

## **NOTES FOR CLLR MADLALA – PRIVATE PUBLIC PARTNERSHIP BREAKFAST WITH EDTEA**

---

Programme Director,

MEC for EDTEA – Mr Sihle Zikalala,

Panellists,

Distinguished guests,

Ladies and gentlemen,

Good morning,

Thank you for inviting us to this wonderful occasion which is an important discussion in the interest of our country. The government of the day has realised that political freedom without economic freedom has less meaning to our people. The 1994 democratic project will fail if our people are still living in squalor and poverty.

In his state of the nation address of 2014, President Jacob Zuma made a clarion call by call all of us to work together in order to move forward. Private public partnership are important for our economic transformation project especially our radical economic transformation plan. PPP provides an opportune instrument to grow black equity and black management over time.

The private sector has much to offer in terms of financial resources, people skills and experience as an investment in public infrastructure and services. It is through partnerships that public and private sectors can both achieve their goals to the benefit of everyone in the province and our city.

This will bring certainty, improved efficiency, affordability, reduced risk perception and thus better delivery cost. This can be possible by leveraging private sector finance and expertise aimed at enhancing service delivery.

By its nature, a public private partnership entails:

- targeted public spending, principally on outputs to agreed standards;

- leveraging private sector financing and efficiencies;
- allocating risks to the party best able to manage the risk

In our city We currently have twenty five (25) catalytic projects being implemented, which in itself is a real demonstration of the commitment City leaders have, to transform the economic landscape of this Municipality towards more inclusivity. Such projects are a clear illustration of private public partnership which are set to change the face of the city and moreover to create job opportunities.

- Council has approved all the Planning and Zoning applications for the Kings Estate. This is a multi-purpose development in the far North of Durban worth more R40 Billion.
- As part of commercially consolidating IRPTN C3 project, the Municipality has approved selling of land to the Black empowered Investor to build a shopping complex in one of the C3 stations. This investment by Private Sector is more than R300 million. It will create thousands of jobs.
- We have approved the Leasing of further land to KwaMnyandu Shopping Mall. The extension of this Mall will provide more job opportunities. There will be a further investment by the developer of more than R30 Million.
- The biggest project in this region is Cornubia, and I'm happy to report that through the initiatives of the Municipality in partnership with Tongaat-Hulett the Cornubia Business and Industrial Estate has been completed and all sites have been sold. In addition construction is in the preliminary stages for a Retail Facility to provide retail and social services and this will be completed in 2017/18, in addition to the completion of upgrades to the Flanders Drive

interchange. We are also in the process of developing a further 2000 subsidised homes.

- At the Dube Trade Port Industrial Development Zone, leases have been secured for all sites in Trade Zone 1 with a number of key factories constructed and now operational. In 2017/18 construction will start on the multi-billion rand CIPLA biotechnology hub, which will be a world class state of the art facility. Environmental authorization has been received for Trade Zone 2 and construction will commence in 2017/18.
- A key Catalytic Project driven by the Municipality is the Renewal of the Inner City. In February this year the Council approved the implementation of phase 1 of the Inner City Regeneration Programme which included Intensive Urban Management. This consists of, increased visible security; engagement with business; alternative uses for all bad buildings and rationalizing street trading as a positive contributor livelihoods.
- We have committed R88.5million for the Inner City Renewal Programme . In addition, R99m is allocated to the Beachfront upgrade; R123m for Warwick Junction; R61m for the development of the Centrum site and R90m for enabling infrastructure for the Point Waterfront development.

With those few remarks, I thank you.