

WELCOME ADDRESS BY GAUTENG PREMIER DAVID MAKHURA AT THE GOVTECH 2016, GALLAGHER ESTATES, JOHANNESBURG.

31st October 2016

Programme Director
Minister of Telecommunications and Postal Services, Dr Siyabonga Cwele;
Deputy Minister Telecommunication and Postal Services,
Professor Hlengiwe Mkhize;
MEC for E-Government, MEC Barbara Creecy;
Mr Zukile Nomvete, Chairperson of SITA Board;
Dr Setumo Mohapi, CEO of SITA;
Chairperson of the Communication Portfolio Committee;
Director General, Heads of Department and Senior Officials of government
here present;
Captains of Industry and Commerce;
CEOs of State-owned Enterprises;
Ladies and Gentlemen:

It is a tremendous honour and privilege to be given this opportunity to address this year's GOVTECH Conference which takes place in the Gauteng City Region.

As you know, our province is the headquarters of multinational ICT companies and technological hub of Sub-Saharan Africa. So you can understand why we are excited that GOV-TEHCH is back in our province. I hereby welcome you back to the Home of the ICT industry in Sub-Saharan Africa.

I am particularly delighted that this year's conference theme focuses on: *"How Technology Improves Service Delivery for Citizen Empowerment"*.

The National Development Plan, Vision 2030, envisages a South Africa which has "a seamless information infrastructure that underpins a dynamic and connected vibrant society and a knowledge that is more inclusive, equitable and prosperous".

Recently, Minister Cwele released the National Integrated ICT Policy White Paper that has been approved by Cabinet after four years of extensive consultations. This marks a major milestone that opens new prospects and pathways for the growth of the ICT industry in our country.

We in the Gauteng province have defined our vision as "a seamlessly integrated City Region underpinned by an economy that is inclusive, innovation-driven and knowledge-based".

Our Provincial Development Plan, the ten-pillar programme for Transformation, Modernisation and Re-industrialisation seeks to position our province as the driver of the transition to a digital economy and the hub of research, innovation, knowledge in Sub-Saharan Africa.

We continuously strive to be a smart province, with smart industries and a smart government. Together with municipalities, the Gauteng provincial government is playing a leading role in the use of ICT to deliver quality education, healthcare and other government services to citizens and businesses.

Ladies and gentleman, this Conference takes place when technological change has become more rapid, complex and profound than it has ever been. The pace, scale, scope, complexity and profundity of the new technological revolution will fundamentally change the way we live, work and relate to one another.

The new ICT revolution will change the way government works and relates to citizens. It will break down the walls of red tape and bureaucracy to empower citizens in an unprecedented manner.

While governments are slow in positioning themselves for the digital era, millions of people are already connected by digital devices and are part of the cyber space.

The breakthroughs human society will make over the coming decade will cover every aspect of life from artificial intelligence to autonomous vehicles on the land and in the sky, 3D printing, nanotechnology, and it will affect all areas of science and computing.

Business is not immune from the changes and we are already seeing the emergence of new business models, the disruption of incumbents and the reshaping of production, transportation, marketing and consumption. Advanced manufacturing and digital commerce are changing the world of industry and commerce beyond recognition. The Internet of Things is changing the way things are beyond our wildest imagination.

In short, the global changes we are currently living through are nothing short of what Professor Klaus Schwab, the founder and Executive Chairperson of the World Economic Forum has termed a Fourth Industrial Revolution.

Attention was focused recently on the economic possibilities of this revolution at the recent G 20 Leaders Summit in Hangzhou China.

Members emphasized the importance of cooperation on innovation, the new industrial revolution and digital economy, and endorsed policies for a new blueprint on innovative growth.

In their communiqué after the summit, world leaders emphasized that this revolution has the potential to lift the world economy out of the current period of stagnant growth and offers new possibilities to solve enduring challenges of access and economic.

The modernisation and re-industrialisation of Gauteng's economy in general and the revitalization of the township economies in particular are part of the

effort to position our province to be future-fit and ready for the digital revolution.

We have established a specific Department of e-Government in order to modernise government and address the needs of the digital economy.

Our goal remains that of being a smart province, we are investing as Provincial Government in ICT infrastructure and more importantly in e-government services.

We are also conscious today that advances in technology offer governments across the globe the possibility of re-shaping how we exercise our mandate.

ICT-enabled public service delivery offers an opportunity to improve efficiency and access to public services; develops the transparency and accountability of governments and empowers citizens to better participate in decision making processes.

High speed connectivity is a critical foundational infrastructure requirement for success of our Government's modernisation agenda, guided by the National Integrated Information and Communication Technologies (ICT) Policy White Paper.

We need to move our country to the ICT super highway. According to the Stats SA's 2015 General Household Survey, 84.3% of Gauteng households have access to a functional cellular phone. The Survey also shows that 65% of Gauteng households have internet access – this is significantly higher than the national average of 53.5%.

Also of significance is that despite the weak state of our economy, Gauteng still accounts for 35% of our country's GDP, between 8 to 10% of Africa's GDP, 40% of total industrial output and 60% of exports. To remain competitive and "ahead of the curve", our firms rely heavily on innovation and invention enabled by information and communications technology. Our firms, therefore, are major consumers of ICT products and services.

With the help of SITA, the implementation programme for the Gauteng Broadband Network is on track and to date we have a 1500 km network of fiber linking 8 Core Nodes across the province. By the end of this financial year we will also have completed connectivity to almost 900 sites covering the 5 developmental corridors within the city region.

The provincial government is not alone in rolling out broadband access in the city region. The three large metros have rolled out 2252 km of fibre optic network in order to connect various government entities:

Also, to bridge the digital divide and to ensure that ordinary citizens, who cannot afford private connectivity, have access to the internet, the three

metros have collectively connected 1550 public WiFi hotspots; 400 in Johannesburg; 450 in Ekurhuleni and 700 hotspots in Tshwane.

Central to this investment is an understanding that, as noted in the 2014 edition of the United Nations Report on World E-Government survey, in the modern age, broadband is a utility of the same order as water and electricity and it can help governments to stimulate economic growth and promote social inclusion particularly of disadvantaged and vulnerable groups.

Addressing the digital divide and promoting an inclusive political economy of the cyber space have become critical public policy and development imperatives of this new century.

If we acknowledge that we are indeed in the middle of a Fourth Industrial Revolution then, as students of history we know that all industrial revolutions have winners and losers: those who make enormous gains in terms of material well-being and those who are impoverished and marginalized by technological change. As the Fourth Industrial Revolution disrupts existing power structures, we need to manage the issue of who gains and who loses from the changes that will happen.

Without significant government investment and regulation, the Fourth Industrial Revolution will pose new and even greater risks who find themselves on the wrong side of the digital divide.

It is for this reason that this Gauteng Provincial Government has consciously decided to spend over a billion rand during this term to connect up all provincial government institutions.

We understand that by taking this infrastructure into townships and historically marginalized communities we will be assisting solve the problem of who will invest in connecting that last mile.

This investment we believe will bring new and exciting possibilities to the township economy. We are creating an ecosystem for the growth of township tech-preneurs.

To-date, we have connected the following economic sites with the explicit purpose of supporting the growth of township-based technology hubs:

- Ga-Rankuwa eKasi Lab;
- Soweto eKasi Lab - currently hosting the ICT bootcamp and this Summit;
- Mohlakeng Enterprise hub;
- Alex ICT Centre;
- Winterveld Enterprise Hub;

The Gauteng government has invested enormously, in partnership with the universities and tech companies, in the development of world-class innovation and science hubs in the Gauteng City Region, The Innovation Hub in Tshwane, Tshimologong Digital Innovation Precinct in Braamfontein (in

partnership with IBM and Wits University) and the Science Park at Vaal University of Technology.

Government also needs to manage the transformation of the economy by insisting on the development of Black ICT companies and Black industrialists. We therefore need a partnership between multinational companies to partner with local tech companies, especially Black-owned SMME and start-up companies. We need to ensure that all sectors of society are represented fairly and benefit equitably.

In September, I met with ICT industry leaders to discuss how we can work together to improve access to connectivity and build partnerships on building an inclusive digital economy.

We are developing a joint plan of action to improve training on digital skills in order to enable the absorption of young people into the labour market.

The ICT sector action committee which will allow us to work with the private sector to achieve our goal of 100% connectivity over the next five years and thereby unleash the potential of the local ICT industry.

In this regard we have established work-streams that will focus on building a competitive future ICT industry.

Our approach is threefold: firstly to Invest in building skills linked to science, technology and design so that we enable citizens to be tech savvy and to work with ever-smarter machines. So citizens, in particular workers, are strengthened rather than replaced by technology.

Secondly we want to close the gap between the affluent and the poor and our least developed townships. Innovation and new technologies are a resource for combatting poverty & achieving equity

And thirdly, we want to incubate entrepreneurs, particularly in the digital economy in townships. While many warn about the risk of a widening technological gap in society, we see the opportunities to harness technology to close the gap.

We are doing this by **incubating innovative and ambitious entrepreneurs** through the DAV Centre at Wits, the Innovation Hub and other partnerships

We are **modernising** the way **government** works and setting high standards of e-government. Our provincial Treasury won an innovation award in 2015 for using technology to eliminate ghost workers and to fast-track payment of service providers within 30 days.

We are rolling out our **ICT strategy in our schools** to ensure that future generations are equipped to embrace a smart future and economy. On 27 October 2016, our Department of Education won the Centre for Public Service Innovation Ministerial Award for being the most innovative government

department for its use of ICT in education. We are also busy replacing paper filing with e-files in all Gauteng hospitals and clinics.

In 2015, Provincial Treasury, Transport Department and Infrastructure Departments were able to win public service innovation awards after introducing ICT to improve service delivery in payroll certification, revenue collection and infrastructure delivery, respectively.

We are working with municipalities and private sector partners broaden black participation, women participation and youth participation in the ICT industry. We are seeking partnerships that will strengthen each other's programmes and projects and which will help to identify new programmes where we can work together on building shared and inclusive prosperity.

In Conclusion, Peter Diamandis, the Chair of the Singularity University which teaches executives about exponentially growing technologies, says that such technological innovations can accelerate access to water, food, energy, healthcare and education.

Access to internet connectivity has become a basic human necessity like water, food, energy, healthcare and education.

We already have many entrepreneurs and innovators in Gauteng and South Africa who are leading the way and showing us how we can ride the wave of opportunity that the 4th Industrial Revolution will bring.

This innovative and entrepreneurial drive is key to our success. Clearly innovation and new technology can accelerate that success.

Our role as government is to help manage the wave, to find and offer as many opportunities as we can, to ensure that all our people benefit from innovation and technological development and to embrace innovation as a resource for good government and governance.

Let us work together broaden access to the digital economy and digital skills.

Welcome to Gauteng. Welcome to the future.

I wish this Conference success!

Thank you!