



KWAZULU-NATAL PROVINCE

ECONOMIC DEVELOPMENT, TOURISM
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BUDGET POLICY SPEECH VOTE FOUR 2024/25



REV MUSA ZONDI: MPL

MEC FOR ECONOMIC DEVELOPMENT, TOURISM AND
ENVIRONMENTAL AFFAIRS

**CHANGE AND CONTINUITY: STRIVING FOR ECONOMIC
PROSPERITY FOR ALL IN CHALLENGING TIMES.**



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**BUDGET POLICY SPEECH 2024/2025
DELIVERED TO THE KWAZULU-NATAL
PROVINCIAL LEGISLATURE BY MEC FOR
ECONOMIC DEVELOPMENT, TOURISM &
ENVIRONMENTAL AFFAIRS, REV MUSA
ZONDI ON 15 AUGUST 2024**

*Change and Continuity: Striving for
Economic Prosperity for All in Challenging
Times.*





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Madam Speaker, Honourable Nontembeko Boyce;
Honourable Deputy Speaker, Ms Mmabatho Tembe;
The Premier of the Province of KwaZulu-Natal, Honourable Mr Thami Ntuli;
Honourable Members of the KwaZulu-Natal Executive Council;
Amakhosi and Members of the Royal Family Present;
Honourable Members of this august House;
Representatives of all of our social and economic partner formations;
Members of the Diplomatic Corps;
Your Worships, the Mayors;
Distinguished Guests;
Members of the media present;
Ladies and Gentlemen





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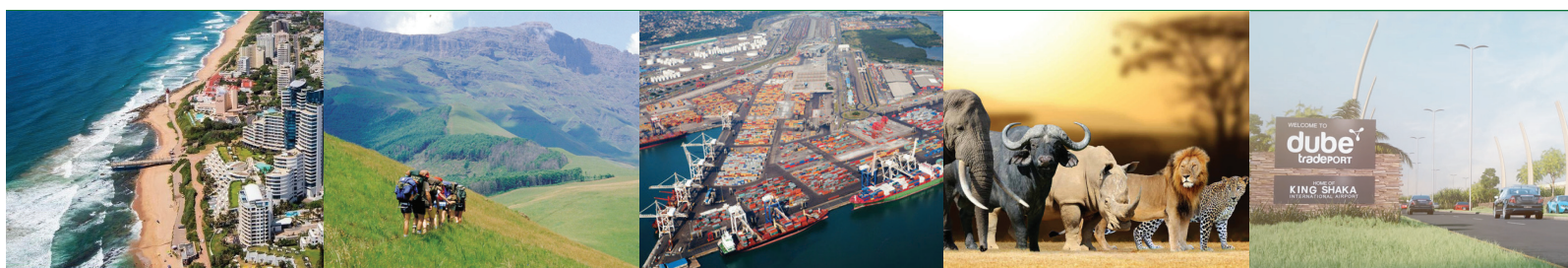
Setting the Scene

Honourable Speaker, esteemed Members of the Provincial Legislature, and distinguished guests, it is with great honour and privilege that I stand before you to present the 2024/2025 Budget Vote for the Department of Economic Development, Tourism, and Environmental Affairs.

As the first Vote 4 Budget Speech of the seventh administration, it is crucial to reflect on the dynamic journey of the past five years, stretching from 2019 to 2024. We find ourselves amidst a tapestry of experiences woven with both triumphs and challenges. In this span of time, The Department has traversed through a myriad of experiences, encountering moments of prosperity, and confronting headwinds that tested its mettle.

It is within this narrative of mixed fortunes that the true essence of the Department's collective strength emerged. Our budget speech theme **'Change and Continuity: Striving for Economic Prosperity for All in Challenging Times'** echoes the wisdom of great minds who understood the essence of perseverance amidst unprecedented and uncertain times. I am reminded of the words of Julius. K Nyerere, who once said, **'If a door is shut, attempts should be made to open it; if it is ajar, it should be pushed until it is wide open. In neither case should the door be blown up at the expense of those inside.'** These words resonate deeply with wisdom we need to constantly keep at the back of our minds as we project on the next five years of our Province's economic journey.

In the words of Kwame Nkrumah, **'Action without thought is empty. Thought without action is blind'**, Today, we stand at a crossroad, a juncture where the lessons of the past converge with the promise of the future. As we embark on this pivotal moment, it is imperative that we draw inspiration from the words of the late Inkosi Mangosuthu Buthelezi, who once proclaimed, **'It is not enough to be compassionate; we must act.'** Our Province has exemplified this courage in the face of adversity, navigating through the ebb and flow of economic fortunes with resilience and determination.





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Let us therefore delve into the heart of our economic narrative, recognizing the intricate interplay of factors that have shaped our trajectory. As we navigate through the ebbs and flows of economic realities, we resolve to remain steadfast in our commitment to crafting a future that is anchored in inclusivity, innovation, and sustainable growth. Together, let us seize the opportunities that lie ahead, leveraging our collective wisdom to forge a path towards economic prosperity for all.

Global Economic Developments

Madam Speaker, let us take a moment to reflect on the global economic developments that have unfolded from 2019 to 2024. The defining feature of this period entailed a global economy grappling with unprecedented turmoil ranging from economic shifts, shocks, value chain distortions and triumphs that shaped the landscape in a manner never seen before. From the resurgence of trade tensions to the unprecedented disruptions caused by the COVID-19 pandemic, the period saw nations contending with complexities of fiscal policy, monetary stability, ballooning debt levels and socio-economic inequality, each leaving an indelible mark on our shared trajectory.

Domestic Economic Developments

Despite achieving 0.6% growth in 2023, the 0.1% contraction in the first quarter of 2024 highlights that the national economy is still hindered by ongoing load shedding and declining global demand. Despite lacklustre performance in the first quarter, South Africa has benefited from over two months of consistent electricity supply, a firming exchange rate, and improved investment sentiments.

Against this backdrop, market expectations are therefore leaning towards a slightly improved second quarter performance, contingent on the continued absence of load shedding and improved business confidence. The national economy is forecast to average 1.6% growth between 2024 and 2026. Downside risks to South Africa's economic growth in 2024 include persistent energy supply issues, high unemployment, rising inflation, and significant public debt. It is encouraging to note that, over the last two quarters of 2023, KwaZulu-Natal emerged as the leading province in job creation across the country, adding 152,000 jobs in the third quarter and 62,000 jobs in the fourth quarter of the same year.





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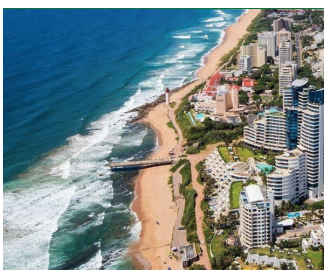
Although these figures clearly demonstrate that our economic turnaround initiatives are yielding positive results, we shall not rest on our laurels. Instead, we will continue to work tirelessly and galvanize efforts to address today's challenges for the betterment of future generations.

Programme of Action over the Five-Year Term

As we reflect upon the provincial economic developments and the challenges we have faced over the past five years, it is imperative to underscore the foundation upon which our journey has been built: **the voices of our citizens**. Our Programme of Action, crafted in response to the impassioned voices and clarion calls in numerous consultative engagements across the province, stands as a testament to our unwavering commitment to inclusive governance and participatory decision-making.

At a high level, the programme sought to:

- Accelerate job creation for our youth;
- Promote Investment and industry development;
- Support small enterprises, the backbone of our economy;
- Develop infrastructure to enhance local producers' global competitiveness;
- Remove barriers of growth to attract further investment;
- Expand export markets for local goods through regional integration;
- Promote skills development;
- Enhance air connectivity to stimulate trade;
- Support innovation to elevate local enterprises' international competitiveness;
- Rationalize public entities to optimize fiscal resources;





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- Implement automated licensing systems to promote business compliance;
- Embark on Economic transformation of priority groups (women, people living with disabilities, youth and military veterans); and
- Support and develop informal, township, and rural-based enterprises.

Key Achievements: Building a Capable State

In pursuit of good corporate governance, the Department has maintained unqualified audit outcomes for four consecutive financial years (2020/2021, 2021/2022, 2022/2023 and 2023/2024), reflecting a commitment to prudential financial management, consistent adherence to financial regulations and transparency in reporting.

We managed to avoid new fruitless and wasteful expenditure, coupled with the implementation of recovery measures for previously incurred irregular expenditure, showcasing a commitment to fiscal prudence and resource optimization.

Furthermore, we implemented timely resolution of consequence management cases related to corruption, with 80% of cases finalized within 90 days, underscoring the Department's commitment to combatting corruption and enforcing accountability.

Infrastructure Development

In the realm of infrastructure development, significant progress has been made at KZN Regional Airports, resulting in the creation of 455 job opportunities over the 5-year period.

Notable achievements include the construction of a new terminal building at Mkhuze Airport and the implementation of new safety measures at Pietermaritzburg Airport, including perimeter security enhancements and water backup systems.



The Department built the uTshwayelo Aquaculture and Fish Processing Facility, constructed with a budget of R3 million, which generated over 70 job opportunities, contributing to local employment and economic growth through aquaculture and fish processing activities.

Over 300 kWp of solar energy has been installed on various government buildings. Among these are Greys Hospital, Vryheid Hospital, KZN COGTA Mayville offices, Ezemvelo KZN Wildlife offices and the Office of the Premier offices.

The uTshwayelo Aquaculture and Fish processing facility was built at a budget of R3 million as part of the legacy projects for the uMhlabuyalingana Integrated Economic Development Plan and created 70 job opportunities.

We have collaborated with national and provincial entities to facilitate the rebuilding of major malls, such as Edendale and Bridge City, as well as factories that were destroyed during the July 2021 civil unrest. To this effect:

- SASRIA processed a total of 15120 claims valued at R20 billion to the affected Businesses in the province.
- The Department of Trade, Industry and Competition (DTIC) invested R2.57 billion in the province through the Critical Infrastructure Recovery Programme (CIRP), helping to retain over 50,000 jobs.

Investment promotion

Madam Speaker, promoting investment, both domestic and foreign, stands as a pivotal strategy in tackling the monumental challenge of unemployment within our province. In our relentless pursuit of investment opportunities, the Department has intensified its efforts to attract both Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI) across our priority sectors. I am pleased to report that in the past few years, the province attracted R18,12 billion in investments, resulting in 20 570 jobs.





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Notable investment projects in 2023/24 include Duzi Forestry (R165.2 million, creating 250 jobs), Concentrix BPO (R240 million, potentially creating 5,000 seats), Renishaw Coastal Precinct (R500 million, potentially creating 2,000 jobs), and ALPLA's plastic PET bottle recycling facility (R1 billion, potentially creating 1,000 jobs). New catalytic projects such as Heineken Breweries to the tune of (R6 billion) and Jindal MIOP with the expected injection of (R30 billion, potentially creating 57,939 jobs) underscore ongoing efforts to drive economic development and job creation within the province.

Business Retention

Key achievements in targeted business expansion and the retention of support activities include securing R6 billion in projects, leading to the creation and retention of 16,630 jobs.

Noteworthy expansion projects for 2023/24 include Mad House Designs (valued at R30 million, creating 5 jobs), Minnies (valued at R85 million, creating 20 jobs), Huhtamaki (valued at R260 million, creating 500 jobs), PPD Engineering (valued at R76.6 million, creating 93 jobs), Tetra Pak (valued at R448.9 million, creating 97 jobs), Tekfum (valued at R14 million, creating 47 jobs), and Curtex Textile Industries (valued at R6.8 million, creating 22 jobs).

Exports Promotion

At its core, the Department's Export Promotion Programme embodies the spirit of entrepreneurship, resilience, and global engagement. The thrust of the export promotion programme is to assist local companies to penetrate African markets and to take advantage of the opportunities bequeathed by the African continental free trade area, whilst consolidating traditional destinations of exports.

By providing strategic support, resources, and expertise, our Department endeavoured to equip businesses with the tools they need to navigate the complexities of the global marketplace, seize emerging opportunities, and cultivate lasting partnerships across borders. Key achievements include the generation of R236.5 million in turnover by capacitated exporters, resulting in 1093 new jobs.



Noteworthy accomplishments included participation in various trade events worldwide, training over 800 existing exporters and 400 emerging exporters, engaging more than 700 exporters in trade events, and enabling over 500 companies to access new markets.

In the 2023/24 financial year, 97 emerging companies were trained and prepared for export. A total of 170 companies, including female-owned businesses, participated in trade events across diverse markets, demonstrating the Department's commitment to expanding export opportunities and fostering international trade relationships.

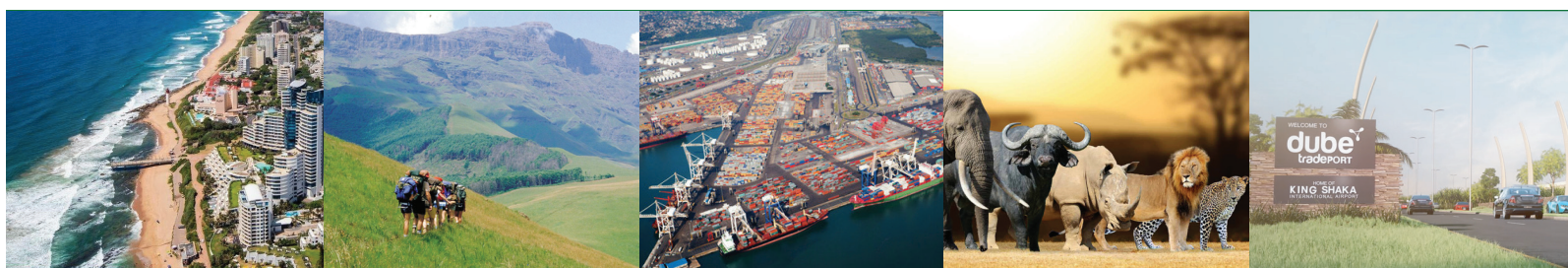
Industrial Development (Special Economic Zones and Industrial Parks)

Our Special Economic Zones (SEZs) serve as dynamic enclaves designed to catalyse economic growth, foster innovation, and drive sustainable development. These zones represent a strategic convergence of infrastructure, policy, and investment, creating a unique ecosystem where businesses can thrive, industries can flourish, and communities can prosper.

At their core, the provincial SEZs provide facilities for businesses to expand, innovate, and compete in the global marketplace. By offering incentives, streamlined regulations, and world-class infrastructure, SEZs empower enterprises to unleash their full potential, driving job creation, boosting exports, and attracting investment.

Key achievements include Dube Trade Port's creation of 1400 permanent jobs and 1389 temporary jobs through operations in Trade Zones, Mini-factories, and Agri Zone, alongside construction projects.

A total of R756.4 million in new private sector investment was secured, particularly in manufacturing sectors such as diaper production, chemical manufacturing, and fiber optic cables, highlighting significant strides in economic growth and development efforts.





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Additionally, progress in infrastructure development, including the 95% completion of bulk infrastructure on Agri Zone 2 and the initiation of projects outlined in the Durban Aerotropolis Master Plan, including a waste-water treatment plant and a public transport plan, highlights strategic collaboration and proactive planning for sustainable urban development.

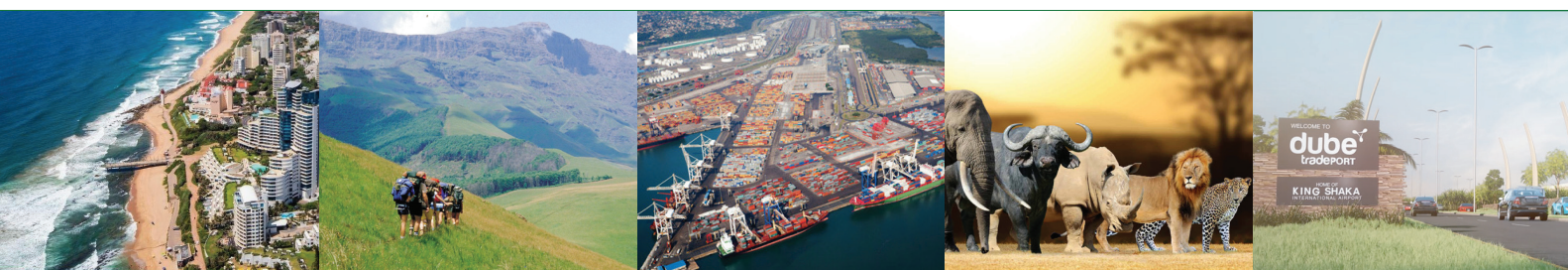
Moreover, negotiations and agreements with Transnet for the Durban Logistics Hub site signify pivotal steps towards enhancing regional connectivity and logistical efficiency.

Richards Bay IDZ operationalized investments valued at R1.8 billion, leading to the creation of 231 direct and permanent operational jobs.

Notable investments include Wilmar Processing SA's edible oil refinery, with R1.8 billion investment, projected to create 202 direct jobs once fully operational by December 2024. Operational projects like Nyanza Light Metals and Sizabantu Piping Systems, with a total investment of R530 million, have already created over 165 direct jobs and 5000 construction jobs.

Looking ahead, the Richards Bay IDZ's investment pipeline, valued at R138 billion, predominantly focuses on energy-related projects, with R140 billion worth of investments projected to be operational by 2028, aligning with the Energy Action Plan to address the energy crisis, particularly in gas-to-power initiatives. We are also delighted to report that the rebuilding of Mandeni, Isithebe, Ezakheni and Flamingo industrial Estates post the July 2021 civil unrest was completed at a cost of about R75 million and sustaining over 20 000 jobs.

The Clothing and Textile Incubator in Newcastle has already created 100 jobs during its construction phase and is expected to generate more employment opportunities as it nears completion in September 2024.





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Enterprise Development

Enterprise support is the cornerstone of economic development, empowering businesses to thrive, innovate, and contribute to vibrant and sustainable communities. Through strategic initiatives and tailored assistance, we aim to foster entrepreneurship, create job opportunities, and drive inclusive growth across industries and sectors.

By providing access to resources, mentorship, funding, and networks, we empower entrepreneurs to realize their potential, overcome challenges, and seize opportunities for success. Our commitment to enterprise support reflects our vision for a dynamic and resilient economy built on innovation, diversity, and collaboration.

A total of R886.3 million in loans was disbursed through various funding entities of the Department to SMMEs and Cooperatives, leading to the creation of 10,544 jobs. The Department facilitated the creation of 5,366 jobs through infrastructure developments and capital improvement projects within the IDFC properties portfolio, as well as through new leases signed with tenants.

The Department of Small Business Development (DSBD) provided R116.3 million in funding to 118 businesses affected by the July 2021 civil unrest, helping to sustain 6,700 jobs. Furthermore, TIKZN partnered with the Industrial Development Corporation (IDC) to provide R30 million in funding to 192 small businesses and informal traders affected by the July 2021 unrest, thereby retaining 1,030 jobs.





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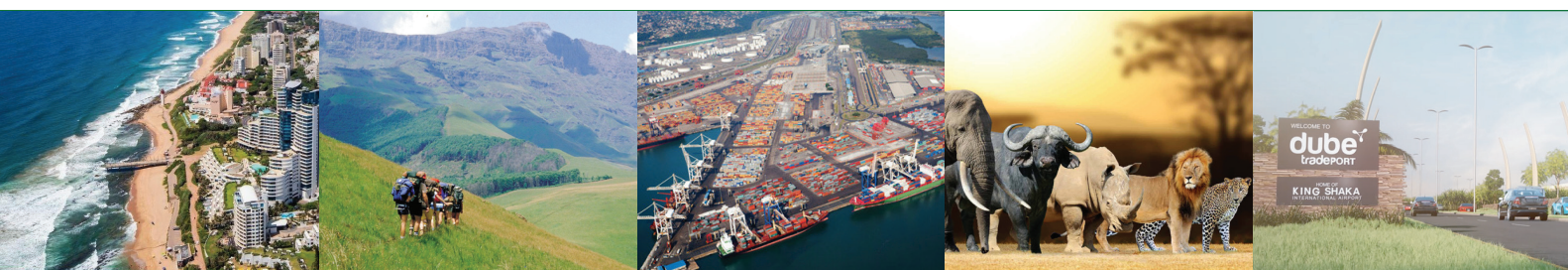
Informal Economy

Madam Speaker, our economic development strategy recognises the importance of the informal sector in economic growth and job creation. We are thrilled to report that the Department has made the following interventions in the sector:

- Assisted 41 Municipalities in implementing KZN automated licencing system;
- 54 555 Informal traders were assisted with funding.

The Department has further invested R80 million in the informal sector, creating nearly 800 jobs through informal trading infrastructure. Some of the projects include the following:

- Manguzi Market Stalls
- Alfred Duma Uitvaal & Ezakheni stalls
- Abaqulusi- Emondlo
- uMzinyathi- Msinga
- Ubuhlebezwe High flats
- Ubuhlebezwe Ixopo CBD
- Mkhuze market stalls
- Msunduzi Ematsheni
- Impendle- Inzinga
- Umngeni- Mpophomeni stalls
- Richmond Nelson Street refurbishment
- Umfolozi KwaMbonambi
- King Dinuzulu market stalls
- uPhongolo market stalls





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Economic Empowerment and Business Regulation

The Department is committed to redressing spatial inequality in economic development, in which metropolitan and urban areas are experiencing a disproportionate share of economic activity compared to townships and rural regions.

Recognizing this issue, the government has consistently prioritized initiatives such as broadband expansion, shared production infrastructure, support for spaza shops and informal trading, as well as investments in retail malls and industrial zones to invigorate township and rural economies.

In line with these efforts, the launch of the R22 million Zimele Traders' Fund underscores the commitment to assist townships like KwaMashu, uMlazi, eSkhawini, Gamalakhe, Imbali, and others across the province.

Through the Black Industrialist Programme, Transformation Fund, and other initiatives, we have supported 35 companies during the period under review which resulted in the creation of 4033 direct job opportunities and 16 784 indirect jobs within the gambling industry.

We have made significant strides in transforming the gaming industry, reducing white ownership from 73% to 19.77%, while black-owned businesses grew from 28% to 84.44%. Furthermore, we awarded 15 new book-making rights to successful bidders with 70% black shareholders.

Our efforts in industry regulation have resulted in 109 raids on illegal gambling premises, 89 awareness campaigns on responsible gambling, and 86 compliance inspections to enforce regulatory adherence. Over the past four years, we have collected R2.7 billion in tax revenue for the provincial government, including R771 million in the 2022/23 fiscal year alone.



A total of 1 397 liquor trading licenses were issued during the five-year period contributing to the creation of 13,632 jobs. The department achieved a 100% success rate in identifying illegal outlets, all of which were reported to SAPS for shutdown.

Moving forward, the provincial government aims to advance township and rural economic development through several key strategies:

- Promoting local ownership of spaza shops and providing financial support and infrastructure.
- Leveraging government procurement to support local businesses.
- Encouraging investment in township and rural shopping centres owned by local residents.
- Fostering local innovation.
- Strengthening business regulations and combating illegal trade and smuggling.
- Facilitating participation in economic value chains.
- Promoting cross-border trade by small and medium-sized enterprises (SMMEs).
- Cultivating a highly skilled and productive labour force.
- Developing efficient and intelligent economic infrastructure.
- Ensuring access to affordable and reliable energy.
- Optimizing and utilizing environmental resources responsibly.

By pursuing these measures, the government aims to create a more inclusive and dynamic economic landscape, fostering sustainable growth and prosperity in township and rural areas across the province.



Operation Vula Fund

Madam Speaker, cognisant of the daunting challenge of accessing funding faced by small businesses and informal traders in townships and rural areas, the department introduced Operation Vula Fund as a catalyst for economic empowerment and enterprise development.

The Operation Vula Fund, facilitated by the province through EDTEA, has made significant strides in empowering small businesses and historically disadvantaged groups in the provincial economy.

During the first window, the fund approved 1016 applications amounting to R339.2 million across different priority sectors of the economy and retaining over 5080 jobs.

The second window, which opened during the 2023/2024 financial year, is currently at various stages of due diligence. For Tier 1, at least 10 districts have been completed, and successful recipients have been notified.

While realising that this fund has made significant strides in keeping with the overall theme: Change and Continuity: Striving for Economic Prosperity for All in Challenging Times, the Department remains committed to constantly searching for further ways to improve on the track record and delivery mode of this fund.

Research & Innovation

Our commitment to knowledge creation underscores our dedication to fostering innovation, addressing societal challenges, and driving progress in KwaZulu-Natal.

The establishment of 13 digital centres across different districts underscores the Department's commitment to bridging the digital divide and promoting technological literacy among communities.

A total of 11 district economic drivers' profiles were developed to facilitate the identification of interventions in various provincial districts.



Five Integrated Economic Plans were developed for selected municipalities in the province.

The Department supported 50 postgraduate students at various academic institutions over the past five years.

Environmental Management

In our ongoing commitment to environmental stewardship and community empowerment, the Department has implemented a series of key service delivery interventions focused on safeguarding our protected areas and promoting sustainable development.

These interventions encompass a range of initiatives, from infrastructure upgrades to biodiversity conservation efforts, each designed to preserve our natural heritage and uplift surrounding communities.

Under the reconstruction and upgrade of road networks within Ezemvelo Protected Areas, the Department has invested R51.2 million, upgrading a combined distance of 27.2 km, benefiting 37 individuals from impoverished communities.

Additionally, our pioneering Shark Repellent Cable (SRC) developed by the KwaZulu-Natal Sharks Board (KZNSB) offers a non-lethal solution to shark attacks, with successful field trials informing its continued development.

Renovation of Ezemvelo tourism and staff accommodation infrastructure has seen R47 million investment, benefiting 233 individuals through employment opportunities.

The Department's Invasive Alien Species Clearing Programme has rehabilitated over 450,000 hectares, employing more than 10,500 individuals and safeguarding our province's ecosystem.





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Erecting a perimeter fence to protect our biodiversity assets involved an investment of over R67.5 million, creating employment for more than 260 individuals. Furthermore, the Babanango Community Based Reserve expansion project, in collaboration with various partners, has resulted in the donation of wildlife animals and the creation of sustainable employment for 250 community members.

Job Creation

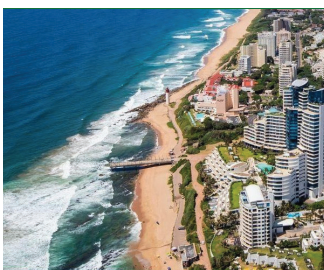
A total of 75,000 jobs were created through various interventions, including investment promotion, SEZs, gaming and betting, the Black Industrialist Programme, EPWP, liquor licensing, and infrastructure development, among others.

Tourism Development

The Department's commitment to positioning KwaZulu-Natal as a premier tourist destination remains paramount. This is underscored by a comprehensive service delivery intervention aimed at enhancing visitor experiences, promoting inclusivity, and driving economic growth through tourism.

To achieve the goal of promoting the province as a preferred tourism destination in the region, we have attracted and hosted a number of major domestic and international events, which include amongst others the following:

- Tourism Indaba
- Comrades Marathon
- SA AIDS Conference
- Hollywood bets Durban July
- World Table Tennis Championships Finals
- TBEX Conference,
- World Football Summit Africa
- UNWTO Affiliate Member Plenary Session
- 7th African Conference of Agricultural Economists
- Transport Evolution Africa Forum and Expo
- TCI conference amongst others





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Through these conferences, our hotels have generated a revenue of over R10 billion and attracted more than 300,000 visitors to the province.

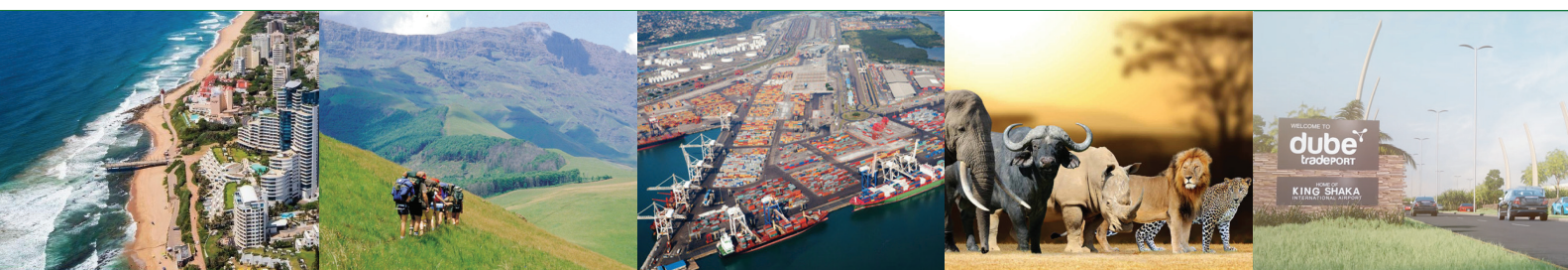
In the quest to promote KZN nationally and internationally, the Department's efforts have aimed to increase the participation of Black-owned enterprises nationally and international Trade Fairs in order to elevate the quality of tourism products, and attract a higher volume of tourists, thereby bolstering the region's economy.

Furthermore, the tourism infrastructure projects across rural municipalities, totaling an investment of R34 million have been implemented in the following areas:

- Uphongolo Local Municipality: Mkhuze Falls Private Game Reserve and Koppie Alleen Guest House
- Mtubatuba Local Municipality: Mtubatuba Visitor Information Centre, SMME Facility, and Zamimpilo Visitor Information Centre
- Emadlangeni Local Municipality: Balele Game Park
- Ray Nkonyeni and Mzumbe Local Municipality: Umzumbe River Trail
- Maphumulo Local Municipality: KwaShushu Hot springs and Ntunjambili Mountain
- Okhahlamba Local Municipality: Bergville and Winterton Visitor Information Centre
- Kokstad Local Municipality: Franklin Multidimensional Visitor Information Centre

Moreover, 30 tourism enterprises were supported, including tour operators, aimed at enhancing their businesses and facilitating greater participation in the sector, particularly amongst youth and women.

We upskilled and trained 150 tourist guides across various categories such as nature, adventure, and culture; representing an investment of R3.3 million.





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Looking Ahead for the rest of 2024/25

In the face of global uncertainties and evolving challenges, it is imperative that we remain steadfast in our commitment to building a resilient and inclusive economy that benefits all citizens.

With this vision in mind, our budget allocations for 2024/25 fiscal period are strategically aligned with key thematic areas designed to address pressing needs that unlock opportunities for all our citizens by investing in strategic areas of:

- **Modernisation of industrial parks**- Working with the Ithala Development Finance Corporation (IDFC) and DTIC we are embarking on a programme to Invest in modernisation and rebuilding programmes for Isithebe, Madadeni and Ezakheni industrial parks, whilst identifying new potential sites throughout the province.
- **Attract Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI)**: we shall work with the national government to create a favourable investment climate to attract FDI in industrial sectors.
- **Adopt Advanced Technologies**: Working with the KZN Growth Coalition and Chambers of business we shall encourage the adoption of advanced manufacturing technologies, automation, and digitalization.
- **Economic transformation** and empowerment initiatives targeting BEE, priority groups such as youth, women, military veterans, and people living with disabilities.
- **Sector development** and Strategic industrial interventions in key sectors like clothing and textile, leather processing, biogas, techno hubs, and renewable energy.
- Promotion of **tourism sector development** to enhance competitiveness that attracts both domestic and international visitors
- Enhanced **business regulation**, licensing, informal economy management, liquor control, and consumer protection
- **Biodiversity management** and conservation efforts to preserve natural heritage and promote environmental sustainability
- Investments in **regional airports** infrastructure, retail development projects, and informal economy trading infrastructure





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- Promotion of innovations to address the provincial societal challenges
- Establishment of digital centres to facilitate economic development in rural areas.
- Development of Special Economic Zones to attract investment.
- Infrastructure projects, including regional airports, Ndumo Retail Centre and Durban Water Front precinct.

Madam Speaker, the Department's quest to empower small and medium-sized enterprises (SMMEs), we are proud to announce the establishment of the Special Economic Zone SMME Park project management unit at the eZakheni industrial estate, with an allocation of R10 million. This initiative will provide a conducive environment for SMMEs to thrive and contribute to job creation and economic development.

Furthermore, we recognize the importance of enterprise development in key industries such as Chemicals & Detergents, Clothing & Textiles, Pulp & Paper, and Bakery.

Therefore, we are allocating R18 million towards the establishment of shared manufacturing facilities to support the growth and competitiveness of these sectors. Our commitment to economic transformation and empowerment remains unwavering.

With an allocation of R47 million, the Department will implement initiatives targeting Black Economic Empowerment (BEE), youth, women, military veterans, and people living with disabilities, ensuring that all segments of our society have equal access to economic opportunities.

Recognizing the pivotal role of regional and local economic development, we are dedicating R16.2 million towards supporting informal economy trading infrastructure and municipal employment initiatives.



Additionally, R25 million will be invested in the Ndumo Retail Development project, which includes a retail centre, informal trading stalls, a taxi rank, and a fuel station, to stimulate local economic activity and create sustainable livelihoods.

Moreover, because we understand the importance of enhancing regional airports infrastructure, which is why the Department's allocating R6.3 million towards this critical aspect of our transportation network.

In line with the Department's commitment to strategic industrial interventions, R19 million will be invested in initiatives such as the Clothing and Textile Industrial Hub/ SEZ, Leather processing hub, Biogas Biogesters, Techno hubs, Solar PV Panels, and Electric vehicle infrastructure, to drive innovation, sustainability, and competitiveness in key industries.

Furthermore, R20 million will be allocated towards sector development initiatives, including support for emerging designers, Business Process Outsourcing skills development, Agro-processing, wood & furniture, Crafts hub, Creative economy, Music cluster, and Cannabis/hemp commercialization, fostering a diverse and vibrant economy.

The Department's commitment to tourism infrastructure development is evident with an allocation of R12 million towards projects such as the KwaXolo caves, Highover Game Reserve, Thokazi Lodge, Drakensberg Cable Car, Beach development, St Lucia, and Howick falls, which will enhance our tourism offerings and promote economic growth in these regions.

The Department also recognizes the importance of business regulation and governance, which is why R29.6 million will be dedicated to initiatives such as licensing, informal economy regulation, liquor control, and consumer protection programs. Moreover, biodiversity management remains a priority, with an allocation of R70 million towards conservation efforts and preserving our natural heritage.

The Department's commitment to provincial spatial economic development is underscored by an allocation of R2.5 million towards the Provincial Spatial Economic Development Strategy, focusing on the Eastern Sea board and iLembe integrated rural economic development.



Furthermore, R10 million will be allocated towards trade and investment promotion initiatives, including business retention & expansion, export development, social compacts for investment, one-stop-shop services, and trade missions, to attract investment and to stimulate economic growth.

Lastly, R7.35 million will be dedicated to the tourism sector development, promoting our Province's diverse cultural and natural attractions in order to enhance our competitiveness in the global tourism market.

Conclusion

As we draw to the end of this budget speech, it is with a sense of renewed determination and optimism that we reflect on the commitments outlined today. Our vision for the future is one of prosperity, inclusivity, efficiency and sustainability, and this budget serves as a roadmap to achieve that vision.

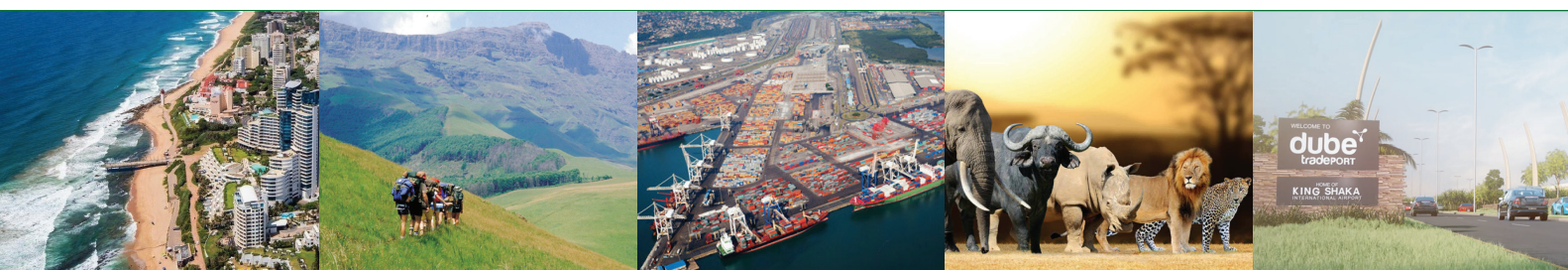
In closing, I would like to first express my deep gratitude to my political party, the Inkatha Freedom Party, for entrusting me with the responsibility to lead a department that plays a pivotal role in transforming the economic landscape of our province.

Madame Speaker, I am humbly indebted to the people of KwaZulu-Natal, and I extend my sincere appreciation to our Premier, the Honourable Mr. Thami Ntuli, for steering the ship with diligence, zeal, and fortitude.

I would like to extend my appreciation to the Acting Head of Department, Dr. Ellenson, and the committed staff of the Department of Economic Development, Tourism, and Environmental Affairs. I am also grateful to the CEOs of the EDTEA Public Entities, the esteemed Honourable Members, my colleagues in the executive council, and our national and provincial leaders for their patience, understanding, guidance, support, and leadership in shaping the new vision and implementation plan for the Department.

Madam Speaker, our economic journey is not a solitary endeavor, akin to the proverbial Robinson Crusoe economy. We extend our warmest gratitude to our social partners—business, labour, and civil society—who continue to support us throughout this journey.

Together, with social partners we have traversed valleys, craggy mountains and slithery



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TOGETHER**

roads with meandering and undulating terrain. Without their indispensable support, the goal of stabilising the economy following the triple tragedies of Covid-19, July 2021 social unrest and floods would have been a reverie. Together, we fought common adversities for the success of our dear province.

Last but not least, I would like to thank my dearest wife, uMaDlamini and my entire family as a whole for the unwavering support they continue to give me.

Honourable Members, we have equipped ourselves with the tools and resources needed to pave the way for economic growth and social progress.

As we embark on this journey forward, let us remember that our collective success depends on our ability to work together, innovate, and adapt to the changing needs of our society. Let us seize this moment to build a brighter future for all residents of our province, leaving no one behind.

In the face of challenges, let us remain resolute.

In the pursuit of opportunities, let us be bold. And in the realization of our shared aspirations, let us be united. Together, we can overcome any obstacle, achieve any goal, and create a legacy of prosperity that will endure for generations to come.



BUDGET FOR ENTITIES

Madam Speaker, our entities are the strategic levers that propel the department’s mandate in priority sectors germane to the growth of the province. With this realisation, we have allocated a budget of **Two billion Three hundred and five million, five hundred and Eighty-One Thousand** only (**R 2 305 581 000**) to our entities as follows:

Table 2: 2024/2025 Budget for EDTEA Entities

ENTITY	(R'000)
Dube Trade Port Corporation	488 120
Ezemvelo KwaZulu-Natal Wildlife	924 449
KwaZulu-Natal Film Commission	93 784
KwaZulu-Natal Gaming and Betting Board	53 151
KwaZulu-Natal Liquor Authority	89 887
Moses Kotane Institute	58 667
KwaZulu-Natal Tourism Authority	154 963
KwaZulu-Natal Sharks Board	70 159
Trade and Investment KwaZulu-Natal	103 057
KwaZulu-Natal Growth Fund Trust	39 720
Ithala Development Finance Corporation	99 288
Richards Bay Industrial Development Zone	130 336
Total Budget for Entities	2 305 581

I now table the Department of Economic Development, Tourism and Environmental Affairs budget for consideration by this august House.



Table 3: 2024/2025 Budget for EDTEA

PROGRAMME	(R'000)
1. Administration	367 008
2. Integrated Economic Development Services	339 693
3. Trade & Industry Development	974 562
4. Business Regulation & Governance	216 806
5. Economic Planning	54 948
6. Tourism Development	274 385
7. Environmental Management	1 232 426
TOTAL ALLOCATION	3 459 828

I now move the budget of Three Billion Four Hundred and Fifty-Nine million Eight Hundred and Twenty-Eight thousand only (**R3 459 828 000**) for the 2024/25 financial year, I so move.

I thank you,

Rev Musa Zondi, MPL

MEC for Economic Development, Tourism & Environmental Affairs





CONTACT

Address

270 Jabu Ndlovu Street
Pietermaritzburg,
3201

Telephone/Fax

Tel: 033 264 2500
Fax: 033 264 2672
Email: info@kznedtea.gov.za

Social media:

: [edteakzn](#) | : [kznedtea](#)
 : [edtea_kzn](#) | : [kznedtea](#)
 : [kznedtealive](#)

Website:

www.kznedtea.gov.za

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