

Address by the Gauteng MEC of Economic Development, Hon. Parks Tau, at the NCOP Briefing Session

Theme: Provincial and Municipal Measures to Mitigate Against the Economic and Fiscal Impact of the July 2021 Public Violence, Looting and Destruction of Property

23 November 2021

Honourable Chairperson,
Honourable Ministers and MECs's,
SALGA Representatives,
Friends, Ladies and Gentlemen:

Introduction

I thank you for the opportunity to present the measures being implemented and monitored, by the Gauteng Provincial Government, to mitigate against the economic and fiscal impact of the July 2021 civil unrest.

It is important to note that these overarching recovery measures, in large part, are interventions to respond to the Covid-19 health and economic pandemic.

Following the civil unrest and looting, which affected several logistic networks and supply chains, the Province undertook a survey to assess the total damage. One of the key findings is that more than more than 18,000 jobs were affected by the July unrest that impacted, mainly, businesses located in township malls.

Overarching Recovery Measures

The programmatic interventions and measures, for economic recovery and rebuilding the the Province, are guided by the Growing Gauteng Together 2030 (GGT2030) Framework.

These programmatic measures include, in the main:

- SMME & Township Enterprise Empowerment,
- Infrastructure as a Booster for District Development,
- Partnerships with the Private Sector, and
- Special Economic Zones & High Growth Firms

SMME & Township Enterprise Empowerment

To assist small enterprises affected both by Covid-19 and the July 2021 civil unrest, in August we launched a R100-million Township Rebuilding Fund. This Fund was launched through the Gauteng Enterprise Propeller (GEP) in partnership with the Industrial Development Corporation (IDC).

In terms of SMME capacity building, we continue to offer training programmes through targeted partnerships with social partners like the NYDA, TymeBank, SEDA, Standard Bank and SARS.

An enabling regulatory framework intervention is being implemented through the tabling, in September this year, of the Township Economic Development Act. The Bill intends to change how townships are regulated and governed and to transform them into zones of widespread job-creating commercial activity.

Infrastructure as a Booster for District Development

The Provincial Government is using economic and social infrastructure programmes to create local employment opportunities and resuscitate the provincial economy. Currently, these opportunities are quantified at R40-billion. These programmes are being implemented working with the DBSA which is assisting to unlock private sector-funded development.

Honourable Chairperson,

Special Economic Zones & High Growth Sectors

Regarding the Special Economic Zones (SEZs) and High Growth Sectors, we are facilitating investment in Multi-tier Special Economic Zones to promote industrialization, export promotion and employment-creation in the Province.

There are four SEZs being pursued in the Province, namely the Tshwane Automotive SEZ in the Northern Corridor, the OR Tambo in the Eastern Corridor, Vaal SEZ in the Southern Corridor, the N12 in the Western Corridor and High-Tech SEZ in the Central Corridor.

These will be linked with several Industrial Parks and Agri-Parks throughout the Province to create an efficient manufacturing ecosystem.

Partnerships with the Private Sector

The Province is in partnership with a number of private sector organizations and other state organs to leverage and aggregate resources for maximum impact on economic growth and employment creation.

These partnerships are aligned to 10 high growth sectors as articulated in GGT 2030. Notable progress is being made to determine local work programmes for sectors through Action Labs in e.g., manufacturing, the green economy, agro-processing, ICT.

These are some of the aggregate measures the Gauteng Provincial Government is implementing and monitoring, to mitigate against the economic and financial impact of the July civil unrest and Covid-19.

I thank you.