

## **Address by the MEC, Parks Tau (MPL), at the NCOP's ERRP Oversight Conference**

Overall Theme: *“ERRP Oversight Conference: Localising the ERRP for Accelerated Economic Transformation”*

17 June 2022

### **Salutations**

Programme Director,  
Honourable Chairperson and Deputy Chairperson of the NCOP,  
Honourable Members of the NCOP,  
Ministers, Deputy Ministers, Premiers and MECs Present,  
Distinguished Guests, and  
Ladies and Gentlemen:

### **Introduction**

On this Youth Month, as the Gauteng Provincial Government (GPG) we are honoured to participate at this Oversight Conference into the localisation of the Economic Reconstruction and Recovery Plan (ERRP). It is a fitting platform to reflect on progress made and possibly unmade, to realise inclusive economic growth and facilitate mass employment.

It is fitting that this Oversight Conference into the ERRP is taking place in this activist people's Parliament. As the Chair of the NCOP, Honourable Amos Masondo, said early this month at the Introduction of the Budget Vote Debate:

*“The provinces are central to the work of the NCOP (and) we cannot over-emphasise the importance of co-operation and proper co-ordination in the planning and implementation of government policies and programmes”.*

As the GPG, in the 6th Administration led by Premier David Makhura, our structural interventions are guided by the Growing Gauteng Together 2030 (GGT2030) plan of action. As you know, this actionable and measurable provincial blueprint, is a localised iteration of the national ERRP.

What is the progress-to-date in the localisation of the ERRP in the Gauteng City-Region (GCR)? Which policy, legislative and programmatic instruments are being deployed to advance ERRP localisation in the GCR?

Honourable Speaker,

### **Activist Development State**

The GPG is fully cognisant of the role of government, across the three spheres, to address developmental challenges reliant on participatory and cooperative governance. By reference to “participatory governance” is meant public-private partnerships (PPPs) forged in social compacts between municipalities, business, labour and civil society in general.

In this instance, the Gauteng Department of Economic Development (GDED), has registered notable progress with its Public Private Growth Initiative (PPGI), which is a key enabler we have agreed upon, with leadership from all 10 high-growth sectors identified in the GGT2030 plan of action.

In making reference to “cooperative governance”, this is an acknowledgment that we have to do more with less. This implies and requires spending our resources efficiently in order to aggregate all our collective efforts and to leverage existing policy instruments and tools.

Programme Director,

### **Infrastructure**

The key commitment from the ERRP enjoins government to develop “a fit-for-purpose procurement framework for infrastructure and regulatory framework for PPPs”. In this regard, the GPG is already implementing the GPG B-BBEE and Local Content and Production Framework in this new financial year (2022/23FY).

All GPG departments have committed to the Framework through budgets and projects that will ensure the effective and efficient implementation of the B-BBEE Act and Local Procurement Accord (2011).

In particular, we can announce that through the Lanseria High-Tech SEZ and working with GTAC, 3 clusters of investors with land assets and their own investor pipeline, are willing to enter into a project development agreement that will establish a real estate investment trust which can be partnered with the GPG.

In connection to transport and logistics, the Gauteng-Eastern Cape High-Capacity rail corridor is gazetted as a Strategic Integrated Project (SIP) and the GPG will now be an anchor member. The focal point of this rail corridor is designed to support export-driven growth initiatives.

Ladies and Gentlemen,

### **Energy Security**

In the energy sector, in our associated target for the 2022-23 financial year, the focal point is on microgrid initiatives including an RFI to identify microgrid demand and

supply pools. 2 Commercial Green Microgrid proposals – Protea Glen and TASEZ – are under negotiation with the IDC for next stage feasibility and funding deployment.

The University of Johannesburg (UJ) is providing technical support to finalise the GPG Green H2 roadmap and Green H2 investors in SEZ networks are actively plugged in. Additionally, the GPG is in the process of activating a joint funding facility with the DBSA and the IDC.

Programme Director,

### **Employment Stimulus**

The ERRP is clear that we have to facilitate creation of diverse economic opportunities more so for young people, women, and for people with disabilities. Thus far, we can report on the following employment-generation pathways.

With regards to industrial cannabis, progress-to-date includes the following:

- An RFI for project partners across all focus areas has already gone out publicly, and
- The Vaal and Western SEZ is already including cannabis investor clusters,
- A proposal for cannabis exchange linked to the O.R Tambo SEZ is being vetted.

Actionables to accelerate job-rich growth in food, beverages and agri-processing, has the following objectives and seeded these results:

- The GPG is working with in partnership with the sectors to design and deploy an agglomeration platform for black producers and processors,
- This will link with the Gauteng ecosystem to national and continental value chains through the African Continental Free Trade Agreement (AfCFTA),
- The GPG will work with the sector to design and deploy a support programme for food and beverages produced in township agro-processing clusters to be sold across the full range of township retailers, and
- The GPG will work with major franchise platforms to design and deploy a shared ownership / consolidated ownership structure for franchises operating in the new township enterprise zones.

As part of our economic acceleration programmes, we support the agricultural sector through, inter alia, an export facilitation programme that ensures that South African Agricultural products destined for international markets are compliant with global standards.

Black livestock farmers demonstrating a potential to trade across South African borders have been enrolled into a farm biosecurity assurance programme so that they are able to provide the minimum disease freedom guarantee required to participate in export markets.

Ladies and Gentlemen,

### **Localisation, Reindustrialisation and Export Promotion**

I trust we are in agreement that strategic localisation, in essence, hinges on promotion of local purchase of goods and services to stimulate economic growth and employment generation.

In ensuring that our Special Economic Zones (SEZs) and Industrial Parks become investment frontiers – for localisation, reindustrialisation and export promotion – we can highlight the following progress-to-date:

In the Vaal SEZ, land assets have been identified and a masterplan will be completed by July this year.

In the Western Corridor / N12 SEZ, an investor pipeline is identified for agro-processing, Green H2, hemp cultivation and processing and bus manufacturing.

In the O.R. Tambo SEZ, negotiations are underway on allocating land use rights next to the site into a legal vehicle controlled by the state, following the Lanseria model.

With regards to manufacturing and industrial clusters linked to 22 most purchased products and services:

- Properties are currently being identified in the future TEZs, and
- B-BBEE funding matchmaking process is prioritising production of goods and services needed by departments for the deployment of their B-BBEE funds.

Honourable Speaker,

### **Fast-Tracking Reforms for a Competitive and Inclusive Economy**

The game-changing and enacted Township Economic Development Act (TEDA) will progressively reshape inarguably, for succeeding generations, the economic geography of the GCR Township Enterprise Zones (TEZs).

TEDA is a new deal aimed not only at bringing economic opportunities for benefit by the majority population but is lauded widely across political parties because it aims to, for instance:

- replace, sizeably so, red tape with smart tape,
- provide targetted tax incentives, and
- target procurement and pipeline development.

Moreover, fast-tracking reforms to foster a competitive and inclusive economy is being done through these other programmatic interventions.

In terms of the taxi economy nodes:

- 10 township taxi nodes have been identified,
- Funding applications have been submitted, and

- All necessary MoUs have been completed with delivery partners.

In connection to the install-repair-maintenance (IRM) contracting hubs linked to 40% of the GPG maintenance budget:

- Mamelodi Hubs are currently being commissioned,
- Expansion is in process into 10 hospitals and 10 technical high schools
- 5 cellphone repair hubs are being commissioned, and
- Management capability delivery partners are being finalised.

Ladies and Gentlemen,  
Programme Director,

### **Conclusion**

In conclusion, as the Gauteng Provincial Government we are pleased to participate in this NCOP-hosted ERRP Oversight Conference.

We support fully this Conference and its recommendations since it is a platform to share best practice across the three-spheres of government as informed and guided by the DDM.

After all, an activist developmental state, at both a national and local level, as highlighted by our collective responses to the Covid-19 health and economic pandemic, is a window for the state to become both an enabler and disruptor of the status quo.

Hence the apposite words of the NCOP Chair, Honourable Masondo, are underlined when he counsels: "*Parliament is an organ of people's power and a critical instrument for the transformation of society. As has been said before, life's roughest storms prove the strength of our anchors*".

I thank you.