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Department:
Economic Development, Environment,
Conservation and Tourism
North West Provincial Government
REPUBLIC OF SOUTH AFRICA



BUDGET SPEECH 2025-26

Department of Economic Development,
Environment, Conservation and Tourism

LEAVE **NO**
ONE BEHIND



Let's grow North West together

**ADDRESS BY MEC FOR ECONOMIC DEVELOPMENT, ENVIRONMENT,
CONSERVATION AND TOURISM, BITSA LENKOPANE – BUDGET
VOTE 2025-26**

Speaker of the North West Provincial Legislature, Hon. Desbo Mohono

Premier of the North West Province, Hon Lazarus Mokgosi

Honourable Members of the Provincial Legislature

My Colleagues Hon. Members of the Executive Council,

North West House of Traditional Traditional and Khoisan leaders led by
Kgosi Maotwe,

Head of Department, Mr Relebohile Mofokane

Chairperson of the Boards and Board Member

CEO'S

Captains of industry

All representatives from Development Finance Institutions

All the Business Sectors present here today

All My Special Guests

Members of the Media Houses,

Ladies and Gentleman

Dumelang Bagaetsho,

I extend my warm greetings to all Honourable Members in this esteemed House, and to the people of the North West Province, across its length and breadth, as I table the Departmental Budget Vote for the 2025/2026 financial year.

The tabling of this budget vote follows a series of extensive consultative sessions conducted by the department. These sessions brought together a wide range of stakeholders, including industry leaders, organised business structures, traditional communities through their leaders and local government structures. The purpose was to ensure that this budget and the programmes it supports are informed by the voices of those we serve. This budget is fundamentally a message of hope and renewed opportunity.

Honourable Speaker, we cannot claim to be a caring government if we listen to our people and fail to act. We are deeply grateful for the valuable contributions we have received and are committed to transparency and accountability in bringing about true progress for our province.

It would be a disservice to the communities if we fail to acknowledge the challenges facing our communities and do nothing to address them. That is not the government we strive to be as the 7th administration.

We are proud as DEDECT for having been given the mandate to coordinate G20 activities in the province and being part of the G20 Working Group Meetings leading up to the summit later this year.

Economic Outlook

Honourable Speaker, the global economic outlook is facing headwinds, with the IMF's Chief Economist warning that sustained policy uncertainty and surging tariffs could significantly slow global growth. The IMF has revised its projections downward, forecasting 2.8% growth for 2025 and 3% for 2026.

The national economic context in South Africa shows a mixed picture. While the economy contracted by 0.1% in the third quarter of 2024, it saw a 0.6% expansion in the fourth quarter, driven by growth in agriculture, finance, trade, and household spending. However, the country grapples with a high unemployment rate of 31.9%, disproportionately affecting women and youth.

At the provincial level, significant economic challenges persist. The unemployment rate is at a concerning 41.3%, indicating a struggle to create sufficient job opportunities. The province's economic stability has also been severely impacted by a downturn in the mining sector, which was previously a crucial part of its economy.

It is our declaration that even in the face of adversity, we will lead with purpose, build with resolve, and grow with equity.

Overview of 2024-2025 Achievements

Honourable Speaker, our Department in the previous financial year was able to register the following notable achievements:

- We managed to review old Legislations to advance transformation and inclusive economic growth. Thus, the Consumer Protection

Amendment Bill, Biodiversity Management Amendment Bill, and North West Gambling Amendment Bill, are all before your House Honourable Speaker.

- Currently the department collected 88.6% of its targeted revenue, the implementation of the North West Liquor Licensing Act (Act 6 of 2016) and North West Business Licensing (Act 3 of 2019). Their introduction seeks to reduce red tapes, promote inclusive economy and revenue enhancement.
- The North West Business Licensing Act seeks to unlock opportunities for the Tuck-shop economy with improved access from the R500 million pronounced by the Minister of Small Business Development. ABSA, African Bank, National Empowerment Fund (NEF) and Coca cola are also raising their hand to tap into this opportunity.
- Honourable Speaker, for the past 12 months our people benefited from collaboration of this Department with SEDFA, where machineries and equipment to the value of R 67.5 million was spent through the Cooperative Development Support and Asset Assist Programmes. The beneficiaries are from Madibeng, Moses Kotane, Rustenburg, Ditsobotla, Taung, Mahikeng, Kagiso Molopo, Matlosana and Naledi Local Municipalities.
- The sixth administration pronounced 18 investment projects, which brought hope to the people of the North West province in terms of job creation. One of these projects was the Urban Blue International Gas to Power, which DEDECT was mandated to lead. As the department, we are aware of the negative comments on this project. However, the technical team led by the Director General is working with the City of Matlosana to ensure compliance with all relevant legislations.

- Honourable Speaker, in February 2025, the department issued a call for application for the Empowerment Fund, that is aimed at supporting our people with machinery and equipment. This transparent and open call was the first of its kind in the history of the department, where applications are done online. To this end, 514 applications have been received. The available budget will cater for ±164 applicants, and the remaining will be supported through collaborations. The process is at advanced stage and Premier will be handing out machinery and equipment throughout Thuntsa Lerole programme.
- Hunting, fishing, wildlife permits and licensing of liquor were successfully done. Department is yet to fully implement the online liquor application process to improve the turnaround time and queuing of our people.
- Our online permit system for hunting, fishing, and wildlife trade was showcased at the Dallas Safari Convention in the UK, positioning the North West as a leader in regulating ethical hunting and conservation.
- Over the past 12 months we issued over 8,000 permits for hunting, fishing, game translocation, auctions, international imports and exports of trophies and live animals.
- Department has opened an online database application that allows profiling of applicable business commodities, MSMEs, tourism business and any other form of business.
- This digital marketing tools goes with the QR quote system which seeks to profile each and every business commodities in our province as we collaborate nationally and internationally to sell products of our people.

- We have begun unblocking critical commitments from previous financial years. Work is underway on five Dunlop tyre operating containers, targeting women and youth in Bodibe, Potchefstroom, Taung, Morokweng, and Rustenburg. This initiative will transform local enterprise infrastructure and create real job opportunities.
- The department made a decisive intervention aimed at saving jobs at Buffalo Lodge and Food Lovers Market, which were winding down operations.

Revenue Collection

Honourable Speaker, during the past financial years our revenue collection has strained, we are therefore taking active and decisive measures to improve entity generated revenue, including our departmental Environmental Impact Assessments and Liquor licence revenue.

The North West Province has firmly positioned itself as a leader in the regulated and economically impactful biodiversity economy. We have issued 309 lion hunting permits, generating a staggering R77,2 Million in revenue and 7 hunting permits for rhino's which brought in R10,6 Million. Despite late rains and extreme weather, we've acted decisively, extending the hunting season until the end of August as gazetted in the 2025 Hunting Regulations. The department has issued 90 Environmental Impact Assessment (EIA) permits over the past year, ensuring that development is balanced with sustainability.

Honourable Speaker, the North West Gambling Board, has managed to drive revenue collection to the value of R109 million for the previous financial year. To date, the North West has issued 8,300 active liquor licenses, with a total revenue of R3.1 million. The New North West Liquor Licensing Act introduces revised tariffs, replacing outdated rates such as the historic R100 tavern fee, now adjusted to R1,000 annually. Additionally, a daily Event Permit fee of R1,000 has been introduced, and 6-to-6 nightclubs, previously unregulated, will now be licensed at R4,000 per annum. Premium accommodation providers, particularly those with 5-star gradings, will also be re-categorised under the updated fee structure. This will significantly enhance revenue collection and operations in this sector.

Reflection on Performance

Honourable Speaker, we openly acknowledge the non-expenditure and underperformance recorded in the past financial years, particularly relating to the State-Owned Entities (SOEs) listed under Schedule 3C and 3D of the Public Finance Management Act (PFMA). These entities have not consistently fulfilled their mandates in support of government's developmental objectives.

In response to this challenge, and in line with the directive of the Honourable Premier, our entities have adopted stringent revenue enhancement strategies, including building capacity within entities for future enhancement of revenue. The North West Parks and Tourism Board has applied various cost containment measures in this financial year, which will significantly boost the entity's capabilities toward financial stability.

Honourable Speaker, allow me to table the departmental budget vote for the 2025/2026:

NO	PROGRAMME	AMOUNT "R"	
1	Administration	214 885 000	Two hundred and fourteen million, eight hundred and eighty five thousand rand
2	Integrated Economic Development Services	73 053 000	Seventy three million and fifty three thousand rand
3	Trade and Sector Development	86 474 000	Eighty six million, four hundred and seventy four thousand rand
4	Business Regulations Services	133 011 000	One hundred and thirty three million, and eleven thousand rand
5	Economic Planning	11 777 000	Eleven million, seven hundred and seventy seven thousand rand
6	Environmental Services	422 100 000	Four hundred and twenty two million, one hundred thousand rand
7	Tourism	72 189 000	Seventy two million, one hundred and eighty nine thousand rand
	Total	1 013 489 000	One billion, thirteen million four hundred and eighty nine thousand rand

PLANS FOR THE 2025/2026 FINANCIAL YEAR

Digitalization of Services

Honourable Speaker, in pursuit of our mandate to build a responsive and developmental state, the Department has recognised the urgent need to adapt to the fast-changing digital environment. In line with the Provincial Growth and Development Strategy (PGDS) and the priorities of the 7th Administration, we are accelerating our digital transformation efforts to enhance service delivery, improve citizen engagement, and support inclusive economic growth.

At the heart of this agenda is our commitment of putting people first, particularly small businesses, youth, and communities in rural and underserved areas. Our digitalization programme seeks to achieve the following outcomes:

- Empower small businesses by enabling online applications and real-time tracking of their submissions for the Empowerment Funds; this means that our people will no longer have to spend time and money travelling, printing, scanning and submitting manually.
- Simplify access to services by streamlining licensing and permit applications across critical sectors such as liquor regulation, biodiversity, business, and tourism.
- Support enterprise development through a more accessible and responsive Enterprise Database that allows for accurate profiling and targeted interventions.
- Digitalization will promote economic opportunities by leveraging digital marketing tools, including the rollout of a QR code system.

MSME Support:

Honourable Speaker, R15 million of this budget will be set aside for informal trade support, business turn around and general dealer support. An additional R15 million is set aside for Empowerment Fund. In addition to this, the department already entered into collaboration with institutions like ABSA, African Bank, Oricred and Coca Cola to top up from what we have, including bridging finance. Additional to these institutions through memorandum of understanding we also have UNISA and different SETAs.

The department is in the process of intensifying its services to be closer to the people by consolidating its service to move to one stop centres across the province. Efforts to resuscitate this are in place and this budget will be utilised.

Incubation and innovation programme

Honourable Speaker, research has identified us to be weak in terms of skills to sustain businesses. The department has prioritised institutions of higher learning to collaborate on matters of incubation and innovations. Heeding to the call by the Premier, the department launched an incubation hub in the North West University (NWU). The Premier has made it very clear that without talking about young people in his government, we are not talking his language.

Honourable Speaker, more than 47% of students at NWU campuses are NSFAS beneficiaries. Young people in our province are faced with high level of unemployment. It is against this background the Innovation hub was launched to prepare our young people to enter the entrepreneurial space through research and innovation. This will also assist government to navigate and align to the present technological demands of 4IR. ***We call on our students, young graduates and those engaging in small business in the corners of the North West University to reach out to the utilisation of this hub.***

The department will reach out to young entrepreneurs to participate in the pitching competition, where young people and graduates will demonstrate their innovative minds on coming up with projects that seeks to solve problems we might be facing.

We are pleased to announce that this is done in collaboration with Young African Entrepreneurs Institute (YAEI), North-West University (NWU), ABSA and other partners to develop entrepreneurial youth who will drive

measurable socio-economic impact by actively participating in the economy.

Honourable Speaker, we are proud to acknowledge and recognise the presence of Mr. Maluleke: CEO of YAEI, in the house.

Inclusion of persons with disability

Honorable Speaker a total of 17 enterprises owned by persons with disabilities were assisted with machinery and equipment worth R 3.5 million across all the four districts. Twenty members of Semphete Cooperative owned by persons with disability were trained and issued with certificate on product development.

The department has further initiated a programme themed ***“1 Brings 2 campaign”*** which actively involves our employees with disabilities in shaping our outreach strategies. Their lived experiences provide invaluable insight ensuring that our services are truly accessible and resonate with the broader disability community.

Honourable Speaker, allow me the honour to introduce Mr. Dithiphe, my special guest today. He is a person with a disability from Ikageng in Potchefstroom. In 2024, the Department identified and supported him to showcase his artwork at the National Disability Summit held at Nasrec in Johannesburg. His exceptional talent caught the attention of the Reef Hotel, where his work was proudly displayed. Notably, his artwork was purchased by Chinese delegates and paid for in US dollars. Mr. Dithiphe's journey reflects the life-changing impact of inclusive opportunity and empowerment.

Environmental Services

Honourable Speaker, ***we call on our people to rally behind newly introduced legislations on environment and conservation. These legislations seek to radically introduce green economic shift that not only secures environmental justice but positions our province as a premier destination for investment and inclusive growth.***

Honorable Speaker, we cannot do it alone, without collaborating with our Traditional leadership and communities. The adopted revenue enhancement strategy by NWPTB will go along way towards ensuring financial stability. These include renewal of old ordinances, intensification of Game Ranger Programme and facilitation of returning land to right full owners around protected areas.

Honourable Speaker, our people have since claimed their land back in areas such as Madikwe and Pilanesburg. We are proud to announce that the recent collaboration of this department with the communities of Bakgatlha seeks to unlock the long standing blockages that is for a very long time robbed our people of what belong to them. What excites most is the agreement of infrastructure resuscitation around Pilanesburg. This will be achieved through build, operate and transfer model around their land. All these will give rise to investments and change the lives of our people. We are continuing to engage communities around Madikwe with a clear message that we want them to benefit from their own land.

Premier Mokgosi in his debate during the opening of the House of Traditional Leaders and Khoisan, has made a commitment that his

government will collaborate with Dikgosi. I am proud to announce that this department had a session in the house of Traditional Leaders outlining its programmes. Further engagements are continuing with other Tribal Leaders and communities which will result in the signing of the Memorandum of Understanding.

Re utlwile dikgosi tsa rona, Dikgosi ke tsona di itseng merafe ya tsona — re a ba ikokobeletsa.

Honourable Speaker, the North West Province holds immense potential to become a strategic hub for the international wildlife economy and other trade investments. However, the lack of a fully functional international airport severely hampers our ability to participate meaningfully in the global trophy hunting and live animal export trade. Currently, trophies and live game hunted in our province are exported through other provinces, diverting economic benefits and job opportunities away from our communities. These constraints are limiting our ability to service and grow this industry optimally.

Whilst this department is thriving to strengthen the Trans Kalahari Corridor of South Africa through North West, Namibia and Botswana, we remain challenged because of this infrastructure.

To address these constraints, the department is ready to present the business case to executive council and key stakeholders showcasing a need to enable direct game export, attract private charters, and establish North West as a premier destination for high-value wildlife tourism. This will

further allow us to capitalize on our industrialization efforts through exports markets.

Honourable Speaker, the department plans to create over 600 job opportunities in the current financial year to intensify compliance and heeding the Presidential call of creating a clean environment to curb food poisoning. These actions form part of our unwavering journey toward achieving zero waste and maintaining clean towns and villages.

Climate Change

Honourable Speaker, tabling of this budget mark a milestone, where the Premier has to take a lead in coordinating and collaborating to execute directives of the President after the proclamation of the Climate Change Act. We are happy to announce that Mahikeng as capital city will be hosting stakeholder engagement in preparation of Cop 30 Summit later this year.

Honourable Speaker, we are fully aware of the growing impact of climate change on our province's natural ecosystems, infrastructure, and socio-economic stability. The devastating effects on wetlands, agricultural productivity, biodiversity, and the overall resilience of our communities cannot be ignored.

The North West Province will further host a Provincial Climate Change Consultation bringing together key role players to harmonize and actualize intergovernmental climate change programmes.

We are particularly excited to announce a joint waste management initiative, in partnership with Plastic SA, Polyco, Coca-Cola, and Glencore.

This initiative will focus on integrated waste reduction, recycling, circular economy models, and green enterprise development across the province.

Tourism Growth and Development

Honourable Speaker, in 2024, South Africa's tourism sector welcomed just over 8 million international tourists which is a 5.1% increase from the previous year. According to the World Travel and Tourism (WTTC) the tourism sector now contributes 8.8% to South Africa's GDP and supports 1.68 million jobs.

In quarter 4 of 2024, the North West Province's tourism sector demonstrated strong growth compared to 2023. Tourist arrivals increased by 21.7%, from 90,056 in 2023 to more than 110 000 in 2024.

In the current financial year, the department through North West Grading Assistance Programme will assist 120 tourism establishments to be graded under the Tourism Grading Council of South Africa.

We are pleased to announce the establishment of a renewed operational office at O.R. Tambo International Airport which is strategically positioned to drive digital marketing and branding, not only for tourism but for the broader North West Province, including its diverse investment opportunities. This will also assist the department to enhance direct and indirect service delivery to the public.

Honourable Speaker, we are introducing the QR code system in key shopping malls for introducing an alternative digital platform which is fair and inclusive. This marketing strategy provides alternative to physical stall.

We want to acknowledge visionaries like Mr Maponya who positively responded to this initiative.

Honourable Speaker, the Taung Heritage Centre is 96% complete, with commercialization well underway. Bids will be issued this year for restaurant operators, and the Interpretive Museum Centre will be handed over. The restaurant will serve as a career pathway for students from the Taung Hotel School.

We have noticed that our hotel schools have been running at a loss, however through our revenue enhancement strategy we have reviewed rental tariffs to meet market standards.

Honorable speaker am also pleased to announce that process is under way to reconfigure the Golden Leopard Resorts (GLR) including the total overhaul of its operating model. This initiative will enable the NWPTB to take full ownership of GLR assets thus ensuring single asset register for accounting purposes. As we speak a call for expression of interest to provide management development, upgrading various facilities within the reserves and hotel operations is open and will be closing on the 19th August 2025.

Honourable Speaker, our people have waited for a long time to benefit from the development of Taung Skull, as our turn around strategy, we are at the point of concluding infrastructure development and focus on the primary mandate of Taung Skull Heritage Site. Plans are at an advance stage on compliance and digitalization as well as intensified consultation. We will

engage Provincial Treasury to opt for Public Private Partnership model or build, operate and transfer. This model will enable government to successfully run the activities around this area. We are proud to say this in the presence of Kgosi Tshepo **Mankuroane** whom we have started intensify engage with and not leaving out Traditional healers, communities and ex-miners.

Inter-Provincial Relations

Honourable Speaker, we are heeding the call by the Premier for this department to table a proposed turnaround strategy of our entities and review the relevance of their mandates. This call has necessitated intensified negotiations on cross border provincial properties and industrial parks in Gauteng, Free State, Mpumalanga and Northern Cape. These engagement puts sustainability at the centre of investment revitalisation. We appreciate progress that has been achieved working together with my counterpart MEC Lebohang Maile, of Gauteng and MEC Ketso Makume, of Free State Provinces.

Honourable Speaker, it is not about who owns these assets but it's about integrated efforts made in revitalizing industrial parks.

We note the serious challenges we are faced with regarding NWDC properties. The engagement with industrialists and tenants highlighted their challenges and will give this administration a better direction in mapping the way forward. We intend to mitigate identified challenges which high debt on electricity, lack of security, poor property maintenance and maladministration of lease contracts. These issues, if left unattended,

threaten to undermine our developmental objectives and investor confidence.

Special Economic Zone

Honourable Speaker, through the Intervention of the Hon. Premier and well-coordinated intergovernmental collaboration, the process towards the designation of a Special Economic Zone (SEZ) in the North West Province is at an advanced stage.

Significant progress has been made in meeting the requirements set by Cabinet. These include securing bulk infrastructure funding and initiating the process for the appointment of the SEZ Board, as mandated by the SEZ Act and Framework.

Governance

Honorable Speaker, to improve entity oversight, we are taking decisive steps to strengthen the monitoring, accountability, and performance of our public entities in line with King IV report, which will be a joint effort with the boards to enforce compliance and corporate governance.

The department will now include a restraint of trade clause into entity employment contracts, informed by lessons learnt from previous contractual shortcomings, ensuring that entities no longer operate in a manner that undermines public interest or strategic government mandates.

Honourable Speaker, we are committed to building a more efficient, ethical, and inclusive provincial economy that places people at the centre of development.

Job creation initiative

Honourable Speaker, over the past 12 months, the Provincial Government of the North West has expressed firm support for special job creation initiatives designed to empower our communities. A prime example is the project initiated by Ms. Tersia of Llyla Farm, in partnership with the North West Development Corporation (NWDC), which aims to create 5,600 sustainable jobs in our province. These opportunities are to be sourced from the provincial labour database, ensuring that unemployed and underemployed citizens directly benefit.

We remain committed to unblocking administrative bottlenecks that may hinder this project and accelerating its implementation. I would like to take this moment to acknowledge and commend Ms. Tersia for her visionary contribution and dedication to the people of the North West.

Honourable Speaker, we note with concern the closure of some Glencore mining shafts in the province. These developments pose a serious threat to employment and local economic activity. However, we are actively engaging with Glencore's leadership team, led by the CEO, to explore new avenues for partnership. Our collaboration with Glencore is focused on unlocking post-mining green economy initiatives.

The department through its programmes is aiming at creating 5000 job opportunities over the MTEF period. The enablers to these job creation opportunities are in areas of regulation, trade and investment, industrial development and environmental support programmes. In addition we are committed to fill all vacant funded positions in the current financial year.

As we delivering this budget, we are preparing ourselves to celebrate the International Rangers Day on 30th July, a day dedicated to the brave men and women who risk their lives protecting our wildlife and natural heritage. Their unwavering commitment plays a vital role in sustaining our conservation efforts and supporting the province's eco-tourism economy.

Honourable Speaker, allow me to express my heartfelt gratitude to all our rangers for their sacrifice, resilience, and dedication. We salute you, and honor the sacrifice which you continue to make towards protecting our natural resources.

Let this budget be our renewed commitment to the people of the North West — that no challenge is too great when we act together, no dream too distant when we invest with purpose, and no voice too small when governance is rooted in inclusivity.

Allow me to extend a special message of gratitude to those who continue to walk this journey with me:

To my family, especially my husband, thank you for your unwavering support and encouragement.

I also wish to express my heartfelt appreciation to the collective staff of the Department of Economic Development, Environment, Conservation and Tourism, and the entities under our stewardship, ably led by our Head of Department, Mr. Mofokane.

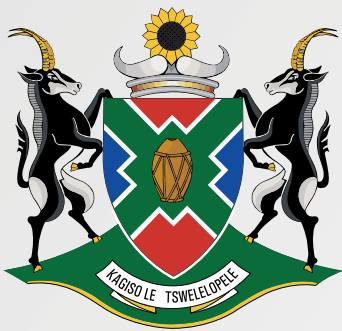
I would like to extend my sincere gratitude to the Chairperson of the Portfolio Committee, Mr Mpho Khunou and the team for their leadership and guidance.

To the Honourable Premier of the North West, Morwa Mokgosi – a mentor, a brother, and a comrade – your guidance has been invaluable. Thank you for your visionary leadership and continued confidence.

I extend my sincere thanks to the African National Congress, led by Chairperson Nono Maloyi – your energy and camaraderie are always appreciated.

Lastly, to the people of the North West Province and the broader public, thank you for your trust, your voice, and your unwavering support.

I thank you.



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REPUBLIC OF SOUTH AFRICA

BUDGET SPEECH

Department of Economic Development,
Environment, Conservation and Tourism



Head Office

NWDC Building
Cnr University Drive & Provident
Mmabatho 2735



(018) 388 5870 / 5908



@nwdedect



@Nwpg_Dedect



<https://dedect.nwpg.gov.za>

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