friendly environment to grow KwaZulu-Natal.

### Resolving congestion at the Durban Port

The Provincial Executive Council remains concerned about congestion in our Durban Port Terminal. You will recall that during the launch of the District Service Delivery Model, President Cyril Ramaphosa engaged with big business which included port users. This matter was raised sharply. It is important to point out that over the past few months we have been discussing this matter with the President who eventually assigned the task to the Minister of Public Enterprises, Honourable Pravin Gordhan, who recently visited the port terminal.

We have had a series of meetings with the Minister, leadership of eThekweni Municipality, Transnet management, Durban Chamber of Commerce, port users and other stakeholders in the maritime industry. One of the issues discussed with the President and the Minister is the relocation of the Transnet Head Office to Durban considering that there is no port in Gauteng. The President and the Minister promised to look into this issue.

We must also hasten to point out that there is a Task Team that has been assigned to work out a concrete plan with timeframes on how to turn around the situation. This Task Team, we are advised, will be meeting with the MEC for EDTEA and Leader of Government Business, Nomusa Dube-Ncube, in the next few weeks. We reiterate our position that an efficient port is a very important asset for any country since it acts as a conduit for global and intra-regional trade. Given our focus on Oceans Economy, we remain determined to invest in the development of quality port infrastructure. This will in turn help in dealing with long ship waiting times to ensure that we are on par with other port systems around the world.

### Taking advantage of Agro-economy to dent poverty and unemployment

The Provincial Executive Council reiterates its position that this government will continue to intervene in different sectors of our economy. Our main focus is to ensure that we increase our contribution towards the national Gross Domestic Product.

When we presented the 2019 State of the Province Address, we singled out agriculture as one of the critical sectors. We wish to report today that government departments are already working in an integrated fashion to ensure that we take advantage of opportunities presented by cannabis cultivation.

We are encouraged that last week the Department of Economic Development, Tourism and Environmental Affairs held a Cannabis Investment Protocol. We continue to receive enquiries from ordinary members of society who want to be part of the planting and the export of cannabis. We have mandated government entities to ensure that support is extended to all communities across the province. The Provincial Executive Council also believes that as a province endowed with vast tracts of arable land, we must continue to use this competitive advantage to grow our economy.

#### Youth in Agriculture

Yesterday we witnessed the launch of the Inkunzi Isematholeni (Youth in Agriculture) programme led by the Department of Agriculture which has come as a welcome development. Through the programme we seek to mobilise and expose young people to opportunities in the agricultural sector's value chain and the impact it has on the provincial economy.

#### Operation Clean Audits

The Provincial Executive Council has noted the recent audit outcomes of government departments and public entities as released by the Auditor-General. As the Provincial Government, we are undertaking drastic steps to ensure that these outcomes improve in the near future.

To this end, we have adopted an audit improvement strategy and established an Operation Clean Audit Committee led by the MEC for Finance. We are initiating an investigation into all irregular, fruitless and wasteful expenditure flagged by the Auditor-General. We have also resolved to implement a multi-faceted Rapid Response Mechanism that includes providing ongoing specialist financial management and audit support to provincial agencies. Part of this mechanism is to have accounting officers analyse audit findings and address them with a particular focus on financial reporting and improvement of financial internal controls. We have tasked all Members of the Executive Council to ensure consequence management and not reward poor performance. This will remain a priority outcome in the coming years.

#### Towards a safer festive season

We remain committed to creating a safer KwaZulu-Natal. This is why we are intensifying our law enforcement operation during the upcoming festive season – a time when the province experiences high traffic volumes and millions of visitors who flock to our shores.

To this end, we are repositioning KwaZulu-Natal as a mecca of tourism and leading destination by ensuring zero tolerance to any form of crime. As KwaZulu-Natal, we want to ensure that our citizens and hundreds of thousands of tourists feel safe over the festive season. In this province, we have destinations that are abundant in natural beauty and we have diverse heritage and culture. Our projections are that the economic impact for this period alone is estimated at R2.3-billion. This will be as a result of 1.1 million domestic trips and 117 500 international arrivals from December 1 to 16 January.

#### The Head of Department of Social Development

The Provincial Executive Council was apprised of developments within the Department of Social Development. The Office of the Premier has been seized with this issue which is twofold: on the one hand there is a forensic report that was commissioned by the Department during the 5th administration and now needs to be implemented. On the other hand, allegations of maladministration have emerged relating to the HOD regarding funding of NGOs and leadership style. This has played itself as an accusation and counter accusation.

The approach adopted by the Premier was to ensure that these allegations are investigated in full and without fear or favour. After extensive engagements with all stakeholders, the Premier resolved to reassign the HOD to the Office of the Premier in order to create a conducive environment for

investigation. It should be clear that this was done with warm acceptance and cooperation by both the MEC and HOD.

The Provincial Executive Council then approved Deputy-Director General, Mr Sbu Ngubane, to serve as an Acting HOD. We aim to conclude the investigations before the end of January 2020 and in the meantime the MEC was tasked to ensure that the implementation of the finalised forensic report is implemented. We want to ensure the stability of the Department as this has been one of the best performing departments with the best performing HOD. In addition, this Department, along with Finance, were the only two departments that received unqualified audit opinion with no matters, that is clean audit.

As we move forward, we wish to assure all stakeholders that services rendered by this department will not be disrupted in any way. We remain unwavering on preserving good governance and effective services to our citizens.

#### Recent natural disasters

The Provincial Executive Council took stock of the progress being made by government to respond to the emergencies caused by the inclement weather conditions since October 2019. We noted that in November 2019, the province was affected by weather phenomena that some had thought were inconceivable. A total of four tornadoes hit the following municipalities: Umshwathi Local Municipality - 12 November 2019, Okhahlamba Local Municipality - 14 November 2019, Emadlangeni Local Municipality - 22 November 2019, and Ulundi and Nongoma Local Municipalities - 23 November 2019.

The impact of these disasters were felt across all districts of the province. As we continue to take stock of the damage the preliminary figures are standing as follows:

- 31 fatalities reported
- 135 injuries reported
- 3072 households affected
- 15540 people affected

Government, in partnership with many humanitarian organisations, responded swiftly to these tragic developments. To date, a comprehensive beneficiary list has been concluded and sector departments are intervening accordingly. The Department of Human Settlements has appointed service providers to be on standby to supply building materials to partially damaged homes and to undertake construction of temporary shelters in the case of totally destroyed houses in all affected areas.

#### Preliminary costs of the damage

The damage is still being quantified but we know that the magnitude is vast as is impact on human settlements, schools, roads and the like. Those who lost their important documents are being supported through Home Affairs and SASSA. The current estimates of the damage are pointing to over R560-million but we will know the full details once we receive the full report. We thank the Department of Cooperative Governance and Traditional Affairs for ensuring coordinated responses and we further appeal to our communities to heed the weather warnings. The Provincial Executive Council extended its condolences to the families of the deceased and continues to wish a speedy and full recovery to all injured and displaced. We also thank the many organisations, ranging from government, business and private individuals, who have also responded with relief efforts.

#### Marking of Matric exam scripts

The Provincial Executive Council also noted that marking for the 2019 National Senior Certificate exams started smoothly on Monday. Members of the Provincial Executive are satisfied that all the 8342 markers, 1334 senior markers, 191 deputy chief markers, 1194 internal moderators and 74 chief markers will carry out their duties with surgical precision. We will monitor the marking process until it is concluded on 14 December 2019 at all 27 marking stations across the province. Meanwhile the capturing of marks starts today on 4 December 2019 and will be completed on 29 December 2019.

#### Vehicles used by the Members of the Provincial Executive Council

The Provincial Executive Council has noted recent media reports relating to the vehicles assigned to various MECs for official use. In dealing with this issue, we want to state upfront that, as the government of KwaZulu-Natal, we remain committed to building and maintaining an ethical and responsible state machinery. We understand that socio-economic dynamics that engulf our environment necessitate careful use of the financial resources at our disposal.

We also want to reiterate the commitment we made that ours is going to be an activist government that works daily with the people on the ground to fast-track the process of eliminating the legacy of under-development and bringing about socio-economic transformation. Daily, Members of the Executive Council traverse the length and breadth of the province as they carry out the task of fighting the triple challenges of poverty, inequality and unemployment in our province. Vehicles are, first and foremost, regarded as critical tools of trade to assist Members of the Provincial Executive in the execution of their duties across all districts, also taking into account the topography of KwaZulu-Natal.

The Provincial Executive Council today received a report on all the cars used by the MECs. An analysis of the report reveals that the majority of MECs, that is eight MECs, are using departmental cars which were inherited from the 5th administration. We also noted that two departments (Health and EDTEA) have purchased vehicles for their respective MECs. This was owing to various reasons, including the fact that the previous MEC for Health had been using his own vehicle and therefore there was no vehicle that could have been inherited by the incumbent. It must be noted that the two vehicles were procured before an instruction circular which put a threshold on the cost of vehicles was issued.

Another issue in the public domain was the one regarding a vehicle purchased by the Department of Education. The Department has since surrendered the vehicle which was damaged and a request for the purchase of a new car in line with the new instructions has been made. We have asked all departments and MECs to reflect on the new instruction circular and ensure adherence and compliance with all the prescripts contained therein. The Office of the Premier, assisted by the Department of Transport and Provincial Treasury, will exercise strong oversight in this regard and ensure full compliance.

#### Congratulations

The Provincial Executive Council congratulated the three districts of Umkhanyakude, Ugu and Umzinyathi for making history by achieving the targets of 90-90-90 on HIV testing and treatment a year earlier than expected. This gives us hope that one day our goal of ensuring an Aids-free generation is possible.

#### Announcements

- MEC Ravi Pillay to act as Premier

The Provincial Executive Council welcomed the announcement of MEC for Finance as Acting Premier of KwaZulu-Natal from 4 to 11 December 2019 due to the fact that Premier Sihle Zikalala will be participating in the Climate Change Summit in Spain.

Issued by the Provincial Executive Council of KwaZulu-Natal

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