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**A NATION THAT WORKS FOR ALL**



**the dpme**

Department:  
Planning, Monitoring and Evaluation  
REPUBLIC OF SOUTH AFRICA



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## DATA DISCLAIMER

The Medium Term Development Plan 2024–2029 is compiled using the latest available information from both government and non government sources. Some of this information is subject to revision.

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# MEDIUM TERM DEVELOPMENT PLAN 2024-2029



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Department:  
Planning, Monitoring and Evaluation  
REPUBLIC OF SOUTH AFRICA

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## ABBREVIATIONS AND ACRONYMS

|                 |   |                                                                                                              |
|-----------------|---|--------------------------------------------------------------------------------------------------------------|
| <b>AAMP</b>     | – | Agriculture and Agro-processing Master Plan                                                                  |
| <b>AF</b>       | – | Adjustment Fund                                                                                              |
| <b>AfCFTA</b>   | – | African Continental Free Trade Area                                                                          |
| <b>AGOA</b>     | – | African Growth and Opportunities Act                                                                         |
| <b>AI</b>       | – | Artificial Intelligence                                                                                      |
| <b>ALMP</b>     | – | Active Labour Market Programme                                                                               |
| <b>AU</b>       | – | African Union                                                                                                |
| <b>AIDS</b>     | – | Acquired Immunodeficiency Syndrome                                                                           |
| <b>ALMP</b>     | – | Active Labour Market Programme                                                                               |
| <b>APP</b>      | – | Annual Performance Plan                                                                                      |
| <b>BAU</b>      | – | Business As Usual                                                                                            |
| <b>BFI</b>      | – | Budget Facility for Infrastructure                                                                           |
| <b>BLNS</b>     | – | Countries consisting of Botswana, Lesotho, Namibia, Swaziland                                                |
| <b>BPF</b>      | – | Budget Prioritisation Framework                                                                              |
| <b>BRICS+</b>   | – | Brazil, Russia, India, China, South Africa, Iran, Egypt, Ethiopia, Saudi Arabia and the United Arab Emirates |
| <b>B4SA</b>     | – | Business For South Africa                                                                                    |
| <b>CAGR</b>     | – | Compound Annual Growth Rate                                                                                  |
| <b>CCTV</b>     | – | Closed-circuit television                                                                                    |
| <b>CJS</b>      | – | Criminal Justice System                                                                                      |
| <b>CRL</b>      | – | Commission for the Promotion and Protection of the Rights of Cultural, Religious and Linguistic Communities  |
| <b>CMA</b>      | – | Catchment Management Agency                                                                                  |
| <b>COG</b>      | – | Centre of Government                                                                                         |
| <b>COVID-19</b> | – | Coronavirus Disease 2019                                                                                     |
| <b>CWP</b>      | – | Community Work Programme                                                                                     |
| <b>DBE</b>      | – | Department of Basic Education                                                                                |
| <b>DBSA</b>     | – | Development Bank of Southern Africa                                                                          |
| <b>DCDT</b>     | – | Department of Communications and Digital Technologies                                                        |
| <b>DCOG</b>     | – | Department of Cooperative Governance                                                                         |
| <b>DDM</b>      | – | District Development Model                                                                                   |
| <b>DFI</b>      | – | Development Finance Institution                                                                              |

|              |   |                                                          |
|--------------|---|----------------------------------------------------------|
| <b>DG</b>    | - | Director-General                                         |
| <b>DHET</b>  | - | Department of Higher Education and Training              |
| <b>DHS</b>   | - | Department of Human Settlements                          |
| <b>DIRCO</b> | - | Department of International Relations and Cooperation    |
| <b>DJCD</b>  | - | Department of Justice and Constitutional Development     |
| <b>DPCI</b>  | - | Directorate for Priority Crime Investigation (Hawks)     |
| <b>DPME</b>  | - | Department of Planning, Monitoring and Evaluation        |
| <b>DPSA</b>  | - | Department of Public Service and Administration          |
| <b>DSTI</b>  | - | Department of Science, Technology and Innovation         |
| <b>DSD</b>   | - | Department of Social Development                         |
| <b>DSAC</b>  | - | Department of Sport, Arts and Culture                    |
| <b>DTIC</b>  | - | Department of Trade, Industry and Competition            |
| <b>DWS</b>   | - | Department of Water and Sanitation                       |
| <b>DWYPD</b> | - | Department of Women, Youth and Persons with Disabilities |
| <b>EAP</b>   | - | Energy Action Plan                                       |
| <b>ECA</b>   | - | Economic Commission for Africa                           |
| <b>ECD</b>   | - | Early Childhood Development                              |
| <b>EPWP</b>  | - | Expanded Public Works Programme                          |
| <b>eQPRS</b> | - | Electronic Quarterly Performance Reporting System        |
| <b>ERRP</b>  | - | Economic Reconstruction and Recovery Plan                |
| <b>ETA</b>   | - | Electronic Travel Authorisation                          |
| <b>ETI</b>   | - | Economic Tax Incentive                                   |
| <b>EU</b>    | - | European Union                                           |
| <b>EV</b>    | - | Electronic Vehicle                                       |
| <b>FATF</b>  | - | Financial Action Task Force                              |
| <b>FDI</b>   | - | Foreign Direct Investment                                |
| <b>FTE</b>   | - | Full-time Equivalent                                     |
| <b>FET</b>   | - | Further Education and Training                           |
| <b>FFC</b>   | - | Financial and Fiscal Commission                          |
| <b>FPL</b>   | - | Food Poverty Line                                        |
| <b>FOSAD</b> | - | Forum of South African Directors-General                 |
| <b>GBV</b>   | - | Gender-based Violence                                    |
| <b>GBVF</b>  | - | Gender-based Violence and Femicide                       |
| <b>GDP</b>   | - | Gross Domestic Product                                   |
| <b>GEPF</b>  | - | Government Employees' Pension Fund                       |

|                |   |                                                        |
|----------------|---|--------------------------------------------------------|
| <b>GERD</b>    | – | Gross Domestic Expenditure on Research and Development |
| <b>GFCF</b>    | – | Gross Fixed Capital Formation                          |
| <b>GLN</b>     | – | Global Leaders Network                                 |
| <b>GNU</b>     | – | Government of National Unity                           |
| <b>GTAC</b>    | – | Government Technical Advisory Centre                   |
| <b>GTI</b>     | – | Guided Trade Initiative                                |
| <b>HIV</b>     | – | Human Immunodeficiency Virus                           |
| <b>HoD</b>     | – | Head of Department                                     |
| <b>HoD</b>     | – | Head of the Public Administration                      |
| <b>ICJ</b>     | – | International Court of Justice                         |
| <b>ICT</b>     | – | Information and Communication Technologies             |
| <b>ID</b>      | – | Investigating Directorate                              |
| <b>IDAC</b>    | – | Investigating Directorate Against Corruption           |
| <b>IDC</b>     | – | Industrial Development Corporation                     |
| <b>IGR</b>     | – | Intergovernmental Relations                            |
| <b>IDP</b>     | – | Integrated Development Plan                            |
| <b>IPID</b>    | – | Independent Police Investigative Directorate           |
| <b>IRP</b>     | – | Integrated Resource Plan                               |
| <b>ITAF</b>    | – | Infrastructure Technical Assistance Facility           |
| <b>JCPS</b>    | – | Justice, Crime Prevention and Security Cluster         |
| <b>JET IP</b>  | – | Just Energy Transition Investment Plan                 |
| <b>JETP</b>    | – | Just Energy Transition Partnership                     |
| <b>JET PMU</b> | – | Just Energy Transition Project Management Unit         |
| <b>KDF</b>     | – | Key Driving Forces                                     |
| <b>KZN</b>     | – | KwaZulu-Natal                                          |
| <b>LBPL</b>    | – | Lower-bound poverty line                               |
| <b>LTSM</b>    | – | Learning and Teaching Support Material                 |
| <b>M&amp;E</b> | – | Monitoring and Evaluation                              |
| <b>MMS</b>     | – | Middle Management Service                              |
| <b>MSME</b>    | – | Micro, Small and Medium Enterprise                     |
| <b>MTDP</b>    | – | Medium Term Development Plan                           |
| <b>MTEF</b>    | – | Medium Term Expenditure Framework                      |
| <b>MTSF</b>    | – | Medium Term Strategic Framework                        |
| <b>NCD</b>     | – | Non-communicable Disease                               |



|               |   |                                                          |
|---------------|---|----------------------------------------------------------|
| <b>NCV</b>    | - | National Certificate: Vocational                         |
| <b>NDC</b>    | - | Nationally Determined Contribution                       |
| <b>NDP</b>    | - | National Development Plan                                |
| <b>NDPF</b>   | - | National Development Planning Framework                  |
| <b>NEDLAC</b> | - | National Economic Development and Labour Council         |
| <b>NEET</b>   | - | Not in Employment, Education or Training                 |
| <b>NEF</b>    | - | National Empowerment Fund                                |
| <b>NEPF</b>   | - | National Evaluation Policy Framework                     |
| <b>NGO</b>    | - | Non-governmental Organisation                            |
| <b>NHI</b>    | - | National Health Insurance                                |
| <b>NIECD</b>  | - | National Integrated Early Childhood Development Policy   |
| <b>NIP</b>    | - | National Infrastructure Plan                             |
| <b>NISPIS</b> | - | National Integrated Social Protection Information System |
| <b>NPA</b>    | - | National Prosecuting Authority                           |
| <b>NPC</b>    | - | National Planning Commission                             |
| <b>NPPSET</b> | - | National Plan for Post-School Education and Training     |
| <b>NSAA</b>   | - | National Spatial Action Areas                            |
| <b>NSAAC</b>  | - | National Strategy to Accelerate Action for Children      |
| <b>NSC</b>    | - | National Security Council                                |
| <b>NSDF</b>   | - | National Spatial Development Framework                   |
| <b>NSFAS</b>  | - | National Student Financial Aid Scheme                    |
| <b>NSG</b>    | - | National School of Government                            |
| <b>NSNP</b>   | - | National School Nutrition Programme                      |
| <b>NWRIA</b>  | - | National Water Resource Infrastructure Agency            |
| <b>NYDA</b>   | - | National Youth Development Agency                        |
| <b>OECD</b>   | - | Organisation for Economic Co-operation and Development   |
| <b>OP</b>     | - | Operation Phakisa                                        |
| <b>OV</b>     | - | Operation Vulindlela                                     |
| <b>PES</b>    | - | Presidential Employment Stimulus                         |
| <b>PFIP</b>   | - | Policy Framework for Integrated Planning                 |
| <b>PGM</b>    | - | Platinum Group Metals                                    |
| <b>PHC</b>    | - | Primary Healthcare                                       |
| <b>PHSHDA</b> | - | Priority Human Settlements and Housing Development Area  |

|                |   |                                                                          |
|----------------|---|--------------------------------------------------------------------------|
| <b>PIC</b>     | – | Public Investment Corporation                                            |
| <b>PIMA</b>    | – | Public Investment Management Assessment                                  |
| <b>PGMs</b>    | – | Platinum Group Metals                                                    |
| <b>PPGI</b>    | – | Public-Private Growth Initiative                                         |
| <b>PPP</b>     | – | Public-Private Partnership                                               |
| <b>PSC</b>     | – | Public Service Commission                                                |
| <b>PSEC</b>    | – | Presidential State-Owned Enterprises Council                             |
| <b>PSET</b>    | – | Post-school Education and Training                                       |
| <b>PV</b>      | – | Photovoltaic                                                             |
| <b>PYEI</b>    | – | Presidential Youth Employment Intervention                               |
| <b>QLFS</b>    | – | Quarterly Labour Force Survey                                            |
| <b>RAF</b>     | – | Road Accident Fund                                                       |
| <b>RDP</b>     | – | Reconstruction and Development Programme                                 |
| <b>R&amp;D</b> | – | Research and Development                                                 |
| <b>RFSPAPP</b> | – | Revised Framework for Strategic Plans and Annual Performance Plans       |
| <b>RISDP</b>   | – | Regional Indicative Strategic Development Plan                           |
| <b>SAA</b>     | – | South African Airways                                                    |
| <b>SABC</b>    | – | South African Broadcasting Corporation                                   |
| <b>SADC</b>    | – | Southern African Development Community                                   |
| <b>SA-EU</b>   | – | South Africa-European Union                                              |
| <b>SAICE</b>   | – | South African Institution of Civil Engineering                           |
| <b>SALGA</b>   | – | South African Local Government Association                               |
| <b>SANDF</b>   | – | South African National Defence Force                                     |
| <b>SANRAL</b>  | – | South African National Roads Agency                                      |
| <b>SAPS</b>    | – | South African Police Service                                             |
| <b>SARB</b>    | – | South African Reserve Bank                                               |
| <b>SARS</b>    | – | South African Revenue Service                                            |
| <b>SASSA</b>   | – | South African Social Security Agency                                     |
| <b>SCRC</b>    | – | Social Cohesion and Reconciliation Committee                             |
| <b>SDG</b>     | – | Sustainable Development Goal                                             |
| <b>SEACMEQ</b> | – | Southern and Eastern African Consortium for Monitoring Education Quality |
| <b>SEAD</b>    | – | Spatial Economic Activity Data                                           |
| <b>SEDFA</b>   | – | Small Enterprises Development and Finance Agency                         |

|                 |   |                                                  |
|-----------------|---|--------------------------------------------------|
| <b>SEFA</b>     | - | Small Enterprises Finance Agency                 |
| <b>SETA</b>     | - | Sector Education and Training Authority          |
| <b>SEZ</b>      | - | Special Economic Zone                            |
| <b>SIU</b>      | - | Special Investigating Unit                       |
| <b>SIP</b>      | - | Strategic Infrastructure Project                 |
| <b>SOE</b>      | - | State-owned Enterprise                           |
| <b>SONA</b>     | - | State of the Nation Address                      |
| <b>SP</b>       | - | Strategic Plans                                  |
| <b>SPLUMA</b>   | - | Spatial Planning and Land Use Management Act     |
| <b>SRD</b>      | - | Social Relief of Distress                        |
| <b>SSA</b>      | - | State Security Agency                            |
| <b>Stats SA</b> | - | Statistics South Africa                          |
| <b>STEM</b>     | - | Science, Technology, Engineering and Mathematics |
| <b>STI</b>      | - | Science, Technology and Innovation               |
| <b>TB</b>       | - | Tuberculosis                                     |
| <b>TDP</b>      | - | Transmission Development Plan                    |
| <b>TERS</b>     | - | Temporary Employment Relief Scheme               |
| <b>TIMSS</b>    | - | Trends in Mathematics and Science Study          |
| <b>TVET</b>     | - | Technical and Vocational Education and Training  |
| <b>UAE</b>      | - | United Arab Emirates                             |
| <b>UHC</b>      | - | Universal Healthcare                             |
| <b>UIF</b>      | - | Unemployment Insurance Fund                      |
| <b>UN</b>       | - | United Nations                                   |
| <b>US</b>       | - | United States                                    |
| <b>WFP</b>      | - | World Food Programme                             |
| <b>WfW</b>      | - | Working for Water Programme                      |
| <b>WECONA</b>   | - | Women's Economic Assembly                        |
| <b>WSA</b>      | - | Water Services Act                               |
| <b>WYPD</b>     | - | Women, Youth and Persons with Disabilities       |
| <b>YES</b>      | - | Youth Employment Service                         |

# *A nation that works for all*



# FOREWORD BY THE PRESIDENT OF THE REPUBLIC OF SOUTH AFRICA



*Honourable Mr Matamela Cyril Ramaphosa*

A nation that works for all. This is the vision that underpins the Medium Term Development Plan (MTDP) 2024-2029, which is government's programme for the transformation and development of South Africa.

The MTDP will guide the work of the Government of National Unity for the next five years in pursuit of three strategic national priorities:

- Driving inclusive growth and job creation;
- Reducing poverty and tackling the high cost of living, and
- Building a capable, ethical and developmental state.

The MTDP gives effect to our intention to pursue every action that contributes to sustainable, rapid economic growth and remove obstacles that stands in the way of growth. It asserts that growth must be inclusive and transformational and must drive the redistribution of wealth and opportunity. This growth must affirm the position of women, youth and persons with disabilities in the economy.

The MTDP outlines an integrated and comprehensive poverty alleviation strategy to provide support to the most vulnerable in society and to provide pathways into employment and other economic activity, especially for the youth.

The plan outlines the actions we need to take to build state capacity and create a professional and ethical public service. It prioritises the strengthening of law enforcement agencies to address crime, corruption and gender-based violence and to reinforce national security capabilities.

The MTDP reflects our shared commitment to strengthening social cohesion and nation-building and encouraging an active citizenry.

*A nation that  
works for all. This  
is the vision that  
underpins the  
Medium Term  
Development  
Plan (MTDP)  
2024-2029, which  
is government's  
programme for the  
transformation  
and development  
of South Africa.*



It outlines a foreign policy based on human rights, constitutionalism, pursuit of our national interest, solidarity and the peaceful resolution of conflicts. It sets out South Africa's role in the pursuit of African integration, multilateralism and the achievement of a just, peaceful and equitable world.

The MTDP is aligned with South Africa's National Development Plan, the United Nations Sustainable Development Goals 2030, the African Union's Agenda 2063 and SADC's Regional Indicative Strategic Development Plan.

One of the foundational principles of the MTDP is collaboration within government and with social partners. It provides a platform on which to further deepen existing partnerships and to build new partnerships in pursuit of our national interest.

The MTDP provides a clear path towards a better future. It encourages and enables us to build on the progress we have made in the past 30 years to deepen democracy, achieve inclusive growth and improve people's lives.



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**Mr Matamela Cyril Ramaphosa**  
President of Republic of South Africa



# FOREWORD BY THE MINISTER OF PLANNING, MONITORING AND EVALUATION



*Honourable Ms Maropene Ramokgopa*

The adoption of the Medium Term Development Plan (MTDP) 2024–2029 provides a clear pathway for the 7<sup>th</sup> Administration to build an inclusive society and deliver on the National Development Plan (NDP) Vision 2030's aspiration for the elimination of poverty and the reduction of unemployment and inequality. This MTDP 2024–2029 is an output of broad research efforts, consultations with various stakeholders across society and alignment with developmental priorities.

Earlier, the Department of Planning, Monitoring and Evaluation (DPME) produced a comprehensive 30-Year Review Report of South Africa's democratic governance. The report aptly captured some of the key developmental interventions and challenges and helped shape the key priorities for the 7<sup>th</sup> Administration. This data was supported by the numerous research outputs by the National Planning Commission (NPC) which serves as an independent advisory body for the President. As a think tank, the NPC greatly assists government and society with a wealth of research outputs on the implementation of the NDP.

The DPME also conducted broad consultations with relevant stakeholders to ensure that the final MTDP 2024–2029 reflects the will of the people, is in line with the spirit of inclusivity, and further enhances integrated planning in government. An integrated planning system is crucial in nurturing a coherent implementation programme of government and alignment with key priorities. The country's planning system is vital in building a capable, ethical and developmental state and achieving our development goals. The DPME has made important strides in strengthening integrated planning and improving harmonisation of planning and synergies across the state machinery.

Following an extensive diagnostic study on the state of planning, the DPME, in consultation with stakeholders, developed the Policy Framework for Integrated Planning (PFIP) that was adopted by Cabinet for implementation in 2022. The policy framework and its implementation plan build on progress made in institutionalising planning and seek to address gaps such as the fragmentation of planning, inadequate capabilities and ensure improved coordination and the modernisation of the planning system towards the achievement of development and better results. This includes ensuring the mainstreaming of the rights of women, youth and persons with disabilities in the planning system to achieve an inclusive society and economy and leave no one behind.

*The country's  
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goals.*

To institutionalise the MTDP 2024-2029, the DPME will also be guiding the development of the Strategic Plans (SPs) and Annual Performance Plans (APPs) of national and provincial governments. This will be done through issuing guidelines and circulars and assessing the draft institutional plans of national departments for alignment with the priorities of the 7<sup>th</sup> Administration.

Building on the government-wide Electronic Quarterly Performance Reporting System (eQPRS), the DPME has initiated a process towards modernising and automating planning. This is intended to improve the efficiency of the planning system and alignment across different planning instruments and use new technology, including artificial intelligence (AI), more effectively in the planning system.

The evolution of the planning system in South Africa and beyond has shown that planning without adequate resource allocation has little impact in advancing the development agenda. As a result, the DPME will develop the Budget Prioritisation Framework (BPF) annually to facilitate the alignment of planning priorities and the national budget process.

The MTDP 2024-2029 will be supported by an integrated and robust monitoring system that will be underpinned by

the latest technologies. The DPME intends to track progress in the implementation of the key indicators in real time and produce bi-annual and mid-term reports to advise Cabinet and the President on the performance of specific sectors. Efforts are being made to establish a dashboard that will give the President overall sight of the performance of government. This will significantly assist in decision-making and ensure the speedy resolution of bottlenecks in the implementation process.

As part of DPME's reorientation to better support the priorities of the 7<sup>th</sup> Administration, the Department will start a process to update the National Evaluation Policy Framework (NEPF). The new NEPF will inform the development of the next National Evaluation Plan and the Research Agenda to cover the period of the MTDP 2024-2029. We call on all stakeholders to collaborate with the DPME and ensure that its priorities and outcomes are realised.



**Ms Maropene Ramokgopa**

Minister in the Presidency for Planning, Monitoring & Evaluation







# EXECUTIVE SUMMARY

*South Africa has made significant strides since 1994 in establishing a non-racial, non-sexist, united society and improving the lives of all who live in it.*





# EXECUTIVE SUMMARY

## INTRODUCTION

South Africa has made significant strides since 1994 in establishing a non-racial, non-sexist, united society and improving the lives of all who live in it. The country has established a democratic state guided by a progressive Constitution and a system of institutions that aim to translate its values into practice. The nation has made progress in reducing poverty, extending basic services to reach the majority of South Africans, advancing fundamental rights as encapsulated in the Bill of Rights and establishing a dynamic economy that is substantially transformed from the apartheid era.

Nevertheless, as the country marks 30 years of democracy, it faces unprecedented social and economic challenges. The economy has not grown at a rate fast enough to create jobs for all those of working age. Too many South Africans are excluded from economic opportunity, and access to education, healthcare and other basic services remains unequal.

At this historic juncture, South Africa must entrench constitutional democracy and the rule of law, build an inclusive and growing economy, and root out corruption in all its forms. The people of South Africa will work together to achieve a new era of peace, justice and prosperity for all.

The 7<sup>th</sup> Administration commits to upholding the fundamental principles agreed to by the ten political parties in the Statement of Intent of the Government of National Unity (GNU):

- Respect for the Constitution, the Bill of Rights, a united South Africa, and the rule of law;
- Non-racialism and non-sexism;
- Social justice, redress and equity, and the alleviation of poverty;
- Human dignity and the progressive realisation of socio-economic rights;
- Nation-building, social cohesion and unity in diversity;
- Peace, stability and safe communities, especially for women and children;
- Accountability, transparency and community participa-

tion in government;

- Evidence-based policy and decision-making;
- A professional, merit-based, non-partisan, developmental public service that puts people first; and
- Integrity, good governance and accountable leadership.

It will further pursue the following shared objectives outlined in the Statement of Intent:

- Realising rapid, inclusive and sustainable economic growth, the promotion of fixed capital investment and industrialisation, job creation, transformation, livelihood support, land reform, infrastructure development, structural reforms and transformational change, fiscal sustainability and the sustainable use of South Africa's national resources and endowments. Macroeconomic management must sustainably support national development goals;
- Creating a more just society by tackling poverty, spatial inequalities, food security and the high cost of living, providing a social safety net, improving access to and the quality of basic services, and protecting workers' rights;
- Stabilising local government, effective cooperative governance, assigning appropriate responsibilities to the three government spheres and reviewing traditional leadership's role in the governance framework;
- Investing in people through education, skills development and affordable quality healthcare;
- Building state capacity and creating a professional, merit-based, corruption-free, developmental public service and restructuring and improving state-owned entities (SOEs) to meet national development goals;
- Strengthening law enforcement agencies to address crime, corruption and gender-based violence, and strengthening national security capabilities;
- Strengthening the effectiveness of Parliament in respect of its legislative and oversight functions<sup>1</sup>;
- Strengthening social cohesion, nation-building and democratic participation, and undertaking common programmes against racism, sexism, tribalism and other forms of intolerance; and

<sup>1</sup> Note that Parliament is an independent institution to which the aims and objectives of the MTDP do not apply.

- Creating foreign policy based on human rights, constitutionalism, the national interest, solidarity and peaceful resolution of conflicts to achieve the Agenda 2063, South-South, North-South and African cooperation, multilateralism, and a just, peaceful and equitable world.

The main objective of the Medium Term Development Plan (MTDP) 2024–2029 is to strategically guide the work of the 7<sup>th</sup> Administration to achieve the goals set out in the Statement of Intent of the GNU and the National Development Plan (NDP).

Through this plan, South Africa will complete the transformation of its energy and logistics systems to make them more efficient and competitive. More rapid and inclusive growth will be driven by the country's advantage in the green and digital economy, as well as in other fast-growing, labour-intensive and export-oriented sectors. Public institutions will be strengthened and the delivery of basic services like water and sanitation, healthcare and education improved. Law enforcement agencies will be equipped to tackle violent crime and corruption. Spatial inequality will be addressed through a revitalised housing and transport policy that enables people to access economic opportunities. Support will be expanded to the unemployed via public employment and social protection.

This is the vision of 'Building a nation that works for all', a vision of a society in which there is dignified work for all, the latent energy and potential of the economy are unleashed, social protection is sufficient to provide support to those in need, and growth is rapid, inclusive and sustainable.

## NATIONAL DEVELOPMENT PLANNING

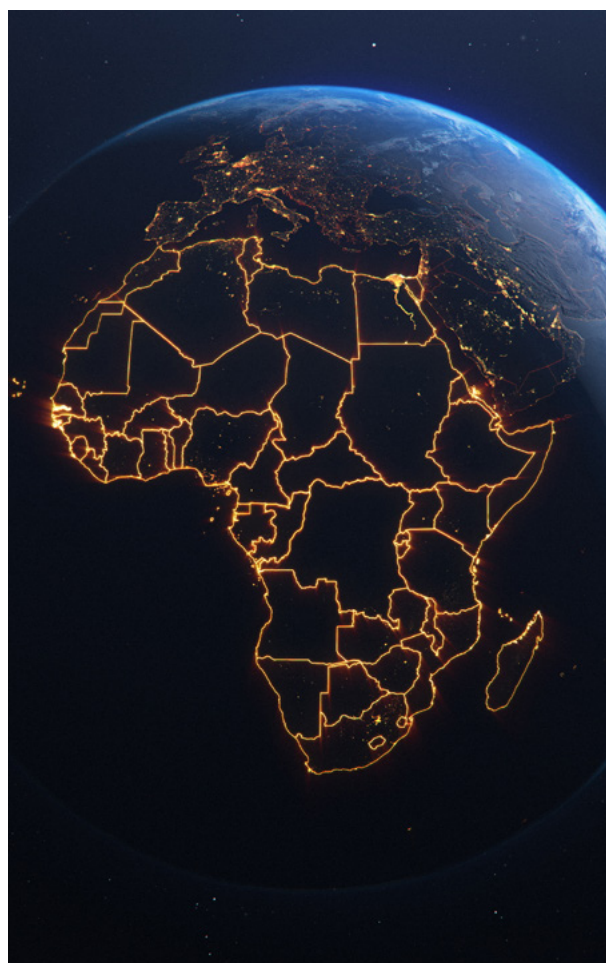
The NDP has three main aims for 2030: eliminate poverty, reduce inequality to a Gini coefficient of 0.6, and reduce unemployment to 6%. Employment is a critical enabler to achieving these goals and a target of creating 11 million additional jobs between 2012 and 2030 has been set. For the country to reach these ambitious goals, the NDP recognises that South Africa requires sustained economic growth and a restructuring of the economy and sets the achievement of an average annual growth rate of 5.4% in real gross domestic product (GDP) as a critical enabling goal.

Recent reviews have shown that these targets are unlikely to

be met by 2030. Some of the worst impacts of poverty have, however, been substantially mitigated by the expansion of the social wage, including through social grants and the expansion of access to basic education and healthcare.

Demographic changes in the country pose both opportunities and threats. The continued rapid growth of the population offers a potential 'demographic dividend' as more young people join the labour market. This can, however, also be a liability if there are constraints to economic inclusion and employment. While basic services are more widely available, a large part of the population still lives in dysfunctional settlements with weak local administrations and distant from economic opportunities.

South Africa must also contend with an increasingly challenging global environment. Globalisation is fracturing in response to political trends in rich countries towards more nationalist policies as they contest the growing political and economic strength of the Global South. This occurs at a time when the world's countries need to work together to address climate change, new pandemics and technological evolution.



While South Africa still has capacity in many of these areas, a coordinated response requires competent and adequately resourced institutions that can meet emerging challenges with a forward-looking view that drives economic and social inclusion and development. The state's suite of planning processes now includes scenario planning to ensure that its development is resilient and adaptable to changing circumstances.

The MTDP 2024–2029 is one element of that planning process, focusing on the 7<sup>th</sup> Administration. The objective of the plan is to put the country on a path to meet its development goals and to keep it on track. To achieve this objective, the MTDP 2024–2029 considers various recent analyses of South Africa's performance.

### STRATEGIC APPROACH

The MTDP 2024–2029 aligns with the goals and objectives of the NDP and the minimum programme of priorities of the GNU. The NDP remains South Africa's long-term country plan towards 2030 and is aligned with its international commitments. The MTDP 2024–2029 is the medium term plan towards the achievement of the NDP, replacing the Medium Term Strategic Framework (MTSF) by aligning with international naming conventions and emphasising development outcomes.

Government has set five goals for the next five years, which are:

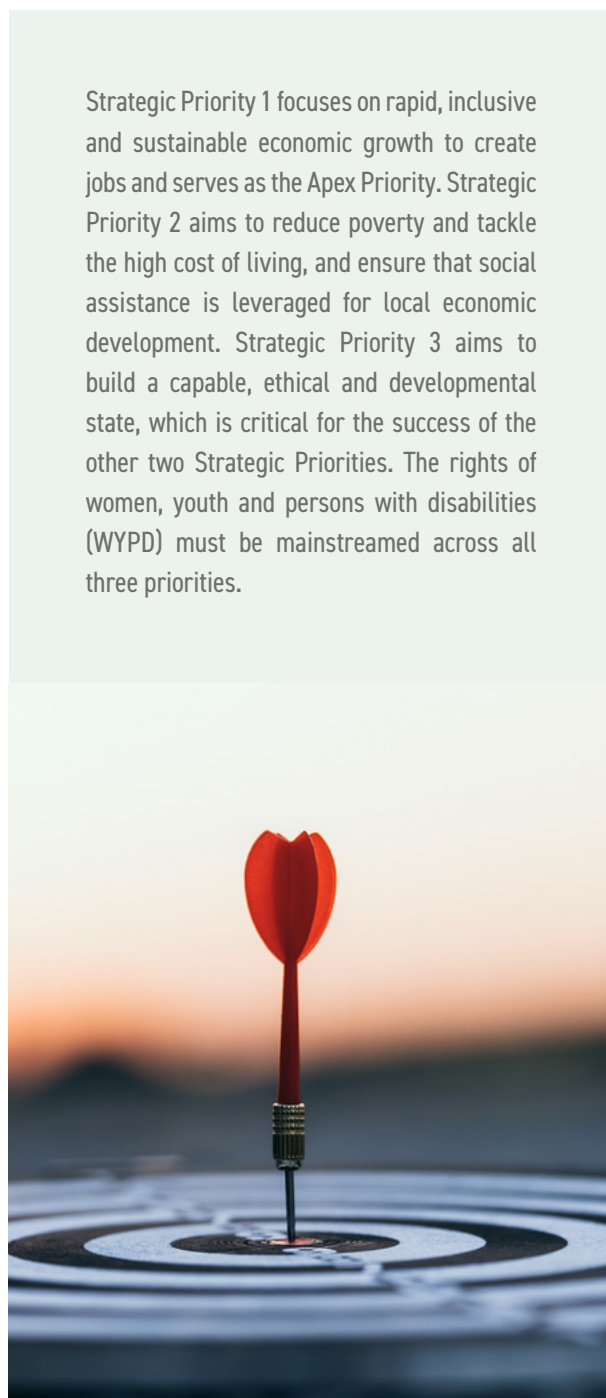
- A dynamic, growing economy;
- A more equal society, where no person lives in poverty;
- A capable state delivering basic services to all citizens;
- A safe and secure environment; and
- A cohesive and united nation.

To achieve these goals, the MTDP 2024–2029 identifies three Strategic Priorities which will be implemented across the state:

- Strategic Priority 1: Drive inclusive growth and job creation.
- Strategic Priority 2: Reduce poverty and tackle the high cost of living.
- Strategic Priority 3: Build a capable, ethical and developmental state.

These three Strategic Priorities, with a set of policy choices and priority interventions, will be implemented across all government and overseen and monitored by the centre of government. This approach aims to focus effort and resources behind an ambitious but achievable set of goals that can drive delivery while presenting a clear vision for the society we want to create. While they do not displace other programmes and commitments, they are essential to the economic growth agenda and should be prioritised for immediate implementation. This approach also requires collaboration with non-state role players, including business, labour and civil society.

Strategic Priority 1 focuses on rapid, inclusive and sustainable economic growth to create jobs and serves as the Apex Priority. Strategic Priority 2 aims to reduce poverty and tackle the high cost of living, and ensure that social assistance is leveraged for local economic development. Strategic Priority 3 aims to build a capable, ethical and developmental state, which is critical for the success of the other two Strategic Priorities. The rights of women, youth and persons with disabilities (WYPD) must be mainstreamed across all three priorities.



## STRATEGIC PRIORITY 1: DRIVE INCLUSIVE GROWTH AND JOB CREATION

Inclusive growth and job creation is the Apex Priority for the 7<sup>th</sup> Administration. All spheres of government, clusters and sectors must prioritise interventions to stimulate more rapid and inclusive growth. The MTDP 2024-2029 focuses on nine outcomes to achieve this Strategic Priority:

- Increased employment and work opportunities;
- Accelerated growth of strategic industrial and labour-intensive sectors;
- Enabling environment for investment and improved competitiveness through structural reforms;
- Increased infrastructure investment, access and efficiency;
- Improved energy security and a just energy transition;
- Increased trade and investment;
- A dynamic science, technology and innovation ecosystem for growth;
- Supportive and sustainable economic policy environment; and
- Economic transformation and equitable inclusion of women, youth and persons with disabilities for a just society.

Rapid, inclusive and sustained economic growth is essential for the five goals of government. A growing economy means more jobs, reduced poverty and greater revenues to support expanded social spending. Inclusive growth promotes social cohesion and reduces crime. Achieving more rapid growth requires focusing on conditions to increase private sector investment, innovation, productivity and international competitiveness. In the medium term, a target of 3.0% GDP growth will be required by 2029 to support a sustained increase in employment.

Inclusive growth entails leaving no one behind. Key objectives include improved general living standards, improved incomes and material conditions, especially for the most marginalised and vulnerable in South African society. It also requires a significant change in the unequal pattern of ownership of economic assets and access to economic opportunities. To achieve this, accelerated interventions for redress, economic empowerment, and spatial transformation in favour of previously marginalised groups will be required. Deliberate efforts to significantly increase the

economic participation of WYPD are pivotal and economic inclusion through employment and pathways to sustainable livelihoods must be strengthened. Active support and access to finance, markets and public procurement opportunities for WYPD must be given.



A key focus of Strategic Priority 1 is to create jobs and make substantive progress towards reducing unemployment to 6% by 2030. A multi-pronged approach must strengthen job creation in the private sector through supporting labour-intensive sectors and protecting and growing the existing industrial base, while also expanding public employment and active labour market programmes.

Since its establishment in October 2020, the Presidential Employment Stimulus (PES) has created earning opportunities for more than 2 million people through a variety of programmes and enabled institutional innovation and systems development. In addition to this, public employment programmes must be expanded and reformed to improve their impact.

Government will continue to support the Presidential Youth Employment Intervention (PYEI), the centrepiece of which is SAYouth.mobi, a zero-rated platform that keeps young people moving towards achieving sustainable incomes. More than 4 million unemployed young people have registered on the platform, with more than one million receiving opportunities for learning and earning. This network will be institutionalised through the SA Youth Trust for greater public-private collaboration in tackling youth unemployment.



The strategy to drive inclusive growth is centred on continuing structural reforms, upgrading and expanding network infrastructure and repositioning state-owned enterprises (SOEs). Operation Vulindlela, supported by far-reaching legislative, institutional and policy changes, has addressed long-standing constraints. The Operation Vulindlela approach will be strengthened and sustained.

Industrial policy will be a key role in driving growth, including through accelerated implementation of sector Master Plans to reverse de-industrialisation and accelerate growth in labour-intensive sectors such as construction, tourism, and sub-sectors of manufacturing and agriculture. Industrial policy incentives must be results-based and linked to clear measures of performance, and targeted at sectors with the best potential to create jobs at scale.

In recent decades, technological advances have made manufacturing more capital-intensive and less labour-absorbing. Over the next five years, South Africa must accelerate growth through massive new investment in the energy sector by leveraging its unique solar and wind resources to reduce energy costs and power green manufacturing as a driver of growth and job creation.

The application of the Just Transition Framework, Just Energy Transition Investment Plan (JET IP) and JET Implementation Plan will be prioritised and accelerated. Climate change is a shared global challenge with significant short-, medium-, and long-term socio-economic implications. The challenge must be met by supporting inclusive economic development and poverty reduction.

South Africa must leverage its well-established international relations to deliver economic outcomes through inward foreign direct investment (FDI), growth in export markets, tourism and cultural industries, knowledge and access to technology. Economic relationships with competing global power blocs must be maintained while simultaneously promoting interests in Africa. The country's economic diplomacy capabilities must be navigated and international relations leveraged.

## STRATEGIC PRIORITY 2: REDUCE POVERTY AND TACKLE THE HIGH COST OF LIVING

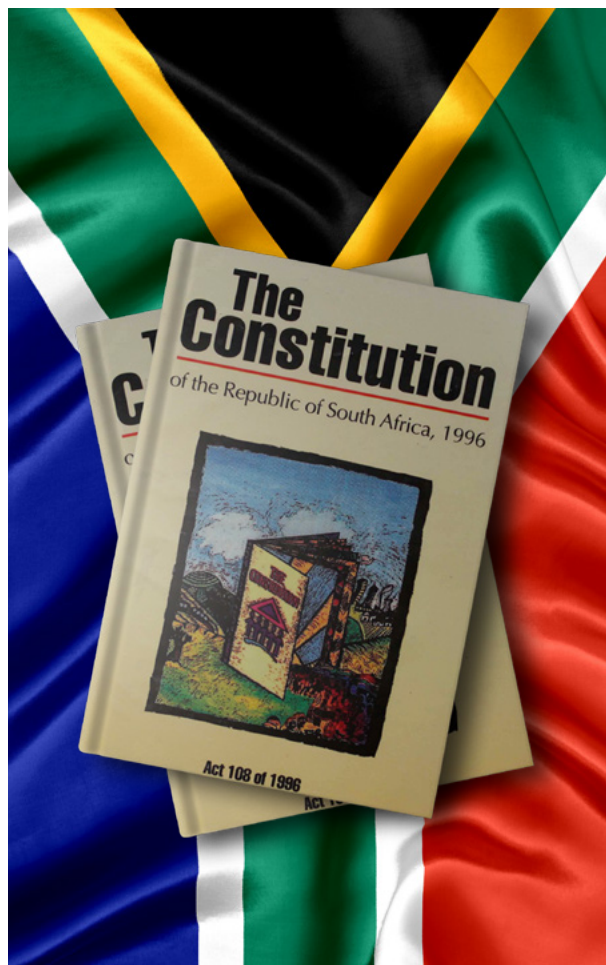
The MTDP 2024-2029 focuses on six outcomes to achieve the goals and objectives of Strategic Priority 2 in reducing

poverty and tackling the high cost of living:

- Reduced poverty and improved livelihoods;
- Improved coverage of social protection;
- Improved access to affordable and quality healthcare;
- Improved education outcomes and skills;
- Skills for the economy; and
- Social cohesion and nation-building.

Approximately 30.3 million South Africans (55.5% of the population) live in poverty, as defined by the national upper-bound poverty line. Of this, a total of 13.8 million people (25% of the population) experience food poverty. An extensive social protection system is therefore necessary to avert destitution for more than half of the South African population.

Progressively realising social protection for all South Africans is a requirement of the Constitution and Bill of Rights, which places the responsibility on government and society to ensure that citizens, especially the most vulnerable, are provided with a basic level of public services and support.





In addition to social grants, the government has since 1994 provided free basic services, healthcare, education and subsidised housing to poor South Africans. When debt service costs are excluded, approximately 60% of the government's budget is spent on the social wage. Success includes the percentage of people aged 20 or above who completed secondary education that more than doubled from 16% in 1996 to 38% in 2022. Households living in formal houses increased to 89% in 2022, from 65% in 1996. More than 80% of South Africans now have access to piped water at home or in their yards and 90% of people have access to electricity, up from 58% in 1996.

Nevertheless, a significantly greater effort is required to make a dent in poverty and accelerate progress towards the NDP goals. Substantial public investment in employment creation and social protection will be necessary as part of a broader economic growth strategy and will require a reprioritisation of expenditure to accommodate increases on social spending and direct transfers while ensuring fiscal sustainability. Government will pursue both these imperatives simultaneously.

The Social Relief of Distress (SRD) Grant has closed a gap in the social protection system for unemployed working-age adults and has played a crucial role in supporting those who are unemployed and in mitigating extreme poverty. Given its significant impact in alleviating extreme poverty, the government will progressively expand and improve the

SRD Grant as the basis for a future basic income grant for the unemployed. The design of the grant will be enhanced to link grant recipients to opportunities for employment and provide them with support for job searches and other forms of productive activity.

In addition to social protection and active labour market programmes, a renewed focus on spatial transformation must prioritise cities as engines of growth and centres of economic dynamism, and support the viability of rural areas as sustainable centres of development. The potential economic and social impacts of spatial transformation must be optimised through support for MSME, cooperatives and village enterprises, particularly those owned by WYPD. Further progress must be made in building sustainable human settlements and addressing asset poverty through improving access to land, housing and title deeds.

This Strategic Priority includes improving the quality of basic education and increasing the availability of post-school training opportunities for young people to develop skills and access productive livelihoods. Current levels of youth unemployment reflect the 44% of youth not in employment, education or training (NEET) status, in part due to the limited availability and poor quality of post-school opportunities for those who do not qualify for university entrance. Decisive action is necessary to ensure a cohort of trained young people who can participate in a growing economy.

Finally, an integral element of social protection is that citizens must be assured of universal access to an acceptable level of healthcare. The National Health Insurance (NHI) is a critical but complex initiative and its implementation will be a high priority for the 7<sup>th</sup> Administration. An early step will be to establish the mechanisms to engage all critical public and private stakeholders in the phased design, implementation and oversight of the new system. There is potential for stakeholder partnerships to reduce the relative cost of private medical care and support the development of improved human capacity and systems in the public health sector.

South Africa remains committed to accelerating progress on women's, children's and adolescents' health and wellbeing in line with sustainable development goals (SDGs).

### STRATEGIC PRIORITY 3: BUILD A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

Twelve outcomes were identified to achieve the goals and objectives of Strategic Priority 3: Build a capable, ethical and developmental state:

- Improved service delivery in the local government sphere;
- Improved governance and performance of public entities;
- An ethical, capable and professional public service;
- Digital transformation across the state;
- Mainstreaming of gender, empowerment of youth and persons with disabilities;
- A reformed, integrated and modernised Criminal Justice System;
- Effective border security;
- Secured cyber space;
- Increased feelings of safety of women and children in communities;
- Combat priority offences (economic, organised crime and corruption);
- Advance South African foreign policy for a better world; and
- Enhanced peace and security in Africa.

Achieving the first two Strategic Priorities will require a capable state that can deliver on the country's developmental objectives. Effective policy making requires clear vision and priorities, robust and adaptable institutions of decision-making, and the capacity to implement these.

Significant progress has been made since 1994 to restructure and transform the public service. Some challenges remain and include an emphasis on compliance at the expense of delivery, fragmented structures, weak technical capacity, a focus on process rather than on outcomes and a failure to promote and reward innovation and success.

During the past decade, these challenges were exacerbated by widespread corruption, the capture of the state by criminal networks, the erosion of policy and implementation capacity at the centre of government, the influence of patronage networks on senior appointments, and an exodus of skills and expertise from the public service. As a result, the ethical foundations of the state were eroded while the state's

capability to deliver on complex projects and objectives was weakened.

The long-term consequences of state capture for many institutions that manage public services have been disastrous for the economy and the state's ability to deliver to its citizens. The MTDP 2024-2029 identifies outcomes and priorities to complete reforms to the criminal justice system, including interventions to ensure further progress in the fight against Gender-based Violence (GBV) and Gender-based Violence and Femicide (GBVF). All three spheres of government should support an effective and efficient developmental state and economy that serves all South Africa's citizens.



Measures to improve the quality of public services include interventions through the Public Service Commission (PSC) and the National School of Government (NSG). Reforms to administrative arrangements have also been introduced. The Office of the Head of the Public Administration (HOPA) will be established to provide for the Director-General in the Presidency to manage appointments and career progression for senior public servants.

Given its advanced infrastructure and other key advantages, South Africa can position itself as a major player in the digital economy by creating jobs in business process outsourcing and digital services while encouraging a dynamic ecosystem for high growth digital start-ups.



Finally, bold and urgent intervention is needed to improve local government service delivery. Interventions to date have been disparate and poorly coordinated, with limited effect. Initiatives such as the District Development Model (DDM) do not directly address the lack of capacity or governance failures at a municipal level. This Strategic Priority outlines specific interventions to address local government challenges.

## CONCLUSION

As outlined in the NDP and the GNU Statement of Intent, this MTDP 2024–2029 presents the priority interventions that are required to address the most critical challenges confronting South Africa over the next five years. The overriding priority is to achieve more rapid, inclusive and sustained economic

growth while implementing interventions to address poverty and inequality. These interventions will consider the imperative of fiscal consolidation and the need to carefully prioritise limited resources and improve efficiency to achieve the outcomes identified. Success will be achieved by prioritising and implementing priorities and ensuring that the objectives are met through effective oversight. The three Strategic Priorities in this plan are interrelated and interlinked. Strengthening the capability of the state will support economic growth, which will in turn increase the resources available, allowing expansion of social protection and other forms of support. The interventions outlined in this plan must be implemented in full to achieve these goals over the next five years.





# CHAPTER 1

## BUILDING A NATION THAT WORKS FOR ALL





# CHAPTER 1: BUILDING A NATION THAT WORKS FOR ALL

## 1.1 INTRODUCTION

The Medium Term Development Plan (MTDP) 2024–2029 is introduced at a pivotal moment in South Africa's history, as no political party secured enough seats in the national general election on 29 May 2024, to form a majority government. The establishment of the Government of National Unity (GNU) provided a path forward. In its Statement of Intent, the GNU committed to ensuring stability and peace, addressing the triple challenges of poverty, unemployment, and inequality, upholding constitutional democracy and the rule of law, and building an inclusive South Africa for all its citizens. The GNU also pledged to adhere to a set of Foundational Principles and a basic Minimum Programme of Priorities that stem from the manifestos of its participating parties.

The MTDP 2024–2029 aligns with the GNU's Statement of Intent and the National Development Plan (NDP): Vision 2030 by outlining the Strategic Priorities of the 7<sup>th</sup> Administration. It details a programme of interventions and targets for the current term of government. In support of these objectives, the MTDP 2024–2029 serves as a strategic response to the economic and social challenges currently faced by South Africans. While it identifies three Strategic Priorities, it emphasises the economy as the primary enabler for achieving developmental goals. A whole-of-government and whole-of-society approach is crucial for the success of this plan.

## 1.2 BACKGROUND

The review of the Medium Term Strategic Framework (MTSF) 2019–2024 and the associated planning methodologies led to the transition from the MTSF to the MTDP 2024–2029. The MTSF review noted that medium-term development plans should be more closely linked to longer-term development outcomes. The MTDP thus builds on the outcomes of the NDP, while also accounting for the electoral mandate of the GNU. South Africa requires a forward-looking and strategic perspective to respond appropriately to several challenges that affect development outcomes in the context of an increasingly difficult global political and economic environment and to take advantage of the opportunities for social and economic development.



Eradicating poverty and reducing inequality and unemployment remain the overriding goals of government. Rapid, inclusive, and sustainable economic growth and job creation are thus the primary focus for the 7<sup>th</sup> Administration. Since 2019 South Africa has implemented a range of structural reforms to remove growth-restricting constraints, attract higher levels of investment, and make the economy more efficient and competitive. These reforms included an overhaul of the energy sector to enable efficiency, stability and greater investment in electricity generation and introduce a more competitive electricity market. Private sector participation in the operation of port terminals was introduced, open access to the freight rail network was enabled, and the auction of high-demand broadband spectrum was completed. While the value of public-private partnerships (PPPs) is acknowledged, the state will continue to play a strategic role in the development and ownership of public infrastructure in the interest of all its people.

To realise higher economic growth and create more jobs, South Africa needs a combination of far-reaching structural reforms, increased investment, and sound macroeconomic management. The Strategic Priorities and supporting interventions as outlined in the MTDP 2024-2029 will reform the economy and bolster the capacity of the state. In combination, these will raise business confidence and increase investment towards accelerated economic growth.

Government cannot address developmental challenges alone. It will require cooperation with social partners such as business, labour and civil society to improve the lives of South Africans. The strategic direction to achieve rapid, inclusive, and sustainable economic growth that will create jobs during the implementation of the MTDP 2024-2029 will be realised by deepening partnerships between government, business, labour, and civil society; accelerating structural reforms; continuing the work to strengthen state capacity; improving the operation of state-owned enterprises (SOEs); and ensuring a safe and secure environment for citizens and business.

The 7<sup>th</sup> Administration will continue to sustain the momentum of reforms while building inclusivity as articulated in the NDP and the Statement of Intent<sup>2</sup>. A capable, ethical, and developmental state committed to economic reform will enable the country to build an inclusive and growing economy that will benefit all South Africans.

Any plan is only as good as the implementation mechanisms that support it and the capacity to translate its commitments into reality. A key factor in the success of the MTDP 2024-2029 will be to enhance the implementation capacity of the state. Spearheaded by the Presidency and National Treasury, Operation Vulindlela is a mechanism to support the delivery of key priorities across government. The Operation Vulindlela methodology centres on carefully selecting priorities to ensure focus, supporting the delivery of those priorities with appropriate skills and expertise, ensuring effective and rigorous monitoring of progress, and, where necessary, rapid decision-making.

In its first phase, Operation Vulindlela focused on economic reforms in the energy, logistics, telecommunications, and water sectors, as well as reforms to the visa system, as these are the binding constraints on growth. Going forward, the scope of Operation Vulindlela will expand to new areas such as strengthening the performance of local government, accelerating digital transformation and addressing spatial inequality. These are critical priorities to support more rapid and inclusive growth. The Operation Vulindlela methodology will be applied across all three Strategic Priorities in the MTDP 2024-2029.



<sup>2</sup> GNU. 2024. 'Statement of Intent', 34.

### 1.3 GLOBAL DEVELOPMENTAL GOALS AND OBJECTIVES

Drawing from the NDP, and analyses of performance in its implementation, and taking the GNU Statement of Intent as its starting point, the MTDP 2024-2029 articulates the goals, strategic priorities, outcomes, and interventions that will inform and guide planning, resource allocation and implementation for the 7<sup>th</sup> Administration. While these are domestic concerns and priorities, they also align with South Africa's international commitments. South Africa accepted the Sustainable Development Goals (SDGs) as adopted by the United Nations (UN) in 2015. All 17 SDGs find resonance in South Africa's current developmental challenges and priorities. The SDGs are:

- No poverty;
- Zero hunger;
- Good health and wellbeing;
- Quality education;
- Gender equality;
- Clean water and sanitation;
- Affordable and clean energy;
- Decent work and economic growth;
- Industry, innovation and infrastructure;
- Reduced inequalities;
- Sustainable cities and communities;
- Responsible consumption and production;
- Climate action;
- Life below water;
- Life on land;
- Peace, justice, and strong institutions; and
- Partnerships for the goals.<sup>3</sup>

The African Union's (AU) 'Agenda 2063: The Africa we want' is the continental development framework to which South Africa is a signatory and aspires to achieve. Agenda 2063, adopted by the AU in 2015, sets seven aspirations for the African continent:

- A prosperous Africa, based on inclusive growth and sustainable development;
- An integrated continent, politically united and based on the ideals of Pan Africanism and the vision of African renaissance;
- An Africa of good governance, democracy, respect for

human rights, justice, and the rule of law;

- A peaceful and secure Africa;
- An Africa with a strong cultural identity, common heritage, values and ethics;
- An Africa whose development is people-driven, relying on the potential offered by African people, especially its women and youth and caring for children; and
- An Africa as a strong, united, resilient, and influential global player.<sup>4</sup>

In 2020, South Africa and other Southern African Development Community (SADC) states signed the SADC Regional Indicative Strategic Development Plan (RISDP) 2020-2030, aiming to 'achieve sustainable and inclusive socio-economic development, through good governance and durable peace and security'. The plan covers five strategic areas:

- Peace, security and good governance;
- Industrial development and market integration;
- Infrastructure development in support of regional integration;
- Social and human capital development; and
- Cross-cutting issues: gender, youth, environment and climate change, and disaster risk management.

The MTDP 2024-2029 thus incorporates regional, continental and international commitments.



3 UNDP. 2015. 'Sustainable Development Goals', United Nations Development Programme, [https://www.undp.org/sites/g/files/zskgke326/files/publications/SDGs\\_Booklet\\_Web\\_En.pdf](https://www.undp.org/sites/g/files/zskgke326/files/publications/SDGs_Booklet_Web_En.pdf).

4 African Union. n.d. 'Goals & Priority Areas of Agenda 2063', <https://au.int/agenda2063/goals>.

5 Southern African Development Community (SADC) Secretariat. 2020. SADC Regional Indicative Strategic Development Plan (RISDP) 2020-2030, [https://www.sadc.int/sites/default/files/2021-08/RISDP\\_2020-2030.pdf](https://www.sadc.int/sites/default/files/2021-08/RISDP_2020-2030.pdf).



#### 1.4 NATIONAL DEVELOPMENT PLANNING

The NDP has three main aims for 2030: eliminate poverty, reduce inequality to a Gini coefficient of 0.6, and reduce unemployment to 6%. It recognises employment as a critical enabler to achieving these goals and sets a target of creating 11 million additional jobs between 2012 and 2030. For the country to reach these ambitious goals by the target date, the NDP recognises that South Africa requires sustained economic growth and a restructuring of the economy and set the achievement of an average annual growth rate of 5.4% in real gross domestic product (GDP) as a critical enabling goal.

Recent reviews have shown that these targets are unlikely to be met by 2030. Some of the worst impacts of poverty have, however, been substantially mitigated by the expansion of the social wage, including through social grants and the expansion of access to basic education and health care.

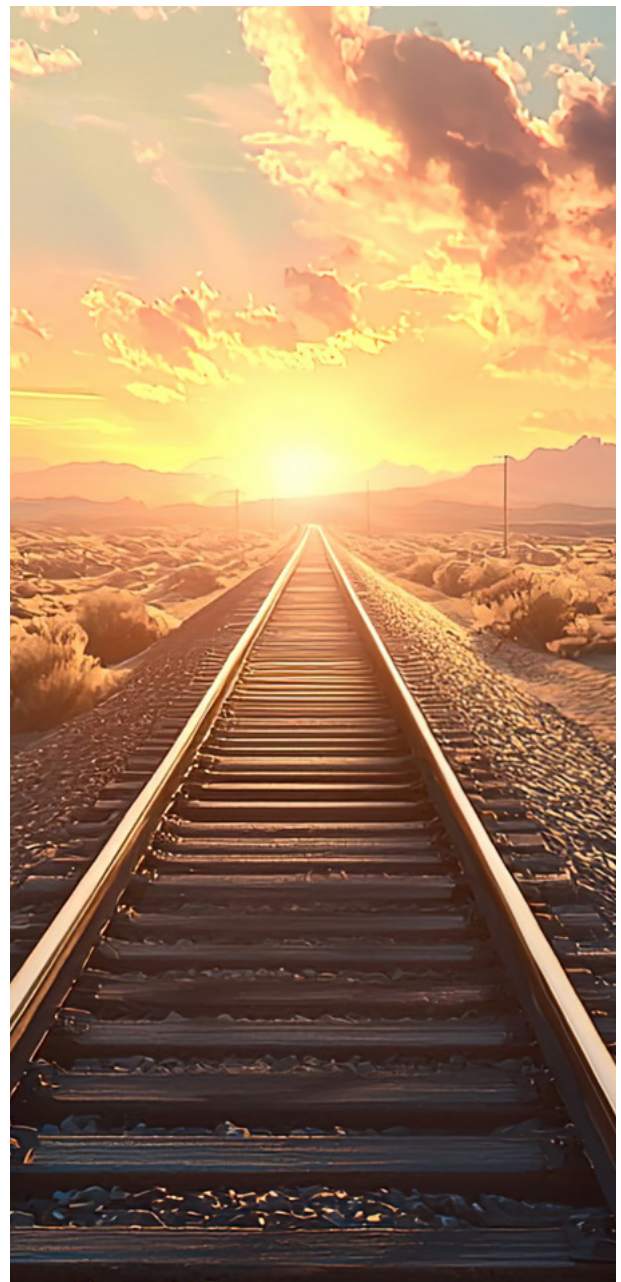
Demographic changes in the country pose both opportunities and threats. The continued rapid growth of the population offers a potential 'demographic dividend' as more young people join the labour market. This can, however, also be a liability if there are constraints to economic inclusion and employment. While basic services are more widely available, the quality and affordability of these services is a challenge since a large proportion of the population still lives in dysfunctional settlements that are distant from economic opportunities and have weak local administrations.

South Africa must also contend with an increasingly challenging global environment. The process of globalisation is fracturing in response to political trends in rich countries towards more nationalist policies as they contest the growing political and economic strength of the Global South. This occurs at a time when the world's countries need to work together to address common crises, notably those related to climate change and the emergence of new technologies that threaten livelihoods.

Questions are being raised about not just the capacity of societies to address their multiple challenges but also about the limits of the ability of states to respond to all these emerging demands for action. While South Africa still has a demonstrated capacity in many of these areas, a coordinated response requires competent and adequately resourced institutions that foresee and are prepared to meet emerging challenges.

In this context, a forward-looking view is needed to enable the state and society to consider the emerging opportunities and threats, to prepare an appropriate response to them, and to drive social and economic inclusion and development. The state's suite of planning processes now includes using instruments such as scenario planning to ensure that its development is resilient and adaptable to changing circumstances.

The MTDP 2024-2029 is one element of that wider development planning process, focusing on what is required in the medium term. The objective of the plan is to put the country on a path to meet its development goals and to keep it on track.





### 1.5 STRATEGIC APPROACH TO THE MTDP 2024-2029

The MTDP 2024-2029 has been produced through a programme of inter-governmental collaboration with significant participation by non-state stakeholders. It is gender responsive and transformative and advances youth development and the rights of people with disabilities and children. It draws on multiple sources of knowledge, including the Indlulamithi Scenarios 2035, the 10-Year Review of the NDP by the National Planning Commission (NPC), the 30-Year Review of South Africa's Democracy by the DPME and other monitoring reports and official statistics. These include the most recent census, sector strategies, research and evaluations, academic studies, implicit and explicit knowledge of government experts, and think tanks.<sup>6</sup>

The MTDP 2024-2029 is characterised by continuity and change. It is part of a continuum of government planning processes that includes the MTSFs and the NDP, but it is also

different from other planning instruments in several ways. It employs a greater level of prioritisation of the various themes with which it deals, grouping numerous sectoral and departmental considerations to serve the three Strategic Priorities. It also gives a central place to the NDP and its reviews and the commitments in the Statement of Intent and is aligned with the NDP, Sustainable Development Goals (SDGs), African Union (AU) Agenda 2063, and the Southern African Development Community (SADC) strategic plan.

The MTDP 2024-2029 aligns with the goals and objectives of the NDP and the minimum programme of priorities of the GNU. The NDP remains South Africa's long-term country plan towards 2030 and is aligned with its international commitments on the continent and globally. The MTDP 2024-2029 sets out five goals for the next five years. These are intended to guide the actions of government in pursuing the goals of the NDP.

**Figure 1.1: Five goals of government**



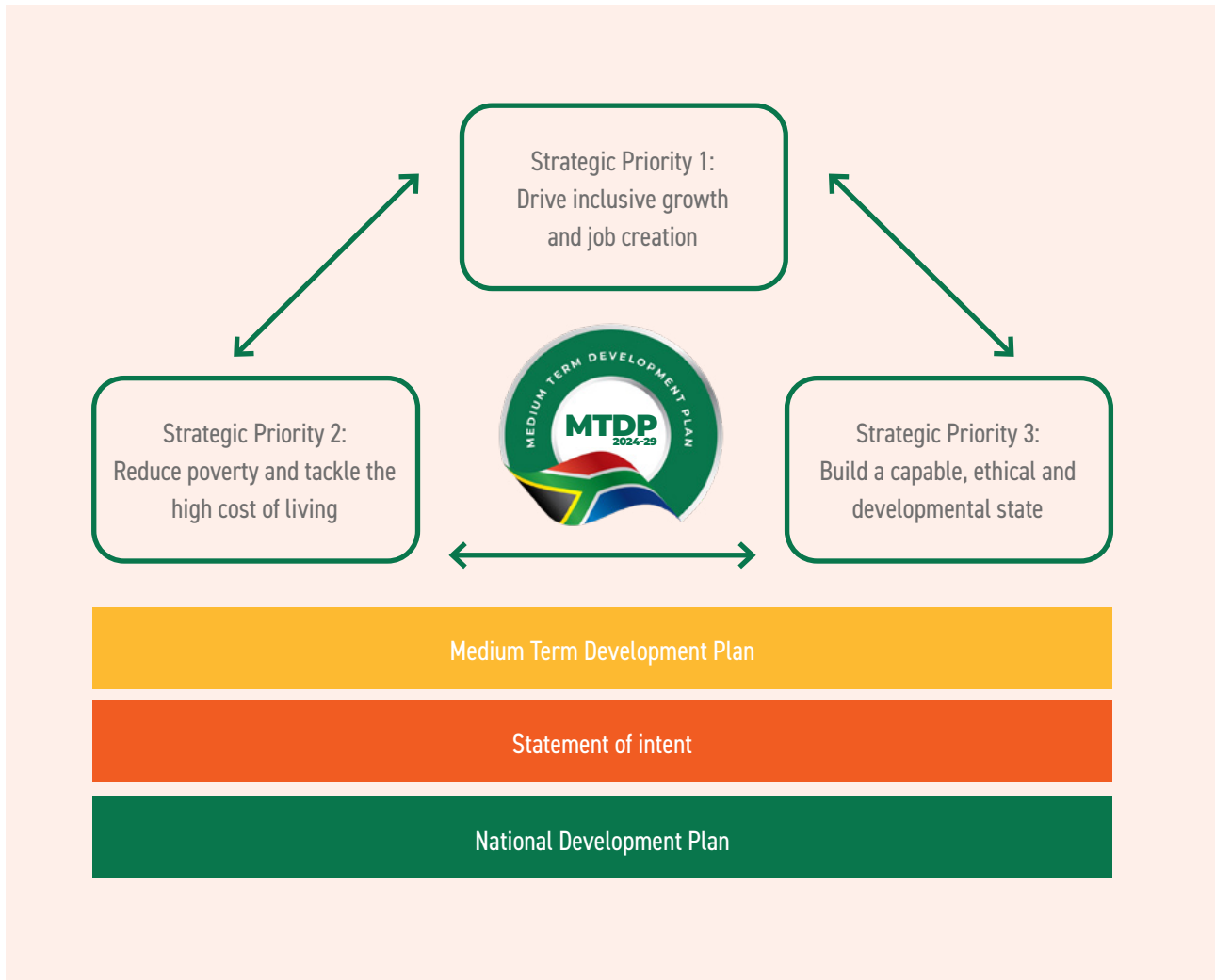
Source: The Presidency, 2024

To achieve these five goals, the MTDP identifies the following three Strategic Priorities that will be implemented across the state:

- Strategic Priority 1: Drive inclusive growth and job creation.
- Strategic Priority 2: Reduce poverty and tackle the high cost of living.
- Strategic Priority 3: Build a capable, ethical, and developmental state.

<sup>6</sup> Indlulamithi Trust. 2024. 'Indlulamithi Scenarios 2035', <https://indlulamithi.org.za/resources/indlulamithi-scenarios-2035>.

Figure 1.2: Three strategic priorities of the MTDP 2024-2029



Source: Department of Planning, Monitoring and Evaluation, 2024

These three Strategic Priorities, along with a set of policy choices and priority interventions, will be implemented across all of government and overseen and monitored by the centre of government. This approach aims to focus effort and resources behind an ambitious but achievable set of goals that can drive delivery while presenting a clear vision to all South Africans for the society we want to create. While these priority interventions do not displace other programmes and commitments across government, they are essential to the economic growth agenda and should be prioritised for immediate implementation.

#### 1.5.1 STRATEGIC PRIORITY 1: DRIVE INCLUSIVE GROWTH AND JOB CREATION

Strategic Priority 1 is the Apex Priority in the MTDP 2024-2029. All spheres of government and public entities will prioritise interventions that enable sustainable inclusive

growth. All spheres of government, clusters, and sectors must prioritise interventions aimed at stimulating more rapid and inclusive growth. The outcomes and interventions of this strategic priority are outlined in Chapter 3. Rapid, inclusive, and sustained economic growth is essential to achieve all five goals of government. A growing economy means more jobs, reduced poverty, and greater revenues supporting expanded social spending. Moreover, inclusive growth is necessary to promote social cohesion and reduce crime. Achieving more rapid growth requires government to focus on creating the conditions for increased private sector investment, innovation, productivity, and international competitiveness. In the medium term, a target growth rate of above 3.0% will be required by 2029 to support a sustained increase in employment.

Inclusive growth entails leaving no one behind. Key objectives in this regard include improved general living standards, improved incomes, and material conditions, especially for the most marginalised and vulnerable in South African society. Inclusive growth also requires a significant change in the unequal pattern of ownership of economic assets and access to economic opportunities. To achieve this, accelerated interventions for redress, economic empowerment, and spatial transformation in favour of previously marginalised groups will be required. Deliberate efforts to significantly increase the economic participation of women, youth, and persons with disabilities are pivotal in this regard, particularly since they represent the majority of the citizenry. In addition to strengthening economic inclusion through employment and pathways to sustainable livelihoods, active support for enterprises owned by women, youth, and persons with disabilities must be emphasised and their access to finance, markets, and public procurement opportunities improved.

### 1.5.2 STRATEGIC PRIORITY 2: REDUCE POVERTY AND TACKLE THE HIGH COST OF LIVING

Strategic Priority 2 seeks to reduce poverty and tackle the high cost of living. Its interventions provide a means through which South Africans can rise above poverty that has been passed down from one generation to the next. Approximately 30.3 million South Africans (55.5% of the population) live in poverty, as defined by the national upper-bound poverty line. Of this, a total of 13.8 million people (25% of the population) experience food poverty. An extensive social protection system is therefore necessary to avert destitution for more than half of the South African population.

Progressively realising social protection for all South Africans is a requirement of the Constitution and Bill of Rights, which places the responsibility on government and society to ensure that citizens, especially the most vulnerable, are provided with a basic level of public services and support.

Since 1994, the government has used various mechanisms to redistribute resources towards the poor and to expand the social wage. In addition to social grants, the government has provided free basic services, healthcare, education and subsidised housing to poor South Africans. When debt service costs are excluded, approximately 60% of the government's budget is spent on the social wage.

The results of Census 2022 show the impact of these policies. For example, the percentage of people aged 20 or above who completed secondary education more than doubled from 16% in 1996 to 38% in 2022. Households living in formal houses increased to 89% in 2022, a huge rise from 65% in 1996. More than 80% of South Africans now have access to piped water at home or in their yards and 90% of people have access to electricity, up from 58% in 1996.

Nevertheless, a significantly greater effort is required to make a dent in poverty and accelerate progress towards the NDP goals. Substantial public investment in employment creation and social protection will be necessary as part of a broader economic growth strategy and will require a reprioritisation of expenditure to accommodate increases in social spending and direct transfers while ensuring fiscal sustainability. The government will pursue both these imperatives by maintaining a responsible fiscal trajectory on the one hand and providing sufficient support to protect the most vulnerable from hunger and extreme poverty simultaneously.

### 1.5.3 STRATEGIC PRIORITY 3: BUILD A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

Achieving the first two Strategic Priorities will require a capable state that can deliver on the country's developmental objectives. Several interventions that build the capability of the state will be outlined in Chapter 5. Effective policymaking requires a clear vision and priorities, institutions of decision-making that are robust and adaptable to ensure policy coherence and make choices when trade-offs occur, and the capacity to implement these consistently and effectively.

Following the first democratic elections in 1994, significant progress was made in restructuring and transforming the public service, along with the rapid expansion of service delivery to pursue the new developmental agenda of the state. At the same time, some challenges have proved difficult to address. These include a growing emphasis on compliance at the expense of delivery, fragmented structures, weak technical capacity, a focus on process rather than on outcomes and a failure to promote and reward innovation and success.

The long-term consequences of state capture for many institutions that manage public services have been disastrous for the economy and the state's ability to deliver in a manner that serves its citizens. To address this, this MTDP 2024-2029 identifies outcomes and priorities to complete reforms to the criminal justice system, including interventions to ensure further progress in the fight against Gender-based Violence and Femicide (GBVF). More generally, regulation and oversight are within the purview of all three spheres of government, which should work within their respective jurisdictions to support an effective and efficient developmental state and economy that serves all South Africa's citizens.

In support of the state's role, a continued focus on measures to improve the quality of public services has been developed. These include interventions delivered through the Public Service Commission (PSC) and the National School of Government (NSG). Reforms to administrative arrangements that draw a clear distinction between the roles and responsibilities of political and administrative leadership have also been introduced. The Office of the Head of the Public Administration (HOPA) will be established to provide for the

Director-General in the Presidency to manage appointments and career progression for senior public servants as part of efforts to professionalise the public service.

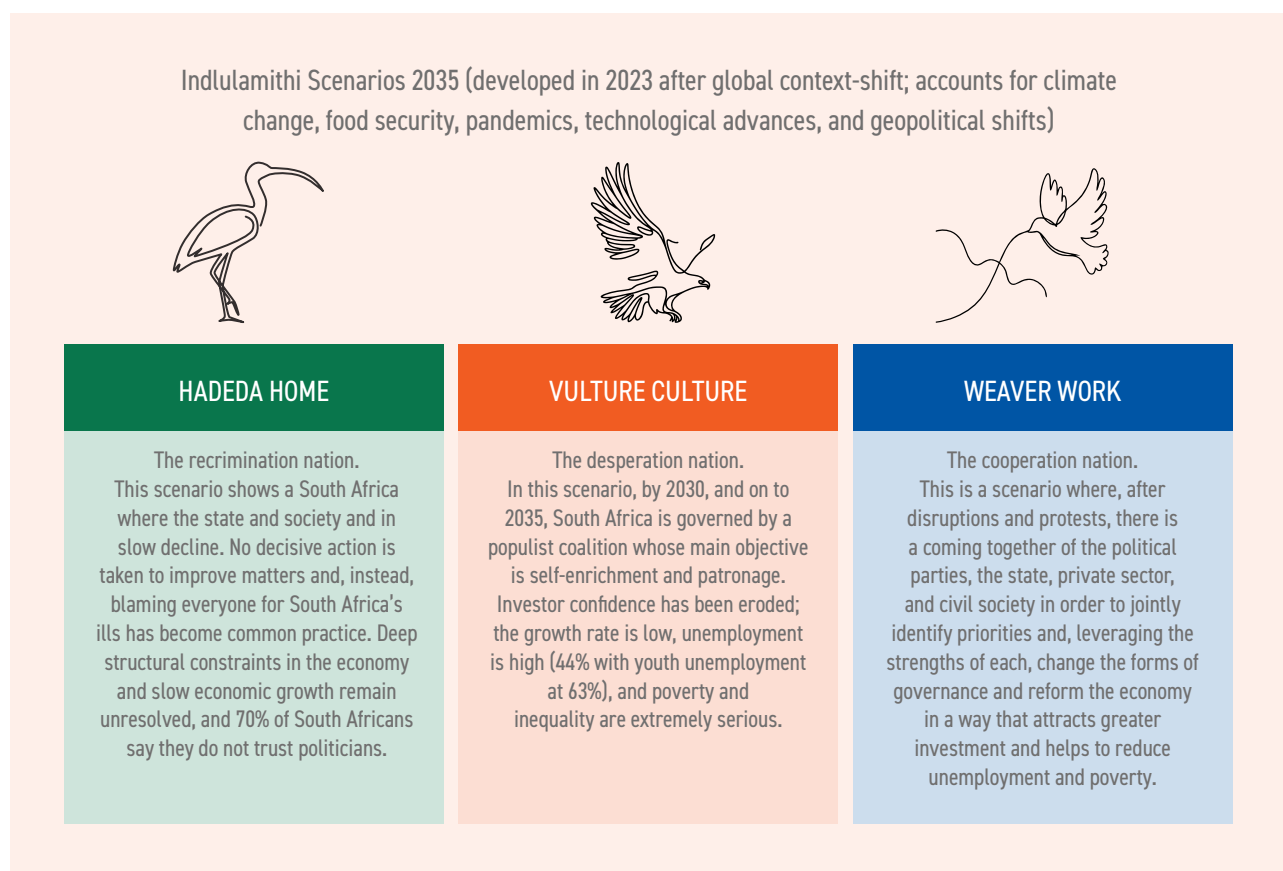
## 1.6 FUTURE SCENARIOS TO 2029 AND BEYOND

The Indlulamithi Scenarios 2035 identified key driving forces (KDFs) that impact on possible futures of South Africa. The KDFs are based on factors that various role players believe could significantly influence South Africa's future development. The Indlulamithi Scenarios 2035 include 26 variables that determine the following three KDFs:

- KDF 1: Low economic growth trap;
- KDF 2: State weakness and declining democratic accountability; and
- KDF 3: Internal security threatened by anger, distrust and resistance to renewal.

These KDFs are integrated into the development of the MTDP 2024-2029. The slightly longer horizon of the Indlulamithi Scenarios 2035 is useful for planning beyond the medium term.

**Figure 1.3 Indlulamithi Scenarios 2035**



Source: Indlulamithi Scenarios, 2023



The Indlulamithi Scenarios paint three plausible futures for South Africa by 2035:

- **Hadedu Home** – The recrimination nation. This scenario is of a South Africa in which the state and society are in slow decline. No decisive action is taken to improve matters and blaming everyone for South Africa's ills has become common practice. Deep structural constraints in the economy and slow economic growth remain unresolved and 70% of South Africans say they do not trust politicians.
- **Vulture Culture** – The desperation nation. In this scenario, South Africa is governed by a populist coalition whose main objective is self-enrichment and patronage. Investor confidence has been eroded, the growth rate is low, unemployment is high at 44%, youth unemployment is at 63%, and poverty and inequality are extremely serious.
- **Weaver Work** – The cooperation nation. In this scenario, following disruptions and protests, there is a coming together of political parties, the state, the private sector, and civil society to jointly identify priorities and, by leveraging the strengths of each, change the forms of governance and reform the economy. This results in a more collaborative form of governance and accelerated reforms in the economy that attract greater investment and reduce unemployment, inequality, and poverty.

The Weaver Work scenario has been adopted as the preferred scenario for the MTDP 2024-2029.

### 1.7 ECONOMIC GROWTH SCENARIOS TOWARDS 2029

Three economic growth scenarios were analysed during the development of the MTDP 2024-2029: the Business as Usual (BAU) scenario, the Growth Acceleration scenario, and the Social Policy and Equity Simulation scenario. The MTDP 2024-2029 aims for a growth rate of above 3.0% by 2029.

The BAU scenario assumes that the structure of the economy will remain largely unchanged without implementing the structural reforms or interventions outlined in the MTDP. It projects an economic growth rate of 2.0% by 2029. At the same time, unemployment is projected to decrease to 29.9% in 2029.

The second scenario, adopted in MTDP, is the "Growth Acceleration" scenario. This scenario focuses on implementing structural reforms and interventions of the MTDP to achieve a target growth rate of above 3.0% by 2029. The scenario indicates that strategies aimed at supporting high-performing industrial sectors and prioritising job creation will make progress towards this goal. Under this scenario, unemployment is projected to decline by more than 4 percentage points to below 28.0% by 2029.

The third scenario is "Social Policy and Equity Simulation" that examines the effects of increasing social grants, focusing on strategies that enhance economic participation in an economy projected to grow at 5.4%. In the final scenario, which considers the expansion of the social grant system to reduce the proportion of the population falling below the lower-bound poverty level. This scenario contributes significantly towards a reduction in unemployment and extreme poverty and reduces the Gini coefficient to 0.61. However, it achieves these outcomes only if it is financed from existing budget allocations rather than through increased deficits.

After examining the three growth scenarios and reviewing the global, continental and domestic economic and socio-economic landscape as well as key risks, the MTDP 2024-2029 adopted a target growth rate of above 3.0% by 2029 which targets the implementation of the structural reforms and interventions of the MTDP 2024-2029.



## 1.8 KEY RISKS AND MITIGATIONS

In developing various interventions, key risks and mitigation measures were identified. The identification of strategic risks was informed by multiple perspectives. Globally, this included insights from the World Economic Forum's Global Risks Report 2024. At a national level, the Institute of Risk Management South Africa's Risk Report 2024/2025 was also considered. The proposed mitigation measures stemmed from the recommendations of sector institutions and the contributions of a wide range of external experts who were consulted during the preparation of the plan.

One primary risk that affects all strategic priorities is political instability and the lack of consensus among political parties on key policy issues. To mitigate this risk, the formation of the GNU and its minimum programme of priorities of the Statement of Intent were established, along with robust governance structures and enhanced societal engagement. Economic risks include weak public-private partnerships, ineffective incentives, and complicated regulations. These challenges are being addressed by prioritising public-private partnerships (PPPs), refining incentives, simplifying regulations, and encouraging private sector involvement in public investments.

To address persistent inequality, it is essential to integrate marginalised groups into state programmes. The risks associated with social programmes include limited funding, increased demand on services due to population growth, and inconsistencies in basic income support implementation. These challenges can be mitigated through centralised leadership and coordinated social protection efforts. In terms of health interventions, risks involve the integration and funding of the National Health Insurance (NHI), which requires careful planning and effective public communication. Regarding education, the risks primarily stem from budget cuts that affect essential resources. To address this, there is a need for reprioritization and expanded implementation of Early Childhood Development (ECD) programmes.

Effective medium term indicators, targets and resource allocation are essential for building a capable state. This process faces several risks, including challenges from a multi-party government, resistance to reform from local governments, geopolitical issues, and gaps in public sector professionalisation. To address these risks, mitigation

strategies should include the GNU Statement of Intent, engagement with local stakeholders, enhanced diplomacy, and the implementation of the Professionalisation Framework. Additionally, reforms to the criminal justice system (CJS) may suffer from inconsistent implementation and political interference in prosecutions. Therefore, a comprehensive plan, interdepartmental collaboration, and safeguards to protect the independence of the National Prosecuting Authority (NPA) are necessary. Moreover, prioritising whistle-blower protection and community-driven violence reduction is crucial.

## 1.9 SUMMARY

The MTDP 2024-2029 has been developed to align with a broader sustainable development agenda, specifically the NDP and the GNU Statement of Intent. It emphasises three interrelated strategic priorities that are essential for achieving the nation's developmental objectives. Various economic scenarios have been analysed, and foresight and scenario planning have been employed to guide the formulation of the MTDP. Additionally, this plan utilises high-level national, sectoral, and sub-national data and evidence, along with existing interventions, and operates under a theory of change aimed at reaching the nation's developmental goals. As a result, the MTDP 2024-2029 will direct initiatives designed to address South Africa's economic and socio-economic challenges, focusing on issues of poverty, inequality, and unemployment, particularly among the most vulnerable and impoverished. It also outlines strategies and interventions to achieve South Africa's developmental goals over the medium term. Chapter 2 includes an economic and socio-economic review, while Chapters 3 to 5 detail the strategic priorities, expected outcomes, and necessary interventions. Finally, Chapter 6 outlines the processes for implementation, monitoring, and evaluation of the MTDP 2024-2029.

*The MTDP 2024–2029  
has been developed to align  
with a broader sustainable  
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Statement of Intent.*







## **CHAPTER 2**

# **ECONOMIC AND SOCIO-ECONOMIC REVIEW**





## CHAPTER 2: ECONOMIC AND SOCIO-ECONOMIC REVIEW

### 2.1 INTRODUCTION

This chapter provides an overview of the development planning context in South Africa, focusing on the development performance as evaluated in the 10-Year Review of the NDP and the 30-Year Review. It further examines the current social political and economic context, particularly addressing the polycrisis affecting countries worldwide and its implications for South Africa. The chapter also highlights key strengths and weaknesses of South Africa in relation to this global landscape. Subsequently, the chapter assesses the country's economic performance looking at economic growth and unemployment and the chapter concludes by summarising socio-economic trends, looking at health, education, social development and human settlements. Overall, the chapter aims to provide a situational analysis of both global and domestic factors impacting South Africa's development.

### 2.2 PROGRESS AGAINST THE NATIONAL DEVELOPMENT PLAN 2030

The NDP, as adopted in 2012, outlines South Africa's vision towards 2030. It remains the long-term country plan and its two main goals are to eliminate poverty and reduce inequality<sup>7</sup> by lowering the Gini coefficient from 0.69 to 0.6.<sup>8</sup> The MTDP 2024-2029 will continue to support these goals over the medium term. To achieve its outcomes, the NDP identifies two intermediate goals. The first is to increase employment by creating 11 million additional jobs between 2012 and 2030, thus reducing the unemployment rate to 6%.<sup>9</sup> The second objective is to achieve an annual average growth of 5.4% in GDP until 2030.<sup>10</sup> South Africa is far from achieving

its employment and growth targets by 2030 thereby directly impacting on achieving the poverty and inequality goals (see Table 2.1).



<sup>7</sup> NPC. 2012. 'NDP', 24. | <sup>8</sup> NPC. 2012. 'NDP', 34.

<sup>8</sup> NPC. 2012. 'NDP', 34.

<sup>9</sup> NPC. 2012. 'NDP', 117.

<sup>10</sup> NPC. 2012. 'NDP', 296.

In 2023, the NPC undertook a 10-Year Review of progress made in the implementation of the NDP and outlined recommendations for its implementation towards 2030. The overall conclusion of the review highlighted that progress has been made in some areas but that South Africa was lagging on key development goals: the economy was still not inclusive and unemployment remained high; poverty and inequality have also remained high and persistent and the legacy of apartheid continues to undermine the potential of South Africa's people. The Review found that progress has been made on key aspects of the NDP's social goals in

education, health, and social protection. It notes progress regarding the expansion of social grants to cope with the effects of poverty and inequality, especially the Social Relief of Distress (SRD) grant during and after the COVID-19 pandemic. There has been some improvement in education, mainly due to improved access to books for learners, a focus on learner assessment, and clearer pedagogical instructions to teachers. While several challenges remain in the health sector, including concerning trends in cases of HIV and TB, there have been significant improvements in life expectancy and decreases in infant mortality.

**Table 2.1: Macroeconomic performance against the NDP targets**

| NDP target                                                                     | Baseline    | Target | 2018   | 2021   | 2022   | 2023   |
|--------------------------------------------------------------------------------|-------------|--------|--------|--------|--------|--------|
|                                                                                | 2012        | 2030   | Actual | Actual | Actual | Actual |
| GDP growth (annual average %) <sup>11</sup>                                    | 3.3 (2011)  | 5.4    | 0.8    | 4.7    | 1.9    | 0.6    |
| Reduce income inequality (Gini income measure)                                 | 0.69 (2009) | 0.60   | 0.69   | 0.63   | 0.63   | 0.63   |
| Eliminate poverty below LBPL (%)                                               | 36.4 (2011) | 0      | 21.7   | 18.7   | 20.5   | 20.5   |
| Investment (gross fixed capital formation) as percentage of GDP <sup>12</sup>  | 17.6 (2010) | 30     | 15.9   | 13.2   | 14.2   | 15.2   |
| Public sector (state and state-owned entities) investment as percentage of GDP | 6.8         | 10     | 5.7    | 3.8    | 4.1    | 4.3    |
| Labour force participation rate (%)                                            | 55.4        | 56.6   | 59.3   | 58.6   | 59.4   | 60.0   |
| Reduce unemployment (%)                                                        | 25.4        | 6      | 27.7   | 33.9   | 32.9   | 32.3   |
| Employment (millions)                                                          | 13.65       | 24     | 16.2   | 15.6   | 16.1   | 16.7   |
| Employment ratio (employment/working age population) (%)                       | 41.3        | 61     | 43.3   | 38.7   | 39.9   | 40.7   |

Sources: All actual figures are sourced from the National Treasury Budget Review 2024, the Quarterly Labour Force Surveys published by Statistics South Africa, the South African Reserve Bank Quarterly Bulletins and World Bank Macro Poverty Outlook for South Africa.

The 30-Year Review identified several cross-cutting challenges that, if not addressed, will derail the country from achieving the national aspirations expressed in the NDP<sup>13</sup>. It warns that social cohesion is threatened by disgruntlement over unmet expectations and perceptions of unfairness and unequal access to opportunity. These are associated with a potential for violent social unrest.<sup>14</sup>

The 30-Year Review makes numerous recommendations to accelerate the implementation of programmes, including to advance and empower women, youth, and people with disabilities. Acknowledging that relevant legislation and institutional frameworks are in place and key programmes have

gathered momentum, improvements can be achieved with the appropriate level of resourcing, better coordination to reduce duplication and improve efficiency, and the scaling up of successful initiatives by partnering with non-state role players for a more inclusive society.

In response to outstanding issues, the NDP 10-Year Review concluded with a call to focus on four key areas of actions: growing an inclusive economy; improving state capacity; institutionalising planning; and strengthening international partnerships and trade. These four key actions have been integrated into key components of the MTDP 2024–2029.

11 SARB. 2024. 'Quarterly Bulletin: March 2024', March, <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/quarterly-bulletin-publications/2024/01Full%20Quarterly%20Bulletin.pdf>.

12 SARB. 2024. 'Quarterly Bulletin: March 2024'.

13 DPME. 2024. '30-year Review', 214.

14 DPME. 2024. '30-year Review', 215.

The MTDP highlights that government will prioritise key actions to course correct towards positive attainment of the NDP goals. The quality of public spending will be improved through better planning, sound procurement systems aimed at securing quality goods and services, and greater competition and productivity. Greater efficiency in all areas of government expenditure is needed because the overall envelope is likely to grow relatively slowly over the medium term. This means reliance on fiscal policy alone will not mobilise the levels of investment required, underscoring the importance of mobilising private capital to achieve public goals.<sup>15</sup>

The NPC's review further pointed out that, while much of the NDP was essentially state-centric, there is a greater need for the state to work more closely with the private sector and civil society to support sector investment and innovation. The review called for a recalibration of efforts to confront the outlined harsh realities.<sup>16</sup>

The DPME's review presented a wider range of recommendations and identified 26 high-priority strategic thrusts to be prioritised when planning towards 2030 and beyond. These were a mix of legislative and policy processes, institutional reforms, scaling up successful programmes, and promoting potential new programmes. Identified interventions included rethinking the economic strategy to grow the economy; reconfiguring government to enhance delivery; accelerating infrastructure development; focusing industrial policy to achieve greater employment intensity; and reforming state-owned enterprises.<sup>17</sup> In addition, wide-ranging recommendations were made on education, training and skills development, research and development (R&D), the development of technological capabilities, and several other strategic policy areas.

### 2.3 GLOBAL ECONOMIC CONTEXT

The world is experiencing the effects of globalisation with declining governance. This situation has led to a range of new and escalating risks that are particularly challenging to manage, especially those that are existential and systemic. These crises are further complicated by the ongoing fragmentation of an already fragile and confrontational global order. We have entered the Anthropocene Epoch, which is the first period in history where human actions are the primary influence on the Earth and its ecosystems. This has resulted in the emergence of existential risks that have the potential

to lead to the extinction of humankind or, at the very least, severely limit its potential.

The polycrisis is characterised by several global challenges: climate change and its associated risks to food security, health and social security; technological innovation whose impact is proving difficult to predict and control; artificial intelligence systems that have already made possible ever-more intelligent and destructive weapons systems and could result in huge job losses; the increasing frequency of pandemics and antimicrobial resistance; and breakthroughs in medicine, biotechnology and extractive developments such as deep sea mining that, despite offering immediate benefits, present potentially existential risks to humanity.

These challenges occur in a context of growing economic and geopolitical threats, including global economic crises; growing polarisation along ideological lines, especially with the consolidation of right-wing forces in many democracies, a trend that will find increasing expression in the Global South; rising geopolitical tensions, especially due to governments of major powers trying to elicit support from the Global South; and the weakening capacity of the state to provide for the needs of society.



<sup>15</sup> NPC. 2022. '10-year Review', 51.

<sup>16</sup> NPC. 2022. '10-year Review', 50.

<sup>17</sup> DPME. 2024. '30-year Review', 215-218.

The global polycrisis, together with these economic and geopolitical threats, poses serious challenges for South Africa, while simultaneously presenting certain opportunities. In particular, South Africa cannot evade the prime global risk of climate change which threatens South Africa's energy supply, food availability, economy and security. These effects are already manifesting and will strengthen over the medium term.

Concerning global geopolitics, a definite shift in political and economic power from West to East has occurred. Western states face increasing governance challenges, especially with the rightward shift in European and United States (US) politics, and their consequent impact on economies and western multilateral institutions such as the European Union. The US is increasingly inward-looking and has sought to distance itself from much of the rest of the world, including its allies, and delink from various multilateral treaties and other agreements to which it is a party. Equally concerning is the increasingly polarised domestic environment in the US in which racism and xenophobia are presented in some quarters as virtues, thereby threatening democracy in these countries. Similar political movements are gaining ground in European politics.

In parallel, a political and military assertiveness from the East and Global South, that has not been seen since the end of the Cold War, is on the rise. While cautious, this assertiveness is manifesting in BRICS+, the expanded club whose members until 2023 had been Brazil, Russia, India, China and South Africa. As of October 2024, it now includes five new Global South members. Invitations were extended to Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates (UAE). All except Argentina accepted.<sup>18</sup> While still loosely organised and without an agreed political or economic programme, the bloc represents a significant global economic and political power shift. Economically, South Africa is a small player in BRICS+. However, the bloc presents economic and political opportunities for South Africa to cooperate with its BRICS+ partners both bilaterally and multilaterally. In the absence of a strong economy, able to address the needs of its citizens, such leverage is only possible for South Africa if it maintains a strong global presence.

From an economic perspective, the rising powers of China and India are set to slowly outstrip the US and Europe over

the next decades. Europe's economic fragility is highlighted by the war between Russia and Ukraine and the scramble to bolster energy sources for Europe. The challenge and opportunity for South Africa is to maintain relations with its traditional trading partners while building new relations with its BRICS+ partners and other countries in Africa. Successfully navigating these relationships will be essential to enable South Africa to achieve its developmental goals.



The carefully constructed post-World War II global order is increasingly under pressure, as highlighted by the war between Russia and Ukraine and Israel's genocide in Gaza. The Gaza genocide is particularly poignant, showing up the weaknesses and biases of international law and its inability to effectively address this most egregious crime. In this case, neither International Court of Justice rulings nor near-consensus resolutions of the UN Security Council have brought peace or assisted in ending Israel's illegal occupation. South Africa has taken a firm position on these issues, establishing itself as a 'norm entrepreneur' in international relations and strengthening its long-held position about the need to build a multipolar world and for global matters to be addressed in a multilateral format.

<sup>18</sup> Ferragamo, M. 2024. 'What Is the BRICS Group and Why Is It Expanding?', Council on Foreign Relations, 12 December, <https://www.cfr.org/backgrounder/what-brics-group-and-why-it-expanding>.



This milieu offers both threats and opportunities for nations of the Global South, including those of Africa. The political and economic weakening of the West and the shift to what could become a multipolar and more multilateral world order could offer African states a wider set of partnership options that could assist their development. A great power battle between the West (primarily the US) and the East (primarily China) also threatens to overwhelm many African states. How these countries will fare depends largely on their internal resilience and durability and their ability to maintain a non-aligned position that allows them to benefit from all parties without being forced to choose one relationship over another. However, the unevenness in stability and development on the continent means there is no guarantee that African states will leverage the new emerging situation to their benefit. This is largely because of coups, insurgencies, and civil war in several African states in the late 2010s and early 2020s that have increased forced migration, reversed development initiatives, and threatened state collapse.

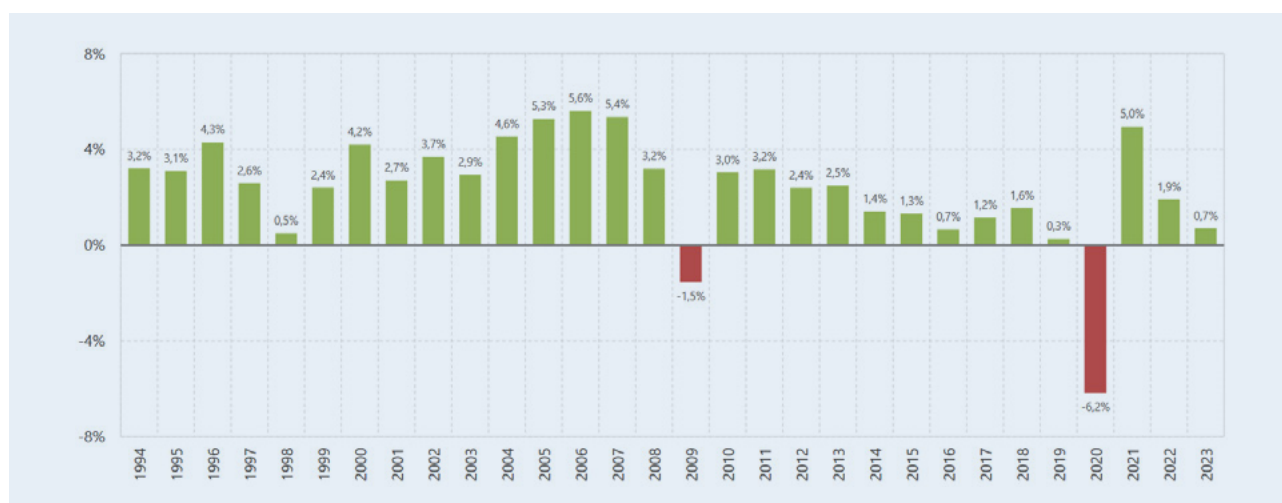
Both the African Continental Free Trade Area (AfCFTA) and the African Union's Agenda 2063 are steps forward for the continent in its attempts to strengthen itself internally and achieve its developmental objectives. The seriousness with which these initiatives are implemented will determine whether they are useful for Africa and South Africa. They offer opportunities for African states to work cooperatively to address current and future polycrises in ways that benefit Africans and make them less dependent on states outside the continent in terms of food security, supply of medicines, health services, and investment.

## 2.4 SOUTH AFRICA'S MACROECONOMIC CONTEXT

### 2.4.1 ECONOMIC GROWTH

Democratic South Africa inherited a relatively stagnant, distorted economy in 1994 and, despite a few limited growth spurts, long-term GDP growth (that averaged 2.4% between 1994 and 2022) significantly underperformed relative to the targets of official economic growth strategies. There have been periods since 2008 in which per capita GDP has regressed as the population grew faster than GDP.

**Figure 2.1: Annual GDP growth, 1994–2023**



Source: Statistics South Africa, 2024

The poor economic performance coincided with a shift in the structure of the economy as apartheid-related market protections were removed. The rapid reduction in trade barriers contributed to a decline in manufacturing as a proportion of GDP and an increase in the contribution of the service sector.

The historic dependence on the primary sector continued, as did the associated challenges of highly variable export earnings from cyclical global markets. The decline in gold mining was counter-balanced to a degree by the increase in sectors such as platinum group metals, coal, iron ore and other smaller contributors. Employment in the mining industry is reduced with increased mechanisation but the industry continues to make a substantial contribution to GDP with production peaking at R883 billion in 2022.<sup>19</sup>

<sup>19</sup> Statistics South Africa. 2023. 'Mining: Production and sales', December, 8, <https://www.statssa.gov.za/publications/P2041/P2041December2023.pdf>.

Agricultural production and associated employment dipped sharply as historic protections for the commercial farming sector were removed. However, a focus on higher-value export crops has enabled a recovery that has seen employment in the sector recover to levels of the 1990s with significant improvement in wages and conditions. While the value of agricultural production (R450.2 billion in 2022) is substantially lower than that of mining, agriculture employs almost twice as many people (814 518 in 2022) as does mining.<sup>20</sup>

While there are some structural constraints, South Africa has generally failed to develop and implement a growth path appropriate for the country to achieve its development goals. This is attributed to continued historic economic concentration, aggravated more recently by inefficiencies in network industries, inadequate levels of technological innovation and skills, low manufacturing export competitiveness, delays in infrastructure development and vulnerability to global shocks.

After the COVID-19 pandemic, South Africa's GDP grew at a slower pace than its population, meaning that South Africans were getting significantly poorer. In addition, to stabilise the economy, National Treasury has indicated that it will seek to cap debt levels at under 78% of GDP (to which it is projected to rise by 2026 from a low of 23.5% in 2008) through a process of fiscal consolidation.

## 2.4.2 HOUSEHOLD CONSUMPTION

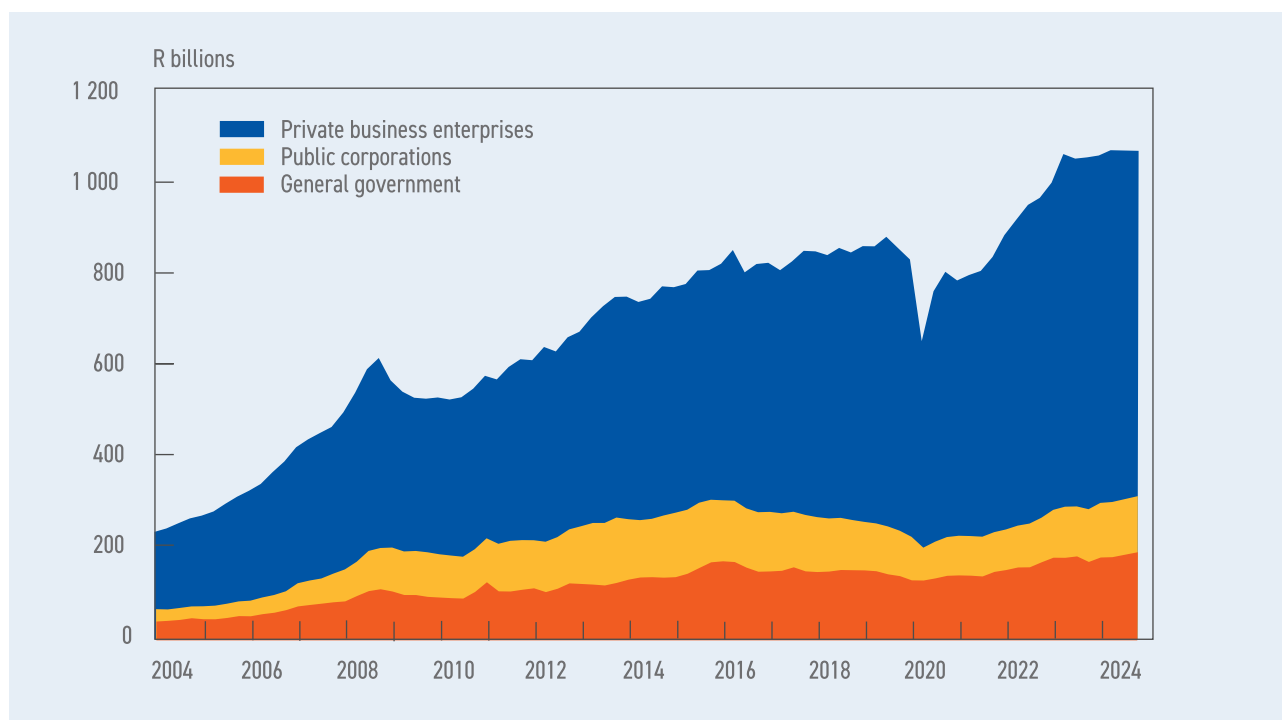
Household consumption at the aggregate level has risen from R1 355 billion in 1994 to R3 097 billion (constant 2015 prices) in 2023.<sup>21</sup> However, these average figures should be contextualised in the reality of South Africa's extreme inequality. In 2021, the top 10% of households in South Africa received 65% of total household income while the bottom 50% received only 6%. The picture concerning wealth is even more acute. The top 10% of households owned 86% of net personal wealth, while the bottom 50% had negative average wealth.<sup>22</sup> After remaining relatively constant just below 60% for most of the decade between 2010 and 2020, wages as a source of household income declined sharply during the COVID-19 pandemic and had not returned to pre-COVID-19 levels by the end of 2023.

## 2.4.3 INVESTMENT

The NDP set a target of raising public sector infrastructure investment to 10% of GDP, to be financed through tariffs, public-private partnerships (PPPs), taxes and loans and focused on transport, energy, and water.<sup>23</sup> According to the National Treasury's macroeconomic policy review, there has been a steady decline in both public and private sector investment expenditure on capital goods and infrastructure, particularly from 2008. The decline in investment after 2008 is partly attributed to the global financial crisis that negatively affected both private and public sector financing and expenditure capacity.<sup>24</sup> Nevertheless, there was an uptick in both 2022 and 2023. In 2022, capital investment as a share of GDP increased to 14.2% from its 2021 share of 13.1%.<sup>25</sup> In 2023, it increased further to 15.2% (see Figure 2.2). The National Treasury notes that to reach the NDP target, public sector investment in infrastructure will need to grow to 10% of GDP by 2030, while private sector investment in infrastructure will need to grow to 20% of GDP by 2030.<sup>26</sup> The National Treasury is currently budgeting R943.8 billion in public sector infrastructure expenditure over the medium term (up to 2027).

Current debt levels and the planned fiscal consolidation path mean that private finance will now have to play a larger role than originally envisaged by the NDP. According to the South African Reserve Bank (SARB), the trend is already in that direction. For example, real capital expenditure by private business enterprises increased by 4.9% in 2023, resulting in the private sector's share of total nominal gross fixed capital formation increasing to 72.3% in 2023 from 71.5% in 2022. In comparison, public corporations' real gross fixed capital expenditure decreased by 1.8% in 2023, year-on-year, decreasing their share of total nominal gross fixed capital formation to 10.3% in 2023 from 11.0% in 2022.<sup>27</sup>

20 De Beer, J. 2022. 'Agricultural Survey, 2022: An Overview of the results', Stats SA, <https://www.statssa.gov.za/publications/P1101/Agricultural%20Survey%202022%20Media%20presentation.pdf>.  
 21 South African Reserve Bank. 2024. 'Economic and financial statistics for South Africa', <https://www.resbank.co.za/en/home/what-we-do/statistics/releases/economic-and-financial-data-for-south-africa>.  
 22 Shila, M., Mabheba, R., Ranchhod, V. and Leibbrandt, M. 2023. 'An assessment of inequality estimates for the case of South Africa', UNU-WIDER, July, 2, <https://www.wider.unu.edu/sites/default/files/Publications/Working-paper/PDF/wp2023-90-assessment-inequality-estimates-case-South-Africa.pdf>.  
 23 NPC. 2012. 'National Development Plan', 34.  
 24 National Treasury. 2024. 'Macroeconomic policy'.  
 25 South African Reserve Bank. 2023. 'Quarterly Bulletin', March, 20, <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/quarterly-bulletin-publications/2023/01Full%20Quarterly%20Bulletin.pdf>.  
 26 National Treasury. 2024. '2024 Budget Review', 145.  
 27 South African Reserve Bank. 2024. 'Quarterly Bulletin', March, 20, <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/quarterly-bulletin-publications/2024/01Full%20Quarterly%20Bulletin.pdf>.

**Figure 2.2: Nominal gross fixed capital formation, 2003-2024**

Source: South African Reserve Bank, 2024<sup>28</sup>

The Development Bank of Southern Africa (DBSA) and World Bank have estimated that between R4.9 trillion and R6.5 trillion in infrastructure expenditure will be needed to close the SDGs gap between 2022 and 2030 respectively, i.e., 2% to 3% of GDP annually. Research by the NPC confirms that investments of between R4.5 and R5 trillion will be required by 2030 to drive the energy transition, achieve water security, and enable the digital transition that is so urgently needed. This can only be achieved through the effective blending of public and private sector investments whereby the former leverages the latter on a 1:10 basis.

A significant proportion of the required private sector investment should come from foreign investors. A concerning trend, however, has been the steady divestment by foreign holders of South African share assets; non-residents have sold almost R750 billion of South African equities and over R100 billion worth of bonds since 2015.<sup>29</sup> The decline in bond holdings was to some extent mitigated by the high interest rates paid, which have risen significantly above those of global peers.

#### 2.4.4 TRADE

South Africa's trade patterns have evolved significantly since 1994. In the first decade of democracy, South Africa relaxed

its trade barriers, many of which had been the product of the protectionist posture adopted by the apartheid government. The consequences were not uniformly positive. While exports in most sectors grew, manufactured exports continued to be heavily dominated by resource-based products. In other words, tariff reductions have not induced the necessary structural changes in the economy to significantly alter the export basket. South Africa's strongest export performance in more sophisticated products was in sectors that had been built up through past and present industrial policy.<sup>30</sup> This perspective on the role of industrial policy was reinforced in the subsequent decade by the ongoing strength of trade related to vehicle manufacturing.

According to data from the South African Revenue Service (SARS), merchandise trade continues to be dominated by mineral exports (coal, precious metals, and other ores with limited processing of ferroalloys) while imports are dominated by fuels, renewable energy equipment (batteries and inverters), cellular phones and pharmaceutical products. The import and export of vehicle parts and assembled vehicles was the only other item in the top ten. The top ten exports accounted for R734 billion (of a total of R1 843 billion) and imports R584 billion (of a total of R1 879 billion).<sup>31</sup>

<sup>28</sup> South African Reserve Bank. 2024. 'Quarterly Bulletin', December, 18, <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/quarterly-bulletin-publications/2024/december-2024/01FullQuarterlyBulletin.pdf>.

<sup>29</sup> Nedlac. 2023. 'Economic Employment Trends in South Africa', August, 7, <https://nedlac.org.za/wp-content/uploads/2023/08/August-2023.pdf>.

<sup>30</sup> Department of Trade and Industry. 2010. 'A South African Trade Policy and Strategy Framework', May, xiii, <https://www.tralac.org/files/2012/12/Trade-Policy-and-Strategy-Framework-2010.pdf>.

<sup>31</sup> South African Revenue Service. 2024. 'Top 10 Commodities for January to December 2023', <https://www.sars.gov.za/wp-content/uploads/Docs/TradeStats/2024/Apr8899/Top-10-Cumulative-Commodities.zip>.

Other nascent trends have now come to fruition. Perhaps the major development over the past decade has been the rise of Asia as a trading partner region (with China being the leading Asian participant) that now receives R645 billion worth of South African merchandise exports, thus exceeding the share of R502 billion to the wider European region (including Russia, the United Kingdom and other non-EU members).<sup>32</sup> Overall, while there was a small positive balance of merchandise exports, trade in services over the same period was in deficit, accounting for about 12% of total exports and 15% of imports.<sup>33</sup>

An important future trend is the increasing relevance to South Africa of the AfCFTA. Launched in 2021, South Africa is participating actively in what will become a fast-growing market. In the first year, South Africa's exports to AfCFTA countries accounted for 32% (US\$20 billion) of exports to the rest of Africa, while AfCFTA countries accounted for 10% (US\$7.3 billion) of South Africa's imports. The Economic Commission for Africa (ECA) has suggested that AfCFTA trade could be boosted substantially through the further elimination of tariffs and reduced barriers to trade in services and grow by between 15% (US\$50 billion) and 25% (US\$70 billion) by

2040.<sup>34</sup> South Africa's exports to the rest of Africa (excluding the BLNS countries consisting of Botswana, Lesotho, Namibia, Swaziland now Eswatini) reached R356 billion in 2023. This is significant when compared, for instance, to the total in wider Europe (R502 billion). Imports are, however, still low (R114 billion). This suggests that measures to ensure a more equitable trade balance are needed.<sup>35</sup>

## 2.4.5 EMPLOYMENT

One of the most significant features of South Africa's employment landscape over the past three decades has been the dramatic expansion of the labour force which grew from 11.3 million in 1994 to 28.3 million in 2023.<sup>36</sup> However, while the number of individuals in employment increased steadily, this growth was insufficient to absorb the increased number of people available for employment. One consequence over the last decade of what could have become a demographic dividend is that informal sector employment grew faster than the formal sector. Even in the formal sector, the prevalence of certain employment benefits has decreased over the same period, while the tendency towards partial employment has become more pervasive.<sup>37</sup>

**Table 2.2: South African labour market dynamics, 1994–2023**

| VARIABLE              | 1994   | 2004   | 2014   | 2022   | 2023   |
|-----------------------|--------|--------|--------|--------|--------|
| Labour force ('000)   | 11 386 | 16 596 | 20 122 | 24 600 | 24 619 |
| Total employed ('000) | 8 896  | 11 844 | 15 055 | 16 700 | 16 723 |
| Unemployed ('000)     | 2 489  | 4 611  | 5 067  | 7 800  | 7 895  |
| Unemployed rate (%)   | 20.0   | 24.1   | 25.1   | 31.9   | 32.1   |

Source: Department of Planning, Monitoring and Evaluation and Statistics South Africa, 2024

Of greater consequence, however, is that a large number of people have been left out of the labour market altogether. The result is an unemployment rate of 31.9% in 2023 – one of the world's highest. Major concerns in this regard are that many young people are categorised as not in employment, education or training (NEET), and those who are less skilled and less educated take longer to secure employment or any form of economic activity. At the height of the COVID-19 pandemic, about 2 million jobs were lost and many South Africans lost their income. Total employment recovered in quarter 3 of 2023 to the pre-COVID-19 level of 16.7 million.<sup>38</sup>

## 2.4.6 FISCAL CONTEXT

In the current economic context, the medium-term fiscal context is also challenging as higher borrowing, exacerbated by rising interest rates, takes up a growing share of the budget. As a consequence of the 2008 global financial crisis, followed by the COVID-19 pandemic, South Africa's debt-to-GDP ratio grew significantly from R627 billion or 23.6 per cent of GDP to R5.26 trillion or 74.1 per cent of GDP, resulting in debt-service costs that now consume 21.6 per cent of revenue. The National Treasury seeks to stabilise debt levels at 75.5% by 2025/26 to curb the trend of rising debt service costs, which are expected to reach a peak at 21.7% of revenue in 2025/26 and decline thereafter.<sup>39</sup>

32 South African Revenue Service, 2024, 'Cumulative bilateral trade by country 2023', <https://www.sars.gov.za/wp-content/uploads/Docs/TradeStats/2024/Apr8899/Cumulative-Bilateral-Trade-by-Country-2023.zip>.

33 South African Reserve Bank, 2023, 'Balance of payments: current account of the balance of payments: Fourth Quarter 2023', <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/current-account/2023/Current%20account%20release%20-%20March%202024.pdf>.

34 United Nations, 2022, 'Policy Brief on the African Continental Free Trade Area (AfCFTA)', 21 January, 12, [https://www.un.org/osaia/sites/www.un.org/osaia/files/un\\_brand\\_report\\_web\\_august\\_2020\\_v3-en.pdf](https://www.un.org/osaia/sites/www.un.org/osaia/files/un_brand_report_web_august_2020_v3-en.pdf).

35 SARS, 2024, 'Cumulative bilateral trade by country 2023'.

36 DPME, 2024, '30-year Review', 9.

37 Nedac, 2023, 'Economic Employment Trends in South Africa', August, 5.

38 DPME, 2024, '3-year Review', 52.

39 National Treasury, 2024, '2024 Medium Term Budget Policy Statement (MTBPS)', 17.23.



Government will focus on raising economic growth by improving infrastructure delivery and operation and restructuring the state to be more efficient and fit for purpose. Fiscal policy will support this approach by stabilising debt and debt service costs and by pursuing a balanced approach that includes spending restraint, revenue measures, and additional borrowing. Tax revenues for 2023/24 fell short of 2023 budget estimates by R56.1 billion. However, with gradually improving economic growth, gross tax revenues are expected to increase by 7.1%, 7.1% and 6.8% respectively over the next three years, translating into gross tax revenue increasing from R1.97 trillion in 2025/26 to R2.26 trillion in 2027/28. Tax buoyancy is therefore expected to be slightly higher over the medium term.<sup>40</sup> The outlook for public finances is vulnerable to a range of domestic and external risks. The fiscal strategy adopted will help government mitigate the short-term risks, which include a weaker than expected global and domestic economic growth that will slow revenue growth and widen the budget deficit; continued losses by municipalities and SOEs, resulting in requests for bailouts; and higher borrowing costs as a result of an elevated risk premium and tighter global monetary conditions.

In the longer term, the risks include lower potential growth that will make it more difficult for government to borrow; growing spending pressures, in sub-national government and SOEs; and adoption of new policy priorities not linked to reliable financing arrangements. These could further weaken the fiscal outlook and challenges in the management of government's contingent liabilities. These will require a strategic approach to avoid further weakening the fiscal position. In response, the National Treasury proposes to maintain the share of the social wage as a proportion of non-interest expenditure, to be assisted by other medium-term measures, including the proposed reconfiguration of government entities and other efficiency improvements.

## 2.5 SOUTH AFRICA'S SOCIO-ECONOMIC CONTEXT

### 2.5.1 DEMOGRAPHICS

Population dynamics significantly affect the nation's long-term social, economic, and political landscape. Changes in population size, fertility rates, mortality rates and demographic structure all influence labour demand and supply, food security, resources available for social and basic services, infrastructure capacity, and family structures. These factors represent some of the challenges identified by

Census 2022.

Census 2022 found that the population of South Africa increased from 51.7 million in 2011 to more than 62 million in 2022, a growth rate of 19.8% or a 1.8% yearly average. The Statistics South Africa (Stats SA) mid-year estimate of the population was 63.04 million, a 21.9% increase from 2011.<sup>41</sup> This growth was substantially faster than the NDP's projections for 2030 in which the population was forecast to be between 58.5 and 61.5 million, the latter only likely in the extreme case of massive migration from neighbouring countries.<sup>42</sup> This increase in growth rate reflected successful efforts to bring the HIV/AIDS epidemic under control. The population is now forecast to reach almost 66 million by 2030.<sup>43</sup> Females constitute 51.5% of the total population, while 48.5% are males.

With a population of 15 million, Gauteng has become the most populated province, having overtaken KwaZulu-Natal (KZN) in Census 2011. KZN's population grew to 12.4 million in Census 2022. Northern Cape remains the smallest province with a population of 1.4 million.

Black Africans remain the dominant population group at 81.4%, followed by the Coloured population at 8.2%. The White share of the population declined to 7.3% in 2022 from 8.9% in 2011, while that of Indians/Asians increased slightly from 2.5% in 2011 to 2.7% in 2022. The age structure of the population still strongly reflects the impact of the HIV/AIDS epidemic of the 1990s which substantially reduced population growth and fertility rates.

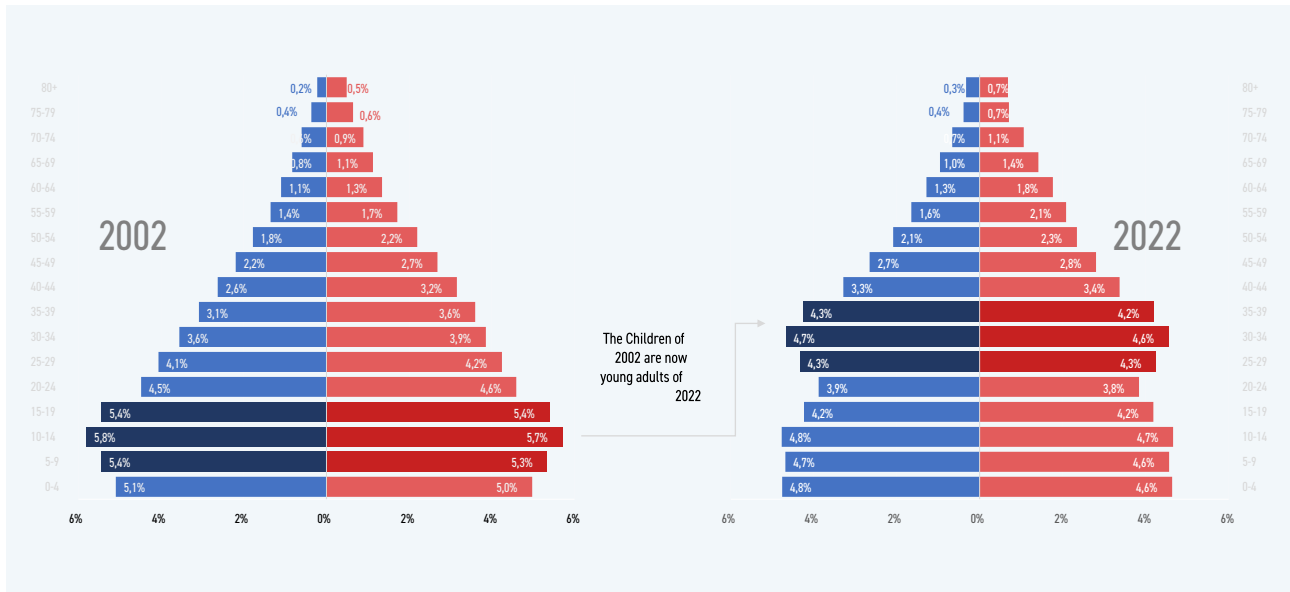


40 National Treasury. 2024. "2024 Budget Review", 36 37.

41 Stats South Africa. 2024. "2024 mid-year population estimates", 30 July, <https://www.statssa.gov.za/?p=17440>.

42 NPC. 2012. "NDP", 99.

43 United Nations Department of Economic and Social Affairs: Population Division. 2022. "World Population Prospects 2022", [https://population.un.org/wpp/Download/Files/2\\_Indicators%20\(Probabilistic\)/EXCEL\\_FILES/2\\_Population/UN\\_PPP2022\\_Output\\_PopTot.xlsx](https://population.un.org/wpp/Download/Files/2_Indicators%20(Probabilistic)/EXCEL_FILES/2_Population/UN_PPP2022_Output_PopTot.xlsx).

**Figure 2.3: Age structure by 5-year age groups, 2002 vs 2022**

Source: Statistics South Africa, 2023

There is also a substantial variation in age profiles between population groups. The median age of Black Africans is the lowest at 27 and the highest is 45 among Whites, indicating that Black Africans have the highest proportion of young people (high fertility rate) and the lowest share of the adult population (lower life expectancy). By contrast, the White population has the lowest share of young people or a low fertility rate and the highest proportion of the adult population or low adult mortality rate.

The variation in age distribution also shows a gendered dimension with females portraying low adulthood mortality or high survival (see Figure 2.3). The social and economic disenfranchisement of Black Africans, especially Black African women, continues despite the broader context of efforts to promote socio-economic transformation and reverse the legacy of apartheid social engineering.

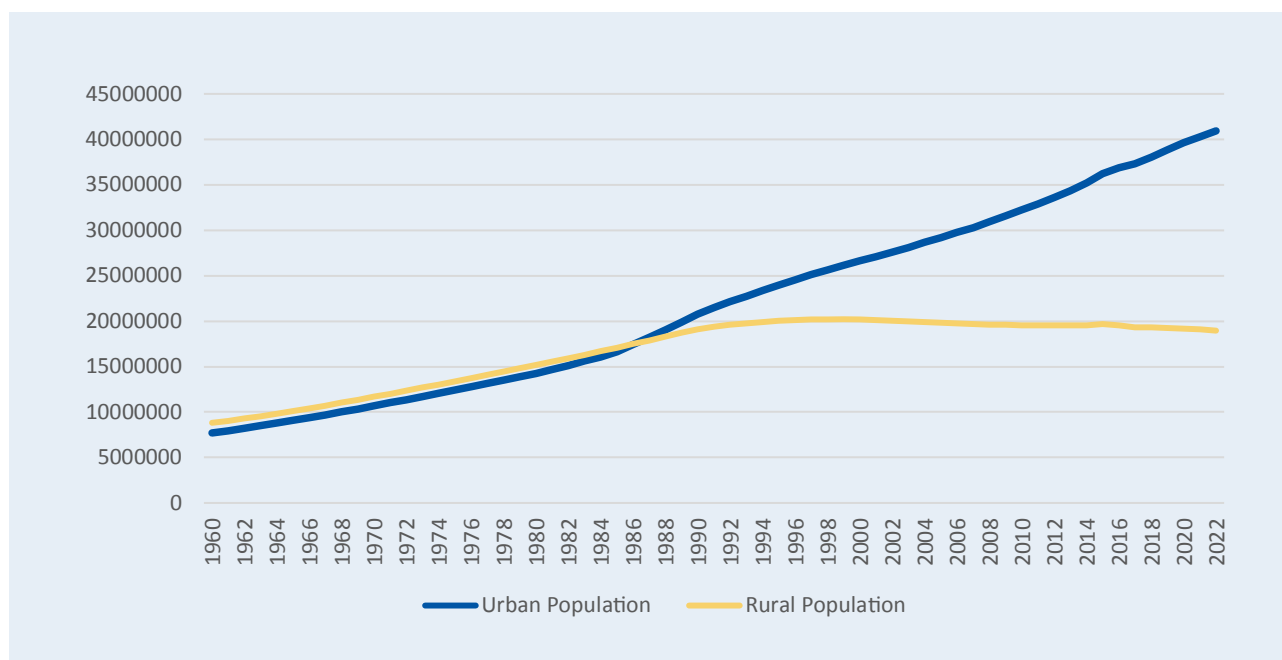
Demography significantly influences the economy, as a larger active working-age population as characterised by a demographic dividend can contribute productively. However, South Africa is not fully capitalising on this potential dividend, as a substantial number of younger individuals lack the necessary skills and struggle to find employment, resulting in a loss of their potential contributions. Young people face the highest unemployment rate at 44%, compared to the national average of 32%.

There has been a sustained increase in the urban population in the democratic era due to urban migration (see Figure 2.4). This has led to increased pressure on housing and infrastructure provision in urban areas and aggravated environmental impacts. Government has responded through the provision of social housing, which has raised the percentage of people living in formal housing from 78.4% in 2011 to 83.52% in 2023. However, spatial inequities in access to services between urban and rural areas and within the urban spaces remain, originating partly from the apartheid city model and the failure of spatial transformation policies. The latter have failed to discourage new settlements on the urban peripheries. Instead, densification has occurred.



32 South African Revenue Service. 2024. 'Cumulative bilateral trade by country 2023', <https://www.sars.gov.za/wp-content/uploads/Docs/TradeStats/2024/Apr8899/Cumulative-Bilateral-Trade-by-Country-2023.zip>.  
 33 South African Reserve Bank. 2023. 'Balance of payments: current account of the balance of payments: Fourth Quarter 2023', <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/current-account/2023/Current%20account%20release%20-%20March%202024.pdf>.  
 34 United Nations. 2022. 'Policy Brief on the African Continental Free Trade Area (AfCFTA)', 21 January, 12, [https://www.un.org/osa/sites/www.un.org/osa/sites/un\\_brand\\_report\\_web\\_august\\_2020\\_v3-en.pdf](https://www.un.org/osa/sites/www.un.org/osa/sites/un_brand_report_web_august_2020_v3-en.pdf).  
 35 SARS. 2024. 'Cumulative bilateral trade by country 2023'.  
 36 DPME. 2024. '30-year Review', 9.  
 37 Nedac. 2023. 'Economic Employment Trends in South Africa', August, 5.  
 38 DPME. 2024. '3-year Review', 52.  
 39 National Treasury. 2024. '2024 Medium Term Budget Policy Statement (MTBPS)', 17.23.

Figure 2.4: Trajectory of urban-rural population, 1960-2022



Source: datacatalog.worldbank.com, 2024

### 2.5.2 EDUCATION

Education has achieved nearly universal access for children of compulsory schooling age, specifically those between 7 and 15 years old, with school attendance reaching just under 99% in 2023. Consequently, there has been a steady increase since 2002 in the percentage of individuals over 20 years of age who have attained at least a Grade 12 pass. This figure rose from 21.3% in 2002 to 35.1% in 2023. Access to education has been further improved by the implementation of no-fee schools. In 2007, 21.4% of learners attended no-fee schools, and by 2023, this percentage had increased to 66.1%.<sup>46</sup>

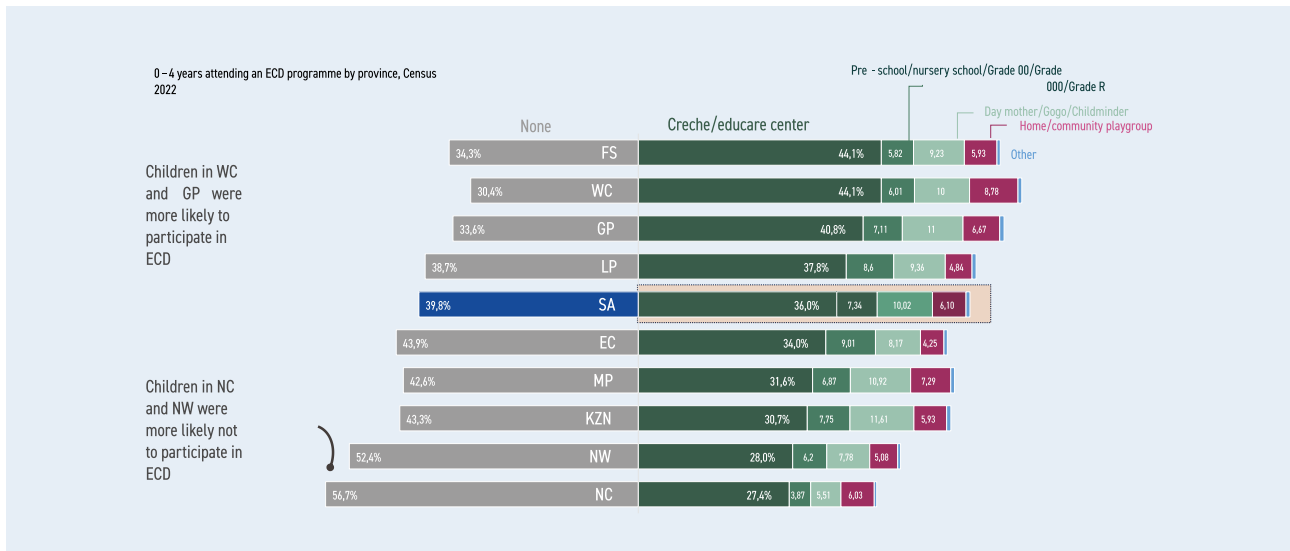
However, a significant number of children between the ages of 7-18 years do not attend school and there is also a gender dimension to the reasons young people do not attend school. In the 7- to 18-years category, the main reason for males not attending school (30.8%) was poor academic performance. Among girls, 23.5% of those not attending stayed away because of a lack of school fees, and 14.1% because of family commitments.<sup>47</sup>

Early childhood development (ECD) contributes significantly to children's physical development and cognitive abilities. This foundation allows children to fully benefit from formal basic education programmes. However, substantial inequalities in access to ECD and related educational attainment

have historically mirrored broader societal inequalities. Poor households, facing high unemployment rates, often cannot afford privately provided ECD educare centres.



<sup>46</sup> Statistics South Africa. 2024. "General Household Survey: 2023", ix.  
<sup>47</sup> Maluleke, R. 2024. "General Household Survey 2023" (Presentation), Statistics South Africa, 11, <https://www.statssa.gov.za/publications/P0318/GHS%202023%20Presentation.pdf>.

**Figure 2.5: Access to early childhood development by type and province**

Source: Statistics South Africa, 2023

Participation in ECD has shown significant improvement across different provinces. Among children aged 0 to 4 years, participation increased by 24.6 percentage points, rising from 16% in 2006 to 40.6% in 2019. For children aged 3 to 5 years, the percentage went up from 60% in 2009 to 73.5% in 2019. Additionally, the involvement of 6-year-old children, now recorded as attending Grade R, has remained above 90% annually since 2009. This positive trend was further supported by the transfer of responsibility for ECD centres from the Department of Social Development (DSD) to the Department of Basic Education (DBE) in 2022.

Despite the challenges faced, the percentage of individuals aged 20 and over who completed Grade 12 increased from 28.9% in 2011 to 37.6% in 2022. Additionally, the proportion of people who completed post-school education rose from 11.7% in 2011 to 12.7% in 2022. The Labour Force Quarterly Survey for the first quarter of 2024 revealed that unemployment rates were higher among those who did not complete Grade 12 (39.1%) and among those with only a matric certificate (34.5%). Among graduates, the unemployment rate was 11.8%.<sup>48</sup>

The evolution and performance of the education and training system after secondary school, known as post-school education and training (PSET), is complex. While tertiary education at universities has benefited from a common regulation and support system, other training and skills development levels present a more intricate situation.

Previously, much of this sector was managed by various provincial authorities and Bantustan institutions, each with its unique approaches. There was no unified policy framework, as different sectors – such as nursing, technical fields, and agriculture – each had their institutional structure.

The post-1994 political transition brought significant changes to the sector, especially concerning technical training. Although student enrolments for technical training increased, the number of opportunities for practical training which is crucial for acquiring many skills decreased.

As a result of its rapid development, university education has accounted for a significant portion of the resources allocated to PSET. While enrolment in and financial support for Technical and Vocational Education and Training (TVET) courses has increased, this growth has not always aligned with the demand for graduates in key fields of study.

The number of students enrolling in higher education has surged, including those from the most financially disadvantaged backgrounds. The increase in students receiving financial assistance from the National Student Financial Aid Scheme (NSFAS) has played a crucial role in this growth. NSFAS is recognised as one of the most successful initiatives aimed at breaking the intergenerational cycle of social inequality in access to and outcomes in PSET. However, recent concerns have been raised as to whether NSFAS is targeting the right qualifications and skills for the economy.

48 Statistics South Africa. 2024. 'Quarterly Labour Force Survey: Quarter 1: 2024', May, <https://www.statssa.gov.za/publications/P0211/P02111stQuarter2024.pdf>.



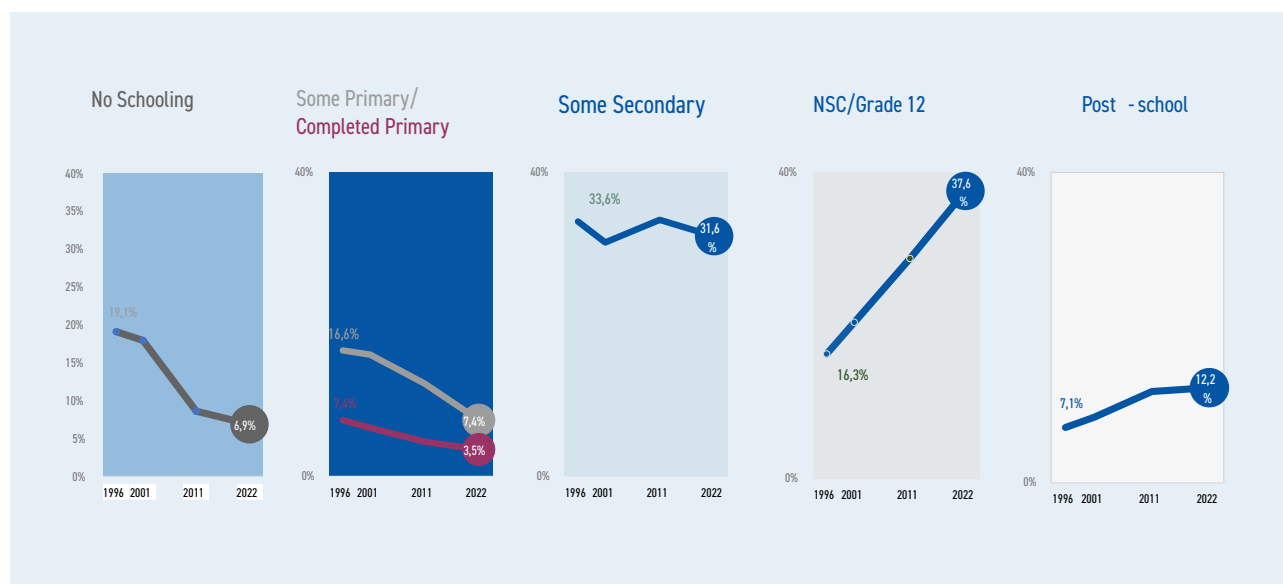
The number of students benefiting from the scheme rose dramatically from 43 876 in 1995 to 785 917 in 2023. In some respects, the post-school NSFAS system has complemented ECD initiatives.

NSFAS only supports students from families with annual household incomes below a certain threshold. As a result, students from households with incomes slightly above this level often find themselves excluded from funding opportunities.

The increase in university student numbers has led to predictable challenges, including limited employment op-

portunities. At the same time, there is a growing shortage of well-trained graduates in practical fields, such as nursing and various artisanal skills, where the incentives and support systems differ. Many TVET programmes are not adequately aligned with the skills needed by the economy. Some TVET programmes struggle with low enrolment due to their lack of popularity. In some cases, students seem motivated to attend these programs primarily to gain access to grants, which are often used to supplement household income rather than focusing on potential post-training job opportunities.

**Figure 2.6: Education attainment for people aged 20 and above**



Source: Statistics South Africa, 2023

### 2.5.3 HEALTH

In 1994, South Africa faced significant health challenges, both in terms of the population's health status and the institutional framework for healthcare provision. As in many other sectors, the responsibility for public healthcare was divided among a range of formerly separate institutions. Apartheid administrations were responsible for healthcare in the former Bantustans, while provincial administrations provided services to different racial groups through different institutions. This confusion was exacerbated by the split between local, provincial and national government agencies handling curative and preventive healthcare.

The apartheid system further entrenched fragmentation of healthcare when the Bantustans were created, each with its own health department. The Bantustans and their government departments acted separately from each other, like quasi-independent powers, with control carefully manipulated by Pretoria. By the end of the apartheid era, there were 14 separate health departments in South Africa, health services were focused on the hospital sector, and primary-level services were underdeveloped.<sup>49</sup> The situation was further complicated by the existence of a significant private health sector serving principally White communities.

<sup>49</sup> Coovadia, H., Jewkes, R., Barron, P., Sanders, D., McIntyre, D. 2009. 'The health and health system of South Africa: historical roots of current public health challenges', *Lancet* 374:9692, 817-834.

Transforming this institutional confusion into a cohesive functioning system was a major challenge. Moreover, the divided and unequal society presented a diverse range of health problems. In poorer, predominantly Black communities, issues such as tuberculosis and malnutrition needed urgent attention, along with basic maternal and child care services. In contrast, wealthier white communities enjoyed a high level of tertiary care and faced diseases of affluence, such as hypertension and obesity. The new public healthcare system had to integrate these issues, especially as diseases of affluence began to affect the growing Black middle class.

These challenges were compounded by the fact that the HIV/AIDS epidemic was taking root just as democracy was being established, at a time when there was not yet an effective drug therapy for the disease and it was, usually inevitably, fatal. By 2002,<sup>50</sup> the impact of HIV/AIDS dominated the healthcare system with a reported 5.4 million people living with AIDS. Although drug therapies were becoming available and prevention of mother-to-child transmission was becoming possible, treatment was still extremely expensive. By the time effective treatment became possible, HIV/AIDS had reached epidemic proportions and had substantially reduced adult life expectancy from 63 years in 1990 to 54 years in 2005.<sup>51</sup> Many children were orphaned.

Over the past 30 years, South Africa's health services have seen numerous developments, including ongoing institutional reform with the implementation of National Health Insurance (NHI). However, the comprehensive management of the HIV/AIDS epidemic is arguably the most significant health sector development during the first 30 years of democracy, providing a foundation for further advancements.

#### 2.5.4 SOCIAL DEVELOPMENT

At the dawn of democracy, it was estimated that at least 58% of South Africans lived below the poverty line.<sup>52</sup> This declined to 36.4% in 2011, and further to 21.7% in 2018 (using the lower-bound poverty line).<sup>53</sup> Much of this success is the outcome of an expansion of the broad social protection framework that has provided some income security to the poorest households through a mix of social grants, public employment programmes and social welfare. This has been associated with the expansion of targeted social interventions such as school feeding schemes that have ensured that

young learners receive at least a minimum nutritional intake.

However, the fundamental driver of poverty continues to be the limited employment and livelihood opportunities available in many communities. Social grants therefore continue to be a key source of income for over 52% of households in 2020, reducing to 50% in 2023, which is still above its 2019 levels (see Figure 2.7).<sup>54</sup> Furthermore, women, children and youth are disproportionately affected by poverty. A 2020 survey by Stats SA found that 62.1% of children were 'multidimensionally poor, that is being deprived in at least 3 out of 7 dimensions of well-being'.<sup>55</sup> The study also reveals other concerning intersections. African children in the birth to 17-year age category experience poverty rates between 65% and 70%. White children have the lowest deprivation headcount of 11%. Children who grow up in female-headed households are on average 20% more deprived than children who grow up in male-headed households.



50 Horton, M. 2005. 'HIV/AIDS in South Africa', in Nowak, M. and Ricci, L. A. (eds.), *Post-Apartheid South Africa: The First Ten Years*, International Monetary Fund, 113.

51 World Bank. 2022. 'Life expectancy at birth, total - South Africa', <https://data.worldbank.org/indicator/SP.DYN.LE00.IN?locations=ZA>.

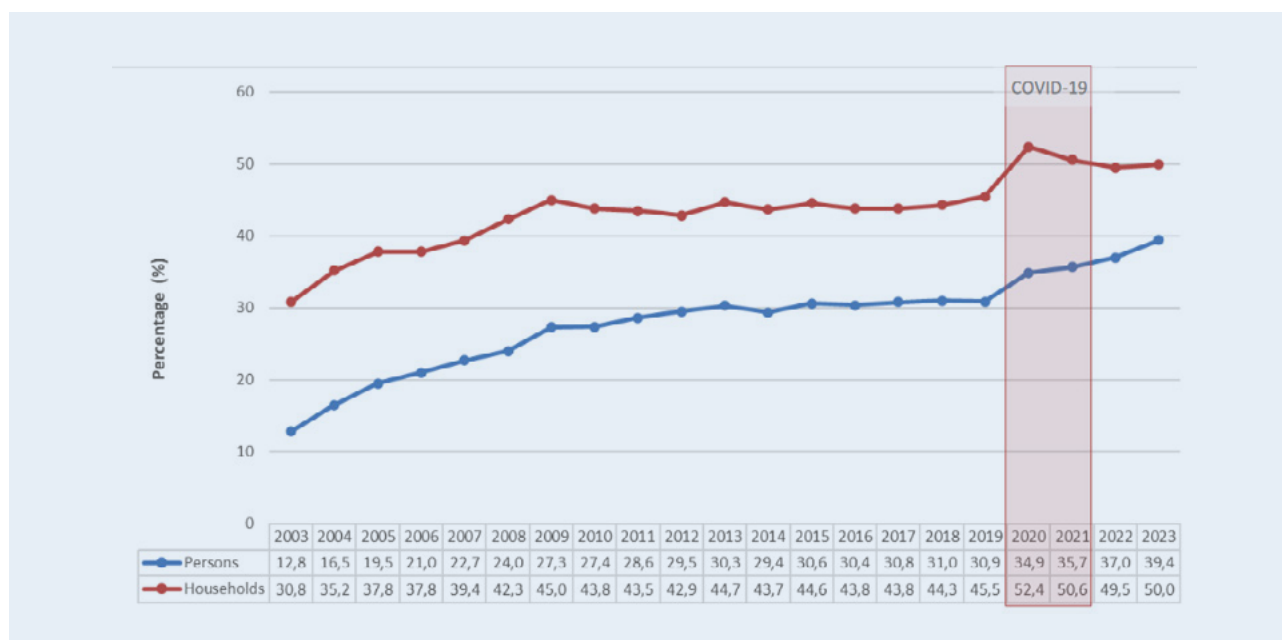
52 DPME. 2024. '30-year Review', 139.

53 Statistics South Africa. 2023. 'Quarterly Labour Force Survey Quarter 1: 2023', 16 May, <https://www.statssa.gov.za/publications/P0211/P02111stQuarter2023.pdf>.

54 Maluleka, R. 2024. 'General Household Survey: Measuring the progress of development in the country', Statistics South Africa, 23 May, 14, <https://www.statssa.gov.za/publications/P0318/GHS%202023%20Presentation.pdf>.

55 Statistics South Africa. 2020. 'Child Poverty in South Africa: A Multiple Overlapping Deprivation Analysis', June, 13, <https://www.statssa.gov.za/publications/03-10-22/03-10-22June2020.pdf>.

**Figure 2.7: Percentage distribution of those who benefitted from social grants, 2003-2023**



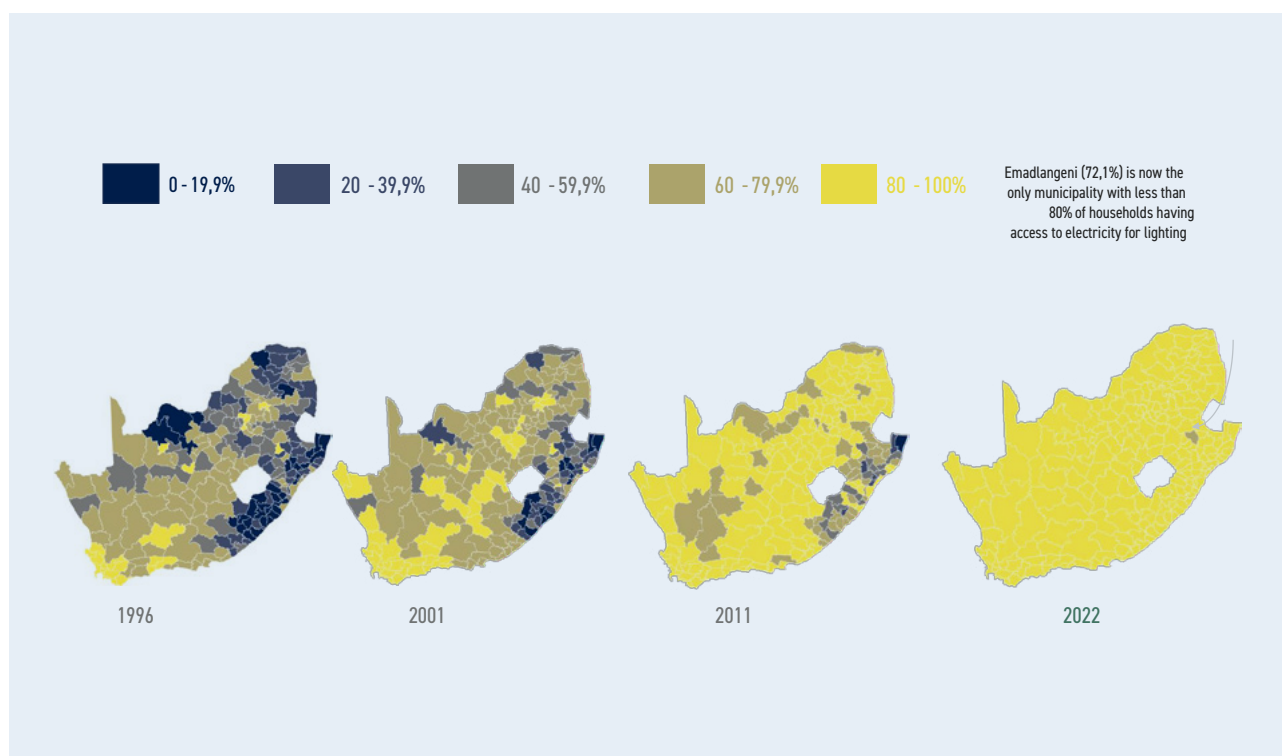
Source: Statistics South Africa, 2023

### 2.5.5 BASIC SERVICES AND HUMAN SETTLEMENTS

The provision of basic infrastructural services – water and sanitation, electricity, roads, and refuse removal and disposal – has been the constitutional responsibility of local

government since a system of democratic local government was put in place in 2001. Housing, however, has been driven primarily at the provincial level.

**Figure 2.8: Household access to electricity by municipality**

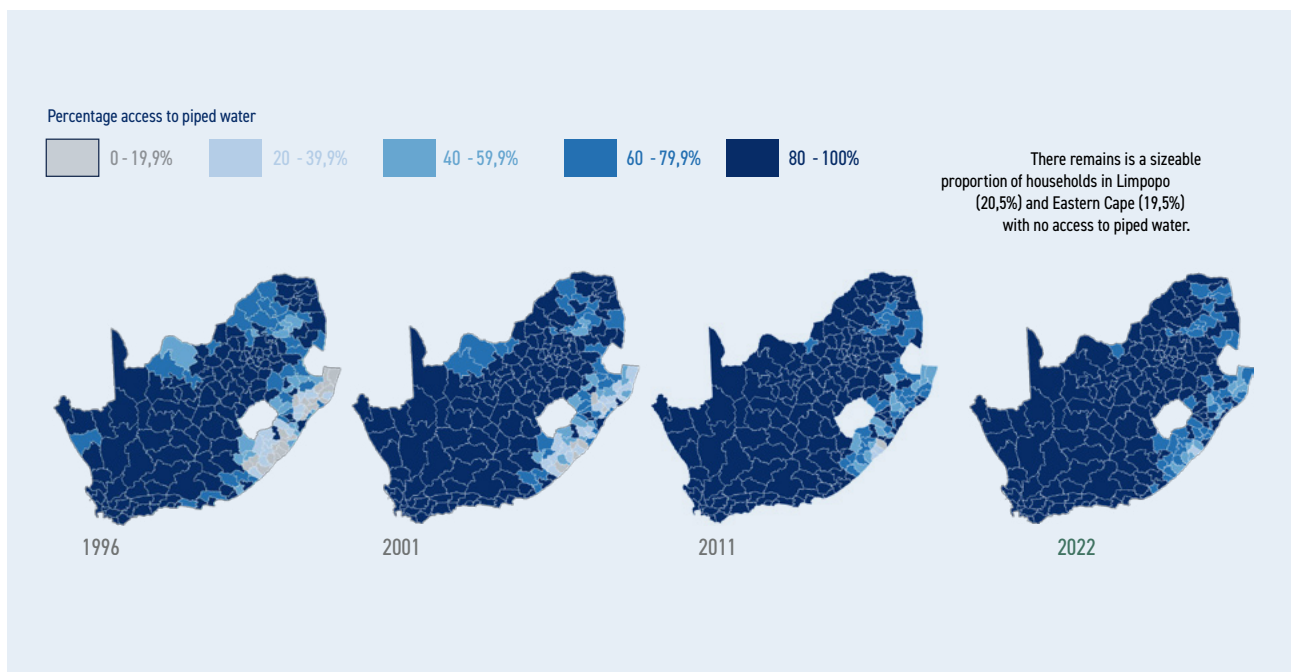


Source: Statistics South Africa, 2023

Access to electricity and safe water has grown rapidly. Electricity access is currently between 80% and 100% across almost all municipalities (see Figure 2.8). Access to piped water follows a similar trend countrywide except for the Eastern Cape and Limpopo where one in five households do not have access to piped water and must rely on local sources that are not always protected and reliable (see Figure 2.9). In many cases, however, improved access to infrastructure has coincided with increasing levels of service interruptions. These are caused in part by bulk supply and reticulation infrastructure constraints as well as a failure on the part of the

municipal service providers to manage household water use by metering and billing households that use higher volumes. As these interruptions intensify, households and businesses are opting out of municipal network services in search of alternative sources of electricity and water. A failure to collect revenue from high-volume users also reduces the ability of municipalities to manage their systems properly. Consequently, although access to free basic services for poor households is funded, supplies are often compromised and access to reliable services is declining in some areas.

**Figure 2.9: Household access to piped water by municipality**



Source: Statistics South Africa, 2023

The 1994 drive to provide RDP houses saw over two million dwelling units built and handed over to eligible residents from 1994 to 2010.<sup>56</sup> However, while this mechanism of delivery addressed some immediate challenges and kick-started a process of housing development, it did not meet many of the needs of the diverse communities of South Africa.

The 2004 Breaking New Ground policy sought to redirect and enhance existing mechanisms to move towards more responsive and effective delivery. The new human settlements plan reinforces the vision of the Department of Human Settlements (DHS) to promote the achievement of a non-racial, integrated society through the development of

sustainable human settlements and quality housing.<sup>57</sup> The new approach resulted in a more diverse set of instruments deployed to support broader efforts for a wider range of spatial development, urban renewal and sustainable rural development strategies, as well as to work with the Expanded Public Works Programme (EPWP) and municipal Integrated Development Plans (IDPs) planning processes. A further challenge was to align housing development with the priority of reducing the apartheid divides between largely poor areas for Black people and better developed areas formerly for White people.

<sup>56</sup> PoliticsWeb. 2010. '2.4m RDP houses built since 1994 - Minister', 14 October, <https://www.politicsweb.co.za/documents/24m-rdp-houses-built-since-1994-minister>.

<sup>57</sup> Department of Human Settlements. 2004. 'Breaking New Ground: A Comprehensive Plan for the Development of Sustainable Human Settlements', 9, [https://www.dhs.gov.za/sites/default/files/documents/breaking%20new%20ground%202004\\_web.pdf](https://www.dhs.gov.za/sites/default/files/documents/breaking%20new%20ground%202004_web.pdf).



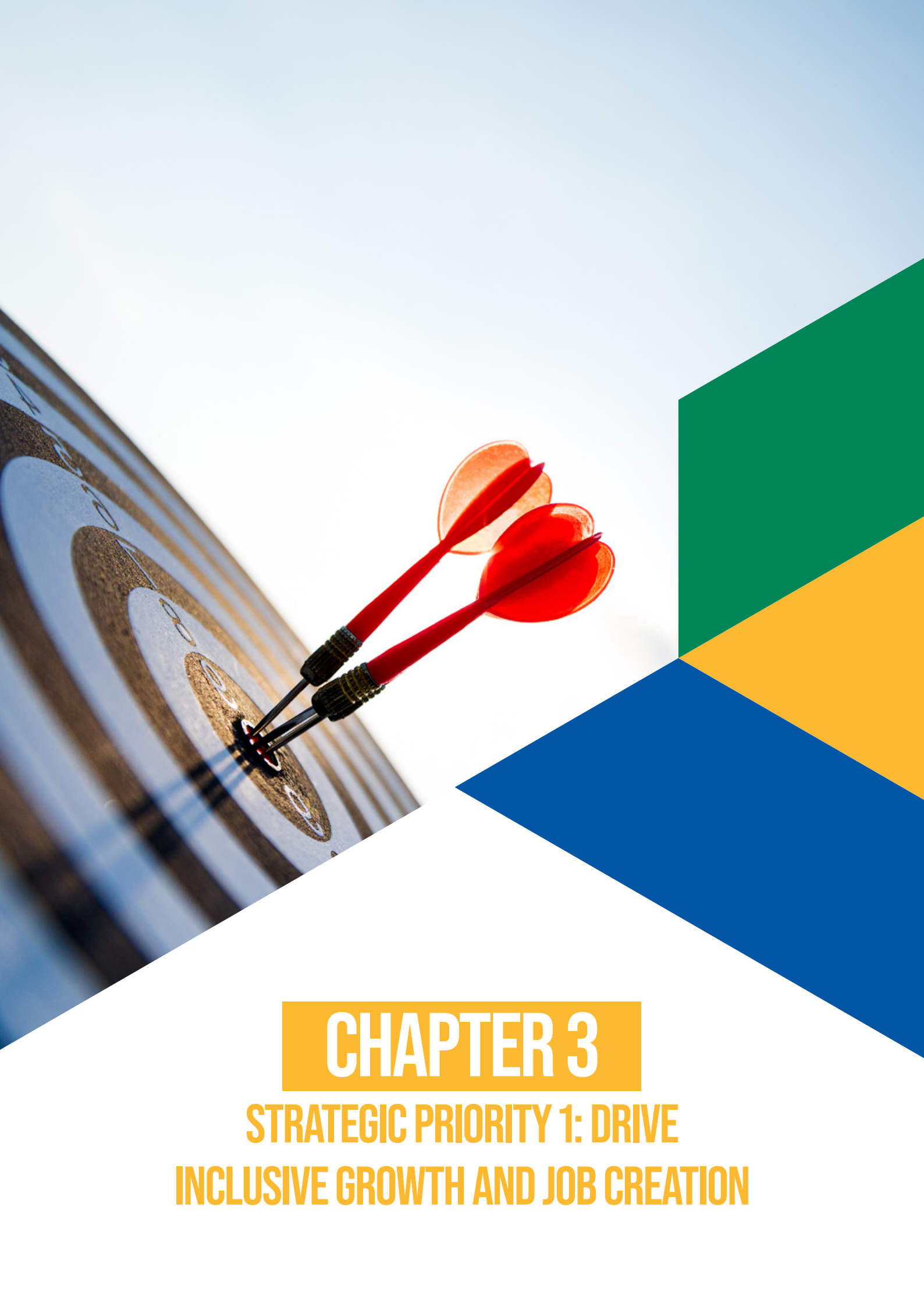
South Africa's original goal with the Breaking New Ground programme was to eradicate informal housing by 2014.<sup>58</sup> The state provided approximately 5 million housing opportunities from 1994 to February 2022.<sup>59</sup> A housing opportunity can be an actual house or only a plot of land with access to piped water and electricity. As of February 2023, 2.5 million households were on the National Housing Needs Register.<sup>60</sup>

## 2.6 SUMMARY

The 7<sup>th</sup> Administration assumes office amid multiple global crises. The economic and political competition within a developing multipolar world will impact South Africa's international relationships, presenting both challenges and opportunities. The country must adapt to the shifting balance of power from the West to the East while maintaining and establishing new ties. Political instability is rising across the continent, including instances of unconstitutional changes in government. However, the AfCFTA presents promising economic opportunities for both Africa and South Africa to achieve their developmental goals. Domestically, increasing population pressures are driving the demand for more basic services and economic opportunities. Unfortunately, financial constraints and the weakened capacity of local governments hinder effective responses to these challenges. Additionally, issues like state capture and economic stagnation have impaired the private sector's ability to address long-term problems. After experiencing economic growth during the 2000s, South Africa's economy stalled following the global financial crisis of 2008 and further declined during the COVID-19 pandemic, negatively impacting per capita incomes. Achieving economic growth and implementing essential structural reforms for rapid, inclusive and sustainable economic growth are critical challenges for the country. Despite the low growth rates, South Africa was compelled to expand its social welfare programmes, especially due to the pandemic. Given the country's high levels of poverty, inequality, and unemployment, it is essential to focus on reducing poverty and alleviating the high cost of living, particularly for the most vulnerable populations.

*The 7<sup>th</sup> Administration assumes office amid multiple global crises. The economic and political competition within a developing multipolar world will impact South Africa's international relationships, presenting both challenges and opportunities.*





# CHAPTER 3

STRATEGIC PRIORITY 1: DRIVE  
INCLUSIVE GROWTH AND JOB CREATION



## CHAPTER 3: STRATEGIC PRIORITY 1: DRIVE INCLUSIVE GROWTH AND JOB CREATION

### 3.1 INTRODUCTION

Driving inclusive growth and job creation is the Apex Priority of the 7<sup>th</sup> Administration. Achieving rapid, inclusive and sustainable economic growth is key to eradicating poverty, reducing inequality and unemployment, and integral to the wider transformation of society. South Africa's economy, however, has underperformed and is not generating sufficient employment and income to support the country's growing population. South Africa's levels of inequality are among the highest globally and the middle class is not growing fast enough. Economic transformation and empowerment have been slow, evident in skewed patterns of land ownership, income and control of large firms.

Given this context, the priority is to grow existing economic activity and associated employment by curtailing regulatory and other barriers to investment and creating a supportive enabling environment. This must be achieved while protecting workers' rights and ensuring greater participation by historically marginalised groups.

Over the past three decades, extensive infrastructure and housing development programmes have left a legacy of better housing and public services, but these have not proven sufficient to trigger broader and more sustainable economic development. To shift South Africa's economic trajectory, a new strategy is required to address the binding constraints on growth, increase the dynamism and productivity of the economy, and unleash private investment.

This strategy must consider new economic circumstances. In recent decades, technological advances have made manufacturing more capital-intensive and less labour-absorbing, rendering the traditional path to growth for many developing countries less effective.<sup>61</sup> While it may not be possible to emulate the approach taken by industrialising countries in East Asia and elsewhere, South Africa's economy has unique strengths and advantages that can be harnessed as part of a growth strategy that is tailored to its context.

Over the next five years, South Africa will accelerate growth through massive new investment in the energy sector, leveraging its unique solar and wind resources to reduce energy costs and power green manufacturing. As the world races to reduce carbon emissions, this will be a key driver of growth and job creation.



<sup>61</sup> Rodrik, D. and Stiglitz, J., 2024. A new growth strategy for developing nations.

At the centre of South Africa's economic growth strategy for the next five years will be the accelerated implementation of structural reforms through Operation Vulindlela (OV) to improve the performance of network industries, leverage private capital, enhance competition, and unlock investment. This includes building on the reforms initiated during the 6th Administration in the energy, logistics, telecommunications, and water sectors, and reforms to the visa system.

Building on its existing capabilities in labour-intensive sectors such as the services sector, tourism, green manufacturing and agriculture, South Africa has significant scope to grow export volumes and jobs. Industrial policy will drive growth in these sectors, using well-designed instruments that are efficiently targeted and closely linked to performance. In addition, trade policy will be used to open new markets for South Africa's exports, including through the implementation of the African Continental Free Trade Area (AfCFTA).

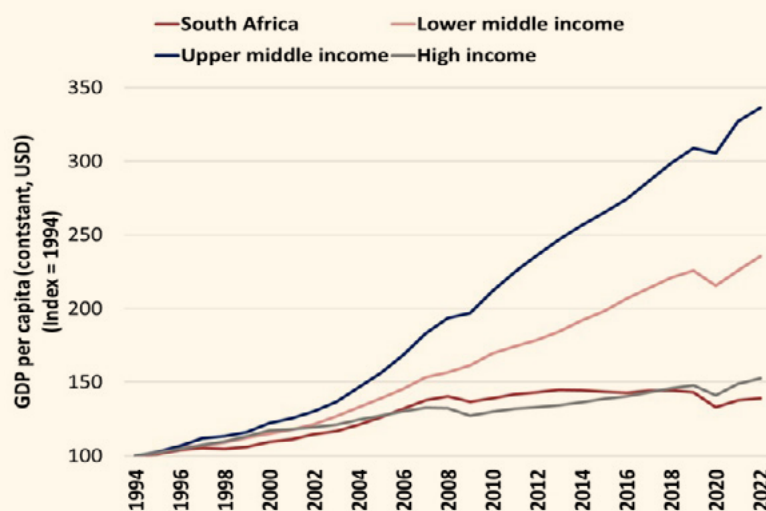
Above all, this strategy places jobs at its centre. Just as pro-growth policies will help the country achieve socio-economic transformation, an employment focus will promote accelerated inclusive growth. Interventions aimed at stimulating economic growth and job creation in the private

sector will be complemented by enhanced investment in public employment.

### 3.2 PROBLEM STATEMENT

Apart from the period 2005-2007, when GDP growth reached 5% per annum, South Africa's economy has struggled to achieve the rate of growth required to achieve a significant increase in employment and incomes.<sup>62</sup> South Africa's long-running growth has been weak compared to peer countries (see Figure 3.1). The economy experienced a dramatic decline in relative GDP per capita between 1970 and 1989, reflecting the economic cost of apartheid. The post-apartheid economic story has been one of arresting this decline, without achieving the economic lift-off experienced in other developing countries over the same period. South Africa achieved a steady growth rate in the early to mid-2000s, supported by higher commodity prices. However, growth slowed sharply in the aftermath of the 2008 global financial crisis. Despite a significant increase in public spending, it did not recover and dropped further below other emerging markets.

Figure 3.1: Growth in GDP per capita (constant USD, index = 1994)



Source: Operation Vulindlela<sup>63</sup>

<sup>62</sup> Statistics South Africa, 2016, "The ups and downs of gross domestic product", <https://www.statssa.gov.za/?p=9181>.

<sup>63</sup> Operation Vulindlela, 2024, "Towards a second wave of reform", 25 June, 17, <https://www.stateofthenation.gov.za/assets/downloads/ov-conf/01-operation-vulindlela-framing.pdf>.



From 1999 to 2008, GDP growth in South Africa averaged above 4% per year, a rate high enough to sustain income per capita gains of 2.6% per year. However, from 2010 to 2019, GDP growth slowed to just 1.7%, which only allowed average incomes to rise by 0.15% per annum. Since 2015, income per capita has been declining. This means that the average South African has experienced a decline in their quality of life each year for the past eight years. This is untenable from an economic and social point of view.

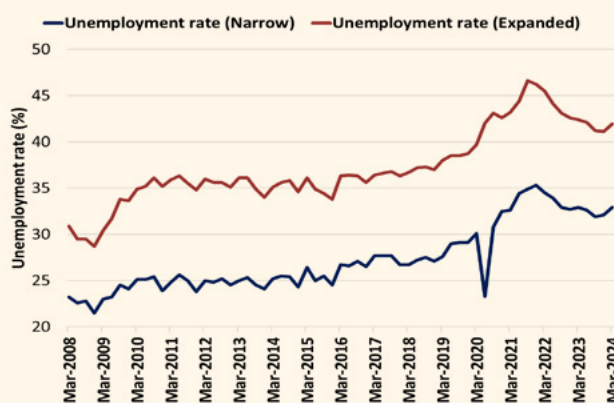
South Africa currently faces a triple challenge of poverty, inequality and unemployment. In addition to the divides of geography, race, and education, the impact of the COVID-19 pandemic has exacerbated the divide between those who are employed and therefore included in the economy, and those who are unemployed and therefore excluded from it. The economy has been stuck in a low-level equilibrium with low GDP growth, stagnant fixed capital formation and falling income per capita.

Economic growth is constrained by a shortfall in electricity supply, the deteriorating performance of the freight logistics

system, particularly freight rail, and widespread crime and corruption that undermines investor confidence. Recent studies have pointed to these microeconomic factors as the primary constraint on growth.<sup>64</sup> In addition, rising public spending without an associated increase in economic growth has resulted in an unsustainable debt burden, with interest payments now the fastest-growing expenditure item. The only sustainable solution to stabilising the fiscal trajectory is to increase the economic growth rate.

In addition to the low economic growth rate, these dynamics have resulted in steadily increasing unemployment and rising inequality. Labour force growth has been faster than the increase in available jobs, with the number of unemployed adults reaching 12.4 million at the end of the second quarter of 2024.<sup>65</sup> The unemployment rate has increased steadily as the labour force (aged 15-65) increased from 31.5 million in 2008 to 40.5 million in 2022, growing at a compound annual growth rate (CAGR) of 1.8% (see Figure 3.2). In contrast, total employment increased by a CAGR of 0.7%. This has left a large and growing number of people unemployed.

**Figure 3.2: Unemployment rate (%), 2008 -2024**



Source: Operation Vulindlela<sup>66</sup>

The private sector accounts for approximately 88% of employment in South Africa. Enabling businesses to grow is thus crucial to reducing unemployment. This requires a significant increase in investment. A key target in the National Development Plan (NDP) is for gross fixed capital formation (GFCF) to reach 30% of GDP by 2030, with public sector investment reaching 10% of GDP. South Africa is far

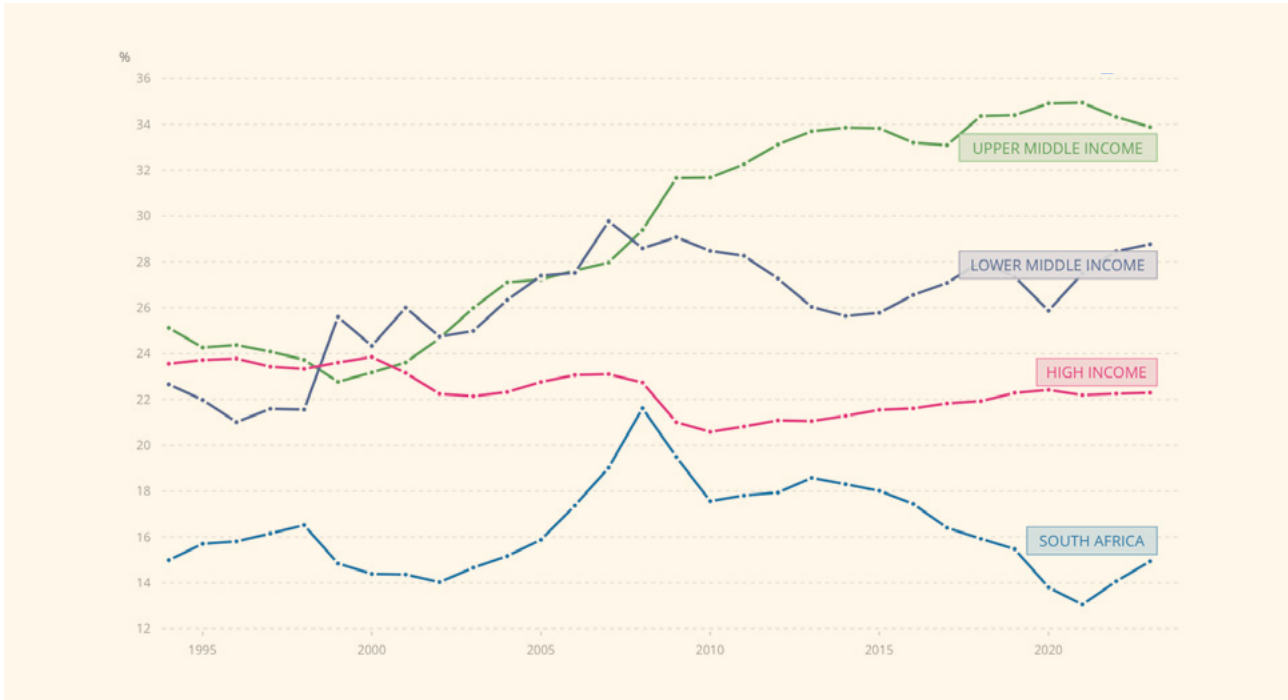
from this target, with GFCF recovering to just 14% of GDP in 2022 from a low of 13% in 2021. Since the sharp decline in investment during the 1980s as apartheid suffocated the economy, the highest level of investment that South Africa reached was 22% of GDP in the lead up to the 2010 FIFA World Cup in 2008.

<sup>64</sup> Hausmann, R., et al., 2022. Macroeconomic risks after a decade of microeconomic turbulence: South Africa 2007-2020.

<sup>65</sup> Statistics South Africa. 2024. 'Quarterly Labour Force Survey: Quarter 2: 2024', <https://www.statssa.gov.za/publications/P0211/P02112ndQuarter2024.pdf>.

<sup>66</sup> Operation Vulindlela. 2024. 'Towards a second wave of reform', 18. <https://www.stateofthenation.gov.za/assets/downloads/ov-conf/01-operation-vulindlela-framing.pdf>

Figure 3.3: Gross fixed capital income (% of GDP), 1994 to 2024



Source: World Bank<sup>67</sup>

Twelve years after the NDP proposed a strategy to increase economic growth to 5.4% to enable South Africa to address its three main developmental challenges – poverty, inequality and unemployment economic growth remains elusive. The consequent poverty, high levels of unemployment and extreme, visible inequality threaten social cohesion. To address these challenges, South Africa requires a series of bold and coordinated interventions that can structurally transform the economy and provide the resources needed to improve the lives of all South Africans. Such interventions will create the conditions for further growth and create a more inclusive and sustainable economy and society. An average growth rate of at least 2.6% will be targeted by 2027, rising above 3.0% in 2029, to meaningfully reduce unemployment and improve the lives of the majority of South Africans. This is South Africa's growth challenge and the objective of this plan.

### 3.3 NDP GOALS AND OBJECTIVES

The NDP identified two main developmental challenges for South Africa: poverty and inequality. Addressing and dealing with both these challenges by 2030 is the main thrust of the NDP. To do so, the Plan lists three main goals: eradicate poverty, reduce income inequality, and reduce unemployment.

The NDP set the following specific objectives to reach these goals by 2030:

- Reduce the unemployment rate to 6% and create 11 million jobs;
- Achieve an average annual real GDP growth rate of 5.4%;
- Increase investment GFCF as a share of GDP to 30%;
- Improve labour force participation to 65%;
- Reach 2 million people through public employment programmes;
- Simplify the regulatory environment to facilitate the growth of small enterprises;
- Establish a sustainable, resilient, low-carbon economy;
- Transition to an equitable low-carbon economy, creating new economic opportunities to protect communities and promote livelihoods;
- Address major constraints impeding accelerated growth and development of the mining sector;
- Achieve beneficiation of minerals where suitable capacity already exists, or where beneficiation is likely to lead to downstream manufacturing; and
- Build national institutions for science, technology, and innovation.

<sup>67</sup> World Bank. 2024. 'Gross fixed capital formation (% of GDP) - South Africa, Upper middle income, Lower middle income, High income', <https://data.worldbank.org/indicator/NE.GDI.FTOT.ZS?contextual=defaul&end=2023&locations=ZA:XT-XN-XD&start=1994>.

According to the NDP, the two main enablers in the attempt to deal with the country's developmental challenges are an increase in economic growth and an increase in employment. Strategic Priority 1 of the MTDP 2024-2029 is, thus, closely aligned with the NDP's 'Chapter Three: Economy and employment'. Furthermore, it complements other relevant NDP chapters, including those addressing economic infrastructure (Chapter Four), an Integrated and Inclusive Rural Economy (Chapter Six), and environmental sustainability (Chapter Five).

### 3.4 OUTCOMES FOR STRATEGIC PRIORITY 1

Strategic Priority 1 seeks to drive inclusive growth and job creation. To achieve this, it targets achieving a GDP growth rate of more than 3.0% by 2029, which is projected to reduce unemployment to below 28.0% by the end-term. This strategic priority will be achieved through nine strategic outcomes in key areas of the economy over the next five years. These are:

- Increased employment and work opportunities;
- Accelerated growth of strategic industrial and labour-intensive sectors;
- Enabling environment for investment and improved competitiveness through structural reforms;
- Increased infrastructure investment, access and efficiency;
- Improved energy security and a just energy transition;
- Increased trade and investment;
- A dynamic science, technology and innovation ecosystem for growth;
- Supportive and sustainable economic policy environment; and
- Economic transformation and equitable inclusion of women, youth and persons with disabilities for a just society.

Initiatives and interventions are already underway in many of these areas. The MTDP builds on reforms previously initiated by the 6<sup>th</sup> Administration to ensure that these are completed, sustained, and achieve developmental impact. The MTDP 2024-2029 incorporates interventions from the Economic Reconstruction and Recovery Plan (ERRP), which was the government's short-term recovery plan in response to the effects of the COVID-19 pandemic, and outlines an integrated growth strategy that will support a second wave of reforms through OV. It is important to note that these strategic interventions do not encompass all the programmes that will

be implemented by the government over the next five-year period but rather set out the actions that must be prioritised to achieve the outcomes highlighted above and detailed below.



### 3.4.1 INCREASED EMPLOYMENT AND WORK OPPORTUNITIES

Structural reform and other growth measures are necessary to grow sustainable employment in the medium term. However, their effects on generating employment are not typically immediate, while the nature of the unemployment crisis requires immediate forms of intervention. Reforms that will enhance inclusive growth therefore need to be complemented by more direct forms of investment in employment creation, through public employment programmes and related measures that can create jobs in the shorter term as part of a counter-cyclical strategy funded publicly that will decline in importance as market-based opportunities increase. This will mitigate the impact of the job crisis and provide a significant stimulus to aggregate demand.

Since its establishment in October 2020, the Presidential Employment Stimulus (PES) has created earning opportunities for more than 2 million participants through various programmes. Successful initiatives such as the Social Employment Fund, the Basic Education Employment Initiative, and the National Youth Service will be institutionalised and scaled up. In addition, there is a need to streamline existing active labour market programmes (ALMPs) and improve their impact. A priority will be to reform public employment programmes, including the PES, the Expanded Public Works Programme (EPWP), and the Community Work Programme (CWP) to ensure that these deliver meaningful work and improved outcomes toward more sustainable livelihoods through a programmatic approach.

Alongside the PES, government will continue to support the Presidential Youth Employment Intervention (PYEI). The National Pathway Management Network will be strengthened by establishing the SA Youth Trust to facilitate greater public-private collaboration in tackling youth unemployment. Government will continue to work with social partners to scale up effective programmes targeting unemployed young people, such as the Youth Employment Service (YES).

Current successful initiatives such as the expansion and institutionalisation of the PES, including the Social Employment Fund, the Basic Education Employment Initiative, and the National Youth Service will continue. Over the five-year term government will target 6 million employment opportunities.

Significant potential for job creation lies in small businesses and the informal sector. Government will support small businesses and entrepreneurs across the spectrum, from informal enterprises to high-growth, high-tech start-ups. To create a thriving start-up ecosystem, South Africa will leverage its existing strengths, such as high-quality broadband infrastructure, strong capital markets, and deep talent pool by creating an enabling environment to attract venture capital funding and encourage start-up founders to locate and expand their operations in the country. To unlock growth in informal employment, government will diversify township and rural economies to increase participation in new business models such as e-commerce in these localities, integrate a developmental approach to informal trading, reduce or remove the cost of trading permits for informal businesses, and expand non-bank lending to small businesses through providing guarantees and first-loss funding to scale successful models such as the SA SME Fund. Government will also improve access to funding for small and medium enterprises through its development finance institutions, such as the Small Enterprises Development and Finance Agency (SEDFA), the Industrial Development Corporation (IDC) and the National Empowerment Fund (NEF).





### 3.4.2 ACCELERATED GROWTH OF STRATEGIC INDUSTRIAL AND LABOUR-INTENSIVE SECTORS

South Africa's growth over the past two decades has been driven by sectors such as financial services that are less labour-intensive than those sectors that have declined such as manufacturing and textiles. This has contributed to rising levels of unemployment. In the medium term, there is an opportunity to drive growth in job-creating sectors such as services and agriculture while positioning the economy for future growth. Reindustrialisation will be a key goal of economic policy, focusing on sectors such as manufacturing, mining and the beneficiation of mining products, forestry and agro-processing in areas that demonstrate a strong comparative advantage.

Public-private cooperation will continue to be strengthened through the development and implementation of Master Plans for specific sectors. To better focus Master Plans, reviews will be done to assess their impact. Plans will be aligned to target value-add, jobs, the inclusion of women, youth, and persons with disabilities, and exports. New sectors, such as green hydrogen, cannabis, and hemp, will also be a key focus.

In support of the Master Plan efforts and to ensure coherence across the system, an important intervention will be to review current incentives and sector support programmes to ensure that these promote scalable investments, are results-based and achieve the intended returns. Key outcomes sought include inclusive growth and jobs, particularly for women and the youth and persons with disabilities.

The Agriculture and Agro-processing Master Plan (AAMP) was developed through the larger collective social compacting approach. It makes an important contribution to growth and transformation and ensures food security. The AAMP programme's job creation will depend on various smaller, more localised, and sectoral activities led by the private sector. This includes expanding agricultural production and increasing market access for black farming enterprises, including small-scale and emerging farmers, women and youth. The sectors concerned will produce clear, pragmatic action plans and prioritised targets for the mid-term and five-year period. They will implement Master Plans jointly with business and labour partners. The global business services sector is among the fastest growing in South Africa, providing outsourced services such as call centres

to the global export market. The sector has demonstrated employment growth of 24% year-on-year since 2015 and has the potential to create 500 000 additional jobs by 2030. Similarly, the digital and technology sector has significant potential to drive job growth in digital services ranging from database management to software development and cloud services. Industry surveys suggest that more than 30 000 digital jobs are currently outsourced by South African firms and could be restored, while there are currently 66 000 unfilled vacancies in the sector.

The agriculture sector has significant potential for job creation in labour-intensive crops such as citrus, table and dried grapes, subtropical fruit, avocados, berries and nuts. The NDP targets an additional 1 million jobs in agriculture by 2030, with the majority of these coming from labour-intensive crops produced for export markets. Growth in agriculture can be supported through expanding access to new markets, particularly in Asia; providing blended finance to emerging farmers; enhancing plant and animal health infrastructure and sanitary protocols; and addressing inefficiencies in ports and rail, especially at the port of Cape Town. The hemp and cannabis sectors have the potential to create jobs at scale if legal and regulatory barriers are removed and an enabling environment, including support for small-scale farmers in the Eastern Cape and KwaZulu-Natal, is created for businesses to expand. In the agricultural sector in general, it is critical that the risks posed by climate change are factored into the entire value chain. Proactive adaptation measures will be implemented, including support for climate resilient agricultural production.



In the mining sector, South Africa has a unique opportunity to provide critical minerals to power the global energy transition, including the industrial manufacturing of clean technologies, with large endowments of platinum group metals (PGMs), manganese, chromium, vanadium, and other minerals. A supportive and enabling policy environment is key to exploiting this opportunity. A key target is to implement a modern and transparent mining rights system to enable greater investment in exploration and expand mining production. This will also support the processing and beneficiation of minerals domestically, for example through battery manufacturing, to enable South Africa to export greater numbers of value-added and finished products rather than raw commodities. Mining exploration will be supported through clearing the backlog of mining rights applications and through mechanisms such as the Junior Mining Exploration Fund.

### 3.4.3 ENABLING ENVIRONMENT FOR INVESTMENT AND IMPROVED COMPETITIVENESS

Government will continue to implement reforms to reduce regulatory burdens and make it easier to do business in South Africa. This will include work to review sector-specific regulatory policies and legislation to cut red tape and enhance efficiencies, including digitising and standardising licensing systems and the establishment of an e-register. There will also be a focus on lowering costs associated with administered prices.

Red tape reduction will support an enabling environment for Micro, Small and Medium Enterprises (MSMEs), township and village enterprises, formal, start-ups, and informal enterprises. The existing informal economy will also continue to provide sources of livelihood for community-based citizens who are unable to find work in formal markets. The Department of Small Business Development will target 1.055 million small businesses by the end of the term. Government will launch One Stop Shops across all provinces to make it easier for small and medium enterprises to be established.

Significant progress was made during the 6<sup>th</sup> Administration in implementing structural reforms to enable economic growth with a focus on modernising network industries. These structural reforms have been supported by OV. The progress made by this initiative provides a solid platform on which the 7<sup>th</sup> Administration can build to achieve a sustained increase

in the rate of economic growth and a reduction in poverty, unemployment and inequality. The immediate priority of the MTDP 2024-2029 is to sustain the momentum already developed and follow through on the implementation of these reforms. OV will continue with initiatives to realise their full impact. This will require completing the reforms underway, including reforms in the energy, logistics and water sectors and the visa system, which have been prioritised for their impact on economic growth.

An immediate priority is to complete the reform of the energy sector to enable competition in electricity generation and drive investment in new generation capacity. These will ensure energy security and enable a boom in fixed investment and will therefore be the main driver of economic growth in the coming years. Regulatory reforms have already unlocked substantial investment in generation capacity, with more than 120 large-scale projects being tracked by the Energy One Stop Shop with a combined capacity of over 22 500 MW. The amendment to Schedule 2 of the Electricity Regulation Act allows generation facilities of any size to wheel power across the grid and sell power to multiple customers. This has created a vibrant market for private generators supplying commercial and industrial customers. The registration process for generation projects has been substantially simplified to shorten timeframes for project approval.



The Electricity Regulation Amendment Act 38 of 2024 goes a step further by providing for the establishment of an independent transmission company that will act as the system and market operator. This legislative reform, which supports the ongoing restructuring of Eskom, will enable the emergence of a competitive electricity market. Over time, this will allow multiple generators to sell power in a market in addition to long-term bilateral agreements, as well as participate in markets for reserves and ancillary services. The rules of a future market will be determined by a market code and are already in development. While Eskom will continue to generate most of the country's electricity, these reforms will introduce competition from private generators, driving greater efficiencies in Eskom and ultimately reducing electricity costs and ensuring the security of supply.

In the logistics sector, the Freight Logistics Roadmap will be implemented to enable private sector investment and participation in ports and rail, increasing competition and efficiency while ensuring that network infrastructure remains state-owned. The centrepiece of the roadmap is the introduction of a vertically separated model in rail, which will enable competition in rail operations and private sector participation on a level playing field. Open access to national rail infrastructure is designed to increase the volume of freight moved by rail and improve the quality of rail services through the introduction of competition. As a critical starting point for reform of the rail system, a separate infrastructure manager will be established for the rail network as part of the restructuring of Transnet. The infrastructure manager will initially be established as an operating division of Transnet, separate from Transnet Freight Rail, and will subsequently transition to a subsidiary of Transnet in its own right, with a separate board.

Similarly, vertical separation of infrastructure ownership and terminal operations will be undertaken in the ports sector through completing the establishment of the National Ports Authority as a subsidiary of Transnet. As outlined in the National Commercial Ports Policy and the National Ports Act 12 of 2005, the National Ports Authority will be the landlord of South African ports and will own port infrastructure. Greater private sector involvement in operations will be sought through leases and concessions, while the allocation of leases or concessions will be open to competitive bidding.

These reforms will fundamentally transform South Africa's freight logistics system, ensuring that port and rail infrastructure remains state-owned while introducing private-sector participation and hence competition in operations to significantly increase the volume of goods that can be transported for export and improve the efficiency of doing so.

Reform of the institutional structure of the water sector will be completed. This will include the establishment of a National Water Resources Infrastructure Agency (NWRIA) to ensure effective programmatic implementation of bulk water projects and mobilisation of off-budget finance for their implementation. Included in this reform will be the establishment of Catchment Management Agencies (CMAs) to regulate water use and safeguard South Africa's water supply. These reforms are far advanced and will enable a significant improvement in the custodianship of water resources.

To halt and reverse the deterioration of municipal water services, government will amend the Water Services Act (WSA) to empower the Minister of Water and Sanitation to intervene where necessary. Effective service provision requires that the national government be empowered to regulate municipal water supply authorities and require the appointment of competent water service providers where direct municipal management has failed. Government will also pursue criminal charges against mayors and municipal managers for contravention of the National Water Act, for example, where untreated sewage is released into rivers.

Following the establishment of the Water Partnerships Office, government will support the introduction of private-sector participation in areas such as wastewater treatment, non-revenue water, desalination, and water re-use. This will enable significantly greater investment in water infrastructure in areas where a revenue stream can be established while retaining public ownership of water assets.

Reforms will be implemented to modernise South Africa's visa system and attract skills and investment. The South African labour market has an acute demand for skilled labour along with high levels of unemployment among the low-skilled and unskilled. This is not a uniquely South African problem, as increasing global mobility has resulted in a highly competitive market for skills, enabling workers to move frequently between companies and countries.



A key priority is to implement the recommendations of the work visa review. This includes establishing a points-based system for skilled visas that will provide more flexible pathways for skilled immigration based on criteria such as qualifications, experience, and income. In addition, the remote work visa, which allows visa holders to enter South Africa for up to 12 months while working for a foreign-based employer, will be fully operationalised and actively promoted in key source markets. The Trusted Employer Scheme, launched in October 2023 to provide a streamlined application process for major investors, will be opened to additional qualifying employers. To achieve the full benefit of these reforms, the backlog of existing visa applications will be cleared, and the processing time for visas reduced through additional capacity and improved systems.

These reforms will fundamentally change the structure of South Africa's key network industries and increase potential growth, helping to propel the economy to a new high-growth trajectory.

#### 3.4.4 INCREASED INFRASTRUCTURE INVESTMENT, ACCESS AND EFFICIENCY

Infrastructure investment will be leveraged through the National Infrastructure Plan (NIP) focused on priority sectors. Government is targeting over R1.2 trillion in public sector investment over the term. Creating an enabling environment for private sector investment will also be a priority. The complexity of the Public-Private Partnerships (PPP) regulatory framework will be reduced as part of the reforms to promote economic growth and improve service delivery. Supported by the structural reform programme, infrastructure investment will focus on network industries, including energy, water, telecommunications and transport. In addition, this will support social infrastructure projects that improve access to basic services and job creation.

To grow the economy and reduce unemployment and poverty, capital investment by the public and private sectors needs to significantly increase. Gross fixed capital formation is currently at approximately half the 30% of GDP target in the NDP. Reaching this target will require a massive ramp-up of public and private investment in infrastructure. Given the limited fiscal resources available, priority will be given to involving private sector partners through innovative financing models that leverage public funds.

In support of these initiatives, the National Treasury, the Department of Public Works and Infrastructure (DPWI), Infrastructure South Africa, and the Infrastructure Fund will work together to establish an effective policy, regulatory and institutional environment for infrastructure, and to increase public and private funding. The complexity of the PPP regulatory framework will be reduced through revised PPP regulations. Infrastructure South Africa will continue to support the development of a robust project pipeline and will expedite approvals for strategic infrastructure projects (SIPs). The Budget Facility for Infrastructure (BFI) and the Infrastructure Fund will provide support for planning, technical assessment, budgeting, and execution of large infrastructure projects. Key interventions will include the Infrastructure Technical Assistance Facility (ITAF) in the National Treasury improving regulations, mobilising skills and expertise, and supporting integrated infrastructure planning, among other key interventions. All these steps will support an increase in infrastructure investment over the next five years through a well-functioning infrastructure ecosystem.





Several major infrastructure projects, already planned or underway in various sectors, will drive increased investment over the coming years. These include 11 strategic projects in the water sector with a value of R115 billion, such as the Lesotho Highlands Water Project Phase II, the Mokolo-Crocodile River Project, and the uMkhomazi Water Project. The South African National Roads Agency Limited (SANRAL) will implement 15 major projects on toll and non-toll routes, with a combined value of R19 billion. These and other SIPs will be prioritised to ensure their successful implementation in this period.

### 3.4.5 IMPROVED ENERGY SECURITY AND A JUST ENERGY TRANSITION

The NDP outlined the challenge for the country's energy transition to address threats posed by climate change. This transition has a particular impact on the electricity sector and will have substantial social and institutional implications. The NDP's overarching goals for the energy sector are to promote:

- Economic growth and development through adequate investment in energy infrastructure. The sector should provide a reliable and efficient energy service at competitive rates while supporting economic growth through job creation;
- Social equity through expanded access to energy at affordable tariffs and targeted, sustainable subsidies for needy households; and
- Environmental sustainability through efforts to reduce carbon emissions and build resilience for effective adaptation to the effects of climate change.

Government must continue to implement the EAP to achieve long-term energy security. The National Energy Crisis Committee will continue to remove barriers to new generation capacity while creating a conducive environment for independent power producers. New generation capacity will be procured in line with the updated Integrated Resources Plan (IRP). The implementation of the Transmission Development Plan (TDP) will be expedited to roll out the expansion and strengthening of the transmission network and to allow newly completed projects to be connected to the grid. As South Africa seeks an appropriate balance between responding to climate change concerns and employing least-cost power generation technologies to propel economic

growth, it will adopt a 'least regret' approach to ensure that the country remains competitive throughout the transition to a low-carbon future.<sup>68</sup>

Since the announcement of the EAP in July 2022, significant progress has been made in addressing the immediate electricity supply shortfall. Nevertheless, South Africa's energy supply remains inadequate and the need to achieve a secure, reliable, affordable and sustainable energy supply is paramount. The green economy holds significant job creation potential as the world undergoes a fundamental economic shift over the coming decades in response to climate change. Government will continue to implement the EAP to achieve long-term energy security while propelling green growth.

South Africa's solar and wind resources are among the best in the world, providing a powerful source of competitive advantage. A massive rollout of solar photovoltaics (PVs) and wind capacity, combined with battery storage and gas to manage variability in power generation, will have a dual benefit. It will end the electricity shortfall while also transitioning the economy to cheap, low-carbon energy sources to protect the competitiveness of export products. This will be achieved through a combination of accelerated procurement through the renewable energy programme and private investment in generation capacity. By transitioning the country's energy system to renewable energy sources, a green manufacturing sector can be created.

Centred on the export of hydrogen and associated products such as green ammonia, green kerosene and green steel, electric vehicles and renewable energy components, this will be the main driver of growth and job creation in the next decade and beyond. It will also assist with upstream industrialisation. Initially, imports of inputs for the energy transition will be relatively high. However, this will reduce over time as local content requirements enable the growth of local input industries, in particular the steel industry that could be revived by the requirements of the grid transmission build programme. In addition, this will enable South Africa's heavy industry and hard-to-abate sectors to respond to the imperative to reduce their carbon emissions and retain their competitiveness.

<sup>68</sup> NPC. 2012. 'National Development Plan', 169.

An updated IRP will be finalised to outline a long-term pathway for South Africa's energy system and guide the procurement of new generation capacity from multiple sources. The IRP will determine the pathway that is both 'least cost' and compatible with energy security and climate commitments and will ensure a diverse energy mix. It will outline a decommissioning schedule for the existing coal fleet that enables our Nationally Determined Contribution (NDC) to be achieved. It will also support the transition to a low-carbon economy and climate-resilient society while ensuring a secure energy supply and avoiding load shedding.

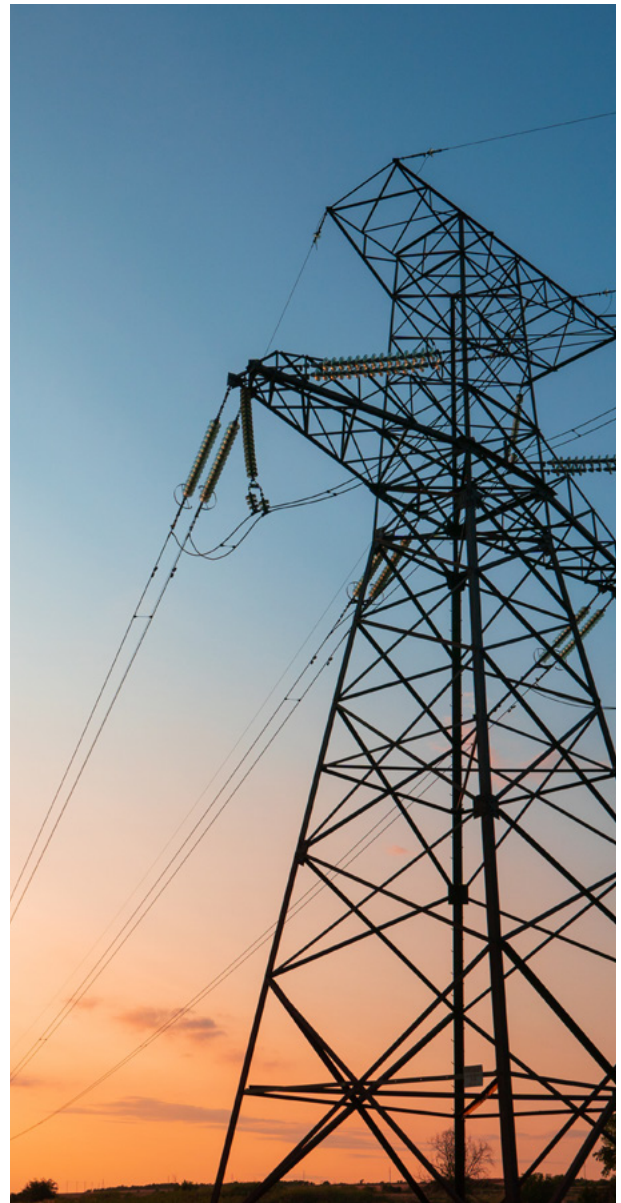
Government will focus its efforts in the next five years on expanding and strengthening the transmission network to enable new generation capacity to be connected in areas with strong wind and solar resources, such as the Eastern Cape, Northern Cape and Western Cape. Through the TDP, government will build over 14 400 km of new high-voltage transmission lines. This will be one of the largest infrastructure projects in South Africa's history. Not only will it resolve the country's energy supply challenge, but it will also spur industrialisation across the value chain. Given the urgent need to expand the transmission network and the amount of capital investment required, an Independent Transmission Projects Policy Framework will be developed to establish a mechanism for private sector investment in transmission infrastructure.

The just energy transition will require considerable investment to transform the domestic energy sector and replace the dominance of coal. While this process will create significant economic benefits, including job creation, the impact on communities and workers who are dependent on the coal value chain must be addressed. To this end, the Just Energy Transition Investment Plan (JET IP) and the JET Implementation Plan will be put into effect to ensure that South Africa's transition to a low-carbon economy supports communities and workers in Mpumalanga and other affected areas while enabling South Africa to meet its climate commitments. The JET IP outlines specific investments in the electricity, green hydrogen and new energy vehicles sectors amounting to approximately R1.5 trillion over five years, in addition to investments to ensure a just transition.

In line with the Climate Change Act 22 of 2024, government will support the development of context-appropriate and

sector-driven climate change mitigation and adaptation strategies. A Climate Change Response Fund will be established to counter the severe effects of climate change and support adaptation efforts. Implementation of the Act will ensure that climate change mitigation and adaptation are prioritised by all spheres of government, and that clear targets are set and regularly monitored to ensure their implementation.

The energy transition is a society-wide, multi-decadal process. It requires whole-of-government institutional arrangements to enable effective coordination. The Presidency will provide leadership of the transition through the Just Energy Transition Project Management Unit (JET PMU), under the guidance of a dedicated inter-ministerial committee.



### 3.4.6 INCREASED TRADE AND INVESTMENT

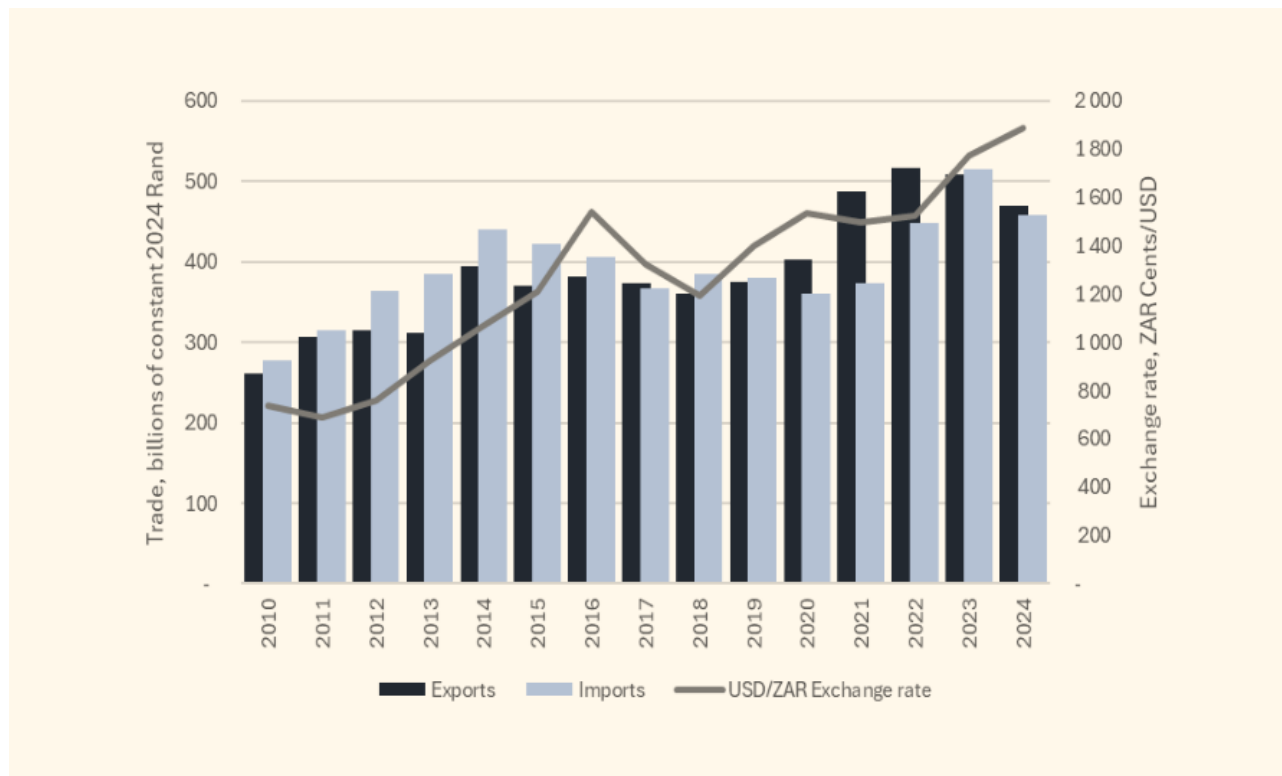
South Africa has well-established international relations that must be leveraged to expand trade, tourism and cultural industries, exports, investment, science and technology. Interventions required to achieve this objective include maintaining existing relations with various economic blocs; identifying opportunities within the South African Development Community (SADC), Africa and globally, prioritising the implementation of AfCFTA; and strengthening South Africa's economic diplomacy.

Success in navigating the shifting geopolitical environment will require ongoing attention to strengthen the country's economic diplomacy capabilities and to use international relations as an economic enabler. Developing a local productive base is linked to deepening mutually beneficial linkages with the SADC and the continent through cross-border trade that supports industrialisation and infrastructure development.

The AfCFTA presents new opportunities for South African diplomatic and business engagements to improve trade and investment and increase South African exports to the rest of Africa while fostering integration and development across the continent. Over the medium term, South Africa will play a leading role in its implementation and will pursue strategic trade agreements to create new export market. A key intervention will be to build the economic diplomacy capabilities to undertake this work.

Estimates from the Economic Commission for Africa (ECA) suggest that the AfCFTA can boost intra-African trade by 52.3% by eliminating import duties and double this trade if non-tariff barriers are reduced. Through the gradual elimination of tariffs and reduced barriers to trade in services, Africa's income is expected to grow by US\$450 billion by 2035. South Africa's exports and imports have recovered since 2019, but trade with the rest of Africa accounted for only a small part of that. As of April 2024, trade with Africa accounted for 20% of exports and 7% of imports. Knowledge and understanding of AfCFTA instruments are crucial for South Africa's economic diplomacy.

Figure 3.4: Trade balance in constant 2023 prices, Q1 2010- Q1 2024



Source: South African Revenue Service, 2024

The African Union (AU) declared 2023 as the 'Year of the AfCFTA'. Intra-Africa trade features high on the policy reform agenda, with 54 AU member states making commitments and offers to eliminate tariffs on more than 97% of all tariff lines. Barriers to trade in services are also being reduced, and AfCFTA's Trade in Services Protocol has the potential to lock in the participation of the private sector and MSMEs that play a prominent role across the continent's services landscape. The adoption of the Protocol on Women and Youth in Trade and Trade-driven Development will also help ensure that the implementation of the AfCFTA supports efforts to improve the economic empowerment and inclusion of women and youth, including in South Africa.

Various mechanisms have been established to support the implementation of the AfCFTA. The Guided Trade Initiative (GTI) will be a key driver to enlarge the scope of business participation beyond national borders, emphasising services trade in five priority areas which also involve robust MSMEs participation: tourism, transport, business services, communication services, and financial services. The AfCFTA Adjustment Fund (AF) will support member states and the private sector to participate in the new trading system and to deal with near-term disruptions such as tariff revenue losses.

Since 1994, government has promoted a strategic approach to external trade relations to support South Africa's industrial development and manufacturing capacity and, in turn, generate employment and reduce poverty and inequality. Government will address four imperatives in this regard during MTDP 2024-2029:

- Focus on reducing the high cost of investment and cross-border trade and address the structural decline in global competitiveness. This will include addressing constraints in the logistics, energy, and other network industries and regulatory barriers;
- Improve the export environment through a review of industrial policy, localisation initiatives and sector-specific policies;
- Establish a comprehensive and targeted export promotion strategy and export finance framework to address information asymmetries and ensure that appropriate financial products and services, such as export credit and insurance schemes, are available; and
- Implement practical partnerships between the state

and sector-focused private sector bodies to promote investment, exports, and job creation in future-facing sectors in which South Africa has substantial opportunities.

A key focus will be to build closer diplomatic relations with BRICS+ to leverage trade and investment opportunities with the Global South. BRICS+ members account for 29% or US\$30 trillion of global GDP, 25% of global exports, 46% of the world's population, and 43% of global oil production. However, the government will not neglect traditional trading partners, such as the EU and the US, and will continue to work towards realising the benefits of the African Growth and Opportunities Act (AGOA). China's share of South Africa's exports increased from 1.8% in 2001 to 11% in 2022, while Africa's share increased from 15.5% to 26.7% during the same period.

Existing partnerships with Global North countries will also be strengthened to promote export growth and improve terms of trade. Since the negotiation and conclusion of the South Africa-European Union (SA-EU) Trade and Development Cooperation Agreement in 1999, the EU is South Africa's largest trading partner, accounting for 22% of the country's total trade in 2021. Trade with the US and the UK is also significant. In 2022, AGOA provided duty-free and preferential access for South Africa to the US for goods worth US\$14.5 billion or R261 billion. Continuing to expand these trade relationships and exporting more value-added products, along with expansion into new and growing markets, will be an important part of the trade strategy in the future.





The tourism sector is among the most labour-intensive of any sector in the economy, with an annual estimated support of one job for every 12 inbound tourists. Tourism also offers opportunities to improve people's livelihoods in rural areas. The MTDP 2024-2029 aims to increase access to international tourism and increase the economic contribution of tourism to GDP.

South Africa has the disadvantage of being far from the wealthiest consumers. However, the country also has several comparative advantages, including natural beauty, well-managed national and other wildlife parks, a strong domestic aviation sector, hotel capacity and the personal services industry. The tourism sector was hit hard by the COVID-19 pandemic due to international travel restrictions. Although tourist numbers have been recovering, they were still below pre-pandemic levels as of December 2023. However, comparisons by Stats SA of international tourists between April 2023 and April 2024 show an improvement in arrivals from most countries.

To increase the number of international tourist arrivals, the current strategy of targeting existing markets while promoting South Africa to new markets will be continued. South Africa has significant potential to grow its share of the global tourism market by upgrading the e-Visa system to an Electronic Travel Authorisation (ETA) system with rapid processing times for new source markets such as China and India, improving airlift through new airline routes to South African airports, increased destination marketing and improving security at key tourist sites.

### 3.4.7. A DYNAMIC SCIENCE, TECHNOLOGY AND INNOVATION ECOSYSTEM FOR GROWTH

The NDP contains over 200 references to innovation, a testament to its importance for South Africa's economic and social development. South Africa performs poorly in formally measuring research spending, academic citations and patents granted, all of which are monitored by the Department of Higher Education and Training (DHET). Innovation broadly contributes to the functioning and productivity of society. As recognised by the NDP, innovation occurs across multiple fronts apart from higher education, such as in industrial laboratories, government departments, corporate research units, parastatals, statutory research councils and non-governmental organisation (NGOs). These sites of research and

innovation should be coordinated to take advantage of new modes of knowledge production, economies of scale and opportunities presented by working across disciplines.<sup>69</sup>

Innovation activities that transform economies and societies are not just technological. They also address the institutional innovations that are transforming the nature of work, production and the provision of various services through information technology. Both the basic and higher education sectors will play a critical role in producing the necessary human resources to improve South Africa's global competitiveness through training and by contributing innovative ideas, actions, processes and products to the country's economic performance. Promoting science, technology, engineering and mathematics (STEM) subjects, especially for girls and women, is crucial in this respect.

The Department of Science, Technology and Innovation (DSTI) Decadal Plan 2022-2032 supports a whole-of-government approach to innovation to ensure that policies in various areas (trade, competition, education and procurement, for example) work together to support innovation.<sup>70</sup> The MTDP 2024-2029 will thus adopt a 'whole-of-society' strategy towards harnessing science, technology and innovation for rapid, inclusive and sustainable economic growth. This will include supporting public-private partnerships to leverage existing innovation and research towards commercial activities. In particular, the focus will be on MSMEs to increase their participation in new and emerging sectors and to increase funding towards the commercialisation of MSME innovations.

### 3.4.8. SUPPORTIVE AND SUSTAINABLE ECONOMIC POLICY ENVIRONMENT

To support the interventions outlined in the sections above and to put forward a coherent narrative regarding South Africa's economic policy, the Presidency, together with the National Treasury, will coordinate a process to integrate an economic strategy for macroeconomic, trade, industrial and innovation policy for a sustainable fiscal outlook. This will include implementing an integrated economic strategy for macroeconomic, trade, industrial and innovation policy and outlining the key drivers of growth, considering both macroeconomic and microeconomic factors.

<sup>69</sup> NPC, 2012, NDP, 326.

<sup>70</sup> Department of Science and Innovation, 2022, 'Science Technology and Innovation Decadal Plan', 21, <https://nstip.naci.org.za/knowledge-base/strategies/185-science-technology-and-innovation-decadal-plan-2022-2032/viewdocument/185>.

### 3.4.9 ECONOMIC TRANSFORMATION AND EQUITABLE INCLUSION OF WOMEN, YOUTH AND PERSONS WITH DISABILITIES FOR A JUST SOCIETY

The main developmental focus of the 7<sup>th</sup> Administration will be on the broader objectives of inclusive economic growth and reducing inequality, alongside promoting social transformation.

Economic empowerment interventions, explicitly targeting women, youth, and persons with disabilities (WYPD) are pivotal in achieving the NDP, MTDP, and GNU priorities relating to promoting inclusive growth and job creation. Despite significant advances in women's education levels, the employment rate of females has consistently been below that of males. In 2014, the male employment rate was 48.7% compared to the female employment rate of 36.9%. By 2024, the gender gap was at 44.9% for males compared to 35.8% for females.<sup>71</sup> In 2024, male employment levels were higher than females in all age categories.

These figures also demonstrate the low levels of youth employment, with young, black African women being the worst affected by unemployment. High youth joblessness poses both a threat and an opportunity. On the one hand, increasing numbers of young people seeing themselves as excluded from reaping the fruits of democracy lay the basis for social instability. On the other hand, the youth dividend points to the opportunity to harness the energy and potential of young people towards building an inclusive economy and a more prosperous South Africa.

There is substantial evidence in South Africa and internationally that gender-blind and gender-neutral programmes and interventions tend to merely reproduce the status quo or result in regression. The same is true for the inclusion of youth and persons with disabilities. Shifting towards more inclusive and equitable outcomes requires deliberate and explicit measures to ensure equitable representation of WYPD in employment creation and other economic initiatives.

The Constitution states: 'The state may not unfairly discriminate, directly or indirectly against anyone on one or more grounds, including race, gender, sex, pregnancy, marital status, ethnic or social origin, colour, sexual orientation, age, disability, religion, conscience, belief, culture, language and birth.'<sup>72</sup> Similarly, no person may unfairly discriminate

on these grounds. Various policies and laws are in place to prevent unfair discrimination and promote equity. However, more needs to be done to give effect to this constitutional imperative.

Various programmes have been implemented to target WYPD, including public employment programmes and MSME support. However, the scale of these programmes is not yet sufficient to make a significant impact. The priority in the MTDP 2024-2029 period will be to improve the scale and impact of such programmes, particularly those that are most effective. Most importantly, the private sector creates the majority of jobs and can integrate businesses into its value chains. Inclusion therefore requires that further emphasis be placed on how the private sector can increase its contribution to the employment of WYPD and the integration of WYPD-owned businesses.

The participation of WYPD in the economy is profoundly influenced by multiple factors, including Gender-based Violence and Femicide (GBVF), access to basic services, housing, affordable and safe public transport, education and skills development, healthcare, quality of policing and, for women, unpaid care and domestic work. These will be covered in Strategic Priority 2.

While WYPD interventions are cross-cutting, the main priority areas are:

- Expanding private sector employment of WYPD in collaboration with business and labour in key economic sectors, including through Master Plans and priority sectors such as services, agriculture, manufacturing, mining, energy, and tourism;
- Expanding the number, size, and quality of WYPD-owned enterprises, including through a multi-pronged and optimised strategy of proactive support and improved access to enterprise development, public procurement opportunities, finance, skills and facilities. In collaboration with the private sector, the integration of WYPD enterprises in sector value chains will be enhanced;
- Building on past successes to further expand participation by WYPD in public employment programmes and facilitate pathways to sustainable livelihoods;

<sup>71</sup> Statistics South Africa, 2024, Gender Series Volume XI: Women Empowerment, 2014-2024, 24.  
<sup>72</sup> Constitution of the Republic of South Africa, Section 9.3.

- Expanding equitable land ownership by WYPD. This includes strengthening land reform and prioritising the transfer of state land towards equitable access to and ownership of land for WYPD. Also important is improved post-settlement support by strengthening the institutional capacity of responsible structures and proactive interventions to empower WYPD farmers within the agricultural sector.

While government will promote such programmes, it will also strengthen partnerships with NGOs, the private sector, as well entities linked to the state, such as various youth employment initiatives and the National Economic Development and Labour Council (NEDLAC), to scale up programmes so that their benefits can be more broadly realised.

### 3.5 KEY ENABLERS AND INTERLINKAGES

The achievement of the desired outcomes from the above strategic interventions will depend upon the following key enablers and interlinkages:

- Effective cross-government coordination. This will involve establishing effective arrangements across and beyond government fostering a unified approach to planning and implementing multi-agency partnerships. Clear lines of authority and responsibility for each component of the programme, including those that cut across institutional mandates, will be needed;
- Clear policy goals and strategies. Articulating well-defined policy objectives to be pursued and the strategies adopted to deliver them, including the phasing and sequencing of key interventions, will be required;
- Adequate resource allocation. Allocating sufficient human and financial resources to operational units responsible for implementation of each strategic intervention will be essential to empower these units to carry out their tasks and achieve the desired results;
- Prioritised research and development (R&D) investment. Investment in research and development initiatives that focus on practical applications, including for MSMEs will be important; and
- Efficient technology transfer. Establishing effective mechanisms to facilitate the transfer of technology from research institutions to the market will ensure that innovative ideas lead to new business opportunities and

economic growth.

The achievement of the goals of this strategic priority is dependent on the effective performance of the respective responsible state institutions, and thus on the success of the capable state interventions of Strategic Priority 3.

### 3.6 KEY RISKS AND MITIGATIONS

The primary risk to the successful implementation of the suite of interventions that comprise this Strategic Priority is political instability or a lack of agreement between political parties on key policy issues. An important measure to mitigate these risks has already been taken with the establishment of the GNU and the publication of its Statement of Intent. This should be underpinned by detailed governance arrangements to ensure that there is a coordinated approach across all government institutions. Mechanisms must be put in place to ensure efficient decision-making processes and swift implementation strategies to avoid policy paralysis.

A further risk is that the implementation of priority interventions might be delayed by a failure to achieve the necessary consensus beyond government and across society on key elements. It is relevant to note that policy disagreement and paralysis have been the root cause of the failure to achieve growth outcomes over the past decade. This risk may be mitigated by engagements with social partners in forums such as NEDLAC. However, given the current low levels of trust among political role players, the involvement of civil society and the recognition of its role in monitoring the implementation of the MTDP 2024-2029 and the contributions of the various GNU partners will be critical and must be supported.

It is essential to consider several key risks in the economy and in respect of unemployment. One significant concern is insufficient collaboration between the public and private sectors in the development and execution of sector specific industry Master Plans. To address this risk, fostering PPPs aligned with the public interest, particularly in creating labour-intensive jobs and promoting inclusive economic growth, should be prioritised. Another risk involves potential inconsistencies within the system, stemming from existing incentives and sector support programmes that do not effectively encourage scalable investments or deliver the desired outcomes.

69 NPC, 2012, NDP, 326.

70 Department of Science and Innovation, 2022, 'Science Technology and Innovation Decadal Plan', 21, <https://nstiip.naci.org.za/knowledge-base/strategies/185-science-technology-and-innovation-decadal-plan-2022-2032/viewdocument/185>.

This risk can be mitigated by reviewing and refining current incentives and support programmes to ensure they are geared towards promoting scalable investments, are results-driven and achieve their intended objectives.

The complexity of the PPP regulatory framework may impede infrastructure investment. Simplifying this framework can alleviate this risk and encourage more robust investment. There is also a risk that direct public investment may not yield sustainable outcomes. It is therefore crucial to prioritise effective implementation strategies, such as engaging private sector partners. Such prioritisation can enhance investment performance and increase the likelihood of successful long-term operations.

The reproduction of the current inequitable distribution of opportunities by sex, age and disability remains a considerable risk. This requires explicit strategies by every organ of state to mainstream WYDP in all their programmes, planning and reporting systems and budgets.

### 3.7 PARTNERSHIPS AND CONTRIBUTIONS OF THE NON-STATE SECTOR

It has become evident during the recent past that partnerships between state and non-sector role players can be transformative. This is exemplified by initiatives such as the partnership between government and organised business through Business for South Africa (B4SA) to tackle pressing challenges such as energy, logistics, crime, and corruption. Various sector-based initiatives in which public and private organisations have a common interest to achieve specific outcomes, such as the Public-Private Growth Initiative (PPGI), have also made significant progress. These models of collaboration will be supported and strengthened in pursuit of the objectives of the MTDP 2024-2029.

It is therefore crucial to create confidence among all stakeholders that growth policies will succeed. As growth increases and the debt trajectory is stabilised, further spending on policy priorities will become possible. In the interim, innovative mechanisms to leverage private capital will be pursued in addition to the reprioritisation of existing resources towards the interventions outlined above. There is ample evidence of inefficiency in the performance of many functions of government which suggests that improved operational efficiency has the potential to yield savings that

could fund new activities. With appropriate models in place, a further source of financing for infrastructure projects are pension funds in both the public sector, through the Public Investment Corporation (PIC), the Government Employees' Pension Fund (GEPF), and the private sector.

The Presidency, working with the Department of Women, Youth and Persons with Disabilities (DWYPD) and other stakeholders, initiated the Women Economic Assembly (WECONA), which brings together the private sector, businesswomen, government, women's organisations and civil society in a partnership to improve women's participation in the mainstream of the economy and contribute to strengthening the economy. The partnership focuses on various sectors and was launched by President Cyril Ramaphosa in 2021. This and related partnerships will continue to play a key role in achieving inclusive growth in South Africa.

### 3.8 SUMMARY

Driving inclusive growth and job creation is the Apex Priority of the 7<sup>th</sup> Administration and is key to eradicating poverty, reducing inequality and unemployment, and the wider transformation of society. It is also central to realising the constitutional rights of WYDP. The priority over the next five years is to grow existing economic activity and associated employment by removing regulatory and other barriers to investment and creating a supportive enabling environment. To this end, shifting South Africa's economic trajectory and addressing the binding constraints on growth to secure private investment is key. The accelerated implementation of structural reforms through Operation Vulindlela will also improve the performance of network industries, leverage private capital, enhance competition, and unlock investment. Simultaneously, building on the reforms initiated during the 6<sup>th</sup> Administration in the energy, logistics, telecommunications, and water sectors and the visa system reforms must occur. Interventions aimed at stimulating inclusive economic growth and job creation in the private sector will be complemented by enhanced public investment in employment.



*Driving inclusive growth and job creation is the Apex Priority of the 7<sup>th</sup> Administration and is key to eradicating poverty, reducing inequality and unemployment, and the wider transformation of society.*





# **CHAPTER 4**

**STRATEGIC PRIORITY 2: REDUCE POVERTY  
AND TACKLE THE HIGH COST OF LIVING**



## CHAPTER 4: STRATEGIC PRIORITY 2: REDUCE POVERTY AND TACKLE THE HIGH COST OF LIVING

### 4.1 INTRODUCTION

The NDP outlines several objectives aimed at alleviating poverty. The GNU Statement of Intent supports these objectives by emphasising the need to create a more just society through the following actions: addressing poverty, tackling spatial inequalities, reducing food insecurity, and lowering the overall cost of living. These goals will be achieved by establishing a social safety net, enhancing access to and the quality of basic services, and protecting workers' rights. Furthermore, the Statement of Intent commits to investing in people through education, skills development, and providing affordable, quality health care. Strategic Priority 2 reinforces these goals by outlining various interventions and targets designed to reduce poverty and address the high cost of living.

Most interventions under Strategic Priority 2 are part of the "social wage," which encompasses social grants, free basic services, no-fee schooling, school nutrition programmes, social housing, free primary healthcare, and subsidised public transport. The social wage significantly helps reduce the cost of living for low-income individuals and aims to eliminate absolute poverty. Additionally, it contributes to local economic development by fostering a healthier and more educated workforce, enhancing participation in the economy, and creating a more stable community environment in which businesses can thrive. These factors also support Strategic Priority 1, which focuses on building a more inclusive economy and promoting job creation.

### 4.2 PROBLEM STATEMENT

Poverty, inequality and unemployment remain South Africa's three main developmental challenges. These remain key factors that threaten the nation's economy, social cohesion and the overall wellbeing of the country. In this context, the state's responsibility to provide social protection and a social wage that reduces the cost of living and thus contributes to poverty alleviation is more critical than ever. South Africa's constitutional democracy is founded on the values of human dignity, equality and freedom. These values are given effect, according to the Bill of Rights, through the achievement of equality, the advancement of human rights, freedoms and the attainment of the rights to enable a decent life, such as a clean environment, adequate housing, healthcare, sufficient food and water, social security and education. While the Constitution acknowledges that these rights cannot all immediately be provided, the state is urged to take reasonable legislative and other measures, within its available resources, to achieve their progressive realisation.





The delivery of the various elements of the social wage faces several challenges. These include systemic bureaucratic inefficiencies and breakdowns, failures of basic services provision, often linked to a lack of institutional capacity, and the failure to respect the Batho Pele principles championed by the government since the late 1990s. Strategic Priority 3, which will be discussed in the next chapter, plays a key role here in building state capability.

The scale of the challenges can be gauged by the fact that the overall social wage accounts for almost 60% of government's non-interest expenditure, with education being the largest single budget item. Government thus faces a dilemma: the need to balance government expenditure between the different sectors that comprise the social wage and the other aspects of state expenditure, while still supporting poverty reduction. This means that in addition to optimising the social wage, government must sustain and expand the economic activities that fund the social wage.

#### 4.3 NDP GOALS AND OBJECTIVES

The NDP focuses on improving the socio-economic well-being of South Africans through the broad social wage. The NDP also prioritises the rights of women, youth, people with disabilities and children (WYPD), as a crosscutting theme. The following are the objectives of the NDP:

- An inclusive social protection system that addresses all areas of vulnerability;
- A defined social floor, with no household living below this floor;
- Lowering the cost of living for the poor and ensuring the incomes of vulnerable groups be kept above the poverty line through various means, such as cash grants, public works programmes, training and other labour market incentives and social security mechanisms;
- No poverty-induced hunger, malnutrition and micronutrient deficiencies;
- Improved access to housing and greater spatial justice;
- De-racialising the rural economy, and ensuring democratic and equitable land allocation and use across race, gender and class;
- Raising the life expectancy of South Africans to at least 70 years;
- Reforming the health system leading to universal

healthcare coverage, improved primary healthcare provision to families and communities, and ensuring that the generation of under-20s is largely free of HIV, and TB prevention and cure is progressively improved;

- Reducing maternal, infant and child mortality;
- Significantly reducing the prevalence of non-communicable chronic diseases;
- Ensuring South Africans have access to the highest quality education and training, with an education, training and innovation system that caters for different needs and produces highly skilled individuals;
- Allowing learners to take different pathways that offer high quality learning opportunities, with clear linkages between schools, further education and training (FET) colleges, universities of technology, universities and other providers of education and training;
- Establishing gender equality across all sectors, ensuring equal rights, opportunities and representation for women, full economic empowerment of women, with equal access to jobs, fair wages and leadership roles, and a significant reduction in gender-based violence and femicide (GBVF); and
- Reducing youth unemployment, and achieving universal access to education and vocational training to equip young people with relevant skills, and a high level of participation by youth in political and societal decision-making processes.

The MTDP 2024-2029 has maintained a focus on these NDP objectives, and Strategic Priority 2 aligns closely with several NDP chapters, including those addressing social protection (Chapter Eleven), health promotion (Chapter Ten), education, training and innovation (Chapter Nine), and building safer communities (Chapter Twelve). To achieve these numerous and critical outcomes under Strategic Priority 2, the MTDP 2024-2029 outline six outcomes for this term.



## 4.4 OUTCOMES FOR STRATEGIC PRIORITY 2

The main developmental objectives associated with the priority of reducing poverty and tackling the high cost of living highlight various interventions for each developmental objective. The outcomes sought are:

- Reduced poverty and improved livelihoods;
- Improved coverage of social protection;
- Improved access to affordable and quality healthcare;
- Improved education outcomes and skills;
- Skills for the economy; and
- Social cohesion and nation-building.

### 4.4.1 REDUCED POVERTY AND IMPROVED LIVELIHOODS

The deep-rooted and multi-faceted nature of poverty in South Africa demands a comprehensive approach. In addition to the more targeted measures outlined in the MTDP 2024-2029, a range of other interventions will be implemented.

#### *NATIONAL MINIMUM WAGE*

The Department of Employment and Labour in consultation with the National Treasury will ensure that the national minimum wage is regularly increased, in line with inflation.

#### *VAT ON FOOD AND AFFORDABLE BASIC FOODS*

To ensure that all South Africans have affordable access to sufficient food, the basket of food items that is exempted from VAT will be reviewed to determine the additional items that can be included. This will lower the cost of living, especially for the most impoverished sections of the population. In partnership with the food industry and civil society, a new system will be introduced that will make an affordable basket of basic foods that are high in protein available.

#### *PROPER IMPLEMENTATION OF THE INDIGENT POLICY*

To ensure that all South Africans can access a minimum level of basic services, municipalities are required to establish an indigent policy that governs eligibility to that package of services. Funding for these services is provided by the National Treasury to local governments in line with the income profile of each municipality's population. However, in many municipalities, the proportion of households that benefit from the equitable share is significantly lower than the number that qualify. In many cases, this is because poor

people find it difficult to comply with the onerous administrative processes needed to qualify for indigent status. To respond to this, national and provincial governments will ensure that individual municipalities meet their obligations to ensure that the old, the infirm and the poor are assisted and supported so that they can benefit from the basic services as intended.

#### *REDUCING ADMINISTERED PRICES TO ENABLE POOR PEOPLE TO ACCESS PUBLIC SERVICES*

In many areas, fees and prices for services are set administratively and the basis on which they are set is unclear. The poor are disproportionately negatively affected by this. During the MTDP 2024-2029 period, government will actively seek to identify those areas in which poor people are adversely affected by administratively determined prices and fees for public services and will take measures to reduce them.

#### *ACCELERATE SOCIAL HOUSING IN SUPPORT OF SUSTAINABLE HUMAN SETTLEMENTS*

The persistence of inappropriate settlement patterns is driven, in part, by the availability of land in urban peripheries where its development for low-income residential use is relatively cheap and largely uncontested. Strategically located land is still largely and disproportionately owned by the state and private owners. State-owned land in well-located areas will be a major focus of the MTDP 2024-2029. In many cases, this land is owned by SOEs and national government departments.

Development of housing by and for low-income households in more spatially favourable central areas requires more active zoning and development planning interventions. There should also be a strategic rebalancing between space-neutral policies (all areas have the same access to support); place-based policies (in which each area must set its own priorities); and spatial-rebalancing policies (in which certain areas are deliberately favoured to support spatial transformation).<sup>73</sup>

<sup>73</sup> Todes, A. and Turok, I. 2017. 'Spatial inequalities and policies in South Africa: place-based or people-centred?', *Progress in Planning* 123, 1-31.

The MTDP 2024-2029 will prioritise well located social housing and associated services. It will also support the development of more peripheral areas by land release and infrastructure service provision. To support the larger intervention programme, a related intervention will address the backlog of title deeds for subsidised housing, turning homes into household assets. We will review land-use, building and other regulations to enable low-cost property development. This will give households more flexibility to make their own decisions about location and respond to emerging opportunities.

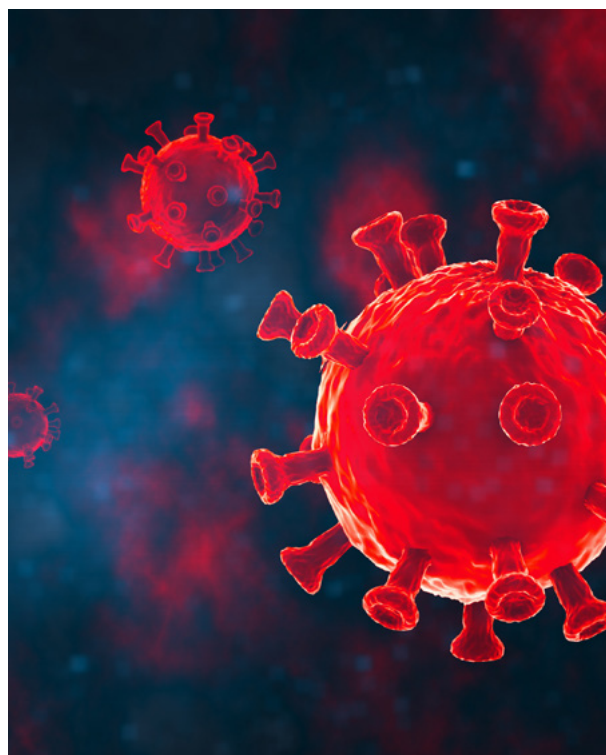
#### *INTEGRATED PUBLIC TRANSPORT AND SPATIAL TRANSFORMATION OF CITIES*

The NDP acknowledges that 'most South Africans live in a complex network of towns and cities, which generates about 85% of all economic activity', while recognising the interdependency and indistinct boundaries between rural and urban areas. South Africa's cities are currently not fulfilling their role as engines of growth and centres of prosperity, and many rural areas are not sustainable areas of development. Spatial inequality is an important constraint on growth and job creation in South Africa, with many poor households forced to live far from economic opportunity due to the spatial structures imposed by apartheid. This results in economic exclusion, labour market frictions, and high transport costs, inhibits the growth of the informal sector, and creates negative externalities such as pollution and high carbon emissions. It is critical to the future of the national economy and for households to get South Africa's large cities and towns working again. The MTDP proposes interventions that seek to integrate public transport, thus reducing household transport costs, and that transform the spatial economies and areas of cities and towns. Returning all passenger rail corridors to service and providing low-cost transport options for the poor and enabling integrated public transport networks will be a key focus over the medium term. Driving spatial transformation and community development will require sustainable urban planning that supports household's ability to access economic opportunities and employment in a more efficient manner. These reforms will be part of phase 2 of Operation Vulindlela to ensure a coordinated approach.

#### **4.4.2 IMPROVED COVERAGE OF SOCIAL PROTECTION**

The 10-Year Review of the NDP reported significant early progress with poverty levels falling from 51% of the population in 2006 to 36.4% in 2011.<sup>75</sup> However, levels rose again to 40% in 2016, and the situation has continued to deteriorate since then. For example, between 2015 and 2020, the number of people living in extreme poverty (below the food poverty line) increased from 13.3 million to 19.4 million. In an effort to alleviate poverty, government will continue to roll out a comprehensive social security package within available fiscal resources. This will also entail protecting the real value of social grants against the effects of inflation. Government will also continue to optimise the social security package through administrative efficiencies and integrated systems to reduce areas of wastage and duplication.

The COVID-19 pandemic aggravated the poverty challenge. Government responded by introducing the SRD Grant. This complemented the Unemployment Insurance Fund (UIF) COVID-19 Temporary Employment Relief Scheme (TERS) support for formally employed persons who had lost their jobs. Some 8.5 million people now receive the SRD Grant, and its withdrawal would leave a glaring hole in the livelihoods of millions of the poorest South Africans. The MTDP 2024-2029 outlines the need to transition the grant towards a more sustainable form of income for the unemployed.



<sup>75</sup> NPC. 2022. '10-year Review', 5.

#### 4.4.3 IMPROVED ACCESS TO AFFORDABLE AND QUALITY HEALTHCARE

The health sector is institutionally and technically complex. The MTDP 2024-2029 seeks to put in place the key building blocks of longer-term universal health coverage. As a start the MTDP 2024-2029 will prioritise the strengthening of the primary healthcare (PHC) sector. This is to ensure that home and community-based services, as well as clinics and community health centres, are well resourced and appropriately staffed to provide the promotive, preventive, curative, rehabilitative and palliative care services required for South Africa.

##### *ACHIEVE UNIVERSAL HEALTH COVERAGE TO ADDRESS INEQUITY AND FINANCIAL HARDSHIP*

An overarching goal of the MTDP 2024-2029 in relation to healthcare is the need to promote greater equity between public and private healthcare provision. A structured process of health sector reform will be required to achieve greater equity. This process will be carefully sequenced to ensure the continuation and improvement of existing, effective services. To this end implementation of the National Health Insurance (NHI) will provide a foundation for action across both public and private healthcare platforms. The MTDP 2024-2029 also supports the broader reforms on NHI through the establishment of Ministerial Advisory Committees on health technologies and health care benefits, and an accreditation framework for health service providers. To this end, mechanisms will be established to ensure that the stakeholders in the NHI process will continue to be engaged and involved in the design and oversight of implementation. The NHI system will be implemented in phases designed to achieve universal access to healthcare and a reduction in the relative cost of private medical care.

Recognising that non-communicable diseases (NCDs) arise from both poverty and unhealthy lifestyles, priority must increasingly be given to strategic interventions to reduce the NCD burden to manageable levels in response to changing patterns of ill-health. The MTDP 2024-2029 will build on the 2022 Strategic Plan for the Prevention and Control of Non-Communicable Diseases, whose implementation and progress will be supported and monitored.

#### *IMPROVE CAPABILITIES AND MANAGEMENT OF HEALTH PERSONNEL*

The MTDP 2024-2029 will also have a renewed focus on strategic initiatives to address the health sector's institutional and financial arrangements. Critical among these are actions to build the sector's human resource capabilities through the Human Resource Strategy. Training arrangements will also be reviewed during the MTDP period and consideration given to the development of training partnerships with private sector health institutions.

##### *FACILITIES DEVELOPMENT AND MANAGEMENT*

A robust facilities development and management programme is essential for achieving universal healthcare. The MTDP 2024-2029 will make improved healthcare infrastructure a cornerstone of an effective healthcare system. This will require a focus on maintenance and expansion of infrastructure and equipment and the procurement and management of consumables. Existing institutional arrangements may have to be reviewed and revised to ensure that the required improvements can be successfully delivered and sustained.

#### 4.4.4 IMPROVED EDUCATION OUTCOMES AND SKILLS

According to the NDP, South Africa's education system needs urgent action to improve the quality of its outcomes. The MTDP 2024-2029 prioritises the implementation of the 2030 Strategy for Early Childhood Development (ECD) as the foundation for the education system. This will require improvement in cross-departmental and inter-governmental coordination involving all departments that have an influence on development over the child's first 1 000 days.

In basic education, the MTDP 2024-2029 also prioritises improvements in reading and mathematics, especially at Grade 3 level. Other interventions will include improved lesson plans, graded reading books and individualised coaching of teachers. These interventions should also improve learners' successful progression through the system and reduce inequity by targeting poorly performing schools. The Minister of Basic Education will also introduce national policy, norms and standards and regulations to empower all partners in basic education to support the implementation of the Basic Education Laws Amendment Act.

#### 4.4.5 SKILLS FOR THE ECONOMY

The MTDP 2024-2029 identifies that the immediate priority for Post-school Education and Training (PSET) is to address the deepening distortion of the intended shape of the sector and the failure to grow the size, quality and credibility of the college sectors. This distortion of the system is reflected in the high proportion of the youth population in the category of not in employment, education or training (NEET) without any formal skills.

There is a need to ensure that the PSET sector produces the skills required by the economy. This will require a strengthening of partnerships with the private sector for the design of curricula, and the unlocking of workplace learning opportunities for graduates. Interventions will also be focused on strengthening the quality and capacity of technical and vocational education and training (TVET) and community colleges and providing strategies to improve quality in staffing and articulation pathways for National Certificate: Vocational (NCV) students.

The MTDP 2024-2029 will also prioritise the reform of the Sector Education and Training Authorities (SETAs), a long outstanding matter, in line with a demand-led skills strategy for the economy. The NSFAS will also be reviewed to ensure that student funding prioritises targeted skills and sectors. Interventions will be programmed and sequenced to stabilise the quality of the PSET sector in with progressive expansion.

#### 4.4.6 SOCIAL COHESION AND NATION-BUILDING

Nation-building, social cohesion and unity in diversity is one of the foundational principles of the Statement of Intent, echoing the NDP. Its minimum programme of priorities includes strengthening social cohesion, nation-building and democratic participation, and undertaking common programmes against racism, sexism, tribalism and other forms of intolerance.

The NDP identified the following as critical in the nation-building effort:

- Knowledge of the Constitution and fostering constitutional values;
- Equalising opportunities, promoting inclusion and redress;
- Promoting social cohesion across society through

increased interaction across race and class;

- Promoting active citizenry and broad-based leadership; and
- Achieving a social compact that will lay the basis for equity, inclusion and prosperity for all.

#### *PROMOTE AND PROTECT SOUTH AFRICA'S DIVERSE LANGUAGES AND CULTURES*

The MTDP 2024-2029 will outline more targeted responses to promote South Africa's languages and cultures. The Department of Basic Education (DBE) will promote mother tongue-based learning and workbooks, especially at foundation phase.

#### *PROMOTE PROGRAMMES TO COMBAT RACISM, SEXISM AND OTHER FORMS OF INTOLERANCE*

South Africa continues to suffer racism, sexism and various other forms of intolerance, including xenophobia. Many forms of intolerance in South African society, including racism and xenophobia, are related to socio-economic problems and must be addressed through strategies for socio-economic redress. Additionally, the relevant Chapter 9 institutions will promote tolerance and the embracing of diversity, and for the emergence of a shared South Africa identity and national pride. The DBE will also consider including anti-racism, anti-sexism and tolerance education into the curriculum throughout primary and secondary school levels. The Department of Sports, Arts and Culture (DSAC) will make funding available to produce media content that promotes tolerance and opposes racism, sexism, xenophobia and other intolerant attitudes.





This important task also requires a whole-of-society approach. As such, the national dialogue will galvanise society at various levels, including trade unions, community organisations, social movements and faith-based organisations to develop education programmes and campaigns to address these challenges at community level.

#### *IMPLEMENT A NATIONAL CIVIC EDUCATION CAMPAIGN ON THE CONSTITUTION, INCLUDING AT ALL PUBLIC AND PRIVATE SCHOOLS*

Institutions across South African society, especially government, the corporate sector, labour movements, civil society generally and faith-based organisations need to be galvanised around a common civic education programme. Partnerships with all forms of media are essential. The Constitution will serve as the starting point and basis for such a programme. The DBE will ensure that civic education forms part of the curriculum for learners.

#### *PROMOTE THE INVOLVEMENT OF KEY STAKEHOLDERS TO STRENGTHEN SOCIAL COHESION*

While social cohesion is the responsibility of all South Africans, specific institutions and individuals will be brought together to work actively in the social cohesion framework. The national dialogue process will be responsible for convening the forums that will bring these diverse stakeholders together. These will include the state, SOEs, Chapter 9 institutions, traditional leaders, business, labour, non-governmental organisations (NGOs), social movements, organisations focused on social cohesion, student and youth organisations, and faith-based organisations. Out of the national dialogue process, a multi-stakeholder social cohesion and reconciliation committee (SCRC) will be established and located in the Presidency. Apart from general promotion of social cohesion, the SCRC will prepare an annual reconciliation and social cohesion gauge for presentation to the Presidency and Parliament, and will investigate and make recommendations on socio-economic interventions to strengthen social cohesion and build the nation.

#### *SUPPORTING THE RIGHTS OF WOMEN, YOUTH, PEOPLE WITH DISABILITIES AND CHILDREN*

Several targeted programmes in entrepreneurship will be implemented to support women, youth and people with disabilities. This will be achieved by providing access to finance,

mentorship and markets. Government will ensure that small businesses and cooperatives owned by these groups will be included in value chains in the public and private sectors. Regulations, policies and, if necessary, legislation will be instituted to address the gender pay gap and ensure equal opportunities for all in the workforce.

The National Strategy to Accelerate Action for Children (NSAAC) will fast-track essential child rights delivery through strengthening institutional mechanisms and inter-sectoral collaboration. This strategy will require action from the full spectrum of role players in society to accelerate improved outcomes for children and teens, and the creation of an enabling, rights-based environment to achieve this.

### **4.5 KEY ENABLERS AND INTERLINKAGES**

The key enabler to ensure the achievement of the goals of Strategic Priority 2 will be to generate sufficient financial resources to fund the necessary operations, income transfers and related support activities. It is also recognised, however, that the achievement of Strategic Priority 2 will depend on the effectiveness of the state institutions responsible for operationalising the respective interventions. In this regard, many of the interventions to be undertaken under Strategic Priority 3 will be key enablers. While the primary objective of improving coordination, accountability and priority setting across government is critical, it will also be important to ensure successful outcomes regarding the strengthening of local government, since the local sphere is directly responsible for a significant number of the interventions of Strategic Priority 2.



#### 4.6 KEY RISKS AND MITIGATIONS

Strategic Priority 2 aims to enhance the quality and coverage of social programmes, improve service delivery and ensure sustainable funding. However, several risks have the potential to hinder the achievement of these goals. Socio-economic instability and fiscal constraints could limit the government's ability to sustain and expand social wage programmes. Socio-political instabilities could undermine the effectiveness and continuity of social programmes, leading to inadequate coverage and support for the most vulnerable populations. Rapid population growth and urbanisation could strain social services and make it challenging to maintain and optimise the programmes.

In terms of social protection, proposals for a basic income support aim to reduce the risk that competing initiatives might produce suboptimal and fragmented results. It is equally important to avoid the risk of policy paralysis that could impact on continued support to the individuals and communities concerned. However, the scale of the programme makes the possibility of failure during the implementation phase a significant risk. A related risk is the failure to effectively manage the balance between grant-based income support and the wider set of free services that constitute the social wage that poorer communities could otherwise not afford. Gaps in social protection programmes may leave certain vulnerable groups without necessary support. To mitigate these risks, centralised leadership is important for coordinating social protection efforts for South Africa's people, ensuring alignment and commitment across different institutions and protecting basic public services.

Two significant risks in respect of health interventions are the potential failures to integrate public and private facilities and to secure sufficient financial resources for the NHI. To mitigate these, it will be important to give careful attention to the planning and phasing in of the NHI. Early collaboration between key stakeholders will facilitate the gradual introduction of joint activities. An associated risk is that there may be public misunderstanding of the intent and implementation schedule of the NHI. To avoid this, an ongoing campaign of public information will be required. This should provide clear practical examples of tangible progress. These could include early implementation of shared approaches to basic primary healthcare programmes such as vaccination and screening,

and functions such as the dispensing of medicines.

The primary risk in the education sector is the potential impact of budget cuts. This will especially be the case for inputs that have made progress possible such as access to learning and teaching support material (LTSM) and learner-supporting interventions such as national school nutrition. To mitigate these, substantive reprioritisation should be done to address the policy sprawl that has dispersed limited human and fiscal resources. There will also be better alignment between national and provincial planning for basic education and ECD, while rationalising programmes that no longer add value. A further risk is that a failure to implement ECD successfully and at scale will prejudice the ability of future cohorts of young people to benefit fully from basic education. The most important mitigation measure will be to ensure that ECD programmes are widely implemented.

Special attention should be given to including the poorest and most marginalised communities whose children are most likely to be left behind. Other risks are that indicators may be chosen that are not meaningful in medium-term frameworks such as the periodic assessments (international and national) that are conducted at intervals of several years. Annual planning requires indicators that are more frequent and immediate and can guide practice. To mitigate this risk, medium-term targets and interventions must be linked to resource allocation to ensure that the necessary human and material resources are available.



#### 4.7 PARTNERSHIPS AND CONTRIBUTIONS OF THE NON-STATE SECTOR

Many non-profit, community and faith-based organisations and other civil society bodies have community memberships that can and do provide frontline and monitoring support of social security, health and education programmes. These play a crucial social welfare role in supporting individuals and households in situations of acute distress. They also provide similar support in education, particularly in ECD programmes and through school governing bodies. Active partnerships create trust in communities, and coordination between the state and civil society bodies will become regular and routine. The private sector plays an important role in providing work-based learning, which is a formal requirement for some students to obtain their qualifications, and is a vital contribution to more practically oriented training programmes.

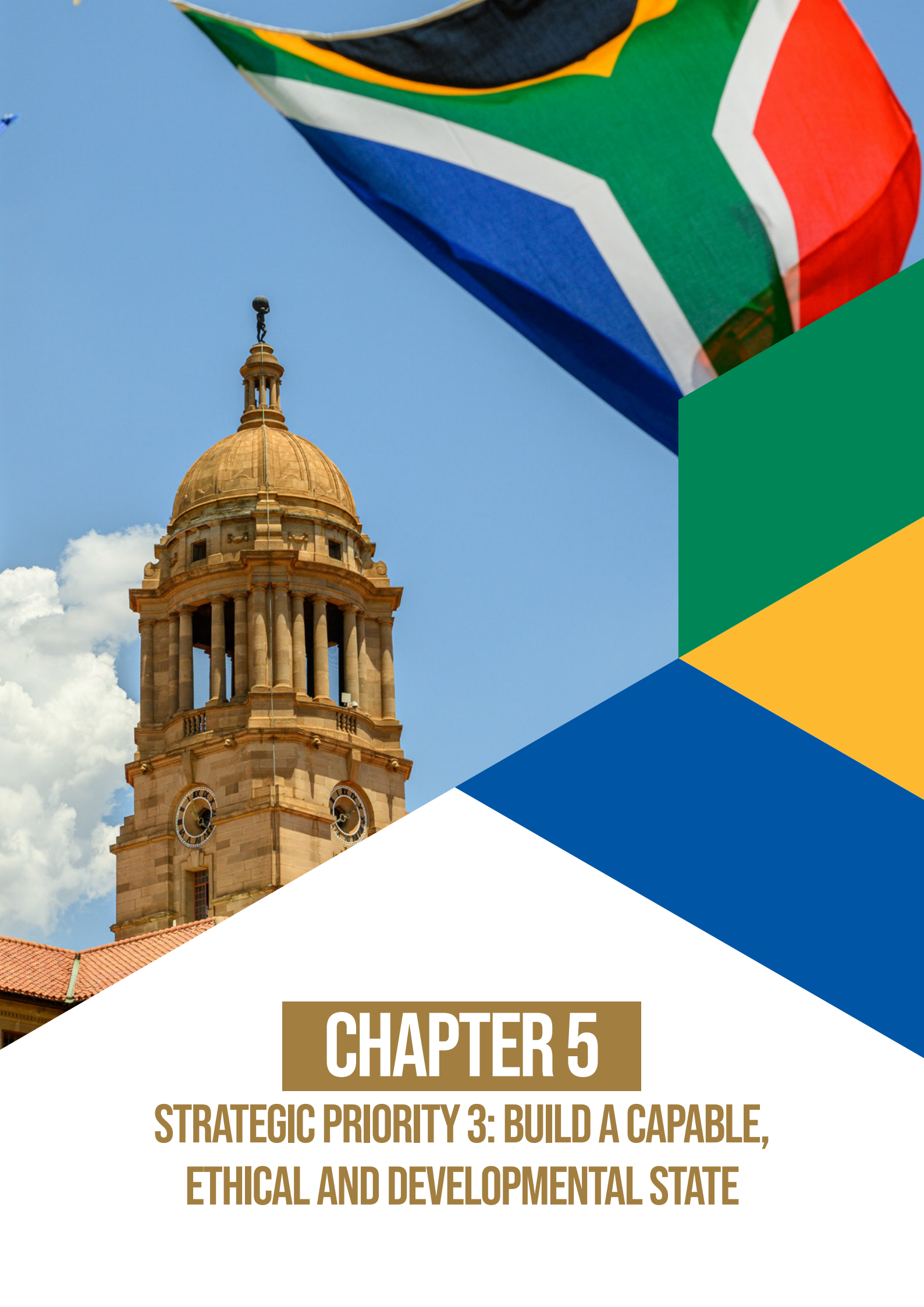
#### 4.8 SUMMARY

The primary developmental focus of the 7<sup>th</sup> Administration will be on increasing economic growth and reducing inequality. However, it is crucial to promote social transformation in economic participation to ensure a more inclusive economy. Existing programmes that support women, youth, and people with disabilities in entrepreneurship and employment will be streamlined and optimised. While the government will promote these programmes, it will also strengthen partnerships with non-governmental sectors and entities linked to the state, such as various youth employment initiatives, to expand successful programmes so that their benefits can be more widely experienced. Legal measures will be implemented to address the gender pay gap and ensure equal opportunities for everyone. A strong emphasis will be placed on addressing spatial injustices by directing capital investment spending that reduces the cost of living for households.

*The primary developmental focus of the 7<sup>th</sup> Administration will be on increasing economic growth and reducing inequality. However, it is crucial to promote social transformation in economic participation to ensure a more inclusive economy.*







# CHAPTER 5

**STRATEGIC PRIORITY 3: BUILD A CAPABLE,  
ETHICAL AND DEVELOPMENTAL STATE**





## CHAPTER 5: STRATEGIC PRIORITY 3: BUILD A CAPABLE, ETHICAL AND DEVELOPMENTAL STATE

### 5.1 INTRODUCTION

Strategic Priority 3 aims to build a capable, ethical, and developmental state. This is essential for achieving Strategic Priorities 1 and 2. To achieve inclusive growth and job creation, a capable government is necessary, as it plays both direct and indirect roles within the economy. The direct roles are carried out by major SOEs while indirectly, government influences the economy through key regulatory and fiscal instruments. Therefore, a professional and competent state is crucial for the economy's functioning and the well-being of its citizens. This chapter outlines key reforms aimed at professionalising the state, with a particular focus on local government and SOEs. Additionally, Strategic Priority 3 seeks to strengthen law enforcement agencies to combat crime, fight corruption, and eliminate gender-based violence, while also enhancing national security capabilities. The MTDP 2024-2029 prioritises efforts to address key crimes and modernise law enforcement agencies. In terms of our international relations, the MTDP 2024-2029 promotes a foreign policy that supports human rights and peace while strengthening ties within Africa and with the broader world.

### 5.2 PROBLEM STATEMENT

Progress has been made over the past three decades. However, South Africa has made limited progress on the aspirations of the NDP. This reflects the broader problem of an implementation gap as a result of institutional weaknesses and a lack of coordination. The deterioration in the performance of the state and the values of public service is associated with a broader decline in social values

and a greater emphasis on individual rather than collective interests.

An immediate challenge is the declining performance of the local government sphere. This sphere is critical because it is responsible for delivering basic services to South Africans. If this sphere cannot provide and sustain the services to which it is bound in terms of the Constitution, the people and the economic and social institutions on which they depend cannot function. Local governments also face additional challenges, including financial constraints, that limit their ability to deliver essential services.



### 5.3 NDP GOALS AND OBJECTIVES

The strategies to build a capable, ethical and developmental state are outlined in the NDP. The ultimate goal is to professionalise the public service and develop an ethical and collaborative culture. The NDP set out eight areas in which targeted action on state capacity is particularly important:

- Stabilise the political-administrative interface;
- Develop technical and specialist professional skills;
- Strengthen delegation, accountability and oversight;
- Improve interdepartmental coordination;
- Strengthen local government;
- Clarify the governance of SOEs;
- Take a proactive approach to improving relations between national, provincial and local government; and
- Make the public service and local government administration careers of choice.

Strategic Priority 3 aligns closely with the NDP's Chapter 13 on 'Building a capable and developmental state', drawing also on other NDP chapters related to strengthening of the state. Four broad areas of alignment between the two documents are: strengthening the Centre of Government (COG) to improve planning, coordination and management across the state and professionalising the public service; strengthening the public procurement system; reducing crime, including corruption; and working with different role players to address various challenges at local government level.

Some of the specific interventions in this regard include strengthening the role of the Presidency; strengthening the role of the Public Service Commission (PSC) to oversee the appointment of the senior managers and heads of SOEs; building capacity in relevant departments to tackle crime and corruption; strengthening whistle-blower protection; increasing accountability and consequence management in the public service; working with communities to fight crime; and addressing insecurity and violence on the African continent and globally.

### 5.4 OUTCOMES FOR STRATEGIC PRIORITY 3

Strategic Priority 3 seeks to build a capable, ethical and developmental state. The 7<sup>th</sup> Administration will work towards the following twelve outcomes:

- Improved service delivery in the local government sphere;
- Improved governance and performance of public entities;
- An ethical, capable and professional public service;
- Digital transformation across the state;
- Mainstreaming of gender, empowerment of youth and persons with disabilities;
- A reformed, integrated and modernised Criminal Justice System;
- Effective border security;
- Secured cyber space;
- Increased feelings of safety of women and children in communities;
- Combat priority offences (economic, organised crime and corruption);
- Advance South African foreign policy for a better world; and
- Enhanced peace and security in Africa.



### 5.4.1 IMPROVED SERVICE DELIVERY IN THE LOCAL GOVERNMENT SPHERE

The effective performance of local government is critical for both social services and local economic development. However, governance failures have negatively impacted the performance of local government. Factors contributing to these challenges include a lack of good governance, financial mismanagement, instability in the political-administrative interface and corruption. The MTDP 2024-2029 focuses on improving the performance of local government through a set of interventions to bring stability and address the professionalisation of the administration.

#### *IMPROVED SERVICE DELIVERY AT LOCAL GOVERNMENT*

The MTDP 2024-2029 proposes a review of the institutional and legislative frameworks of local government to strengthen them and support differentiation. The goal is to establish mechanisms for effective interventions when municipalities are unable to meet minimum norms and standards for service delivery. Approaches will be developed to assist local governments to create an environment that promotes and supports local economic development. Other national departments, such as Water and Sanitation, Transport, Energy and Human Settlements, will also be mobilised to contribute in a structured and coordinated manner to strengthen local government.

#### *STABILISE GOVERNANCE IN KEY METROS, RESTORE FINANCIAL STABILITY AND THE DELIVERY OF SERVICES*

The MTDP 2024-2029 also outlines interventions to stabilise governance in key metros, restore financial stability and the delivery of services and ensure sound long-term strategic plans to guide the metros. Mainstreaming citizen participation will help create conditions where innovative approaches can be adopted to meet the challenges of delivering basic services. Initiatives to improve coordination of the planning and implementation of strategic local interventions through the District Development Model (DDM) through the formalisation of One Plans will continue.

#### *STANDARDISE AND PROFESSIONALISE APPOINTMENTS IN MUNICIPALITIES*

A long-term strategic approach will be taken to develop skills

and a professional ethos and commitment to public service in local government. Work will also continue to improve management of the political-administrative interface at the municipal level. Interventions will also be made to allow more significant responsibilities to be devolved in areas in which capacity exists while building capacity in others. Where capacity is more limited, particularly in many rural areas, municipalities can focus on their core functions without the burdens of many extra responsibilities. A pragmatic fit between roles and capacity will, however, only partly resolve challenges in the intergovernmental system.

#### *REFORMS TO THE WATER SECTOR*

The MTDP 2024-2029 supports the fast tracking of programmes that develop and maintain water treatment and distribution infrastructure. Strengthening the regulation of municipal water functions of authorities and providers of water services will result in greater oversight and efficiency. The MTDP 2024-2029 outlines interventions for the Department of Water and Sanitation (DWS) to work with municipalities in establishing professionally managed, ring-fenced water utilities to ensure adequate investment and maintenance.



### DISASTER MANAGEMENT CAPABILITIES

Strengthening disaster management at the local government level in South Africa is essential to enhance community resilience and provide effective responses to emergencies. The MTDP 2024-2029 identifies the need to improve coordination and implementation, stabilise local government and review and overhaul the disaster management system as key priority areas for the 7<sup>th</sup> Administration.

#### 5.4.2 IMPROVED GOVERNANCE AND PERFORMANCE OF PUBLIC ENTITIES

Progress has been made in strengthening the governance of the SOEs. Previous weaknesses have contributed to systemic failures that also undermined the performance of the national economy. In response to these failures, the President established the Presidential State-Owned Enterprises Council (PSEC) which made several recommendations to improve performance. Some recommendations draw on the original proposals of the NDP. They include depoliticising the appointment of members of SOE boards and establishing requirements to be merit-based and for only properly qualified candidates to be appointed. Some improvements already observed in the performance of key SOEs, notably in energy and transport, have been attributed to these governance interventions.

A key action in the MTDP 2024-2029 is the establishment of a centralised ownership model for SOEs and the finalisation of the National State Enterprises Bill that will address structural and governance challenges. Initiatives will continue in the economic infrastructure sectors to improve departmental oversight over SOEs through shareholder compacts and governance structures. The 7<sup>th</sup> Administration will continue rationalising public entities, integrating relevant entities into departments and implementing shared service models. The South African Revenue Service (SARS) will be strengthened to maximise the mobilisation of resources.

#### 5.4.3 AN ETHICAL, CAPABLE AND PROFESSIONAL PUBLIC SERVICE

The composition of the public service has been transformed to represent the entire population and mechanisms introduced for greater state accountability to its citizens through the oversight of Parliament and Chapter 9 institutions. While the foundations have been laid, functional weaknesses constrain

the state's ability to pursue developmental objectives, resulting in uneven performance at all levels. In this context, an intervention is to enhance technical capacity and professionalise public administration. However, these reforms must be led from the COG and focus on the structured and strategic next steps to be taken over the term of the 7<sup>th</sup> Administration.

#### STRENGTHEN THE ROLE OF THE PRESIDENCY TO IMPROVE PLANNING, POLICY COORDINATION AND MANAGEMENT OF THE CLUSTER SYSTEM

The systemic reforms required will be driven by robust and coordinated leadership at the COG. Institutional leadership, organisation and direction of the COG is critical for a developmental state.<sup>79</sup> The role of the Presidency will be strengthened to improve inter-governmental coordination, integrated planning, policy coordination and oversight. The Presidency will also improve the coordination and management of the cluster system and its agenda-setting mandate. Strengthening capacity at the COG will guide and coordinate activities and ensure that a proliferation of operational and advisory units does not weaken their impact and contribute to the state's underperformance. This overarching intervention will support a range of other processes.

#### IMPLEMENTATION OF THE NATIONAL SPATIAL DEVELOPMENT FRAMEWORK

The NSDF is embedded within the overall planning system and ensures that the sector investments are directed towards spatial priorities in an integrated way. The NSDF and its subframes provide the ideal long-term spatial pattern for the country and offer investment guidance to various sectors. The National Spatial Action Areas identified in the NSDF highlight areas that requires specific urgent intervention to mitigate anticipated adverse outcomes.

<sup>79</sup> Government Technical Advisory Centre. 2023. 'Challenges & opportunities to strengthen the South African Centre of Government', February, [https://www.gtac.gov.za/wp-content/uploads/2023/11/Think-Piece\\_Challenges-Opportunities-to-Strengthen-SA-Centre-of-Government\\_2023.pdf](https://www.gtac.gov.za/wp-content/uploads/2023/11/Think-Piece_Challenges-Opportunities-to-Strengthen-SA-Centre-of-Government_2023.pdf).  
<sup>80</sup> DPME. 2024. '30-year Review'.



### *FINALISE PUBLIC SERVICE REFORM LEGISLATION AND IMPLEMENT THE PROFESSIONALISATION OF THE PUBLIC SECTOR*

In many government institutions, professionalisation and skills development have been inadequate. These weaknesses were inevitable in the immediate post-1994 stages of state development. Frequent changes driven by ministerial portfolio considerations raised concerns about disruptions to institution-building and statecraft.<sup>80</sup> During the state capture era, many officials hesitated to make decisions, fearing accusations of improper motives. This further complicated the situation. The resulting compliance culture has weakened the state's performance.

The development of the regulatory framework for the public service will continue with the finalisation of the Public Service Amendment Bill, Public Administration and Management Amendment Bill and Public Service Commission Amendment Bill. This is in line with the Statement of Intent's commitment to building state capacity and creating a professional, merit-based, corruption-free and developmental public service. Also included in this programme are the implementation of the Professionalisation Framework and the recommendations of the Personnel Expenditure Review to manage the growth of the wage bill.

The Office of the Head of Public Administration will manage career progression and oversight of senior management. The Office will be part of the professionalisation of the public service and the improvement of coordination and implementation. The introduction of a graduate recruitment scheme will also play a significant role in attracting skills and expertise to the public service.

### *STRENGTHEN THE ROLE OF THE PUBLIC SERVICE COMMISSION*

The NDP highlighted the need to improve the political-administrative interference in operational decision-making. The PSC will play a key oversight role in this regard. The MTDP 2024-2029 aims to strengthen the role of the PSC to overseeing the appointment of the key people who direct the affairs of our state such as Directors-General, Deputy Directors-General, Chief Executive Officers of SOEs and board members and other senior positions. The PSC Amendment Bill will play a key role in enabling this. Consistent and

purposeful implementation of these legislative changes will help stabilise the political-administrative interface and support the process of professionalisation.

### *STRENGTHEN THE PUBLIC PROCUREMENT SYSTEM*

Administrative attempts to minimise corrupt practices in the public procurement system have added to red tape in the public sector but reduced efficiencies. The Public Procurement Act will provide a systemic base for strengthening and regularising public procurement processes. A key component of this effort is the mandating transparency in all procurement processes in government departments and SOEs. This will include the publication of all bids, all submissions received with their pricing and the winning bidder. Appeals procedures will also be made clear and, if necessary, included in relevant legislation.

Several initiatives will further enhance the capabilities of the state, including: conducting institutional reviews and skills audits to ensure that state institutions are focused on execution in line with their mandates and public value; implementing the recommendations from the personnel expenditure review to manage the growth of the wage bill; and improving the efficiency and productivity of the public sector by reducing red tape across departments and entities.



#### 5.4.4 DIGITAL TRANSFORMATION ACROSS THE STATE

The digital transformation of the South African state and government is a multifaceted initiative aimed at enhancing public service delivery, improving efficiency and fostering economic growth. Spearheaded by the various key national departments, this transformation involves several strategic initiatives designed to integrate digital technologies across sectors.

The MTDP 2024-2029 proposes the digital transformation of public services, especially citizen-facing services. This will be supported through the second wave of reforms by Operation Vulindlela. Government will invest in digital public infrastructure to give South Africans access to government services. At the heart of this transformation will be the implementation of a digital identity system.

#### 5.4.5 MAINSTREAMING OF GENDER, EMPOWERMENT OF YOUTH AND PERSONS WITH DISABILITIES

The NDP emphasises the realisation of the rights of women, youth, and persons with disabilities, defining them as cross-cutting issues that must be advanced across every other priority area. It provides a vision of where South Africa should be in terms of realising these outcomes.

With respect to the rights of women, the NDP aims for gender equality across all sectors, ensuring equal rights, opportunities, and representation for women; full economic empowerment of women, with equal access to jobs, fair wages, and leadership roles; a significant reduction in gender-based violence (GBV), creating a society in which women and girls can live without fear; full gender parity in governance and decision-making at all levels; and the mainstreaming of gender rights considerations across all areas of national policy. It also emphasises the need for a responsive legal system and security services that effectively protect and advance women's rights.

The NDP identifies a range of desired outcomes regarding youth, including a significant reduction in youth unemployment, and ensuring that youth can participate meaningfully in the economy; universal access to education and vocational training to equip young people with relevant skills; increased support for youth-led entrepreneurship; and a high level of

participation by youth in political and societal decision-making processes.

It also outlines several outcomes with respect to realising the rights of persons with disabilities, advocating for a society with an equitable education system responsive to the needs of learners with disabilities, employment strategies to increase the employment of persons with disabilities, healthcare services that are accessible and tailored to the needs of persons with disabilities, and responsive legal frameworks protecting against discrimination and promoting equal rights and dignity for all.

Despite some progress in realising these rights (particularly through social grants), gender inequalities persist in various aspects of life, with Black African women facing intersectional marginalisation based on both race and gender; youth empowerment, including unemployment is a major challenge, with around half of South Africa's population aged 15-34 unemployed. The lack of progress on disability inclusion and rights has been particularly pronounced.

The MTDP 2024-2029 identifies a combination of causal pathways that will be followed in all three Strategic Priorities to systematically remove barriers and expand opportunities for these groups. Economic empowerment through targeted skills development, employment, and entrepreneurship programmes are all key to increasing access to economic opportunities. Access to economic resources in turn helps other rights to be realised. The strategies included here include: economic empowerment, education and skills development, healthcare and social protection, reforms in the criminal justice system, and promoting equality with respect to political representation and decision making.

#### 5.4.6 A REFORMED, INTEGRATED AND MODERNISED CRIMINAL JUSTICE SYSTEM

The NDP notes that high crime levels slowed South Africa's social and economic development. State capture undermined efforts to create a capable, ethical and developmental state, increasingly obstructing economic activity and social development. Although recent crime statistics show a downward trend, particularly in murder rates, the figures remain unacceptably high.

Violence against women, such as domestic violence and rape, has not decreased significantly, and crimes such as the trafficking of children for prostitution and drugs continue to be an unrecorded phenomena. For South Africans to feel safe, all categories of crime must be reduced. One of the top focus areas of the MTDP 2024-2029 is to strengthen law enforcement agencies to address crime, corruption and GBV.

The MTDP 2024-2029 will continue the process of strengthening the coherence of the criminal justice system (CJS). This will require strengthening key institutions, such as the National Prosecuting Authority (NPA), to improve prosecutions and combat corruption. This will also require regulating the recruitment and appointment of top officials in criminal justice departments, with a focus on skills, expertise and integrity. This should be a transparent and merit-based process.

#### 5.4.7 EFFECTIVE BORDER SECURITY

Effective and efficient border management will be a critical part of ensuring that transnational crime is limited while promoting regional trade and legal movement of people. The government will ensure that South Africa's borders are effectively managed, defended and protected to ensure economic sovereignty and limit transnational crime while adhering to South Africa's international obligations. Proper border management will also assist in promoting regional trade and the legal movement of individuals. The Border Management Authority (BMA) will be capacitated to fulfil its functions and achieve its desired outcomes. Furthermore, appropriate reforms will be introduced to ensure better migration management into South Africa.

#### 5.4.8 SECURED CYBER SPACE

Cyber security is of growing concern for the South African state and the population as a whole. In 2024, South African government agencies and other organisations were subjected to, on average, 1 450 cyber-attacks per week, with targets including the National Health Laboratory Service, the Companies and Intellectual Property Commission and the Government Employees Pension Fund. A recent attack on the national weather service showed that such attacks in South Africa can affect the entire SADC region. In 2013, the State Security Agency (SSA) was also attacked. As part of its effort to deal with what is set to become a more serious problem, the

government developed a National Cyber Security Framework, and set up a Cyber Command. However, the Framework is over a decade old and outdated, and more needs to be done to protect the state and citizenry. Much more education is required at a public level, and the relevant government agencies must be tasked with building protective measures against other state agencies and malicious non-state actors.

#### 5.4.9 INCREASED FEELINGS OF SAFETY OF WOMEN AND CHILDREN IN COMMUNITIES

##### *ENHANCING THE CAPACITY OF THE POLICE SERVICE*

The MTDP 2024-2029 proposes a more evidence-based policing approach that better leverages intelligence and technology. This will include the modernisation of the 10111 police emergency help line. Technologies ranging from closed-circuit television (CCTV) cameras to drones and artificial intelligence (AI) tools will be used for threat detection and as force multipliers. The South African Police Service (SAPS) will implement a more data-driven approach to target violent crime hotspots and direct resources accordingly. SAPS will continue to work with communities through community policing forums to promote the role of citizens in reducing crime.

##### *COMBAT GENDER-BASED VIOLENCE AND FEMICIDE*

A specific focus of the MTDP 2024-2029 is to combat GBVF through continued implementation of the National Strategic Plan on Gender-based Violence and Sexual Offences. The 7<sup>th</sup> Administration will move rapidly to ensure that the National Council on Gender-Based Violence and Femicide is fully functional and properly resourced. The MTDP 2024-2029 will also strengthen mechanisms to support victims of GBVF and establish additional courts to deal with sexual offences.



#### 5.4.10 COMBAT PRIORITY OFFENCES (ECONOMIC, ORGANISED CRIME AND CORRUPTION)

##### *DEALING WITH ORGANISED AND VIOLENT CRIME*

Combatting priority crimes is a focus of the MTDP 2024-2029. The challenge of organised crime extends beyond its direct activities. It undermines the integrity of the CJS and public trust through corruption and intimidation. Organised crime includes a variety of economic crimes, including theft and vandalism of infrastructure, extortion in the construction sector (through the 'construction mafia'), illegal mining, gang violence, cash-in-transit heists and cybercrime. Dealing with these issues will enhance confidence and adherence to the rule of law.<sup>82</sup> Specialised police units will be established to deal with these types of priority crimes.

##### *IMPROVED PROSECUTIONS AGAINST CRIME AND CORRUPTION*

Improving prosecutions against all forms of crime, including corruption, and ensuring that these prosecutions lead to convictions is crucial. The government will deal firmly with corruption by implementing the National Anti-Corruption Strategy and implementing the recommendations of the State Capture Commission. The MTDP 2024-2029 also highlights the need to strengthen whistle-blower protection through legislative reforms. To minimise the likelihood of future corruption, government will strengthen accountability and consequence management. This will include lifestyle audits for elected officials, senior public officials and other critical posts such as officials working in supply chain management. Key Justice Crime Prevention and Security Cluster (JCPS) institutions will also be bolstered to improve outcomes against crime and corruption. These include the NPA and the Directorate for Priority Crime Investigation (DPCI) or Hawks.

##### *STRENGTHEN ANTI-MONEY LAUNDERING EFFORTS*

A further priority for the 7<sup>th</sup> Administration will be to strengthen anti-money laundering and terror financing efforts and other tasks related to securing South Africa's removal from the Financial Action Task Force (FATF) list of jurisdictions under increased monitoring.

#### 5.4.11 ADVANCE SOUTH AFRICAN FOREIGN POLICY FOR A BETTER WORLD

##### *PROMOTING PEACE, SECURITY AND DEVELOPMENT THROUGH FOREIGN POLICY*

The key pillars of our foreign policy remain the promotion of human rights, peace and friendship and the strengthening of fair trade and investment ties with other countries. South Africa's foreign policy is also an articulation of the South African national interest.<sup>83</sup> The country's national interest must be constantly defined and negotiated at the intersections of the domestic policy objectives articulated in the NDP and the challenges that arise in an increasingly complex global milieu.

South Africa's one-year Presidency of the G20 in 2025 offers an opportunity to influence the global development agenda. South Africa's theme will be to promote solidarity, equality and sustainable development. In consultation with key partners in BRICS+ and Africa, the focus will be on reducing global inequality and poverty and advancing more balanced sustainable development.

##### *BUILD STATE CAPACITY THROUGH ESTABLISHED GLOBAL PUBLIC AND PRIVATE PARTNERSHIPS FOCUSED ON KNOWLEDGE AND PEOPLE-TO-PEOPLE EXCHANGES*

The world faces several common challenges and indications are that these could increase over the MTDP 2024-2029 period. They include climate change, the increasing frequency of public health crises, including pandemics, and increasing food insecurity, among others. These phenomena affect South Africa too and are an impediment to the country's efforts to tackle its developmental challenges effectively. The COVID-19 pandemic starkly demonstrated this.

The MTDP 2024-2029 seeks to leverage opportunities that increase global public and private partnerships to help effectively address these and local challenges. Such partners range from individual experts to institutions in various parts of the world, covering a wide array of fields: pharmaceuticals, meteorology, medicine, agriculture and the economy, among others. Government will promote person-to-person and institution-to-institution exchanges and joint projects to build local capacities and cooperative approaches with its partners in priority areas of work.

<sup>82</sup> NPC. 2022. '10-year Review', 27.

<sup>83</sup> National Treasury. 2024. 'Macroeconomic Policy: A Review of Trends and Choices', <https://www.treasury.gov.za/documents/National%20Budget/2024/Macroeconomic%20Policy%20Review.pdf>.



### 5.4.12 ENHANCED PEACE AND SECURITY IN AFRICA

#### *PROMOTE PEACE, SECURITY, DEMOCRACY AND SOCIO-ECONOMIC DEVELOPMENT IN AFRICA*

South Africa will continue to play a leading role in the region, working with structures of SADC and the Southern African Customs Union (SACU) to strengthen regional cooperation by reviewing tariff and non-tariff restrictions, customs procedures and visa regimes. Government will also continue to work to strengthen the AU to support the achievement of peace, development and economic integration on the continent. Peacebuilding and peacekeeping, especially in Africa, has been an enduring theme in South Africa's foreign policy, involving the Department of International Relations and Cooperation (DIRCO), the South African National Defence Force (SANDF) and the SSA. While there have been mishaps in certain cases, the peace focus has also earned dividends. This focus will continue to address past challenges and failures and build on successes.

### 5.5 KEY ENABLERS AND INTERLINKAGES

The successful achievement of the desired outcomes from the above strategic interventions will depend on the following key enablers and interlinkages:

- **Strong leadership and governance:** The COG will engage in effective coordination and establish control mechanisms to guide the system to achieve its goals. High-level responsibility is essential to ensure that the necessary enablers and connections are in place to support priority actions and interventions. Adherence to the rule of law is critical as it ensures that the government operates within legal boundaries and respects citizens' rights.
- **Institutional capacity:** A well-equipped public service is vital for effective performance, requiring personnel with the necessary skills and knowledge. Adequate funding and infrastructure must be provided to support government operations, alongside streamlined processes and procedures that facilitate efficiency.
- **Public participation and trust:** Encouraging citizen engagement fosters a sense of ownership and accountability, leading to increased support for government initiatives. Building trust hinges on the belief that the government acts in the best interests of its citizens. This can be achieved through transparent and honest communication.

- **Prioritisation of interventions:** Interventions to ensure a modern, technology-driven and capable state and an ethical, accountable and transparent public service will be prioritised. Programmes that have not performed should be reviewed to assess their relevance and impact.

These enablers and interlinkages are interdependent and mutually reinforcing. A capable, ethical and developmental state relies on a robust foundation in all these areas.

### 5.6 KEY RISKS AND MITIGATIONS

The strategic priority of establishing a capable, ethical and developmental state is fundamental for effective governance and the delivery of public services. Several emerging risks and threats could challenge the implementation of the proposed interventions. Mitigation measures for these risks must be considered.



Wider geopolitical developments may pose challenges for South Africa in maintaining its relationships with competing powers, while simultaneously advancing the overarching goals of Africa 2063. South Africa has been largely successful in maintaining this balance. However, the approach of the United States of America (USA) is a matter of concern, in terms of the unpredictability of its diplomatic and trade relationships globally and with respect to South Africa.

The key risk in strengthening local government is that local political forces, whose interests the proposed measures threaten, could obstruct MTDP 2024-2029 interventions. To mitigate this risk, a multi-pronged approach, led nationally by the Presidency and the Department of Cooperative Governance (DCOG) and supported by parties of the GNU, will be required to explain and promote the new approaches for local government reform. This process should engage with and mobilise the support of the South African Local Government Association (SALGA), as the political representative of local government, as well as of community-based organisations whose members are most affected by local government delivery failures.

To address these risks, it is essential to develop and implement measured and strategic responses. Strengthening economic diplomacy capabilities with all partners both those in BRICS+ and those in the West will be beneficial, especially if South Africa starts leveraging its emerging resources and industries, such as critical minerals and the green economy. South Africa's norm entrepreneurship is exemplified by its International Court of Justice (ICJ) genocide case against Israel, which has garnered admiration and support from many nations in the Global South and from public opinion around the world.

On the professionalisation of the public sector, a significant risk is insufficient emphasis on skills development and professionalisation in government institutions, where qualifications are often prioritised over operational experience and performance. This risk can be mitigated by implementing the Professionalisation Framework and the recommendations from the personnel expenditure review to manage the growth of the wage bill effectively. Another risk is the lack of adequate training and development opportunities for public service employees. Repositioning the National School of Government (NSG) as a leading public sector academy and expanding the

Nyukela programme for middle management service (MMS) can address this risk. Additionally, frequent changes driven by ministerial portfolio considerations pose a risk to institutional stability and effective governance. This risk can be mitigated by finalising the Public Service Amendment Bill, the Public Administration and Management Amendment Bill and the Public Service Commission Amendment Bill which aim to establish a comprehensive regulatory framework for the public service.

In terms of crime and corruption, a significant risk lies in the coherence of the CJS reforms. The implementation of these reforms across all departments may not be effective or consistent. To mitigate this risk, it is essential to develop a comprehensive implementation plan that outlines specific timelines and assigns responsibilities. Establishing a central coordinating body to monitor progress and address challenges is crucial, as is ensuring ongoing communication and collaboration among CJS departments. Another risk pertains to the improvement of prosecution efforts, particularly the potential for political interference that could undermine the independence of the NPA. To address this risk, strong legislative safeguards must be implemented to protect the NPA's independence. Establishing clear criteria and a transparent process for appointing senior NPA officials is essential.

Strengthening whistle-blower protection will encourage the reporting of corruption and misconduct. Violent crime poses a risk that local interventions may not effectively target specific drivers of criminal activity. To mitigate this risk, a strategy for comprehensive data analysis is required to identify the root causes of violence in various areas. Involving local communities in the development and implementation of violence reduction strategies is essential. Additionally, enhancing police capacity through adequate resources and training will support the effective execution of localised interventions.

## 5.7 PARTNERSHIPS AND CONTRIBUTIONS OF THE NON-STATE SECTOR

The success of the developmental state is inherently dependent on its ability to engage effectively with other role players in society, including the private sector and civil society, as well as other organised formations. To achieve this, the appropriate engagement architecture must be developed at all levels and regularly reviewed in a collaborative manner to ensure its effective functioning. Institutions such as the National Economic Development and Labour Council (NEDLAC) and the arrangements of Operation Vulindlela are examples of the approach that may be considered. Their practical experience should be evaluated and used to guide the development of a broader set of partnerships between different spheres of the state and other organs of society at all levels.

## 5.8 SUMMARY

This chapter emphasises the importance of a professional public service combined with strong leadership and strategic reforms to advance South Africa's developmental agenda. By tackling systemic weaknesses and improving coordination between departments, the government can create an environment that promotes effective governance, enhances public trust, and supports sustainable socio-economic development. Ongoing reforms will strengthen the capacity of the state, ensuring that South Africa remains responsive to the needs of its citizens while navigating complex global challenges.

*This chapter emphasises the importance of a professional public service combined with strong leadership and strategic reforms to advance South Africa's developmental agenda.*







# CHAPTER 6

## IMPLEMENTATION, MONITORING AND EVALUATION





## CHAPTER 6: IMPLEMENTATION, MONITORING AND EVALUATION

### 6.1 INTRODUCTION

The successful implementation of the MTDP 2024-2029 will be demonstrated through the achievement of its established targets and the positive impact on citizens' well-being. The accompanying results frameworks of the MTDP 2024-2029 detail the interventions, indicators, mid-term and end-term targets, as well as the institutions responsible for executing and supporting these initiatives. These targets are crucial for monitoring the performance of the MTDP 2024-2029 during the 7<sup>th</sup> Administration. Achieving these objectives will contribute positively to the country's development goals. Meeting the citizens' expectations for service delivery will help build trust and confidence in government institutions. This chapter outlines a set of interconnected critical requirements for successful implementation, which include: ensuring policy coherence and prioritisation; aligning planning and budgeting systems; mobilising resources; establishing institutional arrangements for effective delivery; monitoring and evaluating performance; and maintaining timely, transparent, and effective public communication.

### 6.2 BUILDING ON LESSONS FROM PRACTICE

In developing the MTDP 2024-2029, government considered important lessons from the previous cycles of 5-year plans and the various coordination and delivery intervention approaches. These include the Outcomes Approach, Operation Phakisa, the District Development Model (DDM) and the current Operation Vulindlela. The process also considered insights from various reviews of the country's progress, as outlined in Chapter 2. Furthermore, it drew

inspiration from successes in its recent history when the country was responding to crisis such as the COVID-19 pandemic, the 2022 floods and the energy crisis.

To realise the NDP goals, the identified weaknesses must be addressed, requiring improvement in several key areas. The approach to development planning and budgeting across all departments and spheres of government must be enhanced. There must be a balance between a coordinated high-level focus on priority strategies and interventions on the ground. Sectors and spheres of government will focus on the detailed implementation of their core programmes. Coordination will be strengthened in areas of joint responsibility.



The government's response to the COVID-19 pandemic demonstrated the state's capability for effective governance, planning and coordination. It also illustrated that through collaboration with social partners, government can achieve more. Facing the crisis, the National Coronavirus Command Council (NCCC) exhibited the necessary agility, rapid decision-making and data-driven decisions. The all-of-society approach effectively addressed the crisis points, enabled information flow, bridged contradictions, and supported transparent public engagements. The revision of the MTSF, and reprioritisation of budgets towards urgent needs of health and social relief, such as the Temporary Employment Relief Scheme (TERS) and the Social Relief of Distress (SRD) grant, further demonstrated the adaptability and responsiveness in the face of changing needs. This experience underscores the importance of the role of the centre of government (COG) in driving integrated, all-of-society responses through collaboration between government and other actors, including business, civil society and international partners.

Coordination during the 2022 flood disaster and Energy Action Plan (EAP) leveraged lessons from COVID-19. A challenge, however, remains to institutionalise the improved practices and embed lessons learnt into standard operating procedures and governance frameworks. The approach to MTDP 2024-2029 implementation must embrace these lessons in dealing with current challenges such as youth unemployment, crime prevention and infrastructure gaps.

### 6.3 POLICY COHERENCE AND PRIORITY SETTING

To ensure effective governance and development outcomes, the MTDP 2024-2029 focuses on a limited set of medium-term priorities and measurable targets aligned with the Statement of Intent and the NDP. The approach links long-term goals to short-term operational activities. The cluster system was used as a focal point for coordinating government-wide planning processes, identifying priority interventions as well as the priority outcomes to be achieved, both at mid-term and end-term. Furthermore, the cluster system must be used to resolve the trade-offs that need to be made between fiscal funding of economic interventions, social interventions and those that need to be made within Strategic Priorities. Institutional Strategic Plans (SPs) and Annual Performance Plans (APPs) must reflect MTDP 2024-2029 priorities.

As part of the agenda-setting, clusters will adopt annual

'programmes of action' that foster an integrated service delivery approach. Agenda-setting is crucial to ensure an integrated approach across the clusters. Inter-cluster and intergovernmental relations (IGR) mechanisms will support this by giving priority attention to cross-cutting matters/blockages needing this type of intervention. The DDM will continue to be used to enhance coherence across all spheres of government. Effective agenda-setting and IGR will be crucial.

A White Paper on development planning and implementation will be finalised to establish an overarching framework for national development planning, building on existing statutory planning instruments across various sectors and levels of government.

Coherence to implementation programmes is crucial. Implementation must therefore build on the lessons from experience by mainstreaming proven delivery and intervention approaches. The reform-driven approach will be continued. The ongoing Operation Phakisa interventions, introduced in 2014, have been integrated into the MTDP 2024-2029 so that they continue to their logical endpoints under existing frameworks. Existing Operation Phakisa oversight structures will be reconfigured, and in due course, phased out to eliminate duplication.

Operation Vulindlela, introduced in 2019, to accelerate structural reforms, is now fully integrated into the MTDP 2024-2029. The next wave of Operation Vulindlela reforms will be introduced in this term. To maintain its momentum and success, it will focus on a few transversal priority reforms and maintain its agile delivery intervention approach, collaboration with non-government actors and the robust tracking systems. Interventions of this nature will be temporary for a maximum of two years. Sector-level red-tape eradication should be identified as second-order initiatives outside Operation Vulindlela but tied to Directors-General (DGs) and Ministers' and Deputy Ministers' performance agreements.

## 6.4 ALIGNMENT OF PLANNING AND BUDGETING SYSTEMS

Successful implementation of the MTDP 2024-2029 hinges on strong alignment between development priorities, institutional plans and budgets. In the public sector, planning sets the agenda, while budgeting provides the financial resources to execute. When these functions lack coordination, the impact of government programmes is limited. As a result, a continuous process of identifying and implementing innovative, results-driven approaches is necessary. Additionally, to achieve the alignment, practical steps must be taken to integrate the MTDP 2024-2029 into the budgeting system. Budgeting reform is currently underway to improve alignment.

This requires DPME and National Treasury to coordinate their functions. The DPME ensures that national development priorities are cascaded from the NDP to the MTDP 2024-2029; and that the MTDP's priorities are directly embedded in institutional and departmental plans across all spheres of government. The DPME also assists clusters and departments in resolving policy gaps and inconsistencies that may exist in plans.

The National Treasury will integrate the priorities of the MTDP 2024-2029 into the budgeting system and ensure that the fiscal framework reflects these priorities in the Medium-Term Expenditure Framework (MTEF). The National Treasury will also set out a policy framework for resource mobilisation, to enable government to explore alternative or innovative funding mechanisms, including public-private partnerships (PPPs), to supplement constrained fiscal resources. In this context, the National Treasury will still ensure that a sustainable fiscal path is maintained over the medium term. Simultaneously, interdepartmental collaboration and partnerships with external stakeholders will be fostered to optimise resource pooling.<sup>84</sup>

## 6.5 RESOURCE MOBILISATION

Addressing South Africa's strategic priorities requires substantial resource mobilisation beyond the fiscal envelope. While socially a oriented programmes may require full financing through the fiscus, the government must seek innovative financing models for certain economy-oriented programmes. In addition, there must be effective use

of available resources by addressing inefficiencies and eliminating waste.

Immediate actions include utilising PPPs to leverage private capital and expertise. It's essential to activate development finance institutions (DFIs) to secure specialised funding for catalytic industrialisation projects and to promote renewable energy, green technologies and climate mitigation efforts that support a just energy transition program. Additionally, government will implement public guarantees and innovative funding mechanisms to ensure the viability of projects and strengthen cross-sector partnerships to mobilise resources and expertise.

Funding infrastructure development is vital for job creation and economic revitalisation. In the context of urbanisation, private investment in urban infrastructure, affordable housing and smart city projects should be encouraged, with DFIs providing long-term financing and ensuring equitable benefits for disadvantaged communities. For rural development and agriculture, a blend of grants and loans can modernise agriculture, enhance food systems, boost rural productivity and ensure food security, with DFIs supporting smallholding farmers and rural enterprises.

Education, health and public safety are key areas under Strategic Priority 2 that require significant funding. Some trade-offs must be made. Funding imbalances in Post-school Education and Training (PSET) will be addressed by reallocating resources to Technical and Vocational Education and Training (TVET) and community colleges. Strengthening partnerships with economic sectors that benefit from skilled graduates will expand funding contributions.

On healthcare, there is a need to mobilise private finance to complement the National Health Insurance (NHI) programme. The relevant Ministerial Advisory Committee will play a key role in this regard. PPPs will support infrastructure development, medical equipment acquisition and public health initiatives to improve access and equity in healthcare delivery. On public safety, an approach must encourage collaboration between public and private entities to optimise resources for policing, crime prevention, and community safety. Innovative funding instruments will be used to finance security infrastructure, technology-driven solutions, and community-based crime prevention.

84 National Treasury. 2024. 'Macroeconomic Policy: A Review of Trends and Choices', <https://www.treasury.gov.za/documents/National%20Budget/2024/Macroeconomic%20Policy%20Review.pdf>.

## 6.6 INSTITUTIONAL ARRANGEMENTS FOR EFFECTIVE DELIVERY

The MTDP 2024-2029 is a plan for the whole of society and provides guidance to government institutions about the strategic contributions that are expected from them. The role of DPME in the MTDP 2024-2029 implementation is to monitor implementation at a strategic level to ensure that any impediments are identified and addressed at an early stage.

### *WHOLE-OF-SOCIETY APPROACH*

The NDP envisions a whole-of-society approach to development. However, translating this vision into meaningful societal engagement in the planning process remains a challenge. This requires clear mechanisms for societal involvement at all stages of the planning cycle, from setting the agenda to monitoring and evaluation (M&E). The National Planning Commission (NPC) and Parliament have a crucial role to play in facilitating this engagement. The NPC is a bridge between government and society, convening stakeholders around key development issues and ensuring that diverse voices are heard in the planning process. Parliament can also help to promote greater dialogue and accountability around the MTDP 2024-2029.

To strengthen the implementation of this plan, existing forums such as the National Economic Development and labour Council (NEDLAC) will be leveraged to encourage social compacting around MTDP 2024-2029 priorities and help bring together government, business, labour and civil society to drive implementation. The key is to create spaces for cocreation and joint problem solving among the different social partners, rather than merely seeking endorsement of pre-determined policies.

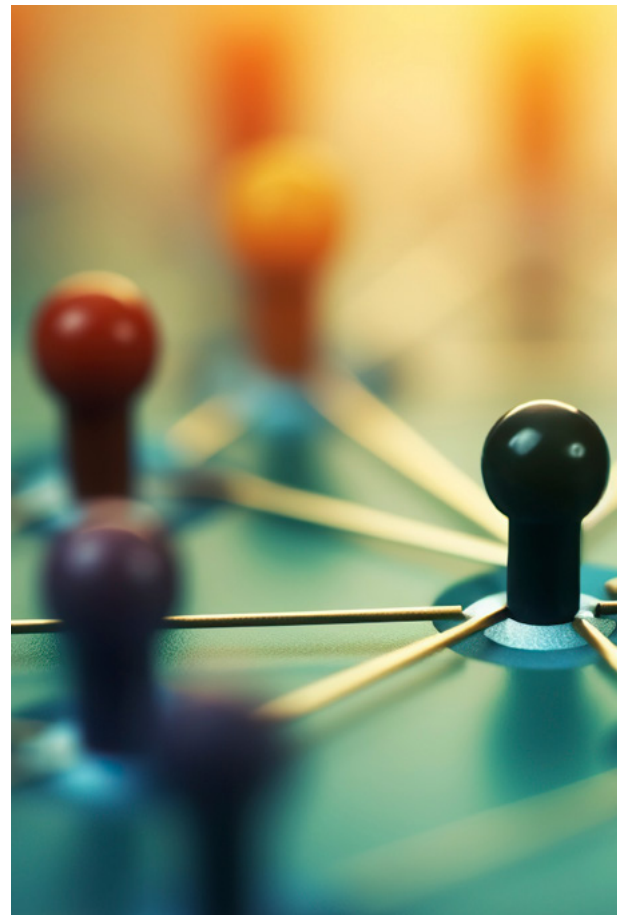
Strengthening institutional arrangements and organisational capacity is essential for the successful implementation of the MTDP 2024-2029. That will require a combination of institutional strengthening and cultural change.

The DPME will drive alignment and accountability across the planning system by working with established coordination structures, such as the DDM and sector-specific forums, to promote integrated implementation and problem solving.

Focusing the MTDP 2024-2029 on a core set of catalytic interventions will help drive more effective execution. Deepening societal engagement in the planning process will foster joint ownership and sustainability of development efforts. Incorporating foresight and anticipatory governance will enable the MTDP 2024-2029 to navigate an uncertain future and build resilience in the face of shocks and disruptions. The success of the MTDP 2024-2029 will depend on the collective efforts of government, labour, business, civil society and all South Africa's citizens working together.

### *STRENGTHENING INSTITUTIONAL CAPACITY AND COORDINATION*

For the DPME to play its central role in steering the national planning process and ensuring alignment across government and monitoring progress, its mandate must be understood and supported. To this end, efforts will be made to strengthen the links between the DPME, Parliament, provincial legislatures and municipal councils. Regular briefings, public hearings and oversight visits will keep planning issues at the forefront of the legislative agenda and promote a culture of accountability.





Establishing and strengthening coordination structures across government spheres and sectors is essential to break down silos and address complex cross-cutting issues. At the local government level, the DDM provides the platform for spatially oriented coordination, bringing together national, provincial and local government role players to jointly plan and implement development initiatives. At the national level, the cluster system plays an important role in promoting inter-departmental coordination and the success of Operation Vulindlela has demonstrated the potential for focused, high-level coordination to unlock progress.

One of the first steps in the implementation of the MTDP 2024-2029 will entail its spatialisation. This will focus on the linkage of the priority actions expressed across the three strategic priorities to the priority action areas and sub-frames of the National Spatial Development Framework (NSDF) to ensure that the MTDP advances spatial transformation objectives through its implementation. In addition,

catalytic projects in particular districts will also be elevated for monitoring alongside the MTDP, and specific interventions and targets are also included to ensure that Capital Investment Projects are prioritised within National Spatial Action Areas. Linkages between the spatial planning system and institutional planning and budgeting systems will also be strengthened. Work will continue to strengthen capabilities across the system for the use of geospatial information and dynamics to inform priorities and improve capabilities for geospatial referencing of projects across the system.

In collaboration with other government departments and training institutions such as the National School of Government (NSG), the DPME will develop targeted programmes to enhance the planning capabilities of officials across the state. Building a core group of skilled planners and embedding planning best practices into government processes will better equip the state to develop and implement effective plans.



### 6.7 MONITORING, REPORTING AND EVALUATION OF THE MTDP 2024-2029

Systems for performance monitoring and reporting will be implemented to ensure oversight and accountability. The President will sign performance agreements with Ministers and Deputy Ministers to hold his Cabinet accountable for the implementation of the MTDP 2024-2029. DPME, supported by clusters, will coordinate quarterly reporting through an integrated monitoring platform, which will feed into the bi-annual monitoring reports to provide comprehensive analyses of government performance. This will be used to foster a learning culture to identify obstacles and enable informed, timely adjustments.

Departments are required to maintain high-quality programme performance information and implement ongoing improvements to administrative records to make monitoring and reporting seamless. The different clusters will lead on coordination of priorities and in fostering accountability. FOSAD will play a significant role in this regard to foster a whole-of-government approach. The DPME will work with the Presidency to manage a system of escalating areas of systemic underperformance to Cabinet. The annual development indicators will track progress against NDP targets. Mid-term and end-term evaluations will be used to assess progress and impact. A robust system of evaluation reports, expenditure reviews, and improvement plans will ensure continuous learning, refinements and prioritisation to ensure fiscal sustainability and strategic focus.

### 6.8 SUMMARY

The approach outlined in the MTDP 2024-2029 marks a significant departure from previous MTSF strategies. It focuses on a limited set of strategic priorities and outcomes instead of trying to address a broad range of departmental activities. This plan aims to guide the achievement of key elements within the minimum programme of priorities specified in the Statement of Intent and the NDP. Successful implementation of the MTDP 2024-2029 will require active cooperation between the public and private sectors to achieve the desired goals. A whole-of-society approach is essential, engaging citizens, civil society, businesses, and labour organizations. This involvement fosters a sense of ownership and helps ensure the sustainability of the plan. The true measure of the MTDP's success will be its ability to meet targets and

demonstrably improve the lives of South African citizens, thereby fostering public trust and confidence in government institutions.





*The approach outlined in the MTDP 2024-2029 marks a significant departure from previous MTSF strategies. It focuses on a limited set of strategic priorities and outcomes instead of trying to address a broad range of departmental activities.*



The background of the page features a close-up, slightly blurred image of the South African flag, showing its characteristic green, white, red, and blue horizontal stripes and a yellow and black diagonal band. The flag is draped across the upper left and center. To the right, there are large, solid-colored geometric shapes: a green triangle pointing upwards, a yellow triangle pointing downwards, and a blue triangle pointing to the right. The overall composition is modern and dynamic.

# **RESULTS FRAMEWORKS**

## **ANNEXURE A**



## ANNEXURE A – RESULTS FRAMEWORK FOR STRATEGIC PRIORITY 1: DRIVE INCLUSIVE GROWTH AND JOB CREATION

Desired impact: Lift economic growth to above 3.0% and reduce unemployment to below 28.0% by the end-term.

| Outcomes                                    | Outcome Indicators                                              | Outcome Baselines                    | Outcome Targets 2029/30              | Strategic Interventions                                                                                                                        | Intervention Indicators                                                                                                                                  | Intervention Baseline                                                                                                          | Mid-Term Targets                                                                                                  | End-Term Targets                                                                                                  | Lead Department(s)                                                                                   | Supporting Institutions                                                       |
|---------------------------------------------|-----------------------------------------------------------------|--------------------------------------|--------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Increased employment and work opportunities | Number of jobs created or sustained                             | New indicator                        | 3.8 million jobs                     | Support unemployed people to secure work opportunities and productive livelihoods                                                              | Number of people supported through job search and placement services                                                                                     | Public Employment Services: 280 000<br>National Pathway Management Network: 650 000<br>UIF: 67 000<br>Compensation Fund: 4 000 | 1 million people supported by the Department of Employment and Labour and the National Pathway Management Network | 2 million people supported by the Department of Employment and Labour and the National Pathway Management Network | Department of Employment and Labour                                                                  | All entities reporting to Department of Employment and Labour                 |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | National Pathway Management Network institutionalised through the establishment of the SA Youth Trust to increase earning opportunities for young people | New indicator                                                                                                                  | SA Youth Trust registered and operational                                                                         | -                                                                                                                 | Department of Employment and Labour                                                                  | The Presidency                                                                |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of jobs created and sustained through the small enterprise development ecosystem                                                                  | 91 270 jobs created and sustained in small and medium enterprises                                                              | 136 750 jobs created and 803 250 jobs sustained in small and medium enterprises                                   | 273 500 jobs created and 1 606 500 jobs sustained in small and medium enterprises                                 | Department of Small Business Development                                                             | Small Enterprise Development and Finance Agency                               |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of learners or students placed in workplace-based learning (internships, learnerships, work integrated learning)                                  | 87 915 learners and students placed                                                                                            | 285 000 learners and students placed                                                                              | 500 000 learners and students placed                                                                              | Department of Higher Education and Training                                                          | Department of Higher Education and Training entities                          |
|                                             | Number of public employment opportunities created by government | 1 855 693 work opportunities created | 6 481 801 work opportunities created | Reform public employment programmes to enhance their impact<br><br>Create high-quality work opportunities through public employment programmes | Public employment programme programmes aligned and integrated through Work SA                                                                            | Review of public employment programmes completed                                                                               | New integrated approach to public employment programmes implemented                                               | -                                                                                                                 | National Treasury / Presidency                                                                       | Department of Employment and Labour                                           |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of work opportunities created through the Basic Education Employment Initiative                                                                   | 245 489 work opportunities created                                                                                             | 250 000 work opportunities created                                                                                | 300 000 work opportunities created                                                                                | Department of Basic Education                                                                        | The Presidency                                                                |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of work opportunities created through the Social Employment Fund                                                                                  | 50 000 work opportunities created                                                                                              | 100 000 work opportunities created                                                                                | 250 000 work opportunities created                                                                                | Department of Trade, Industry and Competition                                                        | The Presidency/ Department of Small Business Development                      |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of self-employment opportunities created through support to subsistence farmers                                                                   | 141 801 self-employment opportunities created                                                                                  | 291 801 self-employment opportunities created                                                                     | 441 801 self-employment opportunities created                                                                     | Department of Agriculture                                                                            | The Presidency/ Department of Employment and Labour                           |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of work opportunities created through the Community Works Programme                                                                               | 250 404 work opportunities created                                                                                             | 250 000 work opportunities created                                                                                | 300 000 work opportunities created                                                                                | Department of Cooperative Governance                                                                 | Department of Employment and Labour                                           |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of work opportunities created through the creative sector stimulus                                                                                | 39 571 work opportunities created                                                                                              | 20 000 work opportunities created                                                                                 | 40 000 work opportunities created                                                                                 | Department of Sports, Arts and Culture                                                               | The Presidency/ Department of Sports, Arts and Culture                        |
|                                             |                                                                 |                                      |                                      |                                                                                                                                                | Number of jobs created through the digital economy programme (GBS)                                                                                       | 52 390 jobs created in the GBS sector                                                                                          | 50 000 jobs created in the GBS sector                                                                             | 150 000 jobs created in the GBS sector                                                                            | Department of Trade, Industry and Competition/ Department of Communications and Digital Technologies | National Treasury / The Presidency / Department of Small Business Development |

| Outcomes                                                                | Outcome Indicators                                              | Outcome Baselines                    | Outcome Targets 2029/30              | Strategic Interventions                                                                                                 | Intervention Indicators                                                                 | Intervention Baseline                                                                                                                 | Mid-Term Targets                                                                                        | End-Term Targets                                                                   | Lead Department(s)                            | Supporting Institutions                                                                                         |
|-------------------------------------------------------------------------|-----------------------------------------------------------------|--------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Increased employment and work opportunities                             | Number of public employment opportunities created by government | 1 855 693 work opportunities created | 6 481 801 work opportunities created | Reform public employment programmes to enhance their impact                                                             | Number of work opportunities created through the National Youth Service                 | 89 000 work and paid service opportunities created                                                                                    | 125 000 work and paid service opportunities created                                                     | 250 000 work and paid service opportunities created                                | National Youth Development Agency             | The Presidency/ Department of Public Works and Infrastructure/ Provinces/ Sector Education Training Authorities |
|                                                                         |                                                                 |                                      |                                      | Create high-quality work opportunities through public employment programmes                                             | Number of work opportunities created through the Expanded Public Works Programme        | 987 038 work opportunities created                                                                                                    | 3 062 966 work opportunities created                                                                    | 5 000 000 work opportunities created                                               | Department of Public Works and Infrastructure | All partners in the Expanded Public Works Programme / Provincial departments and Municipalities                 |
| Accelerated growth of strategic industrial and labour-intensive sectors | Value of investment attracted                                   | R700 billion in investment           | R3 trillion in investment            | Secure additional investment through sectoral interventions, competition interventions and industrial financial support | Investment secured through sector master plans                                          | New indicator                                                                                                                         | R13 billion investment secured through sector master plans                                              | R30 billion investment secured through sector master plans                         | Department of Trade, Industry and Competition | All cluster departments National Treasury / Department of Small Business Development                            |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Investment secured through competition and transformation interventions                 | R8 billion                                                                                                                            | R20 billion investment leveraged from competition and transformation interventions                      | R40 billion investment leveraged from competition and transformation interventions | Department of Trade, Industry and Competition |                                                                                                                 |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Investment secured through industrial financial support                                 | R160 billion investment secured through industrial funding support                                                                    | R70 billion investment secured through industrial funding support                                       | R125 billion investment secured through industrial funding support                 | Department of Trade, Industry and Competition | National Treasury / Department of Small Business Development                                                    |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Review of industrial policy completed                                                   | New indicator                                                                                                                         | Review of industrial policy completed and recommendations implemented                                   | -                                                                                  | Department of Trade, Industry and Competition |                                                                                                                 |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Recommendations of the incentives evaluation completed                                  | New indicator                                                                                                                         | Recommendations of the 2018 incentives evaluation fully implemented                                     | New incentives framework implemented                                               | Department of Trade, Industry and Competition | The Presidency / Department of Planning, Monitoring and Evaluation                                              |
|                                                                         |                                                                 |                                      |                                      | National Policy Framework on Incentives for Small Enterprises developed and implemented                                 | National Policy Framework on Incentives for Small Enterprises developed and implemented | New indicator                                                                                                                         | National Policy Framework on Incentives for Small Enterprises developed                                 | National Policy Framework on Incentives for Small Enterprises implemented          | Department of Small Business Development      | Department of Tourism/ Department of Trade, Industry and Competition/ Department of Agriculture Provinces       |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Increased export of Global Business Services                                            | R7.3 billion in exports of Global Business Services                                                                                   | Value of Global Business Services exports increased to R12 billion                                      | Value of Global Business Services exports increased to R20 billion                 | Department of Trade, Industry and Competition | National Treasury/ Department of Small Business Development                                                     |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Increase in SA's share of global mining exploration expenditure                         | Less than 1% of global exploration expenditure                                                                                        | 2.5% of global exploration expenditure                                                                  | 5% of global exploration expenditure                                               | Department of Mineral and Petroleum Resources | National Treasury/ Department of Trade, Industry and Competition                                                |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | % of global market for processed critical minerals captured                             | Regional Critical Minerals (RCM) Strategy Framework developed to increase value addition and support transition to low carbon economy | 2% of global market for processed critical minerals captured                                            | 5% of global market for processed critical minerals captured                       | Department of Trade, Industry and Competition | National Treasury/ Department of Mineral and Petroleum Resources/ Department of Small Business Development      |
|                                                                         |                                                                 |                                      |                                      |                                                                                                                         | Producers supported through Blended Finance Scheme                                      | 186 producers supported through blended finance                                                                                       | 250 producers supported through blended finance                                                         | 500 producers supported through blended finance                                    | Department of Agriculture                     | Department of Small Business Development/ Provinces                                                             |
|                                                                         |                                                                 |                                      |                                      | Number of bilateral agreements concluded to expand access to export markets for agricultural products                   | Chinese market opened to fruit, dairy, wine and red meat                                |                                                                                                                                       | Draft bilateral agreements with Middle East (including Saudi Arabia) for fruit, vegetables and red meat | Five bilateral agreements concluded with target countries                          | Department of Agriculture                     | Department of Trade, Industry and Competition/ Department of Small Business Development/ Provinces              |

| Outcomes                                                                | Outcome Indicators                                                                                        | Outcome Baselines          | Outcome Targets 2029/30   | Strategic Interventions                  | Intervention Indicators                                                                                                                                                 | Intervention Baseline                                            | Mid-Term Targets                                                                                                                | End-Term Targets                                                                                          | Lead Department(s)                                    | Supporting Institutions                                                                                                                                                                                                            |
|-------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accelerated growth of strategic industrial and labour-intensive sectors | Value of investment attracted                                                                             | R700 billion in investment | R3 trillion in investment | Drive growth in labour-intensive sectors | Growth in value of agricultural exports to target countries (measured within identified key sub-sectors)                                                                | Current value of agricultural exports                            | 5% growth in agricultural exports<br>Surpass \$14.5 billion in agricultural exports                                             | 7% growth in agricultural exports                                                                         | Department of Agriculture                             | Department of Trade, Industry and Competition/<br>Department of International Relations & Cooperation/<br>Provinces                                                                                                                |
|                                                                         |                                                                                                           |                            |                           |                                          | Establishment of a Biosecurity Council made up of government, academics, practitioners, scientists, international agencies to advise on measures to improve biosecurity | New indicator                                                    | Implement agreed protocols and programmes                                                                                       | Biosecurity Council/Hub established                                                                       | Department of Agriculture                             | Provinces                                                                                                                                                                                                                          |
|                                                                         |                                                                                                           |                            |                           |                                          | Increase in the value of domestic tourism spend                                                                                                                         | R123 billion                                                     | R 131.4 billion                                                                                                                 | R 139.4 billion                                                                                           | Department of Tourism                                 | Department of Small Business Development                                                                                                                                                                                           |
|                                                                         |                                                                                                           |                            |                           |                                          | Increase in the number of domestic tourism trips                                                                                                                        | 37.9 million domestic trips                                      | 41.8 million domestic trips                                                                                                     | 45.1 million domestic trips                                                                               | Department of Tourism                                 | Department of Small Business Development                                                                                                                                                                                           |
|                                                                         |                                                                                                           |                            |                           |                                          | Increase in the value of international tourist spend                                                                                                                    | R95.1 billion                                                    | R105.9 billion                                                                                                                  | R115.2 billion                                                                                            | Department of Tourism                                 | Department of International Relations & Cooperation                                                                                                                                                                                |
|                                                                         |                                                                                                           |                            |                           |                                          | Increase in international tourist arrivals                                                                                                                              | 8.81 million international tourist arrivals                      | 11.1 million international tourist arrivals                                                                                     | 15 million international tourist arrivals                                                                 | Department of Tourism                                 | Department of International Relations & Cooperation                                                                                                                                                                                |
|                                                                         |                                                                                                           |                            |                           |                                          | Digital Economy Master Plan (DEM)                                                                                                                                       | Implementation plan programmes and projects DEM                  | Implementation Plan Progressively facilitate implementation of DEM targets of contribution to GDP, jobs and transformation      | Facilitate the achievement of at least 80% of DEM targets of contribution to GDP, jobs and transformation | Department of Communications and Digital Technologies | All Departments                                                                                                                                                                                                                    |
|                                                                         | Improve the performance of industrial parks                                                               |                            |                           |                                          | New model developed to improve the performance of industrial parks                                                                                                      | New indicator                                                    | Review institutional arrangements for the establishment of industrial parks to resolve ownership, governance and funding issues | New model for industrial parks implemented                                                                | Department of Trade, Industry and Competition         | Department of Planning, Monitoring and Evaluation/<br>Department of Small Business Development                                                                                                                                     |
|                                                                         |                                                                                                           |                            |                           |                                          | Number of industrial parks supported                                                                                                                                    | 15 existing industrial parks supported                           | 22 industrial parks approved for infrastructure support                                                                         | 45 industrial parks approved for infrastructure support (5 per province)                                  | Department of Trade, Industry and Competition         | Provinces /<br>Municipalities /<br>Department of Small Business Development                                                                                                                                                        |
|                                                                         | Expand financial and non-financial support for small businesses, focusing on township and rural economies |                            |                           |                                          | Number of small enterprises supported financially and non-financially.                                                                                                  | 182 649 competitive small businesses and co-operatives supported | 500 000 small enterprises supported financially and non-financially (cumulative)                                                | 1 million small enterprises supported financially and non-financially (cumulative)                        | Department of Small Business Development              | Department of Tourism/<br>Department of Trade, Industry and Competition/<br>Department of Agriculture/<br>Department of Forestry, Fisheries and the Environment/<br>Department of Science, Technology and Innovation/<br>Provinces |
|                                                                         |                                                                                                           |                            |                           |                                          | Number of start-ups supported financially and non-financially.                                                                                                          | 41 205 start-ups supported financially and non-financially       | 25 000 start-ups supported financially and non-financially (cumulative)                                                         | 50 000 start-ups supported financially and non-financially (cumulative)                                   | Department of Small Business Development              |                                                                                                                                                                                                                                    |

| Outcomes                                                                                    | Outcome Indicators            | Outcome Baselines                    | Outcome Targets 2029/30          | Strategic Interventions                                                                                                        | Intervention Indicators                                                                                  | Intervention Baseline                                                                               | Mid-Term Targets                                                             | End-Term Targets                                                                                                          | Lead Department(s)                   | Supporting Institutions                              |
|---------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------|------------------------------------------------------|
| Accelerated growth of strategic industrial and labour-intensive sectors                     | Value of investment attracted | R700 billion in investment           | R3 trillion in investment        | Expand financial and non-financial support for small businesses, focusing on township and rural economies                      | Percentage of informal MSMEs provided with formalisation support                                         | 1 804 434 informal enterprises as per Seda SMMEs 2024 Report                                        | 5% of informal MSMEs provided with formalisation support (cumulative)        | 10% of informal MSMEs provided with formalisation support (cumulative)                                                    | Department of Small Business         | Small Enterprise Development & Finance Agency        |
| Enabling environment for investment and improved competitiveness through structural reforms | Percentage of GDP growth      | Projected GDP growth of 1.1% in 2024 | GDP growth of 3% or more by 2029 | Reform the electricity sector to achieve energy security                                                                       | Restructuring of Eskom completed in line with the Eskom Roadmap and Electricity Regulation Amendment Act | National Transmission Company of South Africa (NTCSA) established as a subsidiary of Eskom Holdings | Legal separation of Eskom Distribution                                       | Establishment of an independent Transmission System Operator (TSO) outside of Eskom                                       | Department of Electricity and Energy | Eskom                                                |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | Establishment of South African Wholesale Electricity Market (SAWEM)                                      | Electricity Regulation Amendment Act passed and assented to by the President                        | Approval of market code and granting of market operator and trading licences | SAWEM established and opened for trading                                                                                  | Department of Electricity and Energy | Eskom                                                |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | Reduction in processing time for regulatory authorisations related to energy projects                    | Processing time over 1 000 days                                                                     | Reduction in processing time for related authorisations to 180 days          | Establishment of a single electronic window for related authorisations                                                    | Department of Electricity and Energy | The Presidency/<br>National Treasury                 |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | Implementation of the Electricity Distribution Industry (EDI) Reform Roadmap                             | No agreed policy position on EDI reform                                                             | Roadmap developed and approved by Cabinet                                    | Energy Security Bill passed                                                                                               | Department of Electricity and Energy | National Energy Crisis Committee                     |
|                                                                                             |                               |                                      |                                  | Implement the Freight Logistics Roadmap to enable private investment and increase competition and efficiency of ports and rail | Enhanced regulation in the transport sector                                                              | Regulation of Transport Act passed and assented to by the President                                 | Transport Economic Regulator established                                     | TER and TEC fully operational and regulatory mandate extended to the rail sector                                          | Department of Transport              | Transport/<br>Transport Economic Regulatory Entities |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | Implementation of open access to the freight rail network                                                | Network Statement issued by Transnet                                                                | Open access to the rail network commenced                                    | Increased number of private train operating companies operating on the network                                            | Department of Transport              | Passenger Rail Agency of South Africa / Transnet     |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | Private sector participation in ports and rail                                                           | Private Sector Participation Framework approved by Cabinet                                          | PSP Unit established and fully capacitated                                   | Private sector participation introduced through concluding railway concessions in the rail freight and passenger industry | Department of Transport              | Passenger Rail Agency of South Africa / Transnet     |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | Investment in port and rail infrastructure                                                               |                                                                                                     | RFPs released to the market for at least eight major PSP transactions        | National Rail Master Plan finalised and approved                                                                          |                                      |                                                      |
|                                                                                             |                               |                                      |                                  |                                                                                                                                | National Ports Authority established as a subsidiary of Transnet                                         | TNPA Board appointed                                                                                | Interim Rail Master Plan developed                                           | Transnet restructured into infrastructure and operations portfolios with independent subsidiaries                         | Department of Transport              | Transnet                                             |



| Outcomes                                                                                    | Outcome Indicators       | Outcome Baselines                    | Outcome Targets 2029/30          | Strategic Interventions                                                                                                        | Intervention Indicators                                                                                  | Intervention Baseline                                                        | Mid-Term Targets                                                                                      | End-Term Targets                                                                                  | Lead Department(s)                 | Supporting Institutions                                                                                                                                                         |
|---------------------------------------------------------------------------------------------|--------------------------|--------------------------------------|----------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Enabling environment for investment and improved competitiveness through structural reforms | Percentage of GDP growth | Projected GDP growth of 1.1% in 2024 | GDP growth of 3% or more by 2029 | Implement the Freight Logistics Roadmap to enable private investment and increase competition and efficiency of ports and rail | Rail Infrastructure Manager established as a subsidiary of Transnet                                      | Interim Infrastructure Manager established within Transnet Freight Rail      | Rail Infrastructure Manager established as a subsidiary of Transnet                                   | Transnet restructured into infrastructure and operations portfolios with independent subsidiaries | Department of Transport            | Transnet                                                                                                                                                                        |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Freight volumes increased from 149 Mt to 250 Mt by 2030                                                  | Memorandum of Incorporation (MOI) finalised                                  | 220 million tonnes                                                                                    | 250 million tonnes                                                                                | Department of Transport            | Transnet                                                                                                                                                                        |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Improved efficiency of port terminals                                                                    | 15 Gross Crane Moves Per Hour (GCMH) in 2024                                 | DCT Pier 1 = 25 GCMH<br>DCT Pier 2 = 25 GCMH<br>NCT = 25 GCMH<br>CTCT = 25 GCMH                       | All container terminals achieving 30 GCMH                                                         | Department of Transport            | Transnet                                                                                                                                                                        |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | National Water Resource Infrastructure Agency (NWRIA) established                                        | NWRIA Act passed and assented to by the President                            | NWRIA established and board appointed                                                                 | -                                                                                                 | Department of Water and Sanitation |                                                                                                                                                                                 |
|                                                                                             |                          |                                      |                                  | Reform the institutional structure of the water sector and strengthen the regulation of water service provision                | Establishment of Catchment Management Agencies (CMAs) completed                                          | 4 out of 6 CMAs fully established                                            | 6 out of 6 CMAs fully established                                                                     |                                                                                                   |                                    |                                                                                                                                                                                 |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Water Services Act amended to strengthen the regulation of water service providers                       | Water Services Amendment (WSA) Bill published for public consultation        | WSA Bill tabled in the National Assembly                                                              | WSA Bill passed                                                                                   | Department of Water and Sanitation |                                                                                                                                                                                 |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Establishment of an independent water regulator to strengthen oversight of water services                | Water Regulator Commission appointed by the Minister of Water and Sanitation | Legislation developed and tabled in the National Assembly to establish an independent water regulator | Independent water regulator established                                                           |                                    |                                                                                                                                                                                 |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Number of water systems in critical condition according to Blue and Green Drop reports                   | 29% of water systems in critical condition                                   | 20% of water systems in critical condition                                                            | 15% of water systems in critical condition                                                        |                                    |                                                                                                                                                                                 |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Number of projects supported through the Water-Partnerships Office                                       | Water Partnerships Office established between DWS and the DBSA               | 5 projects supported to execution phase                                                               | 10 projects supported to execution phase                                                          | Department of Water and Sanitation | Development Bank of Southern Africa                                                                                                                                             |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Initiatives implemented to attract skills, promote investment and grow tourism sector                    | Announcement of Trusted Tour Operator Scheme (TTOS) Gazetted in October 2024 | Trusted Tour Operator Scheme implemented                                                              |                                                                                                   | Department of Home Affairs         | Department of Tourism / Department of Employment and Labour / Professional Bodies / Department of Higher Education and Training / Department of Trade, Industry and Competition |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Second and third amendment of the Immigration Regulations, 2014 (May 2024 and October 2024 respectively) |                                                                              | Trusted Employer Scheme expanded to all qualifying employers                                          |                                                                                                   |                                    |                                                                                                                                                                                 |
|                                                                                             |                          |                                      |                                  |                                                                                                                                | Reduction in processing time for work visas                                                              | 52% of critical skills and general work visas adjudicated within four weeks  | 95% of critical skills and general work visa outcomes issued within four weeks                        | 95% of critical skills and general work visa outcomes issued within four weeks                    | Department of Home Affairs         |                                                                                                                                                                                 |

| Outcomes                                                                                    | Outcome Indicators       | Outcome Baselines                    | Outcome Targets 2029/30          | Strategic Interventions                                                                                                       | Intervention Indicators                                                                                                    | Intervention Baseline                                          | Mid-Term Targets                                                                                           | End-Term Targets                                                                                             | Lead Department(s)                                           | Supporting Institutions                                      |
|---------------------------------------------------------------------------------------------|--------------------------|--------------------------------------|----------------------------------|-------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------------------------------------------------|
| Enabling environment for investment and improved competitiveness through structural reforms | Percentage of GDP growth | Projected GDP growth of 1.1% in 2024 | GDP growth of 3% or more by 2029 | Reform the visa regime to attract skills, promote investment and grow tourism in support of economic growth and job creation  | Implementation of Electronic Travel Authorisation (ETA) system for automated digital application and adjudication of visas | New indicator                                                  | ETA implemented for tourist and short-stay visas                                                           | ETA or designated electronic system implemented for all visa categories                                      | Department of Home Affairs                                   |                                                              |
|                                                                                             |                          |                                      |                                  | Achieve universal internet access                                                                                             | Population coverage of 5G networks                                                                                         | 38.4% population coverage by 5G                                | 50% population coverage by 5G                                                                              | 90% population coverage by 5G                                                                                | Department of Communications and Digital Technologies        |                                                              |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | Fibre coverage                                                                                                             | 27% fixed broadband penetration                                | 55% fixed broadband penetration                                                                            | 65% fixed broadband penetration                                                                              | Department of Communications and Digital Technologies        | Eskom / Transnet / BBI / Sentech                             |
|                                                                                             |                          |                                      |                                  |                                                                                                                               |                                                                                                                            | 55% fibre backhaul                                             | 70% fibre backhaul                                                                                         | 90% backhaul                                                                                                 | Department of Communications and Digital Technologies        |                                                              |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | % households with fixed connectivity                                                                                       | 14.5% of households with fixed connectivity                    | 25% of households with fixed connectivity                                                                  | >50% of households with fixed connectivity                                                                   | Department of Communications and Digital Technologies        |                                                              |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | Affordability of devices and data                                                                                          | 33% reduction in data cost                                     | Implementation of policy on data cost reduction                                                            | 60% reduction on data cost                                                                                   | Department of Communications and Digital Technologies        |                                                              |
|                                                                                             |                          |                                      |                                  |                                                                                                                               |                                                                                                                            | Draft Electronic Communications Amendment (ECA) Bill           |                                                                                                            |                                                                                                              |                                                              |                                                              |
|                                                                                             |                          |                                      |                                  | Access to devices                                                                                                             | Percentage of 4G/5G smartphone adoption                                                                                    | 26.3%                                                          | 35%                                                                                                        | >50%                                                                                                         | Department of Communications and Digital Technologies        |                                                              |
|                                                                                             |                          |                                      |                                  | Mainstream red tape reduction across every department and public entity to reduce the excessive regulatory burden on business | Number of One Stop Shops launched and operational                                                                          | Three One Stop Shops (Gauteng, KwaZulu-Natal and Western Cape) | 4 One Stop Shops established (Eastern Cape, Limpopo, Northern Cape and Mpumalanga)                         | 6 One Stop Shops established (Eastern Cape, Limpopo, Northern Cape and Mpumalanga, Northwest and Free State) | Department of Trade, Industry and Competition                | Department of Small Business Development                     |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | Number of administrative and regulatory reviews per department                                                             | One piece of legislation reviewed                              | Identify and implement 14 administrative and regulatory reviews to reduce red tape                         | Identify and implement 14 administrative and regulatory reviews to reduce red tape                           | Department of Small Business Development                     | All departments                                              |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | Develop the invoice tracking system                                                                                        | New indicator                                                  | Finalise the development of the invoice tracking system                                                    | Improved compliance with the 30 day payment requirement                                                      | National Treasury / Department of Small Business Development | All departments                                              |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | Revised instruction note on the payment of invoices within 30 days or the agreed period                                    | 2021/22 Instruction Note 3                                     | Finalise and issue the revised instruction note on payment of invoices within 30 days or the agreed period | Improved compliance with the 30 day payment requirement                                                      | National Treasury / Department of Small Business Development | All departments / The Presidency                             |
|                                                                                             |                          |                                      |                                  |                                                                                                                               | Number of e-registration systems rolled out in municipalities                                                              | New indicator                                                  | E-registration systems rolled out in 50 municipalities (cumulative)                                        | E-registration systems rolled out in 100 municipalities (cumulative)                                         | Department of Small Business Development                     | Department of Cooperative Governance and Traditional Affairs |

| Outcomes                                                   | Outcome Indicators                                                    | Outcome Baselines     | Outcome Targets 2029/30 | Strategic Interventions                                                                                                                           | Intervention Indicators                                                                                                    | Intervention Baseline                                                                                                                            | Mid-Term Targets                                                                                                                                                                                                                                                                                                                                     | End-Term Targets                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Lead Department(s)                            | Supporting Institutions       |
|------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------|
| Increased infrastructure investment, access and efficiency | Increased gross fixed capital formation (GFCF) as a percentage of GDP | 15.15% of GDP in 2023 | 20% of GDP by 2029      | Create an enabling policy, regulatory and institutional environment for infrastructure investment                                                 | Implement Eight Pillars of Reform to drive investment in infrastructure                                                    | Address 2 critical reforms namely:<br>Pillar 2: Centralised Planning and Prioritisation<br>Pillar 4: Address Regulatory Bottlenecks and Red-Tape | Address 4 critical reforms:<br>Pillar 1: Address Institutional Arrangements<br>Pillar 2: Centralised Planning and Prioritisation<br>Pillar 3: Accelerate Broader Budget Reforms<br>Pillar 4: Address Regulatory Bottlenecks and Red-Tape<br>Pillar 5: Address Municipal Bulk Infrastructure Constraints<br>Pillar 6: Unlock Other Sources of Funding | Address 8 critical reforms:<br>Pillar 1: Address Institutional Arrangements<br>Pillar 2: Centralised Planning and Prioritisation<br>Pillar 3: Accelerate Broader Budget Reforms<br>Pillar 4: Address Regulatory Bottlenecks and Red-Tape<br>Pillar 5: Address Municipal Bulk Infrastructure Constraints<br>Pillar 6: Unlock Other Sources of Funding<br>Pillar 7: Economic Regulation in the Construction Industry<br>Pillar 8: Cancellation of Tenders, Social Unrest, Damage to Infrastructure, and Crime | Department of Public Works and Infrastructure | Infrastructure South Africa   |
|                                                            |                                                                       |                       |                         | Create an enabling policy, regulatory and institutional environment for infrastructure investment                                                 | Finalisation of revised Public Private Partnership Regulations (National Treasury Regulation 16 and Municipal Regulations) | Amendments to Public Private Partnership Regulations published                                                                                   | Revised Public Private Partnership Regulations gazetted and implemented                                                                                                                                                                                                                                                                              | Infrastructure Centre of Excellence established to support PPPs                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                               |                               |
|                                                            |                                                                       |                       |                         | Invest in infrastructure development in key sectors of energy, communications, water and transport infrastructure, and focus on underserved areas | Establishment of Infrastructure South Africa as a public entity                                                            | Infrastructure South Africa is a programme within DPWI                                                                                           | Promulgation of the Infrastructure Planning and Development Act                                                                                                                                                                                                                                                                                      | Operationalisation of Infrastructure South Africa as a public entity                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                               |                               |
|                                                            |                                                                       |                       |                         |                                                                                                                                                   | Value of public sector infrastructure investment                                                                           | R290 billion total public sector infrastructure investment per annum                                                                             | R310 billion total public sector infrastructure investment per annum                                                                                                                                                                                                                                                                                 | R350 billion total public sector infrastructure investment per annum                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                               |                               |
|                                                            |                                                                       |                       |                         |                                                                                                                                                   | Number of mega projects (above R3 billion) brought to market                                                               | 5 mega projects                                                                                                                                  | 15 mega projects                                                                                                                                                                                                                                                                                                                                     | 30 mega projects                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Department of Public Works and Infrastructure | National Treasury             |
|                                                            |                                                                       |                       |                         |                                                                                                                                                   | Investment in airport infrastructure & operations                                                                          | 36 million passengers moved per annum through the ACSA network                                                                                   | Airfreight throughput of approximately 350 000 – 400 000 tonnes per annum moved at ORTA                                                                                                                                                                                                                                                              | 12 million tonnes of airfreight moved through ORTTA per annum<br>More than 42 million passengers per annum across the ACSA network                                                                                                                                                                                                                                                                                                                                                                          |                                               |                               |
|                                                            |                                                                       |                       |                         |                                                                                                                                                   |                                                                                                                            |                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Department of Transport                       | Airports Company South Africa |

| Outcomes                                                   | Outcome Indicators                                                    | Outcome Baselines           | Outcome Targets 2029/30                                                                          | Strategic Interventions                                                                                                                           | Intervention Indicators                                                                                  | Intervention Baseline                                                                                                                                                                                                                                                          | Mid-Term Targets                                                                                                                                                                                                         | End-Term Targets                                                                                                                                                                      | Lead Department(s)                                                         | Supporting Institutions                                                       |
|------------------------------------------------------------|-----------------------------------------------------------------------|-----------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Increased infrastructure investment, access and efficiency | Increased gross fixed capital formation (GFCF) as a percentage of GDP | 15.15% of GDP in 2023       | 20% of GDP by 2029                                                                               | Invest in infrastructure development in key sectors of energy, communications, water and transport infrastructure, and focus on underserved areas | Investment in road maintenance and rehabilitation                                                        | SANRAL roads infrastructure investment 24 384 Km<br>Provincial roads infrastructure investment 222 951 Km                                                                                                                                                                      | 45 000 anticipated jobs to be created<br>496 752 job opportunities to be created                                                                                                                                         | At least 75 000 jobs to be created (SANRAL roads)<br>827 920 job opportunities to be created (Provincial roads)                                                                       | Department of Transport                                                    | South African National Roads Agency Limited                                   |
|                                                            |                                                                       |                             |                                                                                                  |                                                                                                                                                   | Number of bulk water infrastructure projects completed and under construction                            | 13 projects under construction                                                                                                                                                                                                                                                 | 15 projects under construction                                                                                                                                                                                           | 20 projects under construction                                                                                                                                                        | Department of Water and Sanitation                                         | National Treasury                                                             |
|                                                            |                                                                       |                             |                                                                                                  |                                                                                                                                                   | Number of infrastructure projects completed in municipalities through the Adopt-a-Municipality programme | 4 projects completed in 4 municipalities                                                                                                                                                                                                                                       | 8 projects completed in 4 municipalities                                                                                                                                                                                 | 16 projects completed in 8 municipalities                                                                                                                                             | Department of Public Works and Infrastructure                              | Department of Cooperative Governance and Traditional Affairs / Municipalities |
|                                                            |                                                                       |                             |                                                                                                  |                                                                                                                                                   | Number of small harbours released to the market for development of redevelopment                         | 13 Spatial Economic Development Frameworks (SEDF) have been developed for all 13 harbours                                                                                                                                                                                      | Pilot initiated in the Western Cape (Hout Bay)<br>Feasibility studies initiated for the development of new harbours in the Northern Cape (Port Nolloth), Eastern Cape (Port St Johns) and KwaZulu-Natal (Port Shepstone) | At least six small harbours released to the market for redevelopment<br>Three feasibility studies completed and at least one converted into a development plan and released to market | Department of Public Works and Infrastructure                              | Infrastructure South Africa                                                   |
| Improved energy security and a just energy transition      |                                                                       |                             |                                                                                                  |                                                                                                                                                   | PPP projects in execution for public buildings                                                           | Total of 2 559 Repair, Refurbishment & Maintenance projects in various stages of execution                                                                                                                                                                                     | 540 active projects                                                                                                                                                                                                      | Balance of projects confirmed                                                                                                                                                         | Department of Public Works and Infrastructure/ Infrastructure South Africa | National Treasury                                                             |
|                                                            |                                                                       |                             |                                                                                                  | Competitive ICT regulatory environment                                                                                                            | Equity equivalent programme in ICT sector                                                                | New indicator                                                                                                                                                                                                                                                                  | Recognise EEIPs in ICT sector                                                                                                                                                                                            | -                                                                                                                                                                                     | Department of Communications and Digital Technologies                      |                                                                               |
|                                                            |                                                                       |                             |                                                                                                  |                                                                                                                                                   | Improve SA ranking in ICT Development Index (IDI), WEF global competitiveness report, UN e-Gov Survey    | SA global ranked as follows: International Union of Telecommunication Union ICT Development Index is 81 out of 171 countries; SA is ranked 60th in 2022 out of 131 countries; South Africa e-Gov rank is 65 in 2022 out of 131 countries; SA is ranked 88 out of 193 countries | 15% improvement in key rankings                                                                                                                                                                                          | 30% improvement in key rankings                                                                                                                                                       | Department of Communications and Digital Technologies                      |                                                                               |
|                                                            |                                                                       |                             |                                                                                                  |                                                                                                                                                   | Expanded and strengthened transmission network                                                           | Approved Transmission Development Plan (TDP)                                                                                                                                                                                                                                   | 3 399 km of transmission lines built                                                                                                                                                                                     | 7 416 km of transmission lines built                                                                                                                                                  | Department of Electricity and Energy                                       | National Transmission Company of South Africa                                 |
| Improved energy security and a just energy transition      | GW of new generation capacity                                         | Installed capacity of 48 GW | Additional generation capacity of 30 GW and triple the share of renewables to support the JET IP | Expedite the rollout of the Transmission Development Plan and focus on expanding and strengthening the transmission network                       |                                                                                                          |                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                          |                                                                                                                                                                                       |                                                                            |                                                                               |
|                                                            | Mt CO2-eq carbon emissions                                            | 479 Mt CO2-eq               | Reduction in carbon emissions to 350-420 Mt CO2-eq in line with South Africa's NDC commitment    |                                                                                                                                                   |                                                                                                          |                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                          |                                                                                                                                                                                       |                                                                            |                                                                               |



| Outcomes                                              | Outcome Indicators                                          | Outcome Baselines                            | Outcome Targets 2029/30                                                                                                                                                                               | Strategic Interventions                                                                                                                                                                                 | Intervention Indicators                                                                                                                    | Intervention Baseline                                                                                                     | Mid-Term Targets                                                                                                                                    | End-Term Targets                                                                                                                                                                                                                 | Lead Department(s)                                          | Supporting Institutions                                                                                                                                                                                                              |
|-------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Improved energy security and a just energy transition | GW of new generation capacity<br>Mt CO2-eq carbon emissions | Installed capacity of 48 GW<br>479 Mt CO2-eq | Additional generation capacity of 30 GW and triple the share of renewables to support the JET IP<br><br>Reduction in carbon emissions to 350-420 Mt CO2-eq in line with South Africa's NDC commitment | Continue to implement the Energy Action Plan and achieve long-term energy security                                                                                                                      | Procurement of new generation capacity in line with the Integrated Resources Plan (IRP)                                                    | Approved IRP                                                                                                              | Implementation of IRP and diversify the energy mix in line with Ministerial Determinations                                                          | Implement GW Gas to Power generations (30GW for Eskom and 3GW through IPP)                                                                                                                                                       | Department of Electricity and Energy                        | Independent Power Producers' Office/ Development Bank<br>Southern Africa /<br>Department of Trade, Industry and Competition /<br>National Energy Regulator of South Africa                                                           |
|                                                       |                                                             |                                              |                                                                                                                                                                                                       | Implement the Just Energy Transition Investment Plan (JET-IP) and ensure that South Africa's transition to a low-carbon economy supports communities and workers in Mpumalanga and other affected areas | ACT IP \$2.6 billion deployed for Camden, Hendrina and Grootvlei (CHG) Mpumalanga power stations' repurposing, repowering, decommissioning | Coal fired power stations                                                                                                 | PPPs procured for renewable generation investments at CHG<br><br>50 JET projects matched with grant funders<br><br>10 municipalities have JET plans | CHG power stations decommissioned, new renewable power generation operating, new livelihoods established for affected communities<br><br>200 JET projects matched with JET grant funders<br><br>20 municipalities have JET plans | Eskom/ Department of Electricity and Energy/ The Presidency | South African Local Government Association / National Treasury / Development Bank Southern Africa /<br>Department of Cooperative Governance and Traditional Affairs                                                                  |
|                                                       |                                                             |                                              |                                                                                                                                                                                                       | License to construct from the National Nuclear Regulator                                                                                                                                                | Enablement for Procurement of 2,500 MW Nuclear New Build Programme, in line with IRP, including SMRs                                       | 1. Procurement framework study report<br>2. Options analysis for funding mechanisms developed                             | Ministerial Determination and RFI issued to market                                                                                                  | RFP issued to market<br><br>License to construct obtained from the National Nuclear Regulator                                                                                                                                    | Department of Electricity and Energy                        | Eskom /<br>National Energy Regulator of South Africa /<br>National Nuclear Regulator/<br>National Treasury                                                                                                                           |
|                                                       |                                                             |                                              |                                                                                                                                                                                                       | Decarbonise the transport sector                                                                                                                                                                        | Revised Green Transport Strategy approved by Cabinet                                                                                       | New indicator                                                                                                             | New energy vehicle (NEV) incentives approved for implementation                                                                                     | NEV market penetration increases by 10% from baseline<br><br>EV charging infrastructure in place to meet demand                                                                                                                  | Department of Transport                                     | National Treasury/<br>Department of Trade Industry and Competition                                                                                                                                                                   |
|                                                       |                                                             |                                              |                                                                                                                                                                                                       | Support the development of the green hydrogen Sector                                                                                                                                                    | Green Hydrogen Infrastructure and Incentives Plan developed                                                                                | New indicator                                                                                                             | Draft Green Hydrogen Infrastructure and Incentives Plan approved                                                                                    | Green Hydrogen Infrastructure and Incentives Plan implemented                                                                                                                                                                    | Department of Electricity and Energy                        | Industrial Development Corporation/<br>Department of Trade Industry and Competition                                                                                                                                                  |
|                                                       |                                                             |                                              |                                                                                                                                                                                                       | Implement the Just Energy Transition Investment Plan (JET-IP) and ensure South Africa's transition to a low-carbon economy                                                                              | Compliance with national GHG emission targets ranges, 398-510 Mt                                                                           | The total GHG emissions for 2022 are at 435 Mt which is well within the Peak Plateau and Decline (PPD) range (398-614 Mt) | Emissions between 398 and 510 Mt CO2-e range (2024)                                                                                                 | Emissions between 398 and 510 Mt CO2-e range (2027)                                                                                                                                                                              | Department of Forestry, Fisheries and the Environment       | Department of Transport/<br>Department of Mineral and Petroleum Resources/<br>Department of Trade, Industry and Competition/<br>Department of Agriculture/<br>Department of Water and Sanitation/<br>Department of Human Settlements |

| Outcomes                                                          | Outcome Indicators                                                    | Outcome Baselines                                     | Outcome Targets 2029/30                                                                          | Strategic Interventions                                                                                                       | Intervention Indicators                                                                                                                                                              | Intervention Baseline                                                                                            | Mid-Term Targets                                                                                                                  | End-Term Targets                                                                                                                   | Lead Department(s)                                                                                                                              | Supporting Institutions                                                    |
|-------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| Improved energy security and a just energy transition             | GW of new generation capacity                                         | Installed capacity of 48 GW                           | Additional generation capacity of 30 GW and triple the share of renewables to support the JET IP | Promote energy efficiency and reduce demand on the grid                                                                       | Integrated Resource Efficiency and Renewable Programme (IREREP)                                                                                                                      | Rollout and Implementation of IREREP projects                                                                    | 56 energy savings projects implemented with 34.7 MW saved<br>3.5 million kL water saved<br>55 thousand tons waste reduced         | 140 energy savings projects implemented with 868 MW saved<br>8.8 million kL water saved<br>139 thousand tons waste reduced         | Department of Electricity and Energy                                                                                                            | All departments                                                            |
|                                                                   | Mt CO2-eq carbon emissions                                            | 479 Mt CO2-eq                                         | Reduction in carbon emissions to 350-420 Mt CO2-eq in line with South Africa's NDC commitment    |                                                                                                                               |                                                                                                                                                                                      |                                                                                                                  |                                                                                                                                   |                                                                                                                                    |                                                                                                                                                 |                                                                            |
| Increased trade and investment                                    | Investment pledges secured                                            | R1.5 trillion in first phase of investment conference | R2 trillion in new investment pledges                                                            | Proactively attract and facilitate investment                                                                                 | Investment pledges secured                                                                                                                                                           | R1.5 trillion in investment pledges secured by 2024                                                              | R1 trillion in new investment pledges secured                                                                                     | R2 trillion in new investment pledges secured                                                                                      | Department of Trade, Industry and Competition                                                                                                   |                                                                            |
|                                                                   | AfCFTA implemented and exports to the rest of the continent increased | R546.7 billion in SA exports to the rest of Africa.   | Increase intra-Africa exports to R1.1 trillion                                                   | Prioritise the implementation of the African Continental Free Trade Area to increase our exports to the rest of the continent | Number of countries that have started trading under the AfCFTA (excluding SADC Countries)<br>Number of protocols ratified<br>Rand value increase in SA exports to the rest of Africa | 8 countries (including SA) trading under the AfCFTA<br>2 AfCFTA protocols submitted to Cabinet<br>R546.7 billion | 25 countries trading under the AfCFTA<br>4 AfCFTA protocols ratified<br>R728 billion                                              | 30 countries trading under the AfCFTA<br>6 AfCFTA protocols ratified<br>R1.1 trillion                                              | Department of Trade, Industry and Competition<br>Department of Trade, Industry and Competition<br>Department of Trade, Industry and Competition | Applicable departments<br>Applicable departments<br>Applicable departments |
| A dynamic science, technology and innovation ecosystem for growth | Expenditure on R&D as percentage of GDP                               | 0.61% of GDP                                          | 1.5% of GDP                                                                                      | Grow and transform SA's science, technology and innovation capabilities, human resources and research infrastructure          | Increase in the quantum of investment by the private sector into research, development & innovation                                                                                  | New indicator                                                                                                    | Government investment is matched at a 1:1 level between government and the private sector                                         | Government investment is matched at a 2:1 level between government and the private sector                                          | Department of Science Technology and Innovation                                                                                                 | All departments that contribute to STI activities                          |
|                                                                   |                                                                       |                                                       |                                                                                                  |                                                                                                                               | Value of funding towards science, technology and innovation                                                                                                                          | R34.1 billion in 2023/24                                                                                         | R68.5 billion in government funding for scientific and technological activities through national departments and science councils | R120.5 billion in government funding for scientific and technological activities through national departments and science councils | Department of Science Technology and Innovation                                                                                                 |                                                                            |
|                                                                   |                                                                       |                                                       |                                                                                                  |                                                                                                                               | Rand value of private sector investment in public-private research and innovation partnerships                                                                                       | R300 million                                                                                                     | R500 million                                                                                                                      | R1 billion                                                                                                                         | Department of Science Technology and Innovation                                                                                                 |                                                                            |
|                                                                   |                                                                       |                                                       |                                                                                                  | E-commerce/Digital platforms                                                                                                  | Percentage of Internet users using the internet for purchasing goods and services                                                                                                    | 24%                                                                                                              | 35%                                                                                                                               | >50%                                                                                                                               | Department of Science Technology and Innovation                                                                                                 |                                                                            |
| Supportive and sustainable economic policy environment            | Debt as percentage of GDP                                             | 74.7% of GDP                                          | Debt to GDP below 72%                                                                            | Ensure that economic policy is clear, certain and supports economic growth                                                    | Development of integrated economic growth strategy developed                                                                                                                         | New indicator                                                                                                    | Integrated economic growth strategy finalised and approved                                                                        | -                                                                                                                                  | The Presidency                                                                                                                                  | National Treasury / Department of Trade, Industry and Competition          |
|                                                                   |                                                                       |                                                       |                                                                                                  | Ensure a sustainable fiscal trajectory                                                                                        | Composition and spending and debt levels                                                                                                                                             | Macroeconomic Policy Review published                                                                            | Reduce debt-to-GDP ratio and improve the composition of spending towards investment                                               | Stabilise the debt-to-GDP trajectory to ensure a sustainable fiscal environment                                                    | National Treasury                                                                                                                               |                                                                            |

| Outcomes                                                                                                                | Outcome Indicators                                                   | Outcome Baselines | Outcome Targets 2029/30 | Strategic Interventions                                            | Intervention Indicators                                                                                                                        | Intervention Baseline                                             | Mid-Term Targets                                                                                                                       | End-Term Targets                                                                                                                       | Lead Department(s)                                       | Supporting Institutions                                      |
|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------|-------------------------|--------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| Economic transformation and equitable inclusion of women, youth and persons with disabilities (WYPD) for a just society | Funding leveraged for transformation through competition settlements | 74.7% of GDP      | Debt to GDP below 72%   | Utilise competition settlements to enhance transformation          | Value of transformation and competition commitments towards MSMEs, women-owned enterprises, youth-owned enterprises and people with disability | New indicator                                                     | R1 billion direct funding support from competition and transformation settlements for MSMEs, women, youth and people with disabilities | R2 billion direct funding support from competition and transformation settlements for MSMEs, women, youth and people with disabilities | Department of Trade, Industry and Competition            | National Treasury / Department of Small Business Development |
|                                                                                                                         |                                                                      |                   |                         | Economic empowerment of women, youth and persons with disabilities | Number and percentage of active registered enterprises owned by WYPD                                                                           | Women (228 008 / 29%)<br>Youth (226 533 / 29%)<br>PWD (5437 / 1%) | Women (35%)<br>Youth (30%)<br>PWD (3%)                                                                                                 | Women (50%)<br>Youth (30%)<br>PWD (5%)                                                                                                 | Department of Women, Youth and Persons with Disabilities | National Treasury / Department of Small Business Development |

The background of the page features a close-up, slightly blurred image of the South African flag, showing its characteristic green, white, red, and blue horizontal stripes and a yellow and black diagonal band. The flag is positioned on the left side, with its colors blending into a series of large, overlapping geometric shapes on the right side. These shapes include a green triangle, a yellow triangle, a blue triangle, and a white triangle, all arranged in a dynamic, overlapping pattern that suggests movement and transformation. The overall color palette is dominated by the colors of the South African flag, with a clear blue sky visible in the upper right corner.

# **RESULTS FRAMEWORKS**

## **ANNEXURE B**



## ANNEXURE B - RESULTS FRAMEWORK FOR STRATEGIC PRIORITY 2: REDUCE POVERTY AND TACKLE THE HIGH COST OF LIVING

Desired impact: A more equal society where no person lives in poverty; a cohesive and united nation

| Outcomes                                 | Outcome Indicators                                              | Outcome Baselines                                                                   | Outcome Targets 2029/30                                                                                                | Strategic Interventions                                                                                                                                                                  | Intervention Indicators                                           | Intervention Baseline                                        | Mid-Term Targets                                                | End-Term Targets                                                             | Lead Department(s)                                                                                   | Supporting Institutions                                                                                                                          |
|------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| Reduced poverty and improved livelihoods | Percentage of the population living below the food poverty line | 30.9% (2022)                                                                        | 25%                                                                                                                    | Maintain access to subsidised basic services for the elderly, infirm and poor by ensuring that local governments implement the indigent policies                                         | Percentage of municipalities with credible indigent policies      | New indicator                                                | 50% of municipalities with credible indigent policies           | 100% of municipalities with credible indigent policies                       | Department of Cooperative Governance                                                                 | Municipalities/Provinces                                                                                                                         |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Review the basket of VAT-exempt essential food items and introduce a basket of high protein basic foods affordable to all through a partnership with the food industry and civil society | Number of VAT exempt essential food items                         | 19 basic food items that are VAT exempt                      | Review on the expansion of VAT exempt essential foods completed | Additional VAT exempt food items introduced to support low income households | National Treasury                                                                                    | South African Revenue Service/Department of Social Development                                                                                   |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Ensure increase of the National Minimum Wage (NMW) in line with inflation and enforce compliance                                                                                         | Number of reviews on the NMW                                      | NMW increase of 1 March 2024                                 | Review of the National Minimum Wage level by 31 March each year | Review of the National Minimum Wage level by 31 March each year              | Department of Employment and Labour                                                                  | National Minimum Wage Commission                                                                                                                 |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Undertake a comprehensive review of administered prices (including the fuel price formula) to identify areas where prices can be reduced                                                 | Number of reviews undertaken and implemented                      | New indicator                                                | Comprehensive review of administered prices                     | Review of administered prices implemented                                    | Presidency<br>Department of Mineral and Petroleum Resources/<br>Department of Electricity and Energy | National Treasury/<br>Department of Planning<br>Monitoring & Evaluation                                                                          |
|                                          | Increased access to adequate housing                            | 240 933 households earning less than R3500 per month provided with adequate housing | 200 000 housing units developed or enabled through various programmes for households earning less than R3500 per month | Accelerate social housing in support of sustainable human settlements                                                                                                                    | Number of housing units delivered through a range of programmes   | 240 933 housing units delivered                              | 100 000 housing units delivered                                 | 200 000 housing units delivered                                              | Department of Human Settlements                                                                      | Provincial Department of Human Settlements/<br>Housing Development Agency                                                                        |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Land assembly and serviced sites programmes                                                                                                                                              | Number of social rental housing units                             | 13 885 units completed                                       | 6000 units completed                                            | 13 000 Social Rental Housing units completed in restructuring zones          | Department of Human Settlements                                                                      | Provincial Department of Human Settlements/<br>Housing Development Agency                                                                        |
|                                          |                                                                 |                                                                                     |                                                                                                                        |                                                                                                                                                                                          | Number of serviced sites                                          | 231 032 serviced sites                                       | 155 000 serviced sites completed                                | 314 000 serviced sites completed                                             | Department of Human Settlements                                                                      | Provincial Department of Human Settlements/<br>Housing Development Agency                                                                        |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Undertake review of demand-side subsidy programmes with recommendations to improve uptake and impact                                                                                     | Implementation of revised model for demand-side housing subsidies | New indicator                                                | Review completed and revised model implemented                  | Report published on impact of revised model                                  | Department of Human Settlements                                                                      | Presidency/<br>National Treasury                                                                                                                 |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Demand side subsidies for ownership and rental                                                                                                                                           | Number of subsidies disbursed to households                       | 28 400 Finance Linked Individual Subsidies (FLISP)           | 60 000 subsidies disbursed to households in the gap market      | 140 000 subsidies disbursed to households in the gap market                  | Department of Human Settlements                                                                      | Provincial Department of Human Settlements/<br>National Housing Finance Cooperation                                                              |
|                                          |                                                                 |                                                                                     |                                                                                                                        | Households provided with title deeds                                                                                                                                                     | Reports on number of title deeds registered in all 9 provinces    | 102 461 title deeds registered during the 2019 – 2024 period | 50% of title deeds backlog cleared for subsidised housing       | 100% of title deeds backlog cleared for subsidised housing                   | Department of Human Settlements                                                                      | Provincial Department of Human Settlements/<br>Housing Development Agency/<br>Department of Agriculture/<br>Department of Justice/<br>Presidency |
|                                          |                                                                 |                                                                                     |                                                                                                                        |                                                                                                                                                                                          |                                                                   |                                                              |                                                                 |                                                                              |                                                                                                      |                                                                                                                                                  |

| Outcomes                                          | Outcome Indicators                                                           | Outcome Baselines                                                          | Outcome Targets 2029/30                                               | Strategic Interventions                                                                                                                                                      | Intervention Indicators                                                                                                                                                                                                                                                    | Intervention Baseline                                                                                                                                                                                                                                                                                                                        | Mid-Term Targets                                                                                                                                                                                  | End-Term Targets                                                                                                                                                                                         | Lead Department(s)                                                                                                                           | Supporting Institutions                                                                                                                                                                                                                                |
|---------------------------------------------------|------------------------------------------------------------------------------|----------------------------------------------------------------------------|-----------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reduced poverty and improved livelihoods          | Increased access to adequate housing                                         | 1920 informal settlements in various phases of upgrading                   | Upgrade 4075 informal settlements                                     | Informal Settlement Upgrading Programme                                                                                                                                      | Number of informal settlements proclaimed / formalised as townships                                                                                                                                                                                                        | 4075 informal settlements in various phases of upgrading                                                                                                                                                                                                                                                                                     | 4075 informal settlements in various phases of upgrading                                                                                                                                          | 2155 informal settlements in Phase 2<br>1288 Informal settlements in Phase 3                                                                                                                             | Department of Human Settlements                                                                                                              | Provincial Department of Human Settlements / Housing Development Agency                                                                                                                                                                                |
|                                                   |                                                                              |                                                                            |                                                                       | Release public land and housing for affordable housing and other development                                                                                                 | Number of public land and buildings released to the market                                                                                                                                                                                                                 | 24 under-utilised properties released to the market                                                                                                                                                                                                                                                                                          | 50 under-utilised properties released to the market                                                                                                                                               | 100 under-utilised properties released to the market                                                                                                                                                     | Department of Public Works and Infrastructure                                                                                                | Public entities / Provinces / Municipalities                                                                                                                                                                                                           |
|                                                   |                                                                              |                                                                            |                                                                       | Undertake review of land use, building and other regulations to enable low-cost property development                                                                         | Implementation of recommendations of regulatory review                                                                                                                                                                                                                     | New indicator                                                                                                                                                                                                                                                                                                                                | Review of regulatory constraints on low-cost property development completed                                                                                                                       | Recommendations of review implemented                                                                                                                                                                    | Department of Human Settlements                                                                                                              | Department of Public Works and Infrastructure / Department of Agriculture                                                                                                                                                                              |
|                                                   | Number of integrated public transport completed                              | Integrated Public Transport Network (IPTN) expansion underway in 10 cities | Infrastructure rollout completed for IPTNs in 10 cities               | Return all passenger rail corridors to service to provide low cost transport to the poor and implement integrated public transport networks                                  | Number of passenger rail journeys completed<br>Number of integrated public transport completed                                                                                                                                                                             | 400 million passenger rail journeys<br>Integrated Public Transport Network expansion underway                                                                                                                                                                                                                                                | 300 million passenger journeys<br>Construction of infrastructure and rollout of IPTN operations                                                                                                   | 600 million passenger journeys<br>IPTN rolled out and operational in 10 cities                                                                                                                           | Department of Transport<br>Department of Transport                                                                                           | Passenger Rail Agency of South Africa<br>Municipalities                                                                                                                                                                                                |
| Optimised social protection and improved coverage | Number of districts supported through local economic development initiatives | New target                                                                 | 44 districts supported through local economic development initiatives | Reduce spatial inequalities through inclusion and integrated urban planning and management                                                                                   | Percentage improvement in inclusive local economies and increased access to housing & community facilities in line with Circular 88                                                                                                                                        | New indicator                                                                                                                                                                                                                                                                                                                                | 20% improvement                                                                                                                                                                                   | 50% improvement                                                                                                                                                                                          | National Treasury Presidency                                                                                                                 | Department of Cooperative Governance / Department of Human Settlements / Department of Transport / Department of Planning, Monitoring & Evaluation / Provinces / Metropolitan Municipalities                                                           |
|                                                   |                                                                              |                                                                            |                                                                       | Invest in local economies in rural areas through enterprise development and cooperatives                                                                                     | Percentage of capital investment directed to urban integration zones                                                                                                                                                                                                       | New indicator                                                                                                                                                                                                                                                                                                                                | 50% of capital investment directed to urban integration zones                                                                                                                                     | 80% of capital investment directed to urban integration zones                                                                                                                                            | National Treasury                                                                                                                            | Department of Cooperative Governance / Department of Human Settlements / Municipalities                                                                                                                                                                |
|                                                   | Levels of food poverty reduced                                               | Number of poor people Upper Bound Lower Bound                              | 3.4% reduction of individuals vulnerable to hunger                    | Increased access to nutritious food to all vulnerable individuals                                                                                                            | Establish job creating local economies in rural areas                                                                                                                                                                                                                      | New indicator                                                                                                                                                                                                                                                                                                                                | 20 districts supported                                                                                                                                                                            | 44 districts supported                                                                                                                                                                                   | Department of Land Reform and Rural Development                                                                                              | Department of Trade, Industry and Competition                                                                                                                                                                                                          |
|                                                   | Number of beneficiaries received social protection transfers                 | 18.6 million beneficiaries supported through various grants                | 20.8 million beneficiaries supported through various grants           | Optimise social protection within available fiscal resources and protect the value a of social grants for children, the elderly, persons with disability, and the unemployed | Number (%) of individuals vulnerable to hunger accessing food through DSD programme<br>Number of beneficiaries in receipt of Older Persons Grants<br>Number of beneficiaries in receipt of Child Support Grants<br>Number of beneficiaries in receipt of Disability Grants | 5 389 118 Individuals vulnerable to hunger accessed food through food and nutrition security initiatives (13.4% of individuals vulnerable to hunger)<br>4 510 468 beneficiaries in receipt of Older Persons Grants<br>13 067 314 beneficiaries in receipt of Child Support Grants<br>1 059 731 beneficiaries in receipt of Disability Grants | 1 500 000<br>5 062 603 beneficiaries in receipt of Older Persons Grants<br>13 940 259 beneficiaries in receipt of Child Support Grants<br>1 109 546 beneficiaries in receipt of Disability Grants | 2 900 000 (3.4%)<br>5 499 213 beneficiaries in receipt of Older Persons Grants<br>14 186 193 beneficiaries in receipt of Child Support Grants<br>1 156 589 beneficiaries in receipt of Disability Grants | Department of Social Development<br>Department of Social Development<br>Department of Social Development<br>Department of Social Development | Department of Basic Education / Department of Agriculture / Department of Land Reform Rural Development / Department of Health<br>South African Social Security Agency<br>South African Social Security Agency<br>South African Social Security Agency |

| Outcomes                                             | Outcome Indicators                                                         | Outcome Baselines                                                         | Outcome Targets 2029/30                                                  | Strategic Interventions                                                                                                                                                                                                                                                                                                | Intervention Indicators                                                                                                     | Intervention Baseline                                                                                                     | Mid-term Targets                                                                         | End-term Targets                                                                                           | Lead Department(s)                                    | Supporting Institutions                                                                           |
|------------------------------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| Optimised social protection and improved coverage    | Number of beneficiaries received social protection transfers               | 18.6 million beneficiaries supported through various grants               | 20.8 million beneficiaries supported through various grants              | Optimise social protection within available fiscal resources and protect the value of social grants for children, the elderly, persons with disability, and the unemployed.                                                                                                                                            | Number of service users who accessed substance use disorder (SUD) treatment services                                        | 719 801 service users accessed substance use disorder (SUD) treatment services (disaggregated by sex, age and disability) | 135 715 service users who accessed substance use disorder (SUD) treatment services       | 272 810 service users who accessed substance use disorder (SUD) treatment services                         | Department of Social Development                      | Provincial Departments of Social Development                                                      |
|                                                      |                                                                            |                                                                           |                                                                          |                                                                                                                                                                                                                                                                                                                        | Number of victims of GBV accessing psycho-social services                                                                   | 359 279 victims of GBV accessing psycho-social services                                                                   | 224 549 victims of GBV accessing psycho-social services                                  | 449 408 victims of GBV accessing psycho-social services                                                    | Department of Social Development                      | Provincial Departments of Social Development                                                      |
|                                                      |                                                                            |                                                                           |                                                                          |                                                                                                                                                                                                                                                                                                                        | Number of households accessing sustainable livelihoods initiatives                                                          | 217 335 households accessing sustainable livelihoods initiatives                                                          | 1 414 868 households accessing sustainable livelihoods initiatives                       | 2 970 940 households accessing sustainable livelihoods initiatives                                         | Department of Social Development                      | Provincial Departments of Social Development                                                      |
|                                                      |                                                                            |                                                                           |                                                                          |                                                                                                                                                                                                                                                                                                                        | Number of cooperatives linked to economic opportunities                                                                     | 941 cooperatives linked to economic opportunities                                                                         | 757 cooperatives linked to economic opportunities                                        | 918 cooperatives linked to economic opportunities                                                          | Department of Social Development                      | Provincial Departments of Social Development                                                      |
|                                                      |                                                                            |                                                                           |                                                                          | All-of-government and all-of-society measures to reduce teenage pregnancy, with a focus on areas with high prevalence                                                                                                                                                                                                  | Adolescent birth rate                                                                                                       | Adolescent birth rate per 1000: 1.10 (10-14 years)<br>43.00 (15-19 years)                                                 | 15% reduction                                                                            | 30% reduction                                                                                              | Department of Women Youth and Persons with Disability | Provincial Departments of Social Development/ Department of Basic Education/ Department of Health |
| Improved access to affordable and quality healthcare | Adolescent birth rate at 1000 women in the age group 10-14 and 15-19 years | Adolescent birth rate per 1000: 1.10 (10-14 years)<br>43.00 (15-19 years) | 30% reduction in adolescent birth rate                                   | Expand access to free sanitary dignity products for girls in Quintile 1-3 schools                                                                                                                                                                                                                                      | Number of girls in quintile 1-3 schools accessing free sanitary products                                                    | 2 766 241                                                                                                                 | 3 200 000 (15% increase)                                                                 | 3 600 000 (30% increase)                                                                                   | Department of Women Youth and Persons with Disability | Department of Basic Education/ Provincial Departments of Basic Education                          |
|                                                      | Number of girls in quintile 1-3 schools accessing free sanitary products   | 2 766 241 girls in quintile 1-3 schools accessing free sanitary products  | 3 600 000 girls in quintile 1-3 schools accessing free sanitary products | Pursue achievement of universal health coverage through the implementation of the National Health Insurance to address inequity and financial hardship in accessing quality health care                                                                                                                                | Number of Ministerial Advisory Committees (MACs) for NHI established                                                        | New indicator                                                                                                             | MACs for NHI established for Health Care Benefits & Health Technology Assessment         | Framework for coordinated benefits management agreed with public and private stakeholders through the MACs | National Department of Health                         | Provincial Health Departments                                                                     |
|                                                      | Life expectancy at birth                                                   | 66.5 years (2024)                                                         | 70 years and above                                                       | Strengthen the primary health care (PHC) system by ensuring that home and community-based services, as well as clinics and community health centres are well resourced and appropriately staffed to provide the promotive, preventive, curative, rehabilitative and palliative care services required for South Africa | Number of School grade R learners screened                                                                                  | 115 097 School grade R learners screened                                                                                  | 475 000 School grade R learners screened                                                 | 800 000 School grade R learners screened                                                                   | National Department of Health                         | Department of Basic Education                                                                     |
|                                                      | Maternal Mortality ratio                                                   | 109.6 deaths per 100 000 live births                                      | 70 deaths per 100 000 live births                                        |                                                                                                                                                                                                                                                                                                                        | Maternal deaths per 100 000 live births                                                                                     | 109.6 deaths per 100 000 live births                                                                                      | 89 deaths per 100 000 live births                                                        | 70 deaths per 100 000 live births                                                                          | National Department of Health                         | Provincial Health Departments                                                                     |
|                                                      | Under-5 mortality rate                                                     | 29.7 deaths per 1000 live births                                          | 25 deaths per 1000 live births                                           |                                                                                                                                                                                                                                                                                                                        | Under-5 deaths per 1000 live births rate                                                                                    | 29.7 deaths per 1000 live births                                                                                          | 27.7 deaths per 1000 live births                                                         | 25 deaths per 1000 live births                                                                             | National Department of Health                         | Provincial Health Departments                                                                     |
| Improved access to affordable and quality healthcare | Proportion of people living with HIV who know their status                 | 95%                                                                       | 95%                                                                      |                                                                                                                                                                                                                                                                                                                        | Proportion of people living with HIV who know their status                                                                  | 95%                                                                                                                       | 95%                                                                                      | 95%                                                                                                        | National Department of Health                         | Provincial Health Departments                                                                     |
|                                                      | Percentage People Living with HIV on ART                                   | 79%                                                                       | 95%                                                                      |                                                                                                                                                                                                                                                                                                                        | Percentage People Living with HIV on ART                                                                                    | 79%                                                                                                                       | 85%                                                                                      | 95%                                                                                                        | National Department of Health                         | Provincial Health Departments                                                                     |
|                                                      | Percentage on ART with viral suppression                                   | 93%                                                                       | 95%                                                                      |                                                                                                                                                                                                                                                                                                                        | Percentage on ART with viral suppression                                                                                    | 93%                                                                                                                       | 94%                                                                                      | 95%                                                                                                        | National Department of Health                         | Provincial Health Departments                                                                     |
|                                                      | Drug Susceptible-TB (DS-TB) treatment success rate                         | 75%                                                                       | 85%                                                                      |                                                                                                                                                                                                                                                                                                                        | Drug Susceptible-TB (DS-TB) treatment success rate                                                                          | 75%                                                                                                                       | 83%                                                                                      | 85%                                                                                                        | National Department of Health                         | Provincial Health Departments                                                                     |
|                                                      | Life expectancy at birth                                                   | 66.5 years (2024)                                                         | 70 years and above                                                       | Improve resource management by optimizing human resources and healthcare infrastructure and implementing a single electronic health record                                                                                                                                                                             | Framework for distribution of Multi-disciplinary Teams of health professionals district hospitals developed and implemented | Inconsistent distribution of Multi-disciplinary Teams of Health Professionals in district hospitals                       | 64 of 256 District Hospitals with Multi-disciplinary Teams (MDT) of Health Professionals | 179 of 256 District Hospitals with Multi-disciplinary Teams (MDT) of Health Professionals                  | National Department of Health                         | Provincial Health Departments                                                                     |

| Outcomes                                             | Outcome Indicators                                                                                                                                          | Outcome Baselines                                                                   | Outcome Targets 2029/30                                             | Strategic Interventions                                                                                                                                                 | Intervention Indicators                                                                                                                                                                                                                                                        | Intervention Baseline                                                                                                     | Mid-Term Targets                                                                                                            | End-Term Targets                                                                                                           | Lead Department(s)                                  | Supporting Institutions       |
|------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------|
| Improved access to affordable and quality healthcare | Life expectancy at birth                                                                                                                                    | 66.5 years (2024)                                                                   | 70 years and above                                                  | Improve resource management by optimizing human resources and healthcare infrastructure and implementing a single electronic health record                              | Number of public health facilities (clinics, hospitals, nursing colleges, EMS base stations) maintained, repaired or refurbished                                                                                                                                               | 299 public health facilities (clinics, hospitals, nursing colleges, EMS base station) maintained, repaired or refurbished | 1 300 public health facilities (clinics, hospitals, nursing colleges, EMS base station) maintained, repaired or refurbished | 3000 public health facilities (clinics, hospitals, nursing colleges, EMS base station) maintained, repaired or refurbished | National Department of Health                       | Provincial Health Departments |
|                                                      | Percentage of mental health care providers appointed at Primary Health Care                                                                                 | New indicator                                                                       | 75% of CHCs with at least one mental health care provider appointed | Mental health care providers appointed at Primary Health Care                                                                                                           | Percentage of Community Health Centres (CHCs) with at least one mental health care provider (Psychiatrist, medical doctor with a post basic diploma in psychiatry, Psychologist, Social Worker, Occupational Therapist, Registered Counsellor and Psychiatric Nurse) appointed | New indicator                                                                                                             | 50% of CHCs with at least one mental health care provider appointed                                                         | 75% of CHCs with at least one mental health care provider appointed                                                        | National Department of Health                       | Provincial Health Departments |
| Improved education outcomes and skills               | Percentage access to quality ECD programmes that prepare children for school                                                                                | 64% of all 4-year-olds accessing ECD                                                | 85% of all 4-year-olds accessing ECD                                | Work towards universal access to early childhood development through the implementation of the 2030 ECD Strategy                                                        | Number of children accessing ECD programmes                                                                                                                                                                                                                                    | National: 1 660 227                                                                                                       | National: 2 240 000                                                                                                         | National: 2 640 000                                                                                                        | Department of Basic Education                       | Provincial Departments        |
|                                                      |                                                                                                                                                             |                                                                                     |                                                                     | ECD programme                                                                                                                                                           | Number of children benefiting from the ECD subsidy                                                                                                                                                                                                                             | National: 722 549                                                                                                         | National: 960 000                                                                                                           | National: 1 600 000                                                                                                        | Department of Basic Education                       | Provincial Departments        |
|                                                      |                                                                                                                                                             |                                                                                     |                                                                     | Grade R learners screened by health practitioners                                                                                                                       | Number of School grade R learners screened                                                                                                                                                                                                                                     | 115 097 School grade R learners screened                                                                                  | 475 000 School grade R learners screened                                                                                    | 800 000 School grade R learners screened                                                                                   | Department of Basic Education                       | Provincial Departments        |
|                                                      | Proportion of Grade 3 learners reaching the required competency levels in numeracy skills as assessed through the South African Systemic Evaluation by 2029 | Reading Above evolving level: 20%                                                   | Reading Above evolving level: 40%                                   | Provide Mother-tongue-based Home Language workbooks to schools offering the foundation phase (within the framework of the National Reading Literacy Strategy 2024-2030) | Percentage of schools provided with Grade 3 Home Language workbooks                                                                                                                                                                                                            | 100%                                                                                                                      | 100%                                                                                                                        | 100%                                                                                                                       | Department of Basic Education                       | Provincial Departments        |
|                                                      | Proportion of Grade 3 learners reaching the required competency levels in numeracy skills as assessed through the South African Systemic Evaluation by 2029 | Numeracy Above evolving level: 34%                                                  | Numeracy Above evolving level: 54%                                  | Provide Mother-tongue-based Mathematics workbooks to schools offering the foundation phase (within the framework of the Mother-Tongue-Based Literacy Strategy)          | Percentage of schools provided with Grade 3 Mathematics workbooks                                                                                                                                                                                                              | 100%                                                                                                                      | 100%                                                                                                                        | 100%                                                                                                                       | Department of Health/ Department of Basic Education | Provincial Departments        |
|                                                      | Percentage of candidates achieving 60% in Grade 12 in Mathematics and Physical Science subjects                                                             | Mathematics: 16.3%<br>Physical science: 17.6%<br>(National Senior Certificate 2023) | Mathematics: 26.3%<br>Physical Science: 27.6%                       | Improve participation and performance in Mathematics and Physical Sciences                                                                                              | Number of candidates passing Mathematics and Physical Sciences in the NSC examinations                                                                                                                                                                                         | Mathematics: 72 126<br>Physical Science: 64 316<br>(2023 NSC data)                                                        | Mathematics: 100 000<br>Physical Science: 84 000                                                                            | Mathematics: 115 000<br>Physical Science: 100 000                                                                          | Department of Basic Education                       | Provincial Departments        |



| Outcomes                                      | Outcome Indicators                                                                                                                           | Outcome Baselines                                                                              | Outcome Targets 2029/30                                                              | Strategic Interventions                                                                                                                                                                                                                                                                                          | Intervention Indicators                                                                      | Intervention Baseline                                             | Mid-Term Targets                                                                                                    | End-Term Targets                                                                                                                                  | Lead Department(s)                          | Supporting Institutions                                                                                                                       |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|-------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Improved education outcomes and skills</b> | Vocational and Occupational subjects in special schools expanded                                                                             | Occupational and vocational curriculum largely developed and provisionally approved by Umalusi | The 3 diverse pathways appropriately introduced in special schools                   | Scale up the Implementation of the Occupational and Vocational curriculum in special schools                                                                                                                                                                                                                     | Occupational and Vocational Curriculum implemented in special schools                        | Occupational and Vocational curriculum in special schools ongoing | Plot of the Vocational and Occupational curriculum in special schools completed                                     | Vocationally and Occupationally oriented curriculum at special schools fully introduced                                                           | Department of Basic Education               | Provincial Departments                                                                                                                        |
|                                               | Skills to support the Just Energy Transition Investment Plan for the hydrogen economy, new electric vehicles, electricity sectors identified | Reconceptualised Human Resource Development Strategy and Master Skills Plan                    | 7 000 Graduates in JET relevant skills produced                                      | Establish the JET Skills Desk to inform the skills pipeline for identified sectors and implement a programme to build the institutional capacity of TVET colleges to train and test artisans linked to Occupations in High Demand and Critical skills so that inclusive economy is supported by relevant skills. | JET Skills Desk established and identified skills implemented through the Master Skills Plan | New indicator                                                     | JET Skills Desk established and identified skills implemented through the Master Skills Plan                        | 7 000 Graduates in JET relevant skills produced (Engineering - naval architecture and marine), Hydrogen and Green economy skills, digital skills) | Department of Higher Education and Training | Human Resource Development Council/ Universities/ Technical Vocational Education & Training Colleges/ Sector Education & Training Authorities |
| <b>Skills for the economy</b>                 | Student enrolment across different PSET institutions                                                                                         | University enrolment: 1 077 768<br>TVET enrolment: 266 063<br>CET enrolment: 130 752           | University enrolment: 1 173 640<br>TVET enrolment: 600 000<br>CET enrolment: 160 809 | Develop Sector Skills Plans in support of skills required in various sectors of the economy through the relevant SETAs                                                                                                                                                                                           | Number of students registered in skills development programmes                               | 53 518 Per annum                                                  | 195 000 (cumulative)                                                                                                | 355 000 (cumulative)                                                                                                                              | Department of Higher Education and Training | Universities/ Technical Vocational Education & Training Colleges/ Community Education and Training colleges                                   |
|                                               |                                                                                                                                              |                                                                                                |                                                                                      | Implement an infrastructure programme to establish new university campuses in Limpopo Province (Giyani) and North-West Provinces                                                                                                                                                                                 | Tshwane University of Technology Giyani Campus established                                   | Feasibility Study completed                                       | Infrastructure refurbishment of the former Giyani College of Education completed                                    | Tshwane University of Technology Giyani Campus fully operational                                                                                  | Department of Higher Education and Training | Universities/ Technical Vocational Education & Training Colleges/ Sector Education & Training Authorities                                     |
|                                               |                                                                                                                                              |                                                                                                |                                                                                      |                                                                                                                                                                                                                                                                                                                  | University of North-West Mining Campus established                                           | New Indicator                                                     | Feasibility Study for the establishment and concept designs of the University of North-West mining campus completed | Phase 1 of the University of North-West mining campus completed                                                                                   |                                             |                                                                                                                                               |

| Outcomes                            | Outcome Indicators                                                                                                    | Outcome Baselines                                                                    | Outcome Targets 2029/30                                                              | Strategic Interventions                                                                                                                                                                                                                                                    | Intervention Indicators                                                                                                                    | Intervention Baseline                                                                             | Mid-Term Targets                                                                                                                                     | End-Term Targets                                                                                                                 | Lead Department(s)                                    | Supporting Institutions                                                                                         |
|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Skills for the economy              | Student enrolment across different PSET institutions                                                                  | University enrolment: 1 077 768<br>TVET enrolment: 266 063<br>CET enrolment: 130 752 | University enrolment: 1 173 640<br>TVET enrolment: 600 000<br>CET enrolment: 140 809 | Implement an infrastructure programme for improving Community Education and Training colleges inclusive of universal design principles.<br><br>Increase access to tertiary institutions through the develop annual enrolment plans for universities, TVET and CET colleges | Number of Community Education and Training colleges completed<br><br>Number of students enrolled in PSET annually                          | Detailed designs for 2 CET colleges<br><br>University: 1 077 768<br>TVET: 266 063<br>CET: 130 752 | Concept Designs for 3 Community Education and Training colleges completed (Cumulative)<br><br>University: 1 147 468<br>TVET: 560 000<br>CET: 140 000 | 3 Community Education and Training colleges completed (Cumulative)<br><br>University: 1 173 640<br>TVET: 600 000<br>CET: 140 809 | Department of Higher Education and Training           | Universities/<br>Technical Vocational Education & Training Colleges/<br>Sector Education & Training Authorities |
|                                     | Number of students receiving funding                                                                                  | 572 000 university students receiving funding through NSFAS bursaries annually       | 550 000 university students receiving funding through NSFAS bursaries annually       | Reform NSFAS into a tiered system of bursaries and loans and establish an effective debt collection system by collaborating with the South African Revenue Services, the Credit Bureau, and potential employers.                                                           | New indicator                                                                                                                              | Current NSFAS funding model                                                                       | New model for NSFAS established                                                                                                                      | -                                                                                                                                | Department of Higher Education and Training           | National Treasury                                                                                               |
|                                     |                                                                                                                       | 274 00 TVET college students receiving funding through NSFAS bursaries annually      | 300 000 TVET college students receiving funding through NSFAS bursaries annually     |                                                                                                                                                                                                                                                                            | Number of eligible university students receiving funding through NSFAS bursaries annually                                                  | 572 000                                                                                           | 443 310                                                                                                                                              | 550 000 pa                                                                                                                       | Department of Higher Education and Training           | Universities                                                                                                    |
|                                     | Improve the responsiveness of the PSET System to demand in the economy                                                | 20 062 artisans produced annually                                                    | 30 000 artisans produced annually (122 000 cumulatively by 2030)                     | Develop Sector Skills Plans in support of skills required in various sectors of the economy through the relevant SETAs                                                                                                                                                     | Number of TVET college students receiving funding through NSFAS bursaries annually                                                         | 274 000                                                                                           | 294 266                                                                                                                                              | 300 000 pa                                                                                                                       | Department of Higher Education and Training           | Technical Vocational Education & Training Colleges                                                              |
|                                     |                                                                                                                       | Pay-for-performance model initiated through the Jobs Boost programme                 | 20 000 jobs created through the pay-for-performance model for skills development     | Implement a pay-for-performance mechanism to incentivise effective, demand-led skills training by linking 80% of the grant to sustained employment.                                                                                                                        | Number of artisans produced per annum                                                                                                      | 20 062                                                                                            | 24 000 pa (66 000 cumulative)                                                                                                                        | 30 000 pa (122 000 cumulative)                                                                                                   | Department of Higher Education and Training           | Sector Education & Training Authorities                                                                         |
| Social cohesion and nation-building |                                                                                                                       |                                                                                      |                                                                                      | Identification of critical digital skills                                                                                                                                                                                                                                  | Number of excluded young people placed in sustainable quality jobs                                                                         | New indicator                                                                                     | 10 000 new jobs created through the pay-for-performance model                                                                                        | 20 000 new jobs created                                                                                                          | Department of Higher Education and Training           | National Skills Fund/<br>The Presidency                                                                         |
|                                     | Social cohesion index                                                                                                 | 62.8 (2023)                                                                          | 70% improvement in social cohesion index                                             | Promote and protect South Africa's diverse languages and cultures                                                                                                                                                                                                          | New indicator                                                                                                                              | Digital competence framework                                                                      | National Digital competence framework                                                                                                                | Utilise digital competence framework to annually report on digital skills                                                        | Department of Communications and Digital Technologies | Department of Higher Education and Training                                                                     |
|                                     |                                                                                                                       |                                                                                      |                                                                                      |                                                                                                                                                                                                                                                                            | Number of multi-year human language technology projects supported                                                                          | 34                                                                                                | 8                                                                                                                                                    | 20                                                                                                                               | Department of Sport, Arts and Culture                 | Council for Scientific and Industrial Research<br>Brand SA                                                      |
|                                     | Percentage of citizens who show a strong devotion to the country according to the Brand SA Domestic Perceptions Study | 70.4%                                                                                | 85%                                                                                  | Implement a national civic education campaign on the Constitution, including at all public and private schools                                                                                                                                                             | Number of university students supported to study languages<br>Number of initiatives implemented to raise awareness of the national symbols | 1869                                                                                              | 280                                                                                                                                                  | 700                                                                                                                              | Department of Sport, Arts and Culture                 | Universities                                                                                                    |
|                                     |                                                                                                                       |                                                                                      |                                                                                      |                                                                                                                                                                                                                                                                            |                                                                                                                                            | 134 public awareness activations<br>1412 flags provided to schools                                | 60 Public activations<br>700 flags provided                                                                                                          | 120 Public activations<br>1400 flags provided                                                                                    | Department of Sports Arts Culture and                 | Brand SA                                                                                                        |

| Outcomes                            | Outcome Indicators                                                                                            | Outcome Baselines                                                                                  | Outcome Targets 2029/30                  | Strategic Interventions                                                                                                                                                                                                                              | Intervention Indicators                                                                                                                                                            | Intervention Baseline                                    | Mid-Term Targets                | End-Term Targets                | Lead Department(s)                                 | Supporting Institutions       |
|-------------------------------------|---------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------|---------------------------------|---------------------------------|----------------------------------------------------|-------------------------------|
| Social cohesion and nation-building | Percentage of citizens who express pride in being South African according to the GCIS National Tracker Survey | 75%                                                                                                | 90%                                      | Provide schools and clubs with sporting equipment                                                                                                                                                                                                    | Number of hubs, clubs or schools provided with equipment and/or attire to enable participation in sport and/or recreation                                                          | 21 016                                                   | 7 000                           | 17 500                          | Department of Sport, Arts and Culture              | Department of Basic Education |
|                                     |                                                                                                               |                                                                                                    |                                          | National school sport championship Programme                                                                                                                                                                                                         | Number of learners competing at the national school sport championship                                                                                                             | 19 392                                                   | 10 000                          | 25 000                          | Department of Sport, Arts and Culture              | Department of Basic Education |
|                                     |                                                                                                               |                                                                                                    |                                          | Number of community outdoor gyms and children's play parks constructed                                                                                                                                                                               |                                                                                                                                                                                    | 51                                                       | 200                             | 500                             | Department of Sport, Arts and Culture              | Municipalities                |
|                                     |                                                                                                               |                                                                                                    |                                          | Promote programmes to combat racism, sexism, hate speech, GBV and other forms of intolerance and address inter-generational violence and trauma across society.                                                                                      | Number of school community engagements to combat racism, sexism, hate speech, GBV and other forms of intolerance and address inter-generational violence and trauma across society | 9 school community engagements annually (1 per province) | 22 school community engagements | 45 school community engagements | Department of Basic Education                      | Provincial Departments        |
|                                     |                                                                                                               |                                                                                                    |                                          | Implement and report on the Transforming MENtalities initiative in the PSET system through policies, advocacy and capacity-building initiatives                                                                                                      | Number of students and staff in PSET institutions trained through the Civic Education and Health skills programme                                                                  | New indicator                                            | 25 000                          | 50 000                          | Department of Higher Education and Training        |                               |
| Social cohesion and nation-building | Social cohesion index                                                                                         | 62.8 (2023)                                                                                        | 70% improvement in social cohesion index | Implement programmes to promote social cohesion, equality, tolerance and belonging                                                                                                                                                                   | Number of initiatives to promote equality, constitutionalism, tolerance and belonging to build a socially cohesive society                                                         | New indicator                                            | 18                              | 30                              | Department of Justice & Constitutional Development |                               |
|                                     |                                                                                                               |                                                                                                    |                                          | Expand universally designed, barrier-free and accessible infrastructure, built environments, transport, public facilities and services and information and communication platforms, including through the enforcement of minimum norms and standards | % of travel chain journeys that are accessible to persons with disabilities<br>% housing opportunities that are accessible to persons with disabilities                            | New indicator                                            | 5% increase                     | 10% increase                    | National Department of Transport                   | Municipalities                |
|                                     |                                                                                                               |                                                                                                    |                                          | Promote and protect South Africa's diverse languages through Curriculum implementation                                                                                                                                                               |                                                                                                                                                                                    | 0.8%                                                     | 4%                              | 7%                              | Department of Human Settlements                    | Provinces/<br>Municipalities  |
|                                     |                                                                                                               |                                                                                                    |                                          | 100% public schools that did not offer an African language offering a previously marginalised official South African language                                                                                                                        | Number of public schools that did not offer an African language offering a previously marginalised official African Language                                                       | 2115                                                     | 2000                            | 2584                            | Department of Basic Education                      | Provincial Departments        |
|                                     | Percentage of public schools offering a pre-viously marginalised official South African Language              | 82% public schools offering a previously marginalised official South African Language (AR 2023/24) |                                          |                                                                                                                                                                                                                                                      |                                                                                                                                                                                    |                                                          |                                 |                                 |                                                    |                               |

| Outcomes                            | Outcome Indicators                                                                                                                                             | Outcome Baselines              | Outcome Targets 2029/30 | Strategic Interventions                                                                                                                                | Intervention Indicators                                                                         | Intervention Baseline | Mid-Term Targets                            | End-Term Targets                            | Lead Department(s)                                                                                                                        | Supporting Institutions                            |
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| Social cohesion and nation-building | Percentage of 5-18-year-olds with special education needs attending an educational institution                                                                 | 86.9%                          | 92%                     | Improve access to education for learners with disabilities and special needs                                                                           | Number of learners with disabilities enrolled in special schools                                | 139 343               | 140 500                                     | 142 000                                     | Department of Basic Education                                                                                                             | Provincial Departments                             |
|                                     |                                                                                                                                                                |                                |                         | Improve access to education for learners with disabilities                                                                                             | Number of learners with disabilities enrolled in ordinary public schools                        | 67 100                | 67 125                                      | 67 150                                      | Department of Basic Education                                                                                                             | Provincial Departments                             |
|                                     | Percentage of individuals aged 7-18 years who attribute disability and illness as the main reason for not attending educational institution, by sex (GHS 2023) | 9.6% (11.2% male, 8.0% female) | 6% (6% male, 6% female) | Expand and improve gender equity and access by persons with disabilities in vocational and technical training in schools and post-school institutions. | Percentage of females and persons with disabilities accessing vocational and technical training | New indicator         | 40% females<br>5% persons with disabilities | 50% females<br>7% persons with disabilities | Department of Women, Youth & Persons with Disabilities/<br>Department of Higher Education and Training /<br>Department of Basic Education | Provincial Departments<br>Post school institutions |



The background of the page features a stylized, high-contrast representation of the South African flag. The flag's colors—green, white, red, blue, yellow, and black—are arranged in a dynamic, overlapping manner. On the right side, there are large, solid-colored geometric shapes in green, yellow, and blue. The overall composition is modern and patriotic.

# **RESULTS FRAMEWORKS**

## **ANNEXURE C**

## ANNEXURE C – RESULTS FRAMEWORK FOR STRATEGIC PRIORITY 3: BUILD A CAPABLE, ETHICAL, AND DEVELOPMENTAL STATE

Desired impact: A capable, ethical and developmental state enabling the delivery of services to all citizens, fostering trust; and ensuring a safe and secure environment

| Outcomes                                                 | Outcome Indicators                                                                                                                                                                                   | Outcome Baselines                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Outcome Targets 2029/30                                                                       | Strategic Intervention                                                                                         | Intervention Indicators                                                                                                      | Intervention Baseline                                                                                                                                                                                            | Mid-Term Targets                                                                                                                         | End-Term Targets                                                                                                                           | Lead Department (s)                                     | Supporting Institutions                                                                                    |
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| Improved service delivery in the local government sphere | Percentage score for public trust and confidence in Local Government in selected instruments:<br>Good Governance Africa,<br>World Bank, HSRC, StatsSA, Compliance and Governance Index, GCIS Tracker | GCIS Tracker: 36% of respondents trust local government to do the right thing<br><br>HSRC SA Social Attitude Survey: Trust in local government- 35<br><br>STATSSA: Non-financial census of municipalities for the year ended 30 June 2022 - The number of consumer units receiving services from municipalities increased; water showed the highest percentage increase (5.9%), followed by sewerage and sanitation (3.7%), electricity (1.7%) and solid waste management (1.6%) | 50% improvement in the score for public trust, confidence and performance in local government | Bring stability to local government in order to restore the delivery of services                               | % of Metros and Municipalities that are financially stable                                                                   | 63% (5) of Metros current assets are less than current liabilities (less than 1) – 2021/22<br><br>24% of municipalities are financially stable – SOLG 2023                                                       | Metros (62%) and Municipalities (36%) are financially stable                                                                             | Metros (100%) and Municipalities (50%) are financially stable                                                                              | National Treasury/ Department of Cooperative Governance | Municipalities/ Department of Planning, Monitoring and Evaluation/ Entity Oversight Departments/ Provinces |
|                                                          |                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                               |                                                                                                                | % of Metro's, Municipalities and Public Entities whose Total Capital Expenditure is less than 10% of their total expenditure | 75% of Metros total Capital Expenditure is less than 10% of their total expenditure – 2021/22<br><br>38% of Municipalities whose Total Capital Expenditure is less than 10% of their total expenditure – 2021/22 | Metros (50%), Municipalities (25%) and Public Entities (50%) whose Total Capital Expenditure is less than 10% of their total expenditure | Metro's (25%), Municipalities (15%) and Public Entities (100%) whose Total Capital Expenditure is less than 10% of their total expenditure | National Treasury/ Department of Cooperative Governance | Municipalities/ Department of Planning, Monitoring and Evaluation/ Entity Oversight Departments/ Provinces |
|                                                          |                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                               | Shift to a utility model for water and electricity services to ensure financial and operational sustainability | Number of metros having established ring fenced and professionally managed utilities for water and electricity services      | Trading Services Reform Programme initiated                                                                                                                                                                      | 6 metros established ring fenced and professionally managed utilities for water and electricity services                                 | 8 metros established ring fenced and professionally managed utilities for water and electricity services                                   | Department of Water and Sanitation                      | National Treasury/ Department of Cooperative Governance                                                    |
|                                                          |                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                               | Standardise and professionalise the appointment of senior officials in local government                        | Mandate of the Public Service Commission (PSC) extended to oversight of senior appointments in local government              | Public Service Commission Bill introduced in the National Assembly                                                                                                                                               | Public Service Commission Bill passed                                                                                                    | PSC equipped and empowered to enforce requirements for qualifications, capability and integrity in local government                        | Public Service Commission                               | Department of Cooperative Governance/ Department of Public Service and Administration                      |
|                                                          |                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                               | Review the institutional structure of the local government system                                              | Finalisation of updated White Paper on Local Government                                                                      | White Paper on Local Government first published in 1998                                                                                                                                                          | Complete review of institutional structure of local government and publish updated White Paper                                           | Policy commitments in the updated White Paper fully implemented                                                                            | Department of Cooperative Governance                    | The Presidency                                                                                             |
|                                                          |                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                               | Review the local government fiscal framework, including the use of conditional grants                          | Finalisation of review of the local government fiscal framework                                                              | New indicator                                                                                                                                                                                                    | Complete review of the local government fiscal framework                                                                                 | Findings of review fully implemented                                                                                                       | National Treasury                                       | Department of Cooperative Governance/ Provincial Treasuries                                                |

| Outcomes                                                 | Outcome Indicators                                                                                                                                                                                   | Outcome Baselines                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Outcome Targets 2029/30                                                                       | Strategic Intervention                                                                                                                                                                                                                                                                                                                                                                             | Intervention Indicators                                                                                                                                                                  | Intervention Baseline                                                                                                                                                                        | Mid-Term Targets                                                                                                                                                                                      | End-Term Targets                                                                                                                                                                      | Lead Department (s)                                                                                       | Supporting Institutions                                                                                      |
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| Improved service delivery in the local government sphere | Percentage score for public trust and confidence in Local Government in selected instruments:<br>Good Governance Africa,<br>World Bank, HSRC, StatsSA, Compliance and Governance Index, GCIS Tracker | GCIS Tracker: 36% of respondents trust local government to do the right thing<br><br>HSRC SA Social Attitude Survey: Trust in local government- 35<br><br>STATSSA: Non-financial census of municipalities for the year ended 30 June 2022 - The number of consumer units receiving services from municipalities increased: water showed the highest percentage increase (5,9%), followed by sewerage and sanitation (3,7%), electricity (1,7%) and solid waste management (1,6%) | 50% improvement in the score for public trust, confidence and performance in local government | Strengthen disaster management capabilities at local government to respond effectively to any events                                                                                                                                                                                                                                                                                               | % of municipalities that meet the standards set in the functionality assessment of the reviewed disaster management system for improved capabilities for disaster management occurrences | New Indicator                                                                                                                                                                                | 7% of municipalities meet the standards set in the functionality assessment of the reviewed disaster management system for improved capabilities for disaster management occurrences                  | 14% of municipalities meet the standards set in the functionality assessment of the reviewed disaster management system for improved capabilities for disaster management occurrences | Department of Cooperative Governance                                                                      | Disaster Management Centre                                                                                   |
|                                                          | Percentage of Public Entities that are financially stable                                                                                                                                            | 26% of National Entities financial health indicators unfavourable and material unfavourable – AGSA 2022/23<br><br>51% of Provincial Entities financial health indicators unfavourable and material unfavourable – AGSA 2022/23                                                                                                                                                                                                                                                   | 90% of public entities financially stable                                                     | Strengthen the South African Revenue Service (SARS) to maximise resource mobilisation.<br><br>Undertake a comprehensive review of public entities to enable rationalisation, streamlining and implementation of shared services models.<br><br>Implement recommendations of the Presidential State-Owned Enterprises Council (PSEC), including the establishment of a centralised ownership model. | Increased tax compliance<br><br>New models for public entities<br><br>New models for state enterprises                                                                                   | The estimates range from R11.3 billion for Value Added Tax in 2013 to R87.8 billion for Corporate Income Tax in 2017. SARS own estimate of the tax gap is R465 billion.<br><br>New indicator | Tax compliance increased to 70%<br><br>Task Team to review all public entities considering the following:<br>Close down, Corporatisation through partnerships, Amalgamation, Transfer into Department | Tax gap reduced by R150 billion<br><br>Implementation of new business models for affected public entities                                                                             | South African Revenue Service<br><br>Department of Planning, Monitoring and Evaluation/ National Treasury | National Treasury<br><br>All departments with public entities/ Offices of the Premier/ Provincial Treasuries |
| Improved governance and performance of public entities   |                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                          | New indicator                                                                                                                                                                                | National State Enterprises Bill finalised in Parliament                                                                                                                                               | Holding Company created and operational                                                                                                                                               | Department of Planning, Monitoring and Evaluation/ National Treasury                                      | Department of Transport/ Department of Electricity and Energy/ Department of Water and Sanitation            |

| Outcomes                                            | Outcome Indicators                                                                                                                                                                                                  | Outcome Baselines                                                   | Outcome Targets 2029/30                                                                   | Strategic Intervention                                                   | Intervention Indicators                                                                                                                                                                    | Intervention Baseline                                                                           | Mid-Term Targets                                                                                                                                                                         | End-Term Targets                                                                                                                                                                         | Lead Department (s)                                                                                                                           | Supporting Institutions                                                                                                             |
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| An ethical, capable and professional public service | Ranking of corruption as a priority concern of South African citizens as measured by South African Social Attitudes Survey (HSRC)                                                                                   | Corruption ranked in the top 3 concerns of South Africans in SASAS. | Corruption does not feature in top five list of concerns of South Africans in 2029 survey | Promote ethical conduct, integrity, professionalism and service delivery | Institutionalisation of the Constitutional Values and Principles (CVP) to promote ethical conduct, integrity, professionalism and service delivery                                         | CVP promotion in progress in public service departments (at the national and provincial levels) | Institutionalisation of the CVP in local government to promote ethical conduct, integrity, professionalism and service delivery                                                          | Institutionalisation of the CVP in SOEs (at local, provincial and national levels) to promote ethical conduct, integrity, professionalism and service delivery                           | Public Service Commission/ Department of Public Service and Administration                                                                    | Department of Planning, Monitoring and Evaluation/ Department of Cooperative Governance/ South African Local Government Association |
|                                                     | Change in international perceptions of corruption in South Africa as measured by the Corruption Perceptions Index                                                                                                   | South Africa scored 41 on the CPI in 2023                           | South Africa to improve its CPI score by 50% (41-60)                                      |                                                                          | Number of multi-disciplinary specialized anti-corruption task forces established                                                                                                           | Anti-Corruption Sector Forums established by SIU in health, local government and infrastructure | Multi-disciplinary task forces established and functioning in five high priority sectors                                                                                                 | 10 corruption networks dismantled in the five identified priority sectors                                                                                                                | The Presidency/ JCPs Cluster Departments                                                                                                      | All members of the SCC Technical Task Team                                                                                          |
|                                                     | Number of systemic corruption networks dismantled in priority sectors (e.g., Health, education, infrastructure), with documented improvements in transparency, cost-efficiency, and service delivery sustainability | Baseline dependent on further research                              | Target dependent on baseline study                                                        | Professionalisation the Public Sector including Public Entities          | % change in the tenure of serving Accounting Officers (Dept's, Municipalities and Entities)                                                                                                | Average length of serving DG's/Hod's was 3.8 years, MM's TBD, CEO's TBD as at 30 Sept 2024      | 25% increase in the tenure of serving Accounting Officers (DG/HOD's, MM's and CEO's)                                                                                                     | Average tenure of accounting officers (DG/HOD's, MM's and CEO's) at least 5 years                                                                                                        | Department of Public Service and Administration                                                                                               | Department of Planning, Monitoring and Evaluation/ Department of Corporate Governance/ Entity Shareholder Departments               |
|                                                     |                                                                                                                                                                                                                     |                                                                     |                                                                                           |                                                                          | Implementation of the National Framework towards the Professionalisation of the Public Sector by all state institutions                                                                    | New indicator                                                                                   | 80% Implementation of the National Framework towards the Professionalisation of the Public Sector by all state institutions                                                              | Full implementation of the National Framework towards the Professionalisation of the Public Sector by all state institutions                                                             | Department of Public Service and Administration/ Public Service Commission                                                                    | Whole of the Public Sector                                                                                                          |
|                                                     |                                                                                                                                                                                                                     |                                                                     |                                                                                           |                                                                          | % appointments of accounting authorities (DG/HOD's, MM's, and CEO's), key positions in the Public Sector and SOE Boards meet legislated qualifications, experience, and integrity standard | New indicator                                                                                   | 70% appointments of accounting authorities (DG/HOD's, MM's, and CEO's), positions in the Public Sector and SOE Boards meet legislated qualifications, experience, and integrity standard | 100% appointments of accounting authorities (DG/HOD's, MM's and CEO's), positions in the Public Sector and SOE Boards meet legislated qualifications, experience, and integrity standard | Department of Public Service and Administration/ Offices of Premiers/ Department of Cooperative Governance/ Entities/ Shareholder Departments | All public service departments/ SOE Boards                                                                                          |
|                                                     |                                                                                                                                                                                                                     |                                                                     |                                                                                           |                                                                          | % change in completion of disciplinary cases Implement a Values-based Leadership Approach for the Public Sector                                                                            | New indicator                                                                                   | % improvement in completion of disciplinary cases Implement a Values-based Leadership Approach for the Public Sector                                                                     | % improvement in completion of disciplinary cases Implement a Values-based Leadership Approach for the Public Sector                                                                     | Department of Public Service and Administration                                                                                               | Whole of Public Sector                                                                                                              |



| Outcomes                                                   | Outcome Indicators                                                                                                                                                                                                  | Outcome Baselines                                                                                                                                                                                                                                                                                                                                                                                              | Outcome Targets 2029/30                                                                                    | Strategic Intervention                                                                                                                           | Intervention Indicators                                                                                                                                                                             | Intervention Baseline                                               | Mid-Term Targets                                                                                                                                                                                      | End-Term Targets                                                                                                                                                                                       | Lead Department(s)                                                                                                                       | Supporting Institutions                                                                             |
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| <b>An ethical, capable and professional public service</b> | Change in international perceptions of corruption in South Africa as measured by the Corruption Perceptions Index                                                                                                   | South Africa scored 41 on the CPI in 2023<br>Baseline dependent on further research                                                                                                                                                                                                                                                                                                                            | South Africa to improve its CPI score by 50% (41-60)<br><br>Target dependent on baseline study             | Implement the recommendations of the Personnel Expenditure Review in order to manage the growth of the Wage Bill within the entire Public Sector | Compensation of Employees as a % of total government spending (entire Public Sector)                                                                                                                | Personnel Expenditure Review (PER) Report tabled at Cabinet in 2023 | Compensation below 32% of consolidated expenditure<br><br>Implementation plan for the recommendations of the Personnel Expenditure Review                                                             | Compensation at 30% or less of consolidated expenditure<br><br>Recommendations for the Personnel Expenditure Review Implemented                                                                        | National Treasury/ Department of Public Service and Administration                                                                       | All departments                                                                                     |
|                                                            | Number of systemic corruption networks dismantled in priority sectors (e.g., Health, education, infrastructure), with documented improvements in transparency, cost-efficiency, and service delivery sustainability |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                            | Improve efficiency, ease of doing business and productivity of the public sector                                                                 | % of Departments achieving at least 80% in the Productivity Measurement                                                                                                                             | New Indicator                                                       | 30% of selected departments (service delivery and economic development) achieving at least 80% in the Productivity Measurement                                                                        | 50% of selected departments (service delivery and economic development) achieving at least 80% in the Productivity Measurement                                                                         | Department of Public Service and Administration                                                                                          | Service delivery and economic development departments                                               |
|                                                            |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                            | Improve efficiency, responsiveness and increased resolution of citizen complaints                                                                | % of departments achieving at least 60% of hotline cases resolved                                                                                                                                   | New Indicator                                                       | 70% of departments achieving at least 60% of hotline cases resolved                                                                                                                                   | >80% of departments achieving at least 60% of hotline cases resolved                                                                                                                                   | Department of Planning, Monitoring and Evaluation/ The Presidency                                                                        | All national departments/ All provincial departments/ Municipalities/ Public entities               |
|                                                            |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                            | Conduct Institutional Reviews and Skills Audit to ensure that state institutions are execution driven in line with mandates and public value     | % of Departments and Public Entities who reviewed their Mandates, Budget allocations and Service Delivery Model and adjusted the model, structures and funding, if necessary, in line with the MTDP | New Indicator                                                       | 80% of Departments and Public Entities who reviewed their Mandates, Budget allocations and Service Delivery Model and adjusted the model, structures and funding, if necessary, in line with the MTDP | 100% of Departments and Public Entities who reviewed their Mandates, Budget allocations and Service Delivery Model and adjusted the model, structures and funding, if necessary, in line with the MTDP | Department of Public Service and Administration                                                                                          | All departments                                                                                     |
|                                                            |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                            |                                                                                                                                                  | % reduction in skills gaps in National, Provincial, Local government and SOE's                                                                                                                      | New indicator                                                       | 20% reduction in skills gaps in National, Provincial, Local government and SOE's                                                                                                                      | 30% reduction in skills gaps in National, Provincial, Local government and SOE's                                                                                                                       | Department of Public Service and Administration/ Department of Cooperative Governance/ Department of Planning, Monitoring and Evaluation | Cluster Co-Chairs Department of Cooperative Governance/ Department of Public Service Administration |
|                                                            | Percentage change in score for public trust and confidence in the Public Service in selected instruments (i.e., GCIS Tracker, World Bank Governance, Afro Barometer)                                                | GCIS Tracker Institutional Trust: National Government-42<br>Provincial Government-38<br><br>World Bank Governance Efficiency (2023): Ranking 88, score 51.4<br><br>Afro Barometer (2021): 70% of South Africans are dissatisfied with the way democracy is working in their country<br><br>82% of citizens say corruption in the country increased "somewhat" or "a lot" during the year preceding the survey. | 30% improvement in the score for public trust and confidence in the Public Service in selected instruments | Strengthen the role of the Centre of Government to improve planning, policy coordination, integration and management of the cluster system       | % of FOSAD, Cluster, MINMEC and IMC meeting agendas focus on the MTDP and government priorities                                                                                                     | New indicator                                                       | 70% of FOSAD, Cluster, MINMEC and IMC agendas focus on the MTDP and government priorities                                                                                                             | 80% of FOSAD, Cluster, MINMEC and IMC agendas focus on the MTDP and government priorities                                                                                                              | Presidency/ Department of Planning, Monitoring and Evaluation                                                                            |                                                                                                     |
|                                                            |                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                            |                                                                                                                                                  | % of NSDF embedded in government planning                                                                                                                                                           | NSDF approved by March 2022                                         | 25% of the NSDF embedded in the government planning system                                                                                                                                            | 50% of the NSDF embedded in the government planning system                                                                                                                                             | Department of Planning, Monitoring and Evaluation                                                                                        | Department of Land Reform and Rural Development                                                     |

| Outcomes                                            | Outcome Indicators                                                                                                                                                   | Outcome Baselines                                                                                                                                                                                                                                                                                                                                                                                | Outcome Targets 2029/30                                                                                    | Strategic Intervention                                                         | Intervention Indicators                                                                                               | Intervention Baseline                                     | Mid-Term Targets                                                                                                      | End-Term Targets                                                                                                      | Lead Department (s)                                   | Supporting Institutions                                                    |
|-----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|----------------------------------------------------------------------------|
| An ethical, capable and professional public service | Percentage change in score for public trust and confidence in the Public Service in selected instruments (i.e., GCIS Tracker, World Bank Governance, Afro Barometer) | GCIS Tracker: Institutional Trust: National Government-42 Provincial Government-38<br>World Bank Governance Efficiency (2023): Ranking 88, score 51/4<br>Afro Barometer (2021): 70% of South Africans are dissatisfied with the way democracy is working in their country<br>82% of citizens say corruption in the country increased "somewhat" or "a lot" during the year preceding the survey. | 30% improvement in the score for public trust and confidence in the Public Service in selected instruments | Integrated planning and management                                             | % of the National Spatial Data Observatory developed                                                                  | New indicator                                             | 50% of the National Spatial Data Observatory developed                                                                | 100% of the National Spatial Data Observatory developed                                                               | Department of Land Reform and Rural Development       | Department of Planning, Monitoring and Evaluation                          |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            |                                                                                | Reduction in % of rural municipalities that do not meet the distance to service delivery points standard              | New indicator                                             | 10% reduction in the number of rural municipalities that do not meet the distance to service delivery points standard | 20% reduction in the number of rural municipalities that do not meet the distance to service delivery points standard | Department of Cooperative Governance                  | Department of Public Service and Administration/ Municipalities/ Provinces |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            |                                                                                | % of Districts achieving 80% of One Plans target                                                                      | New indicator                                             | 70% of Districts achieving 80% of One Plans                                                                           | 100% of Districts achieving 80% of One Plans                                                                          | Department of Cooperative Governance                  | Municipalities/ Provinces/ National departments                            |
| Digital transformation across the state             |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            |                                                                                | Participation of Traditional, Khoi & San leaders in the planning, implementation, monitoring and evaluation processes | New indicator                                             | Traditional, Khoi & San leaders participation improved by 30% in government planning structures and monitoring        | Traditional, Khoi & San leaders participation improved by 50% in government planning structures and monitoring        | Department of Traditional Affairs                     | Municipalities/ Provinces                                                  |
|                                                     | South Africa's ranking in the World Bank GovTech Maturity Index                                                                                                      | South Africa is ranked 103 out of 199 countries in the GovTech Index                                                                                                                                                                                                                                                                                                                             | South Africa is ranked within the top 50 in the GovTech Index                                              | Develop and implement the Digital Transformation Roadmap                       | Percentage implementation of priority initiatives in the Digital Transformation Roadmap                               | New indicator                                             | 50% progress on priority interventions                                                                                | 100% completion of priority interventions                                                                             | Department of Communications and Digital Technologies | The Presidency/ National Treasury                                          |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            | Digitalisation of government Single sign on government portal                  | Internet user's using the internet for government services                                                            | 22%                                                       | 35%                                                                                                                   | >50%                                                                                                                  | Department of Communications and Digital Technologies |                                                                            |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            | Ensure all South Africans can obtain smart and digital IDs and e-Passports     | Replacement of Green barcoded IDs with smart ID cards                                                                 | Smart ID cards and Green barcoded IDs issued              | Issuance of green ID books discontinued                                                                               | Universal enrolment in smart ID system                                                                                | Department of Home Affairs                            |                                                                            |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            |                                                                                | Introduction of digital ID with remote authentication                                                                 | No digital ID system in place                             | Digital ID created Digital wallet launched                                                                            | 15 additional documents/credentials added to wallet                                                                   | Department of Home Affairs                            |                                                                            |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            |                                                                                | Number of bank branches equipped with live capture functionality                                                      | 30 bank branches equipped with live capture functionality | Live capture functionality extended to 1,000 bank branches                                                            | -                                                                                                                     | Department of Home Affairs                            |                                                                            |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            |                                                                                | Introduction and issuance of e-Passports                                                                              | Machine-readable passports issued                         | -                                                                                                                     | e-Passports                                                                                                           | Department of Home Affairs                            |                                                                            |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            | Establish a data exchange for evidence-based policymaking and service delivery | Real time data access enabled through a data exchange for key administrative databases                                | No data exchange in place                                 | Data exchange platform implemented for at least 20 databases                                                          | Data exchange platform implemented across government                                                                  | National Treasury                                     | Statistics South Africa                                                    |
|                                                     |                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                            | Introduce digital payments for cost-effective and dignified transactions       | End-to-end system established for government-to-person (G2P) payments                                                 | No end-to-end G2P system in place                         | End-to-end G2P system deployed for Child Support and SRD Grants                                                       | End-to-end G2P system expanded to at least two government entities                                                    | National Treasury                                     | Department of Social Development/ South African Social Security Agency     |

| Outcomes                                                                    | Outcome Indicators                                                       | Outcome Baselines                                                           | Outcome Targets 2029/30                                                                                                                                                                                      | Strategic Intervention                                                                                                                                    | Intervention Indicators                                                                                                                                                                                                                                                                                    | Intervention Baseline                                                                                                                                                                                                                                                        | Mid-Term Targets                                                                                                                                                                   | End-Term Targets                                                                                                  | Lead Department (s)                                                                                                                                              | Supporting Institutions                                                      |
|-----------------------------------------------------------------------------|--------------------------------------------------------------------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Digital transformation across the state                                     | South Africa's ranking in the World Bank GovTech Maturity Index          | South Africa is ranked 103 out of 199 countries in the GovTech Index        | South Africa is ranked within the top 50 in the GovTech Index                                                                                                                                                | Create trusted digital channels for accessing information and services                                                                                    | Zero-rated platform created for access to government information                                                                                                                                                                                                                                           | No single electronic platform for government services                                                                                                                                                                                                                        | Gov.za relaunched as a fully-functional and zero-rated service platform<br><br>Three priority government websites migrated to the new Gov.za platform                              | All government websites migrated to the new Gov.za platform                                                       | Department of Communications and Digital Technologies                                                                                                            | Government Communication and Information System                              |
|                                                                             | South Africa's score and ranking on the WEF Global Gender Gap Index      | Score (2024): 0.785<br>Ranking: 18                                          | Score: 0.8<br>Ranking: 10                                                                                                                                                                                    | All spheres of government and all organs of state to adopt and implement WYPD-responsive planning and budgeting, including integration of the NSP on GBVF | Percentage of Public Institutions implementing WYPD-responsive planning and budgeting, including integration of the NSP on GBVF<br><br>Percentage of PGDS, IDPs and One Plans that are WYPD responsive, including integration of NSP GBVF                                                                  | 58% of national departments tabled 2024/25 APPs that are WYPD responsive<br><br>33% of provincial departments tabled APPs that are above 50% responsiveness<br><br>21% of IDPs partially responsive (p111)/ average 36%<br>12% of DDM One Plans are above 50% responsiveness | % Plans that are partially WYPD responsive:<br><br>70% national dept plans<br><br>50% provincial dept plans<br><br>% Plans that are partially WYPD responsive:<br>30% IDPs/ SDBIPs | % Plans that are partially WYPD responsive:<br>50% IDPs<br>50% One Plans                                          | Department of Women, Youth and Persons with Disabilities/<br>Department of Planning, Monitoring and Evaluation                                                   | All national departments, 3a and 3c public entities                          |
| Mainstreaming of gender, empowerment of youth and persons with disabilities |                                                                          |                                                                             |                                                                                                                                                                                                              | Equitable access to public procurement opportunities by WYPD-owned enterprises                                                                            | Percentage of procurement spend to enterprises owned by women, youth and persons with disabilities                                                                                                                                                                                                         | 50.98% (black-owned)<br>16.48% (wom-en-owned)<br>9.14% (youth-owned)<br>0.67% (persons with disabilities)                                                                                                                                                                    | 30% (women)<br>20% (youth)<br>3% (PWD)                                                                                                                                             | 30% (women)<br>20% (youth)<br>3% (PWD)                                                                            | Department of Women, Youth and Persons with Disabilities                                                                                                         | Department of Planning, Monitoring and Evaluation/<br>National Treasury      |
|                                                                             | The JCPS Cluster value chain capacity enhanced and maintained            | SAPS Police Visibility Barometer - 46.61%<br>DCS:1 003<br><br>New indicator | SAPS Police Visibility Barometer - 50% to 60%<br>DCS:12 950<br><br>Enhance capacity of the JCPS Departments value chain<br><br>CJS system digitalised and integrated across all JCPS Departments value chain | Continue to strengthen and enhance the capacity of the JCPS value chain with human, material resources and IT systems                                     | Number of new appointments in the identified departments in the JCPS value chain<br><br>Fully implemented action plan to enhance and strengthen the JCPS value chain<br><br>Increase number of departments / entities connected to transversal CJS platform and the exchange of information electronically | 10 018 (SAPS)<br><br>New Indicator<br><br>New Indicator                                                                                                                                                                                                                      | 10 000 (SAPS)<br>5 450 (DCS)<br><br>Conduct audit on resource value chain of all JCPS Departments by 31 October 2026<br>Developed action plan by 31 March 2027                     | 20 000 (SAPS)<br>12 950 (DCS)<br><br>100% implemented action plan<br><br>100% of identified departments/ entities | South African Police Service/<br>Department of Correctional Service<br><br>Department of Justice and Constitutional Development/<br>South African Police Service | All JCPS Departments<br><br>All JCPS Departments<br><br>All JCPS Departments |
| Reformed, integrated and modernised Criminal Justice System (CJS)           |                                                                          |                                                                             |                                                                                                                                                                                                              | Finalise review/overhaul of the identified legislation to strengthen the criminal justice value chain                                                     | Reviewed Legislation                                                                                                                                                                                                                                                                                       | New indicator                                                                                                                                                                                                                                                                | Draft Bills/amended legislation costed and introduced in Parliament                                                                                                                | Draft Bills/amended legislation costed and introduced in Parliament                                               | Department of Justice and Constitutional Development                                                                                                             | All JCPS Departments                                                         |
|                                                                             | Strengthening of the criminal justice and security legislation framework | New indicator                                                               | Reviewed identified legislation to strengthen the criminal justice value chain                                                                                                                               | Ensure effective Border Optimisation (Air, Land, Maritime) to limit transnational crime and promote regional trade and the legal movement of people       | Percentage implementation of the Border Safeguarding Optimisation Plan                                                                                                                                                                                                                                     | New indicator                                                                                                                                                                                                                                                                | 50% Implementation                                                                                                                                                                 | 100% Implementation                                                                                               | Department of Defence                                                                                                                                            | Border Management Authority/<br>South African Police Service                 |
| Effective Border Security                                                   | Reduction in incidences of National Security Threat                      | 22 landward subunits deployed on border safeguarding per year               | SA borders through air, land and maritime, effectively defended, protected and safeguarded                                                                                                                   |                                                                                                                                                           |                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                              |                                                                                                                                                                                    |                                                                                                                   |                                                                                                                                                                  |                                                                              |

| Outcomes                         | Outcome Indicators                                                                  | Outcome Baselines                                                    | Outcome Targets 2029/30                                                                                                       | Strategic Intervention                                                                                                                                | Intervention Indicators                                                             | Intervention Baseline                                                | Mid-Term Targets                                                                                                                                   | End-Term Targets                                                                           | Lead Department (s)                                                       | Supporting Institutions                                                                                                                                                                                                         |
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| <b>Effective Border Security</b> | Reduction in incidences of National Security Threat                                 | 22 landward subunits deployed on border safeguarding per year        | Ensure effective border safeguarding to limit transnational crime and promote regional trade and the legal movement of people | Ensure effective Land Border safeguarding Optimisation to limit transnational crime and promote regional trade and the legal movement of people.      | Number of landward subunits deployed on border safeguarding per year                | 15 landward subunits deployed on border safeguarding per year        | 15 landward subunits deployed on border safeguarding per year                                                                                      | 15 landward subunits deployed on border safeguarding per year                              | Department of Defence                                                     | Border Management Authority/ South African Police Service                                                                                                                                                                       |
|                                  |                                                                                     | New indicator                                                        |                                                                                                                               | Ensure effective Air Border safeguarding Optimisation to limit transnational crime and promote regional trade and the legal movement of people        | Percentage of air border patrols conducted per year                                 | New indicator                                                        | 100% air border patrols conducted                                                                                                                  | 100% air border patrols conducted                                                          | Department of Defence                                                     | Border Management Authority/ South African Police Service                                                                                                                                                                       |
|                                  | Number of ports of entry with Biometric Movement Control Systems (BMCS) implemented | Technologically secure traveller processing at all ports of entry    | Automated port of entry procedures using biometrics at all ports of entry                                                     | Biometric functionality at all ports of entry                                                                                                         | Number of ports of entry with biometric movement control systems (BMCS) implemented | New indicator                                                        | 10 international airports with biometric movement control systems (BMCS) implemented                                                               | 52 land and 9 sea-ports with biometric movement control systems (BMCS) implemented         | Border Management Authority                                               | Department of Home Affairs/ South African Police Service/ Department of Defence/ South African Revenue Service                                                                                                                  |
|                                  | National Integrated Strategy to Combat Wildlife Trafficking implemented             | Approved National Integrated Strategy to Combat Wildlife Trafficking | Year 5 National Integrated Strategy to Combat Wildlife Trafficking initiatives implemented                                    | Strengthened protection and sustainable management of South Africa's EEZs and Antarctica, with a significant reduction in illicit wildlife activities | National Integrated Strategy to Combat Wildlife Trafficking implemented             | Approved National Integrated Strategy to Combat Wildlife Trafficking | Year 2 National Integrated Strategy to Combat Wildlife Trafficking initiatives implemented                                                         | Year 5 National Integrated Strategy to Combat Wildlife Trafficking initiatives implemented | Department of Forestry, Fisheries and the Environment                     | South African Navy/ South African Police Service/ SA National Biodiversity Institute/ Department of International Relations and Cooperation/ South African National Parks                                                       |
|                                  | Proclaimed fishing harbours operational                                             | 12 proclaimed fishing harbours                                       | 12 operational fishing harbours                                                                                               | Revitalising harbours and unlocking economic opportunities for coastal communities                                                                    | Number of operational fishing harbours                                              | 12 proclaimed fishing harbours                                       | 12 operational fishing harbours                                                                                                                    | 12 operational fishing harbours                                                            | Department of Forestry, Fisheries and the Environment                     | Department of Public Works & Infrastructure/ Coastal provinces/ Relevant coastal municipalities and metros/ Marine Living Resources Fund/ South African Police Services/ South African Navy/ Transnet/ National Ports Authority |
| <b>Secured Cyber Space</b>       | A secured Cyber space enabling safe transacting for the state and its citizens      | Full implementation of Cybersecurity law                             | Government-led, coherent and integrated cybersecurity approach                                                                | Government-led, coherent and integrated cybersecurity approach                                                                                        | Number of cyber-attacks/incidences in the country reduced                           | National Cybersecurity Policy Framework (NCPF)                       | Building capabilities and capacity for cybersecurity                                                                                               | Full implementation of Cybersecurity Act                                                   | State Security Agency/ Department of Justice & Constitutional Development | All JCAPS Departments                                                                                                                                                                                                           |
|                                  |                                                                                     | New indicator                                                        | Full compliance with global Cybercrime Convention                                                                             | Enhance International Cooperation through the adoption of the global Cybercrime Convention                                                            | Draft UN Treaty on Cybercrime ratified                                              | New indicator                                                        | National Cybersecurity Strategy developed and implemented<br>Cybersecurity law enacted<br>Centralised reporting and management of cyber incidences | UN Treaty on Cybercrime implemented                                                        | State Security Agency/ Department of Justice & Constitutional Development | All JCAPS Departments                                                                                                                                                                                                           |



| Outcomes                                                          | Outcome Indicators                                                                                                                                                                                | Outcome Baselines                                                                                 | Outcome Targets 2029/30                                                                   | Strategic Intervention                                                                                                            | Intervention Indicators                                                                                       | Intervention Baseline                                                                       | Mid-term Targets                                                                                                                      | End-term Targets                                                                      | Lead Department (s)                                                                  | Supporting Institutions                                                                                                                                                                                                                                         |
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| Increased feelings of safety of women and children in communities | Percentage of the population that are safe                                                                                                                                                        | New indicator                                                                                     | Continue implementation of the Integrated Crime and Violence Prevention Strategy          | Strengthen the implementation of the ICVPS through the cooperation agreements signed with Provinces                               | Facilitate and monitor implementation of cooperation agreements signed with Provinces                         | New Indicator                                                                               | Monitor the implementation of cooperation agreements (one monitoring report produced by mid-term)                                     | Evaluation of the cooperation agreements (one evaluation report produced by end term) | Civilian Secretariat for Police Service                                              | All JCPS Departments                                                                                                                                                                                                                                            |
|                                                                   |                                                                                                                                                                                                   |                                                                                                   |                                                                                           |                                                                                                                                   |                                                                                                               | Reported contact crimes increased, by 3,8% from 654 761, in 2022/23, to 679 460, in 2023/24 | 14,55% reduction                                                                                                                      | 14,55% reduction                                                                      | South African Police Service                                                         | National Prosecuting Authority/ Department of Justice and Constitutional Development                                                                                                                                                                            |
|                                                                   |                                                                                                                                                                                                   |                                                                                                   |                                                                                           |                                                                                                                                   | Percentage decrease in the murder rate per 100 000 of the population                                          | 44,48 per 100 000 of the population                                                         | Decrease by 17,57% (using adjusted population estimates)                                                                              | Decrease by 17,57% (using adjusted population estimates)                              | South African Police Service                                                         | All JCPS departments                                                                                                                                                                                                                                            |
|                                                                   | Percentage conviction rate for sexual offences                                                                                                                                                    | Conviction rate for sexual offences                                                               | 72,3% conviction rate for sexual offences                                                 | Implementation of National Strategic Plan on GBV and Sexual Offences                                                              | Percentage conviction rate for sexual offences                                                                | 69%                                                                                         | 70,5%                                                                                                                                 | 72,3%                                                                                 | Department of Women, Youth & Persons with Disabilities/ South African Police Service | All JCPS departments                                                                                                                                                                                                                                            |
|                                                                   | Victim centric service enhanced through implementation of NSP on GBV and Sexual Offences                                                                                                          | 64 Thuthuzela Care Centres established, and operational and 98 sexual offences courts established | Thuthuzela Care Centres (TCC's), and offences courts established and operational          | Expand victim support services Victim centric service enhanced through implementation of NSP on GBV and Sexual Offences           | Number of Thuthuzela Care Centres (TCC's) and sexual offences courts established and operational              | 64 98                                                                                       | 5 new TCC (2 per year) 69 TCCs                                                                                                        | 10 new TCC (2 per year) 74 TCC                                                        | National Prosecuting Authority                                                       | Department of Justice and Constitutional Development/ South African Police Service/ Department of Social Development/ Department of Health                                                                                                                      |
| Reduce number of priority offences                                | Criminal cases backlog on the court roll reduced                                                                                                                                                  | Percentage of the criminal cases backlog on the court roll reduced                                | 70%                                                                                       | Reduce criminal cases court backlog                                                                                               | Percentage reduction on criminal cases backlog on the court roll                                              | New indicator                                                                               | 30%                                                                                                                                   | 70%                                                                                   | Department of Justice and Constitutional Development                                 | All JCPS departments                                                                                                                                                                                                                                            |
|                                                                   | Percentage reduction in revocation                                                                                                                                                                | 10,87% revocations of parolees and probationers                                                   | 5%                                                                                        | Ensure effective Restorative Justice Programmes for parolees and probationers                                                     | Number of parolees & probationers who participated in Restorative Justice programmes                          | 14 844                                                                                      | 15 950                                                                                                                                | 35 500                                                                                | Department of Correctional Services                                                  | South African Police Service/ National Prosecuting Authority                                                                                                                                                                                                    |
|                                                                   | Enhance the effectiveness of South Africa's anti-money laundering/ counter terrorism financing regime to mitigate the risks of money laundering, terrorism financing, and proliferation financing | South Africa listed on the greylist                                                               | SA avoid a further round of grey-listing after the next FATF mutual evaluation in 2026/27 | Protect the national financial system from the threat of money laundering, terrorism financing and the financing of proliferation | Percentage implementation of key actions that address compliance with identified global/ UN FATF requirements | South Africa listed on the greylist                                                         | Having being removed from the grey list end 2025, SA does not re-enter the grey list as a result of FATF mutual evaluation in 2026/27 | SA is not grey listed by FATF                                                         | National Treasury                                                                    | Financial Intelligence Centre/ Department of Justice and Constitutional Development/ National Prosecuting Authority/ Special Investigating Unit/ South African Police Service/ State Security Agency/ South African Revenue Service/ South African Reserve Bank |
|                                                                   |                                                                                                                                                                                                   |                                                                                                   |                                                                                           | Prioritise investigation and prosecution of Money Laundering (ML) and Terrorist Financing (TF) cases                              | Number of Money Laundering and Terrorism Financing cases investigated and prosecuted                          | 86                                                                                          | 104                                                                                                                                   | 120                                                                                   | National Prosecuting Authority                                                       | South African Police Service/ State Security Agency/ Financial Intelligence Centre                                                                                                                                                                              |
|                                                                   |                                                                                                                                                                                                   |                                                                                                   |                                                                                           |                                                                                                                                   |                                                                                                               |                                                                                             |                                                                                                                                       |                                                                                       |                                                                                      |                                                                                                                                                                                                                                                                 |

| Outcomes                                                    | Outcome Indicators                                                                                                                                                                               | Outcome Baselines                                                                                                        | Outcome Targets 2029/30                                                                                                          | Strategic Intervention                                                                                                                                                                                                   | Intervention Indicators                                                                                                                                                                        | Intervention Baseline | Mid-Term Targets                                                                                                                         | End-Term Targets                                                                                                                            | Lead Department (s)                                                                                                                              | Supporting Institutions                                                                                                                                                                         |
|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reduce number of priority offences                          | Enhance the effectiveness of South Africa's anti-money laundering/counter terrorism financing regime to mitigate the risks of money laundering, terrorism financing, and proliferation financing | South Africa listed on the greylist                                                                                      | SA avoid a further round of grey-listing after the next FATF mutual evaluation in 2026/27                                        | Finalise review and overhaul of South Africa's anti-corruption architecture to strengthen the criminal justice value chain                                                                                               | Number of reports and implementation plans to improve South Africa's anti-corruption architecture including the Whistleblower Framework                                                        | New indicator         | Report on the review of South Africa's anti-corruption architecture costed and implementation plan developed                             | Implementation plan on recommendations of the review                                                                                        | Department of Justice and Constitutional Development/<br>Civilian Secretariat for Police Service                                                 | All JCS departments                                                                                                                                                                             |
|                                                             | Percentage conviction rate for identified crimes of the priority offences                                                                                                                        | Conviction rate for identified crimes of the priority offences 90%                                                       | 90% conviction rate for identified crimes of the priority offences                                                               | Address illicit economy crimes, prioritised organised crime, including serious commercial crime and cybercrime through prevention, investigation, prosecution and conviction through the Integrated Organised Crime Plan | Conviction rate for identified crimes of the priority offences list                                                                                                                            | New indicator         | Whistle-blower Framework amended costed and introduced in Parliament                                                                     | Whistle-blower Protection Bill finalized through Parliament                                                                                 | Department of Justice and Constitutional Development                                                                                             | All JCS departments/<br>Public Service Commission                                                                                                                                               |
|                                                             |                                                                                                                                                                                                  | Conviction rate for corruption 74%                                                                                       | 84% improvement in conviction rate                                                                                               | Implementation of the National Anti-corruption Strategy in the JCS value chain through prevention, investigation and conviction                                                                                          | Improvement in the conviction rate to 84% for corruption                                                                                                                                       | 80%                   | 90% conviction rate for serious commercial crime and serious organised crime                                                             | 90% conviction rate for serious commercial crime and serious organised crime                                                                | National Prosecuting Authority                                                                                                                   | South African Police Service/<br>Directorate of Priority Crime Investigations                                                                                                                   |
|                                                             |                                                                                                                                                                                                  |                                                                                                                          |                                                                                                                                  |                                                                                                                                                                                                                          |                                                                                                                                                                                                |                       | 82%                                                                                                                                      | 84%                                                                                                                                         | National Prosecuting Authority/<br>Directorate of Priority Crime Investigations                                                                  | All JCS departments/<br>South African Police Service/<br>State Security Agency/<br>Special Investigation Unit/<br>Public Service Commission/<br>Department of Public Service and Administration |
| Advance the South African Foreign Policy for a Better World | Increase in freezing and recovery of money and assets that are the proceeds of crime                                                                                                             | Total value of recoveries and freezing order                                                                             | R5.3bn                                                                                                                           | Increase in freezing and recovery of money and assets that are the proceeds of unlawful conduct and crime                                                                                                                | Total value of recoveries and freezing order                                                                                                                                                   | R5.3bn recoveries     | R3.4bn recoveries (R3bn - SIU) (R400m - NPA)                                                                                             | R6.3bn recoveries (R5.5bn - SIU) (R800m - NPA)                                                                                              | National Prosecuting Authority/<br>Asset Forfeiture Unit/<br>Special Investigation Unit/<br>Department of Justice and Constitutional Development | Financial Intelligence Centre                                                                                                                                                                   |
|                                                             |                                                                                                                                                                                                  |                                                                                                                          | R1bn                                                                                                                             |                                                                                                                                                                                                                          |                                                                                                                                                                                                | R1bn freezing orders  | R1.75bn freezing orders                                                                                                                  | R3.5bn freezing orders                                                                                                                      |                                                                                                                                                  |                                                                                                                                                                                                 |
|                                                             | Number of international engagements, partnerships, and resolutions reflecting South Africa's stated national interests and values successfully negotiated                                        | Influenced and leveraged summits and high-level meetings of the SADC and its organs to achieve the objectives of the NDP | South Africa contributed in periodic review of peace, security, economic integration and development programmes in the region    | Contribution to periodic review of programmes on peace, security, economic integration                                                                                                                                   | Number of SADC engagements supported with substance and logistics to promote peace and stability, socio-economic development as well as good governance and democracy and regional integration | New indicator         | 10 engagements supported to promote peace and stability, socio-economic development, good governance, democracy and regional integration | 20 engagements supported to promote peace and stability, socio-economic development, good governance and democracy and regional integration | Department of International Relations and Cooperation                                                                                            | Department of Trade, Industry and Competition                                                                                                                                                   |
|                                                             |                                                                                                                                                                                                  | Influenced and leveraged summits and high-level meetings of the AU and its organs to achieve the objectives of the NDP   | South Africa contributed in periodic review of peace, security, economic integration and development programmes on the continent |                                                                                                                                                                                                                          | Number of AU engagements used to promote peace and stability, socio-economic development as well as good governance and democracy on the continent                                             | New indicator         | 5 engagements to promote peace and stability, socio-economic development as well as good governance and democracy on the continent       | 10 engagements to promote peace and stability, socio-economic development as well as good governance and democracy on the continent         | Department of International Relations and Cooperation                                                                                            | Department of Trade, Industry and Competition                                                                                                                                                   |

| Outcomes                                                           | Outcome Indicators                                                                                                                                        | Outcome Baselines                                                                                                                              | Outcome Targets 2029/30                                                         | Strategic Intervention                                                                                                                                                                                                                         | Intervention Indicators                                                                                                                                         | Intervention Baseline | Mid-Term Targets                                                                                                                          | End-Term Targets                                                                                                                          | Lead Department (s)                                   | Supporting Institutions                              |
|--------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------|
| <b>Advance the South African Foreign Policy for a Better World</b> | Number of international engagements, partnerships, and resolutions reflecting South Africa's stated national interests and values successfully negotiated | Leveraged bilateral and political to achieve the objectives of the NDP                                                                         | Increased engagements on structured bilateral mechanisms and high-level visits  | Contribution to periodic review of programmes on peace, security, economic integration                                                                                                                                                         | No. of engagements on structured bilateral mechanisms and high-level visits to strengthen economic diplomacy and promote national priorities                    | New indicator         | 150 engagements on structured bilateral mechanisms and high-level visits to strengthen economic diplomacy and promote national priorities | 300 engagements on structured bilateral mechanisms and high-level visits to strengthen economic diplomacy and promote national priorities | Department of International Relations and Cooperation | Department of Trade, Industry and Competition        |
|                                                                    |                                                                                                                                                           | Influenced and leveraged summits and high-level meetings of the UN system and international organisations to achieve the objectives of the NDP | Equitable multilateral institutions and efforts to strengthen global governance | South Africa contributed to outcomes of United Nations system and international organisations i.e. peace and security, human rights and development                                                                                            | No. of G20 structures engaged in to use South Africa's Presidency of the G20 (2025) to tackle global inequality and poverty and advance sustainable development | New indicator         | 2 summits engaged in to advance the development agenda in line with SA's international relations policy objectives                        | 5 Summits engaged in to advance the development agenda in line with SA's international relations policy objectives                        | Department of International Relations and Cooperation | Department of Trade, Industry and Competition        |
|                                                                    |                                                                                                                                                           |                                                                                                                                                |                                                                                 |                                                                                                                                                                                                                                                | No. of BRICS structures engaged in to advance the development agenda in line with SA's international relations policy objectives                                | New indicator         | 2 summits engaged in to advance the development agenda in line with SA's international relations policy objectives                        | 5 summits engaged in to advance the development agenda in line with SA's international relations policy objectives                        | Department of International Relations and Cooperation | Department of Trade, Industry and Competition        |
|                                                                    | Long-term climate resilience and adaptation programmes implemented                                                                                        | Climate Change Act approved in July 2024                                                                                                       | Local climate resilience programmes in priority regions supported               | Implement the Just Energy Transition Investment Plan (JET-IP) and ensure South Africa's transition to a low-carbon economy                                                                                                                     | No. of UNGA structures engaged in to advance the development agenda in line with SA's international relations policy objectives                                 | New indicator         | 2 summits engaged in to advance the development agenda in line with SA's international relations policy objectives                        | 5 Summits engaged in to advance the development agenda in line with SA's international relations policy objectives                        | Department of International Relations and Cooperation | Department of Trade, Industry and Competition        |
| <b>Enhanced peace and security in Africa</b>                       |                                                                                                                                                           |                                                                                                                                                |                                                                                 |                                                                                                                                                                                                                                                | Percentage of priority regions supported on climate resilience and adaptation programmes                                                                        | Climate Change Act    | 50% district municipalities in priority regions supported to review and align Climate Change Response Plans with the Climate Change Act   | 100% district municipalities in priority regions supported to review and align Climate Change Response Plans with the Climate Change Act  | Department of Forestry, Fisheries and the Environment | Municipalities/ Department of Cooperative Governance |
|                                                                    | Compliance with international, regional & sub-regional human rights obligations                                                                           | Interdepartmental support and commitment to compiling reports and implementing follow up                                                       | Increase in Integration of human rights in government policy and systems        | Assistance and support on UN & Regional Committees                                                                                                                                                                                             | Percentage compliance with all international obligations for ratified instruments                                                                               | 100% compliance       | 100% compliance with all international obligations for ratified instruments                                                               | 100% compliance with all international obligations for ratified instruments                                                               | Department of Justice and Constitutional Development  |                                                      |
|                                                                    | Percentage compliance with the defence mandated commitments as resourced.                                                                                 | 100%                                                                                                                                           | 100%                                                                            | Promote peace, security, democracy and socioeconomic development in SADC and other parts of the continent                                                                                                                                      | Percentage Compliance with the Southern African Development Community (SADC) Standby Force Pledge per year                                                      | 100% compliance       | 100% compliance                                                                                                                           | 100% compliance                                                                                                                           | Department of Defence                                 |                                                      |
|                                                                    |                                                                                                                                                           |                                                                                                                                                |                                                                                 | Support Chapter 6 (Aspiration 4) of the Agenda 2063, namely "a peaceful and secure Africa" through the resourced provision of mission-ready defence capabilities, enabling the conducting of ordered Defence commitments (external operations) | Percentage compliance with number of external operations conducted per year.                                                                                    | 100% compliance       | 100% compliance                                                                                                                           | 100% compliance                                                                                                                           | Department of Defence                                 |                                                      |

| Outcomes                              | Outcome Indicators                                                                                                                                                                                | Outcome Baselines                                                                       | Outcome Targets 2029/30                                | Strategic Intervention                                                                                                                                                                                | Intervention Indicators                                              | Intervention Baseline                                                                                                                                                                                                         | Mid-Term Targets                                                                                                                                                                                      | End-Term Targets                                                                                                                                                                                      | Lead Department (s)          | Supporting Institutions                               |
|---------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------------------------|
| Enhanced peace and security in Africa | Number of maritime patrols in compliance with the defence mandated commitments as resourced                                                                                                       | 3                                                                                       | 4                                                      | Protection of South Africa's Coastal Environment and Maritime living resource crimes and maritime crimes through the SA Navy's Maritime Deployments in the Exclusive Economic Zone (Operation CORONA) | Number of maritime coastal patrols conducted per year.               | 4 maritime coastal patrols conducted per year.                                                                                                                                                                                | 10 maritime coastal patrols conducted per year.                                                                                                                                                       | 20 maritime coastal patrols conducted per year.                                                                                                                                                       | Department of Defence        | Department of Forestry, Fisheries and the Environment |
|                                       | Percentage of Country obligation to Southern African Development Community (SADC) and AU fulfilled                                                                                                | 90% of obligations for deployment of country obligation fulfilled to SADC and AU        | 90% of obligations fulfilled                           | South Africa's obligations towards UN, SADC and the AU including the institutions hosted in South Africa (PAP, NEPAD, APRM, AFCONE, PAUSSI and TFCA's (payments honoured)                             | Percentage deployment of country obligation fulfilled to SADC and AU | 90% of obligations fulfilled (153 members from a total 265)                                                                                                                                                                   | 90% of obligations fulfilled                                                                                                                                                                          | 90% of obligations fulfilled                                                                                                                                                                          | South African Police Service |                                                       |
|                                       |                                                                                                                                                                                                   | 57.7% of members pledged to be on standby for deployment (153 members from a total 265) | 60% of members pledged to be on standby for deployment |                                                                                                                                                                                                       | % of members pledged to be on standby for deployment                 | 57.7% of members pledged to be on standby for deployment (153 members from a total 265)                                                                                                                                       | 60% of members pledged to be on standby for deployment                                                                                                                                                | 60% of members pledged to be on standby for deployment                                                                                                                                                | South African Police Service |                                                       |
|                                       | Compliance with all international commitments and requests for external missions (including political and diplomatic initiatives) in pursuit of regional, continental and international stability | 60% compliance                                                                          | 70% compliance in regional and global integration      | Compliance with international commitments (where commitments refer to military, humanitarian, environmental and any other)                                                                            | % compliance in regional and global integration                      | 60% (9 police liaison officers were placed in 7 from the total of 15 SADC Countries, including Angola, Kingdom of Eswatini, the Kingdom of Lesotho, Malawi, Mozambique (2), the United Republic of Tanzania and Zimbabwe (2)) | 70% compliance with all international commitments and requests for external missions (including political and diplomatic initiatives) in pursuit of regional, continental and international stability | 70% compliance with all international commitments and requests for external missions (including political and diplomatic initiatives) in pursuit of regional, continental and international stability | South African Police Service |                                                       |



*The MTDP 2024-2029  
Results Framework  
serves as a blueprint for  
accountability and progress,  
ensuring that every intervention  
is measured, monitored,  
and aligned with South  
Africa's strategic priorities  
for inclusive growth  
and development.*



—see a  
**def.i.nite.ly** /  
being wrong; certainly: Mr.  
been wrong about Diana. |  
“No, definitely not!” —see  
(USAGE)  
**def.i.ni.tion** /,defɪˈnɪʃən  
that says exactly what  
definition in a dictionary  
with a satisfact  
**nition** if some  
nition, it must  
type have it: A  
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thing

## GLOSSARY



## GLOSSARY

**Capable state:** A state that is built institution by institution and sustained and rejuvenated over time. It requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules.

**Climate change adaptation:** Adaptation actions taken by governments, businesses or people to respond to current and future climate change impacts by adjusting their social, economic or ecological systems to moderate potential damages or benefit from opportunities associated with climate change.

**Climate change mitigation:** Action taken by governments, businesses or people to reduce or prevent greenhouse gas emissions, enhance carbon sinks by restoring forests, wetlands and marshlands, maintain soil health and protect ecosystems that remove these gases from the atmosphere. Mitigation efforts include transitioning to renewable energy sources, enhancing energy efficiency, adopting regenerative agricultural practices and protecting and restoring forests and critical ecosystems.

**Climate change:** Long-term change in the average weather patterns that have come to define the earth's local, regional and global climates.

**Current account deficits:** The trade balance is the difference between the value of exports of goods and services and the value of imports of goods and services. A trade deficit means that the country is importing more goods and services than it is exporting; a trade surplus means the opposite.

**Developmental state:** A state that has the organisational and technical capacity to tackle the root causes of poverty and inequality by intervening to support and guide economic development so that its benefits accrue across society (especially to the poor) and build consensus so that long-term national interest trumps short-term sectional concerns.

**Discouraged work seekers:** People who wanted to work but did not try to find work or start a business because they believed that there were no jobs available in their area, were unable to find jobs requiring their skills or had lost hope of finding any kind of work. Also see NEET below.

**Early childhood development:** Programmes that provide one or more forms of daily care, development, early learning opportunities and support to children from birth until the year before they enter formal school.

**Fiscal policy** is the use of government spending and taxation to influence the economy.

**Global warming:** An increase in the earth's average temperature due to an increased concentration of 'greenhouse gases' in the atmosphere as a consequence of human activities such as the burning of fossil fuels like coal, oil and gas, as well as clearing land, cutting down forests and other agricultural activities.

**Inclusive growth:** Growth that boosts national wealth and wellbeing, reduces poverty, ensures equity across generations and raises the standards of living of broad swathes of the population.



**Inflation:** Measures how much more expensive a set of goods and services has become over a certain period, usually a year.

**Just transition:** A transition undertaken in a way that is as fair and inclusive as possible to everyone concerned, creating decent work opportunities and leaving no one behind and mitigating any adverse economic or social effects of climate change adaption.

**Labour force participation rate:** The labour force participation rate is an estimate of the active workforce in an economy.

**Labour force:** The number of people employed plus those who are unemployed constitute the labour force or economically active population.

**Local economic development:** A process by which public, business and non-governmental role players work collectively in a locality to create better conditions for economic growth and employment creation.

**Macroeconomics** considers how whole economies work in order to understand how general economic goals such as employment, inflation, economic growth and productivity interact and how these goals are affected by government policies on investment, wages, exchange rates and other external conditions.

**Monetary policy** adjusts the supply of money in the economy to achieve some combination of inflation and output stabilisation.

**Not in employment, education or training (NEET):** The rate of young people (aged 15- to 24-years) who are not in employment, not in post-school education or training opportunities and are therefore recorded as unemployed.

**Post-school education and training:** Education and training provision for those who have completed school, those who did not complete their schooling and those who never attended school.

**Poverty lines:** Three different measures of poverty are monitored by Statistics South Africa for policy purposes:

- **Food poverty line:** The amount of money that an individual will need to afford the minimum required daily energy intake, commonly referred to as the 'extreme' poverty line;
- **Lower-bound poverty line:** The food poverty line plus the average amount spent on non-food items by households whose total expenditure is equal to the food poverty line;

and

- **Upper-bound poverty line:** The food poverty line plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

**Social wage:** The package of goods and services that the state makes available to citizens, including an income support system that pays pensions, benefits, grants, subsidies and tax concessions, as well as services such as health and education. In South Africa, it also includes free electricity and water to the most impoverished citizens.

**Spatial inequality:** The unequal distribution of resources and access to services and opportunities across different areas or locations. In South Africa, apartheid entrenched inequality along racial lines, which affected access to education, healthcare, welfare, public services, housing and infrastructure as well as to employment opportunities and income.

**Spatial planning:** The application of land use regulation and other instruments to guide the use of land to achieve public policy objectives.

**Sustainable development:** Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs by balancing economic growth, social inclusion and environmental protection.

**Sustainable growth:** A rate of growth that a country can maintain without creating other significant economic, environmental or social problems, especially for future generations.

**Transition to 'net zero':** The transition to energy, transportation, production and consumption systems that avoid further increases in the concentration of greenhouse gases in the atmosphere.

**Unemployment:** In the narrow definition, unemployment refers to the state of a person of being completely without work while available to work and taking active steps to find work. The expanded definition of unemployment includes all those who are able to work but have not taken further steps to find work.



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## NOTES

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