

# MPUMALANGA ECONOMIC SUMMIT DECLARATION

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1. **WE**, the representatives of government, business, labour and civil society formations from the Mpumalanga Province, meeting at the Provincial Economic Summit in Nelspruit (Mbombela) from 15<sup>h</sup> to 16<sup>th</sup> October 2009, pursuant to the Premier's call for an economic summit in his inaugural State of the Province Address in June;
2. **NOTING** that despite the continuing efforts made by our Government, social partners and civil society organizations, many of our people in the Mpumalanga Province remain poor and thousands are unemployed;
3. **NOTING** that the challenge of ensuring decent work for all, in overcoming poverty and deep-seated inequality, and in addressing rural marginalisation remain uppermost in our endeavours in this province
4. **CONCERNED** that the world is currently undergoing an enormous economic crisis that threatens to reverse gains made in pursuit of Millennium Development Goals (MDG's)
5. **CONCERNED** that everything that is known about past economic crises from the Great Depression in the 1930s to the Asian crisis in 1997 shows that their social impact particularly on the poor and most vulnerable is often huge and long lasting
6. **CONCERNED** that the impacts of the global economic downturn are already being felt in the national and regional economy with our province losing more than an estimated 39 000 jobs between April and June 2009
7. **CONCERNED** about how these developments will further exacerbate youth and women unemployment, lack of access to education, training, skills development, health, proneness to diseases HIV/AIDS, tuberculosis, malaria and other related infectious diseases
8. **FURTHER CONCERNED** about the reality and perceptions of social partners on the limited success of previous Summits
9. **CONCERNED** that while policies and strategies have been developed for the Province their success has been affected by implementation failures and the lack of proper monitoring and evaluation
10. **CONCERNED** about the reality and perceptions on the fragmentation of social and economic policies, lack of integrated planning and implementation, weak social partnership, and inadequate consequences of corruption and poor governance

11. **CONVINCED** that low income workers, the unemployed and the vulnerable groups particularly youth, women and persons with disabilities can lose much through even a relatively brief economic shock, and the risk of unfairly placing the burden of the downturn on the poor and the vulnerable must be avoided
12. **CONVINCED** that the national response framework to the global financial crisis is an adequate start one with its emphasis on the need to ensure that all of our activities that are aimed at strengthening the capacity of the economy to grow and create decent jobs in the future
13. **CONVINCED** that our province is sufficiently endowed with natural and human resources and industrial capabilities that can be tapped for a more rapid economic growth path;
14. **CONVINCED** that accelerated infrastructure and social spending, agrarian reform and rural development, increased support to co-operatives and small enterprises, and job retention and skills development, should be the central pillars of our response to the economic challenges that our province faces
15. **HAVING UNDERTAKEN** a consultative process that included a critical review of the state of the province, analysis of the sectoral impacts of the economic recession and proposals for short-term, medium-term and longer-term strategies that can mitigate worst impacts while identifying future opportunities

#### **THEREFORE COMMIT OURSELVES TO:**

16. **Further explore** and facilitate the implementation of a set of strategic projects that will capture the imagination of the people of Mpumalanga whilst generating significant economic multipliers with far-reaching consequences for jobs and development in the province, specifically including;
  - a. The Mpumalanga University
  - b. Upgrading of major hospitals and establishment of a tertiary hospital
  - c. Maintenance and upgrading of the coal haulage network
  - d. Construction of an International Convention Centre (ICC)
17. **Support** the government in its rollout of infrastructure projects in all corners of the province especially in rural areas through various models such as Public-Private Partnerships (PPP's). The infrastructure projects will include the building of schools, clinics, roads, houses, bulk water and broadband infrastructure
18. **Promoting** the protection and creation of jobs through training and retraining of retrenched employees particularly as part of the training lay-off scheme, an introduction of learnerships and internships, investment in human resources and skills development, facilitating employment in new provincial projects and Expanded Public Works Programme (EPWP), plus addressing public sector employment issues including the filling of vacant posts

19. **Facilitating** fast-response for companies in distress through fast-tracking of financial support to SMME's affected by the global economic downturn, as well as recognized constraints facing small businesses, within the existing measures in institutions such as MEGA and the IDC and other provincially based Development Finance Institutions (DFI's), establishing a procurement priority focus on SMME's including the target of 10 percent improvement on procurement spend and number of SMME's involved year on year, and the buying of goods and services from Mpumalanga based suppliers wherever possible

20. **Establish** emergency food relief programmes, and addressing food security deficits and increased agricultural production in the province

21. **Finalize** and implement the provincial co-operatives development strategy with clear measures for providing on-going support to co-operatives in the province whilst exploring measures to embrace and generate decent livelihoods in the informal economy

22. **Support** government including a special role for business, and in particular, organised agriculture, towards rural development programmes and emerging farmers.

**MANDATE** the MEC for Economic Development Environment and Tourism to assume the role of "political champion" for the Declaration and proposed actions and to report to stakeholders on a quarterly basis.

**FURTHER COMMIT** all stakeholders to participate in the foras and structures required for the successful implementation of the Summit Agreement, notably the Provincial Development Council (PDC)

**AGREE** that Government should prioritize the mobilization of district and local municipalities to contribute and participate in the implementation of the Summit Agreement through the Provincial Co-ordination Forum (PCF) and other integrated planning processes within government

**PLEDGE** that Business, Community and labour organizations will also mobilize their constituencies to participate in the implementation of the Summit Agreement