
Bi-Annual 2019 - 2024 MTSF Synthesis Report for the period ending March 2021



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& evaluation

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2019 - 2024 MTSF
Synthesis Report
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INTRODUCTION

In October 2019, Cabinet approved the 2019-2024 Medium-Term Strategic Framework (MTSF), as government's five-year programme for the implementation of the NDP 2030 and of the electoral mandate of the sixth adminis-

tration. Following the approval by Cabinet, the President formally launched the 2019-24 MTSF in February 2020. The MTSF is anchored on the seven priorities adopted by government for the sixth administration namely:

Priority 1: Building a capable, ethical and developmental state

Priority 2: Economic transformation and job creation

Priority 3: Education, skills and health

Priority 4: Consolidating the social wage through reliable and quality basic services

Priority 5: Spatial integration, human settlements and local government

Priority 6: Social cohesion and safe communities

Priority 7: A better Africa and World

The March 2021 bi-annual MTSF report is the second such report prepared by the Department of Planning, Monitoring and Evaluation to appraise Cabinet on progress with the implementation of the MTSF as at the period ending 31 March 2021. This follows a similar report presented to Cabinet in October 2020 covering the period ending 30 June 2020.

The National Development Plan (NDP) remains the country's blueprint to unite all South Africans to address the triple challenges of unemployment, inequality and poverty. The MTSF 2019-24 is the organising framework to advance the national development goals and objectives in line with NDP Vision 2030.

This document is a synthesis report focusing on the following:

1. Methodology and process used to prepare.
2. Situation with regard to the country's national development objectives.
3. Overview of the Seven Priorities: Intent and performance against targets.
4. Conclusion

The synthesis report does not delve into the detail of each priority but focuses on the intent of each Priority and performance against targets. It does this in the context of the current situation with regard to the country's national development objectives. Thus it is advised that this synthesis report be read in conjunction with the detailed reports of each of the seven national priorities.



METHODOLOGY AND PROCESS

The Bi-Annual MTSF report is more than this synthesis report. It comprises detailed progress reports on the 7 Priorities of government which is intended to provide the President and Cabinet with an in-depth analysis of progress towards meeting the 2019-24 MTSF targets. The synthesis report draws on the detailed priority reports to correlate, at a high level, the progress against the MTSF targets with national development goals and objectives.

The production of the bi-annual report is, in the first instance, made possible by the quality of reports provided by the different departments on progress against their commitments in the MTSF. It is the culmination of a series of interactions with Departments that occur throughout the year not just during the reporting period to Cabinet as well as through participation in various committees of departments. This gives DPME an insight into what the challenges are and where possible to support remedial actions to overcome constraints. In addition, while Cabinet receives MTSF reports on a bi-annual basis, Departments also submit quarterly reports to the DPME which are analysed to understand progress and challenges that might exist between the reporting periods to Cabinet.

To supplement analysis of progress, DPME also draws on applicable and relevant research produced by research institutions, universities and think tanks both within South Africa and internationally. This together with data in the form of official statistics produced by StatsSA provides additional sources of data outside of simply using administrative data within government.

In some instances, the DPME produces its own data (through site visits, evaluations, research and its online electronic Quarterly Performance Reporting System) to enhance the analyses of performance. While not all site visits provide a

representative view of an issue, it does provide a sense of how delivery is impacting on the ground and in terms of the lived experiences of citizens.



During the finalisation of the bi-annual report, individual departmental progress reports are verified through engagements with Departments to resolve discrepancies and or inaccuracies after which the individual departmental reports are consolidated into Priority Level reports. In the report to Cabinet, DPME through trend analysis also provides an assessment of whether targets are going to be achieved given the current pace of delivery. The report also proposes remedial actions with a view of ensuring accountability and improving delivery performance. Finally, the completed Bi-annual report comprising the seven detailed Priority reports together with this synthesis report is sent to the President and Cabinet for discussion.

Ultimately, DPME strives to ensure that the judgement of performance is consistent, evidence-based and defensible.

NATIONAL DEVELOPMENT SITUATION

A useful point of departure when considering the progress on the implementation of the 2019-24 MTSF, is a reflection on where the country currently is in relation to its national development goals and objectives. It needs to be borne in mind and perhaps to be expected that over such a short period (the MTSF was formally launched in February 2021) overall impact may not be significant.

While we are just one year into the national 5-year MTSF, it is a useful endeavour to nevertheless reflect on where we are in relation to the broader national development objectives not least to show the journey still to be travelled to reach our developmental ambitions. Moreover, there is no question that the onset of the Covid-19 pandemic has heavily affected the country's plans to address the triple challenges of poverty, inequality and unemployment.

A capable, ethical and developmental state lies at the heart of our efforts to achieve the goals and objectives of the National Development Plan. Such a state manifests strong leadership, a focus on people and strong implementation capability. This in turn requires that the various spheres and entities of government work in unison and in an integrated way to achieve common development objectives. Drawing from the NDP which envisions a developmental, capable and ethical state that treats citizens with dignity, the MTSF seeks to establish a public sector staffed with professional, responsive, people centred and meritocratic public servants that enjoy high levels of trust amongst the citizenry. However, as the NDP cautions, **“a developmental state cannot materialise by decree, nor can it be legislated or waved into existence by declarations. It has to be consciously built and sustained”**.

The MTSF takes this further and identifies four characteristics that are the hallmarks of successful developmental states. These are:

- i. **Succeeding in sufficiently modernising its public service and embedding it in communities.**

- ii. **Fundamentally transforming the economy (i.e., industrialising and diversifying the economy).**

- iii. **Succeeding in reducing inequalities in both per capita income and expenditure.**

- iv. **Succeeding in improving the human capital base of the economy, enhancing capabilities of its population and promoting an active and engaged citizenry.**

The above characteristics are used as a broad platform to frame the discussion on national development.

Public Sector

If a capable state with solid administrative and governance capacity underpins all our efforts towards achieving our national goals and objectives, the key question is whether we are succeeding in creating a public service that

delivers real value to citizens and engenders high levels of trust within society.

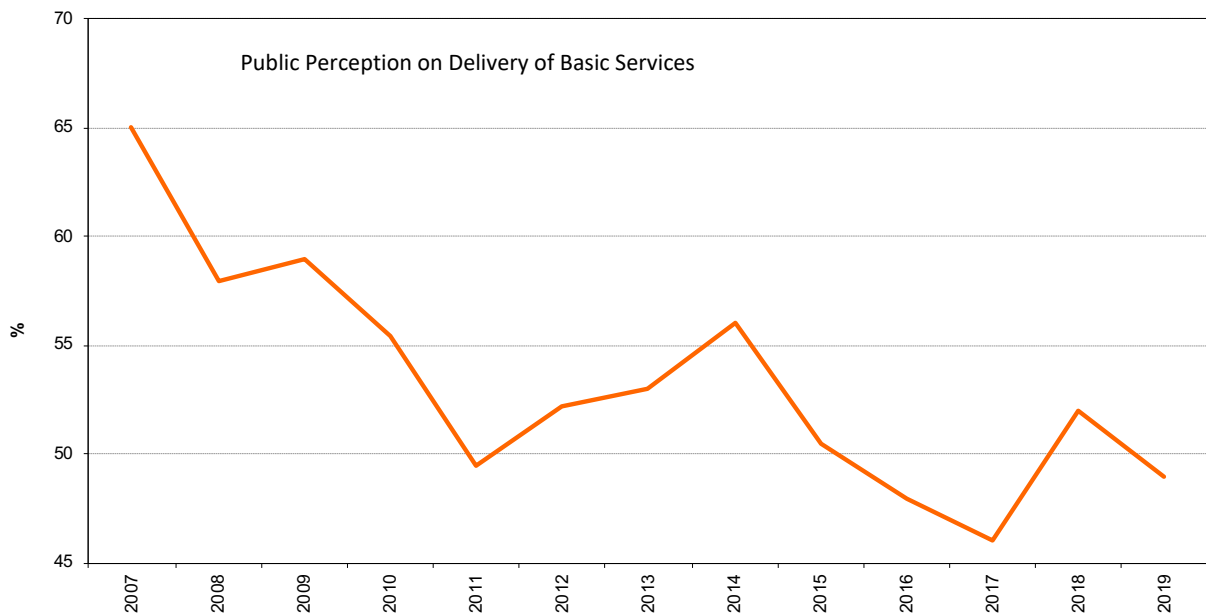
The evidence suggests a mixed performance. Some of the positive aspects are the improved climate of public accountability driven not least by the signing of Ministerial Performance Agreements with the President, the initiation of life style audits in the public sector as well as leadership in terms of public private partnerships through various initiatives such as through NEDLAC and the establishment of Operation Vulindlela. The latter to focus on targeted implementation of structural reforms to unleash South Africa's economic growth potential and service delivery performance.

At bottom, a true gauge or signal as to whether we are moving towards a capable, ethical and developmental state is the level of trust in government institutions. The essential driver of trust is competence which refers to the ability of government to deliver to the citizens the services they need at the quality and level

they expect.

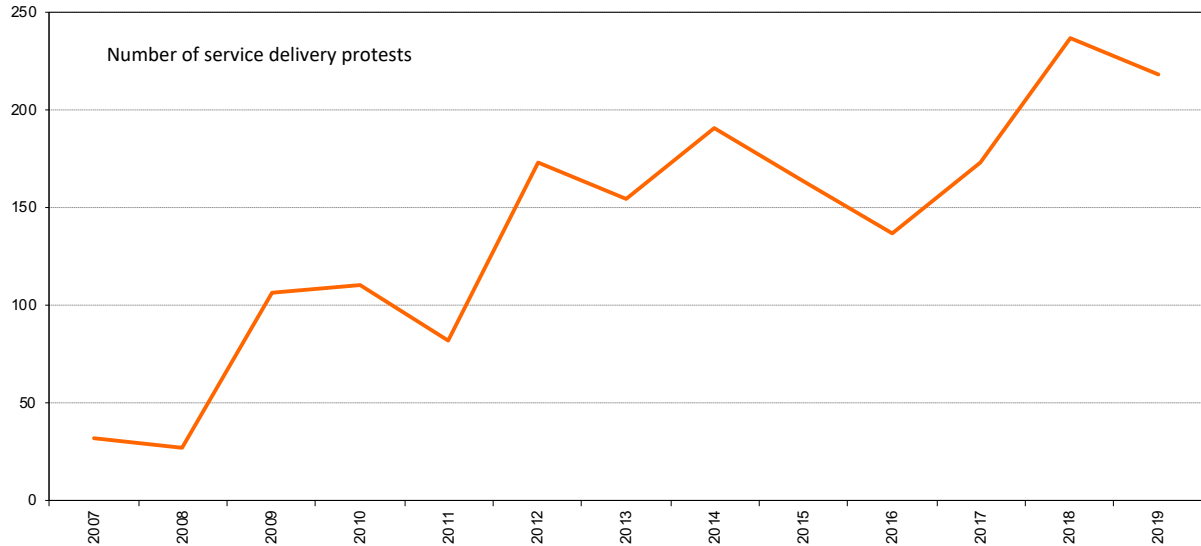
As shown in the graph below, public trust and confidence in local government to deliver basic services has decreased from 52 percent in 2018 to 49 percent in 2019. While the country has experienced a decline in the number of service delivery protests from 237 in 2018 to 218 in 2019, this is still high and the large number of service delivery protests shows that there are concerns amongst citizens regarding the delivery of basic services by the government. The factors that are deemed to be contributing to the protests are poor service delivery and weak governance in municipalities as manifested in disruptions in supply (especially water services) sewage spills, pothole infested roads, abuse and or misuse of funds, and communities feeling alienated from decision-making at municipal level.

Figure 1: Public Perception on Delivery of Basic Services



Source: Government Communication and Information System (GCIS) based on IPSOS data

Figure 2: Number of Service Delivery Protests



Source: Municipal IQ

Other measures such as the 'trust in government' indicator in the Edelman Trust Barometer, South Africa showed a seven-percentage point increase from 19% in 2020 to 27% in 2021). The increase can largely be attributed to the efforts carried out by the state and strong leadership to fight the pandemic to save lives, fend off hunger and loss of livelihoods through amongst others the Social Relief of Distress grant and the Temporary Employer/Employee Relief Schemes. Notwithstanding this increase, South Africa remains the lowest performing country in terms of this data set.

The importance of strengthening partnerships in society and active citizenry through meaningful participatory governance measures in building trust cannot be over emphasised. In this regard, the model of social compacting proposed by the NDP is being taken forward vigorously by the Sixth Administration as demonstrated in terms of the Economic Reconstruction and Recovery Plan, Job Summit Agreement and Presidential Employment Stimulus Package, Investment Summit, Health Compact, sectoral master-plans, National Anti-Corruption Strategy, as well as the Presidential Gender-Based Violence (GBV) Summit and the attendant National Strategic

Plan on GBV and Femicide.

In terms of corruption, South Africa scored 44/100 and was ranked 69/180 (improvement of 1 place from the 2019 baselines of 43/100 score and 70/180) in the 2020 Transparency International ranking. The 2024 target is to reach a score of 68/100 by 2024, suggesting that there is still some distance to go to achieve the 2024 ambition. The much higher conviction rates for serious fraud and corruption in both the public and private sectors; enhanced capacity of the designated Special Commercial Crimes Courts to deal speedily with economic crimes, finalisation of State capture cases as well as an increased number of financial intelligence reports used for identification of high priority cases, augur well for improving South Africa's overall ranking.

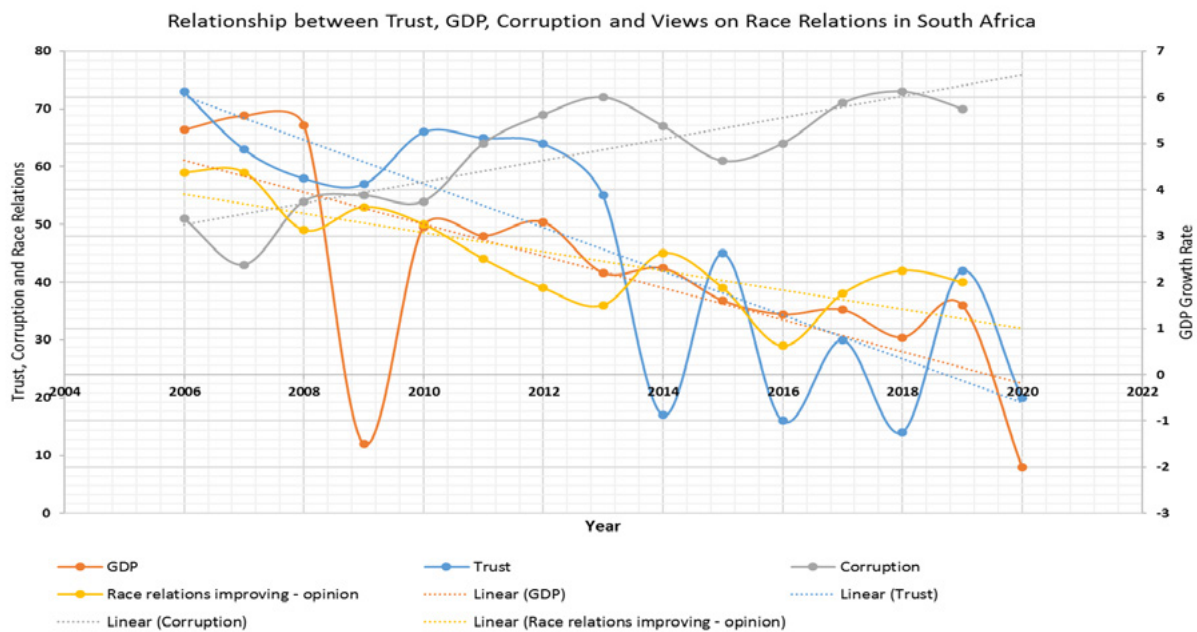


At bottom, a capable and professional public service requires skilled and competent officials. In his reply to a question in the National Assembly on the number of senior managers who do not have the necessary credentials and qualifications, the Minister: Public Service and Administration stated that out of a total of 9 477 Senior Managers in the Public Service, 3301 (almost 35%) do not have the required qualifications. While this may not be a true reflection of the current status as most departments do not capture the qualification on PERSAL, it is of concern. The situation is much more serious at the municipal level where between 50 to

60 percent of officials are said to not have the skills and competence to do their jobs (National Treasury and Auditor-General statements). Minimum entry requirements and stringent recruitments practices will at the minimum be required to rectify this situation.

Evidence shows that trust in government is influenced by many factors and is time and event-sensitive. In terms of long-term trends, there is a correlation between trust in government and variables like GDP growth, public perceptions of corruption and race relations, as depicted in the diagram below:

Figure 3: Relationship between Trust, GDP, Corruption and Views on Race Relations in South Africa



Source: Evidence synthesis and international benchmarking study on trust in government (DPME, 2021)

When GDP growth declines and public perceptions of corruption are high, overall trust declines. This shows the centrality of inclusive economic growth.

The Economy

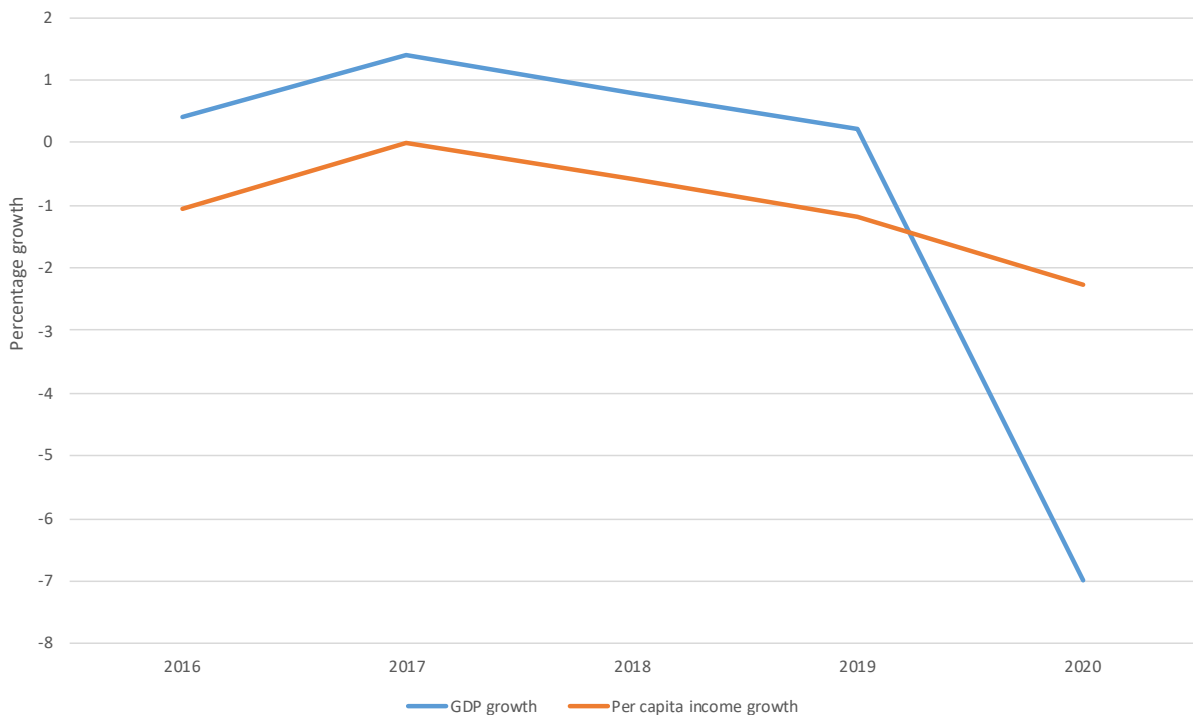
Faster and sustained inclusive growth is an essential pre-requisite for addressing the

triple challenges of poverty, inequality and unemployment and as we have seen above, overall trust in government. Little wonder that government has prioritised economic transformation and job creation through a set of focused, interlinked programmes as contained in the Economic Reconstruction and Recovery Plan (ERRP).

The ERRP is intended to turn the tide on the challenging growth, unemployment and poverty conditions plaguing the country. While it will take time for the plans to take effect, the state of the nation with respect to the major indicators suggest the enormity of the task

ahead. The shock of the Covid-19 pandemic worsened the overall outlook in significant measure. The graph below shows the impact on already weak GDP and per capita income growth.

Figure 4: GDP vs Per Capita Income Growth



Source: Stats SA, Trading Economics

From 2017, SA's economic growth started declining steadily until reaching an uninspiring 0.2% growth in 2019 which further plummeted to -7% between 2019-2020 due to Covid-19. This is the biggest annual fall in economic activity the country has seen since at least 1946. However, with the easing of Covid-19 lockdown restrictions, the economy saw a massive 67.3% (q/q annualised) bounce back in the third quarter and real GDP increased at an annualised rate of 6.3% in Q4 2020, beating market analysts' expectations of a 5% expansion. This rebound is of course from a low base.

The lacklustre growth and the impact of Covid19 have deepened unemployment. The official

unemployment rate which breached the 30% mark for the first time during Q1 2020 rose even further in Q4 2020, reaching a new record of 32.5%. On a y/y basis, the economy shed 1.4 million jobs, reflecting an 8.5% contraction in Q4 2020 compared to Q4 2019.

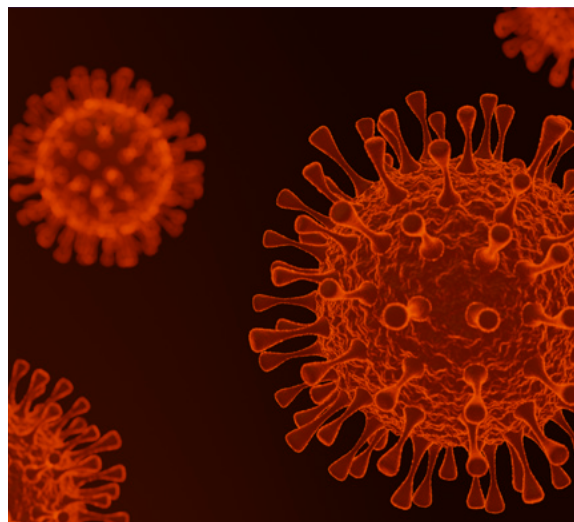
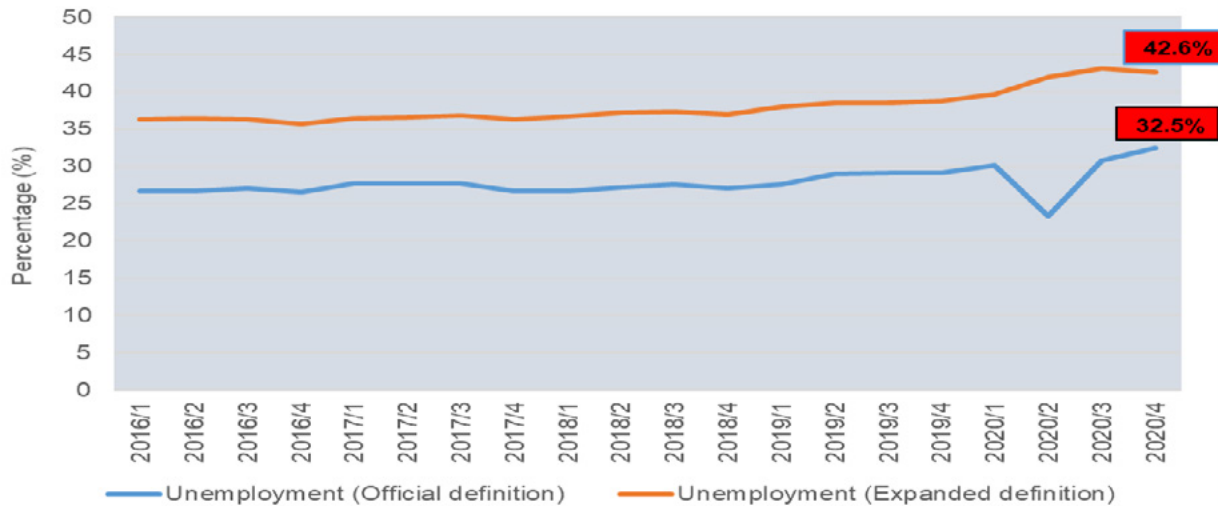


Figure 5: Unemployment (official definition) vs Unemployment (Expanded definition)



The results of the Quarterly Labour Force Survey (QLFS) for the second quarter of 2020 indicate that the number of employed persons decreased by 2,2 million to 14,1 million compared to the first quarter of 2020. The 2024 MTSF target is to reduce unemployment to 20-24% with 2 million new jobs. The official unemployment rate in Q4 2020 reached a new record of 32.5%.

Gross fixed capital formation declined to 17.9% in 2019 and further slipped to 15.8% of GDP as structural constraints continue to weigh on investor sentiment. The 2024 MTSF target is 23% of GDP. Capital investment in 2020 was severely impacted by COVID-19 restrictions, the ongoing power shortages and the constrained fiscus.

- National Treasury's payment information from the Basic Accounting System (BAS) shows that the actual percentage spend by government (excluding public entities and municipalities) on designated groups that are registered on the Central Supplier Database (CSD) for the past financial year is as follows:

○ 13,49% of total to women owned suppliers against a target of 40%.

○ 5,58% to youth owned suppliers against a target of 30%.

○ 0,24% companies owned by persons with disability against a target of 7%.

Again, this shows the gap still to be bridged regarding empowerment of designated groups.

Implementation of the re-imagined industrial strategy through the development of priority sector masterplans is expected to change this trajectory. Four masterplans (Autos, clothing and textiles, sugar and poultry) are fully completed and currently under implementation and a number of new investments are beginning

to stream in, such as: the R30 million Pepkor new factory (40 new jobs created); R1.155bn investment in poultry with additional 1 million birds produced per week in 2020; retailers and wholesalers increased the purchase of South African sugar by 22%; Ford Motor Company South Africa has announced an investment of R15,8 billion to produce the new generation Ford Ranger pickup, with R4.3 billion investment in the Tshwane Automotive SEZ resulting in 1 200 jobs to be created in the value chain.

In response to the devastating impact of Covid-19, government implemented a raft of legislative and regulatory measures. At a macroeconomic level, fiscal interventions, notably the R500 billion socio-economic relief package, and monetary policy interventions were also implemented. With very few exceptions, these measures, including the Temporary Employer/Employee Relief Scheme (TERS), SMME Debt relief finance scheme and various other relief funds have in the main proven to be highly effective. The Department of Planning, Monitoring and Evaluation (DPME) conducted a “Voice of Citizens Covid-19 Relief Measures” survey to capture citizens’ experience of the COVID-19 relief measures introduced by government. The survey revealed overall positive feedback in terms of both effectiveness and practicality of the measures.

With the easing of restrictions as well as the proactive steps taken by government such as the adoption and implementation of the Economic Reconstruction and Recovery Plan, employment stimulus programme and in addressing the underlying structural constraints through Operation Vulindlela, some rebound in the economy is expected in the period ahead.

Education, skills and health

Government investments in and availing opportunities for building capabilities of South Africans and developing their social assets are central to addressing the triple challenges of poverty, inequality and unemployment. Education and skills development initiatives are the cornerstones of an inclusive economy. To succeed in this endeavour, the education and skills system must perform in a way that supports upward mobility by providing the poor access to higher skilled and better paid jobs. While, and as the discussion below shows, the system is performing in terms of overall access, whether it is leading to upward mobility, particularly for the poor is not immediately apparent.

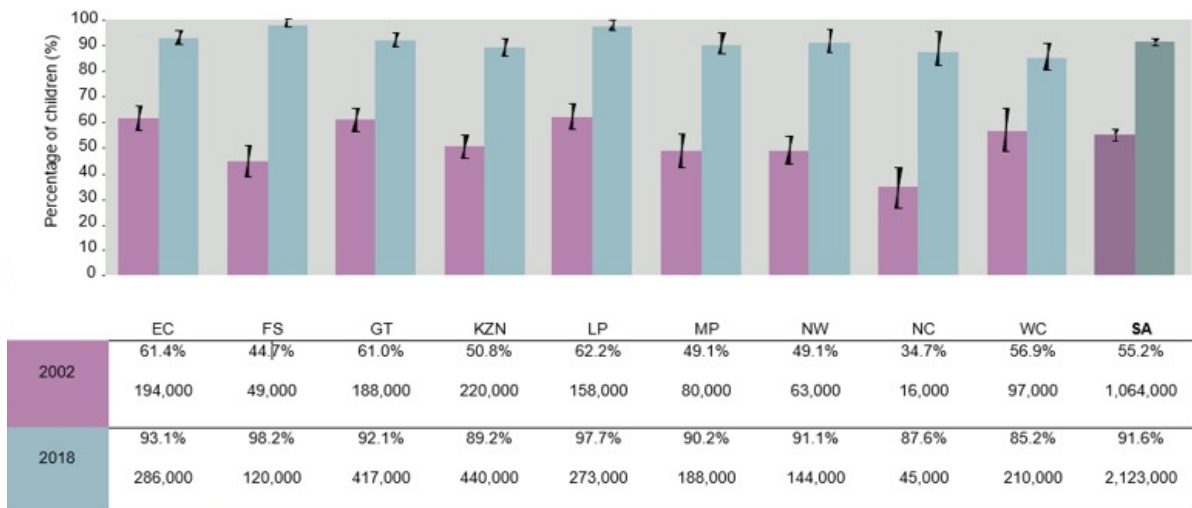
The system of human capital development spans early childhood development (ECD), basic education, post school education and training and health of South Africans.

In terms of ECD services for children between 0 to 4 years (currently under the responsibility of the Department of Social Development), a total of 952 802 children had access to registered ECD services. Cumulatively, about 3 197 822 children have accessed ECD services by March 2021, almost reaching the target of 3.6 million children accessing ECD services by 2024.



For children aged 5 to 6 years attending school or ECD (the cohort that falls under the Department of Education), the GHS 2020 shows enrolments had grown to 89,2% for 5-year old and 96,3% for 6-year old children as per the figure below.

Figure 6: Children aged 5 - 6 years attending school or ECD facility by province (2002 & 2018)



Source: Statistics South Africa (2003; 2019) *General Household Survey 2002; General Household Survey 2018*. Pretoria: StatsSA. Analysis by Katharine Hall and Winnie Sanyu, Children's Institute, UCT.

There are still 10,9% of 5-year-old and 3.5% of 6-year-old children who are not enrolled in educational institutions. The system still needs to expand to reach near universal access for the 5-year-old children.

The National Senior Certificate results overtime had improved slowly from 70,7 in 2015 to 81,3% in 2019 . In addition, international assessments show the sector was improving pre-Covid-19 disruptions at grade 9 but lagging at grade 5. The 2020 Trends in International Mathematics and Science Study (TIMSS) results show the grade 9 learners performance improving from 372 and 358 in 2015 to 389 and 370 in 2019 in

Maths and Science respectively. However, TIMSS grade 5 results show that the average scores achieved are 374 and 324 for maths and science respectively. Maths results show a slight drop from 376 in 2015. Both results are below the 2023 target of 426, basically meaning the MTSF Grade 5 TIMSS mathematics score target of 426 in 2023 does not look attainable.

Proxy for quality education is tracked through the number of learners achieving 60% and above in Maths and Science in grade 12. Passes in Mathematics and Physical sciences are still lower than the numbers that passed in 2017.

Figure 7: No Passes in Mathematics and Physical sciences

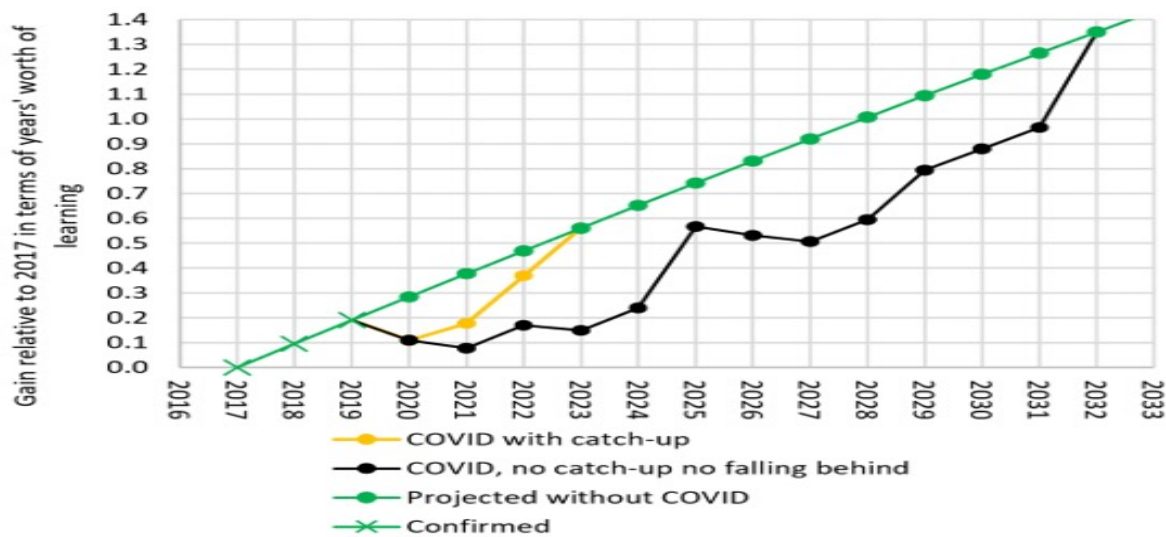
	Mathematics			Physical Science		
	No wrote	No passed at 60% & above	%	No wrote	No passed at 60% & above	%
2017	245 103	32 071	13,08	179 561	29 208	16,26
2018	233 858	28 152	12,03	172 319	30 369	17,62
2019	222 034	23 796	10,7	164 478	32 572	19,8
2020	233 315	30 882	13,2	174 310	26 641	15,28

Source: Compiled from DBE NSC examination report, 2020.

Disruptions in academic programmes as result of the Covid-19 have caused unprecedented havoc, some of which will take a number of years to recover from the resultant lost learning. According to the NIDS-CRAM Wave 4 report, in

2020 learning losses in no-fee primary schools ranged between 50% and 80% when compared to 2019. Recovering the lost learning will be a mammoth task to achieve. The graph below shows the impact of Covid-19 on grade 12.

Figure 8: Projected impact of Covid-19 on Grade 12



Source: Paper by Gustafsson and Nuga-Deliwe

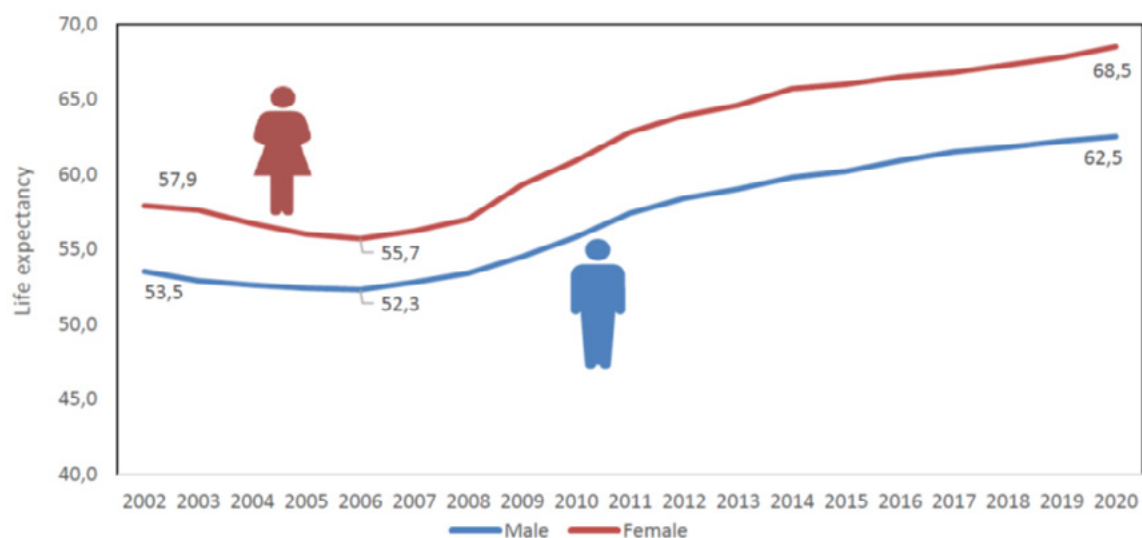
With concerted effort it will take around three years to recover lost learning. On the other hand, if the country opts not to do anything drastically, recovery will be achieved only in 2032. Clearly the 'to do nothing' option is unacceptable particularly for an education system that still has much to do to achieve better educational outcomes.

In the Post School Education and Training (PSET) access has continued to increase with many more students attending the University and TVET sectors. Student enrolments at public universities, reached 1 085 522 in 2020 (not audited), reflecting a 1% (10 610) increase when compared with 2019 (1074 912).

For the health sector, the NDP 2030 envisions a health system that works for everyone, produces positive health outcomes, and is accessible to all. By 2030, the NDP 2020 requires that South Africa should have: (a) raised the life expectancy of South Africans to at least 70 years; (b) produced a generation of under-20s that is largely free of HIV; (c) reduced the burden of disease; (d) achieved an infant mortality rate of less than 20 deaths per thousand live births, including an under-5 Mortality rate of less than 30 per thousand; (e) achieved a significant shift in equity, efficiency and quality of health service provision; (f) achieved universal coverage; and (g) significantly reduced the social determinants of disease and adverse ecological factors.

The current situation with regard to life expectancy according to StatsSA data places South Africa's Life Expectancy (LE) at birth at 62,5 years for males and 68,5 years for females. This indicated that the average LE of South Africans was 65,5 years in 2020 against the MTSF target of at least 70 years by 2030. The figure below shows Life Expectancy by sex over time, 2002-2020.

Figure 9: Life Expectancy by sex over time, 2002-2020



Child indicators are however moving in the opposite direction to the MTSF targets with the 2020 figures reflecting a worsening pattern. In 2020, StatsSA estimated South African's Infant Mortality Rate (IMR) as 23,6 deaths per 1,000 live births and the under-5 mortality rate (U5MR) as 34,1 deaths per 1,000 live births compared to 2019, when the country's IMR was 22,1 per 1,000 and the U5MR was 28,5 per 1,000. The MTSF target is that the country's IMR must decrease to less than 20 deaths per 1,000 live births by 2024 and the under-5 mortality rate to less than 25 deaths per 1 000 live births by 2024.

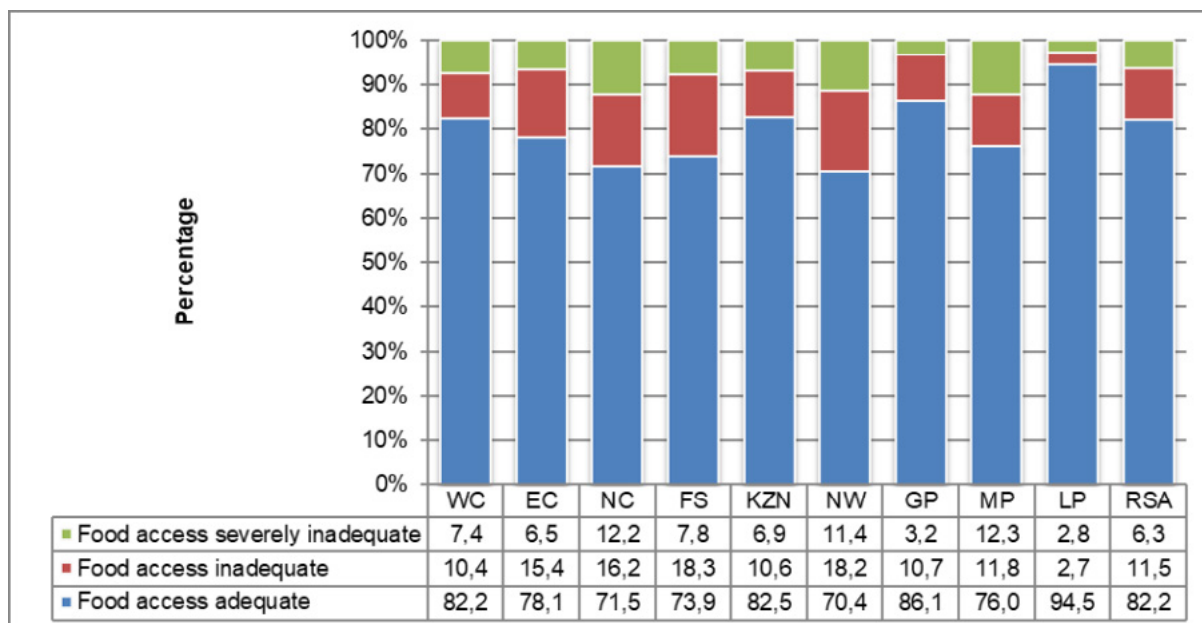
Trend data from the District Health Information System shows a stagnating trend of children under-5 who die from severe acute malnutrition. The child under-5 severe acute malnutrition case fatality rate was at 7,1% for the period October 2020 to March 2021, and 7,2% for the year 2020/21. The 2018 baseline figure for

this indicator was also 7,1%. The MTSF target is <5% by 2024.

The above measures track the clinical management of children under-5 with severe acute malnutrition in health facilities, and trace the proportion that die from this condition, but the root cause of this situation is food insecurity and malnutrition arising from crippling poverty.

In this regard, the General Household Survey (GHS) 2019, released by StatsSA in December 2020, found that 12,3% of households in Mpumalanga Province experienced severely inadequate access to food. This was double the average figure of 6,3% for the entire country. The KZN figure was 6,9%, in the same range as the national average of 6,3%. Only 76% of households in Mpumalanga Province were found to have adequate food access, which was lower than the national average of 82,2%.

Figure 10: Access to Food (GHS 2020)



Source: StatsSA: General Household Survey (GHS) 2020

The deepening of poverty is reflected in the percentage of the population living below the upper-middle-income-country poverty line which is projected to reach 60% in 2020. Poverty is also strongly intergenerational and upward mobility is limited. Children of parents in the poorest quintiles are 95% more likely to remain in poverty and 60% of South African children were living below the upper-bound poverty line in 2018. These children not only experience poor health, inadequate nutrition and poor services, they also do not have access to the economic, cultural and social capital that might improve their education and employment prospects. Indeed, “inequality sets in at a very young age” (MISTRA - Indlulamithi South Africa Scenario 2030 workshop discussions 2019).

According to the UNDP Human Development Report (2020), South Africa’s Inequality Adjusted Human Development Index regressed to 0.468 from a baseline of 0.629. That is, a 25.6% regression. The 2019-24 MTSF target is to improve this Index by 10% from 0.629 to 0.69 by 2024.

Social Protection

A comprehensive, inclusive and responsive social protection system ensures the resilience of citizens and protects them from the ravages of extreme poverty and hunger. It is in this context that the National Development Plan positions social protection as a critical part of public policy in providing support that reduces vulnerability, alleviates and ultimately prevents poverty, and empowers individuals, families and communities through a range of social development services.

South Africa has one of the most comprehensive and expansive social protection systems when compared to other developing countries and even some developed economies. According to the SOCPEN, about 18.4 million (18 488 359) social grants were paid out. The total value of the grants is estimated at R15,3 billion per month. Over 18 million social grants are paid to approximately 12 million social grants beneficiaries (adult recipients) every month. As of March 2021 about 87% of eligible children received Child Support Grant; about 94% of persons with disability received disability grant in the financial year 2020/21.

The table below shows the grant type and beneficiary coverage.

Figure 11: Grant type and beneficiary coverage

Grant type	Amount	Numbers of beneficiaries
State Old Age Grant	R15 billion	3.55 million
Disability	R4.5 billion	1.04 million
Foster care	R0.92 billion	0.39 million
Child Support Grant	R18.4 billion	12.8 million
SRD grant	R1.1 billion	million

Source: SASSA 2021

For the period under review, the various food and nutrition security initiatives for vulnerable individuals and households, reached 2 129 001 households who accessed food parcels through DSD provincial feeding programmes. In addition, SASSA also disbursed the Social Relief of Distress (SRD) grants to about 6, 2 million unemployed abled-bodied persons who are not beneficiaries of any other grant from the state. The distribution of social assistance, including the SRD grant, meant to relieve extreme poverty and vulnerability, remains well targeted although some argue that these measures are not.

South Africa, therefore attempts to tackle inequality and poverty through various forms of social grants and through subsidised and free basic services and housing, and cheaper or free education. While these are important and necessary, high levels of unemployment, a comparatively small tax base and a currently stalled economy are the main drivers limiting the potential for social mobility.

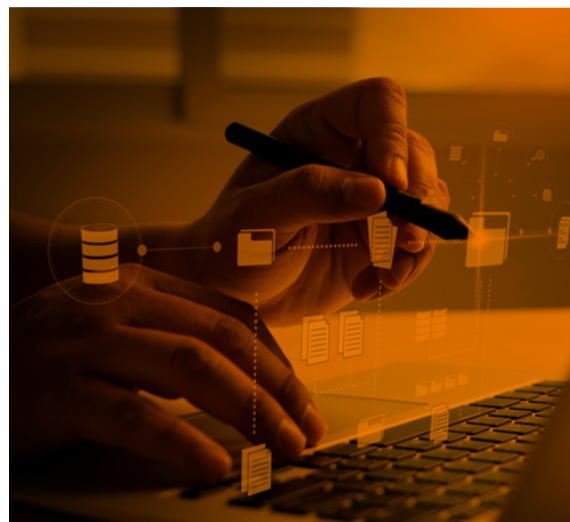
Assets and access

Overall inequality will also remain entrenched, driven by inequality in assets and access. Only about 10% of land has been transferred to black owners since 1994, as programmes of restitution, redistribution and policies to improve security and fairness of tenure have floundered, due to lack of funds and high levels of corruption and inefficiencies. A key criticism levelled against government is that land reform is often negotiated through elite competition between

traditional leaders, commercial farmers and the state, with little participation or gains for those whose land rights are most insecure. In this context the rural poor in particular continue to be ruled as subjects rather than being treated as citizens and their security of tenure remains precarious. Whether true or not, this perception persists and needs to be taken seriously.

In the urban context, the Department of Human Settlements' Housing Needs database shows that over 1.7 million households are located in informal settlements and the slow pace of upgrading of these settlements is prolonging the harsh living conditions experienced by these communities and entrenching their vulnerability.

Equally important is the registration and issuing of title deeds to beneficiaries of state-subsidised housing. Title deeds offer security of tenure which offers protection and contributes to functioning housing markets by enabling the efficient and optimal use of land and real property resources. This potential is being severely compromised by the slow pace of issuing of title deeds.



Improved capacity to deliver basic services and quality infrastructure by municipalities to increase household access to basic services is also a critical set of provisions to citizens, particularly to poor households to maintain a decent standard of living. While access has been improving, the serious systemic malfunction is the frequent and lengthy disruptions in the supply of services, and in a number of cases, a complete collapse of services. This is as a result of the neglect and failure by municipalities to maintain, refurbish and upkeep vital infrastructure. This coupled with a crisis in governance, poor leadership, skills gaps and lack of competence and a crippling financial crisis brought on by abuse of finances and the burgeoning debt owed to municipalities places many municipalities in the position of near collapse. Municipal debt has ballooned from R191.5 billion to R230.5 billion in just six months between June and December 2020; an increase of about R39 billion with households accounting for over 72% of this debt. Of the total debt owed, R192.7 billion is over 90 days old and is considered to be unrecoverable (National Treasury, 2020)

Human settlement planning and housing provision too have a key role to play in addressing poverty, creating employment, improving socio-economic conditions and creating sustainable futures. Spatially human

settlements development is an enabler for economic empowerment (ensuring access to jobs or business opportunities), greater social cohesion and reducing income inequality, not excluding its contribution to stimulating the construction sector. With regard to the latter, human settlements programmes contribute approximately 7% to the construction industry and about 5% in the total employment.

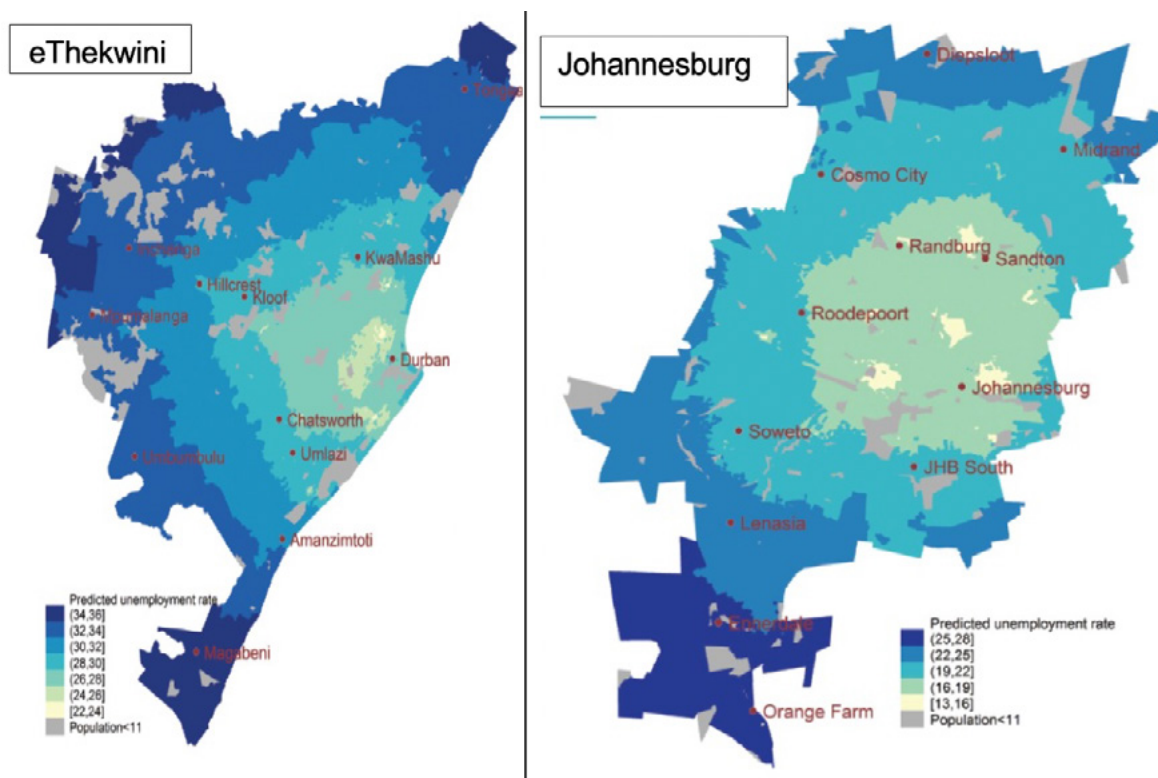
Notwithstanding the provision of shelter and security to millions of South Africans over the past decades and being acknowledged as one of the biggest state housing development programmes globally, massive spatial injustices still persist. While human settlements planning and development can be an effective catalyst for spatial transformation, it has in reality reinforced the Apartheid legacy of a mismatch between where people live and work. As a result, the poor have often been settled on the periphery of towns and cities and as result bear the burden of huge costs in terms of transport and travelling time.

The figure below illustrates the mismatch between jobs and places of residence in eThekweni and Johannesburg (SERI 2016). The darker blue shaded areas are where most of the poor and mostly Black families live and who experience higher rates of unemployment.





Figure 12: Mismatch between jobs and places of residence



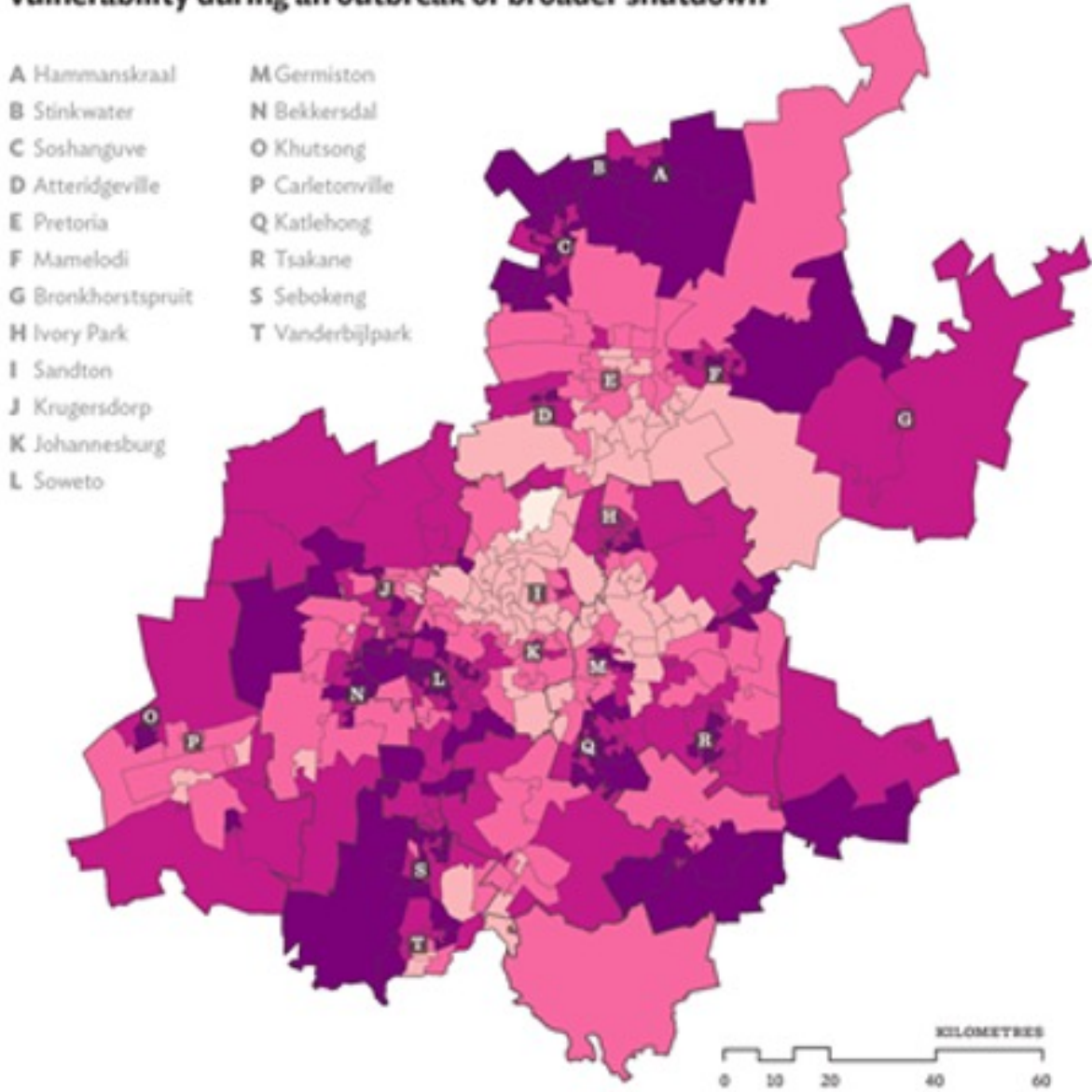
The Covid pandemic also elevated some of the issues around increased vulnerability as a result of living conditions, where not density per se, but rather overcrowding and inadequate infrastructure services contributed to community level risk and vulnerability to the spread of the disease. Vulnerability mapping done by the Gauteng City Region Observatory focused strongly on risks associated with

inadequate access to and affordability of health care drawing from the Provincial Quality of Life survey and revealed a strong correlation between informal and low-income settlements (the darker shades) and community-level vulnerability to COVID³. For example, areas like Hamanskraal (A) have a risk factor of between 45 and 60 percent during an outbreak.

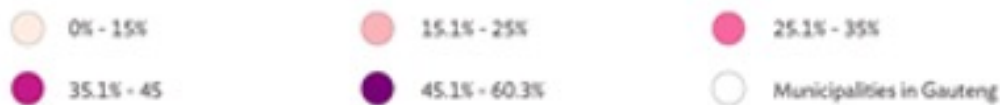
³ Statistics South Africa also undertook vulnerability mapping focusing on a different range of demographic and social indicators such as age profile of the household, residential occupancy, access to private transport and use of chronic medication as a proxy for existence of co-morbidities. Granularity of the data however makes it impractical to display at a national or provincial level. Information can be accessed via a dashboard on the StatsSA website.

Figure 13: Community-level vulnerability to COVID in Gauteng

COVID-19: Index of risk factors that increase health and social vulnerability during an outbreak or broader shutdown GCRO



Risk factors: the percentage of residents per ward who have poor or very poor health, have no medical insurance, face hunger, have pre-existing health conditions, find it difficult to save money and failed to find health-care when they needed it



Data Source GCRO QoL V (2017/18)

Spatial inequality is unquestionably one of the major policy issues confronting the country. The NDP Vision 2030 identifies a direct link between our inherited colonial and apartheid spatial patterns and the stubborn persistence of poverty, inequality and economic inefficiency. To address the historical spatially-grounded injustice, the NDP calls for the urgent, well-planned and systematic pursuit of national spatial transformation, which takes account of the unique needs and potentials of different rural and urban areas.

Concluding the National Spatial Development Framework and embedding it in the government system is paramount to guide and inform all government investment decisions and ensure that inherent spatial risks and vulnerabilities are systematically addressed while confronting spatial injustice in decisive ways. It is expected that the District Development Model would guide and support strategic intervention that considers the overall national priorities and urgent actions as well as local specific endowments, vulnerabilities and opportunities, addressing social as well as economic development needs. Similarly, and considering that human settlements can be a powerful catalyst for spatial integration, the designation of 136 Priority Human Settlements and Housing Development Areas is an important step towards overcoming the problem where housing developments and settlements planning reinforce and perpetuate apartheid spatial patterns. The key issue to resolve is how these separate initiatives come together and coalesce around a coherent spatial and territorial policy and implementation framework. Failing this, there is a danger of duplication, fragmentation and misalignment of form and content.

Social Cohesion

Social cohesion in its various dimensions is Social cohesion in its various dimensions, if not addressed – be it through reconciliation, or addressing inequality, or crafting a national identity, or rural/ urban divides – our economic development strategies will flounder.

The Constitution and the NDP 2030 envisions a socially cohesive, non-sexist, non-racist, equal and safe South Africa; a country where South Africans will be more conscious of the things they have in common than their differences, where people are and feel safe at work, at home, at school and they enjoy a community life free of fear. Social cohesion has various dimensions and is strongly shaped by disparities in income and wealth, and levels of interpersonal and intergroup trust. Crime rates and frequencies of violence, overall wellbeing and the general health of populations are also intersecting aspects reflective of levels of social cohesion.

Research by the Mapungubwe Institute for Strategic Reflection (MISTRA) informing the Indlulamithi South Africa Scenarios 2030, suggests that inequality and poverty might be the most significant spur to a lack of social cohesion and fuels social and political unrest. For many analysts, South Africa will remain the global leader in terms of income inequality unless the spatial inequalities, weak public sector administrative and governance capacity and an education system, which prevents upward mobility by denying the poor access to higher skilled, and better paid, jobs, are thoroughly addressed. According to the UNDP Human Development Report (2020), South Africa's Inequality Adjusted Human Development Index regressed to 0.468 from a baseline of 0.629. That is, a 25.6% regression. The 2019-24 MTSF target is to improve this Index by 10% from 0.629 to 0.69 by 2024.



A safe and secure country encourages economic growth and transformation and is therefore an important contributor to addressing the triple challenge of poverty, inequality and unemployment. Crime in South Africa has occupied centre stage on the public agenda, especially serious and violent crime including Gender Based Violence and Femicide (GBVF). In general people, particularly vulnerable groups such as women, children, the elderly and people with disabilities, live in fear and feel unsafe. Moreover, racism, racial discrimination, xenophobia and related intolerances are

also negatively impacting on the safety of communities and levels of social cohesion.

The cumulative effect of the above is shown in the evidence from the Brand South Africa, National Omnibus Survey, 2020. The survey shows that the Social Cohesion Index has declined sharply from 80% in 2019 to 62.7% in 2020 and that a lower percentage of citizens are showing a strong devotion to the country than in 2019 (from 82% in 2019 to 68% in 2020).

OVERVIEW OF THE 7 PRIORITIES: INTENT AND PERFORMANCE AGAINST TARGETS

The 2019-24 MTSF with its seven Priorities is intended to deal with the above confluence of challenges confronting the nation; inadequate economic growth, widespread unemployment, sharp inequalities, low levels of fixed investment and frail levels of social capital. Collectively, these are having a major impact on the living standards, safety, education and health of our people.

The 2019-24 MTSF has a cumulative set of 375 targets across the 7 Priorities. Since its formal launch in February 2020 (that is a year later), 210 (or 56%) targets are on track and 165 (44%) targets are lagging as at March 2021.

With respect to the lagging targets, it is important to keep in mind that this is not to suggest that no progress has been made on the targets that are lagging. Moreover, reasons (including the onset of the Covid-19 pandemic)

for lagging performance along with remedial recommendations are provided in the detailed Priority reports in the sections to follow.



Figure 14: Summary of Priority Targets on track and lagging

Priority	Number of Targets	Targets on track	Targets lagging
Priority 1 – Building a Capable, Ethical and Developmental State	33	25	8
Priority 2 – Economic Transformation and Job Creation	55	30	25
Priority 3 – Basic Education	27	19	8
Priority 3 - Skills	32	18	14
Priority 3 - Health	21	11	10
Priority 4 – total	20	8	12
Priority 5 – Environmental management and climate change	18	8	10
Priority 5- Rural economy	10	4	6
Priority 5 – Human Settlements	13	5	8
Priority 5 – Basic Services	25	12	13
Priority 6 - Social Cohesion	59	35	24
Priority 6 - Safer Communities	44	26	18 (3 not yet due for measurement)
Priority 7 - A Better Africa and World	18	9	9
Total:	375	210	165

Priority 1 underpins all seven priorities of the MTSF, and it envisions a government with strong leadership, a focus on people and improved implementation capability. As part of its strategic intent, Priority 1 is concerned with facilitating the vision of strong leadership in action which will involve a transition to a more functional and integrated government, that is capacitated with professional, responsive, and meritocratic public servants to strengthen relations and efficiency. Intergovernmental and citizen engagements are also key enablers to this priority to ensure the joint pursuit of a capable state. The District Development Model (DDM) is central to the delivery of the government priorities, and this priority commits to the clarification of DDM institutional arrangements and related monitoring and evaluation systems. The impact it seeks to achieve is to deliver public value and trust as well as an active citizenry and partnerships in society. Priority 1 has a total of 33 targets for 2024, of which 25 are on track and 8 are lagging.

The targets not on track and thus of concern include clarifying institutional arrangements for the DDM, and the ones relating to improvement in qualified audit outcomes

in national and provincial government and municipalities as well as curbing irregular and wasteful and fruitless expenditure in the public sector as whole.

The resolution of the triple developmental challenge in South Africa will require faster inclusive and inclusive economic growth. Hence **Priority 2** seeks to achieve sustainable long-term growth to reduce unemployment, through both broad structural reforms as well as targeted interventions. This is to be made possible through transformative innovation, 4IR, supporting small businesses, infrastructure development, overcoming existing challenges with SOEs and ensuring a supportive macroeconomic environment for investment. This in turn is expected to bolster industrialisation, localisation and increased exports, thus enabling government to achieve the target of creating at least 2 million jobs and grow the economy by at least 2-3% in the medium-term and broadening opportunities and employment for women, the youth and people with disabilities through dedicated economic inclusion. The progress against this ambition remains difficult as was shown in the section on National Development.

Of the 55 targets for Priority 2 (Economic Transformation and Job Creation), twenty-five (25) are lagging. The targets that are not

performing as expected and thus of concern are as follows:

- Improve overall ranking to within the top 50 countries by 2024. SA's current ranking is 84, although it must be noted that reforms will take time to reflect in the ranking.
- Skills Priority Plan developed by 2020, this deadline has been missed but work is currently gaining momentum with the Skills Strategy under consultation.
- Financial sector code reviewed and implemented by end of 2020. This target has been missed however engagements with Financial Sector Transformation Council are being revived.
- Compliance with government spend on designated products and services, currently stands at 80% against a target of 100%.
- Gross expenditure on research and development as a percentage of GDP has declined from 0.83% in 2017/18 to 0.75% in 2018/19, the lowest level since 2013/14. MTSF target is 1.1% of GDP by 2024.
- 200 000 competitive small businesses and cooperatives supported by 2024, only 34 299 were supported during 2020/21 financial year, therefore this target is unlikely to be reached by 2024. Budget cuts affected this target and it has been revised downward in the new MTSF.
- The number of incubation centres and digital hubs established remains low against the MTSF target of 270 by 2024. The target has also been revised downward in the new MTSF.
- Against a target of 100 000 youth business start-ups supported per annum, only 10 630 were supported. This target has been revised downward in line with SoNA pronouncements.
- Telkom has interdicted the auctioning of High Demand Spectrum and spectrum for Wholesale Open Access Network (WOAN), the matter is set down for 26 to 29 July 2021. The 5G policy direction could be affected by the outcomes of the litigation. Although the Broadcasting Digital Migration is a legacy project, some work appears to be forging ahead. The SA connect program has been reduced by well over 75% due to budgetary constraints.
- The current Energy Availability Factor (EAF) is 65%. This is 10% below the baseline and the 80% target.
- Load shedding is an on-going concern. Delays in completion of Medupi and Kusile have a direct impact on the reserve margin.
- The review of NERSA was set to be completed by the end of 2020. This has not been undertaken.
- The final investment decision to proceed with the new oil refinery set to be completed by the end of 2021 has not been made, affecting the finalisation of the feasibility study.
- Reducing the period for granting water use license applications by 50% has not been achieved. Noting the challenges, the DWS has engaged Operation Vulindlela to review the business process, and it is expected that the review will be completed by June 2021.

-
- The Economic Regulation of Transport (ERT) Bill has been submitted to Parliament and is awaiting approval. The target to finalise the Bill has, therefore, been missed.
-
- In terms of provisional road maintenance performance for 2020/21 125km of road was resealed, with only 77km strengthened and improved. This performance is poor given the target of 20 000km of road networks that need to be maintained and refurbished
-
- The private sector participation framework has been drafted. However, implementation has not yet commenced.
-
- The funding model for the Gauteng Freeway Improvement Project (GFIP) has not been finalised
-
- Transnet National Ports Authority Corporatisation has not been completed by 2020. The Department of Public Enterprise (DPE) is leading the consultation process and determination of options.
-
- Targets for hectares of land distributed to women, youth and persons with disabilities have not been achieved.
-
- Preferential procurement targets a minimum of 40% for women, 30% for youth and 7% for persons with disabilities.

The strategic intent of **Priority 3 (Education, Skills and Health)** is to develop the human capital of South Africa by investing in education, training and health of its citizens. Government investment in developing the capabilities of South Africans extends from early childhood development (ECD) through to skills development and quality health. Investments in human capability covers the life cycles of South Africans and building the capabilities of South Africans, developing their social assets, and will ultimately addressing the triple challenge of poverty, inequality and unemployment.

To build effective capabilities, access to quality ECD is needed for all children, especially those in vulnerable groups. Access to quality ECD needs to be supplemented with quality schooling that leads to effective post-school education and training (PSET). The country must address structural barriers in tertiary institutions, while making dedicated investments to ensure labour activation. These need to happen in tandem with skills review processes to ensure appropriate improvements in learning and skills levels.



Among the 8 targets that are not performing as expected and thus of concern in the Education component of Priority 3 are as follows:

- The targets that are expected to transform the education system to develop the capability of learners with different skills such as the full implementation of the three stream model, the focus schools are not fully implemented and the enabling condition of training teachers to operate in this new environment is not proceeding rapidly enough.

- Secondly, quality at Foundation Phase is stalling as shown by the performance in Grade 5 Maths, meaning interventions that have improved performance thus far need to be augmented to create another momentum for increased performance.

- Loss in learning during Covid-19 has worsened the challenge facing the sector.

- Infrastructure challenges that the state has not tackled efficiently and effectively was worsened by budgets being diverted to deal with health protocols..

- Unequal access to school connectivity illustrates the state taking longer to implement its goals and in the process cementing inequality.

In the PSET component, thirteen (13) of the 32 targets are lagging. Among the targets that are not performing as expected and thus of concern are the following important ones:

- Access to TVET colleges is not reflecting the NDP targets, CET is inadequately responding to the need of NEET, and not much is being achieved to ensure students gain necessary experience through work-based learning and access for artisanal training.

- The system's efficiency remains a challenge in respect of the production of NC(V), GETC, number of artisans and SETA supported programs.

- Skills needed to support the knowledge economy remain constrained.

- Overall, the responsiveness of the PSET system remains a challenge as shown by the low number of artisans trained in centres of specialisations and the failure of CET to accommodate those in the NEET category.

At the same time, South Africans also depend on improvements in the health sector. Health is a key human capability, which affects the quality of life and productive capacity of South Africans. It is therefore a socioeconomic right of South Africans and impacts on our development and growth prospects.

The NDP espouses a vision of a health system that works for everyone and produces positive

health outcomes, and is accessible to all. The Plan asserts that by 2030, South Africans should have first and foremost a raised the life expectancy to at least 70 years; a generation of under-20s that is largely free of HIV, and achieve a significant shift in equity, efficiency and quality of health service provision, amongst other things. The overarching outcome that the country seeks to achieve is *A Long and Healthy Life for All South Africans*.

In the Health component, ten (10) of the 21 targets are lagging. The targets that are not performing as expected and thus of concern are as follows:

- National Health Insurance (NHI) Fund operational by December 2020; and NHI Fund purchasing services by 2022/22

- 80% of public sector facilities implementing the National Quality Improvement Programme (NQIP) by 2022/23; and 100% of public sector facilities implementing the NQIP by 2024/25

- 3,467 Primary Health Care (PHC) facilities (100%) attain and maintain their Ideal Clinic status by 2024

- TB treatment success rate of 90% achieved by 2022, which must increase to 95% by 2024

- 90% of HIV positive people are initiated on ART by 2020; and 95% of HIV positive people are initiated on ART by 2024

- 30 million HIV tests conducted annually by 2024

- 90% of children under 1-year of age immunized against vaccine preventable diseases by 2024

- Severe acute malnutrition case fatality rate of <5% amongst children under-5 achieved by 2024

- Pneumonia case fatality rate of <1% amongst children under-5 achieved by 2024

- Diarrhoea Case Fatality Rate of <1% amongst children under-5 achieved by 2024

South Africa is a highly unequal society, characterised high levels of unemployment, poverty and hunger. **Priority 4** (Consolidating the Social Wage through reliable and quality basic services), supports the NDP's positioning of social protection as a critical part of public policy providing support that reduces vulnerability, alleviates and ultimately prevents poverty, and empowers individuals, families and communities through a range of social development. This is given effect through the formation of a social protection floor and a comprehensive, inclusive and responsive social protection system geared to ensure the resilience of citizens and protect them from the ravages of extreme poverty. Priority interventions in the current term therefore is about addressing social grants exclusion errors; increasing the UIF coverage; supporting child-headed families through social security; and finalising a comprehensive policy on social

security that will include low-paid workers and informal traders, as well as pregnancy and maternity benefit schemes.



Of the 20 targets for Priority 4, twelve (12) are lagging. The targets that are not performing as expected and thus of concern in Priority 4 are as follows:

- 10% increase in the number of people accessing substance abuse prevention programmes by 2024
- 53 new ECD centres constructed by 2024
- 656 ECD centres maintained/upgraded by 2024
- Amendment of legislation to regulate the new ECD land scape
- Develop new funding models for ECD delivery.
- 10% of households profiled are empowered through sustainable Livelihood programmes
- 2% of CSG recipients below 60 linked to sustainable livelihoods opportunities by 2024
- Reduce household vulnerability to hunger to 5.7% by 2024
- Integrated social protection information system fully operational
- 4 500 000 newly registered employees by the Unemployment Insurance Fund (UIF)
- Develop new funding models for ECD delivery.
- 80 % of eligible children between 0-1 year receiving the CSG

While the country has made some major gains with regards to the provision of shelter and basic services such as electricity, water and sanitation, challenges remain. Further, the majority of people based in the rural areas remain excluded from the mainstream economy. **Priority 5**, aims to address the country's spatial planning systems which remain fragmented and disjointed, environmental management and climate change, and revitalisation of the rural economy through agrarian reform. Another area of concern that requires intervention is the form and location of land developments, where human settlement projects and informal settlement upgrades rarely respond directly to government's intent of spatial integration and spatial justice.



Of the 18 targets for the Environmental Management and Climate Change component of Priority 5, ten (10) are lagging. The targets that are not performing as expected and thus of concern are as follows:

- Timeous processing of Atmospheric Emission Licences affected due to lack of resources

- Development and implementation of sector plans to reduce vulnerability to risks associated with climate change

- Assessment study and recommendations for 44 Disaster management plans undertaken and finalized

- Municipal preparedness to deal with climate change, while no progress update was provided, based on the Department's review of the 10 IDPs per district

- Just transition to a low carbon economy, the Department has developed 5 transition plans, however none of the 5 has been implemented

- 850 wetlands to be rapidly and intensively rehabilitated and restored, 114 wetlands rehabilitated

- 3 mine water/ wastewater management plans implemented

- 65% level of compliance of water users in various sectors monitored for compliance with water use licenses

- NAQI of less than 1 has not been achieved, The NAQI was 1.3 and reported as part of the National Air Quality Officers' report. Data recovery has improved significantly, and this NAQI is a true reflection of the air quality in the country.

- For rehabilitation and restoration of land, a cumulative total of 13955,65 ha was achieved against the annual target of 21 686 ha, (64%).

- Of the 10 targets for the Rural Economy component of Priority 5, six (6) are lagging. The targets that are not performing as expected and thus of concern are as follows:
 - 50 000 ha earmarked for using water conservation technology agriculture methods were identified across provinces but no progress was reported

 - Increase Ha of land under cultivation in traditional areas

 - Reduction in degraded land rehabilitated to production

 - Review the inhibit standards on SAGAP and Global GAP to enable small holder farmers' participation in the domestic and global GAP. Governance and operational Review of the National Fresh Produce Markets, and Agency role in market access for small farm holders' participation

 - No agro-processing facilities were built

 - No new Farmer Production Support Units had been established due to the lockdown regulations

Of the 13 targets for the Human Settlements component of Priority 5, eight (8) are lagging. The targets that are not performing as expected and thus of concern are as follows:

- 94 implementation programmes for PDAs completed

- 30 000 social housing/rental housing units in PDAs

- 12 000 community residential units (CRU)/ rental housing units in PDAs

- 1 500 informal settlements upgraded to Phase 3

- 45 535 pre-1994 title deeds registered

- 500 845 outstanding post- 1994 title deeds registered

- 346 842 outstanding post- 2014 title deeds registered

- 300 000 new title deeds registered

Of the 25 targets for the Basic Services component of Priority 5, thirteen (13) are lagging. The targets that are not performing as expected and thus of concern are as follows:

- Non-grid electrification connections to be implemented in the last semester of the 2021/22 financial year.

- Assessment of water and wastewater treatment works for compliance with the Blue and Green Drop Regulatory requirements, was not completed respectively.

- Non-commencement of the 9 refurbishment projects to address the functionality component of WSAs reliability implementation plans.

- 27 District Municipalities' Five-Year Reliability Plans have not been developed.

- DWS replaced a total of 536 of 12 221 (4,4%) bucket sanitation systems in formal settlements.

- Reduction of waste generated during manufacturing and industrial process.

- 100% compliance in spatial referencing of the IPTNs.

- No rail stations modernised.

The Constitution and the NDP envisions a socially cohesive and safe South Africa and this will require a series of intersecting interventions through which an inclusive and united nation can be achieved. Priority 6 envisions a diverse, socially cohesive and inclusive society with a

common national identity, safe and free from crime and the social divisions of class, religion, sex, culture, gender, race, ethnicity and other social constructs.

To achieve this vision, a democratic culture of participation and equality must be instilled with dedicated interventions to address actions that undermines these values. Social cohesion and safer communities require strengthening criminal justice platforms, police services and community participation in public policing; reducing corruption and organised crime; defending and securing cyberspace and rehabilitating of offenders.

Of the 59 targets for the Social Cohesion component of Priority 6, twenty-four (24) are lagging of which 15 are critical and the remainder are operational. The 15 critical targets that are not performing as expected and thus of concern are as follows:

- Targets related to employment equity were not met. Employment Equity Act to be amended and enacted by 2024; and 1812 designated employers subject to the DG review process in order to enforce compliance with the Employment Equity Act by 2024.
- The Development and management of 27 Provincial Resistance and Liberation Heritage Route (RLHR) Sites.
- 100% of public schools reciting the Constitution in the School Assemblies by 2024.
- Hate Speech and Hate Crimes Bill enacted by 2020.
- Coordination and the implementation of the NAP Action Plan to combat racism, racial discrimination, xenophobia and related intolerance.
- 100% infrastructure upgrade of national archives by 2024.
- 36 Government departments and public entities monitored to implement the Use of Official Languages Act by 2024.
- Slow transformation in sport and recreation targets.
- Participation in sports particularly in schools.
- 30 Outreach initiatives to change behaviour in relation to gender and xenophobia
- 32 Workshops to advance knowledge of National Symbols, including the Flag by 2024.
- Mzansi Golden Economy programme and the production of films and documentaries telling the SA story, including the history of liberation were not met, because the industry could not operate optimally due to Lockdown regulations. As a result, against a target of 264, only 14 MGE projects were implemented.
- 400 Curriculum specialists, teachers, examiners and moderators were not trained on the revised History Curriculum Policy.
- 80% Training of SGB members on school policies and code of conduct.
- The BrandSA's marketing platforms utilised to promote constitutional awareness per annum could not be implemented.

Of the 44 targets for the Safer Communities component of Priority 6, eighteen (18) are lagging and three (3) are not yet due for measurement. The targets that are not performing as expected and thus of concern are as follows:

- Freezing of money and assets that are the proceeds of crime: R2.4 billion annually (R12 billion over 5 years)
- Recovery of money and assets that are the proceeds of crime: R1.4 billion annually (R7 billion over 5 years)
- SA's border effectively defended, protected, safeguarded and secured: BMA established by 2020 and operational by 2021 at 11 Ports of Entry and 5 segments of the land line as well as 1 Community Crossing Point (BMA fully operational by 2024)
- Reduce drug syndicates through the implementation of the Narcotics Intervention Strategy and the revised National Drug Master Plan.
- Reduction of organized criminal groups and gangs (incl. implementation of the National Anti-Gang Strategy).
- Percentage increase in households who felt safe walking alone in their areas of residence during the night (STATSA)
- Reduction in violence against children: 6.7% reduction per annum
- Community in Blue Concept implemented in nine provinces by 31 March 2021.
- Traditional Policing Concept implemented in KwaZulu-Natal, Eastern Cape, Limpopo and Mpumalanga by 31 March 2023.
- Safer City Framework implemented at 10 pilot cities by 31 March 2021
- Perception of increase in police visibility in the Top 30 police stations.
- Percentage of victims satisfied with their interaction with the police (based on call backs) to a sample of victims in each police.
- Effective identification, tracking and management of all persons within the Criminal Justice System
- Architecture/design of the Integrated Cybersecurity Centre completed and approved.

Policy uncertainty in international relations is affecting the country's ability to be influential, and to implement foreign policies and agreements in order to deepen integration and cooperation, particularly in the region and on the continent. The lack of a clear articulation of the country's national interests and its

stance on economic diplomacy contributes to uncertainty, affecting investor confidence and accelerating the pace of inward direct investment. Priority 7, which is concerned with building a better Africa and World, is intended to give impetus to South Africa's foreign policy aspirations.

Of the 18 targets for Priority 7, nine (9) are lagging. The targets that are not performing as expected and thus of concern are as follows:

- Growth in tourism sector resulting in economic growth: 9.9% of GDP total (against 2018 baseline) by 2024

- E-Visa rolled out to 10 countries (2020/21), E-Visa rolled out to all selected countries (106) by 2025

- Develop and implement a destination brand strategy to promote South Africa as a preferred tourism destination

- Increased regional integration and trade: Improve Regional Integration Index from 531 (SADC) to 631

- 20% of prioritised projects of the Regional Indicative Strategic Development Plan (RISDP) implemented

- Honour South Africa's obligations towards SADC and the AU including the institutions hosted in South Africa (PAP, NEPAD, APRM, AFCONE, PAUSSI) and Trans Frontier Conservation Areas (TFCA's)

- Implementation of identified Agenda 2063 Flagship Projects: Conduct Bi-annual assessment of national implementation of the 2030 Agenda

- Implementation of identified Agenda 2063 Flagship Projects: Progress of agreed partnership outcomes monitored.

- 100% compliance with international protocols and commitments

Of significance from the above is that although a 56% performance against MTSF targets has been recorded, this has not translated into any substantial shifting of the dial with respect to critical national development goals as discussed in the preceding section. This may indicate that the above targets that are deemed to be lagging are the critical targets for achieving greater impact. If found to be true, these will have to be more solidly monitored and concerted action will be required to improve performance against these targets.

As explained above, the purpose of this section was merely to draw attention to the targets that are lagging. As such it is not intended to suggest that no progress has been made, just that progress to date may not be optimal. It is

also important to note the damaging impact of the Covid-19 pandemic on the economy and social and economic position of households. Key government programmes were affected during the lockdowns as focus and funding shifted to curbing the spread of infections and providing a raft of relief measures, mainly but not restricted to the poor and vulnerable. The detailed priority reports consider these impacts as well as other factors that may have affected performance. Moreover, mitigation measures and remedial actions to address the gaps in performance are also provided in the respective Priority reports. **Hence the detailed 7 Priority reports are an important reference to this synthesis report and should be read alongside this report.**

CONCLUSION

The foregoing 7 Priority reports provide an analysis on the implementation of the Medium-Term Strategic Framework (MTSF) 2019-2024, for the period ending March 2021. As stated in the report, overall impact may not be significant given that this is a short period (1 year of the national 5-year MTSF programme). However, the report shows that there are a number of targets that are not performing as

expected and if there is no course correction, South Africa will continue to struggle with the confluence of issues confronting the nation: “inadequate economic growth, widespread unemployment, sharp inequalities, low levels of fixed investment and frail levels of social capital” (MISTRA - Indlulamithi South Africa Scenarios 2030).

