

OVERVIEW BY THE MEC FOR ECONOMIC DEVELOPMENT AND TOURISM, Ms. JESTA SIDELL, MPL, ON THE OCCASION OF THE SELECT COMMITTEE ON PUBLIC ACCOUNTS (SCOPA) TO DELIBERATE ON THE 2024/25 AG AUDIT OUTCOMES OF THE DEPARTMENT AND ITS ENTITIES

Thursday, 20 November 2025

Chairperson and Members of the Select Committee on Public Accounts.

Good morning

1. Chairperson, thank you very much for affording us this opportunity to interact with the **Select Committee on Public Accounts (SCOPA)**, pertaining to the 2024-2025 Auditor General's audit outcomes of the Department and its entities.
2. We **appreciate your commitment to keep us on check**, so that we can account for the public funds we have utilised, in our quest to steer, and grow the economy of the Province. As the Committee, you are the watchdog of public funds, and you are, therefore, within your mandate to request us to come and account to the Committee.
3. Honourable Members, I am accompanied by the Head of Department, Ms. Immy Serakalala, Chairpersons of Boards and the CEOs of our Public Entities, as well as their respective senior management teams.
4. Chairperson; let me take this opportunity to inform the committee, that as part of our aggressive effort to unlock investment opportunities to grow the economy and create job opportunities, the Mpumalanga Provincial Government, through the Department, and our Public

Entity, MEGA, hosted a successful 2-day Investment and Mining Conference from 02-03 October 2025, in the Steve Tshwete Local Municipality.

5. Among its objectives, the conference aimed to position Mpumalanga as investment destination of choice, under the theme: ***“Driving Investment for a Sustainable and Inclusive Economy”***
6. We are delighted to report that through the Investment and Mining Conference, the province raised **R 242 billion** in pledges into the provincial economy. The investments are the catalysts for job creation in Mpumalanga to reduce the unemployment rate and the grinding effects of poverty in our province.
7. Chairperson; the **R 242 billion** investment is a game-changer in Mpumalanga’s economic trajectory and further underscores the province as an investment destination in the country.
8. Accordingly, the investments advances the province’s quest to achieve the key priorities of the 7th administration, of driving inclusive economic growth and job creation, reducing poverty and tackling the high cost of living, and building a capable, ethical and developmental state.
9. Equally, we are meeting here today few days before the 20th G20 Summit, which will be held in Johannesburg from 22-23 November 2025. From an economic development perspective, the G20 Summit seeks to promote economic growth and financial stability, including through inclusive policies, improved investment climates and equitable trade policies.

10. We therefore, take this opportunity to wish the World leaders well in their engagements, and we are hopeful that the declaration that will adopted after the deliberations will be anchored on fostering peace, unity and prosperity for our people.
11. Honourable Members; as the Political Head of the Department, I remain concerned about our expenditure, as it **relates to irregular, fruitless and wasteful expenditure**. To this end, I have directed our Accounting Officers, Public Entities included, to continue to come up with mitigating strategies so that we can eliminate this challenge.
12. One thing I can assure you is that not all is doom and gloom, given that the **situation regarding the *dedt* family audit outcomes** is surely improving. Although our Department did not receive a clean audit outcome during the previous financial year, we are pleased that the **Department has once again received an unqualified audit outcome**.
13. Chairperson, there are evident signs that, governance issues within the Department, have improved significantly, over the past two (2) periods under review. As a result, the Department has received **unqualified audit outcomes**, albeit with matters of emphasis, during the 2023-2024 financial year.
14. What is encouraging is that the **‘matters of emphasis’, have gone down significantly**, following the latter audit outcome.

15. We acknowledge that this is not enough, given that there are a few '*Matters of Emphasis*', which still needs to be resolved, for us to clinch that elusive clean audit outcome. In this regard, we commit to continue to work extremely hard, as we move towards receiving the clean audit outcome.
16. Chairperson; during the 2024-2025 audit outcome, the Auditor General reported that despite numerous warnings from the Portfolio Committee, the Department materially underspend the budget.
17. In this regard, I must indicate I have realised a worrisome trend, that our Department returns a lot of funds to the fiscus; in fact millions of rands, in unspent money. And this has happened for quite a number of years; more than 5 years or so.
18. Unfortunately, the sad reality is that when our small enterprises request funding to implement their business plans, they are told there is no money but at the end of the financial year, a lot of money goes unspent.
19. I have indicated to the HOD that underspending cannot be tolerated anymore. Therefore, moving forward. When we close our books at the end of this financial year, I don't expect any under-expenditure. I expect the Department and its entities to spend all the money appropriated without failure.
20. As the Executive Authority, I can't just do nothing when money meant to uplift our small businesses and grow our economy for the benefit of our people is surrendered to Treasury.

21. In relation to governance at our Public Entity, the MTPA, I wish to inform the committee that following the end of term of the previous Board, I have in terms of section 7(4) of the Mpumalanga Tourism and Parks Agency Act, 2005 (Act No. 5 of 2005), appointed an interim Board to oversee governance issues at the entity.
22. Surely, the swift appointment of the interim Board underscores our appreciation of the critical role that MTPA plays in stimulating economic growth and job creation. To this end, the interim Board has developed and submitted a turnaround strategy geared towards reposition the entity as a dependable vehicle to drive tourism development in the province.
23. In order to achieve a clean audit in 2025-2026, I am reliably informed by our team of Accounting Officers, that they have at least put some measures in place, to prevent any irregular, fruitless and wasteful expenditure happening in future. They will provide details when they respond to the Committee, after my address.
24. As I conclude, I would like to inform the Committee that **we are truly committed to speedily resolve all issues** impeding us from attaining clean audits. This is undoubtedly doable; and we will surely achieve this before the end of the term of the current administration.
25. Chairperson, once more, thank you very for this opportunity. The Head of Department, supported by the CEOs of our Entities, as well as our CFOs, are **ready to give an account of how public funds were utilised**, in the 2024-2025 financial-year, in our quest to fulfil our Constitutional mandates.

I thank you!