

Remarks by Eastern Cape Premier, Hon Lubabalo Oscar at the NCOP briefing on infrastructure development held on September 07, 2021.

Hon. Chairperson of the NCOP

Members of the NCOP

Invited Guests

Good morning. I bring you warm greetings from the Province of the Eastern Cape. Chairperson we appreciate the opportunity to come and share with the rest the country our infrastructure development plans. This part of our contribution to the development of South Africa and the vision of creating a better life for all our people.

Earlier this year, in his State of the Nation Address, President Cyril Ramaphosa pronounced that the country is embarking on an economic reconstruction and recovery plan. As the Eastern Cape Province, we identified infrastructure development as an area that could help our economic reconstruction efforts and create jobs for our people.

Our infrastructure development programme is premised on developing all three regions of our province in particular the eastern region that was previously neglected by the apartheid regime. In the western region, which is mainly Gqeberha and surrounding areas, Transnet is consolidating Manganese exports through the Port of Ngqura as the primary Manganese export channel in South Africa. Relocation of the Port of Port Elizabeth (PE) Manganese bulk terminal to Ngqura Port to support the planned waterfront development at the Port of PE is underway. Relocation of the Port of Port Elizabeth Tank Farm to the Port Ngqura, Liquefied Natural Gas import facilities will be established at the Port of Ngqura.

Even though there is limited activity during construction of this project, the availability of electricity and the ship being an off taker for LNG makes this a critical success factor for the gas to power project that the Province is working on. The Mulilo Total Coega LNG project entails the construction of a 200 MW gas power station. This means that the Coega precinct, after the successful completion of these projects will have 340 Megawatts from the Dedisa Peaking Power Plant, 450 Megawatts of Powerships, and 200 Megawatts of Mulilo project, thus over 1,000 Megawatts of existing power.

In the Central Region, which is mostly Buffalo City Municipal jurisdiction, Projects in the planning phase include:

- Deepening and Widening of Entrance Channel
- Relocation of Multi-Purpose Terminal from East to West Bank
- 2 new Berths
- EL Port car terminal expansion (approximately 3 368 additional parking bays to be added to the existing 5054 bays).

In the Eastern Region, which is mainly the former Transkei, we have the Wild Coast Economic Corridor which basically talks to changing the socio-economic fortunes of the eastern side of our province, an area that is in the coastal belt. We have identified infrastructure development as a game changer to unlock the economy of this region.

The priorities I would like to share with you today include:

- The first anchor is the consolidation of the N2 Wild Coast Highway Road Project which will have two highest bridges in Southern Africa (Msikaba and Mtentu). This project is under construction by Sanral and will speed up movement of goods between our two provinces.
- The Development of the Magwa/Majola Eco-Tourism Estate is the second anchor project in the Lusikisiki area.
- The third anchor is the Port St Johns Priority projects portfolio which includes the establishment of a small harbour and a smart city in PSJ.
- The last anchor is the establishment of the Wild Coast SEZ. Mthatha is the hub of the Wild Coast SEZ, but the agriculture and agro-processing spokes are from Nyandeni, PSJ, Ngquza Hill, and Mbizana. These are fertile fields for cannabis,

and other agricultural commodities, hence the Wild Coast SEZ takes centre stage as a key part of the Wild Coast Corridor.

The total **investment signed pipeline is R1,405 billion**. The following investors have signed Letters of Intent to locate in the proposed Wild Coast SEZ:

- Mthatha Fresh Vegetable and Produce Facility (R 100 m)
- Mthatha Medicinal and Aromatic Plants (MAP) Cultivation & Oil Extraction Facility (R 85 m)
- Wild Coast SEZ Juice Concentrate Project (R 610 m)
- Poultry Processing Project (R 610 m)

Chairperson our infrastructure footprint is also prominent in the energy sector. As at 2017, 17 wind and solar farms had been approved for the province, of which 7 were operational at the time. In 2021, 15 of the 17 facilities are now fully operational, while the remaining two will be commissioned during 2021. Currently 1343 Megawatts of Wind Farms are online. Under the recently announced outcomes of the **Risk Mitigation Power Producer Procurement Round (RMPPP)**, the Umoyilanga Facility has been awarded – a significant component of which is in the Eastern Cape. The total Size of the project is 75 MW of dispatchable capacity, of which 77,5 MW of Wind, 45 MW x 3h of Battery Electrical Storage system, and 6 MW back up Diesel Gensets are in the Eastern Cape (40km north of Gqeberha). This represents an investment in excess of R1.7 billion in the province.

Honourable Chairperson, as the Eastern Cape Province we have water and sanitation challenges like the rest our country which are exacerbated by drought in areas such as the Karoo, and Nelson Mandela Metro. We are pursuing funding in the BFI, for water and sanitation projects **in** Makana Water and Ndlambe Municipalities.

We are supporting the Nelson Mandela Bay Desalination Plant and Water Conservation and upgrading of Wastewater Treatment Works. Singathetha kutshone ilanga, utshaba lixesha. Mandilebele ngelithi zininzi inkqubo zophuhlisa iziseko ezingundoqo kwinkalo-ngenkalo kwiphondo lethu.

They include the R594 million revamp of hospital Infrusctrure which gave us 2458 new covid-19 beds that helped saved lives in our province in areas where such infrastructure was non-existent. The bulk of the contracts for that work benefited black owned SMMEs in the construction sector and they did phenomenal quality work. We are also rolling out Office Parks are part of our government's integrated approach to service delivery premised upon *Operation Khawuleza*- a rapid infrastructure roll out programme that seeks to save government money that has been paid for renting office space.

Honourable Chairperson, these are multibillion-rand sustainable projects which will enable us to contribute towards the national efforts of economic reconstruction and

recovery. They are aimed at connecting, networking, and rendering our Province as one big construction site. Ayingomaphupha lana, umsebenzi sowuqhuba kwezi projects. Siphazanyiswa yi covid-19, kuba sifuna ukuhamba ngesatya eziphezulu ekuqhutyweni komsebenzi ukuze abantu bakuthi babone inguqu kubomi babo ekuhanjiseni kwenkonzo nasekufumaneni amathuba emisebenzi.

Enkosi.