



Province of the
EASTERN CAPE
ECONOMIC DEVELOPMENT,
ENVIRONMENTAL AFFAIRS & TOURISM

POLICY AND BUDGET SPEECH 2025/26



DEPARTMENT OF ECONOMIC DEVELOPMENT, ENVIRONMENTAL AFFAIRS AND TOURISM
2025/26 POLICY AND BUDGET SPEECH
Honourable MEC Nonkqubela Pieters 08 APRIL 2025

Honourable Speaker
Deputy Speaker
Honourable Premier
Members of the Executive Council
Honourable Members of the Provincial Legislature
Director General of the Province
Heads of Departments
Chief Executive Officers of our Public Entities
Captains of the Industry and Members of Business Community
Distinguished Guests
Manene nani manenekazi

INTRODUCTION

Honourable Speaker, as I stand before this august House to present the 2025/26 policy and budget speech for the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), and its group of public entities as we start the next five-year cycle of the 7th administration.

I am filled with a profound sense of responsibility and optimism as I stand not only to provide a path we must forge together in the betterment of the economy of the Eastern Cape Province, but to report on the progress we have made, despite global and domestic economic challenges. We have made significant strides in several key areas. In the words of his excellency, President Ramaphosa “We need to create a new economy that is built on the principles of inclusivity, sustainability and equality. Economic growth must benefit all South Africans”. That is what we strive to achieve.

OUR STRATEGIC VISION AND MANDATE

Madam Speaker, the Department of Economic Development, Environmental Affairs and Tourism exists to lead the development of an innovative, sustainable, and inclusive Eastern Cape economy. Our mandate focuses on fostering an environment that drives job-creating economic growth, while ensuring the sustainable management of our natural resources. We work with our public entities—ECDC, ELIDZ, Coega, ECPTA, ECGB, ECLB, and AIDC-EC—to effectively implement this mandate and maximize its positive socio-economic impact.

The department is fully committed to the Provincial Development Plan (PDP), hence it aligns its 10 priorities with the PDP. In addition, our priorities are shaped by the provincial growth frontiers: Agriculture, Manufacturing, Oceans Economy, Digital Economy, and Tourism. All of our initiatives and programs are strategically designed to advance these core priorities, with a strong focus on transforming the economy to ensure that all citizens of the Eastern Cape benefit.

ECONOMIC ENVIRONMENT

The global economy continues to stabilise following the disruptions of recent years. While developed economies show modest growth, emerging economies maintain higher growth trajectories. Eastern Cape's economic growth is projected at 2.8% for 2025, with expectations of a gradual improvement in the coming years.

Our provincial unemployment rate remains a serious concern though, at 36.6% in 2024 Q4, it requires decisive interventions from government and all social partners. We are also keenly aware of the impact that

global transitions - particularly in the automotive sector - are having on our economy, and we are actively working to mitigate risks while capitalizing on emerging opportunities.

SECTORAL ANALYSIS AND STRATEGIC INTERVENTIONS

Our economic strategy is informed by rigorous sectoral analysis that identifies both challenges and opportunities in our key economic sectors. Over the past year, we have completed comprehensive analysis in some sectors such as automotive manufacturing, sustainable energy, agro-processing, and tourism, yielding valuable insights that now guide our interventions.

Madam Speaker, these reviews have confirmed the critical importance of focusing on sectors with the highest job creation potential and multiplier effects across the economy. As a result, we have refined our approach to focus more intensively on targeted interventions in these high-potential sectors while addressing cross-cutting constraints to growth.

INCLUSIVE ECONOMIC GROWTH AND JOB CREATION

Sustainable Energy

Energy security remains fundamental to economic growth. I am pleased to announce that we have made substantial progress in our sustainable energy sector. From my previous policy speech, 1 wind farm of 69 megawatts has completed construction in 2024 and is feeding to an industrial customer through the national grid. The Eastern Cape now has 18 utility-scale Renewable Energy facilities at an operational phase, comprising 17 wind farms and 1 solar farm.

Two wind farms totalling 224 Megawatts are on track to complete construction and feed to the grid in 2025-2026, and another 547 Megawatts will be completed by 2026-2027. Cumulatively, this amounts to 771 Megawatts of wind farms currently under construction in the province, with an investment value exceeding R16.5 billion.

Together with our provincial peaking power plants, our renewable energy facilities will produce over 2,050 Megawatts of electricity generation capacity, against a provincial peak demand of 1696 megawatts.

This means that the Eastern Cape will produce more electricity than it consumes during times of optimal wind and sun conditions, while exporting extra electricity to the national grid. This marks a significant milestone in establishing the Eastern Cape as an energy hub of national significance.

Madam Speaker, over and above the projects under construction, I am pleased to announce that we have a pipeline of many thousands of megawatts of additional projects at an advanced stage of readiness, awaiting only the availability of transmission grid capacity to connect their power. In this regard, we are actively collaborating with the National Transmission Company of South Africa as they prepare high voltage power corridors for development in our Province. Once these corridors are completed, the vast energy potential of the Eastern Cape will be fully unlocked, including wind, solar, battery, liquid natural gas to power, and ultimately nuclear power. The province is committed to supporting the National Transmission Company in the finalization and construction of these crucial corridors, with the imperative for completion by 2029.

I am pleased to note that the South African Renewable Energy Masterplan was approved by Cabinet in March 2025. The plan will ensure that we harness low carbon industrialisation opportunities tied to the construction of wind, solar and battery storage facilities. Through our SEZs, we will make the Renewable Energy Masterplan meaningful in the Eastern Cape, driving industrial development by building inclusive renewable energy and storage value chains.

In line with this strategic imperative, we are supporting both our Special Economic Zones in their bids to upgrade and optimise their infrastructure for the generation and distribution of renewable energy. The

Special Purpose Vehicle (SPV) company between the Coega SEZ and IDC has been registered, and the rollout of the solar rooftop project will continue and will result in 20 Megawatts of installed generation capacity in the 2025/26 financial year. The CDC is further progressing the feasibility studies for the 100MW solar plant which matches the full energy requirements for the SEZ, while progress is being made with the Coega Liquid Natural Gas (LNG) to Power project. The Environmental Impact Assessment (EIA) process has commenced, and the Independent Power Producer (IPP) office will issue the RFI for the 1000-Megawatt power plant before the end of the 2025/26 financial year. The LNG infrastructure will contribute significantly to stabilising the national grid while bringing economic activity and jobs to the province.

The ELIDZ has also started its process to set up a special purpose vehicle, which will be utilised for various strategic projects including the development of a solar rooftop and energy storage facility within the zone.

Furthermore, the ELIDZ has a strong pipeline of renewable investment projects. The ELIDZ has 4 solar energy projects that have been approved to date and are at different stages of development. The total investment secured in this sector to date is R2,9 billion and will contribute substantially in diversifying the energy mix for industrialists that locate both in and out of the zone.

In terms of green hydrogen, in addition to the previously announced Coega Green Ammonia Project, I am pleased to announce that the East London IDZ has also secured investments of R365 million in the green hydrogen sector, which is currently at the Environmental Impact Assessment phase. These projects in the Coega SEZ and ELIDZ are now registered as national Strategic Integrated Projects, highlighting the importance of the Eastern Cape SEZs in the national energy transition.

As a province we are committed to fostering a supportive regulatory and investment environment for green hydrogen projects. In partnership with GIZ and the Council for Scientific and Industrial Research, we have conducted capacity and awareness workshops, and supported training on Green Hydrogen development, reaching over 180 decision-makers and core stakeholders in the province.

Madam Speaker, there is increased focus on global warming and industries globally have been setting targets to reduce their carbon footprint and to mainstream sustainable manufacturing practices. The automotive industry specifically is currently developing strategies to respond to the EU emission target which proposes to reduce greenhouse gas emissions by 55% by 2030. In response to the mounting pressure for the reduction of the global carbon footprint, industries have identified alternative energy as a critical production input. This is why industrial locations such as our Special Economic Zones are at the forefront of developing and implementing strategies to introduce renewable energy sources into the South African Energy mix. Thus, existence of renewable energy sources is becoming a key decision driver for companies that are considering manufacturing locations. By growing sustainable energy, we will sustain and grow our manufacturing sector.

MANUFACTURING

Automotive

The automotive sector continues to be heavily affected by major global challenges because our Original Equipment Manufacturers (OEMs) are head officed in Germany, United States, Japan and China. The Russia/Ukraine war has had major disruptions to OEMs in the province. The impact of the new US administration imposition of 30% tariffs on all South African imports to the US will definitely have an impact on our OEMs exporting into the US, and many more other geopolitical challenges.

The emergence of China as a major player in New Energy Vehicles (NEV) manufacturing requires us to rethink our policy approaches on the support we provide the automotive sector. This clearly shows that the next 10 – 100 years in the automotive sector in South Africa is going to look very different.

Madam Speaker, following the number of investments announced in the previous year, we are pleased to announce that there has been a further pledge of R200 million by First Automotive Works (FAW) Trucks towards their planned expansion which includes the development of platform for truck staging facility, wash bay and upgrading technology in its training facility. This investment will see the production of trucks increasing from 5,000 to 8,000 in the next five years and increasing number of people trained in advanced technology from 2,000 to 5,000 in the same period, skill which would be absorbed by industry.

Eight months ago, I made an undertaking, in this house, to have all 13 Electric Vehicle (EV) Charging Stations established across the province by the end of March 2025. Speaker, it gives me great pleasure to announce to the house that, through AIDC-EC we have successfully implemented the project, with all 13 EV Charging Stations established across our province. In the previous policy speech, we announced Libode and East London, and I am pleased to announce that 11 charging stations have been rolled out namely, in Gqeberha, Tsitsikamma, Komani, Port Alfred, Port St Johns, Maletswai, Makanda, Middleburg, Willowmore, Cradock, and Graaff Reinet.

Madam Speaker, anyone with an electric vehicle can drive all over the province, without range anxiety. At the back of this project, in October 2024 I officiated the sod-turning ceremony and the signing of the Memorandum of Agreement between AIDC-EC and Zero Carbon Charge, who are to spend R11billion to establish an additional 29 Off Grid EV Charging Stations in our province, over the next 5 years.

This investment is set to create 1 170 jobs across various construction and maintenance sites, contributing directly to inclusive growth, job creation, and the transition to a green economy.

DEDEAT remains committed to sustainable development, advancing government priorities of economic growth, poverty reduction, and lowering the cost of living for communities neighbouring the sites.

Madam Speaker, on skills in the automotive sector, we are cognisant that providing relevant engineering skills is paramount. Amongst several reasons that have propelled China to the first position in 22 years is the rate at which they invest in the essential and quality automotive engineering skills, innovation and future automotive product designs and drivetrain technologies. Currently the output rate in terms of the number of graduates annually and the relevance of that output to future needs, the comparison is non-existent between South Africa and leading countries like China and India. We have issued 42 bursaries for engineering and mechatronics students at Nelson Mandela University, via the Chair of Automotive engineering funded by the AIDC-EC. We therefore continue to support engineering skills development of our young people.

Madam Speaker, one of our key achievements over the past year has been the establishment of a strategic global partnership with the United Nations Industrial Development Organization (UNIDO). This partnership has secured €2 million (approximately R41 million) to support the creation of the Smart Industrial Academy, which will be implemented by AIDC-EC. At the heart of this initiative is the development of a robust pipeline of future skills, particularly in engineering, automation, and artificial intelligence. By investing in these crucial areas, we are not only equipping our workforce to meet the demands of the future but also ensuring that our industries remain competitive in the rapidly evolving global economy.

Madam Speaker, the province will host the prestigious Naacam Show 2025, which will be held from the 11-13 August 2025, in Gqeberha. The Eastern Cape Government, has availed R7million for hosting of the show. The event will be showcase value chain of automotive components manufacturers in the Eastern Cape. It also supports transformation, development and profiling emerging suppliers. This hosting **Madam Speaker** is expected to positively contribute to the economy through tourism and the Eastern Cape arts and culture. Conference delegates will be exposed to the Eastern Cape hospitality, enjoy local tourism experiences and take-home artefacts from our creative industry.

Naamsa has also committed to hold its 2025 SA Auto Week in the Eastern Cape Province in October.

In October 2024, the Coega SEZ formally inaugurated the Orion Engineered Carbons (OEC) Tank Farm in Zone 7. The Department of Trade, Industry and Competition (the DTIC) injected R272 million for the development of the two 18,000 m³ oil tanks while Orion invested R340 million into upgrading the plant and equipment. This strategic development marks a significant milestone in Coega's ongoing commitment to advancing South Africa's automotive and tyre manufacturing sector while driving economic growth and investment in the Eastern Cape. The solution saved approximately 7000 jobs in the Automotive, Tyre Manufacturing and associated value chain in the country.

Madam Speaker, The ELIDZ's efforts to grow its automotive footprint also yielded positive results in the last year. Chair as we speak, the DTIC has approved R256 million from its SEZ Fund and the ELIDZ getting ready to break ground to build a facility for a prominent OEM of commercial vehicles and this will strengthen the province's position as the automotive hub in Africa.

General Manufacturing and Industrialisation

Madam Speaker, we continue to make progress in the refurbishment of industrial parks to enhance their functionality, drive economic activity, and create jobs. The Dimbaza Industrial Park refurbishment project, covering Sites 3, 8, and 21, continues from the previous year Phase 1 of the project, valued at R68 million, is scheduled for completion by August 2025. To date, 21 MSMEs have been subcontracted, securing work valued at a combined R5.1 million, and 65 construction jobs have been created. The primary objectives of this project are to improve the condition and functionality of the identified factories, which will in turn enhance rental revenue collection and stimulate job creation in the area.

Furthermore, the Dimbaza Wastewater Treatment Works refurbishment, with an extended scope valued at R35 million, is set to resume in May 2025 and is expected to be completed by June 2026. This initiative is critical in ensuring that industrial activities in the area are supported by reliable and sustainable infrastructure.

Refurbishment efforts have also commenced at the Transido Industrial Workshops in Vulindlela Industrial Park, with a total budget allocation of R40 million. Phase 1, valued at R8 million, is scheduled for completion by July 2025, creating 22 construction jobs and opening opportunities for four MSMEs, valued at R1.2 million.

Madam Speaker, delays in the bulk infrastructure project at the Wild Coast Industrial Park, caused by licensing and permit application processes, have now been resolved. The R49.9 million project, funded by the Department of Trade, Industry, and Competition (DTIC), is set to resume in mid-April 2025 and will continue throughout the 2025/26 financial year.

To accelerate the operationalisation of state-owned industrial parks, we will enhance coordination, monitoring, and institutional support. The following key initiatives will be prioritised:

- Finalisation of the Transido Refurbishments in Vulindlela Industrial Park.
- Implementation of fencing refurbishment in Somerset East Industrial Park to enhance security and accessibility.
- Lobbying for R1 billion in infrastructure funding from Infrastructure South Africa to further support industrial park refurbishment.
- Engaging with DTIC to secure capital funding for top structures and approval for the Wild Coast SEZ as an extension of an existing Special Economic Zone (SEZ).

Madam Speaker, through these interventions, we are committed to revitalising industrial parks as economic catalysts that attract investment, drive industrial development, and create much-needed employment opportunities across the province.

Madam Speaker, through our Industrial Cluster Programme, we have continued to invest in skills development and industry support. Thirteen young artisans are currently being trained through the Tooling Artisan Programme in partnership with the Production Technologies Association of South Africa (PTSA), with completion set for this financial year. Additionally, Innovation remains a key driver of our industrial strategy. The Non-Automotive Manufacturing (NAM) Cluster, with R1 million in funding from the Council for Scientific and Industrial Research (CSIR), has successfully concluded the innovation development project for the Fort Jackson Industrial Park. We will now focus on the implementation phase, to establish an innovation hub in the upcoming financial year.

Additionally, our Manufacturing Support Centre remains a vital mechanism in assisting distressed manufacturing companies. In 2024/25 financial year, 54 cases were registered through our support portal, impacting 514 jobs. Companies requiring assistance ranging from startup funding to operational support—were referred to SEDA for business development, ECDC for funding through the Job Stimulus Fund, and IDC for additional financial support. The Job Stimulus Fund has provided financial support to 160 companies, totalling R12.2 million, thereby preserving 596 jobs, while R25 million is budgeted for the 2025/26 financial year.

Madam Speaker, we will continue with mentioned strategic interventions to strengthen the competitiveness of our manufacturing sector, attract investment, and create sustainable jobs. We remain dedicated to building an inclusive, innovative, and resilient industrial base that will drive the economic prosperity of the Eastern Cape.

Madam Speaker, significant progress has been made in tackling property invasions, particularly in Mthatha. Over the past four months, a coordinated intervention by the SAPS, the Department of Public Works and Infrastructure, Home Affairs, the ECDC, and other law enforcement agencies has curbed illegal occupations and reclaimed state-owned properties. This effort underscores our commitment to upholding the rule of law and protecting public assets.

While enforcement continues, the ECDC is also strengthening its long-term property management strategy. Through its Revised Property Development and Modernisation Strategy, the focus is on optimising assets to improve conditions, increase rental collection, and enhance tenant relations. This proactive approach will boost occupancy rates, stabilise revenue streams, and promote sustainable property development that drives investment, urban renewal, and job creation.

The ECDC is actively transforming its property portfolio to unlock greater economic potential. Over the next five years, it aims to attract R500 million in private sector investment through strategic initiatives, including public-private partnerships for underutilised land development, refurbishment of existing buildings, and the disposal of non-core assets in high-growth areas. Engagements with investors are already underway for commercial developments and mixed-use precincts in Mthatha, Butterworth, and Buffalo City.

A key priority is the establishment of MSME hubs and trading spaces to support informal businesses and inclusive economic growth. By leveraging its extensive property portfolio, the ECDC is not only generating revenue but also creating thriving economic nodes that drive investment, enterprise development, and sustainable urban transformation. Moving forward, we will continue working with stakeholders to ensure that government-owned properties are fully utilised for the benefit of the people of the Eastern Cape.

Driving Industrial Growth through SEZs and Investment Attraction

The Pharmaceutical and Vaccine Zone at Coega SEZ has now received full designation approval under the SEZ Act. This R685 million development is projected to increase vaccine production from 300 million doses per annum to 1.3 billion within the next five years, making a significant contribution to healthcare sovereignty in Africa.

Coega, continues to work with the DTIC and ensure the requirements for the incorporation of the Nelson Mandela Bay Logistics Park into the Coega SEZ are all met. This component supplier park is key to supporting the auto manufacturers in the province.

Madam Speaker, Our SEZs continue to perform exceptionally well despite challenging economic conditions. The 5th annual Coega Special Economic Zone Census Report 2023/24, launched in partnership with Statistics South Africa in Gqeberha, reveals remarkable economic growth for the SEZ, with total income surging 32.2% to R25 billion in 2024. Employment grew by 14.7% to 9,842 workers, with manufacturing remaining the dominant employer at 59.4% of jobs and youth employment increasing to 45% of the workforce. The number of operating enterprises expanded from 43 to 46, with non-manufacturing enterprises comprising 63% of tenants, though manufacturing still generated 70.2% of total income despite a slight decline from the previous year. Capital investment demonstrated robust growth with expenditure on new assets increasing 67.6% to R935 million, primarily directed toward plant, machinery, and equipment (47.7%) and capital work in progress (34.3%).

In the past 5 financial years, Coega signed 51 investors with a tune of R3.54 billion investment value and these should create about 6000 permanent jobs when they operationalised. The investments are across all sectors, with Logistics leading.

In the 2024/25 financial year the Discovery Health expansion of R8.99million has created approximately 120 operational jobs.

Dynamic Commodities completed their R450 million expansion, creating about 300 construction jobs and 1,800 seasonal operational jobs in 2024/25 financial year. This investment ensures primary Agri-products processing in the province for export markets.

Again San Miguel, an Argentinian investor injected R480 million into its lemon processing facility at the Coega SEZ, creating 120 operational jobs and additional 250 indirect jobs in the 2024/25 financial year. The investor is embarking on R80 million, Phase 2 expansion in the 2025/26 financial year which would see their production capacity increasing to 100,000 tons of juice concentrate per annum for exporting to 50 countries.

Mediterranean Shipping Company has signed a R400million investment to expand its existing facility in Coega and construction will start in the 2025/26 financial year.

The Coega SEZ Water Security Programme, valued at R1.77 billion, is being implemented and is estimated to create 528 direct and indirect job opportunities during the construction phase. This will ensure consistent water supply for investors and adjacent communities. Out of the 6 sections for project implementation, professional service providers have been appointed for 5 sites and construction has commenced in 2 sites. In expenditure for two projects in construction will be R308 million and will create 300 jobs in the 2025/26 financial year. Additionally, Coega in partnership with the Nelson Mandela Bay Metro is implementing a water programme valued at R1 billion, which mitigate the NMB's prevailing water challenges.

Our special economic zones continue to be important tools for not only developing the industrial landscape of our province but also transforming and diversifying industrial activity. I am proud to report that in the last five years, the East London Industrial Development Zone (ELIDZ) has attracted R9,2 billion worth of investments from 23 new investors. The bulk of these were in the automotive and sustainable energy sectors; however, the last two years have seen the advancement of new investments in the digital economy sector with some interesting emergence of black industrialists in the advanced manufacturing sector.

Since my last policy speech, the ELIDZ has attracted R4,6 billion worth of private sector investment (R4 billion in automotive; R368 million in energy; R192 million in energy) and there is excellent progress being made in the entity's efforts to attract investments and strengthen the localization of the digital economy

value chain in the region. Investments operational in the zone have seen a growth of 21.9% in their turnover and in the last twelve months have contributed R3.9 billion into the province's export basket.

Madam Speaker, looking ahead, the next five years will see the ELIDZ aiming to impact and grow sector value chains in dynamic sectors with promising longer-term spatial and rural economy socio-economic linkages benefits.

As part of its contribution towards township and rural economies, the ELIDZ is focusing on optimizing its industrial property that is in close proximity to rural and township areas. This includes the revitalization of Ntabozuko and optimization of its properties in Fort Jackson. While the majority of the zone's activities in the past have been concentrated on the West Bank of East London, as part of the zone's drive to unlock activities that will have stronger linkages to the township and rural economies, the ELIDZ will advance its plans to develop multi-sector clusters in Ntabozuko. This activity will not only revitalize old industrial areas in the province but would further spread the impact beyond the urban centres. Already the ELIDZ has signed a number of sustainable energy investments that will be setting up facilities in Ntabozuko and will advance its planning for other activities in the agro-industries, advanced manufacturing, and the automotive sector. The ELIDZ has applied to DTIC for the Ntabozuko site to be designated as an SEZ as this is integral in strengthening the zone's value proposition and positioning it for investment.

Madam Speaker, as we talk about advancing investments, it is important that we link this to one of the key priorities of our government which is to defend democracy and advance freedom by giving every South African their right to actively participate in the economy. The development and advancement of local industries has become critical in the wake of protectionist economic policies of some of the developed countries. There is no better time than now to strengthen and advance our local industries.

In line with this imperative, one of the key strategies by the ELIDZ for this five-year cycle is to develop, support, and strengthen the industrial capability of local industries and prioritize the support of transformation of the ELIDZ's investor profile through incubation and other industrial support tools and incentives.

As part of expanding the regional development and innovation ecosystem, the ELIDZ will focus on supporting innovation and development of new industrial capability in targeted and emerging sectors. It will also prioritize the promotion and participation of MSMEs in the economy.

Madam Speaker, the ELIDZ will also focus on expanding the province's industrial development and innovation ecosystem through its Science and Technology Park. In the last five years, the ELIDZ has trained 983 beneficiaries in various skills including automotive manufacturing assembly, renewable energy, digital forensics, cloud computing, additive manufacturing, and info-preneurships. Young, innovative South Africans have also been supported through the Science and Technology Park to develop, test, and commercialize a number of innovations in technology development and manufacturing, software and application development, and general manufacturing.

The ELIDZ has just completed the construction of its manufacturing incubator, which will see the ELIDZ identify, harness, and commercialize the innovations of young industrialists of our province. The R86 million project was jointly funded by DEDEAT (R32 million), Department of Trade, Industry and Competition (R32 million) and ECDC 's Economic Development Fund (R12 million). The shared infrastructure in the incubator, will assist with giving these industrialists the springboard they need to leap into new heights of industrialization. We will be launching the incubator in the first quarter of 2025/26 and as we sit here, the incubator is being operationalised and 7 entrepreneurs have been given an opportunity to realise their dreams of setting up manufacturing facilities and building their manufacturing capability. We have ensured that there is diversity in sectoral representation and the 7 incubates are in the agro-processing, jewellery and textile manufacturing, renewable energy, logistics and automotive sectors.

Moreover, the next 5 years will see the ELIDZ Science and Technology Park (STP) mainstreaming skills development and technology transfer capabilities to support innovation and develop the participation of MSMEs in the economy. For the next five years the ELIDZ is targeting to train 1000 youths in various manufacturing and digital capabilities.

Madame Speaker, I am happy to announce that the Coega Maths and Science Programme celebrated 12-year success having impacted over 1000 lives, with R12million spent over the years. This Corporate Social Investment (CSI) Programme is designated to give an opportunity to Maths and Science matriculants to improve their Maths and Science results, thus enabling them to enter STEM study fields. In 2024, this programme achieved a 100% pass. We have in our midst some of the beneficiaries of this programme, which has opened doors for young South Africans. In the current financial year R1.2million has been set aside, and 100 learners have been admitted into the programme. In the next 5years Coega targets to expand the reach of the programme and pilot online learning to accommodate learners who are not based in Gqeberha.

The Eastern Cape Economic Development Fund (EDF) was launched in mid-2023. It is an investment instrument that carries the dual mandate of activating industrial development and economic growth in the province, together with leveraging external private sector investment through cooperative catalytic initiatives. ECDC has been appointed as the fund manager with a view to driving the developmental and commercialisation agenda of the Fund. The Fund carries an initial 10-year time horizon with a view towards capital preservation and generating of investment returns through strategic commercial investments and developmental loan funding agreements

The Fund has been capitalised over the past two fiscal periods to the value of R130 million to-date. Having strategically allocated part of its funding base to:

- Financing instruments geared to social and informal enterprises (sub-MSME),
- multi-level MSME support,
- Automotive sector transformation through a purpose-built blended financing instrument,
- Supplier-development and value chain expansion, agro-processing and agricultural value chain support infrastructure with a view to greater commercialisation in the agricultural sector

The Fund has effectively leveraged an additional R117.3 million through these funded initiatives via co-funding partners from the private sector and other finance institutions. This has resulted in funded initiatives creating 1,426 jobs and benefiting 852 enterprises and individuals. This confirms the EDF as a key instrument for industrialisation, blended finance, and project preparation.

Madam Speaker, in the 2025/26 financial year, with a R50m allocated for the fund, we are placing a significant emphasis on commercialisation in sectors that carry the potential for the province to solidify a comparative advantage. One such sector is the agricultural sector where we expect a healthy pipeline of transactions, while working with sister entities to consolidate efforts in deal origination. The Fund is expected to play a key role in strategic commercial ventures across the province, with a transaction pipeline that spans manufacturing, agro -processing, audio-visual, oceans economy, infrastructure leveraging, specialist agriculture, automotive and other sub-sectors.

Between 2025 to 2030, the ECDC will facilitate R10 billion worth of investments outside the SEZ areas, a significant increase from the R5.2 billion achieved over the past five years. In relation to trade promotion, a target of R1.7 billion has been set, representing growth of R600 million compared to the R1.1 billion worth of trade facilitated in the previous five years. These activities are expected to create 20,800 jobs, a notable growth from the 16,525 achieved previous five year cycle.

INVESTMENT ATTRACTION, PROMOTION AND FACILITATION

Through consistent monitoring and support provided to the private sector, we have successfully operationalized numerous investment projects in the province. Several projects have reached completion, including those by Formex Industries and Jendamark Automation, while others have successfully launched new retail offerings such as Shell Hemmingways and Bokleni Shopping Centre. We are seeing plenty of retail investment in the Eastern part of the province this will not only add to the attractiveness of these areas as business location but also create the much-needed jobs. The already pledged retail commitments in the province will create more than 500 jobs.

Our three provincial investment agencies, the Eastern Cape Development Corporation, Coega Development Corporation, and East London Industrial Development Zone—have attracted investments exceeding R16 billion over the past four years. In addition to these we do acknowledge and appreciate private investment across the province.

Looking ahead, over the next five years, these entities are targeting additional investments valued at R17 billion, with R1.7 billion specifically targeted for the 2025/26 financial year.

Up to the 3rd quarter of the last financial year, the three provincial investment promotion entities had already attracted investment with a value of R7.9 billion with renewable energy, automotive, agro-processing sector being contributors to this achievement.

Honourable Speaker it is quite encouraging that we continue to see investors still showing faith in our province as suitable location for the businesses. This is demonstrated by Coega steel, San Miguel and Mediterrean Shipping Company all expanding their operations in the province with a combined value of R515 million.

To realise the much-needed jobs and actual investments in our province it will be important that the investments we secured in the last financial year and the investment pledges we generated from the previous two investment conference are realised. For these investments to be operationalised,

Honourable Speaker government will work with the private sector to ensure proper support is provided by leveraging the Provincial Investment Council, investment coordination structures and services provided by Eastern Cape Invest SA One Stop Shop.

TOURISM DEVELOPMENT AND MARKETING

Honourable Speaker, Over the past five years, the Eastern Cape has seen remarkable growth in domestic tourism from 2 million visitors in 2019 to 6 million in 2023 with an estimated 4 million domestic tourists recorded for three quarters of 2024. International arrivals, although still recovering from 410,662 in 2019 to 298,088 in 2023, reached 202,663 during the same period, making the province the third most visited with a 14.9% market share. Looking ahead, ECPTA's ambition is to add an extra 1 million domestic visitors and grow international traffic by 100,000 over the next five years.

To meet these ambitious targets, ECPTA has rolled out a comprehensive integrated digital and marketing plan, backed by a R2.7 million budget. The plan is built on eight smart pillars. Six of these pillars continue to drive our proven strategies—ranging from engaging digital campaigns and strong stakeholder collaborations to dynamic media partnerships and targeted direct marketing. The two new game-changing pillars are one, to position the Eastern Cape as a premier filming destination, and to showcase its rich cultural heritage. These new elements are designed to diversify the EC tourism offerings and capture broader markets, setting the stage for sustainable growth.

Beyond these pillars, ECPTA plans to feature key initiatives aimed at enhancing tourism quality and extending visitor stays, ECPTA looks to revive the Lilizela Tourism Awards and move forward with the newly

launched Homestay Awards, this to be able to encourage diversification of tourism offerings. The length of stays in 2019 was 10.5 days which grew to 17.7 days in 2023 per itinerary, with the tourism sector targeting to increase this by 5 more days making the length of stay 20 days over the next 5 years. It then becomes imperative for EC to ensure travellers are curated enticing experiences that keep them in the province thus driving job creation and boosting economic growth. In addition to this ECPTA has been allocated R18.4 million toward improving tourism and hospitality services at provincial nature reserves. This particular investment looks to modernise the facilities and elevate guest experiences, transform them into competitive and attractive facilities for both domestic and international tourists. All perfectly aligning with provincial development goals.

Madam Speaker, we have secured R150 million from National Treasury to develop tourism infrastructure in these nodes, with a focus on community-owned tourism enterprises. This funding will support the development of 25 new tourism products over the next three years, creating an estimated 3,500 direct and indirect jobs in the tourism value chain.

The strategy also includes a comprehensive Tourism Skills Development Programme that will train 2,000 youth in hospitality, tour guiding, and tourism management. This programme is being implemented in partnership with CATHSSETA and the Department of Higher Education and Training.

We appreciate and welcome the confidence shown by National Government to the Eastern Cape province by identifying our province to host 7 G20 working groups. This opportunity allows Eastern Cape to showcase its cultural heritage and tourism, thus, contributing to the development of the province's economy.

CREATIVE AND CULTURAL INDUSTRIES

Madam Speaker, the current budget for the film sector stands at R5.9 million, consisting of a R1.9 million balance from the 2024/25 allocation and a R4 million transfer, which will partially fund the R6.5 million required for ongoing projects. In the previous financial year, the ECDC was allocated R16 million, including R12 million in direct funding and R4 million from the Film Infrastructure Fund.

A total of R6.9 million was committed to eight film productions, attracting R90.1 million in investment to the province. Additionally, R1.9 million supported film festivals and marketing initiatives, such as premieres, exhibition stands, booklets, and promotional videos that highlight the Eastern Cape's cinematic potential. This investment was partially offset by R240,000 raised in partnership with the National Film and Video Foundation (NFVF).

Madam Speaker, in 2025/26, we will commission a study to assess the economic impact of the Eastern Cape's growing film and television industry. Productions like *Gqeberha: The Empire*, *Survivor South Africa*, *Dam*, *Wild Is the Wind*, *Tempting Fortune*, *Blood Psalms*, *Kaalgat Karel*, and *Knuckle City* have established the province as a sought-after filming destination. Sinabo apha abanye babantwana beliphondo ebebekhe baxhamla kwezi productions.

Understanding this sector's contribution to economic growth and sustainable development is critical for guiding future investments and policy direction.

Having allocated a budget of R78m for the field of Film Fund production in the MTEF, of which R27m of the allocation is for the 2025/26 financial year ECDC has already received six film project proposals for 2025/26, with a combined budget request of R9 million. These projects are expected to leverage R63.5 million in investment, create 221 jobs across various production roles, and support 59 MSMEs in catering, transport, technical services, and equipment rental. This growing pipeline will be further strengthened with the upcoming 2025/26 funding call.

To support local talent, the ECDC, in collaboration with the Eastern Cape Provincial Arts and Culture Council (ECPACC), will introduce a mentorship programme for four emerging filmmakers. The selection process

will take place during the 2025 Eastern Cape Film Expo in Makhanda, where the chosen candidates will develop and produce feature films shot in the province. Industry experts will provide hands-on guidance, working closely with broadcasters, production companies, and streaming platforms.

This initiative aims to reduce reliance on external productions, ensuring the long-term sustainability of the Eastern Cape's film industry. With the potential to attract R30 million in investment, it will further cement the province's reputation as a key player in South Africa's film and television landscape.

Madam Speaker, the film sector is steadily emerging as a key economic driver in the province. Through targeted investment, skills development, and market expansion, we will enhance its contribution to job creation and cultural storytelling, solidifying the Eastern Cape as a premier destination for film production

Madam Speaker, building on our success in the film industry, we have developed a comprehensive Creative Industries Development Framework that extends support to other creative sectors including music, performing arts, visual arts, and digital media. This framework aims to position the Eastern Cape as a creative hub, contributing to job creation and economic diversification.

Under this framework, we have established three Creative Industry Hubs in Gqeberha, East London, and Mthatha. These hubs provide creative entrepreneurs with access to specialized equipment, training, and market linkages. In the first six months of operation, these hubs have supported over 150 creative entrepreneurs and facilitated sales worth R3.5 million.

We have also partnered with international streaming platforms to showcase Eastern Cape creative content globally. This initiative has already resulted in five licensing agreements for locally produced content, creating sustainable revenue streams for our creative practitioners.

OCEANS ECONOMY

Madam Speaker, Tourism coastal infrastructure projects at Cape Morgan, Hluleka, Mkhambathi, Silaka, and Dwesa nature reserves have been completed, enhancing visitor experiences and supporting our coastal tourism strategy.

In addition to the provincial nature reserves, ECPTA is responsible for the Marine Protected Areas, Pondoland, Hluleka, Dwesa-Cwebe and Amathole as per the assignment by Department of Forestry, Fisheries and Environment (DFFE). Currently ECPTA is embarking on establishing co-management agreement on fisheries management to involve communities in management and decision making and unlock benefits resulting from fish spill-overs from the marine protected areas. This will be done in collaborations with fisheries directorate within DFFE and other NGO's".

Madam Speaker, I am delighted to report that our province's cruise tourism sector is experiencing remarkable growth, further diversifying our tourism economy and creating valuable opportunities for our communities.

The Port of East London has welcomed six cruise ships during the current 2024/2025 season, up from five vessels in the previous season. This growth highlights Buffalo City's emerging position in South Africa's cruise tourism landscape. During the 2023/2024 season, these five cruise ships contributed an estimated R12-15 million to the local economy. With the increased arrivals this season, we project economic benefits of R15-18 million for Buffalo City.

Nelson Mandela Bay's cruise sector is showing even more impressive development. During the 2023/2024 season, 37 cruise ships docked at the Port of Gqeberha, bringing approximately 45,000 passengers and generating over R81.5 million in economic contributions. For the current season, we anticipate 40-45 cruise liners visiting Nelson Mandela Bay, with projections indicating an economic impact between R85-95 million.

The higher economic impact in Nelson Mandela Bay is partly attributed to some cruise liners staying overnight, allowing passengers more time to explore and spend in the city.

Buffalo City offers unique advantages as a cruise destination, with its proximity to world-class safari experiences and rich cultural heritage. Passengers can explore the Eastern Cape's diverse attractions, from Big Five private game reserves to authentic Xhosa cultural encounters and historic landmarks. Similarly, Nelson Mandela Bay provides distinctive experiences that continue to attract international cruise lines to our shores.

Beyond traditional cruise tourism, our province has benefited from special maritime visits. The SA Agulhas II, South Africa's state-of-the-art polar research vessel, recently docked at the Port of East London, offering residents a rare opportunity to engage with experts in marine research and learn about career opportunities in ocean sciences. Additionally, the Logos Hope – the world's largest floating book fair – docked in both East London and Gqeberha during the 2023/2024 season, bringing educational, cultural, and economic benefits to our communities.

The Eastern Cape Parks and Tourism Agency has been instrumental in developing this sector, facilitating cruise line workshops in both metros and engaging with key national tour operators including Akorn, Amazing Africa, and Afri Centric. Through collaboration with Amazing Africa, ECPTA has also engaged directly with agents from Silversea Cruises, expanding our province's reach within the luxury cruise segment.

To maximize the economic benefits from cruise tourism, we are pursuing five strategic priorities: increasing cruise dockings through stronger partnerships with global operators; enhancing regional economic opportunities by promoting high-impact experiences; investing in improved portside infrastructure; showcasing the wider Eastern Cape as a multi-destination hub; and supporting SMMEs to ensure benefits reach local businesses through initiatives such as curated craft markets and authentic local experiences.

DEDEAT has gazetted and published the list of Boat Launch Sites along our coastline. The sites serve as access points for small scale fishermen as well as access for Recreational Activities. Boat Launch Sites are under Municipalities. In return municipalities outsource them to specific groups that are managing them on their behalf. Environmental Management are drafted and implemented under guidance from DEDEAT. The published launch sites will be reviewed in 5 years, the process is open for any new applicants to start working now for consideration in future. Fishing Co-ops are encouraged to use the registered boat launch sites in their areas.

Madam Speaker, with these focused interventions, Buffalo City and Nelson Mandela Bay will continue to enhance their positioning as high-value cruise destinations, bringing sustainable economic benefits to our coastal communities and strengthening the Eastern Cape's tourism profile on the global stage.

Madam Speaker, I am proud to highlight the Tsweleni Rock Lobster Project, a transformative initiative that exemplifies our commitment to developing sustainable livelihoods in our coastal communities.

The Tsweleni Rock Lobster Project is a transformative initiative that brings together seven small-scale fishing cooperatives in Tsweleni Village, Port St Johns, with a shared vision of strengthening the rock lobster industry and driving sustainable economic growth in their communities.

These cooperatives collaborate with Rekaaseed, an aggregator that purchases rock lobster from them, processes it, and sells it to established markets. The cooperatives have successfully secured commercial buyers in Durban and the Western Cape, with the latter proving to be a strategic market due to its lobster season operating at different times from that of the Eastern Cape. This allows for continuous supply and year-round market engagement, ensuring financial stability for the fishers.

To enhance their operations and improve coordination, the cooperatives have received financial support from the Imvaba Cooperatives Fund, with a total investment of R2.8 million. Each cooperative was allocated R400,000, which has been utilised for two critical purposes:

- Acquisition of a specialised lobster holding facility (valued at R1.7 million) to store and maintain live lobsters before transportation to buyers. This facility was previously owned by Wild Coast Abalone, which has since exited the area.
- Operational support for the holding facility, including stock purchases, salaries, security, electrical upgrades, transport logistics, and fishing permit acquisitions.

Recognising the need for efficiency and sustainability, the seven cooperatives have established a secondary cooperative to own and manage the newly acquired holding facility. This consolidation enhances coordination, strengthens market positioning, and fosters long-term collaboration within the local fishing industry.

The holding facility plays a pivotal role in preserving the quality and value of the lobsters. Equipped with seawater-filled pools that replicate natural conditions, it ensures that lobsters remain alive and in optimal condition before being sold and transported. This critical infrastructure not only enhances product quality but also increases market competitiveness for the cooperatives.

Funding for this initiative is being disbursed in stages based on project needs, with ongoing monitoring and support to ensure long-term success. Through this initiative, small-scale fishers are being empowered to participate meaningfully in the ocean economy, creating jobs and promoting inclusive economic growth in the province.

The beneficiary cooperatives are:

- Lower Lumphoko Primary Fishing Cooperative
- ALZB Industries Primary Cooperative
- Manxokweni Fishing Primary Cooperative
- Ndluzula Fishing Primary Cooperative
- Rhebu Fishing Primary Cooperative
- Nxonxa Fishing Primary Cooperative
- Mhadini Fishing Primary Cooperative

This initiative is a testament to the government's commitment to supporting small-scale fishers, strengthening the ocean economy, and driving rural economic development in the Eastern Cape.

Madam Speaker, the Department has fulfilled its mandate under Regulation 2 of the Public Launch Sites Regulation, as required by the National Environmental Management: Integrated Coastal Management Act (ICM Act), by publishing a list of 51 Public Boat Launch Sites for public comment. These sites are distributed across 11 coastal local municipalities within the province's four coastal districts and two metropolitan areas.

The public commenting period has now concluded. The Department is currently reviewing all feedback received and ensuring that each launch site has an approved operational plan. Once this process is complete, I will publish the final list for implementation throughout the Province. Notably, two of these sites - Hamburg and Mzamba - have been identified as potential locations for small harbour development.

These public launch sites play a crucial role in providing ocean access for citizens operating small watercraft. They are vital components of the Oceans Economy, creating local economic opportunities through tourism and fishing activities.

The annual Sardine Run, which occurs between May and August along South Africa's east coast, represents a significant tourism draw. This natural migration of sardines generates substantial revenue for coastal towns and resorts including Port St. Johns, Mbotyi, and Wavecrest.

Additional economic opportunities stem from activities utilizing these launch sites, such as recreational fishing, shark cage diving, scuba diving, and film production related to marine tourism operations. The Department maintains close collaboration with the Department of Forestry, Fisheries and the Environment to ensure, wherever possible, that public launch sites are established near small-scale fishing cooperatives, allowing these communities to operate vessels if desired.

AGRO-INDUSTRY

Madam Speaker, agro processing remains a key focus area, with agriculture consistently performing well in our provincial economy. We have successfully coordinated the Agro-Industry Development Implementation Plan, supported agro-processing industries through interventions like Hazard Analysis Critical Control Point (HACCP) training, and strengthened the Agro-Industrial Manufacturing (AIM) Cluster.

The Government Procurement of Agricultural Products model, developed in partnership with Provincial Treasury and the Department of Agriculture, will be implemented to systematically integrate small-scale farmers into value chains for mainstream government procurement.

Madam Speaker, the ECDC remains a critical driver of industry development support in our province. Working in close collaboration with the ECRDA, it is at the forefront of advancing the 7th Administration's strategic priority, accelerating agricultural commercialisation. This initiative is not just a policy commitment; it is a game-changing intervention aimed at unlocking the full potential of our agricultural sector.

To realise this vision, a strong and coordinated partnership between the Department of Agriculture, the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT), ECRDA, and ECDC is essential. Together, we are aligning efforts in primary production, logistics, processing, farmer development, funding, and market access, both locally and internationally. This sector must be rapidly developed to create employment, alleviate poverty, and reduce inequality, particularly in our rural communities, where vast tracts of fertile land remain underutilised.

Key Investments & Strategic Initiatives

Madam Speaker, through targeted investments and strategic initiatives, we are making significant strides in transforming the agricultural landscape of the Eastern Cape:

- **Agro-processing Route-to-Market Support:** ECDC has successfully leveraged over R65 million in funding and resources from an initial investment of R24 million, benefitting key sectors such as fresh produce, citrus, mohair, grain, and fisheries.
- **Fresh Produce Packhouse in Mthatha:** A landmark investment of R15.4 million will establish a packhouse in the 2025/26 financial year. This facility will provide a market access pathway for at least 100 fresh produce farmers, enabling them to tap into formal markets and government procurement opportunities.
- **Grain Storage Industry Development Plan:** Recognising the urgent need for commercial grain storage, the ECDC, in collaboration with the National Agricultural Marketing Council (NAMC), will finalise a comprehensive development plan by August 2025.
- **Mohair Industry Support:** With an investment of R1 million, nine black mohair producers will be equipped with shearing and processing equipment, strengthening their participation in this high-value industry. This initiative is in partnership with the Mohair Empowerment Trust.
- **Citrus Sector Growth:** Through collaboration with the Citrus Growers Association: Grower Development Company (CGA: GDC), we have supported 11 citrus producers in achieving Global GAP certification and four producers in obtaining Sustainable Initiative South Africa (SIZA) certification, both critical for enhancing export market readiness.
- **Gamtoos Citrus Packhouse:** The feasibility study for the establishment of a state-of-the-art citrus packhouse has been completed. This project, with an estimated investment requirement of R65 million, will be further developed in the 2025/26 financial year.

Madam Speaker, these investments are more than just numbers on a balance sheet, they represent our unwavering commitment to building a resilient and inclusive agricultural economy. By unlocking opportunities for our farmers and agribusinesses, we are fostering economic growth, strengthening food security, and laying the foundation for sustainable rural development in the Eastern Cape.

DIGITAL ECONOMY

Madam Speaker, I am pleased to report that our province continues to make significant strides in positioning itself as a competitive player in the digital economy. The East London Industrial Development Zone is developing an ambitious multi-purpose ICT Hub as part of its comprehensive ICT strategy and in the last year, the provincial government has invested R76 million into the construction of a state-of-the-art data centre at the ELIDZ. The construction of the EL IDZ data centre project is completed and will be launched in this financial year. The facility will be operated by the EL IDZ and will be data selling racks to private sector companies, Carrier Hotels, and to SITA;

What is even more rewarding is that this catalytic project has now attracted two other investments from the private sector, with significant upstream and downstream potential for small and medium enterprises in the digital economy sector. These investments will be launched during the 2025/26 financial year.

As provincial government we have, in the last financial year been lobbying DTIC to fund the construction of an 800 seat Business Process Outsourcing facility in the ELIDZ and as we closed the 2024/25 financial year, the DTIC has approved the funding for this facility and construction will kick-off in the Q2 of the 2025/26 Financial Year. The BPO sector is a job intensive sector and we believe it will contribute to further reducing the province's unemployment rate. Furthermore, there are advanced plans to transform the zone into a Smart Industrial Park, which will substantially enhance the ELIDZ's value proposition within the digital economy ecosystem.

The Eastern Cape is steadily establishing itself as a hub for business processing operations, leveraging our provincial value proposition and the enabling environment provided by our two Special Economic Zones. This strategic positioning is already bearing fruit. In the 2023/24 financial year, we welcomed investments from two international business processing investors, Outworx and Teleperformance. Building on this momentum, last year we celebrated the arrival of another international investor, Interact, which has established operations in Gqeberha.

These investments represent more than just financial commitments to our province they are votes of confidence in our infrastructure, our workforce, and our business environment. They bring with them not only capital investment but also valuable skills transfer, job creation, and integration into global value chains.

In this financial year, we will continue to work collectively with industry stakeholders to develop and promote the Eastern Cape as an ideal location for Business Process Outsourcing operators. Our approach involves showcasing our competitive advantages, which include a skilled and cost-effective workforce, robust infrastructure, government support, and an excellent quality of life.

Madam Speaker, these developments in our ICT and BPO sectors align perfectly with our broader economic diversification strategy. By embracing the digital economy, we are not only creating immediate employment opportunities but also building the foundation for sustainable economic growth in an increasingly digital world.

Madam Speaker, we believe that digitization and advancement of the digital economy is critical in building the capability of our country and our continent. Key to the programmes that the entities will focus on in this current period will be driving progress in the digital economy sector through the attraction of investments in digital infrastructure and services.

The SEZs have amassed critical capability that could contribute a great deal towards building a capable state. As government, we will be intentional about utilizing the resources of the SEZs to not only solve challenges for investors but also for government, enabling us to be more efficient and more effective in meeting our developmental aspirations.

MICRO, SMALL AND MEDIUM ENTERPRISES (MSMEs)

Honourable Speaker, improving access to finance for Eastern Cape enterprises remains critical for stimulating economic growth. Over the past five years, the provincial government has invested over R554 million in Eastern Cape-based MSMEs and cooperatives through financial loans and incentives. From April 2019 to December 2024, the ECDC has provided business loans worth approximately R271 million to 618 MSMEs. These loans were augmented by financial incentives of over R222 million, of which just above R91 million was spent on supporting 209 cooperatives across the Eastern Cape.

For the past five years, the ECDC has disbursed a total of R225.75 million to 740 small enterprises, with women and youth constituting 255 and 172 recipients respectively. In the same period, 1,081 enterprises received business development services, with women and youth constituting 638 and 387 beneficiaries.

In the period between 2025 to 2030, the ECDC has committed to leveraging between R500 million and R1 billion for direct MSME funding, with a target of creating between 10,000 and 15,000 jobs through development finance-related services.

Madam Speaker, MSMEs are vital to our economy, and we remain committed to strengthening their growth. In 2025/26, we will provide financial support to 400 MSMEs and 60 cooperatives, while leveraging R120 million in investment funds to stimulate enterprise expansion.

To build capacity, 400 MSMEs will receive training and development support, equipping them with skills to sustain and grow their businesses. Our efforts will also facilitate 320 jobs through direct funding and create or preserve 650 jobs via the Jobs Protection, Stimulus, and Imvaba Funds.

Beyond funding, we will enhance market access, mentorship, and procurement opportunities, ensuring MSMEs thrive in a competitive economy. Through these interventions, we reaffirm our commitment to fostering small business growth, job creation, and inclusive economic transformation.

Speaker, the department also collaborates with the Eastern Cape Automotive Industry Forum (ECAIF) through the Eastern Cape Development Corporation (ECDC). ECAIF, a special-purpose vehicle comprising Tier 1 to Tier 3 automotive suppliers in the Eastern Cape, has strengthened its business accelerator initiatives by establishing the Origin Incubation Programme in 2024. This programme aims to onboard 10 companies and is designed to equip micro, small, and medium enterprises (MSMEs) with the necessary skills and expertise to meet the stringent requirements of major automotive customers.

Madam Speaker, the Imvaba Fund has supported 163 cooperatives across all sectors, creating job opportunities for 345 women and 186 youth. For the non-financial support to cooperative enterprises the department has in 2024/25 financial year, exceeded the set target of 200 by supporting 250 cooperatives. This was made possible through the collaborative approach with other strategic partners mainly the DGRV a Germany based cooperative operating in Southern Africa, former Cooperative Development Agency (CBDA) ECDC, Department of Social Development, National Development Agency (NDA) and Municipalities. The fund has been allocated an MTEF budget of R67.7m, of which, R25m thereof will be utilised In the 2025/26 Financial year to ensure that work continues.

Madam Speaker, with regards to supporting Micro Small Medium Enterprises (MSMEs) in the aftermarket, the AIDC-EC spent the past 18 months visiting sites of MSMEs and created a database of 125 MSMEs, making them ready for the following projects that will take prominence in 2025/26 financial year:

- Occupational Health and Safety compliance audits.
- The AIDC-EC will support those MSMEs who have been diagnosed with the needed hoists, diagnostic tools and equipment at the budget of R20.4m
- The AIDC-EC has also secured R14million from MERSETA to conduct the Automotive Technical Skills Training and Artisans Recognition for Prior Learning of technicians.

We have supported 30 young students in pitching their business ideas at a national competition hosted by the Young African Entrepreneurs Institute (YAEI) in partnership with Absa Bank. Our collaboration with YAEI through a Memorandum of Understanding ensures a coordinated approach to supporting youth entrepreneurship and new venture creation. The three (3) successful young entrepreneurs who participated in the National Pitching competition in Gauteng during December will each be awarded R100 000 by ABSA for the implementation of their projects in May 2025. We have in our midst the CEO of YAEI and the winners.

As part of our partnership with YAEI, we will have the Entrepreneurship Financial Inclusion symposium that will be held at Walter Sisulu University – Butterworth Branch in partnership targeting 200 potential youth enterprises in the Province. Top 30 of these proposals will represent the province at the national level. Furthermore, the department will host a provincial Youth Economic Summit in June 2025 to engage with different stakeholders for the development of a programme that will empower youth to participate in the mainstream economy by aligning with other programmes implemented by EC Youth Business Council and other relevant structures.

Honourable Members, our partnership with the Disability Economic Empowerment Trust (DEET) exemplifies our commitment to disability inclusion beyond our own walls. Through DEDEAT funding, DEET has shifted from a welfare-based approach to an empowerment model that creates pathways to economic independence. Their programmes have benefited over 20,000 persons with disabilities across our province. DEET has registered businesses owned by persons with disabilities and provided training on supply chain access, while their job readiness programmes have helped over 4,000 people, many of whom found employment. They've delivered specialised skills training in rural development, artisan skills, ICT for blind educators, and driver training for persons with physical disabilities. Our R13.5 million investment over the past six years has helped leverage a total of R99.4 million through partnerships with organisations like the Transport Education Training Authority, the Education, Training and Development SETA, and the National Skills Fund. This demonstrates how targeted funding can create ripple effects, touching thousands of lives. As we say, "Akukho ntaka inokubhabha ngephiko elinye" - no bird can fly with one wing. We need all our people, with all their diverse abilities, to soar as a province. Through DEET, we're breaking down barriers and creating economic opportunities where none existed before. I am pleased to announce that our partnership with DEET will continue in the coming years, with funding allocated to further develop their successful programmes across all districts.

INFORMAL TRADERS

For the 2025/2026 financial year, the department will expand the programme to cover all the six districts by targeting 100 micro enterprises and 350 micro enterprises over the MTEF period. The total budget is R3 Million for the current financial year and R 7 Million for the MTEF period. The intervention is necessitated by the increasing needs of the micro and informal business sector. Therefore, it is an intentional approach to provide the incentives in order to increase the rate of formalization of these small enterprises in order to play a meaningful role in the economy.

The implementation will be done through collaboration with other enterprise development ecosystem providers (SEDFA, ECDC and SITAs) to ensure that they are provided with needed skills to operate the businesses in a more profitable manner.

SPAZA SHOPS

The department in collaboration with EC COGTA has been able to monitor progress on the registration of spaza shops as per the instruction issued by the President as the result of the outbreak of the food borne diseases that led to loss of life around the country including the EC Province. The number of registration centres across the province is 52 found in all six districts and the two metros. It has been reported that many municipalities are still lagging behind on having automated licence system as they use manual system. The number of applications received for permits is 9505 in the EC Province. The applications received where the owner is a foreign national is 5118. An awareness campaign will be undertaken in 2025/2026 financial year to share business opportunities for South Africans in particular the Youth who may have interest in the retail sector.

Various interventions have been made including the closing down of the spaza shops that are not compliant and to date 517 food handling stores have been shut down. Furthermore, ongoing inspections are being conducted and a total of 8468 inspections were done. Training interventions are implemented on continuous basis with the aim to ensure the food handling outlets are aligned with the regulatory requirements for trading in the respective Municipalities. The department will be working with the department of small business to ensure that the Micro enterprises including spaza shop will benefit from the R 500 Million that will be launched by The ministers of The DTIC and DSBD on the 8th April 2025 in Soweto. The fund is aimed at supporting South African owned township community convenience stores, including Spaza Shops to increase retail sector in the rural and township areas. The department working with EC Cogta will be monitoring registration centres operating at Municipalities, collect Provincial reports and statistics on business licensing and registration, geo mapping the spaza shops and food outlets in districts, and undertake joint inspections with law enforcement agencies in Municipalities. Furthermore, provide ongoing training in collaboration with development agencies.

BUSINESS REGULATION

Liquor regulation

Madam Speaker, the Eastern Cape Liquor Board continues to fulfill its mandate as a regulatory authority with impressive results. In the previous financial year, the ECLB generated R21.9 million in licensing fee revenue, contributing to R104 million to the Provincial Fiscus during the past five-year cycle.

On March 1, 2025, the amended Eastern Cape Liquor Act of 2003 Regulations came into effect, introducing more stringent licensing requirements with emphasis on public health and safety. A key change increases the required distance between educational institutions and liquor outlets from 100 meters to 500 meters, providing greater protection for our youth. We have also raised license fees, particularly in the on/off license category, to enhance revenue generation while encouraging responsible business practices. I commend the Eastern Cape Department of Education for prohibiting public schools from selling liquor or holding liquor licenses.

Through the licencing fee revenue, the ECLB is targeting to generate R82m during the MTEF, with R26.5m targeted for the 2025/26 financial year.

In its efforts to regulate compliance among liquor traders, the entity continues to conduct inspections of all registered liquor outlets in the province, especially in the problematic areas, with the assistance of the South African Police Services (SAPS) and municipal law enforcement. The ECLB acknowledges the growing prevalence of illegal liquor trading, which is as a result of insufficient oversight of liquor distributors by oversight bodies. This situation directly contributes to the abuse of alcohol and the proliferation of illegal trading activities. However, the ECLB continues to engage the National Liquor Authorities to enhance strategies for the regulation of these liquor distributors and wholesalers.

Private sector partnerships are proving invaluable, with Heineken pledging R20 million over five years for "The Taverns of the Future" project, launching in May 2025 with 20 establishments opening across our province. We are also exploring local economic development opportunities in Koukamma Local Municipal area, where apple production presents potential linkages with alcohol manufacturing. A dedicated task team is working to connect local producers directly with major manufacturers.

In the fight against alcohol abuse in our communities, the ECLB continues to conduct anti-alcohol abuse intervention campaigns. As a result, we will be hosting a Provincial Underage Drinking Summit in June 2025. The summit's objective is to develop a common approach to fighting underage drinking. The summit will be strategically held in June 2025 as we celebrate the youth month and intensify our messaging on mitigating the scourge of underage drinking. The summit will be followed by the ECLB Annual 21km Provincial Race, with the theme; *"Together for Tomorrow: adopting a collective approach to mitigate and prevent the scourge of underage drinking in our communities"* In our midst we have our Provincial ambassadors on *"No to underage drinking"*. These are young people from various districts within the province.

Gambling regulation

Hon. Speaker, we are proud to indicate that an amount of R209 million rands gambling revenue target from licensees is projected to be collected and disbursed to the provincial fiscus by the end of 2025/26 financial year. Our five-year revenue target to be collected and disbursed to the Fiscus is projected to be R1.21 billion rands by 2029/30 for the seventh administration.

Madam Speaker, The Eastern Cape Gambling Board (ECGB) continues to pursue its mandate of creating a competitive, optimally functioning regulatory system, ensuring maximum revenue collection, protecting duly licensed operators from illegal competitors, promoting responsible gambling and protecting the public interest.

During the last financial year, 2024/25, the ECGB projected to collect R209 million terms of gambling taxes against the previous gambling revenue of R184 million in 2023/24 financial year. It is anticipated that this target may not be achieved during the end of this financial year. Punters are now utilizing online technology and devices to participate in gambling activities.

Hon. Speaker, however, we have seen a resurgence of online betting revenue collected during the last three months of October – December 2024 as a result of the introduction of new regulations to allow for online betting in the province.

In addition, we have so far licensed new eight (08) book makers to operate online betting during the third and fourth quarter of 2024/25 as a strategy to mitigate challenges faced by land-based gambling operators including facilitating the growth of gross gaming revenue for the Provincial Fiscus.

ENVIRONMENTAL MANAGEMENT

"The Environment and the economy are really both two sides of the same coin. If we cannot sustain the environment, we cannot sustain ourselves" Wangari Maathai

Compliance and Enforcement

Madam Speaker, the Department has joined hands with other law enforcement agencies to combat environmental crimes effectively. Through Operation Phakisa Initiative 5, we have conducted eight (08) joint enforcement operations along the province's vast coastline, helping to curb unlawful developments, deforestation, marine resource exploitation, and illegal sand mining.

While rhino poaching has declined in the province, we have observed a new trend of syndicated poaching of protected plant species, including succulents. Our enforcement efforts have yielded significant results,

with several successful prosecutions resulting in substantial fines and imprisonment terms for offenders. The Department managed to recover in excess of 270 stolen cycads from the wild valued in excess of R4 million and one cycad syndicate involving 7 persons had been arrested and neutralised. Of the cases that were finalised against six of the accused, three (03) accused were sentenced respectively to 12, 10, 8 years direct imprisonment; one (01) accused to 13 years imprisonment (repeat offender); one (01) of the 5 co-accused sentenced so far to 12 years imprisonment, (the other 4 accused are involved in racketeering trial in Makhanda High Court,) and in a separate cycad matter, one accused sentenced to 8 years imprisonment.

A total of 90 facilities with significant environmental impact will be inspected for compliance in the new financial year as a pro-active monitoring approach. We have filled all the approved vacant positions (07) within our Compliance and Enforcement unit (Green Scorpions), strengthening our capacity to protect our natural heritage. This new financial year will see us clearing the remaining 14% vacancy rate

ENVIRONMENTAL PROTECTION AND CLIMATE RESILIENCE FRAMEWORK

“We fought apartheid, now climate change is our global enemy”. Archbishop Desmond Tutu

Madam Speaker, in recognition of the growing threat of climate change to our province, we have developed a comprehensive Environmental Protection and Climate Resilience Framework. This framework takes an integrated approach to environmental management, focusing on biodiversity conservation, climate change adaptation and mitigation, and sustainable resource management.

The framework includes a Climate Change Vulnerability Assessment for all districts in the Eastern Cape, which has informed the development of district-level adaptation plans. These plans identify key sectors at risk from climate change impacts and outline specific interventions to build resilience.

Biodiversity and Conservation

Madam Speaker, the process towards declaring 15,000 hectares of community land as protected areas is proceeding well through ECPTA, with eight community resolutions obtained in support of declaring portions of their land as part of the N2 Biodiversity Offset Programme in the Wild Coast. Furthermore, the intention to declare community land in Matatiele and Mount Fletcher is underway, with more than 60,000 ha of land under 6 Chiefs having been obtained through community resolutions as part of protecting the water resources in the upper uMzimvubu catchment. Over the next five years, ECPTA plans to declare 55,000 hectares as part of increasing the protected areas estate through the Eastern Cape Biodiversity Stewardship Programme. ECPTA also successfully manages the 15 provincial nature reserves and continues to leverage additional resources to supplement its operational budget. The Wildlife Conservation bond project has reached the end of its third year of implementation, with rhino population growth rate targets being met for the third consecutive year. As part of the provinces commitment to grow and expand black rhino range project, 30 black rhino were also successfully translocated to four new custodianship sites as part of the provinces commitment to expanding black rhino range in the province. To enhance the security of the provincial parks an additional R7 million has been allocated to ECPTA

Madam Speaker, the N2 Biodiversity Offset Programme, implemented by ECPTA as SANRAL's agent, has contributed 15 000 hectares of biodiversity conservation land estate and in the process created 400 jobs in the past year through projects focused on wetland rehabilitation, erosion control, and alien vegetation clearing.

In the Game Industry Transformation Programme, the ECPTA has delivered 290 animals to contracted sites in the past year, with 348 animals allocated for the 2025/26 financial year. The Eastern Cape Wildlife Industry Transformation Forum continues to provide opportunities for training, development, and networking within the game industry.

The Province achieved its first Ramsar designated site. It must be noted that Mkambati is the first RAMSAR site in the Eastern Cape province. The Ramsar site status is anticipated to contribute to creating sustainable job opportunities for communities surrounding Mkambathi by enhancing the area's appeal as a globally recognised wetland of importance. This designation can attract eco-tourists, researchers, and conservation-focused investors, thus stimulating demand for local tourism and hospitality services such as guided tours etc.

Based on a Land Settlement agreement, the Mkambati Nature Reserve land was restored to the Mkambati community (i.e. the community are the landowners). Mkambati Nature Reserve is thus co-managed by the Mkambati Land Trust and ECPTA through a Co-management Agreement. Subsequently, Co-Management Committee meetings pertaining to reserve operational activities and plans take place on a quarterly basis.

DEDEAT continues to issue permits for harvesting of indigenous plants to the chiefs. The participating areas form part of National Biodiversity Strategy on Bioprospecting. Species that are harvested and are in the market form Eastern

Cape get into the mainstream of Pharmaceuticals and contribute towards provincial economy. Species such as Aloe Ferox – “Ikhala” Aloe Vera Products, Perlagonium sidoides “ Vendle” and Honey Bush Tea. Communities are signing benefit sharing agreements with the Bio-Prospectors through DFFE.

Further on to enhance Provincial Economy DEDEAT continue to issue permits for Wildlife Industry – Hunting. This is one of the key economic drivers within Conservation Management. This is market draws number of international clients to the Province and that contributes directly to Tourism in the Province. Our Province is the second largest preferred hunting destination that offers unique species , the Cape Buffalo being the Icon of the Province.

Expanded Public Works Programme

Madam Speaker, our environmental EPWP projects have created valuable work opportunities while addressing key environmental challenges. Strategic interventions in Climate Change Mitigation and Adaptation have been implemented through Alien Eradication and ecological systems rehabilitation and restoration. Through National Biodiversity Assessment in 2019 Wetlands were identified as at risk. The project interventions are addressing the risks identified. Projects are up and running in Alfred Nzo Region in Matatiel Local Municipality and Joe Gqabi District at Elundini Local Municipality.” Sigxotha ikati eziko” whilst providing our communities with clean water building resilient communities.

In the past year, we allocated R22.19 million to seven local municipalities for wattle clearing and waste management projects, creating 550 work opportunities, of which 300 were for youth.

In the 2025/26, an amount of R16, 398 million has been allocated to create 500 work opportunities through implementation of EPWP projects addressing waste management and alien plants infestation challenges in the following municipalities: Great Kei Local Municipality, Makana LM, Ndlambe LM, Dr AB Xuma LM, Elundini LM, King Sabata Dalindyebo LM, Matateiele LM, Umzimvubu LM, Ntabankulu LM, Enoch Mgijima LM and Senqu LM.

Environmental Quality Management

The Municipal solid waste is a growing crisis contributing to aesthetics, climate change, pollution and biodiversity loss. Systemic changes across government, industry and civil society are needed to safeguard the environment and human health. In support of municipalities, the DEDEAT in partnership with COGTA and SALGA annually hosts the Greenest Municipality Awards (GMA) in recognition of municipal best practice in waste management. The GMA prize money and post-competition support ensures the sustainability of those efforts.

In addition, the support goes further through policy implementation such as motivation towards utilization of Municipal Infrastructure Grant (MIG) for the purchase of specialized waste management vehicles to improve landfill operations and extending waste collection services to poor un-serviced households. In the 2023/24 FY six municipalities received the yellow fleet and made significant positive impact in waste disposal operations at Walter Sisulu LM, Makana LM, Senqu LM, KSD LM, Great Kei LM, Port St Johns LM and the recent (March 2025) receipt of compactor truck by Elundini LM. The Ntabankulu LM and Raymond Mhlaba LM are awaiting delivery of their yellow fleet in the near future. The yellow fleet is very crucial in other waste management operations such as clearing illegal dumping hotspots and great assistance during clean-up campaigns that are scheduled periodically to raise waste education and awareness.

The Eastern Cape Province together with the Department of Fisheries, Forestry and the Environment (DFFE) will collaborate on hosting the 19th annual Air Quality Governance Lekgotla at Boardwalk International Convention Centre in Gqeberha in Driving Policy Coherence for Sustainable Pollution Reduction in September 2025 which coincides with the United Nations International Day of Clean Air for Blue Skies. This event will be accompanied by a build-up of school activities to capacitate learners on air quality management issues and showcase Air Quality Management tools to ignite interest in careers in Air Quality Management.

To expedite and ensure sustainable development in the Province the Department finalised 100% of all Environmental Impact Assessment (EIA) applications in 2024/2025 Financial Year. This trend is to continue into the 2025/26 Financial Year in line with the Sector Indicator in order to limit illegal developments and respond to climate change impacts.

Coastal Zone Management along the Eastern Cape Coastline

Estuary Management

DEDEAT has facilitated development of Estuary Management Plans in response to the concerning degradation and state of our Estuaries due number of factors, including coastal inundation and sea level rise, coastal flooding and infrastructure damages. The strong winds in our coastline have caused noticeable damage through loss of beaches that are transformed from erosion and now are inaccessible and unsafe. The Department has embarked on development of management plans in different Municipalities, in Nelson Mandela Metro – Swartkops River Estuary which was flagship for Benqualla Current Large Marine Ecosystems funded through Nairobi Convention. The convention focuses on the sustainable management and protection of the marine and coastal environment in the West Indian Ocean, engaging countries in the collaborative actions to address the environmental challenges. Project is on implementation.

Ndlambe Local Municipality Kowie River Environmental Implementation Plan is progressing well, Development of Tsholomnqa Environmental Management Plan is also at the final stages. As there are published research findings that points to Re-discovery of “Coelacanth”.

Honourable Spaker as the Coelacanth debate and research progress DEDEAT will make efforts to re-enforce environmental awareness in and around Tsholomnqa.

DEDEAT is in a process of reviewing Coastal Management Programme which will guide sustainable use of our coastal resources whilst providing livelihoods.

Sector Plans will be covered in the Programme with clear roles and responsibilities for every role-player including communities. Tool will be aligned and guide Operation Phakisa objectives. Hon Speaker its going to be all hands on the deck “ implementation of Operation Phakisa” “Uthe u Premier ichaphaza lise Port St Johns” Siqala pha Honourable Speaker.

STATE CAPACITY AND GOVERNANCE

Madam Speaker, as we pursue our economic development goals, we recognize that a capable state with strong governance is the foundation upon which all our efforts rest. DEDEAT and its entities have made significant progress in strengthening institutional capacity and governance systems over the past year.

Strengthening Departmental Capacity

The Department has successfully filled critical senior and middle management positions, reducing our vacancy rate from 18% to 11%. This has enhanced our ability to implement programmes effectively and provide oversight to our entities. We have placed particular emphasis on recruiting professionals with specialized skills in economic analysis, environmental management, and digital transformation.

We have also invested in the development of our existing staff through targeted training programmes. Over the past year, 75% of our staff participated in at least one skills development initiative, with a focus on digital literacy, project management, and regulatory compliance skills.

Madam Speaker, I'm particularly proud of our progress toward gender equality in senior management. By the end of the 2024/25 financial year, women represented 47.1% of our senior management service., we expect to reach 50% on female representation in the 2025/26 financial year. IsiXhosa sithi "Intombazana ayikhuliswa ukuba ibe yinkosikazi, ikhuliswa ukuba ibe yinkokeli" - A girl is not raised to be a wife, but to be a leader.

Honourable Members, we are equally committed to youth development and employment. Currently, 101 of our 501 employees are youth – representing 20% of our workforce. This includes 25 interns, with 5 more internship positions in recruitment. These young people bring fresh perspectives, digital skills, and boundless energy to our work. They are not just the leaders of tomorrow – they are making real contributions today. By investing in their development, we're building a pipeline of talent that will serve our province for decades to come.

Madam Speaker, we are also making strides in creating a more inclusive workplace for persons with disabilities. We currently stand at 2.1%, we must do more. We have ringfenced specific posts in our employment equity plan to increase this percentage. I urge persons with disabilities to disclose their status when applying for positions in our department. Your skills and perspectives are valuable and needed. True transformation means reflecting the full diversity of our society – including the estimated 7% of South Africans living with disabilities. This isn't just compliance with employment equity targets; it's about enriching our department with diverse viewpoints and experiences that strengthen our service delivery to all Eastern Cape citizens.

Enhancing Governance in Public Entities

Madam Speaker, we have strengthened governance in our public entities by ensuring that all boards are properly constituted with members possessing relevant skills and experience. All CEO vacancies have been filled, and comprehensive induction programmes have been conducted.

The Department has implemented a more robust shareholder oversight framework that includes quarterly performance reviews, improved reporting standards, and regular strategic engagements between the Department and entity leadership. This framework has resulted in improved performance across all our entities, with audit outcomes showing marked improvement.

I am pleased to report that DEDEAT and 5 of its entities received clean audits for the 2023/24 financial year, while ECDC received unqualified audit opinion with significantly fewer findings than in previous years. This demonstrates our commitment to sound financial management and good governance.

DIGITAL TRANSFORMATION

Madam Speaker, we have made significant progress in our digital transformation journey. The Department is developing a new integrated management information system that has streamlined business processes, improved data management, and enhanced decision-making.

Our e-permitting system for environmental authorizations is now fully operational, reducing the processing time for permits and improving the applicant experience.

We also generate quarterly information on key economic indicators, environmental compliance statistics, and departmental performance. This has improved transparency and accountability both within the Department and to our stakeholders.

Anti-Corruption Measures

Madam Speaker, we remain committed to fighting corruption and ensuring that public resources are used efficiently and effectively. We have strengthened our internal audit function and implemented a comprehensive fraud prevention plan.

In the past year, we have conducted awareness workshops on ethics and anti-corruption across the Department and our entities. This demonstrates our commitment to ethical leadership.

Intergovernmental Coordination

Madam Speaker, effective economic development and environmental management require strong coordination across all spheres of government. We have established formal coordination mechanisms with key national departments, including the Department of Trade, Industry and Competition, the Department of Forestry, Fisheries and the Environment, and the Department of Small Business Development.

At the provincial level, we have strengthened our collaboration with other departments through the Economic Sectors, Investment Employment Infrastructure Development Cluster (ESIED), ensuring alignment of our programmes and efficient use of resources. This improved coordination has resulted in more integrated planning, reduced duplication of efforts, and better service delivery to our citizens.

CONCLUSION

Honourable Speaker, as I conclude this policy speech, despite the challenges we face, we have laid a solid foundation for accelerated economic development in the years ahead.

The initiatives and programmes I have outlined today represent our commitment to driving inclusive economic growth, creating sustainable jobs, protecting our environment, and building a capable state. From renewable energy and automotive manufacturing to tourism and the oceans economy, we are pursuing a diversified economic development path that leverages our province's unique strengths and addresses its particular challenges.

Our focus on MSMEs, cooperatives, and township and rural enterprises demonstrates our determination to ensure that economic growth benefits all our citizens, particularly women, youth, and those in historically marginalized communities. Through our entities, we are providing the support needed for these enterprises to thrive and create much-needed employment opportunities.

Our environmental management initiatives reflect our understanding that economic development must be sustainable if it is to deliver lasting benefits. By protecting our natural resources, adapting to climate change, and pursuing green economy opportunities, we are ensuring that future generations will inherit a province of natural beauty and ecological wealth.

The strengthening of state capacity and governance systems provides the solid institutional foundation needed to implement our ambitious agenda effectively and efficiently.

The Eastern Cape stands at a crucial juncture in its development journey. The choices we make today will determine whether we can overcome the legacy of underdevelopment and build a prosperous future for all our citizens. I am confident that with the plans and programmes outlined in this policy speech, and with the continued dedication of the officials in DEDEAT and our entities, we are on the right path.

I want to express my sincere gratitude to the Premier and my colleagues in the Executive Council for their support, to the Chairpersons and members of the Portfolio Committee for their oversight and guidance, to the Director-General and Head of Department for their leadership, to the CEOs and boards of our public entities for their implementation of our vision, and to all officials in the Department and entities for their hard work and commitment.

Most importantly, I want to thank the people of the Eastern Cape, whose resilience, creativity, and determination continue to inspire us in our work. It is for them that we strive to build a more inclusive, sustainable, and prosperous province.

As we move forward into the 2025/26 financial year and beyond, let us do so with a renewed sense of purpose and commitment in realizing our province's full potential, and together continue to build the Eastern Cape we want, for there is no better time than now, for her to thrive.

I wish to echo the words of former President Thabo Mbeki and say to all members in this house, to the Eastern Cape community "We are rich in resources, and rich in talent. We must harness these riches to build a prosperous continent"

Resource Allocations: Vote 9

Budget

R thousand	Medium-term estimates		
	2025/26	2026/27	2027/28
1. Administration	259 586	300 947	314 826
2. Economic Development and Tourism	1 183 845	1 372 168	1 613 296
3. Environmental Affairs	372 325	378 272	393 439
Total payments and estimates	1 815 756	2 051 387	2 321 561

Transfers to Public Entities

R thousand	Medium-term estimates		
	2025/26	2026/27	2027/28
COEGA Development Cooperation	397 016	639 986	871 904
Eastern Cape Development Corporation	416 715	374 195	369 010
Eastern Cape Gambling and Betting Board	68 952	68 143	71 209
Eastern Cape Liquor Board	82 467	80 971	84 615
Eastern Cape Parks and Tourism Agency (ECPTA)	255 559	225 763	234 015
East London Industrial Development Zone	95 155	94 231	96 674
Total departmental transfers	1 315 864	1 483 289	1 727 427

Receipts

R thousand	Medium-term estimates		
	2025/26	2026/27	2027/28
Tax receipts	257 446	269 025	281 131
Casino taxes	219 983	230 058	241 148
Horse racing taxes	10 963	11 467	11 983
Liquor licences	26 500	27 500	28 000
Motor vehicle licences	–	–	–
Sales of goods and services other than capital assets	1 552	1 623	1 696
Transfers received	–	–	–
Fines, penalties and forfeits	–	–	–
Interest, dividends and rent on land	4 844	5 067	5 295
Sales of capital assets	–	–	–
Transactions in financial assets and liabilities	218	228	238
Total departmental receipts	264 060	275 943	288 360

Madam Speaker, I therefore table the Budget Vote together with Strategic Plans, Annual Performance Plans/ Corporate Plans for the Department of Economic Development, Environmental Affairs and Tourism and its six Public Entities (Coega, ELIDZ, ECDC, ECLB, ECGB and ECPTA) with allocations as follows:

I THANK YOU.