



#ATURNINGPOINT
#KZNSOPA2022

SOPA

STATE OF THE PROVINCE ADDRESS

24 THURSDAY
FEB

BY THE HONOURABLE
MR SIHLE ZIKALALA
PREMIER OF KWAZULU-NATAL



KWAZULU-NATAL
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA



KZN Provincial Government



@kzngov



kzngov



www.youtube.com/kznonline



**GROWING
KWAZULU-NATAL
TOGETHER**

8

KWAZULU-NATAL GOVERNMENT PRIORITIES

1



Basic Services

2



Job Creation

3



Growing the Economy

4



Growing SMMEs and Cooperative

5



Education and Skills Development

6



Human Settlement and sustainable livelihood

7



Build a Peaceful Province

8



Build a caring and incorruptible government

STATE OF THE PROVINCE ADDRESS BY PREMIER OF KWAZULU-NATAL, HON. SIHLE ZIKALALA MPL, PIETERMARITZBURG, 24 FEBRUARY 2022

“Turning the corner in KwaZulu-Natal: Building on our Resilience, Forging Lasting Peace, Creating Job Opportunities, and Ushering in Sustainable Growth”

- Madam Speaker and Deputy Speaker of the KZN Legislature;
- Honourable Members of the Provincial Legislature;
- Members of the Executive Council;
- A special welcome to the Zulu Royal Family;
- Chairperson of the House of Traditional Leaders;
- Members of the Executive Committee of the Provincial House of Traditional Leaders;
- Members of the NCOP;
- Former Premiers;
- Judge President of the KwaZulu-Natal Division;
- Your Worship Mayors and Councillors;
- Provincial Commissioner of Police;
- Members of the Diplomatic Corps;
- Director-General of KwaZulu-Natal;
- Heads of Provincial Departments;
- Members of the Provincial Planning Commission;
- Representatives of Business, Labour and Civil Society;
- Religious Leaders;
- Distinguished Guests;
- Ladies and Gentlemen;



MR SIHLE ZIKALALA
PREMIER OF KWAZULU-NATAL

Honourable Speaker, we meet in the mid-term of the sixth democratic administration. The resilient and courageous people of KwaZulu-Natal are at a turning point.

This is our decisive moment to turn the corner, build on our resilience, forge lasting peace, create job opportunities and usher in sustainable growth.

After two and a half testing years, we find ourselves at a fork in the road. We must choose determination over hesitancy and hope over fear to steer our Province to a better, brighter future.

LEST WE FORGET

Our province has undergone experiences we could not have imagined at the start of this term. Chief among these has been the deadly and devastating impact of the Coronavirus which has laid bare the structural challenges of inequality, poverty and unemployment which also has a race and gender bias.

Covid-19 has claimed the lives of almost 100 000 South Africans and worsened unemployment as a number of companies had to close down.

Scientific advice is that vaccination is the best solution to mitigate the impact of Covid-19. Vaccination is an individual and collective duty in this time of crisis. Vaccine hesitancy has held us back from getting our lives back to normal.

As we rode through the unprecedented turmoil visited upon us by Covid-19, the sun set in the middle of the day when on 12 March 2021 news reached the nation of the passing of His Majesty King Zwelithini KaBhekuzulu after close to 50 years on the throne.

Our nation and Province were shattered. Barely a month later, we were again shaken by the passing of the Regent, Queen Mantfombi Dlamini Zulu.

As we recall our collective grief, we console ourselves that the spirits of uMdlokombane and all the departed Zulu Kings and Queens continue to watch over our nation.

We pray for healing, peace and enduring unity among our Royal family and the nation.



Madam Speaker we are honoured to be graced by the presence on this auspicious occasion of members of the Royal Family.

While we battle the effects of the Covid-19, our province is yet to recover from the destruction and death of the July unrest.

We must do more to heal our province, reconcile communities, and get justice for the victims of the Phoenix violence. At the same time, we must draw on the collective goodwill of all the people of the province to turn the corner towards a KwaZulu-Natal that is truly united and at peace with itself.

The work to heal our community from the scars of both the Covid-19 and the July unrest will intensify in 2022. We wish to remember the over 300 people who died during the July unrest and the many thousands whose lives were cut short by Covid-19.

Together we will Prevail

Notwithstanding our hardships, together we will prevail and advance development. Poet WM Gilliland captures the uncertainty that recently gripped the country when he says:

*“Our vision is dimmed; we are tired
And long for ease
We neglect our vital spark - That burning love for freedom
Which once lit
Our blackest nights - and now we fumble
Confused and fearful, hearing our
Foundations crumble...”*

We dare not let our foundation as KwaZulu-Natal crumble. Our task is to rediscover our vital spark and the burning love for freedom.

We know no other option but to be resilient, to see opportunity in times of adversity, and to use our recent experience to build the road to better prosperity for KwaZulu-Natal.

Madam Speaker and Honourable Members, we must approach the year ahead with renewed hope and optimism.

We have together ridden the waves and the most difficult storms. Learning from our experience we must set our compass to conquer the high seas of Job creation, Economic Recovery, Fight against crime, Water provision, Building a capable and incorruptible government.

A caring and listening Government

We pay tribute to the people of KwaZulu-Natal in their numbers for having taken time to inform the 2022 State of the Province Address. Among them is Mrs Zilungile Nguse from uMzimkhulu who has related the challenges faced by her community in Mfulamhle. Mrs Nguse, in response to your concerns, we wish to assure you that the next Operation Sukuma Sakhe will take place in Mfulamhle.

Mama Nguse sisendleleni ukuzobheka izinkinga zamanzi nemigwaqo namathuba emisebenzi. We will meet you and the community there to tackle the challenges you raised in your message. To Mr Patrick Belebesi, a young person who gave us his views about youth unemployment, we trust that as you listen to this address you will hear about the opportunities that will be presented to benefit you and many other young people.

We are already attending to the cries of the people of Nhlazuka where pupils have been crossing the river on a makeshift bridge.

Mfowethu Doctor Ngcobo, Fuze sizwakele isikhalo sakho mayelana nenkinga yamabhuloho asendaweni yasOsuthu ngasesigodlweni.

Akusiphathi kahle ukubona abafundi nemiphakathi bebeka izimpilo zabo engcupheni ngokuwela imifula enobungozi.

Sesiyalele umnyango wezokuThutha ukuthi wenze ucwaningo ngalamabhuloho amancane asezindaweni zasemakhaya futhi uqalise ngokushesha izinhlelo zokuxazulula lesisimo.

Priorities of the 6th Administration

Madam Speaker and Honourable Members, at the beginning of the 6th Provincial Administration after the 2019 General Elections, we identified the following 8 priorities for the province. These are:

- Provision of Basic Services -immediate challenge being water;
- Job Creation;
- Growing the Economy;
- Growing SMMEs and Cooperatives;
- Education and Skills Development;
- Human Settlements and Sustainable Livelihoods;
- Build a Peaceful Province;
- Build a Caring and Incorruptible Government.

There is an urgency to decisively address the unemployment rate, particularly among the youth, women and vulnerable groups. We must turn the corner to narrow the gap of race and gender-based inequality and poverty.

Ours is a vision based on the aspirations of the Freedom Charter, the Reconstruction and Development Plan (RDP), the National Development Plan Vision 2030, the United Nations Sustainable Development Goals, the African Union's Agenda 2063 and our own Provincial Growth and Development Strategy.

Our province is unambiguous about radical economic transformation and the need to level the playing field by bringing black people in general and Africans in particular into the mainstream economy.



Turning the Corner to Deliver Basic Services Better and Faster

Madam Speaker and Honourable Members, as part of our response to COVID - 19, we managed to mount a formidable and highly effective response plan.

This included the reconfiguration of hospitals such as Doris Goodwin, Richmond, Clairwood, Dundee, St Francis, Siloah, Bethesda, Mosvold, Wentworth, GJ Crookes and Niemeyer Memorial hospitals in record time.

We were able to establish four Field Hospitals namely Clairwood, Royal Agricultural Showgrounds, General Justice Gizenga Mpanza and Ngwelezane. We achieved this in a matter of months. We will not be going back to the old ways of doing things, of operating in silos. Learning from the disaster of Covid-19, we will implement in a coordinated manner, avoid fragmentation and misalignment in planning. We will accelerate the adoption of the latest technology and speed up the digitisation of service delivery.

In this regard, we call on all municipalities to complete their One Budget, One Plan by the end of March 2022 to effect better service delivery as part of the District Development Model. This administration wants to be more performance-driven, measurable and impactful in changing the lives of the people of KwaZulu-Natal.

It is against this background that our focal areas for 2022 will be working better and faster by prioritizing:

- Economic Recovery and Creating Jobs;
- Improving Access to Water and Sanitation;
- Fighting Crime and Building Safer Communities;
- Social Protection and Human Development;
- Building the Capacity of the State;
- Building a Better Africa and a Better World.

State of the Economy

Madam Speaker we deliver this SOPA against the unfolding challenges of our economic growth as worsened by the crises we outlined earlier.

Our unemployment rate has now risen to 28.7%, from about 23% before the pandemic. The increase in discouraged work seekers continues to add to this figure on a regular basis. Our country's economic structure is the primary cause behind our persistently low levels of economic productivity and low growth that is driven by high input costs.

Our economy is saddled with corporate corruption, failure of companies to invest in self-development, lack of sustainable energy generation, instability created by criminal activities of some business forums. All this has been worsened by lockdowns intended to keep citizens safe from Covid-19. To change the status quo, we need major economic reforms anchored on radical economic transformation and greater participation in the mainstream economy.

Mara Phone

Madam Speaker, one setback we have experienced is the closure of Mara Phones South Africa (Pty) Ltd which launched operations at the Dube Tradeport in 2019. The company had pledged to invest R1,5 billion and create 736 jobs in KwaZulu-Natal.

Mara Phones production commenced in October 2019 but was disrupted in early 2020 owing to the worldwide COVID-19 pandemic and the hard lockdown. Consequently, the production volumes were impacted and were below target. The Independent Development Corporation (IDC) is not undertaking any further capitalization of the business. It is engaging interested parties on offers to take the business forward.

SAPREF

We are disappointed by the decision of Sapref to indefinitely suspend refinery operations in Durban by the end of March 2022. The announcement comes not so long after Engen Refinery announced a similar decision regarding their operations in Durban.

We are of the firm view that retaining refinery operations in the province is key for economic growth and job creation rather than solely relying on importing refined oil. For that reason, we have called on National Government to buy Sapref, not only to protect jobs, but to build the capacity of the state. It cannot be that the country will remain dependent on foreign-owned, private conglomerates who are only driven by the profit motive and owe no loyalty to our developmental agenda.

Madam Speaker, we wish to update the people of KwaZulu-Natal that the Provincial Government has already met with Sapref and we have started engaging with the Department of Minerals and Energy to work towards taking over the full operations of Sapref as a state-owned oil company.



Driving Economic Growth, Redistribution and Job Creation

While the above setback besieged the provincial economic outlook, not all was doom and gloom on investment attraction in 2021.

Madam Speaker and Honourable Members, we are pleased to announce that through Trade Investment KwaZulu-Natal (TIKZN) our province attracted investment to the value of R5.3bn with over 8554 jobs created. Prominent among these are:

- Tetra Pak investment of R500m adding 120 to the already existing 300 jobs;
- Webhelp Call Centre investment of R500m which will initially create 500 jobs which will grow to over 2000 jobs in the next two years;
- Capita BPO investment of R120m creating 500 jobs;
- Blythesdale Coastal Resort's R800m investment creating over 2000 jobs;
- The launch by His Excellency President Ramaphosa of Toyota South Africa's R2.6bn investment for the production of Toyota Corolla Cross;
- In another significant show of confidence to our economy in May 2021 we were excited to be part of the announcement that the Pepkor Group has also joined three other blue chip companies in the Hammarsdale Precinct. Not only is the Pepkor Group investing R1,5 billion but the company is now expanding the business in the very precinct worth more than a R1 billion;
- In addition the Aquelle Group is investing R300 million and also Sequence Refrigeration is also making major investments to be announced in due course;
- As recent as this week our province received the good news that Investec Property will be investing more than R6bn to redevelop the old Corobrik site north of Durban into a logistics and distribution hub to tap the growing demand for warehousing facilities in the province. The new logistics hub has the potential to create 16000 jobs.

Madam Speaker to consolidate all these gains the Provincial Government has already adopted the export strategy which aims to facilitate access to the wider African market under the Africa Continental Free Trade Area Agreement (AfCFTA).

In this regard, the KZN Provincial Government together with African Import and Export Bank (Afreximbank), the African Union and the Secretariat for the Africa Continental Free Trade Area hosted the Intra-Africa Trade Fair - IATF 2021 at the Inkosi Albert Luthuli International Convention Centre, Durban on the 15-21 November 2021.

In total, 128 countries were represented at IATF 2021 and deals in excess of R400m were concluded by KZN-based companies.

The province also presented deals at the Afreximbank Deal Room to the tune of R7.8bn and a potential job-creation of 80 000. These will form part of the Afreximbank's funding consideration.

We are pleased to announce that we will be hosting the KwaZulu-Natal International Investment Conference from 22 - 23 March 2022. This will be a build up to the Presidential Investment Conference which will be held on the 24th March 2022.

Infrastructure a Key Pillar of Economic Growth

Madam Speaker, the provincial government continues to pursue infrastructure-led development. Transport infrastructure is a catalyst for economic growth, job creation and development. We are pleased to confirm that the upgrade of the national network by Sanral is on track. The route from Cato Ridge to Dardanelles estimated at R1.6 billion is under construction. It has a job creation target of 1450.

The route from Dardanelles to Lynnfield Park at a contract value of R15 billion is estimated to create 1400 jobs.

Other work packages are continuing as planned. This will include the upgrade of the EB Cloete interchange and the KwaMashu interchange.

As we committed in the last SOPA, we are pleased that all **the 14 Welisizwe bridges are now complete. Communities can** now cross safely to access important services even when there is flooding. This year we will through the intervention of Welisizwe Bailey Bridges, create an additional 11 000 jobs.

We welcome the pronouncement in the SONA that more of these bridges will be built this year. In addition to these projects through the Department of Transport we have allocated R8.7 billion for construction and maintenance of road infrastructure in the province. Of this, R4.8 billion will go to the maintenance of existing infrastructure and R3.9 billion is allocated for construction of new projects, upgrade and other engineering work. This includes infrastructure damaged by the recent storms. Further details will be elaborated in the budget speech of the department.

Human Settlements: Restoring the Dignity of the People

The ANC-led government continues to prioritise housing for the most vulnerable to restore their dignity. In 2021, we announced the following programmes to provide sustainable livelihoods through transformed Human Settlements.

These are:

- The Cornubia Integrated Residential Development Project in eThekweni Municipality. With 28,000 houses planned in Phase 1 already, 2,662 units have been completed and 1,946 transfers effected to date. Construction for Phase 2 will commence in June 2022.
- Umlazi Urban Regeneration project in eThekweni Municipality a total of 19,160 houses have been built to date. There are 330 units in construction currently in the uMlazi Part 4 and Part 3 and the extension of Part 4.
- EThekweni Inner City Regeneration with four social housing projects, with a total yield of 958 units, were packaged- and allocated to Social Housing Institutes in 2021/22.
- A further 1,367 units from six (6) social housing projects will be packaged and allocated in 2022/23. The overall Inner-City Regeneration project will realise 10,580 units.

Madam Speaker, since the last SOPA 8 578 of 11 345 fully subsidized houses (units) were built and 6 907 of these units were built in rural areas.

We are in the process of completing 2 767 houses; 355 finance linked individual subsidies provided to households who bought their own properties through loans from financial institutions; 4 016 sites were serviced; 2 540 households were provided with title deeds.



Siyahlala-la

Madam Speaker, during the pre-SOPA listening campaign, we received concerns from a place called Siyahlala-la near Newcastle. We heard your cries about armed invaders who have unlawfully taken occupation of your RDP properties. Within three months the Department of Human Settlements will conduct an audit, and anyone found to have occupied a house illegally will be evicted and criminally charged.

Catalytic Housing Developments

This year we will roll out massive projects such as the Empangeni IRDP Housing Project, Amaoti Greater Housing, eThekwini inner city regeneration and Bridge City Housing. We are hard at work to build houses for people living on farms.

We will continue to prioritise military veterans through housing developments in Alfred Duma, Lovu, Copesville, uMshwathi and Bergville.

Restoring dignity by decommissioning oLindela (“Transit Camps”)

Madame Speaker, we have a programme to decommission all oLindela in eThekwini and other municipalities. We are proud to say that the Isiphingo Lindela has been targeted through the current development of Kanku Road Project with an approved budget of more than R70, 5 million for 360 sites. Planning has been completed and installation of bulk infrastructure is 95% complete. At least 130 houses are already at various stages of completion.

This year eThekwini Municipality will decommission five Lindelas.

In 2023, a total of 14 Lindelas will be relocated to various projects.

In 2025 the remaining 26 Lindelas will be relocated, thus bringing to an end all the 45 Lindelas that currently exist in eThekwini.

Job Opportunities as a Cushion Against Poverty

In our effort to quicken the tempo of job creation while protecting the poor and vulnerable, we managed since last year to create job opportunities through projects and Expanded Public Works Programme (EPWP) targeting youth, women and the disabled.

As recently as 07 February 2022, 46 178 work opportunities (WOs) and 24 288 Full-Time Equivalents (FTEs) were created through EPWP Social Sector in KwaZulu-Natal.

In the year 2022/2023:

- 10 000 job opportunities will be created throughout the province in housing projects;
- 1000 youths will be trained as artisans in bricklaying, carpentry and plumbing;

Overall, the through initiatives implemented in the province the Expanded Public Works Programme created job opportunities amounting to 181 244 over the past year and 139 422 full time equivalents opportunities.

As part of the fight against Covid-19 a total of 16 365 youths were also employed in schools as screeners, cleaners and security volunteers.

Growing the Economy and Creating Sustainable Jobs

The two provincial Special Economic Zones (SEZ) of Dube Trade Port and Richards Bay IDZ jointly contributed 4 499 job opportunities through construction activities associated with new investments in these hubs. This year the two SEZ are projected to jointly create a further 4500 employment opportunities.

Madam Speaker, infrastructure development at the provincial industrial estates such as Madadeni, Isithebe and Ezakheni created 1 578 job opportunities during last year. A further 2 660 are envisaged this year.

KwaZulu-Natal also attracted new investments of R5.5 billion in various sectors which created 8 875 jobs. Through regulating and enforcing compliance in the liquor sector, we have created 1 620 job opportunities, and we expect an additional 2 500 jobs this year.



Black Industrialists Programme

We remain focused on implementing the Black Industrialists Programme to drive radical economic transformation and the participation of black people in the mainstream economy.

In partnership with the Department of Trade, Industry and Competition more than R700 million has been allocated to 35 black industrialists who are active in the various manufacturing sectors in the province. This programme has created at least over 4000 jobs especially in clothing and textile, chemicals, paper and pulp among other sectors.

Small Medium and Micro Enterprises

The support of SMMEs is critical to economic redistribution and job creation. The Provincial Government has adopted Operation Vula as an overarching intervention in support of SMMEs by providing financial support, training, incubation and sustainable access to the market.

KwaZulu-Natal Youth Empowerment Fund

Madam Speaker, Honourable Members, we are inspired by the success of young people who benefited from the KZN Youth Fund. The introduction of the youth business fund has enabled young people to play a meaningful role in the economy of the province.

In the audience we have some of these beneficiaries of the KwaZulu-Natal Youth Empowerment Fund. Amasumahle Trading from Harry Gwala is in the forestry industry. Through our support the business has now secured a contract with Sappi and created 45 jobs.

Mr. Nathi Mbhele is founder of AdNotes Digital which provides WIFI network in rural communities including in the Shobashobane area. The Youth Empowerment Fund has enabled the company to expand beyond the borders of the Republic and have secured contracts in Kenya. The company employs 55 youths, 20 of whom are female.



Some of the Youth Fund beneficiaries participated in the Intra- Africa Trade Fair 2021. This saw Khethi Bet Pty Ltd from Ilembe District which specialises in manufacturing and engineering starting engagement with a Ghana based hotel group to install industrial geysers. Their first order amounted to R2million and also successfully got a job for hot water tanks to the value of R500 000 with a Newcastle-based business.

The company is owned and led by Mr Albert Mkhwanazi who is one of our guests today. RPSM Chirwa is a waste management situated in Esikhaleni in the King Cetshwayo District. It is owned by Samukelisiwe and Sma Chirwa. The company has been operating for over six years as a buy-back centre, and is moving into its own glass manufacturing operation.

KZN Youth Empowerment Fund Increases to R100million

To support young people who want to be job creators rather than job seekers, we are pleased to announce an increase in the value of the KZN Youth Empowerment Fund commitment from an initial R50 million in 2019 to R100 million in 2022.

We invite the private sector to support this initiative in order to grow entrepreneurship, drive innovation and create jobs. We look to these entrepreneurs and their creative ideas to grow our economy and reduce inequality, unemployment, and poverty.

Madam Speaker, we are also joined today by the founders of the award-winning and women-owned cosmetic company, Get2Natural Beauty which operates from KwaMashu - Nosihle Dlamini and Phumelele Khumalo. They started this company in 2017 using their own contributions as well as funding from KZN EDTEA and the Tech Transfer Fund.

At the IATF 2021 in Durban, the company won “Africa's Next Champion” Award and an opportunity to exhibit in Dubai. All the SMMEs represented today have turned the corner and are the pride of our province. They deserve a huge round of applause for exceeding all expectations.

Lilani Hot Springs

Honourable Members the provincial government is determined to ensure that rural areas are not left behind in economic growth. We are proud of the Lilani Hot Springs Resort that is run by the Mthembu Sithole Development Trust, under the leadership of iNkosi Sithole.

Lilani Hot Springs represents the potential we have for our rural economic development prospects, especially in the Tourism sector. Through the Department of Tourism the government supported the Lilani Hot Springs Resorts to build hotel accommodation with an amount R17 million.



Operation Vula Fund

Madam Speaker, since the launch of the Fund, 1016 applications worth R339.2 million were approved in various priority sectors of the economy. About R221.2 million has been disbursed to 785 Small Micro-Medium Enterprises (SMMEs) and R117.9 million is due for disbursement to the remaining 233 businesses.

We are determined to use government procurement to enhance localisation and to create more opportunities for black-owned SMMEs with an emphasis on businesses that show sustainability and at the same time create jobs.

The Department of Economic Development, Tourism and Environmental Affairs is committed to open the Second window of Operation Vula Budget and ensure that funds are disbursed this year. We have further committed as part of this programme to allocate at least 50% to women during this phase.

We have heard the outcry of citizens who are above 35 years of age who feel excluded from job and economic empowerment opportunities. A dedicated amount should be made available to support enterprises owned by citizens above 35.

We have entered into a technical partnership with the Federation for German Cooperatives (DGRV) to provide technical support of R2.9 million to more than 180 cooperatives with inputs and technical support.

Programmatic Interventions to Accelerate Growth through Social Compacts

In order to successfully turn the corner, the province needs to employ decisive and pragmatic interventions that will be cemented by optimal partnerships among all stakeholders.

As in successful developmental states, the value of social compacts lies in the ability of government to mobilise all sectors behind a common developmental agenda. Pragmatism and good governance are key attributes required to speed up implementation within budget and timeframes.

In such a drive, social compacts demand that all partners play their role with a great sense of responsiveness. As the Provincial Government, we will enhance and strengthen the working relations with the business, trade unions and civil society through the KZN Economic Council and KZN Growth Coalition.

We equally expect the Metro, all districts and secondary cities to strengthen their working relations with these key social partners to fast-track economic growth, job creation and quality service delivery to all.

The Provincial Growth Coalition will meet at the beginning of March 2022 and the KZN Economic Council will meet quarterly without fail.

The government will further upscale the implementation of key developmental programmes through the introduction of a framework that ensures quarterly progress assessment of all catalytic projects, major government programmes and dedicated assessment on support provided to potential investors.

The Provincial Government has been working on upscaling interventions aimed at dealing with law breakers who extort businesses under the pretext of business forums. We applaud the decisive intervention by the police which led to the arrest of those who were invading the construction site of the Durban High Court. There are other arrests that were previously done by the police. We send a stern warning to those contemplating such criminal activity that this government has drawn a line in the sand against economic sabotage and similar crimes.

We support the establishment of specialised multi-disciplinary units to end extortion at construction sites and vandalism of infrastructure as announced in the SONA. We cannot allow this crime which sabotages our economy, stalls projects, chase away investors, and costs our people jobs. We will also engage municipalities to take an uncompromising stance against those involved in extortion and invasion of business. We have noticed that because of fear, some in the private sector have been succumbing to these criminal elements. It therefore compels us to put in stern mechanisms to uproot these syndicates. We have to build trust between government, the private sector and communities.



State Led Strategic Initiatives for Economic Growth - Port Expansion

The Provincial Government remains focused on the realisation of port development to ensure ease of doing business, free flow of cargo, global competitiveness and expanding port capacity. Following our engagements with Transnet as the Executive Council we can confirm that Transnet National Ports Authority (TNPA) is forging ahead with the finalization of the KwaZulu-Natal (KZN) Ports Master Plan which seeks to position the Port of Durban as a Container Hub Port and Richards Bay as a Dry Bulk & Liquefied Natural Gas (LNG) hub.

The high-speed commuter train link to Gauteng remains on the agenda of the National Department of Transport. This project aligns with the aspirations and vision of KwaZulu-Natal's rural development and socio-economic growth.

The Transnet Port Master Plan includes the already approved Cato Ridge Dry Port and this is now receiving a dedicated focus as part of easing congestion to the port. This ground-breaking expansion programme will not only contribute to the country's Economic Reconstruction and Recovery Plan to support growth of the economy, but will see Transnet SOC Ltd to enter into partnerships with the private sector through an aggressive funding strategy.

Notable achievements and announcements related to the KZN Ports expansion projects include:

- The completion of the KwaZulu-Natal Cruise Terminal (KCT) within the Port of Durban in November 2021 which will contribute immensely to the tourism sector;
- The Request for quotations (RFQs) for Durban Container Terminals Pier 2 Container Terminal;
- The Request for information (RFIs) for the Point Container Terminal;
- RFI for a gas terminal development in Richards Bay.
- The land claim settlement agreement in Richards Bay which has been finally concluded, and will come into effect in April 2022.

Enhancing Energy Generation Capacity

Madam Speaker, one area that has been stifling our economic prospects is the persistent energy shortage resulting in load shedding. We are taking various steps to secure energy supply.

The province has always positioned itself for alternative energy generation. In this regard, the Executive Council has constituted a team to work on alternative energy generation including working with municipalities to fast-track energy generation. The team is led by MEC for EDTEA and is composed of MEC for Transport, Community Safety and Liaison, MEC for COGTA and MEC for Human Settlements and Public Works. The team will provide quarterly reports to the Executive Council.

The Department of Minerals and Energy has approved the appointment of professional service providers to undertake a study to develop the Provincial Integrated Electrification Master plan within KZN Province. The Master Plan enables Municipalities to generate their own energy. EThekweni and Msunduzi are already piloting this as part of the Energy plans.

Having examined all forms of energy generation, the Provincial Government will launch a feasibility study on Green Hydrogen Electricity. The strategic position of the province together with its weather inclination provides great potential for green hydro energy.

The abundance of sugarcane gives the Province a competitive edge to become a leader in biofuels, especially ethanol for blended energy solutions. This is critical in the light of the escalation of fossil fuel prices and the demand for low carbon sources. Thus we have resuscitated the engagement with the Minister of Minerals and Energy on expediting the bill on bioethanol. The engagement with Transnet on ensuring that Richards Bay become a gas and oil hub for the country is bearing fruit.

Transnet has already issued the first call for Expressions of Interest for companies to generate gas in Richards Bay. Accordingly, this should not be the only gas-to-energy project but a few more should be explored as the initial agreement was to host 2000 Gas Megawatts in Richards Bay.

Broadband Roll-out - The Time is now

Madam Speaker, Honourable Members, we have come to appreciate that the timeframe to expedite broadband roll-out cannot be extended any further. Accordingly, a Provincial ICT Indaba comprising all industry stakeholders will be hosted in partnership with the Office of the Premier during the first quarter of this year. The objective is to emerge with holistic solutions to the ICT challenge that the province faces. We will additionally develop a strategy to deploy KZN Broadband, Fourth Industrial Revolution services and related ICT services and build a Smart Province.

Key Economic Sectors for Economic Growth and Job Creation - The Automotive Supplier Park

Madam Speaker, the automotive sector plays a leading role in providing decent jobs in the province. The Dube Trade Port is leading efforts for the establishment of an automotive supplier park in Durban. The first phase of the project is to be developed at the old Durban International Airport site, now called the Durban Logistics Hub. We expect the park to be operational by the end of 2023.

It was pleasing to note that Toyota South Africa invested R2.6 billion in building the Corolla Cross, the first hybrid car to be produced in Durban. This was a demonstration of investor confidence in KwaZulu-Natal and South African as a preferred destination for foreign direct and domestic investment.

Richards Bay IDZ

We witnessed the Richards Bay IDZ launch the Nyanza light metals investment worth R 4.5 billion to produce Titanium Dioxide and other co-products such as gypsum, aluminium and ferrous sulphate. Nyanza's operation will produce 80 000 tons per annum of TiO₂ pigment to be used in paints and plastics, cosmetics, inks, dyes and a whole range of other everyday products.

Wilmar Oils started the construction of a R1.3 billion plant that will produce edible oils. The facility will be operational by the end of 2022. As part of value addition, this facility will provide farmers with a sustainable market to supply soya beans.





Establishment of Agri-Hubs

Honourable Members, His Majesty King Zwelithini always reminded us that Umhlaba unguBaba noMama wethu futhi yilona golide lethu.

Clearly, there is a need to consider an increase in the budget allocated to agriculture given its potential for accelerating economic growth, creating jobs and improving food security. As announced last year, we have identified the sites where these agri-hubs are going to be developed. These sites have been approved by the relevant authorities subject to additional studies such as the geotech, Environmental Impact Assessment (EIA) and valuation of properties that do not belong to the municipalities.

The Red Meat Hub is going to be located in the Zululand District Municipality while the Wool, Skin and Hides Treatment Facility will be located in uThukela District Municipality. The White Meat Hub will be on the border of eThekweni Municipality and UMgungundlovu District.

The Dairy Hub will be in the Harry Gwala District Municipality, the Fresh Produce Hub in King Cetshwayo Municipality District and the Grain Hub in the Amajuba District Municipality.

All agri-hub business plans have been developed including the designs and submitted to some funding institutions which have already expressed their desire to partner with the provincial government on their implementation.

Radical Agrarian Socio-Economic Transformation (Raset)

Madam Speaker, the Radical Agrarian and Socio-Economic Transformation (RASET) initiative remains a far-reaching programme that seeks to transform the structure of the agricultural value-chains. Through RASET we seek to transform the agricultural sector effectively, and to introduce black farmers into the value-adding segments of the agriculture sector.

Already RASET has changed the fortunes of about 608 small-scale farmers the majority of whom are females. The female farmers were assisted with market access that realised production valued at over R34million. Through the RASET programme these farmers secured 24 private markets, three government markets and in the process created 595 jobs.

The Cannabis Industry

The exploration of the cannabis industry has stimulated hope amongst many who have always viewed this as a critical sector for economic growth. As we were reminded by His Excellency President Cyril Ramaphosa KwaZulu-Natal and Eastern Cape are the leading provinces that are geared to take advantage of the burgeoning cannabis industry.

Through the Moses Kotane Institute the Province has since produced a comprehensive study on the green rush. This is to guide our interventions as government including making substantial hectares of land available for cannabis production. This year, we will fast-track the implementation of Cannabis Master Plan. The MECs for Agriculture and Rural Development and Economic Development will elaborate further in their forthcoming budget speeches.

SEZ on Clothing and Textile Industry

Madam Speaker, one of the negative impacts of the pandemic was the disruption of our plans to launch the textile and leather SEZ in the Province. As announced in our SOPA last year, we remain committed to the establishment of the clothing and textile SEZ in the Newcastle and Ladysmith corridor.

Township and Rural Economies

We are pleased to report that KwaZulu-Natal has developed a comprehensive Strategy on Rural and Township Economies. Among others, the strategy seeks to ensure long money circulation in townships and rural areas and to commit government to set aside specific Township/Rural Budgets. The Township and Rural Economies Revitalization Strategy (TRERS) encompasses small towns, villages, informal trader in townships, semi-urban and our rural areas. The TRERS is anchored on the development of light industry which includes bakeries, clothing and fashion design, detergent and cleaning chemicals, bulk buying and warehousing with the aim of reducing input costs for SMMEs.

TRERS encourages the reimagining of township and rural areas as vibrant places in which to live and to develop sustainable economies that promote full employment and reduction of inequalities. To support rural and township tourism development and growth, the implementation of the strategy will be linked with community tourism organisations for route development.

Further details on growing the rural and township economies will be provided by the Department of EDTEA in the budget vote speech.

Mass Youth Employment Programmes

In our quest to create jobs for the growing number of unemployed youth in our province, the KwaZulu-Natal Provincial Government has packaged various mass employment programmes. We have identified the following sectors for this initiative:

- Youth in Agriculture - engaging youth in key programmes such as high value horticulture, harvesting, dip tank management, livestock rangers and the multi-planting season;
- Environmental Rehabilitation - managing and cleaning our ocean shores/beaches, rivers and dam management, recycling, tree planting and waste to energy initiatives are being considered. We have already created **around 11 225** employment opportunities, and we will ramp up this programme to employ more than **20,000 youths** this year;
- Youth in Policing - in our endeavour to fight crime in the province, we intend working with the security industry to involve our young people in protecting our cities and strategic areas;
- Youth Ranger programme - we intend training our youth to use drones at our regional airports such Mkhuze, Ulundi, Ladysmith and Newcastle as a way of monitoring our parks and to help fight poaching of our endangered wildlife;
- Youth in Construction - We are fast-tracking the implementation of various provincial road maintenance and upgrade programmes which will create about **45,000 job opportunities**. We have identified the empowerment opportunities for our people through localization, particularly in sub-contracting, building material supply and labour;
- Unemployed Graduate Programme - We are also pleased to announce that the Moses Kotane Institute (MKI) **will employ 1500 graduates to assist with primary data collection** for various research projects. We are also working with various municipalities to provide funding for unemployed graduates in the tourism sector. This year we will fund employment of about **200 graduates across all our municipalities to train as tourism guides**.
- The provincial government has through the Department of Education has afforded **62 292 as part of the Presidential Youth Employment Initiative**. These young men and women are serving as teaching assistants, reading and ICT champions, handymen and women in our schools.

Discussions with the Provincial Treasury and the National Government are underway to invest a minimum of **R200 million this year to support youth employment initiatives** as identified above. Our preliminary analysis shows that if we were to invest this amount in various programmes will create **at least 10,000 job opportunities for youth for 2022/23 budget year**.

Employment Creation through the Expanded Public Works Programme

Madam Speaker and Honourable Members, KwaZulu-Natal continues to lead in the implementation of the Expanded Public Works Programme.

The Sixth Administration has to date created **446 283 work opportunities, against a 5-year target of 643 268 work opportunities to be created by 2024.**

In the current financial year, the Province **created 137 337 Work Opportunities against a target of 128 699.**

For the next two years, KwaZulu-Natal will **increase our EPWP targets to 300 000 beneficiaries to respond to the increased urgency of job creation.**

Whilst job creation initiatives have been successfully implemented, we must admit that there is a need to ensure proper coordination to maximise intake, and to come up with training and exit strategies.

The Executive Council has resolved that each department, with the exception of the front line services departments, will reprioritize within its **budget R10million to contribute towards job creation through an intensified EPWP Programme.**

This is over and above the already existing interventions by individual departments. We need to strengthen coordination as we implement this programme to ensure that the risk of corruption or abuse of state resources is contained.

Ecosystem Restoration and Job Creation

The Invasive Alien **Species programme demonstrated its impact by creating 7725 jobs. In the 2022/23 financial year, we anticipate creating about 7730 jobs** for rural communities in the province.

Over the past year we remodelled poor waste management to stimulate the economy with **1000 jobs being created** with the Presidential Employment Stimulus Package has allocated R95 million to the Province for the implementation of Solid Innovative Waste Management Programme. This pilot programme intends to create **4 400 employment opportunities and supports 37 SMMEs.**

Both Ray Nkonyeni (450) and Msunduzi (650) have been sampled to participate in the pilot programme from January to March 2022. To date, **3 555 beneficiaries have been recruited and activated and at least 37 SMMEs are also receiving support through the DCoG-MISA partnership.**

Madam Speaker through the Zibambele Women Empowerment Programme, **we have created 41 000 job opportunities. In addition through the Vukayibambe Routine Road Maintenance Programme and other capital projects 5000 jobs have been created.**

Creating Job opportunities through Arts, Culture and Heritage

We are aware that artists have suffered immensely because of the pandemic. The KwaZulu-Natal Department of Arts and Culture implemented “Keeping Arts Alive” programme for cultural and creative practitioners throughout the Province. The main purpose of the Keeping Arts Alive Programme was to give a quick post-COVID-19 recovery to the creative sector.

In this regard, the Department of Arts and Culture will host the inaugural Coastal Cultural Heritage Experience from 4 to 6 March. It aims to create a unique KwaZulu-Natal experience and to showcase our province's rich diversity and artistic talent.

KwaZulu-Natal Economic Recovery 2022 and beyond

KwaZulu-Natal is forging ahead with the implementation of the Economic Recovery and Transformation Plan to speed up economic growth and social transformation.

This plan prioritises Agriculture, Industrial Development; Health Innovation and Manufacturing; Clothing and Textiles; Creative Industries; Informal sector; Investment and Trade; Infrastructure Development; Tourism, Fourth Industrial Revolution (4IR); ICT Innovation and Finance.

In the aftermath of the deadly we embarked on the promotion tour of the province KZN and engaged the Diplomatic Community to assure them of the stability of the province and creating a conducive environment for international investment.

As part of economic recovery we have worked closely with the Development Finance Institutions (DFIs) to assist businesses affected by the July 2021 civil unrest.

The milestones achieved by the province are:

- a) The Department of Trade Industry and Competition (DTIC) through the Critical **Infrastructure Recovery Programme and working with the Industrial Development Corporation and National Empowerment Fund disbursed R2.57 billion to 140 businesses in KZN**. This programme retained about 50 000 jobs;
- b) Department of Small Business Development disbursed **R109.7 million to 111 businesses in KZN** out of **439 applications** received at a value of about **R421.6 million**;
- c) Trade Investment **KwaZulu-Natal (TIKZN) disbursed R9.3 million to 125 businesses and 468 jobs were saved**.
- d) Sasria disbursed **R10.3 billion to affected businesses** in KZN out of a total value of R27.5 billion of applications received.
- e) KZN government working with the national government and the DFIs are implementing a programme to de-risk hot spots such as Mooi River and some townships.

As at the end of December 2021 (Q3) the procurement spend by KZN departments is R26.032billion. Of this R10.34bn is on companies from KZN. We want to increase the spend as part of our efforts to use government procurement to drive Radical Economic Transformation.

We are determined to work with all other spheres of government to give comfort to investors that Mooi River is a safe area to invest in. The Mpofana Municipality must benefit from the investment in agriculture, agri-hub for agro-processing, clothing, textile and agro-process.

KwaZulu-Natal: A gateway to the continent of Africa

Honourable Speaker, for KwaZulu-Natal to realise the goal of being a gateway to the rest of Africa the overall transport sector needs attention. An integrated road, rail, maritime, and pipeline transportation system is key to driving the economic and social development of the Province.

We are working to realise the full the potential of our two ports and the oceans economy. Easing road congestion is a priority and the strategic corridors like the N3 are frequently plagued by freight vehicle congestion. Working with Transnet will increase moving of cargo from road to rail this year. Rail must be revitalized to ensure that the rail-friendly cargo can be taken off the road.

Key infrastructure projects like the link from King Shaka International Airport to Durban and Pietermaritzburg are still in the pipeline. This project was halted by court challenges and we hope that a resolution will be found soon.

We welcome the return of **Qatar Airways and Emirates Airways** to Durban and the recommissioning of South African Airways which has bolstered air transportation and connectivity.

ACSA continues to be an impactful partner in the province. King Shaka International Airport contributes over R1.6 billion in the province's GDP and supports over 3 978 jobs. We recently had an engagement with Airports Company South Africa.

ACSA has given commitment to partner with us on making the province the preferred tourism destination in our country. Through the Durban Aerotropolis Strategy, the City of eThekweni will become a premier business and trade hub in Sub-Saharan Africa.

ACSA has committed to levelling the playing field about the Passenger and Marketing Strategy. This will result in King Shaka International Airport, being more accessible to our people from all walks of life.

The province has also packaged number of high level international and domestic events that will reposition KZN as the Africa leading conference and event centre.





Regional Airports

Madam Speaker government has invested in the construction of the Terminal Building at Mkhuze Airport to the value of about R72.31 million. We created 215 jobs and 13 of the 22 sub-contractors used during construction were from the uMkhanyakude District in support of localisation and made a direct impact on the community.

The renovations at Margate Airport Terminal building at R10.3 million created 50 jobs. This project will be completed at the end of March 2022. We seem to be turning the corner in economic revival with more visitors coming to KwaZulu-Natal.

We are pleased to note that during the festive season the Margate Airport recorded an increase in passenger movements from 2467 passengers in the previous year (2020/21) to 5356 passengers for (21/22). This represents a 117% annual increase. In the near term, we will be upgrading the Pietermaritzburg, Newcastle and Richards Bay airports to ensure that these assets are fully used to drive tourism in KZN.

Reviving the Tourism Industry

Tourism is a critical pillar of the KwaZulu-Natal economy. Prior to Covid-19 it contributed at least 9.5% to the GDP of the province. We intend revive this sector. Earlier this week we had opportunity to interact with stakeholders in the industry where we reached consensus that we must work together to rebuild the sector.

Some of our initiatives to re-ignite the sector will include intensive marketing of the province, support for rural and township tourism organisation and working with municipalities to improve roads and connectivity.

We are pleased to announce that after a two-year break the Durban July will be back this year with a **brand-new sponsor, Hollywoodbets. Our premier events will return including the Comrades Marathon and the Amashova Cycle Race.**

Africa's Travel Indaba, which is the continent's biggest tourism trade show, will be back after a two year break.

EDTEA will present more interventions that government has put in place to resuscitate this industry during his budget speech.

New Smart Coastal City

We are on course to create a new post-apartheid African Smart City. Two of our districts Ugu and Harry Gwala are going to be critical players in this historic development.

The Executive Council has approved the declaration of the earmarked districts as a regional developmental spatial framework which will provide legal framework for planning, land use, budgeting and development for the area.

The rehabilitation of small towns will gain momentum during this year to drive the revitalisation of priority nodes throughout the province.

Already as part of the Small-Town Rehabilitation (STR), Corridor Development and the RASET Programme, a number of projects were completed which support local economic development.

Update on the Provincial Government Precinct

As we announced in the previous State of the Province Address, we are in the process of finalising all funding and regulatory requirements for the Provincial Government Precinct to be based in Pietermaritzburg.

The Preliminary Design Concepts for the Legislature and Archives will be completed by April this year to allow for stakeholder engagements. The concept for the office blocks is targeted for July 2022.

Transformation of the Property Sector

Madam Speaker, the skewed ownership in the property is receiving more attention and the plan to ensure this is transformed is already in motion. This plan includes financial backup for African Investors.

In this regard, the province is forging ahead with the establishment of the state-owned construction company, the Strategic Infrastructure Development Agency (SIDA). The SIDA will be responsible for the planning and execution of catalytic projects in the Province. The Department of Public Works is tasked to accelerate the establishment and operationalization of SIDA before 30 June this year with a phased operational budget and interim management.

Improving Education and Skills Development

Madam Speaker, we are inspired by the Matric class of 2021 which achieved an outstanding 76.8%. The number of matriculates who passed increased from 104 938 to 127 990 in 2021. Importantly, the number of bachelor passes increased from 51 074 in 2020 to 61 856 in 2021. We produced 61 887 distinctions which was the highest in the whole country in 2021. We are proud to report that in KwaZulu-Natal we have achieved universal access to education. Our main focus is now on the quality of our education.

The province enhanced performance in key subjects like Physical Science, Mathematics. For the first time since 1994 none of our schools received a 0% pass rate.

It is indeed true that it takes a village to raise a child. We applaud parents, teachers, principals, business, and civil society organisations that are actively involved in improving the education outcomes in KwaZulu-Natal.

Let me take the opportunity to congratulate the Edendale Technical High School Under-16 team who made us proud at the CAF Girls Under-16 Pan African Football Championship held in the DRC. The girls narrowly lost (1-0) to Morocco and five of the players have now been called to the National Under-17 SAFA camp.



Improving School Infrastructure

Madam Speaker, in all our disagreements as the people of KwaZulu-Natal, we must never sacrifice the future of our children or gamble with it.

When people vandalise or burn school infrastructure because they demand a road or water, they further risk our collective efforts by toying with the future of young people. We strongly condemn the locking of schools by some members of the community at the start of this year. NgesiZulu sithi ukuzigwaza ngowethu ukwenza kanje, siyanxusa ukuthi ingaphinde yenzeke nanini into enobudlova nokucekela phansi ikusasa labantwana bethu.

The Department of Education continues to eliminate barriers to learning and to meet the needs of all learners. KwaZulu-Natal has 76 Special Schools spread across the province and in 2021 we launched the state-of-the-art Pholela Special School at a cost of R220m.

In spite of budgetary constraints, the Department of Education will this year forge ahead with the completion of the School for Autism. This year the Department of Education has set itself the target of eradicating pit **latrine toilets at schools** and to ensure that all schools have sanitation infrastructure in line with the DOE's norms and standards.



Building and Expanding Health Infrastructure

Honourable Speaker, KwaZulu-Natal continues with its fight to defeat COVID-19. The number of new infections is declining - the figure is now below 500 a day. The current cases are largely driven by the ages 5-39. At present, KwaZulu-Natal has vaccinated more than 4.7 million people.

National Health Insurance

KwaZulu-Natal is putting together the building blocks to achieve universal health care by 2030 through the implementation of the National Health Insurance (NHI).

As part of the NHI we are improving and expanding health infrastructure like clinics, hospitals and enhancing human resource development.

As pronounced in the last SOPA about the opening of the Dr. Pixley Ka Isaka Seme Memorial Hospital, we can report that the practical handover is happening in phases and that services have commenced at the facility.

We are focused on the expansion of Universal Health Coverage (UHC) preparedness in all 10 KZN Districts and the EThekweni Metro. At present, 74.8% Clinics obtained Ideal Clinic Status. The Ideal Clinic Status is impacted by ageing infrastructure and poor maintenance of facilities. Going forward, we aim to attain 100% Ideal Clinic Status. We reiterate that our healthcare facilities must meet the ideal standard of being patient-friendly, having adequate medicine, being clean and opening on time.

We applaud the Department of Health for having contracted 10245 Community health workers (CHWs) into the health system. This year, the Department has set itself the target of contracting 10 350 Community Health Workers (CHWs) and we must ensure that there is closer monitoring of work performed.



Turning the Corner Against the Collusion of Pandemics and Other Diseases

This year we must turn the corner against pandemics and other diseases. We must provide leadership, act with urgency, and mobilise society towards improving health outcomes by:

- Attaining 95-95-95 targets for the HIV/AIDS programme;
- Catch up campaigns for immunization;
- Improving sexual and reproductive health programmes tailored to the LGBTQI+ Community;
- Achieving mental health screening rate of 35%.

Above all these interventions, we must continue to encourage all the people of KwaZulu-Natal to prevent lifestyle diseases by eating healthy, exercising, avoiding smoking and the abuse of drugs and alcohol.

Turning the corner against the scourge of GBVF

Honourable Speaker, Femicide and other forms of violence perpetrated against women, children are a shameful blight on our hard-won freedom and democracy. We honour all the citizens, including men, who are standing up against Gender Based Violence and Femicide.

The province has approved the 365 Day GBV and Femicide Strategy to eliminate this scourge. Honourable Members, since the last SOPA:

- 165 000 people reached through prevention, education and awareness programmes;
- GBVF Rapid Response Teams have been established in all 11 districts;
- Two White Door Centres of Hope were established at UMgungundlovu District;

Honourable Members we were unable to set up substance abuse treatment centres in the Ilembe & Ugu Districts due to the reprioritisation of funds to focus on COVID-19. The process has been resuscitated and it is currently at the planning stage.

Recent research by the Department of Social Development points to the need to attend to anger issues among men. The research looked at why they are possibly angry and at the need to ensure that these men must undergo public engagement and healing.

The provincial government will strengthen campaigns with civic organisations such as Sukuma Ndoda Sakhe and others to encourage dialogue amongst men and to raise boys to become responsible men.

We welcome the three new pieces of legislation signed in January, aimed at strengthening efforts to end GBV. The amendment of the Criminal Law (Sexual Offences and Related Matters) Amendment Act, the Criminal and Related Matters Amendment Act, and the Domestic Violence Amendment Act will surely strengthen not only the country, but the SAPS's responses to GBVF.



Social Cohesion and Nation Building: A Backbone for Prosperous Society

In 2022, we will intensify the implementation of the Provincial Social Cohesion and Moral Regeneration Programme with practical programmes that promote the values of Ubuntu and address racial intolerance and social ills. This programme will be complemented by multi-stakeholder outreach to mobilise community leaders to take charge of promoting peace, safety and cultural development in their respective areas.

The Phoenix Massacre is one of the most painful and polarising episodes in the history of the province since 1994 which must never be repeated. Whilst the prosecution of those alleged to be involved in these crimes continues, we are also engaging communities in the process of reconciliation and healing process through:

- Continued engagement and dialogues with Peace Committees and Community of those affected by the unrest;
- Unveiling of the Phoenix Memorial;
- School twinning programme;
- Social Cohesion through sport and recreation programmes especially between the affected communities;
- Youth development programme (Soul Talk).



Turning the Corner in the Fight Against Crime and Building Safer Communities

Madam Speaker, the province of KwaZulu-Natal cannot be a home to criminals who terrorise our communities. We hear the pain and cries of the people of KwaZulu-Natal who are confronted by crime daily.

We refuse to allow places like Loskop, Richmond, Pietermaritzburg, Inanda, Umlazi and Plessislaer to be known as the new killing fields of our Province.

Fighting crime will be the single biggest area of focus this year and beyond. We commend the good work done by law enforcement agencies. Currently the statistics show that 17 community crimes have decreased. Concern is that contact crimes overall are on the rise.

Our achievements in the fight against crime since the 2021 SOPA include 16 people convicted of private sector corruption and 24 government officials convicted for corruption.

We salute our law enforcement agencies and those patriotic and ethical public servants who are helping to report corruption and crime. You are our real heroes!

Madam Speaker, in line with the SONA, in 2022 we will strengthen and where necessary re-establish community policing forums to collectively fight crime in our communities.

This year we will hold the KwaZulu-Natal Crime Summit to concretize plans to reduce crime and to mobilise all stakeholders in the fight against crime.

We are concerned about the number of parolees that are implicated in crimes. We will partner with Correctional Services in crime prevention efforts.

We call on law enforcement agencies to pay attention to maverick security companies' involvement in serious crime as evidenced during the July unrest and recent crime incidents.

The crime wave is fueled by illegal weapons and drugs. We will intensify efforts to stop the proliferation of illegal firearms, drugs and fraudulent gun licences.

Our province will embark on a major initiatives to reclaim our streets, towns and villages from armed and dangerous criminals, and businesses that do not comply with South African laws.



The Murder of Amakhosi, Izinduna and Councillors

Provincial government is seized with the task of eliminating the scourge of murder of Amakhosi and Izinduna in KwaZulu-Natal. Excellent work is being done to crack these cases and bring perpetrators to book.

According to the SAPS at least forty-two cases of murder concerning the killing of traditional leaders have been registered by the South African Police Service since 2012. Twenty-five people have been arrested in relation to 14 of these cases. We also regard the murder of Councillors as an attack on our democracy and attempt to subvert the will of the people. We have faith that the culprits will be found and prosecuted.

We welcome the establishment of the new community safety intervention unit under the Department of Community Safety and Liaison. This unit will work with law enforcement agencies dealing with specific challenges related to the security situation in communities.



Mobilising Communities Against Crime

We commend the increase in visible policing at 184 police stations with a special focus on the high crime stations. We are implementing the KZN Provincial Safety Strategy, the Safer Cities Framework, strengthening monitoring and evaluation of police stations and services, and firming up community partnerships.

To improve school safety, we continue to establish School safety committees and link schools with police stations. We have set specific targets on the reduction of crimes against women, children, and human trafficking.

The Department of Community Safety and Liaison will continue to monitor the functioning of the police and enhance community participation including through programmes such as Sports Against Crime and programmes on rural safety and border control.



Turning the Corner: Addressing the plight of Farm Workers and Dwellers

As the province, we value the rights and dignity of all people. It is unfortunate that in various parts of the province people who live in farming communities are subjected to appalling living conditions and their rights are trampled upon. To address the plight of communities living on farms, Provincial Government established a Ministerial Sub-Committee on Land Reform and Agrarian Transformation.

A comprehensive programme is being undertaken which includes access to residential and farming land, access to basic services, protection of farm workers rights and dealing with tensions and allegations arising from land restitution.

Equally, as government we stand firm against the killing of farmers that affects these areas. The Ministerial Committee will also engage all affected communities and further ensure that police investigate these cases.

Turning the Corner in Water Provision

Madam Speaker, the Sixth Administration in KwaZulu-Natal identified water as a pressing challenge facing communities and business in this Province.

We welcome the fact that since 1994 the democratic government has increased access to water for the entire population to over 80% in KwaZulu-Natal.

In spite of this remarkable progress our Province is experiencing regression which manifests itself through infrastructure collapse, water leaks and vandalism.



Implementation of the Provincial Water Master

Madam Speaker in response to these challenges we have presented the KZN Provincial Water Master Plan as our blueprint to turn the corner out of this challenge.

The Plan articulates our commitment to building better communities through water delivery that is clean and reliable. It rests on 3 pillars, namely resource planning and bulk infrastructure; distribution planning and sustainability.

COGTA is working to build technical capacity in municipalities to ensure proper planning and implementation of water projects and maintenance. This approach include strengthening the Provincial Crack Team that will delve into specific challenges per area and work with districts to address those challenges.

There is a focused plan to address water challenges in Ugu and uMkhanyakude District through dedicated support from the provincial government which aim to urgently build capacity, improve specified schemes.

In Ugu, we have set plans with timelines that includes the refurbishment of key critical water works to be completed by June 2022 and others by October 2022. An Inter-Ministerial Committee supported by a Technical Task team now meets weekly as part of the War Room and reports on a monthly basis to the Provincial Executive Council.

Ultimately, we expect the District Councils to play their role in such crises and to draft their own turnaround plans in respect of water provision to residents all over the province. EThekweni Metro is also paying attention to building its capacity to ensure uninterrupted provision of water through upgrading their infrastructure.

Considerable work to improve water security is underway as we saw with the delivery of the uMshwati Bulk Water Scheme at a cost of R500-million.

We welcome the announcement yesterday by the Minister of Finance in the Budget Speech that an amount totaling R830m is committed to Umngeni Water for the implementation of the Umkhomazi Water Scheme. This project will go a long way in addressing challenges in the water stressed Ugu District.

Operation Mbo

The province will engage on Operation Mbo to intervene in areas with dire needs for service delivery. We will see all departments identifying and following up on projects that will make meaningful change in the lives of communities within a short space of time. Among the priority districts will be uMkhanyakude followed by other districts, aimed at delivering projects to address the plight of communities.

A Land Summit will be held this year to focus on better ways of using the land under our control, and that which we have access to for economic development purposes.

Disaster Interventions

Madam Speaker, between November 2021 and January 2022, the province was hard hit by devastating storms, strong winds and floods. This led to the Executive Council asking the National Government to classify the province as affected by the State of Disaster. Departments are in the meantime responding through various interventions such as immediate relief and various long-term interventions to fix damaged infrastructure.

What is clear is that our province is experiencing the effects of climate change. We are prone to deadly lightning, floods and storms. To mitigate this risk, our government is continuing to install lightning conductors in homesteads and public facilities such as schools, clinics, community halls and other areas of high impact. We must continue with efforts to reduce the carbon footprint, adopt environmentally friendly technologies while ensuring a just transition. We must mobilise the people of the province to mitigate this global emergency.



Building a Capable, Ethical, Developmental State

The National Development Plan envisages a developmental state which does not leave the programme of socio-economic transformation in the hands of the free market. It sees a developmental state as being activist in its approach and mobilises the whole of society behind developmental objectives. In the South African context, such a state plays a central role in addressing the root causes of underdevelopment, poverty, inequality, and unemployment.

A capable, ethical and developmental state is to be understood at two levels:

- Capacity - which is about systems and instruments available to deliver services, e.g., technology, regulations that guide etc.
- The second part is capability - which is about the know-how, having a workforce that knows how to apply and implement public policy. These are skilled, competent, professional and diligent public servants.

In KwaZulu-Natal we have a vision of an efficient public service machinery which is led by able and skilled people appointed on merit, experience, and have passion for development. Day by day, we are building a developmental, capable, ethical and caring state that is responsive to the needs of society.

Since the last State of the Province Address, we can report that a Provincial Consequence Management framework was approved by the Executive Council. The focus now is on the implementation of the framework.

On Training of Public Servants over 7000 officials were trained. We can also report that 100% of municipal officials have been audited on skills. A skills audit has been conducted on 48 896 municipal officials from 54 municipalities.

A Provincial Consequence Management framework has now been approved by the Executive Council and is now being implemented. This next phase will target Departments with a high number of unresolved cases.

Key Projects to Improve Organisational Alignment and the performance of the state

Madame Speaker, we are pleased to report that with effect from 01 April 2022, the departments of Sport and Recreation and the Department of Arts and Culture will be finally merged into a single department to be known as the KwaZulu-Natal Department of Sport, Arts and Culture.

Local Government: Back to Basics

During the upcoming financial year, we will revive service delivery campaigns aimed at re-focusing municipalities to prioritize basics.

The stabilisation of local government is going to be the focus area. We are rolling out programmes to empower Councillors to perform oversight over the administration.

We commend eThekweni Metro for being the only municipality to finalise the One Plan One Budgets and we urge all other municipalities to conclude theirs with speed.

Among the campaigns we will undertake we can mention:

- The Masakhane campaign which will create awareness of the importance of paying for services. This is an area that has been found in the municipal assessment as a major crippling factor to municipalities;
- Repairs to street lights;
- Clean up campaigns;

Census - KZN get counted

We call on every person in KwaZulu-Natal to be counted during this census. This will help ensure that the Province is allocated a Budget that is proportionate to the size of our population. In the last Census KwaZulu-Natal lost a significant chunk of its Budget due to the undercounting of our population. We make a special appeal to every member of the Legislature to play their role in mobilising communities and their constituencies to be counted. Poor participation will mean declining revenue and will impact negatively on services.

Conclusion

Madam Speaker, we present this state of the province as an account of the work we have done since 2021 and to further outline the key priorities for this year.

We are acutely mindful that we are not alone in this struggle for transformation and nation building. We depend entirely on the support of all the people of KwaZulu-Natal and different stakeholders.

Thus, I would like to convey words of appreciation to the people of KwaZulu-Natal for their earnest contribution to this year's State of the Province Address. Our social media platforms were inundated with constructive contributions which came from all corners of the province. Other valuable inputs were received from listeners of community, commercial and public radio stations who called in and shared their views on Growing KwaZulu-Natal Together. We appreciate your input and we are emboldened that we are really at a turning point of our economic recovery and growth as well as heightened service delivery to the people of our Province.

We are thankful to the many dedicated public servants who put our people first and serve them with respect and enthusiasm.

To my colleagues in the Provincial Executive Council, thank you for always being there as we travelled the province in the quest to deliver basic services to the people of KwaZulu-Natal in the midst of many difficulties.

We would not have transcended the challenges had we not been united in our resolve not to fail our communities.

Allow me to pay tribute to our activist legislature and all political parties represented in it for their patriotism and never failing to hold the provincial executive council accountable. We are indebted to the Director-General of the province, Dr N.O. Mkhize and all Heads of Departments for their leadership and commitment to the building of an effective, capable, developmental state.

I salute the revolutionary guidance and support always provided to us by the glorious liberation movement of the people of South Africa - the African National Congress. Indeed, my utmost conviction is that the National Democratic Revolution will triumph and day by day we are progressing to achieve a truly united, non-racial, non-sexist, equal, and prosperous society.

I would like to thank my family, especially my better half uNelisiwe uMaZondi. Had it not been for your unwavering support and allow me time to participate in the struggle national liberation. Thank you for always being my pillar of strength and support through thick and thin.

Turning the Corner: A Call To The People of KwaZulu - Natal

Once again, we pledge ourselves to serve and lead the struggle for the creation of better life for all. We call on all people to join us as we turn the tide against contemporary challenges that hinders progress.

Building on the resilience of the people of KwaZulu-Natal, let us turn the corner towards lasting peace, job creation, and sustainable growth. Let us all turn the tide towards accelerated service delivery so that we reach the turning point of investment growth and economic prosperity of our beloved province

Honourable Members the many ideas and strategies to take our province forward some are not entirely new. What is new is the energy and the vitality we must now invest in these plans. This is no time to dither.

As Ben Okri reminds us, it is our duty

“...as creative participants in the universe to redream our world. The fact of possessing imagination means that everything can be redreamed. Each reality can have its alternative possibilities. Human beings are blessed with the necessity of transformation”.

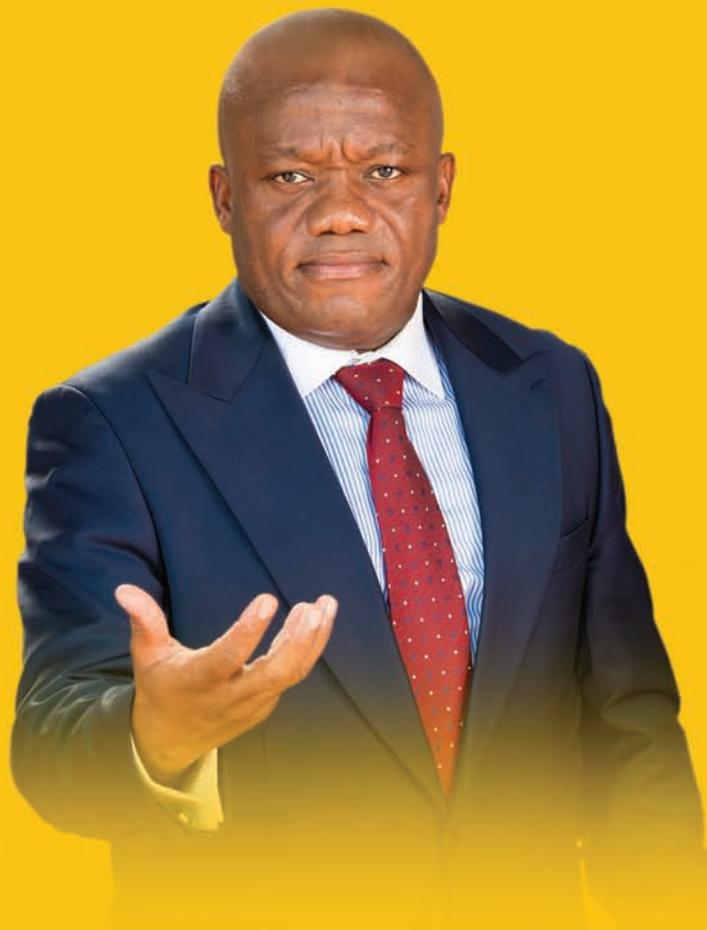
It is in our hands to create the KwaZulu-Natal of our dreams.

At this turning point, we call on all our people to turn their heads to the sun.

Turn in the direction of the future that beckons so that we may all grow and prosper.

Together Growing KwaZulu-Natal.

Ngiyabonga kakhulu.



**GROWING
KWAZULU-NATAL
TOGETHER**

**#ATURNINGPOINT
#KZNSOPA2022**



KWAZULU-NATAL
PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA

Provincial Government Communication

Private Bag X9037, PIETERMARITZBURG, 3200
Moses Mabhida Building, 300 Langalibalele Street, Pietermaritzburg, 3200
Tel: +27 (0) 33 341 3470 / Fax: +27 (0) 33 345 8490
Website: www.kznpremier.gov.za