



## **MINISTRY OF DEFENCE AND MILITARY VETERANS**

Republic of South Africa

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### **INTRODUCTION OF THE DEBATE ON THE DEFENCE AND MILITARY VETERANS BUDGET VOTE 2021 IN THE NATIONAL ASSEMBLY, BY HON NOSIVIWE MAPISA-NQAKULA, MINISTER FOR DEFENCE AND MILITARY VETERANS, 18 MAY 2021, PARLIAMENT, CAPE TOWN**

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Speaker of the National Assembly / House Chairperson

Deputy Minister, Honourable Thabang Makwetla

Cabinet Colleagues and Deputy Ministers

Chairperson and Members of the Portfolio Committee on Defence and Military Veterans

Co-Chairpersons and Members of the Joint Standing Committee on Defence

Honourable Members

Secretary for Defence, the Chief of the Defence Force and the Acting Director-General of the DMV

Chairpersons, CEOs and Heads of all entities of the Ministry of Defence and Military Veterans

Distinguished guests

Friends and fellow South Africans

We are honoured to present the Budget Vote 23 for Defence and Budget Vote 26 for the Military Veterans against the theme of “Defence in an era of the pandemic” respectively. I also wish to take this opportunity to wish my Deputy Minister, Hon. Thabang Makwetla, a hearty happy birthday today. The Deputy Minister will elaborate at length on Vote 26 and other areas.

I have chosen this theme in recognition of the enormous difficulties our country and our people have had to face over the last year. I also pay tribute to our men and women in uniform for their unwavering commitment to duty during this time.

Our uniform members and civilian counterparts were asked to put their lives on the line to support the efforts to contain the spread of Covid-19. The tragedy and heartbreak endured by our citizens in general and by the members of the Department of Defence in particular, has tampered our resolve as a nation and as the defence community to overcome this pandemic.

The COVID-19 pandemic has completely changed the future security landscape in SADC by negatively impacting on human security, economic growth, trade and development. Even though the SADC region is relatively stable, this pandemic has served to amplify existing conflict drivers especially those fueled by human security issues.

There will have to be careful and deliberate coordination of security efforts between member states to claw back the losses to human security throughout the Region. We continue to be concerned by the security developments in the region, in particular the upsurge of insurgency in our

neighbouring country. This has a potential of spilling over the entire region. The SADC regional leadership is seized with the matter and we hope for a speedy resolution.

Honourable members,

As the Executive Authority for the entire defence function, and in keeping with my responsibilities, it is incumbent upon me to provide policy and strategic direction ensuring that the Constitutional obligations set out are complied with. This budget vote speech provides me with the opportunity to share some critical aspects on where we find ourselves in the quest to defend and protect the Republic of South Africa and its people.

Before I do that, I must recognise recent changes in the senior appointments in the Department of Defence.

Honourable Members,

We will bid farewell to General Solly Shoke at the end of this month. General Shoke has been the longest serving Defence Chief in the history of the armed forces of South Africa. He has served for ten years with honour and has been indispensable to me as Minister of Defence and Military Veterans.

On behalf of this house, I would like to thank him for his outstanding contribution and his unwavering commitment to upholding the Constitution of the Republic of South Africa. Indeed, we owe him our profound gratitude.

We also bid farewell to Lt. Gen Zimpande Msimang, the former Chief of the Airforce, who retired last year; Lt. Gen Jeremiah Nyembe, the Chief of Defence Intelligence and Lt. Gen Zola Dabula, the Surgeon General. These

members of the Military Command have served with distinction and we thank them for their invaluable contribution.

It gives me great pleasure to welcome Ambassador Gladys Sonto Kudjoe as our new Secretary for Defence. Ambassador Kudjoe was appointed with effect from 1st August 2020 and in that position, she assumes the role of Head of Department, Accounting Officer and Head of the Defence Secretariat. In addition, Ambassador Kudjoe has also had the responsibility to ensure the efficient management and function of the National Covid Command Centre during this time of national disaster.

I would like to take this opportunity to congratulate Lt Gen Rudzani Maphwanya on his appointment and promotion as Chief of the South African National Defence Force with effect from 1st June this year. Lt Gen Maphwanya has an impressive track record and extensive successful operational experience. We wish him well and look forward to working with him.

It also gives me great pleasure to congratulate Maj Gen Thalita Mxakato on her promotion and appointment as Chief of Defence Intelligence with effect from 1st June 2021. Honourable members, Maj Gen Mxakato is the first female appointment to the rank of Lt Gen in the history of the armed forces of South Africa and the first female member of the Military Command. This appointment truly advances the position of women in the South African National Defence Force.

We also welcome the appointment and promotion of Lt. Gen Wiseman Mbambo as the new Chief of the Air Force. In addition, we also congratulate Major General Sipiwe Sangweni on his promotion to Lieutenant General

and appointment as Chief Joint Operations with effect from 1st June 2021. We congratulate Major Gen Ntshaveni Maphaha on his appointment and promotion to Lt Gen in the post as Surgeon General with effect from 1st November 2021.

Chair,

We appreciate that we appear before this house under conditions of a severely constrained fiscus. Nonetheless, we must inform this house of the negative impact our declining allocation has had and will continue to have on the Department of Defence in general - our military capabilities in particular and our ability to meet our operational responsibilities assigned to us as well as our international obligations.

The reduction of over 15 Billion rand over the MTEF has placed us in a very difficult position. Our capital budget has effectively been reduced to a trickle and the operating budget is under extreme pressure. Under these conditions, we are finding it very difficult to improve the serviceability of our Prime Mission Equipment.

Whilst we are fully aware of the fiscal challenges that South Africa has, the reduction to our allocation has a devastating impact, not only on the Defence Force, but also our Defence Industry and Defence Related Industry and the many SMME's in the supply chain. I am at great pain to remind this house that this is a matter which I raised in my 2019 Budget Vote Speech.

Chair,

If we are honest with ourselves, we now face the reality that if we do not intervene in a decisive manner, we will lose our state-owned defence industrial base and the ability to repair, maintain and overhaul most of our

defence systems. This not only compromises our ability to maintain our current equipment in service, but also fundamentally impacts our longer-term ability to remain relevant and ready to conduct effective operations in the future. Should this happen, we may well find ourselves reliant on foreign powers for our main equipment and this will come at great strategic expense.

The knock-on effect of this has had dire consequences for the contribution that the defence industry makes to science and technology development, manufacturing, export earnings, education and artisan training, jobs for our people and the economy in general.

We will recall the Public Private Growth Initiative of the President to boost the economy and rapidly improve job prospects for our people. The Defence Industry was identified as an economic sector with significant potential to catalyse economic growth in South Africa.

Chair,

Our Defence capabilities are under extreme stress. Our ability to equip and train our force appropriately has become progressively more difficult. The current threat manifestations require more 'boots on the ground' which is contrary to the imposed funding ceiling on personnel.

In addition, the ability to maintain main equipment for operations has declined to the point where we need to ask if it is in fact viable to continue to throw resources at them. This coupled to the demise of the defence industry and in particular DENEL has placed us in a very precarious position. Our Defence capabilities are heavily reliant on Defence Industry and in particular DENEL

Our maritime defence is in the same situation. Whilst we commend the efforts of ARMSCOR to turnaround the dockyard, we are nonetheless finding it difficult to maintain our fleet against the float, sail and fight concept of combat readiness.

However, we can report that the Multi-Mission Inshore Patrol Vessel, part of Project BIRO, is progressing under a partial acquisition. The first of three vessels is nearing completion and is on track to be delivered during August this year. The second Vessel will be delivered during September next year. These vessels will improve our ability to protect our maritime resources and our territorial waters.

Project HOTEL is also progressing well, the delivery of the Hydrographic Survey Vessel system is set for April 2023. This ship will allow us to meet our obligations to the international community according to the highest international standards.

The ability of our Military Health Capability to meet its mandate is severely strained. The health support to our deployed troops, their families which is core to maintaining combat ready personnel as well as the support to our military veterans is increasingly becoming limited.

This is due to outdated and obsolete equipment, the loss of medical professionals such as medical specialists, doctors and nurses resulting in the scaling down of certain medical services and outsourcing of others at great expense.

Chair,

I must remind the House of Section 227(1) (a) of the Interim Constitution (1993) which pronounces that one of the functions of the Defence Force is:

***“For service in the defence of the Republic, for the protection of its sovereignty and territorial integrity”.***

Whilst we seek to build safer communities at home and promote greater peace, security and stability in the Region and elsewhere on the Continent, we are mindful of significant increases in the asymmetric threats that we face. We are not immune to fundamentalism and extremism, terrorism, cybercrimes and organised crime. All of these are significantly increasing on the Continent and in the Region.

Defending South Africa, protecting its people and safeguarding our borders and the economy extends to our landward, maritime, airspace as well as our cyber domains. The Defence Force’s role in safeguarding South Africa and its people and protecting its domestic and regional interests are paramount in advancing the Nation State.

Key to our national security is the delicate balance in the relationship between the Government, the People and the Business community all of which have a symbiotic relationship in advancing human security in South Africa. Growing the economy remains the single most important objective to South Africa restoring this balance.

To this end, the National Defence Force has a pivotal and unique contribution to ensure stability and security and the confidence to invest in the future of South Africa and the Region.

However, we continue to be forced to adopt a short-term view with an increasingly constrained value proposition to South Africa and its people. Strategically, we have now transitioned from being mandate-driven to being

funding-driven. I wish to remind this house that Defence can only perform to the extent that it is resourced and funded.

Against this backdrop, I once again ask of this house to apply its mind and wisdom to the question:

**“What kind of Defence Force should South Africa have and what can it afford?”**

Honourable Members,

What we need is a Defence Force that can influence widely, react swiftly, contain effectively and support efficiently wherever it is deployed.

In the light of the fiscal constraints facing South Africa, the SANDF, will have to rebalance its military capabilities towards a future-force that has a wide range of utility. This must ensure future relevance and the ability to sustainably execute selected priority missions, perform its core-mandated functions and provide value to South Africa as a developmental state. However, this does not come without significant risk.

Against these realities and in line with the principles and recommendations contained in the South African Defence Review 2015, I have taken the following steps towards creating stability in the Defence function:

**First**, I have issued a directive to the Department in which specific measures to effect cost savings in our personnel budget over time must be implemented. In addition, measures are to be put in place that will ensure the rejuvenation of the SANDF as we accommodate the voluntary separation of members wishing to do so. We will continue to focus on attracting young

fit and healthy men and women with a passion for soldiering and service to South Africa.

**Second,** I have requested the Secretary for Defence to develop a departmental policy position on an affordable level of defence ambition cognisant of our funding challenges and the emerging real and tangible threats to the national security of the Republic. I have also requested that we have insight to the defence systems and capabilities that will have to be decommissioned and the risk estimate attached thereto in the interests of achieving defence efficiency. It is my intention to approach and engage Cabinet and the Parliamentary oversight committees with the outcome of this work.

**Third,** I have requested the Chief of the National Defence Force to finalise the Blue Print Force Design being cognisant of our strategic circumstances. In addition, I have indicated that the command and staff structure of the Defence Force will have to change if we are to ensure improved efficiency and effectiveness in the future. To this end, we should focus on implementation as soon as is practically possible.

**Fourth,** I have requested the Secretary for Defence to reposition the Defence Secretariat so as to strengthen governance of the Department and civil control over the SANDF. This repositioning must be synchronised with the changes to the command and staff arrangements and implementation thereof by the SANDF.

**Fifth,** I have requested the CEO of ARMSCOR to collaborate with the Chief of the National Defence Force and the Secretary for Defence and to develop a pragmatic recommendation on how to modernise the SANDF under the

current fiscal and industry constraints. As we move forward, I have also requested advice from ARMSCOR on the relationships that must be developed in support of the level of defence ambition and the affordable force design that supports it. In short, we are looking for a pragmatic, affordable and focused response from industry.

These interventions will allow us to ensure that the SANDF is able to carry on with its mandate of safeguarding the sovereignty and territorial integrity of the Republic.

Honourable Members,

It is also incumbent on me to provide feedback on our efforts over the last year. The SANDF has been progressively asked to do more for less for several years now. This last year, however, was unprecedented, but it was a challenge that the members who make up this proud national asset accepted and met with enthusiasm.

We were tasked to provide the largest deployment since our democracy in support of the State of National Disaster. Not only did we focus on ensuring that citizens adhered to social distancing and the wearing of masks, but we also delivered in many other ways that were unseen.

The SANDF deployed 8 119 personnel, made up of members of the regular force, reserve force and auxiliary services, in support of other Government Departments to mitigate and combat the spread of the COVID-19 pandemic. The SANDF conducted 12452 road blocks, 7800 vehicle-check-points and 35000 patrols.

We also responded urgently where needed, provided drinking water and building bridges in remote areas, and we deployed our medical professionals to areas that were buckling under the strain of the pandemic.

Notwithstanding this, the Department of Defence has suffered its own challenges with COVID-19. We have recorded a number of COVID-19 positive cases and fatalities during this pandemic.

It is important to recognise that the contribution of the Cuban Medical Team was enormous. They conducted just over seventy-nine thousand two hundred and ninety-eight (79 298) total procedures, significantly improving our ability to save the lives of our members in uniform.

We will continue to support the Department of Health in the roll-out of the vaccine program. We have availed our air transport and airport facilities to assist in this endeavour.

Chair,

Throughout all of this, the SANDF has continued to fulfil its constitutional mandate to defend the land, sea and air sovereignty of South Africa, aiding law enforcement agencies in their fight against cross-border crime, as well as fulfilling the country's global responsibilities to peace keeping in the largest United Nations (UN) mission in the world, being MONUSCO in the DRC and the Force Intervention Brigade.

We continue to conduct search and rescue, disaster relief and humanitarian operations across the home-front and in neighbouring countries when called upon.

It is important for government to ensure that all South Africans are and feel safe at all times in their homes, streets and work places. Our ongoing actions in support and cooperation with the SAPS are indications that the internal security challenges that we face are increasing.

Chairperson,

I am at pains to report that we are finding it increasingly difficult to support South Africa's social transformation initiatives which require of us to look beyond just that of our core business.

In this regard, for the last ten years since the establishment of the Department of Military Veterans, we have made efforts to alleviate their plight. This has not been an easy task and is still faced with challenges. To that end, the President established the Presidential Task Team on Military Veterans (PTT) chaired by the Deputy President and supported by the Ministers of Defence and Military Veterans, Monitoring and Evaluation, Deputy Minister Makwetla, Premiers and other line function departments and provinces with the responsibility to deliver to military veterans and their dependants. This work will bring all of government to the fore and fulfil the spirit of the Military Veterans Act which "enjoins all organs of state to have a responsibility to deliver to military veterans". It is in this regard that there are continuous engagements with all spheres of government and the Deputy President is leading the charge. Deputy Minister Makwetla will elaborate further on these matters.

Chairperson, on the Defence front, we have a history of mobilising our collateral capabilities in the interests of intervening where required and

advancing the interests of communities. This is becoming very difficult to do within our constraints.

Our efforts to contribute to poverty alleviation and economic growth have included:

- Support to Operation PHAKISA towards unlocking the Ocean's Economy, in particular providing a secure environment for this accelerated economic growth initiative. Our current build of our Multipurpose Inshore Patrol Vessels and the new Hydrographic Survey Vessel once commissioned will make a significant contribution to efforts.
- We have expanded Project KOBA-TLALA to pursue the defence decentralised procurement of goods and services at a local level to be a catalyst for SMME, Small-scale and Emerging Farmer development and job creation. This project is bearing fruit with significant savings to the Department and increased economic activity in remote areas. It also reskills the Reserve Force members for utilisation by Provinces when not called-up for military service.
- We have continued to support the Department of Agriculture, Forestry and Fisheries in protecting South Africa's wildlife and marine resources.
- We have also supported the National Parks Board in the protection of rhinos and other wildlife against criminal syndicates.
- We have supported numerous provincial and local authorities with service delivery interventions.

Our Department will continue to support the broader economic and developmental initiatives of the 6th Administration where practically possible.

Chair

On the matter of Human Resources. As we are aware, the compensation ceiling for employees of the Department is significantly less than the actual requirement.

The average personnel strength of Regulars and Public Service Personnel for the remainder of the financial year has been amended downwards in the interests of narrowing the funding gap. The actual strength has decreased, largely as a result of natural attrition across the department. This has had an impact on the administration of the Department. In addition, we have had to adjust the funding to the Reserve component down from an annual 2.7 million days to 1.9 million days.

Chairperson, as you are all aware, I commissioned a Ministerial Task Team to investigate allegations and trends of sexual misconduct both in internal and in peace support operations where members of the SANDF are deployed. This Task Team produced a report with recommendations to effectively deal with sexual misconduct and further to put measures that aim to support victims and processes that deal with perpetrators.

Against this report, the Department has taken specific action and is in the process of the following interventions:

**First**, we have created a specialised sexual offence unit within the Military Police structure to investigate offences for prosecution in the Military Justice System.

**Second**, we have created a Ministerial Hotline and a Sexual Misconduct Office within the Department to coordinate the Misconduct Centre.

**Third**, we have created a central electronic registry that will accurately monitor and report monthly on the statistics submitted by Services and Divisions.

**Fourth**, we have created a Sexual Harassment Policy and an Ethics Policy against which departmental punitive actions can be taken on offenders.

**Fifth**, we have established strict confidentiality measures.

**Sixth**, we are updating our training curriculum to mainstream gender as well the awareness and consequences of sexual misconduct.

In addition, we have developed an action plan to serve as a monitoring tool and started the process of aligning the general regulations and other functional regulations to ensure compliance and consequence management of offences.

Honourable Members,

The Reserve Force made an enormous contribution to the operational performance of the National Defence Force during the last financial year by providing some 15 000 members for various operational tasks. In total, the Reserves were called up for a total of 3.35 million days.

Considering that the country remains faced by the pandemic, our Reserve Force members remain on standby and ready to respond to the call at any time the country requires their assistance.

I am happy to report that we are making great progress on the equity targets. Females now make up 31% of our members and males correspondingly 69%. The approved equity targets are Africans 74%, Coloureds 13%, Whites

12% and Indians 1% being more closely reflective of our national demographic.

There are 216 Generals or Flag Officers in the DOD of which we now have 44 females and 172 males. This marks significant progress. We will continue to work on this in future.

Honourable Members,

Project THUSANO has indeed delivered significant relief to the situation. In terms of general outcomes, the following has been achieved:

- Inspected vehicles;  
Vehicles with maintenance and repairs
- Completed vehicles
- Repaired components
- Improvement of the technical skills of 1 181 South Africans in the Services of the SANDF

Chair,

During the 2018/2019 financial year, the Department had six audit qualifications, which were brought to two for the 2019/2020 financial year. The Auditor-General has raised numerous deficiencies in our control systems and we acknowledge, as a Department, that we have weaknesses in our governance and control systems as well as challenges within the Supply Chain management environment. The recurrence of Irregular Expenditure based on previous contracts awarded irregularly, continues to increase.

The bulk of our recorded irregular expenditure relates to the underfunding of our compensation of employees as it relates to the National Treasury imposed ceiling. This currently stands at R5.6 billion and is estimated to continue to increase with approximately R3 billion per year.

The Auditor General has also identified material irregularities on contracts awarded irregularly in the past, these have and continue to be investigated internally by the Department.

The Secretary for Defence and Chief of the SANDF will ensure consequence management is implemented and controls are put in place to reduce the incurrence of irregularities and fast track the investigations into these occurrences.

We continue to strive to improve our financial management systems and ensure the clean and transparent administration of our resources. This is why I have directed the repositioning of the Defence Secretariat.

Chair,

Other organs of state and public entities also report to me. These are the:

Armaments Corporation of South Africa (ARMSCOR)

Reserve Force Council

Military Ombud

Defence Force Service Commission – Honorable Members on a somber note I wish to convey my sincerest condolences to the family of Joe Jongile, a Commissioner of the DFSC who passed away last Friday. May his soul rest in peace.

Lastly, the Castle Control Board.

I recognise the significant and important contribution that each of our institutions have made within their respective mandates. To do them justice in this house, I have requested that the Deputy Minister of Defence and Military Veterans Hon Thabang Makwetla elaborate further on them in his speech.

In conclusion, I repeat the question I have asked many times. Is this House satisfied that the current resourcing of the Defence Force is consistent with the obligations placed on it by the Constitution?

I request the Honourable Members to approve the 46,268 billion rand that has been allocated to the Department of Defence in terms of Vote 23 this financial year.

I thank you.