



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

**PARLIAMENT, CAPE TOWN
18 FEBRUARY 2021**

Speaker of the National Assembly, Ms Thandi Modise,
Chairperson of the National Council of Provinces, Mr Amos Masondo,
Deputy President David Mabuza,
Ministers and Deputy Ministers.
Honourable Members,

Thank you for this opportunity to reply to the debate on the State of the Nation Address.

I would like to thank all the Honourable Members who participated in the debate, particularly those who dealt with the substantive issues of national importance.

We welcome the many valuable contributions and suggestions, and, where they are sincere and constructive, we also welcome the criticism.

We take these contributions seriously because they enrich our national debate and strengthen our response to the challenges the country faces.

Eleven months ago, when we declared a national state of disaster in response to the coronavirus pandemic, I said to the people of South Africa that we shall overcome.

I said, like I did last week, that we will rise.

This is inevitable because of the strength and resilience of the South African people.

Yesterday this great and hopeful nation, devastated by a deadly pandemic, lifted its head, straightened its back and welcomed a new era in our fight against the pandemic.

Less than 24 hours after the shipment landed, the first COVID-19 vaccine was administered in our country.

Our vaccination programme, our best defence against this pandemic, has begun.

This has happened not in a month, not in two months, but now, in mid-February, just as we said it would.

Some said we couldn't do it.

They said we have neither the ability nor the will to protect lives.

And yet here we are. On the threshold of a new era in our fight against the pandemic.

And so before we get to the business of today, before we turn to our plans and to the immense work that lies ahead, let us give the courageous South African people the dues they so richly deserve.

These are health workers and others on the frontline.

These are South Africans like Zoliswa Gidi-Dyosi, a nurse from Cape Town who yesterday became the first person in the country to be vaccinated.

These are the millions of citizens who despite the difficulties this pandemic has imposed on them, never lost faith in this country or in the commitment of this government to serve and protect them.

I speak of the families saved from destitution and hunger, the businesses saved from closure, and the workers who were supported so they could still earn and feed their families.

I speak of our social partners in business, labour, and civil society.

We have done right by the South African people. We have stayed the course.

We have led and will continue to lead this country through the worst crisis of the democratic era.

It is much easier to say in hindsight what should have been done differently.

To quote Homer, even a fool may be wise after the event.

Much of what we heard from the opposition benches over the last two days was little more than name-calling and mudslinging.

It is the business of this House to engage not in insults, but on what is needed to restore confidence and to bring stability to our nation.

We will overcome the coronavirus pandemic.

We will rebuild our economy in a manner that is more inclusive, that creates jobs and that lifts people out of poverty.

We will put an end to corruption, keep our streets safe and build a state that can effectively serve the people.

We are undertaking these critical actions at a time of great difficulty.

Several speakers in this debate have emphasised the reality that we are still in the midst of the most severe global health emergency in more than a century.

They have spoken about the devastating effect that this pandemic has had on our economy, on our society and on people's livelihoods.

That is why the vaccination programme remains our immediate priority, starting with healthcare workers and then expanding further to reach population immunity in the shortest time possible.

It is why we continue to implement relief measures such as the Special COVID-19 Grant and the UIF TERS scheme to provide support to those who need it.

It is why we are forging ahead with economic reforms through Operation Vulindlela, which has already made concrete progress in accelerating implementation and shifting our economic trajectory.

As we undertake the demanding task to recover from this crisis, there is much about our country from which we can draw hope and encouragement.

South Africa is a country of many endowments.

As a nation, we have many capabilities, strengths and attributes that we can and must draw on as we rebuild and transform our society.

Our people are our greatest strength.

It is their grit, determination and sense of solidarity that has enabled us to endure this pandemic.

It is due to their actions that this pandemic has not taken an even greater toll, that we are now able to work towards a recovery and that we are able to contemplate a time when we will have overcome the disease.

This pandemic has not only revealed so much about our character as a people, but it has also revealed the depth and diversity of expertise in our country.

It has demonstrated the world-leading capabilities of our scientists, research institutions, universities, agencies and public entities.

As mentioned in this debate, South African scientists, engineers and manufacturers were able to design and produce personal protective equipment and thousands of medical ventilators within a matter of months to respond to a desperate need.

Scientists from the University of KwaZulu-Natal, working with other laboratories, were at the forefront of the genomic surveillance work that has led to the identification of new COVID-19 variants.

Several South African scientists and researchers at a number of world-class institutions have been involved in the management of vaccine trials in the country.

Biovac, a partnership between government and the private sector, is using its vaccine storage and distribution infrastructure and capabilities to assist with the distribution of the COVID-19 vaccine to different vaccination centres.

These capabilities did not come about by chance.

They have been developed over many years, mostly funded with public resources, working together with development partners locally and internationally.

Taken together, our national science and innovation system is a hugely valuable resource that we need to further nurture and develop.

We must support commercialisation of its products for domestic use and export, creating factories and manufacturing jobs.

I have asked the Minister of Higher Education and Innovation to put together a team of scientists to begin the process of developing our own vaccines to deal with this and future pandemics.

We now live in an era where we pandemics may become more frequent and we must therefore be self-reliant in relation to diagnostics, therapeutics and vaccines.

We must develop the scientific capabilities that our country has demonstrated to prepare for the future.

The success of our economy starts with the investment we make in our people, and specifically our youth.

South Africa is a young nation, with a youthful population.

However, too many young people struggle to gain a foothold in the labour market.

Too many young people are disillusioned, frustrated and unsure of where to go for support.

But our youth are also resilient.

In just under a week's time, the matric results for 2020 will be released.

This is a most remarkable group of learners, who were determined to learn and to study under the most difficult conditions. They must be commended for their perseverance and for their steadfast commitment to achieving their ambitions.

As a country we have identified youth employment as one of our foremost priorities not only because the high rate of unemployment is unacceptable, but also because we need young people to grow our economy.

We need to harness their energy, skills and dynamism to meet the challenges of the present and the future.

That is why we are providing young people with pathways from learning to earning.

We are mapping the services available to young people in every community to identify gaps and target our interventions to the areas of greatest need.

We are expanding the funding available for digital and technology skills and in global business services through an innovative model that links payment for skills training to employment outcomes.

The Youth Employment Service that we launched in 2018 has created over 50,000 year-long work experiences and generated over R2.8 billion in new salaries for young people.

The Employment Tax Incentive supported over 1.5 million jobs for young people in the 2019/2020 financial year.

The foundation for all these efforts is laid in the early years of life.

This is why maternal health, child nutrition and early childhood development are vital to the transformational programme of this government.

This is why we are still focusing on the provision of antiretroviral therapy, and working towards the elimination of mother to child transmission of HIV.

It is why, for example, one of the programmes under the Presidential Employment Stimulus is to provide financial support to over 100,000 ECD practitioners to enable them to re-open or keep open their early childhood facilities.

It is also why the COVID-19 social relief measures we implemented are so important.

The temporary increases in payments to social grant recipients and the special COVID-19 grant provided significant support to poor households at a critical time.

The economy is already showing signs of a strong recovery.

Just yesterday, we received new results from the third wave of the NIDS-CRAM survey.

A collaboration among several South African universities, this is a nationally representative study which has been tracking the impact on households since early in the pandemic.

This data shows that by October last year, total employment had recovered to almost reach the level seen in February, just before the pandemic.

While we await the release of new data from Stats SA, these findings are a remarkable early signal of a robust and resilient labour market recovery.

This recovery in employment is the result of both the phased reopening of the economy as we brought the virus under control, as well as the success of relief measures such as UIF TERS that were implemented as part of our emergency stimulus package.

It is these green shoots that we must continue to nurture as we steer the economy towards a full recovery and further growth.

However, there are several areas of concern.

The same survey found a high degree of turnover in the labour market, which means that those who lost their jobs in April are not necessarily those who gained jobs in October.

Women are working fewer hours, and their employment levels have not recovered as robustly as men.

This may be due, at least in part, to the disproportionately more time that women spend on child care than men.

The data also suggests that while the expansion of social grants provided substantial relief to individuals and households last year, hunger has again risen to higher levels than before.

This is deeply worrying.

It is evidence of an uneven recovery, which risks leaving the most vulnerable behind.

It demonstrates the need to maintain some of the extraordinary social relief measures we put in place, and to accelerate our livelihoods support and employment programmes.

It also highlights the need to move with the greatest speed to restore our most effective social support programmes to full operation, such as the school feeding scheme.

Research like this has helped to inform our response to the pandemic from the beginning, and will continue to inform our choices as we guide our economy towards recovery.

More broadly, our experience of the impact of the pandemic has shown the importance of the economic empowerment of women.

By improving the economic position of South Africa's women we can reduce inequality, levels of child hunger and poverty.

We can reduce the vulnerability of women to violence and abuse.

And we will be harnessing the talents and energies of one half of our population more effectively to drive growth and transformation.

As government, we are working to give effect to our decision to direct at least 40 per cent of public procurement to women-owned business.

This requires not simply a change to procurement policies. It also requires that we prepare women-owned businesses to access these opportunities.

Therefore, working with the private sector, state entities and development partners we have started training women entrepreneurs in financial literacy, accessing markets and access to finance.

As several speakers have indicated, the economic empowerment of women is being supported across government, from small-scale farmers to cooperatives, from human settlements to tourism to mining.

The pandemic has sharply demonstrated just how much economic growth and social development depend on the nation's health.

It has shown how vital it is that we invest in our people's health if we are to sustainably grow our economy and realise the potential of this, our most significant endowment.

The pandemic has also exposed the inequalities in access to health care and underscored the value of a national health insurance.

While the pandemic has further constrained our public finances, in many ways it has also enabled progress towards the NHI.

The COVID-19 pandemic has shown us how to work together to harness the entire capability of all public and private providers for service provision.

Honourable Members,

The other area where South Africa is richly endowed is in our natural resources.

The fynbos I spoke about last week is part of a remarkable biodiversity that is matched in few other places on earth.

We have a great responsibility to conserve this diversity of fauna and flora, but also boundless opportunities to use this ancient resource for sustainable growth and development.

Using our indigenous knowledge to produce cosmetics and pharmaceutical products to develop our eco-tourism offering, we are creating new businesses and new jobs, while making a priceless investment in sustainability.

South Africa is a country of great agricultural promise.

We are a producer and exporter of a wide variety of agricultural products.

The investment we are making in agriculture and agro-processing will enable us to fully realise the potential of this great renewable resource.

But to be successful, we need to align agricultural development with an effective and accelerated land redistribution programme.

We should not, as some Honourable Members do, see a trade-off between land reform and agriculture output.

They must be complementary and mutually-reinforcing.

Providing more land to many more South Africans, along with the means to productively work it, is not only about correcting a past wrong; it is also about building a prosperous and more inclusive future.

The wealth that lies beneath our soil has been central to our country's economy for nearly 150 years.

However, this wealth has not been equally shared amongst the people of South Africa.

We have extensive reserves of some of the world's most valuable minerals and extensive mining expertise.

Mining was one of the sectors of our economy that recovered significantly following the easing of domestic and global lockdown restrictions.

We are working with the industry to promote renewed investment through a conducive policy and regulatory framework. This includes efforts to reduce current timeframes for mining, prospecting, water and environmental licences.

To encourage the expansion of the industry, the Department of Mineral Resources and Energy has drafted an exploration programme implementation plan.

South Africa's natural beauty, its long coastline, its developed infrastructure and its rich cultural diversity have made it a destination of choice for travellers from across the world.

We are mindful that for our international tourism arrival numbers to reach pre-COVID levels, the vaccine rollout and adoption of bio-security standards remains critical.

The e-visa regime remains one of the key enablers for tourism recovery.

Domestic tourism remains the pillar of the recovery of the sector and we are encouraged by collaborative efforts by all stakeholders to grow this market in an effort to save business and jobs.

Tourism has been a resilient sector over decades and even during the pandemic. With the work that we are doing now, we are confident that the sector will revive and grow again.

Among our most valuable natural resources as we build a new economy are also the most plentiful – the sun and the wind.

That is why our Integrated Resource Plan 2019 envisages a substantial increase in the contribution that renewable energy makes to our country's energy supply.

It is why Eskom is expanding and strengthening the transmission grid to facilitate the connection of renewable energy, and by participating itself in the building of renewable energy generation capacity.

Apart from reducing the country's carbon emissions and ensuring substantial water savings, our renewable energy programme presents great opportunities to boost local manufacturing and job creation.

Another of our natural endowments is our location and our geography.

We are exploiting this through our special economic zones, using them to strengthen our industrialisation drive and bring development to local areas.

The Coega SEZ now has a mature portfolio with one large anchor investor and the Tshwane Auto SEZ has a major company driving the localisation of components in the area.

Dube Trade Port is located at a key logistics hub well positioned to decrease the time taken to deliver a product to global markets.

Using learnings from our own Coega SEZ, the Coega Development Corporation is providing advisory services to governments and the private sector in the development of SEZs across the African continent.

Projects opportunities have been identified in Cameroon, Nigeria and Zimbabwe.

Another of our strengths as a country is our position in the global community and on the continent.

We are a country at peace with ourselves and the rest of the world.

Over the past year, South Africa has been hard at work towards the promotion of the African agenda during its chairship of the African Union.

We have worked with other Member States to develop a comprehensive and coordinated response to the COVID-19 pandemic, to promote the economic empowerment of women and to silence the guns on the continent.

We used our position as a non-permanent member of the UN Security Council to strengthen the ties between the United Nations and AU bodies, particularly in the areas of peace keeping and conflict resolution.

The sustainability of our economic growth and development depends to a great extent on the development of the entire Southern African region.

This is gaining increasing importance – and is presenting greater opportunities – now that the African Continental Free Trade Area is in operation.

Honourable Members,

Our country is at its most promising when these two great endowments – our people and our natural resources – combine to create something altogether new and innovative.

For more than a decade, the government has been working with various partners, including the private sector and academia, to develop hydrogen fuel cell and lithium battery storage technologies.

This work serves two important developmental objectives – it offers the possibility of a new, renewable source of energy; while establishing new uses and new markets for the platinum group metals that are abundant in our country.

Hydrogen and fuel cell technologies, which use platinum, offer an alternative source of clean electricity, while hydrogen allows for energy to be stored and delivered in a usable form.

Through its Hydrogen South Africa Strategy, government and its partners have successfully deployed hydrogen fuel cells to provide electricity in schools and to field hospitals established as part of the country's COVID-19 response.

Now, after a decade of investment, we are ready to move from research and development to manufacturing and commercialisation.

We are establishing a Platinum Valley as an industrial cluster bringing various hydrogen applications in the country together to form an integrated hydrogen ecosystem.

This initiative will identify concrete project opportunities for kick-starting hydrogen cell manufacturing in promising hubs.

It will facilitate the commercialisation of home-grown intellectual property. It presents an opportunity to build a local skills base and lead the country into a new era of energy generation and demand for its platinum group metals.

Through this initiative, South African skills, technology and expertise is being used to extract greater economic value – in the form of new jobs, industrial development and cleaner energy – from a mineral that the country has in substantial quantities.

We will develop measures that should be taken to ensure that innovators are supported in local innovation and research.

This is just one example of the boundless potential that exists in our country to build a new economy of the future.

As several speakers in the debate noted, we do need to work with greater urgency and at greater scale to address the challenges that we face.

That is why the State of the Nation Address focused on progress, not promises.

Within only four months of its establishment in October last year, Operation Vulindlela has worked closely with and supported implementing departments to resolve obstacles to the implementation of crucial reforms.

The raising of the licensing threshold for embedded generation, the opening of further bid windows for renewable energy, the reinstatement of the water quality monitoring system, the commencement of digital migration and the process towards the allocation of spectrum are all concrete demonstrations of progress.

During the State of the Nation Address, I said that we would publish the revised critical skills list for public comment within one week, and I am pleased to announce that the list was gazetted this morning.

We have entered a new era of implementation and action, of working with speed and urgency to follow through on our commitments.

Honourable Members,

I have spoken this afternoon of some of this country's strengths and capabilities – of how we have nurtured them and how we continue to develop them – because all too often we overlook them.

All too often, we find ourselves distracted by the political intrigues of the day.

We are too often overcome by the unrelenting pressures of the moment, so that we fail to see the enormous potential that resides within this nation.

If we fail to see that potential, if we fail to recognise our strengths, then we will fail to seize the opportunities that they present for building a better society.

A week ago, I stood here to address the state of our nation.

I was forthright about the severe challenges we face, about the many crises that we must endure and overcome.

I spoke about the pain and the sorrow and the hardship that so many have experienced and continue to experience.

But I also spoke about our strength and resilience as a people.

I spoke about the qualities that we share, and the common purpose that binds us together.

We share the same fears and anxieties about our future. We share the same hopes and desires.

We all want to provide for our children, and we hope that they will enjoy better lives than we have had.

We want safety and shelter.

We want work that is dignified and rewarding, and the good health to perform it.

Throughout the history of our country, there have been those who have tried to divide us, to turn us against one another, to drive us apart.

But we have always had more in common than that which divides us.

Most importantly, I spoke last week about the focused actions we are taking, together, to recover from the devastation of this pandemic and build a new economy and a new society.

As we conclude this debate on the State of the Nation Address, let us resolve that, whatever our differences, we will strive together to overcome this coronavirus.

We will strive together to overcome poverty, inequality and unemployment.

We will strive together to end violence against women and children.

We will work together to build a new, transformed and sustainable economy.

We will never surrender to state capture, corruption, mismanagement, complacency or despair.

We will place the South African child at the centre of all our efforts.

We will get the work done.

And like the fynbos after the fire, we will rise.

I thank you.