WEDNESDAY, 03 JUNE 2026

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PROCEEDINGS OF THE NATIONAL COUNCIL OF PROVINCES

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The Council met at 14:00.

The Deputy Chairperson took the Chair and requested members to observe a moment of silence for prayers or meditation.

The Deputy Chairperson announced that the hybrid sitting constituted a sitting of the National Council of Provinces.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Hon delegates, I would like to remind delegates that the rules in particular Subrules, 21, 22 and 23 of Rule 103 would apply today.

Hon delegates, before we proceed, I would like to take this opportunity to welcome the Minister and Deputy Minister of Electricity and Energy and the Minister and Minister of Mineral and Petroleum Resources, as well as all permanent delegates, MECs, all special delegates and SA Local Government

Association, Salga, representatives in this House and on the virtual platform. I also want to welcome guests that are in the gallery and hope that they enjoy the session with us and visit the National Council of Provinces, NCOP, whenever they would like to.

Hon delegates, I have been informed that there will be no Notices of Motion and Motions Without Notice. Therefore, we shall proceed to the first order of the day. That is the Policy debate on Budget Vote No 10: Electricity and Energy – Appropriation Bill [B 4 – 2026] (National Assembly – sec 77).

APPROPRIATION BILL

(Policy debate)

Debate on Budget Vote No 10: Electricity and Energy: The MINISTER OF ELECTRICITY AND ENERGY: Hon Deputy Chairperson, hon members of the National Council of Provinces, NCOP, hon premiers and special delegates, Cabinet colleagues, hon Minister Mantashe and his Deputy Minister, hon chairpersons and chief executives of the energy family, entities the Acting Director-General, Mr Kekana and the officials of the department, fellow South Africans, on 10 May 1994, standing at the Union Buildings, President Nelson Mandela reminded us that and I open quote:

> Our daily deeds as an ordinary South Africans must produce an actual South African reality.

Those words remain a test of public duty. They remind us that the promise of democracy must be made visible in the life of a house of a household that can switch on the lights, a learner who can study at night, a clinic that can refrigerate medicines safely, a business that can produce safely without interruption and a community that experiences energy not as a privilege, but as a foundation for dignity and development.

This Budget Vote is therefore not simply an account of expenditure. It is a statement of execution. It sets out how the Department of Electricity and Energy is converting planning into planning, delivery, stability into security and public investment into the confidence required to unlock the next wave of energy and infrastructure investments.

On 18 May 2026, Eskom marked 365 days without load shedding. That milestone did not invite celebration for its own sake. It gave the country an opportunity to reflect on the path we have travelled, and to acknowledge that the electricity system has regained stability, Eskom's operational performance has improved, maintenance discipline has strengthened, key generating units have returned, system co-ordination has become sharper, and executive oversight has become more focused.

However, this Budget Vote is not a celebration of recovery. It is a statement of the work that must now follow recovery. Our central task remains to convert stabilisation into durable energy, security and to ensure that national recovery is felt in every province, every municipality, every city, town, township and rural village.

Hon members, this Budget Vote comes before the National Council of Provinces, at a time when energy security has become central to economic security, industrial competitiveness and national resilience. Across the world, electricity demand is rising as economies digitalise, industries electrify, data centres expand and countries compete for investment in the new energy economy. For South Africa, reliable and affordable energy is now a condition for growth, employment, regional trade, industrialisation and inclusive development. It is also a condition for sovereignty, because a country that cannot secure its energy future cannot fully secure its economic future.

Hon members, the allocation under Budget Vote No 10 is R6 billion for the 2026-27 financial year. However, the significance of this Vote cannot be measured only by the size of the appropriation. The department's role is to use this allocation as a lever, to provide the policy certainty, planning authority, programme co-ordination, regulatory oversight and institutional capacity required to unlock a much larger energy investment.

In other words, this is not a budget that seeks to fund the energy transition on its own. It is a budget designed to organise, direct, and catalyse investment across the energy system, from generation and transmission to distribution recovery, universal access, firm capacity, storage, gas, nuclear and energy linked industrialisation. Its value lies in how effectively it helps the state to convert policy into projects, public expenditure into confidence, and confidence into the scale of investment required to build South Africa's energy future.

In practical terms, Budget Vote No 10 is a lever to facilitate the estimated R2,2 trillion in energy infrastructure investment pipeline required across the sector. That investment pipeline is anchored in the Integrated Resource Plan, the Transmission Development Plan, universal access requirements, distribution recovery, firm capacity, storage, gas, nuclear, green hydrogen and energy linked industrialisation.

The department will focus on five priority areas in the year ahead namely: Risk adjusted energy planning through the Integrated Resource Plan, Gas Master Plan, and Integrated Energy Plan; accelerated grid expansion and transmission unlock; a sequenced SA Wholesale Electricity Market implementation roadmap; and firm capacity acceleration, including coal fleet planning, gas storage and nuclear; and finalisation of electricity pricing and distribution sector transformation to strengthen affordability, social protection and municipal service delivery.

Hon members, a responsible energy requires honesty about the system we have, the system we need, and the path between the two. The coal fleet is ageing. Environmental obligations are tightening. The timing of retirement, repowering and repurposing has direct implications for system security, electricity prices, workers, communities and municipalities.

The department will therefore develop a programmatic twenty-year outlook for the coal fleet. This will move the country away from the narrow station by station decisions and toward an integrated national framework for retirement, repowering, repurposing, minimum emissions standards compliance, cost-recovery and community revitalisation.

This work will be undertaken with social partners. It will recognise the legitimate concerns of workers, municipalities, local businesses and communities. It will also ensure that coal fleet decisions are aligned with systems adequacy and affordability. The transition must be managed with people and not imposed on people.

South Africa must also confront the gas cliff with urgency and clarity. Gas supply constraints affect industrial users, petrochemicals, manufacturing, investment decisions and regional energy logistics. They also affect the ability of the electricity to access flexibility and dispatchable capacity.

Gas will therefore be positioned as part of the post 2030 firm capacity mix where it is affordable, bankable and aligned with infrastructure readiness, supporting renewable integration and industrial competitiveness alongside storage, pumped storage and nuclear.

The department will advance the nuclear programme with prudence and discipline. This includes the Nuclear Industrialisation Plan, the implementation of the 5 200 mega wards of nuclear new build programme, the nuclear fuel cycle strategy to support energy sovereignty, Small Modular Reactor positioning, including the lifting of the Pebble Bed Modular Reactor out of the care and maintenance as the basis to review its capability, the development pathway for the Multi-Purpose Research Reactor and the necessary section 34 determination process for nuclear energy procurement.

Hon members, if there is one infrastructure lesson that now stands above all others, it is this: Without transmission, there is no energy transition at scale. The National Transmission Company SA, has already moved important parts of the Transmission Development Plan into procurement and execution. Significant transmission lines and transformer capacity are in the delivery pipeline. Servitudes have been secured for major portions of the build programme, and grid connection capacity is being unlocked for future generation. The scale of the task requires a new delivery model. The department will secure confidence in grid capacity delivery through an integrated transmission expansion plan, bringing together the Transmission Development Plan, Independent Transmission Projects, collector grids, self-build models, shared transmission works, system resilience requirements and the Integrated Resource Plan.

Hon members, South Africa is preparing for a more transparent and competitive electricity market. The SA Wholesale Electricity Market will introduce clearer price signals, improve dispatch efficiency, allocate balancing responsibilities more transparently and reduce long-term reliance on the single buyer model. However, market transformation must be sequenced with sensitivity. The department will therefore finalise and launched a sequenced SA Wholesale Electricity Market implementation roadmap.

The roadmap will set out regulatory milestones, readiness gates, governance controls, pricing alignment, vesting arrangements, settlement arrangements and the transition toward the Transmission System Operator. The market will not build on uncertainty. It will be built on rules, oversight, readiness and public interest.

We are not transforming the electricity market so that the state can retreat. We are transforming the electricity market so that the state can govern a more complex system with better instruments. The state will continue to plan, regulate, protect the poor, defend the system security and ensure that market design serves national development objectives.

Hon members, electricity prices matter because they are felt directly in the lives of South Africans. They affect the household budget, the cost of doing business, municipal finances, industrial competitiveness and the legitimacy of energy sector transformation.

The department is processing the Electricity Pricing Policy through to Cabinet, after which public consultation will open. This policy provides the basis for a revised framework on tariff setting, cost reflectivity, wholesale pricing, use of system charges, time of use pricing, subsidy separation, municipal cost of supply enforcement and social protection.

Affordability must be built into the design of the system, not left as an afterthought. The department will review the Free Basic Electricity policy as part of a broader social protection framework, to strengthen support to indigent and vulnerable households and to ensure that poor households are protected in a more competitive and complex electricity market.

The department acknowledges the work processed by Eskom to provide a tariff of approximately 62 cents per kilowatt hour to major smelters, recognising that energy intensive industries can only remain globally competitive where electricity pricing supports production, investment retention and export performance. Building on this, the department will work to codify a transparent and carefully targeted special pricing mechanism for Large Power Users, as an instrument to support industrial growth, preserve strategic productive capacity and ultimately protect jobs, while maintaining the financial sustainability of the electricity system.

Hon members, the recovery of the national system must now be carried into communities. A national system can be stable, while a local community remains in darkness because of a transformer has failed, a feeder is overloaded, or a municipal network is unable to cope. Electricity distribution is part of the system closest to the citizen. It is also where some of the deepest weaknesses remain, including poor asset registers, weak billing systems, illegal connections, nontechnical losses, ageing infrastructure, incomplete cost-of-supply studies and rising municipal arrears.

The department will drive the Distribution Agency and Agreements as a central instrument in resetting the distribution sector, working with the National Treasury and the Department of Co-operative Governance and Traditional Affairs to prioritise municipalities where electricity services, revenue collection and network performance are under the greatest strain. Through this approach, we will intervene more deliberately to stabilise municipal electricity businesses, to improve technical performance, strengthen revenue recovery and restore reliable electricity supply to communities.

The department will also operationalise the Universal Access Programme Management Office to address 1,6 million household gap. Universal access must now mean that more connection. It must mean reliable, safe and affordable electricity, supported by grid connections, microgrids, off-grid solutions, smart metering, indigent registration and productive use of energy.

At the same time, we will consolidate the Load Reduction Elimination Programme as an immediate and practical intervention to restore reliability in communities that continue to experience localised electricity insecurity. The September 2025 baseline identified 971 load reduction feeders, affecting approximately 1 6 million customers, with the highest concentration risk in Gauteng, Mpumalanga and Limpopo.

The programme is already showing progress. By March 2026, 211 Feeders had been removed from load reduction against a planned target of 290 feeders, representing 73% achievement.

I am happy to announce that the Western Cape and the Northern Cape are now fully off load reduction, and Phase 1 targets have been achieved in KwaZulu-Natal, Limpopo and Mpumalanga. This progress demonstrates that eradication is achievable, but that acceleration is now required to meet the remaining Investment Committee approval and shareholder compact targets.

The implementation plan recognises that the problem is uneven across the country. In provinces where the scale of the challenge is more contained, that is the the Western Cape is already load reduction free, the Northern Cape has been removed from load reduction, the Eastern Cape is on track for full elimination of load reduction by June 2026, the Free State is targeted for elimination by July of this year, the North West forms part of a cluster that is on track for completion by again June 2026. That is in the current month.

In Gauteng, KwaZulu-Natal, Limpopo and Mpumalanga, where the scale and complexity are greater, the programme will continue through phased interventions focused on smart meters, feeder stabilisation, network strengthening, electrification to normalise illegal connections, community mobilisation and additional contractor capacity, with full elimination targeted by March 2027.

In Gauteng, KwaZulu-Natal, Limpopo and Mpumalanga, where the scale and complexity are greater, the programme and will continue through a second phase to September 2026 and then into a final phase, with full elimination targeted by March 2027. Just to clarify, Mpumalanga and Limpopo will be done by September of 2026. Gauteng and KwaZulu-Natal by March of 2027 the latest.

Hon members, the energy transition must not become a new important dependency. South Africa cannot spend hundreds and thousands of rand on energy infrastructure without building local industry, skills and ownership. Energy investment must be used to expand the industrial base of the country.

The department will align electricity investment with industrial policy, localisation, supplier development, green hydrogen, nuclear industrialisation, gas infrastructure, transmission equipment, storage technologies, smart meters, transformers, and energy linked manufacturing. Where public policy creates demand, industrial policy must shape the supply response. Where the state procures infrastructure, it must also build capability. Where the energy transition creates new markets, South African firms and workers must be positioned to participate.

Hon members, this Budget Vote is a statement of execution. It recognises the progress in stabilising the electricity system. It recognises the scale of the work still ahead. It recognises that public confidence is built not only by promises alone, but by delivery that is visible, measurable and felt in daily life.

This is a demanding agenda. However, it is also a hopeful agenda. It says that South Africa is no longer only managing crises. It is building the future. It says that energy security is not an abstract objective. It is the foundation of growth, dignity, inclusion and national confidence.

President Mandela’s words remind us that our daily deeds must produce an actual South African reality. In the energy sector, that reality must be a country where electricity is reliable, where access is universal, where investment is unlocked, where communities are protected, and where the energy transition becomes the platform for jobs, industrialisation and shared prosperity. This is the work this Budget Vote must carry going forward. I thank you, hon Deputy Chairperson. [Applause.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Hon Minister, thank you for not producing a report that is shocking. That was a good report. Thank you very much.

We now move on to the Chairperson of the Select Committee on Agriculture, Land Reform and Mineral Resource the hon Modise, for 15 minutes.

Mr M G MODISE: Hon Deputy Chairperson, hon Minister Ramokgopa, the forever early and available Minister Mantashe, Deputy Minister Graham-Maré, Deputy Minister Mgcina, hon members, hon members of the executive, special delegates, King Soul Shabalala, one of them and fellow South Africans ...

Setswana:

... dumelang ...

English:

For many of us who grew up in the golden era of the South African television, Saturday evenings between 6 pm and 6:30 pm were sacred. The nation gathered before their screens in anticipation of a TV show called *Selimathunzi*. Amongst its hosts stood a light-skinned presenter whose charming signature line, *Selimathunzi, Dugu Dugu*, became etched in our collective memory. In a time before internet and social media when television and radio were the heartbeat of communication, Dosto Noge was more than a presenter. He was a household name. He embodied the true spirit of edutainment, to educate, to inform and to entertain. His visit to celebrity homes, opening fridges to reveal only a bottle of water, half-cut onions, an empty bottle of tomato sauce, reminded us that fame did not shield one from the life's everyday challenges. It was a gentle lesson in humility, showing that even stars are humans.

Across decades of high-energy TV shows like *Ngomgqibelo/Ka Mokibelo*, and memorable roles in Setswana dramas, Mr Dosto Noge distinguished himself not only by talent, but by integrity. His career has been free of scandals, controversy, or tabloid headlines. Instead, it has been marked by professionalism, dignity and a clean life lived in service of his craft and his audience.

Today, on behalf of this House, we salute you, Dosto Noge. You are a pioneer of weekend entertainment, a custodian of culture and a symbol of excellence. Your voice, your presence and your legacy continue to inspire generations.

Today, I speak about the one thing that touches every home, every factory, every classroom and every clinic in this country, that is, electricity. For 16 years, load shedding became part of our language. Stage 4 today, will we have the power for exams? Can hospitals run its theatres? Were there questions by South Africans daily in taxis, in shebeens, in buses and in trains?

Darkness is expensive. The Council of Scientific and Industrial Research estimate that at its worst, load shedding shaved 2% to 3% of the GDP every year, that is, 16 years of 2% to 3%. That is hundreds of billions lost. That is a factory closed instead of expanding. That is a youth who stayed unemployed because the business that would have hired him could not afford to do so.

But today, I do not come to speak only about the loss. I come to speak about recovery. About what happens when policies mise delivery. About how we turn the lights on, keep them on and use the power to build an inclusive economy. This is a speech about growth, about jobs, about dignity and about making sure no future Parliament has to ever debate darkness again.

Hon members, let us start with facts. South Africa's peak demand is 32 to 35 gigawatts, and it is rising. We are electrifying transport. We are building data centres. We are industrialising. Demand will go up, up and up. And here is the truth no honest government can ignore. Base load cannot wobble. A hospital cannot run on maybe the wind is blowing. Or a smelter cannot stop because clouds have covered the sun. A mine cannot tell 3 000 workers to go home because one plant tripped. So, South African supply must be met through multiple energy carriers because no single source can carry a modern economy alone.

These multiple energy carriers are, firstly, coal. Yes, coal, hon members. Coal is still about 70% or so of our energy generation today. It is despicable. It is what our engineers know. It is what our towns in Mpumalanga and Free State were built on. We must run it cleaner, maintain it better and use it responsibly while we are in transition. To shut it down overnight is to shut down jobs overnight.

Secondly, is nuclear. Koeberg gives us 1,8 gigawatts of clean steady power 24 hours a day. That is a base load that we can compare to a gold. No emission and no weather risk. Nuclear takes time and capital, but is a long-term security. Any country serious about industrialisation keeps nuclear in the mix.

Thirdly, is hydro and pumped storage. Drakensberg is one of those. The giant of our batteries in the mountains. When demand spikes at 6 p.m, they switch on in a minute. No other technology is faster. We must maintain them and plan more.

Gas pick-up plants are the fire bridge of the grid. When a coal unit trips unexpectedly, gas fires up in 10 minutes, and not in 10 hours, hon Mabilo. It bridges us while we build permanent capacity. It also lets us use our own natural gas resource.

Lastly, is renewables. Solar and wind are now the cheapest new electricity on earth, hon Makesini. They're critical to cut costs and reduce daytime demand pressure. But they must be paired with batteries, transmission upgrades and proper planning. Then they become a weapon against load shedding and not a risk.

The end of load shedding does not come from choosing one technology and fighting about it. It comes from using all technologies, each of what it does best. More carriers equal more reliability. More reliability equals investor confidence. And investor confidence equals growth.

Even the best mix fails if the institution is broken. That's why we welcome the separation of the department and have the Department of Electricity and Energy to operate as an independent department. Why does that matter? It is because the standalone Department of Electricity and Energy can do one of the three things. Firstly, focus on a mandate. Set a target, keep the lights on, expand generation, build transmission and nothing else. Or secondly, accountability. When the lights go off, South Africans must know exactly which department and which Minister is responsible. No more passing the buck. Or thirdly, speed. Licencing of the independent power producers, IPPs, grid connection and maintenance decisions must happen in weeks, and not years.

Let me say this clearly so the record reflects it. Hon Pinaar, the ANC policy on the electricity and energy sector implemented through Energy Action Plan launched in 2022 has worked. The Energy Action Plan was not a speech. It was five concrete things. Firstly, add as much new generation to the grid as possible and fast. The department removed the licencing caps and opened the door for private investment. The results were that over 10 gigawatts of new project in the pipeline, rooftop solar exploded and the IPP bid windows moved. Secondly, fix Eskom existing plans. In maintenance, not excuse the department brought back skilled engineers, focused on unplanned outages and improved energy availability. Thirdly, enable private investors.

The department led businesses, farms and households generate their own power and sell it back. That took pressure off the grid.

Fourthly, accelerate procurement. Bid Window 5 and Bid window 6 brought new solar, wind and battery projects online. Lastly, transform the grid. The department started planning transmission expansion so new power can reach homes and factories. The result is what South Africa feels today. Loadshedding has ended. For months now, the grid has held. Factories run full shifts, students study at night and hospitals operate without disease. This was not by incident. This was not luck. This was policy, planning and delivery. When government sets clear plan and follows it, South Africa moves forward. Lights on means factory on. Factories on means order field. Orders field means workers hired. Workers hired means family fed and future resort.

Electricity is not just an economic input. It is an instrument of justice. The role of energy and electricity for inclusive economic development is this. Where there is power, there's production. Where there's production, there are jobs. And those jobs must go to provinces and communities that were left behind.

In the Eastern Cape, auto parts manufacturers can now take export orders without fearing blackouts. In Limpopo, farmers can pack and free citrus to Europe without losing a crop. In North West, platinum mines can run safely and add shifts. And in Mpumalanga and the Free State, we must manage the transition so coal communities get the new jobs, not just job losses. In the Northern Cape, the sun is a resource that can power the country. Reliable energy means every province, not only Gauteng and the Western Cape, can compete for investment.

Hon members, who was hurt most by load shedding? It was not the big corporates with generators. It was the township spaza in Soweto, the salon in Kayelitsha, the rural clinic in Giyani, the school in Qwaqwa and the welder in Mthatha. For them, four hours without power meant zero income that day. They could not afford backup. They just lost.

When we keep the lights on and expand the grid access, we unlock entrepreneurs where unemployment is 50% or 60%. We let the youth start businesses without needing R100 000 for backup power. We let women-owned co-operatives process food, make finisher and sell without interruption. As we build this new energy, jobs must be local. Solar installers must be trained in our townships. Battery technicians must come from our rural areas. Grid upgrade contract must go to the small, medium and micro enterprises, SMMEs, and co-operatives in disadvantaged areas. Procurement must be deliberate. Electricity is not luxury. It is dignity. It is the difference between a child doing homework at night or sitting in the dark. It is the difference between a mother's business surviving or closing. If we get the energy right, we do not just grow the GDP. We grow it inclusively. We create work for the many and not for the few.

The end of loadshedding today is a victory. Our task is to make it permanent and permanence requires detailed planning. The importance of detailed planning is this, namely, supply and meets market demand, and it must do so every single day for the next 30, 40, or 50 years, and not by hope, but by design.

Our economy is recovering, hon Ramokgopa. Data centres are coming. Electric vehicles will grow. New housing and industry will add load. If we only build for 2026 demand, we will be back in crisis by 2028. The integrated resource plan must be updated, funded and executed without delay. We must forecast growth province by province. Gauteng will need more. Northern Cape Solar must be connected. Eastern Cape ports will industrialise. The plan before the factories asks for it. One coal plant must not collapse the grid again. Security of supply going forward means every part of the mix is maintained and expanded, baseload from coal to nuclear. Flexibility from gas to hydro. Cost and speed for renewables plus storage and transmission lines strong enough to carry it all. We must fund grid expansion. You can have 10 gigawatts of new power, but if the wires cannot carry it, the lights will still go off. That is a waste of investment and wasted jobs.

Detailed planning is not paperwork. It sets target, timelines and consequence. Which power plant connects in 2028? Which transmission line is completed in 2027? Which budget line is spent and audited? South Africa do not want winter promises. They want certainty. Certainty tells manufacturer in East London to expand your plant the power will be on. Certainty tells a young entrepreneur in Tembisa, start your bakery, the oven will work. Security of supply is not an accident. It's a product of serious planning, serious budgeting and serious delivery.

In closing, the lights going off was a policy failure of the past. The lights staying on must be the policy success of this Parliament. We now have the roadmap, a multiple energy carrier energy carriers mix and independent of properly funded Department of Electricity and Energy. The ANC policy delivered through energy action plan, inclusive job creation in every province township and detailed planning for security of supply. This is about South Africa, a South Africa where child can study at night, where a worker can earn a wage, where business can invest without fear, where no communities left in the dark because of history or geography.

Let this Seventh Parliament be remembered for one thing above all. We chose growth over darkness. We chose jobs over excuses. We chose action over delay. Let us fund this department. Let us execute the plan. Let us keep the lights on. Because when the lights are on, South Africa rise. Fellow South Africans, anyone who is going to stand here and reject or say they do not support this Budget Vote does not love you. And you must remember them because they want us to go back to the age of load shedding. I thank you.

Ms S L SITHOLE: Hon Deputy Chairperson, let me give my greetings to the hon Minister of Electricity, Rre [Mr] Ramokgopa, and Deputy Minister, Minister of Agriculture, Rre Mantashe, and the Deputy Minister, Chief Whip ... [Interjections.] ... no, he’s not demoted ... I said let me give my greetings to Minister of Electricity, Rre Ramokgopa, and the Deputy Minister, and my greetings, again, to the Minister of Agriculture, Rre Mantashe, and the Deputy Minister, Chief Whip of the House, Kenny Mmoiemang, hon members, permanent delegates and special delegates ...

Setswana:

... baagi ba Aforika Borwa, dumelang.

English:

Let me tell you the story of the doubting Thomas. When you, hon Minister, declared that loadshedding will become a thing of the past, the doubting Thomas, true to form, insisted it could never be done. They said the lights would never stay on, that the challenges were too great and that the failure was inevitable.

Yet, on 16 May 2026, Eskom reached an extraordinary milestone, marking 365 consecutive days of uninterrupted power supply. Your statement was not merely a promise, it was a commitment fulfilled by a capable ANC-led government determined to restore stability to South Africa's energy sector.

As loadshedding is dispatched to the annals of history, this achievement represents a far more than operational progress. It signifies the restoration of national confidence, renewed investor certainty and a clear demonstration that when government, workers, engineers and communities work together, even the most difficult challenges can be overcome.

The lights staying on for the entire year is not only an energy success story, it is a testament to what focused leadership, persistent and collective efforts can achieve for our nation.

You have now declared that load reduction will be permanently eliminated. And once again, the doubting Thomas' have resurfaced. True to their nature, they have moved to the goalpost.

Having been proven wrong on loadshedding, they are now proclaiming at the top of their voices that load reduction can never be eliminated. But as the ANC we are not only confident, but certain that this challenge, too, shall be overcome.

History has taught us a simple lesson that whenever the odds seem stronger and the obstacles appear impossible to overcome, the resilience, determination and collective strength of our people led by the ANC prevailed.

Time and again South Africans have demonstrated an extraordinary capacity to overcome adversity and achieve what may be believed to be impossible. Those who doubt today should remember that there was once a system that claimed it will rule forever. Some insisted apartheid will never be defeated. Yet, the courage of our people united in struggle and led by the ANC proved them wrong. That same spirit of perseverance, innovation and resolve continue to guide us today.

Just as we overcame loadshedding, we are confident that load reduction will become a thing of the past, too. We have done difficult things before and we'll do so again.

Hon Chairperson, despite our confidence in the Minister and his team, this task cannot be accomplished by the government alone. Eliminating load reduction requires a partnership between Eskom, government, communities and every South African who depends on a reliable supply of electricity.

As public representatives, we have a responsibility to encourage affected communities to report illegal connections, protect electricity infrastructure and register for legal electricity services. These are not merely administrative actions, they are acts of active citizenship that contribute directly to the stability and sustainability of our electricity network.

If we embrace this responsibility, we will not only assist Eskom in strengthening power system stability and reducing pressure on the grid, but also help secure a reliable electricity supply our economy needs to grow, create jobs and improve the lives of our people.

Hon members, the ANC-led government is not shortsighted. Through the Energy Action Plan announced by President Cyril Ramaphosa, the government has demonstrated its ability to address immediate challenges while planning for the future. The interventions undertaken were never intended merely to end load shedding. They were designed to transform the country's energy landscape fundamentally and lay the foundation for long-term energy security reliability and availability.

The government recognises that resolving the electricity crisis requires more than temporary fixes. It demands structural reforms, investment in generation capacity, improve operational performance, expand transmission infrastructure dand diversification of South Africa’s energy mix.

The success achieved in stabilising the power system is, therefore, not an end in itself but part of the broader vision.

By implementing the Energy Action Plan the government has used a moment of crisis as an opportunity to build a stronger, more resilient and more sustainable energy sector capable of supporting economic growth, attracting investments and improving the quality of life of all South Africans.

This forward-looking approach reflects a government that understands that energy security is not only about keeping the lights on today but also ensuring that future generations inherit an electricity system that is reliable, affordable and capable of powering South Africa’s development aspirations.

Hon Deputy Chairperson, the National Council of Provinces, NCOP, plays a critical role in strengthening intergovernmental relations and ensuring effective co-operation between the three spheres of government.

This constitutional responsibility must be brought to bear in addressing one of the most pressing challenges facing our electricity sector, the long-standing debt owed by the municipalities to Eskom.

The reality is ... [Interjections.] [Inaudible.] ... municipal debt to Eskom has reached approximately R94,6 billion, posing a significant threat to the utility’s financial sustainability and long-term viability.

This level of debt undermines Eskom’s ability to maintain infrastructure investment in future capacity and continues to provide reliable electricity to households, businesses and industries across the country.

As an institution mandated by the Constitution to promote co-operative governance and foster strong relations between national, provincial and local government, the NCOP cannot remain a passive observer. We must actively facilitate engagement, oversight and collaboration to ensure that sustainable solutions are a found and implemented.

We, therefore, have a responsibility to support and strengthen Eskom’s initiatives aimed at improving municipal payment compliance, addressing historical debt and establishing workable repayment agreements.

Recolving these challenges requires commitment from all spheres of government because financially sustainable Eskom is indispensable to South Africa’s economic growth, energy security and developmental objective.

The success of our energy reforms will ultimately depend not only on the generation of electricity, but also on ensuring that the institution responsible for providing it remains financially stable and capable to fulfil their mandate to the people of South Africa.

Hon Minister, you have committed to this winter being a warm one for the people of South Africa and to the dark days of loadshedding not returning during these winter months.

We encourage you and your department to continue investing in prioritising planned maintenance to further strengthen the performance and reliability of the power system and to ensure that the energy availability factor rises above 66%.

We are not merely hopeful that this objective will be achieved, we are convinced it will. The evidence from the past year has shown what focused leadership, sound planning and determined implementation can achieve.

While the doubting Thomases in House will, true to their nature, continue to doubt and move the goalposts, we choose to place our confidence in results rather than pessimism.

As I conclude, Deputy Chairperson, South Africa has witnessed the progress achieved, they have seen commitment translated into action and promises into outcomes. We are confident that the work underway will continue to strengthen energy security, support economic growth and improve our people's lives.

For these reasons, the ANC supports Budget Vote 10 of the Department of Electricity and Energy. Thank you.

Mr N H PIENAAR: Hon Chairperson, Minister Ramokgopa, Deputy Minister Graham-Maré, my fellow Members of Parliament and most importantly, as always, citizens at home, good day.

Afrikaans:

Goeiedag.

Sepedi:

Thobela, Limpopo.

English:

The budget before us for approval is a staggering R6,1 billion, and I am pleased that the majority of it is directed towards grid infrastructure and pricing reform – essential items neglected for far too long, Chairperson. For years, South Africa ignored the warning signs regarding grid capacity in the same way that we ignored the warning signs before load shedding crippled our economy. The grid is the canary in the coal mine, Chairperson, and finally, this Government of National Unity, GNU, is giving it the attention it deserves.

As the Democratic Alliance, we are particularly excited about the 14,000 kilometres of new transmission lines over the next eight years, Minister. What excites us even more is that the Minister is opening the door for private sector participation through the Independent Transmission Project Programme. This is the correct approach, Minister, and you have our support. The state alone simply does not have the capital, technical capacity or speed required to build the energy infrastructure that South Africans desperately need. It is, therefore, encouraging to see signs that the Deputy Minister's free-market thinking is finally beginning to rub off on the Minister.

Chairperson, the Minister has outlined several priority areas and the majority of them have our support. However, there is one issue that continues to be pushed despite the warning signs flashing red across the world, and that is green hydrogen. The rest of the world is scaling back investment because the economics simply do not make sense. It is expensive to produce, expensive and difficult to transport and perhaps most importantly, there is currently no reliable large-scale market demand. We would encourage the Minister to think hard going forward in the next few months regarding investing billions of taxpayers' money in this venture.

South Africa's immediate energy priority should be practical and achievable: grid expansion, energy security, reliable generation capacity and attracting private sector investment into proven technologies such as gas, solar, wind, coal and transmission infrastructure.

Chairperson, unfortunately, it is not all good news in the department. Municipal debt remains a crisis that the Minister has still not managed to resolve. This will undoubtedly determine whether his term is a success. We note the backroom agreement reached with the outgoing Mayor of Johannesburg regarding the repayment of approximately R5,2 billion owed to Eskom. What a staggering amount that one municipality still owes to Eskom! However, Chairperson, this is not the first repayment agreement. Under the ANC leadership, the city has repeatedly defaulted on their payment arrangement plans in the past.

The reality is that Eskom is now owed over R110 billion nationally by municipalities, with some estimates warning the figure could eventually rise far higher if nothing changes. This debt threatens Eskom's financial stability, future infrastructure investment and ultimately, the stability of the entire electricity sector.

For too long, failed municipalities have been allowed to dig deeper into debt without any consequences. Residents continue paying for electricity, but the money often never reaches Eskom. Once again, it is the taxpayer who will ultimately carry the burden of government's failure to enforce accountability. Chairperson, consequence management cannot only apply to ordinary South Africans whose electricity is quickly cut off when they fail to pay. It must also apply to municipalities and politicians who recklessly mismanage public finances.

In closing, Chairperson, we acknowledge the progress that has been made, hon Modise and Minister, within the department, especially with regards to Independent Power Producer, IPP, registrations, grid access reform, arrests linked to corruption at Eskom and the significant reduction in load shedding. I trust that the Minister will push hard in the coming months to ensure the unbundling of Eskom as well.

South Africans are finally beginning to see what is possible when ideology slowly starts fading away to practicality. Now Chairperson, if we can just get rid of that pesky load reduction, then ordinary South Africans might finally begin to feel the benefits of an energy sector moving in the right direction.

IsiXhosa:

Phambili ngeGNU, phambili!

Afrikaans:

Baie dankie.

Ms N KONTSIWE (Eastern Cape): Good afternoon, hon Deputy Chair. I am trying to ...

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Can you switch your camera on for a few seconds, please.

Ms N KONTSIWE (Eastern Cape): Yes, my camera is on. I don't know what's going on now. Why is it dark?

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): There is something that is partially blocking your camera. We can see half of your face.

Ms N KONTSIWE (Eastern Cape): Do you see me now?

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): That's perfect. Thank you. You may continue for 10 minutes.

Ms N KONTSIWE (Eastern Cape): Deputy Chair, just a small correction on a lighter note. Our department has changed from the Department of Rural Development to be the Department of Agriculture — just Agriculture.

Greetings to you, hon Deputy Chairperson, the Minister of Electricity and Energy, the Deputy Minister, hon members of the NCOP, special delegates and distinguished guests. The Eastern Cape provincial government rises to support Budget Vote 10 and the strategic priorities of the Department of Electricity and Energy. We do so at a pivotal moment in South Africa's democratic journey.

For more than a decade, the energy conversion in our country has been dominated by crisis management: The devastating effects of load shedding, constraint economic growth, undermined investor confidence, weakened public service and imposed severe hardships on households and businesses alike. Today, however, South Africa stands at the beginning of a new chapter. The focus of our national energy agenda is gradually shifting from managing electricity shortages towards building a competitive, diversified, sustainable and resilient energy market, capable of empowering inclusive growth and industrial development.

The Eastern Cape welcomes this strategic shift, and we support the department's commitment to implementing the Electricity Regulation Amendment Act and the reforms that seek to modernise South Africa's electricity market through greater competition, open access to grid and expanded participation by independent power producers. These reforms represent an important milestone in the evolution of South Africa's energy sector. The introduction of a more competitive electricity market has the potential to attract investments, stimulate innovation, improve efficiency and ultimately contribute to greater energy security of our country.

While energy security remains a national priority, the Eastern Cape believes that affordability must become an equally important pillar of South Africa's electricity future. The reality facing millions of South Africans is that access to electricity means very little if households, municipalities and business cannot afford it.

Across the country, rising electricity tariffs continue to place enormous pressure on working class families, pensioners, small businesses and local government already struggling with increasing costs. For many municipalities, escalating bulk electricity purchases are eroding financial sustainability and compromising their ability to provide quality services to communities. As government pursues energy market reform, affordability must remain at the centre of the policy development. Energy security and social justice must advance together.

The Eastern Cape firmly believes that energy infrastructure is economic infrastructure and that no economy can grow without reliable electricity. The stated provincial government objective of pursuing further industrialisation of the Eastern Cape, particularly in the underdeveloped parts of the Eastern Cape and its programme of action in this regard, cannot succeed without adequate generation capacity.

The national grid is the circulatory system of our economy. Without adequate transmission infrastructure, even the most ambitious renewable energy, gas or industrial projects cannot realise their full potential. The Eastern Cape therefore strongly support the efforts to accelerate transmission expansion and grid strengthening programmes. These investments are essential if South Africa is to unlock the next wave of energy investments and successfully integrate renewable energy projects.

Recent developments demonstrated the growing confidence of investors in the province’s energy future. The inauguration of the Envusa energy Koruson to renewable energy cluster, representing R15 billion investment across the province and the northern provinces, stand as a powerful example of what can be achieved when policy certainty, investor confidence and infrastructure planning converge. The project delivers 520 megawatts of the renewable energy generation capacity through a combination of solar and wind technologies, while creating employment opportunities and stimulating local economic development.

The province of the Eastern Cape continues to advance an ambitious infrastructure-led development programme focused on roads, bulk water infrastructure and electricity reticulation expansion. These investments are intended not only to improve service delivery but to unlock economic growth opportunities and attract investment into key sectors of our provincial economy.

Central to this vision is the development of the Eastern Seaboard Economic Corridor. This corridor is being positioned as an integrated logistics, industrial energy corridor, linking ports, manufacturing zones, renewable energy projects, export markets and strategic infrastructure assets. We believe this initiative has the potential to transform the economic landscape of the Eastern Cape while at the same time contributing significantly to national growth objectives.

As South Africa develops its future integrated resource plan and prepares for the implementation of the fourth coming Gas Bill, the Eastern Cape urges government to adopt a balanced and diversified energy mix. There is no single solution to South Africa’s energy needs. Our future energy security will depend upon a combination of renewable energy, natural gas, nuclear power, energy storage technologies and continued investment in transmission infrastructure. It would strengthen South Africa’s baseload generation capacity while supporting efforts to stabilise electricity prices and facilitate the reindustrialisation of the Eastern cape economy.

The province further believes that transition to a modern electricity market must be accompanied by a deliberate programme of economic transformation. The opportunities emerging within the energy sector must benefit all South Africans. The small, medium and micro enterprises, SMMES, women owned enterprises, youth owned businesses, township entrepreneurs and rural communities must be integrated into energy value chains. Localisation, skills development and supply development must remain central to our energy transition agenda. The expansion of renewable energy, transmission infrastructure and future energy projects must become vehicles for broad-based economic empowerment, and inclusive growth.

The Eastern Cape supports Budget Vote 10 because it provides the framework necessary to advance these objectives. We support efforts to modernise the electricity market, including new investments in transmission infrastructure. We support policies that encourage competition and investment as well as measures that promote affordable electricity. We also support a diversified energy future that strengthens South Africa’s energy security while driving economic growth and industrial development.

The Eastern Cape stands ready to work with national government, Eskom, municipalities, investors, organised labour and communities to build an energy sector that is reliable, affordable, sustainable and inclusive. Together we can power South Africa’s growth, strengthen our economy and create a better future for all. I thank you, hon Deputy Chairperson.

The DEPUTY MINISTER OF ELECTRICITY AND ENERGY ((Mrs S J Graham-Maré): Deputy Chairperson of the NCOP, Minister of

Electricity and Energy, Professor Ramakgopa, Minister of Petroleum and Energy Gwede Mantashe - he has just left the House again - Deputy Minister of Mineral and Petroleum Resources, lovely to see you, colleagues and fellow South Africans, energy policy only matters if it improves the daily lives of South Africans. Energy policy only matters if it improves the daily lives of South Africans.

It matters to the family trying to keep the lights on at the end of the month. It matters to the municipality struggling to maintain ageing infrastructure. It matters to the small business owner trying to keep staff employed while dealing with rising operating costs and unreliable systems.

And that is why this budget Vote cannot simply be about programmes, plans, or technical language. It must be about whether the work we are doing translates into practical improvements that people get to experience.

One of the greatest challenges facing our energy sector has been fragmentation. Too often, institutions operate in silos. Municipalities, Eskom, communities, businesses, agriculture and government structures, engage one another only once problems have already escalated. Part of our responsibility, therefore, is not only to implement policy but also to improve co-ordination, accountability, and responsiveness across the system.

It is for this reason that we have initiated the piloting of District Energy Councils in four districts. These councils bring together municipalities, Eskom business, agriculture, ratepayer organisations, and other stakeholders into structured platforms focused on co-ordination, problem solving, and energy planning at district level. Importantly, they are designed to ensure that energy matters are integrated into local planning processes and that stakeholders have direct access to decision makers when challenges arise. This may sound simple, but practical co-ordination and partnerships matter.

We also need meaningful partnerships at a local level. Government cannot continue to function in isolation from our communities. Functional government is built through institutions that are responsive, collaborative and solutions driven.

The NCOP understands better than most that national policy succeeds or fails at local level. The reality is that communities do not experience government in departmental silos. They experience government through whether the streetlights work, whether the water treatment plant is operational, whether the local clinic has reliable electricity and whether businesses can operate with confidence. And that is why strengthening co-operative governance remains so important.

District energy councils are not intended to create another layer of bureaucracy. They are intended to create a practical forum where challenges can be identified early, information can be shared openly, and solutions can be implemented collaboratively. The success of our energy reforms will depend not only on national policy, but on the strength of the partnerships we build with municipalities, provinces, business, organised agriculture, and communities themselves.

If we are serious about long-term energy reform, then we must also confront the realities facing municipal electricity systems across South Africa. Many municipalities are under severe financial and infrastructure pressure. Ageing networks, maintenance backlogs, technical and non-technical losses, revenue collection challenges, and infrastructure theft continue to place strain on local electricity distribution systems. Communities experience these failures directly. And that is why work around municipal revenue protection and sustainability remains so important.

Energy reform cannot succeed if local distribution systems continue to weaken. Rising municipal debt to Eskom poses a serious risk to the unbundling of Eskom and the establishment of a competitive energy market.

We must support municipalities to improve governance, strengthen operational capability, modernise systems and build financially sustainable electricity functions that can support both economic activity and reliable service delivery.

As government, we also recognise that the energy transition must improve quality of life, not only infrastructure statistics. This includes the work being done through the Energy Efficiency and Demand Side Management, EEDSM, which continues to support municipalities in reducing electricity consumption, improving efficiency, and modernising public infrastructure.

During the 2025-26 financial year, fifty-eight municipalities participated in the Municipal EEDSM programme, supported through grant allocations aimed at accelerating the adoption of energy efficient technologies and demand management measures. Not the sexiest conversation, but really, really important. In the coming financial year, this support will expand to sixty-one municipalities. These interventions include the retrofitting of public lighting, municipal buildings, and water infrastructure, with more energy efficient technologies, alongside the development of municipal energy management systems and technical support programmes.

Importantly, we are also introducing innovative financing approaches through the Energy Savings Performance Contracting Model. This model allows municipalities to leverage private sector investment to implement energy efficiency projects while reducing long-term operational costs.

Through a blended finance approach, current programme allocations are expected to unlock additional private investment into municipal energy infrastructure and efficiency improvements. This is not only about reducing pressure on the grid. It is also about improving municipal sustainability, supporting localisation and technology transfer, creating jobs, and ensuring that municipalities are better equipped to deliver reliable services to communities. It also includes our growing focus on clean cooking solutions. For millions of people across the African continent, clean cooking is not an abstract policy discussion. It is linked directly to health, safety, affordability, environmental sustainability, and dignity, particularly for women and children.

As part of South Africa's broader energy access and developmental agenda, we continue to support conversations and partnerships that advance cleaner, safer, and more sustainable household energy solutions.

Energy access remains one of the most important developmental challenges facing our country. While significant progress has been made over the last three decades, many households, particularly in rural communities, continue to face energy poverty and difficult energy choices. For these communities, energy is not simply about convenience. It is about education, health, safety, economic participation, and dignity. This is why the department continues to support programmes that improve energy access, promote energy efficiency, and encourage the adoption of cleaner technologies at household and community level.

The transition to a more sustainable energy future must be inclusive. It must reach beyond our cities and industrial centres and create opportunities in small towns, rural districts, and underserved communities. As policy makers, we must ensure that no community is left behind as South Africa's energy system evolves.

One of the most important developments in our sector has been the advancement of the South African Renewable Energy Master Plan, SAREM. SAREM is not simply an energy document, it is an industrialisation framework. It recognises that South Africa cannot remain only a consumer of renewable energy technologies. We must increasingly become a manufacturer, supplier and participant in the value chains that will shape the future global economy. This is about energy security. It is about industrial capacity, and it is about jobs.

Work undertaken together with industry stakeholders has identified approximately 4 000 renewable energy-related components with local manufacturing potential that are price competitive. Industry estimates place this potential market at around R60 billion and targeting 20 000 jobs across upstream and downstream value chains.

We have also been engaging constructively with institutions such as International Trade Administration Commission of South Africa, ITAC, National Treasury, South African Revenue Service, Sars, and organised industry associations on matters relating to localisation and the alignment of trade and industrial policy mechanisms with SAREM's objectives. Localisation is not built through artificial barriers.

It is built through pragmatic collaboration that focusses on a level playing field and collaboration to identify bankable opportunities. Our objective must therefore be clear. Energy policy, industrial policy, and trade policy must work together to support local manufacturing growth, investment certainty, and expanded participation in the renewable energy economy.

The transition underway in the energy sector must also create meaningful opportunities for young South Africans and that is why programmes such as Youth in Energy and Women in Energy remain important components of the department's work. Through partnerships with entities such as the National Youth Development Agency, NYDA, and National Energy Regulator of South Africa, Nersa, 124 young South Africans are being placed into municipalities and energy-related work streams to support electricity governance, regulatory compliance, technical administration, and workplace experience development. This work matters because infrastructure alone does not build a capable energy sector, people do.

We need artisans, technicians, engineers, project managers, data specialists, and entrepreneurs who can participate meaningfully in the evolving energy economy. And that is why partnerships with institutions such as Energy and Water Sector Education Training Authority, EWSETA, Technical and Vocational Education and Training, Tvet, colleges, industry stakeholders and initiatives linked to PowerUp and SAREM remain so important.

In provinces such as the Northern Cape, we are already seeing how renewable energy investment is beginning to reshape local economic opportunities and create demand for new technical skills and industrial capability.

Part of my delegated responsibility also includes oversight of entities and programmes within the department’s portfolio. This responsibility must always be exercised with seriousness, accountability, and a commitment to good governance. Strong institutions remain essential to energy security, investment confidence, public trust, and long-term sector stability.

South Africans expect institutions that work. They expect infrastructure that functions. They expect practical delivery, capable governance and opportunities that reach communities. This budget Vote supports work aimed at building a more co-ordinated, more resilient, and more inclusive energy sector. The work ahead remains difficult and there are no shortcuts. But through practical reform, stronger co-ordination, localisation, skills development, and sustained investment in institutional capability, we are laying the foundation for an energy system that supports growth, creates opportunity and improved lives. Thank you for the opportunity of presenting to you today.

The HOUSE CHAIRPERSON (Mr D R Ryder): Thank you very much, Deputy Minister. Good afternoon, hon delegates, ladies, and gentlemen. Special welcome to our visitors in the gallery, especially the wife of the hon Brits. Mrs Brits, you are most welcome to the Chamber.

We continue with the debate, and we are now going back online. The next speaker represents the Mkhonto weSizwe Part, and that is the hon Mngadi, who has eight minutes.

Mr B C MNGADI: House Chairperson, Ministers and Deputy Ministers, hon members of this House, special delegates, and the people of South Africa, I greet you all, the uMkhonto weSizwe Party rises to reject this capitalist budget Vote, on behalf of millions of South Africans left in the dark,

This House is asked to approve a budget of R134,7 billion for electricity and energy - to do what, hon Minister? To fund the same entity that gave us 332 days of load shedding in 2023, and 48 days in 2025. The uMkhonto weSizwe Party rejects this budget on the following grounds: it rewards failure. Eskom's debt stands at R400 billion. Municipalities owe Eskom R82 billion, up 15% year on year. Yet, this budget gives another R23 billion to bail out Eskom's debt with no criminal charges and gives another R23 billion bail with no criminal charges for billions claimed to have been lost to the so-called orchestrated state capture.

The Minister cannot keep on writing blank cheques. This budget has R45 billion for new lands, but Eskom must borrow it. You are bankrupting the utility to save face.

It punishes the poor while you request billions. You approve a 20,7% National Energy Regulator of South Africa, Nersa, tariff increase for 2026. The 50 kilowatt-hours of free basic electricity have not increased since 2003. That is enough to run a fridge for five days. After that, the poor pay the highest rate per unit that cost punitive prepared rate, which has led to a desperate, prepared response. Do you consider that pro-poor in your lifetime?

A budget is a contract. This department has broken the contract with the public and the electorate in broad daylight. The uMkhonto weSizwe Party cannot renew it, as it continues to deepen the wounds of the working class, the poor, and the marginalised. You claim a surplus of 91%. Surplus without reliability is not a surplus. Forty-seven percent of substations in KwaZulu-Natal are vandalised or overloaded. When a transformer fails, it takes eight months to be replaced.

The current situation where two children, which has got two months and the other one two years, died in a house three weeks ago in North West due to a fire that was caused by a candle while the mother was outside is a classic example of the budget which is not pro-poor but pro-capitalist. The entire family members are unemployed, and Tswaing Local Municipalities is expecting the family to buy a box consisting of R10 000 from that poor family. Where do you expect them to get that said amount? If this budget was pro-poor, we could not have lost two lives in that municipalities. The blood of those children is in this budget.

Almost 300 South Africans die every year from illegal connections. On top of that, you approved a 12,75% Nersa tariff hike for 2026. Free basic electricity is still 50 kilowatts. That remains unchanged since 2003. After that, the poor pay the most. Do you call this a revolutionary budget? No, not at all. I think you need to think twice.

The unjust transition you are pursuing without clear thought is evident; for example, you closed Komati, promised 85 000 green jobs in Mpumalanga, and delivered only a mushroom farm. Where are those 85 000 green jobs? Communities are now darker and poorer. Overall, this budget fails rural South Africans. In this respect, the budget is built on deceit.

You told the House and the nation that load shedding has decreased. Yes, it has decreased because you burned diesel of up to R78 billion, in 24 months, and R3,2 billion every month to run open cycle gas turbines. You did not fix the coal supply. You did not fix the maintenance. You have put the country on a credit card to avoid riots before the 2026 Local Government Elections.

The Minister will say that we have connected 91% of households. The Mazibuko judgment stated that the state must take reasonable measures. Is it reasonable that Soweto has electricity for 18 hours a day while Ministers have solar power and generators? Is it reasonable that Free Basic Electricity, FBE, has not increased since 2003, while tariffs have risen by 450%? Section 77 of the Constitution gives the House power over financial matters.

Power comes with responsibilities and accountability. The Integrated Resource Plan, IRP, 2023 is already obsolete. We need 6 000 megawatts of new capacity to end load shedding, but this budget delivers only 1 500. At this rate, stage 2 load shedding will continue until 2032. If we, as the uMkhonto weSizwe Party, pass this Vote, we are telling South Africa to suffer in silence. We will not do that.

We reject this budget in its entirety and with the contempt it deserves. We demand a new budget with arrests, no bailouts, and real delivery ... [Interjections.] ...

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Mngadi, I will ask you to pause for a moment. There is a point of order in the House. On what are you rising, Badenhorst?

Mr F J BADENHORST: Chair, I rise on Rule 61(b).

The HOUSE CHAIRPERSON (Mr D R Ryder): Yes, please go ahead.

Mr F J BADENHORST: Chair, I was just wondering if there is anything in your power you can do to stop us from having to listen to this drivel of this member, please.

The HOUSE CHAIRPERSON (Mr D R Ryder): ... I do not think that is a point of order, hon Badenhorst. Hon Mngadi, please continue with your debate. Hon Mngadi, you have about 25 seconds remaining.

Mr B C MNGADI: ... Thank you very much, Chairperson. The people have counted in dark for 32 years. Today, as uMkhonto weSizwe Party, we vote no.

Ms M KENNEDY: Hon House Chair, greetings to the hon members in the House, Ministers, Deputy Ministers and fellow South Africans. The EFF strongly opposes this budget. This budget is led concerned about its impact on the poor and working class as well as its potential negative consequences to the businesses. We reject this budget which acts primarily as a catalytic lever policy and oversight rather than holding the full cost of infrastructures.

This proposed budget for this department must be fundamentally rejected because it undermines state-led energy security and further accelerates the fracturing of Eskom and prioritises private capital over the socioeconomic rights of the South African majority. Rather than deploying public funds to restore and modernise the national utility's generation capacity, this budgetary framework functions as a financial mechanism to transition the country toward a market driven energy sector.

This budget falls short by lacking direct funding for large-scale grid expansion, measures to address tariff affordability and decisive support for rapid just energy transition. It fails to adequately accelerate the transmission grid expansion needed to efficiently connect new renewable energy sources. It again fails to strategize and develop mechanism to remedy the unsustainable tariff hikes which hit hard households and small businesses heavily. We all complain about electricity being expensive.

This framework lacks decisive mechanism to make electricity affordable for working class and indigent households despite improvements in power supply. The budget lacks concrete strategies to curb bloated Eskom asset valuation used in tariff calculations.

The allocation lacks tangible targets for inclusive climate finance green hydrogen development and accelerated climate adaptation. There are no robust actionable strategies in it to resolve the systematic financial instability, nonpayment and crumbling local infrastructure of many municipalities.

Rural municipalities will be severely affected by this inadequate budget as they are now faced with an average bulk price increase of roughly 9% from Eskom, which they must pass on to households. This will give birth to nonpayment, illegal connections, and severe distribution losses, draining local cash flows and exacerbating municipal overdraft.

Budget constraints and the merger of electrification grants will severely limit rural network expansion, meaning remote and indigent households will experience prolonged delays in grid connections and face slow implementation of local smart metering initiatives.

The budget doesn’t present an aggressive workable enforcement strategy to curb the billions owed by municipalities to Eskom, nor does it detail how to prevent rolling local power cuts in failing municipalities. As the EFF we have long warned that this government has no real intention of resolving the electricity crisis. Instead, it is clear that they are paving a way for the eventual privatisation of the electricity sector, ensuring that South Africans will never have peace when it comes to energy security.

The EFF views this budget as weak, ineffective, and inadequate, blind to the future as it undermines long-term energy sovereignty. Therefore, the EFF explicitly rejects this budget that reflects fragmentation, policy uncertainty, and continuous delays in implementation across the energy sector.

It has no sufficient enforcement mechanism to stop the accumulation of the municipal debts, whilst programmes like smart metering have been proposed, there are ongoing delays in execution.

The current fiscal plan is in short of specific climate finance targets, and that creates implementation risks around the speed and inclusivity of the country's transition to low-carbon development. The EFF vehemently condemns the National Energy Regulator of South Africa for approving revenue adjustment that effectively resulted in massive tariff hikes, pushing increases to 8% for the 2026-27 financial year. We warn that South Africans are being charged twice, first as taxpayers, and secondly as consumers to clean up the incompetence of state institutions. The profitability achieved through this higher tariff imposed on vulnerable citizens is pure exploitation.

We are also of the view that the phenomenon of unbundling and restructuring Eskom is a disguise to break the power utility into smaller lucrative entities, allowing the government to hand over strategic state assets to profit-driven private players. By fragmentation of the grid and bringing in the independent power producers, we believe that the country's energy security is becoming subject to volatile wings of private and foreign interest.

The massive flow in the current energy strategy is ignoring local revenue losses. Municipalities continue to lose over 27%

of their electricity due to non-technical failures like illegal connections, faulty buildings, and energy theft. This budget lacks strict enforcement mechanisms and immediate funding for smart metering to reclaim these lost revenues. This is clear that this budget has no vision to stop the continuation failures of electrical crisis for the future.

This current inefficient budget will impact negatively on many municipalities. I will give an example with Limpopo municipalities where I come from. Makhado local municipality is struggling with unfunded budget and low compliance, rendering it vulnerable to financial collapse and unable to maintain local grid networks. Fetakgomo Tubatse municipality, for an example, lacks sufficient municipal revenue base, forcing deep cuts in service delivery and crippling local electrification programmes.

On the other side, Mogalakwena local municipality, having vast rural jurisdiction with over 200 villages, exhausts its national energy grants rapidly, severely limiting its ability to handle further budget pressure or expand their grid. Furthermore, to conclude on the municipalities of Limpopo, we have Modimolle-Mookgophong and Thabazimbi municipalities, which are heavily indebted to Eskom and at risk of removal from national debt programmes, exposing them to potential power cuts.

This reflects the dire strain which can collapse these municipalities because of budget constraints. Such ailing municipalities in rural Limpopo and in other provinces face severe strain from this budget, driven by NASA-approved 9% bulk electricity hike. These distressed entities struggle with crumbling infrastructure, poor revenue collection, and massive debt, which ultimately deepens poverty and causes widespread service delivery failures.

With budgets diverted towards settling Eskom debts, little to no money remains for maintaining transformers, repairing substations, or upgrading rural networks, resulting in persistent rolling out of blackouts, independent of national schedules.

A progressive and truly transformative energy budget would focus exclusively on recapitalising Eskom, expanding public-owned renewable energy infrastructure, and ensuring a just transition that protects workers and provides free basic electricity to the impoverished household.

Because this budget chooses to subsidise the entry of private capital into a vital monopoly sector, it must be unequivocally rejected in its entirety. The EFF views this budget as a failure to protect state capacity, fight rising tariffs and achieve long-term energy. That is why we reject it. I thank you.

Mr T B MATIBE (Limpopo): House Chairperson, the hon Minister of Electricity and Energy, Dr Ramokgopa, Deputy Minister, the Chief Whip of the NCOP, hon Kenny Mmoiemang, hon members, members in the virtual platform like me, and fellow South Africans ...

Tshivenda:

... ndi masiari.

English:

As I begin my contribution to this debate, I would like to reflect on the wise words of former President Nelson Mandela, who on this day in 1995, in Qunu, said:

> The vision of a new society that guides us should already be manifest in the steps we take to address the wrongs done to our youth and to prepare for their future.

As we commemorate Youth Month, these words remind us that building a prosperous future for our young people necessitates investing in the founding mechanisms of economic growth. Amongst the most crucial of this foundation is a reliable, affordable, and sustainable supply of electricity. Electricity is a key enabler of industrialization, economic expansion, and job creation. Its availability directly influences the pace of growth, investor confidence, and the competitiveness of our economy. Under the leadership of the Minister of Electricity and Energy, Dr Kgosientsho Ramokgopa, and the ANC-led government, South Africa has successfully broken the cycle of persistent loadshedding. This achievement has reignited confidence in our economy and strengthened South Africa’s attractiveness as an investment destination. Energy security remains essential as we pursue industrialization, expand manufacturing capacity, and advance mineral beneficiation. The global community is just over 48 hours away from observing World Environment Day, under the theme “Inspired by Nature. For Climate. For Our Future.”

This theme resonates strongly with Limpopo’s development trajectory. The implementation of Limpopo’s industrialization agenda is firmly anchored in our sustainable development through our renewable energy strategy and investment promotion programme. The province has attracted more than R150 billion in renewable energy investment over the past five years. As we cast our eyes toward securing a prosperous future for our youth, we understand that these investments are central to our ambition to develop over 1,500 megawatts of new renewable energy by 2030. To accelerate the implementation of this programme, we have convened a seminar to address regulatory bottlenecks and unlock investment opportunities. We are encouraged by the significant progress achieved in this regard.

Powering smart villages. The launch of Madimbo and Mabvete solar plants by the Department of Electricity and Energy and Eskom demonstrates the government's commitment to ensuring that rural communities and their youth are not left behind in the energy transition. This multimillion-rand Smart Village microgrid pilot initiative, located in the rural areas outside Musina, is providing access to electricity to communities beyond the reach of the conventional national grid. We welcome more initiatives of this nature, hon Minister, as they have the potential to transform rural livelihoods, stimulate local economic activity, and improve the quality of life. Limpopo, with its two economic zones, is strategically located to serve as a catalyst for countries’ energy transition and industrialization agenda.

The recently designated Fetakgomo-Tubatse Special Economic Zone has been earmarked as a hub for green hydrogen development. In partnership with Valterra and Mintek, the zone will explore green hydrogen technologies as drivers of green industrialization and sustainable manufacturing. We implore the Minister to support this initiative as it will assist us in achieving energy sustainability.

Similarly, the Musina-Makhado Special Economic Zone has been designated to host the renewable energy generation, particularly solar energy projects. Limpopo welcomes the collaboration between the Department of Electricity and Energy and us to ensure that the renewable energy Independent Power Producer, IPP, procurement programme is also provided in Musina. And we must indicate, hon Minister, that land is already available - 1 000 hectares is available for us to work on this initiative. Limpopo remains committed to working closely with Eskom, the Department of Electricity and Energy, and municipalities. I had someone wanting to be the spokesperson of the municipalities in Limpopo. I know that the Makhado Municipality does not have a challenge of an unfunded budget as projected here by some people who are claiming to be spokespersons of that municipality. The private sector partners to advance energy security, accelerate industrialization, and build a resilient, low-carbon economy that creates jobs and opportunities for our people ... And working together with the department, we are powering not only the homes and industries, but the future of South Africa and Limpopo in particular. As the province of Limpopo, we support the Budget Vote 10 of the Department of Electricity and Energy. Thank you very much.

Mr H J VAN DEN BERG: Hon Chairperson, Ministers, hon members and South Africans, the FF-Plus enters this debate as a partner in the Government of National Unity. We take that responsibility very seriously, but it also means we must be honest about the red lights in this department.

Support does not mean silence. Let me start with the basics. The price of a delivered electron: That is the only thing that matters to our people and our economy. This budget must be judged on whether it makes that electron cheaper, more reliable, less politicised and therefore delivered where needed, when needed.

First, let's follow the money. Of the R6 billion budget, 66% goes to programme 3: Energy programmes and projects. This is mostly money for the Integrated National Electrification Project and the transfers to municipalities and Eskom. Yet, we still face a R75 billion electrification backlog, with 1,6 million households waiting. This means an annual allocation of only R4 billion is not enough, while applications run at R30-to-R50 billion.

What are we spending the least on? Programme two: Energy planning and policy development. Only 1,1% of the budget. Failing to plan is planning to fail. In the select committee, we asked some direct questions like: Where do we stand on the unbundling of Eskom? Will it happen or not? Is it still the best solution? The DM says it is legislation passed by Parliament, but Parliament and the public deserve clarity on where we are.

If the entities remain 100% state-owned with the same performance culture, we must ask if this is reform or just reorganisation. Question: What is a lasting solution to local government debt, now at R111 billion? The DM admits debt relief and incentives are not working because the underlying cause is not being addressed, namely: Treasury underfunding for local government; poor payment of municipal accounts; and maladministration of funds received.

This means that the consumer money that is paid for Eskom bills is diverted into municipal overheads, mostly salaries. The GNU must deliver a national policy with teeth, not just pilot projects. Question: Where do we stand on fruitless and wasteful expenditure?

The National Solar Water Heater Programme remains the single largest source of wasteful expenditure in the energy portfolio. The department continues to pay millions in storage fees for approximately 11 000 uninstalled solar water geyser units sitting in warehouses and not ageing well, unlike good wine.

The aim of the project was to lighten pressure on electricity use in peak periods. We have to ask why we are paying rent to store geysers that could be on roofs? Why not make the units available to high-consumption users who create these peaks now? Taxpayers pay storage for ageing units. We needed clarity regarding Nersa's role.

Nersa is meant to assist and ensure municipal cost of supply studies to justify tariffs. Yet, Municipalities cannot perform these calculations. From an oversight role, the GNU must demand constant focus here. A regulator separated from reality cannot regulate municipal tariffs.

Hon Chair, our position is this: Support comes with conditions. We ask that you table a cost-benefit analysis on unbundling, enforce ringfenced Eskom accounts for the Division of Revenue Act grants, end wasteful warehouse rentals for solar geyser units, and hold Nasa accountable for cost of supply studies. The FF-Plus will support Budget Vote 10. We do so from inside the room, driving reform, demanding accountability, and by so doing, ensuring the price of a delivered electron does come down. Thank you.

Mr K CHABALALA (Gauteng): Hon Chairperson, hon Minister, hon Deputy Minister, hon members, and fellow South Africans, ...

Sesotho:

... dumelang!

English:

Today, I rise to speak on the electricity crisis in Emfuleni Local Municipality - a crisis that has become a symbol of governance collapse, infrastructure decay and the betrayal of the people of Emfuleni. For years, residents of Vereeniging, Vanderbijlpark, Sebokeng, Evaton, Sharpeville, Boipatong and surrounding communities have endured rolling outages, failing substations, exploding transformers, illegal connections and prolonged blackouts.

Hon Minister, businesses are collapsing, food is rotting in fridges, children are studying by candlelight, and communities are protesting because they have been abandoned by the very municipality entrusted with serving them. The ANC-led administration cannot continue to treat Emfuleni as just another struggling municipality.

Emfuleni has become a warning sign of what happens when corruption, financial mismanagement, political infighting and lack of accountability are allowed to thrive unchecked. The Gauteng Premier himself has confirmed that there is nothing else they can do for Emfuleni. Entire communities have gone without electricity for days and even weeks at a time. Residents in Leeuhof protested after suffering a week-long outage, with some families forced to throw away food and children going to school without bathing. This crisis is not new!

In Evaton, hon Minister, some households have lived without electricity for nearly a decade because transformers were never repaired or replaced despite repeated promises from government. Hon members, electricity is not a luxury. Electricity is dignity. Electricity is an economic activity. Electricity is safety. Electricity is healthcare. Electricity is education.

When the lights go off in Emfuleni, small businesses lose income, clinics struggle to function, students cannot study and vulnerable residents become exposed to crime and danger. The people of Emfuleni are not asking for miracles. They are asking for a municipality that works. The national government has failed to intervene decisively. The provincial government has failed to intervene effectively.

The warning signs have been there for years. Petitions have been submitted. Communities have protested. Public hearings have been held. Oversight engagements have taken place. Residents, civic organisations, businesses and affected communities have repeatedly laid bare the devastating impact of electricity failures in Emfuleni, and the impact that this has on people’s livelihoods.

Yet, despite extensive public participation, despite hearings with affected residents, despite findings and recommendations emerging from these processes, implementation has either been delayed, ignored or simply abandoned.

Millions upon millions of rands have been wasted while services continue to collapse. Emfuleni spent close to R700 million over the last six years on overtime, while residents still sit in darkness. How can a municipality spend such enormous amounts on overtime while substations fail, transformers burn and response teams are nowhere to be found?

This crisis is rooted in years of financial collapse. Emfuleni’s debt to Eskom has spiralled into billions. Infrastructure maintenance has been neglected. Illegal connections continue to overload the system. Ageing networks are failing under pressure.

Residents are now being told to switch off kettles, geysers, and basic household appliances because substations cannot cope with demand. Imagine that in 2026, in Gauteng, the economic heartland of South Africa, residents are effectively being told not to use electricity because the system cannot handle ordinary daily life.

Hon Minister, this is not governance; it is failure. The tragedy is that the suffering of residents has become normalised. Communities protest, petitions are submitted, committees conduct oversight visits, promises are made and then silence - nothing changes!

Today, we must demand urgent intervention: Firstly, there must be a full forensic investigation into electricity infrastructure spending, maintenance contracts, overtime expenditure and procurement processes in Emfuleni; secondly, the municipality must present a credible electricity recovery plan with measurable deadlines for transformer replacement, substation upgrades, maintenance schedules and illegal connection management; thirdly, there must be stronger co-ordination between Eskom, provincial government and the municipality to stabilise supply and protect communities from prolonged outages; fourthly, officials responsible for negligence, corruption, or maladministration must face disciplinary and criminal action where necessary; and finally, we must remember that behind every statistic is a family.

A grandmother sitting in the dark. A child unable to study. A small business owner losing income. A clinic struggling to keep medicine refrigerated. A resident who pays rates and taxes but receives no reliable service in return.

Hon members, the people of Emfuleni deserve better. They deserve dignity. Most importantly, they deserve a government that listens before communities are forced to burn tyres just to be heard. Let us not wait for total collapse before we act. I thank you, House Chair.

Mr D W BRYANT (Western Cape): Hon Chairperson, hon Ministers, Deputy Ministers and all hon members, the DA in the Western Cape rises today to address Vote 10 - Electricity and Energy, with the view to hold the leadership, both political and administrative to the highest possible standard because in this portfolio, mismanagement can have dire consequences.

Our focus remains on three key issues, energy security, sustainability and affordable access. However, the difference between a budget that works and a budget that fails lies in the transparency of oversight and the willingness to hold the implementers accountable. While we scrutinise national expenditure, we must also point to what works. The DA-led

Western Cape government has been working hard to build resilience where it matters most.

Take the Hessequa Energy Resilience Project, now approximately 98% complete and on track for finalisation by 24 September this year. This flagship project centres on a solar photovoltaic generation plant integrated with battery energy storage system. Together, these systems will generate between 15 and 19 gigawatt hours of electricity annually, covering approximately 15% to 20% of Hessequa's total electricity demand.

The total project cost amounts to R231 million, with the Western Cape government contributing R173 million over the Medium-Term Expenditure Framework and Hessequa Municipality contributing R58 million. Importantly, the battery storage system will allow the municipality to store energy during off-peak periods and deploy it during peak demand when Eskom tariffs are highest.

This smart energy management approach will not only reduce reliance on Eskom, but also lower electricity costs for residents and improve overall grid stability. In addition, it will help shield the municipality from the worst impacts of potential loadshedding in the future. The project is also expected to create approximately 150 temporary construction jobs and 20 permanent operational jobs, providing a boost to the local economy.

By generating clean energy locally and reducing dependence on Eskom, Hessequa is positioning itself as an attractive destination for investment, while contributing to South Africa’s broader energy transition and decarbonisation goals. Reliable energy supply will also support critical services such as health care facilities, schools and wastewater treatment works.

The Western Cape government has further supported municipalities with generator funding to ensure continuity of essential services during power disruptions. Furthermore, the provincial energy resilience programme has already met its first milestone of reducing Eskom’ reliance by 500 to 750 megawatts, with targets to reach up to 5 700 megawatts by 2035. In George alone, over R11,3 million has been invested in battery storage and rooftop solar at Outeniqua facilities, ensuring uninterrupted power for essential services.

While the City of Cape Town under DA governance owes Eskom nothing and keeps the lights on for its residents, Johannesburg, under ANC and PA leadership, owes Eskom a whopping R5,2 billion. Keeping the lights on means families never have to wonder if there'll be electricity to put food on the table, and that, Chairperson, is the DA difference. We don't take issue with the quantum of the budget, but we must raise some issues on aspects of management.

A staggering R13,3billion is allocated to the Integrated National Electrification Programme over the Medium-Term Expenditure Framework. That is meant to connect 280 000 households to the grid and 45 000 to nongrid solar systems. However, for years, grant management has been plagued by manual workflows, poor data and financial leakage. The department has now set aside R25 million to develop a new management system to automate workflows and track projects in real time.

Nevertheless, we must question whether this system will actually prevent leakage or whether it will become another expensive information technology, IT, project that struggles to deliver. We will be watching to ensure that every cent for a solar home system or a grid connection reaches a South

African household, not lost to consultants or opaque processes.

Through the energy programmes and projects programme, R5,9 billion will flow to municipalities. The department plans to audit 120 municipal project sites annually to verify energy efficiency initiatives. Again, we must measure success in terms of implementation. We've seen too many cases where energy efficient light bulbs or water plant upgrades are paid for but never installed. The management of these performance audits must be transparent, rigorous and followed by direct consequences for noncompliance.

An estimated R1,6 billion, 8% of the department's expenditure, is set aside for goods and services, mostly consultants, to implement the nongrid programme. We support technical expertise but we reject a model that perpetuates dependency. Every rand spent on a consultant must be matched by a commitment to transfer real skills to the state. Otherwise, we're simply outsourcing our own accountability.

In Programme 4, 94%, over R4,3 billion, is transferred to entities like the SA Nuclear Corporation and the National Nuclear Regulator. With the Safari 1 reactor replacement and

Koeberg’s life extension underway, the management of long-term radioactive waste must ensure that no undue burden is placed on future generations. We cannot allow the management of today’s waste to become the environmental debt of tomorrow’s children.

The DA is committed to ensuring that citizens receive value for money and accountable leadership. The Western Cape has shown that proactive governance investing in solar, battery storage and municipal resilience works. Hessequa is a blueprint for every municipality in this country, but that blueprint requires honest oversight of national funds.

It’s essential that we all demand that the R17,2 billion in transfers and subsidies is managed with the highest fiduciary duty, and we must ensure that the R25 million management system for the Integrated National Electrification Programme, INEP, actually prevents leakage and municipal audits must lead to consequences where there are failures. And vitally, we must ensure that a transition to a competitive electricity model is managed with transparency and precision.

Since the advent of loadshedding, 16 years ago, the people of South Africa have been crying out for a disruption-free supply of electricity. While we're pleased to be out of the grip of loadshedding, it's now our duty to ensure that energy resources are made more affordable for more South Africans. The DA-led Western Cape government will continue with its own ambitious plans that are most importantly backed up by consistent delivery. It is high time that other provinces follow suit. Thank you.

The HOUSE CHAIRPERSON (Mr B A Radebe): Thank you, hon Bryant, for the input in particular coming from the Western Cape Legislature.

Cllr K PHUKUNTSI (Salga): House Chair, the Minister and the Deputy Minister, the NCOP Chief Whip, the members of the House, the MECs and special delegates that are in the House today, greetings from the organised local government. We are speaking on behalf of 257 municipalities across the breadth and length of South Africa. Salga welcomes the opportunity to respond to the 2026-27 Budget Vote presented by the Minister of Electricity and Energy. We commend the Minister and all stakeholders for helping to stabilise the national electricity system. Nearly a full year without load shedding has brought relief to households, business and municipalities. and has restored confidence that progress is possible through focused leadership, improved plant performance and sustained oversight.

At the same time, the House must be satisfied that these gains reflect real improvements in generation performance and maintenance, rather than the weakened demand caused by economic decline. Energy stability must support growth, jobs and investment. For municipalities, reduced load shedding has eased service delivery pressures and supported local economic activities. Yet, many still carry the financial and infrastructure damage caused by the previous years of interruptions, including revenue losses, equipment failures, and service disruptions, with little direct support for recovery.

Salga welcomes the Minister's acknowledgement that electricity distribution is the part of the value chain closer to the citizens and that recovery must become a national priority. However, while progress in generation deserves recognition, municipalities continue to face an escalating crisis in distribution.

Municipal electricity business remains under severe strain from rising bulk costs, aging infrastructure, declining sales, embedded generation, theft, illegal connections, and weak revenue collection. At the same time, they must invest in upgrading networks to remain sustainable in a changing electricity market.

Salga maintains that municipalities are under unsustainable strain because the tariff framework does not fully reflect the true cost of distribution. A major concern is the mismatch between Eskom tariff increase and what municipalities can recover from end users. Eskom's direct customers receive an increase from 1 April, while municipalities may only implement theirs from 1 July, forcing them to absorb higher bulk costs for three months before they can lawfully adjust tariffs.

These pressures threaten the sustainability of municipal electricity services. South Africa needs a credible solution for the distribution sector that protects municipal autonomy and delivers long-term value to communities. In Salga's view, the Eskom Distribution Agency Agreement, in its current form, does not offer a balanced or a holistic solution.

Salga is equally concerned about the impact of persistent electricity tariff increases on households and municipalities. Over the past decade, tariffs have risen well above inflation and economic growth, placing a growing pressure on consumers and weakening the financial position of local government.

Municipalities are trapped in a vicious circle. As tariffs rise, consumption falls, more consumers shift to rooftop solar, revenue decline, and the fixed cost of maintaining the network remains. This forces municipalities to raise tariffs further, simply to recover costs, steadily eroding the municipal revenue base. Electricity revenue has historically supported other essential municipal services. As those revenues decline, municipalities face widening fiscal gaps without a clear alternative funding model. Salga therefore calls for an urgent national engagement on the future of the municipal revenue model in a rapidly changing energy landscape.

Salga welcomes the Minister’s commitment to review the electricity pricing policy and the Free Basic Electricity Policy. However, affordability remains one of the most pressing challenges facing municipalities and the communities they serve. Municipalities continue to absorb rising costs associated with indigent support, while equitable share allocations do not fully cover the actual cost of providing free basic electricity. If the energy transition is to be truly just, it must also be just for municipalities, which remain at the frontline of service delivery.

Salga also welcomes the Minister's recognition of municipal challenges such as the weak billing system, aging infrastructure, non-technical losses and areas. But those are symptoms of a deeper structural weakness. Municipal infrastructure investment needs now to far exceed the grant funding and revenues available to local government. Without sustained investment and distribution networks, improvements in generation will not translate into a better service at local level.

Salga welcomes the Minister's commitment to finalising the energy Electricity Distribution Industry roadmap. However, we remain concerned that the distribution agency agreements are widely perceived as a backdoor approach to taking over municipal electricity's function. Municipal electricity distribution is a constitutional function of the local government and a reform must respect the municipal executive authority, comply with the Municipal Systems Act, and proceed through genuine consultation and mutual agreed solutions that strengthen rather than weaken the local government.

The next phase of South Africa's energy journey must focus not only on energy security, but also on affordability, municipal sustainability, and local economic development. As the sector becomes more diversified, municipality must not become unintended casualties of reform. Local government remains the sphere closest to the communities. Municipal distributors connect households, maintain networks, collect revenue and ensure continuity of service delivery.

Salga therefore urges the Minister to place municipal sustainability at the centre of electricity reform because the success of South Africa's energy future will ultimately depend on the success of its municipalities. Thank you.

Mr B J FARMER: Hon House Chair, hon Bryant, you brag about the DA-run Western Cape. There's an old Chinese proverb that says: Lies have short legs. And the road to 4 November for DA-run municipalities is getting shorter by the day. Because my people in the Western Cape, ...

Afrikaans:

... ons baiza [huiwer] nie.

English:

Hon Chairperson, hon Ministers and Deputy Ministers, hon members, I greet you in the name of Jesus Christ, our Lord and Saviour. Electricity is not a luxury. It is the heartbeat of a functioning country. When the lights go off, a child cannot study, small businesses cannot trade, clinics cannot operate and the country cannot grow. That is why this Budget Vote is important. It is about people. It is about whether South Africans can live, work, learn and build without constantly fearing the next outage or the next tariff increase.

We welcome the progress that has been made in reducing load shedding. South Africans know what it means to live under constant blackouts. They know the cost of candles, generators, spoiled food, lost income and interrupted schooling. But we must not mistake improvement for victory. The energy crisis is not over until every household, every small business, every school, every hospital and every community have access to affordable electricity.

The PA believes that energy reform must be practical. We need generation capacity. We need grid investment. We need municipal distribution systems that work. We need protection for poor households. And we need a pricing structure that does not threaten a family’s self-sustainability.

Affordability is becoming a crisis. Even when electricity is available, many families can no longer afford enough units to last until the next payday. Pensioners are forced to choose between food and electricity. Small businesses are watching profits disappear because power costs keep rising. Working-class families are being squeezed dry. So, we say clearly, energy security must include energy affordability. It is of no use to have electricity available if the poor cannot afford it.

The approved tariff increases for the coming years may be lower than what Eskom initially requested, but they still land on households already under pressure. The PA therefore calls for stronger protection for indigent households, better management of free basic electricity, and stronger action against municipalities that fail to pass benefits onto the people. There must be transparency. If money is meant to protect the poor, it must reach the poor.

We must also confront municipal debt and failing distribution infrastructure. Many municipalities owe billions to us, but the burden always ends up falling on ordinary residents. People pay for electricity, yet they still suffer because municipalities mismanage funds, fail to maintain networks and allow illegal connections to overload systems. Clearly, this cannot continue.

The PA supports consequence management. If municipalities collect electricity revenue and do not pay Eskom, there must be consequences. If officials fail to maintain substations, transformers and cables, there must be consequences. If corruption and cable theft collapse infrastructure, there must be consequences.

The PA supports a diversified energy mix. We need renewable energy gas, where appropriate, and cleaner technologies. We need energy policy driven by reliability, affordability, jobs and national interest.

The PA calls for stronger protection of infrastructure. Cable theft, vandalism and illegal connections are not small crimes. They destroy communities, they endanger lives.

The PA supports Budget Vote 10 because South Africa needs a properly funded and capable electricity and energy department. We support it because South Africa needs power, not only electrical power but economic power. Let this budget help build a system where light stays on, prices are fair, infrastructure is protected, municipalities are accountable and every South African can share in the benefits of energy reform.

Afrikaans:

Hon Minister, moenie baiza [huiwer] nie, ma se kind.

English:

Salute!

The HOUSE CHAIRPERSON (Mr B A Radebe): Thank you, hon Farmer, for the input from the Western Cape, the Cape of storms. And there are storms outside here, but at least, you brought some stability here.

IsiXhosa:

Mnu M M PETER: Sihlalo weNdlu mandikubulise namhlanje kunye nale Ndlu ihloniphekileyo naBaphathiswa abakhoyo. Ndicela ukuthetha ngqo noMphathiswa nangona ndiza kubhekisa kuwe xa ndisiya kuye. Mphathiswa, asizanga kutyoba iintwala apha kuba kusebusuku. Into esiyizele apha asikuko ukuxa kubhoxa umsebebenzi wakho. Umsebenzi wakho uwenza ngokucacileyo kwaye ngendlela esothusayo kodwa ucimicimi wombane wakho, sithi wakho ke kuba usonjululwa nguwe, uye wanemiphumela emibi ezilalini zethu.

Mandiqale phaya kuMasipala oMbaxa iNelson Mandela, kwiWadi 55 oko baphila nocimicimi wombane. Mandigqithe ndiye eBolotwa eDutywa. Mphathiswa kukho iilali phaya. Ilali yokuqala phaya eMbhashe yiBolothwa, iMazizini, iMaxhama, iVinindwa, iGxarha, iNyakatha, iXhawuka naseBangweni. Zonke ezo lali nabantu bazo kwakubhetele kuqala kuba babecinyelwa umbane iintsuku ezintathu uphinde ubuye, kodwa ngoku bahlala iveki yonke bengenawo umbane. Sithetha ngento eyenzekayo apha Mphathiswa hayi ipolitiki nje. Abayazi naxa kumoshakale into kwizikhululo zombane eziphantsi komasipala kubo yonke loo nto ngucimicimi wombane qha. Umbuzo weUDM umile: Mphathiswa ingaba uyaxelelwa kusini na ngezi ndawo ngoogxa bakho? Ingaba uyatyelela kusina na ezilalini? Abantu abasaphili ngombane.

Ndize apha Mphathiswa, awukwazi ukuba uthi abantu bakuthi mabangabinabo abantu abalayita umbane ababizwa “izinyoka” ekubeni uxakwe ngoogxa bakho abagcwele urhwaphilizo ongakwaziyo ukubalawula. Xa unguMphathiswa woMbane onke amehlo ethu neengqondo zethu zikuwe, uphinde ube namagosa angalawulekiyo apha emva kwakho kodwa ufuna ukulawula abantu.

Uza kubalawula njani bejonge kuni phezulu? Okwenzeka phezulu makwenzeke nasezantsi.

Izinyoka kunzima ukuba zingaphela kuba kukho amagosa alapha ecaleni kwakho abulala le nto uyiphetheyo. Ingxaki esikuyo namhlanjwe yile yokuba uqhwatyelwa izandla ngabantu ababulala le nto uyiphetheyo befuna ukuba uye kutshona emngxunyeni. Awunabo abantu abakusekayo.

Into esifuna ukuyitsho ke yile, khawusityelele kwiilali zethu nokuba uthumele igqiza lakho ukuze bahlole ukuba kwenzeka ntoni na. Xa ndigqitha ndisiza koogxa bam kwiEFF neMK, ndiyafuna ukuba oogxa bam bakhe bayijonge le nto bazifaka kuyo. Le nto yokuthi kubantu baseMzantsi Afrika mabangawulayiti umbane kuba xa ungavoti uthi umbane mawungabikho. Loo nto ithi, abantu mabangaphangeli, mabangatyi kodwa wena uhleli embaneni ngoku. Uhleli ekufudumaleni ngoku.

Masithethe neenkokheli wethu. Siyayazi ukuba banikwe amagunya okumela abantu kodwa ilizwe liyatshabalala. Siya kulonyulo ngoku. Uza kufika uphethe ntoni kubantu bakho xa usithi mabanganikwa mbane ekubeni ubuthe kubo mabakuvotele uza kuza nombane? Ngoku uyaphinda uyaziphikisa apha kweli qonga uthi andizi kuninika umbane namanzi. Uyitsho le nto ebantwini bakho. Ithini loo nto Mphathiswa? Masithethe neenkokheli zethu zilungise. Mphathiswa, khawume entungo uhambele iilali zethu. Asikho apha ukuza kupolitika, size kulungisa isizwe sethu.

ILINGU ELIHLONIPHEKILEYO: Wena ungena phi? Ungena phi?

Mnu M M PETER: Enkosi Mphathiswa.

English:

Mr F J BADENHORST: Hon House Chairperson, hon Ministers, there are lots of them in the House today, hon members, and fellow South Africans. Let me start with hon Sithole today. Hon Sithole, let me introduce you to Minister Gwede Mantashe who is sitting over there. He is the Minister of Mineral and Petroleum Resources, not to be confused with Minister John Steenhuisen who is the Minister of Agriculture, who said it in the House yesterday that he’s not the person who started foot and mouth disease but he’s going to end it.

I hope, hon Minister Mantashe would say something like, I am not the person who started mining, but I am going to end it or something like that. Maybe you should fire your speechwriter or start reading for meaning, one of the two. Anyway, hon Mngadi from the MK Party, you know the only reason those millions of people are sitting in the darkness is because your *ubaba* took the opportunity to team up with the Guptas and stole money ...

Mr E NZIMANDE: House Chairperson.

Mr F J BADENHORST: ... from Eskom over nine years.

The HOUSE CHAIRPERSON (Mr B A Radebe): Can you take your seat hon Badenhorst. On what are you rising hon Mphephethwa?

Mr E NZIMANDE: I am rising on Rule 61, I will tell you, Rule 61(b). That is what I am rising on that one.

IsiZulu:

Ngicela ukhuze lamarawu ayeke ukungibangela umsindo. Kukhona irawu elingala angazi ubani.

English:

It is about making a deliberate statement which he himself obviously as delegate knows to be false.

IsiZulu:

Ama-Gupta awazanga noMsholozi, iphunga lawo lasala kuMsholozi. Uma ungake uhlehle ubheke emuva ubaba uMadiba uyena owayenawo.

The HOUSE CHAIRPERSON (Mr B A Radebe): Alright, alright, alright. Thank you, hon Mphephethwa. Hon Mphephethwa ... [Interjections.] Hon Mphephethwa, that is not a point of order. No, no, no. Hon Mphephhethwa, you cannot abuse the point of order here in this House. That one is a point for debate. I think that your own people were also able to cast aspersions somewhere. So, over to you, hon Badenhorst.

Mr F J BADENHORST: The Zondo Commission disagrees with you hon member just like a judge would disagree with your hon Chief Whip who stole some lots of money from the people who work for the MK as well. I think her name is hon Mokoena, but she is not honourable anymore because I believe she is not a member of your party. My advice to the members of the MK through you hon Chair, guys please earth is full, go home. Take some of the members with you but please leave the stolen Gupta millions behind please.

Hon Kennedy, your contribution to this debate today is proof that if you expect nothing from the EFF and the MK, you will never be disappointed. When it comes to thinking, it looks like your speechwriter is also travelling a little bit light, because municipalities fail, of course they'll fail, because of budget constraints, because the money was looted, much like the EFF looted VBS Bank.

Hon Van den Berg, speaking of electrons, you might be aware that light travels faster than sound. That's why some members appear very bright until you hear them actually speak. So, there's lots of examples of that today so far in the House. Hon Farmer, you have a special way of speaking that makes people appreciate your silence.

Before I conclude my remarks, I want to draw the attention of this House to a matter that affects thousands of residents in my constituency of Overstrand. Today, I am honoured to be joined by the mayoral committee member for infrastructure in Overstrand, Cllr Clinton Lerm, and he's sitting there in the gallery. He came all the way from Overstrand to bring us a petition that he drove in Overstrand, signed by 6 000 residents of Overstrand, hon Minister, demanding urgent action from Eskom and the Department of Electricity and Energy.

These residents of Overstrand are not asking for special treatment, they are asking for the basics. They are asking for electricity infrastructure that works. They are asking for ageing power lines, transformers, and substations to be maintained and replaced before they fail. They are asking for clear communication when outages occur. They are asking for accountability when communities, businesses, and farmers are left without power for days on end. Some have been left without power since the 09 May, and they are busy switching the power on today, I believe, hopefully.

Recent storms in the Western Cape exposed just how vulnerable many Eskom-served communities have become. In parts of the Overstrand, residents endured prolonged outages, not because of load shedding, but because critical infrastructure has been allowed to deteriorate over many years. The petition calls for a comprehensive assessment of Eskom's infrastructure in the Overstrand, a clear and publicly available maintenance plan, dedicated channels of communication, and urgent intervention to address the growing backlog in infrastructure replacement.

I want to commend Cllr Lerm for taking the initiative to mobilise residents and ensure that their voices are heard. These more than 6 000 signatures represent more than a petition. They represent a community that refuses to accept decline as normal. At the same time, recent events have also shown what is possible when government is prepared to think differently. We have seen Deputy Minister Samantha Graham-Maré champion a practical approach that allows municipalities and the private sector to assist Eskom during emergencies and natural disasters. That is the kind of innovation South Africa needs.

When Ministers focus on solutions, and I'll be naughty and I'll say it, DA-run municipalities, because it's true, step forward as partners, communities truly benefit. The lesson is simple: infrastructure does not fail overnight. It fails when maintenance is neglected, when warnings are ignored, and when government becomes reactive instead of proactive. Minister, today on behalf of the people of Overstrand, we hand over this petition as a call for action. Action not next year. Action not after another storm. Action not after another prolonged outage. But action now, please Minister. Thank you very much Chair.

Ms M G DHLAMINI: Hon House Chair, hon Minister Kgosientsho Ramokgopa and the Deputy Minister, hon Minister Gwede Mantashe, the national chair of the ANC in the House, and the Deputy Minister, hon Members, and fellow South Africans, I greet you.

Hon House Chair, petitions and undertakings in the NCOP have a committee. Hon Badenhorst must direct hon Mokae, who is the chair of that committee in the NCOP, on the issues of the petitions and undertakings, not the Minister. As the ANC, we support the Appropriation Bill and the Budget Vote 10 of the Department of Electricity and Energy. Our support is predicated on the transformational role sectors play in the lives of our people.

The 2025-26 financial year was the first year during which the department operated as a standalone department after it was split from the Department of Mineral Resources and Energy. In the 2025-26 financial year, the department underspent on many, or all its programmes. However, as the ANC got a comfort on the annual performance plans, APPs, of 2026 of the department, they have shown an improvement in all their programmes regarding expenditure. That means that the department is doing well. We salute you, Minister.

The following threats, however, are also experienced by the department and identified as follows: financial constraints, skills and capacity challenges, processes and systems, organizational change, and reactive rather than proactive responses. This is the department in their own accord presenting to us as Parliament. The Integrated Energy Plan is a multisectoral energy sector long-range planning instrument, which includes the following pillars in the energy horizon: the Integrated Energy Plan, the Gas Master Plan, and the Liquid Fuel Master Plan. All these initiatives and programmes are the programmes that the Minister and the department clearly outlined how they are going to mitigate them. The Integrated Resource Plan, IRP, 2019 is currently underway. And this serves as South Africa's long-term electricity supply and demand framework. The Gas Master Plan will drive the development, regulation, and expansion of the gas industry. The department will also facilitate gas-to-power.

The ANC welcomed the National Electrification Programme and affordability measures, where the department will expand grid and off-grid electrification, support municipal capacity-building for energy provision, and implement affordability frameworks for low-income households to reduce electricity demand pressure on the grid. The department will implement energy conversion initiatives, introduce smart grid technologies, and strengthen energy-efficiency regulation in industrial and commercial sectors. I am not sure, hon members standing here, what it is that they are talking about when they are saying the department does not care about high electricity rates? Because these measures speak directly to what hon members have raised here. It is not true, fellow South Africans, that the department and the government of South Africa, be it national, provincial, and municipalities, are doing nothing regarding high electricity rates. Measures are in place, ours as Members of Parliament, is to ensure that the three spheres of government implement these measures to mitigate the challenges that our people are facing regarding electricity. That is the truth that is prevailing. Hon Pienaar, there is nothing to hurry up. I know you are outside, but you are hearing me.

The unbundling of Eskom is a process that seeks to strengthen the entity. As the ANC, we welcome this unbundling of Eskom. However, we are going to ensure that ultimately, hon Minister, this entity cannot be privatized. It must remain in the hands of the government. Let us unpack unbundling so that the people of South Africa understand and are not misled. Unbundling of Eskom is as follows: firstly, the national transmission is legally separated and actively operating. It manages the national grid, trades, electricity, and handles system market operations; secondly, generation. This is a standalone generation company that is expected to take up to four years to be fully carved out; thirdly, a standalone company called distribution. The National Electricity Distribution of SA is targeted for 2030. This is heavily dependent on stabilizing municipal debt.

IsiZulu:

Siyezwana maqabane? Siyezwana.

English:

That is the unbundling of Eskom currently in its state. Nothing more, nothing less. And this is what, as the ANC, we are going to monitor working together with the department and government, that it is implemented as proposed and adopted by this hon Parliament; and lastly, Eskom Green, a new renewable energy subsidiary, is currently being established for the purpose exactly of what I have mentioned.

IsiZulu:

Siyafundisana maqabane ...

English:

... we unlearn, and we relearn every day.

I will always express this to fellow South Africans. Corruption does not have colour, age, or gender. It is either having a political affiliation. It does not matter how other parties will attach corruption to the ANC. We will not defend corruption. We will not defend ourselves as the ANC. When we are attacked and labelled incorrectly. Instead, we will self-correct. Hon member from Gauteng, the issue of electricity is not about Emfuleni only. It is a national problem, it is a national challenge, and it has a national commitment to it. So, it is not true that it is only Emfuleni that has an electricity problem in South Africa. As I am speaking to you now, where I am coming from in Qwaqwa, there is no electricity at all, the whole place, because of the problems with electricity. We shall call upon the Minister and the department to work around the clock to address the issues of electricity around the country, not only in the specific township or area. It won’t be fair for me, being a Member of Parliament, standing here fighting only for the people of Qwaqwa. I must fight for the people of Qwaqwa, fight for the people of Free State, fight for the people of South Africa. That is the mandate they gave me: to represent them.

The ANC will continue to support the department’s initiatives and interventions in ensuring that the government’s planning and procurement actively promote the economic empowerment of women, youth, and persons with disability, as well as building the electricity and energy sectors that will be affordable to all South Africans, particularly those who cannot afford to buy and pay for electricity and other basic services. That is why, as the ANC, we support these Budget Votes. We want to really applaud the Minister and his department for the job well done. We know that hon Pienaar will not be happy because Minister Ramokgopa is not from the DA. But I can tell you if hon Minister Ramokgopa, with the good work that he is doing, were from DA, they would be clapping hands like nobody's business in this House. And for us as the ANC, it is not about clapping hands; it is about representing the interests of the people of this country, because they have elected us to do so. And when we clap our hands, we will clap our hands together with them in our townships, hon Badenhorst. And we must not come here and claim easy victories that the Western Cape is doing, while the people of the Western Cape in their townships are severely and badly suffering, more than any other township in this country. Whether the biggest townships are in the Western Cape or wherever in the country, Western Cape townships are the worst, led by the DA. Hon Ramokgopa, we applaud you. Continue working with hon Mantashe, because we know that your departments are aligned and alike in ensuring that this country provides services to our people. Salute leadership.

Sesotho:

Ke a leboha!

The MINISTER OF ELECTRICITY AND ENERGY: I do this as I acknowledge ...

IsiZulu:

... babes wamanzi, uNgqongqoshe uMajodina.

English:

Thanks for joining us and supporting. Maybe just to start at the beginning, to hon Pienaar, we have not just embraced the free market now. We have never antagonised capital, we have always advocated for a mixed economy. That is why we built telcos like MTN and Vodacom. Today, they are some of our biggest exports into the continent.

So, we accept that capital has a role to play but the state must not be retrenched. The state remains the principal protagonist or agent of development and it must galvanise the whole of society behind a common agenda. So, we’ve never antagonised capital.

That’s why in our building of the transmission line, there is an on balanced solution that is provided for by the National Transmission Company of South Africa, NTCSA, and an off-balance sheet solution where we’re inviting private sector to build certain corridors in the same manner that we have built the N1, the N3 and tolled them. That’s how we brought the private sector on board.

The issue of green hydrogen, we think that it has a pristine future. The Deputy Minister just came back from Brussels. We know that there are certain jurisdictions which are the major off takers that are prepared to pay a premium associated with the production of green hydrogen. We see that as an enabler. Working with the research institutions here in the country, we think that we’re better positioned as South Africa, the corridor of the Northern Cape going into Namibia.

In fact, we’ve got the green hydrogen belt that is led by the three premiers, the Western Cape, Eastern Cape and the Northern Cape. So, we’re doing exceptionally well. You’ll see there’s major announcements that we will make, Dr Zamani Saul, ... {Inaudible.} ..., Mabuyane and Alan Winde. We are working together on the green hydrogen prospect.

Then, just to say, I presented a budget of R6 061 000 000. I don't know where hon Mngadi finds a budget of R134 billion. Oh, I really don't know where he gets that from. That's what we presented here. Of course, he's reading from a different set of numbers.

I agree with the hon Badenhorst that, I mean, history is there to explain the height of state capture, who was the principal agent in sponsoring state capture. So, the less I say about that, I think the better. I don't think I should dignify that. Those are challenges that Eskom has been confronting. That we are cleaning now is the work of the state capture.

Just to say to the self-proclaimed advocates, or if you like, of the working class, I think the EFF, hon member makes the point here and hon Mngadi, that we are neglecting the working class. So, what the budget says is that we will ensure that we achieve universal access. We will use, if you like, the most modern technologies to accelerate connectivity using a combination of hybrid renewable energy sources, including battery solutions.

Just go to Mabvete, what MEC Mathibe is referring to, you'll see the kind of revolution that we introduced there. Villages that never had access to electricity, today they have electricity. I’m happy that you are familiar with these villages in Vhembe. Not just electricity, but they’ve free Wi-Fi for the first time in their life the people of that area. That’s how we are revolutionising.

I want to say to hon Peter, that’s the solution we’ll bring to those villages. Just share with us. We work with everyone. We are more than happy. We are moving from one village to the other. We can co-ordinate with you and the chiefs in the area, as we do in all other places to drive this agenda.

The Deputy Minister is driving the SA Renewable Energy Masterplan, SAREM, is an industrialisation programme on the back of the transition and that will benefit the poor and the downtrodden. We’ve made the point that we will revise the threshold of free electricity. We don’t think that 50 kilowatts per hour is sufficient.

We need to go to something above 200 kilowatts per hour. That’s going to help the poor. The allocation model with regards to the indigent, we think that the subsidy must be direct to the poor, as opposed going through municipalities.

That's how we will take care of the poor and that's what this budget is saying.

The concern by hon Phukuntsi representing Salga and a number of colleagues or hon members who came here, that the Department of Electricity and Energy, DEE, must not punish municipalities and must not take away original powers of the municipalities. I want to give you comfort.

We spent the rest of this morning with Salga, Co-operative Governance and Traditional Affairs, CoGTA, the National Treasury and ourselves resolving this problem. We will find an answer. Thank you very much for the input. Thank you.

The HOUSE CHAIRPERSON (Mr B A Radebe) Hon Minister and Deputy Minister, I would like to thank you for participating in this debate and elucidating your programmes for the country on what you are doing. You are most welcome for having done that.

We also thank the participants. The people who participated in this debate, it was very informative. I think that the people of South Africa have learnt more this afternoon about what is happening in that sector.

APPROPRIATION BILL

(Policy debate)

Vote No 34 — Mineral and Petroleum Resources:

IsiXhosa:

UMPHATHISWA WEZIMBIWA NEMITHOMBO YEPETROLIYAM: Oooh, ufuna ndiyicofe?

English:

Chairperson of the House; Minister of Electricity and Energy, thank you for coming here today; Minister of Water and Sanitation, that is life and dignity; Deputy Minister in my department Phumzile Mgcina, Deputy Minister of Electricity and Energy, thank you for your presence here; chairperson of the select committee, the hon Modise ...

IsiXhosa:

... sibizwe nguwe namhlanje ...

English:

... thank you very much; and hon members, all of you, thank you very much.

We are tabling Budget Vote No 34, mindful of the prevailing global challenges confronting our economy and energy security. We are very alive to that. The ongoing conflict in the Middle East continues to be felt beyond its frontiers, destabilising global energy supply chains and contributing to heightened fuel price volatility across the world. We are experiencing that every day. Although constrained, this budget is geared towards responding to these geopolitical realities. It represents our commitment to securing South Africa’s energy future, strengthening economic resilience against external shocks, and protecting the livelihoods of our people. Notwithstanding these challenges, I want to assure you that South Africa has sufficient fuel supply to meet domestic demand, and our fuel supply remains stable. I am emphasising this point because of the panic communication that is prevalent these days, that you will have pumps running dry of diesel and petroleum. It is not going to happen yet. When it is going to happen, we will tell you.

The Astron Energy refinery has resumed full production following a planned maintenance shutdown. The National Petroleum Refiners of South Africa continues to operate steadily, whilst the Sasol Secunda coal-to-liquid plant remains stable. All that capacity guarantees us at least 40%

of our consumption on any day. The rest of the supply is from processed products that are imported.

Fuel imports remain on schedule, whilst liquefied petroleum gas supplies through Richards Bay and Saldanha continue to operate without disruption. Working closely with industry stakeholders, we will continue to monitor the supply situation, and we will ensure ongoing transparency to the nation. We are not going to play hide-and-seek with the nation. We will be transparent. When there is a crisis, we will announce it. However, we are not going to announce it prematurely.

To cushion South Africans against escalating fuel price increases, government introduced temporary relief measures, including a reduction of the fuel levy for a period of three months. I would imagine that you read that, at the beginning of this month, at least the price of diesel has gone down, and the price of paraffin has gone down. Only the price of petroleum remains higher in terms of increases. That is a sign that there is light at the end of the tunnel.

Whilst this intervention has been welcomed, we are mindful that it is temporary in nature. A permanent and sustainable solution depends on South Africa developing its own upstream petroleum industry and expanding its domestic refining capacity. That is a permanent solution. Without that, we are not going to have a permanent solution; we will have temporary solutions.

This is precisely why we must accelerate the processing of the South African National Petroleum Company Bill to enable the operationalisation of the South African National Petroleum Company as a strategic state-owned entity capable of ensuring meaningful state participation in the oil and gas sector. That is where we differ from other parties. We believe that the state has a role. We are of the view that — and we will debate it when it comes to debate — a weak state is an irritation to the private sector as well. A strong state facilitates the private sector. So, it is not the private sector or the public sector. It is both of them being strong. The public sector must facilitate the private sector. Otherwise, it is an irritation to the private sector.

This is evidenced by South African mining’s gross value addition. For example, if you look at the mining industry, it is resilient. Many people have called it a sunset industry for many years. It is not a sunset industry. It is growing. Last year, which is the current financial year, it reached R477 billion in terms of gross value added, contributing an estimated 6,3% to the gross domestic product. That is quite a reasonable contribution when compared to other sectors. Mining royalties collected totalled R11,8 billion in 2025, representing an increase of 11% from the R10,6 billion recorded in 2024. Mining export revenue has grown from R586 billion to R649 billion, which is an improvement in terms of foreign earnings. That is the performance of the mining industry.

Our efforts to accelerate transformation in the mining sector through the implementation and enforcement of Social and Labour Plans, SLPs, are making a tangible impact on the lives of our people. I am sure anybody from Limpopo would have been a witness when we delivered the four-lane bridge in Fetakgomo-Tubatse, replacing what I call “the Strait of Hormuz”. It was a single-vehicle structure. [Laughter.] We replaced it with a four-lane bridge and a road, and our mining companies have committed to building a further 5 km of road for the province. That is what we do.

The reason we are emphasising SLPs is that we are changing the image of mining from being known only for the five Ds - dirty, dangerous, diseased, difficult, and deadly - to a humane sector that contributes to the lives of the people where it is. Therefore, when you do a SLP project, you are not doing a favour. You are paying a social tax to the communities where you mine. We are changing the face of mining. We are making it a humane sector rather than one seen as a sector that drills holes and leaves them open in the ground.

When we handed over that bridge, we again proved one example — an example that instead of looking at individual mining companies building a small community hall here and a small community hall there, we said to them: Guys, pool your resources together. Make impactful projects. That is why there are people in the provinces that take time to look at them. We will know that we build schools. We build clinics. There is one project that has actually proved to us that you can also supply vehicles to the security sector to fight crime. We are fencing fields to produce food. To me, those are impactful projects rather than symbolic projects that you do just to show yourself. Instead, you make an impact on society. That money does not go into the pockets of individuals; it impacts society.

We are pleased to share that the Mineral Resources Development Bill is currently being refined to incorporate stakeholder inputs. Once all processes have been completed, including licensing and certification, the Department of Mineral and Petroleum Resources will submit the Bill to Cabinet for approval before it is introduced to Parliament for consideration.

In parallel with these reforms, the phased roll-out of the new mining licensing system, the cadastral system, is ongoing. It has gone a little slow, but we are convinced that we are doing the right thing. We have completed the Western Cape, which we used as a guinea pig. We experimented how effective it can be and corrected mistakes in the Western Cape before we roll it out.

We are now rolling it out to other provinces, and we are committing ourselves that, before the end of this calendar year, it will be out there delivering in all nine provinces.

That is our commitment. [Applause.] Remember that a commitment is like a target. You outperform it or miss it, but it is a target. We want to complete it before the end of this financial year. Despite that, the department has processed and finalised 2 461 applications, including the granting of 364 new prospecting rights, 401 mining permits, and 23 mining rights. That is what we have done during the financial year.

We are moving decisively from policy formulation to implementation through the aggressive execution of the Critical Minerals and Metals Strategy. We developed that as a department. We have sold it to the continent. We have sold it to the G20. It provides the basis for discussion globally, and that is what makes us different from other mining jurisdictions. We developed the policy, we have sold it to many people, and it is beginning to work.

Geoscience mapping and exploration is an important pillar. The Council for Geoscience, through the Integrated and Multidisciplinary Geoscience Mapping Programme, has increased national offshore mapping coverage from below 5% in 2019 to a cumulative 20% in the 2025-2026 financial year. The Junior Mining Exploration Fund, which is a fund started by the department and the Industrial Development Corporation with capitalisation of R400 million, has attracted more interest with people participating. It now has capitalisation of more than R2 billion, and eight of these projects are actually functional. At least, the rare earth elements project in

Bothaville in the Free State is ready for mining. If you look at Giyani, there is a project done by this fund there that is ready for the actual building of the mining company. The rest of them are in Springbok, Aggeneys, Prieska, and Marievale. You will find one in Oshoek, and you will find another project in all the other areas where we are beginning to discover new minerals, meaning that this industry is not a sunset industry. It will continue being a sunrise industry. Anglo American has pledged R600 million, whilst the Public Investment Corporation has pledged R1,35 billion on this project.

We are doing away with the pit-to-port model. Many people talk to us about beneficiation. I always tell them that, if you have lights, you must always appreciate that that is a reflection of beneficiated coal, which is a mineral, but it lights. When it comes to you as a light, you do not see the identity of coal, but this is beneficiated coal. There are many.

Let me thank the Minister of Electricity and Energy for the discussions he is having with Danco and Samancor on the price of enabling the functioning of smelters in the chrome industry. Thank you for that, Minister, because it adds value to the work we are doing.

Let me quickly turn to mine health and safety. Our record now is 41 fatalities in the sector. We are hoping to improve on that because our aim is zero harm in the sector. Mine workers must go to work and come back alive. We have not reached that stage. An industry that used to lose people in thousands every financial year has a record of 41 fatalities. We are working hard to improve it. We are working with the industry. We are working with labour. We want to improve.

There is a new dynamic that I want to add. As we improve the lives of mine workers that move out of hostels and go and stay in communities, there is a new factor. We are still looking into how we deal it and how we factor it in. It is people that die on the roads between where they stay and where they work. That is a rough issue, but we still want to factor it into mining to see what price we are paying for taking people out of hostels and into communities.

Having said that, let me get into the actual allocations. We have a smaller budget than Electricity and Energy. Our budget is R2,8 billion. Many say it is too little. It is not. Actually, many of our entities are expected to generate revenue rather than receive fiscal support — many of them. We run into problems sometimes, but that is the set objective for many of our entities, whether it is the Council for Geoscience, Mintek, or the Mine Health and Safety Council. All these entities under our control are expected to generate revenue and take money to the fiscus rather than take money from the fiscus. That is what is expected of us, and we are committed to that.

You can see the allocations: R70,46 million has gone to the SA Diamond and Precious Metals Regulator; R94,8 million has gone to the Petroleum Agency SA, which is doing gas and oil drilling; R666,9 million has gone to the Council for Geoscience; R328,7 million to Mintek; and R4,89 million to the Mine Health and Safety Council. These are the allocations we are giving them. It is for operations. It is ... [Interjections.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Sorry, hon Minister. Hon Swart, can you please mute your microphone? Thank you. Hon Minister, please continue.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: If you look at those project allocations, we have allocated R23,48 million for mine rehabilitation research projects. For the rehabilitation of derelict and ownerless mines, we have allocated R140,387 million. For the implementation of shale gas projects, we have allocated R48,1 million. We have allocated R33,83 million for the mine water ingress project, whilst R31,12 million has been allocated to artisanal and small-scale mining. If you look at the projects we are allocating money to, in the long term, those projects must all generate revenue for the state rather than consume from the fiscus. They make the money.

Let me conclude by expressing my appreciation to the select committee for its oversight, guidance, and continued support. You will notice that Mr Modise when you call us, we do come because we believe that working with you is not a hostile relationship. It is a relationship that must work together to build a viable and competent department.

Let me further acknowledge the valuable contribution of organised labour, business, and communities across the mining and petroleum sector.

I am supported by a very capable Deputy Minister. She is young and beautiful. For the young men, she is not married, so you can apply your minds. You can look at her. She works with me. I know I am going to be in trouble now because, this thing of her not being married, she says: You tell everybody. I say to her I do not know where the luck will come from, so I must say it. I must also thank Nolwandle, my wife.

IsiXhosa:

UNolwandle utshatele kum iminyaka engama42. Ndithe phaya kwi-ANC mayimnike imbasa, imwonge ngokuhlala nendoda ephambaneyo ...

English:

... under one roof for 42 years, and you don’t go mad. That guarantees an award, so she deserves an award for staying with a madman under one roof for 42 years.

Thank you very much. I am tabling this budget for you to accept.

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Thank you very much. Thank you, hon members. I think we are really blessed in the National Council of Provinces today that we had three Ministers with us, two Deputy Ministers, and the National Council of Provinces is so electrically charged that we even attracted the Minister of Water and Sanitation here, the hon Majodina. Welcome to the National Council of

Provinces. I know you like being in the National Council of Provinces. That is why you are here. Thank you very much.

Mr M G MODISE: Hon Deputy Chairperson, hon members of the National Council of Provinces, hon forever available and on time Minister Mantashe, hon Minister professor of practise Ramokgopa, hon Minister Babes "waManzi" Majodina, Deputy Minister Mgcina, Deputy Minister Graham-Mare, members of the executive council, distinguished special delegates led by hon Kingsol Chabalala, and fellow South Africans, good afternoon.

Hon Deputy Chairperson, in the early 2000s, a voice emerged from Zola that spoke directly to the soul of our township. That voice was raw, authentic and unfiltered. That voice belonged to Bonginkosi Dhlamini, better known as Zola 7. Through Zola 7, Zaziwe and Mutatako, didn't just entertain South Africa, they educated it.

He took cameras into our homes, into our struggles and forced a nation to look at poverty, unemployment, and absent fathers without blinking. He gave dignity to stories that mainstream TV ignored. Before government had public participation as a buzzword, Zola was doing it.

He was edutainment in practise. He was educating, informing, entertaining, confronting, healing and rebuilding families through primetime TV. He showed us that a Kwaito artist from Soweto could become a social worker, a mediator, a nation builder, all with a microphone in hand.

His music told our truth. Songs like *Ghetto Fabulous*, *Don't Cry* and *Umdlwembe* became anthems of a generation that had to be brave just to survive. He proved that you could come from the dust of Zola and still command the respect of boardrooms and the hearts of millions.

Zola 7's career has never been about hype or headlines. It has been about impact, about fetching fathers who disappeared, about fixing homes with broken windows and broken spirits, about reminding us that ...

IsiZulu:

... kuyoze kubenini.

English:

For how long will we ignore each other's pain? Today, on behalf of this House, hon Ryder, we salute Zola 7. You are an artist. You are an activist, a builder of families, a true son of the soil. Your work bent arc of our culture towards empathy. Your legacy is not in the awards you have won, but in the fathers who came home and the children who finally had their words, I am sorry, from their fathers.

IsiZulu:

Siyabonga, Jama kaSjadu.

English:

Fellow South Africans, anyone who's going to stand here and reject or not support this Budget does not love you, especially you communities who live in mining towns and experience illegal mining daily, subjected to cracking houses due to unauthorised blasting next to your house. Remember them and remember their political parties as they reject this Budget.

Deputy Chair, I rise today to contribute to this important debate on the Department of Mineral and Petroleum Resource Budget Vote and more fundamentally on the role of mineral wealth in advancing our constitutional mandate of inclusive development across provinces. At the centre of the discussion lies a critical question. How do we leverage South Africa's vast mineral endowment to build a developmental state that is both nationally coherent and provincially responsive?

Hon Pienaar, the African National Congress has consistently held that South African mineral resources constitute a national harmony for our people's resources held in custodianship by the democratic state for the benefit of all. This principle is not abstract. It is concretely expressed through the Mineral and Petroleum Resource Development Act, which reaffirms that: firstly, mineral resources cannot be left to market forces alone; secondly, the state must guide, regulate, and direct exploration; and lastly, development must be inclusive, transformative, and sustainable.

The approach we adopt is that of a regulated developmental state. This is not a common economy nor is it a place of liberalism. It is a strategic balance where the state exercises sovereign oversight over mineral resources, the private sector participating in investment and production. Public policy ensures equity, transformation, and national benefit.

On our members, this framework enables us to promote industrialisation rather than mere extraction, drive beneficiation and localisation, and ensure that mineral wealth contributes to jobs, infrastructure, and community development.

Chairperson, while mineral resources are a national competency, their impacts are profoundly provincial and local. Mining takes place in the communities of North West, the economic landscape of Limpopo, the industrial corridors of Mpumalanga. It is therefore imperative that in exercising national custodianship, we do so in full respect of constitutional principles of co-operative governance. Provincial governments carry constitutional responsibility in economic development, environmental management, public health, and human settlement. These are not secondary functions. They are central to the lived realities of mining communities.

The developmental state must ensure that mineral wealth does not flow outward, leaving provinces undeveloped. Instead, it must anchor development within provinces themselves. This is achieved through deliberate policy instruments like beneficiation and industrialisation. We must move beyond exporting raw materials. We must build smelters, refineries, and manufacturing hubs, develop value chains linked to local resources, and support provincial industrial development co-operation.

A province rich in platinum must not remain poor. It must become a centre of fuel cell technology, advanced manufacturing, export-ready industrial production, social and labour plans. Through social and labour plans, we ensure that mining companies invest in housing skills, local and local economies.

Development is community driven and specially aligned. But we must go further. Social and labour plans, SPLs, must be fully aligned with provincial growth strategies integrated into municipal IDPs monitored through cooperative governance mechanisms.

The strategy for resource development zones represents a practical expression of spatial transformation. These zones must link mining areas to industrial capacities, enable cluster development, and reduce regional inequality.

Hon members, we're operating in a rapidly changing global environment defined by energy transition, rising demand for critical minerals, increasing geopolitical competition. South

Africa is richly endowed with platinum, group metals, manganese, chrome, and emerging critical minerals. These are not ordinary commodities. They are strategic assets for the future global economy.

Therefore, hon Makesini, the state must guide how these resources are accessed and developed. We must ensure national interests prevail over narrow profit incentives. We cannot export all raw materials without local addition, nor can we lose our economy. We must strike a balance by exporting to compete globally, but beneficial to industrialise locally.

Hon members, infrastructure is the backbone of developmental state. No strategy can succeed without infrastructure alignment. In provinces such as Limpopo, Mpumalanga, and the North West, we see a persistent challenge. Minerals exist, but the logistic system constrains their full value. Rail efficiencies, port congestion, and undercapacity limit.

We need to prioritise export competitiveness, industrial development, job creation. Therefore, the developmental state must expand the rail corridor linking mines to ports, upgrade port infrastructure, enable private sector participation where appropriate, and integrate infrastructure planning with provincial industrial strategies. Infrastructure must not follow development. It must lead it.

Hon members, none of what I have outlined is achievable without co-operative governance. The Constitution is clear. Spheres of government must coordinate, align, and co-operate. This means the national department must align policies with provincial plans. Provincial government must integrate mineral strategies into the economic frameworks.

Municipalities must be supported in service delivery and special planning. This is particularly critical in social and labour planning implementation, environmental authorisation, and infrastructure rollout. Without alignment, we risk fragmentation, inefficiency, and failure to deliver real impact.

Hon members, remember, this House has a unique constitutional responsibility under section 42(4), where we need to ensure that provincial interests are taken into account in the national spheres in relation to mineral policy.

Hon Pienaar, this means we must first interrogate whether national strategies benefit all provinces equitably, ensure that mining communities are not left behind, and demand alignment between national departments and provincial priorities.

As I conclude, Chairperson, the ANC developmental approach to mineral wealth is clear. It asserts sovereign state custodianship. It builds a regulated developmental state. It respects provincial mandates. It drives industrialisation and beneficiation. It ensures that mineral wealth becomes a tool for inclusive development. Mineral wealth must not enrich few and impoverish many.

It must not centralise development in isolated hubs. It must become the foundation of special, just, inclusive, industrialised South Africa, where every province shares in the benefit of our natural endowment. I thank you.

Mr N H PIENAAR: Hon Chairperson, hon Minister Mantashe, it’s nice seeing you again, Deputy Minister, fellow Members of Parliament, again, hello. As always, most importantly, my fellow citizens ...

Afrikaans:

Goeiedag.

English:

Good day.

Sepedi:

Thobela.

English:

As global industries are set to change dramatically over the next decade, especially with regards to the rapid growth of the electric vehicle market, South Africa is strategically positioned to become a major player in the global economy.

Chairperson, South Africa holds over 90% of the world's Platinum Group Metals reserves, over 70% of global chrome reserves and roughly 30% of manganese reserves. If managed correctly, the emphasis on correctly, these strategic resources could usher in a new golden age for our country. But Chairperson, I am not convinced that Minister Gwede Mantashe is the right man for the job and let me explain why.

The department's own report shows that the mining sector experienced growth of approximately 7,7%, yet employment in the sector declined by around half a percent. Now the question must be: How is this possible? Chairperson, it is true that mining companies are currently benefiting from high global commodity prices driven by international demand. Mines are earning more for their products and that is something to celebrate because it means more money is flowing into the South African economy ...

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Pienaar, can you please take your seat.

Hon member, on what Rule are you standing?

Mr E NZIMANDE: Chair, I would just like to ask if he is willing to take a question?

The DEPUTY CHAIRPERSON OF THE NCOP: Hon Pienaar, are you willing to take a question?

Mr N H PIENAAR: I don’t take questions from communists, sir. Thank you.

The DEPUTY CHAIRPERSON OF THE NCOP: Thank you very much. He won’t take your question. He won’t take a question.

Mr E NZIMANDE: [Inaudible.]

The DEPUTY CHAIRPERSON OF THE NCOP: He said he won't take a question.

Mr E NZIMANDE: [Inaudible.]

The DEPUTY CHAIRPERSON OF THE NCOP: No, no, no, he can say what he wants to say, because he's not on the platform. Now, please take your seat.

Mr E NZIMANDE: To say he's a wit wolf [white wolf]?

The DEPUTY CHAIRPERSON OF THE NCOP: No, please take your seat.

Mr E NZIMANDE: To say he's a wit wolf [white wolf]?

The DEPUTY CHAIRPERSON OF THE NCOP: No, no, no, you are doing this again now. You did this in the earlier debate, now you're doing it again.

Mr E NZIMANDE: He's a Wit Wolwe [White Wolves] then, okay.

The DEPUTY CHAIRPERSON OF THE NCOP: Please take your seat. Thank you.

Mr N H PIENAAR: Thank you, Chairperson.

Again, why are the employment figures declining? Because Minister Mantashe continues creating uncertainty in the sector through his proposed new Mining Bill.

Mining companies are increasingly hesitant to invest in new ventures or expand existing operations because the Minister continues threatening greater state interference and licensing uncertainty through broad-based black economic empowerment, BBBEE, requirements linked to the proposed legislation expected to come before Parliament this year.

Markets hate uncertainty, Chairperson. Instead of reinvesting profits into new projects, shafts and exploration activities that would create jobs, the sector is waiting to see what exactly the Minister is planning with this Bill. As a result, South Africa has undoubtedly lost billions in potential investments and thousands of possible job opportunities because of policy uncertainty created by his department. Minister, you must take responsibility for that.

Chairperson, I am certain the Minister and his allies will stand here today claiming that companies are simply greedy or not doing enough. We will once again hear threats and radical rhetoric from the Radical Economic Transformation, RET, faction within the ANC that will create even more fear and uncertainty in the sector. Tomorrow, however, these same individuals will stand up and complain about unemployment and the lack of economic growth. But we will know exactly who is responsible.

Chairperson, this is not the first time this has happened. The hon Minister has a track record of creating uncertainty in both the mining and petroleum sectors that has cost South Africa billions in investment and countless job opportunities. In 2019, Chairperson, South Africa was largely self-reliant regarding diesel supply. We produced approximately 70%, Minister, of our own diesel demand locally. Today, that figure has fallen closer to 30%, not the 40% you were quoting.

Hon members may ask: What has happened between 2019 and 2026 that has caused South Africa to lose much of its refining capacity and become heavily dependent on fuel imports influenced by global instability and international markets, like we are seeing now with the tensions around the Strait of Hormuz? The answer is simple; bad policy decisions, Minister. Here is what happened.

In 2020, Minister Mantashe decided that South Africa, still a developing country and economy heavily dependent on affordable fuel and low production costs, should move towards European standards for cleaner fuel. Refineries indicated that they were willing to invest the billions of rand to upgrade their infrastructure to comply with the new standards. However, before making those investments, industry requested market-access guarantees and policy certainty from government to ensure their investments would remain commercially viable. The Department remained silent for months and the companies voted not to invest.

Government refused to provide the certainty that the industry required and yet again, as a result, instead of investing billions into refinery upgrades and creating thousands of jobs, companies converted their facilities into storage terminals or shut them down entirely. Sounds familiar? And that, hon Chairperson, is one of the major reasons why South Africans are now paying over R32 per litre for diesel, because of bad policy decisions. Now, the Minister wants to repeat the same mistakes in the mining sector with his new Bill.

Chairperson, in closing, I just have one question for the Minister. Has he heard of Shady Pines Retirement Home? I thank you.

Mrs M B NDLANGISA-NODADA: Hon Deputy Chairperson, Chief Whip of the Council, permanent delegates and special delegates, hon Ministers, three Ministers, in the history of the NCOP and two Deputy Ministers, MECs present and in the virtual platform, distinguished representatives of the SA Local Government Association, Salga, ladies and gentlemen ...

IsiXhosa:

... molweni.

English:

Hon Deputy Chairperson, let me first declare that I stand here today on behalf of the ANC to support this budget vote as tabled by the Minister of Minerals and Petroleum Resources. I do so on behalf of the living and the dead. The successive generation of the historically dispossessed, oppressed, exploited and disenfranchised indigenous majority of our country for over more than three centuries of colonialism and apartheid, the African, in particular, the so-called coloureds, Indians and Khoisan in general.

Hon Deputy Chair, it is indeed inspiring for us in the ANC that this budget policy debate on minerals and petroleum resources takes place during the month of June. That will for many generations to come occupy a special role in the annals of the history of collective heritage of struggles of our people united in diversity against apartheid colonial domination defined by race, gender and class. Hon members, we are talking here about the adoption of the Freedom Charter by the ANC 70 years ago in 1956 as an official alternative policy vision to apartheid colonial system of white minority domination about South Africa that truly belongs to all who live in it.

We stand here before this august House, inspired by fond memories of that 20 years after the adoption of the Freedom Charter by the ANC, the death-defying revolutionary youth of South Africa broke their silence against apartheid colonial education through militant yet peaceful protest which culminated into a countrywide youth uprising on that fateful 16 June 1976 in the streets of Soweto. Deputy Chair, if there is anything that cannot escape the collective memories of our people, united in diversity and the peace-loving global community at large is the brutal extrajudicial massacre of young people by the trigger-happy white racist security establishment in defence of white privilege and supremacy. Harmless, peaceful, with their fists clenched and singing the song, “Senzeni na” [what have we done?].

The youth of 1976 never retreated in the face of colour trigger-happy white racists apartheid security forces in the land of their birth, but chose death than to surrender. It is the generation of this youth which amongst the living include the likes of Baby Tyawa, Mnyamezeli Booi, Kgaogelo Lekgoro, Mpho Lekgoro, Mkhuseli Jack, Mlungisi Lulu Johnson, Nomvula Mokonyane, Oupa Ephraim Monareng, Paul Mashatile, Nomfusi Klaas, and Mzwakhe Mbuli, who led the reassembling and reorganisation of the revolutionary youth under the ANC with the formation of the ever militant revolutionary student organization, the Congress of South African Students, Cosas. Among those who departed for whom we lower our banners in their fond memories, among others, the late Ephraim Mogale, Billy Masetla, Nokuthula Simelane, Peter Mokaba, Dipuo Peters, the list is long, and many others whose soul must continue to rest in peace.

Hon members, this historic significance of this epoch-making gathering of the youth in Klipspruit spread under the banner of the Cosas lies in the public adoption of the Freedom

Charter, which was a restricted document since the banning of the Congress Alliance in the 1950s and 1960s. In the words of the late Chris Hani, it is Cosas that defiantly unbanned the Freedom Charter. Hon members, it gives me a great sense of pleasure and privilege to stand here today against the backdrop of the historical context I have outlined earlier to debate Budget Vote 34 on Mineral and Petroleum Resources, 70 years after the adoption of the Freedom Charter by the ANC.

Hon Deputy Chair, the critical question I may pose to the Minister through you, is why this context? The principal reason is the abiding consensus within the contemporary South Africa’s political discourse about three interconnected fundamentals for accelerated socioeconomic transformation. The first one being, the more we achieve the goals of 1996 Constitution, the more we realise the vision of Freedom Charter. Secondly, addressing youth unemployment as a majority sector in the society is about addressing a country’s unemployment in its totality. Lastly, the most critical, minerals and energy sector constitute critical sector of economy at the disposal of South African state for fundamental socioeconomic transformation.

The people shall share in the country’s wealth. This clause and the overall fundamental vision of the Freedom Charter were canvassed and unanimously agreed by the Constitutional Assembly as the unifying fundamental basis of the values, principles and visions of South African Constitution that we are celebrating today. As the preamble of the 1996 Constitution correctly proclaims, amongst others:

> We hereby, through our freely elected representatives, adopt this Constitution so as to heal the injustices of the past.

Hon Deputy Chair, we must place a record that the articulation of the Freedom Charter into the Constitution was not a coincidence of history, neither a majoritarian decision but the recognition and appreciation by overwhelming majority of the contending political forces in the Constitutional Assembly of the unifying popular moral appeal of the vision of the Freedom Charter among the broadest sections of South African people. The preamble and Chapter two of the Bill of Rights of the South African Constitution on political and socioeconomic rights give fundamental expression to the ideals, principles, values and visions of the Freedom Charter. Critical to these clauses that fundamentally relate to the minerals and petroleum sector is, among others, section 25 of the

Constitution, which empowers the democratic state to expropriate the land to the extent that it is for public interest and subject to compensation.

In terms of the international common law, everything permanently attached to the land is accessory to the ownership of the land. Minerals and energy are natural residues permanently attached to the land. In pursuance of the strategic goal of ensuring state custodianship of the mineral and energy resources in public interest, the ANC-led government has adopted a transformative piece of legislation in the form of the Minerals and Petroleum Development Act of 2002. At the core of the object of this Act is the regulation of the acquisition, control and management of mineral and petroleum rights in public interest through licensing and permits for exploration of mineral petroleum reserves. The operation of this Act through licensing has and continues to play a critical role in the revenue rising capacity of the state. This, coupled with export of minerals and energy, including foreign direct investment in the minerals and energy sector, contribute a total number in the Gross Domestic Product and a lot in the employment of unskilled, semi-skilled workers.

Hon Deputy Chair, I think I am about to lose my time, but through you, hon Minister, on the fundamental question of the geographical spread of mining economies across nine national provinces of South Africa, we cannot be academic about this fundamental question and continue to celebrate the provinces against each other without a deliberate, coherent and integrated national policy and the re-engineering and repositioning of mining and energy at the centre of national development and reconstruction priorities.

So, we must always look at the youth at the centre of this so that we see our youth developing in the mining industry. Going forward, hon Minister, I think it should be in the pulse of the people of South Africa that the mining industry as a catalyst of fundamental socioeconomic transformation is shared amongst them. As I conclude, I thank you very much. [Time expired.]

Ms K KONTSIWE (Eastern Cape): My apologies, hon Deputy Chair, my disclaimer is the network. It keeps on kicking me out all the time and I suspect that it’s the bad weather that we are in. Otherwise, I am in, but if I start, you must acknowledge that it’s the network. Hon Deputy Chairperson, hon Ministers, hon Deputy Ministers, the hon members of the special delegates and distinguished guests, the Eastern Cape provincial government rises in support of Budget Vote 34 and the strategic direction articulated by the Department of Mineral and Petroleum Resources. We do so at a time when the global economy continues to confront significant uncertainty arising from geopolitical tensions, volatile energy markets, disrupted supply chains and heightened competition for strategic minerals and energy resources.

These developments have reinforced an undeniable reality. Nations that secure their energy future secure their economic future. It is for this reason that the Eastern Cape welcomes and strongly supports the decision to separate the Department of Mineral and Petroleum Resources from the Department of Electricity and Energy. We regard this institutional reform because of progressive and necessary intervention that recognises the growing strategic importance of the mineral and petroleum sectors within South Africa's developmental agenda. The separation creates an opportunity for focused political leadership ... [Lost connectivity.]

The DEPUTY CHAIRPERSON OF THE NCOP (Mr P Govender): Hon member of the executive council, MEC, we have lost your sound as well as your video. I think the weather is influencing the MEC's wavelength. We have stopped your time. Therefore, we'll ask if we can continue with the Deputy Minister. Deputy Minister, are you ready? All right. Hon members, please welcome the Deputy Minister.

The DEPUTY MINISTER OF MINERAL AND PETROLEUM RESOURCES: Deputy Chairperson of the National Council of Provinces, greetings to the Minister of Mineral and Petroleum Resources, hon Gwede Mantashe. Minister of Electricity and Energy who is here together with the Deputy Minister, I greet you. Hon members, it is indeed a privilege to appear before this House and the people of South Africa to account on the work we continue to undertake in advancing and transforming the minerals and petroleum sectors. This responsibility remains central to our daily work as we strive to improve the living conditions of the people and build an inclusive and sustainable economy. In pursuit of this mandate, we have anchored our work around five strategic priorities:

Promoting investment in the mineral and petroleum sectors by creating an enabling policy and regulatory environment, supported by the review of policies and legislative instruments, and by streamlining interventions for greater economic benefits to our people; accelerating transformation by advancing policies that enabling greater participation of historical disadvantaged South Africans in this sector; ensuring environmental sustainability through strengthening environmental compliance and enforcement, including the rehabilitation of derelict and ownerless mines; promoting regional integration and co-operation in the mining and petroleum sectors through bilateral and multilateral platforms; and strengthening institutional capacity and governance through improved organisational efficiencies and the utilisation of technology to modernise and enhance responsiveness.

Deputy Chairperson, allow me therefore to provide a brief account of the progress we continue to make in pursuit of these strategic priorities. The Minister has already elaborated extensively on the policy and regulatory reforms underway. I will only focus on work we are undertaking to expand participation of historical disadvantaged South Africans in this industry. During the previous financial year, the department conducted 34 workshops across all provinces attended by approximately 1 500 aspiring and existing artisanal and small-scale miners.

These workshops were aimed at educating participants on licensing processes and providing information on mining-related programmes and opportunities offered by the department together with our entities. Through the artisanal and small-scale mining fund, we continue to advance our objective of ensuring that the mineral wealth of our country contributes to job creation, economic inclusion and improved livelihood of our people. I also want to correct, Deputy Chair, there was a member who was misleading the House saying that we are declining in terms of job opportunities. We are increasing numbers.

We are pleased to report that during 2025 financial year, 20 projects were approved for financial assistance amounting to R59,7 million. This support covers both capital equipment funding and financial provision for rehabilitation guarantees. As part of our efforts to expand the reach and impacts of the fund, we are engaging with the Department of Small Business Development to determine the most effective partnership mechanisms to support artisanal and small-scale miners in alignment with existing government programmes. This process is already underway as reflected in the recent Budget Votes pronounced by the Minister of Small Business Development.

Hon members, we are to realise our vision of transforming South Africa's mining industry. We must invest in human capital development. This responsibility cannot rest solely with government, but it requires the collective commitment of all social partners. It is within this context that we are working closely with the Mining Qualifications Authority to transform our training programmes by shifting the focus from employment training towards executive leadership development. We aim to build a pipeline of leaders capable of steering a global competitive mining industry into the future.

Deputy Chairperson, the Constitution encourages us to protect the environment through measures that promote conservation and secure ecologically sustainable development and use of natural resources while advancing justifiable economic and social development. It is against this background that we continue to invest in environmental rehabilitation initiatives. During the previous financial year, the Council for Mineral Technology, Mintek, through derelict and ownerless mines programmes, successfully rehabilitated three major asbestos projects while a fourth project entered the construction phase.

In addition, 40 derelict and ownerless shafts were sealed in Gauteng, bringing a cumulative number of shafts closed since

2019, to more than 600. With this year's allocation, Mintek will intensify efforts to complete ongoing asbestos rehabilitation projects in Limpopo and Mpumalanga while initiating additional rehabilitation work in the Northern Cape. The next phase of shafts closing operation will target a further 40 shafts in Limpopo, Mpumalanga, Gauteng and KwaZulu-Natal. Our efforts to streamline interventions for greater economic benefits are also beginning to yield positive outcome.

The Council for Geoscience continues to advance the characterisation of geological formation suitable for the safe and permanent storage of carbon dioxide. The work done in Leandra, Mpumalanga, has established a credible technical foundation for the implementation of carbon capture utilisation and storage. Building on this progress, the Council for Geoscience has now transitioned the programme towards implementation readiness, including the mobilisation of strategic fund and technical partnerships. This positions the programme to move into a pilot scale injection phase. In addition, Mintek through its coal reimagined programme has begun to reposition coal fly ash and coal discard materials, not as a mere waste product of energy economy, but as a potential source for the recovery of rare earth elements and vanadium.

Hon members, South Africa remains richly endowed with mineral resources capable of driving inclusive economic growth, industrialisation and job creation. Among these resources are diamonds, which have contributed significantly to our economy for more than a century. However, the sector continues to face difficult global market conditions, including weakening demand for natural diamonds due to growing competition from synthetic diamond or lab grown diamonds. Despite these challenges, the state's diamond trade continues to advance its foreign purchase strategy, aimed at diversifying sources of rough diamond supply beyond our borders. Progress has been made in the procurement of rough diamonds from Botswana to improve the availability of suitable supply for local clients, support domestic beneficiation and strengthen the entity's ability to respond to market supply constraints.

The SA Diamond and Precious Metals Regulator continue to strengthen oversight, improve compliance and promote beneficiation and transformation in the downstream diamond and precious metals sector. Central to this work is the implementation of the enforcement strategy aimed at combating illicit trade and protecting value chains through co-ordinated inspections across the sector. During the previous financial year, the entity conducted 1 955 inspections, thereby improving the detection and prevention capabilities, protecting the integrity of the mineral value chain and reinforcing regulatory credibility.

The Mine Health and Safety Council continues to play an important role in strengthening health and safety within the mining industry. This year, the council will convene the Mine Health and Safety Tripartite Summit to assess progress against the 2024, summit milestones and review implementation measures. This process will strengthen accountability and ensure that stakeholders' commitments translate into measurable progress in safeguarding mine workers.

The Central Energy Fund continues to play a critical role as government's strategic energy development platform. During the previous financial year, the Central Energy Fund achieved a historical milestone through awarding the Ministerial section 79 directive, enabling strategic access to the Island View Precinct. This intervention's positions serve as the centre of South Africa's fuel importation, storage and distribution system, thereby strengthening national energy security and enhancing the country's ability to respond to future supply disruptions.

Deputy Chairperson, this is a brief report on the work that's been undertaken by our department. As the Ministry, we remain committed to strengthening oversight, institutional capacity and governance across this institution to ensure that effectively we are delivering our mandates as per our budgets. As we continue to advance our minerals and petroleum sector, we'll continue to pursue partnership with all stakeholders. The support and guidance of hon members of this august House will remain critical as we move forward together.

Let us continue working as a collective to position the sector at the centre of our efforts to alleviate poverty, unemployment, and equality in our country. We also want to appreciate the team from the department led by the director-general, DG, together with the Minister for the work that you are doing to make sure that we are transforming the sector. We are creating job opportunities, and we are making lives of our people better. Thank you very much.

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon delegates, I noticed that the MEC Kontsiwe rejoined for a brief minute or so but has disappeared off the online platform again. So, we will continue with the speakers' list and move, still online though, to the MK Party's hon Mhlongo for the next eight minutes. Hon Mhlongo?

Ms L P MHLONGO: Greetings, Chair. Chair, with your permission, can I please switch off my video?

The HOUSE CHAIRPERSON (Mr D R Ryder): Yes, that's in order, thank you. Please, go ahead with your speech.

Ms L P MHLONGO: Thank you, Chair. Hon Chairperson, hon Minister and Deputy Minister, permanent delegates, and our fellow South Africans, the MK Party rises today in the House to debate the Mineral and Petroleum Resources Budget Vote for 2026-27. This Budget Vote presents a programme for growth, energy security, and economic transformation. But when we look at the realities on the ground, when we study the annual performance plan, APP, and when we listen to mining communities and workers, what we see is not transformation, but we see a continued extraction without development.

South Africa remains one of the richest mineral-producing countries in the world. We sit with over 80% of the world's platinum reserves, major chrome reserves, manganese, coal, gold, diamonds, and rare earth minerals, yet Statistics SA still tells us unemployment remains at 32%, while youth unemployment sits at 45%. The contradiction exposes the failure of government policy.

The mining provinces continue to remain among the poorest provinces in the country despite generating billions for the economy every year. In the North West, platinum leaves the province daily, but communities around Rustenburg and Marikana still face high unemployment, poor roads, inadequate housing and collapsing municipal services. In Mpumalanga, coal continues generating billions, yet communities in eMalahleni continue breathing polluted air while abandoned mines sink land, contaminate water and damage homes. In Gauteng and the West Rand, acid mine drainage remains a threat after years of repeated warning from experts and oversight bodies. This budget fails to confront these realities. For 30 years, South Africans have heard promises about beneficiation and industrialisation. Yet platinum from Rustenburg still leaves as raw ore, diamonds from Kimberley are still processed abroad, chrome from Limpopo and Mpumalanga continues feeding industries overseas while South Africa imports finished products at a higher price.

The mining economy still largely exports raw wealth while importing unemployment back into our communities. The department receives billions, but where is the decisive programme for state-led beneficiation? Where is the aggressive expansion of local refining capacity? Where is the serious investment into downstream industries that can absorb young unemployed South Africans? Instead, we continue seeing dependence on multinational corporations while communities are spectators to the extraction of our wealth. Another serious failure is weak regulation and enforcement. A law that is not enforced is meaningless.

Illegal mining continues spreading across provinces. Illegal sand mining continues damaging rivers and ecosystems. Communities continue raising concerns about environmental destruction, while regional offices remain understaffed and ineffective. The department itself admits it suffers from a shortage of environmental mineral resources inspectors; that means compliance monitoring weakens, illegal operations grow, and environmental rehabilitation happens too late or not at all. Where the state cannot regulate effectively, ordinary communities pay the price. The reality is that many mining houses continue generating enormous profits while surrounding communities still lack proper roads, clinics, sanitation and economic opportunities.

Mining, social and labour plans continue failing communities because enforcement remains weak. The people of Marikana were promised development after a tragedy. The people of eMalahleni were promised rehabilitation. The people of the West Rand were promised environmental restoration. Yet, year after year, communities still return before Parliament with the same complaints. The fuel price crisis facing ordinary South Africans is another area where the budget completely fails the poor. Fuel prices continue rising while wages remain stagnant. In the rural provinces of Limpopo, Eastern Cape and KwaZulu-Natal, transport costs are swallowing household incomes. Workers are paying hundreds and sometimes thousands of rand every month simply to get to work. When fuel rises, food rises, transport rises, electricity costs rise, production costs rise, and poverty deepens. The General Fuel levy and the Road Accident Fund, RAF, Levy together add up to R7 per litre to fuel prices; meanwhile, South Africans are told that the government cannot do anything about it. The government cannot continue hiding behind market forces while ordinary people are suffering. South Africa once had strong refining capacity. Today we are increasingly dependent on imported refined fuel while local infrastructures weaken. That is not energy security; it's dependency.

That separate issue alone raises serious concerns around environmental liabilities, long-term sustainability and state exposure to financial risk. At the same time, South Africa's strategic fuel reserves remain inadequate in any global supply disruption, conflict or shipping crisis. The country remains vulnerable. Energy security is not a luxury. It affects food security, transport, logistics, agriculture, and economic stability. Another major failure is the handling of artisanal and small-scale mining. Thousands of Zama Zamas continue risking their lives underground. The government response has mainly been police operations and military deployment, but not adequately addressing the economic desperation driving illegal mining. You cannot arrest your way out of unemployment. The state must create a pathway to regulate community mining, co-operative skills development and legal participation in the mining economy of South Africa. The Quattro Scheme also exposes a deeper structural problem. The programme was meant to support junior black-owned mines, yet many beneficiaries struggle because allocations remain too small to achieve sustainability and excess finance. Transformation cannot simply exist on paper, while emerging black industrialists remain set up for failure.

We also note that the department emphasises achieving clean audits. That is welcome. But South Africans do not eat clean audits. Communities do not survive on compliance language. The MK Party believes South African mineral wealth must benefit South Africans. Mining provinces must not remain poor while producing billions. Workers must not remain trapped in poverty while corporations export wealth abroad. Young people must not remain unemployed while the country sits on strategic minerals needed by the global economy. South Africa cannot continue being a supplier of raw materials to richer nations while our own people remain unemployed, hungry and underdeveloped. For these reasons, ...

IsiZulu:

... i-MK Party iyasichitha lesi sabelomali ...

English:

... of the Department of Mineral and Petroleum Resources. Thank you, Chair.

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon MEC Kontsiwe, I see you are online. You have about eight and a half minutes left. I invite you to continue with your speech. I do also suggest that you leave your video switched off so that you don't disturb the bandwidth. Let us now give you another chance to continue in eight and a half minutes, MEC.

Ms N KONTSIWE (Eastern Cape): Hon Chair, I will start where I ended. The Eastern Cape has the liberatory positioned itself as a key player in South Africa's evolving energy landscape. We are steadily carving out a niche as one of the country's emerging energy and renewable energy hubs supported by a combination of strategic infrastructure investment, natural resources endowment and growing investor confidence. Only recently, the signing of the liquefied natural gas, LNG, Terminal Operator Agreement at the Port of Port of Ngqura marked a historic milestone for both the Eastern Cape and South Africa's energy future. This landmark investment strengthens the province's position as a strategic gateway for energy imports, storage, processing and distribution. More importantly, it sends a strong signal to domestic and international investors that the Eastern Cape is open for business and committed to building the infrastructure required to support long-term economic growth and industrial development.

The significance of this project extends far beyond the energy sector itself. It creates opportunities for manufacturing, logistics, maritime services, skills development and a wide range of supporting industries throughout the province. The Eastern Cape's emergence as a strategic energy hub is further demonstrated by the recent launch of Envusa Energy's Koruson 2 renewable energy cluster. Landmark investments of a combined are R15 billion, spanning the Eastern Cape and the Northern Cape provinces. This flagship development comprises 240 megawatts Mooi Plaats Solar PV Project, the 140 megawatts Umsobomvu Wind Farm and the 140 megawatts Hartebeesthoek Wind Farm delivers a combined of 520 megahertz of renewable energy capacity and ranks amongst the largest privately developed renewable investment in South Africa. The Eastern Cape welcomes this investment as clear evidence that our province is increasingly becoming a destination of choice for large scale energy infrastructure development.

We further note that the Koruson 2 cluster represents only the first phase of Envusa's broader ambition to develop between 3 and 5 gigawatts of renewable energy generation capacity by

2030. Together with LNG Terminal Operation Agreement at the Port of Ngqura, the potential development of Karoo gas resources, the expansion of biofuels production and the future development of newer clear energy as well as the investment.

The Eastern Cape provincial government is simultaneously pursuing an ambitious programme of public infrastructure investment. Across the province, significant resources are being directed towards roads, bulk water infrastructure and electricity reticulation expansion. These investments are designed not only to improve service delivery but also to unlock economic opportunities and attract investment. They form part of a broader strategy aimed at developing Eastern Cape seaport economic corridor into a globally competitive investment destination. Our vision is to create an integrated corridor that connects ports, logistics, infrastructure, industrial development zones, manufacturing facilities, renewable energy projects and export markets into a powerful engine of economic growth.

The Eastern Cape is also home to substantial and proven gas deposits beneath the Karoo basin. Environmental assessments and scientific studies have demonstrated the significant potential of these resources to contribute meaningfully to

South Africa's future energy mix. What is now required is political will, policy certainty and strategic financial prioritisation.

The Eastern Cape is equally concerned about the growing financial burden that rising electricity costs continue to place on households, municipalities, businesses and industries. Affordable and reliable electricity remains one of the most important prerequisites for economic growth, industrial competitiveness and investment attraction. While the country has made important progress in stabilising electricity supply, the challenge of affordability continues to constrain economic expansion and job creation. Therefore, the Eastern Cape calls on national government to continue pursuing a diversified energy strategy that not only strengthens energy security, but also contributes to reducing the long-term cost of electricity.

In this regard, we welcome government's commitment to advancing South Africa's nuclear energy programme and call for the accelerated development construction of the nuclear power plant near Jeffreys Bay in the Eastern Cape. This project has potential to become one of the most significant strategic infrastructure investments in the democratic South Africa.

The Eastern Cape believes that the development of the typhawood significantly strengthen South Africa's long-term energy security, attract substantial investment into provincial economy, create thousands of direct and indirect employment opportunities, and support the broader reindustrialisation agenda that is central to the province's developmental strategy.

Importantly, additional nuclear generation capacity would contribute towards more stable, diversified energy mix, reducing long-term dependence on aging coal-fired power stations while helping to create the conditions for greater price stability and affordability in the electricity sector. Its successful implementation would fundamentally alter the economic trajectory of the Eastern Cape and contribute meaningfully to the national economic growth. The province, therefore, calls upon the national government and all relevant stakeholders to place renewed focus on the revival of uMtombo as part of South Africa's broader industrialisation and energy security agenda.

The Eastern Cape firmly believes that the mineral, petroleum and energy sectors possess enormous potential to address South Africa's triple challenges of unemployment, poverty and inequality. However, this potential can only be realised if transformation remains central to our developmental agenda. The opportunities arising from these sectors must extend beyond established co-operations and reach local communities, rural areas, township enterprises, women-owned businesses, youth-owned enterprises and also emerging entrepreneurs.

We support the Budget Vote. We also acknowledge the importance of balancing economic development with environmental sustainability. The allocations directed towards rehabilitation of ownerless and derelict mines, the management of acid mine drainage demonstrates government's commitment to responsible resource management and environmental stewardship. Economic growth and environmental sustainability must remain complementary objectives. Future generations deserve both a prosperous economy and a protected natural environment.

In conclusion, the Eastern Cape supports Budget Vote 34 because it advances the objectives of energy security, industrialisation, economic transformation, investment attraction and job creation. We support the institutional reforms currently underway within the sector. The province also supports the development of petroleum, gas, renewable and nuclear energy infrastructure. Together we can ... [Time expired.] ... Thank you so much, hon Chairperson for your indulgence. I really appreciate it.

Setswana:

Rre M K MONTWEDI: Modulasetilo, ke lebogela nako ya gago. Ke kopa go se bontshe sefatlhego sa me ka gonne re mo tlase ga kobo e ntsho ya lehihi ka ntlha ya ga Tona Kgosientsho Ramokgopa hao.

English:

The HOUSE CHAIRPERSON (Mr D R Ryder): Hon Montwedi, it seems you also need Minister Ramokgopa to come and assist there. But please go ahead!

Mr M K MONTWEDI: House Chair, hon members and fellow South Africans ...

Setswana:

... ke ema ha pele ga nyena gape ke a lo dumedisa ...

English:

... in the name of economic freedom in our lifetime.

House Chair, the mining sector has collapsed because the state has collapsed for a long time. Let us stop pretending, mining is not struggling because global headwinds, mining is struggling because the state is failing.

Hon Minister Gwede Mantashe, it looks like it is not only ANC councillors that specialise in singing with content, dololo [nothing], as you said. But this conduct also is everywhere, including in the department that you are leading. Under your leadership, the South African mining sector has collapsed under the weight of systematic failures, multi-year licensing delays, the glaring absence of a factional cadastre and a local economy is hijacked by illegal mining syndicates.

Meanwhile, junior miners are suffocated by bureaucracy, social and labour plans are treated as optional charity, abundant mines remain open like war zones and National Treasury determines fuel price in silo without modelling the economic impact. This is not a sector in distress, it is a sector being sabotaged by incompetency.

House Chair, the mining cadastre programme is not delayed, it is not in progress, it is dead. And for more than a decade, this department has promised a modern transparent cadastre, yet, nothing has materialised.

House Chair, the annual performance plan, APP, once again, promises progress, yet, it fails to deliver critical specifics. It cannot tell us when the system will finally go live because they keep on postponing and postponing, how the massive backlog will be cleared and who will be held accountable for the decade-long failure or why South Africa remains the only major mining nation still operating entirely on spreadsheet?

House Chair, this is not a delay, it is a national embarrassment under the ANC-led Government of National Unity, GNU.

Investors are not confused, they are not waiting for clarity, they have left and they will not return until this department stops treating the cadastre like a side project and start treating it like the backbone of the mining economy.

Hon members, illegal mining is no longer a crime problem, it is a parallel economy supported and enabled by the state for a long time, and with many community members in our province living in threats each day because of criminality around illegal mining. The entire operation failure is run by a lethal mix of cross-border syndicates, explosive traffickers, corrupt officials and heavily armed criminal networks. Now, this, while our communities in Orkney, Stilfontein, Rustenburg, Mooinooi, Bapong in Brits, and in many parts of the province live under siege.

House Chairperson, our critical electrical infrastructure is destroyed, water systems are systematically vandalised, roads are ruined and mines are rendered deeply unsafe. In the face of this widespread devastation, the APP offers nothing more than empty rhetoric, offering mere awareness campaigns, vague stakeholder engagements and passive monitoring.

Chairperson, you do not raise awareness about organised crime, you crush it, irrespective of who is involved and there is no concerted effort in dealing with these because some high-ranking ANC politicians are highly involved and are in the pockets of criminal syndicates.

House Chair, we urgently need a specialised illegal mining enforcement unit, intelligence driven operations, cross-border co-operation and prosecution-led investigation alongside the immediate sealing of shafts and the comprehensive rehabilitation of abandoned mines. Anything less is performance for the cameras.

Now, I want to respond to what the hon Chair, Ntate [Mr] Modise, said. Ntate Modise, we are not going to support this budget, and it is not because we do not love our people. We love our people more and we are not going to support, and I'm going to demonstrate why.

Social and labour plans are not failing but have rather collapsed ... social and labour plans are not failing but have rather collapsed with mining houses that are failing to implement their Social and Labour Plan, SLP, and this information was collected from the council document of the Rustenburg Local Municipality. The local municipality that the Auditor-General, AG, refers to it as a collapsed municipality.

House Chair, the Municipal Council of Rustenburg tabled a report in the Municipal Council and noted the following as a backlog relating to the implementation of the SLP by mining houses:

Mining houses, giants like Tharisa, Sibanye and Impala Chrome and many others, leaving crucial school infrastructure promised, budgeted for but entirely undelivered. Specifically, the people of Modikwe High School in ward 30 remain outstanding. Tirelo school projects in ward 35 is stalled. Mojagedi High School sanitation upgrade in ward 29, Rustenburg, is incomplete and an Early Childhood Development, ECD, centre in ward 32 has been pending since 2014 and vital Information and Communications Technology, ICT, mathematics and science programmes are undelivered across five wards.

Consequently, children living directly opposite to platinum chrome and manganese deposits worth billions, are still forced to learn in broken neglect classrooms. This is why we love our people; we will not support this budget.

The failures are not more administrative delays, community facilities are also promised and budgeted for, yet, entirely undelivered.

As evidenced by the incomplete Bethani multi-people centre and the stalled second phase of the Marikana Health Centre and the completely undelivered Seraleng Resource Centre and Potsaneng Digital Centre.

These failures are not mere administrative delays. They represent broken promises that have dragged for many years with absolute no enforcement actions from the department of the singist there.

House Chair, basic services and infrastructure across these mining towns have completely collapsed, leaving entire communities in darkness and isolation. High-mass lights are unrepaired, storm water systems are not built, waste management system is inconsistent and critical water infrastructure handover remains unresolved.

Mining houses extract billions in wealth, but local communities cannot even get working streetlights. Is this love? We love our people. We’ll never support some of these things.

As a result, Chair, workers are forced to travel on deeply unsafe roads to reach the very same mines that export billions to the global market.

House Chairperson, economic development has left local youth and farmers completely abandoned.

Setswana:

Ko ward 32 ko Rustenburg, ga go isi go diragale sepe ka projeke ya temothuo ...

English:

... because of the delay in relocation.

School gardens at ward 29 are starved of basic infrastructure and vital support facility in ward 45 around Potsaneng has been pushed all the way out of 2026. As a result, local youth are left idle, small-scale farmers are left unsupported and the host communities are entirely left behind.

House Chair, let us call for this what it is. The non-delivery of social and labour plans is a theft. It is a direct theft of our children, schools, our communities, clinics, our local roads, our youth opportunities and ultimately our people's dignity.

Mining houses commit to SLP as a condition of their license. They sign, they promise, they present glossy brochures and they then walk away, and the department has allowed it for a long time.

Minister, now that we gave you a list of broken promises by the mining houses in Rustenburg, the ball is in your court to issue a formal complaints in terms of section 93 of Mineral and Petroleum Resources Development Act, MPRDA, by issuing directive or to go directly to suspend or withdraw mining licenses of affected mining houses in terms of section 47 of the MPRDA.

Chair, another reason why we'll not support this is because we love our people. In 2018 Sogima Mining's blasting rights were revoked. The treatment of Sogima Mining by the principal inspector of blasting from your department in the Rustenburg branch is a disgrace. Sogima, a 100% black-owned company in the North West, Brits, under Madibeng Local Municipality, is destroyed by your department. Eight years later, Sogima's matter is still unresolved. Meanwhile, neighbouring ...

Setswana:

... ka gonne le boifa makgoa ...

English:

... neighbouring white-owned mines with worst compliance records continue blasting. Sogima is blocked from operating, and the department cannot explain why for a good eight years.

This is not regulation, this is punishment, because anything black must be treated with suspicion and be destroyed. And unfortunately, this is the message that your department is sending. If you are a black-owned mining company, we will suffocate you with delays. If you are an established operator, we will look the other way.

Tell us, Chair, is this love or not? We love our people. We'll never support this budget vote that continues to dehumanise our black communities.

House Chair, transformation cannot be selective. South Africa's exploration spent less than 1% in the global exploration. That is not a statistic, that is a death certificate. The APP mentions a junior miners fund, but cannot tell us how many projects will be funded, what minerals will be prioritised, how long approvals will take and what economic impact is expected? Junior miners are not asking for favours, they are asking for a state that works.

House Chair, South Africa has more than 6 000 derelict and ownerless mines, but have degenerated into active crimes hubs, severe environmental disasters, critical public safety hazards and toxic sources of acid mine drainage. And the APP commits to rehabilitating three, three ...

Setswana:

... nngwe, pedi, tharo ...

English:

... I mean three, only three, this is not planning, this is negligence.

House Chair, Parliament must stop accepting ... [Inaudible.] ... we must demand measurable, enforceable and transparent commitments.

Setswana:

Ko bokhutlong, ke gakolola batho ba rona gore ba tswe ka makatlanamane ba ye go ikwadisetsa ditlhopho, gore e tle e re ka 4 Ngwanatseele 2026 ba ye go tlhopha puso ya EFF eo e ba kgathalelang, eo e tla tswelelang pele go lwela serodumo sa batho rona.

English:

As the EFF, as I've already indicated, we reject this budget vote, Modulasetilo [Chairperson]. And it is because of the love that we have for our people that we are rejecting this budget vote. Thank you very much ...

Setswana:

... Modulasetilo. Ke lebogetse nako ya nyena. Ke mo lehihing, le nyena le a bona gore Rre Kgosientsho o re tshwere jang kafa. Ke lebogile thata.

Mr H J VAN DEN BERG: Chairperson, the FF Plus carries a joint responsibility for this budget. It also means we have a duty to be honest about what can be done better. Support does not mean turning a blind eye. The department has a budget of R2,86 million. This coming year, programme 4: mining, minerals and petroleum policy development has been allocated R1,5 billion - that is 40% of the entire budget. Yet, R995,6 million of that amount is not for the department at all, it is transferred to, amongst others, R666,9 million to the Council for Geoscience, CGS, and R328,7 million to Mintek. This leaves the department spending only R21,2 million on the frontline programme, namely monitoring, enforcement and fuel regulation. The people who must inspect 900 mines, police 1 500 petroleum sites, fight illegal mining and stop fuel price abuse. They have been allocated 0,7% of this budget. You cannot regulate a R6 trillion mining and energy sector with

0,7% of your budget. In the select committee, the FF Plus asked direct questions.

Why are we starving our inspectorate while transferring billions to entities? Has illegal mining not escalated into a national security threat? Illegal mining undermines lawful operations, erodes state revenue and endangers life. But the department just admits enforcement capacity is insufficiently resourced. Where do we stand on the fuel pricing chaos? The Committee noted with concern the impact of the Middle East conflict on prices and that our own system makes it worse with high fuel levies and taxes. Petrol is regulated. Diesel is deregulated. What is the result? It is price variability across service stations, consumer confusion and perceptions of unfair pricing.

What about fruitless and wasteful expenditure? With all these consultants in the entities, are we getting any value for money? The Minister replies that it is actually them who do the work on the ground like Mintek with mine rehabilitation. As Government of National Unity, GNU, partner, the FF Plus' position is clear: we will support this budget because South Africa needs a functioning department of mineral and petroleum resources.

A Budget Vote collapse helps no miner, no petrol attendant and no community. But support is not a blank check. We will use our role in the GNU to demand a rebalancing of priorities. If you can find R666,6 million for geoscience, surely you can find more than R21,2 million for inspections. Stop the waste. Finalise the Geoscience Act. Review the diesel pricing framework to end disparities and publish a proper energy security strategy with timelines, not promises. Measure outcomes, not activities. Alexkor and the Community Property Association, CPA must be fixed. The Council for Geoscience must show investment opportunities facilitated, not maps printed. Give the investors clear policy and security to invest without undue risk. The GNU was formed to help fix what is broken.

We will not defend a structure where only 0,7% goes to enforcement while illegal miners run our provinces. We will not defend a confusing diesel pricing system. We will not defend a R4,5 billion rehabilitation backlog referred to Mintek while we spend millions on workshops and social projects. South Africans deserve minerals that build the country, not syndicates that steal it. They deserve fuel they can afford, not prices set by typing errors and taxes. They deserve inspectors, not excuses. We support this budget to make sure they get it. I thank you.

Ms H S BOSHOFF: Hon House Chair, hon Minister - I see that the Minister of Water and Energy has left - hon Deputy Ministers, hon members, and fellow South Africans, good day. Today we debate Budget Vote 34 of the Department of Mineral and Petroleum Resources. South Africa remains one of the most mineral-rich countries in the world. We possess vast reserves of platinum group metals, manganese, chrome, coal, and critical minerals that are increasingly essential to the global economy and energy transition. Yet, despite these enormous advantages, South Africa continues to underperform.

A country blessed with some of the world's richest mineral reserves now attracts less than 1% of global exploration expenditure, and this should concern every South African. Exploration is far more than future mining projects. It is about future jobs. It is about future investment, future exports, and ultimately future economic growth. Yet investment continues flowing elsewhere, whilst South Africa falls further behind in competing mining jurisdictions. For years the mining sector has warned about regulatory uncertainty, licensing delays, infrastructure collapse, and administrative inefficiency.

Yet, despite all the promises, where is the reform, where is the urgency, and where are the results? Dololo! [Nothing!] One of the department's biggest failures has been prolonged delays surrounding the mining cadastral system. For years, South Africa has been promised a modern, transparent, and efficient online mining rights system that should improve investor confidence, reduce delays, and bring certainty to the sector. Minister, thank you that today you informed this House that the Western Cape model is operational and that the rollout process to other provinces is underway. This is welcomed; however, South Africa cannot compete globally without a credible, transparent, and efficient online cadastral system.

The real test now, Minister, is whether government will finally deliver a credible and functioning system by the end of the year, as you promised. Because investors do not invest in promises, they invest in certainty. At some point, government must stop making announcements and start delivering results. The consequences of declining exploration are severe. Without exploration, there are no new mining projects. Without new mining projects, there are no new jobs.

At a time where unemployment remains one of the greatest crises facing our country, South Africa simply cannot afford policy paralysis in one of its most important economic sectors. Illegal mining continues to expose serious weaknesses within the broader mining regulatory environment. South Africa continues battling abandoned mines, delayed rehabilitation processes, and inefficiencies within the mining rights system.

While criminal enforcement may primarily fall within the mandate of the SA Police Service, SAPS, the department cannot ignore the regulatory failures that continue creating conditions in which illegal mining thrives. Communities continue living in fear, while criminal syndicates continue exploiting weaknesses in the system, and rightly so. South Africans are entitled to ask where the measurable progress is.

Another issue placing enormous pressure on both the mining sector and ordinary South Africans is the continued rise in fuel prices. Everybody has spoken about it today, you yourself as well. The conflict in the Middle East has once again exposed South Africa’s vulnerability to global fuel shocks. Every fuel increase pushes up the cost of transport, logistics, manufacturing, food production, and mining operations. Mining companies already face rising electricity costs, rail constraints, and infrastructure failures. Rising fuel prices place even further pressure on operational sustainability and investment decisions.

Ultimately, it is ordinary South Africans who carry the burden. Workers pay more to travel to work, businesses pay more to transport goods, and consumers pay more at the toll. Government cannot continue relying on temporary relief measures while deeper structural vulnerabilities remain unresolved. South Africa, South Africans are therefore entitled to ask a very simple question: after years of discussions around energy security and petroleum development, where are the measurable progresses that will reduce our dependence on imported refined fuel products and shield our economy from recurring fuel price shocks? South Africa's mineral wealth should be driving investment, industrial growth, and large-scale job creation. However, potential alone means very little if investment continues declining.

The real measure of success is not the number of plans produced by your department, Minister. It is the number of exploration projects approved, the number of mines opened, and last but not least, the number of jobs created. South Africa cannot mine its way into prosperity through policy speeches alone. Minister, we now need regulatory certainty. We need efficient licensing systems. We need functioning infrastructure. We need affordable and reliable energy. Above all, we need leadership that understands every delayed reform carries a direct economic cost for millions of unemployed South Africans. Thank you.

Mr T B MATIBE (Limpopo): House Chairperson, the hon Minister, Minister Mantashe, and the Deputy Minister, the Chief Whip of the NCOP, hon Kenneth Mmoiemang, hon members, the Chairperson of the Select Committee, fellow MECs in the virtual platform, and members that are in the visual platform ...

Tshivenda:

... Ndi madekwana.

English: The Freedom Charter, which is the bedrock of our country's Bill of Rights, continues to be a guiding document for our democratic government. It continues to remind us that South Africa's vast mineral and natural resources should promote inclusive growth, industrial development, job creation, and shared prosperity.

Today, as we discuss this Budget Vote, we reaffirm our commitment to ensuring that the country's mineral and energy resources are meaningful to improve the lives of our people, particularly in provinces like Limpopo, where mining is a critical pillar of economic activity and development.

We welcome the Department of Minerals and Petroleum, under the leadership of Minister Gwede Mantashe, for its ongoing efforts to strengthen South Africa's energy security through the development of upstream petroleum industry and the expansion of refinery capacity. These measures are vital to reducing our vulnerability to international energy market volatility, strengthening domestic fuel supply, attracting investments, and supporting long-term economic growth.

The development of domestic petroleum resources presents a strategic opportunity to enhance energy resilience, create employment, stimulate industrialisation, and reduce our dependence on imported fuel products.

A stable and secure petroleum industry will also support critical sectors such as mining, manufacturing, agriculture, and transport, which collectively drive economic growth and job creation.

The recent increase in fuel prices continues to place significant pressure on households and businesses across the country. This impact is particularly felt in largely rural provinces such as ours, where communities rely heavily on road transport for access to job opportunities, health care facilities, educational institutions, and markets. The rising petrol and diesel increase the cost of transporting goods and people, which in turn place upward pressure on food prices and other necessities. For this reason, initiatives aimed at strengthening South Africa's petroleum value chain, expanding local refinery capacities, enhancing fuel security, are not merely energy interventions. They are crucial economic measures that can help protect the citizens from external shocks while supporting sustainable growth.

We further acknowledge that despite prevailing global economic pressures and uncertainties, the mining sector remains one of South Africa's greatest economic strengths and a cornerstone of our economy.

The sector continues to demonstrate remarkable resilience, significantly contributing to exports, employment, infrastructure development, and fiscal revenue.

In Limpopo, mining is a key driver of our economic transformation. By increasing mineral beneficiation, expanding investments in mining-linked industries, developing Special Economic Zones, growing renewable energy projects that support mining, assist in driving the economy, and industrialise the provincial economy.

As envisaged in the Freedom Charter, the true value of our mineral wealth lies not only in what we extract from the ground, but in how we use it to create opportunities to develop industries, uplift communities, and build a better life for all South Africans.

Hon Minister, we welcome the interventions of the mines in our province, especially the model that was used in Steelport, where we were able to see collaboration between the mines as well as government and the private sector in building that road.

We must indicate, hon Minister, that working together with our mines in the province, we have started a programme to ensure that we have a mining and mineral beneficiation skills academy in the province, in the area of Tubatse, where that collaboration happened.

We require the support of the Minister in ensuring indeed that mining academy and mineral beneficiation skills academy happens because hon Minister, we want that academy to assist us to build skills for the beneficiation of our minerals so that we avoid taking raw materials from the province to outside. We have already started with the support of all the mines, and we hope that that programme will then ensure.

We, therefore, as the province of Limpopo, support the Policy Debate Vote of Minerals and Petroleum Resources. I thank you.

Tshivenda:

Ro livhuwa. Ndaa!

Mr B J FARMER: Hon Chairperson, hon Minister and Deputy Minister, and hon members, I greet you in the name of Jesus Christ, our Lord and Saviour. Hon Chairperson, South Africa is a country blessed with extraordinary mineral wealth. Beneath our soil lies gold, platinum, manganese, chrome, diamonds, coal, rare earth minerals and petroleum resources that many countries can only dream of. Yet, despite these blessings, millions of South Africans remain poor.

Many mining towns continue to decline, and communities living next to mining operations often see little improvement in their daily lives. That is a contradiction we must confront.

The PA supports Budget Vote 34 because mining and petroleum resources remain critical drivers of economic growth, export earnings, energy security and job creation. However, South Africa, must stop being a country that exports opportunity and imports unemployment.

Chairperson, the mining sector remains one of the pillars of our economy. It contributes significantly to exports, tax revenue and foreign investment. Investors continue to raise concerns about regulatory uncertainty, licensing delays, infrastructure constraints, electricity costs and logistical failures. If we want investment, we must create certainty. If we want jobs, we must create confidence. And if we want growth, we must create an environment where investors know the rules, trust the system and can operate efficiently.

Chairperson, the PA believes that mining must work for South Africans first. That does not mean closing the door to investment. It means ensuring that investment creates jobs, develops skills, supports communities and leaves behind lasting value. Mining cannot remain an economy where resources leave the country while poverty remains behind.

Hon members, we welcome efforts to strengthen exploration because exploration is the foundation of future mining growth. For too long, South Africa has fallen behind competing mining jurisdictions in attracting exploration investment. Without exploration, there are no new discoveries. Without discoveries, there are no new mines. And without new mines, there are no new future jobs. That is why geological mapping, exploration support and modern licensing systems are essential to the future of the sector.

The PA supports stronger law enforcement, tougher prosecutions and better border management to disrupt criminal networks. Our mineral resources belong to the people of South Africa, not organised crime. Chairperson and hon members, we must also speak about mining communities. Too often, communities hear promises of development but continue to struggle.

Social and labour plans must not become compliance exercises completed on paper. Communities must see tangible results, schools, clinics, infrastructure and opportunities for local businesses and young people. Mining must leave a positive legacy.

Chairperson, petroleum resources and fuel security have become increasingly important in an unstable global environment. Recent geopolitical tensions have shown how quickly global energy markets can affect local fuel prices and economic stability.

South Africa must continue strengthening fuel security while pursuing responsible petroleum exploration. Any discoveries that can strengthen energy security, reduce import dependency and create jobs should be pursued responsibly and transparently.

Hon members, one of the greatest threats to mining growth is not beneath the ground. It is above the ground. It is failing logistics, congested ports and underperforming rail infrastructure. A mine cannot export efficiently if trains do not move and ports cannot handle volumes. Mining success and logistical reform must go hand in hand.

In closing, Chairperson, our mineral wealth is a gift. Let this budget vote help build a mining and petroleum sector that creates jobs, attracts investment, develops communities and secures prosperity for future generations.

Hon Minister ...

Sesotho:

... o se ke wa baiza. [Don’t mess up.]

English:

Salute!

Mr D W BYRANT (Western Cape): Hon Chairperson, Minister, Deputy Minister present in the House and all hon members. Beneath the fertile South African soil lies wealth that could ignite industrial growth, power our energy transition and employ generations to come. Yet, as we scrutinise Vote 34 Mineral and Petroleum Resources, the question before us is not whether the budget is too large or too small.

The question is whether or not the goals as set out can be delivered. The Department of Mineral and Petroleum Resources is allocated R2,86 billion in this financial year, rising to over R3 billion by 2028-29. This is a serious mandate, regulating exploration, enforcing mine health and safety, rehabilitating derelict mines and driving transformation. But sadly, we have become all too accustomed to persistent leadership weaknesses that undermine every one of those goals.

In the Minerals and Petroleum Regulation Programme alone, the department has allocated R212 million for consultants, specifically for business and advisory services. This is in the same programme where employee compensation stands at R336,7 million. Why is a regulatory department spending hundreds of millions on external advisors when it already employs a substantial personnel complement of over 1 100 funded posts?

The danger here is not the existence of consultants. Specialised expertise has its place. The danger lies in the management of the in-house skills base. If inspectors and technical staff are buried in administrative duties while consultants draft standard operating procedures, then we have a structural inefficiency.

The department must account for exactly which functions have been outsourced and why those functions cannot be performed by the 1 124 public servants on the payroll by the end of the Medium-Term Expenditure Framework, MTEF. The inspectorate spends 83,2% of its budget, R719,1 million on compensation of employees. The department targets 24 000 inspections and audits over the medium term.

On paper, that is credible. But we must ask whether these highly paid inspectors are actually on the ground or rather at their desks. The allocation for travel and subsistence in Programme 3, Health and Safety, stands at R34,3 million in 2026-27 alone. And we must ask again whether a breakdown has been provided as to how many of those travel days resulted in unannounced actionable inspections versus planned administrative visits and photo opportunities.

The South African mining sector has seen too many tragedies where inspection reports existed, but follow-through did not. Management must ensure that every rand of travel expenditure translates into boots on the ground or rather underground, not boardroom meetings in Pretoria.

The department is allocated R434,1 million to rehabilitate just nine derelict and ownerless mine sites through Mintek. That's over R48 million per site. In any private sector rehabilitation programme, such a cost per site would trigger rigorous forensic auditing. Yet in the state system, we see similar patterns of cost overruns, delays, and rehabilitation standards that are rarely independently verified.

Is the department able to provide a site-by-site management report? And importantly, what is the baseline environmental damage? How does R48 million per site compare with industry benchmarks? And critically, who is liable if Mintek fails to complete the work?

Poor contract management in rehabilitation can leave acid mine drainage to poison our water tables and communities then forced to live next to toxic sinkholes. Protecting South Africa's natural environment must be a key consideration during mining operations because the country's ecosystems, biodiversity, water resources, and agricultural land are vital for both present and future generations.

As we know, mining activities can cause significant environmental damage including soil erosion, water pollution, habitat destruction, and air contamination if not properly managed. South Africa is home to a rich variety of plant and animal species, many of which depend on healthy ecosystems for survival.

In addition, many communities rely on clean rivers, groundwater, and fertile land for farming, fishing, and daily living. Pollution from mining waste and chemicals can contaminate these resources, negatively affecting human health and livelihoods.

Environmental protection during mining also supports sustainable development by ensuring that economic benefits do not come at the expense of our long-term environment and cause further degradation. And this is a cause that's close to our heart here in the Western Cape.

Measures such as responsible waste management, land rehabilitation, water conservation, and compliance with environmental regulations can reduce the harmful impacts of mining. By prioritising environmental protection, South Africa can continue to benefit from its mineral wealth by preserving its natural heritage, supporting local communities, and ensuring that future generations inherit a healthy and productive environment.

It's essential that social and labour plans, promising schools, clinics, housing, and skills training are effectively delivered. But if the department only conducts 212 inspections annually, the message to industry is that compliance is voluntary.

We need a complete overhaul of Social and Labour Plan, SLP monitoring. Management must move from counting inspections to actually measuring outcomes. How many houses were actually built? How many graduates from mining-funded skills programmes got jobs? And without that shift, the allocation is simply an accounting entry.

An initial R400 million with the Industrial Development Corporation is projected to grow to R1 billion through private investment. The stated purpose is to fund prospecting work such as drilling and logging, and that's precisely what the junior mining sector needs. But management must ensure that this fund is not captured.

We've seen too many state funds become vehicles for political patronage, where connections matter more than the actual geological potential. The department must publish clear, transparent criteria for accessing the fund. Every application, every approval, and every outcome must be subject to public oversight.

If this fund is managed as a closed-door allocation, it'll fail the very small-scale prospectors it's meant to empower. Good management here means transparency, a rotation of evaluators, and independent technical reviews. The gas-to-liquid refinery reinstatement programme is projected to see spending in the oil and gas programme increase to R41 billion by 2028-29. Management risks here are monumental.

Without rigorous board-level oversight, without quarterly performance audits and clear milestones tied to disbursements, the scale of spending invites the very same state capture dynamics that crippled PetroSA in the first place.

Members of Parliament and the public at large should receive binding assurances that procurement for the refinery reinstatement follows competitive, transparent processes free from emergency deviations without parliamentary oversight.

The spending trajectory is set, but the management of that spending is not predetermined. The department can choose to run the mine health and safety inspectorate as a travel-heavy administration rather than a boots-on-the-ground enforcement machine.

They can choose to let R48 million per rehabilitated mine go unaudited, and they can choose to conduct only 212 SLP inspections per year and call that transformation. But those choices are not neutral. At the end of the day, they will fail the miners, the communities and the economy that depend on this portfolio. That's why the DA will continue to hold government to account in the best interests of all South Africans.

Thank you.

IsiXhosa:

Mnu M M PETER: Sihlalo weNdlu, mandibulise kule Ndlu xa lijika ilanga. Ndibulise kuMphathiswa, isandla sakhe, amalungu onke ahloniphekileyo ale Ndlu, abemi boMzantsi Afrika, dikhahlele nasezinkosini. Mandingene apha eNgilane, ndakubuyela eNxuba xa sele ndigqibile.

English:

Hon Chairperson, the Department of Mineral Resources and Petroleum has an important mandate to regulate the mineral sector in this country. It also faces several challenges, which hinders the smooth running of the mine industry, and it imposes unbearable fuel increase on the poor South Africans.

For close to 150 years, mining has been the backbone of the South African economy, contributing approximately 7,5% of GDP and around 60% of total exports. However, this important sector has been challenged by a crisis of illegal mining for several decades. Illegal miners who are known as Zama Zamas have caused economic, environmental and social upheaval, leaving a significant mark on the industry.

It is really shocking that in the year 2024, illegal mining is estimated to have cost South Africa over R70 billion annually.

IsiXhosa:

Mandize kuwe Mphathiswa weli sebe ngesintu. Uphethe eli sebe kwaye ilizwe lijonge kuwe. Kusuka abantu bamanye amazwe baze kuthatha ubutyebi beli lizwe, iR70 yezigidi zezigidi imkile ujongile Mphathiswa noMongameli ejongile. Uthi masithembe ntoni kweli sebe liphethwe nguwe? Asinakho ukufihla amakhuba kulinywa kunyanzelekile ukuba izinto sizithethe apha. Eli sebe liphethe bonke ubutyebi beli lizwe, kodwa kusuka abantu kwamanywe amazwe baze kujongela phantsi eli lizwe. Uphinda ubaphe igama elimnandi uthi ...

English:

... illegal miners ...

IsiXhosa:

... bethiywa nguwe. Usabanika igunya aba bantu endaweni yokuba uthi nanga amasela kwaye akukho nto uyenzayo ngawo. Mphathiswa, ilizwe loMzantsi Afrika lonzakele kuba liye labeka wena lakuthemba. Amandla elizwe aphelile ujongile.

Xa ndigqitha Mphathiswa, yonke into ephantsi kwesebe olilawulayo iyabiwa. Kubiwa nezakhiwo kodwa kukho abantu abahleli kuzo azincothulwanga. Nijongile nikhona, nisenza intlekisa elizweni kodwa nithi masinithembe.

Xa ndivala, olu lawulo luhexayo nilwenzayo kufikele ixesha lukuba abantu banijonge banisuse kulo kuba anisathembakalanga kuluntu. Ndiyaluxhasa olu hlahlo lwabiwo-mali. Enkosi Sihlalo weNdlu.

Mr J H P BRITZ: Hon Chairperson, hon Minister and Deputy Minister, hon members, and ...

Afrikaans:

... my mede landsgenote, spesifiek die inwoners van die Langkloof daar in Kou-Kamma, goeie naand.

English:

For millions of South Africans, fuel is not an abstract economic indicator. It is the difference between getting to work or staying at home. It is the difference between a profitable harvest and a loss. It is the difference between a small business surviving or closing its doors. The difference between eating and starving.

Hon Nodada, the political philosophy you quoted from will not fill the empty stomachs of poor South Africans. Every increase at the fuel pump translates into higher transport costs, higher food prices, and a higher cost of living. Food producers use diesel, and moving the food from farm to plate needs petrol and diesel. It is an important input cost into all parts of the food system.

To add to the fuel misery, devastating floods in Kou-Kamma in the Eastern Cape washed away a portion of the R62 in early May this year. The Langkloof, the second largest export area of soft fruit in the country, is totally cut off from the rest of the Eastern Cape province, as well as from its export harbour. Today, five weeks later, this R62 road is still not repaired.

Afrikaans:

Wat die situasie ondraaglik maak, is dat ons 'n oestyd binnegaan. Hierdie ramp, tesame met stygende brandstofpryse, veral diesel, is nie iets wat boere voor kon beplan, of enige beheer oor het nie.

English:

The stage is set for an economic and social disaster in Langkloof and similar areas. Damages to the agriculture sector in the Langkloof rose to over R100 million thus far. Food producers' use of fuel and fertilizer, already affected by the Middle East wars, further impacts food prices.

Inflation rocketed because of supply chain disruptions and escalating fertilizer and diesel costs. We have seen how fuel price hikes deliver a heavy blow to South Africa's farming sector. Grain farmers have an input cost with fertilizer accounting for roughly 35% and fuel accounts for about 13%. Half of the input costs are affected by the ongoing crisis in the Middle East.

The first round of fuel increases is estimated to have added R1 billion to the operating costs for summer grain farmers, and this is just compounding again. For individual farmers, this is pushing them to losses, and they have nowhere to go.

The key challenge is that the crops are in the field. And if you leave it there, it will rot.

To put the unexpected rise in fuel costs further into perspective, in April, the household food basket cost R5 452 and increased by R123 in March. The basic nutritional basket with a household of seven members now amounts to R6 618.

Seventy-four percent of black South Africans live below the upper bound poverty line, which is R2 486 a month. Many of whom therefore rely on the R370 Social Relief of Distress, SRD, grant to survive. The food basket is R53 more expensive than the SRD grant, making it unaffordable for grant recipients. This makes the food basket, the household food basket, and the basic nutritional basket far out of reach for most South Africans.

This Budget Vote comes before us at a time when all South Africans continue to feel the impact of high fuel prices every single day. South Africa’s mineral and petroleum challenges are no longer only a technical challenge. Hon Deputy Minister, what we have been short of for far too long is policy certainty, accountability and competent execution. This is why the DA remains deeply concerned by the continued lack of transparency and accountability within the petroleum sector.

Mineral and Petroleum security depends on trust. And trust depends on transparency. On transparency, Minister, you still owe South Africans answers regarding the diesel pricing error that recently sent shockwaves through the logistics industry and among motorists. Such bad timed mistakes are not administrative inconveniences. They have real economic consequences.

South Africans should not be expected to pay for government errors at the fuel pump. South Africans cannot drill for oil, refine fuel, repair washed-away roads, or absorb government mistakes. They are doing their part. It is time for government to do theirs. Thank you.

Mr S P MABILO: Hon Chair, greetings to the Minister, the Deputy Minister and all members of the House, good afternoon.

Setswana:

Bagaetsho ko gae, dumelang.

English:

Hon Chair, the ANC rises in full support of Budget Vote 34, because budget advances the strategic objectives of energy sovereignty, industrialisation, mineral beneficiation ... [Interjections.]

The HOUSE CHAIRPERSON (Mr B A Radebe): I am sorry, hon member. Hon Byant and hon Badenhorst, please! Hon Byant, you cannot turn your back on a person who is speaking. No, we cannot disrespect each other here. This House gas got a decorum, please don't do it.

Mr S P MABILO: Okay, hon Chair. the ANC rises in full support of Budget Vote 34, because budget advances the strategic objectives of energy sovereignty, industrialisation, mineral beneficiation, mine rehabilitation and inclusive provincial development. As the ANC, we firmly believe that South Africa's mineral and petroleum resources, must serve as instruments for economic transformation and social upliftment. the This position is not new; it is in the historic vision of the Freedom Charter, which declared that the country's mineral wealth belongs to the people as a whole.

Today, the principle continues to guide the ANC policy through our developmental state approach that prioritises state leadership's strategic participation and inclusive growth. The ANC policy on strategic mineral and petroleum resources, has consistently been reinforced through successive policy conferences, the National Development Plan, NDP, the Medium-Term Strategic Framework, MTSF, and the Economic Reconstruction and Recovery Plan, ERRP. The ANC supports the mix economy, in which the state plays a decisive role in strategic sectors such as, energy, mining, logistics, fuel security and critical mineral development.

This is because, no serious developing economy has achieved industrialisation without active state participation in strategic industries. For example, countries like China, Brazil, Norway and many other Nordic countries, all utilise strong state intervention to protect strategic resources and drive long-term economic growth. South Africa cannot take a different path and expect different results. One of the clearest examples of the ANC policy in action, is the establishment and strengthening of the African Exploration Mining and Finance Corporation, AEMFC, which was created to ensure greater state participation in mining and in energy development.

The role of the AEMFC is particularly important in provinces such as Mpumalanga, where communities remain heavily dependent on coal mining and coal related economic activity. As a double energy transition unfolds, the ANC has maintained that the transition to cleaner energy must be just, balanced and developmental. The ANC rejects a transition that abandons workers and mining communities. Instead, our policy position supports economic diversification, worker protection, risk killing programmes, and investment into industrial sectors in coal producing provinces.

The ANC has consistently defended strategic fuel security as a matter of national sovereignty. The decline in domestic refinery capacity has exposed South Africa to global price shocks, supply disruptions and import dependency. This affects provinces directly because fuel is central to agriculture, logistics, mining, public transport and local economic activities. When fuel supply is disrupted, it’s the provincial economies that suffer first, farmers also suffer. They struggle to transport their produce, mines reduce productivity, municipalities face operational constraints and food prices increases.

That is why the ANC supports strategic investment in fuel storage infrastructure, refinery revitalisation and long-term petroleum security planning. There are practical examples that demonstrates why ANC policy on strategic state participation remains necessary. During the period of global instability, including the disruptions caused by COVID-19 pandemic and geopolitical tensions affecting oil producing regions, countries with strong strategic reserves and state-led energy co-ordination, were better able to protect domestic markets from severe shortages.

South Africa's experience during this disruptions, showed the dangers of over reliance on imported refined fuel products. This is precisely why the ANC continues to advocate for sovereign capacity in petroleum infrastructure and strategic reserve. The ANC also recognises the enormous economic potential of off offshore oil and gas exploration. Projects in the Orange Basin Blocks 112 and 12B present opportunities for industrial expansion, infrastructure development and employment creation in coastal provinces such as the Northern Cape, where I hailed from, Western Cape, Eastern Cape and KwaZulu-Natal. The four provinces that I have mentioned, are the only provinces that are coastal, others are inland.

However, the ANC's policy position is clear. Development must proceed responsibly and sustainably. We are signatories to the Sustainable Development Goals, SDGs, and we are four years away from them. The Environmental Impact Assessment, EIA, must not become tick box exercises. Environmental experts, communities, fishing industries, traditional leaders and provincial stakeholders and the communities, must all participate meaningfully in decision-making processes. The ANC believes, development cannot come at an expense of environmental destruction or community exclusion.

The ANC developmental approach is also evident in our support for mineral beneficiation. For decades, our country exported raw minerals, while importing finished products at higher costs. This historical pattern limited industrialisation and job creation. The ANC's beneficiation agenda seeks to reverse that imbalance by encouraging local processing, manufacturing and industrial value chains. The institutions such as Mintek and the State Diamond Trader, SDT, play an important role in advancing local beneficiation, supporting emerging entrepreneurs and increasing domestic industrial participation.

Our strong beneficiation strategy creates opportunities for provinces to develop manufacturing clusters like jewellery, production industries, battery minerals, processing facilities and downstream capacity. In order to move forward, we know the fact that opposition parties often argue for full liberalisation, as articulated by hon Pienaar. The free market is not the panacea of the current challenges, that is a fact. You are advocating for a lean, mean, thin state; and we are advocating for developmental and interventional state on behalf of the downtrodden and the poor. That's our policy position.

The ANC rejects a model where strategic national resources are controlled without developmental obligation. Our position remains that mineral wealth must contribute to infrastructure development, industrial growth, localisation, skill development, etc. In conclusion, the ANC supports the budget, but it will be amiss on my part if I don't comment on the slight remarks by hon Pienaar, from the DA, who impeached the dignity of the Minister by saying that - I will lump you together. You are saying that you are not convinced that the Minister is the right person for the job. That's what you are saying.

As I've indicated, this is a slight remark. For me, the remark is odd, cheap politicking, petty, careless, baseless, empty, and not backed by any evidence. That is what I call sewer politics. I know the Minister, because of his integrity, he will not defend himself. So, I'm here not to defend him, but... Just to illustrate his track record. On the contrary, as the ANC, we've got full confidence in the Minister. The Minister is a seasoned mine worker, rising from the shop floor, blue collar, up to the level of becoming one of the general secretaries of the biggest union in Africa, the National Union of Mineworkers SA, NUM.

So, he has the depth, the understanding of the sector. Is this terrain, is it like a fish in the in the water? So, as I've indicated, his understanding is quite clear. But let's talk about the record because, as I've indicated yesterday, myself, you and hon Boshoff, serve in the committee, and we get reports and the Minister comes. Let me just illustrate just a few. Firstly, there are many successes under his leadership. The first success I want to illustrate, is a strong spending rate of the budget in the department, in the department. That's a milestone.

Secondly, safety milestone. We have had a historic improvement in mining safety. It was the lowest in many years, and that is on record. Beneficiation is an ongoing agenda on the lap of the Minister. Lastly, hon Pienaar, whether you like it or not, and whether the DA likes it or not, the state involvement is essential to transform historic exclusion. There is no debate about that. Let's come to Cape Town that you want to... You know, there's a classic writer that I like, Charles Dickens. He has written many classics, but one of the classics that I read in 1984 when I was doing my matric is, *A Tale of Two Cities*. You can Google it now. Cape Town is a tale of two cities, a city for the whites, rich, affluent, successful, clean water, no potholes, electricity and sanitation, all intact in one city.

But in the same city, you have a city where there is squalor, poverty, and difficulty. So, Cape Town is a tale of two cities. Now, lastly, let me come to the EFF and MKP. I'm sick and tired now because, every time, you reject the budget. Now, I had to check what phenomenon is that. That for two years, one party can come with one thing. I came to the reading of Ivan Pavlov, a Russian philosopher and a Nobel Prize laureate. He has a condition that is called, the dog and the bell. Every time you ring the bell; the dog salivate. That is called conditioning.

So, the dog is conditioned to salivate its food, every time it hear the bell. Now, it seems to me, that phenomenon is applicable to the MKP and EFF, that at all times they must just reject. Minister, thank you very much. Under your strategic leadership, we are pleased and we've got full confidence in you. Thank you, House Chair.

The HOUSE CHAIRPERSON (Mr B A Radebe): Hon delegates, the House is still in session. Hon Mabilo, your input is highly appreciated, as all the other speakers. Now, I have to call the Minister of Minerals and Petroleum Resources.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Hon Chairperson, some three weeks ago, Hill Lewis, the leader of the DA, who is the mayor of Cape Town, said if he can be appointed a president, his first job will be to fire me. Now, Pienaar confirms that it means it's a discussion in the DA, and that discussion is informed by one thing. They have an allergy to a black person who understands mining. You can't help that. Now, I call it white supremacy because it is destroying a big empire in the United States, and because

Trump is in that ideological framework that this white supremacy is destroying an empire. Now, the DA must get out of that to survive in the long term. Thank you, Chair.

Ms J S MANANISO: Hon Chairperson.

The HOUSE CHAIRPERSON (Mr B A Radebe): Hon Mananiso, what are you rising on?

Ms J S MANANISO: I want to stand on two Rules of the House, 47 and 48. Rule 47, indicates that a delegate must not converse loud. We've been doing what we've been doing for years, but we have been not disrupting the person who is on the podium. So, it's been consistent that other delegates are being disrupted when they are on the podium. So, please, just assist us so that we finish the business properly. Thank you.

The HOUSE CHAIRPERSON (Mr B A Radebe): All right, thank you, hon Mananiso. I think your point of order is sustained. It's very clear that we can heckle, but you cannot run a commentary on something. So, over to you, Minister.

The MINISTER OF MINERAL AND PETROLEUM RESOURCES: Okay. Maybe hon Pienaar doesn't understand that, actually, that issue is one of the legacies that I go around with. I went to the mines in 1975 with matric. I couldn’t put my hand on a blasting certificate because it was reserved for a scheduled person, and a scheduled person was a white male. Now, when you say I’m not fit for the job, you are just rehashing a theoretical and ideological framework under which you were brought up. You are a beneficiary of apartheid. You think that a black person should never understand mining. I understand it in detail, I can assure you.

Now, he says mining companies are not investing. Last year, we opened five shafts. I’ve just opened one shaft in the collieries in Matla two weeks ago, and that is investment. That investment is not a blue investment, it’s green fields; it’s not a spunk, it’s a new mine. Matla 4 is a new shaft, and I can give you the list. One of them is a gold mine in the West Rand, and one of them is a platinum mine in Polokwane. That is not investment because when it is black, it is not visible. When Exxaro takes over Tshipi in the manganese mine, and a new conglomerate emerges that is black, you can’t feel it because white supremacy inhibits your vision, and when safety improves –

You know, when I was a mine worker in 1986, Kinross killed 177 people in 10 minutes; Vaal Reefs killed 104 people in 10 minutes, and St Helena killed 52 workers in 10 minutes. Now, that is one year. We are reporting to you today that people who died in 2025, are 41. We want to improve that record. We have recorded a disaster of five people killed in Ekapa, and that worries us, but because you don't appreciate the value of a human being involved in that death, you just talk numbers. That is a big problem. Hon Byant, rehabilitation is in two-fold. I'm giving it to you because you're a provincial person.

There is what is called concurrent rehabilitation. That means an operational mine has an obligation to rehabilitate, and there is rehabilitation of derelict and ownerless mines, which is a legacy of mines that were left during apartheid without a rehabilitation law. This government is a godfather for a mistake that is not its own. We're rehabilitating them. This report that we are giving you, we're rehabilitating derelict and ownerless mines. So, that distinction must be very clear. Operational mines, concurrent rehabilitation; derelict and ownerless mines, we do it. So, I won't go to many other issues because my time is up. I wanted to give you a lesson on mining because...

Come visit us, then we will talk to you in a relaxed environment, and so that we can talk to one another, not just with one another.

An HON MEMBER: ... [Inaudible.]

The HOUSE CHAIRPERSON (Mr B A Radebe): Hon delegates, I think that we as the House must appreciate what has happened today because we had three ministries in one House. One ministry is providing life and dignity, the Ministry of Water and Sanitation. The other ministry was the Ministry of Electricity and Energy. There's no economy which can run without electricity and energy. But evenly, there's no economy which can run without water because the very same mines we're speaking about, they'll never run if there's no water. So, it shows the high level of respect which the executive has shown to us here.

But not only that, as I've said about the ministries, if you can look at what the Deputy Minister has uttered in this House, it shows that South Africa is at work. So, as the delegates here, we must reciprocate that respect which we are given today by observing the Rules of the House. The Rules of the House are there to ensure that there's decorum and there's respect among each other. As I’ve said here that without water, minerals will not be exploited, they’ll not be beneficiated, and without minerals, the economy will never grow.

So, the second issue is very fitting for this House. We must forever be indebted to that. Also, the delegates from the provinces, hon Byant, the teams and the MECs that are here, your input is highly appreciated. We might differ with this, but it is highly appreciated because we can only build when we come from different points. But we know that the end game is won. South Africa must be put first. Furthermore, here’s only one person who’s running the House. If you are not comfortable with that, you can leave, there’s no problem. This is unique, and actually, these ministries are supplementing each other, so, that thing must be appreciated so that it must go on the record of the NCOP that this has happened today. We should encourage the other ministries to do the same, to give support to each other.

That’s why even when the leader of the DA is here, he’s always appreciated because he’s from the side of the NA, but he’s interested in what is happening in the NCOP. That cohesive work must be appreciated. So, hon delegates, that concludes the debate by what hon Mantashe has said. I would like to thank the Minister and the Deputy Minister of Minerals and Petroleum Resources for participating in the debate. You're allowed to leave now, you can leave now, so that we can be left with the internal affairs of the Council. You can leave, but you can stay if you want to. Alright, thank you, hon Byant.

Hon delegates, we can now proceed to the Third and Fourth Orders that will be taken concurrently but will be voted separately. These are the orders that deals with the removal of the two magistrates. Now, I would like to call the chairperson of the Select Committee of Security and Justice, hon Mananiso, over to you.

CONSIDERATION OF REPORT OF SELECT COMMITTEE ON SECURITY AND JUSTICE ON THE MINISTER OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT'S REPORT ON THE REMOVAL FROM OFFICE OF MR LT MKANSI, REGIONAL MAGISTRATE, BLOEMFONTEIN, SUBMITTED IN TERMS OF SECTION 13(4)(B) OF THE MAGISTRATES ACT, 1993 (ACT NO. 90 OF 1993), AND REFERRED TO THE COMMITTEE ON 2 FEBRUARY 2026, DATED 29 APRIL 2026

CONSIDERATION OF REPORT OF SELECT COMMITTEE ON SECURITY AND JUSTICE ON THE MINISTER OF JUSTICE AND CONSTITUTIONAL DEVELOPMENT'S REPORT ON THE REMOVAL FROM OFFICE ON THE GROUND OF CONTINUED ILL HEALTH AND THE DETERMINATION TO WITHHOLD REMUNERATION OF MS M MAITHUFI, ADDITIONAL MAGISTRATE, GA-RANKUWA, SUBMITTED IN TERMS OF SECTION 13(4)(B) AND SECTION 13(4A)(B) OF THE MAGISTRATES ACT, 1993 (ACT NO. 90 OF 1993) AND REFERRED TO THE COMMITTEE ON 12 MARCH 2026, DATED 29 APRIL 2026

Ms J S MANANISO: House Chairperson, hon members, and fellow South Africans, the report of the removal from office on the ground of continued ill health and the determination to withhold remuneration of Ms M Maithufi, additional magistrate at Ga-Rankuwa submitted in terms of section 13(4)(b) and section 13(4A)(b) of the Magistrate Act, Act 90 of 1993, and referred to the committee on the 12 March 2026, dated 29 April 2026.

Our background: The committee received a briefing from the Magistrate Commission on the removal from office and the withholding of remuneration on the 25 March 2026. Magistrate Maithufi was appointed as an additional magistrate on the 1 November 2015. The Magistrate Commission reported magistrate

Maithufi absent from office due to ill health since January 2020 to date. The Magistrate Commission on the 30 October 2023, resolved to investigate in terms of Regulation 29 of the Regulations of Judicial Officers in the Lower Courts, 1994 of the regulations.

The commission considered the following: Magistrate Maithufi has been absent from work from January 2020 to date with full remuneration. Her absence has a detrimental effect on the smooth running of the court. Further, her conduct tarnishes the good name, dignity, and esteem of the Office of the Magistrate and the administration of justice.

The judiciary receives no value for magistrate Maithufi and it is not in the interest of the judiciary and the public that she should continue to receive remuneration. The Minister concurred with the commission's recommendation and removed magistrate M Maithufi from office with immediate effect in terms of section 13(4)(a)(ii) of the Act.

Committee consideration: The committee considered the matter of magistrate Maithufi and found that her absence from her duties from 2020 to 2026 was not in the interest of the administration of justice. The committee noted that due processes have been followed by the Magistrate Commission and that courts need to function effectively and smoothly without a reliable magistrate in place. The committee further supports the fact that the taxpayers' purse should be protected at all costs and the withholding of her remuneration in this matter is reasonable and her lengthy absence from office.

Recommendation: We consider the Ministers for Justice and Constitutional Development report dated on 18 February 2026 on the confirmation of suspension pending a resolution by Parliament on whether or not to recommend the restoration to the removal from office on the grounds of misconduct of Ms M Maithufi.

Additionally, magistrate at Ga-Rankuwa submitted in terms of section 13(4)(b) of the Council Magistrates Act 90 of 1993. Recommends the National Council of Provinces to resolve not to restore Ms M Maithufi to the Office of Magistrate in accordance with section 13(4)(c) of the Act.

Having considered the Minister of Justice and Constitutional Development report dated 18 February 2026 on the Magistrate Commission's determination to withhold the remuneration of magistrate M Maithufi, the committee recommends that the

National Council of Provinces resolve to confirm the determination to withhold Ms M Maithufi's remuneration without amendments and in accordance with section 13(4A)(c) of the Act.

Hon members, this is the work done by the commission, not consultancy. So these are our Tintswalos that the President has always spoken about.

In terms of the report of the removal from office of Mr L T Mkansi, regional magistrate in Bloemfontein, submitted in terms of section 13(4)(b) of the Magistrate Act, Act 90 of 1993, and referred to the committee on 2 February 2026, dated 29 April 2026, the select committee received a briefing from the Magistrate Commission on the removal from office of magistrate L T Mkansi on 25 March 2026.

In terms of the background with regards to this matter, magistrate Mkansi was appointed as a Regional Court Magistrate on 1 December 2013 in the Free State, based at the Bloemfontein Magistrate Court. The Magistrate Commission conducted a preliminary investigation and after considering the preliminary investigation report on 13 September 2019, the commission resolved to charge Mr Mkansi with misconduct.

The misconduct charges against Mr Mkansi relates to *prima facie* evidence that he, during the period of 28 March 2017 and 4 May 2018, communicated 49 times on his cellular phone. I want to repeat. Mr Mkansi communicated 49 times on his cellular phone with an accused person who appeared before him in the Criminal Court on 24 counts of fraud. The communication between Mr Mkansi and the accused was either through calls, voicemail, or short messages services, SMS, compatriots [bagaetsho].

On 29 November 2019, the commission resolved to recommend that Mr Mkansi be professionally suspended from office. A charge sheet dated 12 December 2019 was served to Mr Mkansi on 13 September 2019. The Minister on the advice of the commission professionally suspended Mr Mkansi from office on 9 May 2020. The National Assembly on 17 June 2020 and the National Council of Provinces on 1 July 2020 confirmed his provisional suspension.

On 28 September 2023, Mr Mkansi's criminal case proceeded in the Bloemfontein Regional Court. On 27 May 2024, Mr Mkansi was found guilty for defeating the ends of justice by the Bloemfontein Regional Court. We are the committee at work, compatriots [bagaetsho].

On 17 February 2025, Mr Mkansi's review application was dismissed in the High Court. Mr Mkansi was interim convicted and sentenced in the Regional Court on the same facts as in the disciplinary hearing for defeating the administration of justice. After several delays, the committee presiding officer on 24 June 2025 recommended that Mr Mkansi be removed from office in terms of Regulations 26(1)(b) of the Regulations of Judicial Officers in the Lower Courts, 1994.

In terms of the committee discussion, the committee has been consistently expressing their concern with regards to the delays and the cost to the taxpayers. The committee is pleased to have reached a conclusion on this matter through the Minister's removal of Magistrate L T Mkansi from the Office of the Magistrate.

We wish to express our happiness with the swift processing of matters by the Magistrate Commission who has taken the recommendation of the committee. Upholding the administration of justice is of paramount importance in ensuring that our magistrate displays the necessary conduct in our courts of law to ensure access to justice for our citizens.

Having considered the Minister of Justice and Constitutional Development's report dated 22 March 2026 on the confirmation of suspension pending a resolution by Parliament on whether or not to recommend the restoration or removal from office on the grounds of misconduct of Mr L T Mkansi, Regional Court Magistrate, Bloemfontein, submitted in terms of section 13(4)(b) of the Magistrate Act, Act 90 of 1993, recommends the National Council of Provinces to resolve not to restore Mr L T Mkansi to the Office of Magistrate in accordance with section 13(4)(c) of the Act. I thank you, hon Chair.

Debate concluded.

Question put: That the Report of Select Committee on Security and Justice on the Minister of Justice and Constitutional Development's Report on the Removal from Office of Mr L T Mkansi, Regional Magistrate, Bloemfontein, submitted in terms of section 13(4)(b) of the Magistrates Act, Act 90 of 1993, and referred to the committee on 2 February 2026, dated 29 April 2026 be agreed to.

IN FAVOUR: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West, Western Cape.

Report accordingly adopted in accordance with section 65 of the Constitution.

Question put: That the Report of Select Committee on Security and Justice on the Minister of Justice and Constitutional Development's Report on the Removal from Office on the ground of continued ill health and the Determination to Withhold Remuneration of Ms M Maithufi, Additional Magistrate, Ga-Rankuwa, submitted in terms of section 13(4)(b) and section 13(4A)(b) of the Magistrates Act, Act 90 of 1993 and referred to the committee on 12 March 2026, dated 29 April 2026 be agreed to.

IN FAVOUR: Eastern Cape, Free State, Gauteng, KwaZulu-Natal, Limpopo, Mpumalanga, Northern Cape, North West, Western Cape.

Report accordingly adopted in accordance with section 65 of the Constitution.

The Council adjourned at 20:02.