

'It's time to implement'

Mchunu calls on KZN government to move beyond just drafting policies

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PREMIER Senzo Mchunu has called on all provincial government entities to "implement" programmes to silence opposition parties and government critics as local government elections draw near.

Opening the three-day provincial cabinet Lekgotla, Mchunu repeatedly asked the gathering, which included the province's top politicians and bureaucrats, to "focus on implementation" and move away from just simply drafting policies.

The premier also announced that the province was on the brink of setting up a steel manufacturing plant in the Richards Bay Industrial Development Zone (RBIDZ) with a "Chinese partner" already operating in Phalaborwa.

The Witness has learnt that the partner is Hebei Iron & Steel Group, a Fortune 500 company. Meanwhile, the northern KZN port town has also been earmarked as a logistics hub for "oil and gas".

Mchunu said the provincial government was in the process of establishing the KZN Energy Trading Agency, which will purchase renewable energy from independent power producers.

He said the energy trading agency is expected to "aggressively trade renewable energy" once it was fully operational.

"We want the agency to have a pool of off-takers from government entities, municipalities and private sector business."

He said the province has set "sizeable targets" to generate 2400 mW by 2020 and 5000 mW by 2030 as described in the Provincial Growth and Development Plan.

"People and the opposition point to the failure of the ANC government by expressing our failure to implement. It is a common known fact that the ANC is very good at drafting policy but we have been slow in its implementation. Our main focus must be doing what we must do, then we are on the move."

Much of his opening focused on job creation referring to a target of creating 2,1 million by 2030.

"We are losing jobs like hell. We need [the industries of agriculture, manufacturing] to create jobs. We want the agricultural sector to create 10 000 jobs in the next five years and increase its contribution to R23 billion to the provincial economy by 2020."

He said it was imperative that the rural, predominately African population, which he called "an army of subsistence farmers", not be left behind.

While admitting that the "local government elections" in 2016 were not far away, he said elected officials should be out seeing the people.

"Face challenges and thicken your skin. We are entering a serious period and we don't want people saying we only come when we want their votes. The people must have a sense that they are

Premier Senzo Mchunu's Provincial report back goals



Set up a **KZN Energy Trading Agency**



Set up a **steel plant** in Richards Bay



Agriculture to create **10 000 jobs** in five years



Agricultural corridors to be completed



Rural farmers to be brought into value chain



Province must focus on **value-added exports**



Become **gateway to SADC**



Government departments must pay on time



Primary school enrolment rate of 99% by 2020

Graphics24

not facing their difficulties [such as severe water shortages] on their own," said Mchunu.

The premier indirectly admitted that Transnet was a hurdle to much of the province's development and asked his bureaucrats to exercise "patience, energy and a sharpness of mind" when dealing with the monolithic parastatal.

According to the CEO of the RBIDZ, Pumi Motsoahae, the potential steel investor was unlikely to consider only short-term returns and was further unlikely to only consider the local steel market.

"We are working in securing this project for Richards Bay."

Motsoahae said the northern KZN city was positioning itself as not only as a gas and oil hub but looking at opportunities for building oil rigs and platforms, building on the government's Operation Phakisa initiative.

"We have also had no less than seven expressions of interest to build gas to power plants in Richards Bay, which could in a time of just four years deliver several thousand MW onto the grid.

"Richards Bay, which has been known for using power, could soon be exporting large amounts of energy to the rest of

the country. This would take advantage of land available in the port for a liquid natural gas terminal, existing gas lines into Richards Bay and on to Durban, Richards Bay's proximity to the gas fields of Mozambique and the Middle East and the existing power lines into Richards Bay, which could be used to feed power back into the grid."

Currently South Africa's steel sector is under massive strain with 50 000 jobs on the line as the country's biggest producers buckle under pressure from cheap imports, largely from China, and weak global demand.

Recently national government committed to the industry to implement a 10% import tariff.

DA KZN leader Zwakhele Mncwango said the ANC-led provincial government's failure to implement policy is largely because they are "trying to please everyone in their alliance".

"The ANC needs introspection. It is not because the opposition is stating they are failing to implement policy but rather their political partners who have different ideological views that is preventing policies being implemented," said Mncwango.

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