Deputy Minister of Public Works Rev KM Zondi 16 October 2003

Address at the IDT's 2002/3 Annual Report launch

Programme Director Chairperson of the Portfolio Committee of Public Works, Nkosi Hlengwa, Chairperson and Members of the IDT Board of Trustees Chief Executive Officer and staff of the IDT Distinguished guests Ladies and gentlemen

The Honourable Minister of Public Works and the Executive Authority of the Independent Development Trust (IDT), Ms Stella Sigcau, regrets not being able to participate in the official launch of the IDT's 2002-2003 Annual Report. The Minister asked me to thank the IDT for inviting her to formally launch its Annual Report, to express her sincere apologies and to deliver this address on her behalf.

Since 1982 the United Nations has celebrated 17 October as international day for poverty eradication. In South Africa October has been declared a Social Development month. During this month we focus our efforts on strengthening the capacity of, and widening the net of social development initiatives such as child grants, old age and disability grants, to alleviate poverty.

Government's commitment to poverty eradication

The first achievement to note is that our Constitution enshrines human rights and progressive realisation of socio-economic rights of all citizens. Hence human dignity and ultimately "a better life for all" is what all citizens can expect to enjoy in the long term.

Secondly, since 1994 our government has declared the eradication of poverty a national priority. This has been a major shift from the pre-1994 era. In 1997 government introduced a Special Budget Allocation for Poverty Relief, which was made available to poor communities to initiate development projects and create safety nets for those who had historically been excluded and marginalised. Programmes like the:

- Poverty Relief Programme of the Department of Social Development
- Working for Water Programme of the Department of Water Affairs and Forestry, were initiated from this fund
- Community-Based Public Works Programme (CBPWP) of the Department of Public Works

Furthermore the CBPWP developed a model of rural infrastructure development management and bequeathed very important lessons to first the ISRDP and the Expanded Public Works Programme

In 1998 government also introduced the Child Support Grant. This Child Support Grant together with free health care for children under six years created a form of social security, which poor children had not enjoyed before. In addition government has steadily lowered tax brackets to put more money in the pockets of the poor working class people also as a means of poverty alleviation.

Right from the start our government made a point of creating a better life for our people hence its emphasis on the need created essential infrastructures such as roads, schools, sanitation, safe water and health facilities. Though a lot of progress has been made there is still a need to make substantial funding available to eliminate the huge infrastructure backlogs.

In 2000 Cabinet approved the ten-year Integrated Sustainable Rural Development Strategy (ISRDS) and in February 2001 the President announced the 13 nodes in which the ISRDS would be implemented. These nodes are located at poorest district municipalities in the country and the vision of the ISRDS is:

To attain socially cohesive and stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people who are equipped to contribute to growth and development". Furthermore these rural communities will be "...

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economically empowered and productive contributing substantially to South Africa's growth and global competitiveness."

The Integrated Sustainable Rural Development Programme (ISRDP) is the premier development programme in the country. It is gathering momentum and is set to generate models of rural development, which are unique to South Africa. We view the ISRDP as South Africa's NEPAD. Poverty eradication and sustainable development are NEPAD priorities and we believe that the ISRDP will yield a set of "African solutions for African problems."

IDT's Programme performance

As we launch the Annual Report of the IDT today, we observe with great pleasure that the IDT has been supporting government in the implementation and management all of its key poverty programmes. For example, the Poverty Relief programme, Community-Based Public Works Programme, Working for Water Programme and the ISRDP.

It is in this context that we should view the unique role and value of the IDT as a public entity. The mandate and mission of the IDT is focussed in poverty eradication and rural development.

The Community Based Public Works Programme of the Department of Public Works has contributed significantly towards creating and sustaining local economic activity. To date Community Based Public Works Programme (CBPWP), as a rural infrastructure programme of government has invested more than R2 billion in the construction of more than 3000 community owned projects and created in excess of 150 000 job opportunities amongst the poorest rural communities of Eastern Cape, KwaZulu Natal, Limpopo, Mpumalanga, Free State and North West.

The Community Production Centre (CPC) Programme, which started in 1999/2000, has largely been completed with an investment of R50 million which produced 14 such centres throughout the country.

Furthermore, we are on the eve of concluding the first decade of democratic governance in South Africa. It is thus important to ask what difference this has made to the people of our country, in particular the poor, who are the most vulnerable

Over the three-years the CPC programme has generated over 3 000 direct jobs. This morning we heard from a beneficiary of the Community Production Centre in Ndaya what impact the programme had on her life.

In last year the Working for Water Programme generated 1 708 employment opportunities.

The IDT has been very active in infrastructure development and one of its biggest programme clusters deals with infrastructure. These involve clinic and school building and rehabilitation in the Eastern Cape, KwaZulu Natal and the North-West. During 2002/3 in the Eastern Cape the Schools Building programme created over 24 000 short term jobs through 192 projects, in KwaZulu Natal it built 15 schools and in North West it handed over the Madibogo Clinic.

The IDT was appointed by Cabinet to support government with the coordination and implementation management of the Integrated Sustainable Rural Development Programme. The IDT is active in all of the nodes supporting district municipalities with their Integrated Development Plans and Local Economic Development Strategies and the mobilisation of stakeholders.

Partnerships

Furthermore, ladies and gentlemen, our government has repeatedly called for partnerships. Government has long recognised social development as a national collective responsibility, and therefore promoted and supported partnerships with various role-players to achieve the goals of poverty eradication. Government alone cannot eradicate poverty.

IDT's performance over the past year in government programmes demonstrates that it is a partnership which should be strengthened and of which we can be proud.

Challenges however still remain and these revolve around turnaround time for projects, and stakeholder satisfaction. At my recent Imbizo meeting with the East Cape Master Builders, IDT was mentioned as part of a

long chain of government departments and agents, which compounded the delayed payment problem to the emerging contractors.

Putting this criticism aside, if one looks at the IDT's performance during the 2002-2003 financial year, there is no doubt that the IDT has acquired both the capacity and the right combination of competencies. Within a very short space of time, the IDT can design and implement complex development programmes which government cannot implement on its own.

ID's Audit results

Perhaps of significance today, not only from the perspective of government, but also for the interest of the general South African public, and more specifically for tax payers, we are pleased to announce that the IDT has received a clean audit from the office of the Auditor General.

What does this mean?

Firstly, a few years after the introduction of the Public Finance Management Act (PFMA) the IDT has emerged as a model of compliance and financial discipline.

Secondly, the general public and the tax payers can have confidence in the management of the IDT. They know that their funds are administered in an effective, efficient and economical manner.

Thirdly it means that the IDT, though Independent from government, it can be Trusted when it comes to making sure that Development programmes reach their intended beneficiaries.

On behalf of the Executive Authority, the Honourable Minister Stella Sigcau, I would like to congratulate the IDT for its excellent performance during the 2002/3 financial year.

I would like to thank the Board of Trustees, the management and the staff for the quality and depth of support to government. You must however brace yourselves for the delivering of part of the Expanded Public works Programme.

THANK YOU

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