# Minister Mondli Gungubele: State of the Nation Address Debate

14 Feb 2023

### **Speech by the Minister in the Presidency, Mondli Gungubele (MP), during the State of the Nation Address debate, National Assembly, Parliament, Cape Town, 14 February 2023**

Madam Speaker, Hon. Nosiviwe Mapisa-Nqakula;
President of the Republic of South Africa, His Excellency Matamela Cyril Ramaphosa Deputy President David Mabuza;
Colleagues in the Executive and Members of Parliament Premiers of our provinces;
Members of the media The people of South Africa;

This year’s State of the Nation Address by President Ramaphosa is historic in many ways. It signals many rays of possibilities and an imminent end to a rather devastating period which was ushered in by Covid-19, catastrophic floods, serious cases of corruption and maladministration that were laid bare at the State Capture Commission; and an energy crisis.

Indeed, as the President indicated, we have seen the resilience of South Africans and are constantly inspired by our belief that tomorrow will be better.

As a result, we are witnessing the resurgence of the economy with our growth figures for the third quarter of 2022 at 1,6%; growth in the investment profile of the country and an increase in developmental projects. We are more than 95% of the way to reaching the goal of attracting R1,2 trillion in investments set by the President in 2018.

The declaration of the National State of Disaster will assist in speedy resolution of the energy supply challenges, whilst minimizing its impact and contribute immensely in the rebuilding process. Many of the sectors will benefit from the stable energy supply and assist in creating the much-needed jobs.

This 6th Administration is in its penultimate year. In 2024 we will go back to South Africans to seek a renewed mandate. And we are confident we will receive it because we are a government that is committed to improving the lives of each and every South African. Because we are a government that leaves no-one behind.

We have placed public accountability at the center of building an ethical and capable developmental state as set out in the National Development Plan, Vision 2030.

To advance accountability the President has appointed various commissions to deal with corruption, to restore public trust and to restore the credibility of key institutions.

The Commissions of Inquiry into Tax Administration and Governance at the South African Revenue Service resulted in an overhaul of SARS, and it being turned into one of the most efficient and well-performing public entities in this country. Last year SARS broke revenue collection records, collecting over R1,2 trillion in revenues.

The Commission of Enquiry into the Public Investment Corporation highlighted widespread abuses and governance failures at the PIC, and ongoing reforms are rebuilding the institution.

The National Prosecuting Authority’s Investigating Directorate has already begun preparing for trial cases emanating from the Commission of Inquiry into State Capture, and last year several arrests were made.

The ID has enrolled 32 matters involving 187 accused persons. Six new matters, involving 22 accused have been enrolled since the President tabled his response to the State Capture Commission in October 2022.

The Presidency continues to work closely with the Special Investigation Unit to improve the monitoring and coordination of referrals arising from SIU investigations.

These SIU interventions are bearing fruit with some of the looted money being returned by multinationals and others.

The SIU investigation into Covid-19 procurement (Proclamation R23 of 2020) has to date resulted in 456 referrals to accounting officers for disciplinary action.

Sixty-three officials have been found guilty. 476 referrals have been made to the NPA for possible criminal investigation and prosecution. Eight matters are currently in court, and two guilty verdicts have been handed down so far.

In the current financial year, 16 new Presidential Proclamations have been issued to authorise new investigations by the SIU.

Cabinet has also approved the National Anti-Corruption Strategy that seeks to give more impetus to the ongoing work to address any weaknesses in programmes designed to fight corruption.

All these are concrete examples that we are a government at work. We are strengthening the capacity of the state qualitatively and quantitively.

The Presidency as the Apex of government continues to play an important role in coordinating interventions to accelerate the implementation of government’s programme of action.

We set up Operation Vulindlela in October 2020 as an initiative of the Presidency and National Treasury to accelerate structural reforms. Our focus is on reforms that are fundamental and transformative; that reshape the way our economy works.

After a ten-year delay, last year we concluded the auction of high-demand spectrum, enabling substantial new investment in telecommunications. The spectrum auction collected more than R8 billion in revenue for the fiscus.

In 2022 we established the Transnet National Ports Authority as a separate subsidiary of Transnet after a delay of more than 15 years. This was the necessary first step towards enabling independent oversight of ports, as well as the licensing of the 98 terminals in these various ports.

To improve the quality of water that is provided to our communities, we have reinstated monitoring systems such as the Blue Drop, Green Drop and No Drop system for the first time since 2014.

The dedicated capacity in the Presidency to reduce red tape is making progress.

This includes work to ensure that government departments pay suppliers within 30 days. For an example, the Department of Planning, Monitoring and Evaluation takes an average of 10 days to settle invoices.

Infrastructure South Africa (ISA) which is housed in the Presidency is being positioned to serve as a single point of entry for all infrastructure projects and a custodian of the country’s infrastructure project pipeline.

Several major infrastructure projects have been unlocked and will see great progress in 2023/24, for example:

* The Rural Roads Project which is critical in opening up rural economies and agroprocessing, focusses on road construction, upgrading and maintenance plans of provinces such as the North West, Limpopo and Free State;
* The Welisizwe Rural Bridges Project where construction of 24 of the targeted 95 bridges has commenced, with a commitment to finish no less than 48 by the end of March.
* The Umzimvubu Water Project, which has commenced with the construction of access roads to enable the construction of two dams. This project has now been reconfigured to make it easy for government to afford it and fund in phases thus starting with the Ntabelanga dam.

As we stabilise the grid for the current economic environment, we must not forget that in the future, carbon intensity will be one of the key factors that affect the ability of our country to produce and trade in the global economy. To this end, there are several large initiatives that have taken off and should be scaling up in the 2023/24, such as the Implementation of the Green Hydrogen Strategy.

South Africa’s Hydrogen Society (HySA) Roadmap spans for the next 10 years. Thus far, 9 out of the 19 green hydrogen implementation projects that were identified have been successfully registered with Infrastructure South Africa.

Again, these are tangible results of a government at work.

Fellow South Africans, it is a fact that we cannot build a developmental state when our security and intelligence services are not modernized and capable. It is for this reason that government continues to work tirelessly to strengthen the intelligence services and the coordination of the intelligence community.

One of the key commitments of the 2022 State of the Nation Address (SONA) was to address weaknesses identified by the Expert Panel into July 2021 civil unrest. These include strengthening coordination between intelligence structures and bringing critical stakeholders together to tighten the working relations in the intelligence community. Since then, the Agency has been hard at work meeting stakeholders like Provincial Executive Members, Mayors and Law Enforcement Agencies in an attempt to strengthen the working relations in this sector.

The Agency continues to work within the National Intelligence Coordinating Committee (NICOC) early warning systems so that we avoid the recurrence of July and other similar incidents. This approach ensures that the intelligence communities including the Agency produce coordinated intelligence products which are timeous, relevant, credible and reliable.

The other weakness that was identified by the Sandy Africa Report was the capacity constraints especially at leadership and management level in the Agency. In this financial year, a lot of progress has been made in the filling of vacancies at senior management level. This is steadily assisting the Agency to stabilize and to perform at its maximum.

Upon receiving the Judicial Commission of Inquiry on State Capture Report, SSA developed an implementation plan on those recommendations which are of relevance to the Agency.

A significant number of the recommendations of the Judicial Commission of Inquiry on State Capture and of the HLRP have been implemented. For instance, the process to disestablish the Agency into Domestic and Foreign Branches is at an advanced stage. The Bill which seeks to amend the National Strategic Intelligence Act no 39 of 1994, Intelligence Services Act, no 65 of 2002 and other relevant Intelligence laws so as to, amongst others, dis-establish the State Security Agency will be submitted to Parliament before the end of the financial year.

In the same period, in addition to the finalization of the General Intelligence Laws Amendments Bill, the Agency will also introduce the Interception Bill and finalize the Cybersecurity Bill.

During 2023/2024 financial year, the Agency will continue to implement remaining recommendations of the HLRP and of the Judicial Commission of Enquiry into allegations of State Capture. The perception that nothing has been done to implement these recommendations is not accurate because out of the 73 recommendations from that report, 39 have been fully implemented and the rest are work in progress.

Fellow South Africans, the recovery of our nation is demonstratably underway as we rise together above all adversity. We have shown on a number of occasions in the past that our great country can triumph over insurmountable odds. Hence, we echo the words of the President that we are indeed merchants of hope.

Our work as this government is supported by bold measures, strong partnerships and commitment at the highest level from the Presidency to bring about the change that benefits every South African. We have made strong inroads into building a forward momentum that will inject a new impetus into the economy and society. We assure you that we shall leave no one behind as we continue to grow South Africa together.

I thank you.