

AFRICAN NATIONAL CONGRESS

DEPARTMENT OF INFORMATION AND PUBLICITY

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FOR IMMEDIATE RELEASE

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ANC STATEMENT ON THE RELEASE OF THE ECONOMIC RECOVERY DOCUMENT:

“Building a New, Inclusive Economy”

The Economic Transformation Committee (ETC) of the ANC has released an important document on the economic interventions needed to create more jobs and stimulate accelerated growth and investment in the South African economy. The ETC document is titled Reconstruction, Growth and Transformation: Building a New, Inclusive Economy.

This framework will mobilise society around an infrastructure-led recovery with new investments in energy; water and sanitation; roads and bridges; human settlements, health and education; digital infrastructure and public transport. To achieve significant job creation multipliers, the emphasis will be on localisation, including maximising the use of South African materials and construction companies as well as labour-intensive methods. The establishment of an infrastructure development agency in the Presidency will help to drive infrastructure investment, as will expanded use of public-private partnerships. Furthermore, the District Development Model should be strengthened to improve service delivery and infrastructure expansion in both rural and urban areas.

It is through proper coordination that service delivery will be improved and new spatial forms in settlement and transport systems will be created.

PRESIDENT CM Ramaphosa	DEPUTY PRESIDENT DD Mabuza	NATIONAL CHAIRPERSON G Mantashe	SECRETARY GENERAL ES Magashule	DEPUTY SECRETARY GENERAL JY Duarte	TREASURER GENERAL P Mashatile
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THE YEAR OF UNITY, SOCIO-ECONOMIC RENEWAL AND NATION BUILDING #Khewuleza #ReTheRenew

This framework will promote investment in key productive sectors, such as, agriculture, manufacturing, mining and tourism and other services. Decisive progress will be required in telecommunications reform, including expediting digital migration and spectrum allocation to reduce data costs for households and firms. Similarly, the growth and job creation potential of energy-related investments must be fully harnessed, as envisaged in the Integrated Resource Plan. Industrialisation and the expansion of South Africa's productive sectors will be accelerated through increased international trade, especially with other countries on the African continent.

While working to restore fiscal sustainability, South Africa needs to deploy macro-economic policy instruments that are compatible with the reconstruction of our economy.

The National Treasury, South African Reserve Bank, development finance institutions (DFIs) and private financial institutions all have a role to play. The mobilisation of funds for increased investment in infrastructure and key productive sectors will inevitably require a combination of public and private resources. As part of this combined effort, changes should be made to Regulation 28 under the Pension Funds Act to enable cheaper access to finance for development. Furthermore, regulators should be vigilant to ensure increased competition in the banking sector, which frequently displays the kind of oligopolistic tendencies which limit access to finance particularly for SMME's and for households in historically disadvantaged areas. Financial inclusion is key and the banking sector's practices and risk frameworks should be adjusted to be more inclusive.

In order to facilitate a society-wide mobilisation of financial and real resources to advance South Africa's economic reconstruction, processes of social dialogue and social compacting, both at national and sectoral level, will be required to unite in action key constituencies including business, labour, community and government.

To lead this process, South Africa's Presidency should be strengthened to play a decisive role in economic policy co-ordination and, working in close liaison with government's economic cluster, should closely monitor and manage effective policy execution.

In recent weeks, as a result both of the impact of COVID-19 and pre-existing weaknesses in South Africa's economic performance, business, government and labour constituencies have all been focused on developing plans for the growth and reconstruction of the South African economy. The ANC regards this as a positive development which will facilitate the kind of social dialogue and social compacting which will help put the country on a new growth path and begin to build a more inclusive, more just economy for all in South Africa

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**ISSUED BY ANC SUB COMMITTEE ON ECONOMIC TRANSFORMATION ON
BEHALF OF THE NATIONAL EXECUTIVE COMMITTEE**

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