



## EXCO MEDIA STATEMENT

**For Immediate Release**

**All Media Houses**

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### **EXCO LEKGOTLA APPROVES THE PROVINCIAL MTDP AS A GUIDE TO IMPROVE SOCIO-ECONOMIC CONDITIONS OF COMMUNITIES IN MPUMALANGA**

The Mpumalanga Provincial Government is on a quest to improve the socio-economic conditions of the 5.3 million growing population. This as the province is listed as the fourth in the country with a high poverty. Despite the unfavourable economic conditions, the latest Labour Force Survey released by Statistics South Africa, underscores the drop in the unemployment rate, from 37.4 percent to 34.7 percent. This is attributed to among others, the implementation of job creation measures by the provincial government in the agriculture, transport and communication sectors. It further signifies the response of social partners, such as the private sector towards the government's clarion call of investing towards job creation initiatives.

The Executive Council (EXCO) held an extended lekgotla recently in Secunda, Govan Mbeki Local Municipality, to adopt the Medium Term Development Plan (MTDP) of the province. The plan seeks to guide all state institutions through an integrated approach, to implement job creation measures, service delivery intervention programmes and institutional support.

The Premier, Mr Mandla Ndlovu told the session that the MTDP is an aggressive guide for all state institutions to work towards the achievement of the apex priorities, namely: Drive inclusive growth and job creation, reduce poverty and tackle the high cost of living, and build a capable, ethical and developmental state.

#### **Priority 1. Drive inclusive growth and job creation**

The EXCO lekgotla noted the geopolitical conflicts that have implications to South Africa's economic growth targets and developmental plans, which are a threat to the government's employment target of 60 000 jobs per annum.

As a result EXCO adopted the MTDP as an aggressive instrument to mitigate the impact of the unfavourable economic conditions globally. The plan will be implemented through an integrated approach to maximize the limited resources.

Through the plan, government is committed to increase domestic and Foreign Direct Investment (FDI) to R10 billion in various economic sectors, mainly agriculture, mining and tourism.

## **Priority 2: Reduce poverty and tackle the high cost of living**

The EXCO lekgotla considered Mpumalanga poverty rate of 51.2 percent. This is exacerbated by the sluggish economic growth with few job opportunities, leaving many households with no income and the growing number of unemployed graduates.

Although social protection programmes are implemented to address the scourge, however, the EXCO lekgotla resolved that the implementation of these programmes must be intensified to flatten the poverty curve in the province.

The adoption of the MDTP reinforces the implementation of indigent policies across all municipalities, Value Added Tax (VAT) exemptions for new basic foods, the review of administered prices, and the construction of more than 11 000 individual housing units.

Targets of beneficiaries for social protection programmes are also set in the MDTP. Among these are a target of 1.7 million beneficiaries to be supported through the different Social Grants, and the more than 200 000 Child Support Grant beneficiaries.

## **Priority 3: Build a capable, ethical and developmental state.**

The observation of the EXCO lekgotla is that the capacity of the state is not adequate to execute the mandate of the 7<sup>th</sup> administration to the fullest, due to a high vacancy rate. For Local Government, lack of revenue collection give rise to the failure of municipalities to pay the Eskom and Rand water debts. These challenges are also linked to the non achievement of clean audits which are significant to improve a public trust.

Filling of critical vacancies to strengthen state capacity and the implementation of Municipal Monitoring Support Systems (MMSS) are integrated in the MDTP as targets for the realization of Priority 3. EXCO is determined to support municipalities with financial challenges. As such the payment of the Eskom and Rand Water debts is included to ensure that they are supported effectively through the development and implementation of Financial Recovery Plans. Clean audit outcomes are also included to support state institutions to achieve the targets with the ultimate improvement of public trust about the proper spending of public funds.

Premier Ndlovu will deliver the State of the Province Address (SOPA) on Friday, the 28<sup>th</sup> of February 2025 to outline the implementation of the MDTP in details.

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### **Issued by the Mpumalanga Provincial Government**

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