

Policy Speech of the Eastern Cape Office of the Premier for the 2022/23 financial year, delivered on March 15, 2022.

Madam Speaker;

Honourable Deputy Speaker;

Honourable Members of the Executive Council;

Honourable Members of the Provincial Legislature;

Esteemed Guests, Ladies and Gentlemen

I thank you for the opportunity to present the Policy Speech in support of the Annual Performance Plans, Operational Plans and budget proposed for the Office of the Premier and the Eastern Cape Socio-Economic Consultative Council.

We meet here today in a month that is dedicated to celebrate Human Rights in our country. All of us are familiar with our dark past, where the rights of mainly black people were trampled upon by the apartheid regime. Through the sacrifices of many compatriots who waged a relentless struggle to attain our democracy, the people of our country now enjoy liberties that promote equality, human dignity and the civil, political and socio-economic rights.

As we commemorate this significant month, we appeal to men in our society, to respect the rights of women, particularly the rights to life, safety and human dignity which has been stripped from women through incidents of gender-based violence and femicide.

It is in consideration of the need for our country to continue to protect the rights of all citizens, in particular, women and children, that we welcome the appointment of Justice Zondo as the Chief Justice of South Africa.

Honorable Speaker, the policy speech we are presenting today represents the contribution of the OTP to the commitments outlined in the State of the Province Address. Once again, I would like to thank the Honourable Members, media institutions, stakeholders and the people of the Eastern Cape for the insights shared through debates, discussions and coverage of SOPA 2022.

Some of the commitments we made in the SOPA of 2022 are already coming to fruition. Last week I was at the Isuzu Plant in Gqeberha to open the mass production line for the D-Max Bakkie. The first bakkie of this new generation will roll out of the assembly line next month, manufactured by the hands of our people for world markets. We are humbled by the overwhelming support and positive feedback we have received in our latest intervention to assist students trapped in debt in the four universities in our Province. We could not fold our arms when many of our students who are the hope of their families are facing challenges of access to higher education. We call on NSFAS to put more emphasis on efficiency in their system because most of the students we are funding with our intervention qualify for NSFAS.

Honourable Members, the Office of the Premier remains committed to playing its part in pursuing the Vision 2030 as espoused in the Provincial Development Plan on “Building the Eastern Cape we Want”. The major risk for the Province and the nation at large remains the shrinking revenue base, which forces government to continually reprioritise its policies in order to stimulate the economy and minimise the social impact of Covid-19.

In response, and inspired by the remembrance of our legend, Reverend John Knox Bokwe, our efforts in 2022/23 and beyond will be guided by three cardinal points which are all in line with the Provincial clarion call for “**recovery and enhancing sustainability**”. We believe that a focus on the following areas will help us achieve better results and impact:

Firstly, we will ensure government generates value from own resources through co-ordinating performance management in the provincial administration. This will help

government departments and entities to achieve their planned performance and expenditure targets.

Secondly, we will leverage resources through harnessing investment by global partners, national departments and state-owned entities to achieve Province's development objectives. This is in recognition of the fact that the government fiscus alone will never succeed to eradicate poverty, unemployment and inequality in our Province. It will require a consistent and deliberate effort to attract investment in the provincial economy by national state-owned entities and the private sector.

Thirdly, we will lead development through building an agile state. The challenges we face require 'out of the box' thinking and innovative solutions. So are the opportunities, they won't wait for us for ever, they require a government system that plays in areas of our province's competitive advantage, speedily adapts processes to take advantage of emerging opportunities and intervenes timely and decisively when required.

To this end, the **Office of the Premier is allocated R963.592 million** in the 2022/23 financial year. This budget indicates an increase of 17% compared with 2021/22 budget.

Programme 1: which deals with Administration is allocated **R170 785m**. The programme provides strategic leadership, management and support services to the Premier, Director-General and the Department. As the apex department in the Provincial administration, the programme will facilitate critical social compacts to ensure that the priorities and projects identified in the SOPA are implemented effectively. Through the leadership of the Premier and the Director General, the programme will strengthen the co-ordination of all efforts to mobilise foreign and domestic investments into the province as well as to ensure that there is an improvement in performance and audit outcomes across the Provincial Administration.

Programme 1 also houses the financial and corporate services functions, the engine room of the institution. We will spare no effort in pursuit of good corporate governance through the implementation of measures to improve our management practices. The re-introduction of the departmental public service excellence programme is bringing back excitement and is motivating employees to improve quality and innovation in rendering public services. The programme will also lead efforts to achieve transformation through the implementation of gender equity plans and job access strategies in the Department.

The significant decrease in the budget of this programme is due to the transfer of the resources allocated to the broadband project to Programme 3 where provincial ICT is housed.

Programme 2: which deals with Planning, Policy Co-ordination Monitoring and Evaluation is allocated **R410 198m**. The programme is responsible for setting the provincial administration's programme of action, and lead evidence-based decision-making for integrated policy formulation, planning, monitoring, reporting, evaluation and review of government programmes, including intergovernmental, stakeholder, international relations management and transformation programmes. The programme also manages strategic interventions, including youth development.

As part of its mandate, the Office of the Premier is tasked with providing strategic leadership in policy development and planning in the Province. In the 2022/23 financial year the Department intends to facilitate the development or review and subsequent monitoring of the following integrated plans:

- Provincial Investment Plan;
- Integrated Social Infrastructure Plan;
- Project Plan for Coordinating Departments to ensure- effective implementation of priority projects;
- 2022/23 Programme of Action;
- Provincial Medium-Term Strategic Framework;
- Provincial Government Performance Improvement Plan; and

- Eastern Seaboard Development Plan.

The Small-Town Revitalisation Programme which has been a huge success in the first phase, will continue to be rolled out to the identified municipalities to address services backlogs mainly due to poor infrastructure and capacity challenges in municipalities. To date, the programme ensured expenditure of R771 million on improving access to basic infrastructure across 17 municipalities in the province which include PSJ, KSD, Raymond Mhlaba, Elundini, Dr Beyers Naude, Ndlambe, Sunday's River Valley, Koukamma, Ngcobo, Enoch Mgijima, Great Kei, Mbhashe, Mquma, Ntabankulu, Umzimvubu, Ingquza Hill and Nyandeni. More than 70 infrastructure projects were completed which include:

- 25 roads projects,
- 14 electrification projects,
- 4 transport hubs, and
- 27 Water and Sanitation projects.

The impact of this programme was felt by both businesses and local people because the programme created 207 business opportunities for local SMME's, 7218 jobs which includes 38 jobs for people with disabilities, 910 jobs for women, 3427 for youth. The programme also served as a platform for 31 students to receive practical training to obtain their qualifications and gained valuable experience. The programme attracted private investment which resulted in construction of shopping centres in Mount Fletcher, Flagstaff, Libode and Ngqeleni. These private investments resulted in further creation of more than 200 permanent jobs. Three (3) of the existing projects will be completed, whilst 21 new projects will be started in the 2022/23 financial year.

There are many corporates who want to put their hands on the deck and support of efforts of building the Eastern Cape we want. In response to this positive interest by corporates, the OTP plans to develop a comprehensive Corporate Social Investment (CSI) coordination and mobilisation strategy in order to augment the resources that the corporates are making available for the province.

The Department will also continue with its efforts to ensure that needs of youths are progressively addressed in line with the P-MTSF. In improving co-ordination of youth development initiatives, youth forums have been established in Alfred Nzo, Chris Hani and Joe Gqabi Districts. In 2022/23 we will cover the two Metros and the remaining Districts. These forums will enhance the integration, implementation, and monitoring of youth development programmes at municipal level.

The Isiqalo Youth Fund was successfully transferred to the Office of the Premier. As at the end of February 2022, R19.3m has been disbursed to 16 various youth projects throughout the Province. As alluded to in the Budget Speech, government is exploring means to recapitalize this fund. In this regard, further announcement will be made in the Adjustment Budget. Whilst continuing with the Isiqalo Youth Fund and other youth owned Small, Medium and Micro Enterprises development programmes, we will expand our reach on youth skills development and empowerment programmes especially on the digital skills to equip our youth to partake in the Digital Economy. Efforts to this effect include partnership with the Department of Employment and Labour on the Youth Digital eXponential Project.

Honorable Members, the country, and the province, witnessed unacceptable levels of Gender Based Violence & Femicide (GBVF) during the various levels of lockdowns that were initiated to curb the spread of the Covid-19 virus. This prompted the Province to respond to this scourge through the resuscitation of the Provincial Gender Machinery with the intention to consolidate all anti-GBVF efforts under the auspices of this machinery. The Province will continue with the implementation of the GBVF Response Plan which entails the co-ordination of the efforts of all relevant role players. Gains on the implementation of this strategy so far include:

- 75.6% out of the targeted 93% Conviction rate in sexual offences
- 100% Conviction rate in the cases of corruption in government: it is a concern though that the actual number of prosecuted cases is very low.
- 87% Conviction rate in Intimate Partner Femicide against the 75% term target.
- 95% Conviction rate in Femicide cases against the 70% term target

- 76% Detection rate for crimes against women 18 years and above against the 75% term target
- 73% Detection rate for crimes against children below 18 years against the 70% term target.

The mainstreaming of the issues of designated groups (women, youth and people with disabilities) in government planning, budgeting, implementation, monitoring and evaluation is an important priority for government in this term. To this effect, the Department will facilitate and support departments and municipalities to conduct gender-responsive planning and budgeting.

The Department also co-ordinates the monitoring, evaluation and research functions. These are critical in providing information to enhance policy making and the planning of the implementation of government programmes. Five projects will be rolled out in the 2022/23 financial year and these are:

- Evaluative research on the implementation of the provincial SMME Development Strategy;
- Evaluative research on the implementation of the Provincial Youth Development Strategy;
- Impact evaluation of Covid-19 on the income of families;
- Design and implementation evaluation of anti-poverty initiatives; and
- Programme evaluation on provision of basic services (water, electricity and sanitation)

There will be a special focus on the monitoring and evaluation of the efficiency and effectiveness of efforts of government to address developmental needs of designated groups. The Khawuleza PMO, which is now operational, will play a significant role in providing real-time information on the performance of these programmes.

Our efforts to mobilise resources from international partners will continue in 2022/23 financial year. Our focus will be on the implementation of existing agreements with Córdoba Province (Argentina); Lower Saxony (Germany); and Zhejiang Province (China).

We will also heighten our efforts to forge partnerships with a region to be identified in the Kingdom of Belgium; Eastern Kavango Province (Namibia); Governorates of Gabes and Medenine (Tunisia); and Kisumu and Mombasa Counties of Kenya. We will seek to conclude the Joint Declaration on Cooperation with the United Nations (UN) in the 2022/23 financial year.

Honorable Speaker, ECSECC, the public entity under the Department is also funded through this programme. To this end, a total of **R72,329m** is allocated to the entity to, amongst other projects:

- Supporting the implementation of the Provincial Research Agenda (including evaluation research and the establishment of the Observatory);
- Supporting the development of the Digital economy;
- Supporting the implementation of the DDM One Plans in the Eastern Cape;
- Governance & co-ordination support to the catalytic African Coastal Smart City initiative;
- Providing policy advice on Catalytic Infrastructure Projects (incl. improving technical support the infrastructure portfolio);
- Implementation of the Comprehensive Sexuality Education programme in the Eastern Cape Province;
- Implementation of High Transmission Areas programme in the Eastern Cape Province;
- Socio-economic Compacts / accords through the Development Convention and
- Innovative organisational maturity modelling

Programme 3: which deals with Institutional Development and Organizational Support is allocated **R382 609m**. The Programme is responsible for managing the administration of the public service system and promoting accountable governance by providing institutional development and organisational support services to ensure that the Provincial Government has sufficient skills capacity to efficiently and effectively deliver on its mandate. The programme also renders reliable legal services and a comprehensive communication service on behalf of government.

The Department will implement the shared services model on identified corporate service functions as a means to achieve efficiency in operations of government. Areas being targeted through this initiative are change management; operations management framework; organisational development and job evaluation; advertising of vacancies; leadership development; ICT; investigations; and communications.

The Office of the Premier will continue to monitor recruitment processes with an intention to ensure that vacant funded posts are filled within 6 months. Support will also be provided to departments that are undergoing review of their organisational structures to ensure that these organograms are in line with the mandates and are well poised to enhance service delivery in these departments. Culture change programmes will be facilitated, and these include the establishment of change agent network and implementation of quick win projects in departments

Through the work of this programme, the Department will heighten its efforts to mobilise financial resources for the implementation of provincial skills strategy. We will build on the agreements that we concluded with the various SETAs to ensure more youth benefit from these skills projects. These agreements include collaboration with merSETA worth R34,8m which will benefit 140 Artisans and 40 Engineering students and the collaboration with the Education, Training and Development Practices Seta for the training of 100 unemployed youth as plumbers, just to mention a few.

In the 2021/22 financial year we have placed 3,042 young people in various institutions for experiential learning. Bolstered by such successes the Department has set itself a bold target of mobilizing R100m investments from the SETAs in support of skills development which will benefit mostly the unemployed youth.

The Department has prioritised the roll out of programme to capacitate government officials with the requisite skills that are of transversal nature. A total of 491 Provincial Public Servants were trained since the beginning of the 2021/22 financial year in the areas of procurement, change management, employment relations, leadership development and induction.

On ICT, the implementation of the Broadband Project has gained momentum and traction although the roll-out has not met planned targets due to factors such as delays in wayleave approvals in municipalities taking more than 90 days in some cases, acts of vandalism, delays in on boarding service providers, and earlier delays in procurement due to lockdown.

These matters have received attention and currently 240 government sites have been connected. We envisage to increase the number of connected sites to 600 by June 2022. We further expect that by the December 2022 this will grow to 1200 sites. This will increase the number of SMMEs benefiting. To this effect, the database of participating contractors will be reviewed annually. The OTP is working with SITA and the implementing service provider to develop an acceleration plan to fast track the rollout to ensure that the 2700 sites under the contract are delivered before the target date of June 2024. The department will also engage relevant national government entities to expand access to the internet through the SA Connect programme. This will help the province connect more sites than those funded through our own broadband initiative.

Honorable Members, we have undertaken a number of initiatives in the implementation of the Provincial Digital Transformation Strategy. These include:

- The launch of the Digital Skills Training Centre in Mthatha in June 2021 where digital training was offered to over 300 matric students in Microsoft fundamentals, design thinking and programming.
- Digital skills training programmes were also rolled out through NEMISA benefiting over 1000 youth on both digital literacy and specialized 4th Industrial Revolution courses, and
- The launch of Microsoft Virtual Innovation Hub in Queenstown for digital skills courses, certification and resources from LinkedIn, GitHub, and Microsoft.

More youth digital training is targeted going forward through the existing partners including other new partners such as Department of Labour Youth digital training programme, which is targeting over 1000 youths, ELIDZ through their newly established digital hub, and NEMISA.

The focus for these programmes will shift towards addressing emerging skills requirements particularly those linked to the 4th Industrial Revolution.

The Office of the Premier commenced the rollout of e-governance systems across departments in 2020/21. To date e-leave, e-recruitment and electronic salary payslip distribution systems have been implemented in 8, 7 and 5 departments respectively.

In 2022/23 the priority will be to roll out e-government systems as follows:

- Rollout of e-leave in Departments of Education, Human Settlements and Health
- Rollout of e-recruit in department of health
- Rollout of Electronic salary payslip distribution (EDD) in the remaining 8 departments in the province

The outlined e-government systems will enable the provincial government to leverage on ICT and provide much needed efficiencies in administrative functions of

government thereby improving corporate governance and streamlining business processes.

Our efforts to root-out corruption in the public service will also continue as we remove conflicted officials from the Centralized Supplier Database and taking the necessary disciplinary actions. The department also complies fully with the Executive Council resolution to publish details of awarded tenders. A framework and strategy for implementing lifestyle audits in the public service was approved and government officials are currently being capacitated for implementation. The Eastern Cape Provincial Cross-Sectoral Anti-Corruption Forum was established. All these initiatives lay a good foundation for our work on zero tolerance to corruption in the public service.

The OTP is working collaboratively with the Departments of Health and Provincial Treasury to manage the medico-legal claims. The Specialised Litigation Unit has been established in the OTP in the 2021/22 financial year. In this regard, the three departments are pursuing various strategies to reduce the number of medico-legal cases, including the public health care defence strategy in the case of Noyila vs Department of Health, which was argued in Bhisho High Court in November 2021.

This strategy aims to convince the courts that the Department of Health, through its medical institutions, is able to provide an adequate level of care to its patients (in particular, the Cerebral Palsy patients). We believe that, if the court accepts our argument, the judgment debts will be significantly reduced, and will significantly reduce the outflow of lump sum payments.

In addition, the three departments have launched an application to provide for staggered payments instead of lump sum payments. In terms of this application to court, the province is requesting that current judgement debts be paid in instalments of R 500 000, sixth monthly. This is resulting in the temporary cessation of lump sums flowing out of the Department of Health coffers.

The OTP will continue to focus its energies on profiling the work of government with a view to build a positive image of government and the Province in general. This work will be further enhanced through improved branding and consistency in communicating the good work that government is doing whilst at the same time acknowledging and working harder to resolve challenges that impact on the image of government, especially service delivery and corruption. Provincial Communications will be regularly and continuously polling citizens and communities to ensure that we are fully aware of their perceptions of government.

In conclusion, Honourable Members, in 2022/23, we will continue to explore partnerships with other strategic organisations in the Eastern Cape to ensure that together we consistently showcase a province that is open for business to investors and attractive to tourists, both domestic and international. The final draft of our reviewed organizational structure is being consulted with Department of Public Service and Administration and we will start processes to implement it this financial year. We have also tabled the ECSECC Whitepaper, and we are hoping to introduce the ECSECC Bill for consideration by this House in the new financial year. I now table this Policy Speech as well as the Annual Performance Plans and Operational Plans for both the OTP and ECSECC.

I thank you.