

**DEBATE ON THE BUDGET OF DEFENCE AND
MILITARY VETERANS**

**HON. NOSIVIWE MAPISA-NQAKULA,
MINISTER OF DEFENCE AND MILITARY
VETERANS**

OLD ASSEMBLY CHAMBER

PARLIAMENT

CAPE TOWN

19 MAY 2015

Chairperson;

Deputy Minister Kebby Maphatsoe;

Fellow Cabinet Colleagues;

Co-Chairpersons and members of the Joint Standing Committee on Defence;

The Military Command Council;

The Defence Secretariat Council;

The executive management of Military Veterans;

Members of the Defence Force Service Commission;

Members of the Armscor Board and members of the defence industry;

Honourable Members

This Budget Vote is dedicated to the memory of Dr Ruth Mompoti, commonly known as Mme Ruth, who was one of our great stalwarts and military veterans who played a pivotal role in our illustrious and heroic journey to freedom and democracy. She died having received many accolades in honour of her immense contribution to the struggle.

On 05 May 2015 we lost one of our senior commanders, Lt Gen Bongani Mbatha. He was appointed as the Chief of Logistics in April 2014 and managed this portfolio with distinction.

In the same week we lost a member of the Armscor Board, Mr Fantas Mobu.

May their souls rest in peace.

Honourable Members

As a country, we recognize that growing instability in other regions of the Continent impacts negatively on the economy and security of our own country. Migration patterns have become one of the world's major challenges, as witnessed during the recent attacks on foreign nationals.

Recently, the Continent witnessed various political and governance issues that threaten to generate insecurity and escalate into conflict.

1. A low-level civil war in the Central African Republic continues to inflict untold suffering on the population. The recent rescue in that country of 300 child soldiers was a painful reminder of the continued committal of this war crime in our continent. Although progress has been made in the Democratic Republic of Congo, MONUSCO, of which we are a part, is still required to stabilize the eastern part of that country.
2. We watch with concern current developments in Burundi where there was an attempted military coup. It is for this reason that initiatives are underway by the East and Central African leaders to find a peaceful resolution of this crisis.
3. In West Africa, Nigeria and other countries are fighting religious extremism and acts of terror that threaten to dismember those countries and establish an Islamic Caliphate.
4. The Horn of Africa and the East Africa Community is faced with similar security challenges.

5. The effects of the so-called 'Arab Spring' are still felt in the Sahel and the North African regions.

We cannot ignore the real risk of the spill-over and expansion of conflicts in the region southwards.

Honourable Members,

Nearer home, maritime crime and piracy in SADC waters has necessitated maritime patrols on our East coast, whilst we remain mindful of similar challenges on the West coast.

Economic underdevelopment and the resultant chronic poverty, hunger and disease still threaten our continent. These social and economic ills combine to be major drivers of instability and conflict.

The recent interception by our intelligence services of South Africans recruited by ISIS served as a reminder that we are not immune to international terrorism, and should therefore remain vigilant at all times.

Chairperson,

The challenges of organizing and capacitating our Defence Force are first and foremost informed by this analysis of our geo-political and security situation. While these situations are not always static, South Africa also has a responsibility to inform itself correctly about what the real drivers of insecurity are and whether those may require other interventions other than military effort.

Our Defence Force has a critical role to play as we, together with our regional and other partners, seek to secure peace and stability, without which economic development is not possible. The Defence Force is too valuable a national asset to be a subject of partisan political bickering, and it is therefore important for us to seek a national consensus on our defence policy, as was urged by the 1998 Defence Review. This is the attitude and spirit that must guide us as patriots in our mission to build a highly professional and disciplined Defence Force, sufficiently resilient and resourced, to protect both our country and our constitutional democracy.

DEFENCE REVIEW

Honourable Members

You will recall that the Defence Review 2014 was approved by Cabinet on 19 March 2014 and tabled in Parliament on 3rd July last year for approval. The policy document was adopted by the Joint Standing Committee on Defence on 30 April 2015 and has been awaiting debate and approval by Parliament, a delay which has been costing us immensely as a Defence Force.

It is helpful to remind ourselves of the directive by Cabinet when it approved the Defence Review 2014, that:

“The Minister of Defence and Military Veterans ensures that the military strategy, force structure, force design, acquisition plans and funding trajectory are translated into a long-term defence development programme which is aligned and integrated to government’s planning cycle.”

I said in my last Budget Vote that during the 2014-2019 Medium Term Strategic Framework (MTSF), the DOD will focus on the implementation of Milestone 1 of the Defence Review that is aimed at arresting the decline of the SANDF.

The delay in the approval by Parliament of the Defence Review 2014 means that the financial year 2015/16 will be devoted to planning and implementation during the financial year 2016/17 and beyond. The DOD has however, firmly put structures and processes in place to reach a resourced Milestone 1 at the end of the current 2014-2019 MTSF.

A Defence Review Overarching Implementation Framework, aligned with the National Planning, Budgeting and Reporting Cycle, has been approved. An oversight body, the Defence Review Implementation Project Team (DRIPT) consisting of both the Defence Secretariat and the Military Command was established to ensure departmental integration during planning and implementation. Two permanent planning streams, one on policy matters led by the Defence Secretariat and the other on force development planning led by the Military Command, will drive the planning and implementation process of the Defence Review.

The Defence Secretariat planning team will institutionalize the new defence direction by developing the following:

1. A funding model to enable the resourced implementation of the Defence Review 2014.
2. A defence accountability concept to ensure civil control of defence without compromising the command and control of the SANDF.
3. A delegation regime supportive of military command and control.

4. A system to expedite defence capital acquisition.
5. A Defence Industry and Technology Strategy.

Honourable Members,

The Military Command planning team has begun work that seeks to incorporate the new defence policy into a Military Strategic Direction Framework. The work includes:

1. The development of a new Military Strategy that will spell out how military resources will be utilized to achieve the policy objectives of the Defence Review 2014.
2. The development of an appropriate force design and force structure to provide a clear account of capabilities required to achieve policy objectives.
3. The development of a plan to systematically restructure the SANDF throughout the MTSF period, as may be allowed by the current resource baseline, with particular emphasis on the command and staff system and the establishment of combat formations.
4. A plan to right-size the SANDF's personnel component.
5. The renewal of the education, training and development system of the SANDF.

At this occasion last year, I informed this august House that the strategic intent of my Ministry from 2014 to 2019 would be built into the planning, budgeting and reporting cycle of government and accordingly aligned to support the National Development Plan, New Growth Path, and the Industrial Action Plan. In the light of the new defence policy direction,

Ministerial Priorities have been incorporated into the DOD's 2015 planning instruments to ensure alignment. These priorities are:

1. Strategic leadership and succession planning for the defence programme over the next 20 years.
2. Development of a DOD funding model as a basis to negotiate the adequate resourcing of the defence function.
3. Renewal of defence personnel to meet future obligations.
4. Renewal of the defence organization to achieve greater effectiveness and efficiencies.
5. Review of defence acquisition in line with the Defence Review's 4 Milestones.
6. Development of a Defence Industry Strategy, Technology and Innovation Plans as well as the integration of the defence industry into mainstream industrial policy.

Over the MTEF period, a Force Development Plan will be developed concurrently with the arrest of the decline of the SANDF – Milestone 1. The Force Development Plan will have a long term trajectory to rebalance and capacitate the Defence Force to effectively and efficiently execute its Constitutional mandate. The implementation of all 4 Milestones must in the end produce an agile, balanced and technologically advanced Defence Force able to meet its current commitments and future obligations.

The Defence Force will be sufficiently equipped and skilled to successfully execute operations across the full spectrum of conflict. It must have the capacity to defend and safeguard the sovereignty of the Republic of South

Africa, keep and enforce peace beyond our borders and have an offensive capability to deter potential aggressors.

I am happy to report that, during the year under review, much progress has been made in many areas of our work such as the development of a Sensor Strategy and Plan; the on-going disposal of redundant equipment; the establishment of a Joint Operations Centre at the DOD Works Formation and the completion of the Military Discipline Bill. Furthermore, the on-going execution of 'Operation *CARIBBEAN*' directed at the maintenance and repair of our military equipment, especially operational vehicles, with the assistance of technical personnel from the Cuban Defence Force, continues with success.

Honourable Members

It is important for me to point out that in the implementation of Milestone 1 there are a number of activities we can embark upon within the existing resource allocation. These include the development of a new defence accountability model, the development of the military strategy aligned with the Defence Review 2014 inclusive of a force design, force structure and the development of a DOD funding model to enable engagements with the National Treasury to source funding for the implementation of the Defence Review.

DEFENCE COMMITMENTS

A critical finding of the Defence Review is the mismatch between resources allocated to the Defence Force and its commitments at home and on the African continent. It is indeed this misalignment that is mainly responsible

for the decline we have to arrest and reverse. This was exacerbated by the resources we had to spend to address the socio-economic priorities of the people in our country. We can however no longer afford to neglect the needs of our Defence Force.

Despite this constraint, the SANDF continues to execute tasks assigned to it with dedication and a high level of professionalism. A total of 2213 members are currently deployed in the Democratic Republic of Congo and the Darfur Region of Sudan as part of United Nations and African Union mandated missions.

However, the United Nations must take responsibility to provide all necessary support to our forces, including intervening where challenges arise, particularly in the Darfur Region, where we have constraints related to the delivery of logistic sustainment of our soldiers.

As Honourable Members are aware, in the DRC the SANDF is deployed as part of MONUSCO, with elements forming the Force Intervention Brigade together with defence forces from Malawi and Tanzania.

The FIB was established to deal with the M23 and all negative forces. We have neutralised the M23 successfully, but there are still other negative forces operating in that area. The inability of the United Nations and the DRC Government to resolve the matter of the removal of the two DRC Generals indicted for human rights violations, remains one of the impediments to conducting disarmament operations. Going forward, our primary concern is the safety of the affected civilian population, whose lives we cannot endanger.

Furthermore, as part of 'Mission Thebe', the SANDF has to date trained 9000 recruits and soldiers in the DRC.

Demands for the services of the military are ever increasing. At home the Defence Force continues to deploy 13 companies for border safeguarding duties. These 13 companies must be expanded to 22 to execute the full border-safeguarding requirement. But due to budgetary constraints we have not met this expanded requirement. It is our intention to expand this by an extra 2 companies in this financial year.

17 refurbished operational ambulances were delivered in the last financial year for use by soldiers deployed on the borders. During operations, soldiers confiscated an assortment of contraband and intercepted undocumented foreign nationals.

On a sad note though, the defence force transported the mortal remains of 84 South Africans who perished in Lagos, Nigeria after the collapse of a church building. The Defence Force, together with other Agencies, assisted in the complicated task of identifying, preparing and transporting the mortal remains of the deceased for return to their loved-ones.

MARITIME SECURITY STRATEGY

The SA Navy continues to deploy its assets to combat piracy in the Mozambican Channel. This deployment is part of the SADC Maritime Strategy.

The continuous presence of SA Navy platforms ensured the safety of merchant vessels to and from South Africa. Building the SA Navy remains

a priority, with a view to protecting our maritime economy in order to advance our development objectives.

The SA Navy submarine SAS MANTHATISI was successfully overhauled in the Simon's Town dockyard, and is currently operational. This is the first time that a Type 209 submarine refit has been completed in Africa. The long awaited refit of the SA Navy frigate SAS AMATOLA is in its final stages in Durban. A decision was taken last year to return the dockyard to the Defence Force, due to Armscor's inability to manage this capability.

AFRICAN CAPACITY FOR IMMEDIATE RESPONSE TO CRISES (ACIRC)

South Africa has been in the forefront of the establishment of the ACIRC to deal with security challenges on the Continent. Volunteering nations have started with preparations to build this capacity. During 2014, the SANDF prepared its pledged force to reach an interim operational capacity by 30 September 2015, and a full operational capacity by 30 November of the same year. ACIRC is intended to be a provisional arrangement while the African Union builds capacity for an AU Standby Force.

African Ministers met last Friday at Victoria Falls in Zimbabwe to confirm the commitment made by the African Chiefs of Defence that the African Standby Force must be in place and operational by December 2015.

EXERCISE ARMANI AFRICA II is one of the AU's main tools to support the African Standby Force. South Africa will be hosting this exercise from 19 October to 07 November 2015.

JCPS CLUSTER

The DOD as the Chair of the JCPS Cluster is committed to working with sister departments to achieve the objectives of Outcome 3 of the MTSF 2014-2019, *“All People in South Africa are and Feel Safe”* and Vision 2030. The DOD will effectively safeguard South Africa’s borders; contribute to the development of the Cyber Security Strategy and Implementation Plan; and ensure that matters of corruption are reduced.

REJUVENATION OF THE DEFENCE FORCE

There are a number of areas that I will briefly touch on where work is being done as part of our objective to rejuvenate the Defence Force through personnel and organizational renewal.

Honourable Members,

Firstly, I wish to speak to the matter of recruitment. We must be sensitive and to remember where we come from in the manner in which we do our work, and how we strived to have a democratic and non-sexist, non-racial society. The SANDF’s must reflect the demographics of our society. I hereby direct the Defence Force, and the SA Army in particular, to develop strategies and plans to target the recruitment of those communities who are under-represented in the SANDF.

Secondly, Honourable Members will agree that the most rigorous training that one can receive is in the military. There is however a regulatory and statutory framework which regulates how training must be conducted. Whilst this is the case, numerous reports have come to the fore that suggests that there is some abuse of recruits during training. The Defence

Force has taken such reports very seriously, to the extent of Service Chiefs and the Military Ombud undertaking investigations in this regard. Military disciplinary action has been taken against those instructors who were found to have contravened the regulations.

Thirdly, I have researched the applicable legislation and regulations related to the retirement of SANDF members. Currently the retirement age is 60 years, and I am considering, at the discretion of the Minister, extending it to 65. There is no legislative amendment required for this extension; it is a matter that can be dealt with in the Regulations. This can assist us to retain skills while we are rejuvenating the Defence Force and developing our career succession plans. We have a similar challenge that must be addressed in the Reserve Force.

MILITARY SKILLS DEVELOPMENT SYSTEM

By the end of the last financial year, there were approximately 4,272 MSDS members in the system. We need to increase the intake of MSDS recruits to rejuvenate the Defence Force. The current intake is as follows:

- The SA Army has 1574 members.
- The SAAF - 80.
- The SA Navy - 214.
- The SAMHS - 175.

Honourable Members

I am proud to announce that since 2014, a total of 128 Defence Force members have undertaken studies in Cuba in the fields of mechanical

engineering and related technical disciplines, air traffic control, aviation and various fields of medicine.

THE UNIVERSITY RESERVE TRAINING PROGRAMME

Since 2011, the SANDF has rolled-out the University Reserve Training Programme at 11 universities. To date, 298 members have completed their basic and initial officer training qualifying them for junior officer appointment in the Reserve Force.

RESERVES

The revitalization and transformation of the Reserves remains a priority, particularly because, out of a total of 22 600 Reserves, 14 600 were called up and mostly deployed in border safeguarding operations. However, progress is hampered by acute budgetary constraints.

SANDF EDUCATION TRUST

We have established an Education Trust that assist with the education of the children of those soldiers who lost their lives in the line of duty. Since its inception, the Trust has awarded a total of 98 bursaries to these children.

GENDER EQUITY

Last year when we met in this House I set the target of 30% for women in the SANDF. I can happily report to you today that we have met this target. In addition, there are now 5 female Major Generals and 35 Brigadier Generals. We must remember that before 1994, there were only two female Brigadier Generals in this country. We already have 8 female Defence Attachés. A sizeable number of women are further deployed in all

spheres of our military operations. We have approximately 432 females deployed externally and 562 internally. The United Nations recognises that we deploy the most women in the world to its international peace missions.

The following measures will be implemented to redress the gender imbalance:

- Increase of women at all levels of military command.
- Increase in the number of female Defence Attachés.
- Organization of gender and leadership seminars across the gender divide.
- Incorporation of gender perspectives and dynamics into all military development courses.

Women in the SANDF equally have the responsibility to make themselves available for training, in order that we have a wide pool of female soldiers that can be considered for promotion.

RENOVATION OF DOD FACILITIES

I have signed a MOU with the Department of Public Works on the transfer of immovable asset life cycle management functions in respect of Defence Endowment Properties from the DPW to the DOD. It is my belief that this arrangement will enable the DOD to properly manage its own property portfolio to the benefit of our members who live and work therein.

The DOD is grateful that the National Treasury approved over R900 million for the MTEF 2015/16 to 2017/18 to fund the capacitation of the Defence Works Capability. There are currently 223 members in various phases of

artisan training and a total of 751 members have been trained and qualified as artisans.

MINISTERIAL MEDICAL TASK TEAM

Last year, I reported on the appointment of a Ministerial Medical Task Team in March 2014 to investigate a number of factors which were impacting negatively on the military health system. Following their initial report, I received the final report of the Task Team in September 2014 after I had expanded its mandate. Its' recommendations have since been translated into implementation plans in terms of human resources, infrastructure and health care.

1. We have now conducted a comprehensive audit on the translation of health professionals to the various Occupation Specific Dispensations and the outstanding grade progressions started at the end of September 2014, and will continue until all the audits and required rectifications with regards to health professionals are completed. Some translations were incomplete and grade progressions were outstanding, hence the brain-drain of medical practitioners in the last two years.
2. The Defence Works Formation has taken over the Refurbishment Project of 1 Military Hospital.
3. Clinical meetings and morbidity and mortality meetings have been established in the 3 Military Hospitals for the training and development of the community service doctors and interns in these institutions.

ACCOUNTING

Honourable members, I undertook to ensure that my Department works in a cost effective manner to optimally use the resources allocated to it. We have enhanced the capacity of the Internal Audit function to ensure compliance with departmental norms and standards.

ARMAMENTS CORPORATION (ARMSCOR)

Last year I appointed a new Armscor Board, under the Chairmanship of the Vice Adm (retired) Mudimu. The Armscor Board has since finalised the Armscor turn-around strategy. Adm Mudimu, who will soon be leaving us, has done sterling work in positioning Armscor for the future. We wish to thank him for the significant contribution he has made in building trust between Armscor and the Defence Industry.

I am delighted to announce the appointment of the CEO of Armscor, Mr Kevin Wakeford, who is in our midst, for a period of five years as from 01 May 2015.

The Corporation and its new CEO must now address the backlogs in our acquisition. Armscor must further ensure it meets the required level of matériel acquisition support in line with the Defence Review 2014.

DEFENCE FORCE SERVICE COMMISSION

The permanent Defence Force Service Commission was appointed in 2013, but it does have challenges. The possible inadequacies of the Commission's powers to fulfil its mandate are being addressed so that it is empowered to undertake all matters envisioned by section 198 of the

Constitution (1996) for members in uniform.

MILITARY OMBUD

The Military Ombud continues to address the grievances of both serving and former members of the SANDF. Since the inception of the Office of the Military Ombud, 875 cases were received and 658 cases have been finalised. As at 31 March 2015 there are now 217 active cases.

MILITARY VETERANS

The issue of making sure that the Department of Military Veterans works in an efficient and effective manner to deliver on its mandate is a major concern and priority in the Ministry.

I will be deploying a team to help strengthen a turn-around strategy in the DMV and factor in the concerns of the Parliamentary Committee and SCOPA. I have established the Appeals Board to assist the Department in resolving these challenges. In a few months' time I will announce the establishment of the Advisory Council.

My colleague, Deputy Minister Kebby Maphatsoe, will provide further details on other aspects of the Departments work.

DEFENCE BUDGET

Honourable Members

The Defence Budget for financial year 15/16 amounts to 44,5 billion rand, which is approximately 1.1% of the GDP. Our wish is to reach 2%.of GDP

ENDS