



the dedet

Department:
Economic Development, Environment and Tourism
MPUMALANGA PROVINCIAL GOVERNMENT

Temnotfo

Mpumalanga's economic story, in our words

July/September 2009 Edition

SMMEs to benefit a lot
in 2009 & 2010 financial year

Mpumalanga Economic Summit
to resolve the Economic Crisis

Consumer Protection
lands a helping hand

Litiko Letekutfutukiswa Kwetemnotfo,
Simondzawo netekuVakasha

Umnyango WezokuThuthukiswa KoMnotho,
iBhoduluko nezamaVakatjho

Department van Ekonomiese Ontwikkeling,
Omgewing en Toerisme

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...Still We Rise!



As Benjamin Franklin once said, "an investment in knowledge (always) pays the best interest!" Yes indeed, it does hence we bring you our latest edition of the voice of the dedet, *Temnotfo*.

My past two months in the department were really hectic, inspiring and challenging. I landed during the Tourism month, September, but should admit that the reception was welcoming and inviting.

Our MEC was honoured by the U.S Congressional Black Congress as one of the "Lions of Africa," for the contribution our government made in growing our tourism industry and economy of our province for the benefit of our people. All we can say is that, working together we have done it, and will continue on the same path.

We successfully hosted the Economic Summit as mandated by the Premier of the Province; and we are quite optimistic that the commitments made at the end of the summit will be realised.

In order to boost tourism in this part of the SADC region, we managed to sign an agreement represented by the MPTA, with Swaziland and Mozambique, in order offer our potential visitors what the Chairperson of MPTA calls, "an experience of three countries in one day." He says through the agreement, "one could enjoy a breakfast in Mpumalanga, lunch in Mozambique and dinner in Swaziland."

At this stage, may I implore you to partner with us in our quest to fulfill *Temnotfo*.

Enjoy your read!

Mohau R

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SMMEs to benefit a lot in 2009 & 2010 financial year

An outstanding contribution of the SMMEs on the growth of the economy in the province was highly acknowledged by MEC Jabu Mahlangu, when he delivered the departmental 2009/2010 Policy and Budget speech.

Tabling plans for 2009 / 2010 financial year, the MEC avowed to carry on assisting promising entrepreneurs.

“With regard to enterprise development, we will during the current financial year focus on implementing both the Provincial SMME and Cooperative strategies and further endeavour to mobilise support from stakeholders. We aim to ensure that SMMEs have access to financial support from the financial institutions,” said the MEC.

An amount of R95 million, 766 thousand is proposed by the MEC to be allocated to Integrated Economic Development programme to continue to promote and develop small enterprises; facilitate local economic development and facilitate the process of implementing the Broad-Based Black Economic Empowerment (BBBEE) Policy.

Substantiating his commitments in helping SMMEs, he said that the department will also facilitate the establishment of 30 new co-operatives and supports 25 existing ones. Mpumalanga Economic Growth Agency (MEGA) will continue to put its mandate of growing the economy of the province by funding 91 SMMEs in this financial year and this will also help to enhance BBBEE and women empowerment.

MEC also said that with the launch of the SMME Survival Toolkit, a further 140 SMMEs will be developed with the necessary business skills to run sustainable business.

Through the Mpumalanga Agricultural Development Corporation's (MADC) Enterprise Acquisition Scheme, the department aims to capacitate and fund 15 farming units acquired through the LRAD (Land Reform for Agricultural Development) in order to increase productivity of those farms.

The department also declared to prioritise deserving and qualifying Agri-BEE beneficiaries within this financial year. To enhance the participation of Small medium enterprises, the department will keep on monitoring the compliance of BEE in the Mining industry as well as big companies such as Sasol, Eskom and Anglo American.

In conclusion, MEC said that the department will convene the Provincial Economic Summit before the end this quarter, in order to craft better mechanisms to respond to the crippling recession.



FROM LEFT:
HOD Mazibuko, MEC Mahlangu with
Dr. Nthabiseng Motete from Greening and
Tourism flagship



FROM RIGHT:
Themba Masombuka,
Chief Whip - Siphosizwe Masango
and MP Sibusiso Radebe



Mpumalanga Economic Summit

to resolve the Economic Crisis

In an effort to respond to the current economic crisis, the Mpumalanga provincial government held a two day economic summit during October at the Emnotweni Arena in Nelspruit, aimed at finding solutions to the global crisis that is affecting the province.

Addressing the delegates, Premier Mr David Mabuza said, "when I delivered the state of the province address earlier this year, I committed myself that the province will host an economic summit, and today we are gathered here with the private sector to see how best we can ensure that we respond to the global economic crisis."

Responding to the economic crisis, MEC Mr JL Mahlangu expressed gratitude to the contribution made by SASOL and encouraged them to continue with the good service in Mpumalanga.

"SASOL contributes a lot towards the growth of the province financially. Even though it is part of their social responsibility programme, they work in close partnership with the Govan Mbeki Municipality, and intend to develop

a residential unit and a new mall in Secunda." said Mahlangu.

The Mpumalanga provincial government must be applauded for the effort to respond to the global economic crisis. This was the view of the provincial treasurer for South African National Civic Organisation, Mr Raymond Makamo.

The summit brought together government, organised business, organised labour, the private sector and key role players in the economic sector.

Zweli Mncube, an economic / political analyst who attended the summit said "This is the time to act - it's now or never in terms of implementation of the resolutions taken. The question now is - what is going to be done? Are the issues going to be attended to in detail as they come up or are they just going to be left unresolved?"

Looking at the economic resolutions presented to the delegates, Mpumalanga is on a mission to reposition itself as one of the economic hubs of the country.

Premier Mabuza delivering a keynote address



HOD MAZIBUKO: Amongst the summit organisers



Tourism Career and Youth development Expo

Nelspruit- Students from all walks of life, had a life time chance to learn more about the existing opportunities in the tourism industry during the Tourism Careers and Youth Development Expo that was held by the *dedet* at the Nelspruit Showground.

The Career Expo which was from the 3 - 5 September 2009 attracted more than 25 thousand high school students, hundreds of tourism students from different tertiary institutions as well as unemployed graduates in the tourism field. Twenty exhibitors were invited from the hospitality institutions.

Launching the Expo, MEC Mr JL (Jabu) Mahlangu said: "As Mpumalanga, we are a very youthful province with 1.6 million people between the ages of 15 and 39 years. It is therefore our responsibility collectively, to ensure that these future leaders are empowered and developed in order to prepare them to take over in the future".

Dr Joyce Pakade, the Chief Director for Trade and Industry in the department, told students that Tourism plays an important role in the growth of the national and provincial economy and this persuaded the department to

endorse and popularise all the vast opportunities in the tourism industry.

The Expo was followed by a gala dinner at the Protea hotel Winkler in White River. This was a platform for the handover of the Heritage Book and the announcement of the tourism school competition winner.

The Heritage Book written by Dr PM Lubisi was handed to MEC Mahlangu and to the provincial Department of Education.

The tourism school competition winner was Hoerskool Bervglam from Nelspruit. They received a trophy, two gold medals for learners and a R750 cheque for the school.

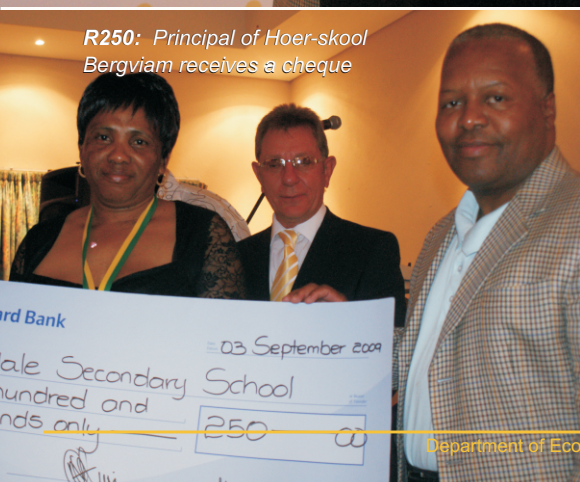
Siyifunile Secondary School from Emakhazeni Municipality came second, winning a trophy, two silver medals for the learners and a R500 cheque for the school.

Third place went to Greendale Secondary School of Nkangala District winning a trophy, a bronze medal for a learner and a R250 cheque for the school.

MEC Mahlangu announcing the winners



R250: Principal of Hoer-skool Bervglam receives a cheque



“This is the first ever tourism career expo to be held in the province. The Tourism industry is mainly dominated by the previously advantaged individuals and we believe that this Expo will help our previously disadvantaged students to see immeasurable opportunities in the tourism field.

- Dr Joyce Pakade”

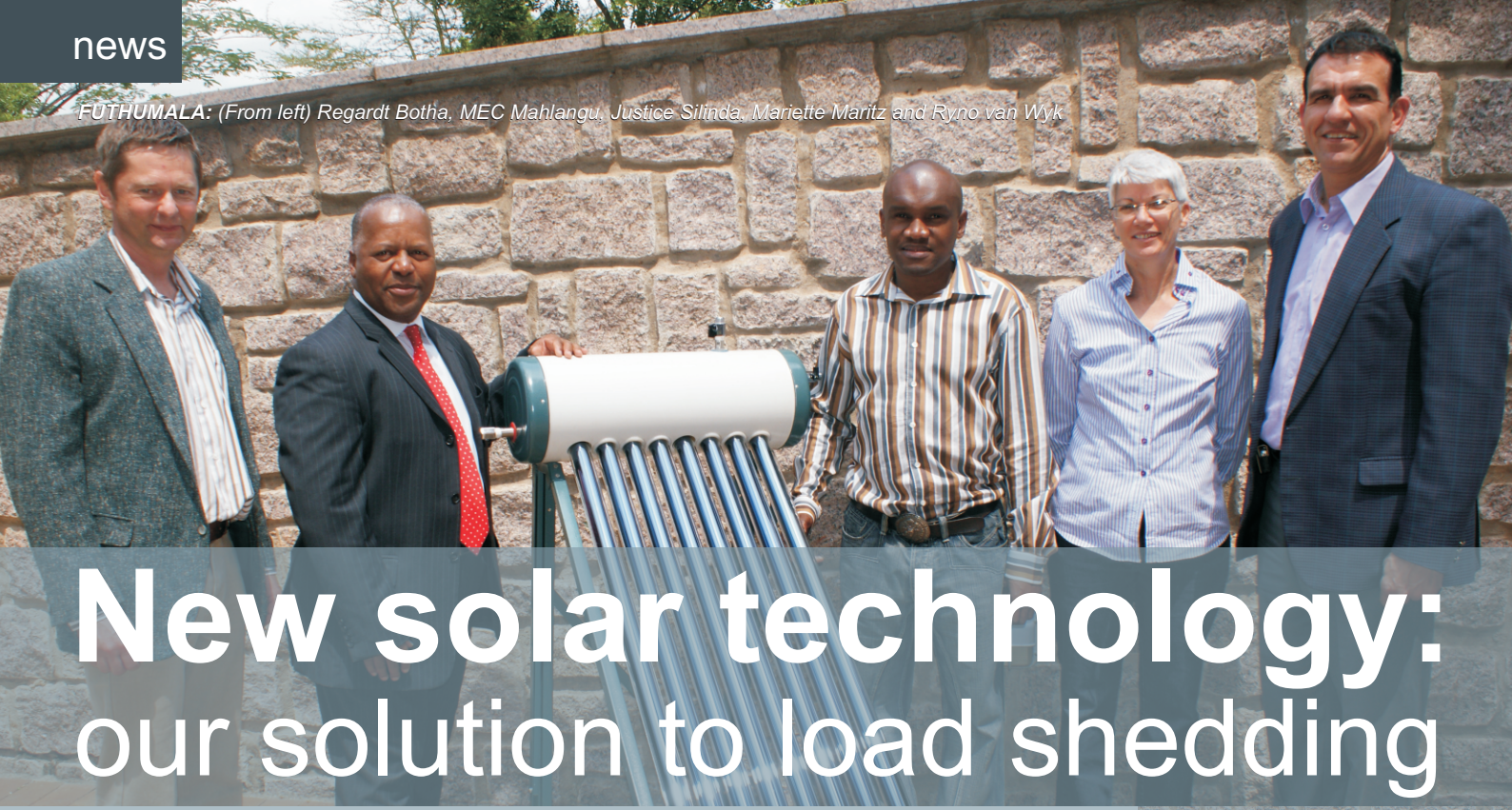
TOURISM: Dr. van Niekerk, Councilor Thandi Ndlala and Ms. Magrath with students from Ermelo Hoer-skool



STALLS: Visitors take a keen interest in what exhibitors have on offer



FUTHUMALA: (From left) Regardt Botha, MEC Mahlangu, Justice Silinda, Mariette Maritz and Ryno van Wyk



New solar technology: our solution to load shedding

MEC Jabu Mahlangu was visited by Futhumala Energy Systems in mid October 2009. A new innovative idea was introduced to him in an attempt to help save on energy costs on a large scale during these tough economic times.

The solar geyser provided by Futhumala Energy Systems uses a new technology to capture the sun's heat to warm water. This technology allows the sun's rays to enter while preventing the heat from escaping, resulting in a very efficient way to make hot water.

Advantages of the Futhumala Vacuum Tube Solar Geyser:

- **During cloudy weather:** It works well with low radiation, i.e. it continues to heat water on cloudy days.
- **During cold weather:** The collector is insulated from outside temperature, i.e. it continues to heat water on **very** cold winter days.
- **During very hot weather:** It is possible for the geyser to reach boiling point, producing water hot enough for tea/coffee/cooking.
- **It is hail resistant:** The toughened glass does not break easily and is hail resistant.
- **It is also Frost resistant:** The double layer glass is insulated from the outside temperature, thus the water inside does not freeze which might cause the pipes to burst.
- **Less orientation-sensitive:** (Solar collectors need to point straight at the sun for optimum performance). The round shape of the tubes continue to face the sun as it moves through the sky, i.e. it continues to heat water from morning to afternoon.

"All these advantages add up to a Solar Geyser that in most applications requires NO electricity. The hot water is stored in a tank of 90 to 300 litres - different sizes are available", said Regardt Botha, Futhumala Energy Systems Technical Manager.

"Households without electricity that spend money on paraffin to heat water for washing and cooking can expect a saving of about R100 per month. Those who have electricity can expect a considerable saving of up to R300 per geyser on their electricity bill, as heating water consists of about 60% of the monthly bill", he added.

Apart from the cost saving, there are many other advantages in using sustainable/renewable energy, for example reduced CO₂ emissions and less environmental damage. Reduced electricity consumption also leads to less "load shedding".

"The MEC will speak to his counterparts particularly in the Department of Human Settlement and the Department of Health to look at future implementation of this concept, for low cost housing and healthcare clinics", said Justice Silinda from the Sector Development programme.



Solar geyser on display

MEGA

Success at FACIM 2009

The Mpumalanga Provincial Pavilion at the annual Maputo International Trade Fair (FACIM), hosted by the Mpumalanga Economic Growth Agency (MEGA) during the first week of September, **won the award for the third best international pavilion** at FACIM 2009. Out of the 15 international pavilions at the event, Portugal won first place followed by Italy in second.

“Awards are great for the recognition of the MEGA team effort, but the reason we participate in FACIM every year is to generate export sales for the 20 SMMEs from Mpumalanga that we take to Maputo” says Andrew Bulter, the Trade Promotion Manager at MEGA. “In this regard FACIM 2009 was also a great success with over R50 million in potential business being generated amongst the 20 exhibitors”, Bulter continued.

The participating SMMEs came from various sectors and regions of the provincial economy ranging from industrial and commercial suppliers, tourism, property, interior décor, agriculture and IT. “The response MEGA received this year for participation in the provincial pavilion at FACIM was overwhelming. We received over 60 applications for the 20 available spaces. This is a good indication that our Trade Promotion efforts over the past 5 years to promote Mozambique as a viable export market are starting to resonate amongst the provincial business community.” said Bulter.

MEGA, in their role as the official Trade and Investment Promotion Agency for Mpumalanga Province has successfully hosted the Mpumalanga Pavilion at FACIM for the past five years. FACIM is regarded as the most important international trade event of its kind in

Mozambique and attracts National Pavilions from more than 15 countries including Portugal, Brazil, India and China. The event displays the intra-regional economic potential and is visited by a large number of local and foreign businessmen. The “Feira Internacional De Maputo” or FACIM first began in 1963 and now has the reputation of being the annual meeting place of business people and enterprises from all the different regions of the country.



President Armando Guebuza of Mozambique, accompanied by Ms. Azwinndini Tshavhungwa of MEGA, meets Mr. Mukesh Patel and Mr. Patel Snr. of Banco Bedding International from Kabokweni



The Lowveld Tourism team at FACIM 2009: Ms. Momkhosi Dlamini, Ms. Kholeka Msane and Ms. Zodwa Mpanza

Garnishee Report

**Garnishee Order -
An order against a person
who cannot pay a debt**

The Consumer Protection Services Directorate came up with startling information in their report on garnishee orders served on officials within the Mpumalanga Provincial Government.

According to data provided by PERSAL to the directorate, the total cost of payments as a result of garnishee orders in the province for the month of August 2009 amounted to R3 093 209. During the same month there were 72 245 public servants employed in the Provincial Government, and out of this figure, 8687 made garnishee related payments through PERSAL.

The following is:

1. The information of Garnishee debt reflected according to departments

Departments	No. of officials per Department	Amounts deducted on garnishee orders per Department
Premier	319	16 843.87
Department of Finance	331	9 831-24
Agricultural & Land Administration	1 867	72 508-10
Education	43 581	2057 505-56
Public Works	1 470	52 828-89
Safety & Security	166	6 417-87
Health	17233	633 884-52
Local Government	762	30 624-31
Culture Sport & Recreation	325	27 336-82
Department of Housing	311	13007-94
Roads & Transport	4007	132 261-17
Economic Development Environment & tourism	295	10 906-83
Social Development	1578	31252-23
Total	72245	3095209-35

2. Information on number of public servants who made garnishee related payments reflected according to salary level

Salary Level	No. of public servants per salary level
01	231
02	782
03	967
04	362
05	386
06	1426
07	2298
08	1190
09	688
10	211
11	105
12	14
13	13
14	4
15	2
Total	8687

According to the report, some of the garnishee orders served on the departments were not complying with:

- i) Magistrates Courts and the Sheriffs Acts which provides that only the sheriff may serve this order. Emolument Attachment Order can only be awarded by a magistrate and must be served on departments by the sheriff. If this process is not followed, the order is illegal. Departments not complying with this may find themselves having to refund employees in cases where illegal deductions have been made
- ii) Treasury Regulations which reads that -
 - i) "After the deduction, the official will have sufficient means for maintenance for him or herself and any dependants, and
 - ii) Should the deduction not leave the official with sufficient means for maintenance or for that of his or her dependants, the accounting officer must advise the official of his or her right to approach the court to either rescind the order or amend it to affect the balance of the salary after provision of such maintenance".

Continued from page 8

Regulation 23.3.6 in terms of the PFMA caps the emoluments attachment to 40% of the state employee salary. This means that departments can refuse the deductions if the emoluments attachment order would cause more than 40% of the employee's salary to be subjected to deductions.

The directorate is encouraging officials affected to utilise the **Office of Consumer Protection Services** and the employee wellness programmes in different departments to assist over-indebted consumers. It aims to increase knowledge regarding emoluments attachment orders amongst Salary divisions of different departments and improve their application of, and adherence to existing legislative measures.

The directorate can be reached at:

Nelspruit:

66 Anderson Street
Tel: (013) 752 3761/46/74/14

Witbank:

Cnr Bothan & Northy Street
Tel: (013) 690 2595

Kwamhlanga:

Building No2 -1st floor
Tel: (013) 947 2240/50

Bushbuckridge:

Protea Centre, R40 Road
Tel: (013) 799 1477

Procurement policies must favour cooperatives - Government



The *dedet* has abided to Treasury regulations by assisting supply chain managers to support cooperatives on procurement issues.

The aim of the workshop was to hold discussions on how provincial departments and parastatals, municipalities and private sectors can favour cooperatives.

Addressing the people representing cooperatives in the province during the workshop, Mr Wilson Makaringe of the *dedet* Enterprise Development said "various government departments will be approached to talk about how procurement policies can benefit cooperatives and other SMMEs".

"We will engage municipal managers, CEOs of various parastatals and Heads of Departments to register cooperatives in the various organisations. This will enable cooperatives to participate in the mainstream economy" said Makaringe.

The initiative will assist government in its effort to ensure that cooperatives participate meaningfully to the economy of the country and create sustainable jobs for the people of the province.

The workshop came at a time when the Executive Council has instructed all departments to pay service providers any outstanding money owed to them within 30 days. This is a victory for SMMEs who struggle to get their payments on time.

Delegates who attended the workshop requested the department to make a template available to all supply chain managers to report on procurement made through cooperatives.

It was agreed that supply chain officials should form part of co-operatives seminars, so that resolution taken by co-operatives are addressed. The *dedet* has been tasked to facilitate meetings, workshops and seminars in this regard.

The *dedet* continues to offer financial aid to students

The *dedet* has set aside R1 million for students or learners within the province who intend to study at any tertiary institution in the country in the following studies:

BCom Business Management,
BCom Economics and
or Econometrics, BCom International Trade, BCom International Trade, Bcom law, BCom Public Affairs, Geographic Information systems, Industrial psychology and Web Development/ Graphic Design.

The Bursaries for the year 2010 academic year will cover **accommodation, textbooks, fees and meals.**

When asked about the monitoring systems that the department has in place for those students, Alma Johnson, Deputy Director of training within the Department was quick to say, "Our monitoring system

includes visiting those students, liaising with the universities, filing record data, and the students submitting records on quarterly bases to our office."

The criteria for choosing the students:

- they should have matric certificates with exemptions
- they should be admitted or in the process of admission into a recognised South African Higher Education Institution
- they should be South African citizens
- they should reside in Mpumalanga and in a disadvantaged area
- they should be willing to be interviewed

“ Last year we spent R630 000.00 to place 20 students in various tertiary institutions. This year, we intend to increase the numbers so that students from Mpumalanga can be empowered and we encourage them to apply for these bursaries, ”
said Alma Johnson

LUCKY NANBA:

Gets enlightened on bursaries and funding offered by the department (from left) Swenkie Nanba, Surprise Mathebula, and Alma Johnson



Consumer Protection lands a helping hand!!!



Name of Official	:	Ms Esther Masango
Rank	:	Investigator Unfair Business Practice
Name of Complainant	:	Mr. Elmon Nkonyane
Date case received	:	28 August 2009
Date case resolved	:	08 September 2009

Facts

On the 17 August 2009, Mr. Nkonyane purchased a tyre from a tyre dealer and paid with his debit card. The tyre amounted to R2 400 but he received a cell phone notification message informing him that his account was debited twice for the same amount by the tyre dealer.

The dealer insisted that they only debited his account once and referred him to his bank. Mr. Nkonyane went to the bank to enquire and a statement of account was drawn for him, which indicated that his account was debited twice. Mr. Nkonyane was confused as to who to turn to for his refund.

Action!

The Consumer Protection Office contacted the bank and we were informed that there was nothing they could do because the money was debited by the dealer - as per their bank statement. We then contacted the Credit Manager at the dealership and he also insisted that they only received one payment of R2 400. He provided us with a list of their transactions for the day as proof. We then escalated the matter to the Bank's Dispute Resolution Department.

A week later, the bank reversed the R2 400 into Mr. Nkonyane's account. They confirmed that it was the bank's error; they also called Mr. Nkonyane to apologise and assured him that all bank charges would be reversed.

Consumer Tips

- Always check your bank statement monthly even if you have cell phone notification;
- Always keep all your receipt until you have consolidated all your purchases with your bank statement;
- Take advantage of the alternative dispute resolution processes offered by all registered credit providers and financial institutions;
- If not satisfied with the outcome at branch level, always escalate your dispute to that company's head office / their dispute resolution department;
- Keep record of who you spoke to at all times.



MPUMALANGA
PROVINCIAL
GOVERNMENT



OUTCOME OF THE MPUMALANGA ECONOMIC SUMMIT

COMMITMENTS:

During the Provincial Economic Summit held on 15th and 16th October 2009, the representatives of government, business, labour and civil society formations agreed on the following:

- The establishment of a **University for Mpumalanga**;
- Upgrading of **major hospitals**;
- Establishment of a **tertiary hospital**;
- Maintenance and upgrading of the **coal haulage network**;
- Construction of an **International Convention Centre (ICC)**;
- Support to government in its rollout of infrastructure projects;
- Promote the protection and creation of jobs through training and re-training of retrenched employees;
- Fast-track financial support to SMMEs in distress;
- Establish emergency food relief programmes;
- Finalise and implement the **Provincial Co-operatives Development Strategy**;
- Work together to realise government's efforts towards **Rural Development** and support the emerging farmers;
- All stakeholders will participate in foras and structures required for the successful implementation of the Summit Agreement;
- All stakeholders agreed to convene within two months to discuss the establishment of the **Provincial Development Council (PDC)**;

"Working together to protect jobs and create opportunities for individuals and communities through a diversified, growing, competitive and inclusive regional economy"- Premier Mabuza, 15 October, 2009.

