



EXCO MEDIA STATEMENT

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EXCO LEKGOTLA ADOPTS DRASTIC MEASURES FOR JOB CREATION, ACCELERATION OF SERVICE DELIVERY AND PROGRESS OF JET IN MPUMALANGA

An extended Executive Council (EXCO) lekgotla was held on Wednesday in Middelburg. The session analysed the performance of the Provincial and Local Government, the acceleration plans of service delivery, the impact of job creation measures and progress of the Just Energy Transition (JET) in Mpumalanga. The sitting took place at the time when the country marks thirty years of democracy. Executive Mayors and representatives of State-Owned Entities (SOEs) attended the session.

The Executive viewed the occasion as a vital process to prepare for a seamless transition from the 6th to the 7th administration. This was confirmed by MEC for Human Settlement, Mr Speed Mashilo, who acted as Chairperson.

Key decisions ranging from job creation initiatives to infrastructure development projects, were adopted for implementation.

1. Stats SA report

Mpumalanga's population growth and the dynamics associated with such, were deliberated. A report presented by the Statistics SA ranks Mpumalanga as the sixth province with the largest population in the country with more than 5,1 million people. It depicts the expanded unemployment rate of 46.7 percent, and signifies the province's employment record of 48 000, by the end of the third quarter of 2023. This makes Mpumalanga the only province to record such an improvement in the country within this period.

EXCO resolved that the provincial government must implement aggressive programmes for more employment opportunities, to flatten the unemployment curve. The agricultural sector and the Mpumalanga Economic Growth Agency (MEGA) were identified as viable options to achieve the target through financial support and the attraction of investments into the province.

Although Stats SA's report indicates a spike in the number of households in the province, however, it contrasts the 86,9 percent households with some form of access to piped water and 13 percent that lack the resource.

EXCO directed departments and municipalities to implement drastic steps to ensure the completion of various water projects to improve access to water, through the allocation of budget for multi-year projects in the new financial year and to escalate promptly, cases of interruptions, to the law enforcement agencies.

2. Five year provincial progress report on MTSF

EXCO noted the performance of the two spheres of government over the past five years, based on the seven key priorities of the 6th administration. Although the analysis suggests a remarkable success, however, areas of improvement were also identified.

The audit outcomes is a case in point, in which five (5) public institutions obtained clean audits, while eight (8) received unqualified audit opinions, during the last audit process. EXCO observed that no disclaimed audit opinion was recorded during the period under review, however, perennial findings such as irregular expenditure, were raised by the Auditor-General. For skills development and health, EXCO observed the following:

- That six (6) boarding schools have been constructed to accommodate learners in farm schools.
- That a matric pass rate is 77 percent lower than the 90 percent target and the 2019 baseline of 79 percent.
- That 615 water projects and 617 sanitation projects have been completed to improve access to water.
- That more than 1 900 internal and external bursaries holders, including 230 international bursaries completed their studies between 2018 and 2023.
- That an achievement rate of 95-83-92 out of the 95-95-95 HIV target for 2025 was recorded.

It was also noted that massive collaborative efforts of government structures, improved access to water, sanitation and electricity. Although almost 47 000 housing units, from the baseline of more than 63 000 target were delivered, the target could be exceeded, had funding not been reduced, from the national fiscus.

It was also observed that thirteen (13) offices of Traditional Councils have been completed, in support of the Traditional Leadership. The performance report also signifies Mpumalanga's advancement of social cohesion through hosting of major events, citing the Innibos festival, the Metro FM Music awards and the Cultural Xperience, as examples.

EXCO resolved to establish a monitoring mechanism in which departments and municipalities will report progress bi-weekly, the implementation of service delivery projects.

3. State of Provincial Government Finance

A report about the state of finances in the provincial government was presented. Among the key elements, is the overall provincial spending on compensation of

employees, which is slightly higher by 0.4 percent, as compared to the previous financial year. It indicates the allocation of the bulk provincial budget, towards three departments, namely: Education, Health and Social Developments based on their mandates.

In light of the financial constraints in the public service, EXCO directed all departments to implement cost curtailment measures, in order to achieve set targets. Departments and municipalities were also directed to prevent roll overs into the new financial year, by ensuring that all procurement processes are finalised on time.

4. The state of Local Government report

EXCO perceives local government a key pillar of service delivery for local communities. A report which depicts the performance of municipalities on service delivery, financial management and challenges, was presented. Of great concern is the high Eskom debt which EXCO views as one of the constraints that cripples the financial viability and sustainability of the sector and the low revenue base of rurally-based municipalities. The Eskom debt is currently R3,8 billion.

EXCO directed all departments listed as debtors in the municipal debt books, to pay the outstanding amount. The resolution is expected to boost the financial position of municipalities to pay the Eskom account.

Ten (10) municipalities were commended for their successful application of a debt relief from Eskom. It was resolved that municipalities that are struggling with the application process, should be assisted in this regard, as a remedial action.

5. Progress in implementing the JET implementation plan

Mpumalanga's aspiration to reduce carbon emissions in line with National and International standards is gaining momentum. With 12 coal-fired stations established in the province, Mpumalanga contributes 42 percent of the air pollution in the country. Carbon emissions are cited as the primary source of climate change, with grave detrimental impact to the environment.

The province is committed to reduce emissions by 26 percent by the year 2025. To achieve this, the Komati coal station has been decommissioned and will be rehabilitated as part of the Just Energy Transition (JET). Pursuant to the needs of communities affected by the Komati coal station, and those that will follow in the future, EXCO noted government's intervention measures to address their social needs which include creation of decent work and the eradication of poverty. These include mobilisation of financial resources and partnerships.

EXCO expressed optimism about the partnerships with international financial institutions, such as the World Bank and the African Development Bank, that have been developed to support JET projects. EXCO further commended government for

the partnership signed with TVET colleges, to provide training opportunities, focusing on the installation of solar panels.

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