



# LIMPOPO

PROVINCIAL GOVERNMENT

REPUBLIC OF SOUTH AFRICA

**11 November 2022**

## **RE: Post-EXCO Budget Lekgotla Media Statement**

The Limpopo Executive Council (EXCO) has come out buoyed after its Budget Lekgotla that was held on 09 November 2022. The Lekgotla was meant to make analysis of the provincial government's half year performance as well as adjusting budget against what has been achieved.

The Premier of Limpopo, Mr. Chupu Stanley Mathabatha, assured the citizens that the outcome of the Budget Lekgotla signals a turnaround for the province, especially after the devastating impact of COVID-19 and rising levels of unemployment.

“We are going to accelerate our efforts and focus our investments to exactly what we want to do as government; we said we wanted to be a developmental state. We have noted that, for example, we have water challenges wherein matters appear stagnant across districts. We have started tightening relations and working processes among those who work with water, from municipalities, water boards to the national Department of Water and Sanitation,” said Premier Mathabatha.

Further said Premier Mathabatha: “The sessions that we shall facilitate on water will also see same strategy applied on how we shall increase job creation as our province has high unemployment rate. From now onwards we are going to be specific on what areas for industrialisation like the Special Economic Zones will do, detailed on what each of the area will focus on and the exact number of job opportunities that are going to be created from their implementation. This way we shall win back the confidence of the people.”

The Budget Lekgotla took resolutions on the following matters:

### **1. 2023/24 Provincial Adjustment Appropriation**

The Budget Lekgotla noted and approved the 2023/24 Provincial Adjustment Appropriation as follows:

- Conditional Grants rollover of R827.071 million from 2021/22 to 2022/23 year; and additional R81.023 million – Public Transport Maintenance Grant;

- Increase of Provincial Own Revenue by R694.542 million (R177.294 million own revenue and R517.248 surrender by RAL) from R1.481 billion to R2.176 billion;
- Increase of R1.186 billion on Equitable Share for National 2022 Wage Increase.
- Equitable Share Rollover of R802.567 million from 2021/22 to 2022/23 (Inclusive of R2.068 million 2021/22 revenue retention by Legislature); and
- The proposed increase in provincial adjustment allocations from R74.230 billion to R78.158 billion.

EXCO Budget Lekgotla noted that major adjustment allocations were made in key departments like Education, Health, Public Works, Roads and Infrastructure (PWRI), Health and Cooperative Governance Human Settlements and Traditional Affairs (COGHSTA) to address service delivery challenges.

In the Department of Education provision has been made for education infrastructure grant, Presidential Youth Employment Initiatives, matric results improvement programme and larger cushion for national 2022 wage increase. This wage increase appropriation cuts across all departments.

Within PWRI the need to address poor conditions of some of the provincial roads will receive additional allocation that would mainly be carried out by Roads Agency Limpopo. There have been additions to conclude purchase of buildings to house government entities as the leases have matured and opportune to own such buildings.

Adjustments in the Department of Health have been considered for, amongst others, purchase of Emergency Medical Services vehicles, surgical backlogs, HIV, TB, Malaria and community outreach grant and issues of infrastructure maintenance.

COGHSTA would seek to improve on EPWP integrate incentive grant as well as the informal settlement partnership grant, amongst others.

There is also a huge portion of roll-overs from all departments that has been appropriated and used to augment needs identified by such departments.

## **2. Economic Development Initiatives in the SEZs**

The EXCO Budget Lekgotla took note and welcomed the reported progress in the two economic zones: Musina-Makhado and Fetakgomo-Tubatse, especially that both have received environmental impact assessment (EIA) approvals. The approvals have opened way for construction to begin in Musina-Makhado SEZ wherein contractors for bulk work are on site. This progress on the Phase 1 North of the project has already employed 20 people and is expected to employ 2000

within 24 months during construction. EXCO has allocated budget to deal with the infrastructure on the north side in the next 36 months.

In Fetakgomo-Tubatse the EIA has allowed EXCO Budget Lekgotla to allocate funds to conclude the planning process. The main objective of this SEZ is to develop a low carbon green economy which will offer promising opportunities not only to fight climate change, but to enhance energy security and develop local industries.

The EXCO Lekgotla believes that the initiatives underway will change the economic landscape of the province and achieve the intended objectives of industrialisation and job creation.

### **3. Youth Empowerment**

The EXCO Budget Lekgotla received report on youth unemployment which is notably high. EXCO has directed that a dedicated programme for youth to participate be intensified. To this end, the Office of the Premier has entered into partnership agreement with National Youth Development Agency (NYDA) to pilot a programme to support young entrepreneurs which will start immediately. By allocating budget to this initiative EXCO Budget Lekgotla believes that lessons and skills learnt from this would open opportunities for youth to explore sustainable projects in other areas or sectors.

The Executive Council cemented its commitment to uplifting the lives of the people of Limpopo by committing to a paradigm shift that would see further increased interaction and communication with communities to provide feedback and respond to service provision queries.

END/

Issued by the Limpopo Provincial Government

Enquiries:  
Ndavhe Ramakuela  
Provincial Government Spokesperson  
082 200 5357  
[ramakuelan@premier.limpopo.gov.za](mailto:ramakuelan@premier.limpopo.gov.za)

OR

Willy Mosoma (Premier's Spokesperson)  
072 102-4920 or 082 416-1347  
[MosomaW@premier.limpopo.gov.za](mailto:MosomaW@premier.limpopo.gov.za)