

STATE OF THE PROVINCE ADDRESS BY PREMIER OF KWAZULU-NATAL, HON. SIHLE ZIKALALA MPL, PIETERMARITZBURG, 26 FEBRUARY 2020

Theme: *“Quickening the Tempo to Economic Recovery and Job Creation”*

- Madam Speaker and Deputy Speaker of the KZN Legislature;
- Members of the Executive Council;
- AbaNtwana baseNdlunkulu;
- Chairperson of the House of Traditional Leaders, Inkosi P.D.H Chiliza and uMama weSizwe saseMadungeni;
- Members of the Executive Committee of the Provincial House of Traditional Leaders;
- Members of the NCOP;
- Honourable Mr Justice A Jappie, Judge President - KZN Division;
- Honourable Members of the Provincial Executive;
- Honourable Members of the Provincial Legislature;
- Mayors and Councillors;
- Acting Provincial Police Commissioner, General Gonya;
- Members of the Diplomatic Corps;
- Director-General of KZN, Dr N.O. Mkhize;
- Heads of Provincial Departments;
- Members of the Provincial Planning Commission;
- Representatives of the Business, Labour and Civil Society;
- Religious Leaders;
- Distinguished Guests;
- Ladies and Gentlemen;

INTRODUCTION

IN THE FACE OF DEATH AND DEVASTATION, KZN ENDURES AND IS ALIVE WITH POSSIBILITY

We stand at a stark moment in history.

The challenges we face and the tough decisions we make, will determine the trajectory of our province, of our country and of our people.

As a nation we have walked side by side through the valley of the shadow of death.

Today we are better armed knowing that as we work hard to manage the devastating COVID-19 pandemic, we must shift to higher gear.

We must quicken the tempo to lift our physical recovery, our emotional recovery, and very importantly, our economic recovery, reduce inequality and create jobs.

We are a nation united by our diversity, founded on hope, and taught never to despair.

Our undisputed leadership in building peace and hope is vested in our King, His Majesty UBhejane Phume'siqiwini!

His Majesty has always led from the front in building peace, unity and prosperity in our Province. In this regard as government and people of KwaZulu Natal we will continue to pray for His Majesty's health and well-being as he goes through these trying times. May God hold uHlanga Lomhlabathi in the palm of His hand.

MILESTONES AND ANNIVERSARIES

Honourable Speaker,

We recall, as we gather this morning, that sixty years ago Inkosi Albert John Mvumbi Luthuli, made history when he became the first African to receive the prestigious Nobel Peace Prize in 1961.

Concluding the inaugural Albert Luthuli Lecture at the University of KwaZulu-Natal in March 2004, President Thabo Mbeki said: *"In undying tribute to Albert Luthuli, we must ensure that The Tempo Quickens even faster than ever before."*

The title of the lecture was *"The Tempo Quickens"* based on an article penned by Inkosi Luthuli describing the acceleration of the struggle in the face of brute force and racial tyranny in the fifties and sixties.

The pandemic has brought the brutality of death into our homes, devastation to our economy and heightened the crisis of unemployment and inequality in our society.

The mobilising spirit of Inkosi Luthuli reminds us to hail freedom and to urge that the tempo must quicken yet again to advance peace, prosperity, equity and development in KwaZulu-Natal.

Amid the gloom and doom visited upon the globe by the Covid-19 pandemic, hope springs eternally in our province.

We are like the reed (umhlanga) that withstands the raging floods by bending, eventually emerging bruised but unbroken. Like the reed plant, ours is a nation that is bruised, but we remain unbroken as the Covid-19 storm settles.

As we quicken the tempo, we are reminded that it takes hard work, tenacity and visionary leadership to move us forward.

Our State of the Province address coincides with the 150th birth anniversaries of uMama Charlotte Maxeke and uMafukuzela himself, Dr JL Dube.

We stand on the shoulders of giants because it was Dr JL Dube who pioneered nation-building and brought hope to the hopeless in the dark days of colonialism.

Dr. Dube took bridge-building to lofty heights when he established the Ohlange Institute at Inanda, a school which in the march of time, has produced leaders of influence and positively impacted all sectors of society.

It is a monumental tribute on the 150th anniversary of JL Dube that our province recently unveiled a state-of-the-art school in La Mercy named after the first president of the ANC Youth League, Muziwakhe Anton Lembede.

The Anton Lembede Maths, Science and Technology Academy officially opened its doors on 15 February 2021. It is the first school in the province that focuses exclusively on Maths, Science and Technology, thus stimulating technological innovation and arming our youth in the era of the Fourth Industrial Revolution.

Today we pay tribute to the thirty-two-year-old, Ndwedwe-born scientist at the University of KwaZulu-Natal, Sandile Cele. In December 2020, Cele successfully grew the Covid-19 variant in a laboratory, giving our country international recognition and acclaim for his ground-breaking research.

The story of eighteen-year-old Anjana Bugwandeem from the Open Air Special School reminds us that with support, hard work and strong will, people can overcome their odds. Anjana finished number 1 in the LSEN Schools in KZN in the matric class of 2020. She has cerebral palsy, spastic quadriplegia, and asthma. Congratulations to her for achieving 4As and 3Bs. She wants to pursue psychology and writing, and we hope to have tea with her soon to see how our government can support her to reach her dreams.

In 2021 we must quicken the tempo to unite all our people in their diversity, to revive hope in our common future.

In 2021 we must remind the children of KwaZulu-Natal that they are proud descendants of heroes and heroines, of innovators, pioneers and peace makers who are revered all over the world.

When we bade farewell to a former Member of this KwaZulu Natal Legislature 'Umkhumbi Wokunethezeka', Dr Meshack Radebe, we were reminded of the importance of peace as a condition for development. In Dr Radebe's memory, the province pledges to cement his legacy as a pioneer and a bastion of peace, political tolerance and reconciliation.

We also remember, with sadness in our hearts, other members of this Legislature, including Honourable Ricardo Mthembu, Hon. Mluleki Ndobe, Hon. Bheki Ntuli, Hon. Nompumelelo Ntshangase, and Honourable Simo Mfayela, a member of the NCOP, who passed on since we last met.

We also remember their Worships the Mayors, Councillors and other government officials who are no longer with us.

In their memory, we must look ahead to growing the peaceful and prosperous society they committed their lives to building.

As we hail peace and freedom, KwaZulu-Natal, remains alive with endless possibility. Amazing feats on the sporting and entertainment fronts have lifted our emotional psyche for a better future post Covid-19.

Our provincial rugby team, Cell-C Sharks did us proud by reaching the final of the Currie Cup against the Blue Bulls of Tshwane. We also take the opportunity to welcome with open arms Siya Kolisi, the Rugby World Cup winning Springbok captain, as he joins our provincial franchise.

We also congratulate the Isicathamiya musical group from Durban, the Kholwa Brothers led by Derrick Mlambo who are recent winners of 64 gold medals at the South African Performing Arts Championships held in Rustenburg in December 2020.

The Kholwa Brothers will represent KwaZulu-Natal and South Africa in Los Angeles, USA, later this year. At the same Championships, Durban-born songwriter Bev McGregor won 10 gold medals.

Sithi halala kwiKholwa Brothers ngokuqhakambisa iSiFundazwe neZwe lethu emculweni wesintu osuthandwa umhlaba wonke. We also convey out heartiest congratulations and best wishes to Bev McGregor on her success.

We also wish to acknowledge the rise of two KwaZulu-Natal born actresses, Thuso Mbedu and Nomzamo Mbatha who have put KZN on the global map. They featured in the Essence Magazine Top 20 as *Black Hollywood Stars* to watch out for in 2021.

Hammarsdale-born Nomcebo Zikode and Master KG from Limpopo are taking the world by storm with their hit anthem, 'Jerusalema', which saw the whole world dancing the Covid-19 blues away.

We also honour the centenary of the founding of the South African Communist Party. Communists have historically been at the forefront of our revolutionary alliance in the fight against racial tyranny and inequality. We salute their fighting spirit 100 years after that great internationalist spirit was first brought to our shores.

RECAPPING FROM THE YEAR 2020: CELEBRATING OUR SUCCESSES

Madame Speaker,

We are encouraged by **resilience in auto manufacturing and agriculture**. Despite the prevailing economic challenges, we have seen remarkable toughness in strategic sectors such as automotive manufacturing and agriculture. These sectors continue to be the backbone of the provincial economy and create massive employment. It truly inspires hope that during this difficult period, these sectors did not shed jobs.

Sukuma 100 000 and the KZN Youth Fund

Last year we stated our ambition to support 100 000 job opportunities for jobless young people, including unemployed graduates. We are pleased that in the midst of Covid-19, we turned devastation into economic opportunity and supported local industries owned by young, black people.

We created 137 000 jobs under Sukuma 100 000, surpassing the target. We congratulate all our departments for embracing youth employment with such demonstrable vigour.

One such recipient of our funding is Gelanison Agric, an agricultural initiative that produces high-value crops using the hydroponic system. This project received R2 million from the **KZN Youth Fund** Programme towards the erection of 10 greenhouse tunnels, water sourcing and fencing for the 5ha of land.

The land used for the project is at Ndlangubo Area, under Ward 25 in the uMlalazi Municipality. The project will employ approximately 30 permanent and 20 part-time youth once fully operational.

Another highlight is AdNotes, a telecommunications company which is 100%-black and youth-owned.

The company received R857 000 funding from the **KZN Youth Fund** and provides internet services in the Ugu and King Cetshwayo Districts and eThekweni Metro. The company employs 9 full-time staff.

Another flame of hope from this effort is 22-year-old Sanele Mkhize from Dundee who now holds a Commercial Pilot Licence with a Grade 3 Instructor Rating. Mkhize qualified as a pilot through a bursary from the Office of the Premier.

Of his humble beginnings, Mkhize wrote to us recently saying: *“Growing up in eSibongile Township in Dundee, it was nearly impossible to imagine myself as a qualified pilot. After finishing matric, I was awarded a bursary by the Premier’s Office to pursue my dreams”*.

SOCIO-ECONOMIC OUTLOOK AND THE LIGHT OF HOPE

Compatriots,

In preparing for today’s address, we were informed by the rather grim numbers of people who are unemployed and those already discouraged from seeking work.

These are not mere statistics, but a reflection of the dire socio-economic conditions in which millions of our people find themselves.

Compatriots, results of the Quarterly Labour Force Survey which were released by StatsSA this week paint a gloomy national picture with the number of unemployed persons increasing from 6,5 million in the third quarter of 2020 to 7,2 million in the fourth quarter.

The largest decreases in employment were recorded in Gauteng (down by 528 000), KwaZulu-Natal (down by 210 000), Western Cape (down by 180 000), Eastern Cape (down by 148 000) and Limpopo (down by 119 000).

During the same period the largest employment increases were recorded in Western Cape (up by 121 000), KwaZulu-Natal (up by 66 000) and Gauteng (up by 64 000).

These figures indicate that the number of jobs created is outshone by a higher number of job losses. Thus, our economic recovery focuses directly on job creation.

The Coronavirus has negatively impacted the most vulnerable and exposed the deep fissures of a country. In simple terms, we are yet to fully bridge the gap between rich and poor.

If, before then pandemic South Africa had the highest Gini Coefficient or distance between rich and poor in the world, this will widen further unless we ameliorate, halt and reverse the effects of Covid-19.

The battered global and local economy has forced a number of KZN businesses into distress. Among the affected companies have been the Fairmont Zimbali Hotel which was put up for sale and the black industrialist company INSA which manufactured pots. The iconic Hilton Hotel has temporarily shut down. Most recently, Hanes South Africa which manufactures Playtex, has filed for voluntary liquidation.

Mounting job losses result in the declining tax revenue. Government is compelled to reprioritise existing resources in order to among others, support ailing business and provide a social safety net to the poor. Reduced revenue impacts on government expenditure. We will however continue to improve on our efficiencies, ensuring that we redirect funds to the delivery of basic government services.

We will also sharpen government’s leadership in the recovery of the provincial economy.

For these reasons the core of this address is the unveiling of a Provincial Economic Recovery and Transformation Plan, the details of which will find expression in further announcements in the coming weeks.

The devastation from Covid-19 and the economic decline compound the living environment which gives rise to social ills and crime. However, we assure all citizens of our province that through working together, we will overcome this dark moment.

THEME FOR THE STATE OF THE PROVINCE ADDRESS

In preparation for this SOPA, we reached out and paid attention to communities on what they believe are priorities for our province. We have listened to many suggestions and we are grateful of many innovative ideas presented. We are also alert to all concerns raised by citizens and are committed to address them in pursuit of rebuilding our province together.

Siyabonga kakhulu kubantu bakithi ngemibono neziphakamiso abasithumelele zona. Sinizwile, futhi siyohlala sinizwa. ONgqongqoshe kuzabelomali zemiNyango bazocacisa ngezimpendulo. Siyanxusa ukuthi sisebenzisane njalo nalapho esingenamandla okufikelela khona. Siyazibophezela ukuthi sogcina sifikile.

In his 2021 State of the Nation Address (SONA) on 11 February, His Excellency President Cyril Ramaphosa declared this as the year for our rebirth and renaissance. SONA identified four urgent priorities for our nation which are that we must:

- Defeat the Coronavirus pandemic;
- Accelerate Economic Recovery;
- Implement economic reforms to create sustainable jobs and drive inclusive growth;
- Fight corruption and strengthen the State.

Taking our cue from this and factoring in our provincial conditions and priorities, the Provincial Executive Council Lekgotla agreed that this year, our strict focus and energies will be on the following five priorities:

- Intensifying the fight against the Coronavirus;
- Re-igniting economic recovery and job creation;
- Building Social Cohesion, Fighting Crime and Corruption;
- Delivering Basic Services in particular Water;
- Building a Capable and Ethical Development State.

As we present this Address, we call on all people of KwaZulu-Natal to join hands and work towards overturning all present-day adversities for the betterment of our province. This requires that we accelerate implementation of all priorities and resolutely deliver for the better. Hence, the theme of this State of the Province is: ***“Quickening the Tempo to Economic Recovery and Job Creation”***

BUILDING A THRIVING ECONOMY AND JOB-CREATION

We undertake a solemn declaration to spare no effort in the struggle to grow the economy. The focus will be on restructuring the economy to ensure growth and address the imbalances in ownership patterns and ensure creation of jobs.

The Provincial Government will establish the war room on jobs creation chaired by Premier to monitor and oversee the implementation of job creation projects.

- ***Industrialisation through Special Economic Zones***

Honourable Members,

The two special economic zones have become levers for industrialisation within the province.

Dube TradePort will be implementing an expansive Strategic Plan over the next 5 years focused on its core SEZ mandate to drive localization of manufacturing within its own zones, as well as fast tracking the development of the Durban Aerotropolis and the Automotive Supplier Park in the South of Durban.

The Durban Aerotropolis Master Plan has also begun to stimulate private sector investment into the broader Aerotropolis Region. Cedarpoint Trading has begun construction of the Whetstone Business Park on the R102 adjacent to Dube TradePort. Phase 1 has an investment value of R2 billion and is 33 hectares of industrial land. This creates excellent complementary investment to Dube TradePort and supports a wider range of companies entering the Aerotropolis area. The park will be built in 3 phases over a total of 70 hectares.

In the south of Durban, Dube TradePort has been working hard on unlocking an Automotive Supplier Park to support the localization of automotive suppliers to create 3 000 direct jobs. Recently, an initiative was undertaken with Transnet to fast-track the first phase of the project in order to meet the requirements of Toyota within their planned production programme. A portion of the old Durban International Airport site is currently being technically evaluated to be utilised as a Phase 1 A location for the first wave of approximately R1.5 billion of investment. This initiative will ensure that KZN maintains its competitive position within the automotive industry. The first phase will then be followed by the larger development of the Illovo site for a wide range of industries.

Richards Bay IDZ is pleased to announce that the construction of the R 1,3 billion edible oils plant by Wilmar has started. The project is expected to inject much needed jobs in the King Cetshwayo District. The plant is expected to be complete on the 4th quarter of the year 2022. The RBIDZ, has also appointed the contractor for Phase 1 of the R 4,5 billion Titanium Dioxide plant - this phase will be operational in the 4th quarter of 2021 and Phase 2 (40,000 tons per annum plant) construction will commence in January 2022. The zone is also keenly watching the announcement of the preferred bidder of the Risk Mitigation Independent Power Producers Programme which is eminent in the next month or two as indicated by the President in his 2021 state of the nation address.

This year alone RBIDZ will also launch two investor projects expected to commence construction in the 2nd and 3rd quarter of the year 2021. These will be a plant manufacturing architectural and industrial paints and an establishment of caustic soda/chlorine chemical production plant. These have a collective value of over R 1,1 billion.

Lastly, as its contribution to inclusive growth anchored on localisation, the RBIDZ will launch its Enterprise Development programme in the second quarter of 2021. This is intended to deepen local participation.

Clothing and Textile SEZ

Honourable Members,

As per our announcement last year regarding our plans to establish a fully-fledged Clothing and Textile Special Economic Zone, we are pleased to report that we have achieved major milestones towards realising this goal. Firstly, we have completed the development of a business case for the SEZ. Secondly, we have secured a suitable industrial land at Ezakheni to host it. Thirdly, we have nominated Dube Trade Port to be its operator, and most importantly, we have successfully attracted investment worth R780 million from companies interested to locate within the SEZ. EDTEA together with TIKZN and the uThukela Economic Development Agency will be presenting the final business case for designation to the DTIC before the end of 2020/2021 financial year. The clothing and textile SEZ must transform uThukela to a city of fashion.

To avoid one district benefitting from the SEZ, we came up with the Clothing and Textile Corridor Approach (*"The Textile Belt"*). The corridor approach will leverage comparative advantages of various regions in Clothing and Textile value chain. This belt will start from Newcastle and link Ladysmith, Mooi River, Pietermaritzburg, Hammarsdale, Durban, Isithebe, Dube Trade Port to Richards Bay Industrial Development Zone (RBIDZ).

Isithebe Revitalization

Honourable Speaker,

As part of revitalization of the Township and Rural based industrial parks, the DTIC already completed Phase 1 of Isithebe Revitalization. This phase included an upgrade of the security infrastructure, fencing, street lighting and critical electricity requirements. Isithebe's upgrade included the revitalization of the roofs, some which were built in 1971 and were leaking. DTIC further approved a budget of R49.9 million for Phase 2 revitalization of Isithebe in February 2020.

Phase 2 will deal with engineering designs and revitalizing of existing roads, bulk water supply and sewerage treatment plants for industrial effluent control.

Key Industrial Projects within the SEZs & Industrial Packs

Through the two SEZs and investment drive led by EDTEA, the province has secured the following projects:

- Coconathi is a R50 million agro-processing factory specialising in health care products, which is in Dube Trade Port and has created 108 jobs.
- Ubuhle towels is a 75% Black woman-owned company located in Richards Bay worth R130 million which has created 200 permanent jobs.
- Ndumo Retail Development is a R100 investment project which will see the establishment of a shopping centre, taxi rank and service station. The project is expected to create 400 construction jobs.
- Vodacom South Africa has begun the roll-out of 5G network in Durban. The R1 billion project is expected to create 500 new jobs.
- Unitrade, which is located in KwaDukuza, is a R105 million investment that specialises in production of Ford Ranger and VW Amarok components. The project has created 250 jobs.
- The Frymax potato chips company located in Verulam has created 600 jobs. The project investment is worth R380 million.
- Goodlife foods (R70 million investment- 100 jobs);
- Hesto (R900m investment- 3300 jobs).

These investment projects will produce a total 3 435 permanent jobs. Beside these, through the SEZ we are working on the investments pipeline of R22bn.

- ***Key Interventions for the Year 2021***

The key pillar of our KZN Economic Reconstruction and Recovery Plan is centred on enhancing our industrial base. In the year, we will focus on:

- Fast Tracking implementation of SEZs project pipeline;
- Incubate Clothing and Textile SEZs and other industrial hubs including the Leather Industry Hub
- Support localisation of value chains
- Revive Industrial Estates (Isithebe, Madadeni, EZakheni) and create linkages with private estates to increase investment propensity;
- Advocate for Trade Policy change to support localisation;
- Government to commit to buying locally manufactured products – we are pleased that the President has also directed the country to buy local;
- Avail land for Industrial Development in all Municipalities;
- Export led industrialisation - Intra-Africa FTA (AfCFTA), SADC, non-traditional partners;
- Fast-track regulatory approvals (reduce turnaround times).

- ***Harnessing Export Capacity - Export Strategy***

Honourable Speaker,

Our continent presents tremendous opportunity to grow exports given the comparatively low logistics costs. This is a definite comparative advantage.

The Provincial Economic Reconstruction and Recovery Plan focuses at harnessing provincial export capacity to maximise potential from untapped markets from the implementation of the African Continental Free Trade Area (AfCFTA) agreement.

The province of KwaZulu-Natal will be launching the KwaZulu-Natal Africa Export Strategy by May 2021. In the meantime, through Trade and Investment KwaZulu-Natal (TIKZN), EDTEA is working to support export initiatives which will create at least 2 240 jobs.

- The Trade and Investment KwaZulu-Natal target Africa and East initiative will create 400 jobs and R100-million worth of exports;
- The EDTEA KZN Exporter Competitiveness Programme will sustain 1500 jobs and R30-million worth of exports;
- Arts and Crafts Market Access Programme will create 70 jobs and R2-million worth of exports; and
- Africa Fashion Exchange will create 70 jobs and R2-million worth of exports.

- ***Tourism Development***

Madam Speaker,

The global tourism industry is arguably the worst hit by the Covid-19 pandemic. A report recently released by South African Tourism shows that the number of tourism jobs lost in 2020 are estimated at 40 000 countrywide.

This year, we are focused on implementing our Tourism Recovery Plan which we put together with our industry partners when the pandemic hit us last year. Government has set aside R20 million towards the KZN Tourism Relief Fund, aimed at providing relief to majority black owned tourism businesses. The fund is modelled along the 2020 National Tourism Relief Fund and will be capped at R50 000 per business.

A strong focus has been placed on rural tourism, as well as on women and youth owned businesses. The projects include the development of a tourism precinct at Howick Falls in uMgungundlovu District Municipality; improvements at KwaXolo Caves Adventures in Ugu District Municipality; and the construction of uMtubatuba Tourism Information and SMME Centre in uMkhanyakude District Municipality.

We continue bidding for future events through the Durban KZN Convention Bureau and we have secured several events for 2021.

- ***Port Infrastructure***

Compatriots,

An efficient port is a very important asset for any country as it acts as a conduit for global and intra-regional trade. The Durban Port and Richards Bay remain the most strategic anchorages for the country's economic growth.

We are pleased with the progress done on addressing congestion at the Durban Port. Government is currently working on plans to ensure that Durban is a hub port for the Southern Hemisphere through doubling. The plan will include upgrading infrastructure to ensure port efficiency, ensure modernisation,

including digital operations and expanding capacity to accommodate ultra-large container vessels. Transnet is working on appointing an International Terminal Operator to fast-track this process.

As the Provincial Government, we were taken aback by the announcement on the relocation of Transnet Head Quarters operations to Nqgura as there has been prolonged engagements about Transnet relocating to Durban. We are in engagement with Minister of Public Enterprise and Transnet to unpack the decision's full implications for our province and country.

The Provincial Executive Council will have an extraordinary meeting with the Minister of Public Enterprise and Transnet on the 3rd March 2021 to engage on plans for development of both Durban and Richards Bay and further engage on their announcement.

- ***Regional Airports***

Compatriots, during the 2020/21 financial year, we completed the fencing of Pietermaritzburg Airport at a value of R11 million and created 25 construction employment opportunities. We are finalising the expansion of Margate Airport terminal building at an investment of R10.3 million and 30 job opportunities.

The construction of a terminal building at Mkhuze airport is progressing at an investment value of R66 million, with over 200 job opportunities created.

- ***Digital Hubs, ICT, and Innovation***

In the upcoming financial period, KwaZulu-Natal will be aggressively implementing broadband connection and digital transformation to enable effective deployment of 4IR solutions.

Targeted areas like Public hotspot, Taxi ranks, Schools and Health facilities will be the cornerstone for the rollout.

A total of 20 500 hotspots will be implemented in phases and to be completed by 2024, resulting in an estimate of 191 000 jobs to be created, with majority being Youth and Women in ICT. More than 500 SMMEs are earmarked to participate.

To date, no less than 142 sites have been connected in uMzinyati and Pietermaritzburg districts through the SA Connect program, broken into: 110 Schools connected, 13 Healthcare centres and 74 other government sites.

Seven (7) public WiFi hot spots have also been deployed through the Umgungundlovu POC in Vezokuhle Primary School, Bhekisizwe Primary, uMgungundlovu DM Offices, Edendale Gateway Clinic, Umsundizi Library, Umsunduzi Taxi Rank, Langalibalele Street.

The year 2021 will see the commencement of Broadband POCs within Ugu, iLembe and Kokstad district municipalities.

- ***Establishment of Coastal Smart Cities and Realising Vision 2030***

As the provincial government, we are working with Districts and respective municipalities towards the establishment of coastal smart cities/ city regions in Ugu with Ray Nkonyeni LM as anchor; Ilembe with KwaDukuza as anchor; and Richards Bay with uMhlathuze as an anchor.

- **Enterprise Development**

In support of the provincial government's quest to accelerate economic development in the province through the establishment of viable, sustainable and employment creation enterprises, EDTEA provided support to small enterprises across priority sectors of the province.

The following were achieved within the area of enterprise development:

- Database was developed indicating operational and non-operational small enterprises together with their individual needs.
- Municipalities were engaged and a list of buildings and infrastructure considered for use by small enterprises updated.
- Ithala Development Finance Corporation (IDFC) was directed to provide share facilities for SMMEs that are part of manufacturing in township. As part of this initiative, Ithala has secured a facility for INK women cooperative involved in chemical manufacturing in KwaMashu Township.

- **Radical Economic Transformation: Operation Vula Programme**

Honourable Members,

As the province, we adopted the Operation Vula as an overarching programme to drive Radical Economic Transformation. This include focused sector development, training and incubation and linking SMMEs and Cooperatives with sustainable markets. Through this programme, the province is engaged on the following:

Black Industrialists: At least 35 KZN Black Industrialists have been approved for more than R700m of grant funding from DTI creating 4000 job opportunities.

In the 2021/22 financial year, we will finalise the KZN Localization Framework Plan as well as the Rural and Township Revitalization Strategy in order to ensure successful implementation of Radical Economic Transformation in the province.

Radical Agrarian Socio-Economic Transformation

The Radical Agrarian Socio-Economic Transformation (RASET) is a dedicated intervention which supports small scale farmers, especially subsistence farmers, through provision of implements, training and access to markets. This programme has yielded the following:

- In the current financial year, 228 famers benefited from the RASET programme and they were able to sell their produce to the value of R7.3 million.
- A number of private markets have been secured through the RASET programme because of its model where produce are aggregated and delivered on time. These markets include Fairfood who supplies Unilever, Tsogo Sun Hotels, FedEx, Boxer stores, Choppies, Spar, Massmart, PCK, Mecfair, Fieldcrest, the RSA group etc.

- 285 jobs have been facilitated through the RASET programme as follows: Ugu (37); uMgungundlovu (41); iLembe (55); eThekwini (16) King Cetshwayo (20); uMkhanyakude (77); and Harry Gwala (39).
- In eThekwini, we are starting an egg Hub at cottonland farm and a market requiring 80 000 eggs a day has been secured.
- A Poultry Hub in Cato Ridge has been secured and rehabilitated. The hub is operated by retrenched Rainbow Chicken employees. We have provided feed, chicks, and vaccination.

The RASET programme has managed to enhance economic productivity in rural areas. In 2021/22, we will:

- Extend RASET programme and training to UThukela, uMgungundlovu, Ugu and uMzinyathi.
- Install agro-processing equipment in prioritised DDAs for cleaning, sorting, grading packaging and weighing to enhance value addition.
- Construct banana ripening and storage facility in uMkhanyakude.
- Pilot enhanced food and energy production project in uMgungundlovu and Umdoni municipality

Operation Vula Fund

KwaZulu-Natal is addressing the historical exclusion of black people in general and Africans in particular in the mainstream economy by unapologetically implementing the Operation Vula Fund. As indicated, this is an SMME grant funding scheme initiated through the KwaZulu-Natal Department of Economic Development, Tourism and Environmental Affairs. The funding supports enterprises that demonstrates sustainable and profitable initiatives which create jobs.

A total of 961 applications with a value of R304, 913 million have been approved to date and ninety-one of them have already received business instruments to the value of R11,741 million. These SMMEs are located throughout the province in various sectors of the economy.

The Department will be accelerating the sourcing of business instruments for all the successful applicants under the Operation Vula Fund in the months of March to June 2021. Once disbursements have been finalised, a second window under the same fund shall be opened inviting prospective applicants.

ENVIRONMENTAL SUSTAINABILITY

Honourable Members,

In line with government's plan for a just transition to a low carbon economy, Green House Gas (GHG) data for priority sectors in KZN was collected.

Over 86 000 hectares of land were rehabilitated through the Landrace and IASP Programmes by EDTEA and Ezemvelo KZN Wildlife.

In 2021/22, EDTEA will finalise the Green House Gas (GHG) inventory for KZN, which will further improve the province's performance on Climate Change mitigation and adaptation as well as the just transition towards a low carbon economy.

In line with the Provincial Spatial Economic Development Strategy (PSEDS), government is finalising the review of key district comparative advantages to promote corridor development in the province. Such developments will be done in a manner that protects the environment.

AGRICULTURE, RURAL DEVELOPMENT AND FOOD SECURITY

Our provincial government will continue to support agriculture and small-scale black farmers to optimise the full potential of this sector.

We welcome the announcement by the President in the SONA that the Sugar Master Plan was signed during the lockdown and that there is a commitment from large users of sugar to procure at least 80% of their sugar needs from local growers.

- **Agriculture and Agro-processing Master Plan**

DARD is at an advanced stage in the development of an Agriculture and Agro-processing Master Plan which is undergoing the alignment with the National Master Plan. The plan advocates for the establishment of prioritized commodity production schemes which among others includes the Livestock Value Chain, Horticulture Value Chain and the Grain Value Chain.

- **Establishment of Mega-Nurseries and Agronomic Seed Production**

We are pleased to report that in the last financial year, the Executive Council directed the Department of Agriculture and Rural Development to develop a plan that will enable the province to develop its seed production capability. In the 2021/22 financial year, the Department will fully operationalize the Makhathini Nursery, and two new Mega Nurseries will be built at Cedara and Dundee, respectively. These Nurseries will produce quality varieties of seedlings for distribution to RASET farmers and for household consumption.

The Department has started producing its own agronomic seeds to be harvested and ready for the next planting season. Using our own seeds, the department will contribute seeds to its multi-planting season programme to cover 8580 hectares of maize and 2100 hectares of beans.

- **Agricultural Graduate On-Farm Placement Programme**

Honourable Members, a total of 280 unemployed graduates have been placed on farms during the current financial year. The Department of Agricultural and Rural Development will place 340 unemployed youth graduates during 2021/2022 financial year on farms as part of our job creation drive. A further 250 unemployed graduates will be placed in our research stations for the production of agronomic seeds and seedlings.

- ***Programme to establish Four AgriHubs in the Province***

The department will continue with the implementation of Agri-hubs in the Province. Currently, the implementation plan has been finalised. During 2021/2022, the department will be focusing on the design phase and construction of agri-hubs on the identified suitable sites.

Once the agreement has been signed with landowners, the focus will be on development of Agri-Hubs designs in line with prioritized commodity value chains. Thereafter the Department will embark on the process of sourcing budget and also start with all the processes to commence with the construction of 4 Agri-Hubs in the Province of Kwa-Zulu Natal.

- ***Marula Value Chain Development***

DARD has during 2020/21 worked to partner with the Tembe Traditional Council to operationalise the Marula processing facility near Manguzi in the municipality of Umhlabuyalingana. It is estimated that there are over 2 million fruit bearing trees in the Province, and they have the potential to create 1,000 seasonal fruit harvesting jobs for women and unemployed youth in the poorest communities in the Province.

- ***Commercialisation of Goat Farming***

Following the 2020/21 SOPA pronouncement regarding the commercialisation of Goat Farming, the Department of Agriculture has finalized the development of an Improvement Goat Production Strategy for KZN. The purpose of the strategy is to create and maximise a viable goat production system for rural and peri-urban communities in KZN.

- ***Livestock (Red Meat & White Meat) Value Chain***

In the 2021/22 financial year, over 3 400 producers will be supported in the Red Meat Commodity Value Chain. A total of 49 livestock value chain projects constituting 23 beef projects, 11 poultry projects and 15 pig production projects are planned for implementation at a total budget cost of R110 million.

- ***Grain Value Chain (Maize, Dry beans & Soya beans)***

In the 2021/22 financial year, over 10 800 producers will be supported in the Grain Commodity Value Chain. Furthermore, the department will support farmers to cultivate 23 000 hectares of grain commodities.

RE-IGNITING ECONOMIC GROWTH THROUGH INFRASTRUCTURE DEVELOPMENT

Honourable Members,

As part of Economic Reconstruction and recovery plan, the province will fast-track infrastructure development.

In line with this, our government will be spending well over R23 billion in the next three years, mainly in engineering design, construction of new roads and maintenance of existing road network.

More than R9 billion will be spent on maintaining the existing network to improve the condition of our provincial road network over the next three years.

Over the next three years, through infrastructure projects, we plan to create more than 233 000 work opportunities. This will benefit mainly young people and women headed households.

In the next three years, we plan to upgrade 352 kilometres of new roads from gravel to tar, build 26 vehicle bridges to connect communities and 26 pedestrian bridges. These pedestrian bridges will add to the Bailey Bridges which are being built as a separate programme.

We have also directed Transport and COGTA to improve the early detection of potholes and develop proactive intervention plans. We also demand the same plans from municipalities, especially eThekweni and uMshwathi. The complaints by our people every day on social media and on radio in this regard cannot be left unattended.

Priority also needs to be given to township roads as some are in appalling condition and have been deteriorated to gravel roads. The Department of Transport working with the Department of Cooperative Governance and Traditional Affairs, municipalities and Treasury must find a workable approach to address this challenge and advise on the measures to be undertaken.

- **Igula**

Honourable Members,

budget adjustments due to the Covid-19 emergency resulted in the Department's budget being reduced by R1.9 billion, and this severely affected the Transport Infrastructure Programme.

In the last State of the Province Address, we directed the Department to continue with the implementation of iGula as part of the Radical Economic Transformation Programme. We are pleased to report that all the work tendered by the Department had the compulsory 35 percent of local content which was valued at more than R107 million.

As part of the Covid-19 Economic Recovery Plan, we have instructed the Department to set clear service delivery targets and increase the number of beneficiaries so that we are able to make a serious dent in the economic condition of our people, mainly black contractors in the transport sector.

- **Bailey Bridges**

We said this programme will see the South African National Defence Force assisting with the construction of 14 bailey bridges across the province. To date, the Department of Transport has transferred R110 million to the Department of National Public Works. We are pleased to report that one of those bridges in uMshwathi is now completed and five more will be completed in March 2021. In the 2021/22 financial year, an additional 14 Bailey Bridges will be built.

- **KZN SANRAL PROJECTS**

Last year we announced a massive infrastructure investment by SANRAL for the upgrade of N3 and N2 in the province. The first phase of the upgrade between Lynnfield Park and Cato Ridge has been awarded and work is expected to commence in March this year. The expected job creation for the entire project is 11 000 over the next eight to ten-year period.

More than R9 billion of the R30 billion value of the project will go to emerging contractors and SMMEs. Noting that this will result in major traffic backlog and congestion, we have directed the Department of Transport and SANRAL to immediately develop a comprehensive plan to improve the condition of R103 and other alternative routes. Equally, the first phase of the N2 contract are at an advanced stage to be awarded and work will commence soon between KwaMashu and Umdloti.

PUBLIC TRANSPORT PROFESSIONALISATION AND STABILITY

Honourable Speaker,

To improve the public transport system, government took a bold step of hosting the National Taxi Lekgotla. The plan emanating from the resolutions seeks to eliminate violence, improve regulations and enforcement, illegal collection of monies, improve driver skills and training, professionalise the management and running of taxi associations and end Gender-Based Violence in Public Transport.

We are deeply disturbed by the incidents of violence and bloodshed that continue to engulf the area operated by Ndwedwe and District Taxi Association in Umzinyathi. This area remains a challenge in government's effort of stabilising the now relatively peaceful taxi industry. Most worrying is the shooting of taxis with commuters, and this is unacceptable.

We instructed the Department to work with the police and all relevant role players in bringing stability in this area. This will involve improving police deployment, conducting intelligence driven operations and ensuring that the kingpins face the full might of the law.

- **Road Safety**

Compatriots,

Road safety remains a challenge that needs all of us. We are all affected in one way or another by the rise in fatalities on the roads.

We thank the relentless efforts aimed at reducing carnage on provincial roads made by the late MEC Bheki Ntuli who passed away in January. The late MEC Ntuli has been in the frontline, travelling the length and breadth of the province, rolling out government efforts to reduce road fatalities while also mitigating the impact of Covid-19 on citizens.

PUBLIC WORKS AND INFRASTRUCTURE DELIVERY

Honourable Speaker and Deputy Speaker,

You will recall that the Department of Public Works is the Implementing Agent of Choice for state-led infrastructure development in the Province. In 2020/21, the Department completed 151 capital projects in nine district municipalities and one metro at a combined cost of R694m. Public Works also has over 422 infrastructure projects which are currently under construction amounting to R3, 6 billion across the Province.

KwaZulu-Natal Strategic Infrastructure Development Agency (SIDA)

Infrastructure development has gathered greater momentum with the Strategic Infrastructure Development Agency (SIDA) geared for work. Its governance structure is being concluded with the relevant agencies

Provincial Government Precinct and Infrastructure Master Plan

The Provincial Government Precinct will be one of prominent infrastructure development aimed at re-energising the construction sector in the context of the COVID-19 Economic Recovery Plan. The conceptual plans and designs have been finalised and the department is now working on the implementation framework.

The Infrastructure Master Plan is located within an understanding of service delivery occurring with the District Development Model. Such an approach will have far reaching implications for budgeting, transformation and empowerment through the localisation in the procurement of goods and services.

Transformation in the Property Sector

Public Works has an important role to play in the overall transformation of the built environment in our Province. Beyond infrastructure development, the transformation of property management, in particular letting and facilities management, remains largely in the hands of those who were privileged during the part era of oppression. The demographic profile of those beneficiaries remains of great concern and will require far greater effort to demonstrate the imperatives of radical socio-economic transformation. In this regard, the Department has developed and is fully implementing the revised Transformation Policy in the Property Sector. The Honourable MEC for Human Settlements and Public Works will provide greater detail in her budget speech.

Challenges with Payment of Service Providers

In her presentation to the Public Works Portfolio Committee, the Honourable MEC indicated that the Department was unable to meet its payment obligations to contractors, service providers and municipalities within the 30-day deadline committed by government. This has resulted in tremendous hardship for many of the small contractors who were brought into the system through empowerment programmes like the Eyesizwe Contractor Development Programme. This is clearly an unsatisfactory

situation. We cannot in one breath be talking about economic recovery and job creation and in another fail to pay contractors on time whatever our internal constraints are.

We are directing that Public Works and its client departments sit down immediately to resolve the payment issues to ensure that service providers are paid within the deadlines previously set by government.

Expanded Public Works Programme

Honourable Members,

The Expanded Public Works Programme (EPWP) remains one of the largest public employment programmes in the world. Public Works is responsible for the overall provincial coordination of EPWP. During the pandemic, over 6000 new entrants were mobilised to provide critical services like screening and monitoring at schools. While EPWP provides access to job opportunities, far greater investment is necessary in ensuring that these beneficiaries are able to receive credible training in critical skills to make them ready for the job market.

Creating Massive work Opportunities

The impact of Covid-19 and pre-existing economic situation has impacted negatively especially to low skilled workers. To mitigate this plight, we will streamline all mass employment opportunities, repurpose it to ensure effectiveness - these will include Zibambele and VRRM. The purpose will be to ensure that more allocation goes to intended beneficiaries and less is spent on management and facilitation.

All relevant departments, during the presentations of their Budget Votes will detail programmes, locations and numbers of jobs that will be created. The Premier's War Room on Jobs creation will provide an update report on quarterly basis to the Legislature.

While in the interim our interventions aim at poverty alleviation, serving as an interim solution in addressing unemployment and improving the financial position of EPWP beneficiaries. It is thus important to devise measures to build more long-terms and secure employment through appropriate reskilling. The Honourable MEC for Human Settlements and Public Works will also provide greater details in her budget speech in respect of the exit strategies that the Department will be implementing for the EPWP beneficiaries.

CATALYTIC HOUSING DEVELOPMENTS

Honourable Speaker,

We hereby give progress on the implementation of the catalytic housing developments that will impact on socio-economic landscape of our respective municipalities.

- ***JBC Housing Development –Newcastle Municipality***

The JBC Housing Development in Newcastle has been approved as one of the KZN Human Settlements Catalytic Projects. The primary aim of the JBC Housing Development is to formalize the JBC area with complementing Integrated Residential Development Programme and infrastructure, thereby curbing and eradicating the development of slums and uncontrolled urban sprawling in the MBO (Madadeni, Blaaubosch and Osizweni) precinct. The project identified 2518 (Phase 1) and 7500 (Phase 2 & 3) housing units where all housing subsidy options are considered based on the identified needs and priorities of the affected communities in the JBC area.

The budget for JBC Phase 1 in 2021/2022 is R 1 780 000.00

- ***Empangeni Mega Housing Project – Umhlathuze Municipality***

The Empangeni IRDP Housing Project is located in uMhlathuze Local Municipality, at Empangeni Town, on the outskirts of the CBD. An amount of R144 000 000 is budgeted for Empangeni Phase 2 for the installation of internal Civil Engineering bulks infrastructure. The municipality have finalised installation of external bulk infrastructure. The municipality will contribute a budget of R86 000 000 towards installation of Electricity Infrastructure

All the sites on Phase 1 have been serviced and the construction housing units will commence once beneficiary administration has been finalised. For the financial year 2021/2022, the Department will be undertaking the installation of internal bulk infrastructure for Phase 2.

- ***Aquadene Project - Umhlathuze Municipality***

The proposed Aquadene Integrated Residential Development Programme (IRDP) is located within ward 26 of uMhlathuze Local Municipality. The development will consist of 2416 housing opportunities.

An amount of R14.2 million has been budgeted for in the 2021/2022 financial year internal services. An amount of R1 million has been budgeted for, for internal bulk infrastructure as most of the work was done in the 2020/2021 financial year.

- ***Kanku Road Project – EThekwini Metro***

The Kanku Road Housing Project is an Informal Settlement Upgrading Project located within EThekwini Ward 90. The project was initiated to address the issues related to the backlog of people residing in the transit camps of Isipingo. The project will provide housing to 360 beneficiaries, all living within the transit camps, thus reducing the backlog and further promoting access to secure tenure.

Since most detailed planning milestones have been completed, a total of R261 490.20 has been budgeted in the 2021/22 financial year for the project. SPLUMA Approval has been obtained and minor planning related milestones to be completed. The project budget for services is R15 115 050.00, of which R3 370 925.00 is budgeted for 2021/22 financial year for the remaining 70 sites to complete the services. The project currently has approximately 300 platforms completed.

- ***Infrastructural Development***

The centrality of infrastructure, both physical and social, in development cannot be emphasised. Adequate infrastructure in the form of road and railway transport system, ports, power, airports and their efficient working is needed to integrate the KZN economy with other economies of the world.

The provincial recovery plan has put in place measures to expedite the following activities:

- Upgrading existing industrial sites, with clear standards for the quality and cost of services;
- Addressing congestion around the ports;
- Establishing and upgrading retail, office and light industrial sites in and near townships and informal settlements, and
- Upgrading informal settlements and township municipal services as well as providing new housing, supported in part by community-based employment programmes and youth brigades.
- To make manufacturing more competitive, rail investment should centre on improving container facilities and securing affordable tariffs for manufacturing industries
- Innovative technologies should be explored to expand access to broadband facilities, with the explicit target of increasing access in urban townships to 75% through either mobile or fixed technologies.

STRENGTHEN INTERGOVERNMENTAL RELATIONS FOR EFFECTIVE SERVICES

The province is seized with building a strong and effective developmental state. This include continued efforts to harness intergovernmental relations and strengthen public participation.

- ***District Development Model***

In the Province as a whole, we are forging ahead with the implementation of the District Development Model which was launched in KZN in October 2019. On the ground and centred around municipal districts, the new model is already enhancing intergovernmental relations to achieve integrated planning, budgeting and implementation among the three spheres of government. It is also helping to intensify the Operation Sukuma Sakhe approach which ensures that citizens are heard, and their needs are addressed. We as the Provincial Government are a key player in making the new model work.

- ***Municipal Interventions***

There are currently 11 municipalities under intervention in terms of Section 139(1)(b) of the Constitution. The interventions at Mpofana, Msunduzi, Richmond, uThukela District, Inkosi Langelibalele, uMzinyathi District, Abaqulusi and Mtubatuba are due for termination on 31 March 2021 pending a review. The most recent interventions - at eMadlangeni, Nquthu and uMkhanyakude District - will be in place until situation stabilises.

For the needs of municipalities displaying consistent instability, we have established the Service Delivery War Room as a measure to strengthen our Section 154 oversight role over municipalities but also as a proactive strategy to provide high-level platforms for stakeholders to engage around contestations that result in instability at local government level. We have similarly deployed financial experts to targeted municipalities to ensure sound financial management and improved audit outcomes.

We are deeply concerned with slow progress in uMshwathi Local Municipality. While there has been progress on political and administrative management, the progress has been slow and not felt in the pressing issues such as provision of electricity and other services. The Premier will lead a team composed of MEC for COGTA, MEC for Finance, and MEC Champion to work with the municipality to address long persistent decay. This will include allocating a strong technical team to support, improve and fasten implementation. We will restore the City of Choice to its former glory.

WATER MASTER PLAN

Water remains a key priority of the Sixth Administration.

Investment in water infrastructure and diversification of water resources is becoming an increasingly important factor in building our economy and restoring the dignity of our people.

To establish the state of water provision in all municipal wards in KZN and to outline future interventions as well as immediate ones, we have developed a KZN comprehensive Provincial Water Master Plan. Its implementation has already commenced with water.

To this end, we have stepped up emergency water provision by way of boreholes and static tanks in targeted municipalities as a short-term intervention.

We were privileged to join the Minister of Water and Sanitation in November 2020 in handing over the uMshwathi Bulk Water Scheme which cost no less than R 500 million.

As part of our long-term response, major projects have been planned by government to meet the water needs for our Province:

- Lower uMkhomazi BWSS Umgeni Water which is estimated to be completed in 2023 at an estimated total cost at completion of R 3 billion.
- Cwabeni Project Location which will be completed in 2022 at an estimated total cost of R 1 billion.
- Stephen Dlamini Dam - the estimated project cost is R1billion and the estimated completion date is 2023.
- uMkhomazi Water Project: once completely developed phase 1 and phase 2 will be the largest water transfer scheme in South Africa, at an estimated total cost at completion of R 23 billion.

At the same time, COGTA is working with District Councils in ensuring that bulk water schemes are prioritised.

- ***Operations and Maintenance***

We are deeply concerned about the persistent water interruptions which cause major disruptions to people's lives and business operations. In many instances, this is caused by dysfunctional infrastructure.

We are accordingly directing the Department of Cooperative Governance and Traditional Affairs and Provincial Treasury to enforce the policy provision that at least 8% of the municipal budgets should be spent on maintenance.

- ***Ensuring Peaceful 2021 Local Government Elections***

We are in the process of developing a supportive programme for Local Government Elections that are scheduled for this year. This includes the ward delimitation process and all other consultative processes.

The strategy is already underway which involves direct engagements with individual political parties that are experiencing intra-party conflict. Much of the credits goes to the late MEC Bheki Ntuli for spearheading the revitalisation of the Provincial Multi-Party Intervention Committee.

The plans also include setting up of a multi-disciplinary enforcement task team that will proactively detect and attend to areas of potential threats. This plan will be accompanied by a massive election-monitoring project involving our volunteers, officials and volunteer lawyers deployed as election observers in voting stations for dispute resolution purposes.

INVESTING IN THE HEALTH AND WELLBEING OF THE PEOPLE OF KZN

- ***A Determined Fight against Covid-19***

We once again wish to express our solidarity with all South Africans who have felt the brunt and devastation of Covid-19. We extend, once more, our gratitude to our frontline healthcare workers who continue to risk their lives to save our own.

As of 23 February 2021, KZN had a total of 327 760 positive cases identified. Recoveries are 309 113. Deaths are sadly 9549. In this second wave, the province has seen a decline in numbers from a high of 6000 to a seven-day average of 375. We still wish to encourage our citizens to reduce the pressure on the health sector by following the basics of washing hands regularly, sanitising, wearing of masks, social distancing and being extra cautious when socialising in numbers. Without discipline and respecting all health protocols, we will not win this war.

We call on leaders in all avenues of life to lead by example and help our nation fight deadly myths and disinformation campaigns about Covid-19, 5 G technology, and vaccines. We should all play our part to help our country and province achieve population immunity through both non-pharmaceutical ways and the use of vaccines.

Compatriots,

To meet the urgent need for COVID-19 beds, the Province commissioned three field hospitals - Clairwood in eThekweni, General Justice Gizenga Mpanza at Ilembe and Ngwelezane at King Cetshwayo. Those provided us with 226, 113 and 113 beds respectively.

Public Works also undertook extensive additions at existing hospitals such as R22m at Clairwood, R84m at Wentworth hospital, R270m at King Dinuzulu, R44m at Mosvold, R68m at GJ Crookes, R55m at St. Francis, R49m at Siloah and R85m at Catherine Booth Hospital.

Throughout the Covid19 pandemic, we neither swamped nor were we unable to cope. That is a formidable track record which indicates the robust nature of our health system and our commitment to invest in it.

- ***Vaccine Rollout Plan***

Honourable Members,

Our vaccine rollout programme is progressing well. At least 33 399 people have already registered for the first phase of the vaccine rollout in the province. Most of our health workers have reported a renewed sense of positivity and feeling protected.

KZN received 10 800 vaccines in the first phase and we have vaccinated a total of 7337 health workers at our two sites in Albert Luthuli and Prince Mshiyeni Hospital.

- ***National Health Insurance (NHI)***

Although we say Covid-19 does not discriminate, we also know that it has exposed our faultiness and exacerbated social inequalities. It is clear that the poorest of the poor are more vulnerable to an inadequate, unequal healthcare system. The ANC-led government remains committed to universal healthcare through the accelerated implementation of the National Health Insurance (NHI).

We can report that we are in the last year of Phase 2 of the National Health Insurance (NHI) implementation plan. Phase Three will commence in 2022. In phase 1 & 2, we saw a massive investment in infrastructure, human resources, health systems and human development. For this financial year, the focus in the Province will be on

- Improving the clinical governance and compliance systems.
- Establishing a properly resourced Health Compliance and Accreditation Unit.
- Strengthening the Primary Health Care Re-engineering and systems.

- ***Dr Pixley Ka Isaka Seme Memorial Hospital is on course to open its doors***

The Province remains on track to deliver on one of its flagship projects, the Dr Pixley Ka Isaka Seme Memorial Hospital. This 500-bed hospital will provide regional services to our communities in the Inanda-Ntuzuma-KwaMashu (INK) area. The hospital is at 98% practical completion rate and should be operational no later than June 2021.

The commissioning of the building, equipment and Human Resources is in progress and anticipated to be completed in April 2021. The Organisational Structure of the hospital has a total number of 1 513 posts, with eight senior management posts have already been filled.

In readiness for the implementation of the NHI, provincial government resolved that every District in KZN must have a Regional Hospital.

ACCESS TO QUALITY EDUCATION AND SKILLS FOR INDUSTRY

Honourable Members,

We extend our hearty congratulations to the 2020 Matric Class who under extraordinary difficult circumstances achieved the impressive 77.6% pass rate. We are very proud of all our top achievers and every learner who burnt the midnight oil to keep the struggle for a better-quality education moving forward. We also wish to salute all our teachers, principals, and SGBs for this phenomenal success.

The KwaZulu-Natal education system is now the largest in the country in terms of numbers of learners. We have almost reached universal access to education, as the journey of opening the doors of learning for all.

The modern economy requires sound minds, and healthy nutrition is a route to a healthy and successful nation. The School Nutrition Feeding Scheme has been provided with R1 808 137 820 to feed all learners in Quintiles 1 to 3 including. Deserving learners will be targeted in Quintile 4 and 5 schools. This programme provides learners with a balanced nutritious meal daily, benefitting more than 2 442 744 learners in 5 460 schools throughout the province.

We must continue to strengthen the Foundation Phase and improving Grade R educational outcomes. KwaZulu-Natal has achieved universal access to Grade R in the sense that the number of learners in Grade 1 who have not attended Grade R is less than 1%.

We are pleased that sixty (60) Foundation Phase Schools supported by the province are piloting Coding and Robotics in Grades R to 3.

To deliver quality and relevant basic education we have adopted the three pathways approach which are academic, technical vocational and technical occupational streams.

Among these will be an Agricultural School of Excellence in uMgungundlovu District, a Maritime School of Excellence and a School of Autism, the Agricultural School of Excellence and Maritime School of Excellence are some of the focused schools which will be opened this year.

By 2022 four new schools in KZN will implement the Teaching of Technical Occupational Subjects which we piloted in 2020.

This year will see a further six schools in the province piloting the technical occupational subjects as part of the introduction of the 3rd Stream. The province will open the Dabulamanzi Agricultural Focus School as an addition to the four existing agricultural focus schools.

As we move towards the Fourth Industrial Revolution more than 200 schools will take Coding and Robotics as part of the curriculum in Grades 8 and 9.

Our schools must also teach Entrepreneurship, and having piloted the programme in King Cetshwayo, in 2021/22 we are to upscale to include more districts.

We will continue to accelerate the renovation of schools and intensify the eradication of pit latrines.

ENHANCING SOCIAL STABILITY AND INSTILLING THE BEST SOCIAL VALUES

- ***Community Safety and Liaison- Fighting Crime***

Compatriots, after years of conflict, violence, and brutality, South Africa has not completely discarded its violent and traumatic past. Today, what may start as an argument or a disagreement between friends or siblings, can end up in cold blooded murder. Even more heart-breaking, is the violence experienced by women and girls often from men they know and trust. Many of these crimes take place in homes, in our bedrooms, and tragically, even in places of worship these days.

We call on the people of KwaZulu-Natal to reflect deeply on crime and to play their part in reducing crime. Do not keep quiet if you know who is planning to burn trucks on our roads. Do not buy stolen goods or bribe police officers. Only us can put an end to the shame that has made Inanda, Umlazi, and Plessislaer to be notorious for violent crimes including rape and murder. We reject those who want to tarnish Radical Economic Transformation by behaving illegally and sabotaging our economy. In this regard, we support the establishment of task teams by national government to put an end to extortion and violence on construction sites.

We are also deeply concerned about the recent rise in the murder of traditional leaders. We condemn in the strongest terms this strange phenomenon in our province. We have directed law enforcement to prioritise this crime. We are also establishing an interdepartmental task team made up of senior officials from OTP, COGTA and Treasury to process all matters affecting AmaKhosi and Izinduna.

Honourable Members, monitoring police service delivery is of utmost importance to government. There is a concerted effort to ensure higher standards of policing. The operation Siyahlola under the Premier's Office working with Community Safety and Liaison will dedicate a special focus on policing.

Furthermore, there are focused strategies to closely monitor and evaluate police stations, especially the top 30 high crime police stations in the province. These stations include amongst others Inanda, Umlazi, Plessislaer, KwaMashu, Mariannahill, Verulam, KwaMakhutha, KwaDabeka, Ntuzuma, Mountain Rise and Esikhaleni.

The efforts to strengthen the work of the police will include conducting police station satisfaction surveys to solicit specific areas of concern from the communities. These surveys will include victim satisfaction surveys that focus specifically on experiences of victims by the police members.

SOCIAL DEVELOPMENT AND SOCIAL COHESION

Honourable Speaker, our programmes demonstrate that we are moving solidly away from being a social welfare state, to one which, in line with global best practice, is focussed squarely on socioeconomic development.

The social development approach prescribes feasible economic policy solutions to socio-economic problems which emanate from the triple challenges of poverty, unemployment and inequality.

Over the coming year, we will roll out programmes in Sports, Arts, Education and Social Development. These will foster social stability, promote talents and further create economic opportunities for jobs, entrepreneurship.

As part of the Sustainable Livelihoods programme, Work Packages have been developed which are driven at local government level by delivery MOUs signed with District Development Agencies.

Bantu bakithi, sihlaba umkhosi sikhuzwa umkhuba wokubandlululwa nokuhlukunyezwa kwabantu abakhubazekile, abaphila nebala elimhlophe nogogo nomkhulu abaphethwe yisifo sokukhohlwa.

Abantu abakhubazekile baseqhulwini lezinhlelo zikaHulumeni, yibo esibabhekelela kuqala namabhizinisi abo emisebenzini kaHulumeni.

Sihlaba nomkhuba osudlangile wokubulawa kwabantu abanebala elimhlophe ngenxa yezinkoleloze. Abantu abanebala elimhlophe bangabantu nabo, kumele sibahloniphe sibazise.

Omunye umkhuba omubi osudlangile owokuhlukunyezwa kwabantu abadala abanesifo sokukhohlwa, abanye baze babulawe kuthiwa bayathakatha. Kulonyaka sizoqinisa umkhankaso wokwazisa abantu ngesifo sabadala sokukhohlwa.

GENDER-BASED VIOLENCE

Honourable Speaker, gender-based violence remains one of the worst scars in our society, touching every community regardless of race, faith or economic status.

GBV remains the second pandemic after Covid-19 with a greatest threat to the building of a united, prosperous, non-sexist, non-racial and equal society.

This year we will be unveiling more Khuseleka One Stop and White Door Centres of Hope for victims of GBV. This is part of the Five-Pillar programme which consists of Prevention, Awareness, Care and Support to victims, Strengthening the judiciary and support programmes which empower women.

These centres are in every district and local municipality, with two new sites having been identified in Ugu and Richards Bay as being suitable for the establishment of Shelters for abused women.

We have deliberately focused on the Umzumbe Local Municipality following the murder last year of four women in Umthwalume in what was suspected to be the work of a serial killer. While we commend the work of the SAPS for working day and night to apprehend the suspect, the fact that the suspect opted to kill himself means that there is no proper closure for the victims and survivors.

Furthermore, the construction of two treatment centres by the Department of Social Development in Ilembe and Ugu Districts is in the planning phase having been stopped due to Covid-19.

As part of the socioeconomic empowerment, a total of 15886 vulnerable women received sewing, child-care and cooking skills. The province will intensify these programmes targeting women and youth who are most vulnerable to job losses, gender-based violence and the negative effects of the lockdown.

While these schemes will be extended to reach more people more households, the aim is to intensify sustainable livelihoods and to reduce dependency on the state through programmes aligned to Operation Vula.

We wish to encourage the men's sector to continue with its great work of fighting patriarchy, sexism, and engineering new social values on boy children. We call on all our people to play their part in fostering gender equality – in our homes, schools, and places of work.

Honourable Members, part of the plan to improve community police relations includes the deployment of 1225 social crime volunteers as part of the EPWP across all corners of the province. These volunteers are generally deployed at ward level and receive proper and relevant training prior to their deployment to communities where they contribute immensely towards efforts to build a peaceful province.

These volunteers include sixty who are deployed at police station victim friendly facilities and fifty deployed along the Mozambique borderline.

We have noted the cry from social workers who were employed as part of the fight against GBV. The MEC for Social Development will address this matter in her Departmental Budget Vote. To these social workers, please know that we are grateful of your work and contribution so far.

CELEBRATING OURSELVES THROUGH ARTS AND CULTURE

Honourable Members,

As part of heritage programme, the gravesite of a hero of the struggle for South African freedom, Harry Gwala was declared as a National Heritage Site. This is a serial nomination which joins the gravesites of Elda and Lulu Gwala, his wife and daughter respectively.

To promote reading and educational development, the Department is planning for the handover of sites for the construction of the following libraries: Shayamoya, KwaMdakane, uMzumbe, Nquthu, KwaDlangezwa, uMvoti ward 12, Imbali.

We will continue to promote the culture of writing and archiving the history of our province. The programme of One Township One Book and One Village One Book was disrupted by the sudden shift dedicated to curb Covid-19 and will be prioritised this year. In the coming financial year we will expedite and complete the merger of the Departments of Arts and Culture, and Sports and Recreation into one department.

SPORT AS TOOL FOR SOCIOECONOMIC TRANSFORMATION

In the aftermath of Covid-19, sport will be crucial in resuscitating the public mood, social cohesion, rebuilding confidence in our nation-building agenda and driving economic recovery.

It will be recalled that sport was devastated by this pandemic as all mass-based activities had to be halted to arrest the spread of this merciless disease. Major events were cancelled including the World Football Summit, Comrades Marathon, Dundee July Traditional Horse Racing, KZN Premier's Cup, KZN and National Sport Awards, SALGA KZN-DSR Games, school sport programme and others. We have noted that the Comrades Marathon Association has also cancelled the 2021 race due to uncertainty caused by the pandemic. In the same vein, we are aware of the suffering of our musicians during the pandemic. The MEC responsible will outline in the budget vote what assistance is available to our artists.

As a short-term measure, the Department initiated a Provincial Relief Fund to assist athletes, coaches, technical personnel, sport federations, recreational entities and the fitness industry in KZN affected by the cancellation of events due to the onset of the COVID-19 pandemic. A total of 738 beneficiaries have been paid with a sum of R 4 785 million paid to date. The appeals process has commenced with 40 appeals currently being processed.

The Department will continue to work with industry stakeholders, seek and establish partnerships and continuously look for innovative ways to assist the sector to get back on its feet.

The Department is committed to utilizing sport as a powerful tool to achieve socio-economic transformation of our society. One such initiative will be to direct procurement of sport apparel from SMMEs and cooperatives in the 2021/22 financial year.

There will be support for the Traditional Horse-Racing (standard bred) commonly known as umtelebhelu in all districts within KZN. The Dundee July and Harry Gwala Summer Cup will be revived next year and are expected to contribute over R20m to the local economy, create over 500 job opportunities. Once fully operational, this sector will generate over R 100 million per annum.

As part of embracing the digital world, government will launch fully-equipped containers with gaming consoles to sites across the Province with youth being trained as entrepreneurs.

Last year we were excited to receive the affirmation that Durban will for the first time in Africa's history, host the World Table Tennis Championship in 2023.

WARD-BASED INTERVENTION PROGRAMME (WIP) AND SPORT LEGENDS

The Department will employ Sport Legends and Ex-Professional players to assist in the implementation of sport development programmes at Ward-level and schools to provide talent identification, coaching and development.

Working with the School Sport Coordinators and Healthy Lifestyle Coordinators they will support the One Ward – One Club System (Ward-Based Intervention Programme) and ensure sustainability of the club/s identified and supported. This will feed into the provincial Sports Academy System that will produce high performance athletes in KZN.

GOOD GOVERNANCE AND ETHICAL AND DEVELOPMENTAL STATE

- ***Building Good Governance, Ethical and Developmental State***

Madame Speaker, in addressing the subject matter of good governance, ethical and a capable state, we are always guided by the wise words of Amilcar Cabral when he said:

“Always bear in mind that the people are not fighting for ideas, for things in anyone’s head. They are fighting to win material benefits, to live better and in peace, to see their lives go forward, to guarantee the future of their children”.

A capable and ethical state remains a strategic and key agent of transforming the lives of our people. For this to materialise, good governance, must constitute part of the DNA of each and every public service official. Good governance is the key to quality and sustainable service delivery. It is against this background that in the period under review, we have adopted the “KwaZulu-Natal Framework for Consequence Management”. For the first time we have developed a practical instrument that serves as a remedy to curb fraud, corruption and mismanagement of public resources.

Under this framework we will expedite and finalise cases of corruption, fraud within the set time frames, ensure the protection of investigating and presiding officers against undue influence or threats, victimization and other acts of intimidation. The framework also prescribes that recommendations and findings by investigating units are implemented within 30 days of their release by the relevant departments. Long pending cases of fraud and corruption will be finalised within 90 days. The framework will be linked to Performance Agreements, Assessment and rewards in respect of all public servants in the province.

The full consequence management framework to promote good governance, build an ethical and capable state is available for the public to hold us accountable to those standards.

- ***Fight against Corruption – I do Right Even when nobody is watching***

In this sixth administration the fight against corruption remains a key priority of government.

We are united in ensuring that all persons charged with handling public resources are held to the highest ethical standards.

It is against this backdrop that we have acted decisively where incidents of fraud, maladministration and corruption have been reported.

KwaZulu-Natal is the first province to go public and become transparent about our expenditure of the PPE procurement. We disclosed who benefitted, how much and the ownership of the companies.

Our forensic reports where wrongdoing was reported were expedited and actions by MECs in charge of the departments were swift.

We will continue with this commitment of hiding nothing away from the masses - *“telling no lies and claiming no easy victories”*.

The cases have been much publicised by the Hawks and no one will be shielded from answering for their actions.

We will intensify the *“I do right campaign – even if nobody is watching”*. We are driving the message that corruption must be stopped at all cost and that KZN must be the leader in demonstrating a zero-tolerance attitude against corruption in the Public Service.

Preventing and combating corruption requires education, protection of whistle-blowers, behavioural change and a multi-pronged approach from all levels of society. The *“I do right campaign”* will continue to focus on building integrity and ethics in the Public Service and in the private sector.

- ***Operation Siyahlola***

We are committed to strengthening the performance of the state by ensuring that we not only enhance good governance, but also ensure quality services.

We have commenced with the Premier’s Siyahlola Monitoring Programme. We are pleased that through the Siyahlola Programme, the challenge of wirewall houses in KwaPata outside Pietermaritzburg has been resolved. When the community notified us, we visited the project and put in place corrective measures.

We will intensify this Siyahlola programme in order to ensure that government policies are changing the lives of our people for the better. We also visited a housing project in Woodlands here in Pietermaritzburg where we witnessed first-hand high level of discontent by the beneficiaries of this housing project. We regret this situation, and have directed the Departments of Human Settlements, COGTA and uMsunduzi Municipality to satisfactorily resolve this matter before the end of this year.

We also visited farming-communities to respond to the plight of farm workers. The situation in farming communities is deeply distressing. As government, we will continue to pursue the route of building sustainable and peaceful co-existence between farmers and farm dwellers. We are, however, concerned that there is to be a trend of lack of policing or biasness against farm workers from the Police. We hold a view that those who abuse farm workers must face the full might of the law. Those who attack farmers must be brought to justice. The police must do their work without fear or favour and not take sides as it is the case in the Gluckstadt situation. The Acting MEC for Community Safety and Liaison has been directed to attend to the role of the police in allegedly perpetrating human rights violations in Gluckstadt.

To monitor the provision of frontline services, the Office of the Premier conducted unannounced visits to 22 sites during the last three quarters of 2020/21 financial year. These are schools, clinics and hospitals, social development offices and project in various districts of the province. Findings range from management challenges, vandalized infrastructure or lack of to poor project implementation, turn around plans and prioritization of these sites.

- Key issues identified on education include lack of scholar transport, poor ablution facilities, water shortage, and minor repairs.
- On Department of Social Development, the following issues were identified: Insufficient working tools, consultation rooms/office space, vehicles and computers and need to improve administrative efficiency such as delays in children's cases at magistrate courts.
- While on Health, the following were identified: Lack of proper isolation rooms for Outpatient, no hospital Managers in some hospitals and damage to hospital infrastructure.

All these issues were directed to relevant departments for remedial action. We were pleased to note that in all offices and schools, there was full compliance with Covid-19 preventative measures.

The Operation Siyahlola visits to reflect on achievements and respond faster to challenges will be intensified in 2021.

- ***Operation Clean Audit***

Madame Speaker, the need to develop the capacity of the state is best demonstrated with regard to the diminishing poor audit outcomes within the government of KwaZulu-Natal. We were deeply concerned by the regression recorded by the province in the previous audit cycle. In response to this unpalatable state of affairs, we have Institutionalised Operation Clean Audit. We have demanded accountability for irregular expenditure in each department and relevant consequence management procedures. Consequence management must be visibly proved.

As part of our turnaround strategy an Audit Improvement Plan was implemented under the supervision of the Provincial Treasury. We have identified constraints that lead to poor audit performance. The 2020/2021 audit process has shown improvement, but we have not yet reached our target and we will continue to ensure accountability and full implementation of audit outcomes.

- ***Investing in Human Resource Development to Build Professional Civil Servants***

A professional, meritocratic and ethical civil service is important to safeguard the citizens' interests. In this regard, we have already embarked on a series of initiatives to build state capacity and instil professionalism in the public service. This include the following:

- The adoption by the Executive Council of the HR Turnaround strategy that is intended to bring a total transformation to our public service in the province and develop a cadre of civil servants that is capable, diverse and well trained.
- The adoption of the Operations Management Framework that is meant to enhance the productivity of the departments. All departments are also expected to have service standards and service delivery charters so that our people can know the level of service they should expect to receive and the length of time.

In 2020, the provincial administration embarked on a Skills Audit project for all 190 000 employees in the employ of the provincial government. The Skills Audit aims to undertake an analysis of the available skills to develop a centralised baseline of available skills and determine the gaps. We have already completed the first phase of this project which includes members of the Senior Management Service (SMS) in all provincial departments and are now busy with the rest of our employees.

Through the provincial Public Service Academy and working with the National School of Government (NSG), we are rolling out a series of training programmes, some of which are compulsory, for our government employees.

- ***Lifestyle Audits***

Madame Speaker, we made an undertaking to facilitate the process of undertaking the Lifestyle Audits by Members of the Executive Council and SCM official in the first phase. We wish to update the house that we did approach the State Security Agency and SARS with a view to assist in this task. We were advised, via correspondence, that the State Security is finalising certain protocols in this regard. As the Province of KwaZulu-Natal, we are committed to leading from the front in undertaking the lifestyle audits. We are confident that once processes are concluded, we will be among the first provinces to subject ourselves to this process.

ACKNOWLEDGMENTS

Madam Speaker, allow me to convey my deep sense of gratitude to Members of the Executive Council for their unwavering support as we work together to create a South Africa that is united, non-racial, non-sexist, just and prosperous.

A special thanks to His Majesty, Indlunkulu yonke and Amakhosi led by Inkosi Chiliza, for their wise counsel to me personally and the Executive Council.

Equally, we wish to pay tribute all Members of the Provincial Legislature for their sterling oversight work.

Thanks to the leadership and of all KwaZulu-Natal structures of business, labour and civil society who are working with government to improve the lives of the people of this province.

To our Director-General, Dr Nonhlanhla Mkhize, HoDs, the Premier's Advisors, and the public servants who are accelerating the tempo to give a better life to our people, thank you.

To my better half, Mrs Neli Zikalala, thank you for your love, support, and encouragement.

Finally, I wish to thank the African National Congress for its continued trust in me to serve it in the capacity of provincial Chairperson and Premier.

CONCLUSION

We stand at a stark moment in history.

COVID-19 has made our people weary with despair.

Our economy has never known such devastation.

But hope must spring eternal.

Like in our struggle against racial oppression, hope and history must again rhyme.

Let us mobilise our finest resources and energies to hurry to the frontline of rebuilding our society and economy.

There is an important role for every one of us - public servants, business, civil society, traditional leaders, religious leaders - to quicken the tempo in economic recovery and job creation.

The directives and targets we have laid out today must be monitored on a weekly basis.

Where we come short, there must be immediate corrective action. Where we succeed, we must celebrate those advances.

Covid-19 has reminded us that time is not a luxury available to us.

The time is now. The tempo must quicken. The hope and expectation of our people must be kept alive.

There is work to be done. Let us roll up our sleeves and get our shoulders to the wheel. The time is now.

Even though we walk through the valley of the shadow of death, we fear not.

God Bless South Africa and the people of KwaZulu-Natal.

Together Growing KwaZulu-Natal.

I thank you.

