

REMARKS BY THE MEC FOR ECONOMIC DEVELOPMENT, TOURISM AND ENVIRONMENTAL AFFAIRS, REV. MUSA ZONDI

EDTEA MANAGEMENT RETREAT

ARCHIE GUMEDE CONFERENCE CENTRE, MAYVILLE

19-20 JANUARY 2026

Head of Department, Dr. Nkosenye Zulu;

EDTEA Senior Management;

Chief Executive Officers and Senior Managers of our Entities;

Colleagues;

Good Morning!

I wish to thank all of you for availing yourselves for this Management Retreat over the next two days. Your presence here reflects a shared understanding that the work before us is both urgent and consequential.

This Retreat takes place at an important moment for our Department, our entities, and the Province. It also coincides with a period in which the Seventh Administration, which began in 2024, is sharpening its focus on delivery, impact, and institutional capability.

My purpose this morning is not to issue directives, but to advise on key priority areas of focus that should guide our engagements during this Retreat and inform how EDTEA positions itself going forward.

1. National Priorities and EDTEA's Strategic Role

The Seventh Administration has clearly articulated three national priorities:

- a) Inclusive economic growth and job creation.
- b) Poverty reduction and addressing inequality.
- c) Building a capable, ethical, and developmental state.

These priorities speak directly to the mandate of EDTEA. Our work in economic development, tourism, and environmental affairs places us at the centre of government's response to unemployment, inequality, and spatial exclusion.

The question we must continuously ask ourselves is whether our interventions are sufficiently targeted, impactful, and responsive to the needs of the people of KwaZulu-Natal.

2. Township and Rural Development at the Centre

Township and rural development must remain the central organising principle of our work.

Economic growth that does not reach townships and rural communities will not address inequality, nor will it significantly reduce unemployment.

Our focus should therefore be on:

- Practical and relevant macro- and micro-economic interventions.
- Programmes that respond to localised economic realities.
- Support for enterprises that can grow beyond subsistence and integrate into value chains.

The study commissioned through the Moses Kotane Research Institute is important in this regard. The update to be presented during this Retreat should assist us in grounding our interventions in evidence, sharpening our targeting, and improving programme effectiveness. This research must directly inform planning and implementation decisions.

3. Alignment to the MTDP and Forward Annual Performance Planning

A key outcome of this Retreat should be improved alignment.

Given the stage we are at in the planning cycle, I must emphasise that full alignment to the MTDP and Annual Performance Planning is realistically achievable going forward in the 2026/27 financial year. This Retreat should therefore focus on positioning the Department appropriately for:

- The 2026/27 Annual Performance Plan.
- Medium-term budgetary projections.
- Stronger coherence between policy intent, planning, and resourcing.

This is particularly important in light of the forthcoming local government elections. Our programmes must be credible, implementable, and capable of delivering tangible outcomes within communities.

4. Budget Spending, Procurement Readiness and Financial Discipline

The issue of budget spending remains a central responsibility.

Underspending undermines service delivery and erodes public confidence. At the same time, expenditure must be disciplined and purposeful.

One area that requires frank reflection is procurement readiness. Delays in finalising procurement processes have, in some instances, directly undermined service delivery and programme implementation. Lengthy procurement cycles weaken our ability to respond timeously to community needs.

However, let me be clear: full compliance with Supply Chain Management policies is non-negotiable.

The task before us is to:

- Improve planning and readiness.
- Strengthen internal coordination.
- Accelerate processes within the bounds of the law.

All spending must continue to respect cost-containment measures and the Financial Recovery Plan of government, while ensuring value for money and developmental impact.

5. Umnotho Fund and Delivery Credibility

The Umnotho Fund represents an important intervention aimed at broadening economic participation.

This Retreat provides an opportunity for management to reflect on:

- Implementation progress.
- Challenges and bottlenecks.
- Measures required to strengthen delivery and restore confidence.

The focus must be on ensuring that the Fund contributes meaningfully to enterprise development and economic inclusion.

6. Provincial Tourism Development Fund: A Strategic Imperative

It is important to note that, to date, we have never had a Provincial Tourism Development Fund. Support mechanisms have largely existed at a national level. However, KwaZulu-Natal has consistently advocated for the establishment of such a fund at a provincial level.

There is a clear and growing need for a Provincial Tourism Development Fund to drive transformation, growth, and inclusive participation within the tourism sector.

Such a fund should primarily support Black-owned tourism enterprises, with a deliberate focus on women, youth, and persons with disabilities (the GYODI sectors).

It is envisaged that this fund would play a critical role in:

- Addressing funding gaps in the tourism MSME space.
- Stimulating job creation.
- Promoting investment in rural and township tourism nodes.
- Broadening the economic benefits of tourism across the Province.

Given the high mortality rate of MSMEs, there is a clear need to explore robust co-funding and ancillary support models, where grants, concessional loans, and private capital work in concert. Such models must be guided by national policy and complemented by non-financial support, with the objective of building a more resilient, competitive, and inclusive tourism MSME sector in KwaZulu-Natal.

This Retreat should begin to shape the strategic thinking required to advance this initiative in a credible and sustainable manner.

7. Building on Existing Programmes and Achievements

It is important to acknowledge that the Department and its entities have implemented effective programmes that are yielding positive results.

Across tourism, investment promotion, enterprise development, environmental management, and trade facilitation, there are successes that should be recognised, consolidated, and scaled.

This Retreat should help us identify:

- What is working well.
- Where impact can be deepened.
- How coordination across programmes and institutions can be improved.

8. Entities, Black Industrialists and Economic Impact

As government, both shareholder and funder, we rely heavily on our entities to drive economic growth and transformation.

Entities are expected to:

- Bolster the provincial economy.
- Promote and support black industrialists.

- Attract investment where local beneficiation contributes to reducing the high unemployment rate confronting both our country and our Province.

While unemployment remains a significant challenge, it is important to note that KwaZulu-Natal's efforts have yielded comparative gains, with indicators placing the Province ahead of others in certain respects. This progress must be protected and accelerated.

I wish to acknowledge the good work being done by our entities, often under complex policy and fiscal conditions. Going forward, the emphasis must remain on impact, innovation, and accountability.

9. Leadership, Skills and Collective Responsibility

When I introduced the Head of Department, Dr. Nkosenye Zulu, in December 2025, I highlighted his strong administrative and financial credentials, including his academic background in international commercial law and administration.

Leadership in the public service is never a solitary endeavour. Dr Zulu's success depends on collective support from DDGs, senior management, entity leadership, and all officials present here.

This Department is endowed with a wide range of skills and experience.

So, I therefore encourage a culture where:

- Skills are deployed strategically.
- Leadership is supported collectively.
- Lessons from the past are used to foster unity, cohesion, and institutional stability.

We have learned that fragmentation weakens delivery, while cohesion strengthens impact.

10. Strategic Platforms and the EIESID Cluster

EDTEA plays a critical role in provincial economic coordination through strategic platforms.

In particular, I wish to emphasise the importance of a more conducive, collaborative, and action-oriented approach within the EIESID Cluster, which is the economic cluster of government and is chaired by Dr Zulu, as appointed by the Honourable Premier.

This Cluster must function as a driver of:

- Investment facilitation.
- Cross-departmental coordination.
- Programmes that translate into real economic outcomes for communities.

A shared commitment to constructive engagement and delivery is essential if this platform is to realise its full potential.

11. Purpose of the Two-Day Retreat

Colleagues,

The programme for this two-day Retreat has been designed to allow for:

- Strategic reflection on Day One.
- Deeper engagement with leadership, coordination, and institutional culture on Day Two.

I will return tomorrow to speak further on issues of alignment, culture, and organisational coherence.

12. Conclusion

Let me conclude by saying this:

I hold high expectations of this Department and our entities, not because the environment is easy, but because the capability exists in this room.

Much has already been achieved, and much more is possible if we work together with clarity, discipline, and shared purpose.

May this Management Retreat strengthen alignment, reinforce unity, and sharpen our collective focus on delivering inclusive growth and economic opportunity for the people of KwaZulu-Natal.

I wish you productive and constructive engagements over the next two days.

Thank you.