Address by Minister in The Presidency, Mondli Gungubele, on the occasion of The Presidency 2022/23 Budget Vote, National Assembly, Parliament

*9 June 2022 - 12:00am*



Madam Speaker,
His Excellency, President Cyril Ramaphosa,
Deputy President of the Republic, David Mabuza,
Honourable Members of the House,
Members of the media,
Fellow South Africans,

I greet you all.

We present this Presidency Budget Vote halfway through this 6th Administration of Government which was ushered in after the 2019 National and Provincial Elections where the governing party, the African National Congress, pledged to Grow South Africa Together.

Working with the people of South Africa, we pledged a new chapter of hope in the fight to eradicate unemployment, poverty and inequality. A chapter to pursue the dream of our forebears of a non-racial, non-sexist, united, democratic and prosperous South Africa.

Honourable Speaker,

The last two years have been difficult in the history of our country and indeed for the world at large. Our beloved country and our people have been tested severely by the COVID-19 pandemic, which has had and will continue to have a dire impact on thelives of so many South Africans.

The economic and human cost would have been inconceivable a short few years ago.

Over 100 000 citizens have succumbed, many jobs have been lost, while our SMMEs have closed down. Across the board, economic enterprises and industry have struggled to keep their heads above water.

The situation was exacerbated by the July 2021 unrest which led to widespread crime, violence and social unrest. While recovery measures were underway, the country was struck by floods in KwaZulu-Natal, Eastern Cape and North West which led to further devastation with the loss of lives and livelihoods.

Honourable Members,

With all the above, as government, we recognise that we have only two years left of this 6th Administration. We have therefore identified the priorities for the remaining period to deal with all aspects of the triple challenges of, poverty, unemployment and inequality, faced by so many in our country and exacerbated by the pandemic.

Recognising that we are in the state of urgency, we must make quick and noticeable strides to the lives of many South Africans.

As the centre of government, The Presidency will continue to play a leading role in ensuring that we build a nation that eradicates unemployment, poverty and inequality.

A nation that fights corruption and malfeasance which steals from the poor. A nation where injustices of the past are redressed and where socio-economic transformation is a priority for our efforts. A nation where all can live in safety and security without the scourge of gender-based violence and femicide.

The Presidency has thus developed and drives the strategic imperatives expressed in the National Strategic Plan (NASP) 2022/23, which identifies the following Top Ten acceleration interventions to deliver results towards tangible outcomes in 2022/23:

1) Job creation in the public and private sector.

2) Ease of doing business to stimulate private sector investment and grow productive sectors of the economy as part of recovery and addressing the jobs crisis in SA.

3) Using preferential procurement to utilise public procurement to empower enterprises owned by black people, women and persons with disabilities as well as SMMEs and cooperatives.

4) Modernisation and digitalisation of the public service and the economy in general will contribute to economic recovery.

5) Interventions to immediately address household food insecurity and hunger.

6) The full rollout of the vaccination programme as a critical intervention to save lives, stabilise public health and enable stabilisation, recovery and rebuilding of the economy.

7) Addressing water and sanitation backlogs in schools and communities.

8) Addressing the title deeds backlog is a long-standing commitment with generally poor performance

9) Interventions to reduce violent crimes, including GBV.

10)While important progress has been made in combatting corruption and bringing perpetrators to book, more visible progress needs to be made with regard to prosecutions for corruption and related offences.

Honourable Members,

As you know, government is working to unlock the structural constraints to inclusive economic growth through a programme called Operation Vulindlela which brings together the ability of the Presidency to coordinate across government at a political and administrative level, and the technical expertise of National Treasury.

The core purpose of Operation Vulindlela is to unleash critical sectors to accelerate the implementation of structural reforms and enable higher economic growth.

The progress report for Q1 2022 demonstrates significant progress on a number of key interventions. Major announcements on reforms in the electricity, telecommunications and transport sectors have had a positive effect on investor confidence and economic growth during the past year.

The release of the spectrum has been concluded with settlement between ICASA and Telkom bringing finality to the auction outcome. Completing the analogue switch-off will enable spectrum in the 700 MHz and 800 MHz frequencies to be used for mobile telecommunications, and provide a substantial boost for investment. This will also improve the reliability of connectivity and substantially reduce the cost of data to citizens.

To address the electricity challenges the country is faced with, new generation capacity was brought onto the grid through the renewable energy procurement programme which is important for economic activity. By enabling the private sector to invest in new generation capacity under 100 MW, and working to accelerate these projects by moving towards a competitive electricity market, will enable much higher investment in generation enabled by an independent grid operator.

After a delay of more than ten years; the establishment of the National Ports Authority as a separate subsidiary of Transnet will improve the regulation of ports towards higher efficiency to stimulate economic growth.

These are examples of the commitment which this 6th administration has made to overcome inertia and drive progress on the economic reform agenda.

The recent Statistics South Africa economic growth figures of 1,9% for Q1 2022 is testament to the fact that the measures we have implemented towards recovery are indeed bearing fruits.

Honourable President,

The Infrastructure and Investment Office (IIO) which is located in the Presidency has become a single point of entry for accelerated infrastructure investment, with a particular focus on both public and private sector catalytic social and economic infrastructure projects.

Through the annual flagship programme organised by the Investment and Infrastructure Office, the Sustainable Development Symposium – South Africa (SIDSSA 2021) announced that 29 out of 50 Projects Gazetted in 2020 were reported to be in implementation stages. The total investment value of these projects is estimated at around R119 billion.

Additionally, 55 projects were presented during the Pipeline series with a total investment value of around R595 billion.

The above proves that the Investment & Infrastructure Office, working with the relevant Ministers continue to play a pivotal role in positioning South Africa as a key African investment destination and leveraging quality foreign and domestic direct investment.

The Presidency will continue to lead the Annual Investment drive towards raising R1.2tn at the end of the five-year period. This being the 4th year of the 5year target, the drive has managed to raise investment commitments of R332bn.

In March 2022, Cabinet approved the Country Investment Strategy (CIS) which is currently out for public comment and consultation. South Africa’s inaugural Country Investment Strategy aims to position South Africa as a key preferred African investment destination by attracting and facilitating quality Foreign and Domestic Direct Investment into the country.

We wish to invite all South Africans to make comments on the country’s investment strategy.

Madam Speaker,

In fighting crime and corruption and building an ethical and capable developmental state, the Presidency has established a system for coordinating the implementation of all SIU recommendations across the multiple departments, spheres and agencies responsible for implementation.

This will overcome gaps in accountability and allow us to monitor and detect where there is inadequate progress in implementation.

Honourable members, as we promised in February, this week we tabled the SIU reports implementation plan to the Standing Committee on Public Accounts (SCOPA) while various investigations by law enforcement authorities on SIU recommendations are ensuing on a daily basis.

As a true testament to our commitment to running a transparent government, all volumes of the Zondo Commission report on the State Capture Inquiry have been released to the public within the timeframes we had committed.

We have through the office of the Director General in the Presidency established a team to work through the recommendations before the deadline to Parliament which is the 15th of October.

We can promise the country that we will be as transparent as we have been throughout this process of implementing the recommendations of the report. As the Minister of Finance said during the budget speech, resources have been allocated for the quick implementation of the report.

As we have previously stated, law enforcement agencies are already working to ensure that those who are found to have been implicated in state capture are brought to book. We have in this regard seen examples of serious arrests being made in the recent weeks.

Honourable members,

Our government is at work and progress is being achieved. We are seeing tangible results in the efforts of our government under the astute leadership of President Ramaphosa in getting this country on the road to recovery. Let us continue to work together to ensure that South Africa is prosperous for all who live in it, black and white.

I thank you.