



**ADDRESS BY PRESIDENT CYRIL RAMAPHOSA  
ON PROGRESS OF ECONOMIC RECOVERY**

**UNION BUILDINGS, TSHWANE  
30 OCTOBER 2023**

Fellow South Africans,

On Saturday night, South Africans watched with pride and joy as our national rugby team, the Springboks, became the world champions for the fourth time since the advent of democracy in our country.

As we all watched their progress towards the championship, we marvelled at their resilience and determination to overcome some of the best teams in the rugby world.

At moments when their cause seemed lost, they fought back and they emerged victorious.

This victory rightfully calls for a moment of national recognition and celebration of our rugby players and their achievements.

We should also applaud our cricket team who have been performing well in the Cricket World Cup. I spoke to the Proteas captain Temba Bavuma and encouraged them to remain focused and told him that the entire nation supports and stands behind them. I also told him that I intend to travel to Mumbai in India to watch them play in the finals.

As we confront the many severe challenges in our country, we draw hope and encouragement from the determination and the performance the Springboks and the Proteas have displayed.

The victory by the Springboks and the performance of the Proteas follows the victory of Banyana Banyana in the Women's Africa Cup of Nations and their progress to the knockout stages of the FIFA Women's World Cup.

Our spirits were similarly lifted by the achievements of our national squad at the Special Olympics World Games in Berlin in June.

The determination and resilience of our teams have given credence to Madiba's words that sports unites the nation.

In their achievements, they have revealed much about the unity of the people of the country they represent.

As a people, we have shown before what is possible when we are united, when we are determined, when we try hard and when we refuse to give up.

Together, we overcame apartheid, ended centuries of conflict and gave birth to a thriving democracy.

Together, we confronted and overcame the deadliest global pandemic in over a century.

We are indeed stronger together.

As we reflect on these great achievements on the sporting field we also need to reflect on our economic recovery and the further steps that we are taking to revive economic growth and improve the lives of our people.

As the latest census figures show, we have achieved great feats of human development since the beginning of democracy.

Millions of South Africans have been raised out of poverty and now have housing and access to electricity, water, sanitation and other basic needs. Access to health care and education have been greatly expanded.

Much more still needs to be done to make more progress.

Even over the last 10 years, we have been able to make significant strides.

For example, the percentage of households in formal dwellings rose from 78 percent in 2011 to 89 percent in 2022.

This is evidence of concrete progress, and should give us encouragement as we confront the challenges of the present.

This month, we mark three years since we embarked on the Economic Reconstruction and Recovery Plan, which outlined the actions that we would take to rebuild our economy and create jobs in the wake of the pandemic.

This recovery plan was accepted by many stakeholders in our country and is underpinned by our National Development Plan.

The last three years have been extremely challenging.

We are emerging from more than a decade of stagnant economic growth, compounded by the impact of the pandemic.

We are working to reverse the legacy of the past era of corruption and mismanagement of our state-owned enterprises, which has left us with a persistent energy crisis and an inefficient ports and rail network.

And we are contending with a range of global and domestic pressures which have set back our economic recovery.

And yet, there are clear signs that our efforts are showing results.

Electricity supply is improving.

Jobs are being created.

Houses, roads, bridges and dams are under construction.

Law enforcement agencies are cracking down on criminal syndicates.

The proceeds of state capture are being recovered.

These are reasons for hope.

When the COVID-19 pandemic struck, we put in place decisive public health interventions that saved many lives.

To deal with negative economic effects of the pandemic, which resulted in the loss of more than 2 million jobs, we put in place an unprecedented stimulus package that lessened the damage to the economy.

Since then, in the midst of severe load shedding and increased global volatility, the economy has continued growing, albeit too slowly. The economy has shown a significant degree of resilience and is now larger than it was before the pandemic.

Over the last two years, the number of people with jobs has increased by two million, bringing the level of employment close to its pre-pandemic level.

A key element of the reconstruction and recovery plan was to expand social protection and public employment.

The special SRD Grant known as the R350 grant, which we introduced in 2020, has kept millions of people out of poverty, and continues to provide much-needed support for those who are unemployed.

The Presidential Employment Stimulus has created over 1.2 million opportunities since its establishment, representing the largest expansion of public employment in South Africa's history.

Over 4 million young people have registered on the SAYouth online platform, and more than 1 million of these have been able to access opportunities for learning and earning.

Every one of those jobs created is a reason for hope. Every person who no longer lives in poverty is a reason for hope.

Another commitment we made in the Reconstruction and Recovery Plan was to fix South Africa's infrastructure through renewed investment in maintenance and construction of new projects.

Several significant infrastructure projects are underway. These projects are both contributing to greater economic activity and jobs, and providing much-needed infrastructure for the growth of our economy and the needs of our people.

These infrastructure projects range from social housing, road construction, rural bridges, and dam constructions.

The Passenger Rail Agency of South Africa has to date restored operations on 26 out of 40 commuter rail corridors. To continue with the restoration of our commuter rail corridors, R50 billion will be spent over the next three years to modernise our passenger rail network.

As part of our infrastructure build we are undertaking significant water infrastructure projects. These include Phase II of the Lesotho Highlands Water Project,

The Mzimvubu water project in the Eastern Cape will involve an investment of R17 billion.

Around the country, water treatment works are being upgraded, pumping stations are being repaired, and pipes are being laid to get water to under-serviced areas.

We are making progress towards ending load shedding.

Our greatest priority has been to reduce the severity and frequency of load shedding to achieve energy security.

Over the last few months, there has been a measurable decline in the severity of load shedding.

The Energy Action Plan that I announced in July last year is showing positive results, giving us greater confidence that we will bring load shedding to an end.

Regulatory reforms we have initiated have enabled a massive increase in private investment in electricity generation, with over 12 000 MW of confirmed projects in development.

Following the introduction of tax incentives and financing mechanisms, the amount of installed rooftop solar has more than doubled to over 4 500 MW in the last year.

The steady progress we are making in resolving the energy crisis is a reason for hope.

We are making progress in restoring our logistics system to world-class standards, so that we can export South African goods to global markets.

The National Logistics Crisis Committee is overseeing a range of interventions to stabilise and improve the performance of the logistics system in the short term, in addition to ongoing reform to improve its efficiency and competitiveness in the long term.

The Transnet board has developed a turnaround plan which aims to increase volumes transported on our network.

Progress is also being made with the introduction of private sector participation in container terminals.

I want to make it clear that South Africa's port, rail and electricity infrastructure are strategic national assets, and that they will remain in public ownership.

However, introducing competition in operations – both in electricity and in logistics – will create greater efficiency and reduce prices in the long term, just as the introduction of competition in the telecommunications sector has led to greater choice and enormous benefits for consumers.

We are also making progress in tackling crime and corruption.

The South African Police Service has established 20 Economic Infrastructure Task Teams throughout the country to protect critical infrastructure and tackle the “construction mafia.” We are seeing results in arrests for illegal mining, cash-in-transit hikes, cable theft, drug smuggling and similar crimes.

Increasing the number of police men and women will further strengthen our capacity to curb acts of criminality.

I have also extended the employment of 880 members of the SANDF to support the police in combating criminal activity that targets critical economic infrastructure.

The police have arrested several people for extortion at construction sites and made over 3,000 arrests for illegal mining.

Through the intensive efforts of our law enforcement agencies, dozens of illegal mines, unregulated coal yards and unregistered second hand dealers have been shut down.

The Economic Infrastructure Task Teams have confiscated significant quantities of copper cable, rail tracks, coal and other metals.

Every arrest made and every length of cable recovered is a reason for hope.

We are making progress in the fight against corruption, including bringing those responsible for state capture to justice.

Over the last four years, the NPA Investigating Directorate has taken 34 state capture and corruption cases to court, involving 205 accused persons.

Freezing orders of R14 billion have now been granted to the Asset Forfeiture Unit for state capture related cases. Around R5.4 billion has to date been recovered and returned to the state.

As recommended by the State Capture Commission, we are putting in place laws, institutions and practices that reduce the potential for corruption of any sort and on any scale.

We are continuing to build meaningful compacts with key stakeholders in a number of areas.

To support our efforts of enhancing collaboration, we have established a partnership with business to work together in four critical areas – energy, logistics, crime and corruption, and employment.

We continue to collaborate with organised labour and civil society to ensure a whole-of-society approach to addressing the most important challenges our country faces.

All of this gives us hope that we are turning the tide on the many challenges that we face.

Our economic challenges are severe.

Despite the progress we are making, poverty, inequality and unemployment remain high.

We continue to face domestic and global pressures, and our economy is growing too slowly for us to overcome the challenges facing our country.

Load shedding has constrained economic growth. The underperformance of the ports and rail network is affecting our ability to get exports to market.

Government spending has exceeded revenue since the 2008 global financial crisis, without a commensurate increase in economic growth.

As the Minister of Finance has noted, for every rand that government collects in revenue, 18 cents go towards servicing our national debt.

This means that we are now paying more in interest on our national debt than we are budgeting for the police force.

Ultimately, more rapid and inclusive growth is the only solution to unemployment, poverty and inequality. Growth is also necessary for the sustainability of public finances.

Building on the progress we have already made, government will accelerate the implementation of economic reforms over the next six months.

To address the weaknesses in many of our municipalities, we are undertaking interventions in local government.

As national government, we are driving a number of interventions to support a rapid turn-around in local government services such as water and sanitation, electricity, roads and waste collection.

These interventions are accelerating service delivery where basic services have collapsed.

While addressing the immediate problems, we are introducing necessary institutional reforms and professionalisation in the appointment of senior municipal officials.

The achievement of sustained and inclusive growth requires a stable macroeconomic environment.

A sustainable fiscal trajectory is a precondition for growth.

We therefore remain absolutely committed to stabilising our levels of debt and adopting a responsible fiscal policy.

The Minister of Finance will set out government's plans to achieve this trajectory in the Medium Term Budget Policy Statement on Wednesday.

Spending on health, education, policing, and other essential services will be protected as far as possible.

As we move to target spending on programmes that are working for the poor, we need to acknowledge that our social grants, including the SRD Grant, as well as our public employment programmes, are vital in supporting those who are vulnerable.

These programmes have not only reduced poverty, but have enabled recipients to search for jobs and to engage in other economic activity to support their livelihoods.

The Minister of Finance will provide more details of these and other spending priorities when he presents the Medium-Term Budget Policy Statement on Wednesday.

Today marks the start of the 2023 National Senior Certificate exams for close on one million learners.

Over the next weeks, our learners will prove the value of hard work, dedication and the investment that we have made as a nation in the education of our young people.

We wish them the very best, confident that they will make the country proud.

There are many reasons for hope. We have made significant progress in reforming our economy to make it more inclusive and to achieve a higher rate of growth.

We are on track to resolve the most important constraints on economic growth by stabilising our energy supply and fixing our logistics network.

The reforms underway will propel economic growth in South Africa in the years to come, resulting in a stable supply of electricity, a working railway, and more jobs for all South Africans.

On our way to rebuilding our economy there are a number of strengths that stand us in good stead. We have a strong and sophisticated financial sector, a strong and effective civil society, a functional democracy, an independent judiciary, a stable macroeconomic framework underpinned by a capable National Treasury and an independent Reserve Bank.

We have collectively embarked on a journey of economic reform which will set our country on a path to higher growth and more jobs. The concerted efforts of all South Africans are starting to show results in many areas.

If we take a short term view of our current challenges, we may not see the transformation that is underway or the benefits that these reforms will have for our country.

I am confident that through the actions we are taking now, we will overcome the challenges we face and build a society that works for all of its people.

We have much more to do. But like the Springboks, we have the determination and commitment to overcome any challenge.

Our victorious Springboks will return home tomorrow. We will welcome them with great joy and jubilation. They will conduct a victory tour around the country and I will receive them at the Union Buildings later this week.

I want us to now rally behind the Proteas in the same way as we have given our support to the Springboks. I want us all to embark on a period of celebration culminating in a celebratory holiday after our matriculants have finished their exams and the Proteas have done the country proud at the Cricket World Cup.

I know that many of us want us to have a holiday now to celebrate. But we should all agree that we should give our matriculants time to focus on their exams and celebrate afterwards.

In celebration of the Springboks' momentous achievement and the achievements of all our other sports men and women – and as a tribute to the resolve of our united nation – I am declaring Friday the 15th of December 2023 as a public holiday. We declare this to be a day of hope, a day of celebration and unity.

Our sports men and women have shown us what is possible.

We will succeed and we will ensure that we leave no-one behind.

I thank you.