

PROVINCE OF THE EASTERN CAPE
TABLING OF THE 2019-20 ANNUAL PERFORMANCE REPORT

Honourable MEC Mlungisi Mvoko

02 December 2020

Honourable Speaker

Honourable Premier

Members of the Executive Council

Honourable Members of the Provincial Legislature

Heads of Departments

Distinguished Guests

Ladies and Gentlemen

1. Nearly a year and a half ago I opened my policy speech with a quote by Ban Ki-moon where he stated that: *“Saving our planet, lifting people out of poverty, and advancing economic growth...these are one and the same fight.”* Whilst this quote so aptly captured the essence of DEDEAT’s mandate and the clarion call of our Honourable Premier, who would of thought that a few months later we would be fighting a global pandemic that would slash economic growth and increase poverty levels, not only in our province, but across the country?
2. For the financial year under review, the positive side is that the pandemic caught us towards the end of the fourth quarter and hence did not have a severe impact on departmental performance. Nonetheless, achievements were made under fiscal constraints and a poorly growing economy.
3. During the past year the Department increased its efforts in striving towards its goal of sustainable economic development. Efforts on policy priorities and major projects are bearing positive results. I proudly name a few:

- 3.1. Through its public entities, the Department has created approximately 16 500 jobs during the past year. A total of 233 SMMEs were provided with non-financial support and 20 cooperatives received funding while non-financial support was provided to 121 co-operatives. Various engagements on business opportunities were held across all six districts, including the two Metropolitan Municipalities, targeting designated groups (women, youth, people with disabilities and Military Veterans).
- 3.2. Honourable Members we are proud that our partnership with the CIPC has yielded significant positive results in the registration of companies and other related matters such as annual returns, Black Economic Empowerment certifications and customer registrations. This initiative has reduced the waiting period for company registrations from 4 weeks to 24 hours and has empowered business owners to directly access their accounts in order to engage on company matters and improve the ease of doing business.
- 3.3. The IDZ programme performed relatively well considering the depressed economic climate. A total of 18 investments were realised with a projected investment of over R3,2 billion.
- 3.4. The Department has laid the foundation for aligning agro industry stakeholders through the development and approval of a Provincial Agro Industry Development Action Implementation Plan. This plan sets a target of growing the agro industry contribution to the provincial economy by 20% within the next 5 years through increased primary production, increased value addition of local produce and reduced import of agricultural products to the province.
- 3.5. Through the Provincial Economic Stimulus Fund, the Department has funded the first initiatives for the integrated sector development such as the development of the Fresh Produce industry in the Chris Hani District with Komani Industrial Park as a hub, grain industry development (covering Ugie/Maclear/Mt Fletcher), Aquaculture (abalone infrastructure development in the Coega Aquaculture Development Zone) and the Wild Coast SEZ development. This development progressed well as the application for designation was submitted to the Department of Trade, Industry and Competition in July 2020 with an investment pipeline of over R1.4 billion to create 900 permanent jobs and 500 construction jobs in the zone alone, with other investment possibilities of an estimated R1.2 billion pipeline of investors all relevant to the agricultural production in the Wild Coast region.
- 3.6. Honourable Members, the de-industrialisation trend remains high in the province and this is aggravated by the South African economy being trapped in a low growth environment. The manufacturing sector is challenged by a market dynamic impacting their sustainability; hence the importance of providing ongoing support to the sector. Amongst other areas, support was provided to manufacturing companies

in distress through a web-based portal and helpdesk to facilitate financial and non-financial support to distressed companies. Through the departmental jobs stimulus fund, 17 distressed companies received a total of R9.8 million funding support resulting in the retention of 980 jobs in the Province. Furthermore, the Department supported the growth of the maritime manufacturing sector, through the development of a localisation sector action plan. The Department has also facilitated financial support to the Eastern Cape State Owned Industrial Parks to fast track infrastructure developments to enhance these facilities for the attraction of new investors. The Department has finalised the implementation plan for offtake agreements under the Provincial local procurement initiative. This initiative will strengthen the viability of local manufacturers.

- 3.7. Highlights of our initiatives in the sustainable energy space include the Independent Power Producer Support Processes and support to SMMEs in the Energy Sector, aiming to grow and maximise the socio-economic outcomes Wind and Solar Farm build in the province, which to date represents an investment amount of approximately R33.4 billion. Through a partnership with our twin State of Lower Saxony, we have continued the construction and commissioning of the Eastern Cape rural renewable energy mini-grid project. Here we can proudly say that the lights are on in a village which previously had little hope of electrification. Support has also been provided for the advancement of the Provincial Natural Gas localisation programme, focussed on the LNG infrastructure and power hub at Coega.
- 3.8. There has been improved coordination of tourism development initiatives between the three spheres of government, which is beginning to yield positive results. Tourism infrastructure projects are being coordinated and implemented as part of the Oceans Economy - Operation Phakisa. I take this opportunity to name a few:
- East London Beachfront Development
 - East London Water World Upgrade and Expansion
 - Wild Coast Corridor Tourism Master Plan
 - The N2 Gateway
 - Development of beach precincts and Wild Coast Hiking Trail
 - Development of the Hole in the Wall and Coffee Bay Beaches as part of implementing the Indi-Atlantic Tourism Route Renovations
 - Upgrades of Tourism Infrastructure in Protected Areas by the ECPTA through the Provincial Economic Stimulus Fund.
- 3.9. On the environmental front, the Department has celebrated the guilty verdict handed down to the notorious Ndlovu gang in April 2019 on 55 charges relating to the poaching of at least 13 rhinos, though estimates put the real figure at at least 100!

Whilst they appealed their sentence approximately three months ago, we are ecstatic to report Honourable Members that on 24 November 2020 the judges dismissed the appeal on all counts and the sentence of 25 years stands. This was a victory for wildlife conservation and the war on poaching!

3.10. In promoting cleanliness and pride in our towns, the Department launched the Cleanest Town Competition, focussing on promoting responsible waste management practices at local level. The winning municipalities were:

1st Position – Umzimvubu Local Municipality

2nd position – Kouga Local Municipality

3rd Position – Senqu Local Municipality

3.11. In creating and developing environmental awareness amongst learners, the Department again hosted the Provincial Enviro Awards Competition, which was held in the Nyandeni Local Municipality. The top schools, each receiving a cash award of R115,00 were:

Primary School Category – Hlabathi JSS (OR Tambo)

Secondary School Category – Bizana Senior Secondary School (Alfred Nzo)

3.12. The implementation of environmental EPWP projects resulted in 734 work opportunities being created.

3.13. Honourable Members, the Department has performed well on the processing of Environmental Impact Assessments, processing 95% of all applications within legislated timeframes, and the Department is considered to be one of the leaders in turnaround times for processing of such applications. This dedication helped to unlock many infrastructure and other economic development projects. The Department further awarded more than 1 500 permits within legislated timeframes.

3.14. In broadening the protected area estate, the Department, through the ECPTA, added 12 627 hectares to the conservation estate during the year.

3.15. The Department has a responsibility, Honourable Members, to ensure that our citizens are empowered through environmental education as well as consumer, liquor and gambling awareness campaigns. The Office of the Consumer Protector empowered approximately 13 030 people directly by way of 6 themed consumers workshops during the year. A total of 34 environmental awareness sessions were conducted while the responsible gambling campaign reached an estimated 5.1 million people. The ECLB, in partnership with the Department of Education and

Aware!Org, as part of the Anti-alcohol education and awareness programme was introduced in the school curriculum so that young people can be educated about the risks inherent in the consumption of alcohol at an early age. This programme was piloted in eight schools.

- 3.16. Following the efforts of the Office of the Consumer Protector, through the Eastern Cape Provincial Legislature, The Eastern Cape Consumer Protection Act, 2018 (Act No. 3 of 2018) has been assented to by the Honourable Premier. The Act was proclaimed in June 2019 and provides the Office of the Consumer Protector with the necessary legislative mandate to ensure a more effective and efficient service to consumers within the Eastern Cape and will be aligned to the Consumer Protection Act, 2008 and provides for procedures and mechanisms to provide redress to consumers. Provision is made for the establishment of the Eastern Cape Consumer Tribunal for referral of complaints that are not resolved in terms of alternative dispute resolution mechanisms.
4. In concluding we can acknowledge that while much has been achieved, much still needs to be done. As a Department we affirm our commitment to leading the Province to create a conducive environment for sustainable development, which is diversified, innovative, equitable and supported by a skilled workforce.
5. On that note, Honourable Speaker, I would like to take this opportunity to express my sincere thanks to all the staff of the Department for their continued hard work and support.

I hereby table the 2019-20 annual performance report for the Department, together with those of its six public entities.

Thank you.

Annual performance reports for 2019-20 tabled:

- *DEDEAT*
- *ELIDZ*
- *Coega Development Corporation*
- *ECDC*
- *ECPTA*
- *ECLB*
- *ECGB*