

Cabinet Statement

Statement on the virtual Cabinet Meeting of Wednesday, 17 August 2022



ISSUES IN THE ENVIRONMENT

Energy

- Cabinet welcomed the interventions introduced by government to address the country's energy crisis. The far-reaching measures pave the way to reduce load-shedding, transform the electricity sector and achieve long-term energy security.
- In supporting the energy grid and helping our country through its constrained electricity supply, we need to reduce our nation's energy consumption by 600 megawatts over the next three months.



women in Krugersdorp in Gauteng. These vile acts and abuse against women undermine our social fabric. Cabinet further commended the South African Police Service for their swift arrest of a number of suspects in connection with the heinous crime.

- Cabinet appealed to communities to work with law-enforcement agencies by sharing any information or reporting suspicious activities. Working together, we can make our communities safer for women and children.

Every South African has a duty to act against perpetrators of violence within the ambit of the law. Report all GBVF-related incidents to a local police station or call the toll-free Crime Stop number: 0860 01 0111, the National GBVF Command Centre: 0800 428 428 or Stop Gender Violence Helpline: 0800 150 150.

Operation Vulindlela

- Cabinet welcomed the progress made under Operation Vulindlela to clear bottlenecks across the energy, telecommunications, and water and tourism sectors to revive the economy.
- Nine out of the 26 structural reforms have been achieved, with 11 reforms making good progress. Successes include increasing the licensing threshold for embedded generation, the corporatisation of the Transnet National Ports Authority, release of the revised critical skills list and the implementation of the e-Visa system in 14 countries, including major new tourist markets such as China, India, Kenya and Nigeria.

Gender-based violence and femicide (GBVF)

- Cabinet expressed outrage at the recent brutal rape of eight

The over 20 000 women who marched to the Union Buildings in Pretoria on 9 August 1956 contributed to ensuring that gender equality and empowerment remains a key priority in a democratic South Africa.

Marikana commemoration

- On Tuesday, 16 August 2022, government joined the rest of the country in remembering the tragedy that unfolded at Marikana in North West in 2012. The pain felt by the workers, their families and the nation at large would forever be entrenched in our history.



Women's Month

- The annual Women's Month in August pays tribute to women who participated in the liberation struggle and all women in our society.
- This year's Women's Month is being celebrated under the theme: "Women's Socio-Economic Rights and Empowerment: Building Back Better for Women's Improved Resilience".

The Marikana Renewal Programme has been implemented to rebuild and create an enabling environment to improve the lives of the Marikana community.

- Last year government paid R176 million in compensation to the families of the victims and the remaining cases under litigation are expected to be finalised by the end of August 2022.
- A number of renovated or newly acquired houses have been handed to the Marikana widows and others will be completed this year. A R700-million housing project will see mineworkers being provided with decent housing. Critical social infrastructure is being provided to improve the living conditions of mining communities.

District Development Model (DDM) Presidential Imbizo in Gauteng

- Following the success of the previous three DDM Presidential Izimbizo hosted in North West, Free State and Mpumalanga respectively, the Sedibeng District Municipality in Gauteng hosted the fourth instalment on Friday, 12 August 2022.
- Under the theme: "Leave no one behind", President Cyril Ramaphosa led the delegation of senior officials from the national, provincial and local governments. South Africans

in their various formations and sectors were mobilised to act together against rising levels of poverty and destitution caused by the challenging economic conditions.

- The Sedibeng District has made progress in operationalising the Vaal River Special Economic Zone (SEZ), which holds potential for the re-industrialisation of the region, province and country. The Vaal River SEZ plans to host the following critical sectors: The new Vaal River Smart City; Green Hydrogen Innovation Hub; cannabis hub; agro-logistics; aerotropolis; aerodrome; air freight and the revitalised steel manufacturing sector.

Presidential Social Sector Summit

- The Presidential Social Sector Summit held in Ekurhuleni, Gauteng from 4 to 5 August 2022 under the theme: "Fostering Social Cohesion to Enable Socio-Economic Participation in Communities", brought together stakeholders from different constituencies to work with government to address socio-economic challenges and mobilise resources for civil society, among other objectives.
- The summit considered dialogue reports from the nine provinces on their challenges, which included access to funding, regulatory issues, transformation of the social sector with a view to fostering a state-civil society partnership to address challenges related to poverty, inequality and unemployment.

Cabinet called on civil-society organisations and citizens to play their active part in ensuring that we build a better tomorrow, as envisioned in the National Development Plan: Vision 2030.

CABINET DECISIONS

Cultural and Creative Industries Masterplan

- Cabinet approved the Cultural and Creative Industries Masterplan for implementation. The masterplan focuses on visual arts; crafts and design; audio-visual and interactive media; design and creative services; performance and celebration, including music, publishing and printed media.
- The masterplan will intervene in these sectors towards building a transformed creative innovative sector that will be globally recognised and competitive in the space. It will work towards the South African creative industry being able to access the local and international markets.

Updated Policy Framework for Municipal Borrowing and Financial Emergencies

- Cabinet approved the amendments to the current Policy Framework for Municipal Borrowing and Financial Emergencies. The amendments are mainly on the borrowing section of this framework.
- Amongst the amendments proposed introducing a longer-term borrowing period to match the useful lifespan of some of the assets being financed. The amendments also clarify the role of development finance institutions in the lending space of the municipalities.
- Section 230 of the Constitution of the Republic of South Africa

of 1996 empowers municipalities to raise loans for their capital or current expenditure.

- The original framework was approved by Cabinet in 2000 to guide Chapter 6 and 13 of the Municipal Finance Act, 2003 (Act 56 of 2003). The approved amendments seek to incentivise more lenders in the municipality markets but continue to maintain the core principles underlying municipal borrowing.

Pre-release calendar for the publication of the quarterly recorded crime statistics for 2022/23 financial year

- Cabinet approved the proposed pre-release calendar for the

publication of the quarterly crime statistics for the 2022/23 financial year. Cabinet approved the quarterly crime stats release. This was to change the previous annual release of the crime stats for the country.

- The proposed pre-release calendar crime statistics is August 2022 for quarter one and November 2022 for quarter two. Crime statistics for quarter three and quarter four will be released in February and May 2023 respectively.

Lapse of the National State of Disaster (NSoD)

- Cabinet approved the lapse of the National State of Disaster (NSoD) that was declared

following the devastating floods in the Eastern Cape and KwaZulu-Natal.

- The NSoD lapsed on 18 August 2022 following its extension on 18 July 2022. The extension considered the need to continue augmenting the existing contingency measures undertaken by organs of state to mitigate and address the impact of severe weather in the affected provinces.
- Cabinet agreed that current circumstances no longer warrant the extraordinary measures as organs of state, the private sector and civil society will continue to ensure ongoing relief, recovery and reconstruction.

BILLS

Deeds Registries Amendment Bill of 2022

- Cabinet approved the submission of the Deeds Registries Amendment Bill of 2020 to Parliament for further processing. Cabinet approved the Bill in June 2020 for further public consultation.
- The proposed amendments will give effect to the realisation of the land tenure that is legally secured in Section 25(6) of the Constitution of the Republic of South Africa of 1996. The Bill provides for the collection of the statistics in terms of race, gender, nationality and citizenship of the holders of land rights in South Africa. This provision will enable more accurate land audit reports and surveys in the future regarding the transformation of land ownership.

be responsible for the maintenance of the current water infrastructure.

- The agency is to ensure a sustainable, equitable and reliable supply of water in line with constitutional obligations of access to water and a secure healthy environment. The agency will be set up as a Public Entity under the Schedule 2 of the Public Finance Management Act, 1999 (Act 1 of 1999). The agency will take on the functions that are currently performed by the Trans-Caledon Tunnel Authority.

Municipal Fiscal Powers and Functions Amendment Bill of 2022

- Cabinet approved the submission to Parliament of the Municipal Fiscal Powers and Functions Amendment Bill of 2022. The Bill amends the Municipal Fiscal Powers and Functions Act, 2007 (Act 12 of 2007).
- The amendments regulate the powers of municipalities in levying development charges in respect of land development applications submitted to municipalities. These amendments will ensure municipalities apply these charges fairly, transparently and effectively. Cabinet

approved the Bill in 2020 for public consultation.

Financial Matters Amendment Bill of 2022

- Cabinet approved the submission to Parliament of the Financial Matters Amendment Bill of 2022. The Bill proposes the amendment to seven Acts, namely (1) Associated Institutions Pension Fund Act, 1963 (Act 41 of 1963); (2) Military Pension Act, 1976 (Act 84 of 1976); (3) Government Employees Pension Law of 1996; (4) Financial and Fiscal Commission Act, 1997 (Act 99 of 1997); (5) Land and Agricultural Development Bank Act, 2002 (Act 15 of 2002); (6) Audit Profession Act 2005 (Act 26 of 2005) and (7) the Auditing Profession Amendment Act, 2021 (Act 5 of 2021).
- The proposed amendments include, under the Military Pension Act of 1996, the inclusion of life partners to the benefits retrospectively from 27 April 1994. The pension laws amendments will enable spouses to realise their pension interest immediately on dissolution of the marriage.
- In addition to clarifying the role of the Minister of Finance and on the auditing,

the amendments also adjust the powers of the enforcement committee where an auditor admits guilt. The Bill was published for public comment in February 2022.

General Laws (Anti-Money Laundering and Combating Terrorism Financing) Amendment Bill of 2022

- Cabinet approved the submission of the General Laws (Anti-Money Laundering and Combating Terrorism Financing) Amendment Bill of 2022 to Parliament for further processing.
- The Bill is an omnibus Bill that amends the current Acts namely (i) Financial Intelligence Centre Act, 2001 (Act 38 of 2001); (ii) Nonprofit Organisation Act, 1997 (Act 71 of 1997); (iii) Trust Property Control Act, 1988 (Act 57 of 1988); (iv) Companies Act, 2008 (Act 71 of 2008) and (v) Financial Sector Regulations Act, 2017 (Act 9 of 2017).
- The amendments respond to the deficiencies identified during the peer review of the country conducted by the Financial Action Task Force (FATF). The mutual evaluation report made 40 recommendations that would assist in getting South Africa to be aligned

with international measures of combating money laundering and financing of terrorism.

- South Africa was found to be lacking in 20 areas. This Bill addresses about 14 of the areas identified. South Africa has been a member of FATF since 2003.

Drugs and Drug Trafficking Amendment Bill of 2022

- Cabinet approved the submission to Parliament of the Drugs and Drug Trafficking Amendment Bill of 2022 for further processing. The Drugs and Drug Trafficking Act, 1992 (Act 140 of 1992) criminalises the manufacturing and supply of any substance included under the Schedule 1 and Schedule 2 of the Act.
- The amendments address the invalidity of Section 63, which was found to be unconstitutional in respect of the Minister being provided with the rights to amend the schedules without the involvement of the legislative process.
- In 2020, the Constitutional Court declared Section 63 of the Drugs and Drug Trafficking Act of 1992 unconstitutional and suspended the invalidity to 17 December 2022 to provide for Parliament to correct the defect.

UPCOMING EVENT

Rugby World Cup Sevens 2022

- South Africa will host the Rugby World Cup Sevens 2022 in Cape Town between 9 and 11 September 2022. The showcase event is held for the first time on the African continent and will see 24 men's and 16 women's teams from across the world competing.

MESSAGES

Congratulations

Cabinet extended its congratulations and well-wishes to:

- Banyana Banyana**, for making history and winning South Africa's first ever Women's Africa Cup of Nations (WAFCON), at the 2022 WAFCON finals held in Rabat, Morocco on Saturday, 23 July 2022. At the same time, they qualified for next year's FIFA women's World Cup to be jointly hosted by Australia and New Zealand

from 20 July to 20 August 2023.

- Team South Africa**, for winning 27 medals in various disciplines at the 2022 Commonwealth Games held in Birmingham, England from 28 July to 8 August 2022. They ended ninth overall with seven gold, nine silver and 11 bronze medals.
- Springbok Women**, for their win over Spain in their first of two Women's Winter Series test matches at Emirates

- Airline Park in Johannesburg.
- Ms Ndavi Nokeri** (23), for being crowned the new Miss South Africa 2022.
- Ms Ashleigh Buhai**, for winning the 2022 AIG Women's Open and becoming the third South African woman to win a major gold championship.

Condolences

Cabinet expressed condolences to the family and friends of:

- Mr Tokollo "Magesh"**

Tshabalala (46), the musician, singer and songwriter who rose to fame when he together with two of his friends started their kwaito music group in 1996 called TKZee.

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