

POLITICAL OVERVIEW BY THE MEC FOR ECONOMIC DEVELOPMENT AND TOURISM, Ms. JESTA SIDELL, MPL, DURING AN ENGAGEMENT WITH THE PORTFOLIO COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM TO DELIBERATE ON THE 2025-2026 SECOND QUARTERLY PERFORMANCE REPORT FOR THE DEPARTMENT AND ITS PUBLIC ENTITIES

Thursday, 29 January 2026

Chairperson of the Committee, Honourable Mbuyane;

Honourable Members of the Portfolio Committee;

Good morning

1. Chairperson and Honourable Members; we welcome this invitation to appear before the Honourable Committee with great sense of responsibility and accountability. We extend our gratitude for this opportunity to come and account in relation to our performance as it relates specifically to the 2025-2026 second quarter performance report for the Department and its Public Entities.

2. The second quarter of the 2025/26 financial year represents a critical mid-term junction for our administration. Our focus remains steadfast on the **Mpumalanga Economic Reconstruction and Recovery Plan**, aimed at transforming “**The place of the Rising Sun**” into an inclusive, globally competitive economy. While we face global headwinds- including trade policy uncertainties and fluctuating commodity prices, our provincial mandate remains the creation of at least 60, 000 new sustainable jobs annually to meet our 2030 targets.

3. Despite a sluggish start to 2025, the second quarter has shown signs of resilience. The **GDP** growth after a stagnant **Q1**, provincial growth has stabilized, mirroring the national forecast of **1.0%** to **1.3%** for the 2025/26 cycle.
4. Employment between **Q2 2024** and **Q2 2025**, Mpumalanga successfully added over 30,500 jobs. However, youth unemployment remains a “**ticking time bomb**” at 47,3%, requiring us to pivot more aggressively toward digital economy initiatives and MSME support.
5. Agriculture and transport continue to be our “**rising star**,” performing exceptionally well and offsetting some of the volatility seen in the mining and manufacturing sectors. Tourism is the heartbeat of our provincial brand. This quarter, we moved beyond planning into active restoration.
6. The appointment of the interim board of the Mpumalanga Tourism and Parks Agency (MTPA), chaired by **Mr. Fish Mahlalela**, has brought much needed stability. This **:Think Tank**” approach is already bearing fruit in streamlining our marketing and conservation efforts.
7. Our entities are the primary vehicles for service delivery and economic intervention. The Mpumalanga Economic Growth Agency (MEGA) has been on enhancing the loan book for MSMEs and accelerating the Mariepskop Cable Car project feasibility.
8. MTPA has prioritized the upgrading of aging infrastructure in our nature reserves to ensure our “**international arrivals**” advantage (**23,8%** of **SA’s** total) is maintained. The Mpumalanga Economic Regulator

(MER) ensures that the integrity of the liquor and gambling industries while promoting responsible gaming and trade compliance.

9. Chairperson, we are appearing before this committee today at a time when the Province is still trying to come to terms with the aftermath of the recent persistent heavy rainfall that led to loss of lives and damage to infrastructure. From the tourism point of view, the persistent heavy rainfall also led to the closure of some of our tourist attraction sites, affecting revenue generation.
10. On a positive note, I am delighted to inform Honorable Members that we successfully delivered an incident-free festive season. This achievement is a clear testament that our tourism safety strategy is effective. No incidents were reported to us involving tourists being hijacked or robbed of their belongings. This success would not have been possible without the cooperation of law-enforcement agencies (our SAPS), the tourism sector and our communities.
11. Chairperson, we have taken a deliberate resolve to intensify our efforts to market Mpumalanga as the preferred tourist destination of choice. Accordingly, I am pleased to inform this Honourable Committee that the Department, together with our Public Entity, the MTPA will be rolling out coordinated tourism activation campaigns in the Provinces of **KwaZulu Natal, Gauteng and Limpopo**.
12. Through these tourism activations campaigns, we are hoping to draw a large number of holidaymakers to Mpumalanga during this summer season and beyond. We are embarking in this strategic crusade

precisely because we understand the gravity of our responsibility to use the tourism sector as the vehicle to drive economic development.

13. In an attempt to mitigate the damages caused by the recent torrential rains, I conducted oversight visits to several tourist attraction sites managed by the MTPA. These sites were severely affected by floods, which resulted in damage to infrastructure and limited access, making it difficult for tourists to fully enjoy these facilities.
14. As a priority, we will focus on restoring access roads and enhancing the security of our facilities. We will not work in isolation; we will engage other sister departments and the private sector to support these efforts.
15. I am pleased to report that our attraction sites have since reopened, and tourists are once again visiting Mpumalanga, in their numbers. This is a positive sign for the recovery and growth of our tourism sector.
16. Chairperson, our work is premised on the full comprehension that solid governance at our Public Entities is sacrosanct. In this regard, we are in a process of issuing notices to the boards of MEGA and MTPA, with a view of appointing permanent board members.
17. During our previous appearance to the committee, I made a bold commitment that we will expedite the appointment of a permanent Chief Executive Officer.
18. I am therefore pleased to inform the Committee that the position of CEO of MTPA has been advertised, with a closing date of 30 January 2026. I have given a clear instruction to the interim board to conclude

the recruitment process expeditiously. As a norm, we commit ourselves to update the Committee in this regard.

19. The MER continued to diligently regulate both the gambling and liquor industries in the Province, and further collected all gambling levies and liquor license fees due to the Provincial Revenue Fund.
20. Ours is a caring government – even if we derive revenue from these two (2) industries, which some may label as sin industries, we remain concerned about their impact in society. Through MER, we will continue with our awareness campaigns, as they are essential within our societies. The promotion of compliance to license conditions in these industries remains a cornerstone of our policy agenda.
21. To this end, Miss Mpumalanga will continue to serve as a critical vehicle to aggressively create awareness and educate the youth in particular about the dangers of alcohol and gambling.
22. Honourable Members, we maintain our belief that the Nkomazi Special Economic Zone is a future Logistics Hub. In this regard, allow me to inform the committee that the Entity has signed a lease agreement with DP World in December 2025, at an Investment value of **Four Hundred and Eighty Million Rand (R480m)**. Furthermore, the NSEZ is at an advance stage of finalising lease agreements with Vutomi Energy and Lebombo Cotton Gin.
23. Equally, and very important, the Entity has approved its Stakeholder Engagement Framework, which is an important blueprint to ensure public participation and community involvement. In terms of

Infrastructure Development, the Entity is at an advance stage to finalise the detailed engineering.

24. I have instructed the board to fast track the finalisation and signing of the Memorandum of Agreement (MOA) with Traditional Leaders, in order to pave the way for its full implementation and a structured collaborative framework, through community engagement and land access.
25. We acknowledge that challenges persist. The infrastructure backlog on provincial roads leading to tourism hubs remains a hurdle for private sector investment. Furthermore, the slow recovery of the mining sector has placed pressure on revenue collection and local economies in the Highveld.
26. We are not merely here to report on numbers, but to demonstrate that every Rand spent is a step toward reducing the poverty line, which currently affects 52,5% of our people, and restoring the dignity of citizens through economic participation.
27. Having laid the foundation for our engagement, the Head of Department and her team, will now provide granular details to the performance of the department and its entities during the second quarter of 2025/26 financial year.
28. Once more, thank you very much for your indulgence.