

## REPLY BY PRESIDENT CYRIL RAMAPHOSA TO THE DEBATE ON THE STATE OF THE NATION ADDRESS

## CAPE TOWN CITY HALL 15 FEBRUARY 2024

Speaker of the National Assembly, Ms Nosiviwe Mapisa-Nqakula, Chairperson of the National Council of Provinces, Mr Amos Masondo, Deputy President Paul Mashatile, Ministers and Deputy Ministers, Honourable Members,

In the State of the Nation Address, I said that as South Africans we have, over the last three decades, been on a journey together to achieve a new society.

We have been building a new society rooted in the equality promised by our Constitution – equality of rights, of fundamental freedoms and of opportunity.

Since attaining our freedom 30 years, we have been on what Steve Biko called a quest for true humanity.

For us, true humanity means a South Africa that protects and cares for its most vulnerable, a South Africa that guards its hard-won constitutional freedoms, and a South Africa in which every person is able to realise their full potential.

In the State of the Nation Address, we reflected on the last 30 years because the past enables us to better understand the present and it inspires the actions we must take to build the future.

The past reminds us of the responsibilities that freedom has placed on our shoulders to forge ahead – as we have done as this administration – to realise for all South Africans the promise of a better life.

The debate in this House over the last two days has shown that there are sharp differences among political parties about our past, our present and our future.

These differences have no doubt been sharpened by the upcoming elections.

Yet amidst all the contributions made in the debate, no speaker has been able to refute a fundamental reality: that the lives of millions of South Africans have been transformed over the 30 years of freedom.

This transformation is evident in the most recent census data, which shows extraordinary improvements on a range of social and economic indicators over the past three decades.

This transformation is most evident in the lived experience of our people, who have witnessed the changes in their own communities and in their own lives.

But as we embrace the progress that we have made over the last three decades, we must also confront the critical issues that need to be addressed today.

We need to celebrate the fact that young people like Tintswalo have had opportunities that were never available before.

But we also need to recognise, as we did in the State of the Nation Address, that young people like Tintswalo still face many challenges.

Despite everything we have achieved, many South Africans – young and old – are concerned about the state of affairs in our nation.

Many people cannot find jobs. Even people with jobs wonder if they will be able to provide for their families as the cost of living increases.

Load shedding has had a devastating impact on every aspect of their lives.

The State Capture Commission revealed the scale of corruption that unfolded over the course of a decade.

Violent crime continues to plague communities across our country.

Many municipalities are struggling to provide the basic services that people need.

As we reflect on the journey we have travelled, we must acknowledge the severe challenges that we still face.

We must confront the lasting effects of our apartheid past, which remain visible as we travel from suburbs to informal settlements, from rich farmlands to poor villages.

For the last five years, we have worked to get back onto the path towards a better life for all.

Over the last five years, we have made significant progress in restoring our economy to growth and to create jobs.

We have seen the results of these efforts in the recovery of the economy and the sustained increase in jobs since the end of the COVID-19 pandemic.

We have seen the results of these efforts in the growth of agricultural exports.

South Africa now exports roughly half of its agricultural products in value terms. In 2022, South Africa's agricultural exports reached a record \$12.8 billion or R247 billion.

We have seen a massive increase in international tourist arrivals.

Between January and December last year, the country recorded 8.5 million international tourist arrivals, which was a 29 percent increase on the previous year.

Over the last five years, we have worked to increase investment in our economy, because it is through investment that we can create opportunities for employment and for the growth of new businesses.

We have held five Investment Conferences, which have raised more than R1.5 trillion in commitments from investors.

Of these commitments, more than R560 billion has already gone into a diverse and growing range of industries – from cloud computing to mining, from auto parts to paper production, from vaccines to battery assembly, from solar plants to cruise ship terminals.

These investment conferences, all of which have been oversubscribed, have shown that South Africa is an attractive investment destination.

At the same time as we have mobilised investments from established South African and international firms, we have worked to build the next generation of companies that will forge a new path of production and employment.

To enable these companies to get off the ground, we have supported around 1,000 black industrialists over the last five years. These are substantial operations that employ more than 90,000 workers.

Over the last five years, we have worked to reverse the decline over several years of investment by both the public and private sectors in capital projects, in infrastructure.

We recognised that there was a structural problem, in planning, designing, funding and managing projects.

We established the Infrastructure Fund to bring together financing from the state, from private investors, from development banks and other financing institutions.

We established Infrastructure South Africa to coordinate a massive public infrastructure build. Through these efforts projects worth over R230 billion are currently in construction, including in energy, water infrastructure and rural roads projects.

Through capacity support to provinces and municipalities, we are improving their ability to spend the grants allocated to infrastructure. We are committed to putting an end to the practice of infrastructure funds being returned to the fiscus unspent. This is a problem across the country, including here in the Western Cape.

This infrastructure is not only vital for the economy. It changes people's lives.

I have always said that infrastructure is the flywheel of the economy.

After the decline in gross fixed capital formation over a number of years, we are now poised to improve our infrastructure build so that we can reach the levels that were foreseen by the National Development Plan by 2030.

The challenge that people in our rural communities have been facing in crossing rivers during the rainy season – as we seen in videos of young children crossing flooded rivers to get to school – has strengthened our resolve to speed up the process of building rural bridges.

The rural bridges that are being built as part of the Welisizwe programme allow children to get to school safely, they enable villagers to reach shops, services and transport more easily and quickly.

We are on course to complete the 96 bridges that we targeted.

Access to clean running water is one of the of the biggest challenges that many of our people face.

The water infrastructure projects we have focused on in the past few years are bringing piped water to villages that had always relied on streams and boreholes.

Since the COVID pandemic, we have restored operations on 26 out of 40 commuter rail lines. We have invested in new rail infrastructure and new trains that are produced here in South Africa.

These trains are being built in Ekurhuleni and are being rolled out throughout the country. We will soon be exporting the same trains to many other countries on our continent.

This investment is making a huge difference in the lives of the people who rely on public transport, while developing the manufacturing capacity that will enable the growth of our train exports.

Over the last five years, we have been building an economy that is rapidly evolving to meet the demands of the digital society, where the world's leading tech companies are building new undersea cables and data centres.

We see a country in which more people are getting connected and going online, where data costs are dropping and broadband speeds are increasing.

This enables people to conduct their businesses online, to sell their goods and services through online platforms. We have seen how this phenomenon has fuelled the growth of the economies of a number of countries.

We see young people making full use of the opportunities provided by the Presidential Employment Stimulus and other public employment programmes to improve their skills and gain valuable experience.

And they are making a difference wherever they go, whether it is in the 23,000 schools where they work as school assistants, or in the 1,000 community-based organisations where they support community safety, food security, early childhood development, and much more.

Today, we see a country that is making clear and measurable progress in resolving an electricity crisis that goes back more than 15 years.

Maintenance at Eskom plants has improved after a long period when the maintenance of our plants was neglected. Damaged units have returned to service ahead of schedule.

Businesses and households are installing rooftop solar on an unprecedented scale, with the support of incentives and financing mechanisms introduced by this government.

And more than 120 new private energy projects of various sizes are now in development, following the reforms that we implemented.

South Africa has been leading the installation of renewable energy from solar and wind. We have succeeded in attracting international investments through this developing sector. This has been enabled through various actions that have been taken by national government as part of our reform process.

The transformation of Eskom with a view of making it much more effective is one of the most important reforms introduced by this administration. When completed it will result in the complete overhaul of our electricity architecture.

While there is still much to be done to stabilise our electricity supply, there has been a steady and marked improvement in electricity supply since May last year.

Over the last five years, we have made great advances in tackling corruption, including bringing those responsible for state capture to justice.

We have been rebuilding law enforcement agencies and other anti-corruption bodies because it is only through strong, effective and independent institutions that we can safeguard against a return to state capture.

We established the Investigating Directorate in the NPA to undertake prosecution-led investigations of corruption, and will soon make it a permanent structure. We established the SIU Special Tribunal to recover stolen funds and have strengthened coordination between bodies like the Hawks, Special Investigating Unit, Financial Intelligence Centre, SARS and the NPA.

The SIU has been increasingly effective in uncovering acts of corruption and wrongdoing in the state, and we have put in place mechanisms to ensure that the SIU's referrals are implemented.

All of this work has helped to turn the tide against corruption.

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.

Over the last five years, we have been working together to tackle poverty, hunger and the rising cost of living.

We have seen the evidence of the impact of social grants on reducing poverty over 30 years. We have sustained these grants over the last five years and have introduced the special SRD grant to support around nine million unemployed people.

The special SRD grant was a lifeline to millions of people whose livelihoods were disrupted by COVID-19 and who still continue to feel the effects of the pandemic.

Not only did the grant help to reduce the incidence of poverty, but some of the people who received the SRD grant used it to start businesses and to find work.

The SRD grant is an investment in our people, and forms the foundation of permanent income support for the unemployed.

We continue to provide free basic services and decent housing. We continue to connect homes with electricity, water and sanitation.

We continue to redistribute land and provide support to emerging farmers. We have been speeding up the handover of housing title deeds, providing poor South Africans with vital assets.

We are building new hospitals and clinics. We are expanding the school feeding scheme, with many schools now offering two meals a day, and enabling more students to access tertiary institutions.

These are not the achievement of decades gone by. This is the work of the last five years. This is the work that is happening now. And that continues to happen.

Over the last five years, we have strengthened the fight against crime.

In addition to the 20,000 new police recruits, we have established specialised SAPS Economic Infrastructure Task Teams to work with business, private security and state-owned enterprises to tackle illegal mining, construction site extortion, cable theft and vandalism of economic infrastructure.

By November last year, the task teams had made over 4 000 arrests for damage of critical infrastructure, 70 arrests for extortion at construction sites and over 3 000 arrests for illegal mining, and confiscated significant quantities of copper cable, rail tracks and other metals.

On all the challenges that the country faces, government, business, labour and civil society have joined hands and forged partnerships for growth, job creation and reform. We have forged social compacts in practice.

We have forged partnerships that enabled us to respond to the COVID-19 pandemic and to rebuild our economy in its wake. We have worked together on youth unemployment and to tackle gender-based violence and femicide.

In recent months, government has worked in partnership with business to address challenges in energy, transport and logistics, crime and corruption, and employment and skills. Through this partnership, we have brought together critical resources, skills and capabilities to resolve common challenges.

We continue to engage with community organisations, unions, business people, experts and NGOs in undertaking a transition to a low-carbon economy that is inclusive and just.

This is particularly important in provinces like Mpumalanga, where the bulk of our coal power stations that are coming to the end of their lives are located.

A vital part of this work is the Presidential Climate Commission, which has been at the forefront of broad social engagement on the path we must take.

With the participation of a range of stakeholders, we developed a Just Energy Transition Investment Plan that details the investments we need to make over the next five years to support this just transition.

Close to R230 billion in international financing pledges have been secured through the Just Energy Transition Partnership.

Last year we received heads of states from a number of countries who came to South Africa to pledge their support to our just energy transition.

Once again South Africa was the first amongst many other countries to come up with an innovative approach to address the challenges of a just transition

We are undertaking this transition at a pace, scale and cost that our country can afford and in a manner that ensures energy security for all our people, while supporting the creation of new industries, new economic opportunities and sustainable jobs.

As we work to build a society in which all may experience a better life – a life of peace and dignity – we will continue to work for peace on our continent and around the world.

We remain deeply concerned about the intolerable situation of the people of Gaza.

Earlier this week, we made an urgent request to the International Court of Justice to consider using its power to prevent a further imminent breach of the rights of Palestinians.

We are gravely concerned that the unprecedented military offensive against Rafah, which is the last refuge for much of Gaza's population, has already led to and will result in further large scale killing, harm and destruction.

Our call has been taken up by countries around the world, calling on Israel to cease its armed actions against Rafah in particular and on the people of Gaza more generally.

We remain committed to do everything we can – as is our moral and legal responsibility – to stop acts of genocide in Gaza.

We will also continue to contribute to peace keeping and peace building efforts on our continent. We have just deployed personnel from the SANDF to the Democratic Republic of the Congo as part of a SADC mission.

We salute our defence force personnel who brave great dangers to make Africa a more peaceful and stable continent.

Honourable Members, Fellow South Africans,

A profound change is taking place in our country.

Away from the noise and the spectacle, our country is being steadily and fundamentally transformed for the better.

As we gather here, as we debate and differ and prepare for the election campaign trail, a quiet revolution is taking place.

It is a revolution that will change the way that our economy works and improve all of our lives.

Take water for example.

South Africa is a water scarce country that is particularly vulnerable to the effects of climate change.

Yet, as we have noted, major construction of bulk water infrastructure is underway across the country. Legislation has been introduced to establish a dedicated agency that will ensure our water infrastructure is better managed and funded.

We have re-introduced the rigorous assessment of our water quality so that we can intervene more quickly and more effectively to address problems.

These measures, which we are taking now, will ensure that we have a secure and sustainable supply of water into the future.

Take another critical resource: electricity.

As South Africans confront load shedding on an almost daily basis, the actions we are taking now will ensure that we have enough electricity to power the growth of our economy and the development of our society for decades to come.

For more than a century, electricity has been delivered by Eskom in the same way. We have changed that. And more changes are to follow.

Already there are more power producers entering the market, new technologies have entered our energy mix, and the field is being opened to greater competition.

We are not only focused on generation. We are introducing innovative funding approaches to build more than 14,000km of new transmission lines to accommodate renewable energy over the coming years.

As load shedding is steadily and surely brought to an end, we will emerge from this electricity crisis into a completely transformed energy landscape.

We are seeing similar changes in several of the other industries that enable economic and social development.

As we work closely with industry and other stakeholders to resolve the immediate problems in the operation of our ports and freight rail lines, we are making far-reaching structural changes that will increase investment, introduce greater competition and enable the deployment of new technologies.

After more than a decade of delays, this administration unlocked the migration from analogue to digital broadcasting and completed the auction of broadband spectrum, resulting in new investment, lower data costs and improved network reach and quality.

We are in the midst of sweeping changes to our immigration regulations that will attract more investment, skills and visitors to our country.

We are undertaking the most significant overhaul of our state owned enterprises landscape since the advent of democracy.

This will make them more effective in fulfilling their respective mandates. They will be financially sustainable and professionally managed. They will be better protected from corruption and undue influence in their operations.

It is these changes that will make doing business in South Africa easier and cheaper. It is these changes will make our products and services more competitive. They will encourage investment and they will boost employment.

Another area of profound change is education.

Despite the many problems in our schools, colleges and universities, there are great changes underway that will ensure that the young people of today and tomorrow will be more skilled, more capable and more successful than any that have come before.

Greater attention and resources are being directed towards the early years of a child's development. More children are being enrolled in early childhood development.

The performance of children from poor backgrounds is improving thanks to interventions such as no-fee schools, free school meals and the child support grant.

More and more of these children are going to TVET colleges and universities, more and more are graduating, and – as a result – more and more are being lifted out of poverty.

The progress that is being made in education will ultimately do more than any other intervention to achieve the goal of a better life for all.

After many years of research, debate and preparation, South Africa is getting ready to implement the National Health Insurance.

The NHI Bill will be implemented incrementally, responsibly and sustainably.

The Constitution places upon us a responsibility to achieve the progressive realisation of access for all to health care. The NHI is a major development towards that goal.

There are still more areas where profound and lasting changes are underway.

We are rebuilding and strengthening institutions that are vital to our efforts to end corruption in all its forms.

We are providing these institutions with the independence, the powers and the means to prevent, investigate and act against corruption.

We are professionalising the public service, overhauling public procurement, protecting the administration from political interference, and strengthening processes for recruitment and promotion of public servants.

The process of reform is never easy, and it does not happen overnight.

The work that it requires may not attract much interest or earn many headlines. But the effects of these reforms will be felt for many years to come.

As we confront the challenges of the present, we should not lose sight of the momentous developments that are underway in the state, in the economy and in society.

In the State of the Nation Address last week, South Africa was introduced to Tintswalo, a child of our democracy.

For millions of South Africans, her story resonated deeply with their own.

We have seen young people posting images online of themselves in their graduation gowns or at their workplaces, saying #lamTintswalo.

There are countless stories of young people who were born into abject poverty, but are now engineers, doctors, teachers, managers, tourism guides and operators, and entrepreneurs thanks to the support and opportunities provided to them under democracy.

They have spoken not only of how democracy has improved their lives, but of their gratitude to those who fought and strived to achieve that democracy. Many have paid tribute to their parents and grandparents – and to all the generations that came before – for the struggle and sacrifice that brought down apartheid and ushered in a new era of freedom.

Here in the House today we have some young South Africans who are proud to be part of the generation of Tintswalo.

Among these young people are aeronautical engineers, pilots and civil engineers, all of whom have pursued their careers in transport with the support of government departments and entities.

We offer our congratulations to the South African Under 19 Men's Cricket Team, which reached the semi-finals of the ICC World Cup, an exceptional performance on a global stage.

Bafana Bafana, the pride of the nation, arrived back in the country this week after an impressive Africa Cup of Nations campaign.

These are all democracy's children. We are proud of them. They are proud of themselves. There are millions more just like them.

But there are those who greeted Tintswalo's story with derision.

These were people who sought to diminish, even deny, the achievements of our democracy.

To them, it doesn't matter that 9 out of 10 households now living in a formal dwelling, or that a similar number have access to clean drinking water and electricity.

To them, it doesn't matter that more South African adults have completed matric or earned a degree. Or that more learners from poor communities are achieving bachelor passes.

It doesn't matter to these people that South Africans now have a higher life expectancy or that maternal and child health has improved dramatically.

It doesn't matter to them that millions of people have been lifted out of poverty through the provision of houses, land, social grants, free basic services, expanded access to health care and education and the introduction of a national minimum wage.

All of these great achievements of human development do not matter to them, because Tintswalo doesn't matter to them.

They are prepared to dismiss all of this progress because it does not serve their narrative of a failed nation, it does not serve their political aspirations, it does not serve their narrow interests.

They do not want a national democratic society. They want to preserve racial privilege and to reverse the fundamental social and economic transformation that is taking place in our country.

But what they do not realise is that the story of Tintswalo is not over.

Just as our journey as a nation towards a better future is not over.

We have travelled far and we have achieved much, but we have much further to go.

We are clear about the progress that we have made, the challenges that we face, and the actions that we must now take.

That is why we will continue, as we have always done, to build a better life for all of democracy's children.

In conclusion, I wish to express my gratitude to the Deputy President, the Ministers in the Presidency, Ministers and Deputy Ministers, the Director-General in the Presidency for the support and hard work.

I wish to thank the Speaker of the National Assembly, Chairperson of the NCOP, Members of Parliament, Premiers, traditional leaders and leaders of various non-governmental organisations.

As a nation, we continue to write the story of Tintswalo.

Through our collective actions, through our shared determination, we will ensure that all the Tintswalos of this country – together with their parent and grandparents – overcome the many challenges of the present.

By working together we will continue to write the story of our free nation and of a future of peace, comfort and prosperity for all.

I thank you.