

OVERVIEW BY THE MEC FOR FINANCE, ECONOMIC DEVELOPMENT AND TOURISM, MR PV MKHATSHWA, MPL, DURING DELIBERATIONS WITH THE PORTFOLIO COMMITTEE ON PREMIER'S OFFICE; FINANCE; ECONOMIC DEVELOPMENT AND TOURISM PERTAINING TO THE PROGRESS REPORT ON THE 2019-2020 ANNUAL REPORTS HOUSE RESOLUTIONS AND RESPONSES TO QUESTIONS RAISED ON THE 2020-2021 ANNUAL REPORTS OF THE DEPARTMENT AND ITS PUBLIC ENTITIES HELD VIRTUALLY VIA MICROSOFT TEAMS

Friday, 19 November 2021

Chairperson and Esteem Members of the Portfolio Committee;

Good Morning!

1. Chairperson, thank you very much for inviting us to come and engage with the Committee. We meet yet again, but this time, we are here to provide the progress reports on *House Resolutions* relating to the 2019-2020 Annual Reports, and to deliberate on the 2020-2021 Annual Reports of our Department and its Public Entities.
2. It is indeed, my profound gratitude to set the scene for the frank and robust engagements in this crucially important committee. The work the Portfolio Committee is doing is of greatest significance because it enhances and deepens democracy in terms of ensuring that there is accountability and transparency on the use of public funds.
3. Chairperson and Honourable members of the Portfolio Committee, as individuals given a responsibility to perform public functions, in our different capacities, we have an existential obligation to ensure

- accountability** and **good governance**; and these are key constitutional imperatives which must be upheld uncompromisingly.
4. Notably, our constitution implores us to uphold a high standard of ethical conduct, and this is the principle which must preoccupy each one of us in our collective endeavour to advance **public interest**.
 5. Chairperson as an inherent traditional practice, I am accompanied by the **Acting Head of Department, Chairpersons of the Boards and CEOs** of our Public Entities (albeit 2 of them on an acting capacity), as well as their respective senior management teams. Once I have concluded my *Political Overview*, they will respond to issues raised from their respective Annual Reports in detail.
 6. Chairperson, I must start of by indicating that the Sixth Administration has **prioritised seven (7) key areas**, with the aim to turn-around the economic tide of the country and ultimately of the Province. The seven priorities, as outlined in the 2019-2024 Medium Term Strategic Framework, gave the marching orders to the Department and its Public Entities, to focus on *Priority Number 2*, which relates to ***Economic Transformation and Job Creation***.
 7. As the Department, we **have aligned and came up with programmes** that responded to this clarion call. It is for this reason, that as the Department, we continue to focus on infrastructure build and industrialisation programme, as outlined in our five-year plan.

8. One such infrastructure, is the **Mpumalanga International Fresh Produce Market**. During the 2020-2021 financial year, through the construction of this massive economic infrastructure, 85% of people employed through this project were from designated groups; and 18% of contractors were women.
9. Undoubtedly, this is an indication that our Department is working hard towards the **attainment of transformation**, in line with the MTSF priority. As a result, at least 773 jobs were created through the construction of the Fresh Produce Market, during the 2020-2021 financial year.
10. In addition, it is anticipated that **775 direct and indirect jobs** will be created during the construction of the **Mpumalanga Nkomazi SEZ**, over a 10-year horizon.
11. Chairperson, it would be amiss of me if I do not mention that the advent of the COVID-19 pandemic, has actually devastated our economy. As a Province, we have regrettably experienced **net job losses of 96 000 in 2020, and we recorded a further 15 000 net job losses** in the first quarter of this year, according to Statistics South Africa. Regretably, the majority of those affected by the high unemployment rate are the youth.
12. As a caring government, we could therefore not fold our arms, when things are going out of hand. We took leaf from Amilca Cabral when he said: **“When your house is burning, it’s no use beating the tom-toms”**. Thusly, working with the Office of the Premier, we have

now concluded the provincial economy recovery blueprint – dubbed the **Mpumalanga Economic Reconstruction and Recovery Plan (MERRP)**. This Plan has now been submitted to the Executive Council for approval, and plans are afoot to launch the Plan once approved.

13. The MERRP aims to stimulate the economy of the Province by **focusing on the six (6) pillars**; namely, Infrastructure investment and delivery; industrialisation through Localisation and Export promotion; Energy security and Green economy; Employment stimulus and economic inclusion of women and youth; Tourism, Cultural and Creative Industries; and agriculture and food security.
14. As part of the Recovery Plan, we have also **provided financial relief funding to the tune of R10 million**, to tourism SMMEs in the Province, affected by the lockdown induced by the COVID-19 pandemic. This was in **addition to the R11,9 million** disbursed to our tourism SMMEs, through the National Tourism Relief Fund.
15. Chairperson, I must indicate that most of the issues relating to the periods under review, were covered during my *Political Overview* address yesterday. Nonetheless, the acting HOD and CEOs are ready to provide further granularity of details to the Committee.
16. Once more, thank you very much for affording us an opportunity to engage with the Committee, on the Annual Reports of our Department and its Public Entities.

17. *Let's grow the economy of Mpumalanga together!*

I thank you Chairperson!