

Cabinet Statement

Statement on the Cabinet Meeting
of Wednesday, 30 August 2023



ISSUES IN THE ENVIRONMENT



■ BRICS XV Summit and the Johannesburg II Declaration

- South Africa hosted a successful BRICS XV Summit that adopted the historic Johannesburg II Declaration.

Cabinet expressed its appreciation to Team South Africa ably led by our State President, His Excellency Cyril Matamela Ramaphosa who ensured the Summit was a great success at the level of both content and logistics.

- The President will address the nation on the successful BRICS XV Summit and other important matters.

■ State Visit by Chinese President

- South Africa hosted a State Visit of His Excellency, President Xi Jinping of the People's Republic of China on Tuesday, 22 August 2023, ahead of the BRICS Summit. The State Visit also marked the celebration of 25 years of diplomatic relations between the Republic of South Africa and the People's Republic of China.
- The People's Republic of China is currently South Africa's largest trading partner.
- The People's Republic of China had previously donated emergency power equipment worth R167 million and have since made available a grant of R500 million for development assistance.
- Cabinet welcomed the signing of various Agreements and Memoranda of Understanding between the South African government and the People's Republic of China in the areas of trade, energy, higher education.
- Amongst the signed Agreements, it is the China-Africa Development Fund between the IDC and the Bank of China. This Fund will stimulate increased investments in South Africa.
- Cabinet also welcomed the reopening

of the Chinese market for the export of South African beef, in addition to the export of South African avocados to China. These export opportunities will unlock new opportunities for our local producers including small scale farmers.

- South Africa is negotiating with BYD, the Chinese automaker and the world's largest electric vehicle manufacturer for possible opening of a manufacturing plant in South Africa. This is in addition to the opening of the BAIC manufacturing plant (another Chinese automaker) in South Africa.

■ Highlights of the Economy

- Quarterly Labour Force Survey
- Cabinet welcomed the Quarterly Labour Force Survey results for quarter 2 as released by Statistics South Africa, which indicated a slight decrease in unemployment rate from 32.9% in the first quarter to 32.6% in the second quarter.

Cabinet is also pleased with 154 000 new jobs were created in the second quarter, taking the number of employed persons to 16.3 million. This is the 7th quarter of consecutive gains in employment inching South Africa closer to pre-Covid-19 pandemic employment figure of 16.4 million.

Cabinet has also noted the green shoots with the reduction of youth unemployment by 131,000 and an increase of 105,000 in the number of employed youth to 5.7 million.

- Consumer Price Inflation (CPI)
- Cabinet further welcomed reports by StatsSA that the annual Consumer Price inflation slowed to 4.7% in July 2023, from 5.4% in June 2023.
- The annual inflation rate for goods was 5.5% for July 2023 from 6.3% in June 2023, whereas the inflation rate for services was 4.0% down from 4.5% in the same period.

■ Agro-Energy Fund to support agriculture and agribusiness-es.

- On the 27th of August 2023, the Department of Agriculture, Land Reform and Rural Development, collaboratively with the Land Bank, launched a R1,21 billion Agro-Energy Fund to support the agriculture and agribusiness sector to install alternative energy sources and continue with food, fibre and beverages production.
- The sector is one of the intensive energy users and critical for the stability of South Africa's food security, export earnings and employment, thus making this government intervention vital to ensure sustainability.
- The Fund is inclusive and will support farming businesses of all scales in a Blended Finance approach, with the Land Bank managing the Fund. The Fund will also include all agriculture and agribusiness activities that are energy intensive

■ Implementation of State Capture Commission recommendations

- The National Prosecuting Authority assets recovery is R10.2 billion in the current MTEF period and R2.55 billion of it is State Capture related.
- Cabinet has approved and tabled in Parliament eight of the fourteen new legislative amendments identified in our implementation plan. Work also continues to ensure that those responsible for state capture are held to account.

■ Fight against crime, corruption and illegal immigration

- The latest Quarterly Crime Statistics show that we must do more as a society to tackle the scourge of crime. Cabinet calls on everyone to join the fight and to work collectively to make our homes, places of work and public spaces safer for all.
- Cabinet further welcomed the extension of the integrated crime-fighting "Operation Shanela" to other provinces, including the Northern Cape, Eastern Cape and KwaZulu-Natal.

- Cabinet noted the recent guilty plea and sentencing of six men accused of killing anti-corruption whistleblower, Ms Babita Deokaran, in August 2021. It called on law-enforcement agencies to further investigate and ensure that masterminds behind the murder are brought to book.
- Cabinet applauded the integrated approach in combating crime that recently led to the Department of Home Affairs intercepting 67 Pakistani nationals who tried to enter the country illegally at the OR Tambo International Airport on Sunday, 13 August 2023.

■ Transforming MENTALities Summit 2023

- The recently concluded Transforming MENTALities Summit has left an indelible mark on 1500 attendees, with its powerful engagement and insightful discussions poised to pave the way for transformation needs for men and boy behavior. Held at the Birchwood Hotel and OR Tambo Conference Centre, the summit brought together University Vice-Chancellors, Deans, Principals and Council Chairpersons of TVET Colleges, Student Support Structures and Leadership, CEOs of SETAs, entities of the Departments of Higher Education and Science and Innovation, policymakers, survivors, peer educators, and change-makers, all unified by a shared commitment to addressing Gender-Based Violence (GBV) within the Post-School Education and Training (PSET) sector.
- The Summit was hosted by HIGH-ER HEALTH and the Human Science Research Council (HSRC) on behalf of the Department of Higher Education and Training and the Department of Science and Innovation. The aim was to engage the sector leadership, on transforming mentalities and address the root causes of GBV.
- Evidence and data suggest that men behavior has been one of the root causes of GBV and the Summit called for action for men and boys towards being part of the solution.
- The summit asked for the development of more peer educators and champions across all our campuses, to work as change agents towards transforming MENTALities, more men dialogues across all institutions, incorporating gender studies including GBV, gender equality, gender diversity and transforming MENTALities as co-curriculum alongside the main curriculum in the Post-School Education and Training (PSET) sector.

■ Electricity

- Cabinet received an update on electricity

situation in the country and noted reports of the continued improvement in electricity availability

- Although the last few days had recorded an increase in the load shedding stages to stage 4, the situation has since improved with the return of units to generation, and Eskom continues to taper down the load shedding stages.
- Cabinet was briefed that there are communities that have no electricity due to power outages and not load shedding. These power outages are caused by system overload due to illegal connections, theft or vandalism of sub-stations and transformers, and vandalism of distribution lines. The affected communities include those in parts of Soweto, parts of Thembisa, Kwa-Thema, Komane, Taung md Ditsobotla.
- The Minister of Electricity and the Department of COGTA have commenced with a programme to engage with the affected communities to agree on measures that will allow the replacement of damaged infrastructure but linked with the prohibition of illegal connections, community partnerships in the protection if electricity infrastructure, and payment for electricity service.
- South Africa's Agreement with the Chinese companies, on recently signed agreements, will play a significant role in introducing electricity infrastructure with self preservation capability.

■ Western Cape Provincial Powers Bill

- Cabinet was briefed about the unconstitutional draft Western Cape Provincial Powers Bill.
- The Draft Bill violates the provisions of Schedules 4 and 5 of the Constitution that set out powers and functions including concurrent powers of both the provincial and National executives.
- Cabinet has noted that this draft Bill is an attempt to revert back to the Democratic Party's (forerunner to the Democratic Alliance) preferred federal approach that seeks to undermine a United and inclusive South Africa.
- It is noteworthy that WC draft Bill ignores the exclusion from access to services of the large black communities of Khayelitsha, Gugulethu, Nyanga, Langa, the Cape Flats, Delft, Central Line, amongst others
- Cabinet has mandated the Ministers of Justice and COGTA to enter into discussions with the Western Cape provincial government in line with the relevant dispute resolution mechanisms as provided for in section 146 of the Constitution and the applicable intergovernmental framework.

CABINET DECISIONS

■ Extension of the Taxi Relief Fund disbursement

- Cabinet approved the extension period for the disbursement of the Taxi Relief Fund for another 12 months. The extension will provide the Department of Transport sufficient time to assist the many taxi operators who are yet to receive the relief funds. To date, 88 580 taxi operators have been assisted.
- The fund was established to assist minibus taxis, cabs and e-hailing drivers who were financially disadvantaged during the Coronavirus Disease hard lockdowns, in line with stipulated criteria.

■ Green Paper on the Development of Tourism in South Africa

- Cabinet approved the publication of the Green Paper on the Development of Tourism in South Africa for public comments. The policy seeks to develop and promote tourism in South Africa, and address barriers to tourism growth.
- The policy will promote rural and peri-urban



tourism by encouraging the profiling and visibility of rural products. Policy proposals also focus on tourism governance and cooperation; safety and security management; transformation; and embracing technology, amongst others.

- Members of the public have 60 days to make comments on the policy. The Green Paper is available on www.tourism.gov.za.

■ National Policy on Theatre and Dance

- Cabinet approved the National Policy on Theatre and Dance. The policy seeks to address the historically institutionalised inequalities and disparities, which follow racial and economic access lines in theatre and dance.
- The policy aims to set a vision and practical policies, strategies, implementation mechanisms and time frames that will result in a sustainable and vibrant theatre and dance sector in all nine provinces, with South African dance and theatre makers representing the country with pride continentally and globally

■ Essential Food Price Monitoring Reports

- The Competition Commission has been mon-

itoring essential food prices pursuant to price gouging concerns raised since the declaration of the State of Disaster in March 2020.

- The continuation of essential food price monitoring is motivated by the need to ensure affordable and accessible essential food products for consumers.

The Commission has noted the 'rocket and feather' effect, where prices are quick to rise often in excess of cost increases and slow to fall once cost pressures decline. It has also flagged the concentrated nature of the food and retail markets as a concerning contributing factor. The Cabinet has noted the Commission's recommended measures including market inquiries to address structural features in the market that lead to high food prices and low levels of competition.

- Cabinet has approved that the Economic Cluster must put in place an action plan on food prices, food secure and access to food.

UPCOMING EVENTS

■ Heritage Month

- Heritage month will be celebrated under the theme: "Celebrating our cultural diversity in a democratic South Africa". Communities are urged to use Heritage Month in September to unite our nation, as we celebrate our nation's rich heritage and diversity.

■ Public Service Month (PSM)

- The Public Service will celebrate PSM between 1 and 30 September 2023. The month serves as a reminder of what it is to serve, and offers us an opportunity to reflect on how public servants can impact and change the lives of communities.

■ Thusong Service Centre Week

- This year's Annual Thusong Service Centre Week will take place from 18 to 22 September 2023. South Africans are invited to explore the array of services offered at their local Thusong Service Centre, which is a one-stop service point that brings government information and services closer to people.

■ National Police Commemoration Day

- In honour of our heroes and heroines who passed away in the line of duty, the South African Police Service's National Commemoration Day will be held at the Union Buildings on Sunday, 3 September 2023. The National Flag will be flown at half-mast on the day of the event.

MESSAGES

■ Congratulations

Cabinet extends its congratulations and well-wishes to:

- Ms Natasha Joubert**, the newly crowned Miss South Africa 2023, as she embarks on her reign as Miss South Africa.
- Mr Brad Binder**, who finished second at the Austrian MotoGP.
- The Springboks** for beating the All Blacks and wished them well in the forthcoming Rugby World Cup
- India**, for becoming the first country to successfully land a spacecraft

near the south pole of the moon.

- Zimbabwe elections** Cabinet congratulated the people of Zimbabwe for exercising their democratic right to vote and reiterated its commitment to work with Zimbabwe in strengthening the region and the continent.

■ Condolences

Cabinet expressed condolences to the family and friends of:

- Mr Derek Watts** (74), the veteran television (TV) host and journalist who will be remembered as the face of the Carte Blanche TV series and for his dedication to investigative journalism.
- Ms Sylvia Ncediwe Mdunyelwa**, the jazz singer and actor, who worked with the late Victor Ntoni and the Ngcukana brothers, Winston Mankuku, Nick Carter and Merton Barrow.
- The families and friends of the people who died from a building that was burned down in Marshalltown, Johannesburg**

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MOVING TOWARDS 30^{YRS} OF FREEDOM