



planning, monitoring & evaluation

Department:
Planning, Monitoring and Evaluation
REPUBLIC OF SOUTH AFRICA

MEDIUM-TERM STRATEGIC FRAMEWORK (MTSF) MONITORING PROGRESS REPORT

PERIOD: APRIL TO SEPTEMBER 2021

Mid-year report

1. INTRODUCTION

The National Development Plan (NDP) remains the blueprint for the country towards addressing the triple challenges of unemployment, inequality and poverty. The exact NDP 2030 targets are:

- **Eliminate poverty by 2030** - Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero. Raise average per capita income from R50 000 in 2010 to R120 000 by 2030.
- **Reduce inequality by 2030**. The Gini coefficient should fall from 0.69 to 0.6; Increase the share of national income of the bottom 40% from 6% to 10%
- **Increase employment** from 13 million in 2010 to 24 million in 2030.

The NDP proposes that these goals can be realised through mobilising the energies of all South Africans, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society. Informed by the NDP and the electoral mandate from the 2019 general elections, the Sixth Administration of democratic South Africa (SA) reaffirmed its commitment to tackling these NDP objectives and the President in his June 2019 State of the Nation Address announced the 7 apex priorities that will fast track the achievement of the said NDP goals 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

In October 2019, Cabinet approved the 2019-2024 MTSF, which is the government's five-year programme for the implementation of the NDP 2030 and the electoral mandate cited above. The MTSF is anchored on these 7 priorities adopted by government.

The Department of Planning Monitoring and Evaluation (DPME) conducts an in-depth analysis on progress made towards the implementation of MTSF 2019-2014 targets and appraises the Executive twice annually. This is a consolidated report on performance against the implementation of the 7 MTSF priorities for the period 01 April 2021 to period ending 30 September 2021. It is advised that the report be read in conjunction with the detailed reports of each of the seven National Priorities. The progress reflected in the different priorities considers the effects of COVID-19.

2. CONTEXT

This reporting period happened while the country and the world were still suffering from the COVID19 pandemic and its effects.

The COVID-19 pandemic caused millions of workers to lose their jobs, while the number of discouraged workers increased. The economic destruction caused by the pandemic has pushed the unemployment rate to 44.4%, when using the expanded definition that includes jobless people who have ceased seeking work (OECD 2022). Gross domestic product (GDP) contracted 6.4% even after the recent rebasing of GDP by Stats SA which found that the economy is 11% larger. Investment had been on a downward path already prior to the COVID-19 crisis, marred by policy uncertainty, inadequate and crumbling infrastructure, energy constraints, rail and regulatory restrictions in many areas, including network industries such as electric power, rail transport and telecommunications and high levels of corruption and crime. In addition, South Africa is suffering from a sustained period of low business confidence and subdued consumer spending. Stronger and inclusive growth is necessary to increase job creation and to place the government debt trajectory on a sustainable path, as well as to finance large unmet needs in education, health and social spending.

The net impact of this bleak economic outlook is that the triple challenges of unemployment, inequality and poverty identified by the NDP, remain high and will increase, unless implementation of interventions in the MTSF is fast-tracked.

3. BI-ANNUAL REPORT APRIL 2021 - SEPTEMBER 2021

3.1 THE METHODOLOGY AND PROCESS

The production of the Bi-Annual report is guided by the DPME Guideline Number 3 (2018) and the DPME note “Monitoring Implementation of the NDP 2030 through the 7 Priorities”. Both documents are underpinned by the DPME thrust, that focuses on results-based monitoring. The aim of this thrust is to track whether government interventions, programs and outputs result in the outcomes the government wants as envisaged in the NDP - the reduction in inequality, unemployment and eradication of poverty at food poverty line. The seven Priorities of government are designed to tackle these triple challenges facing the country and designated groups (women, youth and person with disabilities) are embedded in all seven priorities as a cross cutting focus.

3.1.1 MONITORING FOCUS

The Bi-Annual report focuses on the Outcomes and Impact according to ‘Green Paper - Improving Government Performance: Our Approach’. The report is answering whether government and society are reaching the NDP objectives. The Bi-Annual report investigates the extent the country is moving towards attaining the outcomes. However, outcomes have a long horizon and the report has to look at outputs and sometime at activities and inputs to analyse whether these are taking place and are aligned with the outcomes the country wants to see.

The Bi-Annual report investigates outputs, activities and inputs in order to deal with potential blockages in implementation at source. This assumes the Theory of Change is correct/appropriate, and therefore the outputs, activities and inputs are aligned to the outcomes the country is expecting. However, it should be kept in mind that Bi-Annual reports are primarily focused on the outcomes and the impact of government programs, not just whether interventions have been implemented or not. Monitoring information in this sense therefore, is used as a basis for a discussion of why programs fail to realise the envisaged output and outcome and to drive delivery performance forward.

In addition, results-based monitoring is designed to account for the use of public money in meeting outcomes the country has set. This goes beyond whether budgets are used on what was planned but whether this is done in an effective and efficient way.

3.1.2 SECTOR MONITORING ANALYSES

The report is a culmination of a series of interactions with departments that occur throughout the year, and not just during the reporting period to Cabinet as well as through participation in various committees of departments. This gives the 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, the 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.

Budget trends in each sector on big cost items are scrutinised to see whether there are adequate resources budget for and whether resources are being spent according to plan and targets. Budget trends, help to predict whether resources will be spent as planned on those big cost items according to the annual plan and whether MTSF targets have resources to meet the 2024 targets.

Delivery trends against targets set, requires Sector Monitoring to provide expert opinion on whether annual or 2024 targets will be met. The trends are used to predict whether the 2024 targets that have been set will be reached, and whether additional effort is required to meet the set targets.

No one successfully produced output can result in the outcomes that government is aiming at. Sector Monitoring analyses whether there is critical mass of outputs that will lead to the desired outcome. This is done by observing across the different sectors and priorities whether outputs are being produced to form the critical mass required for an outcome to be realised.

Geospatial analysis where possible is done to ascertain the extent to which apartheid spatial planning is being reversed. Additionally, the analysis considers the rural and urban divide to monitor the extent to which government programs change the lived experiences of South Africans regardless of where they live.

Solutions to identified challenges are then proposed based on what data is revealing as a challenge. The different dimensions in understanding challenges are looked at and solutions proposed to change reality experienced by citizens.

In addition, the DPME uses validation methods to monitor implementation and effects of government programs on recipients. The Bi-Annual Report always has a section that highlights experiences at ground level. Sector Monitoring captures onsite experiences by undertaking onsite visits to observe and interact with citizens and providers of government services. This work is undertaken in conjunction with the Front-Line Service Delivery unit of DPME. While this monitoring is not at outcomes level, it provides a view from the bottom on the effects of policy and government programs. Furthermore, it validates whether programs are being implemented as reported and identifies challenges and blockages that may exist. This analysis is never meant to be a representative sample and the observations are more of a dipstick analysis and results are treated as just indicative rather than generalisable. Analysis of site visits are supplemented through analysing case studies, survey reports and research conducted by research institutes, Think Tanks and Universities.

Some of the challenges identified by the report need a deeper analysis on why progress is limited or why there is successful implementation with the view of learning. In that case the report will identify evaluations that are needed. In this case the Evaluation, Evidence and Knowledge Systems unit working with the Sector Monitoring agree on programs to evaluate and the kind of evaluation that is required. Where research on a particular topic is best suited the Evaluation, Evidence and Knowledge Systems unit working with the Sector monitoring will commission that research.

3.1.3 COLOUR SCHEME

The Bi-Annual report focuses on the impact and outcome, however because impact requires a long horizon, the report also looks at effects, output and activities focusing on analysis of what improvement is there rather than just whether the activity took place or not. The reports go down to activity and output level to analyse whether these are occurring and whether they are likely to reach the target that has been set at outcome level.

The report has colour coding to help focus discussion on where there are challenges that Cabinet need to concentrate on. It is important to remember that DPME monitoring reports are more formative in nature rather than summative. Hence the approach is to ensure Cabinet understands and tackles blockages rather than to single out departments as non-performers.

The Bi-Annual report deals with a great number of indicators coupled with in-depth analysis. It is therefore important that data is presented in a way that is easy for the readers to focus on areas that need their attention and that analysis is presented in an easy format for readers to be engaged and still get the gist of the analysis and easily identify where attention is needed.

Therefore, the colour rating scheme in its different forms is a tool that easily shows performance against the selected targets visually and displays rating of whether there is a need to unpack the performance or an alarm needs to be sounded. It efficiently helps to track performance across many indicators providing an easy way of attracting attention without having to go through a whole report. In each priority chapter the colour coding scheme will be the same but represented differently depending on the data that is being used. Table 1 below which also gives a rough indicator on how the colour decision is made.

Table1: Colour Scheme for progress against MTSF targets

2019-2024 target has been achieved or exceeded	
Substantial progress has been made towards meeting the 2019-2024 target	
No substantial progress made towards the set target relative to the baseline or progress rate shows the 2019-2024 target will not be met.	

In addition, the reports include simple tables, line charts, bar charts and gauges so that readers can track progress. Importantly, only critical indicators are reported on, especially the impact indicators. Experts for each priority apply their judgement or knowledge to determine which indicators have a high weight and therefore receive focus in the report. While process indicators do not have the same weight as impact indicators, some processes are crucial for enabling the desired results, and these are reported in terms of whether they are bringing change or are hindering progress towards attaining the 2024 target outcome. 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 integrated report is presented to the President and Cabinet for discussion. The DPME strives to ensure that the finding on performance is consistent, evidence-based and defensible.

3.2 OVERALL GOVERNMENT PERFORMANCE PER PRIORITY

The picture as it related to performance against MTSF targets and against the NDP targets is chequered. Overall performance is 48% instead of at least 50% considering that September 2021 is at least half way the electoral period 2019-2024. Against the three overarching NDP targets of eliminating income poverty and reducing unemployment and inequality the picture is grim:

- **Jobs:** Almost midway into this electoral period, we have not been able to advance the goal of creating 11 million net jobs. For this MTSF 2019-2024, the target for employment, was reducing unemployment to 20-24% with 2 million new jobs created, especially for youth. At the time of writing this report, unemployment was the highest ever in the history of South Africa. Recent recovery in economic growth has not been accompanied by substantial gains in employment, which remains on an upward record trajectory, currently at 34.9% for Q3 2021.
- **Poverty and Inequality:** The percentage of the population living below the food poverty line is estimated to be at 32.6%. Race, Spatial and gender inequality still pertain. The Southern Inequality Studies (2020) report indicate that the top 10% own 86% of aggregate wealth whilst a tiny 0.1% own almost 33% of the aggregate wealth. There is no sign of decreasing wealth inequality since apartheid; inequality has remained broadly stable and has even slightly increased within top wealth groups” (Chatterjee et al., 2020, p. 2).

Zooming on each priority:

- **Building a capable, ethical and developmental state:** Only 48% of interventions are on track in terms of strengthening leadership, professionalising the public service, engendering skills development, accountability and coordination; optimizing intergovernmental relations, local government and better governance of state-owned enterprises and crafting a South Africa that has zero tolerance for corruption only 48% of interventions are on track
- **Economy and Job Creation:** Only 38% of interventions prioritized for this MTSF are on track. We have not been able to stimulate economic growth of 2-3% per annum; reduce unemployment to 20-24% with 2 million new jobs created especially for youth; increase investment to reach 23% of GDP by 2024; and increased participation, ownership and access to resources and opportunities by women, youth and persons with disability. This unfortunately contributes directly to poverty and inequality. Labour market income is the greatest driver of inequality, contributing 74%. This forces government to expand social assistance as per the Constitution. That more people are on grants than are employed should raise red flags.
- **Education, Skills and Health:** 75% of interventions are on “track.” This shows tremendous effort by this priority that in spite of COVID19 and budget cuts, so much progress is being made towards the attainment of universal access to education and training of the highest quality; expanded access to PSET opportunities; raised life expectancy of South Africans to at least 70 years; a generation of under-20s that is largely free of HIV; reduced the burden of disease; infant mortality rate of less than 20 deaths per thousand live births, including an under-5 mortality rate of less than 30 per thousand. Challenges that do not want to go away include failure to eradicate inappropriate school infrastructure, low throughput at TVET colleges, and the huge medico-legal bill. AGSA estimates the settlement value of unpaid claims at year-end (2020/21) as R124,15 billion. COVID19 is threatening gains made in life expectancy, vaccines etc.
- **Social Protection component of the Social Wage:** The 86% of interventions being on track for the social protection is mischievous in that most of these interventions such as Revised Social Welfare White Paper have been pending for at least 7 years. Without the revised whitepaper of social welfare and norms and standards that should derive from there, citizens continue experience differences in access to social welfare depending where they live. The slow pace delivery of the Social wage unfortunately means the populace continues not to enjoy the rights outlined in Chapter 2 of the Constitution.
- **Spatial integration, human settlements and local government:** 32% of interventions are on track. This suggests that spatial redress is far from being attained. Weak spatial planning and investment, poor spatial targeting continues.
- **Social cohesion and safe communities:** The July unrest and growing crime are a signal that there is still a lot to be done. If 55% of targets are met and yet South Africa is a tinder keg signals that this priority should go back to the drawing board and evaluate the integrity of the theory of change that informs the interventions, or at least focus on implementing interventions that will push the needle.
- **A Better Africa and World:** At 56% this is indeed good performance. However, until the overarching national interest paper is finalised South Africa’s engagement in international spaces will be adhoc and not impactful.

This report provides government an opportunity to introspect and re-strategise to do more with less. The hard work being put in by departments is commendable, but the outcomes suggest a need to dig deeper still, if the targets of the NDP 2030 and MTSF 2019-2024 are to be realised. What should emerge from this, is a focus on implementation.

3.3. PRIORITY 1: BUILDING A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE¹

3.3.1.1 Strategic intent

The sixth administration put as its first priority to build a capable, ethical and developmental state. This MTSF priority primarily contributes to the implementation of NDP Chapter 13 which asserts that, key to reducing inequality and eliminating poverty, the state must play a transformative and developmental role. This will be done through focusing on the strengthening of leadership, professionalisation of the public service, skills development, accountability, interdepartmental coordination, intergovernmental relations, local government and better governance of state-owned enterprises (SOEs). Initiatives by transversal national departments such as the Presidency, National Treasury (NT), Public Service and Administration (DPSA), Cooperative Governance and Traditional Affairs (COGTA), DPME, as well as Women, Youth and Persons with Disability (DWYPD), are central to building state capacity and enabling achievement of the country's developmental goals.

Furthermore, this MTSF priority implements NDP Chapter 14, which envisions a South Africa that "has zero tolerance for corruption" through building a resilient anti-corruption system, strengthening accountability and responsibility of public servants, transparency and responsiveness, judicial governance and rule of law. The new National Anti-Corruption Strategy serves as our national anti-corruption compact which seeks to mobilise all stakeholders in society to play their part in the fight against corrupt practices through concrete joint actions. The above-mentioned governance departments, Department of Justice and Constitutional Development (DOJ&CD), law enforcement agencies, Constitution Chapter 9 institutions, the judiciary and the legislative sector – as well as partnerships with civil society and private sector – are central to building an ethical state through eradication of corruption in all sectors of society.

¹ **A capable state** has the required human capabilities, institutional capacity, systems, service processes and technological platforms to deliver on the NDP through a social contract with the people.

An ethical state is driven by the constitutional values and principles of public administration and the rule of law, focused on the progressive realisation of socio-economic rights and social justice as outlined in the Bill of Rights.

A developmental state aims to meet people's needs through interventionist, developmental, participatory public administration. Building an autonomous developmental state driven by the public interest and not individual or sectional interests; embedded in South African society leading an active citizenry through partnerships with all sectors of society. A position paper by the National Planning Commission (2021) notes that, "older Developmental States have not been democratic nor sought to make democratic constitutionalism a key pillar of their developmental ethos...The South African government's approach to becoming a Developmental State has had to be tailor-made with a bias in favour of democracy, people participation and people driven processes."

3.3.1.2 Analysis on impacts

MTSF Priority 1 puts forward the following two overarching impact statements, viz: (a) public value and trust; and (b) active citizenry and partnerships in society.

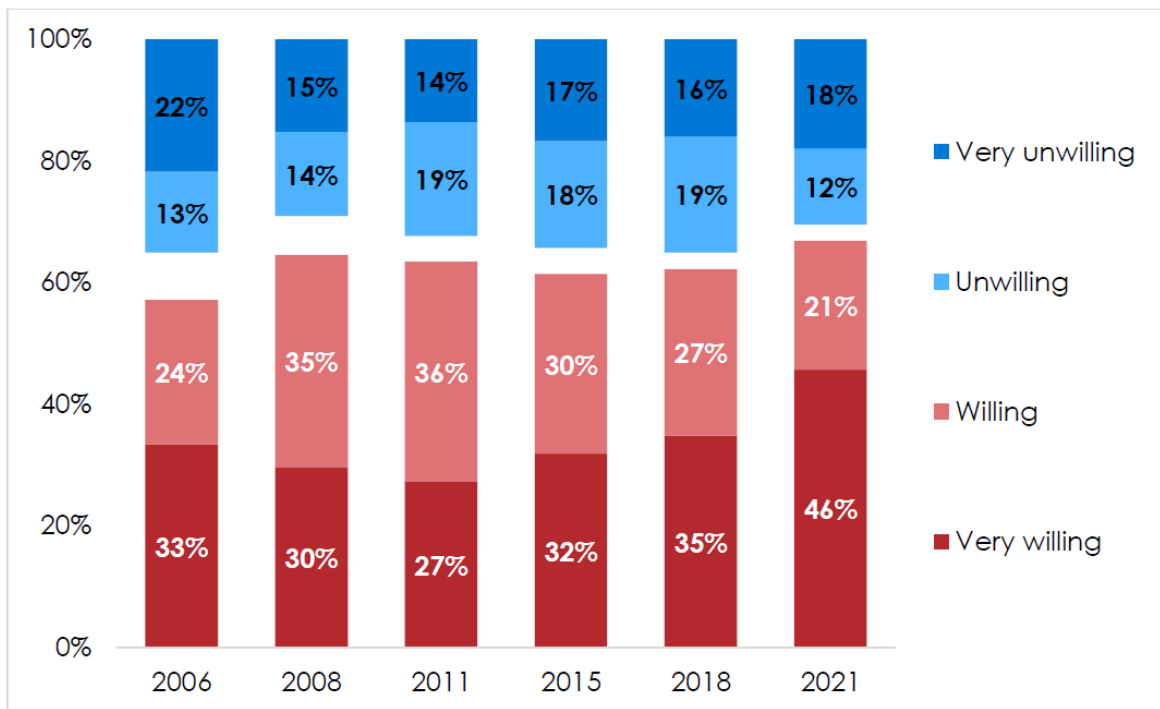
Public value refers to the performance of the state in terms of service delivery and achievement of our 2030 developmental goals of eradicating poverty (from 39% to 0%), reducing unemployment (to 6%) and inequality (from 0,69 to 0,6 gini-coefficient). During the reporting period, the impact of Covid-19 has stretched state capacity to the limit, as evidenced by NT figures of an increase of gross debt from 65,6% to 80,3% of GDP for the 2020/21 financial year and the fact that debt service costs are anticipated to average 20,9% of gross tax revenue in the medium-term. On 28 September 2021, the National Department of Health reported that Covid-19 claimed 87 417 lives. The South African economy recorded its fourth consecutive quarter of growth, expanding by 1,2% in the second quarter of 2021. This followed a revised 1,0% rise in real gross domestic product (GDP) in the first quarter. Despite the gains made over the last four quarters, the economy is 1,4% smaller than what it was before the Covid-19 pandemic. This means that the economic impact of the wave of severe economic disruption, protest action and violence in KwaZulu-Natal and Gauteng, which took place in July, will reflect in the third quarter GDP results that are due for release in December 2021.

Trust in government has been identified as one of the most important foundations upon which the legitimacy and sustainability of political systems are built. Trust is essential for social cohesion and well-being as it affects governments' ability to govern and enables them to act without having to resort to coercion. The 'trust in government' indicator in the Edelman Trust Barometer shows a significant improvement of 8 percentage points from 19% in 2020 to 27% in 2021. The efforts to fight the coronavirus pandemic through saving lives and livelihoods is a demonstration of a caring state, hence the improvement in public views on trust in institutions. Our in-depth review of evidence shows that trust in government is influenced by many factors and is time and event-sensitive.

However, according to the Afrobarometer² Survey undertaken in May and June 2021, trust in public institutions in the country is low and declining over the years. The legacy of apartheid implies that in South Africa public institutions have a responsibility to build trust with the citizenry in order to rebuild the social fabric that was deliberately fragmented by Apartheid state systems. These findings also report a worrying statistic that indicates that two-thirds (67%) of the citizens "would be willing to forego elections if non-elected government could provide improved security and better services", of which 46% is "very willing" to do so (see figure 1). Such a notion requires all state and non-state actors to work together to build trust in institutions of democracy among the citizens in order to prevent a risk of social instability. The recent civil unrest in KZN and Gauteng demonstrates that both public sector and private sector institutions are not immune from violent assaults from people on the ground.

² The Afrobarometer survey in South Africa is conducted by the Institute of Justice and Reconciliation and Plus 94 Research. It carried out interviewed among 1600 adult South Africans in May and June 2021. A sample of this size yields country-level results with a margin of error of +/- 2.5 percentage points at a 95% confidence level.

Figure 1: Willingness of citizens to forego elections



Respondents were asked: *If a non-elected government or leader could impose law and order, and deliver houses and jobs, how willing or unwilling would you be to give up regular elections and live under such a government?*

On partnerships, the model of social compacting proposed by the NDP is being taken forward vigorously by the Sixth Administration through the National Economic Development and Labour Council (NEDLAC). This is evidenced by the joint-adoption of the ERRP, Job Summit Agreement and Presidential Employment Stimulus Package, Investment Conference commitments, Health Compact, sectorial master-plans, NACS, as well as the Presidential Gender-Based Violence (GBV) Summit and its attendant National Strategic Plan on GBV and Femicide. The R9 billion investment in the free COVID-19 vaccination rollout programme is supposed to go a long way to build trust in government as a caring state. The emerging phenomenon of “COVID-19 Vaccine hesitancy is concerning and it requires efforts on the part of public institutions to help the health sector in terms of mobilising people to fight the pandemic through vaccination.

The above illustrated actions are important in ensuring that the state makes the necessary impact regarding the public value, building of trust in institutions, ensuring active citizenry and strengthening of partnerships among various actors in society.

The next section gives an overview of progress in the implementation of Priority 1.

3.3.3.3 Overview of progress on implementation

Improved leadership, governance and accountability:

The Integrated Monitoring System is in place. In developing the POA/MTSF reports the DPME uses reports from implementing departments, Frontline Monitoring, Evaluations and Evidence, Electronic Quarterly Performance Reporting System (EQPRS), StatsSA, research institutions, academia and various search engines and data platforms to triangulate to validate the data used. This creates an Integrated Monitoring System. The bi-annual MTSF report tabled during the POA week of 2 to 4 November 2021 has selected case studies that reflect the lived experiences of the beneficiaries of government services. The realised constraints are that it has been identified that there is a further need for the voices of the people. This will further enhance reporting on outcomes and impact requested by Cabinet. Furthermore, rapid evaluations were introduced for impact assessments.

In terms of Constitutional Sections 100 and 139 Monitoring and Intervention Act put in place, it is mentioned that following the engagement with the Minister on 01 April 2021, further consultations were required and the following consultations were undertaken, namely Consultative Roadshows were undertaken with MuniMECs/TROIKAs and office-bearers in all nine provinces, Joint Interventions Roadshows were conducted and were led by the Deputy Ministers of Finance and COGTA with the Premiers' Offices and MECs for Provincial COGTAs and Treasuries. The Bill was also consulted with the Transport MINMEC, Environmental Affairs MINMEC, Human Settlements, Water and Sanitation technical MINMEC. The National Economic Development and Labour Council (NEDLAC) was engaged where local government unions are represented. An engagement was held with North West Administrators of section 100 of the Constitution in the province on 26 August 2021. Cumulatively, the Intergovernmental Monitoring, Support and Interventions (IMSI) Bill and accompanying Regulations were finalised. The constraints are that there should be additional consultations and this will be remedied by having additional consultations.

With regard to the development of a programme by national and provincial departments to capacitate and intervene in a challenged state, several engagements were held with the Departments of Cooperative Governance, National Treasury and Department of Public Service and Administration during the reporting period. These engagements were aimed at synergising various complementary initiatives, including the development of standardised local government indicators, (the Circular 88 project), the Early Warning System of the Department of Public Service and Administration's Office of Standards and Compliance and the EQPRS. A revised plan to pilot a proactive monitoring system in the North West Province has been developed and will be implemented in the third quarter. The encountered constraints were that developing a proactive monitoring system that will deliver value requires flexibility in both the design and timing efforts. Consultations with centre of government departments have taken longer than anticipated and have resulted in a recognition that more time must be allocated to ensure buy-in from stakeholders and alignment with complementary initiatives in other departments. The delays in moving to the monitoring phase of section 100 intervention in the North West province, which was selected as the pilot site for the system also required an adjustment of timeframes. In the North West province, changes in the Provincial Exco resulted in delays in implementing local government interventions, which were the primary focus of preparations for the pilot. The remedial action taken was to develop a revised plan for piloting a proactive monitoring system which will be implemented in the third and fourth quarters.

During the period under review, scorecards have been pre-populated and the process is underway to get Ministerial signoff on the pre-populated cards to be used in the assessment of Ministers. It is essential to establish the relationships and agreements to source information for the development of the scorecards.

Cabinet approved policy proposals that aim to amend the Public Service Administration Management Act (PAMA) of 2014 and the Public Service Act (PSA) of 1994. The policy proposals for the PSA include clarifying the role of the heads of department in the Office of the Premier and the Presidency and to correct some of the matters occasioned by the court judgements. The amendments are premised on furthering the Single Public Administration initiative and also give effect to the policy reforms envisaged in the NDP to build a professional public service. The new DG in the Presidency and Secretary of Cabinet is appointed as the Head of Public Administration.

Functional, efficient and integrated government

On the clarification of institutional arrangements for the District Development Model, the draft section 47(1)(b) of the IGRFA Regulations for the framing of the institutionalisation of the DDM was produced through extensive intergovernmental consultations. Cumulatively, slow to no response from certain stakeholders resulted in the facilitation of a second round of intergovernmental consultations in quarter two of the 2021/22 financial year, delaying the submission of the draft Regulations to COGTA legal drafting unit and to the OSLA for legal vetting and certification.

The experienced constraint is that the revised draft Regulations will be submitted to COGTA legal drafting unit in quarter three for legal verification, and thereafter to the CSLA for legal vetting and certification. The remedial action is the development of the Revised Draft Regulations.

With regard to the implementation of Organisational Functionality Assessment Framework, it has been reported that consultations were held with national and provincial departments. Emanating from the consultations, the pilot of the required Toolset was extended to at least two more partner departments at provincial sphere of government (NC Health, NC Office of the Premier and KZN Education). Both departments formally accepted the invitation to participate. Draft work plans by the two departments have been agreed upon, approved and are at advanced stages of implementation. The constraints and challenges were that finalisation of the projects were planned for 30 September 2021. However, delays were experienced due to Covid-19, the looting in KZN, electricity cuts and competing priorities. The remedial action is that on-site assistance to the partner pilot departments is being provided by the DPSA team to fast track the finalisation of outstanding deliverables within the set annual target.

The PSC was invited to the Portfolio Committee on Public Service and Administration, Performance Monitoring and Evaluation in Cape Town on 26 August 2020. The PSC made a presentation on the effective management and the closure of the NACH cases. In attendance was the Minister of Public Service and Administration (MPSA). The MPSA, in response to the PSC's presentation requested that a Memorandum be made to him on the proposed improvement to the NACH considering that other departments are establishing competing hotlines in compliance with the Public Service Regulations of 2016. Against this backdrop, the Office has prepared a draft strategy to the MPSA on the management and resolution of challenges facing the NACH. The strategy is based on the research conducted in 2018 relating to the existence of anti-corruption hotlines at national and provincial level and it entails the following:

Case management and referral system: The NACH assists government to gather statistics of corruption cases and have such information readily available. It also assists in the identification of patterns of corruption cases and in conducting trends analysis. Therefore, a

consolidated database of cases of alleged corruption to Parliament and other stakeholders is essential.

Action on referrals by departments, agencies and other public bodies: Cases of alleged corruption are referred to departments, agencies and other public bodies for investigation in accordance with the agreed protocols. These departments, agencies and other public bodies are required to take action on/ investigate the referrals in terms of their particular mandates on action/ investigation as well as outcomes of the investigation. Problems experienced by departments in the handling of NACH cases appears to be linked to the lack of investigative capacity and the fact that departments do not have appropriate structures or specialised units to deal with cases of alleged corruption as required by the Minimum Anti-Corruption Capabilities set by Cabinet. Lack of investigative capacity notwithstanding, the PSC has noted that there are cases which need verification only into departmental records, but departments do not give feedback on these cases e.g. abuse of Government-owned vehicles.

The PSC proposed that the Offices of the Premier be permitted to establish anti-corruption hotline systems. The main purpose is to assist members of the public to report cases of alleged corruption involving the local government.

Call centre: The PSC manages the call centre according to clear specifications and confidentiality arrangements. The key challenge to the NACH is that currently the NACH is available 5 days per week and 8 hours per day (from 8h00 am to 4h30 pm) due to lack of funding. This arrangement is creating serious challenges as members of the public are calling after hours without the assistance of the call centre agents. As the NACH is a designated single hotline through which corruption in the public service should be reported, it remains significant that it must be adequately resourced to enable people to report 24/7. This will require additional capacity for the call centre to operate 24/7. People are now using mobile phones and there is no toll-free line with cell phone providers. Government should ask providers to contribute to the toll-free cell phone line.

The PSC proposed that the Minister for the Public Service and Administration should consider amendments to section 22 of the Public Service Regulations of 2016 to include the National Anti-Corruption Hotline hosted by the PSC and that the Offices of the Premier be permitted to establish anti-corruption hotline systems to cater for provincial and local sphere of government by 2023.

It has been reported that despite the e-government initiatives, there are challenges regarding the e-government programme. The National e-Government Strategy and roadmap address matters with little consideration, if any, of legal mandates and roles of other departments. This negatively impacted proper coordination around its implementation. Consequently, it must be reviewed to properly align roles and responsibilities but also since it was developed in 2017 long before the Presidential Commission on the Fourth Industrial Revolution was established in 2019. There is inadequate political champion and executive management leadership of the e-government programme remains a challenge. The Government Information Technology Officer is the only coordinating structure for the e-government programme and it is at the programme implementation level. Inadequate change management interventions that will focus on both communication as well as training around e-government. There is a lack of dedicated funding for e-government initiatives leading to each department pursuing its own objectives. Universal service and access to ICT remains a challenge that is negatively impacting on the e-government programme. Organograms of departments, business process as well as associated ICT systems in the public service remains disparate. Lack of commonly designed structure for service delivery departments for

instance, gives rise to these disparate ICT systems based on the impression that processes and required service capabilities (functions) are not the same.

With the National e-Government Strategy implementation review recently concluded by the Presidency and the Council for Scientific and Industrial Research (CSIR), a report with recommendations regarding the e-government programme is on its way to Cabinet for consideration.

In order to eliminate unauthorised, irregular, fruitless and wasteful expenditure in the public sector, a document addressing unauthorised, irregular, fruitless and wasteful expenditure covering various disciplines with regard to municipalities and municipal entities based on the Municipal Financial Management Act is currently being consulted between National Treasury and provincial treasuries. The compliance reporting framework for Public Financial Management Act institutions is underway and the guideline on material irregularities has been completed and will be published on the National Treasury website. A Guideline on Loss Control has been completed and will also be published on the National Treasury website. The framework for unauthorised expenditure is being consolidated with the irregular, fruitless and wasteful expenditure framework and a single consolidated framework on unauthorised, irregular, fruitless and wasteful expenditure will be issued.

The IFMS Programme has four (4) phases as per the Programme Charter. To date the IFMS has completed the first two (2) phases, that is Phase 1 in 2016 and Phase 2A in 2018. The Programme is transitioning into Phase 2B where IFMS will be implemented at NT, DPSA, Eastern Cape and Western Cape Provincial Treasuries. Phase 2B entails the accelerated implementation of e-Recruitment and Budgeting Module which is planned to commence in quarter two of the 2021/22 financial year following the procurement of a service provider. SITA has been tasked with the procurement of a service provider to implement the system at the four (4) pilot sites. It is anticipated that this process will be concluded in quarter two of the 2021/22 financial year. The programme is currently undergoing procurement of a service provider for configuration and implementation of the system in four (4) departments, Department of Public Service and Administration (DPSA), National Treasury (NT), Western Cape (WC) and Eastern Cape (EC) Provincial Treasuries. These departments will be used as pilot sites for the IFMS system to set a basis before the system is rolled-out in the Public Service. The IFMS aims to achieve the implementation of the e-Recruitment at NT and DPSA in this financial year, the e-Recruitment solution will be ready for implementation at EC and WC provincial treasuries. In addition, the technical work on the full IFMS system and its modules should be initiated in quarter three of the 2021/22 financial year.

Professional, meritocratic and ethical public administration

The draft Guideline on the implementation of lifestyle audits in the Public Service was submitted to the Minister for the Department of Public Service and Administration for approval. The justification for lifestyle audits is legitimate fraud prevention and detection mechanism, an amalgamation of reports from a variety of databases which provides a snapshot of an employee's life, detect wrongdoing or to investigate for possible criminal conduct, and is not conclusive on its own. The system is also being rolled out in national and provincial departments, whilst other elements are being considered for approval.

Trends show high level of compliance at senior management level with regards to the e-disclosure system of declarations of interest. Compliance levels are not good at non-senior management levels such as staff from supply chain management units and finance. It is imperative that HoDs implement disciplinary measures for non-complying staff. Executive

Authorities to intervene where HoDs do not enforce consequence management as per letters and reports from the PSC and DPSA.

An Occupational Dictionary that feeds into the Job Competency Framework was developed during the 2020/21 financial year. Between April and September 2021 (The first half of the 2021/22 financial year), the Occupational Dictionary was consulted with national and provincial departments. The consultations will continue during the last six months of the 2021/22 financial year. Upon conclusion of the consultations, the Occupational Dictionary will be submitted to the DPSA Director-General for consideration and approval by March 2022.

The National School of Government reported that the following are the four (4) programmes which have always been known as compulsory declared by Cabinet and introduced through a Ministerial Directive, namely Compulsory Induction Programme, Executive Induction Programme, Khaedu training and deployment to service delivery sites and Pre-entry to SMS echelon (Nyukela). The following are additional five (5) compulsory programmes but are not as yet prescribed by a Ministerial Directive, namely Ethics in the Public Service (online), Managing Performance in the Public Service (online), Financial Management Delegations of Authority (targeting L9-16), Supply Chain Management for the Public Service (targeting SCM) and Re-orientation in the public service (targeting those who missed the CIP/EIP).

The National School of Government is engaging with the National Treasury and the Department of Public Service and Administration to finalise the Ministerial Directive on Compulsory Training to include these Programmes. The total number of officials who completed Ethics course for quarter one and quarter two is 11 033 (2531 and 8502 respectively). The NSG hosted two virtual Ethics roadshows for 47 officials from national and provincial departments to increase enrolments. The total number of officials registered on Nyukela from quarter one and quarter two is 5380. The NSG receives enrolments on a weekly basis and the course is widely popularised. The challenges are access to internet and engaging at the correct level is a barrier to completion given the high number of enquiries regarding activity completion for Nyukela. The remedial action is that the instructions are provided clearly on the Nyukela activities.

Social compact and engagement with key stakeholders

During the period under review, engagements with Free State, Gauteng, Limpopo, Western Cape, Northern Cape and KwaZulu-Natal were held to provide support with implementation of new legislation on the establishment of ward committees, and to support the review of ward committee and public participation policies in preparation for the establishment of new structures. In addition, two (2) meetings were held with DPSA to discuss the review of the National Policy Framework on Public Participation to ensure that it is aligned to new legislation as well as to address the use of ICT platforms and public participation during the state of disaster as informed by the Covid-19 pandemic.

Citizen engagement: GovChat is being used in this period to promote participation in the 2021 Local Government Elections process through the launch of digital campaigns. The Terms of Reference to appoint a service provider to implement the campaigns have been approved by the Acting Deputy Director-General. The 21 Year Review of Local Government survey has also been launched on the platform. Roll-out of the platform has also been extended to one additional province in Gauteng (Sedibeng District Municipality). To date, the platform has 8 million active users, 500 million messages have been processed, 23 719 municipal service requests have been logged through the platform for resolution by municipalities. Cumulatively, GovChat has been used to engage communities on various government

related matters. It is now available as a mobile application and usage is currently at 5 million monthly active users and it has been accessed by 1 million unique households.

Mainstreaming of gender, empowerment and development of youth and persons with disabilities

Gender Responsive Planning Budgeting Monitoring Evaluation and Auditing Framework (GRPBMEAF) self-assessment monitoring tool was developed and circulated to both national and provincial government through the DG to DG letter. The Progress Report on the implementation of the Gender Responsive Planning Budgeting Monitoring Evaluation and Auditing Framework (GRPBMEAF) was developed and approved by Minister. Responses were received from twenty-two (22) national departments, six (06) provinces and two (2) Centre of government departments. The report was presented to the High Level Steering Committee (HLSC) and the Provincial meeting to share the findings and recommendations for future improvements of implementation. The report was presented to the National Steering Committee for Integrated Planning coordinated by the DPME. The report is being prepared for presentation through the cluster towards informing Cabinet.

The DWYPD provides capacity building on implementation of the GRPBMEAF to departments that submit capacity building requests. There has been a number of departments, provinces and other stakeholders where capacity building workshops were conducted. They include DHS, DEL, DBE, OPSC, Wits University, EWSETA, SALGA Gauteng province, Mpumalanga province, North West DBE, EC province, Nelson Mandela District Municipality, Ekurhuleni Metro, Portfolio Committee on WYPD, Parliamentary Multiparty Women's Caucus. Bilateral meetings were held to discuss aspects related to the implementation of the Framework and the priorities of WYPD. Other stakeholders engaged include DCOG, SALGA, DSBD, DALRRD, NSG and NT. Other form of capacity building was through the monthly meetings alternating between the High Level Steering Committee (HLSC) and Provincial workshops which serve as a platform for sharing best practices and learning.

With regard to monitoring budgets responsiveness to gender, youth and disabilities, the department held several meetings with NT to coordinate GRB in government. NT is in partnership with IMF towards training on Gender Budgeting. This initiative supports the training conducted by the NSG

The Status Report to the Presidency on the extent to which women are benefitting from COVID-19 related public expenditure is developed. The report is being finalised to cover the period 1 April 2020 to 31 August 2021. The challenge related to the finalisation of this report is that departments are no longer submitting requested data.

The CGIF developed by the department was presented through the government cluster systems with the purpose of seeking support of its implementation and reporting of progress made across the country monitoring, evaluation and auditing systems towards the promotion of women's empowerment and gender equality. The CGIF was presented to SPCHD, GSCID, Social Cluster, ESEID and DEVCOM during this reporting period

The South Africa's National Policy Framework on Women's Empowerment and Gender Equality (2000) will be reviewed during the 2021/22 financial year. An Inception Report providing the review methodology and initial draft SEIAS report has been developed during the reporting period. The initial SEIAS report is being consulted with the SEIAS Office in the Presidency for endorsement.

The Sub-Programme Governance and Compliance has produced a draft status report on inclusion of disability and compliance with national and international obligations. Monitoring and Evaluation (M&E) Framework to track implementation of the National Development Policy (NYP) 2030 was developed and approved.

Generally, interventions that are on track include: Integrated Monitoring System for accountability (biannual MTSF reports); National Anti-Corruption Strategy approved by Cabinet on 18 November 2020; Monitoring and Intervention Bill based on Sections 100 & 139 of the Constitution developed and ready for approval; Programme by national and provincial departments to capacitate and intervene in state institutions with challenges being conceptualised; Monitor implementation of the District Development Model plans through an Integrated Monitoring System for accountability; Job Competency Framework for public sector developed; Mandatory in-service training for public sector developed and implemented; Programme to institutionalise professional code of ethics in public administration; Approved Lifestyle Audit Guideline; Monitoring of mainstreaming of gender, empowerment and development of youth and persons with disabilities programmes; Business Processes Modernisation Programme in the public sector approved and implemented and Strengthening the Municipal Financial System.

3.3.1.4 Overview of main challenges

The following targets will not be met:

- 75% reduction of qualified audits in national, provincial, local government levels and public entities by 2024
- Improvement of public trust in government
- Institutional model for intergovernmental and interdepartmental coordination developed
- Elimination of wasteful, fruitless and irregular expenditure in the public sector
- Trends from the Anticorruption Hotline and Crime Statistics.
- Programme for participatory governance mechanisms and citizen engagement.
- Implementation of the National e-Government Strategy and Roadmap, as well as recommendations of the Presidential Commission on 4IR.
- Programme of the review/repurposing of SOEs

3.3.1.5 Recommendations

- Measures should be put in place to improve confidence and trust in government, such as strengthening of Government Communications, integrity and participatory governance programmes like Batho Pele.
- The departments need to give urgent attention to the regular monitoring of performance on the management of cases of alleged corruption referred to them by the PSC.
- There should be a dedicated funding for e-government initiatives that will lead all departments to pursue the same objective on digitization.
- DDM institutionalisation and rollout must capitalise on the buy-in of the new Local Government after the November 2021 elections.

- State capacity should be enhanced to strengthen support for small businesses both in terms of enforcement of compliance to the 30-day payment of suppliers' PFMA prescript as well as revitalization of the special economic zones and industrial parks through better programme design, operations management and business support measures.

3.4 PRIORITY 2: ECONOMIC TRANSFORMATION AND JOB CREATION

3.4.1.1 Strategic Intent

Notwithstanding the impact of Covid-19 on the economy, Priority 2 interventions, outputs and outcomes still seek to achieve economic growth of 2-3% per annum; unemployment reduction to 20-24% with 2 million new jobs created especially for youth; and investment to reach 23% of Gross Domestic Product (GDP) by 2024 with 8% and 15% of GDP contributions by the public and private sectors respectively. There are also cross-cutting focus areas such as increased participation, ownership and access to resources and opportunities by women, youth and persons with disability. This can only be attained through coordinated efforts in implementing initiatives that are focused on reigniting the economy and job opportunities – eg. infrastructure development, industrialisation and manufacturing and supporting Small, Medium and Micro-enterprises (SMMEs).

3.4.1.2 Problem Statement

The South African economy has been experiencing stagnation which has hampered government's effort to tackle the triple challenge of structural inequality, unemployment, and poverty owing to the structural constraints that inhibit economic growth. The challenges in the domestic economy have been worsened by sustained period of low business confidence, decreased spend on infrastructure and increasing sovereign debt burden; hence the poor economic outcomes particularly in terms of private sector fixed investment and jobs. Inadequate infrastructure delivery processes and lack of maintenance exacerbates deterioration of infrastructure and deters investment and curtail economic growth. The South African economy has also experienced a series of credit rating downgrades, with a relatively high risk of further downgrades which adversely impacts on the cost of borrowing for a country that has reached 69.9% for 2021/22 and projected to peak at 78.1% in 2025/26.

These challenges have been exacerbated by the adverse effects of the Covid-19 pandemic outbreak which initially started as a health crisis that spilled its way into a financial and economic crisis that eventually altered the structure of the global economy. Since the first case of Covid-19 was recorded in the country on 5 March 2020, the South African economy has worsened to unprecedented levels. Gross Domestic Product (GDP) contracted by 6.4% in 2020, even after the recent rebasing of GDP by StatsSA which found that the economy was 11% larger. Although the economy grew by 4.9% in 2021, it is still smaller than the 2019 level in terms of size. Many people have lost their jobs, while some have gone without income for extended periods. Inequality is also expected to widen and poverty to deepen. These

challenges have also impacted negatively on South Africa's already constrained fiscal environment, resulting in a significant reduction in the gross fixed capital formation which is a key enabler for growth.

3.4.1.3 Overview of progress

DPME's assessment is based on governments' performance at an output and outcome level (e.g. employment and investment). About 53% of the 55 targets are lagging behind, with only 44% of the targets being on track, and no progress reported on 2 targets. Focus is on 10 key outcomes:

- Macroeconomic performance and outlook
- Industrialisation and localisation
- Expanded small business sector
- Ease of doing business
- Tourism
- Transformation and empowerment
- Digital transformation
- Infrastructure investment
- Energy security
- Efficient and reliable transport

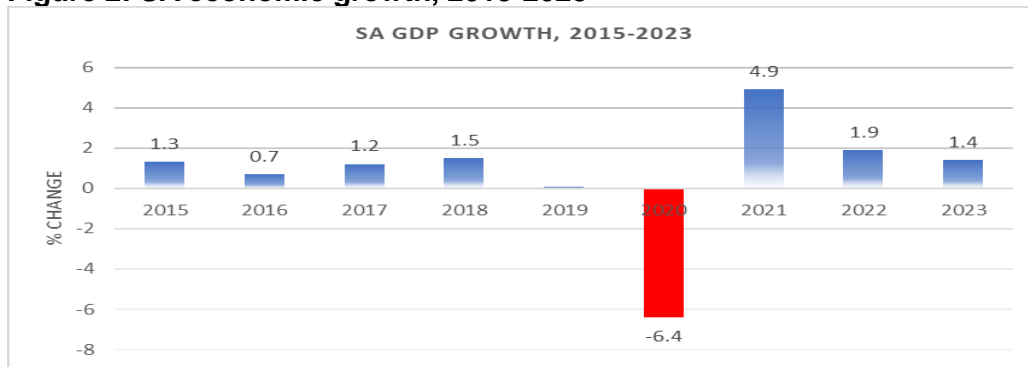
Non-achievement of targets were attributable to the following:

- Fiscally constrained environment (austerity) affecting programme funding
- Administrative inefficiencies (i.e. procurement)
- Lapses in stakeholder management in relation to policy turnaround
- Interdependencies in government processes
- Misalignment of priorities in the three spheres of government which impact cost of doing business, particularly at local government level

3.4.1.4.1 Macroeconomic performance and outlook

Since the first case of Covid-19 was recorded in the country on 5 March 2020, the economic fortunes of SA have worsened to unprecedented levels. GDP contracted 6.4% in 2020 (figure 1.2 below), following the recent rebasing of GDP by Stats SA which found that the economy is 11% larger. SA is suffering from a sustained period of low business confidence, hence the poor economic outcomes particularly in terms of private sector fixed investment and jobs.

Figure 2: SA economic growth, 2015-2023



Source: StatsSA Q2 2021 report and IMF World Economic Outlook October 2021

In line with the IMF World Economic Outlook projections, of 5% growth in 2021, the domestic economy grew by 4.9% according to Stats SA data. The IMF forecast show that SA's economy will grow by 1.9% in 2022 and an uninspiring 1.4% a year later. In contrast, the SARB is more conservative at 1.7% for 2022 while bullish for 2023 at 1.8%. With no real growth in new greenfield investments and significant expansion, no new jobs are being created, and employment continues to underperform.

Experts that the DPME engaged with in preparation of this report agree that the ERRP is sufficient in as far as it is a diagnostic of SA's economic challenges and what needs to be done in the short term to turnaround business sentiments regarding the recovery. However, they also agree that there have not been firm commitments on clear timelines and action/execution takes too long after announcements are made by government.

3.4.1.4.2 Industrialisation and localisation

Since the start of the democratic era in 1994, the sector has underperformed the overall economy. Its share of GDP has dropped from 21% in 1994 to 13% in Q3 2021 as a result of rising operational costs, insufficient skills, low business confidence, uncertain global conditions and policy uncertainty. To reignite economic growth, the government therefore took a decision to adopt an approach of industrialisation through localisation to rebuild the production economy, create jobs and transform the ownership patterns of SA's economy to become inclusive. To achieve this, priority is given to the implementation of the re-imagined industrial strategy (RIS). A key pillar of the RIS is the development of industrial Masterplans intended to grow the economy and expand SA's productive sectors.

There are various masterplans, covering almost all sectors of the economy, that are currently in different stages of development. A total of six masterplans have been developed and are already under implementation, i.e. Retail-Clothing, Textile, Footwear and Leather (R-CTFL); Poultry; Sugar; Automotive; steel and metal fabrication; and furniture. These sectors account for about 700 000 of the domestic employment and 6% of SA's GDP. Figure 3 below provides progress to date of all the industry masterplans.

Figure 3: Status update of the implementation of industry Master Plans (excluding masterplans in agriculture & agro-processing and forestry in SA)

MASTER PLAN	STATUS	RATING**
Retail-CTFL	Completed and under implementation	
Poultry Master Plan	Completed under implementation	
Sugar Master Plan	Completed and under implementation	
Automotive Master Plan	Completed under implementation	
Furniture Master Plan	Masterplan was adopted and approved on 29 March 2021	
Steel Master Plan	Master Plan was approved and signed off in June 2021. Ongoing implementation of the SAAM 2035 with active seven work streams.	
Chemicals Master Plan	Research is underway to identify draft interventions for the Chemicals Master Plan across 9 chemical sub-sectors segmented into 3 phases.	
Plastic Master Plan	The draft Plastic Masterplan has been developed and all social partners agree with identified themes.	
National Integrated Small Enterprise Development (NISED) Masterplan	NISED Masterplan was presented to the ESIEID Cabinet Committee on the 22 September 2021 with recommendation to expand further on the implementation plan of the framework. The revisions are currently underway.	
Creative Industries Masterplan	The 4th draft of the Creative Industries Masterplan, incorporating inputs from the Ministers of DSBD and Sports, Arts & Culture as well as inputs from social partners has been finalized and will be submitted to Cabinet.	
Digital Economy Masterplan	Digital Economy Masterplan was completed and approved. An implementation plan was approved on 13 July 2021 by the DCDT.	

Source: Economy Unit, DPME (author's depiction, adapted from sector departments), 2021

Figure 4: Investments and estimated jobs created to date



Source: Economy Unit, DPME (author's depiction, adapted from thedtic September bi-annual report and portfolio committee presentations during February and June 2021)

3.4.1.4.3 Expanded small business sector

Government has set an MTSF target to increase the contribution of GDP by small business from a 35% baseline (2019) to 50% by 2024. Key achievements during the current reporting period in terms of government's efforts to expand the small business sector include funding approvals for an additional 9 (nine) incubators, bringing the total number of supported incubators and digital hubs to 110. The business incubation model is an important economic tool as incubators are able to connect SMMEs with their strong networks to assist with access to funding, access to markets as well as financial and non-financial skills development - which are always at the top of lists of impediments to SMME development. During the month of October 2021, random site visits were conducted at three of the six approved digital hubs by DPME. The three visited hubs are SBTI Botshabelo Digital Hub, GalxCoc Digital Hub and 4th Industrial Revolution Hub. The following was found:

- It is concerning that a number of factors have caused delays in two of the three visited hubs as a result they are not yet in operation. Funding, particularly delayed payments from coordinating institutions, and that has been cited as the main cause of delays, although the COVID-19 lockdown restrictions also delayed construction activities.
- Lack of adequate fibre infrastructure is also one of the main challenges.
- Two of the visited digital hubs are strategically positioned in townships to provide much-needed support to the most vulnerable communities facing high unemployment and poverty levels and it is vital that completion of these digital hubs is expedited to support entrepreneurship and innovation in the surrounding communities.

Whilst slow progress was reported during the previous bi-annual reporting period in terms of government's support towards township and rural enterprises through the Township and Rural Entrepreneurship Programme (TREP), there has been significant improvement during the current reporting period as depicted in Figure 5.

Figure 5: TREP disbursements as at 30 September 2021 vs 31 March 2021



Source: DSBD, 2021

3.4.1.4.4 Ease of doing business

Improving ease of doing business (EODB) in the country remains one of government's priorities as it is crucial for attracting investment necessary for lifting growth and creating jobs. The recent announcement by the World Bank Group to discontinue the publication of the World Bank Ease of Doing Business Report due to data irregularities in the Doing Business 2018 and 2020 reports does not take away from the fact that a great deal of work still needs to be done on this front in SA. This was confirmed by the **expert views obtained by the DPME during engagements** with the "expert panel", which broadly agreed that ease of doing business is the single most important impediment to faster and sustained growth.

Government has, through DSBD, intensified efforts to address red tape that affect small business. An inter-provincial Ease of Doing Business and Red Tape Reduction (RTR) Task Team has been established to assist in the implementation of EODB and RTR programmes at provincial, district and local government levels. Some of the **early findings of this task team** are as follows:

- The pace of regulatory reform for SMMEs is too slow.
- There are severe capacity constraints along the regulatory reform value chain and mechanisms for SMME consultations and inputs are dysfunctional.
- Research has shown that small businesses are still impeded by the cost of compliance associated with regulatory administrative burden.
- A number of challenges impedes effective administration - these include limited skills, corruption, poorly designed administrative procedures, lack of integrated ICT systems, poor data sharing and planning/working in silos across the public service.

DSBD is currently running a Pilot Administrative Simplification Programme (PASP) focusing on the following 7 key problem areas that give rise to SMME red tape complaints: , Improving municipal policies, by-laws and regulations; Improving supply chain management (SCM)

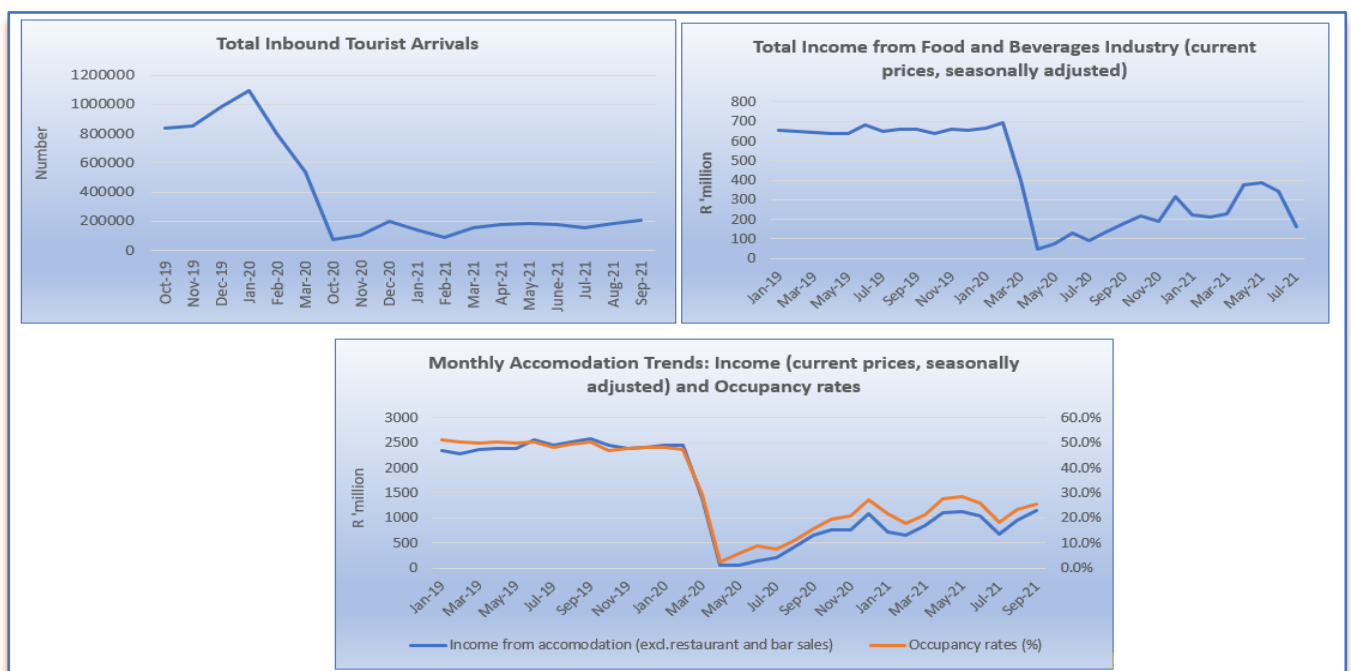
processes; Speeding up building plan approval processes and time frames; Better management of informal trading; Speeding up land development processes and time frames; Improving municipal service delivery and Improving municipal business communication and customer relationship management (CRM).

3.4.1.4.5 Tourism

The implementation of the e-Visa programme is one of the key priorities in terms of the Tourism Sector Recovery Plan (TSRP) which is included in the ERRP, aimed at making it easier for international tourists to visit. By 31 December 2021, the e-Visa programme was being rolled out to 14 countries, including big markets for inbound tourism into SA such as Nigeria, India and China.

Lowering travel restrictions based on the epidemiology of the virus, coupled with tourism relief measures implemented by government seems to have assisted in cushioning the tourism sector from a total collapse as incomes from accommodations and food and beverages, as well as the occupancy rates started showing a marginal but steady growth since May 2020, following a sharp drop during the first two months of lockdowns (see figure 6 below).

Figure 6: Impact of containment measures on tourism indicators (2019-2021)



Source: Stats SA, 2021

Notwithstanding the severe impact of COVID-19 on the tourism sector globally, the sector remains an important growth driver for countries like SA. Hence no effort should be spared in increasing the momentum of the vaccination programme.

3.4.1.4.6 Transformation and empowerment

The absence of faster and sustained inclusive growth is one of the biggest challenges that SA is faced with and it is key to improving and sustaining higher living standards, and successfully reducing inequalities and unemployment.

According to the 2020 National Status and Trends on B-BBEE report which shows trends for 2018 and 2019, although SA has a slight positive change in terms of black ownership, this percentage does not always correlate with management control scores thereby suggesting that black people are not involved in the control and core operations of business. The report has also found the financial sector to be amongst the least performing sectors on transformation. As depicted in figure 7 below, black ownership has increased from 25% in 2018 to 29% in 2019.

Figure 7: National Status trends on B-BBEE report summary

Category	2018	2019
Overall Ownership	25%	29%
Overall Black Women Ownership	10%	12%
JSE listed entities Average Black Ownership	25%	31%
100% black owned entities on the JSE	1%	3%
Management Control		
JSE	38%	44%
Organs of state & SOEs	79%	68%
Overall Management Control	45%	39%

Source: B-BBEE Commission, 2020.

Employment equity legislation requires designated employers to adopt and implement an Employment Equity Plan (EE Plan) to achieve an equitable representation and fair treatment of Designated Groups in the workplace. According to the 2020/2021 Commission for Employment Equity (CEE)'s Annual Report, the pace of transformation continues to be slow. Marginal progress in relation to the equitable representation of the designated groups, in particular Africans, Coloureds, women and persons with disabilities has been achieved.

3.4.1.5 Main Achievements and Challenges against MTSF Performance - Infrastructure Sector

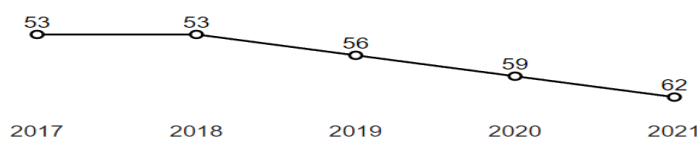
Digital Transformation

There has been a failure to conclude enabling strategic programmes such as the Broadband Connectivity, SA Connect, the Broadcasting Digital migration, which should have eased auctioning of High Demand Spectrum, delivered digital broadcasting and lowered the costs of communication in the country. These programmes instead remain a great hindrance to massive economic and social gains while also contributing to the massive digital divide. Furthermore, these programmes are currently bogged down by a number of challenges, including but not limited to; financial challenges due to corruption and Covid-19 budget reprioritizations, interlinkages between the projects-meaning that one incomplete project impedes the implementation of the other, litigations, slow uptakes and load shedding. Due to the ongoing litigation on the auctioning of high demand spectrum; the auction process is still on hold, thus further delaying achievement of 4G coverage spectrum allocation which was targeted for December 2020. ICASA published the final Invitation To Apply (ITA) for spectrum licensing

on December 10 2021, providing for stakeholders to submit their applications by 31 January 2022. The announcements of qualifying bidders and start of the actual auction phase is scheduled for 21 February 2022 and 8 March 2022 respectively.

The delays in finalizing these strategic programmes have led to a continued decline of SA's global ranking scales. SA is ranked 62nd in the 2021 Institute for Management Development (IMD) World Competitiveness Ranking out of 64 economies that were measured (see figure 8 below). Furthermore, the IMD ranks SA number 60 out of 64 countries, with key competencies of Knowledge, Future Readiness and Technology all ranked at a low 62, 59 and 59 respectively. The country has seen a steady decline from its 53rd position in both 2017 and 2018 to this current position. Gross Domestic Expenditure on Research and Development as a percentage of GDP at current prices has declined by 8 basis points from 0.83% in 2017/18 to 0.75% in 2018/19.

Figure 8: Overall digital competitiveness performance - Declining SA Country Position 2017-2021



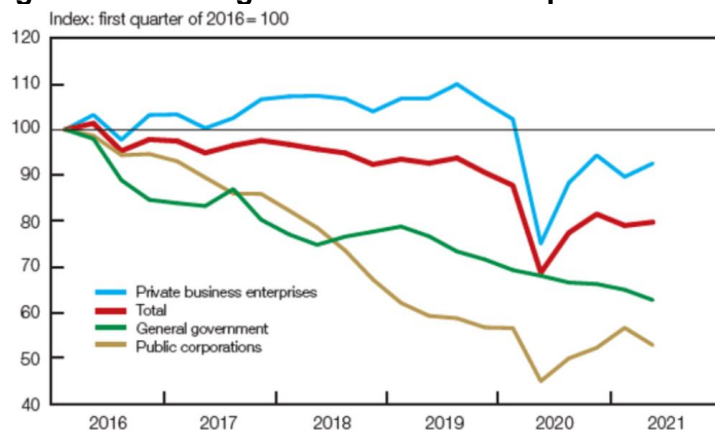
Source: International Institute for Management Development- World competitiveness yearbook, 2021

The 2018 state of ICT in South Africa report (by Research ICT Africa) indicates that “as technology evolves to broadband, the value of networks increases exponentially with significant multiplier effects impacting positively on economic growth and individual well-being under the right conditions.” Thus, it is imperative for SA to create an investor friendly atmosphere through responsive and agile policy and legislative frameworks.

Infrastructure Investment

Well-functioning infrastructure and an efficient built environment are essential to socio-economic development and poverty alleviation. The South African Institution of Civil Engineering (SAICE) Infrastructure Report Cards of 2006, 2011 and 2017 reported that much of the SA's infrastructure is in a poor condition particularly in health, water, sanitation, secondary and tertiary roads, with few exceptions such as national airports and Gautrain.

Figure 9: Declining Real Gross Fixed Capital Formation – South Africa



Source: StatsSA and SARB, 28 September 2021

The SARB reported that there has been a contraction in real gross fixed capital formation (GFCF) in Q1 2021 due to a decrease in fixed investment by the private sector which invested significantly less in transport equipment as well as in machinery and other equipment (see figure 9 above).

The Department of Public Works & Infrastructure's MTSF bi-annual report for the first half of the 2021/22 financial year states that the PICC concluded an assessment of historical SIPs (1-18) to determine the status of project life cycle. The September 2021 ERRP report provides progress on the new SIPs (19-36), at various stages of implementation. However, an adequate progress update on Special Projects 25 to 36 in the water and sanitation, energy, transport, digital infrastructure, agriculture and agro-processing, and human settlements sectors has not been provided.

Currently the Infrastructure Fund (IF) project pipeline is subject to the Budget Facility for Infrastructure process at NT. The IF has raised concerns with the funding mechanisms under the NT Budget Facility for Infrastructure which it sees as constraining its planning and implementation processes for projects processes.

It has been very difficult for DPME to monitor SIPs, both historical (SIP 1-18) and the newly gazette SIPs (July 2020) because DPWI has failed to adequately report on these MTSF interventions (ie. improving the quality and rate of infrastructure investment) that are implemented through the established Infrastructure Fund (located in DBSA under the mandate of DPWI). Thus, DPWI has not submitted MTSF reports on all SIP projects to date.

In the nexus of Gross Fixed Capital Formation and Public Infrastructure:

The DPME is currently working on an evaluation on the Provision of Accommodation Programme under the Government Immovable Asset Management Act (GIAMA Act 19 of 2007) and it is proposed that this work be used to develop a turnaround plan on this programme. The evaluation recommends major reforms for the provision of accommodation given its poor performance and the binding constraint it imposes on a range of government operations. It also creates an environment where many state organisations are searching for alternatives. This is an important component of public infrastructure investment with direct effect on the productivity of government operations and service delivery. Reforms in the funding and operating model of this programme has potential to unlock business opportunities for the construction sector and SMME.

Energy security

Embedded generation to augment Eskom capacity is an essential intervention in the MTSF aimed at addressing energy security. Changes to SA's Electricity Regulation Act exempting small embedded power generation projects with a capacity of up to 100MW from obtaining a generation licence became effective from 12 August 2021. The changes are aimed at reducing Eskom's burden of supplying electricity. The 2019 electricity, gas and water supply industry report states that commercial, industrial and mining sectors account for 38.8% of Eskom customers. Most of the big customers were able to pay for electricity, and Eskom will therefore remain with more of the customers who have historically not been able to pay for services.

Eskom currently operates as a "monopoly" in the sense that it controls generation, transmission and a significant portion of the distribution of electricity in SA. The finalisation of the Independent

System and Market Operator Bill (ISMO Bill) needs to be fast tracked which will allow for the establish of an ISMO state owned entity.

Energy availability has been identified as a risk to doing business in South Africa. Despite what has been achieved through IPPs, the impact on energy availability factor (EAF) will not be immediately realised due to the prolonged power injection from the RMIPP power projects as it takes time to get exemptions/deviation from BBBEE and PPPFA. The attainment of 80% EAF by 2024 as envisaged in the MTSF is highly unachievable at this point, as it currently averages 65%.

The 2019 Integrated Resource Plan recognises that in order to achieve a least-cost electricity future for SA, diversifying the energy mix and integrating renewable energy (RE) is the best solution. Renewable energy (RE) has the potential to offer more benefits to society when it relates to mitigating the impact of escalating electricity costs. It is estimated that RE is approximately 40% cheaper than new build coal generation, therefore becoming the cheapest forms of power generation. Preferred bidders under BW 5 were announced to provide 2600MW of additional power. Preferred bidders were announced in October 2021. Commercial operation is anticipated for March 2023.

Transport

Under the PRASA Rolling Stock Fleet Renewal Programme new trains are being rolled out from the Gibela Train Manufacturing Factory. 10 new trains were delivered as at 30 June 2021. The rail modernisation programme continues to place focus on the Mabopane-Pretoria and the Central line in Cape Town corridors. Operations on the former line have since resumed on the 17th of January 2022. In a media briefing held on the same date, the Minister of Transport, Minister Mbalula, indicated that progress on the central line in Cape Town is on track and the line's operations will resume end of July 2022. Further work needs to be done to ensure rail infrastructure is secured and protected to prevent vandalism under the comprehensive rail modernisation and upgrade programme. PRASA has however adopted a concerted approach to address security and asset protection leading to the development of an integrated Security Plan. The plan will see PRASA having fully fledged inhouse security within this MTEF period.

The Department of Transport has initiated but not yet finalised a Freight Migration Plan to address movement of cargo from road to rail. One of key reforms mentioned in Operation Vulindlela is that of implementing the third-party access policy and concession branch freight rail lines. This reform will assist in reviving the ailing rail sector, introduce competition, improve viability and sustainability of the sector.

Container Port Performance Index 2020 report has ranked SA ports among the lowest performing ports in the world at number 350 out of 351 ports. Development of port and rail infrastructure will play a role in the growth of the economy; however, this remains a challenge. SA ports are deemed expensive and impact on companies, with increased complaints from exporters. The MTSF target on the Corporatisation of the Transnet National Ports Authority (TNPA) was achieved in June 2021, almost 15 years after the National Ports Act came into effect on 26 November 2006. However, formal establishment in accordance with the Public Finance Management Act (sections 51 (g); 54) has yet to be concluded.

MTSF targets that are behind schedule include the March 2021 target to finalise funding and the tariff structure on the Gauteng Freeway Improvement Plan (GFIP, affecting SANRAL and future project plans. In the June 2021 Cabinet Bi-annual meeting, it was recommended that the

Single Transport Economic Regulator Bill be finalised. This still has not been achieved as Parliamentary processes have not been finalised.

3.4.1.6 Recommendations for the economy sector

There is no doubt that investor confidence is highly correlated with private sector fixed investment as evidenced by low levels of growth of the domestic economy over the past 10 years in line with low investor confidence. The crisis of confidence stems mainly from the following:

- weak execution of government economic plans which appears to be a lack of political will;
- lack of clear timelines for all interventions in the ERRP;
- lack of competition and high barriers to entry in some sectors;
- lack of respect for the rule of law and elevated levels of corruption;
- rigidity of the labour market in SA;
- lack of access to and fragmentation of markets for SMMEs; and
- inefficient network industries which make the cost of doing business prohibitively expensive.

Following the analysis of the reported information by sector departments and DPME's site verification as well as engagements with experts, the main recommendations for Cabinet to boost investor sentiment are as follows:

- Accelerate implementation of structural reforms (network industries and industrialisation) and ensure policy consistency with quick follow-throughs after policy announcements.
- Public employment programmes must be supported while structural reforms are being expedited for finalisation in the current administration.
- Resource mobilisation:
 - Govt to provide funding to support implementation of industrial policy (business incentives).
 - Industrial financing support at competitive rates, especially for SMMEs.
- Bolster state capacity to address administrative inefficiencies and ensure rule of law as this underpins business and investor confidence.
 - For e.g. Introduce a Red Tape Reduction orientation course for all public servants at all levels of government.
 - Focus should be on short term interventions that are cost efficient and will have substantial impact.
- Public-Private Partnerships (PPPs) legislation needs to be reviewed to eradicate bottlenecks that impede effective implementation.
- Government, particularly at local government, must create a conducive environment through the provision of reliable and efficient public infrastructure to allow for investments to flow into their locality (get the basics right).
- Fast-track the roll-out of the e-Visa programme to high impact markets such as India, China and Nigeria, without compromising the security considerations for SA.
- Ensure effective implementation of the designated products regulations by all public entities, i.e. government departments, state-owned entities and municipalities.
 - Conclude the process to designate chicken and meat which would ensure that all state procurement of poultry will be designated for local supply only.
 - Similarly, the designation of motor vehicles for state procurement should be considered.

- Import tariffs as part of the masterplan implementation must be applied judiciously in the upstream industries to avoid increasing costs for the downstream industries where potential for jobs is most prominent.
- Processing of draft Auto Green Paper (published for consultation) aimed at assisting SA to develop a framework for local e-vehicle production must be accelerated to ensure that electric vehicle policy is developed and implemented without delay.
 - Aim is to retain the European market that is transitioning its auto regulations that will eventually affect SA's auto exports
- ESIEID Cluster facilitates the reforms to government business incentives system in order to support recovery efforts.
- Prioritise and intensify investigations and prosecutions for illicit imports and exports, particularly for steel & Retail-CTFL industries to optimise the potential benefits of the masterplans.
- Education sector must produce skills required by the economy, hence SETA model needs to be reviewed.
- Labour market liberalization: collective bargaining processes should be reviewed to accommodate SMMEs.
- Support the completion of digital hubs that are lagging behind (GalxCoc in Gauteng in particular) to promote innovation and entrepreneurship.

3.4.1.7 Recommendations for the Infrastructure sector

- DCDT to fast track the implementation the Digital Economy Masterplan; DBM & SA Connect programmes; & investment in digital infrastructure.
- E-commerce space has great potential to grow the economy – calls for government to engage the sector in its economic recovery efforts regarding key growth constraints (e.g. Intellectual Property; SARB rules on dollar accounts and currency conversion seem to hamper international business transactions; SARS VAT issues; skills development, etc.). Government must prioritise the e-commerce sector in its economic recovery plan & ensure SMME participation.
- Implementation of the e-Government Strategy must be strengthened, & clarify roles & responsibilities between DPSA & DCDT.
- Improve the quantum of investments in the energy sector through the implementation of 2019 IRP (ie. REIPPPP).
- DMRE to finalise the Electricity Pricing Policy (EPP) & the Electricity Regulation Amendment Bill (ERA) supported by the DPMEs Cost Benefit Analysis study.
- Government must focus on infrastructure development in ports, rail and road networks which will go a long way in improving the ease of doing business
- DPWI and Treasury must work together in resolving the funding flow mechanism of the funds committed under the Infrastructure Fund in order to avoid delays in the implementation of projects as well as to ensure that targets are met on time.
- Treasury, DPME, Infrastructure SA, DBSA and DPWI need to urgently agree on an improved coordination and reporting structure that will be able to define each institution's function in infrastructure development and investment in SA.
- Develop a portal that will map all SIP/strategic infra projects to provide real time implementation status. Portal should be made available to all stakeholders including private sector investors.
- DPME recommends that PRASA works jointly with Transnet on its Integrated Security Plan to share resources (budgets, capacity & intelligence) & follow one legislative approval process.
- DPE & DOT must urgently engage the Justice Crime Prevention and Safety Cluster to collaborate on improving security in line with the Critical Infrastructure Protection Bill.

- Oversight of Transnet and PRASA by the Department of Public Enterprises and the Department of Transport must be strengthened, this is in line with the DPME's proposal on the SOE Governance framework.
- Finalisation of the GFIP e-toll decision is critical for policy certainty and should be fast tracked by the Department of Transport, Treasury and Cabinet.

3.5 PRIORITY 3: EDUCATION SKILLS AND HEALTH

The analysis of this priority is divided into three components: Basic Education Sector; Higher Education and Training Sector; and the Health sector. Each component presents the strategic intent, main achievements, main challenges facing the sector during the period under review as well as recommendations to improve progress towards achievement of targeted performance.

3.5.1 BASIC EDUCATION COMPONENT

3.5.1.1 Strategic intent

The strategic intent of Basic Education sector is: to contribute towards the development of the human capital of South Africa for which Government investment extends from conception to early childhood development (ECD) through to skills development.

The five overarching MTSF 2019-2024 goals in basic education are: Increased access to pre-schooling expanded to 95 percent and quality improved; More children in foundation phase acquire levels of literacy and numeracy required for meaningful lifelong learning by 2024; Improved quality of learning outcomes in the intermediate and senior phases, with inequalities reduced by 2024; More learners obtain a national senior certificate (NSC) with excellent marks in critically important subjects by 2024; and School physical infrastructure and environment that inspires learners to learn and teachers to teach

3.5.1.2 Basic Education Performance

The Basic Education MTSF 2019-2024 has 5 outcomes with 25 interventions and 44 indicators accompanied by their targets. Thirteen of these indicators are impact while 31 are process indicators. Infrastructure indicators show the sector is not going to meet its target of eradicating inappropriate structure by 2024.

Targets that will be met/substantial progress registered include: Amendment of legislation to regulate the new ECD land scape within 9 months after signing of proclamations; Operationalized ECD Education Management Information System by 2024; School readiness assessment system is operational by 2021; New funding models for ECD delivery which must be approved by 2023; Lesson plans for home language literacy in Grades 1-3 must have been developed in all languages by 2024; All schools must implement Early Grade Reading Assessment to support reading at required level in Gr 3 by 2024; All provinces implement the National Reading Plan for primary schools by 2024; 100% of Grade 3 learners have reading material in indigenous languages by 2024; Coding and Robotics curriculum to be in place by 2021 and implemented by 2024; 100% of foundation phase teachers trained on teaching reading

and numeracy by 2024; 100% of learners to have access to required Maths and EFAL textbooks in Grade 6 and 9; First General Education Certificate examinations to be piloted by 2022; Gr 6 and 9 Coding and Robotics curriculum to be in place by 2023 and implemented by 2024; New Systematic Evaluation for assessing Grade 3 learners reaching the required competency levels in reading and numeracy skills is operational by 2024; In all districts, teacher development has been conducted as per district improvement plan by 2024; 90% of Funza Lushaka bursary holders placed in schools within 6 months upon completion by 2024; A better accountability system for district and school management is fully functional by 2024.

For details see annexure A.

3.5.1.3 Main Achievements

Despite constraints imposed by restrictions designed to manage the spread of the coronavirus pandemic and the resultant budget reprioritization, the sector has achieved targets it had set for itself. These include:

- **Steady returning to normality:** The number of school days have significantly increased from 156 days in 2020 to 192 days in 2021 which is closer to the normal average of 198 school days. The sector was able to do this amid much criticism and opposition. The sector was willing to experiment with different approaches designed to save the academic year and to embark on learning recovery. A lot has been learnt on what works and what does not work.
- **Migration of ECD from DSD to DBE:** The migration is proceeding with earnest with proclamations in place, it is paving the way to meeting the MTSF target. Already the sector has commenced with auditing of ECD centres and preparation for change in legislation. The road ahead is still difficult with DBE inheriting new challenges in addition to the existing basic education issues. Currently, ECD sector is underfunded, it is far from universal access with 3,2 million children aged 0-5 years not attending any ECD.
- **Reading:** In response to the 2019 President's call for improvement of reading, the education sector has developed various strategies and consequently, provinces are implementing the National Reading Plan. The monitoring plan to track reading proficiency levels of learners in all the 11 official languages to inform interventions in the teaching and learning of reading has been developed. DPME is proposing the efficacy of the different reading strategies adopted by provinces need to be evaluated.
- **To track school performance below Grade 12:** The sector has introduced the Systemic Evaluation tool replacing Annual National Assessment. The first evaluation is to be conducted in October 2021 with 196 880 learners in Gr 3, 6 and 9 from 4922. The results will be the baseline indicating the state of performance below grade.
- **To help prepare South Africa to cope with possible economic fallout caused by digital economic disruption** resulting from increasing automation and for South Africa to actively participate in the digital economy, basic education has introduced digital subjects as part of Grades R – 9 curriculum such Coding and Robotics: Orientation of teachers and piloting has commenced. The 2023 target of ensuring that curriculum is in place is likely to be reached earlier.
- **Introducing General Education Certificate (GEC):** DBE is introducing General Education Certificate (GEC) at the end of grade 9. This certificate allows learners to signal to the labour market they have gone passed Foundation Phase. The current set up allows learners to dropout without any qualification. In addition, the certificate will be able to signal to students that they can move TVET college qualification rather than waiting to reach Grade 12.

- **Basic Education Employment Initiative (BEEI):** After a successful first phase of this initiative at the end of 2020 to end of March 2021, with approximately 200 000 Education Assistants and 100 000 General School Assistants having been employed, Phase 2 of the project is being implemented. Approximately 287 424 youths are recruited to be employed as Education Assistants and General School Assistants, from November 2021 to March 2022 at a cost of R6bn. The project has demonstrated that government can move with speed to create work opportunities that benefit young people and using innovation can create meaningful work opportunities.

3.5.1.4. Main Challenges

While there is progress in many areas towards meeting the 2024 targets, there are still areas of concern that DPME believes the sector needs to tackle including the emerging challenge on learner placement:

3.5.1.4.1 Operational Challenges

- **Accountability:** The MTSF identifies accountability as important ingredient to improving the performance of the sector. There is slow progress in the introduction of the accountability system for district and school management. The sector has presented the Quality Management System (QMS) as a mechanism for holding school-based educators accountable. It is still not clear how districts will be held accountable for the performance of their schools. Without effective district oversight and accountability for school performance, it will not be possible to lift all districts to perform at high levels.
- **Teacher training:** Teacher development has not reached the pre-COVID-19 levels. For example, only 16 976 teachers had been trained in Maths and 18 553 Languages. More worrying for the DPME, is that EC had only trained 105 Maths and 179 for Languages while WC had managed to train 7 713 and 11 699 teachers in Maths and languages respectively. Unfortunately, the limited connectivity in the country means virtual training platforms are not accessible to all teachers especially in rural areas. It makes it difficult for the sector to take advantage of the opportunities that technology offers.
- **Filling of posts:** Inability to fill vacancies due to budgetary pressures threatens the gains the sector has made in creating conditions for improving performance. KZN is one of the worst affected provinces. Except for GP, WC and MP, provinces are unlikely to afford compensation of employees (COE) within their current budget. It is estimated that the sector will experience a shortfall of over R5 billion in 2021. If no solution is found this is going to upset the education sector or the sector will have to move funding from essential programs to meet this shortfall. This threatens the educational gains that have been made over the years

3.5.1.4.2 School infrastructure challenges

- **School sanitation:** The 2013 Minimum Norms and Standards for Public School Infrastructure, set the standard for appropriate school infrastructure. It is worrying that there are still schools that do not meet these Norms and Standards. DPME visits found that there are schools with pit latrines especially in KZN, LP, and EC. DBE data shows the extent of the problem with 5 167 sites still with pit latrines, as shown in the table below.

Table 3: Water availability in school (NIEMS 2021)

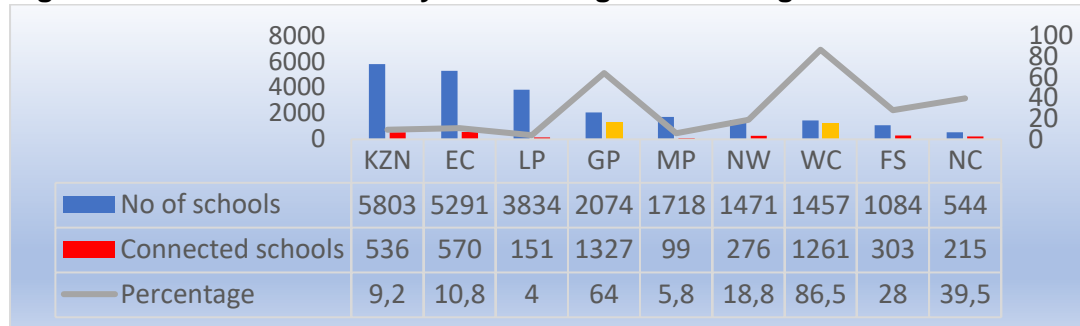
Province Name	Number of Sites	Pit	Enviro Loo	VIP	Flush Toilet Septic Tank	Flush Toilet Municipal	Mobile Toilets	Chemical Toilets	Alternative Sanitation	Without Facilities
Western Cape	1457	0	1	9	228	1389	3	0	0	0
Eastern Cape	5291	1473	282	2773	254	1048	8	4	1	0
Northern Cape	544	46	42	83	145	341	4	1	0	0
Free State	1084	127	30	116	129	733	5	1	0	0
KwaZulu Natal	5803	1000	472	2360	551	1582	63	65	4	0
North West	1471	108	81	309	499	697	16	7	1	0
Gauteng	2074	0	13	26	154	1945	101	7	0	0
Mpumalanga	1718	269	306	539	502	498	0	0	0	0
Limpopo	3834	2144	1445	1395	690	410	1	3	0	0
Total	23276	5167	2672	7610	3152	8643	201	88	6	0

One site can have a combination of different types of ablution facilities

The recent high court judgement in favour of Section 27 has described sector's infrastructure plan, to eradicate these toilets over a period of 14 years, as unreasonable and unconstitutional.

- **Water provision:** Although all schools have some form of water supply, around 5 836 school sites do not have reliable water provision. Schools reliant on rainwater harvesting are in a precarious situation when rain is scarce especially going forward because of the changing climate. In some cases, the lack of water supply by municipalities has a negative impact to learning, with schools having to dismiss learners early. Bulk of schools with unreliable water supply are found in EC (2621), KZN (1631) and LP (819). Considering rising demands of water due to COVID-19, lack of water poses health hazards.
- **Replacement of inappropriate structures:** The Accelerated School Infrastructure Delivery Initiative (ASIDI) established to eradicate inappropriate school structures has a long way to reach its targets of eradicating infrastructure backlog: Targets have been lowered meaning it will take longer to eradicate inappropriate structures. Delays in infrastructure development mainly due to: poor performing contractors leading to delays in completion of projects; poor contract management; impact of the COVID-19 lockdown which brought all business to a standstill; and community protests for contract awards that are not given to local community members. Limited skills in PEDs and DBE require time to develop in an area that is not the core function of education. It is time that this work be led by the Department of Public Works and Infrastructure, and DBE focuses on its mandate of teaching and learning
- **Connectivity:** Altogether, the number of connected schools using different connectivity models, ranging from devices with data (Sim cards); Wi-Fi Modems / Dongles with data; and VSAT, stands at 18 384 (74.20%). Connectivity for learning and teaching stands at 20,3% a marginal increase from 19,3% in 2014. The DBE NEIMS data (April 2021) shows limited connectivity to support the introduction of the digital curriculum in all schools or to support learning using technology. EC, KZN, LP and MP have the worst percentage connectivity to teaching and learning.

Figure 10: School connectivity for teaching and learning



3.5.1.4 Recommendations

- An effective accountability system for district and school management is needed to entrench progress.
- The sector should protect fundamental education interventions that have promoted and increased learning in the past such as LTSM, NSNP, HOD and Deputy Principal Posts and teacher development even under circumstances demanding for budget cuts
- The sector should urgently devise implementation plan for complete eradication of pit toilets within the current MTSF
- A vigorous connectivity rollout programme for the existing schools should be initiated and implemented with earnest. All new schools should include availability of connectivity for all learners and teachers.
- A psycho-social support mechanism should be strengthened to give effective support to learners who are sadly affected by the effects of COVID-19 including death of their family members.
- To counter the increasing learner pregnancy preventative measures should be intensified much more in rural areas in light of large numbers in these areas. The newly developed National Policy on the Prevention and Management of Learner Pregnancy in Schools should come into effect without delay, latest by January 2022.
- While caring for learners living with HIV, regular screening for substance use should also be done.
- Social support should be provided on how to avoid substance use. Furthermore, drug education programmes should include emotional competence and stress management components.
- The sector should regulate selling of unhealthy food, increase physical activities, and introduction of vegetable gardens in all public schools.

3.5.2 POST SCHOOL EDUCATION AND TRAINING

3.5.2.1. Strategic intent

The MTSF 2019-24 seeks to achieve the following impacts in the PSET sector: Expanded access to PSET opportunities; Improved success and efficiency of the PSET system; Improved quality of PSET provisioning; and A responsive PSET system.

3.5.2.2 Performance PSET

Overall, during the reporting period, the Higher Education and Training Sector, 12 Indicators were on track and 19 were off-track. Targets on track include: Number of student enrolments at public universities annually; Number of university students receiving funding through NSFAS bursaries annually; Number of emerging researcher grants awarded through NRF; Number of PhD awarded bursaries through NRF; Number of pipeline post-graduates awarded bursaries through NRF. Targets not on track include Number of TVET college students receiving funding through NSFAS bursaries annually; Number of student enrolments at TVET colleges annually; Number of students enrolled at CET colleges annually. For details see annexure A

3.5.2.3 Overview of main achievements in the PSET sectors

The PSET sector had several achievements during the period under review.

- **NSFAS Grants:** The sector was able to save the academic year of the university and TVET Colleges sectors in the midst of the pandemic. The sector was able to continue paying NSFAS grants for students to help them continue with their studies even during lock down at the same time helping students to deal with possible hunger.
- **TVET Infrastructure:** TVET college building projects have progressed despite delays introduced by the lockdown restrictions, but there were delays because of the lockdowns.
- **NSFAS Laptops:** The sector has started with the distribution of laptops to NSFAS funded students. These laptops were meant to save the 2020 academic year of the university and TVET College sectors, but could not be distributed then, meaning current student cohort are benefiting. DPME is concerned that contractual challenges led to DHET unable to support students who needed this intervention.
- **Integrating digital skills knowledge into current programmes:** The DHET is working with CISCO and HUAWAI to update curriculum to align it with industry demands in the digital skills area. The partnerships also provide supplementary content on digital skills to the TVET college community. The MTSF supports this important ongoing work to modernise the curriculum and make it responsive to the evolving economic demands
- **The College Infrastructure Efficiency Grant (CIEG):** The project has delivered 6 out of the 13 sites which are now occupied by the beneficiary colleges. It is envisaged that additional 5 sites will be delivered within this financial year and the remaining 2 sites within the first quarter of 2022 academic year. DPME is concerned that the ongoing budget pressures will see a slowdown infrastructure programs, with funding needing to be moved to fund other essential programs of the sector.
- **Economic Reconstruction and Recovery Plan (ERRP):** The DHET has developed a Skills Strategy in response to the ERRP. The Skills Strategy is being consulted on with

various stakeholders, including but not limited to the Economic Sectors, Investment, Employment and Infrastructure Development Cluster, National Economic Development and Labour Council, Sector Education and Training Authorities, Universities South Africa and other public and private sector forums with common interests in its outcomes. DPME is concerned with the speed at which short courses are being created by the sector to meet the skills demand for the ERRP.

- **Introducing new programmes in response to the 4IR:** The Department has developed a new stream focusing on Robotics in the NCV: Information Technology and Computer Science programme which previously focused only on programming and systems development. The curriculum for this programme is currently being quality assured by Umalusi and is envisaged for implementation in 2022
- **Reconstruction of Engineering programmes to make them more responsive to the changing industry environment:** The Department is collaborating with the Quality Council for Trades and Occupations (QCTO) in reconstructing the Engineering Studies programmes curricula to align it with industry needs and standards of professional bodies. The programmes that have been prioritised and currently being reconstructed are in the following fields: Electrical Engineering, Electronics Engineering, Mechanical Engineering and Civil Engineering.

3.5.2.4 Major challenges and blockages affecting progress in PSET

Although some strides have been made towards the achievement of planned goals, there are some blockages hindering progress as discussed below:

- **Expansion in the TVET and Community Education and Training college system:** While access to university sector has increased with over 1.2 million students enrolled at public and private universities, the TVET and Community colleges are nowhere near the NDP target. The NDP target of 2,5 million enrolments in TVET colleges will not be met considering that fewer students have been enrolled in TVET colleges over the past three years in response to budget challenges. In addition the target for more students enrolled in TVET colleges compared to universities will not be met by 2030. The restricted enrollment issues are in addition on to perceived quality and responsiveness of qualifications to business needs. In addition, lack of proper infrastructure; outdated TVET syllabus; use of outdated equipment and machines for students training that is not aligned to industry requirements impacts on the image and quality of skills produced. The target to increase number of learners enrolled in CETCs will not be reached. A major blockage for CET colleges expansion is the lack of infrastructure to deliver quality CET programmes. The dependency on school infrastructure impedes innovation and programme diversification which are key to its expansion. The program in addition is affected by absence of IT infrastructure, which makes alternative learning modes impossible. It is of grave concern for the DPME, that restricted expansion is happening over time in the context of increasing young people in the NEET category. Many in the NEET category do not have primary or matric education, and only through these institutions they could attaining their matric or gaining skills they need to find employment or to be self-employed. Unless these two institutions and MOOCS expand access the country is going to find it difficult to help young people transition into employment.
- **Placement of learners in the workplace-based learning programmes:** The workplace-based learning programmes are severely affected by the lockdown and the weak economic performance. The skills development system faced the biggest

reduction due to declined estimates for the skills levy collections from the employers, which reduced from R19.413 billion to R11.291 billion, an R8.122 billion (42%) reduction. This situation created major challenges for most of the SETAs that struggle to achieve targets under normal circumstances.

- **Decline in artisan learning programmes:** Artisan learning programmes also declined from 24 025 to 15 107 in 2020 and have dropped considerably to 611 in Q1 2021 also due to the same issues affecting placement in workplaces.
- **Delayed infrastructure projects:** Building projects in the TVET sector were delayed due to COVID-19 lockdowns. Only 6 TVET infrastructure projects are 100% completed and the other 4 are still under construction. The delay escalates the cost of building while there is increased demand for space.
- **Agricultural Colleges lack of infrastructure:** A major challenge with agricultural colleges remains lack of infrastructure to deliver quality programmes and limited student support in terms of bursaries, necessary remote learning equipment and services. Most of these colleges are in isolated rural areas and network connectivity is also a barrier
- **Funding:** Great strides have been made in removing funding as a barrier to entry through NSFAS. However, the challenge of the “missing middle” has not been dealt with and is likely to be a big challenge in the coming years with students uprising around this issue if it is not dealt with. A sustainable solution should be explored including the bringing in of the private sector to help fund this segment. With many parents losing jobs, NSFAS is going to experience a huge pressure with many more students needing funding than funding that is available. The sector needs to brace itself for continued unrest in the coming years around this issue.

3.5.2.5 Recommendations

- Reimagined CET colleges are crucial for tackling NEET, and their transformation needs must be urgently budgeted for
- Creative ways for increasing access to all PSET institutions are needed including taking advantage of digital platforms
- Review of Student funding has so be completed and ready to be implemented in 2003. It should be sustainable, cater for the missing middle and have incentives for the private sector to contribute to its funding. The income contingent repayment needs to be considered as part of the package
- Review of TVET should continue working with industry with all colleges adopting and implementing the new curriculum from 2023
- The delays in issuing of certificates at TVET colleges related to the work of SITA needs to be resolved, it is having a negative impact on students who find it difficult to be employed
- Introduction of digital skills should be accelerated as part of future proofing the country against the possible increase in unemployment due to automation
- The Skills plan should be tabled to enable DPME and DHET to track skills development for the ERRP from the next financial year
- The sector needs to implement plans for continued engagement with industry to ensure more learning opportunities are opened
- Expansion of agricultural college intake needs to be increased and student funding issues need to be resolved between the departments

3.5.3 HEALTH COMPONENT

3.5.3.1 Strategic Intent of the Health Sector

For the health sector, the NDP 2030 envisions a health system that works for everyone and produces positive health outcomes, and is accessible to all. By 2030, the NDP 2020 requires 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 Medium-Term Strategic Framework (MTSF) 2019-2024 entails a set of priorities for 2019-2024. The MTSF 2019-2024 seeks to continuously focus the country on the sustainable development agenda of the NDP 2030. While the country's collective efforts and resources naturally shifted towards containing the Covid-19 pandemic in 2020/21, it is important to sustain focus on the development agenda.

The two overarching health goals of the MTSF 2019-2024 are:

- Universal Health Coverage for all South Africans progressive achieved. This is to be achieved through creation of the enabling legal framework for the implementation of National Health Insurance (NHI) namely, the NHI Bill 2020.
- Progressive improvement in the total Life Expectancy of South Africans. This is to be achieved through the effective delivery of strategic health programmes to curb morbidity and mortality from communicable and non-communicable diseases

This report lends insight into the DPME's review of the progress made by the health sector towards the objectives and targets of the Medium-Term Strategic Framework (MTSF) 2019-2024. In general, the with over 70% targets achieved, the Health Sector has performed well. Targets to be met include: the establishment of one nursing college per province, establishment of an NHI fund. Targets that might not be met include Proportion of public sector facilities implementing the National Quality Improvement Programme. For details see annexure 1.

3.5.3.2 Overview of Main Achievements

The two overarching goals of attaining Universal Health Coverage for all South Africans progressive achieved through implementation of National Health Insurance (NHI) namely, the NHI Bill 2020 and the progressive improvement in the total life expectancy of South Africans provide a framework of analysis of the health sector's progress towards the MTSF 2019-2024.

During the reporting period of April to September 2021, the health sector made modest progress towards the development of NHI, while the previous gains made towards increasing life expectancy regressed, owing to the impact of Covid-19.

The MTSF 2019-2024 also consists of **12** specific interventions, which are aimed at strengthening the health system and improving health outcomes by fortifying strategic health programmes. These interventions carry **22** related targets. During the reporting period, the health sector achieved **8** of

the set targets, whereas **8** were in progress and **6** were not attained within the specified period, or are unlikely to be achieved within the set time frames unless the current pace of delivery is accelerated.

Universal Health Coverage

The government of South Africa seeks to achieve Universal Health Coverage (UHC) for all citizens through the implementation of National Health Insurance (NHI). According to the World Health Organisation (WHO), UHC is achieved when: “all people have access to the health services they need, when and where they need them, without financial hardship. It includes the full range of essential health services, from health promotion to prevention, treatment, rehabilitation, and palliative care”³, 4 . Following the tabling of the NHI Bill in Parliament by the Minister of Health in 2019, the Parliamentary Portfolio Committee on Health convened public hearings in all 9 provinces during 2019 and 2020. Oral submissions to Parliament on the NHI Bill were interrupted by Covid-19 in 2020, which necessitated restrictions of human movement and economic activities. However, these subsequently resumed in 2021, through the use of virtual communication platforms between the Portfolio Committee and stakeholders. During the reporting period April-September 2021, these public hearings on the NHI Bill continued and the National DoH was in attendance and responded to issues raised by citizens of the country.

The MTSF 2019-2024 targets were that the NHI Fund should have been operational by December 2020, and that the Fund should start purchasing services by 2022/23. These targets were dependent on the legislative process, and by implication have been delayed. The target for the establishment of the NHI Fund was not met, and the purchasing of services will concomitantly be delayed. These milestones are dependent on the finalisation of the legislative framework. However, of concern to the DPME is that the socio-economic inequities in South Africa, replicated in access to health care do persist, while legislative processes are unfolding.

Evidence from Statistics South Africa’s (StatsSA) latest General Household Survey 2019, released in December 2020, illustrates that between 2002 and 2019, the percentage of individuals covered by a medical aid scheme increased marginally from 15,9% in 2002 to 17,2% in 2019⁵. This is an increase of 1,3 percentage points over a 17-year period (DPME emphasis). In numerical terms, over this period, the number of individuals covered by a medical scheme increased from 7,284,000 (7,2million) in 2002 to 10,069,000 (10 million) persons in 2020. Conversely, there has been a very marginal decline in the population not covered by medical aid. Whereas 84,1% of the population was not covered in 2002, and was therefore not protected against the catastrophic costs of health care, this was figure was still at 82,2% in 2019, 17 years later. In nominal terms (raw data), as the population of South Africa has grown, the number of people not covered by a medical aid scheme increased by 9,8 million, from 38,4 million in 2002 to 48,2 million in 2019.

South Africa’s interprovincial inequities also continue to manifest themselves in medical aid coverage. For the year 2019, StatsSA found that medical aid coverage was most common in the two predominantly urbanised provinces, Gauteng (24,9%) and the Western Cape (24,1%). Medical aid coverage was least common in the predominantly rural provinces, Eastern Cape (10,8%) and Limpopo (9,9%).

The public and private sectors collaborated effectively in the country’s response Covid-19, under the leadership of the public sector, including in the sharing of data and enhancing access to health

³ World Health Organisation : https://www.who.int/health-topics/universal-health-coverage#tab=tab_1

⁴ Ibid

⁵ Statistics South Africa’s (2020): General Household Survey 2019,

care, including access to hospital beds. Cooperation between the two sectors has demonstrated what the country can achieve towards the realisation of UHC through NHI. However, much more work is required to attain this noble goal. This must be sustained to eliminate the inequities in access to health care for all South Africans.

Successful implementation of NHI also requires a functional health system. In keeping with this, the health sector made progress during the reporting period towards several building blocks of the health system. In terms of human resources, the Human Resources for Health (HRH) Strategy 2030 and HRH Plan 2020/21-2024/25 was completed in October 2020 and approved by the National Health Council. The health sector should start reporting on progress with implementation of the HRH Plan. All nursing colleges were reportedly reorganised into a single provincial college with multi-campuses in districts or sub-districts. A total of 46,215 CHWs were working in the health sector and contracted by the Provincial DoHs. This progress is on course towards the MTSF target of 50,000 CHWs.

With respect to the health status of the nation, data from StatsSA's 2021 Midyear Population Estimates reflect a slightly improving under-5 mortality rate (U5MR). This indicator tracks the number of deaths of children under the age of 5 who die, per 1,000 live births. The 2021 Midyear Population Estimates reflect that the U5MR decreased (i.e. improved) from 34,1 deaths per 1,000 live births in 2020 to 30,8 deaths per 1,000 live births in 2021. These are estimates, which StatsSA revises on an annual basis. Significant milestones were also attained with the implementation of strategic health interventions aimed at reducing morbidity and mortality, thereby contributing to improving the country's health status. First, given that Tuberculosis (TB) is one of the leading causes of mortality in South Africa, the health sector has been vigilant in TB prevention and management. A total of 24 251 975 TB screenings were performed during the period April-September 2021, which exceeded the set target of screening an additional two million people annually. Second, with respect to HIV/AIDS, 93% of people living with HIV/AIDS were found to be aware of their HIV status during the reporting period, which exceeded the set target of 90% by 2020. This also reflects progress towards the 2025 target of 95%.

South Africa has set itself a target of vaccinating 70% of the adult population by the end of December 2021. As at 30 September 2021, a total of 12,710,234 individuals aged 18 years and above had been vaccinated in the country, which translated to 31,94% of this category of the population nationally. The Western Cape (40,82%); the Free State (35,08%); the Eastern Cape (36,59%) and Limpopo (35,94%) Provinces reported the highest percentage of the adult population vaccinated. The lowest percentage of population vaccinated against Covid-19 was reported in Mpumalanga province at 25,19%, followed by North West provinces at 27,67%.

By 31 December 2021, Covid-19 vaccination coverage had advanced further. The total cumulative number of vaccines administered as part of the national vaccination programme was 28,015,974. A total of 17,853,954 individuals 18 years and above had been vaccinated in the country by 31 December 2021, which translated to 44,86 % of individuals 18 years and above vaccinated nationally. Although the set target of vaccinating 70% of adult South Africans, was missed, significant progress was made towards inoculating the population against the impact of Covid-19. Secondly, empirical evidence from the National Institute of Communicable Diseases (NICD) reflected that very few vaccinated individuals were admitted to hospitals as a result of Covid-19 during the fourth wave.

⁶ *President Cyril Ramaphosa: South Africa's response to Coronavirus COVID-19 pandemic, 30 September 2021, <https://www.gov.za/speeches/president-cyril-ramaphosa-south-africas-response-coronavirus-covid-19-pandemic-30-sep-2021>*

The Vooma Vaccination Weekend which took place from the 1st to 3rd October 2021 was a powerful intervention by government, which enhanced the rate of vaccination in the country. An independent analysis by the Council for Scientific and Industrial Research (CSIR) showed that this intervention increased the national vaccination rates by at least 31% compared to the previous weekend, and was sustained for several consecutive days.

3.5.3.3 Key Challenges

Life Expectancy

of the manifest impacts of Covid-19 is the decline in the life expectancy of South Africans in 2021 compared to 2020. According to StatsSA's Midyear Population Estimates released in July 2021, life expectancy has decreased by 3,2 years for males and 3,9 years for females between 2020 and 2021. As reflected in Figure 1 below, StatsSA's midyear population estimates reflect female life expectancy as having decreased from 68,4 years in 2020 to 64,6 years in 2021. Similarly, male life expectancy has decreased from 62,4 years in 2020 to 59,3 years in 2021, owing to the impact of Covid-19.

During the period 2007 to 2020, the Life Expectancy of South Africans at birth had increased steadily, demonstrating the effectiveness of government's interventions to address leading causes of morbidity and mortality, including HIV/AIDS and Tuberculosis, as well as Non-Communicable Diseases (NCDs), as well as government programmes to address the social determinants of health inclusive of poverty and malnutrition, through various forms of social protection measures. Evidence from both StatsSA and the South African Medical Research Council (MRC) illustrates that prior to the advent of Covid-19, other health indicators such as the infant mortality rate, child-mortality rate and the maternal mortality ratio, were on a consistent trajectory of improvement. However, Covid-19 has impacted negatively on this progress. The MTSF target of a total life expectancy of 66.6 years by 2024 is now at risk of not being achieved. Current trend data also reflects a reversal of previous gains made. Female LE was 68,5 years in 2020, and had already exceeded the MTSF 2024 target of 66,6 years, and was on track towards reaching the NDP target of 70 years by 2030. Male expectancy was at 62,4 years in 2020, also on track towards the MTSF target of 66,6 years by 2024. These trends have been reversed.

Compounding the impact of Covid-19 are communicable diseases such as Tuberculosis (TB), which contribute to high levels of mortality in the country. Of concern is that during the reporting period, a TB treatment success rate of 76% was reportedly achieved (April to June 2021). This was significantly lower than the MTSF target of 90%. It is imperative for the health sector to provide dedicated focus and support to districts that are lagging behind. During the visits conducted by the DPME to health facilities in the North West province, a pervasive shortage of medicines and vaccines was found. In particular, female contraceptives and child vaccines were in dire shortage. The provincial health administration attributed this to a limited budget allocation to the provincial health department, which in turn limits the capacity to allocate sufficient resources for medicines, pharmaceutical supplies and vaccines. During the reporting period, the full immunisation coverage rate for children under-1 in the North West was 49,5%, against a national average of 82,5%. The DPME escalated this matter to National Treasury, which has engaged with the North West Provincial Treasury and Provincial DoH to address this matter.

Resource constraints

As it the case across government departments, the health sector is experiencing severe resource constraints, occasioned by the inevitable budget cuts implemented by government, to offset the

resources dedicated to the national response to Covid-19. National Treasury's data on the budgets of Provincial Health Departments for the MTEF period 2021/22 reflect that the health budgets are declining by 1.2% in 2021/22 and 0.8% over the MTEF. The sector experienced total reductions of R76 billion over the MTEF (COE reductions & fiscal consolidations). National Treasury was also concerned about the sharp decline in the budgets of the Eastern Cape province, followed by Gauteng, KwaZulu-Natal and Limpopo Provinces.

3.5.3.4 Conclusions and Recommendations

- The health sector should disaggregate its reported quantitative data beyond the provincial to the district level, to reflect variations at the lower level of health care delivery. This recommendation is presented once more for the April-September 2021 reporting period. This is in keeping with the District Development Model (DDM).
- The health sector's routine District Health Information System (DHIS) is an important enabler of this approach. This tool facilitates the tracking of equity in health care delivery.
- The health sector should examine the causal factors for the vast differences and variations in performance across provinces in key health coverage indicators, which reflect inequalities in the reach of health programmes. Dedicated support programmes should be provided to subnational levels of the health system where this is required, including through partnerships with schools of public health in academic institutions; non-governmental organisations and research organisations on a multi-year basis.
- Since MTSF targets for the development of an HRH Plan for 2020/21 to 2024/25 as well as an HRH Strategy 2030 have been met, it is imperative that the health sector start reporting on the milestones that are being attained with the implementation of these plans. The health sector should henceforth report on progress with the improving the provision of adequate numbers of appropriately trained and sufficiently skilled health care providers in different professional and non-professional categories.
- The National Department of Health should also make the content and milestones of the National Quality Improvement Programme publicly visible and known to all citizens, and accelerate its implementation. The pace of delivery of the quality improvement programme should also be accelerated.
- The health sector should develop a detailed plan for the management of childhood illnesses, beyond the media campaigns such as the Side-by-Side Radio Campaign. Renewed focus on key child health indicators, including immunization coverage; and child mortality from diarrhoea; pneumonia and severe acute malnutrition, is required.
- The health sector should deploy the current team of CHWs, who are well trained, and are receiving a stipend of R3,500, to supporting the health sector with Primary Health Care (PHC) interventions (i.e. health promotion and diseases prevention), to improve the declining health indicators such as immunisation coverage; and early identification of children with diarrhoea, pneumonia and severe acute malnutrition. This would contribute towards saving the lives of young South African children.
- Based on emerging empirical data, the health sector should develop and implement integrated, patient-centric models of care for Non-Communicable Diseases (NCDs) and their risk factors, which prioritise continuity and quality of care.
- Overall, a return to the sustained agenda of improving access to good quality comprehensive health services, as embodied in the NDP 2030 and MTSF 2019-2021 is required.
- Shortage of medicines in public sector facilities compromise quality of care and are a symptom of underlying and deep-seated challenges, including efficient management systems (including monitoring systems); human capacity and capability, as well as funding;

- A national strategy to reduce medico-legal claims has been developed and is being implemented in collaboration with Provincial DoHs. The Department of Justice has also produced the State Liability Amendment Bill, which will assist in addressing this challenge. Progress with implementation of this strategy should be vigilantly monitored and key milestones reported on.
- Uptake of vaccination by South Africans will be decisive in preventing further morbidity and mortality from Covid-19. Vaccine availability in South Africa country is currently optimal. Expansive demand generation interventions are being implemented, including the use of influential South Africans as ambassadors of the vaccination programme, and measures to counter the anti-vaccination lobby, as well as the extension of the Vooma Weekends. These are of extreme importance and should be sustained, with greater involvement of all sectors of society, particularly civil society and the religious sector.
- Recovery Plans (Catch-up plans) are being implemented in all provinces to refocus and accelerate progress towards targets set in the National Strategic Plan for HIV/AIDS, STIs and TB 2017-2022, and other routine services including Primary Health Care. Recovery Plans must be energized through appropriate resourcing, effective tracking and reporting on progress.
- Current economic situation necessitates wholesale budget cuts across government inevitably so. However, the health sector should be protected from deep budget cuts necessitated by the adverse economic situation.

3.6 PRIORITY 4: CONSOLIDATING THE SOCIAL WAGE THROUGH RELIABLE AND QUALITY BASIC SERVICES

3.6.1 STRATEGIC INTENT

The National Development Plan (NDP) positions social protection as a critical part of the public policy providing support that reduces vulnerability, alleviates and ultimately prevents absolute poverty, and builds resilience of individuals, families, and communities through a range of social development services. The main overarching priority components for the 2019-2024 MTSF are the following:

- **Transformed developmental social welfare:** Operationally, the social protection system is still not optimal, with critical breakdowns, gaps, and inefficiencies that continue to undermine the delivery of quality of social services. Priority interventions are: Increasing the number of social work practitioners; Creating an enabling policy environment for children's services and building an effective social security policy framework and accompanying accessible mechanisms (norms, standards, and processes).
- **Increased access to quality ECD services and support:** Programmes targeting children such as ECD and child support grants have been extended, however, a number of children are excluded, including those who are two years and below.
- **Comprehensive social security system:** Improving efficiency and coverage of social security; Training and absorption of social workers to address social ills; Defining and providing a standardised welfare package; Defining the social protection floor and reducing the administrative barriers to access, in order to avoid exclusions that vulnerable persons often experience.

- **Sustainable community development interventions:** Anti-poverty initiatives have been successfully mainstreamed into the planning, budgeting, and implementation of Government programmes. Community development within government, however, still remains fragmented and therefore requires government efforts towards integration and coordination.
- **Integrated social protection information system:** Government has a number of information systems that are hosted by various departments. Poor coordination between and within different services, both at times of episodic events and in the long term, is affecting government's ability to adequately meet the needs of many vulnerable groups.
- **Public Employment Programmes:** The South African Social Security System assumes full employment i.e. those that can work will find employment and joblessness is temporary. Unemployed adults are supported by others through wages and salaries or grants. Public Employment programs are developed to provide the dignity of work and possibilities of skills development and they provide an employment safety net for the unemployed 18 to 59.
- **Universal Health Coverage** through the implementation of the National Health Insurance (NHI): Given the deep socioeconomic and health inequalities facing the country, government will need to expedite the finalisation, promulgation, and implementation of the NHI Bill 2019 to provide access to good quality health services for all South Africans, based on their health needs, and not their ability to pay.
- Universal access and quality through no-fee schools and through ensuring that all 10-year-old learners enrolled in publicly funded schools to read for meaning.
- **Universal access to free basic services** to protect the right to human dignity.
- **Menstrual health and hygiene** management for all women and girls achieved.
- Increased access to development opportunities for children, youth, and parents /guardians - This is an intervention that cuts across the MTSF. The aim is to mainstream issues of children, women, youth, and persons with disabilities in social protection and social security.

3.6.2 OVERVIEW OF PROGRESS AND ACHIVEMENTS

3.6.2.1 Transformed Developmental Social Welfare Policy Space

Expanding the number of social services professionals: A draft sector strategy for the employment of social service professionals has been finalised. **163** increase in the number of social service professionals and resources were availed (R33 million) for the contract employment of social workers. As of March 2021, there were 8873 unemployed social work graduates; **Creating an enabling policy environment for children's services:** The Social Assistance Amendment Act which was signed into law in December 2020: The Children's Amendment Bill was introduced to Parliament in October 2020. The draft regulations for the Children's Amendment Bill were finalised and the consultation with National and Provinces were conducted in May and June 2021. **Review Social Development legislative framework:** The White Paper on Social Development is being consulted with government and NPO sector. The Revised White Paper on Families was gazetted in June 2021 for public comment and consultation on the revised Paper were conducted in 3 provinces. **Reduction of Substance abuse:** 750 594 victims of Substance abuse accessed the support programmes through funded NPOs and DSD own services. **Implementation of the NSP on GBVF- Care and Support pillar:** The Draft Victim Empowerment Training Manual for para professional and GBV volunteers is in place.

3.6.2.2 Prioritising social protection of children

Provision of quality ECD services to children (0-4) - The migration of ECD from DSD to DBE is underway, proclamations are signed by Ministers of DSD, DBE and DPSA. The migration of ECD function will commence on 01 April 2022. For the period under review 537 004 children had access to registered ECD services. About 2 ECD centres were constructed in KZN and 19 ECD centres upgraded in WC. Framework on ECD Quality Assurance and Support System has been developed. Monitoring visits by the DPME in the NC province suggest that there could be an information asymmetry, with the ECD stakeholders believing the ECD migration means ECD practitioners will be civil servants with training, career pathing etc.

3.6.2.3 Comprehensive social security system

Improved efficiency and coverage

Unemployment Insurance Fund (UIF): The business blueprint for the Integrated claims management system (ICMS) was developed; ii) **209557 employees** were newly registered by the UIF; iii) **15 418 new company applications** received with 15 400 registered which constitute 99.6% registration; iv) **100% of applications** with complete information were **issued with compliance certificates** within 10 working days; v) **93% of valid claims were finalised** within 8 working days; vi) **Valid claims on unemployment benefits** that were processed within specified timeframe by the fund were **about 93%**; vii) there was introduced an extension of period of receipt of benefits - the UIF was amended to extend the length of period for which claimants can receive the benefit; from a maximum period of six months to a new maximum of 12 months; viii) **Claimants of maternity leave are now entitled to a flat rate of 66 percent** of their income.

Compensation Fund: in the first quarter 2 099 claims were certified against a set target of 4 000. and in the second quarter 1 266 number of claims were certified at the Medical Bureau for Occupational Diseases (MBOD).

Optimisation of the social security policy, legislative framework, and appropriate norm and standards for service delivery: The Green paper on comprehensive social security and retirement reform has been completed; The NPO Amendment Bill is ready for submission to Cabinet for onward processing to Parliament. A Letter to Leader of Government Business (LOGB) for the NPO Amendment Bill to be placed as priority legislation on the legislative programme for 2021 has been submitted.

Payment of social grants to eligible beneficiaries- South Africa spends more on social assistance than most other countries globally. At 3.31% of Gross Domestic Product (GDP), social assistance is well targeted and is able to reduce both poverty and inequality. Coverage, including indirect beneficiaries, is almost universal in the poorest pre - transfer quintile (95.2 percent) and is as high as three-quarters (74.1 percent) in the third quintile (World Bank Report 2021). According to the SOCPEN (2021), about 18.4 million (18 439185) social grants were paid out in September 2021 (see table below). This is a decline of 1387 from the previous reporting period. The greatest decline of 82138 is with Child Support Grant. This is worrying because the economy is not improving, there are no new jobs created.

Table 4: Number Growth of Social Grants by Grant Type Net Monthly - September 2021

Grant type	Begin. of Apr 21	End Apr 21	End May 21	End Jun 21	End Jul 21	End Aug 21	End Sept 21	Increase/ decrease in this reporting period
CDG	150,151	150 158	150 860	151 311	151 996	151 366	148 295	-1856
CSG	12,992,589	12,999,520	13,028,698	13,041,908	13,067,221	13 038 890	12 910 451	-82138
FCG	309,453	318 161	326 972	332 995	336 643	340 401	342 318	32865
DG	997,752	1 014 245	1 033 058	1 045 339	1 043 802	1 043 691	1 054 288	56536
GIA	267,912	269 309	272 063	273 315	273 020	271 960	272 637	4725
OAG	3,722,675	3 727 158	3 738 055	3 736 065	3 724 769	3 713 198	3 711 169	-11506
WVG	40	36	36	36	34	31	27	-13
Total	18,440,572	18,478,587	18,549,742	18,580,969	18,597,485	18,559,537	18,439,185	-1387

Source: OZDOW.SOCNAT.P. DAILY GRANT CSG18 STATS.P.TXT

Table 5: Grant type and beneficiaries as at September 2021

Grant type	Amount	Numbers of beneficiaries
State Old Age Grant	R 42 019 040	3 711 169
Disability	R 12 070 124	1 054 288
Foster care	R 2 281 091	342 318
Child Support Grant	R 36 238 284	12 910 451

Source: SASSA 2021

In spite of the decrease in uptake of the CSG, for the reporting period, there were 65,253 more children in payment than the target due to rising levels of poverty as a result of the COVID 19 pandemic. The distribution of social assistance, including the SRD grant in any form, meant to relieve extreme poverty and vulnerability remains well targeted although not sufficient. The poorest province receives the highest percentage of grant recipients per population (Eastern Cape and Limpopo)

Table 6: Grant distribution per province as at September 2021

Region	Grants (including COVID-19 R350 Grant)	Population (Statssa 2021 Mid-year Estimates)	% Share
Eastern Cape	4 082 457	6 676 590	61%
Free State	1 574 368	2 932 441	54%
Gauteng	4 679 281	15 810 388	30%
Kwazulu Natal	6 247 808	11 513 575	54%
Limpopo	4 041 206	5 926 724	68%
Mpumalanga	2 404 175	4 743 584	51%
North West	1 943 811	4 122 854	47%
Northern Cape	680 980	1 303 047	52%
Western Cape	2 217 395	7 113 776	31%
Grand Total	27 871 481	60 142 978	46,34%

Source: SASSA 2021

Grant beneficiaries constitute 46.34% of the total share of the population. EC (61%) and LP (68%) appears to be the highest with WC (31%) and GP (30%) as the lowest in terms of the total share of the population.

3.6.2.3 Creating vibrant and sustainable communities

Consultations for the National Community Development Policy have been finalised. 227 Civil Society Organisations have been capacitated. Research study on state and CSO partnership model has been conducted. The NPO Amendment Bill was gazette for public comments.

Implementation of food and nutrition security initiatives for vulnerable individuals and households: About 2 129 001 households accessed food parcels through DSD provincial feeding programmes (CNDC's, luncheon clubs, home-based care, ECD's, drop-in centres, mobile clubs), and over 3 million vulnerable individuals accessed food nutrition security (food parcels during COVID-19, private sector partnership) as part of food security initiatives and the introduction of the SRD grants and top-up grants. The decline in hunger corresponds with the introduction of the SRD grant and top-up grants in June 2020.

3.6.2.4 Integrated social protection information system

Integration of the social protection information systems for better delivery of services- Monitoring and Evaluation Policy Framework was revised and finalised for the NISPIS. **Universal access to basic services**

National Health Insurance (NHI): From April to September 2021, there were public hearings on NHI Bill in Parliament as scheduled by the Portfolio Committee. The MTSF 2024 target is to have all public health facilities implementing the national quality improvement programme. During Quarter 2 of 2021/22, 69 PHC facilities, 61 Hospitals and 18 EMS were implementing the National Quality Improvement Programme, in the identified 16 Quality Learning Centres (QLCs).

Housing: The 2019 General Household Survey (GHS), purports that 81,9% of South African households lived in formal dwellings, 12,7% in informal dwellings, and 5,1% in traditional dwellings. Traditional dwellings were most common in Eastern Cape (23,0%) and KwaZulu-Natal (13,1%). Informal dwellings were most common in the City of Cape Town (19,6%), Johannesburg (19,1%) and Ekurhuleni (18,4%), and least common in Nelson Mandela Bay (7,1%). There is also a growing challenge of homelessness. The right to housing is enshrined in section 26 of the Constitution: 1) Everyone has a right to have access to adequate housing. 2) The state must take reasonable legislative and other measures within its available resources to achieve the progressive realisation of this right. Progress towards the attainment of this right is summarised in table 4⁷

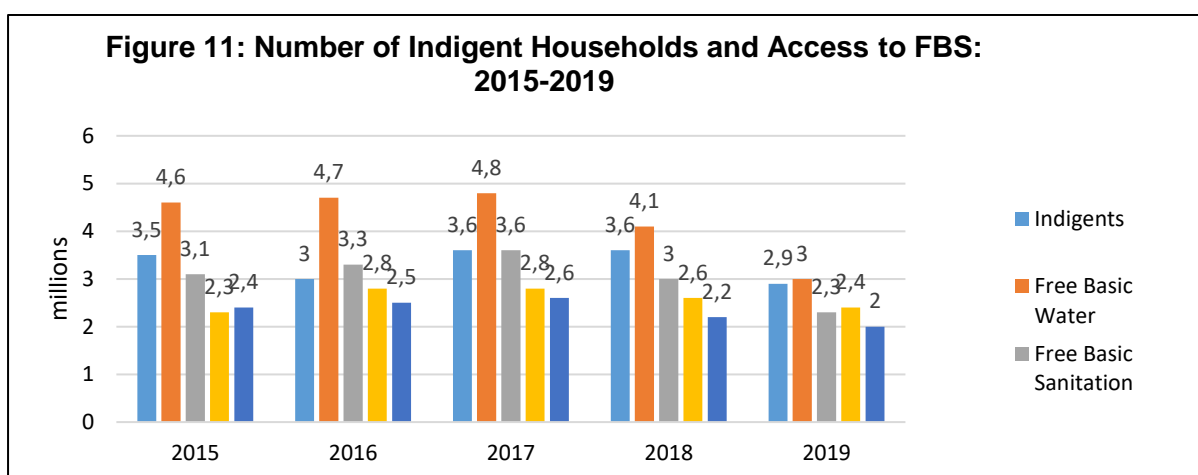
Table 7: Progress in Delivery of Shelter

Intervention	Target	Delivery for this reporting period
Number of BNG houses delivered	450 000	15 678
Number of households that received financial assistance and purchased units through FLISP	20 000	1 905
Number of serviced sites delivered	300 000	14 852
No. of rental housing units delivered in PDA's	30 000	1 471
No. of Community Residential Units (CRU)	12 000	1006 new

⁷ Statistics South Africa.2019. General Household Survey

Intervention	Target	Delivery for this reporting period
		68 upgraded
No. of informal settlements formalised/ upgraded to Phase 3 of the Informal Settlements Upgrading Programme	1 500	All Provinces and Metros were supported with the preparation of ISUP Grant Partnership Business Plans. 64 informal settlements to be upgraded to Phase 3 of UISP were managed.

Basic Services: Overall, there has been an increase in households receiving services (water, sanitation, electricity, and solid waste) across South Africa, however, the reliability and sustainability of supply of services have been severely affected due to the wholesale neglect of maintenance and refurbishment of infrastructure by municipalities. Consequently, households across the country are experiencing more frequent and lengthy disruptions in supply of water and electricity services. 2,2 million indigent households received free basic water services in 2019, while 1,8 million benefited from free basic electricity. On top of this, 1,5 million received free sewerage, and 2 million free solid waste. The top 3 provinces with the highest percentage of indigents are Eastern Cape (32,3%), followed by Kwazulu Natal (27,6%) and Northern Cape (20,5%).



Source: StatsSA 2021

Public employment: The Department of Public Works and Infrastructure (DPWI) reported the creation of 472 646 work opportunities from 1 April 2020 to 31 March 2021. This was against an annual target of 1 009 972. As part of the **Economic Reconstruction and Recovery Plan (ERRP)**, the Presidential Employment Stimulus, is designed to respond to the rise in unemployment caused by the COVID-19 pandemic. The first phase of the employment stimulus enabled 170,000 unemployed youth to be placed into various work opportunities through the pathway management network (of which 132,406 were placed as school assistants and 2,000 were placed in jobs in global business services).

Universal access and quality through no-fee schools and through ensuring that all 10-year-old learners enrolled in publicly funded schools read for meaning. The Department of education is on track and is implementing various interventions to ensure universal access to quality education. Additionally, to future proof the country against the disruption of digital economy, basic education has introduced Coding and Robotics. The successful introduction of this curriculum depends on the quality of the stock of teachers and their ability to teach this new curriculum. More resources are going to be needed to train teachers to be competent to teach this curriculum in addition to connecting schools.

3.6.2.5 Cross-cutting focus areas: Women, Youth and People with disabilities

Delivery of sanitary pads has taken place in all Provinces during the 4th Quarter of 2020/21. NFSAS beneficiaries in public universities and TVETs receive stipends of R290 monthly and the stipends continued to be disbursed even during the lockdown.

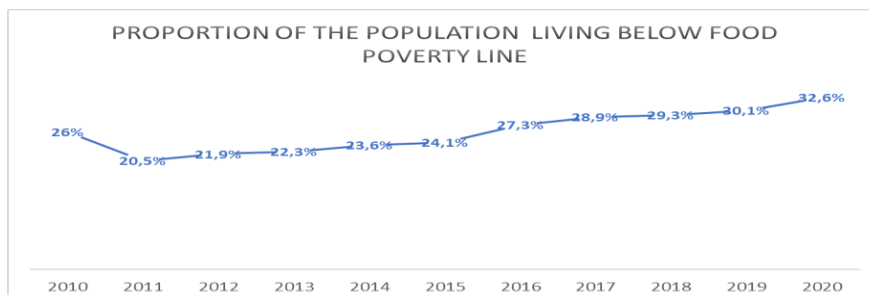
Roll-out of basket of social services to families caring for children and adults of disabilities - Progress up to December 2020, indicated that 9,351 adults and children with disabilities accessed day-care centres; 7,338 persons with disabilities accessed residential facilities; 17,026 Persons with disabilities accessed protective workshops; 1850 persons with disabilities accessing Independent living centres; and 4,300 funded NPOs rendering services to persons with disabilities. As part of the integrated community-based personal assistance services, 22,091 persons with disabilities are also accessing community-based services / Disability Mainstreaming services.

Introduction of measures to ensure early development screening for all children, and clearly defined eligibility criteria to reduce exclusion errors for social assistance support for children with disabilities. A total of 103 683 learners were screened and 7,088,788 (75%) of children (0-8) are receiving individualised support.

3.6.3 CHALLENGES

The vision subscribed to Social Protection by the NDP is that by 2030 everyone should enjoy an adequate standard of living; no South African should live below a yet to be determined social protection floor. Eliminate income poverty – Reduce the proportion of households with a monthly income below R419 per person (in 2009 prices) from 39 percent to zero. The percentage of the population living below the food poverty line is estimated to be at 32.6% (see Figure 1)⁸.

Figure 12: Proportion of the population living below the food poverty line.



Source: IHS Markit Regional eXplorer version 2175 – modelling using StatsSA data

⁸IHS Markit Regional eXplorer version 2175.2021. modeling using StatsSA data

The face of poverty is still African (see table 4). At 38.5% African food poverty is twice (percentage wise) that of Coloureds at 15.3%, and many more times that of Asians and Whites.

Table 8: Food poverty line by race

Proportion of the Population living below food poverty line					
YEAR	African	White	Coloured	Asian	Total
2010	31,6%	0,5%	11,2%	1,0%	26,1%
2011	25,0%	0,3%	7,8%	0,8%	20,5%
2012	26,4%	0,2%	9,5%	0,8%	21,9%
2013	26,8%	0,2%	10,4%	0,7%	22,3%
2014	28,2%	0,2%	11,8%	0,6%	23,6%
2015	28,7%	0,2%	12,3%	0,5%	24,1%
2016	32,6%	0,2%	13,4%	1,0%	27,3%
2017	34,4%	0,2%	13,9%	1,4%	28,9%
2018	34,8%	0,2%	13,6%	1,7%	29,3%
2019	35,7%	0,3%	13,8%	2,0%	30,1%
2020	38,5%	0,3%	15,3%	2,4%	32,6%

Source: HIS Global Insight Southern Africa

Source: IHS Markit Regional eXplorer version 2175 – modelling using StatsSA data

These high levels of poverty are not likely to change quickly given the strong correlation between poverty and jobs. The asset base deficiencies of the majority of Africans individuals and communities AND a security insurance system that does not adequately cater for the able bodied - 18-59, mean that the way out of poverty is to sell their labour⁹. The economy therefore must grow and absorb labour. However, the economy, according to StatsSA, has yet to return to pre-COVID19 levels. (Real GDP was R1 131 billion in the second quarter of 2021. PreCOVID19 GDP measured at first quarter of 2020 was R1 147 billion (StatsSA2021).

3.6.3.1 Policy gaps, coverage gaps and funding gaps

Gap in coverage for the 15 – 59: Disproportionately, there are no provisions to address the plight of individuals who have no income but do not meet the means test criteria to receive social grants (the 18-59 age group challenge).

A policy on homelessness does not exist. There are minimum norms and standards for homeless developed for example' by the City of Cape Town. The Government of Gauteng passed the Gauteng Street Children Shelter Act (1998), but there is no overarching policy of homelessness.

Insufficient shelters for victims and survivors of GBVF: Out of the 52 districts across the country, 45 districts have at least one shelter, 7 districts are without shelters and a total of 136 shelters exist across the country. 117 (85%) of these GBV shelters are funded by the DSD.

Not all employees are covered by the UIF: Non-compliance with the Unemployment Insurance Contributions Act by employers who defaulted and have not been contributing and thus the delays in finalising the payment of claims to their employees as well as technical glitches due to system overload. Furthermore, a number of claims and allegations of corruption and fraud were levelled against the Fund and some unscrupulous employers.

⁹ The phenomenon of the working poor means labour force participation, however is not guaranteed ticket out of poverty (Schiller, 2001).

Road Accident Fund funding gap: Despite the high investment in the Road Accident Fund (RAF) in terms of Rand value, it remains severely under-capitalised with liabilities exceeding assets by R321.7 billion in 2019/20. By December 2020 the liability of RAF stood at R293 billion and subsequently increased to R325 Billion by January 2020. As of 31 March 2020, the current liabilities of the RAF exceeded current assets by R50.9 billion. This huge liability has the potential of destabilising the state and financial markets if the creditors would call¹⁰.

Hiring of social welfare practitioners: Over 7000 social workers are trained but are unemployed. Meanwhile the NDP estimated the need 55,000 social welfare practitioners and the target for this MTSF Period is 31744. There are 18300 currently in the system.

Challenges in delivering service - The payment of social security remains fraught with challenges. TCC's budgets are segmented and rely on a combination of private and government funding, however, it seemed unlikely that this would cover the gap in funding. They require a sustainable funding model to ensure the availability of medical equipment, human resources and service delivery in all TCCs.

3.6.4 RECOMMENDATIONS

- DSD working with SITA and DPME must work towards the establishment of an inclusive social protection register for the vulnerable (NIPSIS) for timely intervention during times of crises (e.g. COVID-19). This will be assisted by the establishment of the social protection floor.
- DSD must lead the effective implementation of the Drugs Master Plan and the Care and support pillar of the NSP against GBVF.
- Head of government business in Parliament must strongly encourage the finalization of the NHI bill and meanwhile DOH must be ready to take forward the related legislation and policy. The NHI regulations that will determine the cost and pace of implementation, such as the nature and scope of benefits to be covered by the NHI Fund.
- The education sector should protect fundamental education interventions that have promoted and increased access and quality, teacher development even under circumstances demanding for budget cuts
- Public employment programmes particularly CWP and Presidential Youth Employment Initiative

¹⁰ Road Accident fund Annual report. 2019/2020

3.7 PRIORITY 5: SPATIAL INTEGRATION, HUMAN SETTLEMENTS AND LOCAL GOVERNMENT

3.7.1 ENVIRONMENTAL MANAGEMENT

3.7.1.1 Strategic intent

Environment management, sustainable development and climate change attempts to provide means to create balance between human existence, industrial development and economic development within the constraint of available resources and their utilisation to drive optimal economic growth and development, Green economy and Just Transition as their taking place within spatial and geographic localities. The spatial transformation and disparities dimension traverses, global, regional to local areas where negative effects are felt and experienced by the citizens. It is within this context that the NDP 2030, the governing party manifesto, SONA commitments and as well as government wide commitments to citizens aimed at addressing poverty, unemployment and inequalities considered to critical compents to drive development that is not harmful to human existence whilst promoting economic growth and development within the carrying capacity of the existing resources extractions.

3.7.1.2 Environment management priorities of the MTSF 2019-2024

Given that the effects of climate change and environmental degradation fall most heavily on the poor, the NDP enjoins us to strengthen the resilience of its society and economy to the effects of climate change. The environment component of Priority 5 of the MTSF 2019-2024 has the desired goal of reducing or mitigating risk due to a combination of geography, the intrinsic vulnerability of poor communities to environmental threats, and the pressures that economies based on resource extraction place on the environment. To advance this vision, the MTSF 2019-2024 covers departmental performance on the following five interrelated outcomes:

- a) Green House Gas emission reduction;
- b) Municipal preparedness to deal with climate change;
- c) A just transition to a low carbon economy; and
- d) Improved ecological infrastructure.

3. 7.1.3 Overview of main achievements

Cabinet has adopted GHG emissions reduction target as part of the Nationally Determined Contribution (NDC) to global efforts to reduce GHG emissions and mitigate climate change. This is an effort towards keeping GHG emission targets within the range of 350-420mt by 2030 from the previous target of 398-440MtCO₂e. The MTSF 2019-20 has set a target of maintaining the range of 398-440MtCO₂e, the target may need to be revised in the next MTSF to align with the country commitment.

The Climate Change Bill has been presented in Cabinet Committee and approved by Cabinet on the 14th September 2021 for submission to Parliament, this a great step as it is a move closer to alignment of policies that influence South Africa's climate change response.

The sector has developed transition plans for Just transition for high carbon emitting sectors (energy, transport, agriculture and waste and currently consultations of financing the transition are in progress

3.7.1.4 Overview of main challenges

There was no milestone or targets sets for the work being done on the implementation of sector plans to reduce vulnerability to risks associated with climate change except for the reviews being done on the Biodiversity and tourism sector plan.

Border tariff adjustment, carbon tax and other tax and levy regimes might lead to the protectionist to lock out or in the South African products to reach global market, whilst investment by the multinational into South African economy will remained constraints leading to stagnation of trade balance and restricted access to global markets. Climate change funding for adaptation and mitigations has not been designed, the over dependence to the global funding mechanisms remain a threat to the sustainable implementation of effort to drive climate change response measures, with municipalities being at the coal face has seen declining budgets earmarked for the building capabilities and preparedness for municipalities to deal with climate change matters.

The pressure exerted by the Just Transitions' risk of divestments into the fossil fuel investment by the global communities will results in the risk of job losses in those sectors that will be negatively affected, the move to embrace new technologies by the key sector like electricity generation, petrochemical, Gas and mining sector will require focused strategic interventions to conserve and to come up with new skills and jobs.

3.7.1.5 Impact of July riots / civil unrest

Hazardous materials were released into environmentally sensitive areas following the burning and destruction of buildings during the pubic violence and looting in Durban. The eThekweni metro has since closed the beaches north of the Umgeni estuary up to the Tongaat River due to the contamination of the uMhlanga estuary. The public will be advised when it is safe to use the beaches.

Acid fumes from burning buildings and warehouses are being released as a consequence of the riots and this will undoubtedly impact the health and well-being of surrounding residents.

Thousands of fish and other aquatic organisms were killed by a torrent of turquoise effluent that flowed from warehouse, which held as many as 1,600 different types of chemicals. This compromised livelihood of small-scale fishers in the area.

The incident has exposed significant weaknesses in the regulation of hazardous installations, along with major flaws in emergency and pollution control response by South African authorities. The unauthorized operations unearthed the depth of non-compliance by some industrial operations and the risk to human associated with them where compliance conditions are not met.

3.7.1.6 Discussion

The MTSF 2019-2024 entails total of 15 interventions and 15 indicators/targets. These interventions and indicators are spreads over four outcomes, as follows;

- Greenhouse Gas Emission, 2 interventions and 2 indicators / targets
- Municipal Preparedness to deal with climate change, 2 interventions and 2 indicators / targets.

- Just Transition to Low carbon Economy, 1 intervention, and 1 indicator / target.
- State of ecological infrastructure improved, 10 interventions, and 10 indicators / targets,

The current environment report indicate that 7 indicators are on track, 5 are lagging behind and two not on track. Targets on track include the development of sector transition plans developed (Agriculture and Forestry, Biodiversity and Tourism, Disaster risk management, human settlement and water).

Waste management, another critical area of local government supported by national government- It is not clear as to what percentage target the sector has an annual target as there are different targets for national 20% (national), GP (12%), KZN (25%) and FS (10%) of waste diverted from the landfill sites. There are no milestones set for this biannual reporting period.

Transition to low carbon economy- Towards the development and implementation of 5 transition plans for high carbon emitting sectors, the sector targeted to develop sector job resilient plans for the sector in question and to submit such to the Presidential Climate Change Coordination (PCCCC) work programme by end of the 2020/21 financial year. Thus far Five (05) value chains Sector Job Resilience Plans (SJRPs) completed

3.7.1.7 Recommendations

- The evidence for social compacting using roles and responsibilities for the of the different social partners towards the reduction of the 'carbon footprint'.
- Differentiated environment authorization targets lead to inadequate performance from the environment authorization by the different spheres of government and authorities.
- Lack of cooperation amongst the sector stakeholders leading to adequate success on the implementation and achievements of the sector targets have negative effects to the priority outcomes and impacts.
- The NDC is function of multiple partners, the implementation thereof and accountability for non-compliance has not been unpacked for its effective implementation. Just Transition pathways are being developed through the PCCCC recommendations will be made on the Council conclusion of the work.
- The long outstanding issues that have been in the focus of government departments have not been concluded and the stock of where the existing interventions have progressed have not been mapped i.e Carbon Capture and Storage, Renewable energy and energy efficiency). The outcomes and impacts of those interventions have not yet been quantified to determine their efficiencies
- Focus should be on sector targets and objectives as part of the priority, Sector coordination and alignment of resources from local, provincial and national levels, synchronised by concurrent functions and on implementation for massification of high impact and outcomes interventions.
- All environmental authorisation targets both for the MTSF and APP should be set at 100% across concurrent boundaries and spheres of government.
- Programmes and projects outcomes, impact and deliverables objectives need to have specific lifespan with proper measures of success to avoid evergreen projects with no definite value for money and growth trajectories.
- Focused sector reports need to be generated to elevate the key emerging issues pertinent to the sector.

- Lack of accountability associated with outcomes and impact create impasse towards the achievement of the key government objectives and deliverables of the NDP goals, SONA commitments and governing party compact to citizens.
- The environmental taxes, levies and duties need to be focused to addressing the challenges emanating from them but not confined to their sources i.e plastic levy, green taxes carbon need to be channeled towards the resolution of other environmental damages with non-point sources.
- Sector coordination and accountability on implementation of interventions need coordinated effort by the cluster to ensure outcomes and impacts are derived.
- Fast track pathways analysis for Job losses associated with Just Transition by sectors and come up with mitigation and resilience modalities hence transition is taking place with or without our actions.

3.7.2 RURAL ECONOMY

3.7.2.1 Strategic intent

The National Development Plan (NDP) 2030 indicate that the main challenge for rural development has been the need to combat marginalization of the poor. Marginalization is caused, in part, by reduced access to resources – land, water, education, skills, infrastructure, and government services. Rural areas have greater poverty and inequality (than urban areas). Many households are trapped in a vicious cycle of abject poverty and inequalities and unemployment are rife. Interventions for rural economy are therefore informed by the governing party manifesto, SONA commitments and as well as government wide commitments to citizens aimed at addressing poverty, unemployment and inequalities using land reform, rural development and agrarian transformation.

3.7.2.2 Rural economy priorities of the MTSF 2019-2024

Over the MTSF 2019-2024 period, government will continue to transform and strengthen the rural economy sector, through following three outcomes:

- a. Sustainable land reform (Fast track land redistribution, restitution, and security of tenure and prioritization of women, youth and persons with disabilities to benefit).
- b. Agrarian transformation (transformation and support of new entrants to agriculture and agro-processing value chain)
- c. Rural infrastructure development (Improved economic participation and social development, through development of agro-processing facilities, agri-hubs development and productivity support to the small farm holders)

3.7.2.3 Overview of main achievements

Sustainable land reform- MTSF 2019-2024 has 1.5 million hectares (ha) targeted for land redistribution, restitution and security of tenure. The split is 800 000 ha (53%) from the open market (private sector) and 700 000 ha (47%) from the state land disposal. Out of 700 000 ha (actual figure is 691 523 ha (1535 farms) from the state land disposal process, 436 563 ha were settled in the biannual reporting of June 2021, currently (November 2021 biannual reporting)

157 749 ha has been settled, so far there has been cumulative achievement of 594 312 ha (1290 farms), which is 86% of the total state land to be released.

Improved capacity in the office of the Land Claim Commission, Valuer General and Deeds Registry office, the Cabinet memorandum has been presented to the Cabinet in May. To address inefficiencies from these offices.

134 682 ha of land is under cultivation. This is against the target of 200 000 ha for MTSF period, which translate to over 67%. This will require massification for food security purposes.

3.7.2.4. Overview of main challenges

The open market portion (800 000 ha (53%)), there was no progress for the previous reporting period. Agrarian transformation 100 000 Ha under conservation agriculture (Smart Climate Methods) and 300 000 smallholder farmers supported (financial and non-financial).

It also notable that the acquired land post settlements do not yield required productivity. Some of the acquired land that have been resituated, redistributed and having tenure security are receding from the productivity levels before they have been restored.

Inefficient CPA: In the majority Communal Property Associations (CPA's) entities do not comply with their reporting obligations. There is a high incidence of dysfunctionality and non-compliance within CPAs which warrants intervention by the Department and other stakeholders. The dysfunctionality are mainly caused by divergent views from the beneficiaries

3.7.2.5 Impact of July riots / civil unrest

The civil unrest in July 2021, affected agriculture in holistically, from production, exporting to processing. Sugar industry was the most affected agricultural sector.

The potential losses from arson were substantially higher (>554 000 tons), however all mills except Amatikulu, Gledhow, Maidstone & Sezela managed to crush the cane burnt in time. The true losses (>95000 tons) are reflected by cane rejected/rotten prior to crushing. 374 growers were affected by arson. Figure 1 below indicate that the damaged cane due to riots over 26% was rejected by mills.

Risk management and mitigation for future incidents of riots to agriculture need to be developed in accordance with the spatial vulnerability analysis

Results further indicate that over 28% were for the smallholder farmers which are black, uninsured and poor were greatly affected. These smallholder farmers are supported by government through SAFDA and extension services (R133 million in 2018/2019 and a further R25 million in 2019/2020). The money put by government is lost.

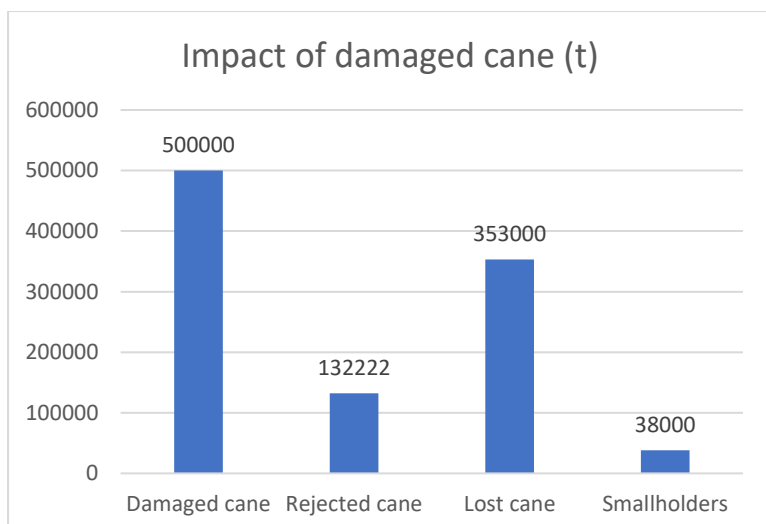


Fig 1. Impact of damaged cane

The department and the sector are tracking 11 main interventions and 9 targets (excluding Spatial transformation) in the MTSF 2019-2024. The tracked interventions are as follows:

- Spatial transformation; 3 outcome and 5 outcome indicators
- Sustainable Land Reform; 3 interventions and 3 indicators / targets
- Agrarian transformation; 6 interventions and 3 indicators/ targets
- Integrated rural development; 2 interventions and 3 indicators / targets

The current rural economy sector's biannual report reflects notable progress towards 9 of the 11 targets, while 3 targets are not on track.

Under the review period, **88 630 hectares of state land** were released to farmers of land has been acquired and allocated, out of the MTSF overall target is 1.5 ha million ha. **438 496 hectares of state land were allocated to deserving farmers in line with the Beneficiary Selection and Allocation Policy**

61 003 hectares of land was acquired / purchased. 17 834 hectares of acquired hectares of land were allocated to farm dwellers and/or labour tenants. **8537 hectares were allocated to women and 11 911 hectares allocated to youth farmers. 468 land claims were settled, and 723 land claims were finalised.**

151 018 smallholder producers were supported with various initiatives including COVID 19 Relief Funding. 118 farmers in were supported through the Land Development Support Programme. Strategic Commodity development based on the spatial analysis and capability forms core of focused development that can be customized into DDM

The development of the strategy for the employment of extension practitioners for 2021/20 is in progress. The strategy was endorsed by executive of DALRRD. The next stage is to source funds for the recruitment Strategy. **713 extension officers were capacitated on selected areas pertaining to priority commodities.** There is decline of ha acquired and distributed land during this reporting period due to Covid-19 restrictions and no new farms were bought during the reporting period.

In the first quarter under review a spatial planning support report was produced and submitted to COGTA. The report outlines DALRRD plans and projects in line with DDM on 52 district municipalities sector profiles.

The agrihubs, agro-processing and FPSU are key to rural economic development, enabling new entrants to agrarian transformation and growing productivity resultants from the agricultural products demands and markets creations resultant thereof.

Food security response measures such as land under-cultivation, increased rural infrastructure development need to be focused to the worse affected areas and also to avoid other regions getting worse

3.7.2.6 Recommendations

- Value for money for the interventions need to be quantified to ensure that money utilized by government returns are achieved.
- The National Spatial Development Framework (NSDF) and Spatial Frameworks of other spheres of government need to guide and inform decisions around land reform and support a spatial understanding of the potential of land in South Africa, as part of our long-term development path.
- Focused sector reports need to be generated to elevate the key emerging issues pertinent to the sector.
- Improvement plans for the MTSF deliverables lagging behind and improved coordination at sector levels for outcomes and impact need more focus.
- Focused implementation of the sector objectives, interventions should be used to drive achievements of government –wide outcomes and impacts.
- Priority reports analysis need to focus on the outcomes and impact of interventions whilst determining the key interventions to drive massification of outcomes and impact yielding interventions.
- Government will need to act fast to maintain, intervene and protect infrastructure assets to reduce the backwards slide caused by theft, vandalism and abuse of public infrastructure. This was emphasized in the last POA Cabinet meeting (June 2021).
- Interlinked interventions and non-reporting on those items will require stringent accountability and the cluster levels to ensure deliverables are met.

3.7.3 HUMAN SETTLEMENT

3.7.3.1 Strategic Intent

The NDP clearly expresses the need to redress and ‘address the challenge of apartheid geography’ by devoting more concerted attention to spatial integration and to accelerate the provision of well-located housing and land to poor South Africans. Human settlements have a key role to play in the effort to address poverty, create employment, improve socio-economic conditions and creating sustainable futures. 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 in the world, massive spatial injustices still persist.

To overhaul apartheid spatial planning and patterns of social exclusion, access to liveable, adequate and affordable housing opportunities on well-located land is necessary for the wellbeing of communities and the society as a whole. Housing provides an opportunity to live in a healthier environment, a financial asset and security of tenure. Well-located human settlements act as enablers for economic empowerment (access to jobs or business), greater

social cohesion and reducing income inequality – not excluding its contribution towards stimulating the construction sector.

3.7.3.2 Human settlement priorities of the MTSF 2019-2024

The human settlement component of Priority 5 of the MTSF 2019-2024 has the desired goal of restructuring the urban space economy to offer optimal opportunity to integrate, consolidate and ultimately transform settlements. The focus of the human settlement programme is to reshape settlement patterns and accelerate spatial transformation. Over the next five years, government will continue to focus on reshaping and transforming human settlements into equitable and efficient spaces, with citizens living in close proximity to work, social facilities and the necessary infrastructure. To advance this vision, the MTSF 2019-2024 pursues three interrelated outcomes with clear targets and results:

- Spatial transformation through multi-programme integration in priority development areas (PDA's)
- Adequate housing and improved quality living environment
- Security of tenure through the provision of title deeds

3.7.3.3 Overview of main achievements

Spatial transformation through multi-programme integration in PDA's

Human settlement planning and development is prioritised in the targeted Priority Development Areas (PDAs) as a catalyst for spatial transformation and spatial justice. A proactive lead was taken in this regard through the declaration of 136 priority housing development areas against a target of 94 PDAs. The Human Settlement Development Grant (HSDG) has been disbursed to 102 PDAs (32.5% of HSDG) and the Informal Settlements Partnership Grant (ISUPG) have been invested in 42 PDAs impacting on 98 informal settlements. Spatially targeted funding in PDAs is a positive step in not only increasing the asset creation potential of the state's investments in human settlements, but also to act as drivers/catalysts for development opportunities within specific areas and to focus municipal, provincial and national infrastructure investments to be increasingly targeted in these areas to ensure spatial integration and spatial justice.

The progress in rezoning of strategically well-located land is slow with no progress noted in the reporting period. Only 0,14% of previously acquired land (2014-2019) falling within the PDAs has thus far been rezoned for human settlements. There is sharp decline on the percentage recorded in the previous reporting cycle which was 33%.

Adequate housing and improved quality living environment

The NDP suggest that housing policies should realise constitutional housing rights, ensure that delivery of housing is used to restructure towns and cities and strengthen the livelihood prospects of households.

Access to adequate and affordable housing continued to be provided with 252 846 housing units and typologies delivered as at September 2021 against the MTSF 2024 target of 812 000 and represents 31.1%.

The number of subsidized housing units delivered was 130 748 against MTSF target of 450 000 (29%). The balance is likely to be recovered over the MTSF period through

strengthening the capacity for implementation at local level. Whilst subsidy houses help redress asset poverty, the failure to improve project location and weak performance on title deed transfers limit integration into the workings of the city economy and households' ability to leverage the assets to assist with improved livelihood opportunities.

There were 105 550 serviced sites delivered against a target of 300 000 which represents 35% and 14 852 serviced sites recorded in the reporting period. Social housing units total to 6 337 of the 30 000 MTSF target representing 21% achievement against the 2024 target.

The FLISP has produced 9137 units, which represents 45.6%, showing steady progress. The uptake of FLISP subsidies by first-time buyers of property can further be bolstered by considering to simplifying the application process and to make consumers aware of the benefits of FLISP.

3.7.3.4 Overview of main challenges

Alignment of PDAs with strategic spatial policies and programmes

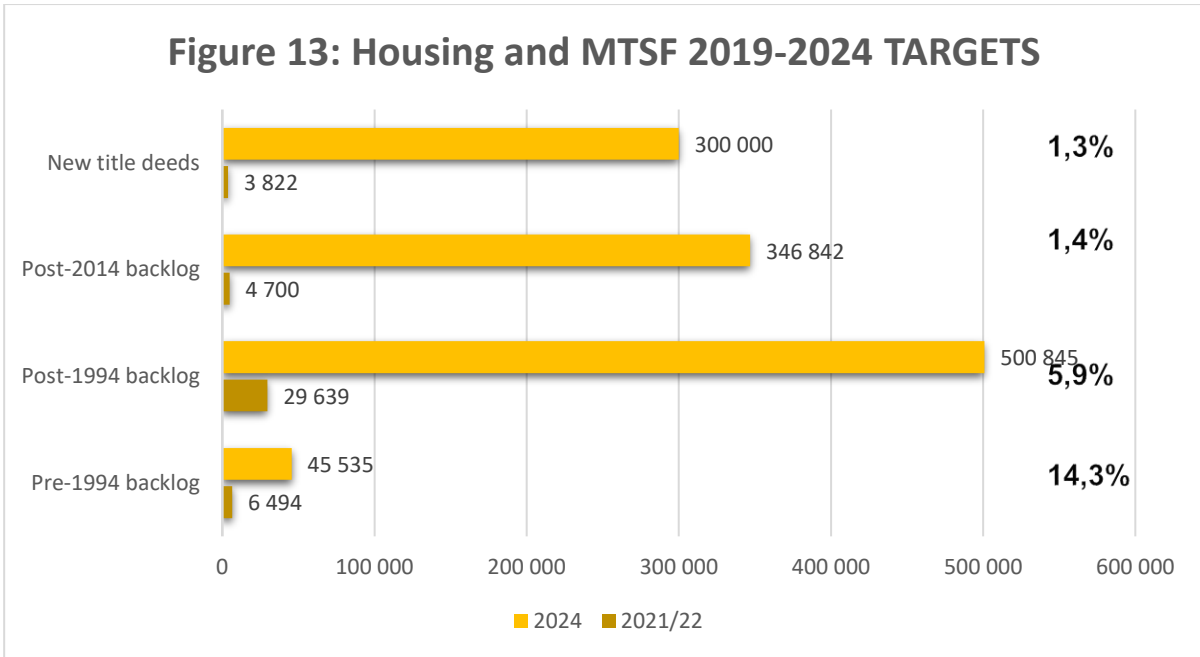
To support the noteworthy initiative to spatially transform the urban landscape through PDAs and to ensure the effective implementation of the PDAs in fulfilling the principles of integrated development, radical spatial transformation, urban renewal and strengthening institutional capacity, the PDA strategy should be aligned with several key spatial initiatives/frameworks such as the draft National Spatial Development Framework (NSDF), National Infrastructure Plan, Integrated Urban Development Framework (IUDF) and the District Development Model (DDM). From a national level there is a need to ensure that the PDA implementation programmes are aligned to the municipal IDPs and SDFs in their focus and to ensure policy coherence to achieve NDP goals in urban development, human settlements, land use and infrastructure provision.

Social housing units, CRUs and Informal Settlements Upgrading delivery

The performance of the Social Housing and CRU programme is sub-optimal with only 6 337 social housing units of the 30 000 MTSF target delivered representing 21% achievement against the 2024 target and a total of 1 006 CRUs (614 new and 68 upgraded) delivered against a 2024 target of 12 000 target (8.4% achievement). With regard to the upgrading of the 1 500 informal settlements by 2024, there has been no shift from the baseline at this stage.

Title deed registration

The registration and issuing of title deeds to beneficiaries of state-subsidised housing offers 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. One of the key MTSF priorities is to clear 893 222 outstanding title deeds for pre-1994 houses and post-1994 houses and process 300 000 new title deeds for serviced sites being delivered in the MTSF period. There are 11 136 title deeds registered in this reporting period and 44 655 cumulatively against the MTSF target of 1 193 222 (2.2%).



Source: Department of Human Settlements, October 2021

The performance of the key indicators pertaining to the eradication of the backlog and issuing of new title deeds against the 2024 targets are as per the figure above. The programmatic approach to register title deeds with the registration of the serviced sites was also intended but evidently this is not achieving the desired results since 105 550 serviced sites were delivered against only 3 822 new title deeds registered during the reporting period. The Title Deed Restoration Grant (TDRG) has been discontinued in 2020/21 as per its timeframe as it did not bring the intended results of accelerating the delivery of title deeds.

3.7.3.5 Impact of covid-19

Since the onset of Covid-19 in March 2020, the informal settlements were categorised as high-risk areas of mass Covid-19 transmission due to high densities. The UISP is prioritized to slow down the rate and spread of Covid-19 infections by creating improved living conditions through de-densification plans. This necessitated the revision of the set targets for the indicators in line with the budget cuts with the reprioritisation focussed on informal settlements upgrading, title deeds, rapid land release, serviced sites and installation of bulk infrastructure. The budget cuts led to the postponement of projects and downscaling of delivery targets which required MTSF targets to be adjusted accordingly. Reporting on the revised MTSF will commence from the end of the 3rd Quarter of the current financial year (2021/22).

However, there are still outstanding systemic and policy issues to be addressed in order to upscale the upgrading of informal settlements.

The need to address the urgent housing challenge continues to grow as urbanisation and the urban population continue to mushroom resulting in an increase of informal settlements of which many lack the basic infrastructure for transportation, water, sanitation, or electricity and represent large concentrations of poverty. With the urban populations continuing to grow faster than the population in general, increasing housing backlogs exists especially in the urban

centres (metros) and the rapid increase of backyard dwellers. The ever growing demand for housing creates the perception of it being a moving target.

The health crisis in SA due to COVID-19 has brought in sharp focus the urgency of upgrading of informal settlements to manage the risk posed to residents in informal settlements and townships. The introduction of ISUPG in 2021/22 promotes integrated sustainable urban settlements and improved quality living environment which includes tenure security, health and security and economic empowerment. With regard to the upgrading of 1 500 informal settlements by 2024, there has been progress in the upgrading of 64 informal settlements to Phase 3 and all Provinces and Metros were supported with the preparation of ISUP Grant Partnership Business Plans. However, it is critical for the department to finalise the outstanding systemic and policy issues to pave the way for upscaling the upgrading of informal settlements and concluding on the policy for provision of services to backyard dwellers. Informal settlements situated in well located or strategic land, for example close to work opportunities should be prioritised to address spatial inequality and minimise the burden of transport costs.

There were 15 678 subsidised housing units delivered in the reporting period. This brings the cumulative total to 130 748 against the MTSF target of 450 000 (29%). A total of 252 846 housing units and typologies have been provided as at September 2021 against the MTSF 2024 target of 812 000 (31,1% achievement).

There were no community residential units (CRU)/rental housing units delivered in the PDAs during the reporting period with the cumulative total remaining at 1 006 new Community Residential units (CRUs) delivered against a target of 12 000 target which represents 8,4%. Social housing units total to 6 337 of the 30 000 MTSF target representing 21% achievement against the 2024 target.

The persistent lack of progress and poor performance in the issuing of title deeds is exacerbating the backlog and giving cause for concern. There has been only 3,7% achievement towards the 2024 target with both historical and new title deeds to be issued showing low performance. In particular the Department has to account for delays in issuing title deeds for serviced sites since this is considered to be primary transfers and not subject to the factors delaying the registration of historical backlogs. The Inception Report: Title Deed Restoration Project (TDRP) outlined the strategy to address the potential challenges and failures in the implementation since 2014, but the programme did not achieve the intended results of addressing the delivery of title deeds and the TDRG came to an end in 2020/21. DPME has initiated a Rapid Implementation Evaluation of the delivery of title deeds for government subsidised housing and anticipates that the findings and recommendations will inform the redesign of the process for the remaining of the MTSF period.

While the grant was meant to support this intervention in addressing the title deed backlog, the Department wanted to deal with all the associated institutional and capacity gaps to ensure that the transfer of title deeds move with greater pace by March 2019 but it lacked proper monitoring of project implementation in order to respond to glitches on time. This is evidently proved by the case study of Title Deed Restoration project implemented in Makhaza community, Khayelitsha in Cape Town. Khayelitsha is one of the top five largest slums in the world. Around 1990, the provincial government, in partnership with the Independent Development Trust, developed serviced sites in Khayelitsha, Town 3 Village 5 area as it was known then and the area now is known as Makhaza. The sites were earmarked for beneficiaries across the City and most of them never took occupation due to intimidation which resulted to illegal occupation/invasion. Transfer of sites to the allocated beneficiaries

commenced around 1992, but legal beneficiaries did not come forward to claim/occupy the sites since there were already illegal occupiers.

The solution to Makhaza Phase II situation is perfectly addressed by Section 10A and should be brought within the meaning of the concept “vacate” although the allocations, occupations and transfers in relation to Makhaza had occurred prior to the effective date of section 10A.

If the department urgently attended to policy issues that required revision, Housing Act – Section 10A and 10B, better results would have been achieved. City of Cape Town (CoCT) and Centre for Affordable Housing Finance (CAHF) established a Transaction Support Centre aimed to fast-track the process of unblocking the challenges and resolve title deeds registration and issuing.

This case study has shown and proved that a bottom-up approach through community involvement and understanding of the value of a title deed will improve the transactions going forward and make the process easy in resolving the outstanding title deed registration of pre- and post-1994. DHS assessed the Housing Act and its subsequent amendments and identified areas requiring a policy change, therefore this proposal is supported as this is long overdue.

The programmatic approach to register title deeds with the registration of the serviced sites was also intended to improve the delivery of title deeds but evidently this is not achieving the desired results since 105 550 serviced sites were delivered against only 3 822 new title deeds registered since 2019.

Human settlement planning and development is prioritised in the targeted PDAs as a catalyst for spatial transformation and spatial justice. To unlock development in the PDA's, there is an urgent need to rezone the land that was acquired during the 2014-2019 MTSF period for human settlement development. It was expected to gain momentum since the PDA's have now been declared but to date only 0.14% of the previously acquired land in PDAs have been rezoned. Unlocking and leveraging well-located land will positively contribute to spatial transformation by enabling the urban poor, who cannot afford land/and or housing in well-located areas in cities, to be closer to economic and social amenities. To optimise the development potential, it will require an acceptance of higher density development in new areas, in areas where land is not optimally utilised and on well-located vacant land. Integrated development should be pursued to counter fragmentation and ensuring that investments are aligned with infrastructure planning to optimise efficiencies.

Despite declaring more PDAs, the development of integrated implementation programmes is lagging behind. A total of 7 of 94 PDA implementation programmes have been developed. The department is expected to accelerate spatial transformation through multi-programme integration in each PDA to facilitate coordination from different sector contributions and to focus multi-year strategic interventions and investment prioritisation that are appropriately sequenced.

To realise spatial transformation objectives and ensure priority investment opportunities through an area-based approach, the HSDG and ISUPG are progressively being allocated to PDAs but require greater alignment with PDAs to realise the transformative objectives of these strategically identified areas.

3.7.7.6 Recommendations

- The primary cause(s) for the delays in rezoning previously acquired land should be investigated (i.e. municipal capacity to process applications; alignment of DHS priorities with SDF/infrastructure priorities of the municipalities; project sequencing).
- The Department should urgently resolve outstanding systemic and policy issues to unlock implementation and upscale the upgrading of informal settlements. Attention should be paid to the implementation and programme management capacity at the different levels of government, particularly provinces and major cities.
- The Department must accelerate spatial transformation through multi-programme integration in each PDA to facilitate coordination from different sector contributions and to focus strategic
- interventions and investment prioritisation and rezone all land parcels falling within PDAs to support the spatial restructuring agenda.
- The Department should urgently revise Section 10A and 10B of the Housing Act and its subsequent amendments and the identified areas requiring a policy change to tackle the growing title deed backlog of pre- and post-1994 and the delay in new title deed registrations.
- The Department to support DPME to undertake a Rapid Implementation Evaluation of the delivery of title deeds for government subsidised housing in anticipation that the findings and recommendations will inform the redesign of the process for the remaining MTSF period.

3.7.4 LOCAL GOVERNMENT: BASIC SERVICES

3.7.4.1 Strategic intent

South Africa has demonstrated progressive growth in the provision of basic service delivery, but continues to face difficulties particularly with regard to deteriorating infrastructure due to neglect of asset maintenance. The emphasis should be on functioning infrastructure as a critical precondition for providing basic services such as electricity, water, sanitation, telecommunications and public transport, that are robust and extensive enough to meet industrial, commercial and household needs. The intent is also to significantly expand the proportion of people who use public transport for regular commutes by 2030 and public transport should be user-friendly, less environmentally damaging, cheaper and integrated or seamless. The two overarching goals of the MTSF 2019-2024 are:

- a. Improved capacity to deliver basic services and quality infrastructure to increase household access to basic services
- b. Affordable, safe and reliable public transport

3.7.4.2 Overview of main achievements

Significant strides continue to be made towards the provision of basic services. There has been an increase in grid and non-grid electrification connections to households. Water and basic sanitation infrastructure programmes achieved the completion of 13 bulk water supply projects towards improving the reliability of water services. These include an addition of 2 projects completed during this period of reporting, 1 sanitation and 1 water supply.

A total of 185 (50%) non-compliant water systems monitored against the regulatory standards against an annual target of 371; and 170 (65%) non-compliant wastewater systems monitored against the regulatory standards against an annual target of 260. The Department of Water and Sanitation (DWS) targeted these systems by virtue of their non-compliance and as a measure to mitigate this shortcoming, the department has issued pre-directives and directives for significant non-compliance within the wastewater space. In line with reviewing the current regulatory framework on water ownership and governance, the department has developed the Draft National Water Amendment Bill and Draft Water Services Amendment Bill.

South African cities continue to exert efforts in the investment, construction and implementation of the Integrated Public Transport Networks (IPTNs) to improve public transport infrastructure and systems and expand public transport usage. To date 6 cities (Johannesburg, Tshwane, Ekurhuleni, George, Cape Town and Nelson Mandela Bay) are successfully operating integrated public transport networks with combined average passenger trips amounting to 143 000. The infrastructure commitment in the rail sector focusing on the modernisation programme has prioritised the rebuilding of the Mabopane-Pretoria line in Gauteng and the Central line in Cape during this period. The Rolling Stock Fleet Renewal programme to increase and replace the current Metrorail fleet (trains) has provisionally accepted the delivery of 10 new for the 2021/22 financial year.

3.7.4.3 Overview of main challenges

The MTSF outcomes and targets that are currently underperforming are as follows:

DWS reported that no bucket sanitation systems were eradicated during the period. The cumulative figure remains stagnant at 536 bucket sanitation systems eradicated against the 2024 target of 12 221. The refurbishment projects to address the functionality component of the WSA reliability and the development of district municipality water and sanitation reliability plans have been deferred to the 2021/22 financial year.

The 2020/21 preliminary MuSSA report indicates that the business health of Water Service authorities (WSAs) is as follows: 44% of WSAs are on extreme vulnerability; 31% of WSAs are on high vulnerability; 8% of WSAs are on moderate vulnerability; and 7% of WSAs are on low vulnerability.

3.7.4.4 Impact of covid-19

In the height of the pandemic, government had to put in place extreme measures to curb the infrastructure deficits and curb the spread of the virus, this included the commitment of a further R8 billion reprioritised within allocated conditional grants to fund additional water and sanitation provision and the sanitisation of public spaces and public transport.

The revision of the fiscal framework and the resultant reprioritisation of departmental budgets has seen a reduction in the Integrated National Electrification Programme (INEP) budget from the initial allocation of R3 billion to R1 billion over the MTEF period. This most likely to have implications on the projected MTSF targets of connecting 1 million households.

The public transport sector has also experienced, amongst others, substantial revenue losses; halted public transport operations; busses operating on reduced demand; delays in planned capital infrastructure projects, and related expenditure. These dynamics could consequently impact on the expansion and operations of IPTNs in the cities. In relation to the upgrading of the Metrorail fleet it was reported that no coaches were refurbished or overhauled as at the end of September 2021. The lack of progress is due to challenges with supply chain processes during the COVID-19 pandemic. This has resulted in the department not appointing contractors for the Accelerated Rolling Stock General Overhaul programme since the expiry of the previous contracts in August 2019.

While progress has been uneven across the country, a glance at water and sanitation service delivery statistics suggests that household access to these services have stabilised over the last few years. A cumulative total of 13 bulk water supply and sanitation projects (24,5% achievement) were completed to ensure the reliability of water services. A total of 185 non-compliant water systems were monitored against the regulatory standards. This indicates an annual attainment rate of 50% which is below the annual MTSF target of 371 systems. Similarly, with the non-compliant wastewater systems, the department visited 170 (65%) sites against the annual target of 260. To support measures on the deteriorating conditions of wastewater treatment works, DWS is revising the existing legislative framework and studying best practices that will assist in managing the water services infrastructure.

The 2020/21 preliminary MuSSA report indicates that the business health of WSAs is as follows: 44% of WSAs are on extreme vulnerability; 31% of WSAs are on high vulnerability; 8% of WSAs are on moderate vulnerability; and 7% of WSAs are on low vulnerability. It is imperative that the Department prioritises support to the identified 80 WSAs in the implementation of the municipality priority action plans to address their operational and functional capabilities.

A conceptual framework for the National Sanitation Integrated Plan and a National Sanitation Situational Analysis Report providing a roadmap to eradicating sanitation backlogs and providing sanitation solutions to settlements has been developed. However, no progress has been reported on the implementation of the set targets in accordance to the plan. DWS has not replaced bucket sanitation systems in formal settlements during this period therefore the cumulative figure remains stagnant at replaced 536 (4%) bucket sanitation systems in formal settlements in the 2020/21 financial year against the MTSF target of 12 221. According to the Non-Financial Census of Municipalities, bucket toilets have increased in the North West and Free State. The lack of bulk infrastructure to connect the top structures to wastewater systems has been cited as a key challenge in the eradication of the bucket systems.

A number of projects have not been implemented since 2019 and these projects have been deferred to the 2021/22 financial year. These include; the assessment of water and wastewater treatment works for compliance with the Blue and Green Drop Regulatory requirements, respectively; support to WSAs to develop and implement municipal priority action plans falling in the priority districts; the non-commencement of the 9 refurbishment projects to address the functionality component of the WSA reliability implementation plans. and the development of the District Municipalities Five Year Reliability Plans. Some of these projects have been prioritised through the Economic Reconstruction and Recovery Plan and form part of the Operation Vulindlela Programme.

As at 30 September 2021, the latest data in accordance to DMRE provides that the number of households connected to grid electricity increased by a further 44 410; shifting the trajectory from a cumulative total of 381 405 (38,1%) as at 31 March 2021 to 425 815 (42,6%) households against the MTSF target of 1 000 000. Although the growth is noted, the targets are moving at

a slow progression rate especially in Gauteng and Western Cape as a result of rapid in-migration experienced by these provinces (StatsSA, GHS 2019). The department is working with municipalities and Eskom to implement catch up plans for the connection of grid electricity to households.

The department commenced with non-grid connections to households in the 2021/22 financial year as it had been anticipated. As at 30 September 2021, a cumulative total of 20 368 households were connected to the Solar Home System technology against the MTSF target of 75 000. This is in line with the policy objective of providing affordable, safe and sustainable energy to all citizens.

The Department of Environment, Forestry and Fisheries reported that no waste was diverted from landfill sites through recycling as at September 2021 against the MTSF target of 30%; a reduction from 10% in the previous reporting period. It is important that the department puts measures in place to fast-track the implementation of this intervention as this intends to save resources and send less trash to the landfills; consequently, helping in reducing air and water pollution.

The Department of Transport (DOT) has provided that integrated public transport networks have been operational in 6 cities (Johannesburg, Tshwane, Ekurhuleni, George, Cape Town and Nelson Mandela Bay) and are working towards the expansion of the network. 4 cities (Mangaung, eThekweni, Polokwane and Rustenburg) are working towards the launch of new services by the end of the 2021/22 financial year. The department has included Msunduzi as an additional city to be monitored towards the expansion of the integrated public transport network. The average hours of the cities actively operating the BRT remains at an average of 14 to 16 hours since June 2020 across all cities to date. It has been predicted that when services resume fully post Covid-19 lockdowns, the demand may not go back to the usual levels pre-lockdown due to the norms of physical distancing and passengers perceived 'risk' of travelling.

In relation to the modernisation of the railway network and stations, the department commenced with the upgrading and maintenance of the Mabopane - Pretoria corridor from the 15th of August 2021. Regarding the Central line in Cape Town consultations have been initiated with the City of Cape Town and the Western Cape Government to seek a consolidated approach in addressing illegal occupation of the railway reserve in Langa.

3.7.4.5 Recommendations

- The DMRE to ensure the tabling of the municipal electricity asset management framework to the Ministerial Cluster for deliberation within the 2021/22 financial year to advance the rollout of the framework to municipalities.
- With the INEP bearing a wider impact on the poor and marginalised communities, it is crucial that increased funding for the programme be considered in the medium-term to achieve universal electricity supply to households.
- As highlighted previously, water and sanitation services are particularly vulnerable because of the combined impact of falling revenues, the vicious cycle of rising debt and weak institutional and technical capability. At the minimum the following should be done to arrest the decline:

- Multidisciplinary revenue task team to address non-payment of bulk water by municipalities coupled with a political solution to municipalities not paying their debt as well as for debt owed to municipalities.
- Institutional realignment through rationalisation of water boards into Regional Utilities as options to unlock expansion of services.
- Consider disbanding WSAs that are dysfunctional and are unlikely to fully fulfil their functions and duties in the foreseeable future and the function transferred to utilities.
- DWS to support and monitor the implementation of municipal priority action plans developed by the 80 WSAs based on their respective MuSSA outcomes to address high and extreme vulnerability factors in key functional business attributes such as financial management, water conservation and water demand management, the operation and the maintenance of assets within WSAs.
- Establish robust processes that will monitor the involvement of all key role-players in the rigorous eradication of bucket sanitation systems.
- Municipal infrastructure is considered to be a valuable capital asset base of the country and as a result the maintenance and preservation of infrastructure is a crucial element for municipalities to ensure consistent and sustainable service provision to all communities. It is therefore imperative that municipalities implement measures that will shift the focus towards maintenance to avoid dilapidation and collapse of the existing infrastructure.
- There is a need for improved monitoring to track the efficacy of capacity building programmes. This includes the expedited review of the capacity building system for local government to ensure that resources are used in the most efficient and effective manner.
- DoT to continue monitoring IPTN cities that are non-operational and engage national and city political intervention in unblocking impasses at municipal level.
- A cost-benefit assessment of the IPTN, transit-oriented development and integration of the various modes of transport in line with the Public Transport strategy should be performed in cities that have implemented the IPTN.

3.8 PRIORITY 6: SOCIAL COHESION AND SAFE COMMUNITIES

3.8.1 SOCIAL COHESION

3.8.1.1 Strategic Intent

The Constitution and NDP 2030 envision a society united in its diversity. This envisioned society is equal before the law, non-sexist, non-racial and safe. Key contributors to a socially cohesive society include equality of income, wealth, opportunity and voice, prosperity, reduction in violence, gender conflicts and trust. The main five overarching priority components for the social cohesion and nation building of the 2019-2024 MTSF remain the following:

- a) Fostering the knowledge of the constitution and its values as focal objects of collective loyalties such that traditional elements of identity become irrelevant. This will enable all South Africans to have a common bond, providing normative principles that ensure tolerance and ease of life lived side by side.
- b) Promoting equal opportunities, inclusion and redress by building capabilities and ensuring that inequality of opportunities and outcomes are reduced.

- c) Promoting social cohesion through increased interaction across space and class through sport, cultural activities, production of artwork and stories that facilitate healing, greening and making public spaces safe,
- d) Promoting active citizenry and leadership through the participation of ordinary people in the civil affairs of the country and
- e) Fostering social compacts for partnerships with civil society, private sector and citizens for a more democratic, equal and prosperous society.

3.8.1.2 Summary of progress

In order to forge a “nation” united in its diversity, the NDP calls for fostering knowledge of the Constitution and its values. The Constitution calls for 1) transformation of lives, b) redress and c) for each individual living in South Africa to adopt the constitutional values of non-sexism, non-racism, human dignity, supremacy of the Constitution and the Rule of law.

The trigger and eruption of the July 2021 unrest and rioting in Gauteng and KwaZulu-Natal, widespread acts of looting, violence, death and allegations of racial discrimination are symptoms of failure by government and populace to live the values of the Constitution; slow transformation and redress as well as poor service delivery, leaving communities disillusioned and feeling excluded. Tensions had already been building up since the 29th of June 2021 and before with many people forming a ring of steel around Nkandla and threatening to stop the SAPS from arresting the former President. Social media has been deeply woven into the fabric of the lives of the society. It also became apparent that the unrest was instigated and coordinated via messaging platforms. Much as the social media was used to mobilise looters and rioters, it also enabled communities to organise and coordinate their various responses which included community policing forums, clean-up campaigns, rallying donations for those affected by the violence and looting. These looting lasted for days – a symptom of poor rule of law. This act of violence also undermined processes and efforts to build a nation that is united in its diversity with one common identity. Erosion of the spirit, social and moral fibre of the people with race baiting, hate and mistrust elevated. The socio-economic costs included the loss of livelihoods and employment which immediately affected the majority of relatively poor families and communities which were already strained by the impact of Covid-19. Social Cohesion and Nation Building project suffered a major blow with higher rates of crime including rape and Gender-based Violence and Femicide (GBVF). Following the riots, political influence as a causal factor for the riots, was included in the BrandSA Domestic monthly¹¹ surveys which measured and scored an overall 67%. In August, the economic reasons as potential catalyst was asked and scored 55%, which increased to 58% in September.

The decline in the proxy indicators used to measure social cohesion suggest a society not progressing with the nation building/social cohesion project and a diminishing state of the nation.

¹¹ BrandSA Monthly domestic perception. Scores based on September 2021 online survey. Scores are based and ranked on a Top2Box score (Agree and Strongly Agree) I am confident that the government has the riots and looting situation under control to prevent similar events in the future. I believe the recent riots and looting were caused by the deteriorating economic conditions

The social cohesion index as measured in September 2021¹² is at 59.5 from the heights of 68 in 2019 (the beginning of the MTSF period.) National pride is also on the decline as reflected in Figure 14 below.

Figure 14: National Pride



Source: BrandSA Domestic Perceptions Research Programme September 2021

On the other end the lack of respect for human life and dignity dominated the commemorations of the August Women’s month: The University of Fort Hare law student, Ms Nosiselo Mtebeni (23), whose dismembered body was discovered dumped in a suitcase in Quigney, East London; The Grade one pupil from Khensani Primary School in Soshanguve, north of Tshwane, who was raped in the school's toilets, allegedly by a general worker; Ms Palesa Maruping (29), found hanging from the ceiling of a house in Khuma Location near Stilfontein, North West, and Ms Pheliswa Sawutana (32) strangled to death with shoelaces in Kosovo informal settlement in Cape Town. There are many other victims and survivors not featured in the media as police reports attest. An increase of 74.1% has been recorded for Sexual offences with 7296 in 2020/21 and 12 702 in 2021/22 when comparing the same reporting periods. Both Gauteng and KZN are consistently leading in the incidences compared to other provinces, and the trend is indicated in Figures 15 and 16 below.

Figure 15: Reported Sexual Offences Quarter 1

	Eastern Cape	Free State	Gauteng	Kwazulu/Natal	Limpopo	Mpumalanga	North West	Northern Cape	Western Cape	Republic of South Africa
Apr-Jun 2020_21	1 190	491	1 497	1 417	544	524	445	198	990	7 296
Apr-Jun 2021_22	2 114	767	2 632	2 384	1 075	859	857	290	1 724	12 702
Count Diff	924	276	1 135	967	531	335	412	92	734	5 406
% Change	77.6%	56.2%	75.8%	68.2%	97.6%	63.9%	92.6%	46.5%	74.1%	74.1%

Source: SAPS Q1 Crime statistics - sexual offences

There is also an overwhelming 72.4% increase in rape cases translating to 10 006 people who were raped between April and June 2021. Again, the trend shows an exponential increase in Gauteng and KwaZulu Natal as indicated below. The tragedy is that not all GBVF incidences are reported to the police and these figures are just a tip of an iceberg.

¹² Size based on Omnibus data only (n=2 501 (2020)). Trend analysis is based on one question only for September 2021 online (n=361) and Omnibus. Only one option is reflected “Very proud to be a South African” Scores are based on weighted data

Figure 16: Reported Rape cases Q1

	Eastern Cape	Free State	Gauteng	Kwazulu/Natal	Limpopo	Mpumalanga	North West	Northern Cape	Western Cape	Republic of South Africa
Apr_Jun 2020_21	973	383	1 170	1 160	454	428	382	148	707	5 805
Apr_Jun 2021_22	1 740	572	2 039	1 959	899	734	692	210	1 161	10 006
Count Diff	767	189	869	799	445	306	310	62	454	4 201
% Change	78,8%	49,3%	74,3%	68,9%	98,0%	71,5%	81,2%	41,9%	64,2%	72,4%

Source: SAPS Q1 Crime statistics – rape cases

Efforts made by the criminal justice system on the increasing conviction rates, harsh penalties and sentence handed down to those found guilty of gender-based violence and femicide continues to be a beacon of hope for the women of South Africa.

For change to happen and be sustained, interventions for social cohesion and nation building must be rooted on underlying constitutional norms that reflect a willingness to live and work together through collaboration, partnership and compacting. The performance of the MTSF interventions as it relates to fostering constitutional values is chequered and from incidences outlined above, not very impactful.

Cultural and heritage redress is slow, and vandalization as well as poor management of heritage sites does little to contribute to the cause of heritage redress. As part of the monitoring mandate of DPME, the Mayibuye precinct was identified as one of the three heritage legacy projects in Northern Cape and it forms part of the Provincial heritage liberation route for the 2019-2024 MTSF. Although the project is targeted for completion in 2024, the intention was to get a sense of the flow of the route and observe the existing anchor projects given the concerns on the delays from provinces in terms of implementation. The current state of this memorial site commissioned to be a tourist attraction has languished into a shocking state of despair. The site, although located within the community settlement is terribly vandalised and has become a hub for criminal activities. The reflection on the current state points to complete disregard of the history of liberation by both the community and government, and a complete dishonour to the legacy of Robert Sobukwe. Work has started to preserve the memorial site including, fencing around the memorial square, and some paintwork by local artists and renovations of the Robert Sobukwe Office which is also intended to be a library.



Paintwork by local artists and renovations of the Robert Sobukwe Office which is also intended to be a library

Promoting social cohesion through increased interaction across space and class.

Parts of an open society, equal opportunities and economic activity leads to common values based on the long and diverse history with many great achievements and natural beauty. High levels of pride remain vested in sport achievements, both locally and internationally. South Africa participated in 17 of the 33 Olympic sports including newly-introduced sports skateboarding and sport climbing with a squad of 185 athletes under the South African Sports Confederation and Olympic Committee. Para-athlete **Charl du Toit** and tennis wheelchair star **Kgothatso Montjane** became Team SA's two flag bearers at the opening ceremony of the **Tokyo Paralympics**.



Figure 4: The SA quartet Thando Dlodlo, Gift Leotlela and Clarence Munyai who secured victory against Brazil.



Figure 5: SA's Ntando Mahlangu leaps to Paralympic gold in Tokyo with a world record.

The sense of pride that came with the flying of the SA Flag abroad brought back home 10 medals (two gold, six silver and two bronze). Team SA closed out the Paralympics Games with three medals and 52nd on the medals table and third among the African nations.

Promoting active citizenry and leadership

Collaborative capacity at the local level is reflected in levels of social cohesion and communities' ability to live and work together in shared spaces. This capacity is also reflected in the institutions (local, provincial and national) and trust within these institutions to deliver quality basic services, to provide development opportunities for sustainable livelihoods. Trust in nearly all institutions is low and declining. According to the Afrobarometer¹³ of the Institute for Justice and Reconciliation (June 2021), only media broadcasters, both independent (63%) and government (61%), and the Department of Health (56%) enjoy the trust of most citizens. The results also reveal the parliament (28%), the police (26%) and local councillors (24%) as the least trusted. Also linked to the riots and looting between 9 and 17 July, many reports noted the absence of Police or other law enforcement agencies in the affected areas. Reports about civilians protecting their neighbourhoods, food sources and infrastructure were noted in the media. Based on these events and despite actions taken by government, the overall confidence remains low at 43%, down from 45% in August but up from 39% in July. In broad terms the

¹³ The Afrobarometer team in South Africa, led by the Institute for Justice and Reconciliation and Plus 94 Research, interviewed 1,600 adult South Africans in May-June 2021. A sample of this size yields country-level results with a margin of error of +/-2.5 percentage points at a 95% confidence level.

demographic differences remain the same although the black community decreased from 54% to 49% in September according to the BrandSA Monthly domestic perception¹⁴. Below is progress against MTSF interventions prioritised for enhancing active citizenry and broad-based leadership

3.8.1.3 Overview of main challenges

Targets that have not been met for the period under review are attributed to (i) lockdown regulations and (ii) the misalignment of the Annual Performance Plan targets which have been adjusted according to the revised MTSF and the adjusted budgets. An underperformer worth mentioning is the implementation of the Mzansi golden economy strategy which aims to optimise the economic potential of the arts, culture and heritage sector by creating jobs and contributing to inclusive economic growth, artist development, social cohesion and urban renewal. The projects focus on activities such as arts festivals, touring ventures, public art projects, artists in schools, and engagement in cultural and creative industries and these were activities that were restricted during the lockdown.

3.8.1.4 Recommendations

- a) Fast tracking of the Hate Speech and Hate Crimes Bill that it is concluded and signed into an act in order to give effect to the reporting on the implementation, application and administration of the Act.
- b) Implementing effecting campaigns for fostering Constitutional values
- c) Accelerating the delivery of the social wage
- d) Implementing meaningful redress measures, passing of legislation such as the Amendment of the Employment Equity Act; transforming of the curriculum such that all learning and learning materials promote non-sexism and non-racialism; implementing spatial redress policies
- e) There is a need to drive the promotion of greater social cohesion by addressing the challenge of a divided society –
- f) Adoption of a participatory approach and a social cohesion perspective in a livelihoods and economic recovery programme so that interventions may be targeted (drug related interventions, gender-based violence, poverty and unemployment particularly among the youth).
- g) Investing in the local structures in diffusing tensions within communities as early warning mechanisms. This has been noted during the social cohesion dialogues with various KZN communities.
- h) Social cohesion must be a cross-cutting aspect of development wherein inclusive economy, the country's social policies and the capacity of the state can orbit.

3.8.2 SAFER COMMUNITIES

3.8.2.1. *Strategic intent*

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.

For safer communities the set of interventions required include strengthening the criminal justice value chain, police services and community participation in public policing; reducing corruption and organised crime; defending and securing cyberspace and rehabilitation of offenders. This work cannot be done without improving trust in the public sector and its institutions.

3.8.2.2 *Overview of main achievements:*

In the quest to building safer communities, there is progress in the drafting and approving of the Integrated Crime and Violence Prevention Strategy (ICVPS). The ICVPS was presented to the JCPS Ministers' Cluster in June 2021 for endorsement to proceed to the Cabinet for approval.

Corruption: Despite the COVID-19 pandemic and restrictions instituted, efforts to fight corruption continued with the aim of improving Investor Perception (Confidence). There is progress with regards to improving the Corruption Index Rating perception with the establishment of the Special Commercial Crimes Courts (SCCCs) phased in over the MTSF period. It was reported in the previous Bi-annual report (1 October 2020 to 31 March 2021) that six new Special Commercial Crimes Courts (SCCCs) were established. In this reporting period, new SCCCs were approved: Mthatha, East London and Pietermaritzburg. Further enhancements were approved for the existing SCCCs in Durban, Palmridge and Pretoria North.

The Criminal Justice System (CJS) member departments / entities are now connected to the IJS hub and able to electronically exchange information. The Office of the Chief Justice is also added.

Effectively defended, protected, safeguarded and secured communities: Targets to ensure SA's borders are effectively defended, protected, safeguarded and secured are progressing as planned. 15 landward subunits remain deployed as previously reported. However, only 2 maritime coastal patrols were conducted. Cabinet also appointed the BMA Commissioner and Deputy Commissioner Operations on 30 September 2021.

3.8.2.3 Overview of main challenges

The ongoing COVID-19 pandemic impacted negatively on performance of some of the indicators and therefore, it should be noted that some of the targets will be finalised beyond the 2021/22 financial year. The reporting period was also marred by the disruptive protests linked to the incarceration of the former president, in the KwaZulu-Natal Province through mid-July 2021, which later spilled over to Gauteng.

There were also contractual challenges with the service provider with regards to the procurement of new IT equipment for rollout of the Biometric Movement Control (BMCs) of the Border Management Authority (BMA).

Protracted departmental procurement processes as well as SITA Procurement process have had an adverse effect on the delivery of the Integrated Justice System (IJS) Programme. The DoJ&CD information technology system was compromised resulting in all ICT systems not accessible to employees from 6 September to 30 October 2021.

The budget cuts during the Special Adjustment Budget process has negatively affected the security cluster departments, and as a result, the procurement of electronic gadgets that were envisaged for installation in a select number of police stations to capture citizen satisfaction levels (mainly those with high prevalence of crimes) could not take place during the reporting period. This will undermine the government's fight against crime, fraud and corruption. In addition, the budget cut will worsen the police to population ratio to above 1:400 against a norm of 1:220.

Corruption: The COVID-19 pandemic continued to have a knock-on effect on the Assets and Forfeiture (AFU) performance. With regard to the intervention, freezing of money and assets that are the proceeds of crime, R1,6bn worth of assets have been frozen, against the targeted R2,4bn annually (R12 billion over 5 years). It is to be noted that serious corruption cases take long to be finalised. Moreover, the AFU is dependent on outside role-players to complete criminal investigations. With regards to the intervention, recovery of money and assets that are the proceeds of crimes, only R 997 000 was recovered during the reporting period, against the targeted R1.4 billion annually (R7 billion over 5 years). The recoveries are dependent on the successful prosecution of cases.

Decline in Corruption Perception Index rating: In a joint effort to tackle corruption with other law enforcement agencies, Financial Intelligence Centre (FIC), issued 55 high priority financial intelligence reports that were utilised by law enforcement agencies and stakeholders (DPCI, AFU, FSCA, NPA, NPA Investigative Directorate, SIU, Crime Intelligence and SSA, SARB and SARS). These reports were all utilised in the identification of high priority investigations.

Increased levels of contact crimes: The policing of contact crime remains very problematic in that most of these crimes are committed indoors between people who know each other. Other factors such as liquor and substance abuse as well as environmental design also play a role. The number of contact crime increased, by 25,0% from 223 705 during the 1st semester in 2020/2021 to 279 624 during the 1st semester in 2021/2022. The number of contact crimes against women increased by 59,47% from 25 438 during the 1st quarter in 2020/2021 compared to 40 566 during the 1st quarter in 2021/2022. The number of contact crimes against children

increased by 55,01% from 6 653 during the 1st quarter in 2020/2021 compared to 10 313 during the 1st quarter in 2021/2022.

High case loads: During the recent monitoring visits conducted by DPME in the Western Cape, the issue of detective case load was raised. Station Commanders indicated that SAPS officials are inundated and overwhelmed with case dockets which makes it difficult to provide thorough and focused investigations. Additionally, the issue of lack of resources hindered officials from conducting their day to day work in fighting crime. In addition, vehicles are sent for maintenance or repairs and remain in the garage for long period of time, hence police visibility interventions are limited and response to crime scenes are slow.

Organised Crime continues to be a threat: Serious organised crime continues to be a threat to the authority of the state and the safety and security of the citizens of South Africa. In particular, drug syndicates and those perpetuating illegal mining activities, pose a major risk to the safety of law-abiding citizens. In the fight against organised crime, SAPS is currently capacitating the organised crime unit within the Detective Service Division to address those organised crime syndicates that fall outside the mandate of the Directorate of Priority Crimes Investigations (DPCI).

Cyber-space: There is a significant threat to the South African economy and population posed by the malicious and criminal targeting of the cyberspace. Cybercrime must be countered and acted upon, through the appropriate development and implementation of legislation, policy, as well as strategic and operational responses.

Cross-cutting issues: Regarding the target of percentage of disability-related complaints and investigations where reasonable accommodation measures were provided, the revised minimum standard framework was developed and approved during the first quarter.

3.8.2.1 Recommendations

- There must be deliberate efforts to increase the capacity of the SAPS. This will address an aging police service as well as the worsening police to population ratio of 1:400 against the norm of 1:220.
- Strong consideration must be made to use technology by the SAPS such as drones in dealing with crimes and protests.
- There is an urgent need to counteract Cybercrime by developing and implementing appropriate legislation, policy, as well as capacitating the human resources with relevant training, skills and physical resources.

3.9 PRIORITY 7: A BETTER AFRICA AND A BETTER WORLD

3.9.1.1. Strategic Intent

The quest for a better Africa and world is characterised by a global environment with competing interest that manifest themselves at both the bilateral and multilateral levels.

However, the COVID-19 pandemic has brought huge challenges to the conduct of international affairs, as this arena requires interaction beyond a country's borders.

The tourism sector remains affected by the COVID-19 pandemic, though signs of recovery are now showing.

South Africa (SA)'s participation in the Southern African Development Community (SADC)'s efforts to pacify Northern Mozambique of extremism is a very significant step to ensure that the region is not a sanctuary for such groups.

Generally, achievements in the international sphere takes time to measure. This is despite various activities that may be taking place, though such activities may not necessarily be interpreted as achievements or even a lack of achievement due to their longevity.

3.9.1.3 Overview of the main challenges

On the African Continental Free Trade Area (AfCFTA) negotiations are experiencing difficulty in reconciling differing interests and sensitivities amongst SA constituencies and within the Southern African Customs Union (SACU) to commit to submitting tariff lines to meet the 90% target. As a result, SACU has not yet submitted a common offer on 90% of tariff lines.

COVID-19 continues to have a negative impact on working methods of most institutions. A number of engagements and interactions with current and potential investors had to be postponed. Initiatives to promote Foreign Direct Investment (FDI) into South Africa continue to be somehow hindered as a result of the restrictions on domestic and international travel brought about by the pandemic. For example, the Africa Investment Forum was cancelled in 2020 due to the COVID-19 pandemic and the 2021/22 South Africa Investment Conference that usually takes place in November was postponed to March 2022, hoping that by then there will be greater COVID-19 vaccination coverage, making both travelling and gathering much easier.

The Tourism Sector was adversely impacted by the pandemic. However, there are signs of recovery. There were 539,325 international tourist arrivals from April - June 2021. However, it is not possible to determine the percentage change from the previous year due to the closure of the borders in 2020.

3.9.1.4 Overview of main achievements

The intervention to advance South Africa's national interest and safeguard South Africa's national positions within all international engagements and promote an equitable rules-based multilateral system is progressing well. South Africa targeted to develop the National Interest Framework by March 2022. To date Cabinet approved the National Interest document and recommended that it be taken for public consultations.

With regards to the indicator to implement the percentage of prioritised projects of the Regional Indicative Strategic Development Plan (RISDP), following the approval of the RISDP 2020-30 by SADC Summit in August 2021, the SADC Secretariat worked on the costing of the Implementation Plan which is undertaken in phases which include costing of regional coordination, costing of interventions implemented at the national level and, thereafter, costing of Projects and Programmes.

SA participated in the United Nations General Assembly (UNGA) 76 General Debate under the theme: “Building resilience through hope – to recover from COVID-19, rebuild sustainably, respond to the needs of the planet, respect the rights of people, and revitalise the United Nations”. Due to the ongoing COVID-19 pandemic, the General Debate and High-Level Meetings of UNGA76 were held in a hybrid in-person and virtual format. SA continued to call for the international community to redouble its efforts to build a world free of racism and all forms of discrimination and stand united in combatting the COVID-19 pandemic.

3.9.1.5 Recommendations

- SA continues to provide leadership for Africa within a coordinated and coherent multilateral response to the ongoing COVID-19 crisis and the associated economic recovery.
- National Departments must commit to the implementation of the SADC work programme, particularly the RISDP 2020-2030 by giving support to the SADC National Contact to ensure a well-coordinated input to the SADC Secretariat.
- SA should intensify consultations to finalise a common SACU offer of 90% of tariffs for submission to the AfCFTA so as to operationalise preferential trade under the AfCFTA.
- Need to develop innovative strategies to revive the tourism sector in order to make South Africa a tourism destination.

4. CONCLUSION

A decade before the 2030 target of the National Development Plan, and a year before the end of this electoral period, this report indicates that while progress has been made, much more still needs to be done.

A lot of sector plans have been crafted from economic plans such as the Tourism Sector Recovery Plan (TSRP); to social Plans such as the Drug Master Plans, but as a nation South Africa is still to master the science of implementation and impact positively on the people on the ground.

According to the Report of the Expert Panel into the July 2021 Civil Unrest “at the core of the unrest is the slow pace of transforming lives. *“The question, many argue, is not if and whether more unrest and violence will occur, but when it will occur. The fear of many is that not only will a repeat of such violence find ground in the all-too-familiar contexts of negative political contestation, where certain interests take advantage of the levels of poverty, inequality, lack of service delivery and social tensions to advance their cause”*. Even though the epicentre was primarily in the provinces of KwaZulu-Natal and Gauteng, thousands of people were injured, an estimated 354 souls were lost, and over R50 billion was lost to the economy. Security services were uncertain how to effectively address this convergence of violent criminal conduct with mainstream politics. According to the report The Powder keg which has still not been dealt with, was constituted by the following:

- Pain and hardship caused by COVID19 mortality and joblessness: At the end of June, the National Institute for Communicable Diseases reported that the total number of laboratory confirmed cases in SA was 1,973,972, with Gauteng and KwaZulu-Natal, being among the provinces that had borne the brunt of cases. Statistics South Africa’s

quarterly labour force survey found that in the first months of the hard lockdown, 2.2-million people lost their jobs. The country's labour market lost about 200-million working hours between the first and second quarters of 2020. The Covid-19-induced jobs loss essentially erased the last decade of employment growth. (Timothy Köhler, Haroon Borat, Robert Hill and Benjamin Stanwix 2021)

- Massive Inequality
- Poor delivery of the social wage
- Outrage, despair, cynicism: when allegations surfaced of tender-related fraud by government officials in the procurement of personal protective equipment (PPE) for Covid-19, unscrupulous employers who claimed relief funds but did not pass the money on to employees who were the intended beneficiaries,
- High levels of crime: unsafe public spaces, gender-based violence, white collar crime, scams, and corruption manifestations of a culture of lawlessness in South Africa: the destruction of infrastructure (e.g. the theft of steel, copper on the railways); the pilfering of fuel from the strategic supply lines; invasion of disused mines by illicit artisanal miners (zama zamas); the periodic blockading of national roads by disgruntled truck drivers; the illegal occupation of buildings

The mood is indeed sombre. The recent local government elections result in SA have demonstrated this despondency by citizens. Only 12 million out of 42.6 million eligible voters bothered to vote.

Cumulatively, all these negatives and bottlenecks, real or perceived, as outlined above, are a hindrance to higher rates of economic growth, the creation of more jobs and the provision of better social services to the people of South Africa, and that if addressed properly, can make great strides in reducing unemployment, inequality and poverty.

ANNEXURE 1

PRIORITY 2: A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

Table 1: Interventions/targets likely to be met

Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Implementation of the Integrated Monitoring System for public sector accountability established.	Biannual progress reports submitted to Cabinet on the implementation of the MTSF.	The Integrated Monitoring System is in place. In developing the MTSF/POA reports the DPME uses reports from implementing departments, Frontline Monitoring, Evaluations and Evidence, EQPRS, StatsSA, research institutions, academia and various research engines and data platforms to triangulate and validate the data used.
Social compact between the executive, judiciary and the legislative tiers of government	A social compact developed by 2021 and implemented by 2024.	There are delays regarding the establishment of the National Anti-Corruption Advisory Council. The Department of Justice and Correctional Services is still expected to submit a Cab Memo in this regard.
Monitoring and Intervention Bill based on Sections 100 & 139 of the Constitution consulted and submitted to Parliament and the President.	Sections 100 & 139 Monitoring and Intervention Act in place by 2022.	The Intergovernmental Monitoring, Support and Interventions (IMSI) Bill and accompanying Regulations were finalised.
Develop programme by national and provincial departments to capacitate and intervene in state institutions with challenges.	Programme by national and provincial departments to capacitate and intervene in challenged state institutions developed by 2022.	Several engagements were held with the Departments of Cooperative Governance, National Treasury and Department of Public Service and Administration during the reporting period. A revised plan to pilot a proactive monitoring system in the North West province has been developed and will be implemented in the third quarter.
Monitor implementation of the District Development Model plans through an Integrated Monitoring System for accountability.	Reports developed through an Integrated Monitoring System and submitted to Cabinet on a regular basis.	The District Development Model monitoring system was delayed due to the termination of the contract by the Development Bank of Southern Africa for poor performance. The service provider failed to deliver the

		milestones that were agreed upon in the contract which included the first and second quarter targets.
Job Competency Framework for public sector.	Job Competency Framework for public sector implemented by 2023.	Between April and September 2021, the Occupational Dictionary was consulted with national and provincial departments.
Develop and implement mandatory in-service training for public sector.	Mandatory in-service training framework approved by 2020 and 8 mandatory programmes rolled out by 2022.	The following are the four (4) programmes which have always been known as compulsory declared by Cabinet and introduced through a Ministerial Directive, namely Compulsory Induction Programme, Executive Induction Programme, Khaedu training and deployment to service delivery sites and Pre-entry to SMS echelon (Nyukela). The following are additional five (5) compulsory programmes but are not yet prescribed by a Ministerial Directive, namely Ethics in the Public Service, Managing Performance in the Public Service, Financial Management Delegations of Authority (targeting L9-16), Supply Chain Management for Public Service and Re-orientation in the Public Service. The total number of officials who completed Ethics course for quarters one and two is 11 033 while the number of officials who are registered on Nyukela is 5380.
Programme to institutionalise professional code of ethics in public administration.	Professional code of ethics in public administration institutionalised by 2023.	A report on compliance with the Financial Disclosure Framework by designated employees was submitted.
Approved Lifestyle Audit Guideline.	Lifestyle Audit Guideline developed and approved by March 2020.	Draft Lifestyle Audit Guideline was submitted to the Minister for Public Service and Administration for approval.
Develop a progress report to Cabinet on the implementation of mainstreaming of gender, empowerment and development of youth and persons with disabilities	Annual progress reports to Cabinet on the implementation of mainstreaming of gender, empowerment and development of youth and persons with disabilities programmes.	Progress report on the implementation of Gender Responsive Planning Budgeting Monitoring Evaluation and Auditing Framework was developed and approved by the Minister.

programmes and feedback given to respective departments.		
Strengthen Municipal Financial System.	Strengthen Municipal Financial System by 2023.	Updated budget funding assessment tool to align to mSCOA reporting, provided training to provincial treasuries on the funding model to test whether tabled, adopted and adjusted budgets of municipalities are fully funded. Facilitated live demonstration of the functionality of municipal financial systems regarding the AFS.
Business Processes Modernisation Programme in the public sector approved and implemented.	Business Processes Modernisation Programme in the public sector approved by 2020 and implemented by 2023.	Business Processes Modernisation Programme was approved implementation. The six partner departments were identified from the economic and social clusters in line with the President's Economic Recovery Plan, namely National Departments of Sport, Arts and Culture and Environmental Affairs, Forestry and Fisheries, and Gauteng Office of the Premier, COGTA, Economic Development and Infrastructure Development.

Table 2: Interventions/targets likely not to be met

Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Percentage elimination of qualified in the public sector.	75% elimination of qualified in the public sector.	Technical support is being provided to selected municipalities reviewing their audit action plans, and development of a web enabled system to assist in monitoring and reporting is being piloted.
Social compact between the executive, judiciary and the legislative tiers of government.	A social compact developed by 2021 and implemented by 2024.	Edelman Trust Barometer showed an increase in trust in government from 19% in 2020 to 27% in 2021.

Monitoring and Intervention Bill based on Sections 100 & 139 of the Constitution consulted and submitted to Parliament and the President.	Sections 100 & 139 Monitoring and Intervention Act in place by 2022.	The Intergovernmental Monitoring, Support and Interventions (IMSI) Bill and accompanying Regulations were finalised.
Measures taken to eliminate wasteful, fruitless and irregular expenditure in the public sector.	100% elimination of wasteful, fruitless and irregular expenditure in the public sector institutions incrementally from baseline of 2019 by 2024.	A document is under development addressing UIFW covering various disciplines with regard to municipalities and municipal entities based on the MFMA, and is currently being consulted between national and provincial treasuries.
Business Processes Modernisation Programme in the public sector approved and implemented.	Business Processes Modernisation Programme in the public sector approved by 2020 and implemented by 2023.	Business Processes Modernisation Programme was approved implementation. The six partner departments were identified from the economic and social clusters in line with the President's Economic Recovery Plan, namely National Departments of Sport, Arts and Culture and Environmental Affairs, Forestry and Fisheries, and Gauteng Office of the Premier, COGTA, Economic Development and Infrastructure Development.
Number of identified "high risk" SOEs governance system reviewed and recommendations implemented.	Five "high risk" SOEs governance system reviewed by 2021 and recommendations implemented by 2023	The current state of focus on SOEs is to complete a high-level review of the strategic documents of each entity. This process will lead to preliminary recommendations. The work of the three (3) Presidential State Owned Enterprises Council workstreams culminated in the first set of draft recommendations presented to the President during September.
Implementation of the National e-Government Strategy and Roadmap as well as recommendations of the Presidential Commission on 4IR.	National e-Government Strategy and Roadmap implemented by 2022 towards digitalisation of government services	The challenge is that e-Recruitment System was held in abeyance and will be implemented as part of IFMS.

PRIORITY 2: ECONOMIC TRANSFORMATION AND JOB CREATION

Table 3: Interventions/targets likely to be met

More decent jobs sustained and created		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Number of work opportunities reported through other public employment programmes	5 million work opportunities created by 2024	624 824 against the annual target of 1 009 972 (61.9% of annual target)
Draft employment policy developed, consulted, piloted and implemented	Employment policy drafted and implemented by 2024	A Zero Draft NEP was developed. Policy to be tabled to Cabinet to facilitate consultations.
Revise the visa regime to support importation of critical skills, and improve processing turnaround time	<ul style="list-style-type: none"> Implementation of revised visa regime 95% of visa applications adjudicated in 4 weeks by 2022 	68.5% (against Q1 target of 85%) of critical skills visas adjudicated within 4 weeks for applications processed within the RSA (from date of receipt of application until outcome is in scan at VFS Centre - office of application).

Investing for accelerated inclusive growth		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Macroeconomic policy reviewed to support growth	Macroeconomic policy framework reviewed by 2022	Three working papers were completed by end of June 2021. A draft review will be completed by 31 March 2022.
Number of EEA inspections	1 640 EEA inspections conducted per year	1 160 inspections conducted.
Capacitate SARS through the establishment of the illicit economy unit	Illicit economy unit established and fully functional	Illicit Economy Unit is fully functional and is also working closely with other partner agencies such as the NPA.

Industrialisation, localisation and exports		
Indicator	Target	Progress (1 April 2021 to

		30 September 2021)
Complete the revitalisation of industrialisation parks	All industrial parks revitalised	Since the beginning of the 2021/2022 financial year, five (5) Industrial Parks were in construction. Nkowankowa and Komani entering close-out stage in Q2. Seshego IP is currently in procurement for phase 2 construction as per CIP application.

Reduced concentration and monopolies, and expanded small business sector		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Number of market inquiries into historically concentrated priority sectors	Initiate one new market inquiry and implementation of recommendations of one concluded market inquiry per annum	<ul style="list-style-type: none"> An Online Intermediation Platform Market Inquiry (“OIPMI”) into digital platforms operating in South Africa was launched on 19 May 2021. Public comments were received by the Competition Commission until the deadline date of 30 September 2021. Implementation of the Grocery, Health, and Data Market enquiries is on-going.
Number of incubation centres and digital hubs established	100 established by 2024	Funding approvals for an additional 9 (nine) incubators, bringing the total number of supported incubators and digital hubs to 110.
Provisions made in accords and interventions for SMMEs	Localisation policy paper on SMMEs development and adopted by 2021	The Localisation Policy Framework was tabled and approved by Cabinet in October 2020. During the period under review, 51 products produced by SMMEs were listed on the shelves of major retailers against a target of 150 products.

Improved quality and quantum of investments		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Gauging stations developed, maintained and refurbished	Additional gauging stations developed by 2024 and existing stations maintained and refurbished	Construction of Lindley gauging is at 56% completion, whilst 1 gauging station is 100% refurbished

Timeframe for processing water use license applications	Timeframe for water use license applications reduced by 50% by 2020	During the reporting period 330 out of 523 license applications have been finalised, representing 63% achievement. This indicates that reforms are being implemented to address challenges with issuing water use licences averaging 71% over the 2019 – 2021 period.
Corporatisation of Transnet National Ports Authority	Transnet National Ports Authority Corporatisation completed by 2020	The Corporatisation of the Transnet National Ports Authority (TNPA) was achieved in June 2021. The DOT will develop a road infrastructure funding policy to address adherence and future road infrastructure funding gaps

Indicator (Environment)	Progress (April to September 2021)
Number of validated EPWP work opportunities reported by public bodies into EPWP-RS	Actual: 78 381 (57% Youth, 56% Women and 1% People with disabilities)
Number of jobs, training opportunities and enterprises created through Operation Phakisa and other	Waste 102 000 Biodiversity 55 000 Ocean Econ 100 000
Framework for a just transition to a low carbon economy developed and implemented	Framework for a just transition to a low carbon economy developed and implemented by 2022

Indicator (Rural Economy)	Progress (April to September 2021)
Hectares of land allocated to designated groups	Actual: 78 381 ha (57% Youth, 56% Women and 1% People with disabilities)
% of land reform projects with secure water rights	164 Water Use Licenses were authorized (98%) and allocated to the historically disadvantaged individuals amounting to 1.2 m3/a volume of water that will be used for irrigation and other households' usage.
Number of agro- processing facilities	9 supported while only 2 were targeted

Table 4: Interventions/targets likely not to be met

Investing for accelerated inclusive growth		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
World Bank Ease of Doing Business ranking	Improve overall ranking to within the top 50 countries by 2024. Also achieve top 50 ranking on indicators such as Starting a Business, Trading Across Borders, Registering Property, Construction Permits, and top 25 ranking on Paying Taxes	Notable progress on the implementation of reforms, however, SA is reforming slower than other countries. SA's ranking on the 2020 WB EoDB slipped among 190 economies falling two places from 82nd in 2019 to 84th in 2020. The EoDB business report has however been discontinued by the World Bank Group due to data irregularities.
Skills Priority Plan developed	Priority Plan developed by 2020	Draft Priority Skills Plan was developed, but only 5 out of 18 Master Plans provided inputs for the PSP. The PSP was subsequently re-oriented to support the ERRP. The scope of the PSP has thus been expanded to be an implementation plan of the ERRP Skills Strategy.
Framework for a just transition to a low carbon economy developed and implemented	Framework for a just transition to a low carbon economy developed and implemented by 2022	The Climate Change Bill was tabled and discussed at the ESIEID and FOSAD. The draft bill has been revised in line with the recommendations.
Legislation to establish threshold and conditions	Legislation for worker, community and HDI ownership established by 2022	Practice Note in terms of the B-BBEE Act on Rules for Discretionary Collective Enterprises was gazetted and issued by the Minister.
Percentage of BBBEE transactions with worker and community ownership	3% of transaction value accrue to workers and communities	
Financial sector code reviewed	Financial sector code reviewed and implemented by end of 2020	The review is still underway between the Financial Sector Transformation Council constituencies. Lack of consensus in some areas amongst the constituencies has been cited as a constraint to achieving the desired progress.
Percentage reduction in illicit financial flows	Reduction in illicit financial flows of 10% per annum	A report on the national policy approach on combating illicit financial flows is still being finalised and will be published end of October 2021.

Industrialisation, localisation and exports		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Masterplans developed	All master plans developed by end of 2021	Six (6) masterplans (R-CTFL, Automotive, Sugar, Poultry, Steel and Furniture) have been completed and already under implementation. There are 20 masterplans in different stages of development.
Percentage compliance of government spend on designated products and services	100% compliance	In Q2 of 2021, 90 bids out of 146 were found to be compliant. This has resulted in 62% compliance in Q2

Improve competitiveness through ICT adoption, research and innovation		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
High demand spectrum allocated	4G coverage of high demand spectrum allocated by end of 2020 Inquiry into the licensing framework for 5G within 6 months after the World Radio Communications Conference 2019	The auctioning of High Demand Spectrum and spectrum for Wholesale Open Access Network (WOAN) have been interdicted by Telkom, Due to the litigation matter between ICASA and Telkom, ICASA cannot at this stage proceed with the auction process. The matter is still in the court. 5G policy direction put on hold due to litigation Although the Broadcasting Digital Migration is a legacy project, some work appears to be forging ahead.
Percentage increase in broadband penetration.	80% of population have access to the internet by 2024	Access to internet connection is not reported clearly. Under SA Connect Programme, 970 sites provided with broadband services were monitored The Electronic Communications Amendment Bill has been drafted and will be presented to FOSAD cluster Funding application for phase 2 of the SA Connect programme was not successful with initial submission, resubmission will be made.

		The State Digital Infrastructure Bill business case study has been completed, and concurrence received from DPSA, and not yet received from National Treasury Target is on track for establishment of the Digital Skills Forum
Competitive reduction in data cost and the eradication of skewed price setting by dominant players	South Africa will be the cheapest in Africa for 1G data by 2024	A review of the cost to communication will be undertaken.
Gross expenditure on research and development as a percentage of GDP	1.1% of GDP by 2024	GERD as a percentage of GDP at current prices, has declined by eight basis points from 0.83% in 2017/18 to 0.75% in 2018/19, the lowest level since 2013/14.
No. of disclosures which are licensed annually	35	Eight (8) disclosures licensed for the first time received from publicly financed research and development institutions and recipients as reported by NIPMO

Reduced concentration and monopolies, and expanded small business sector		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Number of competitive small businesses and cooperatives supported	200 000 competitive small businesses and cooperatives supported	A total of 1 822 small enterprises were supported in the first quarter of the 2021/22 financial year. Statistics for Q2, will be available by 30 October 2021.
Improved access to affordable finance for SMMEs and cooperatives	At least 50% of national and provincial DFI financing to SMMEs and cooperatives	The draft Funding Policy, to be shared with the ESIEID Cluster and Cabinet before publishing the Policy for public comments.
Number of youth business start-ups	100 000 youth business start-ups per annum	The Youth Challenge Fund (YCF) was developed. The department is currently finalising a programme to support youth start-ups in collaboration with key implementing partners to address the funding gap and lack of business development skills identified in youth owned start-up businesses.

Improved quality and quantum of investments		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)
Infrastructure Fund established and operationalised	R100 billion Infrastructure Fund established and operationalised, with R5 billion leveraged by 2020	<p>A pipeline of projects could potentially be funded from the Infrastructure Fund through the BFI process as part of either the 2021 Adjustment budget process or the 2022 MTEF Period.</p> <p>SIP 1-18: Of 103 projects, 81 are at different stages of construction (value of R800 billion) and 21 projects are under procurement (value of R73,1 billion).</p> <p>SIP 19-24: (Water and sanitation; energy; transport; Human settlements) at various stages of project preparation</p> <p>Special Projects 25 to 36 (water and sanitation, energy, transport, digital infrastructure, agriculture and agro-processing, and human settlements sectors) has not been provided.</p> <p>The Budget Facility for Infrastructure has not released the outcomes of funding bids for projects as the 2021 adjustment budget process has not yet been concluded. This includes a request for R2,2 billion for the Student Housing Infrastructure project (phase 2); and R1,5 billion for the Mokolo-Crocodile River Water Augmentation Project (phase 2)</p> <p>DPWI state that funding flow mechanism by which the 10-year provision of R100 billion earmarked for infrastructure blended financing by the IF can be appropriated, and not combined with BFI allocation, must be resolved</p>
Infrastructure expenditure	R1 trillion invested by 2024	Public sector infrastructure spending in 2021/22 is estimated to be R249.6 bn, it is anticipated that spending patterns will be similar to the spending patterns in the first half of 2020/21, where the public sector spent under 30% of its R249.6 bn budget. This is taking into consideration the impact of COVID-19 on spending patterns across most spheres of Government. This will impact negatively on the target set to reach 23% of Investments as a % of GDP
Increased energy availability factor	Above 80% by 2024	Energy Availability Factor is 65%

Increased electricity reserve margin	15% by 2024	For the reporting period the reserve margin stood at 43.2% Construction of Kusile (unit 4,5,6) are ongoing. Improved performance achieved due to implementation of the Plant Design Defect Correction Plan.
Explore embedded generation options to augment Eskom capacity	1000 MW by 2024	NERSA section 34 Determinations and RFP to procure additional MW (mixed energy sources) A total of 347.8MW was licenced through small embedded generation programme
Independent transmission company under Eskom Holdings established	Transmission company established by 2024	All divisional milestones were completed. Work is underway to finalise legal separation of Transmission Company by December 2021
Share of alternative energy sources	Share of alternative energy sources at 11 % by 2024	The DMRE issued RFI for 2500MW nuclear new build programme which closed 15 October 2020. The responses are being evaluated. After the RFI, the DMRE plans to release request for proposals (RFP) for 2500MW Nuclear New Build Programme by 2022/23 FY. Progress on Koeberg Nuclear power plant extension for the reporting period has not been provided.
NERSA review completed with recommendations adopted by Cabinet and Implemented	NERSA review completed with recommendations adopted by Cabinet and implemented by the end of 2020	No progress
Strategy and plan on liquid fuels reviewed and updated	Updated strategy and plan for liquid fuels by 2022	The department is awaiting a final decision from the investor on whether it is still their intention to proceed with the investment or not
Feasibility study completed	Feasibility study on new oil refinery completed by 2021 and final investment decision made	The department is awaiting a final decision from the investor on whether it is still their intention to proceed with the investment or not
National Water and Sanitation Master Plan developed	Implement the approved National Water and Sanitation Masterplan	There have been no significant changes in the water mix as there have been no major projects completed during the 2020/21 financial year
Single Transport Economic Regulator established and operationalised	single Transport Economic Regulator established and operationalised by 2020	The ERT Bill is still awaiting approval by parliament. Outstanding list of the ERT Bill are however finalised with the OSLA, DoT Legislation Division and the Parliamentary Legal Advisor on the 3rd of October.

Km of roads upgraded, refurbished and maintained	Upgrading, refurbishing and maintenance of +- 20 000km of road network	Delays due to Covid-19 restrictions and project stoppages due to community unrest impacted negatively on progress
Rolling stock expansion and upgrade	Roll out new rolling stock to various priority corridors	PRASA- A total of 10 new trains were delivered as at 30 June 2021, totalling to 66 new trains delivered since inception of the programme. No Metrorail coaches were refurbished, with major material, maintenance. 1883 coaches completely out of service nationally, and fleet availability stood at 25% Transnet- Challenges impacting rolling stock and network availability: locomotive breakdown, age, theft, vandalism; delivery of spare locomotives An integrated security plan has been developed. 3072 security personnel appointed The Mabopane-Pretoria Corridor is closed since 15 August 2021 for maintenance and upgrade
Percentage moved from road freight to rail Private Sector Participation Framework	10% of road freight transferred to rail by 2024.	A Freight Migration Plan to address the movement of cargo from road to rail is not yet finalised. However, draft Gap Analysis, Business Case and Terms of Reference approved
	Private Sector Participation framework implemented by 2020	The draft Private Sector Participation (PSP) Framework is being revised by stakeholders.
Compliance to user pay principle	100% compliance with user pay principle by 2024	Gauteng Freeway Improvement Project funding model not finalised. Cabinet determination is still awaited

Increased economic participation, ownership and access for women, youth and persons with disabilities		
Indicator	Target	Progress (1 April 2021 to 30 September 2021)

<p>Proportion of youth, women and persons with disabilities</p>	<p>Minimum targets as defined for women, youth and persons with disabilities</p>	<p>EE Amendment Bill was finalised by PC on Employment and Labour and forwarded to the National Assembly in September. It is envisaged the NA will pass the Bill for tabling in the NCOP in November 2021.</p> <p>2020 EE Report Women accounted for 24.9%; 35.7%; and 47.7% of all positions at Top; Senior and Middle Management levels respectively as reported by designated employers in 2020 EE Reporting cycle.</p> <p>Persons with disabilities only accounted for 1.3% of the total workforce reported by designated employers in 2020 EE Reporting cycle</p> <p>Self-regulation of EE Targets by designated employers as per the EEA remains a challenge.</p>
<p>Percentage preferential procurement spend by sex/gender, age and disability</p>	<p>Minimum 40% target for Women, 30% for Youth and 7% for persons with disabilities</p>	<p>Actual percentage spend by government on designated groups that are registered on the Central Supplier Database (CSD) for the past financial year is as follows:</p> <ul style="list-style-type: none"> • 12,80% of total spend (R7,69 billion) was allocated to Black women owned suppliers. • 6,12% of total spend (R3,67 billion) was allocated to youth owned suppliers. • 0,36% of total spend (R214,04 million) was allocated to companies owned by persons with disability.
<p>Percentage funding by sex/gender, age and disability, industry/sector</p>	<p>Minimum targets as defined for women, youth and persons with disabilities</p>	<p>Non-financial support provided as at 30 September 2021:</p> <ul style="list-style-type: none"> • Spaza Shops and General Dealer Support Scheme: 9 064. • Clothing, Leather and Textile support scheme: 3 548. • Tshisanyama and Cooked Food Scheme: 3 390. • Personal Care Scheme: 1 789. • Bakeries and Confectioneries: 1 553. • Autobody repairers and mechanics: 1 527. • Butcheries Support Programme: 422. <p>Disbursements as at 30 September 2021:</p>

		<ul style="list-style-type: none"> • Spaza Shops and General Dealer Support Scheme: 5 687 disbursed to the value of R22 253 000, 6 302 jobs facilitated. • Small-Scale Bakeries & Confectionaries Programme: 277 SMMEs assisted with financial support to the value of R49 543 049 and 646 jobs facilitated. • Small-Scale Clothing & Textile Programme: 350 SMMEs assisted with financial support committed to the value of R65 194 368 and 746 jobs facilitated. • Open Air Food Outlets Support Scheme: 204 SMMEs assisted with financial support committed to the value of R42 480 775 and 331 jobs facilitated.
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Indicator (Environment)	Progress (April to September 2021)
Percentage preferential procurement spent by sex/gender, age and disability(supporting)	No reporting
Number of jobs, training opportunities and enterprises created through Operation Phakisa and other	Only 10% against the MTSF 2019-24 Waste 102 000 Biodiversity 55 000 Ocean Econ 100 000
Products and services to be procured from SMME and cooperatives (supporting) Target: implement the SMME focus localisation policy and ensure 100% compliance by public sector in procuring 1000 designated local products and services from SMME's by 31 March 2024	20 SMME beneficiaries trained on capacity building for Bioprospecting/Bio-trade. (Looked at SMME over the quarterly target)

Indicator (Rural Economy)	Progress (April to September 2021)
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Number of agro- processing facilities	No agro-processing facilities were built
Number of live-stock handling and auction facilities	No report (60 auction facilities are targeted for MTSF 2019-24)
Number of FPSU (Farmer Production Support Units) functional	No New FPSU but 1 FPSU was supported in Bojanala, North West, out of 71 targeted for MTSF 2019-24

PRIORITY 3: EDUCATION SKILLS AND HEALTH

Table 5: Selected Interventions/targets likely to be met

Indicator	Progress (April to September 2021)
Amendment of legislation to regulate the new ECD land scape within 9 months after signing of proclamations.	The President and Premiers have signed the national and provincial proclamations.
All schools must implement Early Grade Reading Assessment to support reading at required level in Gr 3 by 2024.	Preparations are underway for the appointment of a service provider to print 50 000 EGRA toolkit, package and distribute EGRA toolkits in the nine PEDs early next year (2022).
Coding and Robotics curriculum to be in place by 2021 and implemented by 2024.	*Draft Coding and Robotics CAPS for Grade R-9 was submitted to Umalusi for appraisal in the first quarter. *Grades R-3 and Grade 7 teachers have been orientated in the 9 provinces in preparation of the pilot *7 provinces have commenced with Piloting of Coding and Robotics.
Number of student enrolments at public universities annually	1 092 725 student enrolled at public universities.
Number of emerging researcher grants awarded through NRF	1 628 emerging researcher grants awarded through NRF against target of not less than 800 annually

Indicator Health	Progress (April to September 2021)
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NHI Fund established and purchasing services operational	<ul style="list-style-type: none"> Public Hearings by the Portfolio Committee on Health on the National Health Bill were conducted in 2021, through virtual platforms of communication. Target of establishing a National Health Insurance Fund operational by December 2020 was not achieved
Human Resources for Health (HRH) Plan 2020/21 - 2024/25 and HRH Strategy 2030 completed	<ul style="list-style-type: none"> Human Resources for Health (HRH) Strategy 2030 and HRH Plan 2020/21-2024/25 completed in October 2020 and approved by the National Health Council. Human Resources for Health Strategy 2030 was disseminated.
Number of nursing colleges established	<ul style="list-style-type: none"> All nursing colleges were reorganised into a single provincial college with multi-campuses in districts or sub-districts
Number of Community Health Workers (CHWs) integrated into the health system	<ul style="list-style-type: none"> A total of 46,215 CHWs were working in the health sector and contracted by the Provincial DoHs. This progress is on course towards the target of 50,000 CHWs
Number of people screened for TB	<ul style="list-style-type: none"> 24,251,975 screenings
TB treatment success rate	<ul style="list-style-type: none"> 76,0 %
Proportion of people living with HIV who know their status	<ul style="list-style-type: none"> 93%
Proportion of people on ART that are virally suppressed	<ul style="list-style-type: none"> 89%
Number of people screened for high blood pressure	<ul style="list-style-type: none"> 16,333,468 people
Number of people screened for elevated blood glucose levels	<ul style="list-style-type: none"> 15,888,820 people
Antenatal first visit before 20 weeks rate	<ul style="list-style-type: none"> 68,9%
Antenatal clients initiated on ART rate	<ul style="list-style-type: none"> 94,5%

Immunisation coverage under 1 year	<ul style="list-style-type: none"> 82.5%
Children under 5 years pneumonia case fatality rate	<ul style="list-style-type: none"> 1.8%
Children under- 5 years diarrhoea case fatality rate	<ul style="list-style-type: none"> 1.8%

Table 6: Interventions/targets likely not to be met

Indicator	Progress (April to September 2021)
A cumulative number of 337 ASIDI schools completed and handed over for use by 2024.	A total of 277 inappropriate schools have been replaced since the inception of ASIDI.
All schools identified through SAFE programme have sanitation meeting minimum infrastructure norms by 2024	233 projects were completed. Additional sanitation projects could not be completed due to the impact of the COVID-19 lockdown, disruption by Business Forums and poor-performing service providers.
90% of schools have access to functional internet connectivity for teaching and learning by 2024.	74% of schools have some connectivity and access to ICT devices including tablets. However, mostly this connectivity is only for administration.
95% of schools reach minimum physical infrastructure norms and standards by 2024.	An addition of 233 schools have been provided with sanitation facilities in the current reporting period
Number of student enrolments at TVET colleges annually	459 278 students enrolled at Public TVET colleges against target of 610 000.
Number of students enrolled at CET colleges annually	108 000 students enrolled at CET colleges against target of 220 549
Percentage of TVET college lecturing staff appropriately placed in industry or in exchange programmes	1% placed against the target of 12%.

Indicator	Progress (April to September 2021)
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Children under-5 years severe acute malnutrition case fatality rate	➤ 9.2%
Proportion of HIV positive people who are initiated on ART	➤ 77%
HIV tests conducted annually by 2024	➤ 7,352,446 HIV tests
Number of clinics attaining Ideal Clinic status	➤ A total of 1,286 PHC facilities qualified as Ideal Clinics for the period April-September 2021. Baseline status determination conducted on 3 349 Primary Health Care facilities
Total rand value of medico-legal claims in the public sector	➤ Health sector has developed a medico-legal claims strategy. Health sector is also awaiting finalisation by the South African Law Reform Commission of the legal framework for the management of medico-legal claims in South Africa
Percentage of the adult population to have received at least one dose of vaccination by end of December 2021	➤ 31,94% on 30/9/2021 ➤ 44,86% on 31 December 2021
Proportion of public sector facilities implementing the National Quality Improvement Programme	➤ 69 Primary Health Care (PHC) facilities, 61 Hospitals and 18 Emergency Medical Services (EMS) Units implemented a National Quality Improvement Programme, in the identified Quality Learning Centres.

PRIORITY 4: CONSOLIDATING THE SOCIAL WAGE THROUGH RELIABLE AND QUALITY BASIC SERVICES

Table 7: Selected Interventions/targets likely to be met

Indicator	Progress (April to September 2021)
Sector strategy for the employment of social service professionals developed.	Draft sector strategy for the employment of social service professionals has been finalized; Additional 163 Social Service professionals employed.

Amendments to the Children's Act enacted	Draft regulations for the Children's Amendment Bill finalized.
White Paper for Families approved by Cabinet	Revised White Paper on Families was gazetted in June 2021 for public comment and consultation on the revised Paper were conducted in 3 provinces.
Payment of social grants to eligible beneficiaries	Grant beneficiaries constitute 46.34% of the total population and about 18.4 million 18 439185 social grants were paid out in September 2021. The current statistics are as follows: EC (61%), LP (68%), WC (31%) and GP (30%).
Percentage of service users receiving re-integration and aftercare services (Accessing Substance abuse support Programme)	A total of 750 594 victims of Substance abuse accessed the support programmes through funded NPOs and DSD own services.
Amendment of legislation to regulate the new ECD land scape. 20% increased number of children accessing ECD services. Increased number of new centers constructed.	Migration of ECD from DSD to DBE underway and for the period under review 537 004 children had access to registered ECD services. About 2 ECD centres were constructed in KZN and 19 ECD centres upgraded in WC.
NISPIS developed	NISSPIS – Monitoring and Evaluation Policy Framework was finalized

Table 8: Interventions/targets likely not to be met

Indicator	Progress (April to September 2021)
White Paper for Social Development approved by Cabinet	The White paper on Comprehensive Social Security is due for approval in the next financial year – was put out for public comment and then recalled. The review of the White Paper on Social Welfare that was to inform the new White Paper on Social Welfare was completed in 2016. Four and a half years later, there is still no new White Paper.

Draft Social Security Bill	The work on Draft Social Security Bill will commence in 2023; Draft policy paper updated and TORs were presented to BSC for the development of communication materials for consultations in 2021-22;
Increase the number of social service professionals in the public service	163 additional social service professionals hired instead of 8873 targets for the year
Define social protection floor	The social protection floor has not yet been defined to date.
NISPIS developed	There has been minimal progress in the development of a single view social protection system. The lack of progress became more prevalent during the Covid-19 pandemic whereby qualifying citizens could not be tracked. The NISPIS is of paramount importance to address the existing gaps in Social Protection that impede the achievement of the 2024 MTSF targets.

PRIORITY 5: SPATIAL INTEGRATION, HUMAN SETTLEMENTS AND LOCAL GOVERNMENT

Table 9: Selected Interventions/targets likely to be *met*

Indicator (Environment)	Progress (April to September 2021)
5 sector transition plans developed (Agriculture and Forestry, Biodiversity and Tourism, Disaster risk management, human settlement and water).	Actual: 78 381 (57% Youth, 56% Women and 1% People with disabilities)
4 sector plans finalised (energy, transport, agriculture, waste).	Waste 102 000 Biodiversity 55 000 Ocean Econ 100 000

Framework for a just transition to a low carbon economy developed and implemented	Framework for a just transition to a low carbon economy developed and implemented by 2022
Hectares of land under rehabilitation/ restoration	188 172 hectares of land rehabilitated
Number of wetlands under rehabilitation/ restoration	51 wetlands under rehabilitation
Percentage increase in conservation estate	33 353 ha declared to date
Percentage of areas of state-managed protected areas assessed with a METT score above 67%	METT report compiled
Number of main stem rivers monitored for implementation of Resource Directed Measures (i.e. classification, resource quality objectives and the reserve) by 2024	Replaced by below indicator
Number of river sites with ecological status monitoring	81 Rivers

Indicator (Rural Economy)	Progress (April to September 2021)
% of land reform projects with secure water rights	The process of developing the post settlement support strategy is underway. The draft National Comprehensive Producer Support Policy has been introduced to Cabinet for consideration. 127 farms were supported through the Land Development Support Programme.
Hectares of land under cultivation	138 082 hectares of land were cultivated. 90 418 households were supported with production initiatives. 646 gardens were established
Number of smallholder farmers supported	151 018 smallholder producers were supported with various initiatives including COVID 19 Relief Funding. 118 farmers in were supported through the Land Development Support Programme

No. of reviews to the agricultural produce export management practices	The draft Agriculture Produce bill has been introduced to Parliament for further processing.
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Table 10: Interventions/targets likely not to be met

Indicator (Environment)	Progress (April to September 2021)
Atmospheric Emission Licences,	36% has been achieved so far. Lack of resources such as internet connectivity has affected the processing of AELs as this is done online. Capacity challenges, particularly in local government
Coordinated disaster and risk management plan can be compromised due to the financial constraints	Meetings are held with stakeholders to capacitate them but it is slow.
Number of stewardship sites added to increase Biodiversity conservation areas	7/19(37%) biodiversity stewardship sites have been established.
Number of GW of solar constructed within mining REDZs	1.5 GW of Solar PV to be constructed within mining REDZ allocated
Number of dams rehabilitated projects and new dams constructed.	
New Indicator- 9 dams' rehabilitation projects.	
Number of new water sources expansion plan for EACH IGR impact zone developed by 2021 and implemented by 2024	
New indicator -52 projects implemented by 2024	

Indicator (Rural Economy)	Progress (April to September 2021)
% Government departments capable of reporting on projects spatially	No report

<p>% of land using conservation agriculture</p>	<p>700 hectares land under water conservation technology agriculture methods in KZN</p>
<p>% of districts and metros with One Plans</p>	<p>DALRRD is contributing to the District Development Model (DDM) by advising on the Spatial Planning and Land Use Management practices issues in all 52 districts municipalities. DALRRD is part of Catalytic Workstream of DDM responsible for developing the criteria to be used to determine the Catalytic projects from all the projects submitted as part of contribution from different sector departments within 3 spheres of government DALRRD is continuing to participate and contribute towards the DDM structures in municipalities where the Minister and Deputy Ministers have been assigned.</p>
<p>% of approved land reform projects provided with post settlement support</p>	<p>The process of developing the post settlement support strategy is in progress.</p> <p>152 950 smallholder producers were supported with various initiatives.</p> <p>127 farmers in were supported through the Land Development Support Programme.</p>
<p>Hectares (Ha) of Land redistributed or acquired and or allocated for agrarian transformation, industrial parks, human settlements, and rural development.</p>	<p>62 040 hectares of strategically located land was acquired</p>
<p>Hectares of land under cultivation in traditional areas</p>	<p>138 082 hectares of land is under cultivation.</p>

PRIORITY 6: SOCIAL COHESION AND SAFE COMMUNITIES

Priority 6a

Table 11: Selected Interventions/targets likely to be met

Indicator	Progress (April to September 2021)
1 Monumental flag installed by 2024	The feasibility study towards the development of the South African National Monumental Flag Project completed and will be presented to cabinet for approval
Revised and reformed History curriculum	Content outline for History topics in Grades 4-12 has been finalised and History is already a compulsory subject in the lower grades (Grades 4-9) but optional in the FET
Number of schools that have introduced South African languages	2 144 (83%) schools have introduced and are implementing South African languages in Grades 1-3. It should be noted that languages forms part of the catch-up programme
Number of heritage legacy projects (including resistance of liberation heritage remote sites implemented)	Two of the six heritage legacy projects to redress South Africa's historical imbalances, boost tourism and create job opportunities have been completed, Winnie Mandela site in Brandfort (FS) and OR Tambo Garden of Remembrance (EC) . Four other sites in KZN (3) and EC (1) still in progress.
Number of athletes supported by the sports academies. Number of athletes supported through the scientific support programme per year.	3 295 athletes have been supported by the sports academies in various provinces and 38 athletes supported through the scientific support programme to promote participation in sport and recreation.
Number of provinces implementing the GovChat programme for community engagement and service delivery improvement	GovChat social media platform for community engagement was rolled out and implemented in Gauteng and five additional provinces (FS, KZN, MPU, NC and WC).

Table 12: Interventions/targets likely not to be met

Indicator	Progress (April to September 2021)
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% of public schools reciting the Constitution in school assemblies and DBE organised events	With less than 20% of reported progress, the 100% of public schools reciting the Constitution in the School Assemblies by 2024 would not be met.
Number of projects in the creative industry supported through the Mzansi Golden Economy programme	With only 14 projects supported against a target of 42 projects, the target to support creative industry through the Mzansi Golden Economy project to optimise the economic potential of the arts, culture and heritage sector by creating jobs and contributing to inclusive economic growth, artist development, social cohesion and urban renewal would not be met by 2024
Number of designated employers subject to the DG review process in order to enforce compliance with the Employment Equity Act. At least 2% annual increase in the representation of Africans in senior and middle management levels by 2024	Employers not available to accept DG Recommendations; Employers change EE plan and targets without consulting with DEL.
% of public servants trained how to deal with all forms of discrimination	Training Material approved and uploaded on the NSG online platform but public servants are not taking up the course - no enforcement
Number of in-service teachers and School Management trained on anti-discrimination	None trained focus was on saving the academic year 2021

Priority 6 b

Table 2: Selected Interventions/targets likely to be met

Indicator Safety and Security	Progress (April to September 2021)
Improvement in Corruption Perception Index rating	New Special Commercial Crime Courts (SCCCs) approved for establishment and further enhancements approved for existing SCCC in Durban, Palmridge and Pretoria North.
Increased feelings of safety in communities.	There is progress in the drafting and approving of the Integrated Crime and Violence Prevention Strategy (ICVPS).

Effectively defended, protected, safeguarded and secured communities	<p>Targets to ensure SA's borders are effectively defended, protected, safeguarded and secured are progressing as planned.</p> <ul style="list-style-type: none"> • Cabinet also appointed the BMA Commissioner and Deputy Commissioner Operations on 30 September 2021.
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Table 2: Selected Interventions/targets likely not to be met

Indicator Safety and Security	Progress (April to September 2021)
Improvement in Corruption Perception Index rating	<ul style="list-style-type: none"> • There are consistent challenges with regards the attainment of targets to obtain value of freezing orders for corruption or offences relating to corruption, as well as increasing the value of recoveries relating to corruption or related offences. • The COVID-19 pandemic continued to have a knock-on effect on the Assets and Forfeiture (AFU) performance. • Value of recoveries relating to corruption or related offences was not achieved: R997k against a target of R1.4 billion annually (R7 billion over 5 years)

	<ul style="list-style-type: none"> Value of freezing orders obtained for corruption or offences relating to corruption has not been achieved: R1.6bn against a target of R2.4 billion annually (R12 billion over 5 years)
<p>Reduced levels of contact crimes</p>	<ul style="list-style-type: none"> The policing of contact crime remains very problematic in that most of these crimes are committed indoors between people who know each other. Other factors such as liquor and substance abuse as well as environmental design also play a role. Therefore, the number of contact crime increased, by 25,0% from 223 705 during the 1st semester in 2020/2021 to 279 624 during the 1st semester in 2021/2022. Reported contact crimes against women increased, by 59,47% from 25 438 during the 1st quarter, in 2020/2021, compared to 40 566 during the 1st quarter, in 2021/2022 against a target of 6.7% reduction per annum
<p>Secured cyber space</p>	<ul style="list-style-type: none"> There is a significant threat to the South African economy and population posed by the malicious and criminal targeting of the cyberspace. For example, there has been persistent underperformance with regards indicators to complete and approve architecture/design of the Integrated Cybersecurity Centre as well as indicators to Implement the National Cybersecurity training and public awareness programmes.

PRIORITY 7: A BETTER AFRICA AND WORLD:

Table 13: Selected Interventions/targets likely to be met

Indicator: International Relations	Progress (April to September 2021)
Peaceful and secure continent	Interventions progressing as planned, ranging from commitments in military, humanitarian, environment and other activities.
South Africa's National Interest Framework developed.	Cabinet approved the South Africa's National Interest Framework document and recommended that it be taken for public consultations. The Strategy will be completed in the 3rd quarter and consultations conducted in the 4 quarter of 2021/2022
Growth in tourism sector resulting in economic growth	The development of the e-Visa solution was completed and piloted in Kenya and India. Kenya, Cameroon, Iran, Egypt and Philippines were activated as at 30 September 2021.

Table 2: Selected Interventions/targets likely not to be met

Indicator: International Relations	Progress (April to September 2021)
Growth in tourism sector resulting in economic growth	The Tourism sector is in crisis both domestically and globally and the targets to develop and implement a destination brand strategy to promote South Africa as a preferred tourism destination are lagging behind and so are targets to increase international tourists' arrival.

<p>Implementation of the African Continental Free Trade Agreement (AfCFTA) and other trade agreements in order to grow intra-Africa trade</p>	<p>Negotiations experiencing difficulties in reconciling differing interests. Southern African Customs Union (SACU) not yet submitted a common offer of 90% on tariff lines.</p>
<p>Increased Foreign Direct Investment (FDI) into South Africa</p>	<p>Initiatives hindered by the COVID-19 restrictions on domestic and international travel. Africa Investment Forum cancelled in 2020, 2021/22 South Africa Investment Conference that usually takes place in November postponed.</p>