



LIMPOPO

PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

Media Statement
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LIMPOPO EXECUTIVE COUNCIL MEDIA STATEMENT ON THE OUTCOMES OF ITS LAST MEETING OF THE TERM AND ASSESSMENT OF ITS OVERALL PERFORMANCE.

Let me welcome all of you to this media conference, and the Office of the Premier in particular.

As we have already communicated through our invitation that we have convened this media conference to communicate the decisions of the Provincial Executive Council meeting which took place yesterday and the week before.

You would also know and appreciate that we are in the last month of our term of office, and will therefore use this platform to also give a brief account of the work we have done over the last five years in carrying out our constitutional mandate. This will include the milestones achieved, as well as challenges encountered in delivering services and improving conditions of living of the people of Limpopo.

Prelude

I take it for granted that many, if not all of you, remember where this Province was before we took over in 2014. You would remember that at that time, Limpopo was almost synonymous to corruption, maladministration and unending public protests.

At that time, corporate governance in this Province had virtually collapsed. The province was bankrupt with no money for service delivery. Audit opinion of various government Departments was discouragingly negative. At that time, the province had R1.7 billion in overdraft and R2.7 billion of unauthorized expenditure.

The Provincial Administration was also characterised by high vacancy rate at strategic management level.

Service delivery had virtually come to a halt –many of you would remember the much-publicised textbook saga where a number of schools could not get textbooks because of issues relating to maladministration.

Most of you had reported about the chronic shortage of medication in hospitals and the suspension of vital services such as the scholar transport simply because the government was almost broke.

All these developments necessitated the National Government to invoke Section 100 (1) (b) of the Constitution and placed Limpopo under administration.

With the Provincial Treasury being amongst the five provincial government departments that were placed under administration, the entire provincial government was effectively under administration.

Our immediate mandate was therefore to fix the province's finances, stabilise the administration, revive the ethos of good corporate governance and, most importantly, roll-out service delivery to our communities.

Achieved milestones amidst fiscal constraint and related challenges
In an effort to guide our actions, we developed and adopted a socio-economic blue-print, the Limpopo Development Plan in 2016. The LDP imperatives included stabilising government, growing the economy, creating jobs, reducing the levels of poverty and improving the roll out of basic services to our communities.

In terms of job creation, I am able to say that according to Stats SA Labour Force Survey, Limpopo has in the last five years created over 317 000 jobs. Limpopo has the lowest official unemployment rate in the country at 16.5% against a national average of 27.1%

Mining as one of the strategic competitive advantages in Limpopo, is the biggest contributor towards the provincial economy at 24.5% to the Provincial Gross Domestic Product. Notwithstanding retrenchments in some of the mining houses, the jobs in this sector, have increased from 71 000 in 2013 to 103 000 in 2017/18.

Limpopo has 147 mining projects that are currently operational and we envisage a further eight new projects in the Capricorn and Sekhukhune Districts.

These projects are expected to attract investments worth R2.5 billion and create around 3000 jobs.

The main highlight and a flagship project in our term of office, has been the introduction and proclamation of the Musina-Makhado as a Special Economic Zone (SEZ).

To date, this SEZ project has managed to attract a total investment commitment of no less than R150 billion to the province. I have got no doubt, whatsoever in my mind, that this massive investment will go a long way in creating the much-needed jobs and other economic opportunities, especially for the people of our province, the youth in particular.

According to existing plans and program, several plants will be constructed under these SEZ projects creating over 21 □ jobs.

In terms of road infrastructure development and delivery, I feel I need to start from the beginning. You would again remember that during the difficult period I have referred to earlier, most of our road projects were abandoned and some could not be completed.

Everyone remembers the Public Protector's report titled On the Point of Tenders. The abandoned roads came to be known as Bermuda roads in the Province. Since 2014, we have spent no less than R2.6 billion in upgrading 260 kilometres of road network from gravel to tar. A further total of over 380 lane kilometres was rehabilitated.

During the same period we have built a total of 14 new bridges.

We have also spent over 2.1 billion to complete the Bermuda roads I have referred to. However, due to a huge road infrastructure backlog in our province, let alone lack of sufficient funds, I am engaging the President of the country, SANRAL, as well as the Ministers of Roads and Finance to allocate more funds to the province so that we move with the necessary speed in responding to this challenge.

With regard to the provision of basic services, I think the province has done remarkably well.

The proportion of households with electricity connection is continuously on the increase. According to StatsSA, by 2011, the number of households connected to electricity was at 92%.

The 2016 StatsSA Community Household Survey, which is the latest available

statistics, shows that Limpopo is currently at 94.1% electricity connection. We have actually exceeded our own LDP target of 90% by 2020.

We are finally making a dent on the inherited yet stubborn backlog of sanitation delivery in the province. In 2001, just 27% of the population enjoyed access to decent sanitation facilities; by 2011 the number had increased to 38%. During the 2016 General Household Survey, the number of people with access to proper sanitation had risen to 57%. In this respect, we have also exceeded our LDP target of 50% by 2020.

The province has also done a lot when it comes to providing our people with decent shelter. According to StatsSA, Limpopo has the highest proportion of households living in formal dwellings.

Since 2014, the Provincial Government has provided over 43 000 housing units. This means that, we have managed to provide a decent shelter to over 200 000 people in the province.

At the moment only 74, 7% of our households are enjoying access to clean drinking water in the Province. We are intensifying efforts to implement the Provincial Water Master plan that we have since adopted by working together with the Department of Water Affairs and Sanitation, Lepelle Northern Water and all Municipalities that are Water Service Authorities.

In this regard we welcome the recent announcement by Minister Nkwinti to prioritise De Hoop Dam, Giyani Water project, Nandoni and Nsami, Ebenezer and Olifants in this financial year will go a long way toward achieving our goal of providing 90% of our people as per our Limpopo development Plan.

With regard to the task building good corporate governance and sound financial management, we are also on the positive trajectory.

As I speak to you now, we have managed to completely eradicate the inherited budget deficit of over R2 billion. We are now solvent and our liquidity position is very good.

Today we no longer have even a single Department with a disclaimer audit opinion, instead, we have seen an improvement with regard to audit opinion for Departments.

In an effort to stabilise the Provincial Administration, we have filled all vacant positions of HODs and related strategic positions.

However, because of resignations we now have vacancies in the Department of Sport, Art and Culture and the Department of Health. We have already started

the processes to ensure that these vacancies are filled within the stipulated timelines.

The intervention of the Provincial Government in the Department of Education through Section 18 of the PFMA has also yielded positive results.

This intervention has led to the improvement in the areas of governance and financial management. For the first time in years, the Department of Education was pulled out of the disclaimer audit opinion.

I can confidently say that our public service is now operating in a manner consistent and responsive to the needs and aspirations of our people.

I must also emphasise that we remain unwavering in the fight against crime and corruption in all its manifestations.

Youth Development

Youth development is at the centre of the work we do as this ANC government. It is in this context that we have adopted the first-ever comprehensive Youth Development Strategy.

The Strategy focuses on areas such as, youth participation in the economy and job market, youth education and skills development, youth health, nation-building and social cohesion. There is no doubt that we are on track in preparation for envisaged fourth industrial revolution.

NEHAWU's call against the Director General of the Provincial Administration On Monday, we issued a detailed statement responding to the call from NEHAWU for the DG to be dismissed over some irregular expenditure incurred during the 2015/16 Financial Year.

As we have said in that statement, following the recommendations of the Auditor General, i.e. that this expenditure must be investigated and that all the monies lost must be recouped, we have since investigated and all the Officials found responsible have accordingly been sanctioned after a lengthy disciplinary processes. Furthermore, the legal processes are unfolding to recoup all the monies lost by government as a result of this expenditure.

In terms of the law, we are not permitted to recover any such monies without a declaratory order from the Court of Law. It is therefore anticipated that the irregular expenditure in question will be fully corrected once the court process is concluded.

In keeping with our commitment to consequence management for wrong doing, we are on record to have implemented all the recommendations of the Auditor General in this respect and in all other cases where government where found wanting.

In fact it was the Auditor General himself, commenting on the 2016/17 financial year audit performance of Limpopo provincial government, who said, “the improvements in Limpopo can be attributed to the political leadership taking accountability and discharging oversight responsibility through discussions and interrogation of reports submitted by administrative leadership”.

The AG went further to say, “the level of commitment demonstrated by the political and administrative leadership in improving audit outcomes is commendable.”

The last EXCO meeting decisions

In our last Executive Council meeting yesterday, 03rd of April 2019, we approved the appointment of Mr. Dikgole Seroka as the Head of Department and Accounting Officer for the Department of Public Works, Roads and Infrastructure in Limpopo. Mr. Seroka is a qualified civil engineer whose experience in both the private and public sector will undoubtedly add the required value in this department that is charged with the responsibility of infrastructure planning, development and delivery in our province.

As part of the programme to respond to governance and financial management challenges in some of our municipalities, we also adopted a comprehensive support oversight programme for targeted municipalities. 10 municipalities will benefit from this targeted support.

Conclusion

As I conclude I wish to take this opportunity to commend the IEC in the Province for its state of readiness. We have received the assurance from the IEC that all is ready for the May 08 election. We are equally happy with the political maturity from all the political parties contesting the coming election.

As government, we have long committed to provide the IEC with all the requisite support to deliver a free, fair and credible election.

I therefore call on all the people of Limpopo to go out in their numbers on the 08th of May 2019 to cast their votes next to the political party of their choice.

I also wish to take this opportunity to wish all political parties participating in these elections the best of luck.

Let us all help consolidate, deepen and advance this hard-won democracy in our country.

Thank you very much.

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Issued by the Limpopo Provincial Government