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INTRODUCTION
At its 53rd National Conference, the ANC concluded its assessment of the state of the nation and the broader environment in which we live by calling for a second phase of transition to a national democratic society. This conclusion stemmed from an appreciation of the progress that had been made in changing South African society since the advent of democracy. It was also informed by an acknowledgement of the weaknesses that beset this process.

The ANC has to pose and find answers to questions about its own long-term evolution as an organisation, its core vision and the capacity to pursue it. This depends on the balance of forces. This balance is a function, firstly, of objective conditions much beyond the ANC’s control. Secondly, it is also dependent on subjective factors that reflect organisational and human agency. Actions by those who seek social transformation do shift the relationship among the array of forces in society. Indeed, even objective conditions are impacted on, for better or for worse, by organisational and human action. Further, the global alignment of forces does influence the domestic balance.

Why is it necessary to assess the balance of forces? The primary aim is to clarify the opportunities and constraints in the journey to a national democratic society. It thus becomes possible to avoid paralysis dictated to by an overestimation of the difficulties, or voluntaristic adventurism based on overestimation of our own power.

Such assessments were made in the recent past, particularly at the 2007 and 2012 ANC National Conferences. These are reflected in the Strategy and Tactics documents, as summarised below.

This discussion document is not a Strategy and Tactics document, and it should be read together with the latter as adopted at the 2007 and 2012 National Conferences.

BACKGROUND
STRATEGY AND TACTICS DOCUMENTS
In the Strategy and Tactics document adopted at the 52nd National Conference (2007) and the Preface appended at the 53rd National Conference (2012), the ANC reaffirms its commitment to the attainment of a national democratic society. Such a society does not emerge “ripe and ready for harvesting at the point of transfer of power”. It needs to be built consciously by the forces of fundamental change.

Domestic balance
Having captured the beach-head in 1994, these forces indeed sought to transform the state at the same time as they utilised its capacities to change society as a whole. This saw to the forging of a vibrant multi-party democracy based on a Constitution that enjoys the allegiance and support of the overwhelming majority of South Africans. State institutions were transformed in terms of policy frameworks, practices and demographic composition. Formal instruments of accountability were put in place and space was created for organs of civil society to thrive. However, weaknesses in the state have hindered the speed with which social change can be implemented; and the extent of mass involvement still leaves much to be desired.
Processes of social transformation saw to the rise of many Blacks into middle and upper strata. However, this had not translated into systemic changes in ownership and control of wealth, including land; with the locus of economic power largely unchanged. Related to this is the persistence of poverty affecting mainly Black people and women in particular. Levels of economic investment and rates of labour absorption were too low to absorb large swathes of the unemployed into economic activity.

While much progress had been made in attacking abject poverty through the social wage – combining access to basic services and social grants – this had not made sufficient impact on social marginalisation especially among youth, women and people in rural areas. Improved access to basic services such as education, health, water and electricity did not necessarily translate into requisite quality of such services. At the same time, levels of inequality in terms of income, assets and opportunity had not much improved.

There had been progress in the forging of a sense of nationhood and some measure of acculturation. But spatial dynamics and the socio-economic disparities that reflected apartheid racial patterns conspired to undermine this. Added to this is the issue of the dominant societal value system and frame of ideological discourse which “encourages greed, crass materialism and conspicuous consumption”.

In other words, by 2007, the balance of forces had “shifted in favour of the forces of change”, creating the platform to speed up programmes of social transformation. Yet the question was posed then whether society was mobilised for faster progress; and whether the liberation movement had the corps of cadres to lead such change!

It is on account of these weaknesses that the 2012 National Conference resolved that decisive interventions were required to speed up change, “especially with regard to economic and social transformation” as well as “democratic consolidation”. For this to succeed, the state should be capable and developmental. Further, the ANC needs to exercise leadership in all pillars of transformation: building a democratic developmental state, transforming the economy, ideological work, international work as well as mass organisation and mobilisation.

**International environment**

All this has to be undertaken, the 2007 Strategy and Tactics document argued, in a global environment in which the world is dominated by a capitalist socio-economic system characterised by the dominance of one ‘hyper-power’. This reflects primary unipolar and secondary multipolar features. It was further argued that globalisation reflected technical (and largely positive) features. It also has socio-political manifestations that are characterised, among others, by domination of transnational corporations, the undermining of global governance, homogenisation of media and cultural content and militarism.

The 2012 National Conference noted both the continuing global shift of centres of economic growth and development to the South as well as the causes and impact of the global economic crisis. Critical in these developments was the retreat of laissez faire market ideology, after two decade of dominance. This had “reopened discourse on the relationship between the state, the market and the citizen on a global scale”.

Further, South Africa’s immediate neighbourhood – sub-Saharan Africa – was experiencing not only improved conditions of peace and better democratic governance and economic management. It was becoming one of the epicentres of high rates of economic growth and development. This provided South Africa with unique possibilities to leverage continental opportunities and “integrate differently into the global economy”.

In brief, the 2012 National Conference affirmed a continuing process in which the balance of forces was shifting in favour of the forces of social change and a humane global order. With regard to South Africa, in particular, it embraced the National Development Plan and asserted that there was “a growing appreciation among various sectors of society that the current configuration of the country’s political economy [was] unsustainable…The clamour for a national vision and programme to speed up movement to shared prosperity is commonly shared”. However, it was acknowledged that such factors as resistance by capital and its allies to radical transformation, state weaknesses, as well as corruption and perverse practices within the broad liberation movement could undermine the drive towards speedier movement forward.
GLOBAL DYNAMICS AND PROSPECTS

Have there been any changes in the global terrain, with a bearing on South Africa’s democratic project? It can be argued that the conclusions reached at both the 2007 and 2012 National Conferences remain largely accurate and relevant. Critical in this regard is the fact that the global system is still characterised by primary unipolarity and secondary multipolar features. This is reflected, among others, in the re-emergence of China as a world power and the rise of Asia, the quasi-autonomy of regional alliances such as the European Union (EU), Latin American states, the fledgling Russian-led Euro-Asian Union as well as BRICS and other such cross-regional partnerships.

Global economy

China in 2011 overtook Japan as the second largest economy in the world. According to some estimates – using purchasing power parity – China overtook the US as the largest global economy in 2014. It surpassed the US as Africa’s largest trade partner in 2009. Some scenarios suggest that, in the next forty years, global economic ranking will have in the top 6 the following countries, in order of GDP size: China, US, India, Brazil, Russia and Japan. However, this will not necessarily translate into political influence. Current US military strength surpasses that of the next 10 powers combined.

The global economic crisis which started in 2008 has accelerated economic re-balancing, with anaemic growth in the EU and Japan slated to continue for a few years. This has gone along with new coupling and decoupling in terms of global economic relations, with growth correlation between China and Africa at its highest level. This, however, should not be exaggerated. China still depends, for its growth, on the markets of the North. Its efforts to reconfigure its economy to rely more on domestic consumption will take time to materialise.

The capitalist system has seen rapid development of productive forces: for e.g. information and communications technologies including the emergence of artificial intelligence (AI), as well as the application of technology of very small particles (nano-technology), bio-technology, genetics, space science and so on.

Large transnational corporations enjoy global dominance; and many operate as a unit across many countries. In search of low costs and high returns, they locate production sites in areas with the cheapest labour and low taxation rates. As China modernises and improves workers’ incomes, a number of manufacturers are relocating to countries such as Vietnam and Bangladesh; and some African countries have been identified for such off-shoring.

The global economic crisis brought to the fore the dominance, adventurism and sheer power of finance capital. What some have referred to as the ‘casino economy’, with all manner of derivatives and tenuous links to actual production, not only brought the world economy to the brink of collapse. It has also generated greater activism by regulators to limit the impact of financial crises on governments and citizens.

Geopolitics

Although not immediately obvious, rivalries among the world’s big powers continue. This is more patent in ongoing attempts to undermine the relations China is building with developing countries, the ‘containment strategy’ represented by the US’ Asia Pivot, and geopolitical upheavals in Central and Eastern Europe. In many of these initiatives, the US presents an impression of unity with its European and other traditional allies. However, elements of narrow national self-interest underpin some of these initiatives, so the US can remain the dominant and uncontested global power.

One of the major manifestations of unipolarity in the recent period has been the assertion of unilaterism by the US and its allies, especially with regard to regime change and in the fight against terrorism. From drone attacks in Yemen and Pakistan, to military operations in Libya, Mali and Cote d’Ivoire and the interventions in the Middle East, the US and its allies have developed a narrative and concomitant conduct that seem to worsen rather than alleviate the tensions. There is global consensus that terrorism – the deliberate targeting of civilians in armed conflict – is inhumane, criminal and obnoxious. Yet a single-minded ham-fisted approach to this issue cannot bring lasting solutions, precisely because it ignores the root causes in various parts of the globe. As Among these issues are: social marginalisation of youth and minority communities, political and religious dynamics within the Middle East, intolerance of various hues and the regional tensions arising from the failure to resolve the Palestinian issue.

NGC 2015 DISCUSSION DOCUMENTS

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More than at any other time in the past three decades, unbridled market capitalism has lost its shine. The global economic crisis has brought to the fore not only issues pertaining to the role of the state in regulating the financial sector. It has also exposed growing social inequality and alienation of large sections of society within most countries. Dismissed only a few years ago as irrelevant and in any case benefitting from the advances of neoliberal capitalism, “the 99%” are demanding their place in the sun. Indeed, the issue of distribution of national income – the fundamental question of political economy – now occupies an important place in mainstream discourse. Neoliberal ideology faces a crisis of confidence and credibility. This has brought to the fore the question of the very legitimacy of market capitalism as well as that of the state and the polity in these developed countries. Along with this, is the rise of the right-wing and growing militarism, phenomena that have always played out when capitalism is in crisis. The experience of Greece – where the convergence of the interests of finance capital, market fundamentalism and right-wing politics threatens to ride roughshod over democracy itself – is profoundly instructive.

In brief, capitalism remains the dominant socio-economic system on a global scale. In the era of globalisation, it has advanced technological progress, opened up vistas for human progress and created the basis for the alleviation of poverty on a grand scale. However, the rampant unregulated practices of the past 30 years, including appropriation of most of national income by a few, have undermined its legitimacy and the legitimacy of the states and polities that pursue such policies. While the leading players in the global system retain the capacity to use both hard and soft power to assert their dominance, new centres of power are emerging, and a new discourse has gained prominence challenging the prescripts of neoliberalism.

DYNAMICS ON THE AFRICAN CONTINENT

Africa has been both beneficiary and, in some instances, victim of the changing global dynamics. But, to the extent that there have been advances and retreats, Africans themselves have been the primary agents. The Strategy and Tactics documents from the past two National Conferences identified progress in most of the continent reflected in, among others: the attainment of peace and stability, the entrenchment of democratic systems of government, better economic management, higher rates of economic growth, improvement in quality of life and greater activism by intellectuals and other sections of civil society. These trends have largely persisted.

Africa Rising

Seven of the ten fastest growing economies in the world are in Africa. On rebasing its GDP after some twenty years Nigeria emerged as the largest economy on the continent. It is followed by South Africa and Kenya. Estimates of 2014 growth in sub-Saharan Africa are at 5.1%, second only to Asia. In the manner of fashionable acronyms, from BRICS and MINTs (Mexico, Indonesia, Nigeria and Turkey), today focus is shifting to the KINGs (Kenya, Ivory Coast, Nigeria and Ghana) as countries with much potential – though these groups do not of course belong at the same level of economic power.

Most of the narrative on Africa Rising has focused on the extractive industry. However, growth on the continent over the past decade has been roughly in this order: tourism, financial intermediation, transport and telecommunications, construction, utilities and resources. Whatever the details, these trends have continued, with minor dips as a result of the global economic crisis. Trade with the rest of the world has ballooned; inflation has dropped; foreign debt has declined; and labour productivity has improved. Unemployment has declined and the proportion of the working population with low income has decreased; rural poverty has been reduced; under-five mortality rates have declined and primary education enrolment has improved.

Projections are that Africa’s collective GDP which recently was more or less equal to that of Brazil would almost double by the middle of the 2020s. The same is expected of consumer spending. The infrastructure deficit that the continent suffers from is now a boon. With about 60% of the world’s total amount of uncultivated arable land, there is huge potential for African agriculture in the coming decades. The growth in the number of employed people and the middle strata will drive a major consumer revolution.
Continental challenges

As all this happens, a few trends are starting to manifest, which require further reflection in terms of growth and development paths. Firstly, the offshoring referred to above is reaching the African continent. As China climbs up the manufacturing sophistication ladder, some transnational corporations and even Chinese companies are considering African countries for relocation – in search of cheap labour. Is this a necessary evil that the continent should welcome, as a phase in its development journey? Secondly, with access to new technologies such as cell-phones, Africa is evincing in actual practice the leapfrogging of stages of development. Thirdly, poor land policies and traditional tenure systems can conspire to encourage land grabs by foreigners, impoverishing rural communities.

Challenges in Africa still include such matters as macroeconomic management, reliance on a handful of sectors for exports, and patronage linked to familial and party-political links. Further, while most African countries have adopted formal democratic forms of government, this has not necessarily translated into requisite accommodation of difference. Related to this is the emergence of extremism attached to religious allegiances which requires the kind of deft management that goes beyond Western narratives. Some global powers have taken advantage of these weaknesses to intervene in various ways, including through military invasion. Indeed, a careful analysis of the genesis of heightened lawlessness and conflict in the Sahel and neighbouring areas, for instance, does point to the ill-advised NATO intervention in Libya. These weaknesses also account for high levels of migration from areas of conflict and economic underdevelopment, and the desperation that attaches to this phenomenon.

African economic integration has not been pursued with the enthusiasm it deserves. Discourse at the continental level on long-term strategies as reflected in Agenda 2063, does give a sense of a vision. However, there are weaknesses in terms of implementing continental programmes such as NEPAD; and the continent does not seem to have collective strategies in dealing with various regions of the globe. In addition, greater effort is needed to forge progressive alliances across the continent, among forces committed to profound social transformation. At the core of Africa’s weaknesses is the strategic and organisational capacity of the state and societal leaders in general.

How do these opportunities and challenges relate to South Africa’s own growth and development? Is Africa Rising a threat or an opportunity? Barring countries largely in conflict, South Africa is the economic growth laggard on the continent. This speaks directly to the question whether the country is sufficiently and strategically networked on the continent, or whether it has persisted with an outlook of the colonial era as an ‘outpost’ of the North in Africa. In reality, as in South East Asia, economic growth in sub-Saharan Africa presents major opportunities for mutually-beneficial osmosis that South Africa should seize with both hands. This needs to go beyond investment in retail, banking and telecommunications. Sub-Saharan Africa can develop shared manufacturing capacity that takes advantage of the massive infrastructure programmes which will continue for decades to come. South Africa can also exploit the natural advantage of its geography – situated as it is in the south between East and West.

In brief, the Africa Rising narrative is being confirmed by concrete economic growth and development trends. The infrastructure and other deficits on the continent and the massive endowments it possesses are an opportunity which should lay the basis for rapid growth and development. Combined with the building of capable states, forging of inclusive polities, improved economic governance and strategic international relations, there is huge potential for Africa to emerge as the new epicentre of global economic growth. South Africa stands to benefit massively from these developments, as long as it adapts its economic and diplomatic outlook to actually implement its long-held Africa strategy: that is, to forge alliances with regional anchors and act as a partner in pursuing Africa’s multifaceted interests.

THE DOMESTIC BALANCE: MACROSOCIAL TRENDS

As with the global balance of forces, the assertions in the Strategy and Tactics document about the domestic balance remain relevant. To recapitulate: From the period of capturing the beach-head in the mid-1990s, the balance of forces has shifted in favour of the forces
of social transformation. This is reflected, to varying degrees, in the character of the polity and the state, economic transformation and macrosocial dynamics. The same can be said, variously, about the changing nature of social demographics, electoral trends and the state of progressive organisations. Those assertions are, however, being pummelled by the winds of time, with new positive and negative dynamics.

**Legitimacy of the polity and the state**
The South African polity is essentially a stable one, with the Constitution accepted across the board as the broad framework for the regulation of socio-political relations. Its articulation of different generations of rights lends it a progressive character for the pursuit of speedier transformation.

Concerns have been expressed about whether interpretation of its provisions can result in undermining the electoral mandate. Such a possibility does exist in a constitutional (as distinct from parliamentary) democracy. However, from socio-economic rights and individual freedoms to matters of administrative justice, the leaning in rulings by the highest court has been towards the transformative spirit of the Constitution. This is not to confer ultimate wisdom on those required to adjudicate these matters. It is rather to emphasise that contained within the system are mechanisms for self-correction through the judicial hierarchy and in the fine balance of power including appointment processes. This comes out in even bolder relief if there is a deconstruction (in conceptualisation) of the mistaken conflation of related but not identical notions: the people, the state, the government and the party.

A worrying trend in the recent period has been the tendency for leaders of various sectors of society, especially in the political arena, to seek judicial resolution for matters that can be managed through other channels. These range from quarrels with a puppet and the singing of songs, to legal challenges against constitutionally-valid administrative actions by the Executive. On the one hand, such ‘lawfare’ can suck up the judiciary into the maelstrom of day-to-day societal management and thus unnecessarily splutter it with mud. On the other, repeated attempts of this kind, into which huge resources thrown, do suggest that some privileged sectors of society seek to undermine the popular electoral mandate.

It should also be noted that, from time to time, tensions have boiled over between the judiciary and the other arms of the state, and between the executive and the legislatures. Such tensions can be healthy – and are perhaps normal – in a constitutional democracy. However, to the extent that these tensions may reflect a slow pace of transformation in the judiciary, poor accountability by the executive, or disdain for electoral outcomes by opposition parties and a poor sense of inclusivity by the majority parties in the legislatures, these need to be addressed in a systematic manner, with the fundamental aim of strengthening the democratic system.

A state that in 1994 represented the interests of a minority has been transformed, in terms of both form and content. This democratic state draws its legitimacy from the basic law of the land. But such legitimacy is also won in the crucible of actual practice: by the extent to which it is effective in devising and implementing policies of change; by the conduct of the political leadership; and by the professionalism and responsiveness of the bureaucracy. In other words, legitimacy has to be continually earned.

Many issues have been identified in previous documents on participatory democracy (people-driven and people-centred approach to change) as well as transformation and capacity of the state – and our weaknesses in this regard.

One of the overriding trends in the recent period has been the response of South African society to the National Development Plan. Both the process and the content of the Plan were embraced by most parties represented in Parliament. The same applies to organisations representing various sectors of society – business as well as sections of workers’ and civil society organisations. There is of course contestation around proposals on how to attain Vision 2030. But, except for targets on income inequality and some economic proposals, the objectives of the NDP are embraced by all. These include: elimination of income poverty; reduction of the unemployment rate to 6% and below; access to quality social services; a capable developmental state; and an active citizenry.

However, many developments which suggest that the legitimacy of the polity and the state may be fraying bear scrutiny:

- Popular protest has been part of South Africa’s body politic for many years in the post-1994 period.
The levels of poverty and inequality will certainly inflame passions, even as progress is made to deal with the challenges. This is the flammable social tinder that the democratic state has to manage, through practical action and by continuously infusing the hope that tomorrow will be better than today. What seems to be new, with major implications for state legitimacy, is how deeply-entrenched corrupt practices (driven by a few state employees, public representatives and the private sector) and arrogance by some in leadership positions have become, directly affecting social delivery. This finds expression especially, but not exclusively, at local government level. The consequence is that the state security apparatus becomes the first and last line of defence, and is itself then targeted in popular upheavals.

Civil society in South Africa has historically been among the most vocal and active. From community to sector-based organisations, these have added to the legitimacy of the system as they provide a platform for pursuing specific aspirations. A few such organisations have sought to challenge programmes of transformation. But the overwhelming majority (in terms of mass constituencies) have been supportive, and they form part of formal forums such as NEDLAC. However, in the recent period, major trends have included: a weakening of worker organisations (through poor organisation, divisions and even violent competition); campaigns bringing together a wide variety of interests to challenge government policy; organisational meltdown in civic structures; and a weakening of progressive engagement among women as well as youth and students.

Even with regard to concrete instances of corruption at any level of government, the sense that there is clear intent and serious action to deal with these matters does give confidence to society about the ethical foundations of the state. However, when there is repetitive poor management of allegations of corruption and patronage within high leadership echelons, the legitimacy of the state and the polity as such are undermined. Indeed, over the past few years a general impression of systemic corruption has been created, ranging from unsavoury developments in State-owned Enterprises, strange machinations within security and tax authorities, to unconvincing responses to admonitions for accountability by relevant Constitutional bodies.

Related to the above is the very question of the capacity of state institutions to meet their mandates. When the general impression referred to above can be directly linked to poor capacity within state agencies which is also a consequence of high turnover in the management echelons; poor decision-making that suggests patronage and cover-ups; and appointments that defy any rational logic, the state as a whole starts progressively to lose the confidence of the people. The hope that prevents South Africa’s social tinder from catching fire can thus dissipate.

It is precisely this state of affairs that emboldens forces opposed to transformation to seek to challenge the very legality and legitimacy of the system and to disrupt its stability. They find courage also from the fact that self-declared ‘revolutionary’ elements are adventurously seeking to set the social tinder alight and to assail the legality and legitimacy of the system. A cocktail of forces of the right and the self-declared ‘left’ thus find alignment of tactical objectives.

Socio-economic trends
Assessments at the 2012 National Conference as well as reviews conducted on the occasion of the 20th anniversary of democracy do outline the progress and challenges facing the forces of change. These conclusions are relevant to the balance of forces in the sense that they relate to popular legitimacy of the system, the sense of hope or otherwise in society, the array of social forces, prospects for joint action and the possibility to use capacities of the state to speed up transformation.

In particular, the 2012 Preface to the Strategy and Tactics document identifies, among others, the following advances:

- Programmes aimed at meeting basic needs such as housing, roads, and access to electricity, sanitation and water; …
- Programmes to empower women and to transform gender relations;
- Improving access to health care and dealing with the burden of disease;
- The introduction of an extensive system of social grants, free basic services and other social policies to eliminate poverty and provide sustainable livelihoods;
Measures to develop our human resources through education and skills;

A programme of economic transformation that saw growth and some job creation after decades of stagnation...

Further observations in this regard pertain to the structure of the South African economy, which is trapped in the path dependency of the mineral-energy complex. As a small open economy with a colonial background, it reflects subordinate relations with countries of the North. Yet, due in part to this history, it has developed major corporations some of which have assumed transnational status. The huge concentration and centralisation of capital, with monopolies dominating most sectors of the economy, and some of them engaging in uncompetitive practices, is a major challenge. Small, medium and micro-enterprises do not enjoy the same broad proportion of GDP as in other developing countries.

Over the years, manufacturing has in a number of sectors been decimated, and it has declined as a proportion of GDP. However, deliberate policies reflected in the industrial policy framework which also links up with the potential of the infrastructure programme, mining and niche technologies, do hold the promise of changing the structure of the economy and taking the growth trajectory onto a higher level.

As elaborated in the documents of the National Planning Commission, the critical challenge is that the economy creates too few jobs and economic opportunities. The skills development programmes have been proceeding at too slow a pace. All this impacts most negatively on youth, women and rural communities.

The distribution of wealth and income is largely still characterised by the racial and gender demographics of the colonial past. To cite a few figures for illustration: According to a 2011 BUSA study of JSE-listed companies, while white males make up only 6.7% of the economically active population, they account for 52% of Board positions, and 76% of both CEOs and CFOs. According to StatsSA, in the fourth quarter of 2013 unemployment among Africans was at 27% compared to 7.2% among whites. Further, in 2011, 54% of Africans lived below the ‘upper bound poverty line’ (R620 per person per month); while this was 27.6% among the Coloureds, 3.4% among Indians and 0.8% among whites.

It is the combination of all these factors which have impelled the ANC to call for radical economic transformation, as a critical pillar of the second phase of transition to a national democratic society. As intimated above, such transformation has to address, among others, issues of high rates of economic growth, changing structure of the economy in terms of sector configurations, equitable distribution of wealth and income, de-racialisation of ownership of capital, better skills and training programmes, efficient provision of social and economic infrastructure, and diversification of our international economic partnerships.

Among the major issues that have been thrown up by developments in the past few years and ongoing discourse in society are the following:

Movement to a new growth and development path will not come of its own accord. It requires active leadership by a capable developmental state; and signs of this have shown themselves in the actions of various state agencies. However, given the challenges identified above with regard to state capacity and legitimacy, the question does indeed arise whether the leverage that the state has to drive economic change, including through State-owned Enterprises and Development Finance Institutions, is not being squandered!

The National Development Plan calls for an active citizenry; but most critically that the various social partners should work together to realise Vision 2030. What is required in this regard is a social compact of common and varied programmes to realise the objectives of the NDP. This should include, among others, higher rates of productive investments and job-creation as well as provision of efficient services by the state. For the state to provide leadership in this regard, it has to enjoy popular legitimacy.

Social compacting should be founded on an appreciation that there is serious intent on the part of the state and the business community to deal with the root causes of poverty and inequality. Radical economic transformation is meant to address, among others, matters of the structure of the economy, skills development, labour-absorption and demographic balances in ownership and management. It should also pay keen attention to spatial economic and settlement...
patterns which weigh heavily on the poor, high mark-up prices in the production market, a national incomes policy and minimum wage(s), and arrangements through which workers share in the ownership and returns of companies in which they work.

Given the paucity of resources available in the fiscus – in this current period of low economic growth and a huge budget deficit – it will be necessary to ensure proper prioritisation and sequencing of state interventions. It is also necessary to find creative ways of drawing in the private sector in realising some of the objectives such as urgent infrastructure projects.

As has been emphasised repeatedly, most of the challenges with regard to the 

**intensification of the programme to provide basic social services**

do not derive from the availability of resources. They are largely dependent on the capacity and effectiveness of the state, and the ability to combine quantitative access with quality of these services.

**Social demographics**

Social demographics or class composition of society is a fundamental factor in weighing the balance of forces. Historically, ANC strategy and tactics were keenly influenced by the understanding of the intersection between race and class. In this regard, the central place and role of ‘Africans in particular and Blacks in general’ was emphasised, given the position they occupied in colonial society. It was also appreciated that South Africa’s level of industrialisation and a numerically large working class would impact on the social content of the national democratic revolution and methods of struggle. All the classes and strata in the Black community were designated as motive forces of the revolution: they objectively stood to benefit from change and were most open to mobilisation to attain it.

In terms of racial demographics, as reflected in Census 2011, the overall balances have remained largely the same since democracy, with a slight increase in the proportion of Africans (77.4% in 1996 to 79.2% in 2011), a stable proportion for the Coloured (9%) and Indian (2.5%) communities and a reduction in the proportion of whites (11% to 9.5%).

The critical shift has been in the class composition of society. For purposes of this discussion [ref. IV,Econ3X3, July 2013], a category of ‘middle class’ (middle strata) is used to denote those with per person after-tax monthly income of between R1.4-thousand and R10-thousand in 2008 prices, translating into total household income of R5.6-thousand to R40-thousand per month for a family of four. Below this would be the ‘lower class’, and above, the ‘upper class’. This may be too generous especially at the lower end of ‘middle class’ as many of these are in fact workers in formal employment; but it does help to illustrate broader trends. It should be noted that the majority of workers earn below R3.5-thousand per month (more often as the only income for the whole family).

And so, between 1993 and 2008, the proportion of the ‘middle class’ in the population grew from 19% to 21% and the number of Africans in this category more than doubled to over 5-million. The upper class more than doubled to 2.8%, with the number of Africans increasing by more than ten times to 257-thousand, and that of whites doubling to over 880-thousand. The lower classes declined from 79.6% to 75.9% of the population, numbering over 32.7-million.

What these and other data indicate is that there has been a steady improvement in people’s incomes. Within the African community, the proportion of middle classes increased from 7% to 14%. Comparatively this is quite small, but it does reflect a significant shift in African social demographics. At the same time, the proportion of those with at least Grade 10 education within the African community increased from 15.6% in 1996 to 35% in 2011.

It is in the functional distribution of national income that an even more important macrosocial issue arises. While the middle class increased in number, its aggregate share of national income actually declined (and this also applies to the combined share for lower and middle classes, from 83% to 68%). The share of the upper classes increased from 17% to 32%. The actual growth in annual income has been highest at the top end, followed by the lowest end – with the latter reflecting social grants and low-paying jobs.

From all accounts, these trends have continued into the current decade.

With regard to the composition of the working class, most jobs in the past 20 years have been created in the public sector and services (including low-paying
ones such as security guards), with the proportion of industrial workers declining. At the same time, high unemployment rates among young people, combined with urbanisation, have created a large swathe of marginalised and alienated youth – with major implications for social stability.

All other social indicators such as consumption patterns and access to formal housing, potable water, electricity and quality education do reflect the racial demographics referred to above.

The implications of all these macrosocial trends in relation to political consciousness will be dealt with using various proxies below. What deserves noting at this stage is that South African society (including particularly the Black and Coloured communities) is more educated, with a higher proportion located in the middle strata and a smaller proportion made up of industrial workers. This does bear relevance to: the persistence of the national (racial) grievance which inspired the anti-colonial struggle; character of the working class and assertions about this class being the core motive force; the benefits that the various social forces derive from transformation; the tenuous position of the emergent middle strata; and the outlook and value systems that drive each of these social forces.

Critically, these dynamics are more pronounced in specific provinces and municipalities of the country, with Gauteng and the Western Cape and the metros in all parts of the country reflecting faster changes as a consequence of concentration of resources and migration.

**Identity and value systems**

Various factors in people's consciousness affect their sense of identity. The fact that these identities, such as race, language, nationality, religion and sporting preferences co-exist is natural and should be welcomed. The issue that is relevant to the assessment of the balance of forces is the choice of the primary self-descriptor and whether any identity is seen to preclude others.

It is a measure of the progress that has been made in trying to forge a common nationhood that, according to Markinor data, around half of South Africans describe themselves first and foremost as ‘South African’ – though this has not changed much since about a decade ago. About one third refer to themselves as ‘African’ to which many meanings can be attached. Language and race rank third and fourth as a primary self-descriptor. Other research (SA Barometer Survey, IJR) reflects slightly different results in terms of percentages and ranking; but the overall trend is confirmed. Encouraging is the fact that the sense of being South African is strongest among the young. It is also a matter of great interest that class identity, according to some research (FutureFact People Scape Survey, 2004), has been on the rise: in 2000, 14% described themselves primarily by class or occupation, compared to 37% in 2004.

This however does not mean that opportunistic exploitation of ethnicity within the ANC and in broader society has been eradicated. At the same time, if poorly managed, the laudable efforts to engender pride in language, history and culture can have the unintended consequence of generating negative ethnic consciousness.

Of concern in relation to these issues is that, the number of those who believed that race relations were improving had increased from less than half into the 60’s in the mid-2000s; but had declined to about a third in 2012. The same applies to confidence “in a happy future” for all races. According to research quoted above (IJR), the desire for a united South Africa has also declined. In relation to spatial and related dynamics, it further observes: “while levels of interracial contact and socialisation have improved over the past 11 years, the poor remain largely excluded from this positive social integration. The percentage of South Africans who report often or always talking to someone from another race in a social setting increased from 10.4% in 2003 to 23.5% in 2013. However, when we disaggregate this figure by class, we see that South Africans in the higher living standards measure (LSM) groups are much more likely to socialise across race than the middle LSMs, and the lowest LSMs are the least likely to socialise across race.”

Some such surveys do have major methodological challenges; and at times they are influenced by concrete incidents during the periods of field work. But they do serve as a useful guide to major trends.

As argued in the 2007 Strategy and Tactics document, South African society is deficient in relation to value systems. Predominant are values which encourage “greed, crass materialism and conspicuous consumption.
These are tendencies that go beyond the necessary spirit of entrepreneurship, ambition, daring, competition and material reward that are inherent to a market-based system and perhaps to human development in general. Related to this is the fact that the means of ideological discourse are dominated by forces with an outlook that is either ambivalent or hostile to principles of human solidarity. Among the consequences of all this are vacuous media discourse, corruption in state institutions and corporate greed reflected in outrageous executive packages, short-termism in the conduct of business and private sector corruption."

The state has, as matter of policy, sought to implement redistributive policies and to promote a spirit of human solidarity. However, the lived experienced of the overwhelming majority in society, wherever each individual may be located, is one of a nation driven by cut-throat competition, a rat race to climb the social ladder, and the fear of falling among those higher up who thus use legal and not-so-legal efforts desperately to cling to what they have. Apprehension about falling down the social ladder afflicts especially the new, mostly-first-generation middle and upper strata (essentially from the Black community), who have nary an inheritance to fall back on.

The national democratic society is meant to be based on human solidarity and the spirit of caring for the most vulnerable in society. These ideals are writ large in the country's Constitution. So logical are they that only a negligible section of society would dare openly to challenge them. Indeed, the acceptance of the need for a long-term vision and a national plan to eliminate poverty and reduce inequality is a reflection of the changing balance in societal discourse.

However, the formal educational system and civic education hardly encourage the inculcation of the ideals contained in the Constitution and the National Development Plan. Basic education curricula are somewhat equivocal on these values. Even in the universities, the teaching of history, philosophy, economics and sociology, to quote a few instances, barely reflects the totality of the generations of rights enshrined in the Constitution, particularly socio-economic rights. This is besides the tendency towards overspecialisation, and the diminution of humanities and social sciences which should serve as a foundation of all education.

Indeed, the ructions in the universities around issues of curricula content, institutional culture and symbols are a welcome reflection of young people taking the initiative to address a patent gap in the unfolding process of social change. On the other hand, such contestation also brings out in bold relief the weaknesses of the movement in leading ideological debates and in facilitating a 'cultural renaissance' as part of the NDR.

The totality of these circumstances and the single-minded pursuit of profit affect the platforms of public discourse in a profound manner. Juniorisation of newsrooms, homogenisation of content, anti-government oppositionism, a lackey mind-set towards powerful forces in society (economic and political), and a herd mentality in dealing with news events – all these undermine the depth and transformative relevance of media content. This also plays itself out in social media. Combined with this is the tendency across all platforms of intellectual and public discourse to repeat 'Western truths' without much critique.

The upshot of this is that the objective reality of life under rampant capitalist relations conspires with a vacuum in intellectual, policy and public discourse to hollow out society's professed commitment to the humane values enshrined in the Constitution.

In brief, the polity and the state do enjoy popular legitimacy; and there is broad consensus (at least in public statements) on the need for decisive action to deal with poverty and inequality, shown in support for the NDP. But, apart from developments that have the effect of undermining our efforts to build a developmental state, the very legitimacy of the state seems to be fraying. In part, the persistence of poverty and inequality account for this. But it is more a reflection of a weakening sense of hope and optimism. As a consequence, in addition to stirrings of discontent among the motive forces of change, forces opposed to transformation – including rabid racists who had gone into hibernation – are emboldened to use unsavoury developments in government structures as an excuse to question the capability of Black people to govern and to challenge the very legitimacy of the state. In other words, poor performance by, and perceptions of systemic corruption within, the state are partly responsible for this situation.
A strange alliance between forces the Right and the Far Left starts to take root. The fact that these challenges congeal in a period of low economic growth, depleted fiscal space and an electricity-supply crunch aggravates the sense of crisis in society. The change in social demographics, with a growing numbers of Black ‘middle and upper classes’, has not fundamentally changed the skewed racial distribution of wealth and income. It has also brought to the fore social disparities within the Black community itself. At the same time, the value system based on selfishness and crass materialism is getting further entrenched in society. Along with this are weaknesses in the substance of intellectual and public discourse. This places the national democratic revolution in danger!

LEADERSHIP AND THE PARTY POLITICAL TERRAIN

The analysis above reflects the global and domestic environment within which the ANC operates. This environment has changed over the years, as a consequence in part of the ANC’s own actions. The broad direction of the change in the balance of forces, as argued above, has been positive. However, major challenges have come to the fore in the recent period.

Background and notion of vanguard

The basic approach in understanding the issue of leadership in the NDR is captured in the Strategy and Tactics document: to carry out the revolution in the current phase requires a progressive national liberation movement which:

- understands the interconnection between political and socio-economic challenges in our society;
- leads the motive forces of the NDR in pursuing their common aspirations and ensuring that their sectoral interests are linked to the strategic objective;
- masters the terrain of electoral contest, utilises political power to advance the objectives of the NDR and wields instruments of state in line with these ideals as reflected in the National Constitution;
- organises and mobilises the motive forces and builds broader partnerships to drive the process of reconstruction and development, nation-building and reconciliation; and
- conducts itself, both in its internal practices and in relation to society at large, in line with the ideals represented by the NDR and acts as a microcosm of the future.”

The ANC has historically played this role, and it seeks to do so well into the future. In this context, it is legitimate on its part to claim the massive progress that has been made since the advent of democracy. The corollary of this, however, is that it should also accept responsibility for the weaknesses. The negative trends outlined above are therefore an injunction for the ANC to mend its ways. This is not a new discovery; but a restatement of the resolutions that have been taken at recent National Conferences, particularly in 2012 on organisational renewal. Such renewal, the 2012 Conference resolved, should “principally be about building the ANC’s resilience, enhancing its transformative capacity and its ability to adapt to changing situations so that it can continue to serve and lead the people”.

In the context of electoral democracy, is it arrogant and anti-democratic on the part of the ANC to claim a vanguard role in society? The ANC has always acknowledged that a vanguard role is not decreed; but is earned through an appropriate strategic posture and actual practical work. Indeed, the most obvious manifestation of such earned status is performance in the elections – an issue to which we shall later return.

How then should we read the balance of forces in the current period, in relation to these subjective factors?

Societal alignments and party politics

The fact that the overwhelming majority in society pay allegiance to the Constitution, and most of them broadly embrace the National Development Plan should be welcomed. Beyond this, at least in public discourse, most of the political parties have even sought to appropriate symbols of struggle and transformation, including the Freedom Charter, as their own. The fact that the substance and form of liberation politics has infused discourse among all the major political players should be celebrated as a victory of the ANC.

Part of this, of course, is pretence and make-believe. Some of these forces realise that they can make little headway in the South African political terrain without
at least mouthing progressive slogans. It may as well be that profound self-interest is driving the most privileged in society to seek approaches that will ensure social stability and protect their wealth. Where there are inconsistencies and deception, these should be challenged. But, such contestation should reflect a mature vanguard movement, capable rationally and logically of dealing with substantive issues and lifting the refinement of public discourse. In other words, the ANC needs consciously to avoid the temptation to compete with the Far Left in the stakes of pretentious ‘revolutionary’ rhetoric, and systematically implement programmes that in actual practice bring about a better life for all – as reflected in its Conference resolutions, the Election Manifesto and the National Development Plan.

It is such gravitas that will further entrench the status of the ANC as a leader of social transformation. Critically, it will create fertile ground for it to build and lead a broad front of forces that seek shared prosperity.

With regard to the elections, both voter registration and turnout remain on the high end, by global standards. It is concerning though that these have been on the decline. Further, the outcome of the elections was accepted by all the participants.

The electoral trends reflect an ANC that, at above 60%, enjoys the support of the overwhelming majority of voters. However, from the last two national elections, the ANC has shed support, coming down from 69.7% in 2004, to 65.9% in 2009 and 62.2% in 2014. In the same period, the DA has been gaining support, while breakaways from the ANC (COPE and now EFF) have received significant support.

In 2014, ANC support remained stable or improved in most rural areas and new formal settlements. Turnout in many ANC-supporting areas (especially some rural areas and old formal settlements) was relatively low. These are some of the areas where the DA seems to have made some gains – though relatively small. The EFF secured its largest support in informal settlements, though it also performed well in some black formal settlements. Overall, the 2014 election outcome suggests the following macro-trends:

- **Race** largely still accounts for electoral choices, with the overwhelming majority of African people voting for the ANC and other parties that have a ‘liberation struggle background’. The gains of the DA among African voters suggest, among others, that the UDM and COPE may have served as parking stations for movement away from the ANC. But ‘white-based’ parties, combined, started at 24% in 1994, declined and are back at 23% in 2014. While there is much variety in terms of African voters’ choices, whites have remained solidly behind the DA. More and more voters from the Coloured and Indian communities have been drifting to the DA.

- There is little suggestion of **ethnic and regional allegiances**, with the three largest parties having a national footprint. Significantly, KwaZulu-Natal, which historically reflected significant support for ethnic-based parties, has now attained national averages in terms of ANC support among Africans.

- The most dramatic shifts have happened in the **metros**. Except for a marginal gain in Buffalo City, the ANC’s support declined in these areas by an aggregate of 10.3 percentage points, with the EFF gaining 11.4% and the DA increasing its support by 6.5 percentage points. In these areas, the ANC seems to have shed support among the lower and upper middle strata among Africans as well as the poorest of the poor.

- The aggregation of political choices in accordance with self-declared **socio-economic policies** does present an interesting picture. This is that Left of Centre parties (ANC, UDM and COPE) had 74% of the vote in 2009, which came down to 64% in 2014. Right of Centre parties (DA, IFP, NFP, UCDP, ACDP and FF+) attained 24% in 2009 and 28% in 2014. The aggregate self-declared Far Left (PAC, APC, AZAPO and EFF) had not performed much beyond 1% since 1994; in fact it attained 0.4% in 2009; but went up to 6.6% in 2014.

What is the relevance of these trends and aggregates in relation to the balance of forces? Besides matters already canvassed above, the first major issue is that the sentiment for social transformation remains strong; but some of the motive forces no longer consider the ANC as the representative of such change. Secondly, there is patent impatience with the pace of change – and this expresses itself among the poorest in society as well as some African professionals and youth. Thirdly, while white multi-class support for the DA has remained solid, a section of the Black middle strata (Coloureds, Indians and a small segment of Africans) now view this party as being representative of their interests. Fourthly, the choices also reflect the rising primacy of current issues such as manifestations of
corruption and Gauteng’s eTolls in electoral decisions – introducing an interesting (though still moderate) fickleness to South African politics, especially among the middle strata.

Post-election political dynamics
Having sensed this tentative shift with regard to popular confidence in the ANC and the government, the opposition parties – particularly the EFF and the DA – believe they have drawn blood and can inflict further blows to undermine the ANC. The disruptions in parliament and some legislatures, campaigns to occupy land and others that border on illegality, are all meant to, or do in fact have the effect of, undermining the legitimacy of the ANC, of the government and ultimately of the state as such.

The three notions (ANC, government and state) should not be conflated, for they belong to different levels of abstraction, authority and legal status.

The ANC is a ‘political party’ which led the struggle against apartheid colonialism and is at the forefront of programmes of social transformation. Its status in this regard is dependent on whether it musters the strategic and organisational capacity to continue playing this role. The government is a political entity formed by the victorious party, mandated to carry out its programmes. It is obliged to serve all South Africans as decreed in the Constitution and relevant legislation; but it derives its mandate and legitimacy from electoral outcomes. The state is a non-partisan instrument of the people as a whole which derives its mandate from the Constitution. Its actions are informed in part by the mandate accorded the ruling party (and thus the social forces committed to fundamental transformation). But it has cohesive and coercive tasks that transcend the party political realm, as the custodian of South African sovereignty and legality.

In some post-colonial societies, progression in a de-legitimisation campaign has hopped from one to the other – from the leader, to the ‘liberation party’, to the government and then to the state – ultimately resulting in the overthrow of government and forceful seizure of power or at least increasing reliance by the state on security agencies and repression. This has often encompassed a convergence of interests between forces of the Far Left and the Right, and conversion or at least paralysis of the very motive forces of the revolution. A coup d’état is not possible in South Africa. Some of the disruptive and near-illegal campaigns may have the effect of initiating mass uprisings or other actions that may goad the state into precipitate action; as has happened with the unseemly disruptions in Parliament and, on the extreme, the Marikana tragedy. Whether this would be by default or by design – on the part of the adventurists – is a matter of conjecture.

The obvious intention of these forces is to improve their electoral prospects and, by democratic means, to displace the ANC as government across the spheres. This is rough, clumsy and distasteful; but it is legal political engagement all the same. It behoves the ANC to develop tactics that obviate the impact and attractiveness of these trickeries.

This assertion is based on the assumption that, across the chain of de-legitimisation referred to above, the ANC can honestly claim to represent the letter and spirit of the Constitution, to reflect the aspirations of all the motive forces of fundamental change, and to have remained true to its revolutionary mandate. For, the question cannot be postponed whether there are things that the ANC is doing which create fertile ground for, and in fact ironically legitimise, incipient revolt against it and the government it leads! Is it implementing the resolutions taken at the 53rd National Conference to correct its weaknesses and renew itself; or when it finds itself in a hole, does it in fact dig deeper?

As agreed at the 2012 National Conference, the current major focus of the ANC should be to play a leading role in the mobilisation of society to implement the National Development Plan. In this regard, its credibility and that of the government it leads are fundamental. Inversely, if both are not held in high esteem by society, it will be well-nigh impossible to undertake the strategic task of forging a social compact.

**In brief, both in terms of its formal policy positions, its organisational network in society and the level of popular confidence reflected in elections, the ANC currently remains the only primary force capable of driving the project of social transformation. However, this is dissipating. The ANC’s leadership status and role are under threat; and other political forces seek to exploit its weaknesses to dislodge it. Especially with regard to such issues as state**
capacity and effectiveness, ethical conduct, dignity and gravitas, the ANC is losing the moral high-ground. It also faces the danger, in the context of current provocations, of being goaded into precipitate action. All this threatens to undermine the cause of social transformation. At the same time, the ANC needs consciously to avoid the temptation to ‘out-left’ the Far Left in ‘revolutionary’ rhetoric, and focus on implementing programmes that in actual practice improve people’s lives.

### SOME ORGANISATIONAL CHALLENGES

For the ANC to "continue to serve and lead the people", it should have organisational capacity and a corps of cadres who are able to give leadership to society at large – to ensure the hegemony of ideas of social change. Both these elements are fundamental to social transformation – and they are a crucial subjective element of the balance of forces. As stated above, the national democratic society does not fall on the laps of revolutionaries at the point of transfer of political power. It has to be consciously constructed. Without a corps of cadres capable of transcending the weaknesses of the present, there can be no revolutionary organisation. Without revolutionary organisation, there can be no revolution.

The 2012 resolution on organisational renewal outlines the tasks of the current period in terms of, among others, cadre policy, safeguarding the movement’s core values, improving organisational design and strengthening of the Alliance. In elaborating these tasks, the Conference called for a combination of numerical growth and improvement in academic, ideological and ethical qualities of members. It resolved that steps needed to be taken to protect the image of the organisation by acting against "public officials, leaders and members of the ANC who face damaging allegations of improper conduct". It condemned factionalism and argued for firm and consistent action to enforce discipline. The organisational structure of the movement, Conference resolved, should be informed by its Strategy and Tactics.

Many programmes and activities have unfolded since the 2012 National Conference to implement these decisions. These include: efforts at deepening democracy and political education in the branches and other structures; attempts at improving the functioning of Headquarters; mass recruitment; and an effective 2014 election campaign.

However, there are indications that some of the weaknesses identified in the resolutions of the Conference are not being corrected. Instead, they continue to fester and thus subtract from the capacity of the ANC to lead society. A few of these do illustrate the magnitude of the challenge:

- **Factionalism and ‘money politics’** were identified as some of the critical weaknesses sapping the very revolutionary core of the organisation. While some detailed issues may have been attended to, there hasn’t been a systematic campaign to root this out. Indeed, it is these and other weaknesses that have resulted in disruptions of some ANC meetings, worsened the ructions in the Leagues and presented the spectre of violent conflict among tripartite alliance partners. Further, many of the acts of corruption in government derive from party dynamics; and similar challenges afflict allied organisations in various centres of power.

- **National Conference was resolute that the ANC could “no longer allow prolonged processes that damage its integrity”**; and therefore needed firmly to deal with “public officials, leaders and members … who face damaging allegations of improper conduct”: Processes to set up Integrity Committees have largely been undertaken and some work has started in this regard. However, there has been a retreat from the letter and spirit of the Conference resolution, given the manner in which the matter is formulated in the Election Manifesto, where the onus is shifted back to decisions by courts of law.

- **Unremitting efforts have been put into preventing a split within, and thus the fundamental weakening of, the progressive trade union movement**, represented by COSATU. However, can we genuinely claim that all leaders of the ANC are committed to this objective and are promoting it wherever they may be located? Can we assert with confidence that we have done a thorough study of this situation and developed strategies and tactics to stem this unseemly ‘fight among the powerless for power over one another’? To speculate: how would a team made up of Mandela, Sisulu, Mabhida and Slovo have handled this challenge?
Both in relation to dynamics within COSATU and beyond this, there is an urgent need to interrogate the rise of a self-declared “leftism” that is inimical to social transformation; and more comprehensively to reflect on the tactics that the ANC needs to adopt to combat it – patiently and maturely in a manner that strengthens the forces of change. This will require a keen understanding of both the objective conditions that give rise to this phenomenon, as well as the subjective factors (including the posture of the Tripartite Alliance as a whole and the conduct of the leadership) that encourage it. Simply put, the central question is: why now, when there have been major differences in the past on fundamental issues!

Beyond the subjective efforts required to address this challenge is the very question of how the progressive labour movement has found itself in such a rut! Briefly, this is a reflection of a variety of issues, including: the social distance between the union leadership and the mass of the workers; the business unionism that derives from poor management of union investment resources and co-option of some leaders by capital; blatant thievery that has played out in some unions; and the importation into the union body politic of the factionalism prevalent in the ANC and the SACP. Related to this are the changing demographics of the working class. In other words, if not consciously prevented, weaknesses in each of the Alliance partners do flow into the other in the manner of multi-directional osmosis.

Organisational renewal of the ANC, the leader of the progressive alliance, is central to addressing all these challenges. This requires more serious and practical intent to implement “the urgent and central tasks of renewal” identified at the 2012 National Conference. To quote from the Preface to the Strategy and Tactics document, these tasks are:

- Deepening our analysis of the present political, economic and social conjuncture and the shifts that have happened since 1994;
- Development and systematic implementation of cadre and leadership policy;
- Renewal of the ANC’s core values and safeguarding its reputation;
- Re-organising the ANC organizational machinery to improve its performance in all the pillars of transformation;
- Strengthening the Alliance and progressive civil society as well as progressive social movements;
- Building the strategic, organizational and technical capacities of the ANC structures and cadreship to mobilize and advance women’s emancipation and gender equality; including consciousness raising programmes for men, to empower them to understand and support the liberation of women and gender equality.
- Improving the capacity of the developmental state; and
- Improving financial sustainability and self-sufficiency of the movement.

In brief, the ANC needs seriously and systematically to embark on organisational renewal in order to maintain, and indeed strengthen, its status and role as a vanguard in this second phase of transition to a national democratic society. This, the ANC needs to do from the point of view of its own self-interest as the leading ‘party’ in government. Further, because in this phase of building a democratic state and society, the ANC is the pre-eminent player, its failures become by design or by default, the failures of the state. Such is the current balance of forces that an ANC that flounders in fact subverts the very social transformation that South Africa needs, to become a National Democratic Society.

A serious turn-around is required. Otherwise, the National Democratic Revolution is in grave danger!
1. INTRODUCTION

As a liberation movement and political party, the strategic stance of the African National Congress (ANC) has historically been anchored on the needs of South Africa’s poor and vulnerable people.

As a political party in charge of government, the 53rd Conference of the ANC reaffirmed the visions of A. B. Xuma, Albert Luthuli and OR Tambo of a democratic government imbued with the values of solidarity as it sought to advance the goal of the ANC as articulated in the Strategy and Tactics of 2007 which states that, “our strategies for social transformation must seek to empower people to lift themselves out of poverty while creating adequate social nets to protect the most vulnerable in our society.”

Under the theme “Unity in action towards socio-economic freedom,” the 53rd National Conference at Mangaung reaffirmed our commitment to the vision of the Freedom Charter to build a National Democratic Society wherein, “South Africa Belongs to all who live in it Black and White…that only a democratic state, based on the will of the people can secure to all their birth right without distinction or colour, race, sex or belief “.

The conference noted that, we are boldly entering the second phase of the transition from apartheid colonialism to a national democratic society. This phase will be characterised by decisive action to effect economic transformation and democratic consolidation, critical both to improve the quality of life of all South Africans and to promote nation-building and social cohesion.

Noting that the structural legacy of social and economic inequality transferred apartheid ownership and settlement patterns to a market that continues to favour a minority and is biased toward capital, the Conference included resolutions towards bold state interventions in the acceleration of decent job creation and sustainable livelihoods as well as land and agricultural reforms.

The 2014 Manifesto of the ANC therefore reflects on progress it has made in line with its goals of building a more equal society and what we need to do over the next 5 years to give life to our historical goals of a socially and economically inclusive South Africa. Guided by sections of the National Development Plan (NDP) 2030, the ANC Manifesto calls for the implementation of a broad and inclusive social protection system as we seek to alleviate poverty and eradicate inequality.

The NDP recognises that the democratic government has achieved significant milestones over its two decades of administration, which include the implementation of a comprehensive social protection system and the establishment of minimum standards linked to a social wage and the elimination of racial inequities. However, challenges remain. Because the long-range mission of our movement demonstrates a
continuum of historical inequalities since 1994, there are specific priorities in the period since the 53rd Conference that require more direct engagement with the strategic challenges ranged before us.

Specifically, current fiscal constraints and downward adjustments to the growth rate mean going beyond reliance on the State to relieve poverty and address inequality and economic exclusion through social grants and social services. It also means introducing more sustainable measures to radically transform systems of production and ownership so as to create employment opportunities on a large scale and increase the economic power of the poor and vulnerable.

This discussion document will therefore outline the key elements of the social protection system introduced or expanded since the advent of democracy and discuss the areas that need to be taken forward over the next 30 years to build an inclusive society. We recognise that these efforts cannot bear fruit if carried out by government and the ANC alone. Based on this reality, we therefore commit ourselves to building strong partnerships with community organisations and social movements, trade unions, religious bodies, business organisations, women and youth structures as well as other organisations to ensure that, in actual practice, South Africans – black and white – act as their own liberators.

The aim of this discussion document is to review progress towards the implementation of policy decisions taken at the 53rd National Conference in 2012. As such, the analysis here helps crystallise ANC policy resolutions on social transformation and provides a platform for more in-depth engagement with the challenges and opportunities facing our movement aimed at ensuring that we move with speed in implementing our agenda for radical social and economic transformation. The specific goals over the next 5 years will be clearly outlined as part of a proposed programme of action for the next term of government.

Part 1 of this discussion document provides an overview of the Policy Context of Resolutions taken at the 53rd National Conference as we seek to implement our programme of radical social and economic transformation. Part 2 reflects on progress since the 53rd National Conference in 2012 towards the implementation of resolutions and the context in which we seek to build a national democratic society.

**PART 1: POLICY CONTEXT OF THE 4TH NGC**

The foundation of our movement’s programmes and policy interventions is ANC Conference Resolutions, which are generally guided by the ANC’s Strategy and Tactics, along with the ANC Constitution and the Freedom Charter, and derive from the overriding national imperative of transforming the economy and eradicating racial inequality and poverty. The ANC Constitution sets out the mission and character of the ANC, how the organisation functions, how we relate to each other, the rights and duties of members, how decisions are taken, and how structures at all levels should work. The Freedom Charter is our vision for the society we seek to build from which our goals and all other policies and actions derive.

The ultimate goal of our movement is articulated in Strategy and Tactics as “the creation of a united, democratic, non-racial, non-sexist and prosperous South Africa.” Our tasks are elaborated as eliminating the three interrelated contradictions and legacies of “(a) national oppression based on race; (b) super-exploitation of black workers; and (c) the triple oppression of women based on their race, class and gender.”

To give effect to our goal of social and economic transformation, resolutions taken at the 53rd National Conference of the ANC refer to our strategy and tactics – our programmes and means (in response to the balance of forces) – by which we pursue our vision and goals over time.

To successfully pursue our vision and goals between conferences, the NGC assesses progress made in, and recommends actions towards overcoming obstacles to, implementing resolutions of the National Conference. The 4th National General Council is held nearly two years after the 53rd National Conference at Mangaung in December 2012. During this period, a number of critical developments have posed challenges to the implementation of our policies as part of our ongoing assessment of the balance of forces and the domestic and global conditions in which we carry out the programme set out in Strategy and Tactics.
This discussion on the balance of forces is ongoing, raising issues and posing questions, with a view to provide a backdrop to the reviews we will be conducting at the NGC. What follows is an overview of the context in which our policies and programmes are framed, followed by progress made in implementing resolutions taken at Mangaung.

2. ANC STRATEGY AND TACTICS

Drawing on strategy and tactics adopted at the 52nd National Conference in Polokwane (2007), which recognised that we were already emerging out of the 1st phase of transition, Strategy and Tactics 2012 noted that although we are still in a transition, the task is no longer simply to consolidate and expand the hold of the democratic forces on levers of state power, but to decisively tackle the task of building a National Democratic Society.

Consistent with this challenge, Strategy and Tactics confirmed the strategic approach of the 52nd National Conference as encapsulating the transition to a National Democratic Society and re-affirmed the centrality of the Freedom Charter as our lodestar. Consistent with this characterisation of the present phase, the document noted that the socio-economic character of the National Democratic Society is based on the resolution of historical injustices and building a democracy with social content, which includes:

- **A political and socioeconomic system which places the needs of the poor and social issues such as health care, education, basic services and a social security floor at the top of the national agenda;**
- **Accelerated growth and development in a mixed economy which includes state and private capital as well as co-operative, worker-based, community and other forms of social ownership of the means of production;**
- **An active developmental and leadership role of the state in the economy and the pursuit of full employment;**
- **A democratic developmental state that leads accelerated and sustainable change through interactive, intensive and sustainable transformation of the structural causes of economic exclusion and social underdevelopment, including the spatial imbalances inherited from the apartheid era;**
- **The quest for equality and protection of the human dignity of all;**
- **Sustainable utilisation of natural endowments and the protection and regeneration of the environment as an inheritance of current and future generations; and**
- **Strong partnership with the trade union movement and other mass and sectoral formations.**

In a nutshell, engagement with these challenges relates to the overriding challenge of overcoming the economic and social status of the majority of poor, mainly black citizens and their differential inclusion in the post-liberation order in which the deeper structural features of race-based inequality have as yet not been completely dismantled.

3. THE 2ND PHASE OF THE TRANSITION TOWARDS RADICAL ECONOMIC TRANSFORMATION

The outcomes of the 53rd National Conference were therefore informed by the fact that this phase of the transition requires that we embark on a programme of radical social and economic transformation, which includes the promotion of social cohesion as the main focus of poverty alleviation interventions.

This decision was based on the fact that priorities from the ANC’s 2009 election manifesto still remained, including creating decent work and sustainable livelihoods, education, health, rural development, food security and land reform, as well as the fight against crime and corruption. Whilst we noted that over the past eighteen years we have made significant progress in fighting poverty and building a national democratic society, much more is required to radically transform the economy, education, health, delivery of social services and build a socially inclusive South African society.

The interventions required to speed up change, especially with regard to economic and social transformation, can be understood as marking a second phase of the transition to a National Democratic Society characterised by a concerted drive to effect thorough-going economic transformation to eradicate poverty and to reduce inequality. As noted in Strategy and Tactics, “The primary focus in this regard should be higher rates of economic growth and social inclusion, reflected primarily in massive job creation skills development, the provision of quality public goods and services and the expansion of small, medium enterprises
and cooperatives. This requires deliberate efforts, among others, to build infrastructure, diversify the industrial base, expand employment opportunities, to develop a national system of innovation to grow our knowledge-based sectors, intensify programmes to ensure environmental sustainability, develop human resources, and implement urgent programmes to eliminate youth and women marginalisation.”

The policy resolution on the 2nd phase of the transition also notes that programmes to extend access to land as an asset and resource for economic activity and sustainable livelihoods, and basic services such as education, health, water, electricity, sanitation and housing should be intensified. While universal access should receive urgent attention, emphasis in this phase should also be placed on the quality of these services. Social grants should reach all who are eligible; and decisive measures should be taken to provide sustainable livelihoods.

4. THE NATIONAL DEVELOPMENT PLAN: VISION 2030

At a macro-economic policy level, the 53rd National Conference embraced Vision 2030 and the NDP “as a critical basis for united action by all South Africans to build a truly united, non-racial, non-sexist, democratic and prosperous society,” noting that “in many respects, the National Development Plan accords with the objectives of the ANC and its own elaboration of the second phase of the transition to a National Democratic Society.”

In broad terms, the NDP emphasizes five key dimensions of a more holistic approach to a developmental policy framework, namely (1) inclusive social and economic development; (2) sustainable investment and growth; (3) decent jobs and sustainable livelihoods; (4) a capable state; and (5) expanding opportunities.

Designed as a set of broad programmatic interventions, the plan is a roadmap to build a socially cohesive society. It states that, “South Africa needs to reduce poverty and inequality by broadening opportunity and employment through economic inclusion, education and skills, and specific redress measures; promote mutual respect and inclusiveness by acting on the constitutional imperative that South Africa belongs to all who live in it, and that all are equal before the law; and deepen the appreciation of citizens' responsibilities and obligations towards one another.”

Hence the NDP specifically requires interventions towards policy instruments and agreements on moving to the next phase (ending 2017) of the new growth path, and proposes a system-wide roadmap for the prioritization of actions that lift key constraints to economic expansion, including a monitoring framework and indicators to evaluate development progress in future.

Consistent with this strategic and programmatic focus, the 53rd National Conference agreed that in order to realize the strategic goals of the NDP, the ANC must continue to mobilize society behind the vision of building a national democratic society by strengthening the alignment between economic growth, development and nation building, generating a virtuous circle.

5. OUR 2014 MANIFESTO PRIORITIES

Under the theme “Together we move South Africa forward,” the ANC’s 2014 Election Manifesto enjoins us to undertake the following priority interventions over the next five years:

- “Establish capacity in the state to do long-term planning, drawing where necessary on expertise that exists in wider society.

- Promote local procurement by directing the state to progressively buy at least 75% of its goods and services from South African producers and support small enterprises, co-operatives and broad-based empowerment.

- Accelerate the roll-out of the massive economic and social infrastructure programme – especially in energy, transport, ICT and water – to unlock economic opportunities, create jobs and improve people’s quality of life.

- Empower, educate and create jobs for youth through job placement and internship schemes, allocating 60% of employment in infrastructure and other projects for youth, and promoting youth employment and training incentive schemes.

- Promote investment and access to credit in the productive economy from the financial sector, including development finance institutions, through bolder and far-reaching reforms.

- Consolidate the public works programme, creating six million work opportunities by 2019.
Many of which will be of long duration

- Investigate the modality for the introduction of a national minimum wage as one of the key mechanisms to reduce income inequality.
- Enforce measures to eliminate abusive work practices in atypical work and labour broking.
- Promote decent work and strengthen measures to speed up employment equity.
- Implement rural development focusing on meeting basic needs, land reform and rural enterprise development, supported by localised markets, credit facilities and economic infrastructure.
- Increase investment in agricultural infrastructure in support of small-holder farmer development, prioritising former homeland communal areas.
- Expand the Food for All programme as part of the national integrated food and nutrition policy for procuring and distributing affordable essential foodstuffs directly to poor communities.
- Accelerate the settlement of remaining land claims submitted before the cut-off date of 1998, and re-open the period for lodgement of claims for restitution of land for a period of five years, starting in 2014.
- Provide one million housing opportunities for qualifying households in urban and rural settlements over the next five years.
- Accelerate provision of basic services and infrastructure in all existing informal settlements.
- Increase the supply of affordable housing through mobilisation of housing allowances for teachers, nurses, police officers, office workers and many others in the gap market.
- Connect an additional 1.6 million homes to the electricity grid over the next five years.
- Continue work to achieve universal access to running water and decent sanitation.”

6. CHANGES IN THE BALANCE OF FORCES SINCE MANGAUNG

In the years since the 53rd National Conference in 2012, a number of events and developments have occurred, which impacted on our people and our movement and have shaped the national debate about the state of the nation. The inauguration of the 2nd phase of the transition towards radical economic transformation coincides with tough economic challenges that have not only constrained funds available for the delivery of tangible results to our people but demonstrated the need for radical innovations in the design and implementation of policies and programmes. These include:

- The contested fifth non-racial general elections in 2014 and the coming to power of the fifth ANC government.
- The economic impact of rising interest rates, an increasingly volatile rand, a downward revision of the growth rate, a double deficit in terms of the current account and budget deficit, the downgrading of the country’s credit rating on the capacity of the state to meet its developmental mandate.
- Service delivery protests that started but a few months after the general elections in 2008 and continued in various forms since then.
- The challenges of aligning programmes around the policy of radical economic transformation and our Manifesto priorities.

The problem is that business as usual funding models and programmes do not yet come close to compensating for the steep slide in revenue. In light of this, the impact on efforts to implement our election priorities is bound to be challenging. There will almost certainly be less funding available as budgets are revised downwards. Furthermore, declining household budgets will likely have a negative effect across all sectors as consumer spending tightens.

With growing structural inequality a major policy challenge, critical importance therefore attaches to the desire to match resources with opportunities for the poor and vulnerable by aligning programmes with outcomes envisaged in the NDP, the Medium Term Strategy Framework (MTSF), and more recently government’s programme of radical economic transformation.

As the NDP recognises.

*Uniting South Africa is both an essential input into the process of reducing poverty and inequality and a direct outcome of successful poverty reduction. To build a socially cohesive society, South Africa needs to reduce poverty and inequality by broadening opportunity and*
employment through economic inclusion, education and skills, and specific redress measures; promote mutual respect and inclusiveness by acting on the constitutional imperative that South Africa belongs to all who live in it, and that all are equal before the law; and deepen the appreciation of citizens’ responsibilities and obligations towards one another.

PART 2:  
SOCIAL TRANSFORMATION SINCE 2012 – PROGRESS AND CHALLENGES

Our task for social transformation is about advancing the goal of the ANC, as articulated in Strategy and Tactics of 2007, which states that, “our strategies for social transformation must seek to empower people to lift themselves out of poverty while creating adequate social nets to protect the most vulnerable in our society.”

Although faced with difficulties, the process of aligning policy to our goals has been managed well, and the 5th administration hit the ground running. In just over a year since assuming office, the reconfiguration of national and provincial government is near complete. These include the consolidation of coordination and planning capacity in the form of the Cluster system and the Planning Framework and Commission, as well as the capacity and framework for managing performance across government.

The ANC 2014 manifesto priorities – education and health; safety, security and the fight against corruption; decent work and a growing economy; and rural and agricultural development – are also central to the macro-organisation of government, the budget and to the communication of government. These priorities speak to what a developmental state should be about – that is, capable of delivering effective basic services and leveraging national development. The extent to which we are able to deliver on our election mandate is therefore part of the litmus test for progress in building a national democratic society.

What follows is a comprehensive assessment of our achievements and challenges since the 53rd National Conference.

7. ON SOCIAL COHESION AND NATION-BUILDING

In preparation for the 53rd National Conference of the ANC, we did an analysis of progress towards building a national democratic society. Our observation was that we are still largely characterized by racial and ethnic divisions which have systematically excluded the majority of South Africans from full and unhindered participation in all aspects of national life, and have left deep and persistent social, cultural and economic divisions and inequalities in society. This is despite the fact that South Africa is a unitary and sovereign state based on democracy, the rule of law, the pursuit of equal human rights, non-racialism, non-sexism and the equality of all persons, as articulated in our constitution which defines the kind of society we seek to create.

We noted that despite the above, significant strides have been made in building a socially inclusive society over the past twenty years of Freedom and Democracy. This is evident, for example, in the building of human settlements of integrated communities.

Our immediate task going forward is to continue to build the ANC as the embodiment of our society by mobilizing society in its entirety to work together to build a caring nation proud of its heritage, based on shared values and a vision informed by the following principles:

- Constitutional democracy;
- Ubuntu
- Human rights and equality
- Non-racialism, non-tribalism and non-sexism
- Inclusivity and social justice
- Redress and transformation
- Intercultural and community cooperation
- Social solidarity
- Empowered, fair, inclusive and active citizenship
- Civic responsibility
- Unity in diversity
- National consciousness and identity.

This will include working towards the implementation of the recommendations of the National Development Plan, Vision 2030 as our blueprint for reducing unemployment and inequality and eliminating poverty. We have already noted that the inauguration of the 2nd phase of the transition towards radical economic transformation coincides with tough economic constraints on funds available for the delivery of tangible results to our people but demonstrates the need for radical innovations in the design and
implementation of policies and programmes. Central to this task is developing radical programmes that are inclusive; addressing economic and social development; delivering social development programmes; delivering quality education and healthcare; embarking on a radical human settlement programme; embarking on an inclusive land and rural development programme; building safer communities; responding to challenges of immigration; strengthening and promoting arts, culture, all official languages, heritage development and preservation including the promotion and preservation of progressive indigenous cultures and knowledge systems that are not in conflict with the constitution; and enhancing technological innovation, research and development.

Given these challenges the question for discussion going forward is what more do we need to do to promote the Charter of Positive Values adopted by the Moral Regeneration Movement in 2008?

What more should we do to continue to fight all forms of discrimination, which are threats to social cohesion and nation building?

8. ON REDUCING INEQUALITY AND ELIMINATING POVERTY

As indicated above our aim is to eliminate poverty and inequality. Whilst in over the past twenty years of Freedom and Democracy, significant strides have been made in building a socially inclusive society, made progress in reducing poverty, closing the gap between the poor and the rich. However, despite this progress in fighting and reducing poverty, inequality and unemployment, we still face challenges of race, gender and slow economic growth which results in many excluded from the economy.

Hence in order to respond to the above challenges, we will have to strengthen our resolve of the implementation of the National Development Plan, Vision 2030 and this will include the development of a comprehensive anti-poverty strategy that will help eliminate poverty and reduce inequality in society.

In response to challenges of the social wage, at the 2007 ANC 52nd National Conference we took a decision to equalize the pensionable age for the older persons. This has assisted in responding to some of the immediate challenges when it comes to ensuring that man especially those that need to be assisted by the state are able to contribute towards the development and growth of families. Thus far and in particular since Polokwane we have completed the Consolidated Government Document; that sets targets, coverage of social assistance and social insurance. We have also been able to target more than 15 million people in this country benefit from social grants which allows the care-givers of children, the aged and those with disabilities to fulfill their basic needs and sustain their households. Hence, more than 94% of our people have access to water, 84% have access to sanitation, 81% of our people have electricity 71% of South Africans have refuse removed from their homes and that we have supplied more than 3 million of households with formal dwellings.

In response to the challenges of poverty, inequality and unemployment, since 2007, we have developed a framework Comprehensive Social Security strategy, which includes the following key elements; the expansion of the assets base of the poor through housing, small business and land reform programs. This strategy is back on the agenda of NEDLAC and will be debated and finalized by Social Partners.

We have increased the capacity of the state to ensure the acceleration of the implementation of the comprehensive social security strategy; to ensure the provision of free basic services for the poor, quality free education for poor households, passenger transport subsidies; we increase access to social grants to children and older persons as outlined in the Consolidated Government Document on Comprehensive Social Security.

In an attempt to answer the key question of what else should be done in the medium to long-term to decisively reduce poverty, unemployment and inequality, we make the proposals below.

- We need greater coordination of all anti-poverty interventions especially those with the greatest potential of creating jobs, transferring skills, building and maintaining community facilities, creating sustainable livelihoods including self-employment and small businesses, reducing food in securing as well as transferring incomes. Greater coordination, especially by the Presidency, should ensure monitoring and oversight, quality control and shape a systematic way of communicating the impact of the ANC’s anti-poverty policies.

- In this connection, short-term strategies for employment creation should be mainstreamed into a range of programmes across government.
The role of the Inter Ministerial Committee (IMC), chaired by the Deputy President, is not to duplicate or substitute for existing mechanisms of oversight and accountability across the spectrum of such strategies, but rather, to focus its energy and political authority on where IMC-level intervention is most able to add value and innovate, trouble-shoot, eliminate bottlenecks to implementation and mediate inter-governmental disputes.

- Enabling rapid scaling up of programmes. There is an urgency to create jobs. But rapid scaling up introduces higher programme risks. It requires rapid expansion in governance, delivery systems and capacity and often also in payment systems. All of these can require qualitative changes in institutional arrangements and in existing procedures. This certainly heightens the risks; but a narrow focus on the risks of scaling up can result in understating the societal risks of failing to do so. The IMC’s role is to provide strategic oversight intended to manage and minimize the risks – without shirking the need to them.

- Coordinating multiple stakeholders is needed to fast-track implementation. Programmes that involve multiple governmental stakeholders face particular difficulties in implementation. Inter-governmental co-ordination is difficult, because of the way mandates, accountability and fiduciary responsibilities are structured in government. This is a crucial context in which the IMC is able to provide strategic oversight, secure high-level agreements and unblock institutional roadblocks that may exist on the path to implementation.

- Buildingaccords has become more necessary in order to expand buy-in and support for our programmes. The focus on multiple stakeholders is not, however, only within government. The IMC should also focus on building partnerships outside of government where these enhance job creation prospects – especially with labour, business and communities. The ANC values the role of social partners in creating livelihood opportunities and reducing poverty. Our leadership therefore, should actively broaden the scale and scope support in order to extend reach to as many South Africans as possible.

- Focusing on the most marginalized is essential to maximize the impact of our programmes. When overall strategies for employment start to open new opportunities, those ‘closest’ to such opportunities – spatially and in terms of their profiles, skills and experience – will be absorbed first. Enhanced coordination should have a dual focus on short-term employment creation as well as on addressing poverty. This means the leadership should pay particular attention to strategies that enable the inclusion of the poor, who are otherwise likely to be excluded from mainstream programmes because of poor social capital.

- Innovation has to inform our poverty interventions going forward. While enhancing the quality of existing programmes, we should continuously innovate and identify new avenues and sectors to expand opportunities. For example, South Africa faces such challenges as mine dumps which are hazardous to our communities. Short term jobs can be created by working with the mining sector, bring in cadets who can assist with land rehabilitation. The mining sector will have to cover most of the costs of this work whilst government, through EPWP instruments, can cater for training and other related elements of such a programme.

Apart from Social Security (i.e. grants), the Social Wage (i.e. free basic services, housing, free scholar transport, no fee schools, school feeding scheme, land reform etc.), the government should enhance the quality and raise the profile of the following programmes which constitute the core of our anti-poverty strategies:

i. The Expanded Public Works Programme (EPWP)

ii. Community Works Programme (CWP)

iii. National Rural Youth Service Corps (NARYSEC)

iv. The National Youth Service Programme (NYS)

v. National Human Settlements Youth Brigade (NHSYB)

vi. Community Development Workers

vii. Military Skills Development System (MSDS)

For youth people in particular, it is essential that people going through these programmes exit with portable skills which help them access further learning, small business and employment opportunities. These programmes have been proven to work, as stated in the 20 Year Review. The task now is to expand them, enhance quality and ensure greater coordination and branding.

Finally, government should be urged to fast track
the finalization of the Comprehensive Anti-Poverty Strategy with the buy-in of social partners.

8.1 The ANC Government’s Achievements in Transforming Social Protection

Over the last twenty years, the ANC government has worked consistently to develop a social protection system that is developmental and meets the needs of the most vulnerable people. With respect to income support for poor people, the ANC government, as required by the constitution, has been consistent in the progressive realisation of South African’s social assistance needs. For example, the number of grantees accessing their constitutionally guaranteed entitlements grew from 2.4 million people in 1996 to about 16 million in 2014.

Since our Polokwane conference we have completed the Consolidated Government Document that sets targets and coverage of social assistance and social insurance programmes. We have also been able to target more than 15 million people in this country who now benefit from social grants which allow caregivers of children, the aged and those with disabilities to fulfill their basic needs and sustain their households. More than 94% of our people have access to water, 84% have access to sanitation, 81% have electricity, and 71% have refuse removed from their homes. We have also supplied more than 3 million households with formal dwellings.

Since 2007 we have developed a framework for a Comprehensive Social Security strategy, which includes the expansion of the asset base of the poor through housing, small business and land reform programmes.

We have increased the capacity of the state to ensure the acceleration of the implementation of the comprehensive social security strategy to ensure the provision of free basic services to the poor, quality free education for poor households, and passenger transport subsidies. We have increased access to social grants to children and older persons as outlined in the Consolidated Government Document on Comprehensive Social Security.

While South Africa’s abilities to improve access to unconditional transfers to millions of its citizens has been impressive and is being studied as a model by other developing countries, its impressive impacts have largely been unappreciated domestically. Social grants have created household income security, thereby helping families cope with vulnerability. The net effect is that human development indicators have improved and risks have been mitigated.

Studies undertaken by the Economic Policy Research Institute (EPRI) comparing poverty data between 1993 and 2013 found that Social Grants reduced the number of South Africans living in poverty significantly. If the strictest poverty measure is used; 40% of South Africans would be living in poverty without cash transfers. Government transfers are responsible for reducing this number to 25%. As well as reducing absolute poverty rates, as measured by income measures, social grants have also been instrumental in reducing inequality.

Given that the growth in social grants has been the highest in relation to the Child Support Grant (CSG), the Department of Social Development, SASSA and UNICEF published the outcome of a peer reviewed impact study in 2012. The study found that children who access the CSG early perform better at school. A noteworthy finding was that their performance in mathematics was better than peers in poor households that did not access social grants. Girls who enrolled in the CSG from an early age attained marks one-quarter of a grade higher than those who enrolled in the CSG at age six.

The CSG also has had considerable impacts on health. For boys who received the grant from an early age, the likelihood of illness is 10% lower than for boys who were enrolled at a later age. Adolescent health is also positively affected, particularly in terms of reducing risky behaviours across both genders. Alcohol and drug use decreased among recipients, as the CSG provided protection against drug use and also discouraged youth from engaging in reckless sexual encounters at an early age.

Moreover, the CSG has increased the employability of South Africans. Statistics from South African Labour Force Surveys and an analysis conducted by EPRI of three independent datasets are consistent in their findings. Most notably, there is no evidence that the CSG creates perverse labour market incentives or unproductive dependencies on grants by households. The evidence not only refutes the dependency hypothesis but also provides important evidence that the CSG can contribute to labour market engagement, particularly for groups within the country that often face significant risks and vulnerabilities. In particular, youth, women, and especially single women – including single
mothers – are most likely to respond positively to Child Support Grants by successfully finding employment.

Internationally, the grant has been recognised by the World Bank as amongst the best unconditional transfers in the world. In a recent report entitled The State of Social Safety Nets 2014, the World Bank ranks the CSG amongst the the top five programmes across the world in terms of absolute number coverage as well as percentage of the population coverage. The Child Support Grant was ranked the largest social safety net in the continent.

In its effort to improve the payment of Social Grants, the South African Social Security Agency (SASSA) has reduced the cost of service delivery and improved the efficiency of the system. This was accomplished by improving grant application processes and implementing a new payment system which reduced the cost of paying grants by close to 50%. Between 2011 and 2013 the costs dropped from R3.5 billion to under R2 billion per annum. Fraud detection and prevention strategies have been institutionalised in the Agency, with thousands of ghost beneficiaries, including civil servants, prosecuted, and millions of Rands recovered from those who were ineligible.

Limited progress has been made in preventing large numbers of South Africans who retire into poverty after years of working. Close to 3 million do not have retirement benefits, resulting in large numbers of older persons who had jobs having to rely on the State Old Age Pension for income support. As a result, the establishment of a national retirement scheme will be one of the more pressing tasks facing the ANC government.

Over the past twenty years, the ANC government has made meaningful progress in expanding access to ECD programmes. The ANC and now government recognises the importance of early childhood development. An ECD Diagnostic Review identified a range of challenges in the ECD sector and argues for universal provision of ECD support. The S3rd Conference of the ANC and the National Development Plan are therefore in sync in calling for the ECD programme to become a public responsibility, with government, the private sector, NPOs and communities having a crucial role to play.

The National ECD Policy and a comprehensive programme that includes the 1000 days campaign will also include nutritional support to expectant mothers and children up to the age of five. To this end DSD has audited 19 973 ECD sites to ensure continuous compliance to norms and standards.

An integrated social protection package for children will in essence be an investment in the country’s future and ensure that the country is well placed to eradicate poor nutrition amongst children, improve psychosocial and cognitive development of children and improve educational outcomes.

The ANC-led government has passed essential pieces of legislation that will enable the implementation of the envisaged service package required for improved social protection of children. The Children’s Amendment Act of 2007 provides for increased access to ECD services, increased reporting of child abuse, neglect and exploitation, and increased access to support services for vulnerable and orphaned children.

There has been progress in ensuring that people with disabilities are protected and supported. To this end, we have increased the Disability Grant and Care Dependency Grants beneficiary coverage to 1120419 and 120632 beneficiaries respectively. We have also been able to establish a Ministry that focuses on disabled in society. We have since drafted a Bill on Social Development Services to People with Disabilities.

Whilst there is progress in addressing challenges facing the disabled in society, there has been a lack of facilities to support the disabled in society, including the development of braille and sign language.

We continue to implement policies and programmes that are geared towards the protection and promotion of the rights of people with disabilities, including a campaign for the protection of the disabled in society. We must at the same time ensure that it is compulsory for all public buildings to have easy access for the disabled.

The Minister of Social Development has established a committee that will amongst other things ensure that our policies are integrated to promote the participation of people with disabilities at all levels of the movement and in all spheres of governance.

Whilst ensuring the continuation of mainstreaming disabled people and establishing full services in schools, we must prioritise the establishment of special needs schools for specific disabilities where the need arises. We must also develop mechanisms at the Early Childhood Development (ECD) level in order to detect the needs and challenges of a child at an early age.
The social and economic exclusion of Military Veterans, in particular the Non-Statutory Force (NSF), has not received priority attention from government departments. While the Department of Military Veterans has been established, there is a need to escalate the provision of a comprehensive basket of services (social and economic) by all state departments and parastatals.

8.2 Key actions and priorities for 2014-2019
Reform the current social welfare system to deliver better results for vulnerable groups

The current state-NGOs partnership model of delivery of services is inadequately funded, and poorly structured and organised to respond to the increasingly complex social problems facing our society. A need exists to reform the model to deliver better results. Work in this area will include improved services to protect the constitutional rights of vulnerable groups through better determining and resourcing a defined package of social welfare services. A critical element of this restructuring exercise will be to strengthen the partnership between government, community organisations, civil society organisations and private sector organisations involved in the delivery of social services. Work will be done to restructure the partnership between stakeholders to develop a system which is socially equitable, financially viable, structurally efficient and effective in meeting the needs of the most disadvantaged sectors of the population. The involvement of communities in planning and delivering services will be prioritised. Policy and institutional changes will be made to ensure improved accountability by government, NGOs and private sector providers of social services to ensure that qualitative and dignified welfare services are provided to people.

Address the skills deficit in the social welfare sector
The inability of South Africa's social welfare services to provide the quality of care required is reflected in the inadequate supply of social work, community development, and child and youth care professionals. There is an overreliance on professional social workers and a need to expand human resource capacity through the employment of other categories of social service personnel such as child and youth care workers, community development workers, social development workers, and volunteers.

In consultation with various stakeholders, including academic, formal and informal training institutions and organisations, and professional and allied associations, government must support the development of an appropriately trained pool of personnel at all levels, which includes both generic and specialised services. While there is a cadre of community development workers in the system, their training and capacity building environment is fragmented. This is exacerbated by the challenges in intergovernmental alignment around home and community based care activity, including overlapping mandates between the Departments of Health and Social Development.

Over the next five years, an ANC-led government will develop a workforce development strategy to train people in new approaches such as working in networks and partnerships; introducing new integrated posts in the welfare services sector; encouraging integrated education and training and the promotion of integrated approaches by professional training institutes; developing the sector's training, recruitment and retention strategy that anticipates the number of graduates each year and deploys them to the areas where there are shortages; and creating opportunities for social welfare personnel in the public and private sectors to develop themselves.

Improve Social Protection for Children
Children make up 31.3% of the population, and therefore require interlinking strategies to ensure that the adults of 2030 are active agents in implementing the vision for South Africa envisioned in the NDP. The ANC-led government will therefore accelerate the implementation of a Comprehensive ECD Programme, taking into consideration the proposals in the NDP. Policy changes will be made to ensure that there will be universal access for at least four (4) years of Early Childhood Development. The implementation of the Comprehensive Early Childhood Development will be accompanied by implementation programmes to support expecting mothers and children with nutritional and health outreach programmes at home, ECD facilities, schools and community centres.

While there is wide coverage and reach of the social assistance system, there are gaps, with some sections of people not accessing the benefits they qualify for. Lessons learned in the current administration highlight the unintended consequences of some of the approaches which require reviewing these to improve efficiency and fairness.
Create a Universal Child Benefit Grant

Given the positive impacts of the CSG, the ANC-led government will work towards universalising the Child Support Grant so that no deserving child is excluded. However, South Africa has approximately 1.5 million double orphans and approximately 4 million poor children who have mothers, but due to poverty and other social problems reside with their extended families. These are all children in need of foster care. The foster care system is cumbersome, with significant administrative delays that impact negatively on orphaned children’s rights to adequate and timeous social assistance as is constitutionally required. Over the next five years, work will be done to review the CSG and FCG to align the benefits and create a universal child benefit.

Improve Social Protection Services for Youth

Youth aged 15–24 years account for almost 20% of the country’s population while those aged 15–34 years account for 37%. The majority of the youth are poor, with more than half of all 18–24 year olds living under the lower bound poverty line of R604 per month in 2011. More than two-thirds live under the higher bound poverty line of R1 113 per month and that about half are unemployed and about two-thirds are inactive. Employment projections show that even if average annual growth were to rise to 5%, unemployment amongst 15–24 year olds would be 44% and 31% by 2020 and 2030 respectively, in the absence of special other interventions. In addition, the youth are unduly burdened with all key social challenges including unemployment, substance abuse and HIV and AIDS.

The ANC-led government will continue to develop strategies to retain young people in schools until they complete secondary schooling. Government will strengthen and implement policies and programmes to eradicate drug abuse and alcohol-related harms as a key component of youth development work and implement a rights-based comprehensive sexuality education in schools.

Access to Sexual and Reproductive Health Services and family planning for the youth will be improved, including the implementation of a schools health programme. This will include the provision of dignity packs to support the health and development needs of all young people, with special focus on the needs of adolescent girls. Amendments will be made to the Social Assistance Act to ensure that children over the age of 18 who are still at school are able to continue accessing the Child Support Grant so that their basic needs can be met.

The ANC-led government will therefore ensure that its programmes and policies focus on developing skills that are required by the economy so that the youth can become part of the mainstream economy. This will include accelerating the development and implementation of Youth Incentive and Support Programmes and the development of policies and strategies to support job-seekers that are tied to compulsory learning and skills development as part of the Comprehensive Social Security System. Post-school support will include improving programmes to train and skill unemployed young people. This will include creating opportunities for youth to volunteer in the military with the aim of learning life and vocational skills.

Expand access to Social Assistance and Social Insurance for Adults and Older Persons

With respect to social assistance, the ANC-led government will universalise the State Old Age Pension over the next 5 years. This will ensure that no older persons are left vulnerable due to exclusions currently associated with the means tests that are applied. With respect to social insurance, South Africa still does not have a statutory pension system. The ANC government will therefore work towards implementing the proposals in the Consolidated Government Document on Comprehensive Social Security so as to affect retirement reform measures to improve the livelihoods of those who have had jobs after retirement. Work will also be done to improve the administration and efficiency of the current contributory systems such as the Compensation Fund, the UIF, and COIDA to meet the needs of the many informal workers and those involved in seasonal employment and other forms of contract work.

The 53rd Conference of the ANC noted that the ANC’s Polokwane Conference took key decisions on the welfare of veterans of the struggle, which relates to housing, health-care, education support, social security and other social services in relation to themselves and their families. Since then the Military Veterans Act has been passed which lays the basis for more comprehensive social protection measures for military veterans. Over the next 5 years the ANC-led government will implement the measures as outlined
in the Military Veterans Act and develop a programme focusing on a comprehensive social package for the military veterans, including social assistance measures.

**Implement the Household Food and Nutrition Strategy**

Based on resolutions taken at the 53rd Conference of the ANC, a detailed Household Food and Nutrition Strategy was developed. The strategy seeks to integrate the production and consumption of food with a bias towards improving the productive capacities of families, small and medium-sized farms. The strategy will engage the whole of government in partnership with civil society. The Household Food and Nutrition Strategy has been approved by Cabinet and the ANC-led government will accelerate the implementation of this strategy over the next 5 years.

9. **ON HUMAN SETTLEMENTS AND A COMPREHENSIVE PLAN FOR HOUSING DELIVERY**

At its inception, the Housing Policy and Strategy (1994) focused on stabilising the environment to transform the extremely fragmented, complex and racially-based financial and institutional framework inherited from the previous government, whilst simultaneously establishing new systems to ensure delivery to address the housing backlog. The significant achievements of this programme have been recognised both nationally and internationally. Significant socio-economic, demographic and policy shifts have also occurred over the past 10 years.

**9.1 Achievements**

Since the hosting of the 53rd conference in December 2012 the following has been achieved:

**Social Contract**

During 2014 each province was expected to host a Social Cohesion Summit (SCS) and a National Report Back Summit (NRBS) must be held. Each province must accelerate the change in improving the quality of life of all people within its own jurisdiction, with special attention on the needs of the youth, women and people with disabilities.

The National Department of Human Settlements (NDHS) has advised all Provincial Human Settlements Departments (PHSD) and Metropolitan Municipalities – that is, Metros – to host a Social Housing Summit (SHS). Summits have been hosted in Metros such as Ekurhuleni, and the NDHS will be hosting its indaba in October 2014 and its entity National Home Builders Registration Council (NHBRC) will also be hosting a Summit in November 2014. The NDHS has sent a delegation to various countries to explore approaches to delivering sustainable human settlements.

**Women, Youth and People with disabilities**

The NDHS, through its construction projects, is building capacity to drive the social transformation agenda. This includes absorbing youth and women into economic activities.

Taking into account the above, the NDHS has set the following targets so as to ensure that social transformation comes to fruition:

- A target of 30% of women contractors has been set;
- A target of 2% of people with disabilities has been set; and
- A target for youth contractors has been set.

Over and above the targets as scheduled supra, women, people with disabilities and the aged are the focal point of all national housing policy programme-related interventions. The NDHS also has a target of delivering a housing assistance programme to about five thousand eight hundred and fifty four (5 854) Military veterans. This is aimed at alleviating poverty and dealing with the challenge of unemployment.

**Built Environment Skills Development**

The NDHS has employed built environment professionals as part of Professional Resource Team (PRT) companies and other professionals and contractors in order to boost the skills required by the economy. A group of built environment professionals (Total number of interns) has been paired with professionals operating in the built environment.

Further, build environment professionals that are already in the employ of the NDHS have been encouraged to register with relevant councils that regulate their professions. For instance, the Development Planners and Town and Regional Planners have been encouraged to register with the South African Council for Planners (SACPLAN). This has been undertaken to ensure that professional practice
is enhanced in the undertaking survive delivery related duties and responsibilities.

Moreover, the Human Resource Development (HRD) programme is to be utilised to ensure that the professionalisation of the sector is accelerated. This will occur in the form of encouraging staff members to acquire scholarships that will assist them in obtaining built environment-related skills that can aid the sector to augment service delivery.

Research and Development

Further investment is being made by the NDHS in Research and Development (R&D) of Alternative Technology (AT). About ten percent (10 %) of human settlement development projects and contracts must be given to Alternative Building Technology (ABT). The NDHS has signed a Memorandum of Understanding (MOU) with the Council for Science and Industrial Research (CSIR) and Human Sciences Research Council (HSRC) with the intention of partnering with key stakeholders, including universities, in the delivery of policy and research that support the delivery of sustainable human settlements.

Social Net

The housing or human settlement grant is still aimed at the poorest of the poor earning between R0 and R3500 and the gap market earning between R3501 and R15 000. The government is still operating on a policy of a 70/30 split in the development of social housing projects. The country has developed Community Residential Units (CRUs) for the qualifying beneficiaries. The NDHS aims to partner with the private sector and develop more affordable rental units, especially in urban areas which are experiencing an influx.

9.2 Challenges

Poverty manifests itself in different ways. In Towards a 10 year Review, poverty is understood to involve three critical dimensions: income, human capital (services and opportunity) and assets. A composite analysis of indicators in these three categories assists in compiling a broad picture of the experience of poverty in terms of deprivation of basic needs and the vulnerability, powerlessness and experience of exclusion which accompanies lived poverty. Housing primarily contributes towards the alleviation of asset poverty. This contribution is to be strengthened in the new human settlements plan through supporting the development of sustainable human settlements and the development of housing assets.

After the 1994 elections, Government committed itself to developing more livable, equitable and sustainable cities. Key elements of this framework included pursuing a more compact urban form, facilitating higher densities, mixed land use development, and integrating land use and public transport planning, so as to ensure more diverse and responsive environments whilst reducing travelling distances. Despite all these well-intended measures, the inequalities and inefficiencies of the apartheid space economy, has lingered on.

9.3 Our new strategy and vision

Whilst ANC-led government believes that the fundamentals of the policy remains relevant and sound, a new plan is required to redirect and enhance existing mechanisms to move towards more responsive and effective delivery. The social transformation committee decided to recall the Breaking New Ground document for discussion given that it forms the basis of the chapter on Human Settlements in the National Development Plan. It will be the basis of legislation to be introduced by the ANC in the area of Human Settlements.

The new human settlements plan reinforces the vision of the Department of Housing, to promote the achievement of a non-racial, integrated society through the development of sustainable human settlements and quality housing. Within this broader vision, the Department is committed to meeting the following specific objectives:

- Accelerating the delivery of housing as a key strategy for poverty alleviation
- Utilising provision of housing as a major job creation strategy
- Ensuring property can be accessed by all as an asset for wealth creation and empowerment
- Leveraging growth in the economy
- Combatting crime, promoting social cohesion and improving quality of life for the poor
- Supporting the functioning of the entire single residential property market to reduce duality within the sector by breaking the barriers between the first economy residential property boom and the second economy slump.
- Utilizing housing as an instrument for the
development of sustainable integrated human settlements, in support of spatial restructuring.

The mechanisms which the Department intends to introduce to achieve these objectives are discussed in greater detail in the remainder of this section.

9.4 Supporting the entire residential property market

Expanding the scope of the housing mandate

The new plan envisages the expansion of the mandate of the Department to encompass the entire residential housing market. This expanded scope is required to address the challenge of increased integration between the primary and secondary housing market. The impact of this expanded mandate is reflected throughout the plan, but is manifested most strongly through the expansion of the existing state-assisted housing scheme to support lower-middle income groups.

The current housing mandate restricts subsidies to households earning less than R3,500 per month. This was premised upon the assumption that end-user finance would be accessed for the construction of houses by income groups above R3500 per month. This has not in fact occurred and there is a growing disjuncture between subsidised and non-subsidised residential accommodation. This impacts negatively on the operation of the residential property market. In order to address this problem, a new subsidy mechanism is to be introduced to facilitate the availability and accessibility of affordable housing finance products/instruments to medium income households (earning R3,500 to R 7,000 p.m.) by providing a mechanism to overcome the down-payment barrier. This mechanism will be linked to household savings and loans from financial institutions. This mechanism is discussed in greater detail under the Financial Subsidy Systems Reform Business Plan.

Shifting from product uniformity to demand responsiveness

The dominant production of single houses on single plots in distant locations with initially weak socio-economic infrastructure is inflexible to local dynamics and changes in demand. The new human settlements plan moves away from the current commoditized focus of housing delivery towards more responsive mechanisms which address the multi-dimensional needs of sustainable human settlements. This approach is intended to provide maximum flexibility and will ultimately enhance the mobility of households. The movement towards increased flexibility and demand responsiveness inevitably increases tension between uniform subsidy payments and increasingly non-uniform housing products as policy moves away from allocative equity to demand responsiveness and flexibility. The mechanics of this approach is discussed in greater detail in the Social Housing Programme Business Plan and the Informal Settlement Upgrading Programme Business Plan.

Enhancing the role of the private sector

The new plan envisages a continuation and deepening of the partnership between government and the private sector vis-à-vis the development of sustainable human settlements. In particular, the support of the private sector will be required in the following areas:

Construction capacity and the collapsing of the subsidy bands

The withdrawal of large construction firms from the state-assisted housing sector has meant that the conditions for reproducing public-private partnerships for housing construction in the primary market have been reduced and the rate of construction has accordingly dropped. In order to promote the participation and contribution of the private sector in housing construction, the existing 3 subsidy bands are to be collapsed to enable households earning below R3500 to access a uniform subsidy amount. This mechanism will address housing bottlenecks in respect of households earning above R1500 and will also substantially increase the number of households who qualify for a full housing subsidy. This increased demand for housing, coupled with the removal of key bottlenecks, will create new opportunities for private sector participation in the housing programme.

The provision of housing finance

Housing finance from financial institutions is key to the development of the primary and secondary housing market. The new human settlements plan will introduce the following interventions to support lenders to meet their commitments under the Financial Sector Charter:

- **Mechanisms to overcoming the down-payment barrier** – The expansion of the subsidy instrument to medium-income households (earning R3500 to R 7000 p.m.) by providing a mechanism
to overcome the down-payment barrier and will enhance lending by financial institutions. This aspect is discussed in greater detail under Financial Arrangements.

- **Funding for Social Housing** – Funding is to be provided for social housing institutions through public private partnerships and/or Special Purpose vehicles.

- **Loss Limit Insurance** – Government may investigate the introduction of a risk sharing mechanism to limit the lender’s loss to a more normal proportion of loan value in the event of default.

- **Fixed Interest Rates** – The Department will work with the financial sector to develop mechanisms to address volatile interest rates including the development of fixed rate loan products.

- **New Product Development** – While significant attention has gone into extending the mortgage loan product down market for the benefit of low income earners, this product is not appropriate for everyone. Specifically, no appropriate loan products exist to service secondary transactions in an incremental residential property market. A significant proportion of households in this submarket lacks the formal employment and levels of income necessary to support medium- to long-term instalment mortgage loans. Alternatives linked to savings/insurance products, which generate cash endowments, are accordingly to be developed in conjunction with the financial sector.

- **Monitoring lending trends and enforcing the Financial Services Charter** – The Department will increase lending transparency through the establishment of the Office of Disclosure under the Home Loan and Mortgage Disclosure Act. This will facilitate the monitoring of lending trends. The Department will, in addition, engage with the Reserve Bank to establish instruments to enforce the targets contained in the Financial Services Charter vis-à-vis participation in the state-assisted housing programme.

Project management and other support
Significant capacity constraints are currently being experienced in the public sector. It is accordingly vital that the resources of the private sector be harnessed to deliver housing programmes at scale. A portion of the capital budgets is to be made available for operational expenses and outsourcing planning, engineering, project management and social facilitation to the private sector to ensure delivery in the short term. It will be expected of the private sector teams to provide skills transfer and training to public sector employees who will increasingly have to take on the responsibilities of ensuring delivery. The need for outsourcing will depend on capacity across government and will not be the same everywhere.

**Employer-assisted Housing**
It is imperative that the private sector and particularly employers take an active role in the housing process for low- to moderate-income earners. Discussions will be held with employer groups regarding their contribution to the process.

**Creating linkages between the primary and secondary residential market**
Housing represents the most significant investment that most families make and is often their only provision for long-term security. Currently, the secondary property market is dysfunctional at the lower end of the market. A dysfunctional secondary market undermines the realisable value on properties and consequently the value underpinning security for mortgage loans. Mechanisms must accordingly be introduced to support the development of a functioning residential property market and enhance the linkages between the primary and secondary residential property market. The new human settlement plan accordingly introduces the following inter-related interventions:

- **Supporting individual housing demand** – The operation of a secondary market is dependent upon the existence of effective housing demand i.e. purchasers with the necessary funds to acquire property. The existing subsidy scheme is presently associated with a supply side delivery model in which subsidies are accessed through new housing projects. This makes it difficult for people to acquire housing in other circumstances. In response, the Department will now reintroduce and promote the demand-side individual subsidy instrument which will enable individuals to purchase properties on an individual basis. Due to previous abuses of this mechanism, this subsidy
will only be available to support secondary market transactions.

- **Removing barriers to housing trade** – Section 10A of the Housing Act prohibits the sale of government-subsidised property for a period of eight years. This section was enacted to protect subsidy beneficiaries from downward raiding. The provision has also had the unintended consequence of undermining beneficiary choice and housing mobility and has created a significant barrier to formal secondary transactions. For this reason, an amendment to Section 10A of the Housing Act, 1997, is to be introduced to reduce the prohibition period following occupation to five years.

- **Focusing on the local level** – The supply of state-assisted housing must respond to housing demand. This relationship is best packaged at local level. Municipalities must accordingly take the lead role in negotiating the location of housing supply to facilitate spatial restructuring. Municipalities must also facilitate a greater match between the demand and supply of different state-assisted housing typologies. This approach envisages that municipalities will play a significantly increased role in the housing process. This will help to build linkages between housing delivery, spatial planning, and transportation systems and will also support the integration of housing into Municipal IDPs, ensuring greater budgetary coherence. This issue is dealt with in greater detail under the Institutional Arrangements Business Plan.

- **Enhancing access to title** – Access to title is a fundamental principle of national housing policy. While security of tenure has been achieved in principle, a significant proportion of public housing stock has not yet been transferred into the names of the entitled individuals. In addition, a large number of houses constructed under the existing housing programme have not yet been transferred to households. In order to address these problems, the Department will implement a range of measures to stimulate a renewed uptake in the Discount Benefit Scheme in order to transfer the balance of the free-standing public housing stock. The Department will also establish a high priority focus to complete the registration of transfer in respect of houses constructed under the existing housing programme.

### 9.5 Strategic interventions

**From Housing to sustainable integrated human settlements**

Cabinet has adopted the National Spatial Development Perspective (NSDP) as an indicative framework to inform decisions on infrastructure investment and development spending. This perspective has noted that several development programmes, including the housing programme, is not addressing the distortions of the inherited apartheid space economy. The Department of Provincial and Local Government has furthermore prepared the Draft National Urban Strategy (2004), which proposes a vision for South African towns and cities where they will be spatially and socially inclusive, well-designed and developed in an environmentally efficient way.

Through this new plan, the Department will shift towards a reinvigorated contract with the people and partner organizations for the achievement of sustainable human settlements. “Sustainable human settlements” refer to:

> “well-managed entities in which economic growth and social development are in balance with the carrying capacity of the natural systems on which they depend for their existence and result in sustainable development, wealth creation, poverty alleviation and equity”.

At the heart of this initiative is the move beyond the provision of basic shelter towards achieving the broader vision of sustainable human settlements and more efficient cities, towns and regions. This issue is discussed in greater detail in the Spatial Restructuring and Sustainable Human Settlements Business Plan. In line with the NSDP and the Draft National Urban Strategy, the Department will enhance its contribution to spatial restructuring by:

**Progressive Informal Settlement Eradication**

Informal settlements must urgently be integrated into the broader urban fabric to overcome spatial, social and economic exclusion. The Department will accordingly introduce a new informal settlement upgrading instrument to support the focused eradication of informal settlements. The new human settlements plan adopts a phased in-situ upgrading approach to informal settlements, in line with international best practise. Thus, the plan supports the eradication of informal settlements through in-situ upgrading in desired locations, coupled to the relocation of
Densification policy

Suitable policy instruments and adjustments to promote densification in urban areas are required. The National Department of Housing, in conjunction with the Department of Provincial and Local Government, will investigate the development of suitable policy instruments and adjustments to promote densification. This will interrogate aspects of promoting densification, including planning guidelines, property taxation, zoning, subdivision, and land swaps and consolidation. A draft densification policy will be ready for consideration by October 2004.

Residential development permits

The Department will investigate the introduction of mechanisms such as residential development permits. These permits are used extensively in the international context and facilitate income integration by obliging developers either to set aside units within residential developments for lower-income groups or, alternatively developing lower-income residential accommodation in adjacent areas. In this instance it is proposed that 20% of all residential development would constitute low cost to affordable housing and would be prescribe through the permit. This can be achieved on site of in alternative location initially to overcome negative perception about property value depreciation. It is envisaged that once the programme has been successfully implemented those perceptions will change and on site development can be achieved in the medium term. In all instances, adequate provision is to be made for the construction of supportive social infrastructure in support of residential development.

Fiscal incentives

The Department, in conjunction with Treasury and SARS, will investigate the development of fiscal incentives to promote the densification of targeted human settlements and whilst introducing disincentives to sprawl. This may require engagement with DPLG and municipalities.

Enhancing Spatial Planning

The development of sustainable human settlements must be undertaken within a broader spatial restructuring framework, incorporating the principles of the NSDP and the National Urban Strategy. In practice, however, spatial planning is spread between the Departments of Housing, DLA and DPLG, with significant aspects being addressed by the Department of Transport. Greater coordination and alignment of various planning instruments and economic policies lies at the heart of sustainable human settlements. This requires more than mere co-ordination between departments, but instead suggests the need to develop a single overarching planning authority and/or instrument to provide macro-level guidance to support the development of sustainable human settlements. This will enhance the sustainability and success of the new plan.

Enhancing the location of new housing projects

The location of housing projects has been criticized as reinforcing apartheid spatial settlement patterns.
The objective of spatial restructuring demands a more decisive intervention in land markets. The new human settlements plan envisages the following interventions:

### Accessing well-located state-owned and para-statal land

An overall strategy to facilitate the release of well-located public land to municipalities will be developed in co-operation with the Department of Land Affairs and the Department of Public Works. Public land and land held by para-statal organisations, where deemed suitable for housing purposes, is to be transferred to municipalities at no cost. The strategy will be coupled to the Public Land Register, which is expected to enhance the coordination of land assembly at project level. Municipalities, in co-ordination with provincial departments, will request land parcels for vesting and transfer.

### Acquisition of well-located private land for housing development

A strategy will be developed in conjunction with the Department of Land Affairs to finance and guide the acquisition of private land for housing purposes. All land will be acquired by municipalities in line with Municipal IDPs, Spatial Development Frameworks and will be made available for housing development in line with the Housing Chapter of IDPs. Private land will only be acquired where there is no appropriate state-owned land and whilst preference will be given to the negotiated purchase of land, land may also be expropriated at market value as a final resort. The strategy is expected to be complete by December 2004, with full implementation by April 2005.

### Funding for land acquisition

The acquisition of land to enhance the location of human settlements constitutes a fundamental and decisive intervention in the Apartheid space economy. This cost should not be borne by the poor, but should be treated as a broader social cost. As a result, funding for the acquisition of land will no longer form part of the housing subsidy. Rather, the acquisition of well-located private land will be funded through a separate funding mechanism.

### Fiscal incentives

The Department will engage with SARS and Treasury to investigate the introduction of fiscal incentives (and disincentives) to support the development of well-located land. This will also require engagement with DPLG and municipalities.

### Supporting Urban Renewal and Inner City Regeneration

Urban renewal is a targeted intervention by government to resuscitate declining urban areas. Housing plays an important role in a range of urban renewal interventions focused on urban centres and exclusion areas such as inner cities and historical townships. Increasingly, the renewal of inner city areas has become focused on commercial and high-income residential property redevelopment. During the implementation of these projects, the current inhabitants of these areas are often excluded as a result of the construction of dwelling units that they cannot afford. Many municipalities are striving to avoid this by promoting, amongst others, affordable inner-city housing. The new human settlements plan will support this by:

### Encouraging Social (Medium-Density) Housing

Social Housing is generally medium-density and this housing intervention may make a strong contribution to urban renewal and integration. Social housing interventions may also be used to facilitate the acquisition, rehabilitation and conversion of vacant office blocks and other vacant/dilapidated buildings as part of a broader urban renewal strategy. Social housing developments should be dovetailed with other initiatives such municipal redevelopment projects and the urban development zone tax incentive offered by SARS.

### Increasing effective demand

The introduction of a new incentive to facilitate access to loan finance in the middle income group above the R3 500 income limit and the re-introduction of demand-driven individual subsidies will have the effect of increasing effective demand for existing, well-located property. This is expected to provide an incentive for the redevelopment of properties within inner city areas.

### Developing social and economic infrastructure

There is a need to move away from a housing-only approach towards the more holistic development of human settlements, including the provision of social and economic infrastructure. The new human settlements plan proposes that:

### Construction of social and economic infrastructure

Municipalities must determine the need for social/community facilities through a community profile and facilities audit to ensure that facilities are appropriately targeted.
It is thereafter envisaged that a multi-purpose cluster concept will be applied to incorporate the provision of primary municipal facilities such as parks, playgrounds, sport fields, creches, community halls, taxi ranks, satellite police stations, municipal clinics and informal trading facilities.

- **New funding mechanism** – A new funding mechanism will be introduced to fund the development of the primary social/community facilities, which will focus on informal settlement upgrading projects, completed housing projects still lacking social facilities and new housing projects. The programme will provide funding assistance amounting to 50% of the primary, social/community facility development costs of projects implemented by district councils, while 100% of the development costs of projects implemented by local municipalities will be funded.

- **Municipal implementation** – Municipalities will be the primary implementation agencies and will submit business plans for approval to Provincial Housing Departments. Municipalities will be responsible for the operational and maintenance costs, but facilities may be managed/operated by CBO’s and NGO’s active within the beneficiary communities. Implementation will commence on 1 April 2005 and will continue for a three-year period after which the assistance provided will fall away and become the responsibility of all municipalities concerned.

### Enhancing the Housing Product

There is a need to develop more appropriate settlement designs and housing products and to ensure appropriate housing quality in both the urban and rural environments. The new human settlements plan accordingly proposes the following:

- **Enhancing settlement design** – The Department will investigate the introduction of enhancing measures and incentives to include design professionals at planning and project design stages, and will develop design guidelines for designers and regulators to achieve sustainable and environmentally efficient settlements. This is aimed at promoting the development of dignified size of house that supports morality of family and society.

- **Enhancing housing design** – Within the rural context, there is a need to make housing interventions more effective, to enhance the traditional technologies and indigenous knowledge which are being used to construct housing in rural areas and to improve shelter, services and tenure where these are priorities for the people living there. Within the urban context, there is a need to focus on “changing the face” of the stereotypical “RDP” houses and settlements through promotion of alternative technology and design. The Department will investigate measures and incentives to enhance housing design and promote and alternative technologies, including support and protection of indigenous knowledge systems.

- **Addressing housing quality** – The Department will undertake an audit of and develop a programme to address the poor quality of houses built before the introduction of national norms and standards and the NHBRC Warranty Scheme. Municipalities must also play an increasing role to ensure compliance with building plan approvals and township establishment conditions. The maintenance of construction standards in the face of the shift towards supporting smaller economic interests will be addressed by capacitating municipalities and the National Home Builders Registration Council to monitor quality.

### 10. ON ARTS, CULTURE AND HERITAGE

At our 53rd national policy conference in Mangaung, the ANC resolved that, “We must work towards the implementation of the recommendations of the 2030 National Development Plan as a long term vision which should serve as a basis for partnerships across society to attain the South Africa of our dreams, as eloquently articulated in the constitution.”

Informed by the ANC’s and government’s policy framework, our arts, culture, social cohesion and nation building mandate is captured in our vision of “a thriving arts, culture and heritage sector contributing to sustainable economic development, leveraging on partnerships for a socially cohesive nation.”

As the NDP states, “Arts and culture open powerful spaces for engagement about where a society finds itself and where it is going. Promoted effectively, the creative and cultural industries can contribute substantially to small business development, job creation, and urban development and renewal.”
Hence, the transformatory electoral mandate of the 2014 election, captured in the ANC’s manifesto and translated into several outcomes, identifies the promotion of social cohesion and nation building as Outcome 14. The Delivery Agreement for Outcome 14 pertaining to arts and culture points out that while the Constitution and its Chapter Nine Institutions have laid the foundations for an inclusive and just relationship between citizens and the state at different levels of government, as well as with other public and private agencies, the effective realisation of the full participation of all citizens remains uneven.

This outcome was assigned to the Ministry of Arts and Culture. The core of the resolution is the need to focus on development in order to drive social cohesion.

10.1 Achievements

Since 2012, initiatives to take forward our strategic priorities in the Arts, Culture and Heritage (ACH) sector have included a comprehensive review of our strategies and programmes towards building a national democratic society. In 2011, we convened a National Consultative Summit which provided a revised strategy and plan, including new large-scale interventions to:

■ reinstate the Arts, Culture and Heritage (ACH) Sector as an economic growth sector; and
■ introduce programmes that contribute to large-scale employment.

Pursuant to our strategy and vision, the following measurable objectives were aligned to the mandate:

a) Coordinate and support the national strategic programmes by developing and reviewing policy and legislation and developing systems for monitoring and evaluation.

b) Increase and facilitate access to and broader participation in arts and culture through policy formulation, legislation and equitable funding.

c) Increase the access and participation of grassroots arts practitioners in cultural industries economic activities through training, legislation and international opportunities.

Consistent with the above, we re-engineered our strategic focus during the 2009-2014 term of government. Such re-engineering was informed by the government-wide strategic re-orientation, following the National Consultative Summit in 2011 and a conference on social cohesion at Kliptown in 2012, which put sustainable livelihoods and cultural entrepreneurship at the centre of our priorities. It was then imperative for us to clearly articulate our contribution to the job creation and economic development agenda of government.

To give effect to our strategic mandate we launched the Mzansi Golden Economy (MGE) strategy in 2012. The strategy essentially focused on the creation of an estimated 5 million jobs over the next ten years as a primary objective by:

■ Identifying areas where employment creation is possible on a large scale, as a result of substantial changes in conditions in South Africa and globally.

■ Developing a policy package to facilitate employment creation in these areas, above all through:
  - A comprehensive drive to enhance both social equity and competitiveness;
  - Systemic changes to mobilise domestic investment around activities that could create sustainable employment;
  - Strong social dialogue to focus all stakeholders on encouraging growth in employment-creating activities.

The following programmes constitute the MGE:

**National Academy for Cultural & Creative Industries of SA (NaCISA)**

NaCISA will provide training, not necessarily in the form of bricks and mortar, as a way in which to expand knowledge and expertise to people. The main emphasis of this programme is the provision of enabling training kits that are widely accessible.

**Creative Arts Incubators**

Once people are trained, artists will progress to incubation centres across the country. These incubators will help provide artists with the tools for production. For example a film maker will be provided with the tools (camera equipment, etc.) to make films. The tangible measure of impact of the two programmes will be more local content.

**Venture Capital**

Our Venture Capital programme will help artists who have progressed beyond the apprentice and professional (incubator) levels to access capital and markets. It is often the case that entrepreneurs struggle to sustain business initiatives because of financial
dips. The Venture Capital fund will assist with moving people out of dips into more sustainable economic activities.

**Tax Incentives**

Our tax incentive interventions address both immediate concerns around Section 18A of the Income Tax Act and more comprehensive medium-term interventions pursuant to a tax regime that both enables artists to build sustainable enterprises and contribute towards the tax revenues of the country. In large measure, these programmes are aimed at making it easier for artists to expand sources of funding. We are currently designing a strategy to achieve this objective.

**Audience Development**

Our Audience Development programme will enable us to leverage our institutions and resources to create more customers who buy local content from artists.

**Market Development**

The final leg of the MGE programme is the creation of an Mzansi Golden Market that is able to pool the buying power of government and the private sector. Both government and the private sector will source local content that artists themselves create. One method of maximising the Mzansi Golden Market is an online platform that will expand market opportunities for creative entrepreneurs.

**Loyalty programme**

The Mzansi Golden Market will be complimented by a loyalty programme aimed at incentivising and creating more markets.

**a. Strategic Challenges**

There are a number of challenges and key issues for consideration as we proceed with the rollout of the various MGE strategic initiatives, discussed below:

- Funding and the high dependence on government sources of funds. Alternative sources of funding such as the Lotto should be leveraged, and the available funding should be equitably spread and all forms of duplication removed.

- A lack of understanding of the role of Arts and Culture, in particular, its impact on society and the economy is a stumbling block towards elevating the importance of Arts and culture. This is exacerbated by the inability to quantify the socio-economic contribution of Arts and Culture.

- Investing in the ‘usual suspect’ sector bodies leading to a lack of participation by potentially powerful partners and unexploited strategic partnerships. The lack of utilisation of indigenous knowledge systems as a strategic driver for MGE needs to be reconsidered.

- Inadequate policy development and related monitoring and evaluation. There is a need to ensure that the programmes and interventions are well conceptualised and broadly meaningful and that there is a cross-cutting involvement of government across the 3-spheres, in order to improve on the current lack of ownership and commitment.

- The participation and implementation of programmes across the sector is too narrow due to a perceived lack of consultation and engagement across the sector and an inequitable distribution of opportunities, compounded by a loss of intellectual capital.

- The lack of a research strategy in the MGE resulting in inaccurate monitoring and reporting on concepts that are only ‘lightly’ defined. Specifically, there is a lack of research infrastructure for the sustainable development of digital content and official language services.

- There is a lack of balance between developing new infrastructure and maintaining existing, thereby impacting on the sustainability of programmes.

- The promotion of literacy through the development of a culture of lifelong reading and writing as an emphasis on market development and not only as a skills development intervention.

- There are a number of transversal issues to be taken into account in the area of human capital and skills development, including:
  - The need for capacity building for the arts in general across many levels;
  - The need to develop ACH skills pipelines and career paths and to make it attractive for qualified arts practitioners to be recruited into civil services in all 3-spheres of government;
  - The lack of transformation of existing institutions;
  - The lack of clarity on the NACISA implementation plan;
  - Under-utilised internal human resources due to an organisational design and structure not
aligned to strategy. Re-skilling and up-skilling may be required.

- In the area of job creation and entrepreneurship there are persistent challenges related to the full participation of the sector. Some of the issues to be addressed include:
  - The need to create a platform for the creative industries to operate effectively;
  - The creation of a linkage between skills development and job creation;
  - Assisting in expanding the markets for products through the creation of an enabling environment for artists to market their products;
  - The articulation of the competencies that are needed for the 200 artists in schools programme and the performance management of same.

- Developing markets and building and growing audiences in a low economic growth environment remains a critical but challenging issue. Extensive marketing of the MGE strategies and initiatives are required to gain broader awareness, buy-in and collaboration, with the possibility of incentives, public-private partnerships and inter-governmental partnerships.

- Research, monitoring and evaluation require proper systems to be instituted with a view to measuring the impact of ACH on communities and the economy.

- Governance and administration across the sector needs to be improved with a clear delineation of the roles and responsibilities of the various participants. The intention being to eliminate duplication, minimise conflict, confusion and inefficiencies in the allocation of scarce resources. The ever-increasing compliance demands are also to be considered.

- The resource base of the arts requires growth and development with the creation of additional revenue streams for the sector and improving access to the arts.

The above analysis of the context and environment of the ACH sector suggests that it can no longer be business as usual, with the overwhelmingly strong message being the need for radical socio-economic transformation and the creation of an ACH sector which adds value through its nation building and social cohesion leadership, as well as the championing of programmes with an economic spin-off.

### 10.3 Our plan for programmatic alignments and reprioritisations of outputs

The programmes we have embarked on are therefore designed to address the challenge of radical economic transformation in a context of declining growth and diminishing demand. We do not thereby recommend a single-minded approach. We advocate an integrated plan to guide the department through the current downturn and position it for the future.

This will include working towards the implementation of the recommendations of the National Development Plan: Vision 2030 as our blueprint to reducing unemployment and inequality and eliminating poverty.

Consistent with these challenges, an engagement with the nation-formation and social cohesion mandate relates to the economic and social status of the majority of black poor citizens. The transformatory electoral mandate of the 2014 election, captured in the ANC’s election manifesto, and translated into outcomes, identified ‘active and responsible citizenship’, which included the promotion of social cohesion, as Outcome 14. This outcome was assigned to the Ministry of Arts and Culture to lead. The core of the resolution is the need to focus on development in order to drive social cohesion.

The Delivery Agreement for Outcome 14 pertaining to arts and culture points out that while the Constitution and its Chapter Nine Institutions have laid the foundations for an inclusive and just relationship between citizens and the state at different levels of government, as well as with other public and private agencies, the effective realisation of the full participation of all citizens remains uneven.

Therefore, our focus over the medium-term will be on improving the economic competitiveness of arts and culture, whilst pursuing its developmental mandate as public “custodian of the diverse cultures, languages and heritage of the people of South Africa and in the provision of support for the development of innovation across the full spectrum of the arts as creative, economic and social practices, and as bearers of a dynamic society.”
Our strategy is built on existing initiatives, categorised into five areas: stimulation of demand, audience development and consumption, heritage, a cultural observatory, and human capital development.

Informed by the aforementioned policy framework, the arts, culture, social cohesion and nation building mandate is captured in its vision of “a thriving arts, culture and heritage sector contributing to sustainable economic development, leveraging on partnerships for a socially cohesive nation.”

Pursuant to our strategy and vision, a major reprioritisation exercise has since been undertaken in order to allocate resources to specific programmes and interventions that optimise value for money. Consistent with the economic impact on budget allocations, spending baselines have since undergone rigorous review, areas of inefficiency and lower priority have been identified, and funds are being redirected towards key priorities, both new and existing, in recognition of the relationship between the composition of spending and sustainability over the long term.

b. The Phakisa programme

To give effect to these objectives, we have adopted a strategic plan – called the Phakisa programme – which (loosely translated) means ‘big results now’. Phakisa demonstrates clear directional thinking and experimentation as basic value doctrines for the creation of Virtuous capital, understood as a symbiotic relationship between the value we create as a result of our interventions in the economy, the value we capture, and the value we circulate for poverty alleviation.

This is necessary because, currently, the development of artists and cultural entrepreneurs is constrained by numerous challenges including access to information, access to funding, corruption, bribery and nepotism, lack of business skills, and access to tools of production. The Phakisa programme responds to these constraints by broadly advocating a paradigm shift from resource scarcity to a value for money approach to development. If funds are not readily available, the question pivots around getting more value for money at our disposal.

What it takes:

- Getting big results now means overcoming challenges entrepreneurs face of inexperience, weak networks, a lack of credibility and visibility, a lack of workspaces, and a lack of capital.
- Getting big results now means choosing low hanging fruit.
- Getting big results now means designing programmes that add value.
- Getting big results now means removing a paper pusher mentality from departments generally, which typically make it difficult for people to access real value, and introducing innovations that encourage experimentation in development models that work.
- Getting big results now means transcending factional struggles that have cascaded from the ANC to the department and now threaten to derail the transformation agenda of the ANC.

Against the above challenges, entrepreneurs possess ideas, enthusiasm, commitment, motivation, knowledge and peers. Harnessing these characteristics to achieve big results now is not only desirable but possible. Through the Phakisa programme, the Department of Arts and Culture (DAC) will be a catalyst for entrepreneurship and a bridge between opportunity seekers and opportunity providers, providing entrepreneurs with an enabling environment and the tools to build bridges to thriving enterprises.

Within the DAC itself we are made all the more aware of the critical need for employees with the requisite skills to create more content and generate more outputs in the process of advancing towards our mandate of social cohesion and nation-building.

Our strategic approach

Framed as a set of guiding principles, our philosophy and approach to radical economic transformation builds on the NDP’s vision and mission of creating a virtuous cycle of development.

As a broad strategic framework, the NDP proposes a multidimensional approach to confronting poverty and inequality. By forging a virtuous cycle of development, with progress in one area supporting advances in others, the NDP sets out a combination of interventions aimed at expanding opportunities, increasing employment, and raising incomes through productivity growth as interlinked challenges.

Social cohesion, the NDP states, needs to anchor the strategy. “If South Africa registers progress in deracialising ownership and control of the economy without reducing poverty and inequality, transformation will be superficial. Similarly, if poverty and inequality are reduced without
demonstrably changed ownership patterns, the country’s progress will be turbulent and tenuous."

What is clear is that we cannot afford a vicious cycle that sharpens social tensions. Achieving and maintaining this balance requires a confluence of several factors. A growing economy, rising employment and incomes, falling inequality, an improving education system, fertile conditions for entrepreneurship and career mobility will contribute significantly to uniting South Africa’s people.

To this effect, our approach advances the concept of Virtuous Capital (Value Creation, Value Capture and Value Circulation) as a basis for a formal social compact to help strengthen the alignment between growth, development and nation building, generating a virtuous cycle.

In essence:

- **Value Creation** – is the process of unlocking value through direct and immediate measures by government – given the skewed and limited nature of the market – aimed at the expansion and redistribution of opportunities?

- **Value Capture** – is the benefits to government from remittances to the fiscus generated by an expanding economy.

- **Value Circulation** – is the process by which income and opportunities are redistributed towards a more equitable, shared and sustainable growth path.

At issue in the arts and culture sector is new opportunities and new market creation. Rather than a model of sustainability that measures progress by efficiency gains alone, this model framework for radical change measures progress by the capacity of those changes to create new markets in a virtuous cycle of poverty reduction, innovation and economic expansion.

At the same time, this approach can be applied to all sectors and departments, and it is proposed that the NEC gives consideration to its deployment across the board.

What then are the components of the Phakisa programme that respond to the challenges we face?

**Recasting the Mzansi Golden Economy**

The limits of the MGE approach are an overriding concern with job creation over more sustainable imperatives of new enterprise creation as a basis for employment. Recognising these limits, our new approach to the MGE is focused on the development of artists through the following interventions:

- **Mentorship**
  This stage provides information, training, experience, and networks to artists.

- **Incubation**
  Once the mentorship stage has been implemented, artists will proceed to incubators in which information, experimentation, credibility and visibility, and much needed workspaces are provided.

- **Venture capital**
  From incubation, venture capital enables artists to access information, markets and finance partners.

The South African scenario is that the glut of artists at the base of the pyramid is fragile. Their progression to the next level – that of professionals – is the core of incubator interventions. The level of master is largely the preserve of cultural elite at present. Thus progression through different levels and genres is facilitated through the staged technical and entrepreneurial development interventions of our new approach aimed at transforming artists into creative entrepreneurs.

**MGE programme interventions**

- **National Academy for Cultural & Creative Industries of SA (NaCISA)**
  - NaCISA will provide training, not necessarily in the form of bricks and mortar, as a way in which to expand knowledge and expertise to people. The main emphasis of this programme is the provision of enabling training kits that are widely accessible.

- **Creative Arts Incubators**
  - Once people are trained, artists will progress to incubation centres across the country. These incubators will help provide artists with the tools for production. For example a film maker will be provided with the tools (camera equipment, etc.) to make films. The tangible measure of impact of the two programmes will be more local content.

- **Venture Capital**
  - Our Venture Capital programme will help artists who have progressed beyond the apprentice and professional (incubator) levels to access capital and markets. It is often the case that entrepreneurs struggle to sustain business
Tax Incentives - Our tax incentive interventions address both immediate concerns around Section 18A of the Income Tax Act and more comprehensive medium-term interventions pursuant to a tax regime that both enables artists to build sustainable enterprises and contribute towards the tax revenues of the country. In large measure, these programmes are aimed at making it easier for artists to expand sources of funding. We are currently designing a strategy to achieve this objective.

Audience Development - Our Audience Development programme will enable us to leverage our institutions and resources to create more customers who buy local content from artists.

Market Development - The final leg of the MGE programme is the creation of an Mzansi Golden Market that is able to pool the buying power of government and the private sector. Both government and the private sector will source local content that artists themselves create. One method of maximising the Mzansi Golden Market is an online platform that will expand market opportunities for creative entrepreneurs.

Loyalty programme - The Mzansi Golden Market will be complimented by a loyalty programme aimed at incentivising and creating more markets.

DAC entities - We are in the process of finalising revisions to the White Paper, the outcome of which will enable us to rationalise functions of entities within DAC. In order to get value for money, we will review our business models to both strengthen our capacity for service delivery and avoid wasteful duplication of scarce resources. There are currently a proliferation of entities and programmes within the DAC that prohibit the achievement of economies of scale and the efficient use of resources. The utility of our entities will thence be measured by their impact on social cohesion and nation building. But most importantly, these interventions will aim at making sure that our entities spend more money on delivering programmes rather than on salaries and related costs.

Cultural Diplomacy - Our Cultural Diplomacy programme will introduce Africa month as a festival of ideas. Where previously we had Africa day, we have now extended the occasion to a month-long celebration. These celebrations will be marked by performing arts including music, dance and theatre sessions, dialogues, business conferences, and culinary festivals.

Programme of Seasons - This programme will continue to focus on BRICS countries. To this effect, we are currently exploring a China season which will include cultural exchange programmes aimed at sharing our heritage and ideas. In similar vein, Russia will be next.

Liberation Heritage Route - The liberation heritage route programme, aimed at celebrating our struggle heroes, will be an economical journey of heritage routes widely accessible to people.

Unite Schools clubs - These clubs will be an avenue for fostering our Constitutional values in schools. The programme allows learners to come up with projects at school level and increase their application of constitutional values. The programme will also look at sports projects and arts and culture projects, ultimately expanding to other projects such as environmental and health projects in schools. The schools club concept will be announced in Mandela Day, that day being the 22nd of November.

Language - The Official Language Act will be implemented across government departments in our effort to encourage the use of official languages. To this effect, the department will be making sure that the implementation of the use of official languages is monitored. In that regard, one of the critical elements is making sure that we turn around the management challenges of our language board and also encourage the use of the Khoisan and San languages.

Libraries - We currently have a conditional grant from National Treasury for the development and upgrade of libraries. The key priority will be rolling out the programme, especially in rural areas, to make sure that there is a culture of reading and in the process guarding against libraries becoming white elephants. To this effect, we will be developing strategies that increase their utilisation and impact.

Community Arts Centres - Finally, we will be reviewing our Community Arts Centre strategy to avoid them falling into derelict states, upgrade
those that need improvement and encourage greater use of the facilities by communities by introducing more programming.

**Reviewing the White Paper**

In order to increase the contribution of this sector to nation building, social cohesion and economic growth and development, we are reviewing the White Paper on Arts and Culture.

**Preserving our cultural heritage**

We should ensure the development and promotion of indigenous languages, with a view to including the programme in the education curriculum. In this regard, indigenous language policy should seek to ensure that one African language should be compulsory in schools depending on the region. Special emphasis should be placed on promoting the arts in historically marginalised communities to ensure the building of patriotism and national consciousness.

As the ANC we should remain at the forefront of promoting and preserving our cultural heritage but ensure that all cultural practices are not in conflict with the South African Constitution with special reference to human rights and gender. This includes ensuring that all patriarchal practices are discouraged and that practices such as *ukuthwalwa* and *ukungenwa*, which are in their nature gender oppressive and abusive to women and children, must be outlawed.

We must also ensure that measures to reduce Xenophobia and to protect people from discrimination based on sexual orientation.

**Measuring outputs**

The key to the success of our programmes is effectively measuring their outputs within DAC. Lean processes, value for money, opportunities generated, and social cohesion are key success measures within the DAC. At stakeholder level, success measures include the number of cultural entrepreneurs impacted, meaningful opportunities created, financing provided or leveraged, and the ‘feel good’ factor.

Ultimately, the degree of social cohesion and nation building is the cross-cutting measure of success. Delivering our programmes requires that we think outside the box. This in turn means taking a very experimental approach to designing and driving our interventions.

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**11. ON SPORTS AND RECREATION**

**11.1 Policy pronouncements**

The following policy directives have been scrutinized and pronouncements regarding sport and recreation extracted.

**2012: National Development Plan**

The NDP recognizes that sport plays an important role in promoting wellness and social cohesion, and treats sport as a cross-cutting issue, with related proposals in the chapters on education, health and nation building.

The NDP sets out five long-term nation building imperatives for South Africa. These are as follows:

- Fostering constitutional values
- Equal opportunities, inclusion and redress
- Promoting social cohesion across society
- Active citizenry and leadership
- Fostering a social compact

Sport and recreation contribute substantially to promoting social cohesion across society and detailed initiatives in this regard are captured in the Medium Term Strategic Framework.

It is acknowledged that sport and physical education are an integral part of a child’s development and with this in mind the Department of Basic Education (DBE) and SRSA have taken important steps to reintroduce sport in schools. The NDP recommends that this should be expanded so that all schools develop and maintain infrastructure for at least two sports. All communities should have access to sport facilities and encourage the formation of amateur leagues. The NDP proposes an initiative to encourage South Africans to walk, run, cycle or play team games on the second Saturday of every month. The extensive network of formal and informal sporting clubs can be mobilized to organize these events. Expanding opportunities for participation in sport will help to ensure that sports teams represent all sectors of society. It will also ensure that South Africa produces results that match its passion for sport. The NDP recognizes health as being everyone’s responsibility, including city planning officials. Many functions of a city government, like providing pedestrian walks, cycling lanes, open parks and street lighting, can have a positive effect on physical activity which is essential for health outcomes.
Although there is alignment between the NDP and the DBE Action Plan and Vision for Schooling in 2025, it does identify, amongst others, that sport, school health, arts and culture require attention. The NDP encourages sport and physical education. They are an integral part of the holistic development of a learner. Schools are where talent is identified, career choices made (including careers in sport) and habits learnt. Given the growing problem of obesity, the habit of leading an active life-style can be developed at a young age through participation in sport.

The NDP states that the best place to instill changes in lifestyles and behavior is at school. To this end the following proposals are made:

- Physical education should be compulsory in all schools.
- Every school in South Africa should employ a qualified physical education teacher.
- Schools should have access to adequate facilities to practice school sport and physical education.
- All schools should be supported to participate in organized sport at local, district, provincial and national levels.
- School health promoting teams should be established in each district and should visit schools regularly.
- A culture of wellness must be established in communities and at work.
- Every ward should have adequate facilities for basic exercise and sporting activities.
- There should be incentives for employers to provide opportunities for employees to exercise and have access to information about healthy eating.

The NDP acknowledges that in the area of sport there is a need to showcase South Africa and promote its presence and leadership on strategic issues as part of its “soft power” in international relations. Similarly, as a middle-income African country, there needs to be a more comfortable fit between critical domestic socio-economic demands, regional and continental obligations and international cooperation through BRICS (Brazil Russia India China & South Africa) and the world. Foreign policies cannot be disassociated from these demands and obligations. They should be made through engaging with domestic constituents like the business community, the Development Bank of South Africa and arts, culture and sporting bodies, which ultimately constitute the relations between countries.

In terms of building safer communities the NDP acknowledges that initiatives in this regard should involve the youth and could be run by sectors, such as education, sport, arts and culture, and social welfare, coordinated by community safety centers.

The NDP also acknowledges the significant role that sport plays with regards to fostering nation building. The NDP envisions a South Africa where all will be more conscious of the things they have in common, rather than their differences, where their shared experiences will cut across divisions of race, gender, space and class.

The second transition – Building a national democratic society and the balance of forces

Apart from the state-building and socio-economic aspects of nation-formation, we must also continue to pay attention to the role of arts and culture, religion, language, media, tradition, and sports as they evolve and contribute to an emerging and diverse South African identity. These too remain terrains of struggle, because aspects of each of these may well detract from our non-racial and non-sexist objectives, or even counteract our democratic goals.

Our approach to social transformation must therefore be people-centered by involving people in their own development, through the public provision of a minimum package of publicly delivered transfers, goods and services known as a ‘social floor,’ and by providing a safety net for the most vulnerable. This includes providing basic rights to shelter, food security, health services, education, water and sanitation, and a social security network. It also includes other programs that promote the physical, social, safety and emotional
well-being of all in our society, including through culture, community safety and sports. It also involves a focus on the values of caring, excellence; cooperation and solidarity that we want to build as part of the social capital for social and economic transformation.

2014: National Election Manifesto

A phased-approach to the introduction of compulsory African languages in schools will be adopted. We will continue to promote sports, arts, heritage and culture at our schools.

11.2 Achievements

In the past eighteen years we have made significant improvement in the development of all sporting codes in the country. These include:

Physical education is now a stand-alone and a compulsory subject in schools,

■ Since 1994, sport has been a unifying force in South Africa. Sporting code institutions such as the South African Council on Sport, the South African Non-Racial Olympic Committee and the National Sports Council were consolidated by building a democratic and unified sports system.

■ A dedicated focus was placed on transforming this sector to increase and ensure equitable access to sporting opportunities. Sports interaction has contributed towards increased interaction across race and class.

■ From being a pariah state, South Africa is now an affiliate of the Supreme Council of Sport (SCSA, Zone VI) and also participates in various international sport organisations and events, such as the Commonwealth Games, Olympic Games, Paralympic Games, World Games, and World Antidoping Agency, and the International Antidoping Arrangement.

During the period 1994 to 2005, Sport and Recreation South Africa constructed 744 sport and recreation facilities throughout the country. South Africa has also successfully hosted a number of key international sporting events, most notably the Rugby World Cup in 1995, the Africa Cup of Nations in 1996 and the FIFA World Cup in 2010. These events strengthened the glue that keeps this country together by fostering an overarching national identity as well as a spirit of camaraderie. They also contributed significantly towards developing South Africa as a tourist destination.

The sixth edition of the Development Indicators was published in 2012 by the Minister in the Presidency for DPME. As with previous publications, DPME employed quantitative measures to track the progress made in implementing the government policies based on data sourced from research institutions, government databases and official statistics.

In an analysis of the findings on public opinion on race relations it was found that “at a 39% average for 2012, public perceptions about race relations have reached a record low. This could be signaling an urgent need for sustainable nation-building initiatives aimed at improving social cohesion in the country.” It is clear that sport and recreation have a role to play here in promoting social cohesion and eliminating racism while building the nation as they provide a tool for all South Africans to unite and strive towards common goals. Sport and recreation also offer a medium to recognise our common humanity in meaningful ways.

When exploring pride in being South African it was noted that national pride was at its highest (90%) during the economic boom years and at it’s lowest at the height of the economic crisis (65%). Since 2009, pride in being South African significantly increased. The 2012 publication on the Development Indicators recognises that the hosting of the 2010 FIFA World Cup™ could have partly contributed to this increase in national pride. Sports events commonly address the indicator of belonging and inclusion by showcasing and valuing the contributions of different groups of residents. These events can aim to create positive social capital by facilitating friendly interactions among groups who normally rarely meet. By involving marginal groups in public activities in a “safe space” sports events can promote civic engagement and participation as well. This was a finding in a 2012 African Centre for Migration and Society (ACMS) research report that studied social cohesion interventions in fourteen South African townships.

There is still a need to ensure the organisation and development of all sporting codes in the country. In this regard, we welcome the adoption of the new sports and recreation plan which seeks to ensure the development and growth of the sports sector and the welfare of the sporting fraternity.
In order to fully realise the implementation of the vision of building a competitive sporting nation we must resource sport in the country from the public fiscus at all levels. The MIG must be ring-fenced so as to facilitate investments in sports and recreation infrastructure.

The utilisation of transformation charters and scorecards to transform ‘Sporting Franchises’, Sporting Councils and Federations and the High Performance Centres must focus on local talent development. This includes targeting developing sporting facilities that are historically not available in other parts of the country, e.g. swimming.

The Adopted National Sport and Recreation plan (NRSP) must include the decision to implement the quotas as a means to attain sporting excellence in the medium term.

We will focus on indigenous and grassroots sport development over the next 10 years so that the need for quotas is phased out.

All sport facilities must enable access to people with disabilities and that special attention must be paid to children with disabilities.

Sport development must also include targeting an active ageing programme, and this must be done working with all sectors of society.

Social Transformation Policy Discussion Document: 2012

Since, culture, sports, recreation and heritage play integral components in the realisation of development and social upliftment through contributing to nation building and economic as well as social development, these sectors are central in the pursuance of most economic and social outcomes including job creation and economic growth.

Apart from the state-building and socio-economic aspects of nation-formation, we must also continue to pay attention to the role of arts and culture, religion, language, media, tradition, and sports as they evolve and contribute to an emerging and diverse South African identity. These, too, remain terrains of struggle, because aspects of each of these may well detract from our non-racial and non-sexist objectives, or even counteract our democratic goals.

Our approach to social transformation must therefore be people-centred by involving people in their own development through the public provision of a minimum package of publicly delivered transfers, goods and services known as a ‘social floor’, and by providing a safety net for the most vulnerable. This includes providing basic rights to shelter, food security, health services, education, water and sanitation, and a social security network. It includes other programmes that promote the physical, social, safety and emotional well-being of all in our society, including through culture, community safety and sports. It also involves a focus on the values of caring, excellence; cooperation and solidarity that we want to build as part of the social capital for social and economic transformation.

A key aspect of social and economic transformation is investment in the education and training and the health of all our people. The critical questions and programmes for the next few decades therefore include developing and preserving our arts, culture, sports, heritage and language to promote social cohesion and nation-building. This will require a coordinated approach, deepening political and ideological development in the ANC, deliberately developing progressive intellectuals, organic and otherwise, and ongoing engagement on the roles of media, education, arts and culture, sports and other institutions that produce and reproduce knowledge, ideas and values.

The description of multiple deprivations is an important and framing statement in that it recognises that poverty is not only defined by a lack of income (income poverty), but by the fact that people are rendered vulnerable and caught up in systemic poverty through lack of opportunity to work, limited access to quality education and training (human capability assets), through inadequate access and exposure to sports and recreation, to inadequate access to safe drinking water through not having access to physical assets such as land (physical assets), inadequate health, they live in unhealthy environments and their safety and security are not sufficiently protected and guaranteed.

In this regard, the provision of human settlements must be recognised as an integral part of local governance and necessary for the promotion of social cohesion. The development of cohesive communities requires the availing of all the necessary amenities and assets. The current local land acquisition strategies, planning and land use processes must be reviewed to ensure communities are provided with access to
basic services and integrated human development including the provision of sports, recreation, arts, culture and communal heritage.

Since the introduction of these policies, there have been some significant changes as is evident in sporting codes, in schools and in the development of integrated communities. Our people are now more tolerant of each other’s diversity.

However, after 17 years efforts of sport and recreation transformation has been largely unsuccessful. In its attempts to transform and re-invent itself, the concept of transformation and the motivations for and against the need thereof have been oversimplified, often emotional, not clear and sometimes misunderstood.

To implement, manage and monitor sports transformation, a multidimensional Transformation Performance Scorecard will be used. The Scorecard will enable the sport system to measure where it is in its transformation journey, whether it is improving and to set targets. It is intended to reflect a balanced and timely view of sport and recreation performance in implementing transformation strategies in proposed dimensions.

In recognising this role, Sport and Recreation South Africa (SRSA) finalised an updated White Paper on sport and recreation and a Road Map outlining priority areas. In advancing this Roadmap, SRSA adopted the National Sport and Recreation Plan (NSRP) at the National Sport and Recreation Indaba (NSRI) held in December 2011 to address strategic focus areas to assist with broadening the base of sport and recreation in South Africa. The Roadmap and NSRP reflect on the limitations, misconceptions and perceptions of the current transformation discourse in the sporting sector and calls for a greater sense of urgency, resourcing and linkage to the schools programmes. It is therefore imperative that the Sports and Recreation Act be amended to integrate new developments and important policy intentions. Such amendments should also provide for the revision of the appointment and accountability of the South African Sport Confederation and Olympic (SASCOC) board and recreation Federations.

The NSRP emphasises Schools Sport as the ‘bedrock’ of South Africa’s sport strategy for the coming 20 years and being key to laying the foundation for both an active and a winning nation. It is therefore imperative for all branches of the ANC and the broader movement and society at large to contribute to the NSRP. The NSRP also facilitates for increasing representative participation levels in all levels of various sports codes, so as to foster a common South African identity and social cohesion.

The NSRP paves the way to ensure that physical education is compulsory and implemented in all schools and that schools sport contributes to the development of sport in line with national priorities. Therefore, there is a need for all branches of the ANC and the Alliance to assist in identifying sport and recreation legends and veterans to assist the country into the campaign to resuscitate schools and community sport.

Pursuant to our programme of massification of sport and recreation, we need to mobilise society at large especially local sports councils and branches of the ANC to implement grassroots sports programmes such as Modified Sport (in order to take youth out of the streets) as an important foundation for sporting codes. The purpose of the Modified Sport is to attract especially young people by modifying rules and equipment with the focus on fun and enjoyment.

The majority of municipalities in South Africa do not use the allocated budget for sport and recreation infrastructure for its mandated purpose. Therefore, all structures of the movement should be encouraged to participate fully and influence the IDP processes with regard with sport and recreation infrastructural development.

The ring-fencing of 15% of Municipal Infrastructure Grant (MIG) for building sport and recreation facilities in May 2011 was an important step to address backlogs. It for this reason that this ring-fenced 15% should be transferred to the coffers of the Department of Sport and Recreation with immediate effect as per the Resolution of the 2007 National Conference of the ANC. This should be complemented by the deployment of Community Development Workers (CDW) to assist in this exercise which will include, among other things, sport and recreation facilities audit.

In order to ensure alignment, it is proposed that all structures of sport and recreation especially sport federations and sport councils should be redemarcated in line with the Municipal Demarcation Board from 2012 to 2013 for integrated and seamless planning and service delivery.

All branches of the ANC, Alliance and fraternal organisations should embark on a sustained campaign
to establish and strengthen local sport and recreation councils. Branches of the ANC should mobilise SANCO local structures, COSATU locals, and SACP districts as well as broader society to establish Sport and Recreation Subcommittees where they operate. This should be coupled with encouraging cadres of our movement to take an interest in sport including standing and be elected and be active in Sport and Recreation structures from local, district, regional, provincial and national levels. 

This should include, but not be limited to, strengthening the delivery system of sport and recreation through the empowerment of the people from our localities as well as the South African Sport Confederation and Olympic Committee (SASCOC) and Sport Councils at ward, local, regional, and provincial level; and in the end work towards greater cooperation with strategic partners between our branches, SRSA, the Police, Defence Force, and other related structures, including Correctional Services that will enhance sport participation while in service or serving a term as well as the employment of athletes giving them a career while offering opportunities for them to train at an appropriate level.

All this will also be successful if our branches and the ANC government focus on a well-coordinated education and training programme and functional Athlete’s and Coaching system. SRSA must as a matter of urgency establish an Athletes’ and Coaches’ Commission to pave the way towards the development of sport and recreation leaders that will adhere to sound governance principles and guide South African sport and recreation to higher and new heights.

A key proposal in the National Sport and Recreation Plan (NSRP) is the Transformation Charter which is aimed at establishing a competitive and demographically representative sport system guided by a value set based on equal opportunity, fairness, just behaviour, equitable resource distribution, and empowerment. In developing and anticipating the implementation of the Charter, SRSA should implement grassroots based sport development, talent identification and academies so that in the long run the quota system is abandoned. Such implementation must also include Transformation Scorecards and Monitoring and Evaluation systems and bodies.

In order to coordinate and monitor the implementation of sports and recreation oriented plans it is proposed that the ANC establish a National and Sports Recreation Desk as a matter of urgency as agreed by the 52nd National Congress. The work of Sports and Recreation Desk should be complemented by local sports and recreation councils. This Sport and Recreation machinery should be charged with monitoring and evaluating the implementation of the social cohesion programme of the STC whilst also conducting audits of community members especially the youth who have been involved in sport or/and having some skills in athletics and coaching to enroll in the SRSA database of athletes and coaches.

To bring about equity and fight poverty the state would do well in putting in place a platform or social floor to facilitate for sustainable livelihoods. This can be achieved by; (1) the deepening of the social protection system, (2) a strengthening of delivery in education and health services, (3) a vigorous promotion of sports, arts, recreation, culture and heritage, (4) improved access (especially to young mothers) to social services, and (5) reduced cost of living. Such responsive measures must be complemented by proactive labour market measures which should link the poor and potentially labour active social grant recipients to employment opportunities.

This will require that the state determines and implements a minimum and acceptable package of quality and publicly delivered transfers, goods and services so as to enable households to access opportunities and engage in sustainable livelihoods. This may include access to quality and free education, health, water, sports and recreational opportunities, affordable and accessible transport and access to affordable quality nutrition. The implementation of such a package of services would ensure improved livelihoods for vulnerable individuals, families and households. This would contribute to the reduction of the number of people living below the poverty line, and would facilitate for human capital development and upward class mobility.

Additional programmatic responses which engage particularly young people in the sports and recreation sector will be needed to complement the legislative and policy level proposals to which end additional local level sports and recreation facilities have to be built.

The functionality of Sport and Recreation South Africa (SRSA) is premised on the Constitution of the Republic of South Africa, Act 108 of 1996, which guarantees the
right to social security in Schedule 27. The Constitution affirms the democratic values of human dignity, equality and freedom. In line with these Constitutional imperatives, SRSA has been assigned the powers and functions to develop and implement national policies and programmes regarding sport and recreation in the country.

The third revision of the White Paper addressed the afore-mentioned issues. This White Paper was finalised in 2012 together with the development of a Road Map that outlined priority areas for sport and recreation. An increased and focused commitment at all levels of sport would be advantageous for the country since this could reap greater health, economic, social and international benefits. This being the case, government must consider expenditure on sport and recreation as a worthwhile, and indeed a necessary investment in the future of our country and its people.

On 18th May 2012 Cabinet approved a NSRP for South Africa. This plan covered a period of more than 10 months and included contributions from all role-players that comprise the sports sector in the country. The NSRP, underpinned by a declaration of intent, was adopted at the National Sports Indaba that took place in Midrand from 21 to 22 November 2011 with the theme: “From policy to practice”.

The strategic focus of the NSRP is to reconstruct and revitalise the sport and recreation sector for an active and winning nation whilst improving the quality of lives of all South Africans. In addressing these challenges the NSRP provides the framework for a coordinated, integrated and aligned national sports system within which all component parts are focused towards a common set of goals and objectives.

This however has become an unfunded mandate. In the initial Medium Term Expenditure Framework period the SRSA requires approximately R10b for the 1st year reducing to R7.8b by the 2nd year and stabilising at R4b annually to roll-out and implement the entire plan for the 20 year life cycle of this plan. This will leave a lasting legacy for the country in addressing facility backlogs, the training of coaches, and the establishment of sustainable clubs and so on. A phased-in approach has been designed to ensure that various aspects can be implemented on an incremental basis.

Considering the prevailing financial situation, the Department realises that key funding priorities need to be identified and in this regard the following are proposed:

- Development and maintenance of sport and recreation facilities;
- Transformation in sport;
- School sport;
- Community sport; and
- Recreation.

The basis for selecting these priorities was the fundamental value placed on them in both the NDP and in the Medium Term Strategic Plan (MTSF).

11.3 Challenges

Organisational factors that influence our ability to effectively implement programmes and policies include:

- Inadequate financial resources to address historical backlogs and current needs;
- Sectorial capacity constraints;
- Limited revenue streams for sport;
- A politically incorrect view that sport and recreation is not an important portfolio; and
- A skewed participation landscape with severe accessibility limitations.

For the transformation vision for sport to be realised, school sport must be adequately resourced. A re-configuration of the existing funding models is required to fully implement the National Sport and Recreation Plan and in so doing to effectively address the policy pronouncements made by the ANC.

The government must ensure that there are adequate facilities for the majority of the population to play sport and that these are adequately maintained. This does not need expensive buildings, but recreational environments with basic facilities that can function as community hubs. Communities should organise sporting events, leagues, championships and generally look after the sports facilities once they are installed or developed.

As the MTSF articulates government’s commitment to implementing the NDP and delivering on its electoral mandate as well as its Constitutional and statutory obligations, it is critical that these priorities are adequately resourced. Outcome 14, where sport and
recreation feature prominently, acknowledges that despite progress since 1994, the South African society remains divided. The privilege attached to race, class, space and gender has not yet been fully reversed, and the quality of services continues to be affected by who you are and where you live. Apartheid spatial patterns mean limited opportunity for sharing of space across race and class and thus there is still limited interaction across race. The sharing of common space across race, space and class will be enabled through instituting sustained community dialogues, improving public spaces and services and elevating sport at both community and school levels.

Sport and recreation contribute notably in sub-outcome 3 of Outcome 14 (Promoting social cohesion across society through increased interaction across race and class) and have committed to the following for the MTSF:

- Increase the access of South African citizens to sport and recreation activities.
- Provide mass participation opportunities.
- Advocate transformation in sport and recreation.
- Provide adequate sport and recreation facilities and ensure that these are maintained.
- Develop talented athletes by providing them with opportunities to excel. Support high performance athletes to achieve success in international sport.

The Ministry and the Department have identified the following key critical success factors to achieve these priorities:

- Consolidation of the Municipal Infrastructure Grant (MIG) into a new National Grant administered by Sport and Recreation South Africa. This will radically change the sport facilities landscape of the country and contribute towards addressing the imperative of shared public spaces.

- Acceleration of the transformation agenda and the imposition of penalties to non-compliant sport and recreation bodies which will radically change how transformation in sport has been approached in the last 20 years.

- Allowing Sport and Recreation South Africa to be a lead department in driving the delivery of school sport which will radically change how school sport is being approached and how it is delivered in the country.

- Given the historical empirical evidence that sport plays a pivotal role in instilling positive behaviour, encouraging healthy lifestyles, and promoting social cohesion and nation building, the current funding models and the National Lotteries Act must be reviewed. A ticket levy is proposed and the Draft Bill on the Ban on Alcohol Advertising needs to be reconsidered.

- The recreation portfolio has in the past generally been neglected and with a heavy focus on formalised sport it suffered severely. The Committee should take a concrete a clear resolution on recreation as key to the promotion of healthy lifestyles.

11.4 Strategic Interventions

The NDP recognises that sport plays an important role in promoting wellness and social cohesion, and treats sport as a cross-cutting issue, with related proposals in the chapters on education, health and nation building. The NDP sets out five long-term nation building imperatives for South Africa. These are as follows:

- Fostering constitutional values
- Equal opportunities, inclusion and redress
- Promoting social cohesion across society
- Active citizenry and leadership
- Fostering a social compact

It is acknowledged that sport and physical education are an integral part of a child’s development and with this in mind the Department of Basic Education (DBE) and SRSA have taken important steps to reintroduce sport in schools. The NDP recommends that this should be expanded so that all schools develop and maintain infrastructure for at least two sports. All communities should have access to sport facilities and encourage the formation of amateur leagues. The NDP proposes an initiative to encourage South Africans to walk, run, cycle or play team games on the second Saturday of every month. The extensive network of formal and informal sporting clubs can be mobilised to organise these events.

Expanding opportunities for participation in sport will help ensure that sports teams represent all sectors of society. It will also ensure that South Africa produces results that match its passion for sport.
The NDP recognises health as being everyone's responsibility, including city planning officials. Many functions of a city government, like providing pedestrian walks, cycling lanes, open parks and street lighting, can have a positive effect on physical activity which is essential for health outcomes.

The NDP states that the best place to instill changes in lifestyles and behaviour is at school. They are an integral part of the holistic development of a learner. Schools are where talent is identified, career choices made (including careers in sport) and habits learnt. Given the growing problem of obesity, the habit of leading an active life-style can be developed at a young age through participation in sport.

To this end the following proposals are made:

- Physical education should be compulsory in all schools.
- Every school in South Africa should employ a qualified physical education teacher.
- Schools should have access to adequate facilities to practice school sport and physical education.
- All schools should be supported to participate in organised sport at local, district, provincial and national levels.
- School health promoting teams should be established in each district and should visit schools regularly.
- A culture of wellness must be established in communities and at work.
- Every ward should have adequate facilities for basic exercise and sporting activities.
- There should be incentives for employers to provide opportunities for employees to exercise and have access to information about healthy eating.

Although there is alignment between the NDP and the DBE Action Plan and Vision for Schooling in 2025, it does identify, amongst others, that sport, school health, arts and culture require attention. In divided societies like South Africa, levels of trust are low and groups tend to prioritise their immediate sectoral interests. The National Planning Commission (NPC) suggests the public signing of an agreement which represents an important symbolic commitment by leadership and a public statement of what is important.

It is further suggested that this should not be a once-off event. Leaders of sport and faith-based organisations, unions, non-governmental organisations (NGOs), cooperatives, student organisations, governing bodies, traditional leaders and traditional healers should discuss the agreement and address obstacles to implementation.

Sport and recreation teach discipline and are an integral component of a healthy lifestyle. They enable South Africans to share common space. But the conditions for a culture of physical activity also need to be addressed. For example, authorities must ensure that the design of cities, suburban areas and rural villages encourages people to run, walk and cycle, as mentioned above.

The NDP proposes that every ward should have adequate facilities for basic exercise and sporting activities and suggests improving public services and spaces as well as building integrated housing and sports facilities in communities to ensure sharing of common spaces across race and class. It also encourages a holistic approach to low-cost housing developments that include local recreational facilities. Daily interactions on an equal basis build social cohesion and common understanding. These interactions will be promoted effectively when South Africans share more public spaces, as was the case briefly during the 2010 FIFA World Cup.

The NDP recognises water as being a foundation of activities for tourism and recreation and reinforces the importance of its protection. The NDP also highlights the importance of maintaining ecosystem services such as those delivering cultural benefit, such as recreational opportunities, as fundamental to achieving South Africa's social and economic development objectives.

For the transformation vision for sport to be realised, school sport must be adequately resourced. The government must ensure that there are adequate facilities for the majority of the population to play sport and that these are adequately maintained. This does not need expensive buildings, but recreational environments with basic facilities that can function as community hubs. Communities should organise sporting events, leagues, championships and generally look after the sports facilities once they are installed or developed. Corporate investments in grassroots sport should also be encouraged.
NGC 2015 DISCUSSION DOCUMENTS

The NDP acknowledges that in the area of sport there is a need to showcase South Africa and promote its presence and leadership on strategic issues as part of its "soft power" in international relations. Similarly, as a middle-income African country, there needs to be a more comfortable fit between critical domestic socio-economic demands, regional and continental obligations and international cooperation through BRICS (Brazil Russia India China & South Africa) and the world. Foreign policies cannot be disassociated from these demands and obligations. They should be made through engaging with domestic constituents like the business community, the Development Bank of South Africa and arts, culture and sporting bodies, which ultimately constitute the relations between countries.

In terms of building safer communities the NDP acknowledges that initiatives in this regard should involve the youth and could be run by sectors, such as education, sport, arts and culture, and social welfare, coordinated by community safety centres.

It is clear from the excerpts above taken from the NDP that sport and recreation play a pivotal role in promoting wellness and social cohesion and that benefits can be derived by both the education and health sectors. The NDP also acknowledges the significant role that sport plays with regards to fostering nation building. The NDP envisions a South Africa where all will be more conscious of the things they have in common, rather than their differences, where their shared experiences will cut across divisions of race, gender, space and class. SRSA has heeded the call to prioritise the NDP and a strategic decision has been taken to support identified initiatives that contribute directly to the vision of the NDP.

Sport and recreation infrastructure
The ANC 2007 National Conference in Polokwane resolved that funding for sport and recreation currently under the Municipal Infrastructure Grant (MIG) be diverted to the Departments of Education and Sport and Recreation. However, Sport and Recreation Infrastructure is still a challenge.

The ring-fencing of 15% of the Public Municipal Service Infrastructure component of the Municipal Infrastructure Grant (MIG) towards building sports facilities in rural areas, as gazetted in May 2011, was an important step to addressing the shortage of sports infrastructure in municipalities. However, the funding mechanism does not take into consideration the significant funds needed for the maintenance costs of these. As SRSA remains adamant that the most feasible avenue to address this issue is in the form of dedicated funding, it has approached National Treasury to consider the establishment of a Conditional Grant, managed by the Department and dedicated to provide adequate sport and recreation facilities. The original planning was that the transfer of the MIG funding would be allocated to the SRSA budget in the 2014/15 financial year. This has been delayed by a global review of grant funding.

Currently municipalities are expected to deliver sport and recreation through the Municipal Infrastructure Grant. Our observations and monitoring of the spend on this ring-fenced funding over the past two financial years indicates that most municipalities, specifically the rural municipalities, do not spend this ring-fenced funding on its intended purpose.

We accordingly proposed the creation of a new Building for Sport and Recreation Grant made up of the currently identified and ring-fenced funding. The Minister of Finance is called upon to support this initiative. The proposal is that the ring-fenced amounts should be consolidated and transferred to Sport and Recreation South Africa to administer. No new funds are required. This will enable sport and recreation facilities to be rolled-out directly and through intermediaries (these will include state entities with capacity to deliver in the building and maintenance environment and non-profit bodies such as the Sports Trusts and Dreamfields, recognised sport and recreation bodies, municipalities and the private sector).

The National Sport and Recreation Plan should be supported by adequate and well maintained sport and recreation facilities including in all schools of the Republic of South Africa.

Transformation in sport and recreation
There has recently been a greater sense of urgency, pro-active and coordinated engagement with regards to the transformation of South African sport. The main tool used is the Transformation Scorecard as reflected in the NSRP. The Transformation Scorecard is a multi-dimensional model defining an entity's transformation profile in more than one area.
Under the leadership of the Eminent Persons Group (EPG) appointed by Minister Mbalula, a pilot transformation audit of five Federations (Rugby, Cricket, Football, Netball and Athletics) was conducted at the end of 2013. A report in this regard was released at a media briefing on 25 March 2014.

In appointing this Group the Minister took into account issues of representativity, gender, disability and experience and in the South African and international sporting context.

The decision to appoint the Eminent Persons Group was taken after wide consultation within the Sporting and Recreation community and eventually the adoption of a resolution by the Sport and Recreation Indaba on the need to monitor and evaluate the implementation of the Transformation Charter with its stated scorecard by the federation.

The completion and presentation of the pilot evaluation of transformation status of the five selected sports codes was an important milestone and a stepping stone for sports transformation. This preliminary multi-dimensional assessment goes beyond the traditional focus on racial representivity in our national teams to include other critical variables such as gender, access to infrastructure and participation opportunities, governance practice, employment equity and leadership diversity, preferential procurement as well as the demographic profiles of coaches and referees in these codes.

The following resolutions were adopted in this regard:

- Committee adopts the steps being taken to bring about total transformation in sport and recreation in South Africa.
- The Committee implores all ANC structures to launch all-round campaigns for the creation of transformation forums and embarking on programmes to revitalize transformation processes in all sporting codes from local to national levels.
- The Committee adopt a resolution making it a prerequisite and mandatory for all sporting codes to publish the outcomes of their transformation plans quarterly in line with the score-card and also submit quarterly reports to the Minister of Sport and Recreation.
- The Committee adopts a resolution for government and private sector to increase to funding of activities and action plans arising from the findings and recommendations of the Eminent Persons Group.

**School sport and compulsory physical education**

Progress has been made in the implementation of the Resolutions of the 52nd National Conference with regard to school sport and compulsory physical education in all schools of the Republic of South Africa.

The School Sport programme and compulsory physical education will assist the government to achieve its national goals such as fight against crime and communicable and non-communicable diseases including lifestyle diseases, and increasing the level of school attendance and pass rate.

The NDP pertinently states that the best place to instill changes in lifestyles and behaviour is at school. To this end the following proposals are made:

- Physical education should be compulsory in all schools.
- Every school in South Africa should employ a qualified physical education teacher.
- Schools should have access to adequate facilities to practice school sport and physical education.
- All schools should be supported to participate in organised sport at local, district, provincial and national levels.
- School health promoting teams should be established in each district and should visit schools regularly.
- A culture of wellness must be established in communities and at work.
- Every ward should have adequate facilities for basic exercise and sporting activities.
- There should be incentives for employers to provide opportunities for employees to exercise and have access to information about healthy eating.

School Sport has been identified as a key priority over the next MTSF. This, we believe, is the bedrock of our entire sport and recreation development continuum. However resources for this critical programme have not been made available to roll-out this programme to scale. The debate should support the critical
matter of funding for school sport. Our firm proposal is that funding for sports attire, equipment and school competitions be made available to SRSA. It is estimated that the funding for this programme will cost approximately R870 million annually.

There are currently loosely organized and erratic tournaments played over the weekends and holidays. They are largely unsupported and generally not funded. The existing Community Based Sport and Recreation Hubs service a fraction of the need in communities. The funding required (R17 million) will be utilized to support these tournaments in major townships in the Republic and also to fund the Rural Sport Improvement Project being implemented with the House of Traditional Leadership.

In this regard, we resolved to:

- Make physical education a stand-alone subject or learning area in all schools of the Republic.
- Make physical education/training compulsory. This should be implemented/practiced at least 2½ hours per week in all schools.
- The Department of Higher Education in collaboration with the Department of Basic Education, including Sport and Recreation, should draft and adopt a Policy for Sport and Recreation Education and Curriculum for Teacher Training Colleges as well as a Policy for the Recruitment of Sport and Recreation Educators as to assist as coaches in the school sport programmes and facilitators in the physical education programmes. All learners should be obliged to choose at least one or more sporting or art and culture activities at registration at the beginning of each year.
- All ANC structures from the branch to province and society should be mobilised to give full support to the school sport programmes including the school sport competitions.

**Alternative funding sources**

SRSA acknowledges the funding pressures currently restraining government, and as such the possibility of two alternative sources is being tabled for consideration. The current debates and the Draft Bill on the Ban on Alcohol Advertising will negatively affect revenue streams to sport, arts and culture. We believe that the Bill should be converted into a Money Bill where a 2.5% levy is imposed that will constitute a fund to support health promotion campaigns, sport, arts and culture as well as educational programmes relating to the dangers of alcohol abuse.

If the Draft Bill proceeds in its current form it is inevitable that there will be devastating consequences for the sport and recreation sector. The alcohol industry, which has historically been very supportive of sports programmes through generous sponsorship initiatives, will undoubtedly withdraw this support when the marketing benefits associated with sponsoring sport cease with the sponsorship deals. This happened when the ban on tobacco advertising was instituted and it would be naive to assume that the effect with the ban of alcohol advertising would be any different.

It is essential that a contingency plan is put in place. The Industry Association for Responsible Alcohol Use (ARA) was established in 1989 by the major manufacturers of alcohol beverages in South Africa to reduce alcohol-related harm through combating the misuse and abuse of alcohol and promoting only its responsible use. The ARA is registered as a non-profit organisation with the Department of Social Development. The Association's members include the major manufacturers of alcohol beverages in South Africa, such as SAB, Distell, brandhouse, KWV, Pernod-Ricard and DGB. Four thousand wine producers and 60 cellars are also members of the ARA and more than 180 distributors and retail chains such as Tops, Makro and Diamond Liquors are associate members.

The ARA acknowledges that the industry has a responsibility to make every effort to reduce alcohol-related harm and since its establishment, its initiatives in this regard have had three focus areas:

1. Effective self-regulation by member companies and other alcohol beverage manufacturers, distributors and retailers;
2. partnerships with government, public health bodies and other relevant stakeholders to combat abuse; and
3. education on the nature and risks of alcohol abuse, and on the responsible use of alcoholic beverages by those not at risk who have made the decision to drink alcoholic beverages.

Anticipating the considerable loss of revenue that will inevitably follow the promulgation of the ban on alcohol advertising, it is proposed that the government departments negatively impacted by the new
regulation be compensated through this fund that is already in existence. A 2% levy is suggested.

A second alternative source of funding is a Sport Ticket Levy to be collected on all sport tickets being sold for major classified tournaments and competitions including on registration fees and participation fees for major tournaments and competitions being hosted in the Republic.

We envisage a 5% levy on all tickets. This new revenue stream (conceivably implemented as an ear-marked levy through SARS) will contribute towards grassroots sports development programmes including mass participation. Furthermore, it will contribute to the funding of the NSRP considering the expenditure ceiling that National Treasury and Cabinet have put in place. The Tourism industry has a similar levy levied on hotel bills and air travel tickets.

The Committee is therefore requested to support the new funding streams. The operational mechanism can be finalised with the National Treasury.

11.5 Recommendations

The ANC Social Transformation Committee (STC) in its discussion and dialogue should consider the following policy proposals on Sport and Recreation:

- Support the proposal that the MIG ring fenced amounts for facilities should be consolidated in full and transferred to Sport and Recreation South Africa to administer.
- Adopt the steps being taken to bring about total transformation in sport and recreation in South Africa.
- Take note of the funding needs of Sport and Recreation South Africa and consider the allocation of additional funding.
- Consider the proposal to revise the draft bill on the ban on alcohol advertising and to lobby for an allocation to sport from the existing Industry Association for Responsible Alcohol Use fund.
- Support the proposal of a 5% levy on all sports tickets sold.
- Lobby the Provincial Treasuries allocate adequate resources from their provincial equitable share to the provincial departments responsible for sport and recreation.

12. ON WOMEN

Women make up approximately 52% of the population of our country. Women have suffered the most and continue to be faced with the burden of providing for children and building families. This includes the burden of patriarchy and continued forms of abuse against women in society by their partners. Many of them still remain outside of the economy, including access to economic opportunities.

Despite the above challenges, the ANC government working together with society, women and private sector has ensured that women are now actively involved in the decision making structures in society and in government. Some key initiatives include progress towards achieving the 50/50 parity mark. In addition, we will continue to ensure that women play a more meaningful role in the growth and development of communities and society at large. We will continue to fight the scourge of violence and abuse against women.

As part of implementing our policy of radical social and economic transformation, we will implement programmes geared towards the development of women, in particular those that live in abject poverty, the disabled and the most vulnerable in society. This includes access to opportunities, access to free basic services; systematically fighting patriarchy in society; increasing access to economic opportunities for women, including targeted procurement for women companies and SMME’s; ensuring that we work with the rest of society, in particular the private sector, so that women are part of decision making structures in society; and ensuring that women are part of the mainstream economy. In the latter regard, we welcome the proposal by the Ministry on Women, which we must engage to ensure that it achieves its goals.

13. ON DISABILITIES

We are making strides in ensuring that the disabled are protected and supported. This includes the establishment of a Ministry dedicated and focusing on the disabled in society. However, we note that whilst there is progress towards addressing challenges facing the disabled in society, there has been a lack of enabling facilities to support the disabled such as the development of braille and sign language.

We have therefore taken decisions to implement policies and programmes geared towards the protection and promotion of the rights of people with
disabilities, including embarking on a campaign for the protection of the disabled in society with relevant stakeholders; ensuring that we make it compulsory that all public buildings make it easy for the disabled to access such facilities; and promoting the participation of people with disabilities at all levels of the movement and in all spheres of governance.

We are also making progress towards mainstreaming disabled people through establishing full services in schools and prioritizing the establishment of special needs schools for specific disabilities where the need arises. This includes the development of mechanisms at the Early Childhood Development (ECD) level in order to be able to detect the needs and challenges of a disabled child at an early age. We must also develop mechanisms at the Early Childhood Development (ECD) level in order to be able to detect the needs and challenges of a child at an early age. We need to establish stimulation centers for disabled children that needs this specialized intervention.

We must consider the establishment of a commission, or a structure, focusing on the disabled in society.

14. ON WATER PROVISION

As part of our developmental efforts, we are required to protect natural resources such as water. This is so because water is a scarce commodity. Over the past twenty years there have been efforts made by government to ensure that we preserve water and also produce clean quality water. Hence our vision as the ANC remains that of ensuring that people have access to clean and quality water.

Over the next fifteen years we will embark on a process of reviewing current legislation to facilitate the removal of unused and inequitable allocations from entitlement holders in order to ensure a more equitable distribution of water; abolish water trading and change the funding model for the development and maintenance of infrastructure; further explore conservation initiatives including restrictions on the number of golf courses within a particular radius; develop small dams especially in rural areas as part of water conservation; and urgently provide every household with quality, clean water which in the short term may include portable purification tanks and water tanks for rain water harvesting to promote food security.

15. ON THE SOCIAL WAGE AND ALLEVIATING POVERTY

As indicated in this document, our aim is to eliminate poverty and inequality. Whilst over the past twenty years of Freedom and Democracy, significant strides have been made in building a socially inclusive society, reducing poverty, and closing the gap between the poor and the rich, we still face challenges of race, gender and slow economic growth which results in many being excluded from the economy.

In order to respond to the above challenges, we will have to strengthen our resolve to implement the National Development Plan, Vision 2030 and this will include the development of a comprehensive anti-poverty strategy that will help eliminate poverty and reduce inequality in society.

Key strategies for the next fifteen years will ensure the elimination of poverty, and the reduction of unemployment and inequality. In response to challenges of social wage, we took a decision at the 2007 ANC 52nd National Conference to equalise the pensionable age for the older persons. This has assisted in responding to some of the immediate challenges when it comes to ensuring that the vulnerable, especially those that need to be assisted by the state, are able to contribute towards the development and growth of their families.

Thus far, and in particular since Polokwane, we have completed the Consolidated Government Document that sets targets, coverage of social assistance and social insurance. We have also been able to target more than 15 million people in this country benefit from social grants which allows the care-givers of children, the aged and those with disabilities to fulfill their basic needs and sustain their households. Hence, more than 94 % of our people have access to water, 84% have access to sanitation, 81 % of our people have electricity 71% of South Africans have refuse removed from their homes and that we have supplied more than 3 million of households with formal dwellings.

In response to the challenges of poverty, inequality and unemployment, we have since 2007 developed a Comprehensive Social Security strategy, which includes the expansion of the assets base of the poor through housing, small business and land reform programmes.

We have also increased the capacity of the state to ensure the acceleration of the implementation of the
comprehensive social security strategy towards the provision of free basic services for the poor, quality free education for poor households, and passenger transport subsidies.

We also increased access to social grants to children and older persons as outlined in the Consolidated Government Document on Comprehensive Social Security.

16. ON MILITARY VETERANS
The social and economic exclusion of Military Veterans, in particular Non Statutory Force (NSF), has not received priority attention from government departments. While the Department of Military Veterans has been established, there is a need to escalate the provision of a comprehensive basket of services (social and economic) by all state departments and parastatals.

Hence, the Department of Military Veterans must be strengthened to set up mechanisms to monitor the implementation and enforce compliance by all structures in line with Military Veterans Act.
1. INTRODUCTION

This year marks the 60th anniversary of the 1955 adoption of the Freedom Charter, a seminal moment for the mass democratic movement. This historic document is a commitment by the democratic forces to guarantee a better life for all South Africans. The Charter is eloquent in its appeals for freedom, economic justice and equality and it remains the cannon in our nation’s memory. Its powerful message must continue to inform our economic policy and our actions.¹

This is a year, we recommit ourselves to accelerate economic upliftment for all South Africans. The exploitation of the country’s resources cannot flourish alongside starvation, poverty, unemployment and inequality. We want economic emancipation for all and with it, we will promote the responsibility that goes with equitable share to the wealth of the nation. In promoting the Charter’s message of freedom, we need to mobilise all our policies and institutions towards meeting the economic goals of the Freedom Charter. We want the vision contained in the Charter to be a commonplace in the daily experiences of South Africans.

At the core of the ANC’s economic mandate is the transformation of the economy for inclusive growth. At the heart of radical economic transformation is an effective state that is decisive in its pursuit of structural change.

In addition, transformation is about capability and action: the means and the end. Our policies must provide the most enabling conditions for the flourishing of the talents of all our people, to harness and develop their productive potential, to ensure that they play a leading role in the allocation of national resources and that they get their due in the country’s wealth.

Proceeding from this premise, in Mafikeng, we said “Economics is about people, their work, their ownership of productive assets or lack of it, their share of what they produce, what they buy and sell, their accommodation, their recreation, in fact every element which we describe as quality of life, flows from the structure and management of the economy”.

Our policy interventions must retain a hegemonic status in the face of their ability to resonate with improving day-to-day economic realities. Therefore, we recommit to a transformation of the economy in ways no less radical than the one demanded by the circumstances of our people.

The state must therefore play a key role in stimulating national development. This includes the infrastructure build programme, partnership with the private sector, targeted procurement and dealing with binding constraints such as weak energy supply.

Realising these ambitious goals of economic transformation requires moving forward in a number of areas such as ICT, transport, food and energy security, transforming ownership and control. These are the many interwoven dimensions of development.

1.1 THE NATIONAL DEVELOPMENT PLAN (NDP)

The National Development Plan (NDP), adopted in 2012, is the visionary blueprint of government, business and society as collaborative partners; towards achieving the range of socio-economic growth and development
targets by 2030. Giving effect to this long range plan is a series of Strategic Frameworks such as the NGP, IPAP, the National Infrastructure Plan, the MTSF's that identify the critical actions to be prioritised towards NDP 2030.

The NDP is a long term vision which should be supported by the instruments such as above. Alliance partners:

■ are agreed about the need for national long range planning;
■ recognise the planning commission’s contribution in this context;
■ agree that the NDP is a living document not cast in stone and needs to be adjusted where appropriate.

1.2 THE ESSENCE OF THE NGC

Within this context, the ANC tasks the NGC to review progress against conference resolutions in order to meet the challenges of transforming South Africa.

Through this process, we must:

■ improve and assess our relevance, responsiveness, and effectiveness
■ analyse lessons learned through the implementation of the resolutions, and
■ assess the existing and emerging development challenges.

Non-implementation or inefficient implementation of our conference resolutions, are capable of subverting transformation.

While it is practically impossible to cover every detail of progress since our last conference, the NGC is an appropriate occasion for highlighting recent progress against the most important issues of the ANC to the transformation of South African Society.

2. MACRO-ECONOMIC OVERVIEW

2.1 Stagnant Global Economic Growth

The global economy remains mired in a low growth trajectory, and there is little evidence of a strong recovery despite the growth of 3.4% expected in 2015, which is still insufficient to reverse output and job losses in most economies. The fall in the oil price generates clear opportunities for oil importers like South Africa, but the combination of lower commodity prices, weaker global demand and higher interest rates could lead to weaker growth outcomes on the African continent.

A relatively subdued economic performance as reflected by the world GDP growth, is of concern as demand for South African produced goods and/or services could be adversely affected. Weak Eurozone demand for South African-manufactured exports and reduced demand for our mining and processed metal sector commodity exports from China’s slowing economy is expected to continue to impede South Africa’s economic growth.

The core structural weakness of South Africa's economy is its continued incorporation into the global division of labour as producer and exporter of primary commoditites, and importer of value-added, manufactured products. This growth trajectory – typical of many colonised countries in Africa – constrains our ability to create jobs at an appropriate skill level and in sufficient numbers to address South Africa’s unemployment challenge, and bestows the benefits of local value-addition (jobs, company profits which can be re-invested in the economy, tax revenue and industrial deepening) on our trading partners.

Given the current and forecast subdued demand for South Africa’s key commodity exports and weak prices, our current growth trajectory cannot be sustained, nor has it proven to be supportive of inclusive growth. Very few countries have been able to achieve sustainable growth, job creation and declining inequality based on a commodity export growth path. It is consequently imperative that we act decisively to industrialise, add value to local and regionally available commodities, and grow the productive sectors of the economy.

The African continent has become a very important destination for locally manufactured products and its relative share is expected to expand further. Moreover, substantial investment in Africa’s infrastructure, rapid urbanisation, and a fast-growing and increasingly sophisticated consumer market all provide improved trade and investment opportunities for South African businesses.

It is therefore crucial for South Africa to improve the competitiveness of the domestic environment – including moderating administered price increases, reducing the anomalous port and freight subsidies for commodity exporters and better managing the level and volatility of the Rand – so as to grow the pool of industrialists exporting to their traditional markets.
while also finding alternative markets, primarily in the relatively faster growing African, Asian and Latin American economies. This improved growth outlook for Sub-Saharan Africa (over 5% in 2015) and the African continent should provide export opportunities for South Africa’s tradable good and services. Continued infrastructure development, investor appetite for the region’s mineral and agricultural resource wealth, and strong domestic consumption spending should support these rates of expansion. Intra-African trade is unfortunately dismally low (around 10%) comparatively, with very slow progress and also quite imbalanced to the advantage of South Africa with no clear framework and firm commitment to enhance Intra-African trade.

Compared to its peers, in the graph below, South Africa is shown as a serious underperformer. Growing at rates that are out of sync with its peers.

Despite a low interest rate environment, private sector investment has fallen since the 2008 crisis and remains weak. Consumption-led and import-intensive growth has evaporated with dangerously rising household indebtedness and the emergence of a substantial current account deficit. In the past 3 years, prolonged strikes in the platinum and manufacturing sectors, and at the South African Post Office have severely disrupted economic growth.

In response, the following key interventions were adopted in an attempt to stimulate inclusive growth and investment in the domestic economy. While these interventions have prevented job losses, they have not shifted the economy onto a new sustained inclusive growth path.

- **Counter-cyclical fiscal policy** aimed at maintaining aggregate demand through continuing planned levels of government expenditure despite a slowdown in tax revenues. If a counter-cyclical fiscal stance had not been adopted, more jobs would have been lost and the growth rate would have been lower. Now, despite the fact that growth has not returned, the limits of counter-cyclical fiscal policy are being reached. Rising government debt and a wide current account deficit make South Africa vulnerable to global economic shocks.

- **Public infrastructure investment** driven by government and state owned enterprises. There has been a substantial increase in public investment and related jobs since the crisis. While infrastructure is an essential pre-requisite for increased investment and employment, such infrastructure comes at a cost and, in addition to putting pressure on the fiscus, is also putting upward pressure on the cost of living and the cost of doing business, an effect that is particularly amplified in a low growth environment.

- **Active industrial and trade policy measures aimed at stimulating investment in industrial activity and promoting South African exports:** Effective industrial policy requires cohesive interventions across a range of sectors including mining, manufacturing, technology, agriculture, tourism and many others. However, in many cases, the Industrial Policy Action Plan (IPAP) has not gained traction across the relevant implementing agencies/departments.

- **Broad Based Black Economic Empowerment Act** has been accelerated to transform ownership

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**Figure 1:**

*The Growth of SA compared to its emerging markets peers*
patterns. A review recent review will close a number of loopholes, and deal with firms who engage in ‘fronting’ to better align our B-BBEE imperatives with the need to promote industrialisation of the SA economy. To facilitate a more meaningful participation of black people in the mainstream economy government is now looking at various ways of developing and sustaining black industrialists, including a targeted incentive to support black entrepreneurs entering the industrial sector.

Despite these interventions, growth remains too low and job creation insufficient. A key constraint to achieving our industrial growth is the national electricity shortage. Our historical energy-intensive growth path will not be viable into the future and other comparative advantages need to be levered to promote industrial growth and job creation. Job creation is further impeded by high tariffs and the reliance on electricity for revenue by municipalities that sometimes leads to excessive mark-ups.

External demand also remains low, as growth in many of South Africa’s overseas trading partners remains weak, retarding investment. The international markets are important for our growth as firms form investment decisions by considering the growth of the markets they serve.

The vision of the developmental state has not in general been backed by effective state capabilities. Weaknesses in the delivery of a wide range of public services, including, water supply, electricity supply, municipal services, postal services and education, health and security services, have been realities, which undermine the vision of the developmental state articulated through our national development plans (NDP and NGP), to provide policy guidance and promote future investment. This situation is exacerbated by apparent lack of consensus on the programme from within the ruling Alliance.

The public sector must strengthen its planning capacity and project management skills. It will also be important that the state look to reduce wastage and corruption, while increasing the general efficiency of public spending. It will be most important to increase the focus on improving the outcomes that are achieved from the more limited resources available.

2.2 State-led investment for industrialisation

The NDP envisages that over time annual public and private investment levels should be raised from the current 19% to 30% of GDP.

State-led economic transformation does not imply that the state can go it alone in driving development. Rather, successful state-led investment must serve as a catalyst for increased levels of private sector investment. Recently there have been claims of trust deficit between government and the business community. Such alleged trust deficit has to be closely scrutinised because the business community is not homogenous.

The state-led public investment programme provides a strong stimulus to growth and employment, but it can never be of sufficient magnitude to uplift the whole economy. At about 30% of total investment, public-sector investment, can only serve as a catalyst to facilitate, ‘crowd-in’ and increase private sector investment which contributes 70%.

Investment by state owned enterprises rose sharply from 2007 and continued to grow at a lower rate after 2008. General government investment (mainly construction of social infrastructure like hospitals, schools and police stations) remained low during the recession, but is now growing strongly. However, private sector investment remains very weak.

Some, on the left, argue that low private sector investment proves that South African capital is unpatriotic, that it is on an investment strike and that it would be better if the state enlarged its role in order to advance economic transformation.

Others, on the right, argue that it is in fact the state that is retarding private investment, that if more state assets had been privatised and the state had reduced its role in the economy then growth and investment would have been higher.

Others argue that private businesses have not been able to identify and implement profit-making investment projects over the past few years, despite being relatively cash-flush as represented by their high levels of corporate savings.

None of these arguments grasp the fundamental issue that the inclusive reconstruction and development of South Africa requires a vibrant and dynamic mixed economy in which there is a synergistic and mutually re-enforcing relationship between the public and private sectors. Most crucial is to craft a balance between the contributions of public and private sectors in rolling out the economic transformation agenda.

The priority now is to identify and remove obstacles to increased levels of private sector investment, while sustaining the public sector’s contribution. Among
others, the following items should be foremost on the agendas of public and private sector decision-makers aimed at increasing investment levels in South Africa:

- maximise localisation benefits from South Africa’s ongoing public infrastructure expansion, particularly in power and rail
- support black-owned industrial firms in particular to be part of South Africa’s infrastructure expansion
- leverage state rights (minerals, land, water, air, fisheries, etc.) to maximise economic growth and transformation
- leverage local demand to link into global market supply chains
- successfully implement the newly launched Special Economic Zones
- deepen trade and investment ties with other African countries and with other important growth regions
- raise mining investment, output and linkages into the economy
- unlock South Africa’s significant potential as an onshore and offshore gas producer, in an environmentally responsible manner
- accelerate land reform and grow the number of successful black farmers participating effectively in the agricultural economy
- improve telecommunication infrastructure and increase sector competition
- leverage our maritime position, including through ship-building and repairs, trans-shipment hubs and expanded ocean trade
- grow the tourism sector.

If consensus, and effective action, were to be achieved on issues such as those listed above, there is no doubt that investment levels in South Africa would rise towards the NDP’s investment target.

We recognise, however, that increased investment is unlikely to be sufficient, given the scale and historical damage wrought by South Africa’s structural unemployment problem. Redistributive activity, social security safety nets and public and community work projects run by the state will all be necessary for stability and social cohesion. The fiscal benefits arising from increased investment will provide the resources required to run our redistributive programmes, which are crucial to the wellbeing of so many South Africans.

An incisive and frank analysis of causes of the constant de-industrialisation and lack lustre progress on beneficiation and localisation drive is essential. These are some of the strategic opportunities to turn around the economic strain and create the much-needed jobs as well as opportunities to realise Broad-Based Black Economic Empowerment.

![Figure 2: Investment trends: state owned enterprises, private sector and general government](chart.png)
3. ECONOMIC SECTORS

In the 53rd Conference, we resolved to “ensure long term stability and sustainable growth and development that bolster the growth of domestic industrial capacity and in making policy trade-offs will select those that favour productive sectors of the economy”. This means we have prioritised re-industrialisation and we will employ a battery of tools within our policy space to privilege productive sectors. The 53rd Conference also emphasises the NGP and the IPAP make up “the industrial policy action plan which guides the re-industrialisation of the South African economy”.

Production and employment in the manufacturing sector (now 12% of GDP from 19% 14 years ago), has continued to decline due to fierce competition from – sometimes illegal or subsidised – imports, low productivity, low rate of re-investment, falling technology development and inadequate skills formation. Activity in the domestic manufacturing sector has continued to be adversely affected by electricity constraints, increases in electricity tariffs, perverse freight and port charges (which subsidise commodity exports), monopoly pricing (import parity pricing) of metal, chemical and other intermediate feedstocks and subdued domestic demand. Consequently, the utilisation of production capacity in the manufacturing sector remains low at 80%.

Manufacturing should leverage our comparative advantage in primary mineral extraction by focusing on up and down stream beneficiation and diversification into faster growing markets, particularly Sub-Saharan Africa (SSA). This will improve our trade balance more sustainably than by simply increasing exports of a depleting pool of unprocessed minerals.

In response, we have developed three iterations of IPAP crucial in guiding and catalysing the private sector so as to deepen and broaden South Africa’s industrial base through the following:

- **Deepened localisation through the designation** of sectors, industries and products including Rail Rolling Stock: locomotives, wagons and carriages; Power Pylons; Buses; Clothing, Textiles, Leather and Footwear; Canned Vegetables; Set Top Boxes for low income households; Solar Water Heater; the Steel Conveyance Pipes; Transformers; Building and Construction Materials; and Rail Signalling and Components are in the process of being designated. However, procurement conditions (local content) need to also be built into all leases of state assets.

- **Leverage all state concessions/leases** to enhance localisation and economic transformation by including procurement (local content) targets/conditions, skills formation targets, BBBEE, SMME and Co-operatives targets/preferences, technology development targets and value addition targets into all leases (concessions) of public assets or rights such as mineral rights, fishing rights, electromagnetic (EM) spectrum rights, state land rights, water rights, national conservancies and heritage sites, energy generation rights (IPPs), air (aviation) rights, maritime rights, exclusive marine economic zones etc. All leasing should be done through public tender of such assets/rights, to maximise all of the these transformation targets.

- **Up-scaled the implementation of our industrial support measures.** We introduced the Manufacturing Competitiveness Enhancement Programme (MCEP) to promote competitiveness and job retention and creation. We ramped up the rollout of the Clothing, Textiles, Footwear & Leather strategy and replaced the Motor Industry Development Programme with the Automotive Production Development Programme (APDP) that accommodates the component manufactures and Light Vehicles. These interventions have demonstrated that industrial policy when adequately resourced, works and is cost-effective. We are also investigating a Resources Capital Goods Development Programme (RCGDP) to leverage industrial development off our natural resources exploitation (minerals, water, fisheries, state land, etc.).

- **Enhance our industrial development zones programme** to become special economic zones. 10 potential SEZ have been identified, however, we need to refine our SEZ regime to become “pilot” zones to test industrial incentives, skill and technology development models that create decent employment opportunities.

- **Crowd-in new Black Industrialists** to build a dynamic and competitive class of black industrial players; inadvertently accumulating and disposing of industrial capital in line with the social objectives of breaking the racial domination of South Africa’s economic assets. By Black Industrialists, we refer to black people directly involved in the origination, creation, significant ownership, management and operation of industrial enterprises that derive value from the manufacturing of goods and services at a large scale; acting to unlock the productive potential of our country’s capital-assets for massive employment locally.
**Figure 3:**
Employment levels in the manufacturing sector have been falling since 2008

Source: Quarterly Labour Force Survey (QLFS), 2nd Quarter 2014

- **Diversifying trade and investment** particularly focusing on the African continent and countries of the South through the SADC Regional Industrial Development Strategy; the SACU Industrial Policy study and COMESA-EAC-SADC Tripartite negotiations. Progress has also been made on the BRICS initiative. However, little progress has been made towards regional economic integration and the poor state of regional trade infrastructure (logistics) constrains intra-regional trade. There is scope to further trade and investment through effective use of economic diplomacy.

- **Reviewed and optimised our approach towards BBBEE:** Interventions aimed at de-racialising ownership of economic assets, including enterprise development, should be intensified. Broadening ownership and participation by our people as part of democratising our economy, combating anti-competitive behaviour and overcoming entry barriers that inhibit SMMEs, co-operatives and Black people from breaking into the value-chains of our economy. In de-racialising patterns of ownership, it is important that we put job creation and productive activity at the forefront and combat destructive BEE “fronting.” Our experiences require us to put controls and ensure that BEE initiatives are geared towards directly supporting Black entrepreneurs and producers and not agents for imports. We have adopted an integrated value chain approach towards policy implementation which requires significantly greater alignment and cooperation across different policy jurisdictions. In this regard, emphasis in the coming period should also be placed on local value addition (and job creation) and Employee Share-ownership Schemes (ESOPs) so workers become genuine stakeholders in the enterprises where they are employed and BEE procurement conditions should be aligned (particularly the Mining Charter with the BB-BEE codes) and should reflect the BB-BEE portion of local value added in the product supplied to combat destructive BEE “fronting” for imports Combined with other elements of BB-BEE – which are currently being refined – these programmes would contribute to the enhancement of economic development and social cohesion. In this connection, the role of the DFIs in supporting industrial investment has to be directly linked to support an industrial structure that has the previously disadvantaged at the centre. The key constraint to successfully implement the various components of IPAP is that many of the policy levers and instruments lie with diverse departments/agencies (see above).

- We have adopted a developmental state/industrial development approach but have often not reconciled this with its pre-existing commitments to GATT and the WTO. We need to find creative ways to get around those restrictions.
3.1 AGRICULTURE, FORESTRY AND FISHERIES

“The state shall help the peasants with implements, seed, tractors and dams to save the soil and assist the tillers”.  
(Freedom Charter)

Growing the agricultural and agri-processing sectors will improve national food security, increase agricultural income and support rural development. We have adopted policies that broaden and deepen linkages between agriculture and machinery and equipment industries, including:

- Food Security for all;
- Strategies to increase the contribution of Agriculture to economic growth; and
- Unlocking the sector’s ability to produce 1 million decent jobs by 2030.

One challenge here is that in recent times agricultural productivity has been linked to mechanisation whereas South Africa urgently needs the agricultural sector to be a source of employment as well.

Assessment of State Interventions
Commercial, smallholder and subsistence farmers currently receive less support from the state than their counterparts in most industrialised countries in the world.

From 2000 to 2014, employment in the agriculture sector fell from 1.4 million to a mere 600,000. During this period, average farm size increased through consolidation and became more mechanised, capital intensive and more reliant on chemical inputs.

While the sector is now more efficient both in its production outputs and net farm income, it has not been accompanied by concomitant increases in transformation nor employment, despite support programmes such as the Re-capitalisation of Land Reform, BBBEE charter, and various other programmes aimed at addressing transformation.

The State must therefore re-think the design and implementation effectiveness of its programmes to address the structural challenges of economic transformation, growing market dominance and increasing job losses within the sector.

Current Proposed Policy Interventions

A new Agricultural Policy known as the Integrated Growth and Development Policy (IGDP) with the Agricultural Policy Action Plan (APAP) serve as a programmatic response, identifying priority commodities with high growth potential, food security potential, and to contribute to GDP. The APAP could potentially become the IPAP for agriculture, a platform for sector organisations and other stakeholders to converge through joint planning.

Recommendations:

Broadening market participation: The liberalisation of agricultural and food markets have not, as expected, created a more competitive market with lower prices to consumers. Agriculture, Forestry and Fisheries sectors still exhibit high concentration and vertical integration by a few major firms with evidence of abuse of such dominant market concentration. Government incentive schemes could broaden market participation while forging stronger linkages between big corporates, receiving government support, and SMMEs across the value chain of key commodities.

TARGET: A condition must be added to all incentive programmes funded by the state, that 5-10% of produce procured by manufacturers and commercial farmers must come from SMMEs and smallholder producers in the sector. This would require a state registry of all farmers.

Promoting Youth in Agriculture, Forestry and Fisheries: It is an imperative that Agriculture, Forestry and Fisheries addresses youth unemployed with most residing in rural areas. Grant funding programmes must demonstrate commitment to addressing youth unemployment.

TARGET: we must dedicate a significant percentage of resources (ideally 40%) to unemployed youth graduates in Agriculture, Forestry and Fisheries.

Promoting local food economies: A large and increasing share of the consumer food-spend goes through supermarket chains who favour large-scale commercial producers to the exclusion of smallholder producers, and with increasing food prices. There is scope for promoting local food economies as a means of creating market efficiencies, lowering food prices paid by consumers, and stimulating local production where it is viable.

TARGET: All supermarkets must procure 5% of its fresh produce and processed food products locally and from smallholder farmers.

Reducing dependence on industrial and imported inputs: South African agriculture uses large amounts
of industrial inputs such as diesel, chemical fertilisers, and chemical pesticides. A significant portion of these inputs are priced at import parity levels by both domestic manufacturers and importers. Non-exporting farmers are thus vulnerable to international price and exchange-rate fluctuations. High input costs, high marketing unit costs and inefficiencies in input distribution are major factors why smaller farmers in particular struggle to break even. Reducing overall dependence on industrial and imported inputs and eliminating import parity pricing will address these challenges. South African Agriculture must adopt practices with less reliance on increasing input costs, and must thus begin to promote climate smart agriculture.

**TARGET:** Incentive programme for Climate Smart Agriculture / Score Card.

**Promoting import substitution and export expansion and regional integration through concerted value chain strategies:** South Africa imports large amounts of poultry, red meat, wheat and soya cake from outside the agriculture resource-rich Southern African region.

**TARGET:** An Agricultural Import Substitution Strategy and Trade Strategy, coupled with an integrated regional strategy for agriculture and agri-processing is urgently needed which aims to decrease imports of agricultural commodities and/or preferentially import from the region. There is more scope to do this in agriculture because of what other countries are doing, but again there needs to be some recognition that world trade rules limit our import substitution options.

**3.1.1 RURAL DEVELOPMENT, LAND REFORM AND AGRARIAN TRANSFORMATION**

**“THE LAND SHALL BE SHARED AMONG THOSE WHO WORK IT!”** (Freedom Charter)

In the 53rd Conference, we affirmed rural development and land reform as a priority. In giving expression to this urgency, we placed rural development as one of the five priorities in our 2014 Elections Manifesto. Progress towards conference resolutions is recorded below:

- **Redistribution of economic assets in ensuring the majority are included:** The pace of land reform is accelerating; Since 1994 7.4 million hectares have been delivered, 5.3m between 1994-2009 and 2.1m over the past 5 years;

- **The audit of state land be urgently completed:** The state land audit was completed in July 2013;

- **Finalisation of the Spatial Planning and Land Use Bill:** Completed in August 2013: the Spatial Planning and Land Use Management Act (Act 16) 2013;

- **Replacing Willing Buyer-Willing Seller with Just and Equitable Compensation:** The Property Valuation Act (Act 17)2014 was enacted in July 2014. The Valuer General is being appointed and the modalities for establishing the Office of the Valuer General are being finalised;

- **Expediting the Promulgation of the Expropriation Act:** the Expropriation Bill is at an advanced stage of legislation development and is being led by the Department of Public Works;

- **Freehold with Limited Extent:** The Agricultural Land Holdings Policy has undergone a Regulatory Impact Assessment from which policy improvement and the legislation development approach will be considered;

- **Expedit tenure security policy:** The Extension of Security of Amendment Bill is at an advanced stage of development and is awaiting a Regulatory Impact Assessment;

- **Communal Tenure with institutional land rights:** a policy has been developed a draft Bill is in place; a Socio-Economic Impact Assessment is also being undertaken. This policy was discussed extensively at the National land Tenure Summit in September 2014 and there is a firm basis to proceed from and consult on.

Our Rural Development Framework is now firmly rooted in the approach to rural development we formulated in the 53rd Conference. It saw the introduction of the agrarian transformation system, which is comprehensive and inclusive in approach and defined as rapid and fundamental change in the relations (systems and patterns of ownership and control) of land, livestock, cropping and community. The strategic pillars of land reform (land redistribution, restitution, development and land tenure) continue to form part of this comprehensive and inclusive approach to rural development and land reform.
The next phase of this approach is the Rural Economy Transformation Model (RETM), firmly aligned to Vision 2030. Our strategy of ‘agrarian transformation’ promotes labour-intensive technology, relies on decentralised patterns of local control and takes seriously the input of ordinary citizens into decision-making processes, especially in areas dominated by communal landholdings and patrimonial authority.

The re-opening of the Restitution land claims process, linked to the establishment of an improved land valuation system (office of the Valuer-General), along with the increased recapitalisation of state farms and farms purchased via land reform grants is crucial to the success of the RETM. While the slow pace of land reform can be largely attributed to budgetary challenges and the restrictive willing-buyer-willing seller model, other models such as share equity and joint venture schemes, based on mutually acceptable terms and conditions need to be pursued. In addition, the expedition of the enactment of the Expropriation Bill and the policy on just and equitable compensation may reduce the transaction costs of land acquisition. We are on course to now further catalyse and deepen rural development through farmer-controlled Agri-Parks that are to be established in the 27 priority districts, in partnership with black farmers, agri-businesses and government. This approach would be cooperatives based and supported through, a strong rural cooperative bank and development financing facility. The coordinated support to small producers in primary production and through value chain entry will be facilitated.

Strategic imperatives would be to ensure community and household mobilisation, engagement on various land needs and tenure security challenges; establishment of community coordination institutions; address basic human needs including basic social and economic infrastructure; district and/or regional commodity targeting; marketing support; incubation, training and technical support; facilities and logistics; extension services and coordination of public and private processing enterprises in the surrounding areas. These initiatives. stakeholder mobilisation and framed support to small enterprise development backed by sound cooperation amongst the different spheres of government will be the basis to attract added investment to rural areas, creating sustainable employment through the maintenance of rural infrastructure, monitoring of the environmental footprint of agricultural activity, maintenance of a national irrigation scheme, establishment of cooperative centres and farmers markets, where rural products can be marketed, sold and value realised.

3.2 MINING AND MINERALS

“THE MINERAL WEALTH BENEATH THE SOIL …SHALL BE TRANSFERRED TO THE OWNERSHIP OF THE PEOPLE AS A WHOLE.” (Freedom Charter)

In line with our 53rd conference resolutions, we need to elaborate concrete forms in which the state should maintain a strategic, interventionist role in key sectors, to ensure that all our natural resources are exploited to effectively maximise the growth and employment

Figure 4:
Number of employees in the agricultural sector has fallen by 20% between 2008 and 2014

Source: Quarterly Labour Force Survey (QLFS), 2nd Quarter 2014
potential embedded in such assets, and not purely for profit. In this regard we subscribe to the aims of the AU “Africa Mining Vision” (AMV) and the Country Mining Vision (CMV) Guidelines.

“The ANC’s policy as per the 53rd conference resolution is based on the following elements:

- **Minerals for manufacturing:** Steel (iron ore), polymers (coal or oil/gas), base metals (copper, zinc, nickel), Platinum group metals, chromium, vanadium, manganese, alumina-silicates.
- **Minerals for energy:** coal, uranium (also limestone for washing emissions), natural gas, including shale gas and coal-bed methane gas.
- **Minerals for agriculture:** NPK – nitrogen (gas), phosphates, potassium, conditioners (sulphur, limestone).
- **Minerals for Infrastructure:** Steel (iron ore) cement (limestone, gypsum), copper.

State intervention with a focus on beneficiation for industrialisation is urgently required. Instruments are required to support beneficiation and competitive pricing of these strategic resources include the use of targeted management of exports of minerals. In addition, SA’s share of some resources offers possible producer power which could be used to facilitate backward and forward mineral economic linkages.”

### 3.2.1 Downstream beneficiation

Government has completed downstream mineral value chain strategies on ferrous minerals (iron, manganese and chromium), the PGMs (platinum & palladium), polymers (from coal or gas) and titanium. These strategies have been incorporated into the 2014/5 IPAP. The key areas for intervention include:

- The MPRDA amendment bill to include mineral feedstock pricing conditions on the strategic mineral feedstocks, such as steel, polymers, copper, coal/gas, cement and NPK fertilisers, into key sectors of the economy, identified by the Mangaung Conference Economic Transformation Resolution (MCETR), namely, manufacturing, infrastructure, energy and agriculture. “In addition, SA’s share of some resources offers possible producer power which could be used to facilitate backward and forward mineral economic linkages” (MCETR).

Accordingly, the MPRDA Amendment Bill should cater for a minimum local content procurement spend, a minimum local STEM skills development spend and a minimum local RDI spend. The DTI is engaging with the DMR on this.

### 3.2.2 Upstream Beneficiation (backward linkages)

The NDP directs that “more attention will be devoted to stimulating backward linkages or supplier industries (such as capital equipment, chemicals, engineering services, especially as demand is certain, there is an opportunity for specialised product development, and the product complement is diverse. They are also more labour absorbing than typical downstream projects. Such products have the potential for servicing mining projects globally” (NDP, 2011, p. 125).

Accordingly, the MPRDA Amendment Bill should cater for a minimum local content procurement spend, a minimum local STEM skills development spend and a minimum local RDI spend. The DTI is engaging with the DMR on this.

In respect to our adopted policy to “expand investment in research and development that contributes towards innovation that supports beneficiation” (MCR 2012), the DTI is engaging with both the DTI and the DST to
rebuild national mining technology development (RDI) capabilities, since the demise of COMRO/Miningttek, to support the growth of the upstream minerals sector.

3.2.3 Strategic Minerals
The MCETR identifies key feedstocks into manufacturing, infrastructure, energy and agriculture as being “strategic” (steel, polymers, copper, cement, coal/gas, NPK, et al) and requiring state intervention on domestic pricing. The MCETR also identifies as strategic minerals that offer “producer power which could be used to facilitate backward and forward mineral economic linkages” (MCETR 2012). The key interventions in this regard include:

- The MPRDA amendment bill to include a method for designating strategic mineral feedstocks and for their domestic developmental pricing.
- The MPRDA amendment bill to include state control over the marketing of select minerals to realise potential producer power to enhance their economic linkages in SA.
- The MPRDA amendment bill to include the public tender of all known unencumbered mineral assets, against the fulfilment of the state’s developmental goals (developmental pricing, local content, beneficiation, transformation, STEM skilling, technology development, et al).

3.2.4 State Mining Company (SMC)
The state has established a nascent SMC (African Exploration Mining and Finance Corporation – AEMFC) under CEF to “capture a share of mineral resource rents and equity” and support “vertically integrated value chains” (MCETR 2012). However, most of the state mineral holdings are held by the IDC. Key interventions in this regard include:

- Consolidation of the state’s mineral holdings. The Department of Minerals is considering fulfilling this ANC policy commitment by drafting and enacting a State Mining Company Act. Such a process may be the way to go in the long term, but it will take considerable time because, if such an act is to be truly effective, it will inevitably be heavily contested by domestic vested interests (including private black mining capitalists) and global mining companies. Therefore there needs to be some interim measures which provide the foundation of support for state mining companies. The most immediate opportunity is in the hands of policymakers in the impending passing of the MPRDA bill. The task team should prioritise appropriate supportive clauses which advantage state mining above other mining interests and which are to be included in the current amendments. Failure to do this will result in delaying any effective fulfilment of ANC policy for at least 2 more years.
- The MPRDA amendment bill to cater the reservation of select strategic mineral properties for development by the SMC to supply downstream industries at developmental prices. This is still to be effected.

Social and Labour Plans
The recent disruptions in the mining sector and the deeply disturbing Marikana incident have underlined the importance of the corporate social and labour obligations. “Government should urgently conduct a comprehensive review of whether mining companies are meeting their obligations regarding social and labour plans, including those stipulated by the Mining Charter and MPRDA” (MCETR 2012).

Reviewal of the MPRDA Bill
The MPRDA Bill has been sent back because it did not pass constitutional muster and it was therefore required by the constitution to refer it back to the National Assembly for reconsideration.

The minerals and petroleum industries have uneven levels of maturity in South Africa. Mining is a mature industry in South Africa and the country has been producing and selling minerals since 1871. In contrast, commercial quantities of oil and gas were only discovered in the 1970/80s and commercially produced in the 1990s. It behoves that the separation of the bill to cater for mineral resources, on one hand, oil and gas on the other hand be expedited as part of the reviewal of the bill.

3.2.5 Metals/Commodities Exchange Mechanism
Establishment of a Metals/Commodities Exchange Mechanism should be explored given that South Africa in its favour South Africa has a legal infrastructure that can support an exchange, well established and functioning credit systems, good financial regulation, sufficient financial resources and banking skills and, in the Rand Refinery, a world-class gold depository.

There are two distinct benefits from having a local futures exchange viz.:
- Improved price discovery for local market;
- A better correlation between the local cash market and the price of exchange derivatives, which could assist accurate revenue collection (SARS).
Further benefits include the enhancement of the host country’s financial infrastructure, better standards of financial regulation, knock-on benefits for the economy from both of these, a direct economic benefit from the exchange providing employment and investment, and, finally, prestige for the host country and city.

The prognosis for a South African commodity futures exchange has prospects of improving only once a cash or physical market for the commodities has evolved locally. While these commodities are exported to the exclusion of the local market, as is currently the case, a physical or cash market will have enough difficulty establishing itself let alone providing the grounding for the evolution of a viable futures market.

3.3 OIL AND GAS

Oil and gas resources are emerging as another potential game changer in South Africa. It is critical that the movement understands the political-economy of the entire oil and gas industry, to ensure an appropriate political response is provided to shape its development in the interest of our people just as is aptly articulated in Norway’s “10 Oil Commandments” policy.

Acceleration of oil and gas exploration including shale gas exploration and coal-bed methane (CBM) can only be successful through a comprehensive approach the upstream sector in the oil and gas sector.

- Focus on optimal development of the oil and gas regulatory framework (including the free carry) to facilitate development, up- and downstream beneficiation particularly on offshore have to be attended as a matter of urgency.
- With regards to shale gas, over and above enabling supply of energy, there is potential of further developing petro-chemical industries, enabling industrial expansion and also ensure competitive supply of chemical feedstock for which currently Sasol is a dominant monopoly.
- We need to develop an enabling local content policy for the sector (upstream beneficiation), to which we will integrate other transformational industrialisation initiatives such as the development of Black industrialists. The DTI’s formulation of a Resources Capital Goods Development Plan (RCGDP), should optimise synergies with the upstream oil & gas sector;
- We also need to develop an enabling downstream beneficiation policy for the sector that ensures that strategic products such as fertilisers, polymers and energy are supplied to our domestic industries at developmental prices;
- Strong and public focused support on state-owned entities and companies such as PetroSA (particularly), Central Energy Fund, SANEDI, Strategic Fuel Funds whilst drawing lessons on successful models and experiences from other countries is essential, as they should form the basis of the States participation in the sector. We should draw lessons from the weaknesses in the mining industry where the interests being served are for foreign owners. It should be noted that we have borrowed, with minor tweaking, a structure

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**Figure 5:**
**Volume of Mining Production:**
Since 2009, the production index for mining has not recovered to the levels seen in 2005

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**Source:** Mining Production and sales, August 2014
3.4 TOURISM

Another sector which holds great potential for job creation, especially in rural areas, is tourism. However, barriers to entry into the value-chains of the sector that are faced by SMME’s, Black-owned enterprises, particularly the youth and co-operatives need attention. We need to draw lessons on how to improve the integration of Black people, women, the youth, SMME’s and co-operatives into the tourism value-chain.

Advancing transformation in the tourism sector is paramount. The National Department of Tourism must continue to invest in skills training and entrepreneurship development, support the development of catalytic infrastructure in communities (including through its EPWP projects and incentives programme), and further leverage the sector’s BBBEE codes of good practice.

In 2012, the tourism sector represented 3% of our GDP and over 617 000 jobs. In addition, the tourism sector has exceptionally strong linkages to the rest of the economy, for example food and beverage production, financial services, printing and publishing, security services, and many others. If we add up all the indirect impacts, tourism generated 9.7% of South Africa’s GDP in 2013 – and supports more than 1.4 million jobs in the country.

There is also potential to unlock greater value by investing more in nurturing a culture of domestic tourism. By increasing government investment in tourism marketing, we could create meaningful new job opportunities and economic growth. Tourism represents a labour-intensive sector with a supply chain that cascades deep into the broader economy, and the multiplier for its contribution to GDP and job creation outstrips that of most other economic sectors.

3.5 TECHNOLOGY AND RESEARCH, DEVELOPMENT AND INNOVATION (RDI)

Building an economy requires quality and accessible research development and innovation (RDI) and persistent technological advancement, as well as appropriate support institutions. RDI has the potential to enable the economy to leapfrog over certain development hurdles in line with the spirit of Operation Phakisa.

In line with our historical resolutions, there is a need for assertiveness to ensure that government attains the target RDI expenditure of 1.5% of GDP. This requires better systems for allocating public funds for RDI. That includes a realistic assessment of which R&D activities are likely to produce economic benefits, rather than expending resources on increasing all possible categories of 'research'. Focusing on a carefully selected high-impact areas that align with our industrialisation, beneficiation and modernisation policies, strategies and programmes. The lease of all state assets (e.g. minerals, EM spectrum, et al) should stipulate a minimum domestic annual RDI spend of at least 3% of value added. Likewise all major state procurement contracts should seek to strengthen our national RDI system.

Since 2009 the following have been done to accelerate RDI:

- Science, technology and innovation (STI) have been included and identified as one of important contributors to socioeconomic development by the National Development Plan (NDP), New Growth Path (NGP), Industrial Policy Action Plan (IPAP);
Identified new emerging industries led by RDI through Emerging Industrial Action Plan (EIAP). In this regard, progress is reported through government’s Outcome 4.

Initiated technology localisation programme aimed at supporting industries in order to strengthen their technology capabilities, to find contracts from competitive supply demand programme (CSDP) and SOCs as well as export new products.

Initiated sector innovation fund for RDI support to existing industries.

There exist tax incentives for R&D though with limited success to dat.

However, although we have made progress, much more needs to be done, particularly in ensuring that all of our RDI initiatives are in sync with our economic development strategies and programmes.

South Africa needs to build new centres of excellence in RDI and enhance existing ones with the objective of producing original and potentially ground-breaking research and facilitating a growing community of scientists, engineers, technologists and industry experts, contributing to our Economic Transformation goals. Such development in RDI must be synergised with priority sectors of the economy.

The state should also upscale its support for RDI, and build partnerships with firms which have significant capacity to conduct in-house research and development of new technologies. This will require a review of existing institutions that make up the national innovation system, an assessment of the extent to which they are complementary, and an evaluation of their contribution towards supporting our development strategies under the NDP, the NGP and the IPAP.

All state-funded RDI projects must be interrogated to ensure that they fully align with and support our Economic Transformation policies and strategies. We must also identify critical gaps in our system of innovation where our economic programmes and goals do not have the requisite RDI components for success, such as the collapse of RDI in the crucial minerals upstream cluster (see above), and take urgent corrective action.

Initiated technology localisation programme aimed at supporting industries in order to strengthen their technology capabilities, to find contracts from competitive supply demand programme (CSDP) and SOCs as well as export new products.

Initiated sector innovation fund for RDI support to existing industries.

However, although we have made progress, much more needs to be done, particularly in ensuring that all of our RDI initiatives are in sync with our economic development strategies and programmes, especially IPAP.

3.6 SMME’S AND COOPERATIVES

We must continue to encourage the creation of new businesses, cooperatives and the expansion of small businesses, by reducing the costs of compliance with government regulations, making it easier for companies to ‘do business’ with government, making sure that government pays its invoices on time and strengthening the role of our development finance institutions.

Small and medium enterprises and co-operatives have a potential to create more job opportunities, particularly for the youth. The best way of taking investment opportunities to poor communities is by supporting SMME’s and Cooperatives in those communities. Once these SMME’s and cooperatives thrive, larger firms, such as banks, begin to open up services and economic activity improves. The strategy should be to promote SMME’s and Cooperatives in poor communities.

Greater empowerment and focused support to small business development and Cooperatives. In line with our commitment to place the economy at the centre stage and the deliberate decision to focus on small business and Cooperatives, government must unlock economic opportunities that will ensure inclusive economic growth and the creation of sustainable employment, particularly for women, youth and people with people with disabilities.

Our approach includes measures to reduce monopoly pricing and prevent collusion by dominant players in key product markets. Emphasis must be placed on easing regulatory burdens, support mechanisms which include; strengthening partnerships with stakeholders; access to finance, improving training and capacity building programmes, market access, and simplifying business registration processes. State procurement budgets will be leveraged to develop competitive local suppliers to ensure localisation.

A range of options may be considered, including non-
procurement related policy tools that affect SMME’s and Cooperatives in more direct and transparent ways, to promote sustained growth and competitiveness. These include, for example, increased access to credit markets, input subsidies and/or technical and marketing support for finished products.

A big opportunity to make co-operatives work is for the state to adapt the procurement guidelines. The Preferential Procurement Policy Framework Policy (PPPFA) must be used and adapted to leverage the existing and future governmental spending, and support the development of local industries. Developing alternative value-chains that link co-operatives to school nutrition programme, hospitals, SOE’s and agencies should be amongst our flagship projects for empowering SMME’s and Cooperatives.

1. Localisation strategy in procurement which includes review of PFMA, MFMA and laws governing leasing of state rights/assets, capacitation of local suppliers in particular through training by SETA’s for example,

2. Localise SMME’s and Cooperatives development priorities to municipalities and implement through LED programmes.

3. Government and organised business to address and formulate role and status of foreign business in local business formations;

4. Promotion of alternative finance and banking practices such as cooperative banks.

The ANC should mobilise for vibrant and dynamic cooperative movement that an integral part of the movement of radical economic transformation including demystification of distorted understanding of Cooperatives.

Therefore we need to do the following:

1. Issuing of Practice Notes by the National Treasury for effective implementation of set-asides across all spheres of government.

2. NEC needs to endorse 30 percent of public sector procurement from SMMEs and co-operatives. Consideration of a purchasing Act in the medium term.

3. Support more financial resources to be earmarked to develop infrastructure in neglected areas for the benefit of community enterprises.

4. Develop a policy to designate informal businesses for local enterprises.( retail, saloons and services,)

5. Resuscitate and develop township and rural economies.

3.7 OCEAN ECONOMY

Our ocean is a national asset. We are determined to ensure that this asset becomes a key component of sustainable growth, generating benefits for all our citizens.

Recognising the enormous potential of the ocean in contributing to economic growth, creating jobs and reducing poverty, key Government departments must cooperate in enhancing the ocean economy in four new growth focus areas, namely marine transport and manufacturing, offshore oil and gas exploration, aquaculture and marine protection services and ocean governance.

The ANC will support and monitor the implementation of the initiatives within the four focus areas of the ocean economy. We need to urgently develop governance and a funding regime, in order to promote the implementation of ports infrastructure that will enable growth in support of marine manufacturing, offshore oil and gas industry in particular to take advantage of job opportunities for boat building, ship repairs and maintenance of oil rigs.

We need to provide support and direction in the development of ocean legislation, including protection of ocean resources and marine spatial planning in order to designate special economic use zones.

3.8 MONOPOLIES AND COMPETITION POLICY

The South African economy continues to be dominated by monopolies and oligopolies in strategic value-chains. Monopoly and cartel pricing directly undermines the growth of the economy by increasing prices of key products for downstream industry and those that are essential for low income consumers. In addition, tight knot insiders raise barriers to entry for new participants including black owned and managed firms, and lobby to protect their position through rules and regulations that favour incumbents. These have served to stifle the development of downstream, labour-intensive industries, small and medium-sized enterprises, cooperatives and Black-owned firms.

The genesis of the corruption that has become so endemic in our society in both public and private sectors presents itself in many forms including anti-competitive behaviour and collusion. Our people continue to suffer under the burden of high prices.
and our economy fails to adequately ensure equitable and broad based access to economic opportunities as a result of this anti-competitive and unscrupulous behaviour.

The competition authorities have identified such conduct but have not been equipped with enough powers to remedy such behaviour. Stronger steps need to be taken to address anti-competitive behaviour through competition enforcement, regulation and complementary policy measures. Regulators need to work much more closely with the competition authorities and consideration should be given to merging these institutions to increase their capacity as well as their powers.

In addition, other policy levers must be applied simultaneously to address excessive pricing by oligopolies supplying key industrial inputs. (See sections 3.2 and 4.)

The ANC must mobilise all progressive and patriotic businesspersons to disassociate themselves from acts of anti-competitive behaviour, collusion and corruption in pursuit of inclusive economic growth that benefits South Africans as a whole.

4. PROCUREMENT AND STATE CONCESSIONS/LEASES

“Tenders must be issued in an open and transparent manner that does not compromise our objectives”. (Resolution from the 53rd Conference)

Government should intensify the use of public procurement and state concessions as a policy tool for economic development. In this regard, the state needs to incorporate procurement (local content) targets/conditions, skills formation targets, BBBEE, SMME and Co-operatives targets/preferences, technology development targets and value addition targets into all public procurement and leases (concessions) of public assets or rights such as: mineral rights, fishing rights, electro-magnetic (EM) spectrum (ICT) rights, state land rights, water rights, national conservancies and heritage sites (tourism leases), energy generation rights (IPPs), air (aviation) rights, maritime rights, exclusive marine economic zones, etc.

In achieving open and transparent tendering, South Africa should lead by subscribing to domestic and multi-lateral initiatives that enhance transparency, such as the Extractive Industries Transparency Initiative (EITI) and the Kimberley Process Certification (KPC). (See mineral rights section 3.2 above and IPAP section for progress report on local procurement designation of sectors and products).

5. INFRASTRUCTURE SECTORS

5.1 ENERGY

South Africa is confronted by a growing economy that is in need of ever more energy inputs. The need for investment in additional capacity to provide appropriate energy resources compels the exploration of various ways to secure the security of supply.

The ANC is committed to maximising access to energy for all, especially the rural poor as a key part of its fight against poverty. The ETC notes the following policy interventions being implemented and outlines areas which require greater emphasis and action:

5.1.1 ELECTRICITY GENERATION

- The 2013 Alliance Summit noted that the electricity generation and transmission programme was the largest single component of the infrastructure build and maintenance programme which accounted for about 175 000 jobs.

- We should acknowledge the success of the competitive bidding system under the Renewable Energy Independent Power Producer Procurement Programme, which has resulted in commitments by the private sector to investment renewable electricity projects of estimated value of R120 billion and considerable associated job creation through local content conditions, deepening linkages and integration with the Green economy and Green industries.

- Similarly, the completion of the various private-sector projects which have been bid should also be closely tracked to ensure timeous completion.

- The competitive bidding system should immediately be extended to cover medium-term base load requirements, as outlined in the IRP2010 and in the draft IRP2014.

- This success should be instructive and supportive of ANC policy commitments towards mineral resource rights (see 53rd Conference Resolutions and the Minerals section 3.2 above). Revenues from competitive bidding for South Africa’s known mineral resources could be the “game changer” in addressing the fiscal constraints to extending our counter-cyclical macro-economic policy into the future.
5.1.3 ELECTRICITY DISTRIBUTION

- Insufficient progress has been made in implementing Cabinet’s December 2012 Approach to Distribution Asset Management (ADAM) programme. In 2014, the Department of Performance Monitoring and Evaluation (DPME) reported that the Department of Energy was not likely to achieve the target to develop a funding and implementation plan and reduce the electricity distribution infrastructure maintenance backlogs of R27.4bn to R15bn by 2014. The recent MTBPS is silent on any fiscal allocation for distribution infrastructure rehabilitation, which was also not budgeted for in the DoE’s last MTEF budget between 2014 and 2017.

- Municipalities distribute electricity to a large number of small and medium industrial firms who supply the domestic and export markets. Municipalities are dependent on rents from electricity sales to cover overall annual expenditure and this forces them to effectively milk electricity users, providing poor supply reliability (through not maintaining the distribution infrastructure) and implementing exorbitant mark-ups which are used for other purposes, resulting in municipal electricity costs being significantly above those charged by Eskom to competing firms in Eskom supplied industrial areas. While large industrial user interests are catered for through the lobbying power of the Energy-Intensive User Group (EIUG), smaller firms are voiceless and vulnerable.

- An urgent sustainable resolution of this issue is required, which must involve National Treasury and its approach towards the use of electricity rents in local government financing, COGTA and the DTI. Otherwise it is likely that electricity distribution infrastructure collapse will be the next energy crisis that our country will face and municipal practices will accelerate de-industrialisation in municipal-supplied areas.

5.1.2 ELECTRICITY TRANSMISSION

- While major investments are being made in strengthening the transmission infrastructure, recent evidence suggests that these investments need to be more carefully planned and accelerated in order to accommodate the significant number of IPP power generation projects already committed to, with window 4 projects under threat for lack of transmission infrastructure.

- This matter will become more critical with the advent of larger base-load plants.

5.1.4 HYDROCARBON FUELS – REVIEW OF THE REGULATORY SYSTEM

Although the 53rd Conference resolutions are silent on liquid fuel issues, there are two urgent reasons for government to implement a review of the regulatory system that governs the hydrocarbon liquid and gas fuel value chain. This system effectively promotes every stage of the fuel value chain, from crude oil imports to retail service stations and has provided stability, predictability and certainty for all of the firms across the value chain. However, the system is now seemingly being abused by oligopolistic interests.

As is evident from the response of transnational-owned refining companies to fuel specification improvements that have long been part of our Energy Policy, the generous profits afforded by the regulated system have been channelled towards expatriated dividends rather than towards provisions for anticipated policy changes. These firms now seek
to have liquid fuel consumers pay for the necessary refinery investments to meet upgraded Euro IV fuel specifications. Consequently, the Department of Energy appears to have deferred the introduction of improved fuel specifications to 2020. In the absence of any fuel regulation review, it is unlikely that the refining companies will behave differently in the run up to 2020.

The second reason for a review of fuel regulation is that the system was originally intended under apartheid to accommodate and support the Sasol oil-from-coal plants. The system continues to support the now privatised Sasol with some suggestions that it is more favourably oriented towards Sasol compared to crude oil refineries. As evidenced from the recent fine imposed by the Competition Tribunal on Sasol for abusing its dominant position is supplying polymers to South Africa’s labour-intensive downstream chemical and plastics industry, Sasol has effectively leveraged the guaranteed returns provided by the liquid fuel regulatory system to boost its profits. Furthermore, it has boosted profits on its chemicals businesses by practicing import-parity pricing and effectively undermined the competitiveness (and job-creation potential) downstream plastics industries. Given Sasol’s recently stated corporate objective of fleeing South Africa over the next decade, a very clear and sharp policy response is required which of necessity must incorporate liquid fuel regulation.

The development of a national hydrocarbons pipelines grid needs to be pursued and the efficacy of permitting privately owned pipelines needs to be reassessed to ensure that they are not used to escalate prices.

5.1.5 LINKING NEW GREENFIELD REFINING
INVESTMENT WITH PIECEMEAL INDIVIDUAL REFINERY UPGRADES

Existing refineries are increasingly encroached by dense human settlements, giving rise to environmental challenges. The investments necessary for each of these facilities to profitably achieve Euro IV fuel specifications would be more sustainably applied to a larger new greenfield refinery that is jointly owned by existing refiners, new entrants to the SACU market and by the National oil company. Such a refinery must be located in a more remote part of the country, such as at the site proposed for the Mthombo project. Rather than expanding the existing refineries, these should be refocused and downsized towards more specialised products and integrated with product streams from the larger greenfield refinery. This concept should be promoted as part of the proposed review of the fuel regulatory system.

5.1.6 ENERGY EFFICIENCY AND CONSERVATION

The various initiatives that are underway should be intensified. According to the International Energy Agency, improved energy efficiency in buildings, industrial processes and transportation could reduce the world’s energy needs in 2050 by one third, and help control global emissions of greenhouse gases.

5.2 TRANSPORT

Transport systems are closely related to socio-economic changes. The mobility of people and freight and levels of territorial accessibility are at the core of this relationship. Economic opportunities are likely to arise where transportation infrastructures are able to answer mobility needs and ensure access to markets and resources.

The ANC notes the following policy interventions being implemented in the freight logistics and public transport sectors and we outline areas which require greater emphasis and action:

5.2.1 FREIGHT RAIL

■ We acknowledge that there is a massive freight rail investment programme being implemented by Transnet. This has been made possible through the strengthening of Transnet’s balance sheet through a number of interventions including the sale of major assets and the hiving off of loss-making public transport assets to create PRASA (see below).

■ Transnet’s initial investment focus has been on growing its capacity to support primary commodity exports - iron ore, coal and manganese in particular.

■ While container rail freight is also targeted, recent statistics do not show any significant improvement in shifting container freight from road to rail - Perhaps this process needs more time to blossom.

■ However there is some concern that Transnet Freight Rail (TFR) are taking decisions on freight tariffs (unregulated) and on investment priorities that are mainly in the interest of Transnet’s balance sheet. These are not necessarily in the interest of the national economy, particularly in respect to a tariff structure that appears to use rents from transporting high value manufactured goods to subsidise commodity transport logistics.
5.2.3 PORTS

We note that transport policy calls for independent regulation and that there is a plan to put in place a Transport regulator, covering road and rail freight.

However, there is concern that this process may take several years and that it may be in the national interest to urgently put in place an interim freight rail regulator. This view draws on the recent impact that the recently created Port Regulator has had when it imposed an immediate tariff decision which prioritises manufactured goods exports over raw commodity exports.

5.2.2 DISUSED BRANCH LINES:

This has been a long-running issue since at least the National Freight Logistics Strategy was drafted in 2004. Does need to be resolved asap.

We note that transport policy calls for the concessioning of disused branch lines owned by Transnet. These were closed as part of the process of strengthening Transnet’s balance sheet.

We also note that little progress was made until 2012, when the DPE minister gave Transnet a mandate to enter into 3 concession agreements.

Since then, Transnet seems to have decided not to concession, but to rather fund the revitalisation of these lines using internally generated revenues (cross-subsidies from other Transnet activities).

Given Transnet’s funding constraints, it is clear that the revitalisation of disused lines will obviously proceed more slowly and, while this may be optimal for Transnet’s balance sheet, it may not be the best option for radical and rapid economic transformation, particularly for those disused lines that might service localised rural agricultural and other economic activities.

Consequently, the ANC supports a more urgent process which maps out the plan for revitalising all disused lines either by Transnet and/or through some competitive concessioning process.

5.2.4 COMMUTER TRANSPORT

Transport systems are closely related to socio-economic changes. The mobility of people and freight and levels of territorial accessibility are at the core of this relationship. Economic opportunities are likely to arise where transportation infrastructures are able to answer mobility needs and ensure access to markets and resources.

The ETC notes the considerable progress made towards implementing the transport policy goal of seamless inter-modal public transport (commuter rail, bus, taxi). Bus Rapid Transport systems are being rolled out in 12 municipalities/metros, with associated incorporation of taxi feeder operations.

Currently, one of the major challenges is for municipalities to renegotiate bus subsidy contracts in a manner that integrates the bus service being procured, together with minibus taxi and BRT operations within the respective municipal public transport plan – The DoT is supporting this process which should be rapidly accelerated.

We also note the consolidation of municipal commuter rail functions under PRASA and the recapitalisation of PRASA’s metropolitan commuter rail services, integrally linked to localisation and job creation.

The current challenge is to sustain the existing metro commuter rail capital expenditure with an emerging challenge to finance the long-distance (Shosholoza Meyi) passenger rail function that has also been handed to PRASA.

5.3 INFORMATION AND COMMUNICATIONS TECHNOLOGY

The world has become more connected, networked, and interdependent. At the centre of this interconnection is ICT. This sector is a key enabler of innovation and is a fundamental resource for a developing economy. It can open many avenues for growth and employment. There is a need for a comprehensive national approach to the deployment of the ICTs to modernize government, the economy and service delivery within the context of a national e-strategy and an integrated e-government policy. This approach must entail mobilizing all sectors of the South African society and in particular providing broad-based training to those segments of the population that require empowerment to connect to the new ICT environments.
The availability of high-speed broadband in rural and underserviced areas will serve as an important development strategy, serving the economic interests of rural populations.

We need to:

- Ensure that all ICT licenses maximise our developmental ICT targets through competitive market based principles for the allocation of the electro-magnetic spectrum alongside strategic spectrum set-asides for socio-economic development.
- Adopt domestication of innovation: expanding the R&D capabilities of indigenous firms with clear direct support for industrialisation,
- Promote the spread of broadband connectivity through affordable and reliable models to consumers in rural areas through shared services platforms or community centres and a connected postal network.
- Develop and nurture, through government adoption, practical and large-scale ICT and in particular mobile applications, taking advantage of the widespread penetration of mobile phones.
- Aggregate the demand and use of broadband at national, provincial and local government spheres in order to offer online e-government services of all the frontline service delivery departments.
- Ensure the security of networks, data, personal information and government data bases so as to instil confidence in the new ways of delivering services.
- Lower the price to communicate consistently and empower the regulator to protect consumers and enforce competition in the delivery of ICT services.
- Consolidate and implement a comprehensive industrial strategy for end-use equipment.

The ICT Policy Review Green Paper supports the realisation of universal access to affordable and quality high-speed infrastructure and services. Whilst the focus of universal service and access programmes in the past was telephony, attention is now shifting towards the internet and broadband. The advent of broadband provision as a recent focus area for universal service requires attention to backbone as well as access networks, relevant content and the availability of affordable terminal devices.

All three spheres of government must be encouraged to use the South African Post Office to deliver services. For its survival, the postal market must continue to expand infrastructure that will be used in the distribution network. The connected postal network that offers also online services is crucial for the survival of the Post Office. To this end, the South African Post Office must be supported to accelerate evolution and migration of traditional postal services to e-services using innovative technology platforms and electronic channels.

ICASA, as a regulator, needs to be strengthened with the necessary capacity to regulate the postal market. Strengthening ICASA as a regulator also has to address policy gaps to improve postal regulation efficiency and effectiveness in reserved and unreserved postal services. This includes courier services, courier brokers and extraterritorial offices of exchange. Extraterritorial offices of exchange refer to international mail houses sending mail either electronically or physically to entities in South Africa. Of concern are illegal operators and broader transformation issues in the sector.

Introduce policy guidelines to direct opportunities to the Post Bank as a bank of first choice of government and a primary platform for government and citizens’ transactions.

The South African Postbank Act was amended, to ensure that this framework serves as a guideline to expand the range of banking services and developing the Post Bank into a bank of first choice, in particular to the rural and lower income markets as well as communities that have little or no access to commercial banking services or facilities.

5.4 PUBLIC WORKS

Our Manifesto commitment to expand comprehensive social security is being realised through:

- Increasing access to infrastructure at a price that will not undermine job creation;
- Improving the reliability of network infrastructure;
- Ensuring the security of supply through diversity of supply in electricity, water and sanitation;
- Meeting the renewable energy targets;
- Supporting economic growth and development through investment in social infrastructure;
- 76% of EPWP work opportunities were created in rural municipalities.
- Review of the CIDB. This will address challenges faced by the construction sector and emerging contractors, with particular focus on the National Contractor Programme which aims to support
emerging contractors at lower grades of the CIDP database.

- The review of the mandate of the IDT (Independent Development Trust) and the finalisation of the IDT Business Case to establish IDT as a Government Component

- Revitalisation of small Harbours

In order to address the above matters and positively contribute to NDP outcomes towards a better future for all South Africans, the Department of Public Works has begun the process of establishing the PMTE (Property Management Trading Entity) as a Government Component. The PMTE will collaborate with various Government Departments on numerous projects to beautify schools nationwide, save water and energy on all state assets, revitalise small harbours and develop government precincts and satellite walk-in centres in inner cities and rural areas. We also aim to identify and develop black property agents and developers to effect capital improvements and market unutilised state properties (investment stock) to the private sector.

6. SOUTH AFRICAN REAL ESTATE

There are three issues that affect this sector. One is the concentration of ownership, leading to the problems of oligopoly. The second is demographic transformation of ownership. The third is access to finance. These point to the great divides in the racial distribution of land and property ownership, especially in the commercial and agricultural sectors as well as the property development field. Under the surface of the seemingly competitive South African property industry run fissures that a sudden jolt can tear open to reveal a crumbling unbalanced structure of ownership patterns. New strategy especially new foundations are needed to create not only a national edifice of ownership of property in South Africa but also a transformed industry.

Naturally, South African property industry is reflective of the oppressive past of the majority, in all its facets, development, management and ownership it’s reflective of our past power relations biased towards the oppressor. It is thus necessary in-line with the new democratic dispensation and the ruling of the majority under the revolutionary movement lead by the ANC that such patterns get altered to reflect the new order.

Property ownership cannot be explained outside of the land ownership and access to finance, notably the report by the department of rural development and land reform exposes the dire nature of South African land ownership patterns which are skewed towards white monopoly capital.

Over the years, we have seen a number of black-owned farmers enter into the large scale commercial sector, however, with the level of experience, capital and professional skills required to successfully operate a production farm, these numbers are not growing at the desired pace.

Further attention needs to be given to support plans for agricultural development from the handover of land through to final distribution, through preferential funding, procurement and distribution schemes. These will ensure that entry level farmers are well equipped for large scale farming and are exposed to commercial distribution. The Land Audit initiative and Land redistribution is an apposite starting point. However, additional initiatives could be:

- Release (lease) of land to black owned private business for commercial, agricultural development.
- Disposal to private black land owners (rural) for agricultural and commercial use.
- Incentivise rural development through:
  - Preferential funding for commercial development;
  - Preferential funding for agricultural development.

Due to the large amounts of funding required for major construction projects, large scale property developments in South Africa are mainly undertaken by big corporations backed by established institutions like pension funds and commercial banks. There are very few – and small – property developments which are undertaken by SMMEs and private individuals.

The National infrastructure Plan (NIP), adopted by Government in 2012, aims to transform the country’s economic landscape while simultaneously creating significant numbers of new jobs, and strengthening the delivery of services.

The ANC should enhance the newly established department of small business development and expand its mandate to consider mechanisms for easing entrance for SMMEs in the property development space.

The ANC should also consider aggressive mechanisms for easing access to finance for both SMMEs and private individuals with a deliberate intention to transform
the property development industry. In addition:

1. Revision of procurement processes to prevent fraud and corruption.

2. Promote professional project management tools and skills.

3. Development and skilling of small black-owned construction companies through progressive monitoring and grading against allocated work.

There are barriers to entry for small players and thus there is a serious need for intervention from the ANC so as to transform the industry while also meeting its objectives of creating jobs and thereby meeting its contractual commitment with the people of South Africa for creation of new job opportunities and sustainability to the economic growth which has been stagnant lately.

In December 2014, the Property Sector Charter Council reported that out of 31 property management companies listed on the JSE, only 4 originate from wholly black-owned asset management companies. This statistic reveals the harsh realities of transformation in this field.

The ANC needs to introduce intervention mechanisms both from a policy perspective and to a legislative perspective to ease the barriers to entry and also improve the financing chances for new entrants into the industry.

Interventions both at policy and legislative levels need to be considered with an intention to transform the property industry both at commercial, residential and retail space. This will be consistent with the promises of the freedom charter on the transformation of the economy and change of ownership of financing means and ownership.

7. TRADE AND REGIONAL INTEGRATION

Our trade strategy must integrate economic diplomacy through advancing the African Agenda, expanding regional and bilateral relations and creating opportunities for South-South Cooperation, leveraging our significant global diplomatic stature and coverage. There is immense reciprocity and symbiosis between trade and the political aspects of diplomatic relations, with latter contributing towards the strategic approach.

Our economic development is dependent on achieving equitable regional integration and the creation of a regional economic market. The SADC market has grown substantially over the last decade and regional GGP is now over $1trillion.

The challenges include:

- Natural tendency of unregulated capitalist development which polarises growth in favour of larger more powerful countries, regions and vested sectoral interests.
- Poor and inefficient logistics infrastructure.
- Lack of integrated and mutually beneficial industrial, agricultural and infrastructure strategies.
- Failure to leverage public and private procurement expenditure to maximise intra-regional production and job creation.

Government should focus its engagement in SACU, SADC and in other bilateral and regional fora to address these challenges and to realise the advantages of equitable regional economic integration.

8. INCOME INEQUALITY

Widening disparities in income, wealth, and opportunities have risen to the top of our concerns. We have focused on confronting inequality of opportunity, focusing on access to education and health and inequality in human capital, however much still needs to be done. Inequality of income is also a function of the distribution of economic assets and their rates of return.

Private wealth is not dislocated from the success of the economic system as a whole, the economy should not be seen as an abstract experience that distributes rewards to a few. The extent to which private wealth accumulation is viewed as not linked to socioeconomic context is problematic and poses challenges of sustainability and long-term stability.

The role of economic policy should therefore be to serve broader needs, including the need to redistribute and empower. Thus, economic interventions should be appraised in terms of how functional they are in relation to our goals of lifting up our communities from poverty. We must place our human goals at the centre of our thinking in terms of the decisions we make daily, including our drive to deliver goods and services to our communities.

In this context, a variety of public policies have been used to improve the distribution of income and reduce inequality.
These can be grouped into:

(i) public spending on education, health, and social services to enhance human capacity and enable everyone in society to participate in employment;

(ii) direct income transfers that redistribute income; and

(iii) governance and institutional reforms to level the playing field and enable everyone in society to participate in and benefit from development on an equitable basis. However, strong economic development will open more options to intervene to address these disparities.

At the centre of this subject is what leads to the better or worse use of resources and what can be done towards better utilization and sharing of resources. Here enters the role of activism which must be continually enhanced. In this regard, we must curb the proliferation of activities that condemn society to economic impotence and corruption. We must carry out this task propelled by the ideals of our role as bearers of people's liberation.

This speaks of responsibility that we have for one another as members of society, this responsibility for one another means we must challenge the notion of individualism and connect ourselves to the responsibility to society. The South African resources must promote the dignity of each South African.

9. CAPACITY OF THE STATE

The capacity of the state is a macroeconomic issue because it influences the behaviour of the economy as a whole. It is therefore important that we re-emphasise the need to continuously improve the capacity of the state.

Our role is to transform the orientation of public services to delivery-orientated service, to allow society a greater say in the coverage and quality of services delivered. This is central to improving the prospects of the poor. Quality of public services, in turn, depends on the quality of skills we employ.

In the 53rd Conference, the ANC resolved to make our government a more capable and effective state, with the technical and political capacity to lead development and transform the economy. This implies “a proper balance between political leadership and a professional public service.”

The quality of public service is one of the central elements to the “social contract” between the state and its citizens. It contributes directly to the legitimacy of the relationship with all citizens. Patronage arrangements often affect the stability of state institutions and significantly affect the management capacity to deliver.

However, one of the key challenges of the South African Public Service is to develop and retain competent leaders, technical staff and managers. Experience has shown that during the time of political changes of government, there is normally a high level of movement that can be expected, and most senior managers have accepted this reality.

While turnover within departments is inevitable and can even be healthy, the impact of high rates of turnover is negative, cumulative, and throws off the equilibrium of delivery teams. We must confront the mantra that “the higher you rise the more vulnerable you could be. Sometimes it happens as” a consolidation of control and power” for new political deployees. In situations like this, departments become unfocused, and the public sector loses productivity as morale suffers. At a minimum, it costs government departments and agencies at least six months’ worth of someone’s compensation when managers are terminated in ways unjustifiable in law.

Government departments and agencies need to be more effectively coordinated and aligned so that we are able to achieve integrated planning and implementation of programmes. We note that a number of interim co-ordinating bodies have emerged (2010 World Cup, the 2008 National Electricity Response Team, 2013 Operation Phakisa, 2014 electricity war room, et al). However, there is still a lack of a higher level co-ordination of state capacity around economic development which needs to be addressed through a Presidential driven institutional arrangement (as per PICC) as well as sectoral co-ordination where necessary.

The strategic role of the state should be accompanied by increasing the economic planning capacity of the state, restoring its long-term economic perspective, which should provide an anchor around which private sector investment decisions should be made. This will require that we build state capacity, establishing high standards of employment in the public service, raise the levels of professionalism, discipline and a commitment to serve. The public sector must strengthen its planning capacity and project management skills.

On state-owned companies (SOEs) we need to attend as a matter of urgency the following areas:

- Board and fiduciary duties.
Clear roles and responsibilities for boards and executives.

We need to appoint competent board members and executives.

Develop a clear strategy for the management for the dual role that the state-owned entities have.

Review factors that impact on the sustainability and effectiveness of the SOEs.

9.1 THE LABOUR MARKET

The human being should be at the centre of all development activities. Key areas to enhance human development are employment, education, skills development and training.

Currently, 95% of the unemployed do not have tertiary education, 62% have less than secondary education, and 60% have been unemployed for more than a year. Unemployment affects young people the most; 40% of the unemployed are new entrants to the labour market, which are most likely to be young people; 72% of the unemployed are young people. Tackling the unemployment challenge is to a large degree similar to tackling youth unemployment.

Our objective is to attain full employment – with adult South Africans either employed or in meaningful self-employment. By 2030, the unemployment rate, broadly-defined, should not exceed 6%. Ideally, the majority of these should be in decent jobs characterised by a living wage, decent conditions of employment and appropriate benefits.

Achieving this objective requires a combination of interventions straddling macroeconomic policy, industrial strategy, infrastructure development, skills development as well as special measures targeting rural areas and vulnerable groups such as youth and women.

The basic approach is to ensure that the country utilises its natural resources and comparative advantages to expand its industrial base including manufacturing, and gradually improves the sophistication of its production capacity and services industries.

Most of the interventions required are outlined in the National Development Plan, including the set of programmes in the New Growth Path, the National Industrial Policy Framework and its attendant Industrial Policy Action Plans, the Infrastructure Development Plan and the National Skills Development Strategy.

Furthermore, the ANC remains committed to investigating the modalities for the introduction of a national minimum wage, as one of the key mechanisms to reduce income inequality.

Special immediate measures to absorb the unemployed: Mass absorption of the unemployed, especially youth and women, as an immediate task, requires a raft of interventions. These are contained in the NEDLAC agreement, the NDP and the NYDA’s programmes. Among others, these are:

- job and business set-asides for youth and women;
- driver training for school leavers, and transport subsidies linked to job search;
- strengthening the placement sector to prepare Matrics and place them in jobs;
- incentives to reduce the initial cost of hiring new entrants;
- expanding learnerships, apprenticeships as well as vocational and further education and training;
- intensification and further expansion of access to public and community works programmes and other such initiatives, with appropriate emphasis on the production of community assets and services.

10. CONCLUSION

The overview of economic programmes and policies outlined in this report gives a clear indication of the extent and vibrancy of the interventions of the ANC-led government, informed by its vision of building a democratic developmental state in South Africa.

Much is being done, yet much remains to be done, and much can be done better, smarter and more effectively. It is through a constant review of our various programmes and our interventions that the ANC will most effectively calibrate its economic programme and will achieve its goal of radical economic transformation, a transformation that will have the effect of improving the lives of ordinary South Africans. The upcoming organisational discussions in the build up to the NGC, and at the NGC meeting itself, offer the ANC an important opportunity for reflection and renewal.
DISCUSSION QUESTIONS

- In what way should progress from the Mangaung Conference inspire the role of ANC activists in radical economic transformation? How do we also inspire resilience to lack of progress?

- How can we accelerate economic development as people who are committed to changing the material lives of South Africans?

- What behaviour should the public service personnel demonstrate in the discharge of their duties? How should they be resocialised to effectively drive radical economic transformation?

- Why has private sector investment failed to rise to the call despite the programme of investment in public infrastructure which aimed at stimulating private sector investment? What should be done to stimulate private sector investment?

- What are the risks associated with rising government debt? Is it important to take steps to reduce government debt, even if this means controlling spending (including on public servant wages) and raising some taxes?

- How best can inequality of wealth and income be reduced? What strategies should be adopted to achieve the objectives of reduced wealth and income inequality?

- How can we best leverage the people’s assets (land, minerals, water, fisheries, EM? spectrum, etc.) to best catalyse economic development and transformation?

- What steps can be taken to improve service delivery and improve the quality of public services, such as, education, health care and municipal services?

- How best can small business and cooperatives be promoted intensively, and a culture of entrepreneurship be encouraged, in order to see an increased number of successful small enterprises and concomitant employment creation? What role and impact can mass economic participation have in this regard?

- What can be done to boost local manufacturing and raise employment levels in local manufacturing? How can we encourage the development of black-owned industrial firms?

- Why mining is output declining? What can be done to increase mining investment, mining output, economic linkages and inter-generational equity?

- What can be done to make a greater success of land reform? What policies are needed to see the emergence of a large number of successful black farmers and black-owned agro-industry?

- What can be done to build and strengthen South Africa’s tourism, property, ICT and defence industries in the context of radical economic transformation?

- What are the main objectives of our programme of radical economic transformation? How do we measure the success of our programmes? Do we prioritise ‘instruments’ or ‘outcomes’?

- With regards to building the capacity of the (developmental) state:
  - How do we build the state’s political capacity to mobilise the society on the radical economic transformation path?
  - How do we build the state’s developmental capacity re-socialise the society towards an economically transformed society?

- How do we intensify our campaign for reform of the banking and financial services sector such that it improves its contribution to economic transformation?
INTRODUCTION

The fundamental goal of the African National Congress is that of uniting all South Africans around its vision and programmes in order that the masses participate in the building of a united, non-racial, non-sexist, democratic and prosperous society in our country.

As the governing party, the ANC relies on the strength of its branches and their ability to work among the people, mass participation of communities in programs of the ANC and those of government, and its ability to use state power to advance speedily its goal of realizing the ANC’s historic mission.

Today in 2015, in the Year of the Freedom Charter and Unity in Action to Advance Economic Freedom!, the Freedom Charter in its 60th year of existence continues to be the beacon for the ANC, its Alliance partners and country. It continues to be our guide as the ANC implements its policies, plans and programs in the education, health, science and technology sectors in communities and in government.

These above-mentioned sectors continue to work tirelessly to move South Africa closer to ideals of the Freedom Charter, especially the realization of the demand of the people that “The doors of learning and culture shall be open!” ANC programs also carry in them the spirit of the clause “There shall be houses, security and comfort!” which, further studied, states that “A preventive health scheme shall be run by the state … (and) free medical care and hospitalisation shall be provided for all, with special care for mothers and young children.”

The work of the ANC Subcommittee on Education and
Health is guided by clear directives that are contained in the Strategy and Tactics of the African National Congress. High on the agenda of the Subcommittee is that the sector navigates successfully and efficiently the second phase of transition of the revolution led by the ANC in South Africa towards greater political freedom and genuine economic emancipation, as it relates to education, health, science and technology. The Subcommittee also ensures that its programs contribute to the goal of radical socio-economic transformation of the country.

The Subcommittee, after considering the implications of overlapping terms of governance for government departments’ reporting periods on the report of the ANC, whose reporting period is not aligned to that of government, made a deliberate choice of adopting the approach of structuring its report in such a way that it expresses the notion of “continuity and change.” That is, it reflects on all the work that was done in government during the period January 2013 to May 2014, which is based on resolutions of the 52nd ANC National Conference, and adds to that an account of progress made through the work that was performed during the period of May 2014 to date, that is based on resolutions of the 53rd ANC National Conference.

This report and account of the work done by the sector must be read together with the official report of the ANC NEC on resolutions of the 53rd National Conference. The Subcommittee has ensured that all its constituent sectors provide reports against every resolution of conference without exception, viz. resolutions under Education and Health plus relevant resolutions listed under the Social Transformation Committee (STC) on the official report of the last national conference. A document with extracts of the said resolutions is available from the Subcommittee on request.

BACKGROUND

At the dawn of democracy, the ANC stated its objectives in its document, Ready to Govern, that the basic objectives of ANC policy are fourfold:

- To strive for the achievement of the right of all South Africans, as a whole, to political and economic self-determination in a united South Africa;
- To overcome the legacy of inequality and injustice created by colonialism and apartheid, in a swift, progressive and principled way;
- To develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans; and,
- To encourage the flourishing of the feeling that South Africa belongs to all who live in it, to promote a common loyalty to and pride in the country and to create a universal sense of freedom and security within its borders.

A lot of progress has been made in the last 21 years by the ANC and the ANC-led government towards the attainment of these objectives. However, these objectives continue to inform the conduct of the work of sectors in the Subcommittee and motivate these sectors to deliver on the people's mandate in areas where they are active and where its operatives have been deployed.

The ANC has made excellent progress in the transformation of South Africa from apartheid to democracy. The implementation of the ANC’s Reconstruction and Development Program (RDP) is one of the key factors that made it possible for the ANC to succeed. The sectors that are integral to the Subcommittee on Education and Health have been and remain at the centre of this reconstruction of our country, and their contribution has been immense assisted by the involvement of stakeholders inside and outside of government.

This report is an account to the membership and leadership of the ANC on progress made in the implementation of the organisational mandate from the 53rd National Conference, ANC NEC meetings and Makgotla, the NDP 2030, the 2009 & 2014 Election Manifestos and the 2009–2014 and 2014–2019 Medium Term Strategic Frameworks (MTSFs).

THE BALANCE OF FORCES IN THE EDUCATION, HEALTH, SCIENCE AND TECHNOLOGY SECTORS

The ANC is the leader of society and party of government. Its primary focus is the work of the movement in communities. The ANC uses government as its vehicle for the implementation of its policy and programs plus the delivery of services to our people. The ANC has the power and legitimacy to do so as authorized by the overwhelming mandate that it receives from the majority of the people at every national, provincial and local government election since 1994.

The following critical issues that affect the balance of forces in our sector are discussed in-depth in a separate document submitted to the leadership of our movement:
Centrality of ANC branches: Weak branches create conditions for the opposition to be strong.

Governance: Poor governance and social distance between governance structures and communities weaken the ANC and the Alliance. A push for a return of ANC members to activism and the adoption of an approach such as the delivery and governance model adopted by the ANC KwaZulu-Natal of Operation Sukuma Sakhe and the War Room Implementation Plan (WRIP) should be considered by all provinces to bring governance to the level of communities in every ward.

Competing interests of the Executive and bureaucracy most of the times end up tipping the balance of power in favour of the bureaucracy away from Executive Authorities thereby compromising the ability of government to deliver on the mandate of the ANC.

Effects of competition over the imposition of conditions for co-governance onto Executing Authorities by various stakeholders such as members and leaders of non-governmental organisations and labour unions sometimes tilt the balance of power away from Executive Authorities.

Instability of management structures caused by unjustifiable removal of managers such as principals, senior managers, heads of departments and directors general and the prolonged non-appointment of managers into vacant posts plus frequent changes of political principals such as Members of Executive Councils (MECs) and Ministers disturb power relations in government departments and compromise all efforts to promote continuity.

Other important external factors that affect the sector’s ability to deliver on its mandate are the negative influence of the private sector on the public sectors’ policy choices; the influence of donors or development partners on the design and implementation of ANC and government policies and programs; implications of poor security of information on the strength of government; and lapses in the application of basics of Minimum Information Security System (MISS), which compromise the security of the ANC and that of the state.

EVALUATION OF PROGRESS MADE AGAINST PLANS AND PROGRAMS BY VARIOUS SECTORS

In its evaluation of progress made, the Subcommittee has endeavoured to provide a political assessment of performance against targets as opposed to an assessment that focuses purely on administrative matters.

The following are sectoral reports of progress made in the implementation of resolutions of the 53rd ANC National Conference, the 2014 Election Manifesto and the government 2009–2014 and 2014–2019 MTSFs. It also focuses on specific imperatives of each sector that flow from the above.

The Subcommittee considered in its reporting implications of the two year time lag between the ANC taking resolutions at national conference in December 2012 and the act translation of the said resolutions into the mandate of government in 2014 post-elections. This report therefore covers the period 01 January 2013 to date.

This summary presents an account of progress to reflect the following:

- Resolutions have been fully implemented.
- Resolutions are in the process of being implemented with the likelihood of success.
- Resolutions have not been implemented and/or the Subcommittee awaits reports, programs and funding plans from sectors. These will be submitted to the NEC prior to the NGC.

ANC SUBCOMMITTEE ON EDUCATION AND HEALTH

This is an account of the work and performance by the ANC NEC Subcommittee on Education and Health and that of similar Subcommittees at Provincial, Regional, Zonal and Branch level.

The following programs which were part of the 2007 Conference and subsequent NEC resolutions were completed:

- All provinces have successfully implemented the resolution of the NEC that directed that the Department of Health and Department of Social Development should exist as separate entities.

The following programs which are part of the 2014-2019 mandate have been completed:

- PECs have appointed Chairpersons of Subcommittees on Education and Health in line with the resolution of conference. The Subcommittee will report on this matter as it affects RECs, ZECs and BECs.
- PEC Subcommittees on Education and Health in
The following are work in progress from the 53rd National Conference:

- Provincial Subcommittees on Education and Health have been established in the Eastern Cape, Western Cape, Gauteng, KwaZulu-Natal and Limpopo. Gauteng and KwaZulu Natal have functional Regional Subcommittees. Provincial Subcommittees are engaged in the process of establishing similar subcommittees at all levels of the organisation from province to branch level. The NGC will receive a comprehensive progress report on this matter.

- The ANC commenced with the engagement of its structures, the Alliance and communities to mobilize grass roots support for improved education outcomes. Together with the DBE and PDEs, the ANC held initial meetings to promote the Quality of Learning and Teaching Campaign (QLTC). These meetings are being rolled out. Training has been offered to 1749 School QLTC Sub-committees in 45 districts, 214 departmental officials and 1749 QLTC stakeholders.

- The ANC and the Gauteng Provincial government have implemented programs such as a meeting of stakeholders to mobilise broad social support for the roll out of the NHI.

- The ANC and government have embarked on activities to promote healthy lifestyles through mobilization of individuals and communities to engage in physical activities, good dietary practices and reduction of harmful use of alcohol, tobacco and to control of substance abuse.

- In order to streamline the implementation of physical education and school sport in all provinces, a Multi-Stakeholder meeting was held on 20–21 February 2015.

- The ANC and government have mobilized all necessary resources to achieve the goals and priorities set out in the National Development Plan 2030. That was consolidated through the alignment by sectors of resolutions, the manifesto and the NDP 2030 with budgets of government departments towards the finalization of the 2014–2019 government Mid-Term Strategic Framework (MTSF).

- The Subcommittee will report on the on-going training and development programmes for government officials that are aimed at building capacity of government.

- Disciplinary steps are being taken against officials who engage in corrupt, unethical or unlawful practice.

- Government and trade unions are cooperating to stamp out ill-discipline in the sector.

- Steps are being taken to combat many cases of conflict of interest that relate to procurement involving public representatives and civil servants. The DHET has instituted steps such as putting in place regulations that bar students and management from participating in specific business activities linked to the sector.

- In the face of interventions such as those implemented in line with Section 100 (1)(b) in the health sector, viz. Mpumalanga, Eastern Cape, Limpopo, and in the basic education sector, viz. Free State, Gauteng, Limpopo and the Eastern Cape; the sector has linked these with efforts to develop capacity in areas of interventions.
The following are issues that are from the 53rd National Conference which were not implemented within the deadline provided by resolutions. They need intervention if the Subcommittee and its sectors are to complete them by December 2017:

- The NEC Subcommittee on Education and Health has neither conducted comprehensive policy consolidation and/or reviews of official policy documents of specific sectors, namely Basic Education, Higher Education & Training, Health and Science & Technology nor, where indicated, consolidated existing ANC policy positions into identifiable ANC policy documents as director by the resolution. The deadline was 30 June 2013.

- The ANC in the sector has not embarked on programs to actively promote the national anthem of the country as it currently exists; and did not engage in a structured campaign or program to ensure that whenever the ANC sings the original Nkosi Sikelela iAfrika, it should not be referred to as the national anthem. However, government through the DBE has commenced with programs to promote the National Anthem. The DBE has made it compulsory for all the 201 schools participating at the SASCE competitions this year to sing the African Union anthem. Provinces were provided with audio as well as written material to practise the African Union anthem.

- The Subcommittee has not followed up its sectors to note any gaps that might have been identified by the NDP 2030 for purposes of policy and planning.

- The Subcommittee has not directed government sectors to put in place business processes and to institutionalise these, thus making sure that there are consequences for every action.

- The Subcommittee has not received reports on national skills audits that should have been urgently carried out at all levels of government in order to identify the gaps.

- The Subcommittee has not followed up its sectors to oversee the enforcement of strict adherence to the disciplinary standards and norms, including adherence to formal and proper dress code.

- The Subcommittee has not initiated steps for the drafting of legislation that should be passed to guide Section 100 (1)(b) interventions and other interventions, especially in the education and health sectors. This will be followed up.

- The Subcommittee has not prioritised as directed by the resolution the drafting of legislation that will effectively bar all civil servants from taking up employment or positions as local government councillors whilst still employed in government posts. A report and draft legislation will be submitted by the Subcommittee.

The Subcommittee will submit reports on the following resolutions which are directives specific to all ANC Subcommittees on Education and Health:

- The ANC must take strong action to deal with corruption.

- The ANC must ensure that all collusion that leads to irregularities is stamped out.

- The ANC must ensure that its name and all its structures are not abused in the furtherance of corrupt activities.

- The ANC must take responsibility and ensure that both elected leaders and deployed cadres in the administration are held accountable.

- The Subcommittee on Education and Health must submit to the ANC leadership a plan of how to ensure accountability of ANC structures, leaders and employees responsible for delivery and education sector outcomes thus enabling decisive action to be taken where performance does not achieve expected outcomes.

- The ANC as a party must act on its members who fail to perform.

Special focus: the ANC and Military Health Services

- The Subcommittee will put greater focus on Military Health Services, especially its infrastructure which includes the state of clinics and hospitals, health technology, human resources and quality of care. Follow ups will be done on long-standing conference resolutions that refer to the work of the ANC as it relates to military health services.

ANC STRUCTURES IN MUNICIPALITIES AND THOSE IN PROVINCIAL AND NATIONAL LEGISLATURES: EDUCATION, HEALTH, SCIENCE AND TECHNOLOGY

This is an account of performance by the ANC members in relevant study groups in provincial and national legislatures. This report has a definite flaw as it does not provide a detailed account of the work of councillors in local government who are charged with the task of driving the education, health, science and technology agenda in local communities.
ANC members of Study Groups and Portfolio Committees in the National Assembly and the National Council of Provinces and members of their Technical Support structures, namely researchers and coordinators, participate regularly in meetings and activities of the ANC NEC Subcommittee on Education and Health. These members have Programmes of Action and have submitted reports on the work that they are doing in Parliament.

Members of Mayoral Committees conduct their work of sectors of this subcommittee through their active participation in PEC and Regional Subcommittees, especially in Gauteng, KwaZulu Natal and the Eastern Cape. The Subcommittee will submit a comprehensive report of its work in structures of local government and those that are in provincial Legislatures and Parliament to the NEC through the Secretary General’s Office (SGO).

**BASIC EDUCATION**

The performance of the basic education sector is against the 2009–2014 ANC Education Ten Point Program and the Program that was adopted at the ANC NEC Lekgotla of June 2014. The Ten Point Program and the 2014 POA were translated into government Programs of Action in the first Cabinet Lekgotla that took place immediately after the 2009 and 2014 national and provincial elections. The POAs were further refined, at the level of government, into the Negotiated Service Delivery Agreements that were signed between the President of the Republic and the Minister of Basic Education.

The Basic Education sector implemented its plans and programs throughout the January 2013 to May 2014 period with distinction. This was necessary, as it was the case for all sectors, to complete the government 2009 election mandate. The mandate of the sector was based on the 2009–2014 Education Ten Point Program and the Negotiated Service Delivery Program.

The following programs which were part of the 2009–2014 mandate were completed:

- Developed a sector plan, *Action Plan to 2014: Towards Schooling 2025*, for coordinating and implementing a sector-wide strategy with deliverable targets and indicators in support of Government’s outcomes-focused approach. The Action Plan has been updated to *Action Plan 2019: Towards Schooling 2030*. The DBE has also identified six (6) focus areas in the 2014–2019 MTSF as a way of responding to the NDP.
- Signed a Delivery Agreement with relevant departments in government in support of Outcome 1: Quality basic education.
- Conducting external tests, namely the Annual National Assessments (ANA), for all grade 3 and grade 6 learners every year, and providing results to parents.
- Improve national–provincial alignment and efficiency of education expenditure, through procuring textbooks nationally and allocating resources to improve district capacity.
- Develop a social compact for quality education.
- Implement poverty combating measures that improve the environment for learning and teaching.
- To support inclusive education, the DBE integrated and infused into Teacher Development activities three sets of guidelines namely, Guidelines for Full-service Schools, Guidelines for Special Schools and The Institutionalisation of Curriculum Differentiation. Developed a turn-around strategy and checklist for Special schools for monitoring curriculum delivery and improvement of the functionality of Special Schools.
- Training Manuals on the Prevention and Management of bullying have been developed to address concerns of safety at schools. The Centre for Justice and Crime Prevention (CJCP) and DBE have conducted nine Provincial Consultative workshops with stakeholders on the Draft National School Safety Framework. To address the increasing incidence of Satanism in schools, the department hosted an Occults meeting with Religious formations.
- Promotion of social cohesion included the Luthuli Oral History competition, the Moot Courts at Constitution Hill, the 2014 SASCE National Choral Championships, Sporting codes and Indigenous Games.
- Promotion of reading and access to libraries through book flood campaigns.

The following are challenges that are still work in progress from the 2009–2014 government term of governance:

- Teachers to be in-class, on time, teaching.
- Focus efforts on improving the quality of early childhood education and primary schools.
- Enhance recruitment of quality teachers and strengthen teacher development.
NGC 2015 DISCUSSION DOCUMENTS

- Strengthen management capacity to ensure working districts and schools.
- Increase the use of Information and Communication Technology (ICT) in education.
- Addressing the challenges experienced when communities use schools as centres of their protest action.

The following are issues that were not implemented and remain from the 2009–2014 government term of governance:

- Teachers to also be required to use textbooks in class. The Sector has been working towards 100% Universal Coverage since 2011. To date the DBE has made significant progress by achieving 93% universal coverage. The CEM has approved the principle of one core textbook per subject per grade. The sector has also put systems in place to monitor the utilisation of Learning Teaching and Support Material.

- Ensure effective evaluation of all teachers based on extent to which learner performances improve.

The following programs which are part of the 2014–2019 mandate have been completed:

- A Presidential Commission has been established to review the remuneration and conditions of employment of education and health professionals and make recommendations on salary adjustments and wage increases in a manner that protects education and health as national priorities. Clarity will be sought about its terms of reference as those pertain to education and health because they are APEX priorities.

- The DBE and PDEs adhere to existing policies to avoid problems currently experienced with the movement of educators to where they are needed.

- The BE sector accepts the principle that educators who are to be evaluated must not be the ones determining whether they should be assessed or not and also should not have the final word on how the evaluation should be done.

- The DBE has distributed to schools guidelines on the roles, responsibilities and functions of School Governing Bodies (SGBs). It embarked on a project of simplifying the said guides for Chairpersons of SGBs and parents.

- The DBE has ensured that Grade 3, 6 and 9 learners are measured every year. The original plan for this program has been exceeded. All public schools and state-funded independent schools administer ANA according to the standardized time table every year. This program continues to be improved and maintained.

- The DBE has increased the number of Grade 12 and university entrance passes and improved the quality of National Senior Certificate (NSC) results. Learners passing NSC examinations or Matric with university entrance have more than doubled from about 70 000 in 2000 to over 170 000 in 2013. The quality of passes continues to improve as demonstrated by the 2014 NSC results; and this program is being maintained.

The following are work in progress from the 2014–2019 government term:

- The Ministerial Task Team on the National Senior Certificate (NSC) whose brief was to investigate issues around the NSC, including the value of Life Orientation and Environmental Education, and History as compulsory subjects in the curriculum, submitted its report to the Minister and DBE in June 2014. The report was discussed by the Subcommittee on 03 November 2014. It is still under discussion in the Subcommittee.

- The ANA policy is being finalised and item banks for Grades 7 and 8 have been developed to assist with further analysis and remediation. The 2014 results showed no improvement in the Grade 9 mathematics, while languages have improved in the same grade. Results have been analysed and district reports completed to assist with ongoing intervention.

- The DBE has made good progress in dealing with the media and coverage of issues in the sector. A proactive communication strategy is being implemented to provide information and clarify misperceptions on a variety of topics.

- The Department has piloted the profiling of educators in 10 out of a total of 52 districts in 2014 and has since initiated a project to update the qualification profile of all teachers. To date, PERSAL data has been received and analysis completed. Detailed PED reports were developed and sent to HoDs via the Acting DG requesting their intervention in ensuring the closure of PERSAL exceptions.

- Based on the outcome of the study conducted in 2013 on the implementation of the post provisioning norms, the Post Provisioning Model software will be revised to take into account all relevant factors that affect post provisioning including the socioeconomic context and curricula.
needs. A different and more stable system of post provisioning has been established to avoid yearly movements of teachers between schools and learners across provinces; and quality outcomes have been linked to that.

- The BE sector has adopted a centralized approach in the procurement of Learning and Teaching Support Material (LTSM) and most provinces are employing the central procurement model.

- The public BE sector has expanded its capacity to print text books and workbooks and own their intellectual property. These are being improved continuously.

- The DBE has developed the National Catalogues for Grades 1–12 to ensure that uniform and standardized textbooks are provided to all learners across the system. Provinces are procuring from these catalogues.

- All public schools and state-funded independent schools administered ANA according to the standardized time table as a way of embarking on a rigorous monitoring and evaluation of performance in the education sector.

- The sector has started with implementation of this resolution that all teachers, principals and deputy principals as well as education officials must be assessed and evaluated with the intention of improving their skills and accountability. The sector is far from achieving its objectives. Comprehensive progress reports will be submitted on this matter.

- In order to address both the content knowledge and methodology through quality teaching leadership and management development, PEDs are planning their programmes in stronger alignment with the Integrated Strategic Planning Framework for teacher education and development (ISPFTED). The DBE has established a National Institute for Curriculum and Professional Development to tackle the self-diagnostic assessments for teachers in Numeracy and Literacy.

- Accountability mechanisms have been developed to ensure that teachers, principals and all officials in the system are held accountable through an efficient monitoring system utilizing modern technology. Performance management has now become accepted and systems are in place for this to be implemented, monitored and supported by the relevant officials in all schools. However, the Subcommittee will receive a report on progress being made in the implementation of performance management and the use of modern technology to achieve this goal.

- The BE sector ensures that school principals that are being appointed are appropriately qualified and are also be appointed on merit. The Subcommittee will receive from the DBE the approved proposal on the Standards for South African Principalship (SASP) for consideration.

- As a step towards increasing teacher development with regard to the use of sign language, a teacher training manual for Foundation Phase and Grade 9 teachers has been developed. All Braille workbooks developed are accompanied by Teachers’ Guides.

- In preparation for the introduction of indigenous languages in 2014, the DBE department has finalized training manuals, versioning of lesson plans and Grade 1 First Additional Language workbooks. Lesson plans have been developed and distributed to provinces in July 2014.

- The DBE is implementing a program to phase out multi-grade schools by 2020. The Subcommittee will receive a comprehensive report on progress being made on the phasing out of multi-grade schools, which will include the number of existing multi-grade schools and a plan with targets for the phasing out process. The DBE is providing focused dedicated service and support to multi-grade schools with elaboration at all levels in the system starting from national to provincial, district and up to schools level.

- To sharpen efficiency in the sector, the Department has introduced a number of initiatives and incentives for children to enrol in schools and attend schools regularly. These are measures being taken to strengthen the basic education sector to provide more opportunities for young people as well as increasing retention, progression, and completion rates in the basic education sector. The Subcommittee will receive a report on the number of children who enter schools per year, number of those who drop out of schools and plans to record and decrease the drop-out rates.

- The department has focused on psychosocial support programmes to address drop-out rates especially at high school level and also embarked on the Keeping Girls in Schools (KGIS) project.

- The DBE and the DHET are expanding post school options through collaboration to strengthen and improve articulation between basic and post-school education in order to expand the effectiveness of credible post-school education.
and training options. The Subcommittee will submit a report on this matter. This includes a report on the White Paper on Post-School Education and Training.

- The DBE implements programs that promote inclusive education. The Subcommittee will receive a report on the development and advocacy of learning programmes linked to the National Senior Certificate and the National Curriculum Statement for consideration.

- In implementing policies and programmes that are geared towards the protection and promotion of the rights of people with disabilities, including embarking on a campaign for the protection of the disabled in society with relevant stakeholders, the department is strengthening district support to all schools and mainstreaming of disabled people in schools by mediating and institutionalizing the Guidelines for Full Service or Inclusive Schools. The Subcommittee will receive comprehensive plans on identified needs and the establishment of special schools for specific disabilities.

- Basic Education and Higher Education and Training sectors will submit a report to the Subcommittee on the baseline, plans and progress report on the training, employment and professionalization of Grade R teachers, include plans to achieve targets by 2018 and give an account of the conduct of the Limpopo teacher training program which produced about 300 university qualified ECD practitioners who were subsequently lost to the private sector.

- The DBE is implementing programs aimed at accelerating the implementation of a Comprehensive Early Childhood Development Programme, e.g. the development of policy, detailed plans and strategies plus funding in preparation for the expansion of the second year of ECD plus collaboration between the Departments of Social Development, Basic Education and Health.

- To promote school safety, the DBE and PDEs are implementing in all provinces the 2nd phase of the Partnership Protocol of linking schools with police stations and the establishment of Safe School Committees. 15514 schools have been linked to police stations as at June 2014 and Safe School Committees have been established.

- The DBE continues to use school sport as the bedrock for sport development and excellence. The Subcommittee will submit a comprehensive report, which will provide details of participating schools and sporting codes schools and progress registered to make sport compulsory in schools.

- The DBE has ensured access to sport facilities by people with disabilities. Its integrated school sport programme continues to cater for disabled children in each sporting code and sport facilities used are accessible for use by people living with disabilities.

- The Council of Ministers and the DBE have approved the promotion of arts and culture through social cohesion programmes, such as the hoisting of the flag, debating teams, music and poetry as part of nation-building and creative industry development. A focus on indigenous knowledge systems and cultural studies will be integrated to promote social inclusion in school programmes. A report will be submitted on these matters including plans to include the programme in the curriculum.

- The DBE is developing a programme for further promoting the arts in indigenous and historically marginalised communities. The Subcommittee has directed the DBE to act on this and to report to it in 2015.

- The DBE has commenced with the implementation of programmes on indigenous languages. A report on the state of development of policy on indigenous African languages, which seeks to ensure that the offering of one African language is compulsory in schools, will be considered by the Subcommittee in 2015.

- The DBE is implementing programmes to improve the performance of South African learners in maths and science. The sector will submit a report of progress on implementation of plans to improve the performance of learners in maths and science, which will include collaboration between South Africa and other countries such as Cuba with which the DBE has agreements on education.

- The Subcommittee noted that the DBE created a new learning Space on the portal for Home Based Education plus designed and developed a DBE Cloud solution; and also that the DBE promotes professional development for teachers in the field of ICT. The DBE will submit to the Subcommittee a detailed sectoral plan on ICT, a report on promoting an e-literate society by making e-skills a compulsory subject and that the curriculum that focuses on end-user computing as well as encourages young people to pursue careers in the ICT sector.
The following are issues that are from the 2014–2019 government term of governance which were not implemented within the deadline provided by resolutions of the 53rd National Conference. **They need intervention for them to be completed by December 2017:**

- Through the Quality Learning and Teaching Campaign (QLTC), a number of stakeholders contribute to quality improvement in education after signing pledges indicating their role to be played in demonstrating their commitment to the non-negotiables. The stakeholders include teachers, teacher unions, learners and parents, Government Departments, Business, Community Organisations and Non-Governmental Organisations.

- Education partners e.g. teacher unions are highly involved in the development of teachers where the Department allocates funding for the training programmes through the Teacher Union Collaboration (TUC), and the unions have to account on the usage of these funds. Parents are encouraged to participate in the education of their children by serving in the School Governing Bodies. The year 2015 is the year of SGB elections which will be conducted countrywide in March.

- The DBE and PDEs are implementing programmes aimed at improving scholar transport.

- Legislation on the appointment of school principals has not been amended to allow for a different method of appointment. The draft amended legislation will be presented to the Subcommittee.

- The role of School Governing Bodies (SGBs) in the appointment of school principals has not been clarified and communicated to all learners, parents, communities and other stakeholders. A report on this matter, especially in relation to the review of the SA Schools Act, will be submitted to the NEC.

- The BE sector has not embarked on a program to hold school Principals accountable for poor management, poor discipline and poor outcomes. A report on the implementation of this resolution by the DBE and PDEs will be submitted.

- The sector has not fully developed mechanisms to enable the deployment of principals to areas of need and for purposes of mentoring and coaching. A report on the implementation of this resolution by the DBE and PDEs will be submitted.

- The DBE has not completed the legislative review of the powers of School Governing Bodies with regards to the locus of authority in terms of language, and capacity of schools and curriculum choices and appropriate policy and legislative changes have not been made. The Subcommittee will receive the said review report for consideration.

- The DBE has not reported on a focused program of developing SGBs in rural and township schools through the funding that has been made available.

- The DBE has not launched the advocacy campaign encouraging SGBs to co-opt members with appropriate technical skills to assist Governing Bodies.

- The DBE has put in place programmes to strengthen the two stream model of provisioning which must be strengthened to reflect the balance between the vocational and academic pathways.

- The National Policy for Grade R has been finalized. The Subcommittee will receive the draft policy, implementation plan and resourcing plan by the BE in consultation with the DSD and STC.

- The DBE has not presented a long-term comprehensive plan to the Subcommittee that focuses on indigenous and grassroots sport development in schools over the next 10 years. The Subcommittee will submit a report on
progress being made to develop indigenous and grassroots sport over the next 10 years.

- The issue of standardizing the curriculum and content of history in all schools, public and private, and of making history as compulsory subjects have not received the necessary attention from the basic education sector of the Subcommittee.

**HIGHER EDUCATION**

The performance of the higher education and training sector is measured against the resolutions of conference and the program that was adopted at the ANC NEC Lekgotla of June 2014. The higher education and training sector was, during 2013 to 2014 pre-election period, focused mainly on the task of establishing a new department, namely the new Department of Higher Education and Training. ANC policies and programs were translated to the government Programs of Action for implementation as the mandate that was obtained from the South African electorate.

The newly established Higher Education and Training sector implemented its plans and programs with distinction, despite the fact that it had a dearth of skills and resources. This was necessary, as in the case of all sectors, to complete the government election mandate.

The following programs which were part of the 2009–2014 mandate were completed:

- The establishment of a new Department of Higher Education and Training.
- The University of Mpumalanga (UMP) and Sol Plaatje University (SPU) have been established in August 2013 and construction has started.
- The DHET has streamlined Sector Education and Training Authorities (SETAs) and other institutions to address existing and forecast skills shortages. The work of the SETAs has been aligned with the developmental agenda of the country. Their governance structures have been standardised and reduced in size, resulting in more resources being directed towards training as opposed to administration. The National Skills Development Strategy (NSDS) III was adopted and implemented as from 1 April 2011. The Minister will be initiating a process of consultation with relevant social partners in the area of skills development on the draft SETA landscape and NSDS framework, as the current dispensations is ending on 31 March 2016. The new SETA Grant Regulations were implemented on 1 April 2013 to provide guidance on how the levies should be spent with a focused priority to address scarce and critical skills through public training institutions. A policy for a single national artisan learner funding and administration system was implemented from 4 June 2013. This policy incentivised employers to open up more artisan learner workspaces on the basis of a guaranteed and sustainable grant funding policy.
- The DHET has, through the National Skills Fund (NSF) ensured the following:
  - The NSF disbursed in 2014-2015 an amount of R125 million in addition to the R106 million in 2013-2014 towards the expansion of the medical and veterinary facilities at the University of Pretoria to double the intake of MBChB students and Veterinary Sciences students from the 2017 academic year onwards. Work is well on course and is due for completion in 2015. R114.5 million remains committed towards completion of the project. The expansion of the MBChB programme and Veterinary Sciences at the University of Pretoria is to address the acute shortage of doctors, medical personnel and veterinary scientists in the country.
  - The NSF disbursed in 2014-2015 an amount of R47.4 million in addition to the R8.5 million in 2013-2014 towards developing renewable energy training facilities at the Cape Peninsula University of Technology, known as the South African Renewable Energy Training Centre. Work is well on course and is due for completion in the 2016–2017 financial year. R49.6 million remains committed towards completion of the project. This initiative is the first of its kind in the country and seeks to respond to the country’s adopted strategy to promote renewable energy production in order to supplement the current fossil fuel energy production.
  - The NSF continues to expend on the R2.5 billion commitment towards construction of the 12 new TVET college campuses and the refurbishment of 2 existing campuses across 16 sites. Construction has commenced on 3 sites and construction at the remaining 13 sites will commence within the 2015–2016 financial year.
  - The NSF disbursed in 2014–2015 an amount of R89.3 million in addition to the R96 million...
The following are challenges that are still work in progress from the 2009–2014 government term of governance:

- A Ministerial Task Team was established to ascertain whether community service for graduates is feasible within South Africa and to propose a model for implementing community service for graduates. A report on this matter was supposed to have been finalised by the end of March 2015. The HET sector expects that this report will be approved by the Minister by the end of June 2015.

- The Department is working on plans to realise closer alignment between the research funding strategies of the Department of Higher Education and Training (DHET), Department of Science and Technology (DST) and the National Research Foundation (NRF). The Policy and Procedures for Measurement of Research Output of Public Higher Education Institutions was finalised. The revised Research Outputs Policy has been published in the Government Gazette for implementation.

- The Department developed a document 2014 Survey of Former College of Education Sites which provides a description of the current usage of the former Colleges of Education across the country. This is in progress. Most of the colleges are being utilised as TVET colleges, district offices for provincial education departments or for other purposes by provincial governments. The Department has identified some sites for development as TVET college campuses and others as potential sites for teacher education campuses. These are being explored together with the provincial departments of education. The most important limiting factor to the re-opening of former Colleges of Education is the absence of enabling policy and legislative framework. Another factor that hampers progress towards the re-opening of these colleges is lack of funding to develop these campuses into effective delivery sites for PSET education and training.

- The Department is engaging with the Department of Agriculture Forestry and Fisheries (DAFF), National Treasury and legal services around the function shift of Agricultural colleges and expansion of veterinary sciences programmes. It is expected that the Task Team appointed to advise the Ministers on this matter will present its recommendations by 31 March 2016.

- The Subcommittee has noted the work that is being done by the DHET towards student accommodation.

- The DHET is implementing programs towards investing in priority skills and education, including through improving performance in mathematics, science and technology. Foundation Provisioning Programmes were supported by the Department for at risk first-time entering university students and by 2013, these catered for 17 960 students. Teaching Development Grants were provided to universities for tutors and mentors to support students as well as to develop the teaching expertise of lecturers. It is anticipated that the number of first year students in foundation programmes will increase from 17 960 in 2013 to approximately 30 000 in 2015.
■ Student selection and placement tests have been instituted at Technical and Vocational Education and Training (TVET) colleges at the commencement of the academic year to, among other things, identify student numeracy and literacy gaps, and advice on the most suitable programmes of study depending on the students’ career interests and academic competency levels. Several colleges are now offering academic support programmes in Mathematics and First Additional Language towards improving the overall performance and certification of all students.

■ The DHET is implementing programs to place TVET colleges at the centre of a popular drive to develop skills development for the economy. The full function shift occurred on 1 April 2015 when all TVET colleges became a national competency. TVET college student headcount enrolments increased by 105% from 345 566 in 2010 to 708 885 in 2014. R1.5 billion has been allocated from the National Skills Fund (NSF) and an additional R1 billion from the Sector Education and Training Authorities (SETAS) for the construction of 12 new TVET college campuses and refurbishment of 2 TVET college campuses across the country. An additional R2.8 billion from the NSF was committed to all 50 TVET colleges, aimed at increasing the student intake towards occupational directed programmes and other programmes such as skills programmes, apprenticeships and learnerships. A turn-around strategy for TVET colleges was launched in 2012 with Human Resource generalists and Chartered Accountants (CAs) deployed to TVET colleges. College Councils have been appointed and are functioning in TVET Colleges. Legislation was enacted in 2010, 2012 and 2013 to move Further Education and Training, and Adult Education and Training functions from a provincial to a national competency. Principals and Deputy Principals have been transferred and been in the employ of the Department since 1 April 2013. Provincial staff formerly attached to Provincial TVET college support units, have been transferred into the DHET. The Apply Now Campaign was launched to ensure that learners think about and apply to their preferred institutions of further or higher education and training timeously. This campaign is also aimed at altering the largely negative perception about TVET colleges.

■ The Department has developed a high-level TVET college infrastructure budget expansion plan and currently analysing the university campuses infrastructure master and maintenance plans, as well as disability audits.

■ The Department has published a Gazette late in 2014 listing the 12 TVET colleges who will now deliver Higher Certificate (National Qualifications Framework Level 5) qualifications in collaboration with universities.

■ Annual teaching and learning plans are being developed, and will be monitored annually to ensure consistent work towards academic excellence.

■ The DHET has conceptualised a foundational learning programme (NQF level 1) and are in the process to discuss this with QCTO for development and implementation.

■ Recommendations of the Ministerial Task Team appointed to review the National Certificate (Vocational) [NC(V)] have been sent to Umalusi for further consideration. Umalusi will start with the NC(V) policy review towards implementation in 2016.

■ In its quest to expand the resources devoted to knowledge production, innovation and research, Research Development Grants were provided to universities to assist with the development of research capacity, focusing mainly on providing support to academic staff towards their Masters and PhDs. The National Skills Fund (NSF) committed R301 million towards the funding of bursaries via the National Research Foundation (NRF) to increase the levels of postgraduate studies and PhDs in South Africa in response to the New Growth Path, Industrial Policy Action Plan and National Development Plan, targeting over 1500 beneficiaries in postgraduate programmes. To ensure the development of a new generation of academics, the DHET set aside R50 million in 2012 and R70 million for postgraduate students, as loans through the National Student Financial Aid Scheme (NSFAS). In 2014, an amount of R74 million was allocated to NSFAS to support postgraduate studies, mostly Honours and MTech studies which are under-represented in the funding provided by the NRF with 2020 students being funded. For the 2015 academic year, R77 million has been allocated to NSFAS and it is expected that a similar number of students will be supported.

■ In addition the Staffing South African Universities Framework has been approved by the Minister and the first phase of implementation commenced in the 2015–2016 financial year, with the projected
The following are issues that were not implemented and remain from the 2009–2014 government term of governance:

- A report on transformation in public universities has not been submitted. The Subcommittee noted that the DHET established in January 2013 an Oversight Committee on Transformation in South African Universities.

- The Subcommittee has not received a report on the review and improvement of the National Student Financial Aid Scheme (NSFAS) aimed at encouraging students from working class and poor communities to go to tertiary institutions. The Subcommittee has noted that the DHET has increased the NSFAS funding at Universities from R2.2 billion in 2010 benefitting 148387 students to R3.693 billion in 2013 assisting 194923 students. This has been increased to R4.095 billion in 2015, which means that the fund has been doubled in five years. NSFAS student bursary funding at TVET colleges increased from R318 million in 2010, benefitting 61706 students to R1.953 billion in 2013 assisting 220978 students. It also noted that NSFAS students in their final year were provided with full cover of costs to study in 2011 with 57667 students benefiting in the 2011 and 2012 academic years totalling R1.9 billion with final year students, who successfully completed their studies, had their loans converted to a 100% bursary, as an incentive. The number of students covered by NSFAS at universities will not be able to grow without the injection of additional funding. Currently only 205000 university students can be supported per annum. The 26804 final year students who were funded and graduated as part of the final year programme amounted to R1.1 billion.

- The Subcommittee has noted that the program of the re-opening of teacher training colleges is being implemented albeit without urgency. The work done by the DHET has mainly concentrated on expanding teacher training in or through university campuses and **not on the actual re-opening of teacher training colleges**. This work by the DHET is in line with strategies contained in the Integrated Planning Framework for Teacher Education and Development in South Africa, 2011–2025. The expansion and strengthening of teacher education for all education sub-sectors, including pre-schooling, schooling and post-schooling has resulted in an increase from just under 6000 new teacher graduates in 2008 to 16555 in 2013. The expansion initiatives that are now in place will ensure that the country is soon able to produce sufficient numbers of teachers. An enrolment planning process recently concluded with universities indicated that the system will produce in excess of 23000 new teachers annually by 2019, thus largely addressing the teacher supply-demand gap.

- The first intake of 50 medical students for the new medical school located at the University of Limpopo (UL) which was scheduled for January 2015 has been postponed to January 2016 as a result of the university having not met requirements demanded by the Council on Higher Education (CHE), as required in terms of quality assurance procedures. However, the university has received professional accreditation by the Health Professional Council of South Africa (HPCSA). This project of establishing a new medical school is linked to the Presidential Project of building an academic hospital in Limpopo. In terms of the academic hospital supporting the training of medical students, the DHET has been engaging with the Department of Health as there is a comprehensive plan to develop/upgrade academic hospitals.

The following programs which are part of the 2014–2019 mandates have been completed:

- The unbundling of MEDUNSA from the University of Limpopo has been completed. The MEDUNSA campus has been incorporated into the Sebako Makgatho Health Sciences University (SMU) on 01 January 2015.

The following are work in progress from the 2014–2019 government term of governance:

- The DHET has established a Ministerial Task Team to ascertain whether community service for graduates is feasible within South Africa and
appointed an experienced researcher and expert to conduct research that will inform the Task Team. The Subcommittee will receive a report on impact studies that will inform a policy on Community Service for Higher Education Graduates, initially targeting professional fields linked to national human resource development priorities and progressing to a community service scheme for all higher education graduates.

- The DHET has introduced a newly structured National Student Financial Aid Scheme (NSFAS) to enable fee-free education from 2014 onwards. NSFAS has implemented a new student-centric model on 7 October 2013 which makes it possible for eligible students at higher education and training institutions including TVET colleges to apply directly to NSFAS for funding. First time NSFAS applicants registered at 6 universities and 5 TVET colleges are able to apply directly in this implementation phase. The NSFAS new model aims at repositioning NSFAS to provide more efficient and effective financial aid to students.

- The Subcommittee received a preliminary report on the support for the training of veterinary science graduates. The HET sector will submit a comprehensive report with policy, plans and financial implications of the planned support for the training of veterinary science graduates, which will include progress being made in the acquisition of funds or setting up of a bursary fund to send South African students to colleges and universities in SADC to counter-balance the inflow of students from other countries in Africa. The Department has made available for the 2015-2016 financial year an earmarked allocation of R141.764million in terms of providing support to the four universities involved in veterinary education and training in South Africa. These students, access funding through the special NSFAS category for scarce skills. The DHET and DAFF have established a task team to investigate the feasibility of establishing a second faculty for Veterinary Sciences in South Africa.

- The DHET is working on the revitalization of the academic profession. Its first phase is currently being implemented following the Minister approval of the Staffing South Africa’s Universities Framework (SSAUF).

- The DHET has not submitted to the Subcommittee a comprehensive report on alleged irregularities in the awarding of professorships by some HEIs, which would include a list of corrective measures taken to stop the practice. A briefing paper on the Appointment of Professors was submitted.

- The DHET is implementing programs to evaluate against transformation targets of Councils and governance structures of Higher Education Institutions (HEIs). The Subcommittee will receive a report of the Oversight Committee on Transformation in South African Universities.

- The Subcommittee has noted that the DHET is working towards the finalization of a policy on student accommodation; that it has allocated R1.652billion towards student housing over the period 2012-2015; and that it works with various partners to address the provision of student accommodation in the post-school system. R1.413billion has been ring-fenced for historically disadvantaged institutions and campuses. Existing infrastructure funds for the period 2012–2013 to 2014–2015 have been allocated largely to those universities with the greatest needs and backlog. The draft Policy on Student Housing at Public Universities and Minimum Norms and Standards was published for public comment on 11 April 2013. Comments were received and analysed; and this draft policy was updated. A joint Treasury and Departmental team is working on the funding policy which was scheduled for publication by 31 March 2015. However, challenges related to the funding of this program have not been resolved. The Department has planned a student-housing symposium to explore other means of financing student housing, which will be held on 22 June 2015. It is expected that the final updated student housing policy will be ready for gazetting by the end of July 2015.

- The Subcommittee has noted the report of the HET sector on lecturer capacity development focusing on content training for lecturers on learning areas as well as programmes where academic performance was below par in the previous years. The DHET will submit a report on Quality Assurance in colleges to the Subcommittee.

- The DHET has not succeeded in getting all government departments to pay their Skills Development Levies. The Subcommittee has noted with concern allegations that the Premier of the Western Cape is spearheading a campaign to undermine the decision of Cabinet on the payment of Skills Development Levies by all government departments. The DHET is examining the appropriateness and adequacy of the legal framework for the enforcement of compliance by all government departments of provisions of the Skills Development Act (SDA) and Skills
The DHET has not submitted a proposal to the Subcommittee on central coordination of internships that must be monitored or controlled in all departments throughout all levels of government. The Subcommittee was informed by the HET sector that the coordination of internships in the public service is the responsibility of the Department of Public Service and Administration, as directed by the Human Resource Development Council of South Africa (HRDSA).

DHET has developed a draft concept document on the single point of access for public to gain access to learning programmes, which is still subject to internal discussions together with the process towards the implementation of the White Paper for Post-School Education and Training and SETA landscape processes, a Draft concept Document: Single Point of access to learning programmes was submitted. The DHET is implementing a Central Application Service (CAS), which is being piloted in phases towards a single point of access into the whole of the post-school education and training system.

The DHET has intensified its Campaign against Corruption. An amendment to the Higher Education Act was done in 2012 to ensure that university Council members and management declare their business interests to prevent them benefiting from contracts with institutions. Student governance rules to stop students from being part of tender committees have been instituted. There is no university currently under administration. There is no TVET college that is currently under administration. Forensic investigations have been initiated at 11 TVET colleges. Currently there are 3 Principals and 7 Deputy Principals on precautionary suspension. Thus far, 2 principals have tendered their resignation and 2 principals were dismissed after undergoing discriminatory processes. The Governance Charter for all the SETAs is being developed which will address some of the weakness identified in governance. The first draft Governance Charter is in place and is in the process of consultation. There are currently three (3) Sector Education and Training Authorities (SETAs) under administration, i.e. Local Government SETA (LGSETA), Culture, Arts, Tourism, Hospitality and Sports Education and Training Authority (CATHSSETA) and Safety and Security Sector Education and Training Authority (SASSETA). The report that will be submitted to the Subcommittee will include progress on the work of the DHET in dealing with bogus colleges plus proposals of steps, such as the amendment of existing laws, to be taken to deal with the scourge.

The following are issues that are from the 2014–2019 government term of governance which were not implemented within the deadline provided by resolutions of the 53rd National Conference.

**They need intervention for them to be completed by December 2017:**

- The HET sector did not finalize the policy on free higher education to all undergraduate level students for adoption before the end of 2013. The Subcommittee noted that the Ministerial Working Group on Fee-Free Higher Education completed its report in mid-2013 and that the Minister elected not to publish the report, but rather to work with its recommendations to develop a draft policy statement. The DHET, NSFAS, HESA, SAUS, National Treasury, Council of Higher Education and Department of Performance Monitoring and
Evaluation, held a joint workshop at the end of July 2014 to discuss and explore the challenges around these issues. It was agreed that a policy dialogue process, as recommended in the Ministerial Report on Fee-Free Higher Education for the Poor, should be entered into, in order to develop a set of regulations that could be utilised to regulate the awarding of loans across the system in a fair manner, while the short fall in funding exists. This process is underway and the first policy dialogue took place in mid-October 2014. The Second policy dialogue has taken place and data is being collected from all institutions to inform the process going forward. Three further policy dialogues have been scheduled for the 2015–2016 financial year, which will inform the policy on fee-free education. The target date for amendments to NSFAS Act and draft regulations to be published for public comment is March 2017. The sector will submit to the Subcommittee the final draft policy on free higher education to all undergraduate level students.

- The Subcommittee has noted that the DHET has developed a draft Framework for Staffing South Africa’s Universities Framework (SSAUF), which it intends to begin implementing in the 2015–2016 financial year. The Subcommittee will receive a report on this matter and the draft framework.

- The DHET has not introduced a newly structured National Student Financial Aid Scheme (NSFAS) to enable fee-free education from 2014 onwards. However, NSFAS has implemented a new student centric model on 7 October 2013 which makes it possible for eligible students at higher education institutions and TVET colleges to apply directly to NSFAS for funding. First time NSFAS applicants registered at 6 universities and 5 TVET colleges are able to apply directly in this implementation phase. The NSFAS new model aims at repositioning NSFAS to provide more efficient and effective financial aid to students.

- The DHET has not implemented Community Service for all students who are funded from the fiscus, government bursaries and/or loan schemes as yet. The Subcommittee will receive a comprehensive proposal that reflects on policy and legal issues pertaining to the immediate implementation of Community Service for all students who are funded from the fiscus, government bursaries and/or loan schemes.

- The DHET has not submitted to the Subcommittee a consolidated plan with estimated costs of infrastructure requirements to expand the post-school education and training system, which will be linked and coordinated by the Presidential Infrastructure Coordination Council (PICC).

- The DHET has not moved as directed by conference all public colleges, specifically Agricultural and Nursing colleges currently under provincial authority, to a national competence in line with the constitution.

- The DHET did not immediately after the conference transfer all Agricultural Colleges to the Department of Higher Education and incorporated them fully into the post school system, as directed by the resolution.

- The DHET did not immediately after conference transfer all nursing colleges to the National Department of Health and ensured that these operate under the requirements of the Higher Education Act of 1997 as amended, and are fully incorporated into the post-school system in terms of articulation, governance, information systems and skills planning. The Subcommittee will receive a combined report from the DHET and the DoH on this matter.

- The DHET has not submitted the full audit of all former College of Education infrastructure undertaken to identify those colleges which are not being utilised for educational purposes or are underutilised and could be productively used to expand post school education and training opportunities. The Subcommittee has received a report entitled 2014 Survey of Former College of Education Sites, which is work in progress.

- The DHET has not recapitalised all former colleges not utilised for educational purposes, e.g. as university campuses, TVET college campuses, teacher development institutes or centres, for foundation and intermediate phase teacher education or as TVET college campuses, or for other post school education purposes.
The HET and Science & Technology (S&T) have not submitted to the Subcommittee before the end of 2013 the final document on the Policy and Procedures for Measurement of Research Output of Public Higher Education Institutions, which aims to promote research and development.

The first intake of 50 medical students for the new medical school located at the University of Limpopo (UL) which was scheduled for January 2015 and is linked to the Presidential Project of building an academic hospital in Limpopo has not been done.

Further reports from Higher Education and Training sector on other matters, work and mandate

The following are reports that the Subcommittee on Education and Health will receive from the Higher Education and Training sector for consideration and forward-submission to the NEC before the NGC:

- A report of the Special Committee on the Transformation of Higher Education Institutions (HEIs).
- The Higher Education and Training funding model that is informed by the report of the Ramaphosa Commission and a model that is biased in favour of the Historically Disadvantaged Institutions of Higher Learning.
- The criminalization of non-registered bogus colleges.
- A review of the curriculum content of the National Senior Certificate – Vocational (NSC-V).
- A policy document on the alignment of FET Academic schools, Technical schools and TVET colleges.
- The initiative that has been embarked upon to attract better qualified TVET lecturers and staff.
- Discussions between Higher Education & Training and Higher Education South Africa (HESA) on the standardization of points or scores for purposes of admission to universities or universities of technology.
- The provision of opportunities for graduates to undergo practical training as agreed between the Minister of Higher Education and Training, in his capacity as a convener of the Human Resource Development Inter-Ministerial Task Team, and State Owned Enterprises (SOEs), sister departments and the private sector.
- The centralization of applications for Higher Education Institutions.

HEALTH

The health sector’s mandate is reflected in its 2009–2014 ANC Ten Point Plan, the 2011 Negotiated Service Delivery Platforms plus the POA that was adopted at the ANC NEC Lekgotla of June 2014. The Ten Point Plan and the 2014 POA were translated to the government Programs of Action in the first Cabinet Lekgotla that took place immediately after the 2009 and 2014 national and provincial elections. The POAs were further refined, at the level of government, into the Negotiated Service Delivery Agreements that were signed between the President of the Republic and the Minister of Basic Education.

The Health sector implemented its plans and programs throughout the 2013–2014 May period with distinction. This was necessary, as in the case of all sectors, to complete the government election mandate that was based on the 2009–2014 Health Ten Point Plan and the Negotiated Service Delivery Program.

The following programs which were part of the 2009–2014 mandate were completed:

- Adopt annual integrated plans to ensure unified action across the health sector in pursuit of goals.
- Under the Implementation of the National Health Insurance (NHI), finalize policy proposals on the NHI.
- Set up the Office of Health Standards and Compliance (OHSC), as a National Quality Management and Accreditation Body.
- Perform an audit of Health ICT at all levels of the National Health System public sector only.
- Draft the National ICT Strategy for Health.
- Implement quality improvement plans for the 18 identified health districts.
- Evaluate all CEOs of hospitals to ensure that they meet minimum requirements for effective management of the said facilities, and institute corrective measures where indicated, including re-training and/or redeployment.
- Do a feasibility study for the establishment of a leadership academy for health managers.
- Improved Human Resources Planning, Development and Management; and the review
and refinement of the Human Resources Plan for Health.
- Develop norms and standards for Human Resources for all levels of the health system.
- Develop a National Health Infrastructure Plan that incorporates the use of PPPs and that is also modelled on the 2010 infrastructure delivery programs.
- Finalize the Health Technology Plan and Strategy.
- Finalize the Health Technology policy and regulations.
- Implementation of the PMTCT and Paediatrics Treatment and Adult Treatment guidelines
- Collaborate with United Nations agencies and other multi-lateral bodies for technical support
- Mobilize financial and other resources from the Global Fund and other major donors.
- Mass mobilization for better health for the population, Intensify health promotion programs.
- Focus on non-communicable diseases, injuries, patient’s rights and quality plus provide accountability.
- Strengthen programs focusing on Maternal, Child and Women’s Health.
- Strengthen programs against MDR-TB and XDR-TB.

The following are challenges that are still work in progress from the 2009–2014 government term of governance:
- Development of a Social Compact for better health outcomes.
- Refine and scale up the detailed plan on the improvement of quality of services and direct its immediate implementation.
- Strengthen health-specific management capacity for programs and facilities, especially hospitals.
- Evaluate and strengthen the District Health System and Primary Health Care.
- Expand the scope and numbers of Community Health Workers.
- Improve drug supply and management.
- Draft plans for the establishment of a state-owned drug manufacturing entity.

The following are issues that were not implemented and remain from the 2009–2014 government term of governance:
- Pursue a program that ensures that South Africa contributes meaningfully to and continues to gain from work with and in the SADC, Africa and the global community
- Development of legislation to support the creation of the NHI
- Under Overhauling the health care system and improve its management, draft proposals for legal reforms to unify the public health service.
- Develop a decentralized operational model including new governance arrangements.
- Finalize delegations for all managers at all levels of the public health system, with special attention on hospital managers or CEOs to ensure decentralization of management.
- Develop an accountability framework for the public and private sector.
- Draft plans and allocate resources for the re-opening of nursing schools and colleges in the 2010 academic year.
- Finalize plans for the creation of auxiliary personnel, including a frame-work for task shifting, for all categories of health professionals.
- Increase access by and output of targeted groups, namely Historically Disadvantaged Individuals.
The following are work in progress from the 2014–2019 government term of governance:

- The NHI fund has not been set up as yet using state revenue. The resolution directs that the fund be set up urgently by 2014. However, discussions have been initiated between the Department of Health and the National Treasury through the facilitation of the Presidency.
- ANC and government are working to mobilize of broad social support for the roll out of the NHI. The Gauteng ANC and government have undertaken roadshows to popularise NHI in the NHI Pilot districts in 2013.
- The Ministry and National Department of Health have not yet assumed responsibility and overall management of Central Hospitals.
- The National Department of Health has not as yet implemented programs to ensure improved management and related capacity of central hospitals to deliver services efficiently and effectively, as the NDoH has not yet assumed full responsibility and management of Central Hospitals. However, full delegations for all managers in Tertiary and Central Hospitals have been developed; and relevant areas of policy and legislation related to this resolution are being considered.
- Critical services such as cleaning services, security services, food services and laundry services and linen supply are not as yet being provided in-house.
- The department has commenced with direct delivery of pharmaceuticals, dry dispensary and related supplies to facilities by suppliers to ensure improved turnaround times and prompt payment of suppliers. It has also started with the implementation of the Direct Delivery Strategy (DDS), Central Chronic Medicine Dispensing and Distribution Programme (CCMDD), the operationalization of the Control Tower and Provincial Medicine Procurement Units (PMPU); end-to-end visibility in the supply chain and electronic data interchanges and Direct Purchasing. The sector will report on these programs and the extent of their roll out.
- The DoH has introduced central procurement mechanism for Antiretrovirals (ARVs), Small Volume Parenterals and Insulin Devices. A report will be submitted to indicate the extent of roll out of the said procurement mechanisms to all pharmaceuticals, dry dispensary and medical equipment and devices.

The following programmes which are part of the 2014–2019 mandate have been completed:

- Conference welcomed the report that the DoH has a National Human Resource Strategy for Health.
- Non-negotiables for health, e.g. pharmaceuticals, security, vaccines, food, dry dispensary, have been adopted as a policy and good practice for hospitals and clinics and a strategy of monitoring availability of essential goods and services. The sector will report on the monitoring of implementation of this resolution and incidents of shortage plus plans to prevent the said shortages.
- The DoH, in partnership with Departments of Social Development and Economic Development, civil society, and international development agencies, launched the National Family Planning Campaign in Tembisa in February 2014.
- Regulations on diet and salt content in foodstuffs to enforce salt reduction in the food industry were signed on 18 March 2013.

(HDIs), Women, persons with disabilities and Youths from academic health complexes.

- Improve the research output, especially from formerly disadvantaged health training institutions.
- Review the accessibility, output and research capacity of academic health complexes.
- Urgent implementation of refurbishment and preventative maintenance of all health facilities.
- Strengthen provincial departments of health capacity to deliver and maintain health infrastructure for primary and secondary health facilities
- Review the funding of the revitalization programme and submit proposals to get participation of the private sector to speed up this programme.
- Strengthen programs against TB at a primary care level.
- Complete the South African Demographic and Health Survey 2008.
- Support research studies to promote indigenous knowledge systems and the use of appropriate traditional medicines.
- To support health research that promotes partnerships that promotes the protection of health from climate change.
The Health and Science and Technology sectors will submit to the Subcommittee a combined report on ensuring that the State is a majority shareholder in, Khetlaphela, the state-owned pharmaceutical company and indicate progress being made in this venture.

Government is working on strengthening the capacity of rehabilitation services in the public sector with a focus on mental health, physical disability, gender-based violence, childhood trauma and substance abuse. The Subcommittee will receive the approved Rehabilitation Model for implementation and a report that incorporates plans of the DBE under “Youth” for consideration.

In order to accelerate the training of health professionals in collaboration with the Ministry of Higher Education and local Universities and where necessary to extend training outside the borders of our country; the DoH has expanded the Mandela-Castro Health Collaboration by increasing intake of students from about 90 per annum to close to 1000 per annum in 2012. Most local universities have expanded their training platform for medical students thereby increasing their total intake per annum. The Subcommittee will receive a report with plans, figures or numbers on the implementation of this resolution.

The ANC and government have embarked on activities to promote healthy lifestyles through mobilization of individuals and communities to engage in physical activities, good dietary practices and reduction of harmful use of alcohol, tobacco and to control of substance abuse. The Subcommittee will receive a report based on district plans to indicate numbers of people participating in these activities and those that are being screened for various chronic diseases.

An Ombudsperson responsible for Quality of Health Care has not yet been appointed. The deadline for this appointment was 2013.

Facility improvement teams have been introduced in all facilities in the 10 NHI pilot districts. The Subcommittee will receive a report on the acceleration of the establishment of facility improvement teams in the all of the 52 health districts per resolution.

The DoH gazetted in 2012 draft regulations to ban smoking in public places and certain areas outdoors. The Subcommittee will receive a report on the finalization of this matter.

The DoH has embarked on programs aimed at accelerating the contracting of General practitioners to work in government clinics. This program has not met its targets year-on-year. The Subcommittee will receive a report in this regard.

The following are issues that are from the 2014–2019 government term of governance which were not implemented within the deadline provided by resolutions of the 53rd National Conference. They need intervention for them to be completed by December 2017:

- The National Pricing Commission to regulate the health care costs in the private sector was not established in 2013 as per resolution. The DoH is waiting for the finalisation of and recommendations from the Market Enquiry into the Private Health Sector Costs to inform appropriate interventions.

- The DoH and DHET have not moved the primary training platform for nurses to locate it at nursing colleges inside the hospitals. Instead, the Department embarked on the process of assisting public Nursing Colleges to be ready to offer NQF aligned nursing qualifications. The DoH will provide the Subcommittee a report on progress plus a plan to accelerate the refurbishment of nursing colleges, the number of nursing colleges that have already been refurbished and targets of refurbishment per province up to 2017.

- The National Health Commission was not launched in 2013 as directed. Draft legislation on the establishment of the National Health Commission has been developed and fast-tracked but still has to be finalised by Cabinet for publication. The Subcommittee will receive the draft legislation and a report with a time-table that indicates its projected processing through Parliament.

- The DoH established the OHSC nationally by the inauguration of the national Board of OHSC in January 2014. The deadline for this launch was 2013. The Interim CEO for the National OHSC was appointed on 01 April 2014 and the OHSC has not been established in all nine provinces.

- The DoH has not concluded consultation of parents on school health programme, in relation to reproductive health rights, HIV Counselling and Testing and prevention of Sexually Transmitted Infections (STIs). However, the first round of the Human Papillomavirus (HPV) vaccination campaign for 2015 took place during 23 February – 20 March 2015. All 9 year old learners or older Grade 4 girls received the vaccination. The Subcommittee will receive their combined report.
Laws to abolish marketing of alcohol products were not passed by 2013 as directed by the resolution.

SCIENCE AND TECHNOLOGY

The mandate of the Science and Technology sector is reflected in the **ANC programmes and plans for the 2009–2014 period of governance**. Those were translated into the government POA for the same period. The sector POA that was adopted at the ANC NEC Lekgotla of June 2014; and its translation into government policies and plans is reflected in the 2014–2019 MTSF.

The Science, Technology and Innovation sector implemented its plans and programs throughout the 2013-2014 May periods with distinction. This was necessary, as in the case of all sectors, to complete the government election mandate that was based on the 2009 Election Manifesto and the 2009-2014 Medium Term Strategic Framework.

The following programmes which were part of the 2009–2014 mandate were completed:

- The announcement on 25 May 2012 that South Africa has won the bid to host the Square Kilometre Array (SKA)radio telescope project marked the completion of a mandate for the DST to lead in the effort of getting a project of massive scientific significance to South Africa, Africa and the Southern hemisphere. This is significant as it includes the recognition of the MeerKat telescope, a South African product, as a critical component of the SKA project.

- Science, technology and innovation (STI) have been included and identified as one of important contributors to socioeconomic development by the National Development Plan (NDP), New Growth Path (NGP) and Industrial Policy Action Plan (IPAP).

- The launch of a pilot plant for the development of Titanium metal powder in June 2013 at the Council for Scientific and Industrial Research (CSIR), progress made in the Fluorochemicals Expansion Initiative and strides made in the implementation of the Aeroswift Program, which is an example of the next generation of additive manufacturing technologies, are some of the projects embarked upon by the DST towards new industry development on the basis of novel or promising technologies.

- The absorption of Sun Space (Pty) Ltd into Denel Dynamics as per Cabinet resolution was a key milestone meant to complement the National Space Strategy and strengthen the development of the satellite and space industry in South Africa.

The following are challenges that are still work in progress from the 2009–2014 government term of governance:

- The Minister has mandated the recently appointed NACI to develop a decadal science, technology and innovation (STI) plan.

- The Minister of Science and Technology has met with the Minister of Finance to discuss the proposal for the establishment of the research and innovation vote. Both Ministers agreed to set up task team which will look into the sources of funding including national and provincial government, corporate social investment, private sector investment in research and development and international funding, especially philanthropic.

- Identified new emerging industries led by R&D through Emerging Industrial Action Plan (EIAP).

- Initiated technology localisation programme aimed at supporting industries in order to strengthen their technology capabilities, to find contracts from competitive supply demand programme (CSDP) and SOCs as well as export new products.

- Initiated sector innovation fund for R&D support to existing industries.

- Supported over 2000 small, medium and micro enterprises (SMMES) through the Technology Stations Programme.

- The DST is implementing programs to transform and strengthen South Africa’s research capacity. At the end of 2014–2015 financial year, South African Research Chairs Initiatives (SARChI) had a total of 153 awarded chairs. Of these, 73% were recruited in South Africa, 23% were women and 30% were black.

- The DST established numerous human capital development (HCD) initiatives and programmes in support of a wide range of strategic imperatives that include financial support to the postgraduate students. A total of 11335 postgraduates were funded through the DST funding programmes for their postgraduate studies in 2014–2015 financial year. The DST supported a total of 4 064 researchers during the 2014–2015 financial year.

- The sector implements the Youth into Science...
Strategy to enhance youth's access to science, engineering and technology (SET), as contribution to endeavours to develop high end SET scarce skills.

The DST has contributed to about 2000 graduates and students placed in the DST funded work preparation programmes in Strategic Energy Technologies Information Systems (SETIs) including its science councils, national facilities and museums for the past two to three years.

The following are issues that were not implemented and remain from the 2009–2014 government term of governance:

- Improvement of uptake of Science, Technology and Innovation (STI) outputs within government or public sector.
- Local procurement of STI outputs.
- Changing the current preference by South Africans of foreign technologies over locally developed technologies or products.
- Expansion and transformation of research capacity.
- Significantly increasing funding for black and female students and emerging researchers.
- Setting funding aside to send masters and PhD students abroad, i.e. growing the DST contribution towards the establishment of South Africa's External Skills Incubator.

The following programmes which are part of the 2014–2019 mandate have been completed:

- The principle of mainstreaming Science, Technology and Innovation in the ANC, government and the private sector has been adopted. In an effort to mainstream SIT inside and outside government, the DST plays different roles and undertakes different activities. Those include as being the Co-Chairs of the Economic Sectors, Employment Creation and Infrastructure Development (ESE&ID) Cluster and championing activities such as Improving Research and Development (R&D) partnerships with industry, building institutional and interdepartmental instruments to help ensure that promising R&D matures into new industries, and increasing the level of R&D activities in the country as a percentage of GDP. The DST also leads the development of the Emerging Industries Action Plan (EIAP), which contributes to a coordinated and well-managed R&D-led industrial development programme. The EIAP has the added benefit of serving as a platform for potential collaboration or co-funding between local and foreign partners, as areas for potential collaboration or co-funding.

The following are work in progress from the 2014–2019 government term of governance:

- The first dish of the MeerKat, which will form 25% of the first phase of the SKA, was launched in March 2014. This project is on course and continues to contribute to assist South Africa to attract other radio-astronomy initiatives such as the C-Band All Sky Survey (C-BASS) and the Precision Array for Probing the Epoch of Re-ionisation (PAPER).

- A highlight of the 2012/13 financial year was the expansion of the broadband connectivity to all the major campuses of tertiary educational institutions through the continued implementation of the SANReN programme. A total of 139 research and educational sites have been connected with high-speed networks ranging from a minimum of one to a maximum of 10 gigabits per second.

- The DST with the DBE, the ECDE, the DRDLR and with officials, teachers, SGBs, local government and community leadership in the Ncibá circuit in the Cofimvaba District have embarked on a pilot project, which is being monitored by HSRC. This project is used to assess the extent to which quality outcomes can be achieved by the introduction of a range of innovative technologies such as ICT in schools, alternative energy supply, sustainable sanitation options, e-Health, nutrition through local supply of ingredients by small scale agricultural developments and a combined Science Centre and Teacher Resource Centre in Cofimvaba.

- The Department and the CSIR’s Wireless Mesh Network technology project connected 200 schools in Nkangala (Mpumalanga) and Sekhukhune (Limpopo) districts. The project has since been expanded its rural connectivity project by launching the Northern Cape phase of the wireless mesh network (WMN) technology initiative. This project aims to reduce poverty through job creation, economic growth and better quality of life. Approximately 27 410 learners and 772 teachers are benefiting from the project. Discussions are at an advanced stage with a private sector mining company in Northern Cape to provide further funding for the expansion of the network to other areas in the province with small, medium and micro enterprise (SMME) that
has taken over the maintenance of the project.

- The DST and the Bill and Melinda Gates Foundation (BMGF) have entered into an innovative agreement, namely the Sanitation Technologies Agreement, whose purpose is to provide access to sanitation services in rural areas. Through this agreement a variety of innovative sanitation technologies have been selected and are being piloted in rural schools in the Eastern Cape (Phase I). In addition, arrangements have been finalized with some of the technology demonstrators and a selection process within the 27 district municipalities has been initiated. The demonstration in some Nciba Circuit schools is in progress.

- The Ministry of Science and Technology provides strategic leadership and coordination of the National System of Innovation (NSI). The Minister has mandated the recently appointed NACI to develop decadal science, technology and innovation (STI) decadal plan. The Minister approved the expanded role and functions of the NACI as part of strengthening the capacity of the NSI to meet socioeconomic development challenges facing South Africa. That includes the promotion of bilateral relations to enhance the implementation of STI policies. The Subcommittee will receive a detailed report that will include the alignment of DST plans with priorities of sectors such as agriculture that contribute to economic development.

- The Minister of Science and Technology is in the process of submitting to Cabinet a memorandum on the research and innovation vote to ensure that government adequately finances and capacitates the National System of Innovation (NSI) and target achieving 1.5% expenditure of GDP by 2017. The DST has modelled the 1.5% Growth Expenditure on Research and Development (GERD) target in terms of this means in Rand terms. The DST has identified potential sources of funding, including national, provincial and local government, corporate social investment, private sector investment in R&D and international funding - especially philanthropic. It shared the results of the analyses with a task team made up of representatives of the DST and National Treasury (NT).

- Various initiatives and programmes continued to be supported during the year under review in the Bio-economy arena. These have resulted in South Africa being ranked number 36 amongst 54 countries in the World Review of Biotechnology (2014). One of the key achievements was the signing of a Memorandum of Agreement (MOU) between Pfizer Inc and the North West University (NWU) in June 2014 towards the potential use of Pfizer’s genetically modified animal models, for evaluations in oncology, inflammation, immunology, central nervous system and cardiovascular system disorders. This is expected to contribute towards the development of the pharmaceutical sector in South Africa in terms of the Bio-economy Strategy and of the Industrial Policy Action Plan (IPAP) of South Africa. Preclinical testing is a crucial step in the establishment of this sector as it forms part of the development and registration of any therapeutic product. A national Preclinical Drug Development Programme for South Africa was instituted by the Department and includes the establishment of a national Preclinical Drug Development Platform (PCDDP) for small animals at the North West University. This platform is meant to serve all researchers and companies involved in drug development in South Africa and beyond.

- Other initiatives implemented by the Department continued to generate significant research interest as evidenced by the publication in the Nature Journal of an article on the Eucalyptus Genome Platform collaboration between the University of Pretoria, the Forestry and Agricultural Biotechnology Institute (FABI) and the Department. As part of the Indigenous Knowledge Systems (IKS) Bioprospecting and Product Development Platform's cosmeceuticals flagship project, an access and benefit-sharing agreement was signed, for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product, between a cosmeceuticals consortium and the community for a skin-tone candidate product
that are developed by the three Hydrogen South Africa (HySA) centres of competence (CoCs) towards reducing their higher energy bills and carbon footprint by virtue of their vast and geographically dispersed infrastructure, including buildings and a large mostly diesel and petrol-operated engine and vehicle fleets. The year also saw the launch of an innovative 2.5 kW hydrogen fuel cell power generator prototype unit at the University of the Western Cape’s (UWC) Nature Reserve which was also expected to lower its energy bills and carbon footprint. These HySA CoCs have also resulted in the generation of 32 publications in peer reviewed journals and two patent applications being filed – one on hydrogen storage and supply system integrated with fuel cell power pack that comprises liquid and one on Metal Hydride Storage Container. In addition a total of 142 postgraduate students were supported in the energy related RDI initiatives. The TIA also approved R9,987,114 for the nine month HySA Telco Project being undertaken by HySA Catalysis together with local and international partners. The project involves providing a methanol based fuel cell for providing power to a telecommunications base station. Some funding to the value of £101,000.00 over three years, i.e. £37,000.00 per annum, has been secured by HySA Catalysis to support fuel cell development activities over a three year period from SuperGEN and Newton Fellowship through the University of Southampton. The Royal Academy of Engineering, in partnership with the TIA, awarded the “Leaders in Innovation” Fellowship to Dr Steven Chiuta of HySA Infrastructure to visit the United Kingdom for a training course on technology commercialisation from 16 March to 25 March 2015. The Fellowship brings the leading technology entrepreneurs from the Newton Fund partner countries to the UK for an intensive training course on innovation whilst also building Business-to-Business networks with similar enterprises in the UK.

The Nanotechnology Vision 2015 for South Africa, a roadmap for nanotechnology innovation, in South Africa was also approved during the reporting period. Agreements were also concluded for the Nanotechnology Health, Safety and Environment (HSE) Platform and Code of Conduct, as well as support provided to the MINTEK Nanotechnology Innovation Centre (NIC) for the Implementation of the South Africa-Russia Cooperation in nanotechnology research. Additional infrastructure funding was provided to the CSIR’s NIC for their nanotechnology pilot facility. The photonics and robotics initiatives managed by the CSIR were both resuscitated. A call for proposals in the photonics Emerging Research Area (ERA) was issued, resulting in numerous projects identified for funding, whilst plans for a call for proposals supporting robotics RDI were progressed to an advanced stage. These ERA RDI initiatives have also resulted in the generation of 40 publications in peer reviewed journals and one patent applications being filed (one PCT patent granted in the Nano TB project patent number). In addition a total of 111 postgraduate students were supported in the ERA related RDI initiatives with a total of 18 graduating during the year.

A significant achievement for the period under review, was the completion of the first NIPMO Incentive Scheme Guideline for Intellectual Property Creators (IP Creators) seeing over 360 IP Creators being awarded a Certificate of Recognition for their role in the creation of an invention for which a South African Patent was granted. Key guidelines, practice notes and interpretation notes developed included the Guidelines for the operation of the NIPMO Incentive Scheme, Guidelines or the IP Fund as well as the long awaited Guideline on IP Ownership. NIPMO also launched its Office of Technology Transfer (OTT) Framework and Technology Transfer Manual in line with the legislative mandate for NIPMO to provide best practices to the Department’s stakeholders.

Toward the end of the financial year, Cabinet approved publication of the draft Bill for the Protection, Promotion, Development and Management of Indigenous Knowledge Systems (IKS) Bill for a comment period of 60 days. The draft Bill would formally establish and define the functions and role of the National Indigenous Knowledge Systems Office. Another important regulatory intervention will come to bear when the Accreditation and Certification Policy Framework is approved by Cabinet.
The following are issues that are from the 2014–2019 government term of governance which were not implemented within the deadline provided by resolutions of the 53rd National Conference.

They need intervention for them to be completed by December 2017:

- The DST and DHET have not submitted to the Subcommittee before the end of 2013 the final policy document on the Policy and Procedures for Measurement of Research Output of Public Higher Education.

SPECIAL REPORTS:
EVALUATION OF PERFORMANCE OF PROGRESS OF COMMON PROGRAMMES

Infrastructure

- The DBE and PDEs are implementing plans that are focusing on the delivery and maintenance of school infrastructure urgently and in an integrated manner. However, this remains a great challenge, as there are still backlog in delivery and maintenance of infrastructure and persistence of under-spending.

- The DBE has developed a comprehensive school building program which is coordinated by the Presidential Infrastructure Coordinating Committee (PICC). Infrastructure developments in the education sector have been integrated with the broader socio-economic developments of government and provincial programmes funded through the EIG and ES and the Accelerated Schools Infrastructure Delivery Initiative (ASIDI) have been submitted to the PICC.

- DHET has secured 16 sites for the construction of 12 new TVET Colleges and the refurbishment of existing campuses. The tender evaluation and adjudication process is underway for the remaining 13 sites.

- The DoH under the auspices of the PICC, conducted a comprehensive audit of all health infrastructure to ensure that the revitalization and refurbishment of all substandard infrastructure will be executed by 2025 using the public fiscus and public-private partnerships where appropriate. The health sector will submit a report on this resolution to the Subcommittee.

- The DoH has established teams of engineers and other professionals in built industry from, e.g., the CSIR, DBSA, Transnet, Eskom, to provide health infrastructure on a massive scale in the pilot districts in order to shorten the pilot period. The IUSS has been introduced to assist improve delivery of infrastructure and expenditure. The restructuring of the Infrastructure Unit of the NDoH and establishment of Infrastructure Program Office is currently underway. The DoH still experience the challenge of under expenditure. The health sector will submit a report to the Subcommittee indicating the number of team established and the target for the sector plus timelines.

- Provincial health departments have established effective project management teams led by Technical professionals such as engineers. The health sector will submit a report to the Subcommittee indicating the number of team established and the target for the sector per province plus timelines.

- The DoH has established workshops in health facilities for maintenance of infrastructure and medical equipment. The Subcommittee will receive a report on this matter with plans, targets and estimated costs.

- The DST is implementing the Square Kilometre Array (SKA) and MeerKAT project coordinated through the Presidential Infrastructure Coordinating Committee (PICC). The Board of the international SKA Organisation in March 2015 agreed on the design of the first Phase of the SKA, called SKA1, which will fit into the 650 million budgeted for its construction. The detailed design is now proceeding and construction of SKA1 is expected to start in 2018. The first dish of the MeerKat, which will form 25% of the first phase of the SKA, was launched in March 2014. This project is on course and continues to contribute to assist South Africa to attract other radio-astronomy initiatives such as the C-Band All Sky Survey (C-BASS) and the Precision Array for Probing the Epoch of Re-ionisation (PAPER). The outstanding reputation of the SKA SA team and of the MeerKAT has led the Max Planck Society (MPG) of Germany to invest 11 million Euros to build 5-Band receivers and fund all the necessary ancillary equipment for the MeerKAT. The SKA SA human capital development programme has been very successful in bringing young people into astronomy and engineering and strengthening university teaching and research. In total 699 grants and bursaries have been provided. We have extended this to our African partner countries and now have additional support from the UK government’s Newton programme for...
the development of radio astronomy capacity in Africa. Big Data is the obvious spin-off from the SKA, which will produce much more data at a rate much faster than the entire worldwide web. The challenges being faced in dealing with this deluge of data in the SKA project is similar in extent to that expected in the commercial environment within the next five years. The fact that IBM has opened a new laboratory in Johannesburg and CISCO donating $5m worth of equipment to NMMU is proof of the global ICT industry’s high regard for Big Data.

- Ketlaphela, a government project for state pharmaceutical manufacturing, is on course.
- The DST has, through the South African National Research Network (SANReN) and broadband access initiative, connected 139 research and educational sites using high-speed ICT networks. The ICT Research, Development and Innovation (RDI) Roadmap has allowed the DST investment into ICT RDI to grow significantly and be aligned to national priorities, creating an ICT RDI ecosystem that is attractive to foreign direct investment. As such during the 2014–2015 period, ICT multinational companies invested over a R373 million over 10 years into ICT R&D investment. The DST established a three year partnership worth R66.6 million in investments. The strength of the South African ICT RDI ecosystem led the private sector to substantially increase their investment into R&D in this country, with their research agendas directed by and aligned to the ICT RDI Roadmap. Apart from the direct DST investment benefits, the ICT RDI Roadmap has also influenced other developments within the ecosystem. The NRF has approved 3 related research chairs: Innovative Small Satellite Technology and Applications for Africa at the Cape Peninsula University of Technology; Enabled Environments for Assisted Living at Tshwane University of Technology and Advanced Sensor Networks at University of Pretoria. Universities such as the University of Witwatersrand and Sol Plaatjes University has both setup Data Science programmes, with the latter the first institute on the continent to offer an undergraduate degree in Data Science. Initiatives such as the Health Patient Registration System with the Department of Health (DoH) has been implemented at 38 facilities across 8 provinces allowing 328639 registered patients to benefit from improved healthcare information systems.

**Job creation, economic growth and youth empowerment**

The departments of Basic Education and Health rank among government departments, at a national and provincial level, as some of those with the highest number of employees. Their contribution to government job creation and job placement is material. All sectors in the Subcommittee collaborate with other government departments and the private sector to implement programs, such as the Expanded Public Works Programs, School Health and Early Childhood Development, which contribute to activities under discussion.

- The DBE contributes immensely towards job creation initiatives through the ASIDI programme, Kha Ri Gude, Internships and the National School National Programme. Details of this contribution are contained in the main body of the report. The DBE has not reported on its investment in priority skills related to education. A report outlining key priority skills for radical economic transformation will be presented to the Subcommittee for consideration and forwarded to the NEC and NGC.

- The DHET has, through its contracting strategy of the Sol Plaatje and Mpumalanga Universities, created at least 564 jobs through work associated with infrastructure development. The TVET college infrastructure program has resulted in about 825 employment opportunities in three (3) out of sixteen (16) identified sites mentioned above.

- The DoH has through its 3535 Data Capturer Project employed 2855 data capturers. KwaZulu Natal absorbed the majority of its data capturers into full-time employment. The DoH has more than 30 000 Community Health Workers (CHW). These CHWs are employed by the DoH and NGOs. Job creation and youth employment that accrues from the DoH infrastructure program, which includes facility maintenance, is massive and will be quantified.

- The DST is funding the Aeroswift program, which is integral to the next generation of additive manufacturing technologies. This program is expected to have substantial impact on existing manufacturing processes and technologies. The DST invested, under the National Biotechnology Strategy (2001), an amount of R2 billion to develop the South African biotechnology-related system of innovation. The top seven biotechnology companies invested in at that time are now generating just under R1 billion per annum. The DST supported South African participation in
Youth

Sectors in the Subcommittee are implementing plans to strengthen and implement policies and programs to eradicate drug abuse and alcohol-related risks as key component of youth development work. The Subcommittee will present an integrated implementation and funding plan plus progress report which will include drug-testing guidelines, the involvement of school-based support teams, oversight by national and provincial Portfolio Committees plus the development by the health sector of community-based programs for detoxification and rehabilitation. This will be done in consultation with the STC.

The DBE and the DoH implemented a rights-based comprehensive sexuality education in schools. The two sectors have not made sufficient progress towards improving access to Sexual and Reproductive Health Services and family planning for the youth, despite the implementation of a schools health programme. Educators have been trained on sexual and reproductive health and SGB Guidelines plus Tool Kit developed by the DBE. 4 364 Life Orientation educators were trained on the implementation of sexual and reproductive health programmes for learners during quarter 4. The Department of Basic Education has, on 5 May 2015, released the Draft National Policy on HIV, STIs and TB for public comment. The DBE and DoH will submit to the Subcommittee a combined report on the implementation of rights-based comprehensive sexuality education in schools.

In view of the DBE indicating that it is no longer responsible for the provision of sanitary wear for the Indigent Girl Child since the Department of Social Development is responsible for the said project. The Subcommittee will work towards the establishment of a community-based program that consolidates all initiatives that provide sanitary wear for the indigent girl-child with the involvement of communities, the private sector and the support of the Department of SMMEs.

In 2014 the DHET reached learners in 6812 schools through the Apply Now Campaign. This complemented the Career Development Services Helpline (0860 356 635), Khetha radio program, social media platforms, the National Career Advice Portal (NCAP) and other career awareness events and activities. The DHET highlighted approximately 425 095 opportunities that are available to 2014 Matriculants within the PSET system at universities, public TVET colleges, and in various industries that collaborate with Sector Education and Training Authorities (SETAs). The sector develops and strengthens the capacity of its institutions to respond comprehensively to the challenges posed by the HIV and AIDS through the Higher Education and Training HIV & AIDS Programme (HEAIDS).

The DST assigned 108 Interns to host companies as part of its internship program. The DST supported, by 30 June 2014, over 6655 postgraduate and post-doctoral fellows through bursaries managed through the National Research Fund (NRF). The DST funds about eighty (80) sites across all provinces to prepare, through activities of the National Science Week, the youth for science careers and to promote the building of research capacity. The
DST supports Dr Math, a mobile tutoring service which allows users to receive maths tutoring by accessing tutors on their cell phones via MXit network. Dr Math has over 25000 registered users to date.

**Learner Pregnancy**

The DBE and PDEs are implementing a comprehensive programme focusing on Sexual Reproductive Health (SRH) and education outcomes to keep girls in schools. The Subcommittee will receive a progress report on the implementation of recommendations of the 2009 DBE report entitled *Teenage pregnancy in South Africa* – with a specific focus on school-going learners. The DBE has come up with a draft policy for the Prevention and Management of Learner Pregnancy. This policy is an alternative to the previous policy that punished learners for falling pregnant. The proposed new policy considered the rights of the learner to education, dignity and the right of privacy. The draft policy would be circulated to Provincial Education Departments.

**A summary of progress made towards the achievement of the MDGs**

South Africa has done relatively well and is therefore in a position to achieve most of its targets towards the Millennium Development Goals (MDGs) in the following areas: promotion of universal primary education; promotion of gender equality and empower women; reduction of child mortality; improvement of maternal health; combatting of HIV & AIDS, malaria and other diseases; ensuring environmental sustainability; and the development of a global partnership for development. The country is not likely to achieve the goal of eradication of extreme poverty and hunger by target date.

**ORGANISATIONAL FACTORS, IN THE ANC AND GOVERNMENT, INFLUENCING THE ABILITY OF SECTORS TO DELIVER**

**Leadership**

The Subcommittee on Education and Health has provided the necessary leadership and oversight over this sector. Regular meetings and support of various sectors by the Subcommittee and the SGO has ensured that these sectors are able to surmount challenges that arise from time to time. Poor leadership and management, especially at lower levels of government institutions, have a negative effect on the ability of government to deliver.

**Technical support systems for the Subcommittee**

To research, compile documents, train members of leadership structures in the sector is necessary for strengthening of the Subcommittee at national and provincial level in order for the Subcommittee to perform to its maximum.

**Policy inconsistencies** by political leaders and executive managers pose political and administrative risks.

**ANC Executive Authority in government**, namely Ministers and Deputy Ministers, should be utilised maximally for the best effectiveness of implementation. The activation of policy pronouncement made by the President in 2009 that Deputy Ministers should have formal delegations and be given specific areas of responsibility could be realised through amendments to relevant legislation such as the Constitution, the Public Service Act and the Public Finance Management Act. This could provide the necessary legal framework for the Deputy Ministers to be more gainfully employed, especially ANC Deputy Ministers

**Maximum of use of ANC capacity in Offices of Ministers, Deputy Ministers, MECs and Mayors:**

The ANC would perform better and service delivery would improve if the appointment and movement of strategic human resources, e.g. Chiefs of Staff and Special Advisers, were consciously used to their maximum political benefit.

**Ministers and MECs must be held to account by the ANC and society for the resolution of perennial human resource challenges in departments.** Executing Authorities must perform regular assessments of institutional organisation structures and staff job descriptions as directed by the Public Service Act and the PFMA.

**Sectors and departments must manage the engagement and use of consultants to improve service delivery.** Qualified staffs employed by various government departments must deliver according to their job descriptions. The ANC must lead in ensuring that government derives maximum benefit from appropriate use of consultants and that there is political leadership provided by Executing Authorities for their appointment and deployment by the administration.
Better management of financial resources and donor funds

Poor management of funds available from the fiscus, as demonstrated by audit reports compiled by the Auditor General and poor management of donor funds compromise the ability by various sectors to deliver on their mandate. The Subcommittee will take greater interest in the management of financial resources and donor funds of sectors, especially Basic Education and Health, and report accordingly to the NEC.

Better distribution of financial resources between various levels of government

National departments are by their nature focused on policy formulation plus monitoring and evaluation; whilst provincial departments, districts and institutions are responsible for delivery of services. Most funds, including donor funds, should be therefore allocated to facilities, districts and provinces, as service delivery takes place in facilities. Basics of decentralisation of management of services must be implemented, as there are instances where funds from donors, e.g. billions of Rands for education and health programs, are alleged to have been either returned to the European Union or dumped on service providers and consultants because of the lack of capacity of national departments to spend. This happened despite many provinces having a dire need for these funds for their operational activities.

Instability caused by the high turnover of senior managers

The high turnover of sector deployees and senior management including DGs is a hindrance. The Subcommittee will analyse the turnover, especially of political heads, heads of departments and Directors General, in sector departments at district, provincial and national levels and determine the effects of the said turnover on the ability of government to deliver on its mandate. Findings and recommendations will be communicated to the NEC for consideration.

The following cross-cutting issues are stumbling blocks to delivery by government departments, especially for the health sector:

- Poor human resources planning, development and management.
- Poor financial management, including inappropriately appointed Chief Financial Officers and lack of financial management skills.
- Failure of systems in procurement or supply chain management.

- Poor planning, delivery and maintenance of infrastructure, especially maintenance thereof.

INTEGRATING ISSUES OF GENDER AND DISABILITY IN THE WORK OF THE ANC AND THE CONTRIBUTION OF SECTORS TO EMPOWERMENT AMONG DISADVANTAGED GROUPS

The Subcommittee on Education and Health has consistently and deliberately sought to integrate issues of gender, disability and youth into its plans and programs.

ASSESSMENT OF THE CONTRIBUTION OF THE WORK OF SECTORS TO FRATERNAL RELATIONS AND COOPERATION IN SADC, AFRICA AND THE WORLD

The ANC Subcommittee on Education and Health has no formal program of collaboration with former liberation movements in SADC countries and beyond. However, the Mandela-Castro Health Collaboration is a program of medical training whose success depends on the good relations that exist between the ANC and the Communist Party of Cuba.

All sectors of the Subcommittee participate in various fora which promote bi-lateral and multi-lateral relations at the level of government, e.g. UNESCO and the World Health Organisation. This has not been translated into activity that benefits the ANC directly. The same is true for work that is being done with other governments in Africa, in BRIC countries and in other parts of the world.

The Subcommittee will submit a report on its contribution to the work of the ANC in promoting cooperation, especially with former liberation movements and those who supported the ANC struggle and programs against apartheid. It will also report on plans and progress made in ensuring that ANC political work is done and Party-to-Party relations are promoted during visits to other countries through structured interactions with political leaders of parties allied to the ANC.

IDENTIFYING CRITICAL PRIORITY AREAS AND PROPOSED AMENDMENTS OF PLANS AND PROGRAMS FOR QUICK WINS TOWARDS THE ACHIEVEMENT OF TARGETS BY DECEMBER 2017

The Subcommittee regards as critical the commitment of the ANC to radical social and economic
transformation. The following priority areas and intervention measures have been identified per sector to give effect to that call and for quick wins to ensure that the mandate of the ANC is implemented with greater urgency from now on and after the NGC:

- **ANC Subcommittees on Education and Health**

The Subcommittee will identify human and financial resources that are at its disposal and use those to its maximum benefit. These resources include activists that are working in the public and private institutions, policy units, research bodies and those deployed abroad. The Subcommittee aims to do the best with what is available to execute its mandate.

The following will be attended to with a renewed sense of urgency:

- Implement a plan to ensure that all sectors account for all the commitments made to deliver on each of the resolutions reflected in this report and submit reports to the NEC where indicated.

- Ensure that all provinces are assisted to have functional Provincial and Regional Subcommittees on Education and Health, and that these report regularly on the work of the subcommittee including the work being done in ANC branches and with the Alliance.

- Implement a plan to ensure that the Subcommittee responds to directives contained in resolutions, especially those whose deadlines were missed.

- Implement campaigns such as the Quality of Learning and Teaching Campaign (QLTC) with a renewed sense of urgency.

- Energise ANC branches to embark on campaigns to ensure that SGBs, Clinic Committees and hospital boards are truly representative of and account to communities.

- The ANC must communicate its achievements in these sectors to the masses of our people on an ongoing basis.

- Local Government must play a critical role in supporting Education, Health and Science & Technology.

- The structures of the movement are encouraged to actively participate in the activities of the Subcommittee. This entails attending meetings of the subcommittee.

- **ANC structures in provincial and national legislatures**

These structures have started to submit reports on their execution of tasks that emanate from meetings of the NEC Subcommittee. This will be institutionalised and maintained.

- ANC Members of Portfolio Committees will be required to report in line with the mandate of the Subcommittee. Their reports include their performance of oversight over the Executive, their contribution to law-making, e.g. drafting legislation on making schooling compulsory, and their work in Provinces and local communities.

- **Cross-cutting priorities for all government sectors**

- Encourage plus assist sectors to establish or strengthen systems in departments for good governance and delivery to last beyond 2017.

- Reintroduce practical or on-the-job training for all college and some university students, viz. compulsory rotations, bed-side training and work during vacations for technical and medical students.

- Consolidate all Reproductive Health issues and re-formulate the plan to integrate the work of education, health and social development.

- Identify and resolve factors that are responsible for the inability or failure of government to implement ANC resolutions on the re-opening of colleges, especially nursing and teacher training colleges. These factors include the absence of appropriate policy and the necessary enabling legal framework for the re-establishment of the college sector, which includes TVET and community colleges.

- Consolidate strategies, plans and efforts of all sectors in the subcommittee for effective delivery and maintenance of infrastructure, appropriate technology and equipment for schools, clinics, hospitals, colleges, universities and relevant science and technology sites; and conclude the macro infrastructure plan for the university education sector by March 2015.

- Encourage all sectors to identify and support innovation in addressing both social and technological challenges.

- Promote and support the local, provincial, and national commitment to increase investment in research and development to achieve the 1,5% of GDP in Manifesto.
**Basic Education**

- Engage trade unions for members to accept re-deployment and re-skilling.

- Working towards strengthening programs in Maths, Science and Technology, the sector will introduce Technical Mathematics and Technical Science in 2016. It will also provide support to the Intermediate and Senior Phases laying solid foundation required to succeed in studying the MST subjects at the FET level.

- In order to realise the objective of making Learner Teacher Support Material (LTSM) available and to provide a textbook for every learner, in every subject, in every grade, the sector will build the capacity of the State to develop, print and deliver LTSM.

- In order to promote Inclusive Education, the sector has initiated a process of developing the South African Sign Language (SASL) curriculum for grades R to 12, whose implementation will follow a phased-in approach starting at Foundation Phase and grade 9 from 2015 to end with implementation at grade 12 in 2018. Training focused on more than 250 teachers and Deaf Teaching Assistants from the implementing grades in 45 schools will be implemented from 2015 onwards.

- Information Communication Technology will be prioritized for implementation at schools to act as an anchor for the radical transformation of the basic education.

- Teacher Development will be prioritised to enhance teacher performance and quality of learning and teaching support through increasing the depth of content knowledge of our teachers.

- Reading Promotion and Library and Information Services will be prioritised to enhance learners’ knowledge and skills, help them to succeed academically and prepare them to be active members of their communities.

- The National Education Collaboration Trust will be used more to galvanise members of communities, teacher unions, traditional leadership and businesses into district steering committees to work with the district offices, schools and communities in order to drive improvement activities in the target schools.

- Provide psycho-social support to schools.

- Ensure that education is regarded as a continuum.

- Allow for a discussion with stakeholders to reflect on the frequency and scope of the ANA test, notwithstanding its positive reception.

- Ensure that we sustain the momentum of the infrastructure programme, with particular reference to the provision of water and electricity.

- Ensure that the Ministry of Telecommunications and Postal Services works closely and collaboratively with the Departments of Science and Technology and Basic Education to provide rapid universal connectivity for ICT as an enabler for quality education.

- Explore ways in which schools with amenities share their resources with historically disadvantaged schools, given the disparities in resources because of the legacy of apartheid.

- That we swiftly move to a quality management system to enable the DBE to assess the competencies of educators for development purposes and to encourage self-assessment by educators.

- To discourage frequent curriculum changes in order to avoid change fatigue.

- Fast track the implementation of the LURITS system to enable the education sector to track learners from basic to higher education.

- Intervene in the intermediate and senior phase of school especially in the area of mathematics.

- Provide support to Learner Representative Councils (LRCs) to better understand their roles in the governance of school.

- Mobilise communities to oppose tendencies to target schools as part of civil disobedience.

- Improve the efficiency of scholar transport provision.

- To embed our constitutional values and principles as well as those of the Freedom Charter in the Curriculum.

- Improve efficiency in the roll out of the National School Nutrition Programme (NSNP).

- Commitment by all parties to maintain labour peace during the period of salary negotiations.

**Higher Education and Training**

- Prioritise the finalisation of policy for free higher education to all undergraduate level as a matter of urgency, with the aim of implementation by 2018 provided funds are available to support such a decision.

- Finalise the policy on Community Service for...
all students by July 2016 and commence with implementation by December 2017.

- Fast track the conclusion of the work of the various committees and structures to ensure that progress is made by December 2017 on the project of shifting of Nursing and Agricultural Colleges currently under a provincial authority to a national competency in line with the constitution.

- Engage all relevant structures of the ANC and government to avail resources to ensure that good progress has been made by December 2017 on the recapitalisation of all former colleges not utilised for educational purposes.


- Finalise the Higher Education and Training funding model and framework by March 2015 and implement the approved framework by the end of March 2016.

- Urgently put in place sustainable mechanisms which include law enforcement agents to enforce the criminalization of non-registered bogus colleges.

- Prioritise the conclusion of the development of the Central Applications Service architecture and operationalize the system of centralization of applications for Higher Education Institutions by March 2018.

- Back to school campaign must be extended to include Higher Education Institutions.

- Disagreements at HEIs must be dealt with in a disciplined manner without resorting to vandalism and destruction of property or acts of intimidation.

- Conclude work of the various committees and structures on shifting Nursing and Agricultural Colleges to a national competency by March 2017.

- Finalise Higher Education and Training funding model and framework by March 2015 and implement approved framework by March 2016

- Fast track Central Application Service (CAS) for implementation by March 2018.

- Engage all relevant structures of the ANC and government to avail resources.

- Implementation of forensic audit of NSFAS at institutions by March 2015 linking this up with the Gap funding.


- Education Alliance must have a programme to support the Post-School Education and Training (PSET) system.

- Monitor HEIs to ensure they are not are using the national benchmark test as a hindrance to the transformation agenda.

- Ensure that the Departments of Higher Education and Training and Science and Technology work collaboratively, cohesively and in an integrated manner in the promotion of Science, Maths and Technology to support the Department of Basic Education's newly established Maths, Science and Technology unit.

- **Health**

  - On the implementation of the National Health Insurance (NHI)

    - Actively engage all relevant structures of the ANC and Alliance in the movement and in Parliament to fast-track the finalization of the White Paper on the NHI and the necessary legislative framework to ensure that the NHI Fund and legislation are in place by the date of the next national conference.

    - Implementation of the NHI starts at PHC level, as that would be affordable.

    - The matter should be discussed comprehensively at a broad meeting of the Subcommittee on Education and Health.

  - On the establishment of the NHI fund, this matter must be finalised by health and Treasury.

  - On the Expansion of free Primary Health Care

    - Prioritise and intensify the roll out the program of the Ideal Clinic Model using the Operation Phakisa Delivery Model.

    - Adopt the model of Operation Sukuma Sakhe and the War Room Implementation Program (WRIP) in all provinces to be the method of delivery of community programs and creative use of auxiliary workers, such as Community Health Workers, Lay Counsellors, AIDS Councillors, Community Liaison Officers and Community Development workers.

    - Reactivate programs to ensure that the
District Health System (DHS) is functional in all provinces, as a practical step of strengthening Primary Health Care (PHC).

- Community Health Workers (CHW) must be absorbed into formal government employ.

### On HIV and Maternal and Child Health

- Innovative programs, e.g. bringing mothers and fathers of board on issues such as exclusive breastfeeding, must be embarked upon to keep the momentum of the campaign against HIV and AIDS.

- Our communities must work together with others on campaigns against advertisements such as those that promote illegal abortions and other unethical practices that endanger lives of our people.

### On Tuberculosis (TB)

- Having identified Tuberculosis (TB) as a national priority, the sector will intensify the fight against TB at Primary Care level, starting with intensive screening of high-risk communities and correct management of identified cases. Great focus will be on 150 000 inmates in correctional facilities; 500 000 mineworkers; and the population of at least six (6) worst affected districts of intense mining communities. Those include the West Rand (Carletonville), Lejweleputsoa (Welkom); Rustenburg (Marikana) plus the Merafong (Klerksdorp-Potchefstroom area); plus Waterberg and Tubatse (Burgersfort).

- Foster greater collaboration with relevant government departments and research institutions to pursue programs of research and development of new drugs against priority illnesses and diseases.

- ANC Branches must have health portfolio to deal with TB and other health issues.

### On Healthy Life Style

- ANC Branches must have health portfolios to implement programs that promote at no cost healthy lifestyle of members, their families and communities in wards where the ANC operates.

- A day, e.g. Wednesday afternoon, be adopted in communities and schools as a common day for health promotion, including health education and healthy lifestyle.

- There should be strict regulation of the establishment and operations of alcohol outlets, bottle stores and shebeens.

- The health sector must work closely with the security cluster to deal with the issue of illicit drug importation and abuse.

- The NDoH must resolve urgently the challenge of a dysfunctional National Forensic Chemistry Laboratory that compromise the state's ability to provide the Justice System with blood alcohol results needed as evidence of drunken driving.

- The Subcommittee needs to advice the ANC about socially-acceptable use of alcohol.

- The ANC Youth League must play a leadership role in the fight against drug and alcohol abuse and gangsterism by organising youth camps involving affected youth.

### On improving the Quality of Public Health Care services

- There must be consequences if managers are not doing their work.

- Improve conditions of work and support staff and systems.

- Government departments must do lifestyle audits of staff in procurement. Staff in procurement at all levels of government must be rotated regularly to minimise corruption.

- Attention must be given to boilers in health facilities, as the company that delivers services such as maintenance of boilers is a monopoly.

- The health sector must design its own program of “Back-to-Basics”. The ANC must discuss programs which allow the movement and government to return to basics of management and leadership.

### On the cost of private health care

- The Subcommittee must further discuss this matter and submissions made.

- The Alliance must publicly support the proposal on the reduction of the cost of the private health care.

- Resolve policy and legislative issues and establish National Pricing Commission.

- Engage MECs and Premiers to ensure speedy establishment of Offices of Health Standards Compliance in each province.

- Urgently resolve policy and legislative impediments and fast-track the assumption of responsibility of overall management by the
National Department of Health of central hospitals.

- Actively engage relevant persons and structures to fast-track legislation so that the sector establishes the National Health Commission before December 2017.

- Intensify dialogue with all stakeholders including the alcohol industry, the entire social sector and the economic sector in government and fast-track the passage of legislation aimed at abolishing the marketing of alcohol products.

- Deal decisively with the main and important causes of failure, mainly human resources planning, development and management; finance, procurement and infrastructure.

- Urgently convene a meeting of the Subcommittee on Education and Health to deal with a number of issues, especially the NHI and programs to address challenges facing the health sector.

- Urgently convene through the Office of the SG a summit of all role players at the level of political leadership, especially the ANC Provincial Chairpersons/Premiers, ANC Provincial Secretaries, Minister, Deputy Minister, PEC Chairpersons of Education and Health, MECs of Health, Chairpersons of the Portfolio and Select Committees on Health to attend to these issues. The focus must be mainly on the four issues that need political intervention identified above.

**Science and Technology**

- Ensure the finalisation of the MeerKat radio telescope as forerunner to the SKA phase 1.

- Draw on the work and experiences of the Departments of Science and Technology and Basic Education in providing connectivity to schools across the country and capture lessons from the Cofimvaba pilot on use of technologies to improve the quality of learning and teaching in rural schools, in support of key departments such as Basic Education, Health, Rural Development and Higher Education & Training in key technologies such as ICT, e-Health, sanitation and STEM.

- Promote and support the realisation of first stages of an indigenous pharmaceutical manufacturing capacity.

- Prioritise Ketlaphela, a project designed to ensure that South Africa builds capabilities for manufacturing of essential drugs and vaccines.

- Strengthen partnerships for technology transfer, product development and research to develop new diagnostics, drugs and vaccines through collaboration with the private sector.

- Finalize and publicize the Human Capital Development Strategy.

- Continue to ensure that funding for Science and Technology reaches 1.5% GDP and at least reaches the investment equivalent to African Peers. This must also be linked with the commitment to improve the funding of Higher Education and Training.

- Ensure that, because of because of their cross cutting nature, strategic goals of Science Technology and Innovation are incorporated into the plans and priorities of the Economic Transformation Committee (ETC) to support efforts aimed at the diversification and transformation of the South African economy.

- Fast-track the finalization of a Research and Innovation Vote to ensure that Science councils across government are properly and consistently funded whilst exploring a coordinated and harmonized reporting mechanism.

- Ensure that there is research on education issues to inform policy.

- Accelerate the process of evaluating the remuneration of academics to attract younger people into academia.

**CONCLUSION**

The Subcommittee is satisfied that all sectors have made good progress in implementing resolutions of the 53rd ANC National Conference. It has noted the lag in the start of formal translation of resolutions of conference into government policy and programs; and suggests that the ANC Policy Subcommittee should, after each conference and NEC meeting, consciously lead the process of integration of resolutions of the ANC into government policy and programs, without altering the mandate obtained from the masses in the preceding national election. The ANC is on track to achieve most of its goals of implementing its plans by December 2017.
1. INTRODUCTION

1. The idea of a non-racial, non-sexist and united South Africa continues to be the overarching perspective of the ANC led liberation alliance. The Freedom Charter envisages a state and government that is based on the will of the people, and is accountable to its citizens and is representative in terms of race, class and gender. Informed by the Freedom Charter, Ready to Govern, RDP, ANC Strategy and Tactics, the ANC has succeeded in establishing a democratic, accountable and representative system of government at all levels of society.

2. The ANC continues to earn the trust of our people and remains the premier organisation for South Africans, and the strategic centre of power. The people are the source of power. The trust and confidence of the people must be sustained through ensuring that the ANC occupies a moral high ground at all times.

3. Since 1994, the ANC has driven the transformation of the state and the democratisation of our governance system. South Africa has had five national and provincial elections, as well as, successive municipal elections since 1995. A democratic governance system has been established throughout our country, and South Africans are continuously engaged in political interactions.

4. The ANC government established Institutions Supporting Democracy (ISDs) guided by Chapter 9 of the Constitution. These institutions are vibrant and effectively carry out their mandate in protecting our democratic system. South Africans continue to show support and have confidence in the Chapter 9 Institutions.

5. Our 284 democratic municipalities also facilitate community interactions and participation to ensure that citizens have a say in their own development. Our system of developmental local government is premised on the active and balanced role of the communities, civil society and the state at a local level.

6. Notwithstanding the achievements we have made since 1994, the challenge remains to ensure that our democratic system is strengthened and made more accountable. We need to ensure that the State is reflective of our diverse population and that non-racialism, class, gender equity and a united South Africa is embedded in the National Consciousness of our people.

Context of the 4th National General Council (NGC)

7. The 4th National General Council (NGC) of the African National Congress (ANC) will convene within the context of the 60th Anniversary of the Freedom Charter and the 25th Anniversary of the unbanning of the ANC.

8. The National General Council takes place between National Conferences, and is a platform to review progress and challenges in the implementation of successive National Conference mandates and policies. The NGC provides an organisational opportunity to account, reflect and collectively map the best way forward.

9. This Legislature and Governance paper will review the implementation of policies and resolutions adopted primarily in the 53rd National Conference held in Mangaung in December 2012. It will also pay attention to the outstanding work of the 52nd National Conference held in 2007 and the 3rd National General Council held in 2010.

10. The scope of the policy review covers the broader governance sector namely; Local Government, Provinces, Public Service and Administration,
Cooperative Governance, Traditional Leaders, Institutions Supporting Democracy and Service Delivery. The paper further provides a review of the Legislatures, comprising the two houses of National Parliament, Provincial Legislatures and Municipal Councils.

11. This paper brings together key policy issues in Legislature and Governance, as a whole, and ensures an honest review of progress made and evaluation of how well previous ANC resolutions have been implemented. The discussion paper will also consider the issue of ANC internal capacity to manage and direct government, and how this needs to be improved.

12. The Legislature and Governance discussion paper will lead towards the consolidation and rationalisation of ANC policy, recognising that policy must be simple, clear and implementable.

2. CONTEXT OF THE DEVELOPMENTAL STATE

13. The main goal of state transformation as articulated in the ANC’s strategy and tactics is: “building a developmental state that provides effective basic services and with capabilities to take forward a far reaching agenda of national economic development, whilst at the same time placing people and their involvement at the centre of this process.” This objective is the guiding principle for the ANC’s management of the State. Our democratic state must serve our people, listen to their needs and deliver in the most effective, efficient, equitable and economic way possible.

14. There have been many achievements in the past 20 years, including bringing together the fragmented apartheid state into a consolidated non-racial, non-sexist democratic state, answerable to and representative of South Africans.

15. The legislatures, executives and public service are now more representative of our country. Democratic institutions have been created and have delivered basic services to those who previously had none. A broad range of participatory mechanisms have been established; and planning frameworks have been set up at different levels (National Planning Commission, Integrated Development Plans, Spatial Development Frameworks, Provincial Growth and Development Strategies etc.). Further, our communities enjoy the benefits of a vibrant democracy protected by the Constitution.

16. Over the past 20 years, the ANC government has ensured major expansion in access to basic services such as electricity, piped water, sanitation, roads and transport. All spheres of government have implemented programmes to alleviate poverty and increase economic and social infrastructure. Local government has undoubtedly been the primary site for the delivery of these services. However, the continued maintenance of the necessary infrastructure remains a challenge.

17. The transformation of the local government sector remains a priority for the ANC government. The National Development Plan (NDP) makes it clear that this transformation must build functional municipalities who can create safe, healthy and economically sustainable areas where people can work, live and socialise.

Challenges for the State

18. The South African state recognises that it operates within the global socio economic environment. The contemporary public service and political realities are shaped by economic crises and the pressures of financing and managing debt. Public sectors are pressurised to yield towards priorities set by economic dictates and governments have to adopt austerity measures to reduce spending, and tax increases.

19. Over the past 20 years, the need for a developmental and capable state has become more evident. Whilst we have created a democratic and constitutional state, with all the requisite institutions for governance, much remains to be done in terms of improving the lives of, particularly, the poor and unemployed.

20. Recognising the major gains made in redressing the effects of colonialism and racism, much remains to be done to ensure that all South Africans enjoy safety, security and decent human settlements. There is still a high demand for access to clean water, sanitation, energy, solid waste removal, and efficient and affordable public transport. In order to achieve this we must continue to build a state which is capable of delivering on the needs of our people.

21. Despite the significant success in configuring the
new state, there are still contested issues requiring review and finality, including:

a. **Functionality of the intergovernmental system**;

b. **Provinces**: the Review of Provinces;

c. **Powers and functions of different spheres and the impact on effective service delivery**;

d. **Inter-departmental Coordination**: its effectiveness and if we have too many departments?

e. **Mandates** which are overlapping and fragmented.

### 53rd National Conference

22. The 53rd National Conference, recognising the above challenges, took necessary policy resolutions. The Conference concluded that powers and functions of the three spheres of government should be reviewed in order to provide greater clarity and to facilitate more effective service delivery and development.

23. It further resolved that National and Provincial Government should monitor and support Local Government in ways that strengthen municipalities, not erode their powers and functions; devolution of certain provincial functions to stronger municipalities; and differentiation in scope of IDPs; funding support; and capacity building.

24. The ANC government has championed a National Development Plan (NDP) that seeks to address some of the key structural issues posing a challenge for the state. The NDP advances the need for a capable and developmental state that acts to resolve historical inequities through delivering quality public services and facilitating investment. The Development state will build capacity to formulate and implement policies that serve the national interest.

25. The National Development Plan also addresses other issues of coordination, planning and an integrated governance system.

### 3. OVERVIEW OF THE ANC POLICY AND RESOLUTIONS

26. The 53rd National Conference reaffirmed the emphasis on the urgent need for renewal, recognising that renewal is principally about building the ANC’s resilience, enhancing its transformative and governance capacity and its ability to adapt to changing situations so that it can continue to serve and lead the people.

27. The Conference also resolved on the second phase of transition, from apartheid colonialism to a national democratic society, which will be characterised by more radical policies and decisive action to effect socio-economic and continued democratic transformation. The Conference concluded that this will require a renewed, united and more vibrant ANC, Alliance and broader democratic forces.

28. The National Conference resolutions provided an enduring policy for the ANC as a whole, and for those cadres deployed in government and legislatures to implement and develop programmes focused on ANC policies. Some of the resolutions are more long term and require time for planning and implementation, others are relatively short term and are easy to execute.

29. The NEC through various Makgotla and ongoing programmes of the subcommittees has focused attention on ensuring that systems and processes are in place to monitor and report on the implementation of resolutions by deployees and ANC structures.

30. The priority of the L&G NEC subcommittee was on strengthening an effective interface between the Party and State for the purpose of facilitating accountability on conference mandates and ANC policies.

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**ANC Conferences has adopted radical and transformative policies to ensure viable, effective and functional local government system. The piecemeal approach and slow traction in implementing the ANC policy is the source of the current challenges besetting municipalities.**
Challenges

31. The implementation of major transformative policies around reconfiguration of the state has, in some cases, not been as speedily as mandated. The specific short-comings are listed below:
   a. The resolution on Review of Provinces – adopted in two National Conferences – It has not been implemented.
   b. The resolution on creating a Single Public Service is also progressing at a slow pace.
   c. The resolution on Gender Mainstreaming in the Public Service has not met the required targets.
   d. Addressing Local Government institutional challenges, such as the viability of some municipalities, fiscal arrangements and the two-tier system, has not been implemented as mandated.
   e. The resolution on Municipal Demarcation has also not been adequately addressed.

32. The National Conferences resolved to strengthen the legislatures and ensure deployment and retention of capable cadres in National and Provincial Legislatures, and Local Government Councils. However, the realisation of this resolution remains a serious challenge.

33. Similarly, the implementation of National Conference resolutions on mechanisms to strengthen participatory democracy, community participation and an activist parliament has been lacking. On-going assessments, by ANC structures and government monitoring and evaluation, highlight difficulties in attaining the organisation’s objectives.

34. The National General Conference must reflect on the reasons and causes for the slow progress in the above mentioned key transformative programmes. In some instances, constitutional and resource constraints have been extenuating factors. The NGC reflection needs to review both resolutions taken and not implemented for good reasons, and those which were not implemented due to disingenuous conduct by deployees.

35. The implementation of various ANC policies is crucial in realising the broader objectives of building a capable developmental state. The state transformation resolutions are located at the heart of service delivery and are informed by a consistent ANC agenda of a better life for all.

4. REVIEW OF POLICY IMPLEMENTATION AND PROGRESS

36. The following section details and notes the review and progress on the implementation of various policies.

4.1. LEGISLATURES

37. Successful National and Provincial government elections were held in May 2014. The ANC secured majority seats in all legislatures, with the exception of the Western Cape. This has once more demonstrated the confidence and trust our people have in our elected representatives.

38. The Fifth Parliament has been characterised by unity of the opposition with the intention of destabilising Parliament. This has been demonstrated through the attempted motions of no confidence targeting ANC leadership in parliament; the unruly and disobedient behaviour, walk outs; and flagrant disregard of electoral doctrines that underpin the role and character of the democratic Parliament.

39. A key task of the ANC is to focus on turning Parliament into a real activist parliament with a major emphasis on its developmental role. The ANC in the legislatures is required to be more vigilant and assertive, and to guard against the erosion of dignity and the high levels of confidence our society have in the legislatures.

Progress

40. The 2010 NGC resolved that all Bills of strategic importance must go before the relevant NEC sub-committee for processing prior to them being submitted in Parliament. The same principle applies for Provincial Legislatures and Provincial Executive Committees (PECs). In the Fourth Parliament, the NEC subcommittees were central in ensuring all legislation is approved by the ANC before it is passed in Parliament. Mechanisms need be put in place to ensure the Fifth Parliament observes the same process.

41. The Conference mandated the development of a discussion paper to develop a strategy and implementation plan for ensuring activist and
developmental legislatures. The subcommittee has undertaken the task, which is still underway. A special Legislature and Government summit will take place to consider the strategy and implementation plan of an activist parliament. The task will be completed and the report tabled at the NGC.

42. The separation of Legislative and Executive Functions in local government is being implemented. The bigger cities, due to their resource base and numbers, are able to ensure separation; however, smaller municipalities are challenged by this policy. Some provincial governments are actively assisting municipalities to implement this policy.

43. The 53rd National Conference also resolved that there should greater cooperation between legislatures across all spheres of government. The Subcommittee has established a Legislature Forum, within which all deployees in legislatures engage and coordinate their work to ensure greater cooperation.

4.2. PROVINCES
44. The 52nd and 53rd National Conferences, and the 3rd National General Council, has given a clear mandate for a review of the Provinces. This is an important policy task aimed at strengthening the democratic state and its developmental mandate.

45. The on-going assessment of the configuration of the state, in most cases, points to the need for a review of key policy and constitutional issues. Among others, these include the allocation of powers and functions, planning across government, the two-tier system of local government and the effectiveness and functionality of some provinces.

Progress
46. The ANC Summit on Provinces and Local Government was held in December 2010, as directed by the 3rd NGC. The summit endorsed a framework document to guide the review process. The summit also highlighted important issues to be considered by the review panel.

47. The NEC Subcommittee established a Task Team to guide the ANC in this process. The Terms of References and framework for the review have been developed, and the ANC Task Team will interface with government to ensure implementation of the resolution.

48. The Presidential Commission has not yet been appointed, hence, the review process has not commenced. The NGC will receive progress updates on the review progress.

4.3. LOCAL GOVERNMENT
49. Local Government is the sphere of governance closest to the people. It plays a critical role in the consolidation of the National Democratic Revolution gains and is the sphere of government which impacts directly on changing people's lives, and where visible service delivery is experienced.

50. Municipalities across the country have made tremendous progress in delivering water, electricity, sanitation and refuse removal. Yet, despite these achievements, it is clear that much still needs to be done to support the implementation of Local Government's mandate.

51. The structure of district local government is not working as intended. Key resolutions have been adopted by conferences, to refocus district municipalities.

52. Cities play a crucial role in the system of government, yet there has been insufficient recognition of the importance of cities. There is no differentiation model that allows the special capacities of cities to be recognised and unleashed.

53. In addressing some of the persistent challenges in municipalities, the government has recently launched a "Back to Basics" programme. The Back to Basics programme translates into a practical, realistic and focused approach to improving Local Government performance, and thereby, people's lives.

Progress
54. A significant number of resolutions on local governance have been passed at the recent National Conferences and NGCs. Good progress has been made in delivering on these resolutions, resulting in various legislative amendments and regulations passed by government. The aim is to enforce and strengthen the Local Government systems and structures in line with ANC resolutions.
55. Despite progress in the policies dealing with systems and structures of Local Government, there is less progress regarding the fundamental policies of powers, fiscal allocations, unviable municipalities and the two-tier system. The delay in the implementation of these is partly linked to the other resolutions on Review of Provinces and Powers and Functions.

56. The government programme of Back to Basics will attempt to address some of the key resolutions adopted by the conference. Its objectives, as articulated, are namely, bringing government closer to the people; fast-tracking delivery of quality basic services to our people; improving financial management; employing capable and qualified staff; dealing decisively with fraud and corruption; and building capable political leadership.

57. Informed by the unique challenges facing cities, including but not limited to, increased migration into some metros, as evidenced in the last Census report; the voting patterns as per the May National and Provincial elections, the Subcommittee has undertaken a programme with the cities to develop framework on how to manage and engage with cities. A report of the cities was presented to the NEC and further work is being undertaken by the Subcommittee to ensure a structured political programme for the cities.

4.4. COOPERATIVE GOVERNANCE

58. Chapter Three (3) of the country’s Constitution calls on the three spheres of government to adhere to the principles of Cooperative Governance. The lessons drawn from twenty years of practice in the relationship between the three spheres of government show practices contrary to the principles provided for in chapter 3. The conduct and practice of spheres of government exhibit federal tendencies and features, e.g., nine provincial governments and 284 municipal governments that set their own priorities and plans resulting in uneven performance and delivery, and an incoherent planning regime.

59. Despite the structural mechanisms in place, coordination, integration and alignment across the spheres of government are a challenge. Integrated delivery of services is not possible when there are no central and predictable mechanisms for guiding and regulating the key performance areas of integration across these spheres.

Progress

60. The 53rd National Conference advanced a need for a more integrated system of cooperative governance, which must advance service delivery and development.

61. Meaningful attempts have been made by government to streamline planning and coordinate various developmental plans and strategies across the three spheres of government. Various forums and intergovernmental structures are convened regularly to coordinate government service delivery.

62. Despite the above efforts, the successful realisation of effective cooperative governance is hampered by slow progress in undertaking tasks relating to the transformation of roles, powers and functions.

4.5. PUBLIC ADMINISTRATION

63. The current domestic and global political realities are shaped by the recent economic crisis and the pressures of financing and managing debt. The public sector is under pressure to yield towards priorities set by economic conditions.

64. The 53rd National Conference made a clear call for the construction of a developmental state capable of delivering on the tasks of the National Democratic Revolution. This requires that the state should build its institutional, organisational, technical and leadership capacity in order to successfully implement the programmes of government and reduce the dependence/reliance on the private sector and outsourcing.

65. The ANC vision of a public service and administration is informed by the attributes of the developmental state, the ‘ideal public service’ envisaged is the one that:

- Provides quality public goods and services to all;
- Facilitates inclusive economic development and growth;
- Is people-centred and people driven; and
- Is geared towards development and eradicating poverty.
Progress

66. The National Conference has adopted numerous resolutions relating to public administration, including, improving the quality of the public service; the remuneration of public servants; intervention, support and monitoring provinces; and moving towards a Single Public Service.

67. The Remuneration Commission for public servants has been established and the report will be presented once concluded.

68. Meaningful progress has been made to address the conference resolution in the Public Service Administration sector. The Public Administration Management Bill, which was passed by Parliament, addresses some of the critical areas resolved by the conference, including, a movement towards a single public service, setting norms and standards, capacity building in the public sector and corruption.

69. The ANC still needs to evaluate the implementation of a Single Public Service. The conference mandated the NEC to consider the implementation challenges and take final decisions on the viability of a Single Public Service. The constitutional issues surrounding the Single Public Service debate needs to be resolved. Broader discussion remains on the agenda, and it may be necessary to review the challenges besetting the full implementation of this resolution.

70. In accordance with the mandate of the conference, a Provincial Monitoring, Support and Intervention Bill has been drafted and will provide for targeted support for Provinces, monitoring and fulfilment of their executive obligations.

71. The implementation of gender equity in the public sector is seriously lagging behind. Despite set targets and requirements for departments, this has not been achieved. The ANC needs to ensure a mechanism of compliance with this policy.

72. Consistent with ANC resolution, building state capacity is a long-term task and many of the actions will take time to deliver results. The government’s Medium Term Strategic Framework 2014–2019, has committed to:

- Forge a disciplined, people-centred and professional public service;
- Ensure career paths are conducive to learning on the job; and
- Make every workplace a training space;
- Making better use of experienced public servants to provide specialised training;
- Ensure career paths are conducive to learning on the job; and
- Forge a disciplined, people-centred and professional public service.

73. Furthermore to strengthen the Public Service, the NDP encourages stability in the political-administrative interface. NDP promotes creation of an administrative head of the public service to improve management of the political-administrative interface and help reduce high turnover of HODs; revitalise Batho Pele; improve day-to-day responsiveness; and increase engagement with citizens outside government forums. It also urges building an ethical public service with more effective financial disclosures, and more effective management of discipline.

4.6. TRADITIONAL LEADERS

74. South Africa has established a firm foundation by crafting one of the most progressive Constitutions in the world. This Constitution forms the basis for restoration of the dignity, integrity and self-worth of our people, especially indigenous communities, including the Khoi and San, as well as unifying our diverse cultural communities to fully realise the ideal of “unity in diversity”.

75. Given the South African historical background, there is still a mammoth task ahead to continue building a united, caring, progressive and patriotic South African society. It is argued that traditional leaders’ role in representing and preserving the culture and identity of community members may be a key driver of development in rural communities. Traditional Leaders may fulfil this function not just through the specific cultural and ceremonial roles that they play, but through their very existence as an institutional symbol of an enduring community, and the norms and values that have shaped it.

76. Traditional leaders’ “closeness to the people” is typically regarded as one of the key advantages of the institution. Traditional leaders usually reside in close physical proximity to the communities they serve. But even more importantly, these institutions tend to function according to norms and rules – both formal and often informal – with which people are deeply familiar.
Progress

77. The ANC government has made significant progress in recognising the system of Traditional Leadership. There is a dedicated department of traditional leaders at the National level and in all Provinces. This department is led by a Minister, Deputy Minister and designated MEC’s in all provinces.

78. The Houses of Traditional Leaders at the national level and provinces are functional. The Houses enable a coordinated programme of traditional leadership led by democratically elected traditional leaders.

79. Government continues to support the traditional leadership with required resources and ensuring acceptable conditions of services.

80. The National Conference has called for a greater clarity on the role of traditional leaders. The Conference mandated the NEC Subcommittee to develop a discussion paper which enables the NEC to take decisions on the outstanding issues of traditional leaders.

81. The discussion paper on Traditional Leaders has been drafted, and the Traditional Leaders’ Forum established under the L&G Subcommittee who coordinates this task. The ANC policy paper on traditional leadership will be tabled at the Legislature and Governance Summit and recommendations will be presented to the NEC. The ANC policy paper on traditional leadership will be tabled at the Legislature and Governance Summit and recommendations will be presented to the NEC. The NGC will receive a comprehensive report.

82. The local government Back to Basics programme’s main focus is on “serving our communities better.” This programme will incorporate the role of traditional leaders in realising this objective.

83. The Conference has further mandated that relations between councillors and traditional leaders should be improved in the interest of service delivery and development. The policy paper on traditional leaders will adopt practical mechanism and guides to improve the relationship between councillors and traditional leaders.

4.7. ELECTORAL ISSUES

84. The overall electoral system has been endorsed by the National Conference. The Conference noted that the proportionality and allocation of PR seats in municipal councils, vis-à-vis ward councillors, needs to be reviewed.

85. In the recent election, an observation has been made around the eligibility for election as a President, Premier and Presiding officers. The Constitution provides for the President to be indirectly elected from the National Assembly, as is the case of other Office Bearers, including Premiers in the Provinces. There is a need for further clarification and exploring the possibility of whether a distinction between a ‘natural born’ citizen and a “naturalised” citizen can be made when considering eligibility for assuming the Office of Presidency, Premier or Presiding officers.

Progress

86. The task of developing a policy on Allocation of Seats in Local Government has commenced and is unfolding. A comprehensive policy paper with options will be tabled at the Legislature and Governance Summit. The summit will make recommendations to the NEC for adopting policy options. The NGC will receive a detailed progress report on this resolution.

87. The Subcommittee has also commenced a process to review the criteria for eligibility of election for assuming the office of Presidency and other critical positions in our society.

4.8. BOUNDARY DEMARCATION

88. The ANC conferences have mandated that the structure, role and mandate of the Demarcation Board be reviewed. The review of the Demarcation Board is informed by the development and maturity in the system of governance and our democracy.

89. The frequency of boundary reviews has been a constant source of concern for the ANC and communities.

90. The Ward Delimitation process, as mandated by the Demarcation Act, is also a policy area that ANC Conference has resolved on.

Progress

91. The role and responsibilities of the Municipal Demarcation Board are being reviewed. A Task Team has reported to COGTA and further work is
being done to address these and other issues. At the same time, there is a need to clearly define the framework within which re-demarcations occur. The NEC has resolved that re-demarcation of boundaries must be aligned to the census.

92. Government is considering the creation of further Category A municipalities and also the possibility of strengthening Districts through applying the District Management Model to dysfunctional municipalities.

93. The delimitation of wards is also under review given that every time ward boundaries change, it impacts on structures of the ANC and government. Given the importance of wards in municipal planning, mechanism must be found to reduce the frequency and extent of ward boundary changes.

4.9. SERVICE DELIVERY PROTEST(S)

94. The recent past has witnessed an escalation of protest(s) in various parts of the country. The protest(s) in some area have become violent and resulted in the loss of life and destruction of property.

95. These protest(s) are not unique to South Africa as they are witnessed in some parts of the world as well. Protest could also be informed by the global economic crisis, leading to high levels of unemployment, escalating poverty levels etc.

96. In most cases, the character of protest(s), in South Africa, take the form of service delivery protests. The ANC and government have undertaken programmes to study the protest phenomenon and understand the real root causes.

**Progress**

97. The NEC resolved to establish a Rapid Response Team (RRT). The RRT was tasked to investigate the root causes of protests and identify hotspot areas where there are high levels of protest. The RRT was also mandated to introduce remedial measures to stabilise and reduce protests.

98. Hotspot municipalities are prioritised based on service delivery protest(s), institutional instability, and lack or inadequate infrastructure impacting negatively on service delivery.

99. Rapid Response Specialists comprising of former DG’s, Municipal Managers, CEO’s of public sector entities was established, with requisite expertise and experience to resolve governance and institutional challenges that leads to protest and instability. The SGO, Legislature and Governance Subcommittee together with Deputy Ministers, in key service delivery portfolios, provided political management and oversight of the programme.

100. The level of protest is minimised, and most municipalities are stabilised. The provinces have also set up provincial rapid response teams.

101. A dedicated Leadership Development Programme, for political office bearers and councillors, is being implemented with a targeted focus on hotspots areas. The programme is facilitated through SALGA and ensures maximum participation of affected councillors and municipalities. The Leadership Development Programme aims to empower municipal leadership to manage effectively and attend to community needs, thereby mitigating any possible protests.

5. POLICY CONSIDERATIONS

The following are the key policy and programmes for further consideration by the NGC:

5.1. LOCAL GOVERNMENT 2016 ELECTIONS

102. The importance of Local Government for the ANC cannot be over-emphasised, but requires critical decisions to be taken on how the ANC treats, values and positions Local Government in terms of the broader Developmental Agenda of the ANC and the State.

103. In the context of preparing for the 2016 Local Government elections, the ANC must be decisive in addressing the following issues:

- The calibre and quality of Councillors deployed in municipalities;
- Accountability and transparency of councillors to their communities;
- Management of consequences and performance management of deployed cadres;
- Leadership and Management Training for deployed cadres;
- Micro management of municipalities by ANC structures (PEC’s, REC’s, BEC’s);
Occupy moral high ground and deal decisively with fraud and corruption; and

Campaigns and programmes targeted at changing the image and credibility of Local Government.

5.2. SPATIAL PLANNING & IMPLEMENTATION

104. The proliferation of spatial analysis of municipal space, e.g., PICC–SIPs Spatial plan for infrastructures investments, National Transport Master Spatial Plan, Human Settlements National Spatial Master Plan, Provincial Government Spatial Plans and Municipal Spatial Development Frameworks.

105. All these spatial plans are not targeting same areas and emphasize different priorities resulting in an incoherent impact at local level. The risks associated with incoherency and lack of decisiveness in government is that most development in cities and major areas is led by the private sector, which results in government influence and directing of development being compromised.

106. The ANC must be in the forefront of guiding where development should go. But this requires national, coherent, spatial mapping of development nodes and potential; and directing where government infrastructure investment should go to address spatial legacies of the past and achievement of our National Developmental Agenda.

107. This is an opportunity for the ANC to reflect on and assess gaps and weaknesses of the past twenty years; and identify fundamental areas to be reformed and radically altered to allow realization of the National Democratic Revolutions priorities.

5.3. URBAN DEVELOPMENT

108. The rapid urbanization and growing urban sprawl presents a serious challenge to urban management. The Integrated Urban Development Framework must provide a government-wide policy framework to create a shared understanding across government and society about how urbanisation should be managed to ensure resilience and inclusion.

109. The primary priority is addressing spatial transformation and integration. Within the twenty years of democratic governance we have not been able to reverse the apartheid spatial legacy is a paramount concern. The characterization of the key issues affecting Cities, Metros and urban areas should be how to deal with issues of rapid urbanization, informal settlements upgrades, spatial integration, urban management and issues associated with providing basic services and understanding the interest of an urban voter.

5.4. COOPERATIVE GOVERNANCE, INTEGRATED SERVICE DELIVERY

110. The lessons to be drawn from twenty years of practice in managing relationship between the three spheres of government and guided by Chapter 3 principles of Cooperative Governance are that:

- Adherence to Cooperative Governance principles do not translate into an effective system of government;
- Practice shows federal tendencies and features, e.g., 9 provincial governments, 284 municipal governments that sets own priorities and plans, performance and delivery uneven, incoherent planning regime, IDPs least considered planning instrument, etc.;
- Despite structural mechanisms in place for coordination, integration and alignment resulting in a predictable coherent system of government across spheres is still pie in the sky;
- Integrated delivery of service is not possible when there is no central and predictable mechanisms for guiding and regulating the key performance areas of integration across spheres;
- Proliferation of IGR coordination structure, mushrooming of Cabinet Inter-Ministerial Committee’s, PICC-SIPs structures, and Clusters and Outcomes coordination Forums renders state of parallaxes in the efforts aimed at coordination and collaboration within and across spheres of government;
- Within National government, the overlapping and duplication of mandates, delegations and accountability for implementation weakens effectiveness.
of the state and ability of state to provide coherent government to our people; and

What does the concept of Unitary State mean, where in practice there is incoherency in policy, budget and implementation, turf battles, misalignment and lack of integration, poor coordination and collaboration within and across spheres.

5.5. THE SIGNIFICANCE OF CITIES

111. The significant growth of the metros over the past decade makes a compelling case for ANC to pay special attention to metros. The backlogs that already exists in all major cities, due to increased population growth means that cities are facing major infrastructural backlogs and challenges.

112. The voting trends in the metros requires the ANC to review its strategies and launch a programme dedicated at reversing the current trend. The programme objectives will be to consolidate the ANC electoral base, recover the lost electorate and advance into new electoral support.

113. Clearly millions of people still remain living in informal settlements even though great strides have been made to build formal housing in the major metros. Most major cities had a growth of between 5% and 15% in the number of people living in formal housing between 2001 and 2011.

5.6. RECONNECTING WITH COMMUNITIES

114. There is a need to improve the quality of engagement between government and citizens. It is not sufficient to increase service delivery if this is not done in consultation and through engagement with local constituents.

115. Public-elected representatives across all spheres of government need to communicate better on the work that government has done. Many politicians and officials spend significant amounts of time in meetings, which limits their ability to engage with communities and undertake the tasks they are entrusted with. Meetings must be minimized so that delivery and action can take centre stage and so that government is more responsive to local needs.

116. The need to create more active citizenship and more responsive State.

6. GENERAL RECOMMENDATIONS

117. The ANC Policy Committee must consider a consolidated policy document such as ready to govern and RDP. The consolidated policy document will serve a single source of ANC policy and avoid a proliferation of resolutions and policy papers which at times are inconsistent and confusing.

118. The ANC must commence a process of rationalisation of ANC resolutions. It is important to review the current policies and resolutions and the progress in implementation before advocating any new policies and resolutions. The various ANC structures from National Conferences, NGC, Policy Conferences and NEC Makgotlas make policy decisions which at times are contradictory.

119. The ANC must undertake an impact assessment of the ANC policies, and decisions taken. The impact assessment must aim and evaluating how ANC policies improve the lives of people and creates a better life for all. This assessment must also be undertaken on the resolutions not implemented and gauge the missed opportunities to improve the lives of our people.
INTRODUCTION

1. This document seeks to provide a mid-term report on the implementation of the 53rd Conference Resolutions. It will evaluate gaps, provide analysis of the challenges faced in the implementation of Conference Resolutions, outline interventions needed between now and the Policy Conference, as well as provide new policy considerations in preparations for the 2015 National General Council (NGC). It builds on the decisions of the 53rd conferences and also takes into account ongoing endeavours by the ANC and the Government with respect to delivering services to the citizens.

2. The structure of the document follows the outline of the Battle of Ideas, ICT and Media Diversity Resolutions adopted during the 53rd ANC National Conference. These resolutions are grouped into the following sections:
   2.1 Battle of Ideas
   2.2 ANC Internal Communications
   2.3 Government and Legislature Communications
   2.4 Information and Communication Technologies
   2.5 Broadcasting Infrastructure and Services
   2.6 Print Media Transformation, Accountability and Diversity
   2.7 Postal Infrastructure and Post Bank
   2.8 Research, Development and Innovation

3. The hegemony of the ANC and the democratic forces in the battle of ideas remains central to the advancement of the National Democratic Revolution. The ANC must operate in a coordinated and disciplined manner to set the agenda in the battle of ideas. Our interventions must be informed by the ANC Strategic and Tactics, and Organizational Renewal.

THE BATTLE OF IDEAS

4. The 53rd National Conference noted the raging battle of ideas and the need for the ANC to engage in the ideological work in order to lead society during the current phase of the NDR and the second phase of the transition towards the complete economic emancipation of our people. The resolution noted the battle of ideas between the theoretical and practical underpinnings of the democratic developmental state and the neo-liberal paradigm. The use of market forces to try to dislodge the democratic forces as the drivers of change and the substitution of the NDR objectives with a neo-liberal market driven paradigm was noted.

5. The ANC 53rd Conference further noted the serious advances made by the ANC, the Alliance and democratic formations in transforming South Africa into a non-racial and non-sexist democratic society.

6. Conference resolved on increased participation of ANC cadres in public debates and that cadres
The ANC has not been able to systematically respond effectively to the growing onslaught against the movement in all media. The Conference also resolved that ANC Political education syllabus should be inclusive of media training, research and ICT literacy. A National Dialogue was observed as critical to re-ignite and deepen the battle of ideas with the aim to reassert the position of the ANC as a progressive leader of society and to forge unity for accelerated transformation. The 53rd Conference also resolved that editions of ANC Today, Umrabulo and other ANC publications should always include articles from ANC government executives (Ministers, MECs and Mayors).

7. Globalisation has also sharpened inequalities between regions and nations, and within nations, producing winners and losers and a core and a periphery. The ANC policy is aimed at fighting this segregation and inequality, and working nationally, regionally and internationally to ensure a more just social order.

8. In the context of radical transformation in this second phase of the transition, robust discussions are needed to help the ANC and society to emerge with new policies and decisions that will increase the pace of transformation, development, innovation, creativity, service delivery and integration of our society.

9. The ideological and political battles have intensified since the adoption of these resolutions. The news media has been filled with raging attacks on the nature and character of the movement. Opposition parties who lost the elections have been provided with ample space to question the outlook of the mass democratic movement and substitute with their own visions. There is a ganging up on the ANC and the movement’s representatives by the media analysts, media commentators, the ultra-left and ultra-right forces. All the media outlets including unfortunately the public broadcasting outlets are dominated by the persistent attack on the NDR.

10. The ANC has not been able to systematically respond to this escalating ideological and political attack. The spokespersons of the ANC remain largely lone voices as there is no coordinated machinery that draws on the collective political and ideological base of the movement. As a result the ANC has failed so far to set the agenda in the national discourse through the limited dialogues on all media platforms. In the meantime, the ANC cadres deployed in Government have not actively contributed to the degree required into ANC publications.

11. Some progress has been achieved in the re-organisation of the ANC Communications Team to provide capacity to engage the media and counter the onslaught. The ANC War Room demonstrated the potential impact such a coordinated and well-oiled effort would have on the battle of ideas. The winning of the May 2014 National Elections and the several Local Government By-Elections is an indication that despite the propaganda against the ANC, the movement still commands hegemony and is entrenched with the masses of our people.

12. The operations of the War Room at all levels should be scaled up and be operational throughout the year and not just in times of elections if the ANC would be able to effectively deal with the propaganda onslaught.

13. War rooms must be strengthened, repopulated with requisite skills, cost the war room, meet daily and a Clearing House comprising of ANC H/O, ANC Parliamentary Caucus, Government spokesperson and Legislature) should be established in terms of the ANC Internal Communication Policy.

14. The ANC need to develop a “battle plan” that mobilizes the collective strength of the cadres and organizational capacity. The battle plan should be coordinated at Headquarters but executed at Provincial and Regional levels. The battle plan should include engagements with strategic allies and other progressive forces that can influence media and help drive the thrust of the national democratic revolution in the media platform spaces. The battle plan should help reignite the national dialogue and focus it on the radical transformation trajectory. The battle plan must encompass all platforms and provide creative and innovative ways of bringing about the mass participation of ANC cadres beyond the official spokespersons of the movement in order to set the agenda.

15. The ANC has not effectively demanded its rightful share of the media space. In many instances the “right to reply” to baseless attacks have not been followed upon. It is now usual to hear one sided discussions, attacking the ANC, in print, radio and
television platforms without ANC cadres and spokespersons participating. There is a need for co-ordination of the participation by ANC Cadres on the different platforms where the ANC voice is in deficit.

16. Facilities to manage multiple digital media platforms must be utilized to actively monitor news and debates on all media platforms and develop daily message in collaboration with the ANC communications team and disseminate the messages.

17. ANC should measure its successes where it governs, package the success stories and disseminate them through all media platforms.

18. An ANC Business Plan for communications must be developed.

19. ANC network must be strengthened, optimally use Community Television (CTV), mobile CTV vans for each province, employ LED screen, identify Schools of Journalism of choice, revive ANC News Service and incorporate these onto the ANC Communications Business Plan.

ANC INTERNAL COMMUNICATIONS

20. The war of ideas must be fought like a real war therefore, there must be strict coordination of content and messages between all structures of the organisation. The advent of community and public media offers an additional potentially progressive opportunity for the ANC, depending on the ability to influence this media and provide it with adequate support.

21. The 53rd National Conference resolved that the National Executive Committee (NEC) should develop an ANC Internal ICT Policy and strategy to drive the ANC’s administrative and political systems, ANC structures must be connected with high speed ICT services, ANC build a unified ICT capacity enabling it to engage with all its members using latest technologies including social media platforms, avail ANC content on several platforms, improve membership systems using new technologies, develop social media policy and establish a political champion to drive ANC ICT Policy and Strategy.

17. The resolutions correctly identify the need for the ANC to adopt the modern means of communications in its own organisational and political work so as to augment the different mass mobilisation and engagement tools it has utilised over the decades. The resolutions spoke of how the administration of the ANC, the involvement and management of its cadreship and the dynamic link with various communities can benefit greatly from adopting the modern communications tools. Importantly these tools were identified as important to mobilise the mass of the people into action advancing the democratic revolution and to deepen their interaction and involvement with the programmes and daily activities transforming South Africa.

18. The ANC Communication machinery has since been revamped and reorganized. A draft ANC Internal Communications Policy has been developed for consideration by the NEC. Access to affordable high speed technologies remain a challenge throughout the country and thereby affecting the implementation of the 53rd Conference resolutions. In the meantime, innovative use of bulk SMS, group email accounts, ANC apps, etc. has been explored by some provinces and branches. These innovative systems have not been maximally used throughout the country and explored to potentially enhance internal ANC communication. New technologies have also not been maximally used to improve membership systems. An online interactive ANC cadre database to assist track ANC professionals and skilled cadres has not been developed. The Social Media policy has been included in the drafted ANC Internal Communication Policy.

19. The draft ANC Internal Communications Policy provides for political discipline, framework, protocol and coordination of ANC approach to communications and the battle of ideas.

20. A draft ANC Communications Strategy (Comstrat) has been developed for consideration by the NEC. The strategy is intended to guide and focus ANC communication, informed by the ANC Internal Communication Policy.

21. Implementation of the 53rd National Conference resolutions is hampered by amongst others lack of resources and lack of access to affordable high speed broadband infrastructure. In order for the ANC to maintain its hegemony and sustain its societal leadership, it must improve its capacity to
innovatively and creatively explore the use of new technologies and social media to communicate its principles, policies and programmes. Accordingly, the 53rd National Conference resolutions remain relevant and must be implemented.

22. The ANC Media Charter (1992) must be reviewed guided by the new technological developments, SA Constitutional dispensation, the current media landscape and the need to respond to the radical transformation agenda. The revised ANC Media Charter should outline the role of media in the development of a non-racial, non-sexist and democratic society. It should also outline the role of public media (including the Public Broadcasting Services and the Parliamentary Services) in the provision of platforms for the effective participation of all the people in the democratic dispensation. The Charter must outline the role of independent media regulation and accountability within the framework of the new SA Constitutional dispensation. The evolution of community media and the participation of small and medium sized commercial media entities should form part of the policy principles. The funding mechanisms that will support public, community and small/alternative commercial media in order to realize media plurality and diversity. The Charter should also provide an ANC policy perspective on the reflection of African voices in the global arena including SADC platforms for regional reflection and continental platforms.

23. There is a need to train ANC communicators at all levels of the organization and continuously train all deployed cadres in media handling. ANC cadres deployed in Government must be obligated to attend media coaching and training. Strengthening the ANC's own network of sympathetic circle of analysts and journalists is important.

24. The ANC needs to strengthen and develop its capacity to stimulate demand to increase broadband usage and uptake by generating relevant content, across different communication medi-ums and for different target audiences. This includes its online presence, improving its research and monitoring capacity, strengthening forums for ideological and policy reflection such as ANC Today and Umrabulo, and developing writing skills, communications skills, skills relating to website and social media development amongst its cadres and leaders.

25. The ANC reaffirms that communication is an ongoing exercise that requires continuous interaction and forward and backward engagement. The ANC Today should further be a publication of choice for engaging, responding and debating current issues related to and or affecting the ANC. As part of organisational discipline leaders of the ANC should desist from discussing ANC internal issues outside of the ANC structures and forums. ANC Today is one such a forum and original articles generated from it do migrate to mainstream media after serving to educate and inform primarily our membership and support base.

GOVERNMENT AND LEGISLATURE COMMUNICATIONS

26. Effective and coherent government communication aimed at rendering effective structure and services informing people of government programmes has not yet been fully addressed despite all efforts. The problem of coordination and integration between municipalities, provinces and national government has not been achieved.

27. ANC should support Legislature's communication where it governs and ensure effective and coherent communication.

28. The ICTs were identified as means for political, economic and social transformation whose importance is growing. The 53rd National Conference Resolution noted the critical importance of government ability to use the ICTs to communicate with citizens in the delivery of services, the deepening of democracy and the ability of citizens to interact with government. The need to enhance government communication in order for government to be accountable and be in a position to influence and set the agenda for public discourse was seen as important.

29. The 53rd National Conference resolved that there was a need for an institutional arrangement and framework that enhances collaboration, effective planning and oversight between the ANC and Government communication. The use of community and public broadcasting services to reach all South Africans in their languages should be prioritized. Coordination of the flow of information from the different Government
departments and amongst all spheres of Government (local, provincial and national) was seen as important. Conference resolved that the GCIS should strengthen local Government communication and offer support to parastatals and other State agencies. The enforcement of compliance with the Codes of Good Practice in procuring services from the media was identified as critical to drive efficiencies and the transformation of the media industry. Government was required to diversify its ad spent to empower community, emerging commercial and public media. The review of effectiveness of Government communications including vision, structure, coordination and increased resources was identified as crucial.

30. The link between the capacity of ANC to lead the NDR and the capacity of government to communicate and involve the masses of the people in political and economic activities was also identified as requiring focused attention. The lack of co-ordination and capacity to communicate at the three spheres of government was also noted as deserving resolution. Conference directed the creation of effective information communication platforms to enable the three tiers of government to communicate effectively.

31. A number of developments took place post the 53rd National Conference and the May 2014 National Elections. A new Department of Communications was created to focus on communications and branding of South Africa. This new Department is intended to coordinate and provide an institutional platform for the coordination of communication at various spheres of Government. There has been an increase in the Government ad-spend through community and small commercial media by GCIS. 10 year review of GCIS was conducted and new plans for Government communication were developed. Media bulk buying was introduced with the aim of ensuring maximal benefit for Government in terms of economies of scale and to diversify Government ad-spend. Communication has been prioritized and mainstreamed, including increased usage of the community and small commercial media platforms. For example, the President, after tabling the State of The Nation address, communicates it through a platform of community and small commercial media. The challenge is cascading this approach through all spheres of Government.

32. The Government communication continuously needs improvement, as poor government communication leads to denial of service to people who depend on Government for the same. The improvement of the Government ability to communicate with its citizens enhances service delivery, accountability and involvement of ordinary people in the affairs of the State.

33. There is a huge number of government communicators in all three spheres. Government communication stills lacks coherency in the different spheres. This needs intervention in order to transform the way government communicates to its citizenry.

34. In this regard, there is a need for the development of a National Government Communications Policy to provide a framework for communications at different spheres of Government. This framework should provide for a coherent structure to communicate Government programmes and activities, and enable the interaction of the people with Government in all spheres.

35. The National Government Communication Policy should provide for the use of all official languages and all platforms to reach all citizens.

36. The ANC and its government need to strengthen other effective communication methods to reach targeted communities like using community broadcasting and public broadcasting services (radio and print) to highlight government service delivery in the battle of ideas.

37. Government communication and messaging need to be coordinated and reflect a one united country and one united Government.

38. The Policy should ensure communication coherence and alignment at all levels, Government, Legislature and the ANC.

39. Government media buying patterns should not reinforce media concentration and media monopoly, instead its bulk-buying strategy should ensure that communication reaches targeted audiences and support media diversity agenda. All spheres of government should advertise in the community and small commercial media that produce media in the languages spoken by communities, to assist with media transformation.
40. Government communication should reach all citizens and in all languages and DoC (GCIS) should be strengthened in order to coordinate information flow among different departments and among all three spheres of government (national, provincial and local).

41. COMTASK must be reviewed again taking into account, 20 years of democracy; the need to curb fragmentation of messaging and disconnect; centralization of Government communications; structure, roles and responsibilities; the need for a clearing house (comprising of Government, Legislature and ANC) to ensure coherent messaging; the mandates of entities reporting the communications Ministry (GCIS, DoC, SABC, Brand SA, Film and Publication Board and MDDA); and the need to clarify Government spokesperson vs Cabinet.

42. The local government communication should be strengthened through enhanced training programmes and the DoC (GCIS) should further offer communication support to parastatals and funding development institutions in order to properly profile work of these institutions.

43. DoC (GCIS) should support the communication of work done by other public and state owned entities that does not get media coverage. We must use arts and culture to enhance communication and convey the values of our democratic society, e.g. sculptures, murals and other forms of public art.

44. There is a need to review Government policy that mandates placements of advertising on national newspapers, as this reinforces media monopoly, as this is not relevant to local and provincial Government needs. These so called national newspapers are not available in all local municipalities and rural areas. This policy therefore is not reflective of the real media landscape in our country, in terms of national coverage platforms.

45. A short to medium term Communications Action Plan must be developed whilst reviewing Comtask and developing national Communication Policy.

**INFORMATION COMMUNICATION TECHNOLOGIES**

46. The 53rd National Conference noted that over the last three decades, the world has been undergoing, and continues to undergo, an information and communication technologies (ICT) revolution and unprecedented social and economic transformation driven by the advent of the ICT, High Speed Internet that has fundamentally transformed the way people live and relate to one another. This has made the world a much smaller place, in which individuals can access information and services from wherever they are in the world.

47. The 53rd National Conference resolved that the National Development Plan (NDP) should be underpinned by a National ICT Policy that is focused on ensuring universal access to affordable and quality high speed infrastructure and services throughout the country. The National Cyber Security Policy was identified as a top priority together with the policies of Green ICTs. Conference resolved on the realignment of Government shareholding in the various telecommunications entities. Conference also resolved on the establishment of a national ICT forum that will serve as a platform for engagement of all the segments of society in matters of the deployment and use of ICTs. Further, conference resolved that skills were important in order to complete the ICT transformation process by 2030. Conference supported the convergence of technologies and services and resolved that the regulation of the ICT sector in the converged environment should not lead to the consolidation of vertical and horizontal monopolies or the abuse of dominance by the existing operators. Conference directed that competition rules and regulations dealing with the opening of the market to competition must be prioritized. Conference directed that ICASA should be resourced to the required degree in order for effective regulation of the sector to be achieved.

48. While noting the advances made since 1994 to introduce new technologies, the 53rd Conference Resolution noted that South Africa has not lived up to her potential as a result of a lack of a comprehensive National ICT Policy, institutional fragmentation and ineffectiveness, limited e-skills, inadequate funding amongst other challenges.
49. The Conference therefore directed the creation of a policy environment that will see the widest uptake and usage of the ICTs through:

49.1 The roll-out of universal broadband services to connect all government offices and enable the delivery of e-government services targeting all frontline services delivery departments.

49.2 The expansion of the Postal infrastructure to reach all South Africans the establishment of a single integrated National Address System, the corporatisation and repositioning of the Post Bank to offer financial services to the unbanked.

49.3 The digitisation of the broadcasting infrastructure and support measures to connect all South Africans to the digital networks especially the indigent, the licensing of more subscription services, an increase in South African Content and the introduction of new converged services.

49.4 The transformation of the ICT sector to be reflective of South African demographics by 2030, a focus on e-skills at all levels of education and an increase in investments in ICT research and development.

50. These resolutions underline the cross-cutting nature of the ICT and the role played by the sector as an enabler of improvements and efficiencies in all other economic and social spheres. At the same time, the ICT market is on its own right a significant contributor to the GDP, employment creation and wealth generation.

51. The ICTs are ideally suited to help government and society change the material conditions of all South Africans and help integrate into economic activity the segments of our society that are disproportionately affected by the triple challenges of unemployment, poverty and inequality.

52. The NDP calls for a cohesive strategy to ensure the diffusion of ICTs in all areas of society and the economy. It further identifies ICTs as an enabler, such that it contributes to service delivery, support analysis, build intelligence and create new ways to share, learn and build social capital.

53. The medium term target support the vision 2020 initiative of expanded broadband penetration to 100 percent by 2020, where all schools, health facilities and similar social institutions should be connected and individual citizens should have affordable access to information services and voice communication at appropriate locations.

54. By 2030, the NDP expect that the aggressive implementation of the e-strategy, South Africa will be globally competitive amongst its peers. Furthermore, all South Africans will be able to use core ICT services and enjoy access to a wide range of entertainment, information and educational services. The National eStrategy collaborations between the state, industry and academia will stimulate research and innovation, and promote local content production and multimedia hub establishment.

55. Government has undertaken a number of activities to put in place coherent policy and regulatory frameworks to deal with the policy inconsistencies, weaknesses and challenges identified during the discussions leading to the 53rd National Conference.

56. The Broadband Policy and Strategy was finalised in 2013 to provide for the roll-out of the infrastructure for high speed internet envisaged in the 53rd ANC resolution. This strategy addresses four elements.

56.1 Digital Readiness that deals with policy and regulatory challenges that must be addressed to facilitate broadband roll-out and uptake of services.

56.2 Digital Development that deals with aggregating public sector demand to improve supply of broadband service.

56.3 Digital Opportunity that deals with improvement of broadband user skills and the promotion of local content.

56.4 Digital Future that deals with infrastructure provisioning at wholesale layer of fixed and wireless broadband networks and the market structure to deal with broadband.

57. An Integrated ICT Policy Review process was initiated with the aim of producing an Integrated ICT Policy, as resolved in the 53rd Conference, in order to deal with policy and regulatory issues and to allow for the converged policy and regulatory frameworks. The Framing Paper was issued in April 2013. The Green Paper on Integrated ICT Policy was published in January 2014. The Integrated ICT Policy Options Paper was published in November
2014. This review process is to be finalised with the issuing of a New Integrated White Paper on ICTs by the end of March 2015.

58. The ICT Policy Review process supports the realisation of universal access to affordable and quality services for broadband and other services. The review supports the extension of the definition of universal service beyond access to traditional infrastructure to encompass the training and provisioning of equipment to enable the targeted communities to participate effectively in the generation and use of services. To this end the universal service institutional arrangements are to be reviewed to expand the scope of the obligations and to fine tune the institutional arrangements to deliver on these universal targets.

59. The definition of broadband should be reviewed from time to time and include:

59.1 High speed internet networks and services.
59.2 Always available and multiple services.
59.3 Speed to be determined from time to time through Government policy or prescribed regulation.

60. The provision of universal access to ICT infrastructure and services is conceptualised as part of a bigger basket of interventions aimed at social inclusion targeting the rural areas and other vulnerable segments of society. Universal access should include accessibility, quality and affordability.

61. The provisioning of e-government for all frontline services, the support for the delivery of e-education and e-health using the broadband network and the training of the beneficiaries in e-skills constitute part of the strategy. A pilot programme for the roll-out of the broadband plan coincides and is interwoven with the National Health Insurance (NHI) pilot programme to establish the methodologies and assess the impact of this integration.

62. The ICT Review Process has demonstrated the need for the enhancement of the regulatory environment in order to allow for further convergence of the IT, Telecommunications, Postal and Broadcasting markets. The development of all IP (Internet Protocol) networks now means that different services that were traditionally transmitted through different networks can now be transmitted using one network to be received and consumed using one end-user device.

63. This convergence has practical effect in the realisation of the sector goals as it lowers the cost of infrastructure deployment while allowing for the entry of new players in the market. There are policy and regulatory considerations that must be in place including a licensing regime that fosters innovation through the entry of new services, a regulated competition environment that discourages the abuse of market dominance in general and the abuse of current market dominance in particular to stifle the entry of new services in particular, an open access model that allows the new entrants to access critical infrastructure and the effective enforcement of the regulatory provisions to ensure a level playing field.

64. The entry of the SMME's in the sector will be dependent to a great degree on the ability of the regulatory scheme to support such market reform. Other measures that will facilitate the entry of the SMMEs will include spectrum licensing and allocation. The need to empower the regulator and to provide enough skills and resources to do the necessary regulatory interventions has been identified as critical.

65. Effective regulation of competition, including the role of SMMEs should also promote universal access. There is a link between effective competition and the attachment of universal access to quality and affordable services.

66. Research continues to indicate the extent of market concentration that frustrates the expansion of the ICT sector in a manner that can accommodate the SMMEs and lead to some size-able innovation and employment creation. The ICT sector is still overly focused on large capital intensive approaches in which the big established players dominate and limit the role of the SMMEs.

67. The fixed line segment continues to be dominated by Telkom whereas the wireless segment is dominated by two operators namely Vodacom and MTN. Even though new licenses have been issued in all market segments the reality of the market is that the established players have consoli-dated their market share to such an extent that issuing new licenses no longer leads to any significant changes in market behavior. The
same situation is playing out in the broadcasting subscription market. In this market even though others have been licensed Multi-Choice continues to dominate and this dominance cannot be challenged any time soon.

68. Measures to allow for market access for the small operators and new services must therefore be part and parcel of the regulatory interventions that are aimed at making the sector much more competitive in order to drive down the cost to communicate, as well as allow for the real and meaningful transformation of the sector.

69. There must be complementary utilization of different technological options to accelerate broadband rollout including:

69.1 Wireless
69.2 Satellite
69.3 Fibre optics
69.4 Emphasis on fixed, wireless convergence, amongst other innovations.

70. Choice of technology due to socio-economic and other realities should not deepen inequalities within and between communities.

71. Infrastructure and services should be aligned within social and economic development plans of communities and Government.

72. The management of the spectrum and other scarce natural resources is emerging again as crucial to the success or failure of interventions to broaden the sector beyond the number of players that currently dominate.

73. There is not enough spectrum to enable all licensed entities to be able to build their infrastructure and use the spectrum to deliver services directly to the market. While the wireless broadband roll-out will be easier to finance the cost of constructing national networks is still prohibitive for many small players.

74. The permit system for the construction of towers and the rights of ways is burdensome and still contributes significantly to infrastructure roll-out delays and therefore costs. These constraints point to the need for policy to foster infrastructure sharing and the opening of the infrastructure for access by those who want to offer down-stream services.

75. Policy must be fine-tuned to strike a balance between the entry of the new operators and SMMES and the maintenance of the investments to drive infrastructure roll-out predicated on adequate returns.

76. There are low hanging fruits that need minor adjustments to policy for them to be realized. The broadcasting infrastructure has been digitised allowing for an expansion of services and an increase in South African content for all platforms.

77. Content will drive the uptake of digital traditional services in as much as it drives the new audio-visual services that are entering the scene to compete with broadcasters. A regulatory regime that supports South African content on all platforms is a prerequisite for the country to reap benefits from the technological changes. An increase in the amount of South African productions will enable us to exploit the expanded transmission and storage capacity associated with digital systems.

78. The training of youth in digital production for all platforms will stimulate SMME participation and create jobs on a sustainable basis. Support for the manufacturing of electronic components has already been approved in the case of the set-top-boxes to support digital migration of broadcasting services. This programme should be incentivized to support the roll-out of tablets and end-user devices in schools, clinics, libraries, Thusong Service Centres and other centres that are to be part of the national broadband roll-out.

79. Aggregating government demand is one of the key pillars of the Broadband Policy and Strategy. Activities to execute on this strategic element have focused on the role of the different state entities that are involved in the delivery of broadband services. A process to rationalise the State Owned Companies (SOCs) that play a direct role and are licenced as major players in the industry is underway.

80. The SOCs have been exploring ways and means of coordinating their activities so as to reduce duplication and enhance the use of the limited resources to deliver on government services. The final structure and standing of the various SOCs will be determined by the time of the finalisation of broadband implementation plans.
81. Research has indicated that there are many other government players that are active in the infrastructure provisioning space whose activities must be taken into account for a coherent role of government to emerge. Municipalities are rolling-out their infrastructure linking government offices and facilities in a manner that contributes to the duplication of infrastructure. The ICT Policy Review process indicate that these services are not used to full capacity and are at times perceived to be crowding out private investment as they compete by offering wholesale services to third parties. Organisation like PRASA, Eskom and SANRAL are also active in some capacity running parallel strategies to provide wholesale fixed infrastructure services to the market.

82. The definition of the role of the government entities and the setting of policies as to how they will behave in the market is emerging as critical in the fulfillment of a comprehensive strategy to roll-out broadband and other infrastructure. Rules of behavior need to be considered in areas where the state owned entities are in direct competition with licensed operators more so when they are in a position to distort the market through preferential deals with some competitors to the exclusion of others.

83. The Information Society commitments of South Africa has the vision of establishing South Africa as an advanced society in which Information and Information Communication Tools are the key drivers of economic and societal development.

84. The strategic goals include the use of technology to broaden participation in the economy, the reinvention of how government deliver services and interacts with citizens, the celebration of South Africa’s cultural heritage and creativity and the entrenchment of democratic participation by citizens and the respect of their fundamental rights.

85. The following are key policy areas that need attention in order that the information society development initiatives can meet the stated strategic objectives:
   85.1. Infrastructure roll-out to reach all South Africans (discussed in earlier sections)
   85.2. E-government and other e-services
   85.3. Digital Inclusion and e-awareness
   85.4. Human capital development
   85.5. Development of local content
   85.6. Research and development
   85.7. Industrialisation.

86. The roll-out of e-government services has not progressed as fast as it should have possibly done, due to the fragmented approaches to the deployment of ICT infrastructure and systems within government. There is a need for a national e-government strategy that involves all spheres of government. This strategy must inform all the spheres of government in planning e-government services.

87. There is a need for an evolution of an e-government service approach that takes into consideration the different levels of maturity of the various departments and municipalities. Such an approach must enable the different legacy systems to be integrated and retired at different stages so as to ensure minimum service level disruptions.

88. A government wide strategy involving the three spheres of government must devolve sufficient ownership of the system to the various levels for effective planning and implementation.

89. The procurement of infrastructure, hardware and services have proven to the main distraction in terms of rolling out e-government services. There is a need to define the role of the State Information Technology Agency (SITA) in the new reconfigured environment, taking into account the level of diffusion of the system of procurement and service integration the new strategy will encourage. In the medium term government departments need to migrate an increasing percentage of their work online. The addition of e-services should lead to realizable budget shifts towards the implementation of the cost effective online services and therefore savings.

90. The roll-out of e-government services will rely heavily on the availability within the state and public service of a cadre of administrators who can work in the online automated environments as well as the public that can use the modern communications tools to access services. This calls for concerted measures to skill South Africans at various levels to manage the electronic environment and use it for their daily activities.
91. The shift to online services for the delivery of e-government services, electronic commerce and mobile commerce will entail heightened risks that are associated with cybercrime and therefore warrant urgent consideration of policy measures to deal with cybersecurity.

92. Some tentative steps have been taken by government in this regard including the establishment of the Cybersecurity Hub that joins the public and private sectors in the monitoring and reaction to cybercrimes. Cyber Response Teams will be established to respond to actual and potential cyber-security related issues.

93. The organised measures taken by government and the private sector are just one part of the measures that will enhance security. The public awareness of cyber threats, the protection of personal information and a vigilant attitude to online environments is the other part that is supposed to be played by the citizens. There is therefore a need for a wide ranging cyber awareness strategy to educate the public on matters relating to cybercrime and cybersecurity and to instil a measure of confidence in the e-environment.

94. Policy will also have to resolve new emerging policy issues such as the Internet of Things, cloud computing, privacy, cybersecurity and IP interconnection between content, application providers and terminating ISPs. The quality control necessary for the content and application of providers will also feature significantly in future policy and regulatory discussions. The net neutrality discussions have already started and policy and regulations need to provide certainty over the access to the last mile (fixed or mobile) over which end-users access the internet. Policy will have to ensure that there is no degradation or interconnection failures due to failed negotiations between parties that could make it impossible for users to access, distribute or use the applications and services of their choice.

95. New policy should also seek to create an enabling environment for e-commerce, m-commerce, Internet of Things and Big Data.

96. Policy should also deal with SA’s position on net neutrality, in favour of universal access to new services.

97. The merger of national entities responsible/involved in broadband should be expedited.

98. SA should expedite the development of a comprehensive cybersecurity policy, which should be in place by the time of the 54th ANC Conference. In its nature, cybersecurity is a shared responsibility and thus policy development should be a coordinated effort. National policy should also encourage/support citizens to take active interest in the security of their own information in the cyber-space.

99. Interconnection could also be used to engage in anticompetitive behaviour towards the source, the destination or the content of the information being conveyed. Principles of non-discrimination and transparency should infuse policy and regulatory considerations.

100. The rights of South Africans to use the ICTs for their freedom of expression, cultural and artistic expression will be protected and regulations will ensure adequate space for South African content. Policy will promote the production of South African content and impose measures for the display of predominant South African content.

101. The protection of the minors and the vulnerable will receive uttermost consideration in the regulations dealing with obscene violence, pornography and gratuitous sexual display during times when these vulnerable groups are able to watch.

102. The Digital Opportunity and Digital Future elements of the strategy will require collaboration of the three spheres of government, public entities, the private sector and communities. The ability of government to mobilise and direct a critical mass to ensure the buy-in and participation in the transformative programme to use ICTs to change South Africa will be critical.

103. Extending the infrastructure to reach, especially rural areas that are sparsely populated will require considerable investments and planning. Public and private sector resources must be mobilized and harnessed towards the realization of a common broadband project. The development and promotion of digital services will contribute to needed economic activity but require a sustained commitment on the part of both public and private sectors to deeper co-operation that will turn challenges and escalating competition
into new opportunities. The role of the private sector and co-operation and partnerships with the public and private sectors need to be defined in order to direct investments. Appropriate structure and forums must be established for engagement.

104. Government still controls significant SOCs that are operational in the ICT sector as tools to realize policy ends. As discussed and resolved in the 53rd ANC Conference there are areas of duplication and mandate overlaps that results in wastage of resources and misalignment. In addition, the South African government also holds equity stakes in listed telecom companies such as Telkom, Vodacom. The role of the state in the digital future need to be defined.

105. The broadband strategy must move beyond the traditional sectoral ways of thinking and foster new ways of networking throughout society. This calls for the mobilization of the different economic and social sectors to collaborate on this programme. The work of the yet to be established National ICT Forum as a machinery for social and economic mobilization cannot be overemphasized.

106. Importantly funding mechanisms need to be determined and rural areas that will not be a top priority of the private sector investments provided for, in order to ensure universal access to broadband connectivity and services. In addition to the use of Government Budget, additional sources of funding also need to be determined. These could include the use of Governmental guarantees, infrastructure bonds, vendor finance, and country and development bank loans. Furthermore, other mechanisms of support should also be explored. These could include the use of corporate income tax benefits, CAPEX tax benefits, low interest loans, indirect subsidy and regulatory forbearance.

107. The advent of broadband and digital transmission networks increases many folds the capacity of the ICTs to deliver content. This potential cannot be realized without significant changes to the supply side dynamics in order to increase the production and supply of the content to fill the expanded networks and the storage facilities. The content that has to be generated for the broadband and digital networks far exceeds in scope and scale the content generated for the analogue environment. This requires a coordinated approach of traditionally different industries involving the creative and performing arts, the ICTs, broadcasting, the audio visual and film industries.

108. The training of local production talent will need to be scaled up to the required degree so as to avoid a situation in which the expansion of the South African market only benefits foreign producers and the creation of a situation in which South Africa turn into a net importer of content again. The development of policy will support the availability of innovative South African content over all platforms and screens. Regulatory parity and fair competition is critical in building a viable and vibrant audiovisual content sector that meets defined social, economic and cultural public interest goals.

109. As broadcasting-like content will be increasingly available across a number of platforms and on a range of devices (over the air, on the internet, on television and radio sets, and on tablets and mobile phones). Policy will need to develop new ways to facilitate and promote the availability of public interest programming, including South African programming and music in all languages. At the same time, such a policy will need to focus on ensuring that traditional broadcasting services are viable so that they can fulfill South African content and news and information obligations, as they compete for audiences, advertising and content with new media services from inside and outside the country.

110. The rapid deployment regime that enables the providers of the electronic communications to construct towers and dig up trenches in private and public areas is so complicated and takes so much time that the targets can never be realized without any fundamental changes. The current arrangements mean that any construction of infrastructure requires individual applications to all affected municipalities who have different procedures and time frames to take decisions. This process takes currently a minimum of 18 months for a single application on average. The roll-out of fixed broadband will be most affected in rural areas as the digging of trenches will require more permits and rights of ways. The mobile services will be greatly impacted in the urban areas as they have to deploy significant infrastructure to densify and augment their networks.
111. National policy will be developed to outline the activities of various national, provincial and local authorities in dealing with the various permissions that are required to roll-out infrastructure. The rapid deployment policy will facilitate access to rights of ways and way leaves in order to allow for rapid deployment of infrastructure.

112. There is a need for an interdepartmental/intergovernmental forum to expedite the development of guidelines for rapid deployment of facilities, including DTPS, COGTA, SALGA, DEA, DSE. The guidelines should be in place within a year after the NGC, taking into account the delays since 2005.

113. Considerations will be made on the creation of a “clearing house” to facilitate the streamlining of local planning permissions and to standardize the application processes. A central data base will be constructed so as to enable for the tracking and tracing of the application processes. The recommendation is that government should serve as a clearing house for these permissions. Cooperation with SIP15 will be enhanced to ensure that all significant public and private sector infrastructure roll-out is expedited and supported.

114. The spectrum is emerging as the most important resource at the early stages of population access to broadband services. The assumption is that at the initial phases of broadband roll-out individuals will rely on wireless broadband to be connected. The spectrum available is not enough to ensure that all service providers will have enough spectrum to deliver the broadband converged services including, voice, data and video. The digital migration of broadcasting services is important in ensuring that the much needed spectrum is freed but even this migration of broadcasting services to free the spectrum will not yield enough spectrum to satisfy all needs.

115. A comprehensive National Spectrum Policy to support the speedy implementation of SA Connect must be developed and it must be guided by the principles outlined in the 53rd ANC Conference resolutions.

116. Government and public service will be exempted from paying fees for the use of the frequency spectrum to discharge their mandated services. The importance of the spectrum going forward and the need for ongoing research into spectrum bands that can be re-farmed and re-issued for use to meet the increasing demands warrants a discussion about the necessary institutional arrangement that can provide for this capacity.

117. Policy advocates for consideration of new approaches to spectrum management, including the Dynamic Spectrum Access (DSA) technology which entails opening up underused spectrum exclusively licensed for a single purpose to shared use with other purposes. These approaches will be considered while taking into account the needs of different services. In particular, trials should be considered within the 2.3GHz band in line with global developments.

118. Additional mechanisms for managing high demand spectrum should be considered. These should include the use of spectrum sharing, pooling and trading. An open access model will be considered in the assignment of high demand spectrum to facilitate competition to ensure universal services and universal access is achieved. High demand spectrum should be set aside for an open network that will sell wholesale access to new and established operators.

119. In terms of spectrum pricing, it is important for the price charged to reflect the true value of spectrum being a scarce resource. For this to take place, the regulator, guided by the transformation objectives, needs to consider accommodating a competitive bidding process in the model it will follow in the assignment of spectrum. Auction as alternative method for licensing spectrum will be considered to raise the money for investments in the broadband and digital roll-out of services.

120. Research will be conducted into the use of the TV White Spaces, as this presents an opportunity to utilize vacant frequencies for the provision of broadband and other digital services.

121. The need for Open Access regime that enables access to critical infrastructure services by all licensed entities is underpinned by the stated approach to avoid duplication and to minimize the cost of rolling out the ICT infrastructure. The current regulatory regime does not provide for an all-encompassing Open Access regime, is focused on public utilities when it does and treats different providers differently depending on their technologies.
122. The scarcity of the spectrum, the number of operators needing access to infrastructure dictate that the open access regime be extended to all infrastructure service providers with significant market power. Open Access arrangements will foster the sharing of infrastructure at all levels and access to network infrastructure or services that is provided effectively on a fair and reasonable terms, for which there is some degree of transparency and non-discrimination.

123. Government should develop a comprehensive open access regime with the State playing a significant role.

124. The existence of two new national Departments in the ICT sector should not stifle national interest, the implementation of ANC resolutions, Government commitments and plans.

125. SA should develop a national e-strategy that seeks to encourage further uptake and usage of ICTs. This should be in place by the time of the next ANC conference. The e-strategy should give effect to the NDP, new ICT Policy and SA Connect.

126. All policies should seek to create a model e-society by 2030 when all South Africans will have access to critical ICT infrastructure and services.

127. A new market structure should be defined in the ongoing policy work of the country, taking into account technological changes and innovations. This should place emphasis on retail competition and infrastructure sharing.

128. ANC re-emphasize that National Government should also engage with provinces and municipalities to harmonize the implementation and rollout of broadband infrastructure and services.

**BROADCASTING INFRASTRUCTURE AND SERVICES**

129. The ANC should continue to struggle for the sharing and participation of the poor and the marginalised sector of our communities to be active participants and beneficiaries of the opportunities created by the digital economy consistent with the goal of pursuing economic growth, development and redistribution so as to achieve a better life for all which is one of the key tasks of our NDR.

130. The 53rd National Conference resolved that the current model of public broadcasting should be reviewed in order to prioritise public service obligations including education, health, rural development, the reflection and development of all South African languages and cultures. This review was viewed as critical to the development of the broadcasting services in the digital era and the resolution of the challenges facing the SABC. It was resolved that the SABC must prioritise public service in the digital age. Conference resolved that Government funding must be ringfenced to be targeted towards public programming such as indigenous languages, developmental and educational programming. The stable cooperative governance mechanism was identified as important in terms of the provision of long term stability to the SABC. To this extent, conference called for strengthened accountability to Parliament, Shareholder (Government) and the public. Conference resolved that any future strategy of the SABC must position the broadcaster as a leader in the uptake and usage of new technologies including mobile television and Internet Protocol Television in an environment that does not allow the public broadcasting system to lag behind commercial broadcasting. Conference further resolved to relook to the behavior of the dominant players, access to premium content including sports rights, access to critical infrastructure to enable the entry of new pay and other services during and after the migration process. The review of local content quotas for all tiers of broadcasting was identified as important. The fair representation of women, people with disability, and the aged in the community broadcasting sector was also identified as important. Migration from analogue to digital terrestrial television was identified as an opportunity for South Africa to enter into the manufacturing of electronic goods for the SA and other markets. The safeguarding of children was perceived to be important. The need for a youth station was again highlighted as necessary and urgent.

131. Various ANC Conference Resolutions and Policy documents capture the vision of a diverse South African broadcasting system – owned by the public, private and community sectors and reflective of the cultural, multi-lingual and demographic diversity and unity inherent in our society.
132. The ANC has consistently upheld the notion that broadcasting operates at two levels. Firstly, it acts as a means to reflect the rich South African cultural heritage, provides voice to South Africans to participate in democratic dispensation as well as acting as an important platform for community involvement, education and entertainment. Secondly, as part of the ICT industry, broadcasting is an important economic sector that sustains the South African creative industries.

133. Despite these achievements much still needs to be done to develop a broadcasting system that caters for all the needs of the South African population because of the inherent challenges facing the broadcasting system and the advent of digital terrestrial broadcasting. Some of the challenges requiring resolution include:

133.1 The public broadcasting system, beset by many structural, managerial and funding problems, needs to be restructured and repositioned to prioritise public service as opposed to the commercial focus that it has displayed.

133.2 The 51st, 52nd and 53rd ANC Conference resolutions on funding have not been implemented due in part to the failure to develop a public broadcasting model that is not reliant on commercial programming, failure to cost the mandate as well as different interpretations on the role of public broadcasting in government.

133.3 The series of crises at the public broadcaster reflect a lack of leadership, lack of accountability and poor management. In confronting the crisis more emphasis has been placed on reporting processes without a corresponding attention to holding those responsible to account for the financial and organisational maladministration that has brought the public broadcasting institution to the crisis.

134. Such a situation has prevailed because institutional structures responsible for oversight have not been effective. There has also been an overlap in oversight roles enabling the public broadcaster to forum shop.

135. The review of the public broadcasting services and local content quotas has been undertaken as part of the comprehensive ICT Policy review. Both a Green Paper and a Discussion Document include sections on broadcasting and the emergence of broadcasting like audio visual services. The new Department of Communications (DoC) has also indicated an intention to review the broadcasting landscape. The Department has established a National Communications Task Team (NCTT) which is reviewing the entire landscape. The Digital Migration process has been stalled by the lack of consensus by industry players on technological standards and conflicting interests.

136. Cabinet intervened and took a decision in December 2013 that accommodates all scenarios. There is no reason for the delays in the implementation of ANC policy and Cabinet decision of December 2013 regarding the Broadcasting Digital Migration Policy (BDM).

137. The Digital Migration Policy must be finalized through the determination of the performance period/dual illumination and implemented for the digital services to start. Cabinet must implement the December 2013 decision and avoid further delays that may arise from a deviation from that decision. The performance period must commence on 1st April 2015.

138. SA must invest more on public education and awareness, support content development and grow the industry to sustain digital broadcasting future.

139. ANC policy (as per the ANC Media Charter, 1992) promotes media diversity and is against dominant players consolidating monopolies. ANC deployees must implement ANC policies and by extension Cabinet decisions. ANC decisions must be informed by national and public interest not commercial imperatives.

140. Disagreements amongst the broadcasters must not be allowed to frustrate the realisation of an important migration process that will improve broadcasting services and contribute to the development of broadband services. The ANC should be vigilant not to find itself in the middle of conflicting interest. Public interest must always be the guiding principle.

141. SA must build capacity and capabilities to manufacture Set-top-boxes (STBs) and in particular the core components of the STBs and not just assemble components.
142. One of the first issues that must be addressed in reviewing current broadcasting related policies in line with the principle of regulatory parity is the definition of broadcasting/content services. Given convergence, many countries have expanded such definitions to include non-linear television- and/or radio-like services.

143. With a change in definition, and the changing environment, it is necessary to consider if the two categories of broadcasting licenses are still the best approach to licensing or whether new categories should be introduced, taking into account the new content value chain which introduces not only non-linear services, but also new operations and processes and players in relation to television immediately, including consideration about:

143.1 Channel packaging of individual channels;
143.2 Channel aggregation into bouquets;
143.3 Aligned services such as electronic programme guide (EPG) development and back-door services such as subscriber management, complaints etc.;
143.4 Mux operation and multiplexing;
143.5 Platform operation (an end-to-end service, managing a platform and the content); and
143.6 Platform service operator – same as above, but on the basis of lease of platform as video-on-demand (VOD) and over-the-top (OTT) television).

144. The multi-channel environment envisaged in terms of digital broadcasting should be used to strengthen Free-to-Air television services, strengthen public and community broadcasting, improve public service programming, promoting local content industry, development of channels to enhance South Africa’s international policy, etc.

145. There are a range of issues relating to the SABC/public broadcasting which need to be covered in a new White Paper, taking into account the strengths and weaknesses of the current system and the impact of digitization and convergence. There is a need for a discussion on the nature of the converged services, the structure, funding, governance and management.

146. The introduction of DTT, broadband and the increased number of television and other content delivery channels requires policy to consider the role of the SABC in the converged environment. Convergence, moreover, requires policy makers to consider whether or not the SABC will be a major developer and distributor of online content and content for multiple platforms, screens and devices, and if this would require a change in the structure of the broadcaster.

147. The SABC must be restructured to prioritise public services in the digital age. There is a need for the reconsideration of the mandate, structure and services of the SABC in view of the convergence of the transmission medium, services and devices. Policy must determine the scope of SABC’s responsibilities in terms of publishing in all the digital platforms. In line with the principle of regulatory parity, under convergence, the definition of broadcasting must be reviewed to take into account the emergence of non-linear television or radio like services such as video-on-demand, Internet Protocol Television (IPTV) and over-the-top services.

148. As part of this process, the government must, in line with the resolutions of the 53rd conference, increase its funding of the SABC. This must be implemented progressively over a reasonable period. Government funding must be ring fenced to be targeted towards public programming such as indigenous languages, developmental and educational programming. In addition to government funding, the SABC requires a long-term sustainability strategy based on a people centered approach to public broadcasting.

149. Programming that is supporting education, health, poverty eradication, rural development, crime prevention and other societal priorities are miniscule compared to programming that is entertainment based. Budgets devoted to developmental programming are reflective of the miniscule programming output targeting the developmental agenda. This needs to be revised as a matter of urgency.

150. SABC reach to the African continent must be enhanced in order to support African rise, NEPAD and BRICS. Partnership with the BRICS countries in respect of relevant programming must be explored.

151. There are a range of issues to be noted regarding the SABC which take into account the strengths
and weaknesses of the current system, in the context of policy review. These include; the nature of the services, the mandate, the structure and funding of the future SABC. The ANC must ensure there is political will and skilled capacity to implement these resolutions.

152. The ANC reaffirms that a stable corporate governance mechanism is required to provide long-term stability. These include strengthening the SABC’s accountability to parliament, shareholder (government) and the public. The public ownership of the SABC is central to its existence and sustainability.

153. Significant entry barriers remain in place in the pay commercial broadcasting sector. Regulation of this sector to enforce effective competition has not produced the desired competition. There is a need to relook at the behaviour of dominant players, access to premium content including sports rights and access to critical infrastructure by the competitors in this sector to enable the entry of new Pay TV services during the migration process and new Free-to-Air players after switch-over in 2015. It is important deal with these barriers to entry, regula-tory and policy certainty, in order for South Africa to continue in the growth path of the broad-casting industry and the 20 years good story as confirmed in the National Association of Broadcasters (NAB) report (2014), “State of the Broadcasting Industry Report” and other research conducted by the ICT Review Panel.

154. The need for prioritizing South African content is greater today than any other time since democratization. The advent of broadband and digital multi-channel system requires new and additional content. The advent of non-linear television, video-on-demand services and over-the-top services will increase the available platforms and require concerted efforts to boost the capacity to produce South African content. The creation and production of additional South African content will enable South African productions to be mainstreamed internationally.

155. More than 200 community radio stations and community television stations have been licensed through the fast track processes at ICASA. The fast tracked approach to licensing community broadcasters need to be reviewed in order to assess to what extent are these new licenses achieving the intended objectives of the country. Many of these community services do not as yet reflect communities they serve in terms of directorship, management and programming. There is a need for concerted action to ensure a fair representation of women, the workers, and people with disabilities, children and the aged. Programming offered by the community sector still need to be diversified to cater for the special needs of these strata while also contributing to community development and upliftment.

156. The capacity of ICASA to effectively regulate in the public interest still shows limitation occasioned by funding constraints, skills shortage and confusion on the means and ways of achieving effective regulation. There is an overriding need to boost the capacity of the regulator to effective monitor the broadcasters in order to enforce licence conditions and regulations.

157. The terrestrial digital way of distributing and accessing the television broadcasting services presents a fresh opportunity for South Africa to realise the policy ends that are defined in the broadcasting environment.

158. There is a need to align the review of the broadcasting system with the review of the integrated ICT policy framework in its entirety before 2015 in order to encourage the emergence of converged services under a coherent national integrated policy framework.

PRINT MEDIA TRANSFORMATION, ACCOUNTABILITY AND DIVERSITY

159. The patterns of ownership, control and distribution of the media and ICTs in South Africa were seen as reinforcing this battle of ideas. The resolutions called for a focus on redressing and correcting past discriminatory practices and providing a firm foundation in policy for a information communications technology sector that embraces all South Africans and treat them equitably. The need for the democratic forces to assert the hegemony, popularise the democratic ideas of transforming South Africa, was asserted.

160. As we celebrate the 60th anniversary of the Freedom Charter, 25th anniversary of the unbanning of the ANC and the good story of our democracy since 1994, it is worth noting the Constitutional protected freedoms in the Bill of
Rights including right to human dignity, freedom of expression, freedom of the media and access to information. This context provides a perspective in terms of, to what extent is South African citizens (rural and urban, poor and rich, etc) enjoying these rights and to what extent is the battles of ideas led by ANC and information accessible to all South Africans in languages of their choices.

161. Information and content gap is widening between the have and have nots. Agenda is set by (amongst others) a white monopoly media, established media and driven towards neoliberal paradigm. The media space is filled by attacks on the positions of the movement and the National Democratic Revolution (NDR) by both the ultra-left and neo-liberals. In this context, the long dormant ultra-left forces have been resuscitated and provided ample space used to attack the democratic forces.

162. The 53rd National Conference resolved that the ANC review its own Media Charter. Conference reaffirmed the need for Parliament to conduct an inquiry on the desirability and feasibility of a Media Appeals Tribunal within the framework of the Constitution Act of 1996. Further, Conference stated that the Parliamentary process should review the existing media accountability mechanisms, balance the individual’s rights to dignity and freedom of expression and freedom of the media, and review the privacy laws as well as those dealing with libel and defamations. It was resolved that the Press Freedom Commission (PFC) recommendations should be included in the wide ranging Parliamentary processes for consideration. Conference resolved that to encourage media diversity, an Empowerment Charter to promote Broad Based Black Economic Empowerment in the print media sector, be introduced. Also, the Media Development and Diversity Agency (MDDA) must be strengthened to support community and commercial entities towards a diverse media landscape, and Competition Commission should investigate possible anti-competitive practices within the print media sector. It was also resolved that the transformation of the advertising industry to ensure its contribution to media diversity must be prioritized.

163. In 1994, South Africa made significant strides to facilitate the transformation of the media and communication landscape and these include:

163.1 The introduction of new laws which facilitate the provision of communication services to the people, including in rural areas. This includes the licensing of community radio, licensing of community television, support for community and small commercial media (radio, print and TV), creation of an enabling environment for media diversity.

163.2 Support for media freedom and diversity.

163.3 The transformation of the SABC from being an apartheid mouthpiece to being a credible public broadcasting institution. In recent years, the SABC has played a very important role in the national and local elections thereby strengthening our democratic discourse.

163.4 New subscription television and commercial radio stations have also been licensed to contribute to diversity of voices and the participation of people from historical disadvantaged communities.

163.5 Creation of an independent regulatory environment to ensure that the licensing of services takes place in a transparent and fair manner.

163.6 Creation of an enabling environment in the broadcasting landscape that supports all tiers of the broadcasting system (public, community and commercial/private).

163.7 Promotion of local content through legislation and regulations.

163.8 Reviewing and development of a government communication and information system that serves our citizens.

163.9 Government communication and ad-spend used towards targeted audiences using community and small commercial media, with a minimum of 30% as a target for each state department or entity/SoEs.

164. South Africa has lagged behind in terms of the transformation of print media in respect of the entire value chain, viz. publication, printing, advertising, circulation, newsrooms, content, languages, class, gender, conditions of employment, etc.
165. Whereas the enactment of legislation regarding media development and diversity had good intentions, the final law product limited the extent the intentions of legislature could be achieved. The established MDDA was limited to supporting community and small commercial media, thereby unable to intervene in mergers and acquisition in the mainstream media, unable to finance new mainstream entrants and was provided with limited resources.

166. Further, irrespective of the enhanced government communications, there remain challenges in respect of access to information by the poor and rural.

167. Quality of journalism continues to deteriorate with increasing signs of gutter journalism.

168. On the skills front, young graduates in media studies have been exposed to a media studies curriculum and journalism in the respective School of Journalism that supports the status quo of media landscape, promote sensational reporting and lacks a great deal regarding development communication and with little training in terms of government communication.

169. Many young people from historically disadvantaged backgrounds come out of the Basic Education system that does not promote the media literacy and the culture of reading. This prevailing information and content divide, have constrained the ability of many citizens to participate in the mainstream economy thus entrenching the spectre of poverty and underdevelopment afflicting many people in the world as a whole and in our country, in particular.

170. A number of developments took shape post the 53rd National Conference including the establishment of the Print and Digital Media Transformation Task Team (PDMTTT) and its recommendations published in 2013, the research conducted by the MDDA on print media transformation published in 2014 and the GCIS production of a media landscape booklet and reflection on the 20 years of democracy and the media.

171. Changes in respect of patterns of ownership and control of the media (broadcast and print) is slow, in some cases in respect of broadcasting gains achieved post-1994 are reversed away from a diverse media back towards a monopoly. The dominant “big 4” namely Naspers, Times Media Ltd, Caxton and the Independent Media Group (which has changed ownership to Sekunjalo) continue to dominate the print media space, despite the buyout by Sekunjalo Group of the Independent Newspapers Group and the establishment of The New Media (TNA). The print sector is still dominated by four big players. These companies also dominate the entire value chain of the market especially printing, distribution, advertising and research. This integration and the very market structure is perhaps the biggest barrier to market entry and potentially show possible anti-competitive behaviour. Other main-stream media players include the M&G Media and TNA Media.

172. The subscription broadcasting market continues to be dominated by a single player despite the efforts to introduce competition in this segment of the market. The anticipated broadening of the radio sector has failed to introduce the much needed diverse ownership.

173. The ownership of the broadcasting media by the public and community heralded an opportunity for the provision of news and content in the public interest. Despite the resolutions of the 53rd Conference regarding the public broadcaster and the need for action to restore its credibility, the SABC continues to be subject to negative stories and internal conflicts.

174. Digital migration project has stalled despite the resolutions of the 53rd Conference to ensure that South Africa benefits from the migration in terms of more public broadcasting channels, employment creation through the manufacturing of set-top boxes, content production and entry of new players. The digital dividend arising out of the migration of broadcasting services and the release of the spectrum for broadband purposes has not been realized. The delays in Digital Terrestrial Television (DTT) are such that there is a likely possibility that SA may not meet the switch-off date. It is very necessary for SA to coordinate with other SADC countries at least and possibly negotiate a deadline extension.

175. Over the years, the ANC has remained resolute that the media including print media patterns of ownership, management and content must reflect the democratic dispensation ensuring the freedom of expression, which includes freedom
of the press and other media; freedom to receive or impart information or ideas; freedom of artistic creativity; and academic freedom and freedom of scientific research. We have also insisted that freedom of expression which includes the freedom of press and other media does not supersede human rights and other rights enshrined in the South African Constitution and the Bill of Rights.

176. The ANC notes that the MDDA Report: Transformation of Print Media (April 2014) further confirms the ANC position and necessitates the radical intervention to fast track transformation.

177. There exist a number of community and small commercial print media, who all face the challenge of sustainability. The acquisition of small established titles/small commercial media by the big players work against the policy of media diversity as espoused by the ANC and warrant further consideration.

178. The ANC participated in the process leading to the PDMTTT report which was handed over to Print and Digital Media SA (PDMSA) and published on Friday, 27th September 2013. The gist of the report confirmed the ANC correct reading of the media landscape in our country. The PDMSA subsequently launched the PDMTTT to explore the issues raised in their own report. Some critical issues identified in the report like lack of transformation remain unresolved. This warrants further policy interventions.

179. The ANC is still convinced of the necessity of further pursuance of the inquiry initiated by the 5th Parliament. The possible existence of anti-competitive behaviour is still a cause of concern and is not in line with the Constitutional intentions of a free media for all and freedom of expression imperatives.

180. Issues of media transformation should continue to focus on ownership and control, management, editorial, reporting on children, gender, rural, class, language and content diversity, as well as other demographic considerations across the entire value chain from publishing, printing, distribution, research, advertising, audit of bureau of circulation (ABC certification), editor’s forum, etc. These issues still warrant further consideration beyond the PDMTTT, PFC and MDDA reports.

181. ANC still believes that the existing self-regulatory mechanism (Press Ombudsman and Press Council) remains ineffective and needs to be strengthened. The ANC appreciate the initiative by the print media to establish the Press Freedom Commission (PFC) in response to its call for enhanced accountability mechanisms. The PFC report largely confirmed the correctness of the ANC position. Therefore there is still a need for a rigorous debate and resolution on the establishment of accountability mechanisms that are independent and provide for an independent appeal mechanism. This discussion must be pursued and led through the Parliamentary inquiry.

182. South Africa will always protect, defend and promote media freedom. The media industry must be encouraged to implement the recommendations of the PFC and the PDMTTT Report. The print media industry must proactively cooperate & support the mooted parliamentary process as a way to help find a lasting solution that meets and takes into account the diverse needs of people in our country.

183. The ANC remains committed to a media climate that is free from vested political and commercial interests. This has been our guiding principle in all the engagements and ongoing discussions on the media transformation and accountability.

184. There has also been other changes in the sectors post the 53rd Conference, including changes of ownership in print, the introduction of the New Age, numerous licenses awarded (subscription, commercial radio in the Free State and Eastern Cape as well as in cities, community radio and TV – with all the challenges regarding regulatory certainty regarding digital broadcasting).

185. To maximise the value of the development of the media, to strengthen interventions in respect of media development and diversity. The ANC needs to prioritise ensuring that freedom of expression is enjoyed by all, transformation in the media, media diversity and ensure fair and accurate reporting.

186. A new Media Development and Diversity Policy should:
186.1 Provide media diversity index;
186.2 Provide for a community media (radio, TV, print and any other electronic) support strategy;
186.3 Provide specific support strategy for small commercial print media in line with Small Micro Medium Enterprises programme of the Department of Small Business Development;

186.4 Promote fair competition;

186.5 Promote media literacy and culture of reading;

186.6 Fast track transformation of the media;

186.7 Support local content and revive the local content industry;

186.8 Promote media platforms in indigenous languages and indigenous knowledge systems;

186.9 Promote and protect our culture;

186.10 Support alternative and diverse mainstream media; and

186.11 Provide for an institutional framework that enhances collaboration, effective planning and oversight.

187. The policy must review whether the licensing and regulatory regime overseen by ICASA enhances the media diversity agenda and what more measures could be taken to advance media diversity.

188. Media diversity should be central to ensure citizens enjoy the media freedom principles enshrined in the Constitution.

189. The institutional framework within government is perhaps the greatest barrier to the emergence of a coherent government strategic thinking, effective planning and deployment infrastructure and services to the people. There is a need for a rethink on how government is organized to discharge its services timeously within the available resources.

190. As a point of departure government should develop and retain policy making capacity. A National Communications Task Team (NCTT) comprising government, civil society and industry to engage on critical issues of mutual interest should be supported. This NCTT amongst others looks at effective government communication and development communication.

191. The ANC reaffirms the 53rd Conference resolution that state institutions that are duplicating mandates and efforts must be rationalized to address existing overlaps, duplication and undue competition within the state.

POSTAL INFRASTRUCTURE AND THE POST BANK

192. Post Office is one of the oldest institutions of Government, established since 1910. It has the largest footprint with three business components, physical, courier/logistics and financial (Post Bank).

193. The 53rd National Conference resolved that the National Address System should prioritise the rollout of addresses to informal settlements and rural areas to ensure addressability for all households to achieve economic inclusion. Conference resolved that Government should introduce policy guidelines to direct opportunities to the Post Bank as a bank of first choice of Government and citizens transactions. Conference also resolved that national policy should clarify the approach to the regulation of cherry picking behavior of international courier companies. Conference resolved to encourage all spheres of Government to use the South African Post Office. Further, conference resolved that postal services should be inclusive and address the needs of the people with disability.

194. While the last century saw a consistent increase in the mail volumes in the postal services sector, the 21st century is marked by a general decline in postal volumes and revenue. Letter mail is the most drastically reduced type of mail, partly due to electronic substitution such as e-mail, text messages and social networks, but also customer preference for expedited or secure services offered by courier companies. However, parcel mail is increasing, driven by largely e-commerce and the requirement for deliveries. These changes, driven largely by the technological developments, have affected the traditional provision and delivery of postal services.

195. The Post Bank corporatization process was initiated after the 53rd Conference Resolution. Policy discussion still needs to be held to deal with the market positioning of the Post Bank as well as the differentiation of the Post Bank from all other commercial entities. The role of the Post Office and Post Bank in the delivery of government ICT and other services needs resolution in policy.
196. During the 2012/2013 financial year SAPO had Retail Post Office infrastructure of about 2497 service points of which 1753 are Post Office outlets and 874 are Retail Postal agencies (RPAs) country-wide.

197. Electronic substitution of traditional mail is accelerating as both consumers and businesses adopt electronic processes across multiple domains. Mail users are shifting from traditional hard copy distribution models to a variety of new ways to digitally communicate, advertise, or transact. They are attracted to greater convenience, faster service, and lower cost.

198. The digital revolution has become the disruptive innovation to the traditional business of postal service. With several different communications channels competing for consumers, the postal service needs to modernize its role to accommodate for the digital age. This therefore necessitates for the future of postal services to be defined within the context of these technological developments. The postal service should consider new products and services that reflect the evolving mandate to bind the nation together in a new world where people are increasingly communicating digitally.

199. It is important for policy to provide for the use of postal networks (collection, transportation and delivery of mail, retail outlets) for a wide range of value-added services. A postal system can help to provide logistical solutions to integrate data flows, physical flows and financial flows. The Post Office should continue to be the Universal Postal Services Obligation provider and continue establishing points of presence in all communities.

200. Transformation of the Post Office should include:

200.1 Modernization of services (e-government services, issuing of IDs, Government to citizens Door-to-Door delivery, distribution of books and medication, etc.);

200.2 Expansion into freight and logistics, and consider expansion beyond SA borders;

200.3 National Address System (NAS) to contribute to census, trading and tax regulation;

200.4 Address structural inefficiencies and negative perceptions.

201. A universal services fund (USF) should be established which all sector players should contribute to. Any player providing universal services should be allowed to claim compensation from the USF for the universal services provided.

202. The Post Office should consider incorporating express, courier services, ICT, logistics operators and other providers into the delivery chain of the postal sector. The postal service should consider expanding hybrid mail applications as an early step on the bridge across the digital divide. Postal service should leverage its networks in order to be used as an agency contact points for private partners in the provision of a range of financial services.

203. The scope of competition in postal markets has to be defined in order to pre serve the universal postal service objectives, and also ‘reserved services’ for the exclusive right of the public postal operator should be defined to prevent market creaming.

204. Policy should introduce regulated competition in the postal market to ensure that postal operators compete with each other in providing services efficiently and at acceptable levels of quality and price. This is aimed at transforming postal providers into dynamic market led and customer oriented enterprises that satisfy the needs and expectations of users of postal services.

205. Post offices are seen as potential ICT access points that could offer a broad range of services (including e-services), as well as extension of broadband network to rural areas that do not have broadband coverage. Post offices are therefore considered as potential points of presence for broadband infrastructure provision.

206. This country-wide network of post offices positions SAPO as a key player in rural connectivity and overall ICT service delivery. The Post Office provisioning of infrastructure and services has been affected by the instability at the South African Post Office. Weak governance and management, the unstable labour environment and poor oversights are some of the contributory factors.

207. There are other deep seated issues that are policy and regulatory in nature. These include the
financing of the roll-out of infrastructure to areas that are uneconomical. The funding support by government has been terminated despite the measures by the Post Office to rebalance their network to reach the majority of rural areas.

208. The Post Office was allowed a protected market up to 1kg of mail. The substitution of mail by electronic communication has meant a decline in mail volumes that has impacted on the revenues of the Post Office. The funding structure of the Post Office Universal Service Obligation needs to be considered in tandem with measures that are taken at the regulatory level to protect the Post Office from uncompetitive behavior from local and international courier services.

209. Post Bank should be considered as a State Bank/Banker of Government. All civil servants should be paid through the Post Bank.

210. Post Bank should accommodate as secure landing for consumers and financial access.

211. Postal Regulation should define the postal market and segmentation in line with UPU strategy.

RESEARCH, DEVELOPMENT, INNOVATION AND INDUSTRIALISATION

212. The 53rd National Conference resolved to promote and support development of new ICT Research and Development (R&D) plans and strengthen existing strategies and policies to foster robust, well-coordinated institutional arrangements that lead to development of indigenous world class, technology innovations in ICT through directed national ICT research, development and innovation programmes. Conference also resolved that investments in ICT Research and Development and Innovation (RDI) should be increased and an ICT RDI roadmap be adopted by 2014.

213. The ICT RDI Roadmap has been drafted and is in the process of being adopted.

214. Government launched an e-Skills Institute in 2014 to spear-heard the planning of cross-sectoral e-skills initiatives. The e-Skill Institute has fostered relationship with universities and the technical and vocational training colleges for distance learning initiatives. The e-Skills Institute will have to develop programmes with the various tiers of government and government departments while offering training to out of school youth, women and others that need empowerment.

215. An e-Skills strategy that is adequately funded and supported will be critical in the success of the transformation of the public sector from a paper based administrative system into an always available easy to use interactive system of service delivery.

216. Industrialization should unlock the opportunities for the majority of South Africans. The Industrialization Strategy should include:

216.1 DTT programme to revive the local electronic manufacturing;

216.2 Broadband to stimulate demand for local products;

216.3 DTT and Broadband to stimulate local content, applications and software.

217. The Regulator (ICASA) must be strengthened so that its capacity match the task, streamlined and focused activity on concrete deliverables, adequately funded, accountable for policy and legislative ends, and harmonized with other regulators.

218. There is a need to understand the ICT value chain, identify areas that can be developed locally, promote local manufacturing of components/segments and be aligned to the broader industrial policy. There is a need to understand the gaps in the current policy implementation.

219. Industrialisation strategy must be lined to Government priorities, focus on services and the cost of communication.

220. Manufacturing of devices can be approached progressively through first assembly and then manufacture.

221. Strategy should promote SMMEs, unlock their potential, and enforce cooperation by the proprietary software owners to help the development of SMMEs and/or open source solutions through the creation of platforms.

222. PPPFA need to be reviewed to support the objective of unlocking opportunities for the majority of citizens. Ensure 70% set aside for SMME linked entrepreneurship.
223. Broadband rollout should involve SMMEs and be specific about the nature and character of such involvement.

**Conclusion**

224. Evaluation of progress since several ANC previous conference resolutions show that implementation has been constrained by the capacity of the ANC to sustain the effectiveness, continuity and capacitating its communication structure. Further, the ANC has not been able to effectively monitor the implementation of its resolutions by ANC cadres deployed in Government. Another challenge relate to our government's capacity to implement the ANC resolutions. Government seems to have also been constrained by policy incoherence, high staff turnover in critical departments and business areas, and overlapping and often competing institutions.

225. South Africa has the potential to leapfrog its development through the adoption of radical policies and programmes that will ensure a fast tracked transformation and better life for all its citizens.

226. Guided by the radical transformation agenda, enabling policies are a must, in order to unlock the opportunities for the majority of South Africans.

227. A diverse media is essential for South Africans to have choice and enjoy the freedoms of expressions protected by our Constitution. A diverse media, in the battle of ideas, will also assist democratic forces to assert the hegemony, popularise the democratic ideas of transforming South Africa.

228. The ICT sector holds significant and strategic potential to enhance economic activity and development, stimulate a viable SMME sector, create sustainable jobs, improve the delivery of government services and attract new investments. Appropriate policy frameworks must be developed to enable the country to realise this potential.

229. While much progress has been made to transform and grow the communications landscape, a lot more still needs to be done to meet the objectives of our Vision 2030. Our approach to this vision, should seek to consolidate the link between the communications policy environment and the broader developmental and democratization context.

*“An inclusive, knowledgeable and informed society enabling development”.*
DRAFT ANC INTERNAL COMMUNICATION POLICY AND IMPROVING ORGANISATIONAL EFFECTIVENESS & EFFICIENCY

1. The purpose of this policy is to generate inputs and provoke discussions within the structures of the ANC around the content of an over-arching policy frame work. It is imperative to have policy parameters and guidelines within which communication in the ANC will be managed. The policy seeks to strengthen the culture of internal democracy, open communication and robust debate within ANC structures and to ensure that these co-exist with a culture of discipline, unity and the principles of democratic centralism.

2. The ANC has often been in the forefront of strategies to engage with the reality of the information and communication revolution. It regularly uses research and opinion surveys to aid its elections strategy development, while at the same time emphasising internal communications and discussions through organs such as ANC Today, NEC Bulletin, Umrabulo, various provincial ANC publications, social media and direct communications (door-to-door visits, mini rallies, sectoral meetings) with its mass base.

3. The innovative use of ‘new media’ was particularly evident during the 2009 and 2014 elections campaign and is one of the explanations for the concerted outreach to young and first-time voters.

5. The engagement on the issues of communications remains an important part of ANC organisational strategy, as recognised by the extensive resolution from the 51st, 52nd and the 53rd National Conferences. The issue of ICT in the ANC has also arisen in the context of discussions about organisational design and modernising the operations of the movement.

6. Problems with the ANC membership system since the re-establishment of the ANC as a legal movement post 1990, have demonstrated the need for a system overhaul. Not only is our membership system inefficient (long waiting periods for membership cards, problems of renewals, etc.), but it also poses a serious risk to the ANC, since the system can easily be manipulated.

7. Assessments of the membership system indicate that there are a number of challenges in the ‘memberships system value chain’ that can be classified as information systems and technology problems. In addition to organisational processes and systems, there are a host of other areas, where we have only scratched the surface in terms of using information and communication technology to improve organisational effectiveness.

8. The ANC needs to develop its own ICT policy and strategy to drive its administrative and political systems. The said ICT policy and strategy must encompass the overall training of ANC staff and leaders starting with the branches. The ANC further needs to strengthen and develop its capacity to manage its own internal IT systems. The IT must have a political champion to drive the ANC ICT policy and strategy including overseeing the implementation. The proper authority regarding the IT should be located within the Communications Unit to champion roll-out and connectivity of ANC regions and branches, to develop and strengthen ICT platforms, manage membership system, including managing all conference registrations, and the like.

9. The 53rd Conference reaffirmed the 51st National Conference Resolution, which called for all ANC regional offices and branches to be connected to the internet, so as to aid internal communications and improve efficiency. To this end, this task has not been fulfilled.

OBJECTIVES OF THE POLICY

10. To promote co-ordination, coherence and consistency in the ANC’s approach to communication.

11. To promote uniformity and discipline in messaging.

12. To promote synergy between the work of the ANC and the ANC government.

13. To clarify the roles and responsibilities of various structures with regard to their communication responsibilities and obligations.
CONTEXT, CHALLENGES AND UNDERLYING PRINCIPLES OF THE COMMUNICATION POLICY

Freedom of speech

14. The ANC acknowledges and recognises the right of all its members and structures to freedom of speech and expression, as guaranteed in the South African Constitution.

15. Consistent with its culture of internal democracy and robust engagement, members have the right and freedom to raise various issues within the internal structures of the movement. The ANC encourages its members to exercise their freedom of speech internally.

16. However, the ANC, like any other organisation or institution, also recognises the need to manage and co-ordinate its communication with stakeholders in the interest of consistency in messaging and organizational discipline. The ANC has a responsibility to ensure that its messages are presented in a coherent and consistent manner.

17. Any revolutionary movement has a responsibility to ensure message discipline in the interest of unity, cohesion and coherence.

18. Individual members of the ANC are accountable for statements or comments they make in the media and other public platforms. Members of the ANC should be discouraged from using social media to undermine the policies, programmes and leadership of the ANC or engaging in public spats. No organisation can find this behavior acceptable. Those who use social media or any platform to rubbish and insult the ANC and its leadership or make statements that bring the ANC into disrepute must be subjected to disciplinary processes.

Coordination, consistency and coherence of communication

19. The ANC is a mass movement with millions of members and supporters as well as various structures and leaders at different levels of the organisation. The challenge is to ensure that the ANC speaks in one voice across all its structures and levels.

20. Despite the fact that the ANC is a massive organisation with many structures cutting across national, provincial, regions, branches as well as ANC in government, Parliament and provincial legislatures, the over-riding principle must be – there is only one ANC. This policy proceeds from the premise that all ANC structures must operate within the discipline and policies of the ANC.

21. For a variety of reasons, and partly as a result of ill-discipline, it has not always been easy to project an image of an organisation that speaks in one voice. Conflicting and contradictory messages have continued to play themselves out in the public domain, thus giving the public an impression of an organisation “at war with itself”.

22. Message discipline and co-ordination of messages is key. Lack of co-ordination can lead to paralysis of the communication machinery and inability to cascade information effectively across the organisation and to ensure message coherence.

23. The other key challenge that undermines the ANC’s capacity to communicate effectively and coherently is uneven adherence to organizational decisions, where some structures, leaders or individual members tend to contradict or publicly defy positions adopted by the higher structures, or where members of the leadership collective publicly distance themselves from positions that were officially adopted by a constitutional structure of the ANC. A situation where positions and policies of the ANC are contested by its own membership or parts of its leadership in the public domain, and not within the structures of the organisation, poses both a discipline and communication challenge for the ANC. It further compromises efforts to articulate a clear and common position of the movement on a given issue.

24. The broad church character of the ANC has always accommodated different tendencies, perspectives and ideologies within its ranks and the alliance, but bound together by a common commitment to the strategic objectives of the NDR. What is critical for communication is to ensure that the broad church character of the ANC and the alliance, which has historically given the movement its resilience, strength and tenacity, does not translate into conflicting
and contradictory voices. It is important that the capacity of the ANC to articulate its policies and positions in a uniform and coherent way is not undermined.

**Allegiance to official ANC positions and message discipline**

25. The principle of democratic centralism shall guide the communication approach of the ANC and its membership. Members of the ANC, or its structures, at various levels, should not publicly speak out against formally adopted policies of the ANC. Any dissenting view must be expressed within the internal structures of the ANC and at an appropriate forum. This will reduce the risk of having a multiplicity of conflicting and contradictory voices all purporting to be speaking on behalf of the movement.

26. Once a decision has been taken or a position adopted by the highest decision-making structure of the organisation, all cadres of the movement operating at whatever structure or level, must rally behind the decision or position, and refrain from contesting it in public. Dissenting voices must only be aired internally. This will promote the goal of an ANC that “speaks in one voice”. Similarly, structures of the ANC must ensure that they do not send contradictory messages on the same issue.

27. The communication policy should discourage members of the ANC from publicly attacking each other or contradicting positions, policies or decisions adopted by the NEC, NGC, Policy Conferences and National Conferences. The same applies to different structures or leaders of government criticising each other in public. Public criticism of other structures or members on public platforms should be discouraged, if not prohibited. Criticisms should be aired through internal structures and must have the objective of contributing to the overall strengthening of the ANC. All disagreements should play themselves out within constitutional structures of the ANC.

28. Those speaking officially on behalf of the ANC should ensure that they stick to formally adopted policies and policy positions of the ANC. Spokespersons of the ANC have a responsibility to articulate policies of the organisation or decisions taken by the constitutional structures of the ANC and not their personal views.

29. Once a competent ANC decision-making structure has adopted a position on a particular matter, leaders and members of the ANC are discouraged from continuing to defend and propagate a view that was defeated in a formally-constituted structure of the ANC. Spokespersons whose personal views conflict with the official policy or position of the ANC have a responsibility to ensure that they do not place themselves in a position where they would bring the movement into disrepute.

**Every cadre a communicator**

30. Every cadre of the ANC has a revolutionary duty to contribute to strengthening the hegemony of the ANC and to defend and articulate its policies and programmes in the public domain. The principle of “every cadre a communicator” recognizes that ordinary members of the ANC are ambassadors for its policies, views and programmes.

31. To achieve this, all ANC cadres must be sufficiently grounded in the politics of the ANC, to enable them to articulate and defend its positions and policies in the public spaces that they find themselves in. The ANC recognizes that political discussions take place all the time and in different informal settings, such as in trains, taxis, funerals, pubs, radio talk shows, etc. These informal programmes do not lend themselves to planning, co-ordination and formal deployment. In this regard, each member of the ANC has a responsibility to ensure that they arm themselves with a broad understanding of ANC policies and positions on key issues to enable them to defend the movement whenever debates arise in such informal forums. The need for cadre development and political education remain critical if every member is to discharge their ambassadorial responsibilities more effectively.

32. However, this principle of “every cadre an ANC communicator” does not detract from the fact that the ANC, at various levels and structures, has officially designated individuals to speak on its behalf. No member of the ANC should purport to be speaking on behalf of the ANC, unless formally so assigned. Misrepresenting oneself as official spokesperson of the ANC on any matter shall be viewed as ill-discipline.
Promoting a culture of vibrant and robust debate

33. The communication policy is not intended to stifle internal debate, robust discussions and organizational communication. The need for coherence and consistency of communication must not replace the culture of robust debate. Internal debates remain the lifeblood of the movement which gives it its vibrancy. The policy merely seeks to develop a framework which promotes and strengthens the culture of internal democracy and a culture of vibrant and robust debate.

34. Members of the organisation have a right to engage in public debates. However, in the context of the communication policy, the expectation is that members of the ANC will not engage in public debates and disagreements on matters or policies that have already been resolved or adopted by the organisation.

Public engagements with alliance partners

35. Public spats among alliance partners are discouraged. Alliance partners are discouraged from raising issues of concern about each other in the media. Instead, these should be addressed through alliance structures. The ANC will not engage its alliance partners in the media. Each alleged attack on an alliance partner by another must be first verified for accuracy and context.

Coordination at the centre and execution at the point of delivery

35. ANC communication shall be coordinated from the centre (Luthuli House), and decentralised to lower structures. The principle should be: “co-ordination from the centre, implementation at local level.” Our point of departure is that communication becomes more effective if information is imparted from the point that is closest to the target audience.

36. The Department of Information and Publicity at national level shall co-ordinate ANC communication. Headquarters shall take responsibility for developing an overarching policy, strategy and key messages for adaptation by other structures.

RELATIONSHIP WITH GOVERNMENT COMMUNICATION

37. Cadres of ANC deployed in government have a responsibility to ensure that there is coherence in the communication strategies and programme of government and the ANC regarding the implementation of government programmes. The coherent messaging should extend to provincial and regional levels.

ROLES AND PROCESSES

Spokespersons

38. The President and Secretary-General of the ANC (and the rest of the Top Six Officials) are the chief spokespersons of the ANC and are thus entrusted with the responsibility and right to articulate ANC positions and policies on a wide range of platforms.

39. The NEC shall designate one member to assume the role of official ANC spokesperson.

40. All outcomes of the constitutional meetings of the ANC will be communicated by them (President, Secretary-General and ANC spokesperson), unless specifically delegated by them.

41. Responsibility for communication with the media may, from time to time, be assigned to heads of NEC Sub-Committees.

42. Members of the NEC are, collectively and individually, spokespersons of the ANC. They may, from time to time, be designated by the Secretary-General the responsibility to speak on behalf of the ANC on certain specific matters.

Structures and responsibilities

43. The ultimate responsibility for communication in the ANC shall lie with the Department of Information and Publicity at national level.

44. Following each National Conference, the Sub-Committee on Communication/Department of Information and Publicity shall ensure the development of an over-arching five-year communication strategy.

45. The Department of Information and Publicity shall monitor and evaluate the implementation of the ANC communication programme at
all levels, including in government and the legislature.

46. The Department of Information and Publicity shall convene regular engagements with Provinces, Alliance, the Leagues, government, etc. to deal with issues of co-ordination, messages, communication environment analysis, joint strategizing, etc.

47. Similar structures and processes shall be replicated at provincial or regional levels wherever possible.

Provincial level

48. The Chairperson of the ANC and Provincial Secretary shall be the chief spokespersons of the ANC in the province and shall have the responsibility to articulate ANC matters in the province.

49. The Provincial Executive Committees (PECs), shall designate a PEC member who will be responsible for communication and assume the role of official ANC spokesperson in the province.

50. Communication of all matters arising from meetings of the constitutional structures of the ANC shall be handled by the Chairperson, Provincial Secretary or official Spokesperson, unless specifically delegated by them.

51. Responsibility for communication with the media may, from time to time, be assigned to heads of PEC Sub-Committees.

DEALING WITH UNAUTHORISED DISCLOSURE OF INFORMATION

52. Like many organisations, the ANC faces a challenge of leaks to the media from time to time. In particular, discussions and decisions of the NEC or other structures have been the subject of a number of media leaks. This unauthorized disclosure of sensitive information causes harm to the organisation, undermines its effectiveness and trust among members.

53. Experience in other contexts has demonstrated that those likely to leak confidential and sensitive information are, in the main, disgruntled insiders as well as those with a vested interest on the matter in question. Cadres of the movement have a responsibility to be disciplined and to respect the confidentiality of organisational information.

54. In dealing with the challenge of leaks and unauthorized disclosure of information, the ANC must adopt the following approach:

54.1 Be proactive and prompt in communicating key decisions of the ANC to avoid speculation or pre-emptive leaks. If the ANC delays in announcing a formally-adopted decision, then some members with a vested interest on the matter may be tempted to leak that information to an anxious public or even distort its content and context. At times, unnecessarily delaying to release information which has a huge public interest may encourage leaks.

54.2 Any conduct involving leaking of confidential information shall constitute violation of the communication policy and the ANC has a responsibility to deal with this act of misconduct in the same way as it would deal with any act that brings the organisation into disrepute.

54.3 Any member who leaks or releases information to the media or public without due authorization or prior approval, shall be guilty of misconduct.

55. Members of the ANC need to appreciate that leaking information undermines the effectiveness, discipline and unity of the ANC, and is an embarrassment to the organisation.

56. The task is for the organisation to deal with all matters that may give rise to leaks and to ensure its cadres appreciate the harm that unauthorised disclosure of organisational information causes.

57. The problem of information leaks is largely a security matter and the relevant section of the ANC needs to develop guidelines in this regard. In the long-term, the ANC will have to evolve a much stricter culture that firmly and actively discourages leaks.
ANC INTERNATIONAL RELATIONS: A BETTER AFRICA IN A BETTER AND JUST WORLD

INTRODUCTION

1. The ANC celebrates the 60th Anniversary of the Freedom Charter in 2015. Encompassed within the Charter is the clause “There shall be peace and friendship” which is central to the implementation of the ANC International Relations policy.

2. The ANC, our Alliance partners and the Mass Democratic Movement (MDM) are gearing themselves in preparation for the forthcoming National General Council to be held later this year.

3. The NGC is a constitutional gathering whose overall strategic mandate is to evaluate the organisational progress report, to review and consolidate new policy proposals, and more importantly to appraise the role of our National Liberation Movement into the future.

4. The ANC is revolutionary national liberation movement which is an integral part of the international revolutionary movement to liberate humanity from the bondage of imperialism and neo colonialism.

5. Over the years of our struggle for liberation, our political, economic and ideological ethos has been based on our revolutionary principles of internationalism and solidarity. Our historic mission is to build a better Africa and a better World that is humane, just, equitable, democratic, and free.

6. Our cadres have to appreciate that the international relations question is the most complex terrain of struggle. It is primarily about power and hegemony.

7. At the heart of this important question is how we locate our national interest within the unfolding world realities. Our foremost immediate task is to expand the influence of our nation state as part of the common effort to transform the world into a better place for humanity.

8. The NGC provides an important platform to expand our horizons in this complex terrain of our struggle. The premise is to build a special cadre of the ANC capable of taking forward the objectives of the second phase of our transition for socio economic transformation of our society in the context of our international relations.

9. We therefore present to our structures and membership this discussion document, which seeks to analyse the international balance of forces, and the extent to which they impact on our own specific concrete material conditions as a country and the continent.

2. CHARACTERISATION OF THE WORLD TODAY

1. The world has become an arena of protracted struggle characterized by legacies spanning thousands of years. The panorama of nationalities, languages, cultures and traditions characterizing the theatre of the world gives credence to the popular song ‘Yinde Lendlela Esiyihambayo’ (It is a long journey that we traverse)

2. What remains important is our endless contribution to this historic task of human development. The guiding strategy is our political, economic and ideological basis for taking certain principled positions in the midst of these most complex world realities.

3. One of the important tasks of our National Democratic Revolution (NDR) is to grapple with the demands of the ever-changing complex world’s material conditions. Our theoretical understanding of the world is derived from the traditions of our movement of the analysis of the balance of forces.

4. The balance of forces is about our understanding
of the concrete analysis of the dynamic world material conditions and how they impact on our own particular conditions. It is imperative to grasp the complexities of the world environment and the extent to which they influence the pace and the direction of the NDR.

5. The dialectic relationship between theory and practice in the struggle for the transformation of society is important for various reasons. Of importance to this dialectical relationship is the notion that theory without practice is sterile.

6. This theoretical formulation is affirmed by Vladimir Lenin when he maintains that, “revolutionary scientific theory is the weapon to make us judge and define the methods of struggle correctly. It is a weapon that helps us analyse and understand correctly the cause of development of human society at every moment, to analyse and understand correctly every turning point of society and to carry out the revolutionary transformation of society”.

7. Our historic conjuncture of the 1994 democratic breakthrough took place against the backdrop of events of far reaching political significance. These historic events changed the theatre of the balance of forces in the world.

8. The democratic breakthrough took place against the backdrop of the demise of socialism in the Soviet Union and the Eastern European states. A defining moment, which caught the imagination of the world, at the time, was the fall of the Berlin Wall, which separated the East from West Germany.

9. The sudden collapse of socialism in the world altered completely the balance of forces in favour of imperialism. It ushered in a new world hegemonic era of global socio-economic agenda of capitalism and free market imperatives.

10. The world is navigating through a complex period of a transition from a bipolar into an increasingly contested unipolar world led by the US. There is still an increased contestation of ideas between the two previously opposing hegemonic systems of the world.

11. Our transition to democracy is taking place against the backdrop of a global economy buttressed by the worse global economic crisis at any time since the 1930s. The world economy is underpinned by growing features of poverty, disease and underdevelopment.

12. The world economic meltdown has led to increasing destabilization of regions outside the West and generated new conflicts. This is compounded by declining international solidarity, which is decreasing the ability of multilateral organisations to develop solutions to global and regional conflicts.

13. There is a fundamental need to appreciate the reality that we are taking forward the tasks of our revolution under the most complex and fragile conditions dominated by the world industrial military complex. The global economic trajectory is on a path to serve the interests of the international monopoly capital.

14. Imperialism has plunged humanity in a perpetual socio-economic crisis. The high levels of poverty, inequality, unemployment, disease and underdevelopment confirm our long held view that the capitalist market economy cannot resolve its own contradictions.

15. Western economies have become the epicenter of the world financial crisis. Most of the EU nation states were compelled by the worsening economic conditions to impose harsh austerity measures that saw huge cuts on social spending, privatization of key sectors of the economy, high levels of inflation, decreased standards of living and increasing inequalities and underdevelopment.

16. The increasing level of income inequalities amongst and within most of the world nation states remains a serious challenge. Statistics indicate that more than 870 million people in the world everyday sleep without food. At the same time 1% of the world population owns 50% of the wealth.

17. The deteriorating world economic crisis has a tremendous adverse effect on the economy of our country and therefore our revolutionary programme for radical socio-economic transformation.

18. Despite our achievements since the democratic breakthrough in 1994, our people are still facing the structural consequences of the apartheid colonial realities oppression and exploitation. Our people bear the brunt of poverty, inequality, unemployment, disease, and underdevelopment which is still the principal characteristic of our society.

19. The question we need to ask ourselves is whether we have been able to consolidate the posture of our foreign policy in the continent and the world to advance our national interest? In other words
20. Our sphere of influence is underpinned by our understanding of the global economic power relations. Of importance are where to commence with our theoretical formulation of our national interest from the world perspective in general and our country in particular.

21. One of the crucial questions is whether we are able to use the opportunities we enjoy in the international relations platforms to advance the objectives of our national interest. Of importance do we relate to our understanding of the principles of internationalism and solidarity to achieve the fundamental objectives of our national democratic revolution?

22. Our answer to this question will help us expand our sphere of influence within the international arena. Therefore our main objective is to consolidate the leadership role of our country within the realms of the international world.

23. The main objective of our revolution is to create prospects for meaningful participation of the majority of our people into the mainstream economy. Therefore ours is the transformation of our economy in a manner that responds to the demands of the overwhelming majority of the people of our country.

24. Our perspective on human solidarity and internationalism has informed the role of South Africa on the international platform. Our approach is informed by our struggle to create a world, which is a better place for all humanity.

25. Our strategic approach is to strengthen multilateral institutions such as the SADC, AU and the UN to achieve the overall objectives of creating a just, equitable and humane world.

26. History is a testimony that the US effectively using its aggressive foreign policy to advance its national interests. In most instances it has been supporting undemocratic changes of government as an instrument to serve its global agenda.

27. But on the contrary, lack of democracy has been used as an excuse for US intervention in areas where its national interests are under threat. National interest has become an important factor in determining the world balance of forces.

28. While the economic situation described above presents a gloomy picture, the rise of emerging economies led by China in the world economy has heralded a new dawn of hope for further possibilities of a new world order.

29. In the past twenty years of our democratic dispensation, we have witnessed an increased growth of trade relations between our country and the People Republic of China. China–South Africa trade and investment has been on a pedestal both quantitatively and qualitatively.

30. The trade volumes between China and South Africa have far surpassed the value of USD $400billion in this current year. But whilst we appreciate this phenomenal growth, more has to be done.

31. Our economic relations have grown in leaps and bounds into investment and beneficiation of both our industrial and manufacturing goods. We therefore have to use the opportunities of these great economic prospects between our two economies to build the friendship of our two people.

32. China economic development trajectory remains a leading example of the triumph of humanity over adversity. The exemplary role of the collective leadership of the Communist Party of China in this regard should be a guiding lodestar of our own struggle.

33. The rise of China as the second strongest economy, with the re-emergence of economies of Russia, and major countries of the South, is gradually redefining the world towards a multi-polar order. Therefore, the growing influence of China on the global economy is an important factor in the balance of global power relations.

34. Further giving credence to “shifting balance of forces”, as opposed to static observation, of the dominant US led unipolar world, is the emergence of BRICS constituted by Brazil, Russia, India, China and South Africa. The formation of BRICS as a powerful political and socio economic bloc is necessarily not just about the size of the population of the member states but also the abundance of the requisite markets.

35. What has become clear is that the formation of BRICS was a conscious political decision to roll back the post-World War II Washington Consensus. The formation of the BRICS Bank and the Asian Infrastructure Investment Bank will have a far-reaching impact on the development trajectory of the world institutions such as the World Bank and the International Monetary Fund.
36. Our understanding of the fragile world environment is important for the success of BRICS as a regional power block. Of importance is to ensure that we guard this milestone achievement against centrality of the Washington Consensus. As progressive forces our immediate task is to constantly work towards building an alternative world that would create a fair, just, equitable and better environment for all the people of the world.

37. The US does not appreciate the resurgence of China and Russia as dominant factors in the arena of international power relations. It has instead declared a cold war against these two emerging world powers.

38. Its destabilisation strategy against China is on three fronts:
   - The US is bent on portraying China as the world’s worst polluter and a threat to the environment with the intention being to suggest that China is but a paper tiger whose economic rise is not sustainable.
   - The US, backed by its ideological apparatus, has tried a repeat of the Tiananmen Square against the Chinese government by parading to the world counter revolution as a popular uprising and counter revolutionaries as human rights activists.
   - The US is exploiting China’s dispute with some of its Asian neighbours over the North and South China Sea islands to rally these neighbours against China, including trying to build an anti-China alliance of Asian satellite states that will take its orders from Washington.

39. Russia has not been spared the wrath of US-led Western imperialism. As with China, the Russian leadership is constantly being portrayed in the Western media and official discourse as monsters abusing human rights. As with China, counter revolutionary demonstrations and marches are being staged and given huge publicity in the Western media in order to destabilise and provoke the Russian government.

40. Whatever genuine concerns may exist within the Russian population and populations of former Soviet Union, there is a clear plot to exploit this in order to contain the rise of Russia globally. It is an encirclement strategy that seeks to isolate Russia in the manner that is being attempted on China as well.

41. This is the context within which the crisis in Ukraine should be understood by the world progressive forces. The war taking place in Ukraine is not about Ukraine. Its intended target is Russia. As with China, Russia’s neighbours are being mobilised to adopt a hostile posture against Moscow, and enticed to join the European Union and NATO. Pro-West satellite states are being cultivated or as we saw with the coup in Ukraine, even invented, to encircle Russia and allow their territory to be used for the deployment of NATO’s hostile military hardware faced in the direction of Russia. These Western manoeuvres, directed from Washington, are reminiscent of Cold War. They have vowed in Washington that there will be Russia or China to challenge the US hegemony.

42. Washington’s sponsored destabilisation is not limited to Russia and China. We see it unfolding in the streets of Latin America including in Venezuela which the US has strangely declared a threat to its “national security”, in the Middle East and in African countries with the sole intention of toppling a progressive democratically-elected governments. This has a bearing on the nature of conflict and the scourge of terrorism we see in the world today.

43. The South has been rising in a manner that promises to alter the international balance of power and offer opportunities for the emergence of a post-Western world order and Washington is in a fighting mood to ensure that this does not happen.

3. THE STRUGGLE FOR THE RECONSTRUCTION AND REINDUSTRIALISATION OF THE AFRICAN CONTINENT

1. This year the people of the African continent and the world marked the 51st anniversary celebrations of the formation of the Organisation of African Unity (OAU). The OAU is the most important political instrument used over the years of our struggle to accelerate the process of the decolonialization of the continent.

2. The OAU, which is now the African Union (AU), has played a much significant political leadership role in the struggle of our people against imperialism and colonial domination. The AU continues to occupy the forefront trenches of our struggle to build a better Africa from the shambles of imperialism and neo-colonialism.
3. African leaders have identified industrialization as central to the development of the continent. Developmental integration as a radical approach to integration is imperative for our overall strategy to build the economic base of continental integration.

4. Promoting developmental integration across the existing Regional Economic Communities culminating in the eventual establishment of a continental Free Trade Area is a common endeavour agreed by the continent.

5. The integration of the African regional blocks and multilateral structures remain at the heart of ensuring that our continent occupies its rightful position in the arena of the global socio-economic power relations. Unity and cohesion of the people of our continent is a backbone of our international relations policy.

6. This will assist to unite the African continent against the superficial designs manifest in colonial boundaries and regional blocs. The fragmentation of the African continent was a result of the resolutions of the Berlin Conference of 1884-5.

7. Our focus is to accelerate the political, social and economic integration of our continent. There is a need to continue strengthening the capacity of the African Union (AU), its institutions and Regional Economic Communities.

8. Our movement has been consistent in its strategic approach of ensuring that African development remains at the center of the world development agenda. At the heart of this strategic approach is the development of its governance architecture at continental and regional level.

9. Centuries of colonial oppression and exploitation have left our continent at the periphery of the high levels of poverty, inequality, unemployment, diseases and underdevelopment. The question we need to pose to ourselves is whether we have the necessary capacity to use our political power to change the living conditions of our people.

10. Imperialism and neo-colonial forces are responsible for the wave of social instability in our continent. The principal aim is to exploit the human and the material resources of our continent.

11. However, we need to take cognizance that our continent is still confronted by mammoth challenges of lack of human capital and weak institutions to juxtapose this historic legacy. We need to steer our continent into a more qualitative trajectory of economic growth and development.

12. The political economy of the continent is still characterized by the colonial economic logic of exporting raw materials while importing value-added products largely from the developed world. There is less initiative to beneficiate the economy in order to increase its productive capacity, and therefore create more requisite skills and the necessary job opportunities.

13. The socio-economic ownership patterns in our continent have still assumed the posture of the historical relationship between the former colonies and colonial master.

14. We have learned that the achievement of political independence does not necessarily translate into economic freedom. Therefore, our task is to accelerate the development agenda on the continent through fast-tracking the massive infrastructural backlog.

15. The 2012 UN Global Population Report predicts that the global population will grow by 9.6 billion people by the year 2050. Currently almost half of the global population is under the age of 25, with 1.3 billion people between the ages of 12 and 24 years, it should also be noted that Africa is the second fastest growing population.

16. The African Economic Outlook Report describes our continent as the world youngest continent with 600 million young people. The number of young people in the continent is growing faster than anywhere else in the world.

17. Our continent faces the biggest burden of youth unemployment crisis. Most of our countries are unable to create sustainable job opportunities to the exploding youth population.

18. The growing discontent amongst the youth in the continent could lead to explosive conditions that result in social upheavals, violence and therefore deepening political instability.

19. More emphasis is to build on the productive capacity of the economy of our continent so that it can respond to the needs of our people. We need to be proactive in channelling our resources to enhancing human capital especially the youth.

20. Our trade relations with the African continent have grown exponentially. Our trade volumes have grown larger than our combined trade with all the European countries.
21. According to statistics from the Department of Trade and Industry, in 1994 trade between South Africa and Africa was R11,4billion and today is at R389billion. In the same year our trade volumes with Asia and the Middle East were at R42billion and now at R788billion as compared to R439billion from the European Union.

22. The vast North American market continues to offer opportunities for increased value-added exports and the attraction of FDI, technology transfer and skills development. The renewal of the African Growth and Opportunity Act (AGOA) presents an opportunity to increase trade with the US not withstanding challenges.

23. Developments in the Pacific Alliance (Columbia, Peru, Chile and Mexico) need to be closely monitored with the view to identify opportunities for our country.

24. Brazil, Mexico and Argentina are G20 member states are destined to become privileged interlocutors in South Africa’s efforts to improve regulation of the global political, economic, social and environmental sectors. Mexico is the 2nd largest manufacturing country by value in the world and may surpass China by 2018 as the number one manufacturing country.

25. Therefore as much as we must appreciate the increasing economic integration and trade with the other African states and the world, our democratic state must continue its work of ensuring that it becomes the anchor of the development of our continent.

26. The apartheid regime has over the years created a perception that our country is a typical colonial outpost on the African continent. We therefore, need to reposition the role of the South African capital in a manner that advances the objectives of the reconstruction and development of the continent.

27. At the same time we need to understand that the movement of the South African capital into the continent is an inevitable objective process of the development of our productive forces. Competition is in the nature and the character of the capitalist system.

28. Our continent is steadily becoming stable with most of our countries embracing democratic practices. However, the tendency by some in political leadership to remain in power for many years against the will of the people is a worrisome phenomenon.

29. The phenomenon has become a seedbed for counter revolutionary activities in the continent. It also cultivates an environment for social and political disharmony, creating fertile ground for manipulation and all sorts of conspiracies by imperialist and neo-colonial forces.

30. Whilst achieving some successes, the continent continue to face social upheavals that characterized regime change, internal conflicts, violence etc in countries such as Tunisia, Libya and Egypt, Lesotho, Burkina Faso, Central African Republic, Nigeria, Madagascar, Sudan, South Sudan, and Somalia. These are the challenges the people of the continent have to confront.

31. One of the contributing factors hampering the political, social and economic integration and development of the African content is the high levels of illicit capital flow. Corruption has become a cancer to our developmental objectives.

32. The Report by the African Development Bank and the Global Financial Integrity Institute, reveal a high calibre analysis of the extent to which the illicit financial outflows hamper the social and economic development of the continent.

33. Each and every year, roughly one trillion dollars flow illegally out of the developing countries due to crime, corruption and tax evasion. The estimates are more than ten times the amount of the foreign aid flowing into the same economies.

34. The consequence of the illicit financial outflow is that it drains hard currency, reserves heightened inflation, reduce tax collection, cancel investment, undermine trade, worsen poverty and undermine income tax.

35. From the year 1970–2004, the estimated illicit financial flows from the African continent are at approximately $854 billion.

36. The report estimates that the illicit money stolen by corrupt government officials amount to 3%, whilst 65% moves across the border through international trade.

37. Further compounding the high levels of poverty as a result of income inequalities amongst the nation states are the continued challenges of diseases such as HIV/AIDS, TB, Malaria and recently Ebola.

38. Climate change continues to inflict catastrophic disasters to the poor of the world particularly those in the developing world.
39. Globally, terrorism remains one of the most serious concerns. The unfolding situation in the Middle East and some of the African countries such as Nigeria, Somalia, Libya, Mali, Kenya and the Sahel region need our close scrutiny.

40. The growth of international piracy of eastern and western coasts of Africa hampers trade, security and commerce in transport corridors that are crucial for the global economy.

41. Religious extremism and fundamentalism has become an anchor of terrorism in the continent. The terrorist groups with their anti-west radicalism have reined terror mainly in the East, Central and the northern parts of the continent.

42. Western Sahara remains one of the last bastions of colonialism on the African continent. We need to accelerate our campaign of demanding that the UN and AU end the occupation of Western Sahara by Morocco.

43. We therefore make a call that the Saharawi people be given the right to self-determination. Our movement is committing itself to host a solidarity conference with the people of Western Sahara.

44. The new agenda for reconstruction of Africa is about infrastructure development and industrialisation of the continent.

45. But this growth and development will be meaningless if its benefits only grow the pockets of the rich and the elites. To be meaningful, it must be truly transformative, eradicate poverty, reduce inequality, create jobs, and make our continent prosperous. This is what the rise of Africa must be about.

46. When we celebrated the 50th anniversary of the OAU/AU, we looked back with satisfaction on the road we have travelled. But also committed for doing better in the next fifty years. As part of the Golden Jubilee Celebrations, the African Union, during the Summit of May 2013, adopted a solemn declaration that rededicated the collective leadership for the development of the continent. The declaration also called for the development of a continental agenda that will guide our work towards a peaceful, integrated and prosperous Africa, driven by its citizens and taking its rightful place in the world by 2063.

47. The evolving Agenda 2063 is currently premised on seven inspirational pillars, which are:

- An Integrated Continent, politically united, based on the ideals of Pan Africanism;
- An Africa of good governance, democracy, respect for Human Rights, Justice and the Rule of Law;
- A peaceful and secure Africa;
- An Africa with strong cultural values and ethics;
- An Africa where development is people-driven, relying particularly on the potential of women and youth; and
- Africa as a strong and influential global player and partner.

48. In highlighting the above aspirations, the African people unequivocally expressed a collective desire to uplift the continent from the morass of underdevelopment and degradation. With Agenda 2063, the AU is rallying all African people to join the march for the rebirth of the African Continent in all aspects – to extend our political liberation to economic, cultural and social liberation.

“Agenda 2063 is about the Africa we want to build in the next 50 years. It connects the Africa of yesterday to the Africa of today and the Africa of tomorrow. The Africa of yesterday is the indispensable lessons we have learnt since the days of independence some 50 years ago. The Africa of today is our destiny that is firmly in our hands with every action we take. The Africa of tomorrow is the future we are creating through what we do today.”

4. OUR UNDERSTANDING OF THE SECOND PHASE OF TRANSITION FOR RADICAL SOCIO ECONOMIC TRANSFORMATION

1. The greatness of any revolution is measured in terms of its capacity to take forward the aspirations and the wishes of the people and to make possible the transformation of society.

2. The 53rd National Conference in Mangaung reaffirmed our 52nd Conference resolution that the ANC is a strategic centre of power. This resolution remains a cornerstone towards all our principal goals of reviewing organisational policies and programmes.

3. Our 53rd National conference dedicated this decade to the development of an ANC cadre capable of taking forward the tasks of the second
phase of our transition for radical socio-economic transformation of our society.

4. The task is to build a diplomat of a special kind in the context of the present complex global political-socio-economic power relations and our national interests. This will assist to reposition us as a powerful force for change in the arena of international politics.

5. Since the advent of our democratic breakthrough in 1994, our people have bestowed our movement with the mandate to lead the process of transforming our society. In its capacity as a political movement and the leader of society, the ANC has engaged with fraternal parties and governments at various levels.

6. At the level of the international arena, our country was readmitted to the United Nations (UN) and all other multilateral agencies. In the continent we continue to dispatch our historic participatory leadership role in the AU and the SADC community.

7. Our movement continues to be instrumental in matters of strategic importance such as equality, development and peace in regional, continental and international bodies. Our principal task continues to be the consolidation of unity and cohesion of the progressive forces in the continent and the world.

8. Our foreign policy is at the heart of our domestic imperatives. The essence is to promote our national interest to build a humane world order.

9. Within this space the ANC should be firm in promoting peace and stability and at the same time articulating its domestic imperatives in the continent and the whole world.

10. We need to build a stronger continent based on African Union (AU) Agenda 2063 to ensure that the strategy of the reconstruction and industrialisation of our continent benefit our people. This will forge the competitive edge of the continent in its multilateral trade with the rest of the globe.

11. It is through the unity of the continent that we can ensure the eradication of poverty, inequality, unemployment, disease and underdevelopment as well as promote stability and prosperity. The question we must pose is what must be done to achieve this noble objective?

12. In this regard, we need a continuous transformation of our foreign policy to achieve the objectives of our national democratic revolution.

5. PROGRESS REPORT ON THE IMPLEMENTATION OF THE ANC INTERNATIONAL RELATIONS POLICY AREAS

1. Our 53rd National Conference reconfirmed the ANC as a strategic centre of power. It is from this premise that our foreign policy perspective is informed by the decisions of the ANC’s National Conferences.

2. The report elucidates progress achieved by both the ANC international relations subcommittee and our democratic government over the period of review. The subcommittee’s report will be covered under the Organisational Component while matters of governance will be presented under the section Governance Component. However, the two components must be examined as one because government implements the decisions and programmes of the ANC.

3. ORGANISATIONAL COMPONENT

Our organisational programme is anchored on the following six pillars adopted during our 53rd National Conference:

- Building a better Africa and World
- Continental and International solidarity
- Party-to-Party, intra-party and multi-party relations
- Transformation of global governance
- Policy development issues
- Campaigns

PILLAR I: Better Africa and Better World

1. We begin with our programme for Building a Better Africa. Over the past two and a half-year period of review, we have made significant progress in ensuring that our structures and the general public understand the global political and socio-economic situation. Of more importance was to promote the spirit of solidarity and internationalism.

2. We successfully advocated our foreign policy positions by organizing and participating in seminars, workshops and other platforms both in our country and throughout the world. Amongst others were platforms such as the Africa Institute of South Africa (AISA), the African Centre for Constructive Resolution of Disputes (ACCORD),
Institute for Global Dialogue (IGD), South African Liaison Organisation (SALO), dialogues hosted by Universities and solidarity events like Palestinians Solidarity Week and the Colloquium to Free the Cuban Five.

3. We have also embarked on a vigorous programme of disseminating information through seminars and cultural exchanges between the different countries of focus and our Alliance partners. Amongst the programmes that were implemented include:

- A seminar celebrating the 50th Anniversary of the OAU/AU;
- A seminar on peace and conflict resolution with particular reference to the Central African Republics and South Sudan organised at the University of the Witwatersrand Business School;
- International Relations seminar on Alba-TCP (Bolivarian Movement);
- Political Education seminar on “Australian Labour Party Solidarity with South Africa and the Labour Accord”;
- Solidarity programmes on Palestine and Cuba.

**Millennium Development Goals (MDGs) and Post-2015 Development Agenda**

- In 2014 the plenary session of the United Nations General Assembly finalized the framework for the Post-2015 Development Agenda which will succeed the programme of the Millennium Development Goals (MDGs) when it expires in 2015. It is therefore important that the ANC familiarizes its structures and our people about the Post-2015 Development Agenda which will be a global programme for combating poverty, inequality, unemployment and underdevelopment.

- Our structures must engage our people on the MDGs and their implementation. We must also make our structures and broader society understand the strategic differences between the MDGs and the Post-2015 Development Agenda. The ANC membership has to be in the forefront of our struggle for the achievement of the goals of the MDGs and the Post-2015 Development Agenda.

**The Pan African Parliament (PAP)**

- The year 2014 has been remarkable in the history of PAP. Much has been achieved to ensure that the revised protocols facilitate the upgrading of PAP into a full legislative body.

- As PAP develops its legislative frameworks and develop model legislation for the continent, the ANC together with South Africa (as host) should take advantage of this positive development, to mobilise our people in support of this organ of the AU and its progressive agenda.

- The construction of the permanent home for PAP in South Africa is work in progress.

**The Pan-African Women’s Organisation (PAWO)**

- The ANC and the ANC Women League are current faced with the challenges of the establishment of the Head Quarters as requested by the women of the continent to have South Africa as the host.

- The Women’s Wings of MPLA in Angola, ZANU-PF in Zimbabwe, SWAPO in Namibia and CCM in Tanzania have registered their concerns in the Forum of the Former Liberation Movements in Southern Africa about the slow pace of progress as it relates to PAWO and have further raised fears that the institutions faces imminent collapse in the hands of South Africa.

- The matter is receiving urgent attention as the National Working Committee has established a task team to ensure that all outstanding matters in this regard is solved and the institution receives a home.

**Pan African Youth Union (PAYU)**

- The ANC faced some challenges of representation in the PAYU since the disbandment of the ANC Youth League (YL) NEC.
The ANC International Relations subcommittee is working together with relevant ANC structures to ensure that PAYU challenges are addressed once the ANC YL NEC is reconstituted.

**All-Africa Student Union (AASU)**

- The regional structure of the Southern Africa Student Union (SASU) attempted to meet in 2013 but due to limited resources the meeting was unable to take place. On other areas such as the AU support to the All-Africa Student Union and the establishment of the Pan-African University, work is in progress.

**Southern African Development Community (SADC)**

- The ANC and the government play a prominent role in consolidating the region politically, socially and economically.

- The ANC in the Former Liberation Movements (FLMs) meetings, its party-to-party meetings with sister parties of FLMs, as well as in meetings with other ruling parties in the region, continues to engage to find solutions and develop programmes to fast-track the regional economic integration, cultural exchange, people-to-people and country-to-country development and other integration programmes.

**SADC Parliamentary Forum**

- The transformation of SADC Parliamentary Forum to a full legislative organ of SADC must serve to reinforce regional integration ensuring that it addresses the needs of the peoples of the region. Work on this is in progress.

**Building a Better Africa goes hand in hand with Building a Better World which includes promoting South–South Cooperation**

- It is generally accepted that the international balance of forces are gradually shifting in the direction of the countries of the South. South-South Cooperation is important in the South Africa's Foreign Policy architecture.

- In pursuit of the progressive agenda of a better world, the ANC has in the context of South-South party-to-party relations engaged with like-minded sister parties such as the Communist Party of Cuba, Australian Labour Party, Indian National Congress, Brazil Workers’ Party, Former Liberation Movements, POLISARIO, Ethiopian People's Revolutionary Democratic Front (EPRDF), South Sudan People’s Liberation Movement, National Congress Party of Sudan, NCD Ghana, Al-Fatah of Palestine, Baath Party of Syria, PUK of Iraq, and the Worker’s Party of Brazil. We also met ruling parties of different ideological orientation to ours to discuss shared concerns and opportunities.

- The ANC participates in various forums, seminars and conferences to strengthen South-South relations such as in the Sao Paulo Forum; and meets regularly with fraternal parties on the margins of such international gatherings.

- The ANC’s relations with political parties in Latin America and the Caribbean are weak. Consequently the ANC has identified strategic political parties in the region, while strengthening the already existing relations.

**Brazil–India–China–South Africa (BRICS)**

- The ANC led awareness campaigns on BRICS and hosted a post-BRICS Summit seminar in partnership with Wits University Business School.

- **On the establishment of the BRICS Bank:** The ANC campaigned strongly through its party-to-party and government-to-government relations for this Bank to be hosted in South Africa but the final decision at the BRICS Summit held in Brazil in 2014 concluded that it would be hosted by China with a regional structure based in South Africa.

- **On the use of BRICS membership:** The ANC is in discussion with the ruling parties of f BRICS member states to sign a joint Memorandum of Understanding to promote stronger party-to-party relations in order to utilise the mechanism to promote party-to-party exchange. This mechanism will enable the parties to find common areas of cooperation that would be beneficial to all the members of BRICS, and present an alternative to the Washington Consensus.

- **On consolidation of party–party relations:** The ANC has renewed its Memorandum of Understanding with the United Russia Party and the Communist Party of China with regular interaction and programmes. Bilateral engagements with the Workers’ Party of Brazil and the Indian National Congress are underway.

**North-South Dialogue**

- The ANC continues to strengthen its existing
relations of North-South interaction with sister parties of the North such as the Social Democratic Party of Sweden, Social Democratic Party of Germany, Norwegian Labour Party, Socialist Party of Spain, and the All United Russian Party, to promote respect for African Union Processes, respect for decisions made by African Countries and African solutions to African problems. Where differences may arise the ANC engages these political parties to establish common understanding on those matters.

Peace and Security, Reconstruction and Development

Since 2013, a new wave of conflicts has arisen in parts of Africa, the Middle East, Latin America and Eastern Europe, while territorial disputes have surfaced elsewhere including the North and South China Sea area. The ANC has observed this closely.

The ANC has been active in peace-building missions both politically and governmentally and continues to assist in various ways to find resolution to conflicts in DRC, Madagascar, Somalia and Somaliland, Sudan and South Sudan, North Africa, Middle East and Sri Lanka.

The ANC has been engaging various role players on recent changes in the continent as a result of the uprisings in North Africa (the “Arab Springs”), the situations that ensued in CAR, South Sudan, Chad, Madagascar and Libya as well as analysing the impact of the recent economic recessions in Europe and the United States America (USA). The ANC has to continue analyzing the unfolding complex world reality the movement of NATO in our continent and the world.

Zimbabwe

South Africa through President Jacob Zuma continued to play a significant role as SADC facilitator in Zimbabwe until the country had democratic elections in 2013 that were declared by most observers as free, fair and credible. ZANUPF won with an overwhelming majority in the elections.

SADC, inclusive of South Africa, continue to advocate for the full lifting of sanctions against Zimbabwean leaders as a catalyst to promoting social and economic development in the country.

South Sudan and Sudan

The Horn of Africa Focus Group ceased to function at the beginning of 2014 but has now been resuscitated and reorganized as the Africa Focus Group which is a useful resource for the IR Subcommittee, NWC, and NEC.

During the initial visits of the Special Envoy and his team to the region IGAD had agreed that South Africa’s role would be on a political level to assist SPLM South Sudan. It was further agreed that a tripartite arrangement between ANC, SPLM (South Sudan) and EPRDF (Ethiopia) to find political solutions should be signed.

South Sudan:

Since the South African General Elections, the matters of South Sudan conflict in the office of the Deputy President of the Republic and together with his team they have been engaging various role players to find lasting solutions to the continual conflict in South Sudan.

Although the ANC International Relations is not directly involved in conflict resolution processes, however our movement is inundated with requests and enquiries from continental political parties, Europe and the USA about our role in both The Sudan and South Sudan.

The MOU between the ANC and SPLM South Sudan is up for revision and both parties have agreed to facilitate such revisions in the course of 2015.

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Since the South African General Elections, the matters of South Sudan conflict rest with the office of the Deputy President of the Republic that has been engaging various role players to find lasting solutions to the continual conflict in South Sudan.

Sudan

The conflict situation between the Government of Sudan and the opposition forces of Sudan (of which SPLM North Sudan is a component) still persist. The AU High level Implementation Panel (AUHIP) mandated by the AUpsc continues the facilitation to develop peace agreement between the Government of Sudan and opposition forces in Sudan continues with minimal progress.

The ANC has met with SPLM North Sudan to revitalize relations, reignite communication lines
and is developing a strategy for relations and engagement on issues in Sudan and South Sudan.

- The ANC participated in the NCP Congress in Sudan and the implementation of the MOU signed will begin soon.

**Democratic Republic of Congo (DRC)**

- The ANC had party-to-party meetings with PPRD (ruling party) in DRC as part of our further engagement stemming from a letter of intent signed by both parties in 2013, to work on the content of a Memorandum of Understanding (MOU) on organisational building.

**Swaziland**

- ANC International Relations has been engaging various role players such as PUDEMO, SWADEPO, NLF, the Ngwane National Laboratory Party. We also participated in seminars on Swaziland organised by various NGOs and Solidarity movements on Swaziland.

- In 2014, the world witnessed the arrest of the President of PUDEMO, Mario Masuku and other NGO role players who were advocating for democracy in Swaziland. The momentum on the campaign to release Mario Masuku is on the increase, with limited participation from the ANC.

- The situation in Swaziland is becoming worrisome on a daily basis. It is without any contradictions that the regime has become a typical police state. The ANC must ensure that the necessary diplomatic interventions are initiated to bring democracy to our neighbouring state.

**Ethiopia and Eritrea**

- The ANC in terms of lessening the tensions between the two countries have done very minimal work. The deployment of cadres from the Alliance on a fact-finding mission to both countries is still outstanding. There has been significant improvement regarding engagement between ANC and the Ethiopian People's Revolutionary Democratic Front (EPRDF), but less so with PFDJ Eritrea.

**Ethiopia:**

- The ANC continues to engage the Ethiopian People's Revolutionary Democratic Front (EPRDF) at different levels to share experience and work together on common programmes. The cooperation between the ANC and EPRDF around the hosting of a conference of Progressive Parties on the continent remains work in progress.

- The ANC, SPLM South Sudan and EPRDF signed a trilateral agreement to deal with the internal party conflicts in SPLM South Sudan.

**Eritrea:**

- Currently, Eritrea is not part of IGAAD whose current Chairperson is Ethiopia and this is a matter of concern because a regional body should include all countries. Therefore unresolved matters between the two countries must be resolved.

- Notwithstanding this situation, Eritreans are present in many countries in the region, particularly, Sudan and South Sudan. Thus the Eritrean government is an important role player to consult pertaining to the current situation in South Sudan.

- The PDFJ Eritrea has in the past requested to meet with the ANC and reiterated this request in 2014. The ANC is setting up a fact-finding mission to Eritrea as mandated by the national conference.

**Somalia & Somaliland**

- The ANC-led government has continued to do extensive work in this area with a view to finding lasting peace. The understanding of Somalia/Somaliland within ANC Structures and in the broader South Africa public domain is very minimal. It is therefore imperative for the ANC to gather information to enhance our understanding and create awareness in our structures and the broader South Africa public domain, in order to empower our members.

**Central African Republic (CAR)**

- The coup in CAR in 2013 resulted in deaths of SANDF soldiers providing training to the CAR army and police personnel and thus led to the withdrawal of the SANDF from CAR.

- The situation in CAR deteriorated into conflict between religious groupings until agreements were reached in processes South Africa played a crucial supportive role in. CAR's instability threatens regional stability.

- The SI Africa Committee that the ANC is a member will be sending a fact-finding mission to CAR to obverse and assess the situations, and engage forces and leadership on the ground.
Libya

■ The Western sponsored NATO military campaign in Libya in 2011 left a trail of destruction, disillusionment and widespread instability. The country continues to witness this four years on. Libyan situation continues to be unstable with a variety of political and armed actors vying for the control of the state and the country’s resources.

■ The Libya crisis helped the spread of illegal weapons to the rest of the Sahel Region, thus contributing to increased destabilization of Africa by fuelling cross-borders crimes, human and drug trafficking, and violence affecting the ECOWAS Region and other parts of Africa.

■ By invading Libya under the pretext of protecting civilians, the West has thus helped the spread of violence, conflict and terrorism in Africa.

Middle East

■ The conflict in Syria, which now involves a few global powers, remains unresolved but there has been new developments unfolding with the rise of the extremist groups in Iraq putting further pressure Syria government.

■ We have witnessed the spectre of violence spread to other parts of the Middle East with the rise of extremist groups in Iraq with a spill-over effect on the region.

■ This has attracted the interest of western powers and others deploying militarily in the region, ostensibly to fight the rise of extremists, but in the process helping to further complicate the situation in the Middle East.

■ Furthermore, great understanding with regard to the Arab World is required in lieu of The Middle Eastern Alliance that was formed between Saudi Arabia, Egypt and Sudan with regard to the situation that has evolved in Yemen. Secondly, the changes unfolding between the Western Forces and Iran necessitate the ANC to political research and analyse the impact these changes would have on the Region as well as the impact it would have on the Palestinian situation.

Russia and Ukraine

■ The conflict in Ukraine escalated in the global power rivalry between US-Europe seeking to isolate and encircle Russia, on the one hand, and, Russia seeking to preserve itself. In the process, we have seen the conflict become entrenched with concern.

■ The ANC is in the processing of setting up consultations with experts and others as well as academics regarding the situation to enable it to remain informed on the developments.

China and Vietnam

■ China is involved in territorial disputes over islands in the North and South China Sea areas that have also drawn the ire of the US that has military bases in the region. Vietnam is one of the countries involved in the disputes and its ruling party has conveyed its concerns about this to the ANC. We should observe this situation closely.

PILLAR II: Continental and International Solidarity

International solidarity will continue to inspire our approach to world affairs. As such, we support the struggle for the right to self-determination of the people of Palestine and the Western Sahara. We also continue to pledge support to Cuba for the lifting of the economic blockade.

Cuba

■ We will always be inspired by the role of Cuba in the struggle for internationalism and solidarity. Its role in the struggle for the liberation of the African continent against imperialism and colonialism will always be treasured.

■ Cuba continues to be an inspiration for us in pursuit of our agenda of international solidarity. Its role in the fight against Ebola in West Africa is exemplary.

■ We need to take forward the campaign for the end of the fifty years old US economic blocked against the republic of Cuba bearing in mind that 184 countries in the United Nations voted for the lifting of the blockade.

■ Our Movement, together with other progressive organisations across the world, has consistently campaigned for the release of the Cuban Five. The recent visit by the Five Cuban heroes to our country, during the significant celebration of the 60th Anniversary of the Freedom Charter, was a demonstration of friendly relations between our two countries.
We commend this positive step taken by both the governments of Cuba and the United States to improve relations. The ANC wishes both Cuba and the United States well in further moves to improve their diplomatic relations between these two countries.

The ANC re-affirms our ongoing solidarity with Cuba and the Cuban people and will continue to offer support for an end to the US economic blockade. The struggle of the people of Cuba is the struggle of the people of the world.

Palestine

The ANC continues to pledge solidarity with the people of Palestine, advocating for a two-state solution as a resolution to the continued ongoing conflict situation between Palestine and Israel.

The ANC has participated and will continue to participate in activities of the week-long programme on Israeli Apartheid Week in solidarity with the Palestinians.

Following the invasion of Gaza and the bombardment and the killings of innocent Palestinians by the Israeli military, the ANC issued a statement of condemnation and joined solidarity marches and programmes for a free Palestine. The ANC commends all provinces, the Leagues and the Alliance, for their participation on the campaign.

Western Sahara

ANC and ANC-led government in different platforms (solidarity meetings domestically, seminars on Western Sahara both domestically and internationally, Socialist International Africa Committee and Council meetings, United Nations, and so forth) continues to sponsor and support resolutions promoting the self-determination of the Saharawi people.

The ANC engaged with representatives from the POLISARIO Front on the sides of Socialist International (SI) meetings and put forward a proposal for SI Africa Committee to send a fact-finding mission to Morocco and Western Sahara, as well as the refugee camps in Algeria.

The domestic solidarity campaign has dropped to almost non-existence and therefore the ANC and the Alliance partners have to find a mechanism to reignite the solidarity campaign with the people of Saharawi.

For almost two years, the ANC has not participated in Solidarity activities in Spain and Algiers, but we have tried to rectify this by ensuring our participation in the Solidarity Conference held in Algiers in December 2014.

The ANC has also committed itself to host the next African Solidarity meeting for the people of Western Sahara in 2016 at the latter mentioned conference.

PILLAR III:
Party-to-Party, Intra and Multilateral Relations

The ANC receives frequent requests from other political parties and organisations, both continentally and internationally, to establish relations and share experience.

The ANC continues to participate in party-to-party and intra-party relations and has decided to take more politically informed approach to forging relations, but guided by our principles as outlined in national conference resolutions.

Many of the party-to-party relations arise as a result of the ANC's participation in Peace building, reconstruction and development and Continental and International Solidarity.

The ANC continues to participate in the Conferences and Congresses of our Fraternal parties such that of the Norwegian Labour Party, Swedish Social Democratic Party, Botswana Democratic Party, Botswana National Front, EPRDF, Cuba Communist Party, MPLA, FRELIMO, SWAPO, CCM, and ZANU-PF.

The ANC participates in seminars arranged by FES and the Olof Palme Foundation annually. The ANC further participated in a seminar hosted by FRELIMO and FES in Maputo, which was followed up with a party-to-party visit to the new Secretary General of the FRELIMO to share experience on elections.

The ANC met with the United Russian Party to elevate the relations and conclude a Memorandum of Understanding (MOU) which was signed between the two parties. The ANC has already embarked on some party-to-party exchange programmes in Russia.

The ANC is in the process of reviewing its MOU with the Communist Party of China. The first delegation
of NEC members has embarked on a two-week Study Tour to China in early this year. There are other exchanges envisioned for 2015.

- The ANC has met a number of parties that have requested forging relations with the ANC. The ANC has also received request from parties it has relations with for strengthening these relations. Amongst these are CNDD-FDD Burundi, PNRF Libre Honduras, SDP Denmark, PAIGV Cape Verde, PAIGC Guinea Bissau, PDS Benin, PDS Niger, MLSTP Sao Tome and Principe and NDP Ghana, PPRD DRC, PCT Congo Brazzaville, LCD Lesotho, SPLM North Sudan, NCP Sudan, Workers Party of Korea, Netherlands Labour Party, FRELIMO, SWAPO, BDP Botswana, and Communist Party of Vietnam. Relations with progressive parties in West Africa and Latin America remain weak and the subcommittee is currently developing a strategy to establish relations with progressive forces in these areas.

- With regard to party-to-party relations with parties from the developed North, the ANC has to really to be more pro-active, and this will require financial resources.

- Apart from strengthening relations and reaching out to new friends, there are some serious questions we need to consider. Admittedly, the ANC is not and has never been a communist organisation. However, the ANC has always been anti-imperialist in nature and pro-working class. The need to define “progressive policies” is therefore imperative and urgent so that we know when we choose friends what criteria to look for. It does not help us that we are forced to embrace parties simply because we are affiliated to the same international organization.

- The next meeting of Secretaries’ General and Head of Organisations was scheduled in Maputo for 2014, to be hosted by FRELIMO, but due to the Mozambican and Namibian elections as well as the ZANUPF conference it has been postponed to 2015.

- An urgent meeting of Secretaries’ General was convened by CCM and hosted by the ANC in Johannesburg to process developments regarding the joint political school in 2014.

Former Liberation Movements

- The ANC continues to participate in the Former Liberation Movement meetings to strengthen and consolidate relations. The Secretaries-General meet twice a year and the Leaders meet once a year. The meetings take place on a rotational basis.

- The Leaders of the Southern African Former Liberation Movements (FLMs) met in February 2013 at Freedom Park in Tshwane. Their meeting was preceded by meetings of the Secretaries-General and the Wings/Leagues (Veterans, Women’s League and Youth League) of FLMs. The outcomes of the Leaders meeting were as follows:
  - In strengthening and consolidating relations the Leaders of FLMs adopted further strategies for the implementation of the project on the historical heritage of FLMs.
  - Agreed on working together in realizing the objective of building the FLMs political school in Tanzania, as it is an important initiative in retaining the legacy and heritage of our liberation. Significant progress on the building of the political school has been made in that funding has been obtained and land for the construction of the school has been allocated in Tanzania.
  - The Leagues/Wings in their meetings resolved on a number of issues that informs their common programme.
  - A meeting took place in Tanzania where the Secretaries General went to view the land donated by the Tanzanian government for the establishment of the joint political school. The meeting also agreed on the establishment of the technical committee, which will be chaired by the former Secretary General of CCM to work out the design, curriculum and building time frames for the school.

Building a Global Progressive Movement: Socialist International (SI) and the Emergence of the new “Progressive Alliance” (PA)

- Since the hosting of the XXIV Socialist International (SI) Congress the SI has undergone substantial reforms in its composition and representation. However, post-congress, a new entity, “The Progressive Alliance” has emerged led by European members of the SI. The move increasingly seems like an attempt to create a new organisation to replace the SI.

- In engaging the key proponents of the establishment of the PA on what defined it, we have been informed that it was a networking structure advocating for the transformation of SI.
The programmes and activities often reflect differently as being in direct opposition with SI. The PA has already established its headquarters in Leipzig. Thus far the PA has held meetings in Italy, Portugal, Norway, The Netherlands, United Kingdom and Germany as well as a meeting of the Africa Group coordinated by SDP Cameroon.

The ANC has agreed to meet with the key European Parties leading the PA as an attempt to convince them to do things differently and rather invest in ensuring that the full transformation of SI.

Secondly, these European parties have reduced their membership to observer status that implies a significant decrease in their membership fees contribution and this has put severe resource constraints on SI.

Our position as the ANC may put us in a precarious position as it may lead to our isolation – the Europeans are aggressively courting members on the Continent.

Socialist International (SI)

The ANC remains committed to the Socialist International despite the challenges faced by the organisation. The ANC has deployed representatives to the SI Presidium, SI Ethics Committee and SI Africa Committee namely: Comrade President Jacob Zuma as a Vice-President, Comrade Secretary-General Gwede Mantashe and Comrade NEC Member, Ebrahim Ebrahim as Deputy Chair, respectively. The deployees have been actively participating in the various meetings of the SI.

The last ANC representatives that attended the SI Council meeting in Mexico resolved that the format of SI meetings has to change if it is to be impactful and the ANC is in the process of working on a proposal in this regard.

There was significant progress in the SI Africa Committee and a call for reforms of the organization’s operations. The SI Africa Committee has appointed a Working Group to look into the proposed reforms made at the meeting in Tanzania in 2014 and there is already work in progress.

PILLAR IV:
Transformation and Global Governance

The ANC, through party-to-party meetings continentally and internationally, as well as its engagements in regional forums (Former Liberation Movements, SI Africa Committee, the African Left Network) and other international forums, advocates for UN Reforms, with special emphasis on reforms of the UN Security Council.

IMF and World Bank

The ANC continues to advocate for reforms of these institutions as part of our policy positions. However, in the same breath, the ANC supports alternatives to these institutions such as BRICS Bank and Alba-TCP, amongst others.

The International Criminal Court

The 53rd Conference resolved that as much “as the ANC does not condone impunity, authoritarian and violent regimes, it is concerned about the perception of selective prosecution of Africans and urges the ICC to also pursue cases of impunity elsewhere, while engaging in serious dialogue with the AU and African countries in order to review their relationship”; and called “on the United Nations Security Council (UNSC), which has referred some African cases to the ICC, to recognise the work done by the AU, its RECs and individual African countries to promote the peaceful end to and settlement of conflicts on the continent, the peace agreements signed and commitments made in regard to post-conflict justice.”

This has not happened. Instead the ICC has continued to attack African countries. In addition to this, the ICC arrogantly insists on African countries to execute ICC warrants of arrests which are not recognised by the African Union. South Africa was not spared by this arrogance when President Al-Bashir visited our country for the June 2015 Summit of the African Union to the point that the ANC decided on reviewing South Africa’s membership of this organisation.

In taking this decision, we reaffirmed our unwavering commitment to the protection and promotion of human rights on the continent of Africa and beyond. We further noted that South Africa, correctly, had been a vocal proponent of the establishment of the International Criminal Court.
We believed, as we still do, that an independent and objective instrument was needed to bring to an end the heinous crimes against humanity and the violation of human rights which were then very prevalent on the Continent.

We believed, as we still do, that those who committed such crimes must be prosecuted and punished by an impartial body empowered by international cooperation to defend the universal values of justice. The matter relating to the President al-Bashir therefore is of major concern to the African National Congress and we view the allegations levelled against him in a serious light.

It is our view however that the ICC has gradually diverted from its mandate and allowed itself to be influence by powerful non-member states. We perceive it as tending to act as a proxy instrument for these states, which see no need to subject them to its discipline, to persecute African leaders and effect regime change on the continent. It is being used as a court against Africa, deliberately oblivious to the fact that Africa countries themselves were vocal in their support for the necessity of such a mechanism, with for example, Senegal being the first country to ratify the Rome Statute.

South Africa was always a staunch supporter of the establishment of the International Criminal Court and one of the first signatories of the Rome Statute of the International Criminal Court. It remains committed to a system of international justice “to ensure that the most serious crimes of concern to the international community as a whole must not go unpunished and that their effective prosecution must be ensured by taking measures at the national level and by enhancing international cooperation.”

South Africa will continue to promote and encourage regional and international initiatives to deal with such crimes. We are a member of the Assembly of States Parties established by Article 112(1) of the Rome Statute of the International Criminal Court. We are also a member of the United Nations, the African Union and other international bodies. We take our international responsibilities and obligations very seriously.

South Africa is involved in peace keeping missions in many African countries such as the Democratic Republic of the Congo. South Africa is also actively involved in ensuring that the fragile peace process underway in Sudan and South Sudan holds, in the interests of the people of those sovereign states and other sovereign countries and the African continent.

South Africa has invested a great deal of her financial, military, technical and human resources towards achieving peace, security and prosperity on the African continent. The benefits of these investments are slowly being realised in the countries in which South Africa is active. These countries include Sudan and South Sudan.

Despite being a member of the Assembly of State Parties to the Rome Statute of the International Criminal Court, South Africa has to balance its obligations to the ICC with its obligations to the African Union and its obligations to individual states, including those in Africa, in terms of the international treaties which it has concluded.

South Africa notes that even Permanent Members of the Security Council which are not signatories to the Rome Statute on the International Criminal Court may participate fully in discussions on the ICC and referrals by the Security Council of a situation in a country to the ICC. Those countries have taken steps to ensure that their officials and military personnel will not be subjected to the jurisdiction of the ICC.

There is no national interest value for South Africa to continue being a member if the ICC. The manner that we were treated around the al-Bashir incident is consistent with the cheeky arrogance that Africa has experienced in its interaction with the ICC. Continuing to be in the ICC especially when the big powers who are calling the shots are themselves non members, gives it the legitimacy it does not deserve. The West dominates the ICC through the influence they command within its structures and the huge financial contributions they make to its budget. In return, they use the ICC as their tool for regime change in Africa.

Africa must build its own alternative to the ICC so that international crimes like genocide, war crimes and crimes against humanity, continue to occupy the attention of our continent. We must operationalise the African Court of Justice and Human Rights that will have a mandate to handle international crimes on our continent.

PILLAR V: Policy Development

The ANC continues to lead and guide government in policy development and implementation through national conference resolutions, among others. The details of these policy issues are discussed in detail under the Governance Component below.
The Draft White Paper will soon be tabled for discussion by ANC structures including the Sub-Committee.

Parliamentary Diplomacy
- The ANC continues to guide assisting parliamentarians deployed to international forums.

Business Code of Conduct
- We have not done enough work in this area; however the matter will be referred to the Economic Transformation Committee to integrate it into their work.

Economic Diplomacy
- The ANC should intensify its activism in this area. This must also include aspects of skills development in order to deal with the triple challenges of poverty, inequality and unemployment in South Africa.

National Development Plan and Vision 2030
The ANC has identified the following areas of International Relations that need to be realigned with the ANC’s International Relations policies as we promote a more radical approach to Internationalism on the continent and in the globe:
- Page 28 Paragraph 1 under demographics;
- Page 31 Paragraph 2 under a changing Global Economy;
- Page 32 Paragraph 3 under Africa’s development with greater focus on infrastructure development and industrialisation on the continent to facilitate the promotion of inter-continental movement and trade
- Page 33 Paragraph 1& 3 under Climate Change
- Page 237 Paragraph 4 under Integrate national institutions responsible
- Page 241 Paragraph 1 under Clarity on national interest
- Page 242 Paragraph 2 under Move from regionalisation...
- Page 244 Paragraph 1 under SADC & SACU
- Page 253 Paragraph 2 & 7 under South Africa in the word

Xenophobia
- The ANC and the ANC-led government continue to create opportunities for awareness programmes amongst South Africans regarding the international migration of people continentally and globally in order to create the necessary understanding and tolerance amongst South Africans towards particularly asylum seekers and refugees. These awareness programmes should be utilized to prevent any future xenophobic attack.

PILLAR VI: Campaigns

AFRICOM
- The campaign to engage all member state on the continent not to host these military bases continue; however, the question that should be posed is whether this is still preventable because in certain places on the continent AFRICOM has already established its footprint in the form of training soldiers and other newly devised mechanisms? The ANC has to deal with these realities and develop new strategies to take this campaign forward.

Africa Day
- The ANC observes that there is growing awareness about the importance of this day and that the AU anthem and flags are beginning to appear in SA institutions.
- ANC structures need to become more proactive in promoting this day, i.e. 25 May, every year, given its significance.

Mandela Day
- As we celebrate nature and content of former President Nelson Mandela, the ANC should continue to educate society principles and norms and values that Tata Madiba represented. ANC structures and ANC-led government continue to play an increasing role on Mandela Day. The day is celebrated across all 9 provinces in the 54
regions. We have also witnessed an increase in the celebration of this day in the international and continental arena.

Capacity building and Coordination as an extension of the POA

- **Capacity and work of the International Relations Department:**

  - The ANC should continue to transform the International Relations Unit into a full-fledged department as per the decision of the 53rd National Conference. There has been some progress in the Unit as some vacant positions have been filled. However, there is a need to establish an International Relations Institute to allow International Relations to have a stable funding stream to run our programme, develop policy, conduct research and broaden the scope and footprint of ANC IR work especially in the continent and the Global South.

  - Key capacity building tasks for the Department of International Relations and Cooperation are discussed under the Governance Component.

- **Alliance Programme on International Relations**

  COSATU and the SACP participate as full members in the ANC NEC Subcommittee on International Relations where they are able to share their programmes and raise areas requiring the ANC and ANC-led government’s intervention. Certain programmes between the ANC and its Alliance partners are coordinated together, especially those on international solidarity matters.

- **ANC Participation in International Organisations**

  The policies for ANC participation in international organisations is currently being drafted would soon be processed for consideration by the NWC and NEC.

- **Capacity and resources in the ANC, Government and South African Civil Society**

  - Inadequate and insufficient human and financial resources to implement ANC International Relations part of the organisational part of the POA remains order of the day.

  - The ANC NEC International Relations (IR) Subcommittee is in the process of relooking at the Unit’s organogram with the view to making a proposal for improvement. However, we must adhere to the resolution from conference to change the IR Unit into a fully-fledged department.

  - The speedy building of International Relations structures in Provinces would further assist in enhancing ANC IR capacity. When Provinces have a better understanding of ANC International matters in all their structures, the IR Unit would have gone a long way towards integrating IR work in ANC structures at all levels, to the branch.

  - Training of cadres in areas of language and understanding of International Relations issues is also imperative if the broader objective of the ANC is to be attained. COSATU has developed International Relations Practitioners Course with a course manual to train its representatives and affiliates deployed to this area. The ANC had participated in the first training course and should engage COSATU to allow more cadres to participate.

  - A broader organisation to have an annual political school on International Relations should be established.

  - Better Coordination between all structures of the ANC and the Alliance Partners, the Leagues and MDM structures would bring the ANC closer to attaining the goal of pro-activity in the global arena. Inclusive in this is also creating better coordination between the ANC and the ANC Parliamentary Caucus.

  - The partnering with “ANC-friendly” civil society groupings in certain projects in terms of the implementation of the POA would further improve the implementation of the ANC’s International Relations programme.

GOVERNANCE COMPONENT

The government’s foreign policy implementation overview must be seen as a reflection of our overall foreign policy journey, with a sharp focus on both what we have done in the past 20 years, as well as what still needs to be done in the next five years of the current administration. South Africa’s foreign policy finds expression from mutually reinforcing principles through the following pillars:

- Strengthening and prioritizing the African continent as a centrepiece of our foreign policy;

- Strengthening regional cooperation through a strong SADC;
Creating a strong South-South Cooperation with emerging countries of the south;

Enhance partnership with countries of the North in order to accelerate our socio-economic development; and

Participation in institutions of global governance to strengthen multilateralism, including the transformation of the global system and its institutions.

In the implementation of our foreign policy, these pillars remain critical in guiding our foreign policy actions for the benefit of our domestic priorities. Our domestic priorities are premised on the need to support South Africa’s National Development Plan (NDP). But how do we make use of our foreign policy engagements to support the NDP’s vision 2030 – that of creating a prosperous state where poverty, unemployment and inequality are a thing of the past? We do this by focusing on the following:

- Defending and advancing our national Interest;
- Enhancing our foreign policy development and implementation;
- Cadreship development;
- Agenda 2063;
- Strengthening the South;
- South Africa’s leadership in international organisations for the African Agenda and the transformation of global institutions; and
- International Solidarity.

National Interest

- Over the past few years, we have been trying to assert our national interest. National interests are by definition selfish. They are about how we must survive and prosper as a nation. Some are “core” like sovereignty and territorial integrity; and other are “secondary”. We have to constantly fine-tune the balance among our national interests, Pan-African obligations, and international commitments around a shared / collective vision of a better world.

- Our missions abroad have come to understand the great importance our country attaches to national interest – which our national interests come first. In the past 20 years, since 1994, our government has ensured that Ambassadors understand fully their various roles, and what they need to do in foreign land in order to advance our country’s national interests. We are convinced that today our Ambassadors understand our domestic priorities. This we also amplify through our annual heads of mission conference. This conference seeks to redefine our foreign mandate, and remind our Ambassadors of their role as representatives of the President. This becomes a great opportunity to reflect and take stock of diplomatic engagements with our partners, in the advancement of our national interest.

- We must continue to sharpen our concept of national interest as recommended in the NDP.

- Another important element in the enhancement of our national interest abroad is the creation of a strong economic diplomacy strategy. Some amongst the important elements underpinning economic diplomacy are as follows:
  - Market and brand South Africa globally;
  - Investment promotion;
  - Skills and technology transfer;
  - Promotion of joint ventures between South African and foreign companies; and
  - Tourism promotion.

- We believe in the importance of building national consensus on the core elements of our foreign policy. This consensus must be shared among all sections of our people and across political parties on non-partisan basis. In this regard, our government has made use of Public Diplomacy as a tool to enhance participatory democracy, communicating important messages to the public about matters of national interest. Our Public Participation Programmes (PPP) has proven to be effective in reaching out to the masses of our people, sharing what we do. Through our PPPs, we have since strengthened our relations with various key stakeholders such as NGOs, civil society organization, interest groups and the ordinary men and women of this country.

Enhancing our foreign policy development and implementation

In the conduct of our country’s foreign policy, South Africa constantly reviews its foreign policy and strategy in order to ensure alignment with the current global challenges. Our country recognizes that, in order to respond adequately to such ever changing global challenges, there is a need for a constant review of our
approaches. In this regard, the following actions are being undertaken:

- The White Paper on South African foreign policy - Building a better world: The diplomacy of Ubuntu is to be discussed within the ANC and will be served before parliament as well. The White Paper is intended to strengthen our foreign policy using the African philosophy of Ubuntu.

- The SA Council on International Relations (SACOIR) is being established to serve as a sounding board on our foreign policy and non-state input into what we do. This body, whose role will be advisory, is comprised of civil society representatives, business, academics and labour; and will meet regularly to help government in the development and implementation of our foreign policy.

- We are processing a Foreign Service Bill to address the peculiarities of the Foreign Service in our country. This is part of repositioning of our Foreign Service for its alignment with the future we envisage for our foreign policy through capacity development and constant renewal of personnel. The Foreign Service Bill will create a single foreign service for the country in order to end the current fragmented Foreign Service system, leading to improved efficiency, cost-effectiveness and enhanced service delivery.

- The National Development Plan enjoins us to strengthen our policy research capacity. This will be done, building on our existing policy research unit at DIRCO.

- We are establishing a Centre for Early Warning (CFEW) which will ensure proactive action and advisory, as we all as rapid response to conflict or disaster. This initiative is in keeping with the call by the African Union for the operationalisation of an African Capacity for Immediate Response to Crises (ACIRC) in order to redouble its efforts to detect potential conflict situations before they erupt. Given that the African Continent is our key foreign policy priority the Centre for Early Warning will give a sharp focus on Africa, ensuring that we receive information and advice well in advance about crises situations on the continent, and initiate interventions in order to prevent or limit the effects of these conflicts.

- The establishment of the South African Development Partnership Agency (SADPA) is in progress. The creation of SADPA will ensure more efficiency in the deployment and disbursement of South Africa’s development and humanitarian assistance.

**Cadreship development**

A strong foreign policy relies on a strong cadreship. After 1994, we deployed cadres at the former Department of Foreign Affairs, with others sent abroad to represent our country. Some of these cadres will be retiring soon and others are already retired. We therefore have to renew our diplomatic cadreship on continuous basis. The following are our actions in this regard:

- The Diplomatic Training, Research and Development (DTRD), that is responsible for training our diplomats, is being turned into a fully-fledged diplomatic academy.

- Our existing internship and cadet programme has been consolidated into a Johnny Mkhathini Ubuntu Diplomatic Corps to improve its outcomes and impact.

- Training and internship must be based on a progressive curriculum and training programme that is rooted in ANC politics and revolutionary teaching.

**African Union (AU) Agenda 2063**

- Africa has undoubtedly transformed from where it was in 1963 when we formed the Organisation of African Unity (OAU) to lay the foundations for the African Union we are proud members of today.

- South Africa’s foreign policy is driven by the vision to achieve an African continent that is prosperous, peaceful, democratic, united and assertive in defence of its interests in world affairs. This is in line with Agenda 2063.

- Agenda 2063 will impact SADC, especially the pace and direction of the integration of our region. Our approach to the SADC region must therefore aim at consolidating bilateral relations with our neighbours, and strengthening SADC as an institution. In particular, we must:
  - Strengthen regional integration in our SADC neighbourhood by discharging our responsibilities towards the full implementation of our Free Trade Area and concluding the current review of the SADC Regional Indicative Strategic Development Plan. The SADC-EAC-COMESA tripartite trade negotiations must reach finality as they are an important step towards the realization of the African Free Trade Area by 2017.
  - Peace and political stability in our region will remain a priority. We are encouraged by the
proactive and stabilizing effect that resulted from the deployment of the SADC Intervention Brigade in the Democratic Republic of Congo where the negative forces there are either on retreat or have been defeated. In this regard, we have operationalised the Tripartite Agreement between South Africa, Angola and the DRC in support of the Peace and Security Framework Agreement for the Great Lakes Region.

- We will galvanize political support for major infrastructure projects in our region, notably the Lesotho Highlands Water project Phase II, and the Grand INGA in the Democratic Republic of Congo.

- For the rest of Africa, in the context of Agenda 2063, we must:
  - Continue to strengthen bilateral relations with African countries through structured bilateral engagements to advance South Africa’s interests throughout the continent;
  - Intensify our work in supporting the African Union, including the AU institutions we host; namely, the NEPAD Secretariat, Pan-African Parliament and the African Peer Review Mechanism headquarters.
  - Strengthen Economic Diplomacy to increase trade and investment opportunities for South Africa;
  - Give dedicated attention to the North-South Corridor, and other NEPAD-driven Infrastructure Projects on the Continent championed by South Africa;
  - Ensure speedy provision of Humanitarian assistance where needed to alleviate human suffering on the continent;
  - Implement the African Diaspora programme adopted at the AU Summit we hosted in 2012;
  - Continue peace-building and conflict prevention efforts in conflict situations in support of multilateral institutions; and
  - Re-invigorate our Post-Conflict and Reconstruction and Development strategy in African countries emerging from conflict.

- The African Union Peace and Security Council celebrated its tenth anniversary, and we look back with pride at what it has achieved. South Africa has assumed its two-year membership of this organ which will be used to focus on the restoration of constitutional order in the Central African Republic, and stability in the DRC, Libya, Somalia and South Sudan.

- The operationalisation of the African Peace and Security Architecture remains a critical element in providing the African Union with the necessary capacity to respond to our challenges of peace and security. The establishment of the African Capacity for Immediate Response to Crises (ACIRC), championed by South Africa, is an interim mechanism to enable the African Union to respond to emerging security situations while the African Stand-By Force is being operationalised.

- Overall, peace and security challenges in Africa fall into the following categories:
  - Political instability like in Lesotho;
  - Full scale civil war like in South Sudan;
  - Rebels and other negative forces like in the DRC;
  - Unconstitutional change of government;
  - Secessionist movements like in Mali; and
  - The scourge of religiously motivated acts of terrorism.

- Our role as South Africa is in preventive diplomacy to prevent a potential conflict from developing into a conflict; mediation like we are doing now in Lesotho; peace keeping; peace enforcement like we are doing in the DRC as part of FIB/MONUSCO. South Africa is fully seized and part of the continental campaign to silence the guns once and for all.

**Strengthening the South**

- It is generally accepted that the international balance of forces are gradually shifting in the direction of the countries of the South. South-South Cooperation is important in South Africa’s foreign policy architecture. Our approach to South-South Cooperation is anchored on South-South forums like the BRICS, IBSA and FOCAC and multilateral bodies such as the NAM and the G77 plus China, as well as the network of bilateral relations we have established with countries of Asia and Middle East, and Latin America and the Caribbean. The key elements of this cooperation are the promotion of political and diplomatic relations, enhancing trade, investment and other economic relations, and collaboration on global issues for a better world.

- The 6th BRICS Summit hosted by Brazil reaffirmed our core vision to bring about a more democratic, multipolar world order. South Africa, as the previous Chair, successfully brought to fruition all the key
outcomes adopted at the 5th BRICS Summit. As such, in Brazil, the Agreement establishing the New Development Bank and the Treaty for the creation of the BRICS Contingent Reserve Arrangement were signed.

- SA leadership in international organizations for the African Agenda and the transformation of global institutions

- How SA exercises leadership in international organizations must have four elements to it, namely:
  - The election of South Africa to strategic structures and strategic positions in international organisations;
  - Deployment of South Africans in strategic positions;
  - South Africa championing and leading in a strategic issue of global significance in international organisations; and
  - South Africa hosting strategic international meetings, including playing a leadership role in ensuring that such meetings produce a progressive outcome.

- Reform of the structures of global governance, including the United Nations Security Council, must remain a key focus, including on how to ensure that the African Common Position, known as the Ezulwini Consensus, advances the reform of the UN. South Africa’s multilateral activities are inextricably linked to South Africa’s own domestic priorities and those of the African continent. In this regard, the following are the key priorities:
  - Two critical negotiations will reach their conclusion in 2015; and these are the United Nations Framework Convention on Climate Change (UNFCCC) on the basis of the Durban Plan for Enhanced Action agreed at COP17/ CMP7; and the Post-2015 Development Agenda. We will continue to call for the acceleration of efforts and resources to ensure the achievement of the Millennium Development Goals (MDGs) up to 2015 and beyond.
  - On sustainable development, a key process emanating from Rio+20 was to recommend to the United Nations General Assembly a set of possible Sustainable Development Goals (SDGs). The process to develop these goals has concluded with South Africa’s robust participation.
  - On the Post-2015 Development Agenda, which emanates from the MDGs, South Africa is active in the intergovernmental processes taking place within the United Nations where all nations participate on an equal basis to craft the successor goals to the MDGs, and informed by Rio Principles, in particular the principle of Common but Differentiated Responsibilities. We are informed by the African common position whose essence is that the global post-2015 Development Agenda must give adequate attention to: “the development of productive capacity underpinned by value addition, technology and innovation, and infrastructure development; people-centered development with a particular emphasis on youth empowerment and gender equality; natural resources and disaster risk management in the context of sustainable development; peace and security; and a truly inclusive and transformative global partnership.”
  - Continue to fight for the Durban Legacy that came out of the 2001 World Conference against Racism that we hosted in Durban. The implementation of the Durban Declaration and Programme of Action is far from satisfactory.
  - In the G20, South Africa – also a Co-chair of the G20 Development Working Group (DWG) – continues to address development bottlenecks and help developing countries achieve growth.
  - South Africa will continue to insist that as much as work is being done on non-proliferation, the issue of disarmament also requires progress and movement in the context of the alienable right of states to the peaceful uses of the atom.

**International Solidarity**

- International solidarity will continue to inspire our approach to world affairs. As such, we support the struggle for the right to self-determination of the people of Palestine and the Western Sahara. The economic embargo on Cuba has to be lifted.

- Cuba is an established strategic partner of South Africa in Latin America and the Caribbean and both countries continue, in a programmatic and systematic manner, to work towards the attainment of their respective foreign policy objectives. The year 2014, marks 20 years of fruitful relations with Cuba. Ties of culture, history, shared struggles and common aspirations, join Cuba to South Africa and the Continent of Africa. There are over 30 (thirty) signed bilateral agreements in place between the two countries covering vast
areas of cooperation for example arts and culture, defence, education, science and technology, health services, housing as well Home Affairs. The Joint Consultative Mechanism (JCM) and the Joint Bilateral Commission (JBC) are the two main instruments utilised by the two countries in the conduct of bilateral and political relations.

- South Africa reaffirms its solidarity with the people of Western Sahara in search of their right to decolonisation and self-determination, through a UN supervised referendum with the option of independence.

- Our history and support for the Palestinian struggle for freedom is one that is also linked in our historical and shared struggles. Our own history of Apartheid therefore demands that as South Africa we are required and morally obliged to support the Palestinian fight for freedom, equality and the right to self-determination. As part of South Africa’s contribution to international diplomatic efforts towards the resolution of the Palestinian-Israeli conflict, President Zuma appointed Comrades Zola Skweyiya and former Mr Aziz Pahad as Special Envoys to the Middle East to convey his grave concern over the then escalating violence, the civilian displacement and the deterioration of the humanitarian situation in the Gaza Strip. The Special Envoys have travelled to the region including Palestine, Israel, Egypt, Qatar, United Arab Emirates, Iran, Turkey and Saudi Arabia to convey the President’s message of concern. President Mahoumed Abbas paid a historic State Visit to South Africa. South Africa has pledged US$1million towards humanitarian assistance in Gaza.

- South Africa supports the International Year of Solidarity with Palestine (2014) as declared by the UN. South Africa’s commitment to the question of Palestine, together with this UN declaration, formed part of South Africa’s consideration for hosting the Palestinian Heads of Mission Conference in Cape Town, as well as the Palestinian Solidarity Conference held on 2 May 2014.

6. CONCLUSION

- A discussion of South Africa’s international relations is incomplete without a reflection on the leadership role that is expected of us on the continent and globally. However, our sense and approach to such leadership must not be that of a bully or hegemony, but a member of a collective. We must lead in the following ways:

  - By asserting the independence of our foreign policy; taking positions that are principled and correct.
  - Speak out on African issues to defend our continent and collective interests.
  - Champion progressive issues.
  - Stand up for justice in the world.
  - Our leadership must be political, not mechanical, driven by collective and shared interest, not by selfish interests.
QUESTIONS

SELECTED QUESTIONS THAT THE ANC CADRE SHOULD CONSIDER FOR DISCUSSION IN PREPARATION FOR THE 2015 NGC

1. Our foreign policy and practice must reflect our understanding of national interests, balanced with our pan-African and south solidarity and broader international cooperation. What precisely does “national interests” mean in the pursuit of our international agenda?

2. The African Union has adopted the Agenda 2063 framework document – “The Africa We Want”. What mechanisms can we use to domesticate Agenda 2063 for all South Africans; and how do we popularise it so that South Africans take ownership of Agenda 2063?

3. South Africa is one of the founding countries of the New Partnership for Africa’s Development (NEPAD), which the ANC played a critical role in formulating and championing, to the extent to which the NEPAD Agency is located in Midrand. Is it important for the ANC once again to lend its voice to the promotion of Africa’s development programme, and if so how? Given that South Africa’s intra-African trade is universally low in comparison to, to other regions of the world, what can be done to both strengthen and deepen intra-African trade in the coming years so as to ensure that regional integration becomes a reality?

4. We are in a period of moving from the (largely unachieved) MDGs to the Post-2015 development agenda and sustainable development goals (SDGs), of which there are currently an unwieldy 17 potential goals listed and being negotiated. What is important for Africa when we discuss sustainable development? How can we ensure that the Africa Common Position on the post-2015 development agenda has pride of place in the SDGs?

5. What is the significance of the BRICS to the international balance of forces? How important is the decision of the establishment of the New BRICS Development Bank and the establishment of the first regional office in South Africa?

6. The reform of the UN system and the global governance architecture more broadly is a matter of global fairness and justice. Is it time to think more broadly about South Africa’s formal positions (for example the Ezulwini Consensus, amongst others), in order to ensure that the reform process comes to fruition?

7. In 2008 and most recently, we saw an explosion of “xenophobic” violence (attack on foreign nationals), in South Africa. What could be the causes and the how can the ANC address and respond to these challenges on the matter?

8. The rise of terror groups on the African continent and the Middle East present a dual challenge of local grievances combined with international strategies and allegiances. How do we understand the root causes of these terror groups with a view to combat these threats in the long term?
1. The period between the fifteen and nineteenth centuries saw the rise of the phenomenon of imperialism and colonialism throughout the whole world. An epoch characterized by heightened forms of struggle by our people in the former colonies and semi colonies against colonial territorial conquest and dispossession.

2. Throughout this epoch the role of the conquered territories within the imperialist and colonial system has been to supply raw materials to the industries of the industrial metropolis and to provide a market for the manufactured goods from the metropolitan industries.

3. Therefore the scramble for territorial conquest and dispossession of our people in the former colonies and semi colonies has been part of the worldwide phenomenon of imperialism and colonial expansion. In the African continent and our own country, the wave of territorial conquest and dispossession gave impetus to the subjugation of many African Kingdoms and Chiefdoms.

4. The 1884 Berlin conference was a historic event of a far-reaching political significance, which altered the course of the development of human race. It provided a platform for the world superpowers to partition many parts of the underdeveloped world, including our own continent, for the purposes of serving the political and economic interests of the colonial powers.

5. It was during this period of history that European voyages of exploration and expedition sailed throughout the world to expand their sphere of influence and socio economic hegemony. This was a moment in the development of imperialism and colonialism, when for the first time in history, the world-renowned explores Christopher Columbus and Vasco Da Gama reached the shores of the Americas and the East Indies respectively.

6. The tidal wave of the movement for the scramble of the world was accompanied by the cruellest forms of human rights violations, which forced millions of the indigenous people into commodities of the lucrative slave trade. The world was a witness to the massive disintegration of its population perpetuated by the colonial powers into the acrimonious world of slavery.

7. Millions of our people throughout the world endured atrocities as they faced the adversity of the scramble by the forces of imperialism and colonialism. Many of our people in the former colonies and semi colonies were conquered mainly because of lack of sophisticated weaponry.

8. Barbaric acts of genocide led to the extermination of millions of the indigenous people of the world. Millions of our people were forcefully imported from the African continent to work as slaves in most of the countries in the American hemisphere.

9. In our own country, millions of people from India, Malaysia, Indonesia, Madagascar, and many other islands in the East Indies, were forcefully imported to work as slaves in the Cape colony and Natal. Historical records prove that many of the enslaved people across the world died of hunger and disease in the slanderous hands of the colonial masters.

10. As a result of the strategic geo political location of the Cape colony, the Dutch East Indian Company instructed Jan van Riebieck to establish a refreshment station at the Cape in order to provide voyages of ships to the East Indies with fresh food and water.

11. The establishment of the refreshment station at the Cape was a turning point of fierce struggle by our people against the forces of imperialism and colonialism. Like many other people of the world, the indigenous people of our country found themselves having to wage struggle against intrusion, territorial conquest and expansion by the colonial masters.

12. At the same time the strategic location of the Cape colony and its prospective influence on the world map, exacerbated tensions between the Dutch and the British colonial powers. This
13. The movement of the Voortrekkers into the hinterlands sparked a wave of frontier and tribal wars across the breadth and length of our country. The scramble for the dispossession of land and livestock led to wars, which dominated the South African political scene for centuries to come.

14. The contradictions of the colonial interest between the Dutch and the British colonial administrations led to the establishment of the first Boer republics of the Transvaal and the Orange Free State.

15. These contradictions steered the Afrikaner nationalism, which was against the domination of the British administration and the struggle for the control of the economy after the discovery of gold and diamond that led to the outbreak of the Anglo Boer war.

16. The catastrophic war between the Afrikaner and English-speaking people led to the total destruction of the entire socio economic base of the Afrikaner community. The war indeed became one of the major contributors to the poor white problem immediately after the establishment of the Union of South Africa.

17. After the most destructive battle between the English and the Afrikaner speaking people, protracted negotiations led to the peace treaty of the Vereeniging in the year 1902. The thrust of the negotiated settlement was fundamental towards the establishment of the Union of South Africa under the British dominion.

18. The formation of the Union was a catalyst towards the systematic segregation of the vast majority of the black people of our country from the political and socio economic decision-making processes. The black majority was marginalised from becoming meaningful participants and architects of the birth of the Union of South Africa.

19. The participants at the peace treaty of Vereeniging rejected the inclusion of the non-racial franchise clause in the draft constitution of the Union of South Africa. The unfolding events prompted the black people of our country to forge for a formation of a political movement that would champion the wishes and aspirations of the majority.

20. The peace treaty of the Vereeniging was the main architect of the formation of the union of South Africa. The strategic desire was to find common grounds to unite both the British and the Dutch colonial interests against the black people who constituted the majority of the population in our country.

21. The painstaking event saw the forebears of our movement resonating with the defeated African Kingdoms and Chiefdoms, as well as other enlightened sections of our society from the western missionary education, to demand for the inclusion of the African people in the formation of their nation state. It was the culmination of these episodes of historical events, commencing with the conquest and dispossession of our African tribes by the colonial settlers, to the last horrendous subjugation of the Bambatha Rebellion, with the establishment of the Union of South Africa in 1910 that led to the formation of the ANC in 1912.

22. Unity of purpose amongst the sections of Africans from various persuasions, including those from our neighbouring countries, saw the need for the formation of a political movement, which will take forward our struggle against imperialism and colonial domination.

23. The period before and after the formation of the Union of South Africa saw various deputations, presentations and petitions to the British Queen, urging her to persuade our white compatriots to include the black majority into the political decision making processes. This is indicative of how our movement understood the importance of diplomacy and peaceful means of resolving the political problems in our country, at its most embryonic stage of development.

24. In 1917 the victory of the Bolshevik party in Russia ushered in the triumph of the great October socialist revolution that was the momentous epoch making the event that saw the establishment of the first ever-socialist state in the history of mankind.

25. The great October Socialist Revolution was an outstanding historical event of our modern times. It marked a decisive turning point in the struggle of the people of the world against imperialism and colonialism.
26. The victory of the great October socialist revolution became an epicenter of struggle of the people of the world to fight against imperialism and the emancipation of the colonised people. It became a political instrument to formulate the principles, strategies and tactics of the working class struggle nationally and internationally.

27. One of the most important questions before the world communist movement was its dialectical relationship with the nationalists’ movements of the oppressed people in the colonies and semi-colonies. The role and contribution of the Communist movement towards the liberation of the people of the world from the bondage of imperialism and colonial domination.

28. In 1928 the Communist international instructed all Communist parties of the world to establish relationships with nationalist movements in the colonies and semi-colonies. Communist parties were instructed to work with proletarian parties in the colonies and semi-colonies, providing moral and material support to the cause of their struggle against imperialism and colonialism.

29. As early as 1915, the leadership of the international socialist league in South Africa was already grappling with the most important question of internationalism and solidarity. The departure point was that internationalism should not only aim at unity with the Russian, Italian, and German Social Democrats, but also to embrace unity of all sections of the working class in South Africa, Black and White. They argued strongly that internationalism, which does not concede the fullest rights, which the native working class is capable of claiming, would be a sham.

30. The presidium of the sixth congress of the second international in 1928 characterised the South African situation as a British dominion of a special type. This was premised out of the most profound analysis that the character of the South African economy was such that the British imperialism occupied the principal positions of our economy with the participation of the South African white bourgeoisie.

31. In other words the British imperialism carried the economic exploitation of our country with the involvement of the white South African bourgeoisie. The oppressed people of our country did not only suffer from capitalist exploitation and colonial domination, but also from racial discrimination.

32. As a consequence, the sixth congress of the international made a clarion call for the establishment of an independent native South African Republic, as a stage towards workers and peasant republic with full and equal rights for all races. A correct theoretical preposition of our understanding of the national democratic revolution.

33. From the beginning, our struggle for national liberation has been shaped and influenced by the revolutionary principles and traditions of internationalism and solidarity. Our struggle for national liberation has always assumed an internationalist character.

34. Inspired by the traditions of internationalism and solidarity, the ANC has always mastered the theoretical grasp that the struggle of the people of our country is part of the struggle of the people of the world. That our struggle is essentially about the liberation of our people against imperialism and colonial oppression and exploitation.

35. The forebears of our national liberation movement recognised that the struggle against imperialism and colonialism in South Africa was tantamount to the defeat of colonialism in Africa and the rest of the colonised world. Hence, they were enthusiastic to join the international progressive forces in the fight against imperialism and colonialism.

36. The posture of the ANC on internationalism emanates from the period as early as the turn of the last century. Before the formation of the South African National Congress, Cde Pixley ka Seme took public platforms against imperialism and colonialism, calling for democracy and renewal of Africa in public speeches and publications.

37. It was in that context that in 1927 Cde President Josia Gumede attended the Anti-Imperialism conference in Brussels as the delegate of the ANC. The conference demanded the complete overthrow of imperialism and capitalist domination, the protection of freedoms of speech and assembly, and that the right to education to be extended to all peoples.

38. On his return from Moscow in 1928 Cde President Josia Gumede said “I have seen the
new world to come, where it has already begun, I have seen a New Jerusalem”. In his Presidential address to the congress of the ANC in 1930, he said “Soviet Russia was the only real friend of all subjected races and I urge congress to demand a South African native republic with equal rights for all and free from foreign and local domination”.

39. The birth of the South African Communist party and trade union movement also helped to infuse into our struggle body politics that was hitherto dominated by African nationalism, a new ideological perspective informed by the scientific revolutionary Marxist Leninist theory.

40. This again further engraved the South African liberation struggle into internationalism, highlighting the importance of solidarity to ensure furtherance of the local and international struggle for the common values of freedom, equality, democracy, peace and development.

41. The events that were to follow the various strikes in the South African mines after the end of the First World War and the reliance on South Africa's manufactures during the Second World War, helped us simultaneously to graduate from mere mining and agriculture into a manufacturing economy.

42. This had its own consequences, as the working class grew quantitatively and so did its high level of political consciousness. Our scientific Marxist Leninist revolutionary theory continued to play its pivotal role as a guiding tool of our struggle.

43. Throughout the years of our struggle, the leadership of the ANC has been committed to a revolutionary transformation of society. The ANC collaborated with other progressive forces galvanising them into mass campaigns, in defiance of oppressive colonial and Apartheid racist laws.

44. In 1941 the ANC galvanised the African people to join the Allied Forces into a war against Hitler, as a symbol of our struggle against the tide of racist supremacy and fascism in the world. It was done in earnest with the full hope that by the end of the war, the world powers would work towards the achievement of peace and common friendship amongst the nation states.

45. The ANC crafted the African Claims document whilst the Allied Forces prepared for a Summit in Malta scheduled for 1943 to detail the expectations of the colonised people of South Africa and elsewhere. It hoped that the Summit outcomes would reflect these aspirations, but it would not, thus causing the movement to pin its hope on the solidarity of the newly independent states in the struggle for a new world.

46. Indeed, in 1955 there was the first gathering of forces of the global south, the Non-Aligned Movement's (NAM) conference in Bandung, in which the ANC participated in shaping what, would be known as the World Progressive Movement. A movement committed to non-alignment in the cold war; non-proliferation of nuclear arms; non-interference in domestic affairs of countries; a peaceful resolution of conflicts; and the right of all nations to determine their own path, form and content of development.

47. Our movement facilitated the historic congress of the people that adopted the Freedom Charter in the year 1955. During this historic gathering, our people included in the charter, the idea of a “free and a better world for all”.

48. It is the freedom charter that informed the idea of a free and a better world “There shall be peace and friendship”.

49. Our moral standing on these basic tenants for freedom and equality, especially in the face of racism and bigotry, ensured that progressive people around the globe, even in colonial powers, supported the South African struggle for freedom and democracy.

50. It is important to note that the Freedom Charter was built on the 1943 African Claims Document, as well as in the spirit and letter of the Universal Declaration on Human Rights by the United Nations. This was the blue print of the social, economic and political values that were espoused by the whole of humanity post the Second war period.

51. Where the Universal Declaration on Human Rights was antithetical to the World War, the Freedom Charter was antithetical to apartheid’s hegemony in South Africa.

52. On the international centre stage, the ANC made various representations to the United Nations, calling for its intervention against Apartheid South Africa. It was for this reason that in 1966 the UN General Assembly declared Apartheid as a crime against humanity.
53. This created the necessary momentum for the countries of the world to isolate South Africa on the basis of violation of fundamental human rights. The campaign was centered on mobilization of the world for political, economic and diplomatic isolation of the Apartheid South Africa.

54. The ANC pushed for a strong international solidarity against apartheid, resulting in the establishment of anti-apartheid movements in all regions of the world. There was a great intensification of the mobilization of ordinary people, students, and the trade union movements, and middle class, faith-based organisations to support the struggle of the oppressed in South Africa. This helped to build a global and non-racial movement against apartheid racial chauvinism.

55. As evidenced by ANC President, Chief Albert Luthuli’s Nobel Peace Prize in 1958, the struggle for South African independence became the centre-stage of the international struggle for the liberation of Africa. The ANC would also occupy the centre of the major political discourse on the liberation of Africa during the independence years.

56. The ANC also co-operated with the broader struggle against colonialism in Africa, recognizing that the struggle in South Africa was a part of the broader pan-African struggle for liberation. When the Organisation of African Unity (OAU) was established the ANC fully participated.

57. It recognised the OAU as a strategic platform to mobilize the continent against the apartheid state and former colonial powers which sought to divide the anti-colonial struggle. It suffices to elucidate that President OR was given a status of the head of state at all OAU meetings.

58. The political leadership role of the OAU was fundamental in contributing towards the liberation of most of the African states. The OAU went to an extent of establishing a liberation committee, which provided moral and material support to national liberation movements still waging struggle against colonial powers.

59. The OAU liberation committee was instrumental in assisting most of the liberation movements to defeat the unholy alliance between Portuguese and white South African colonialism in the Southern African region. In Angola, Zimbabwe, Mozambique, Namibia, and South Africa.

60. Many countries in Africa, particularly Southern Africa, paid a heavy price in the destabilisation campaigns by the apartheid state and its allies using brutal military and economic measures to subvert the struggle led by our national liberation movement. Frontline states, which provided refuge for ANC cadres were invaded and destabilised, and their economies blocked by the apartheid regime.

61. The Matola raid of 1981 in Mozambique, the Maseru raid of Lesotho in 1982, the Gaborone raid in Botswana in 1985, attacks on ANC Headquarters in Zambia and other attacks and assassinations in Zimbabwe and Swaziland, and many other parts of our continent and the world.

62. The battle at Cuito Cuanavale by the combined forces of the Russian, Cuban and the Angolan Military, and the units of the military wings of the SWAPO and ANC against UNITA and the South African Defence Force, cannot be forgotten for how it tilted the balance of forces in our country, the Southern African region, the continent and the world.

63. Even though the whole period spanning the Cold War era resulted in intransigency by western countries over apartheid, ordinary people and various important social figures took stances against apartheid in solidarity with the liberation struggle led by the ANC. A number of international platforms were in support of the ANC struggle for liberation, apart from the OAU.

64. Some of the European and Scandinavian countries that were led by social democrats aligned to the Socialist International also assisted us morally and materially. Artist such as the famed Bono also took a stance against apartheid, helping organize the Release Mandela concerts in places such as London.

65. We will forever remember the courage, the tenacity, selflessness, and heroic contribution by some of the outstanding world statesmen such as the Swedish Prime Minister Olof Palma who sacrificed for the noble cause of the struggle for the liberation of our country.

66. The President of the ANC Cde OR Tambo had to say the following after his assassination: “The murderer’s gun that fired the fatal shot was aimed directly against the ANC and our people as well.”
67. Our campaign for the mobilization of the international community gathered so much attention that by the late eighties the ANC had 20 diplomatic representative offices in Africa, 14 in Europe, and 4 in the North America and the Asian countries respectively. Our movement essentially had more international diplomatic presence than the apartheid regime.

68. Today our democratic government led by the ANC has the presence of the diplomatic after the USA. We are the second biggest for obvious that the city of New York, is the host of the UN General Assembly.

69. More importantly our struggle was interwoven with the international cause for the promotion of the values enshrined in the Universal Declaration of Human Rights. As a result many African countries adopted the ANC struggle anthem “Nkosi Sikelela I-Afrika” as their national anthem post-colonial independence.

70. With this enormous international support, the ANC was able to protect our struggle from the enemies of our revolution. Thanks to the profound and tireless exemplary collective leadership of President OR Tambo.

71. We should also contextualise the period of our armed struggle from the perspective of internationalism and solidarity. Our armed struggle was to be unthinkable without the moral and material support of the international community.

72. Many countries of the world became second homes to the leadership of the movement banished into exile by the racist apartheid regime. This interconnection of solidarity made the people of the world the integral part of our struggle for freedom and equality.

73. The process of negotiations in the late 1980s was a culmination of intense pressure from our people and the international world. Thanks to the visionary leadership of our movement for making the world understand that the Apartheid regime was a crime against humanity.

74. The collapse of the Berlin wall and socialism in the Soviet Union and Eastern European States influenced our transition towards the negotiated political settlement in our country. The cause of events in the world changed tremendously in favour of the US led imperialism.

75. At the same time the unbanning of our national liberation movement and the release of our political prisoners was the victory of the struggle of our people and the world. The 1994 democratic breakthrough was indeed a celebration of the struggle of the progressive world movement.

76. The adoption of our democratic constitution with the fundamental bill of rights symbolised the cause of our struggle for freedom and equality to the people of the world. Our constitution borrowed heavily from constitutional experiences of various countries, again highlighting our social, economic and political values as integral to the rest of the world.

77. The struggle led by the ANC is rooted in internationalism and solidarity. Our common vision is to build the world of peace and tranquility. We want peace in the Middle East, in the Great lakes, Sudan, Palestine, Libya, Somalia, and many other parts of the world.

78. From the roots of its historical formation, the ANC firmly believed that our cause for national liberation would achieve its objectives, when all its formations, including the women and youth, continue to occupy the forefront tranches of our struggle. Our youth and women formations made tremendous contribution towards the isolation of the racist Apartheid regime both domestically and internationally.

79. The aftermath of the formation of the Women’s International Democratic Federation after the Second World War, saw Cde Helen Joseph and Lilian Ngoyi, representing South African women in general and ANC women in particular, in all conferences organised by the federation. This added the voice of the ANC in its struggle against colonialism and imperialism internationally.

80. As a result, the ANC Women’s Section – as it was known during the years in exile, represented the women of the continent in both the Bureaus and Secretariat of the WIDF until the end of the cold war in Berlin where it was headquartered. Subsequently the headquarters were moved back to Paris in France.

81. It is important to mention that the ANC Women section was a founding member of the Pan African Women’s Organisation (PAWO), the organisation that preceded the formation of the Organisation of African Unity (OAU).
82. Through PAWO the ANC Women Section was able to highlight the challenges facing the South African people. It was able to highlight the problems of triple oppression confronting the women of our continent.

83. Throughout the history of our struggle, the ANC youth league participated in youth and student organizations across the world. As member of the World Federation of Democratic Youth (WFDY) and the International Union of Socialist Youth (IUSY), All Africa Student Union (AASU), the ANCYL brought to the attention of the international community the plight of the struggle of the people of our country.

84. It is equally important to bring to the fore the most important question that the ANC was also inspired by Pan African movement which emerged at the turn of the 20th century. Alongside conferences of the communist international in the period between world wars, ANC leaders also attended some of the 7 Pan-African Conferences that knitted together a pan-African internationalist agenda around rights of the oppressed, mostly black people, solidarity, anti-imperialism, the land rights, unity of Africa and reform of international political economy.

85. This is why ANC’s internationalism is anti-imperialist and pan-Africanist in its outlook. Without this acknowledgement, this commitment to African Renaissance that Pixley ka Seme well articulated in 1906, which Albert Luthuli and OR Tambo and also Thabo Mbeki constantly emphasized, becomes incidental rather than fundamental to the evolution of ANC’s internationalism.

86. Internationalism and international solidarity has been an important political pillar in the history of our struggle for freedom and equality. The ANC always understood that our struggle is an integral part of the worldwide struggle against imperialism and colonialism.
INTRODUCTION

The ANC’s international relations policy is informed by the Freedom Charter “there shall be peace and friendship” and bases its international relations on forging relations to carry forth its vision of attaining a better Africa and a better world that is humane, just, equitable and free. The ANC’s International relations further moves from the premise that its foreign policy is an expression of the domestic policy. Therefore, the ANC, in pursuit of its international relations objectives aspires to ensure peace on the continent and the globe while pursuing South Africa’s national interests. However, South Africa’s national interests is not narrowly focused on South Africa but includes ensuring peace, stability and development through working collectively with political parties, progressive organisations and progressive individuals and governments of countries, towards the development and progress of the people on the African continent.

To ensure that international relations work is focused the ANC International Relations Programme of Action (POA) is based on six pillars namely:
- Building a better Africa and World inclusive of peace building, post-conflict reconstruction and development
- Continental and International Solidarity
- Party-to-Party, Intra-party and Multiparty Relations
- Transformation of the Global Governance
- Policy Development Issues
- Campaigns

As mandated that all ANC NEC Subcommittees should focus on the main theme of “Jobs, economic growth and youth development” for the ANC’s NEC Lekgotla, the contribution from the ANC NEC on International Relations is as follows:

JOBS AND ECONOMIC GROWTH

At the ANC 53rd Conference we adopted the document “The second phase of transition from Apartheid colonialism to National Democratic Society” in which it emphasizes the following; “should be characterised by more radical policies and decisive action to effect thorough-going socio-economic and continued democratic transformation, as well as the renewal of the ANC, the Alliance and the broad democratic forces”. In the light of this shift in emphasis, we need to reiterate that ANC and government was mandated to implement Economic Diplomacy in South Africa as stipulated by the International Relations resolutions of the 52nd Conference below:

“Conference noted the advent of democracy has created new opportunities for South African business both in Africa and in the world, particularly in retail, mining, construction, engineering, bank services, communications services, agriculture, agri-processing etc.

It further noted that this opportunity whilst welcomed brings it new challenges in the relationship between South Africa and other African countries. Therefore:

The conference endorses the idea of strengthening economic capacity in South African embassies to assist South African businesses to gain access to available business opportunities abroad and on the continent; at the same time to encourage African countries to engage in intra-African trade and take advantage of positive economic developments on the continent. This will encourage trade and investment amongst African states and in the South, thus supporting national and continental interests, and further resolves that:
- The ANC, through government, should ensure that the intensification of economic diplomacy leads to changes of colonial patterns of economic relations, and creates possibilities for equitable and balanced North-South relations, transformation and beneficiation of African natural resources, sustainable flows of Foreign Direct Investment (FDI), and market access for products from the South to generate employment, and contribute to poverty eradication.”

Therefore, South Africa’s Economic Diplomacy should be accelerated to ensure that job creation benefits both locals of the countries of which South African businesses operate as well as create opportunities for employment of South Africans in those countries at these businesses.

Government must develop a policy geared to safeguard companies on risks involved
in investing in the continent and south-south markets as a guarantee scheme and provide capital for those projects which government has interests as a way of growing our economy and creating job opportunities. Government (i.e. PICC - Presidential Infrastructure Coordinating Commission) should further fast-track the Infrastructure Roll-out Programme on programmes that connects South Africa to the rest of Southern Africa. Regional Economic Communities (REC’s) should develop the model adopted by governments on the continent which looks at regional integration, economic development, infrastructure development and people-to-people movement in the continent with particular priority focus on Southern Africa.

- South Africa has been given the opportunity to Chair the African Union (AU) North-South of the continent to develop roads, railway and ports, including projects as articulated in NEPAD. Funding for this has been made available and South Africa has made its contribution to the Pan-African Fund. Other countries that have not made their contributions as yet should be encouraged to do so. It is further important for South Africa to fast-track the implementation of projects under our Chairpersonship, as the finalisation of this would promote intra-trade between countries markets and encourage initiatives moving toward free-trade agreements. This will positively contribute towards development in Southern African Development Community (SADC) and the continent.

- South Africa is facing intense competition in infrastructure projects on the African continent, particularly because our BRICS partners give cheap credit to their companies which South Africa should learn from and develop our own responsive programmes that would assist us in attaining our developmental goals. In addition, South African companies ought to pay attention to increasing the quality of their products, and those doing business abroad should be encouraged to source their products from South Africa in order to boost local production and increase employment opportunities.

- South Africa must take a conscious decision by developing a policy, legislation, regulation and guidelines to export South African skills into the region, continent and the rest of the world where opportunities presents itself. For example, that gives rise to exportation of labour enmass to other developed and developing economies. For example, since the early 1990s South Africa has had an excess of nurses that have ventured into finding employment in the continent and other countries abroad. Similarly we should encourage our lectures and other areas of labour to begin to seek employment in countries of the continent primarily and secondary in other countries abroad.

- We encourage South African’s to take jobs in multilateral institutions as approved by the cabinet Secondment Policy on incentives.

### YOUTH DEVELOPMENT

- African History and Liberation History should be part of the Foundation phase subjects at schools as we want to produce proudly African citizens in South Africa. It should be a prerequisite that schools be encouraged to fly the South African Flag, SADC Flag and African Union Flag as well as sing the South African, SADC and African Union Anthem; as building consciousness amongst young people to develop the passion towards taking opportunities in the continent.

- There is a need to promote Portuguese, French, Spanish and Arabic in schools so that young people could be encouraged to work for the international institutions where South Africa is a member, such as the United Nations (UN), African (UN), International Labour Organisation (ILO) and so forth. Opportunities must be created for South African’s as well as to access exchange programmes and this would further contribute to the development of our domestic tourism and Skills in general.

- DIRCO in partnership with other departments should be creative in setting up programmes for South African youth to explore the continent and the world in terms of education and business as a way of increasing the South African youth’s knowledge on Africa and the World.

### Scholarships and Training Opportunities

- Government should develop a programme to encourage young people to study abroad with particular reference to targeting the countries that could assist in fast-tracking skills that are rare in South Africa, with specific emphasis on Southern Africa, the continent and BRICS countries and the rest of the world by using government
scholarships, scholarship raised elsewhere and utilise learning institutions on the continent for children to obtain their qualifications.

- DIRCO should better communicate, coordinate and follow-up the scholarship and internship programmes availed from their heads of South African Missions, foreign embassies accredited to South Africa and international agencies. A conscious programme should be developed to ensure that all scholarship and internship programmes are taken up by youth in South African. The information received by DIRCO should also be given to the ANC to disseminate to its constituencies and there should be a clear drive from constituencies to identify cable South African youth that could be put into these programmes. The ANC and government should also actively encourage its own cadres and citizens to participate in such programmes. Recruitment should target school-going, post-school and out-school as a priority but also those that are already in the industries as a promotion of continuous learning due to continual technological and skills changes in the globe.

- Government should set aside a certain percentage of the scholarships it provides to South Africans to study internally and reallocate it to students wanting to study abroad based on the Cuban-South African training programme that is a success.

▼ SKILLS DEVELOPMENT

- The country Councils such as the Engineering, Medical Board, Legal Board must expedite the accreditation of specialized skills so as to create opportunities for these specialists to seek employment in the continent and the international. These will allow South Africans to acquire more skills and knowledge that is required to develop our country. We should ensure that all specialists in the various fields of employment are correctly accredited at the various Councils such as the Engineering Council, Medical Board, Legal Board, etc. This would also then create the opportunities for these specialists to seek employment in the continent and the international arena.

- South Africa must develop skills of its citizens in the required areas so that the South Africans could take advantage of job opportunities on the continent, South Africa must develop its citizen skills level.

Migration Issues

- The policy on dual citizenship needs to be reviewed to making a thorough analysis of the pros and cons and developing a policy option that would take South Africa forward.

- Migration laws should be reviewed in line with international laws and standards but with the view to protect the integrity and sovereignty of the country.

- Regulation of businesses had been delegated to municipalities post apartheid. The legislation on business and companies must be amended to bring back the powers from municipalities to the National government to enable the government to deal with issues of the elicit economy.

- Sectoral determination of salaries should be regulated across the board whether one is a South Africa or Foreign employees to ensure that all people in the country contribute to South Africa’s tax base, except for those subjected to double taxation as well as ensure that all workers enjoy labour rights as enshrined in the South African labour laws.

FIGHTING CRIME, PEACE AND STABILITY

- Issues trans-national crimes must take a centre stage by insuring that we coordinate efficiently and effectively with international security bodies, we are members of, such as INTERPOL. Crime strategy to deal with International Syndicates on counterfeit goods, human trafficking, protection of endangered species, pouching of marine resources, amongst others, will have a positive impact as these crimes directly affects job creation issues.

- We need to analyse and review the new crimes that are arising from transnational crimes that is domesticating itself and having a negative impact on economic and job growth.

Let’s go into a festival of ideas!!!

AMANDLA!!!!!
PEACE AND STABILITY

A MID-TERM REPORT

1. Introduction
This Report is based on the resolutions of the Mangaung Conference, underpinned by the desire to realise the objectives of the Freedom Charter and informed by the activities of the Justice Crime Prevention and Security Cluster as well as the ANC Caucus of Parliament (Peace and Security Cluster) in the period following the Mangaung Conference and guided by the ANC Manifesto of 2014 and Medium Term Strategic Framework (MTSF) 2014–2019. The report seeks to provide feedback on the progress made regarding the implementation of the resolutions of the Mangaung Conference regarding peace and stability.

The vision of the committee can be expressed in the words of the National Development Plan (NDP) that in 2030, people living in South Africa are safe and feel safe. They are safe at home, at school, at work and enjoy an active community life free of fear. Women can walk freely in the streets and children can play safely outside. The police service is a well-resourced professional institution staffed by highly skilled officers who value their work, serve the community, safeguard lives and property without discrimination, protect the peaceful against violence and respect of the rights of all to equality and justice.

The NDP further provides that in 2030 South Africa has zero tolerance for corruption, the citizenry have the confidence and knowledge to hold public and private officials to account and leaders hold themselves to a high ethical standard and act with integrity.

2. Progress in realising the 2nd Phase of transition
The Security Cluster has been able to address some of the resolutions of the Mangaung Conference with varying degrees of success.

2.1 POLICE

SAFER COMMUNITIES
The Annual Crime Statistics released by the Police for the period 2008/09 to December 2013 indicate a continued general decrease in serious crime. The general decrease in serious crime can be attributed to the following:

- Huge investment in policing and criminal justice system since 2009.
- Improved police to population ratio which now stands at 1:336
- Various other initiatives also contributed in this fight against crime, such as:
  - closer interaction with communities, through strengthened implementation of Community Policing Forums (CPFs) and Community Safety Forums (CSFs) (there are, however, issues delaying full implementation). Sector policing has also been adopted as an operational policing approach to strengthen the philosophy of community policing in SAPS. As at the end of 2013/14, sector policing was implemented at 1 078 (95%) of the 1 137 police stations;
  - the implementation of a Rural Safety Plan;
  - Improving the police forensic capabilities at crime scene and forensic laboratories; (the National Department of Health laboratories have also improved their capabilities and capacity and have made progress relating to the backlogs in terms of blood and toxicology analysis).
  - Improvements to the Automated Fingerprint Identification System (AFIS) as well as staffing and technology at local criminal record centres; and
  - Improvement in detective services capacity, skills and training.

The reports of Victims of Crime Surveys in 2011 and September 2012 also indicated that victims of crime are beginning to see some results in the fight against crime and the improvement in the treatment of victims. This has also been alluded to by the 2013 Ipsos-Markinor survey which found that more than half (55%) of the population perceive government as performing well in ensuring the safety of the public by deploying the police within communities; and
the US-based IHS Crime Index which also noted that “the decline in overall crime in South Africa has been echoed in both indices, reporting a steady decline since 2002. Violent crime is at the lowest level seen in a decade, declining some 40% between 2002 and 2013. Property crime experienced a decrease of 24% over the same period.”

However, there has been only a slight reduction in the number of serious crime cases reported in the 2013/14 financial year according to police statistics released in September 2013. A worrying development has been the 0.5% increase in the number of contact crimes (murder, attempted murder, sexual offences, and assault with intention to inflict grievous bodily harm, common assault, robbery with aggravating circumstances and common robbery) reported in the same period.

The terms of reference for the second Victim Satisfaction Survey for 2014 was approved by the Director General of Department of Social Development for implementation in the 2014/5 financial year.

The Safer Festive Season Operations continues every year around such periods, with a concerted focus on crimes against women, children, persons with disabilities and the elderly. This campaign will continue in the years to come until crime over the festive season has been significantly lowered.

President Jacob Zuma has mobilised support for the crime combating effort, ahead of the 35th Annual Crime Stoppers International Conference when he called for a more active citizenry to enhance the quest to fight all types of crime that endanger and undermine human rights. He indicated in a media statement that in the South African context, active citizenry was yet to be fully exercised to advance the cause of drastically curbing crime. “If we are to make even more meaningful inroads in the fight against crime, as a people, we need to fully activate our sense of community and each play our role in supporting the law-enforcement officers of South Africa, of the Southern African Region and even further afield. We must blow the whistle on crime when we are aware of it, whether it happens on a street corner or behind a closed bedroom door,” said President Zuma. The President added that tolerance of perpetrators of crime in communities was no longer an option. “In any country, the heinous murder of law-enforcement officers can never be supported, condoned or overlooked,” he emphasised.

There seems to be a growing tendency towards attacks directed at law-enforcement officers. This is a phenomenon that would require the attention of security cluster with a view to ensuring that the law enforcement officers gain the necessary respect from the population of South Africa whilst respectfully providing service to them.

Through partnerships and tip-offs received via Crime Stop and Crime Line a total of 3 280 persons have been arrested and over R56 million worth of illegal or unlawfully obtained property and goods have been seized between 2007 and 2014. Furthermore and consequent to collaborative Drug Watch campaign in Gauteng and the Western Cape, 30 000 drug offenders were taken into custody, as a result of tip-offs. This clearly illustrates the value of collaboration between the law enforcement agencies and communities.

**PROGRESS IN ESTABLISHING COMMUNITY SAFETY FORUMS (CSF’s)**

CSF’s have been established in all provinces except Free State. The level of implementation has been uneven, with some provinces such as Limpopo having reached their target, while other provinces have made only marginal progress. The majority of the structures have been established at a local municipal level as opposed to district and metro. The structures that have been established appear to be functional, with clearly designated chairpersons and frequent meetings. Changes in senior management personnel have had a negative impact in the establishment process in the Free State. The Free State is in the process of holding workshops with municipalities, with a view to obtaining Council Resolutions for the establishment of CSFs.

There are 278 municipalities. A total of 126 CSF’s has been established in eight provinces. At this rate, the implementation process could be finalized in one to two years’ time.

**CHALLENGES**

There is still a negative perception among the population regarding personal safety, citing instances of violence against women, children, Lesbian, Gay, Trans-gender, Bi-sexual and Inter-sex (LGBTI) persons, the elderly, as well as farm attacks. Consequently, to transform these negative perceptions regarding personal safety it is crucial that the violence against individuals and groups be effectively and efficiently combated. An aggressive media campaign by the security cluster (SAPS in particular) aimed at demonstrating the achievements of the SAPS in the fight against crime may be necessary to counter the negative media reporting.
The fact that SAPS provides the crime statistics on an annual basis implies that trends can only be known after a year. This prevents efficient intervention as plans to circumvent the trends can only be developed once the plans are known. This impacts negatively on what can be shared with the public at media briefings and it impacts negatively on planning interventions as trends and hotspots are not immediately known.

Interaction with the community through street and ward committees needs further attention to augment the work done through CPFs and CSFs. The strengthening of the policy and operational basis of CSF is required (CPF operates in terms of legislation but not CSFs).

DOMESTIC STABILITY

Domestic instability is a serious challenge that if left unattended will undermine our democracy, rule of law and development trajectory. Issues that contribute to this instability are growing culture of lawlessness, impunity, violence in industrial and service delivery-related protests, as well as disrespect for authority and for one another.

Whilst general stability enforcement actions have continuously been imposed over the period under review, there still are instances of domestic instability characterised by violence associated with protest action (whether service delivery protests or labour protests) and stakeholder rivalries (i.e. union rivalries in the mining sector and violence in the transport sector).

In an endeavour to curb domestic instability, several mechanisms have been put in place including the launching of the Cluster of a Mine Crime Combating Forum (MCCF) in Rustenburg on 14 August 2013 and other Crime Combating Forums in other areas. The setting up of a JCPS National Joint Intelligence Support (NATJOINTS) structure with corresponding sub-structures at provincial and local levels is assisting with coordination of the stability actions. The NATJOINTS is operational on a 24 basis throughout the year. In addition, Inter-sectoral Priority Committees and dedicated inter-sectoral Task Teams, comprising all relevant role players across the JCPS value chain, have been set up to drive interventions as and when required at all levels, in an endeavour to address the priorities of the security cluster of government.

SINGLE POLICE SERVICE

The objective for as Single Police Service is to maximise effective policing in South Africa. This resolution is in a process of been realised. A concrete road map has been implemented by the Peace and Stability Sub-Committee. A technical legal team is being established for legal compliance of the resolution. In effecting a Single Police Service, the subcommittee proposes the option that municipal police function as a division within SAPS with a Deputy National Commissioner responsible for the division. In this option, it will require that the municipal police chiefs are appointed by the municipalities in consultation with the Deputy National Commissioner responsible for municipal policing. The proposal provides for all because the municipalities get to keep the municipal police, and the SAPS gets to exercise central command and control over the Metro Police Chiefs. It will require a reporting function to the National Commissioner. The SAPS Act provides for the establishment of two branches of single service namely SAPS and Municipal Police both becoming into existence by the same act, meaning there are certain readily implementable actions such as the National Standards which look at:

■ Uniform training,
■ Disciplinary framework,
■ Inter-sphere police service co-operation, assessment and review of performance
■ Assessment and review of the performance of municipal police in national policing efforts.

The technical team will also look at the effects of road traffic police, a function which is administered by the Department of Transport.

2.2 JUSTICE

IMPROVED EFFICIENCY IN THE JUSTICE SYSTEM AND TRANSFORMATION OF THE JUSTICE SYSTEM

Good progress has been made in relation to the transformation of the justice system.

■ The decision to restructure the judiciary and integrate the courts was affirmed by the Superior Courts Bill and the 17th Constitution Amendment Bill which were both signed into law during 2013. The Superior Courts Act brought together a number of separate pieces of legislation relating to the Constitutional Court, the Supreme Court of Appeal and the High Court. The Act also rationalised the 13 High Courts, which included those inherited from the former apartheid homelands into a single High Court with a fully functional divisions of the Court established in each Province. The 17th Constitution Amendment Act on the other hand paved the way for the Constitutional Court to be the apex court
on all matters. This Act has also enhanced the independence of judiciary and strengthened the separation of powers.

- In its endeavor to transform the justice system, the Department of Justice and Constitutional Development has also started to implement the alignment of the magisterial districts to municipal districts. In this regard, 36 magisterial districts within Gauteng and North-West province have been identified for alignment to the municipal districts with effect from 1 December 2014. The process will continue across the other provinces over the next two years. The rationalisation of courts and re-demarcation of magisterial jurisdictional boundary processes resonates within the National Development Plan particularly with regard to its quest to redress the legacy of spatial injustices of the past. The effect of this legacy is that communities living in the defunct Bantustans, and historically Black townships and rural areas continue to be excluded from the mainstream of the country’s economy and justice system. In terms of the rationalisation principles for every municipality there ought to be a magistrate’s court and for every province a Division of the High Court. The rationalisation project will also benefit the justice sector broadly. Within government the JCPS cluster and law enforcement agencies such the Police, Corrections and the Department of Social Development will be able to reorganise their service areas in line with the rationalised demarcations. This will in turn enhance coordination and integration of services across the justice sector.

- The Legal Practice Act has been finalized and signed into law. This Act will help in removing barriers to entry into the legal profession and in the long-term increase the pool of legal professionals from which potential judges and magistrates can be drawn. At the same time, the Act will strengthen the independence of the profession, whilst at the same time allowing for greater accountability of practitioners. One of the new initiatives contained in the Act is that there will be one regulatory body for the legal profession as a whole. The Act provides for the Minister to, after consultation with the Council, prescribe the requirements for community service which could include community service as a component of practical vocational training by candidate legal practitioners; or a minimum period of recurring community service by practising legal practitioners.

- As part of the transformation of the State Legal Services process the DOJCD has proposed amendments to the State Attorney Act of 1997, which have been passed by Parliament. This will enable the Department to appoint a Solicitor-General who will oversee state litigation and put in place measures to effectively manage state litigation. There are serious challenges relating to the functioning of the state attorneys and how state litigation is dealt with. The transformation of the state legal services will help improve the interaction between state attorneys and the client departments.

- On 17 September 2014 Cabinet noted the transfer of administrative functions and staff attached to the Superior Courts from the Department of Justice and Correctional Service to the Office of the Chief Justice. The transfer of functions and identified staff commenced on 1 October 2014. This is in line with the constitutional requirement for the separation of powers and an independent judiciary. It will also allow the Office of the Chief Justice to render support to the Chief Justice in exercising administrative and judicial powers, duties as Head of the Judiciary and of the Constitutional Court. Through delegated authority sanctioned by the Superior Courts Act and other applicable legislation the Minister’s administrative management role is exercised through the Secretary-General of the Office of the Chief Justice as his proxy. The Minister however remains the Executive Authority and in terms of the Constitution and applicable legislation the Secretary-General, and not the Chief Justice, accounts through the Minister to the Auditor-General and Parliament’s Standing Committee on Public Accounts (SCOPA) and other relevant Portfolio Committees.

**Court Efficiency Improvement.** The Cluster continued to make good progress in relation to the move towards a more effective and integrated Criminal Justice System (CJS). In this regard there has been good progress in relation to the following:

- **Improved Case Finalisation:** The judiciary has embarked on improving the effectiveness of the courts through judicial leadership in case flow management and the development of norms and standards for courts that have been gazetted and applies to all judicial officers. During 2013 National and Provincial Efficiency Enhancement Committees were established, led by the respective Judges President to strengthen coordination and communication and the removal of blockages across the whole criminal justice system value chain.
The lower and high courts have maintained a positive clearance ratio during 2013/14. A total of 931 799 new cases were enrolled and 962 632 cases disposed of, representing a positive clearance rate of 3.3%. A total of 30 833 more cases were disposed of than received in delivering justice to the community.

The courts increased the number of criminal court cases finalised with verdict by 1.8% during 2013/14. A total of 5 763 more cases were finalised than in the previous year. The lower courts finalised 329 153 cases with a verdict, with an overall conviction rate of 91.7%.

The first quarter 2014 (April – June 2014) indicated the following positive aspects (NPA statistics):

- High conviction rates were maintained by all courts and the set targets were significantly exceeded. Conviction rates in all forums also improved compared to that achieved in the same period the year before.

- Performance improved with the courts achieving a 94% conviction rate in complex commercial crime, exceeding the quarterly target of 93%. The Special Commercial Crimes Unit’s (SCCU) methodology of prosecutor guided investigations (PGI) contributed to the successful prosecutions and increased performance.

On the negative side the first quarter statistics from the NPA indicate the following:

- The courts finalised 1 718 fewer criminal court cases with a verdict, 2.1% below the quarterly target of 81 069.

- Court performance continued to be negatively impacted by case flow related challenges, poor investigations by the South African Police Service (SAPS), shortage of foreign interpreters and Legal Aid South Africa representatives and the unavailability of judicial officers at some courts.

There has also been a significant reduction of court backlogs through the Backlog Courts:

- At the end of March 2014, there were 27 582 backlog cases country-wide in all courts. In addition to the normal courts, 57 regional and 21 district backlog courts assist in dealing speedily with these cases to reduce the backlogs. The backlog courts continued to assist during 2013/14 by finalising 21.3% (3 679) more cases compared to the previous year. This contributed to the overall reduction in the number of outstanding cases which was reduced by 3.6% (6 831 fewer cases) and the backlog cases which was reduced by 11.2% (3 472 fewer cases). The backlog courts further maintained high conviction rates with the district courts maintaining an average conviction rate of 93.1% and regional courts of 75%.

The Sexual Offences Courts programme was re-launched in 2013 to address sexual offence cases more effectively. In this regard 57 such courts were identified to be operationalized, with 22 expected to be re-established during the current financial year.

The Integrated Justice System (IJS) Project, led by the IJS Board and reporting to the JCPS DG Cluster Forum monthly, entails the re-engineering of business processes and ICT system developments throughout the criminal justice process, i.e from arrest to prosecution, to imprisonment, parole and rehabilitation has been fast tracked. Five (5) key Integration priorities were approved for the short to medium term and are currently underway, notwithstanding challenges as a result of SITA areas of concern. Much has been achieved in this regard, but full integration is still work in progress and may take several more years to complete. The 5 key integration areas are as follows:

- Prioritisation of the integration of all the departmental case related systems (in and across Police, NPA, Justice, Legal Aid SA, DCS).

- The establishment of a single person identifier across the Criminal Justice System (CJS).

- Re-prioritisation of the development and rollout of the Person Identification Verification Application (PIVA), and other person related integrations for 10-fingerprint searches, fast criminal record checks on SAPS AFIS/ E-NATIS and DHA HANIS systems.

- The establishment of a single database for the JCPS cluster for statistical purposes and the electronic exchange of management info across the Cluster.

- On-going development of an integrated CJS performance measurement information system and dashboard (based on 28 Key Performance Indicators across the CJS).

Harsher Sentences for Rhino poachers

There has been a visible effort by the courts to hand down harsher sentences against those convicted of rhino poaching.
Race and gender breakdown in the Judiciary 2014

<table>
<thead>
<tr>
<th>RACE AND GENDER BREAKDOWN OF JUDGES</th>
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<tbody>
<tr>
<td><strong>Total number all Judges</strong></td>
</tr>
<tr>
<td>African Male</td>
</tr>
<tr>
<td>62</td>
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<tr>
<td>%</td>
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<td><strong>Total</strong></td>
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<table>
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<tr>
<th>RACE AND GENDER BREAKDOWN OF MAGISTRATES</th>
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<tbody>
<tr>
<td><strong>Total number all Magistrates</strong></td>
</tr>
<tr>
<td>African Male</td>
</tr>
<tr>
<td>416</td>
</tr>
<tr>
<td>%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
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A comparison of the magistracy between 1998 and 2014 indicates the following progress in making the lower court bench more representative:

<table>
<thead>
<tr>
<th></th>
<th>1998</th>
<th>2014</th>
<th>% change</th>
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<tbody>
<tr>
<td>Total generic Black</td>
<td>567</td>
<td>994</td>
<td>75.3%</td>
</tr>
<tr>
<td>Total White</td>
<td>948</td>
<td>654</td>
<td>-31.0%</td>
</tr>
<tr>
<td>Total female (all races)</td>
<td>284</td>
<td>667</td>
<td>134.9%</td>
</tr>
</tbody>
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**CORRECTIONAL SERVICES**

In terms of correctional Services the following has received attention:

- **Reduction of Remand detainees**: In general the number of remand detainees have continued to decrease from about 50 511 in 2010 to about 4100 during 2014. DCS, the DOJCD, NPA, SAPS and Legal Aid SA now review the top 20 longest awaiting trial finalisation detainees on a monthly basis in order to prioritise their matters. Lists of those in remand for a lengthy period of time are also shared with the judiciary and at Provincial Efficiency Enhancement Committee (PEEC) meetings chaired by the respective Judge-Presidents. Since its implementation the number of remand detainees who have been in detention for more than 24 months was reduced from approximately 2,200 in July 2013 to 1 889 in March 2014.

- **Rehabilitation and Restorative Justice Initiatives**: DCS has increased its efficiency in the assessment and classification process towards developing an effective correctional sentence plan that will guide interventions for each individual offender based on specific circumstances. Various Correctional Programmes are now available to all sentenced offenders, including skill improvement and educational programmes as well as victim-offender mediation and victim-offender dialogues and other restorative Justice programmes. DCS has signed a number of memoranda of understanding with Non-Governmental Organisations (NGOs), Non-profit Organisations (NPOs) and government departments to ensure community involvement in the social reintegration of offenders;

- **Parole**: the Parole Boards and the Case Management Committees (CMCs) structures were reviewed and strengthened. Integrated training of CMC’s and Correctional Services Parole Boards (CSPB’s) in all regions have been instituted and all regions have embarked on roll-out training to enhance performance in this regard.

- **Pardons**: Challenges remain in dealing with certain persons who require pardons and have received high media attention.

**CHALLENGES**

While there have been visible public awareness campaigns by the government, there is no legislation to regulate and synchronise the operations of Parole Boards

Remand detainee overcrowding remains a challenge that needs to be addressed holistically across the JCPS value chain.
Elimination of overcrowding requires comprehensive policies on bail, diversion, sentencing, and parole. Private prisons present policy and operational challenges and this requires further attention.

Reduction of recidivism requires a policy on rehabilitation that neutralises threats against rehabilitation like security and prison gangs. The policy should also strengthen community infrastructure development projects.

There has been no visible effort to resolve the contradictions regarding the role of traditional leaders with regards to the adjudication powers.

The payment of maintenance monies remain a societal challenge that requires attention across all spheres. Educational and awareness raising programmes needs to be enhanced to assist the legislative changes that are currently being promoted to deal with improved maintenance enforcement.

2.3 CORRUPTION

Major strides have been made towards establishing a resilient Anti-Corruption System. More than 800 persons are currently under criminal, financial and/or forensic investigation, with pre-trial proceedings initiated against 298 persons during 2013/14 financial year.

Since 2010 a total of 169 criminal cases, involving 945 persons, have been under investigation and led to 54 convictions. These cases include 7 cases under investigation in terms of the OECD Foreign Bribery Convention.

In the same period a total freezing orders to the amount of R1,811 million were obtained; assets to the amount of R1,039 million were seized and criminal assets to the amount of R105 million were forfeited on Anti-Corruption Task Team (ACTT) cases.

During the first quarter of 2014/15, the Asset Forfeiture Unit (AFU) finalised freezing orders to the value of R511 million, exceeding the quarterly target with R344 million (206%). The AFU also exceeded the performance of last year with R382.9 million (299%) due to exceptional performance in April and June. The focus on high value cases, improved investigation of big cases at ACTT and more use of Chapter 6 to speed up cases contributed to the excellent performance. In April 2014, 2 very large court orders of R60m and R431m were also obtained.

It is, however, important to note that although the target was exceeded, performance fluctuates significantly during the year and it is likely that the trend of increased losses will continue from the previous year.

An Anti-Corruption Inter-Ministerial Committee (ACIMC) was established by the President to coordinate and oversee the work of state organs aimed at combating corruption in the public and private sectors. The ACIMC, supported by the ACTT Executive Committee, has met twice (on 30 June 2014 and 12 August 2014) since its establishment on 18 June 2014.

- The ACTT was mandated as a central body to give effect to the government anti-corruption agenda, and it reports to the ACIMC.

- The ACIMC was tasked that a comprehensive review should be should be conducted by the Office of the Public Service Commission on the intersectoral National Anti-Corruption Forum (NACF), its structures and its future role in implementing government’s anti-corruption agenda, specifically in dealing with public and private sector.

- A first version of a national Base Document on Corruption was developed focussing on South Africa’s international anti-corruption related obligations and to inform government’s anti-corruption agenda. The Base Document on Corruption is available for distribution to departments. A second version of the Base Document on Corruption is under development to incorporate the SA Domestic policy position.

- A high level Anti-Corruption Governance Architecture was approved, the role-players in the Anti-Corruption Task Team (ACTT) Executive Committee expanded and the operational approach diversified through five new programmes:
  - Programme 1: Communication and Awareness.
  - Programme 2: Policy & Strategy Development, and Intelligence Coordination
  - Programme 3: Public Sector Policy and Capacity Development.
  - Programme 4: Vulnerable Sector Management.
  - Programme 5: Crime Operations and Resolutions.

The first report of the JCPS Integrity Support Project was concluded. The objective of the project is to:
Identify JCPS cluster employees with conflict of interests;
Perform a risk assessment of service providers doing business with the JCPS cluster;
Support decision making concerning, strengths, weakness, threats and opportunities in integrity management, supply chain management and auditing;
Support vetting processes of JCPS Personnel.

The BRICS heads of states meeting at the 5th BRICS Summit in Durban included BRICS Anti-Corruption Cooperation in the Ethekwini Plan of Action. Corruption has morphed into an organised multidimensional and cross-border phenomenon threatening the national security, economic growth and political stability of states at regional and international levels. In terms of BRICS, closer cooperation is being fostered amongst the BRICS states in relating to anti-corruption activities. Serious and organized crime threatens our national security.

The National Security Strategy (NSS) adopted on 4 December 2013 by Cabinet reflected these and a range of other weaknesses, proposing a comprehensive review of the manner in which South Africa conducts anti-corruption activities.

Good progress has been made in terms of identity management systems entailing the following:

- Issuing of more than 125 000 smart ID cards during the 2013/14 financial year against the target of 100 000.
- Seventy offices were equipped with live capture functionality for smart ID cards and passports in 2013/14.
- More than 230 000 smart ID cards have been issued from April to August 2014 with more than 250 000 cards in process of being issued.
- A total of 35 offices have been equipped with live capture functionality since the start of the 2014/15 financial year bringing the total to 105 offices.

**2.4 HOME AFFIARS**

**SECURE IDENTITY MANAGEMENT**

The identity of all persons in South Africa should be known and secured. National and personal security and public safety depends to a significant degree on the state knowing and protecting the identity and status of every citizen and every foreign national who has entered the country legally. Identity systems that are not secure expose countries to risks and threats from domestic and international crime and terrorism. It also impacts on the integrity of systems including tax collection, business licenses, driving licenses, firearm licenses, social grants, qualifications and security vetting. The main strategies for achieving security in the above regard are the early registration of all births, establishing a secure, comprehensive National Identity System; and the risk-based management of immigration.

The smart ID card is just one element of a comprehensive, integrated National Identity System that is under construction. The system will incorporate HANIS, the database of biometric data (fingerprint, photos and now signatures), and the biographical data of citizens that is currently on the National Population Register. It will also have data on all known foreign nationals that have been in South Africa, including biometrics. It will be linked to immigration systems that include information on movement control, visa and permitting, asylum seekers and deportation. Such a system can reduce fraud and the cost of services in both public and private sectors.

**IMPLEMENT INTER-AGENCY CLEARING FORUM (IACF) AT THE BORDERLINE AND PORTS OF ENTRY**

The Port of Entry Control Centre) within the Port of Cape Town, was officially opened on 2 May 2014 and other Control Centres will be rolled out to selected harbours over the coming months. Included will be Saldanha Bay, Richards Bay, Mossel Bay and Durban.

The IACF has conceptualised an inter-governmental approach to harbours where all border control departments will be housed and operate from a single facility. The intention of this initiative is to enable Government to better manage maritime ports of entry. The centre will allow Government agencies to jointly control the movement of vessels, cargo and passengers in and out of the harbour as well as jointly rummage vessels suspected of any transgressions. The centre will receive vessel, cargo and passenger information from various sources, and will evaluate information to ascertain risks. The advantage of this concept is that Government will work together from a single facility and act in unison where intervention is required.

The operational part of the centre comprises the Joint Command Centre, which will in turn be supported by an Intelligence Coordinating Centre.
For the centre to operate optimally and for it to meet its objectives, directives have been developed and have been approved by the IACF. These are national directives for the management of the Port of Entry Coordinating Centre (PECC), as well as specific risk-based events. Inter-departmental Standard Operating Procedures (SOPs) are currently being drafted.

One of the tasks of the Joint Command Centre is to rummage vessels and to process crew on their vessels before the crew can disembark, thereby alleviating the risk of admitting inadmissible aliens. In order to achieve this, a portable eMCS (electronic Movement Control System) solution, capable of being transported to various locations and which connects to the main network via Wi-Fi technology, has been developed and implemented. In turn, a Wi-Fi network has been installed in the port to enable the use of the wireless portable eMCS devices.

The original Wi-Fi installation has been found to be effective and it is being expanded to cater for wider area access to DHA’s back-end systems. This Wi-Fi network will allow DHA Immigration Officials to access vessels moored far from offices and clear passengers on board.

**AUTOMATED CARGO MANAGEMENT**

The SAPS (Border Policing) is in discussions with all the relevant departments that have electronic access to systems covering the movement in ports, whether persons or goods, to promote automated cargo management.

Currently there is a pilot project at Cape Town Harbour, where a building was purchased utilising the collective budget of the Border Control Co-ordinating Committee (BCOCC) to provide a facility where the computer systems of the relevant departments will be linked to each other. Each system will run on their respective department’s network and currently the proposal is to use WIFI or 3G while waiting for the final interface. Target date for full implementation is 2014/2015.

**THE ESTABLISHMENT OF THE BORDER MANAGEMENT AGENCY (BMA)**

In mid-2013 Cabinet approved that the Department of Home Affairs (DHA) lead the establishment of the Border Management Agency. The planned date for the launch of the BMA is December 2016. The date takes account of the need to provide a solid policy, legislative and operational basis for an organisation that will change the functioning and structure of many departments. The Border Control Coordinating Committee (BCOCC) will be transferred to the BMA Project Management Office from SARS in January 2015. The objective is to strengthen interim measures to secure the border environment and at the same time help prepare for the BMA.

A BMA Project Manager was appointed by the DHA; a work programme was drafted; inter-departmental work-streams and governance structures are operational and a Programme Management Office has been set up. An Institutional Option Analysis Report (this is crucial part of the overall BMA Feasibility Study) has been developed and approved with key inputs by the BMA Oversight Inter-Ministerial Committee.

A business case, which is part of the larger BMA feasibility Study, is to be finalised and submitted to Cabinet before the end of the year with clearly identified interlocking phases.

Three international study tours on border management were undertaken for benchmarking purposes – Europe, Americas, Russia and China.

Work on the BMA legislation is to commence once there is Cabinet approval for the above-mentioned feasibility study with its various components. It is envisaged that the bill will be submitted to Parliament in 2015.

**LEGISLATION TO CRIMINALISE FRAUDULENT USE OF VITAL DOCUMENTS**

Births and Deaths Registration Amendment Act, 2010 (Act No. 18 of 2010) that was implemented from 1 March 2014 increases penalties for contraventions of the Act from 5 years (in the 1992 Act) to a fine and / or imprisonment to a maximum of 15 years.

The Immigration Amendment Act, 2011 (Act No. 13 of 2011) that was implemented from 26 May 2014 increased the penalty for certain offences from 4 years to 15 years, without the option of a fine; and for other contraventions the penalty increase from 2 to 4 years. Other gaps in legislation have been filled, such as preventing the smuggling or trafficking of children and replacing fines with periods of prohibition from re-entering South Africa. Requiring a full birth certificate for children entering or leaving is a regulation that must be explained and defended by all JCPs departments. The overall effect has been to increase awareness of the need to take South Africa’s immigration laws seriously.
IMMIGRATION POLICY
The review of international migration policy has reached the stage where the DHA can launch a broad public discussion aimed at building a consensus around the main policy principles and outlook that South Africa as a nation will adopt. These principles are embedded in the Constitution, which is in turn deeply rooted in the history and aspirations of our people. However, the principles have to be defined and understood in the context of a dynamic, globalised world that presents huge opportunities and serious risks and threats.

COUNTER ILLEGAL MOVEMENT OF GOODS AND PEOPLE THROUGH PORTS OF ENTRY AND ACROSS THE BORDERLINE
The SAPS is deployed in all identified ports of entry in the Republic (air, sea and land) under the Component Border Policing. The SAPS is in a process of dealing with the ideal capacity by introducing new intakes.

The DOD safeguards the borderline. The deployment of the SANDF to patrol the country’s borders is contributing to the safeguarding of the sovereignty of our country.

At present, the SANDF has 13 companies, comprising a total of 2 469 members, deployed in seven provinces along the borders (Limpopo, Mpumalanga, KwaZulu Natal, Free State, Eastern Cape, Northern Cape and North West.

The other primary departments are also dealing with the issue of capacitating their environments.

2.5 DEFENCE
SOUTH AFRICAN DEFENCE REVIEW
Twenty-Year Trajectory
The Defence Review 2014 defines the policy and strategy principles that will steer the Defence Force through the next twenty to thirty years to achieve the following identified targets, namely:

■ Planning Milestone 1: Arrest the decline in critical capabilities through immediate and directed interventions.

■ Planning Milestone 2: Reorganise and rebalance the Defence Force as the foundation for future growth.

■ Planning Milestone 3: Create the sustainable Defence Force that can meet ordered defence commitments (interim end-state of the Defence Review).

■ Planning Milestone 4: Enhance the Defence Force’s capacity to respond to emerging threats (end-state of the Defence Review).

■ Planning Milestone 5: Defend the Republic against an imminent or dire threat.

Each of the above five milestones in the Defence Strategic Trajectory specifies an estimated budget requirement, personnel targets, required number of operational units, required capital programmes, and organisational interventions to be pursued.

The Capability of the End – state Defence Force (2035)
The primary focus of Milestone 4 (Year 2035), being the desired end-state of the Defence Review, is to develop those capabilities that would: Ensure that the Defence Force remains relevant to developments in the strategic environment and be able to respond to wide range of strategic challenges. The defence capability for Milestone 4 is posited as:

■ Internal Operations
One sustainable infantry battalion-group with associated medical, air and other support, dedicated to cooperate with the Police Service and conduct other routine internal tasks.

■ Border Safeguarding Operations
The sustained deployment of five infantry battalions, with appropriate embedded combat support and combat service support capabilities, in a 1 in 3 rotation-cycle, implying a pool of 15 battalions to conduct this task appropriately.

The sustained deployment of a two warships, with the required embedded capabilities, on patrol along the east coast and two warships on patrol, with the required embedded capabilities, along the west coast of South Africa, expandable to the maritime areas south of the SAHEL.

The sustained deployment of two maritime reconnaissance/patrol aircraft on patrol along the east and west coasts of South Africa, expandable in support of surface and sub-surface maritime deployments.

Peace Missions
In Milestone 4, three large, enduring peace missions can be sustained at the level of a combat-group
in each instance. In each deployment area a 1 in 4 rotation-cycle can be achieved, implying a pool of 12 constituted combat groups to conduct this task appropriately. The efficacy of forces deployed in peace missions is increasingly enhanced by improvements in command and control, intelligence, firepower, manoeuvre, protection and sustainment systems.

**Intervention Operations**

In Milestone 4, a sustainable mission-tailored task force of approximately brigade-strength can provide early entry, link-up and follow-on forces to either fulfil South Africa’s continental obligations or to protect vital national interests. This may possibly comprise:

- A combat group-sized early entry force comprised from Special Forces and/or Special Operations Forces.
- A link-up Special Operations Force, reinforced by attached elements from the combat services, supporting arms and any other specialist military capability to enhance firepower, manoeuvre and protection.
- A motorised or mechanised follow-on force, augmented as necessary with heavier combat capabilities required for the task.

In Milestone 4, as the capabilities initiated in Milestones 1 to 3 become available, the intervention force enjoys greater:

- Inter- and intra-theatre mobility
- Landward, air and maritime combat support
- Firepower, protection and manoeuvre as may be required for operations in complex and often hostile environments.

**Defence Operations in the Republic**

In Milestone 4, operations within the Republic would extend to the enhanced and expanded protection of bases, critical infrastructure, lines of communication and identified vital national interests in the rear area.

**Regional Assistance Operations**

In Milestone 4 significant regional assistance, disaster relief and humanitarian aid can be provided and sustained.

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### 2.6 MILITARY VETERANS

**Utilisation of the Skills of Military Veterans**

A mechanism is being developed to utilise the skills of the military veterans in the various departments of government. The Forum of South African Director Generals (FOSAD) should be the driving force in identifying opportunities as section 5 (3)(b) of the military veterans act places obligations on all organs of state to play a crucial role in utilising skills of military veterans.

**Progress in implementing benefits for Military Veterans**

There have been some positive strides made since the establishment of Department of Military Veterans (DMV) such as:

- Allocations by National Treasury for the Department of Military Veterans increased substantially from R20 million in 2010/11 to R504 million in 2014/15.
- 800 military veterans have access to the Department of Social Development's SASSA program for relief of social distress.
- 645 military veterans accessed education in 2014 and 13 058 have been provided with healthcare services.
- Funds have been transferred to the Department of Human Settlements (DHS) for the construction of houses for military veterans.
- DMV and DHS have agreed that a total of 1505 houses will be built for military veterans in 2014/15.
- A list of 116 military veterans has been forwarded per for compensation for injury in military services.

### 2.7 INTELLIGENCE

**SECURE CYBERSPACE**

The National Cyber-security Policy Framework (NCPF) has been developed and approved by Cabinet and the implementation plan thereof is being led by the State Security Agency (SSA).

Implementation aspects include the following:

- Establishment of a JCPS Cyber-security Response Committee (CRC) in 2012 chaired by SSA;
- Initiation of the establishment of a Cyber Security Centre at the SSA to deal with cyber security threats;
- Initiation of a Cyber Security Hub by the
Department of Telecommunications and Postal Services (DTPS) to ensure engagement with civil society and business;

- Repositioning of the current Electronic Communications Security Computer Security (CSIRT) to deal with cyber threats targeted at organs of state.

Specific policies that have been developed and await discussion at JCPS Cluster level include the following:

- An overarching draft Cyber Security Policy has been developed in line with the NCPF under the guidance of SSA.
- A draft National Critical Information and Infrastructures Policy has been developed under the guidance of SSA.
- A draft National Cybercrime Policy has been developed under the guidance of SAPS.
- The review of current cyber security laws was conducted and to address the gaps identified during the review, a draft Cyber Security and Related Crimes Bill was developed under the guidance of DoJ&CD to address cyber threats and cyber security.
- The development by the Department of Science and Technology (DST) of a National Cyber Security Research & Development Agenda to build the requisite capacity and skills to deal with cyber threats is receiving attention; and
- The development of an Online E-Identity Management Policy under the guidance of DTPS is underway.
- Training for SAPS and DPCI cybercrime investigators, prosecutors and the judiciary regarding cybercrime is continuing.

In line with the JCPS Delivery Agreement, the NPA continued to place a special focus on the prosecution of cybercrime cases in order to curb this growing international phenomenon. These cases are very complex and encompass extensive technical evidence. The majority of matters (70%) are therefore dealt with by the Special Commercial Crimes Unit (SSCU). During 2013/14, the NPA SCCU has improved the prosecution of cybercrime cases by finalising 52.9% (73) more cases than in previous year. A total of 211 cybercrime cases were finalised with a conviction rate of 94.8%.

**THE NATIONAL SECURITY STRATEGY IMPLEMENTATION PLAN**

The National Security Strategy for South Africa was approved on 4 December 2013 with the instruction that it be implemented speedily. A NSS Implementation Committee chaired by the Coordinator for Intelligence, is in place and consists of the chairs of the following six sub-committees:

- **NICOC Principals Committee**, which already exists.
- **Chair of Sub-Committee**: Review of JCPS Cluster Structures.
- **Chair of Sub-Committee**: Violent and Organised Crime.
- **Chair of Sub-Committee**: Private Security Industry: the existing PSIRA Working Group set up the Secretary of Police to do this work.
- **Chair of Sub-Committee**: Counter-Corruption: the existing ACTT to do this work.
- **Chair of Sub-Committee**: Border Security and Migration: DHA and the SANDF to co-chair this work.

The NSS deals with threats to the authority of the state as well as threats to the territorial integrity of the Republic. There are four threats to the authority of the state that the NSS focuses on:

- Outsourcing state security to the private security industry,
- An uncoordinated approach to cyber security,
- Domestic instability, and
- Espionage activities of foreign intelligence services

A national threat that is increasing relates to the theft of copper, copper cables and other non-ferrous metals. This threat has a serious impact on infrastructure development and the supply of power and even water. The JCPS is addressing this through Priority Committees in conjunction with the intelligence community and other relevant role players. Legislative amendments to various pieces of legislation are also envisaged.

The main threats to the territorial integrity of the Republic are identified as follows:

- Weak control and management of border security,
- Uncontrolled migration, and
- International terrorism.
INVOLVEMENT OF OTHER CLUSTERS

It is clear that interaction with other Clusters is required. The following has been identified for interaction:

- **Engagement with the Economic Sectors and Employment Cluster:**
  - Comprehensively scoping the illicit economy.
  - Develop and implement a strategy to eradicate the illicit economy and to define the role of the security services.
  - Review and capacitate the effort in terms of specialised skills, budget, human resources and equipment.
  - Ensure cooperation with neighbouring states and major role players.
  - Identify and scope strategic resource stocks.
  - Develop and implement a coordinated approach to protecting resource stocks.
  - Manage foreign partners in these sectors.

- **Social Protection and Community Development Cluster**
  - Social crime prevention issues
  - Drug master plan
  - Review the state’s disaster management capacity and create mechanisms for coordination across the three spheres of government.
  - Create an interface with the security services and with our neighbouring states.
  - Create disaster equipment caches in all nine provinces.
  - Develop and implement a Disaster Simulation Plan.
1. INTRODUCTION

Freedom Charter

In its Preamble, the Freedom Charter says: “South Africa belongs to all who live in it, black and white”. Clause 4 of the Charter says the following:

The Land Shall be Shared Among Those Who Work It!

- Restrictions of land ownership on a racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger;
- The state shall help the peasants with implements, seed, tractors and dams to save the soil and assist the tillers;
- Freedom of movement shall be guaranteed to all who work on the land;
- All shall have the right to occupy land wherever they choose;
- People shall not be robbed of their cattle, and forced labour and farm prisons shall be abolished.

It is the responsibility of the democratic, developmental state to translate this dictum into a socio-economic reality.

Ready to Govern

As part of its work towards the installation of our democratic dispensation, the ANC developed the Ready To Govern Document, which has four pillars, being the following:

a) to strive for the achievement of the right of all South Africans, as a whole, to political and economic self determination in a united South Africa;

b) to overcome the legacy of inequality and injustice created by colonialism and apartheid, in a swift progressive and principled way;

c) to develop a sustainable economy and state infrastructure that will progressively improve the quality of life of all South Africans; and

d) to encourage the flourishing of the feeling that South Africa belongs to all who live in it, to promote common loyalty to, and pride in, the country; and, to create a universal sense of freedom and security within its borders.

Constitution


In its Preamble it states that:

We, the people of South Africa,

Recognise the injustices of our past;

Honour those who suffered for justice and freedom in our land; and

Respect those who have worked to build and develop our country; and

Believe that South Africa belongs to all who live in it, united in our diversity.

We, therefore, through our freely elected representatives, adopt this Constitution as the supreme law of the Republic so as to –

Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;

Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;

Improve the quality of life of all citizens and free the potential of each person; and

Build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.

Section 25(5) of the Constitution (Act number 108 of 1996) enjoins the State to “take reasonable legislative
and other measures, within its available resources, to foster conditions which enable citizens to gain access to land on an equitable basis”. These constitutional imperatives are at the core of the mandate of the Department of Rural Development and Land Reform (drdlr).

Within this context, the following sections present progress made by the drdlr in realising rural development and land reform.

2. AUDIT OF STATE OWNED LAND

52nd Conference Resolution

Improve the capacity of the state to monitor and collect information on the use of land, including through the conduct and publication of regular land audits.

53rd Conference Resolution

We re-affirm the Polokwane resolution that a comprehensive audit of state owned land be completed urgently.

Department’s Interventions to give effect to the Resolutions

A Land Audit was commissioned in 2010. The audit was conducted for State owned land and a desktop analysis was completed for privately owned land.

Challenges

a) South Africa’s land management system is fragmented;

b) Just before the advent of democracy, disaggregation of ownership by race was deleted in the Deeds Register;

c) Trusts are controlled in the Department of Justice, which means land owning Trusts are not easy to disaggregate in terms of race, gender and nationalities;

d) Land owning companies are registered in the Department of Trade and Industry and are therefore also not easy to disaggregate in terms of race, gender and nationality.

e) 7% of land ownership in former bantustans could not be determined during the land audit due to unsurveyed land at household level and some of the former Transkei, Mpumalanga and Limpopo (surveyed at administration level, but not registered); and, because of (a), (b) and (c) above, it is a struggle to get information on race, gender and nationality (The Department of Home Affairs also no longer classifies nationals in terms of race) – the main subject of Phase 2 of the land audit.

Policy and Legislative Interventions

Not required.

Progress to date

Phase 1 of the land audit has been completed and the report has been made public. Phase 2 will be completed by September 2015, including race, nationality and gender information.

Alignment Analysis

National Development Plan

Bring land transfer targets in line with fiscal and economic realities to ensure that land is successfully transferred.

ANC Election Manifesto

The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913 Land Act and resultant land dispossessions directly contribute to the ongoing problems of poverty, unemployment and inequality.

MTSF 2014–2019

Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

3. JUST AND EQUITABLE COMPENSATION

52nd Conference Resolution

Where necessary, expropriate property in the public interest or for public purpose in accordance with the Constitution to achieve equity, redress, social justice and sustainable development. All legislation pertaining to expropriation must be aligned with the Constitution.

53rd Conference Resolution

We affirm the following proposals: Replace willing buyer willing seller with the “just and equitable” principle in the Constitution immediately where the state is acquiring land for land reform purposes; Expropriation without compensation on land acquired through unlawful means or used for illegal purposes having due regard to section 25 of the Constitution; Expedite the promulgation of the new Expropriation Act.
**Department's Interventions to give effect to the Resolutions**

Office of the Valuer General has been established to provide for the regulation of valuation of property that has been identified for land reform purposes. Expropriation Bill, aligned to the Constitution, still to be passed in to law (DPW).

**Challenges**

The Expropriation Act of 1975 is still in effect and is not aligned to the “just and equitable” principle enshrined in section 25 of the Constitution. Government is therefore being charged market related prices in instances of expropriation, rather than “just and equitable” compensation as per section 25(3) of the Constitution. This impacts negatively on land reform.

**Policy and Legislative Interventions**


**Progress to date**

“Policy Framework for Land Acquisition and Land Valuation in a land reform context and for the establishment of the OVG” completed in October 2012. Property Valuations Act promulgated and to come into effect on 1 August 2015. The Valuer-General has been appointed and will assume office on 15 August 2015. New Expropriation Bill (DPW).

**Alignment Analysis**

**National Development Plan**

Bring land transfer targets in line with fiscal and economic realities to ensure that land is successfully transferred.

**ANC Election Manifesto**

The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913 Land Act and resultant land dispossession directly contribute to the ongoing problems of poverty, unemployment and inequality.

**MTSF 2014–2019**

Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

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**4. LAND TENURE SYSTEM**

**52nd Conference Resolution**

Ensure that the state regulates the land market effectively with a view to promoting the goals of rural development and agrarian change, limiting the unsustainable use of land for elite purposes (such as the conversion of prime agricultural land to golf estates) and ensuring that land remains predominantly in the hands of South African residents. To this end the management and control of state land must be consolidated under one roof.

**53rd Conference Resolution**

**Land Tenure system**

A four-tier system is recommended: State and Public land: leasehold; Privately owned: freehold with limited extent.

**Land owned by foreign nationals**

Land owned by foreign nationals: No ownership of land by foreign nationals as a principle; convert current ownership into long term lease after land audit has been finalised.

**Department’s Interventions to give effect to the Resolutions**

**Land Tenure system**

State and public land: leasehold – this is being implemented through the Proactive Land Acquisition Strategy (PLAS). Privately owned land will be managed through the Land Commission.

**Land owned by foreign nationals**

See Policy and Legislative Interventions.

**Challenges**

**Land Tenure system**

The constitutionality of some aspects of policies being developed is being reviewed.

**Land owned by foreign nationals**

The constitutionality of some aspects of policies being developed is being reviewed.

**Policy and Legislative Interventions**

**Land Tenure system**

- State land lease and disposal policy;
- Regulation of Land Holdings Policy: processed.
Regulation of Land Holdings Bill almost completed

**Land owned by foreign nationals**
Regulation of Land Holdings Policy Regulation of Land Holdings Bill – both being processed.

**Progress to date**

**Land Tenure system**
Regulation of Land Holdings Policy: processed; Regulation of Land Holdings Bill: processed. Land Commission being introduced through policy and bill. Communal Land Tenure Policy and Bill: consultation stage. Overall progress regarding the redistribution white owned agricultural land in South Africa (82million ha) from 1994 to 31 March 2015 is such that 4555995 million ha under Land Redistribution through 5184 projects, benefiting 235609 beneficiaries of which 50882 are women, 33108 are youth and 678 are people with disability, has been redistributed.

**Land owned by foreign nationals**
Regulation of Land Holdings Policy: processed. Regulation of Land Holdings Bill: processed. Prohibition of ownership of agricultural land by foreign nationals introduced. Long term leases to be held by foreign nationals (30+ years).

**Alignment Analysis**

**National Development Plan**
**Land Tenure system**
Enable a more rapid transfer of agricultural land to black beneficiaries without distorting land markets or business confidence in the agribusiness sector.

**ANC Election Manifesto**
The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913 Land Act and resultant land disposessions directly contribute to the ongoing problems of poverty, unemployment and inequality.

**MTSF 2014–2019**
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

**5. COMMUNAL LAND**

**52nd Conference Resolution**
Embark on an integrated programme of rural development, land reform and agrarian change based on the following pillars: (d) Defending and advancing the rights and economic position of farm workers and farm-dwellers, including through improved organisation and better enforcement of existing laws.

Ensure that the allocation of customary land be democratised in a manner which empowers rural women and supports the building of democratic community structures at village level, capable of driving and coordinating local development processes. The ANC will further engage with traditional leaders, including Contralesa, to ensure that disposal of land without proper consultation with communities and local governments is discontinued.

**53rd Conference Resolution**
Communal land: communal tenure with institutionalised use rights: Taxation of under-utilised land, in both communal and commercial areas; Expedite the Tenure Security Policy and bill against farm evictions.

**Department’s Interventions to give effect to the Resolutions**
In respect of Communal Land Tenure: see Policy and Legislative Interventions. Taxation of under-utilised land to be formalised once the Communal Land Rights Bill is in place.

Tenure security for farm workers: (a) Re-establishment of ESTA Committees; (b) Appointment of Land Reform Management Facility to provide legal support to farmworkers facing evictions.

**Challenges**
Too complex: Extensive consultation required.

**Policy and Legislative Interventions**
Communal Land Tenure Policy and Bill; ESTA Amendment Bill, CPA Policy and Amendment Bill; Land Tenure Security Policy for Commercial Farming Areas; Strengthening of Relative Rights of people working the Land Policy.

**Progress to date**
Communal Land Tenure Policy and Bill in consultation process; Taxation – no progress made (will commence with policy development after the Communal Land Tenure Policy and Bill have been finalised); Extension of Tenure Security Amendment Bill against farm evictions – the Bill has been finalised and will be processed in the current financial year (tabling of Bill in parliament

Alignment Analysis

National Development Plan
Enable a more rapid transfer of agricultural land to black beneficiaries without distorting land markets or business confidence in the agribusiness sector. Create tenure security for communal farmers especially women, investigate different forms of financing and vesting of private property rights to land reform beneficiaries that does not hamper beneficiaries with a high debt burden.

ANC Election Manifesto
Continue to improve the tenure security and administration of people living in communal areas with emphasis on women’s tenure security.

MTSF 2014–2019
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

6. INSTITUTIONS IN SUPPORT OF LAND REFORM

52nd Conference Resolution
Build dedicated state and private institutions that are accountable to their users for the effective and directed support to land reform beneficiaries in general and smallholder agriculture and family farms in particular, including through financial support, research and extension, the provision of tools and equipment and the facilitation of market access and cooperation.

53rd Conference Resolution
Land is a fundamental feature of ownership and control and whilst racial, gender and class concentration of ownership of land persists, the setting up of institutions to regulate land use, standardize land valuations and normalise land use and distribution is important. 18. We recommend the following institutions in support of land reform: Office of the Valuer-General; Land Commission; Land Rights Management Board; We resolve that land be recognised in the Constitution as a socio-economic right and that indigent households be allocated minimum landholdings.

Department’s Interventions to give effect to the Resolutions
Office of the Valuer-General established to provide for the regulation of valuation of property that has been identified for land reform purposes. Land Commission, Land Rights Management Boards: See Policy and Legislative Interventions.

Challenges
Adequate resourcing of newly established institutions.

Policy and Legislative Interventions
“Policy Framework for Land Acquisition and Land Valuation in a land reform context and for the establishment of the OVG”; Property Valuations Act; Land Tenure Security Policy for Commercial Farming Areas; Regulation of Land Holdings Policy and Bill; Extension of Tenure Security Amendment Bill.

Progress to date
“Policy Framework for Land Acquisition and Land Valuation in a land reform context and for the establishment of the OVG” completed in October 2012. Property Valuations Act promulgated and to come into effect on 1 August 2015; Land Tenure Security Policy for Commercial Farming Areas; Regulation of Land Holdings Policy and Bill; Extension of Tenure Security Amendment Bill. Valuer-General to start on 15 August 2015. Office to start on 1 August 2015 with basic resources in place.

Alignment Analysis

National Development Plan
Establish monitoring institutions to protect land markets from opportunism, corruption and speculation.

ANC Election Manifesto
Strengthen support for co-operatives in marketing and supply activities to enable small-scale producers to enter formal value chains and take advantage of economies of scale. This will include targeting public institutions as primary buyers of agricultural goods and support for small-scale producers’ access to municipal markets.

MTSF 2014–2019
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

7. RURAL DEVELOPMENT

52nd Conference Resolution
Embark on an integrated programme of rural development, land reform and agrarian change based
on the following pillars: (a) The provision of social and economic infrastructure and the extension of quality government services, particularly health and education, to rural areas; (b) Fundamental changes in the patterns of land ownership through the redistribution of 30% of agricultural land before 2014. This must include comprehensive support programmes with proper monitoring mechanisms to ensure sustainable improvements in livelihoods for the rural poor, farm workers, farm-dwellers and small farmers, especially women; (c) Agrarian change with a view to supporting subsistence food production, expanding the role and productivity of modern small-holder farming and maintaining a vibrant and competitive agricultural sector; Support the growth of rural market institutions including through the provision of infrastructure and by helping rural communities and small farmers to build organisations which help them to access markets, build links with formal sector value chains and coordinate their activities to realise economies of scale. Such organisations may include producer co-operatives, small-holder associations, input supply co-ops, marketing co-ops and/or state regulated institutions designed to support and promote market access and collective action amongst small rural producers. Special attention will be given to the empowerment of women in co-operatives. Accelerate the roll-out of rural infrastructure, particularly roads but also other services including potable water, electricity and irrigation and ensuring in particular that the former bantustan areas are properly provisioned with an infrastructural base for economic and social development, and that farm dwellers, like all South Africans benefit from universal access to free basic services. In this regard, the ANC reaffirms our objective of realising universal access to free basic water, electricity and sanitation before the centenary of the ANC and recognises that the bulk of this challenge is in rural South Africa.

53rd Conference Resolution
Rural Development: We make the following recommendations with regards to rural development: A rural development sustained by rural co-operatives bank; sustained rural settlements, which could grown into rural towns/cities; Prioritise roll out of bulk infrastructure in rural areas eg. construction of new dams and irrigation, rail, roads, communications, ICT, energy and green economy. Finalise without further delay the SPLUMA.

Department’s Interventions to give effect to the Resolutions
The Branches Rural Infrastructure Development (RID) and Rural Enterprise and Industrial Development (REID) are implementing the Comprehensive Rural Development Plan (CRDP), adopted by Cabinet in 2009 and based on the Ready to Govern document throughout the country. The pillars of the CRDP are 1. meeting basic human needs; 2. rural enterprises; and, 3. rural industries, sustained by markets and credit facilities. The Animal and Veld Management Programme and the River Valley Catalytic Programme is also being implemented. The Rural Economy Transformation Model (RETM) has been developed and is currently being implemented. The Agri-Park initiative has been conceptualised and is being rolled out in 44 districts. The NARYSEC Programme is being implemented. SPLUMA was signed into law on 2 August 2013, and published on 5 August 2013. The Act will become effective as from 1 July 2015. The Branch Spatial Planning and Land Use Management is implementing the Act throughout the country.

Challenges
Institutionalisation of the CRDP management system; Limited capacity at municipal level to implement SPLUMA. Traditional leaders seeking further engagement on Chapter 6 of SPLUMA.

Policy and Legislative Interventions
The Rural Development Policy Framework has been completed, and recommendations in terms of establishing a rural financing facility are contained therein. CRDP and RETM adopted. Draft Agri-Park policy has been completed. SPLUMA and Regulations.

Progress to date
Rural Development Programme performance 2014/2015: Socio-economic Infrastructure projects implemented = 123; Households supported with basic infrastructure 8 102; 31 River Valley Catalytic Projects; 442 Rural Enterprises supported; Skills development opportunities 9509; Jobs created in rural development initiatives 6563. The NARYSEC programme is Rural Ward Focussed, being implemented in 2920 wards across SA, including in the 23 poorest districts. The stipends being paid to participants impact positively on between 35000 and 50000 people. More than 15000 participants have been enrolled to date. Of these, as at April 2014, 2444 had graduated and more than 6000 participants participated in various skills development programmes.

Alignment Analysis
National Development Plan
By 2030, rural areas should be spatially, socially and
economically well integrated – across municipal, district and provincial and regional boundaries – where residents have economic growth, food security and jobs as a result of agrarian transformation and infrastructure development programmes, and have improved access to basic services, health care and quality education. By 2030 agriculture will create close to 1 million new jobs, contributing significantly to reducing overall unemployment. Achieving this vision will require leadership on land reform, communal tenure security, financial and technical support to farmers, and the provision of social and physical infrastructure for successful implementation. It will also require capacity building to enable state institutions and private industries to implement these interventions. Improved coordination and integration in the planning and implementation of area-based and differentiated rural development plans will be needed over the medium-term to achieve the vision of an inclusive rural economy.

ANC Election Manifesto
Implement rural development focusing on meeting basic needs, land reform and rural enterprise development, supported by localised markets, credit facilities and economic infrastructure.

MTSF 2014–2019
■ Sub-outcome 1: Improved land administration and spatial planning for integrated development in rural areas.
■ Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation. Sub-outcome 3: Improved food security. Sub-outcome 5: Increased access to quality infrastructure and functional services, particularly in education, healthcare and public transport in rural areas.

8. FOOD SECURITY

52nd Conference Resolution
Implement the Freedom Charter’s call to help those working the land with implements, seeds, livestock, tractors, irrigation infrastructure and other material support: Scale up the recapitalisation and development programme and the comprehensive agricultural support programme, including in communal areas; Rationalise various existing food security initiatives; land as socio-economic factor.

Department’s Interventions to give effect to the Resolutions
The Recapitalisation and Development Programme (RADP).

Challenges
Ongoing policy enhancements and/or forensic investigations being required to improve systems, processes, as well as ensure legal compliance.

Policy and Legislative Interventions
RADP Policy; State Land Lease and Disposal Policy.

Progress to date
The Recapitalisation and Development Programme (RADP) continues to be rolled out throughout the country. An amended policy was approved in June 2013. The institutional arrangements underpinning the RADP have been strengthened; contractual frameworks have been reviewed and forensic scopings (and where appropriate investigations) commissioned in instances of potential maladministration, fraud and/or corruption. Overall RADP expenditure 2009–2015 amounts to R 482 453 847 in respect of 1 459 projects benefiting 28 126 beneficiaries (1 380 781 hectares).

Alignment Analysis
National Development Plan
Ensure sustainable production on transferred land by making sure that human capabilities precede land transfer through incubators, learnerships, mentoring, apprenticeships and accelerated training in agricultural sciences. Offer white commercial farmers and organised industry bodies the opportunity to significantly contribute to the success of black farmers through mentorships, chain integration, preferential procurement and meaningful skills transfer.

ANC Election Manifesto
The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913 Land Act and resultant land dispossession
Contribute to the ongoing problems of poverty, unemployment and inequality. Increase investment in agricultural infrastructure in support of small holder farmer development, prioritising former homeland communal areas. Continue to invest more in rural development through the further implementation of the CRDP, which focuses primarily on the provision of social and economic rural infrastructure. We have a comprehensive programme of land reform, underpinned by de-racialisation of the rural economy, democratic allocation and use of land, and production for guaranteed food security. Increase investment in agricultural infrastructure - including irrigation, storage facilities and fencing - in support of smallholder farmer development, with former homeland communal areas being a priority. Further intensify the development aspect of land reform, ensuring that all land reform farms are productive and contribute to food security. Enhancing the success of our recapitalisation programme by continuing to work with commercial farmers to support emerging farmers in exchange for speedy implementation of the land reform programme. Grow sustainable rural enterprises and industries through strong rural - urban linkages; increased investment in rural industries and agro-processing, trade development; and access to local markets and financial services.

9. RE-OPENING OF RESTITUTION

MTSF 2014–2019

- Sub-outcome 1: Improved land administration and spatial planning for integrated development in rural areas.
- Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation Sub-outcome 3: Improved food security Sub-outcome 5: Increased access to quality infrastructure and functional services, particularly in education, healthcare and public transport in rural areas.

93rd Conference Resolution

The commission recommends the following: reopening of the lodgement date; provide for exceptions to the cut off date of 1913 so as to accommodate the Khoi and San descendants, heritage sites and historical landmarks; That this forms part of the 1913 Natives Land Act centenary observation.

Department’s Interventions to give effect to the Resolutions

Restitution Programme.

Challenges

Inadequate resourcing of the Programme; Research complexities in respect of historical and conflicting/overlapping claims; Community disputes; Unscrupulous investors undermining inclusive community development initiatives and appropriate equity sharing arrangements in community development projects on restituted land; Infrastructure backlogs in rural villages.

Policy and Legislative Interventions

The Restitution of Land Rights Amendment Act (Act 15 of 2014). Draft Policy in terms of exceptions to the cut off date of 1913.

Progress to date

The Restitution of Land Rights Amendment Act (Act 15), 2014, was signed into law in July 2014 extending the lodgement of land claims for a further 5 years for those who did not lodge prior the cut of date of 1998. As on the 15th of April 2015, a total of 55973 claims have been lodged with the Commission. This represents 70% of the 79 696 claims lodged over a period of 4 years in the previous window, confirming that reopening the Restitution process was indeed the right thing to do. Various interactions have been undertaken: a National Reference Group representing the Khoi and San; interaction with other stakeholders like the Department of Arts and Culture, Department of Traditional Affairs, South African Heritage Agency and South African Heritage Council, A National Consultative Workshop was held in Kimberley during May 2013 and a further one in April 2014, to discuss policy around the issue of exceptions Heritage sites and historic landmarks. The Reversing the Legacy of the 1913 Land Act Exhibition was set up to commemorate the 1913 Native Land Act.

Alignment Analysis

National Development Plan

By 2030, rural areas should be spatially, socially and economically well integrated – across municipal, district and provincial and regional boundaries – where residents have economic growth, food security and jobs as a result of agrarian transformation and infrastructure development programmes, and have improved access to basic services, health care and quality education.

ANC Election Manifesto

Accelerate the settlement of remaining land claims submitted before the cut-off date of 1998; Re-open
the period for the lodgement of claims for restitution of land for a period of five years commencing in 2014. Codify the exceptions to the 1913 cut-off date for the descendants of the Khoi and San, and identify affected heritage sites and historical landmarks.

MTSF 2014–2019
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

10. CAPACITY OF THE STATE

52nd Conference Resolution
Strengthen the voice of rural South Africans, empower poor communities and build the momentum behind agrarian change and land reform by supporting the self-organisation of rural people; working together with progressive movements and organisations and building forums and structures through which rural people can articulate their demands and interests. ANC Branches together with alliance partners will assist in the organisation, unionisation and empowerment of farm workers. Build stronger state capacity and devote greater resources to the challenges of rural development, land reform and agrarian change. In particular to:

■ Create and over-arching authority with the resources and authority to drive and coordinate and integrated programme of rural development, land reform and agrarian change.

■ Review the mandate, capacity and operations of institutions such as the Land Bank in order to ensure that the State is able to provide directed credit and capital for investment in support of a transformed agricultural sector and rural economy.

■ Review and change all institutional, legislative, regulatory and tax-related policies that create a bias in favour of large-scale, capital intensive, environmentally damaging agriculture and under-utilisation of land and which constrain the emergence of a vibrant, pro-poor rural economy, including:
  (a) repeal any legislation which prevents the sub-division of land and other policies which promote the concentration of ownership in land and the under-utilisation of land.
  (b) Introduce a special land tax and other progressive tax measures with the aim of creating incentives for the disposal of under-utilised land and the deconcentration of land ownership, and act urgently to remove biases that currently exist in the tax system that provide incentives for the ownership of large tracts of land, capital intensity and the underutilisation of agricultural land.

■ Revisit national agricultural policies, particularly in respect of subsidies, tariffs and marketing institutions, and the relationship between these and our objectives in respect of rural development, land reform and agrarian change as well as food security and inflation.

■ Combat monopolistic practices in the markets for agricultural land, inputs, finance and outputs.

Challenges
Rates and taxation is still being resisted by traditional authorities.

Policy and Legislative Interventions
Regulation of Land Holdings Policy and Regulation of Land Holdings Bill; Communal Land Tenure Policy and Bill.

Progress to date
Regulation of Land Holdings Policy and Regulation of Land Holdings Bill: Processed. Communal Land Tenure Policy and Bill: in consultation; Taxation – no progress made (will commence with policy development after the Communal Land Tenure Policy and Bill have been finalised); Overall progress regarding the redistribution white owned agricultural land in South Africa (82 million ha) from 1994 to 31 March 2015 is such that 4 555 995 million ha under Land Redistribution through 5 184 projects, benefiting 235 609 beneficiaries of which 50 882 are women, 33 108 are youth and 678 are people with disability. The president has approved a proclamation in 2011 for the Special Investigating Unit (SIU) to investigate land reform related matters.

Alignment Analysis
National Development Plan
Enable a more rapid transfer of agricultural land to black beneficiaries without distorting land markets or business confidence in the agribusiness sector. Establish monitoring mechanisms to protect land markets from opportunism, corruption and speculation.

ANC Election Manifesto
The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913
Land Act and resultant land dispossession directly contribute to the ongoing problems of poverty, unemployment and inequality.

MTSF 2014–2019
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

11. PARTNERSHIPS

52nd Conference Resolution
Where appropriate, work together with commercial agricultural and the private farming sector to promote black economic empowerment, create partnerships between emerging and established farmers, create linkages between large and small farmers including through procurement and ‘contracting-out’ and build institutions to contribute towards more equitable structures of production and ownership in rural South Africa, including through collective ownership, employment equity, skills development and support for new enterprises in the agricultural sector.

Department’s Interventions to give effect to the Resolutions
RADP

Challenges
a) Unclear beneficiary selection criteria (in the past);
b) uniform application of policy in the provinces;
c) timely disbursement of funds to beneficiaries for the season;
d) unauthorised spending of funds by beneficiaries;
e) failure to complete the project funding cycle and exit the support programme

Policy and Legislative Interventions
RADP policy.

Progress to date
The Recapitalisation and Development Programme (RADP) continues to be rolled out throughout the country. An amended policy was approved in June 2013. The institutional arrangements underpinning the RADP have been strengthened; contractual frameworks have been reviewed and forensic scopings (and where appropriate investigations) commissioned in instances of potential maladministration, fraud and/or corruption. The president has approved a proclamation in 2011 for the Special Investigating Unit (SIU) to investigate land reform matters. Overall RADP expenditure 2009–2015 amounts to R3,482 453,847 in respect of 1459 projects benefiting 28126 beneficiaries (1 380 781 hectares).

Alignment Analysis

National Development Plan
Enable a more rapid transfer of agricultural land to black beneficiaries without distorting land markets or business confidence in the agribusiness sector.

ANC Election Manifesto
The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913 Land Act and resultant land dispossession directly contribute to the ongoing problems of poverty, unemployment and inequality.

MTSF 2014–2019
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation

12. YOUTH DEVELOPMENT

52nd Conference Resolution
Ensure adequate resources are available for the creation of agricultural colleges and extension services specialising in the tasks of rural development, land reform and agrarian change. Community Development Workers in rural areas must be inducted properly on land and rural development issues in order to support an accelerated land reform programme and to ensure compliance with laws affecting farm workers.

Department’s Interventions to give effect to the Resolutions
The National Rural Youth Service Corps (NARYSEC) is one of the department’s strategic interventions, focusing on skills development and targeting the youth in rural communities. Youth enrolled in the Programme are exposed to a wide range of skills disciplines, followed by practical workplace placements. Establishment of the NARYSEC headquarters at Thaba Nchu.

Challenges
a) Placement into job or business of graduates after completion of studies;
b) drop-out rate; and
Review of NARYSEC policy to correct shortcomings.

**Policy and Legislative Interventions**

NARYSEC Policy and policy reviews.

**Progress to date**

The NARYSEC programme is Rural Ward Focussed, being implemented in 2920 wards across SA, including in the 23 poorest districts. The stipends being paid to participants impact positively on between 35000 and 50000 people. More than 15000 participants have been enrolled to date. Of these, as at April 2014, 2444 had graduated and more than 6000 participants participated in various skills development programmes.

**Alignment Analysis**

**National Development Plan**

Ensure sustainable production on transferred land by making sure that human capabilities precede land transfer through incubators, learnerships, mentoring, apprenticeships and accelerated training in agricultural sciences; Proposed model – the Districts Land Committee.

**ANC Election Manifesto**

Strengthen agricultural college education through skills development fund.

**MTSF 2014–2019**

Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

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13. PROTECTING FARM WORKERS’ RIGHTS

**52nd Conference Resolution**

ANC branches will work together with the progressive trade union movement, particularly the Food and Agricultural Workers Union, government agencies and civil society to build national organisations for farm workers and farm dwellers dedicated to the realisation of their rights, combating human rights abuses and super-exploitation, and the provision of support and advice to communities living on farms. Furthermore, to ensure the vigorous implementation of laws that protect farm workers and farm-dwellers by strengthening the capacity, resources and resolve of government to protect and advance their interest. This will include the review and strengthening of relevant legislation.

**Department’s Interventions to give effect to the Resolutions**

Branch Land Tenure and Administration (LTA) implementing ESTA and Labour Tenants Act programmes, as well as the Strengthening of Relative Rights of people Working the Land Programme.

**Challenges**

Absence of active and vocal local structures that champion and defend farmworkers’ rights. Opposition of some structures to the Strengthening of Relative Rights of People Working the Land Programme.

**Policy and Legislative Interventions**

Amendment of the Extension of the Security of Tenure Act (ESTA).

**Progress to date**

- Re-establishment of ESTA Committees;
- Appointment of Land Reform Management Facility to provide legal support to farmworkers facing evictions.
- The ESTA Amendment Bill against farm evictions has been finalised and will be processed through parliament in the current financial year. It is anticipated that the Bill will be tabled in parliament by September 2015.
- At least 10 initiatives being implemented in line with the Strengthening of Relative Rights of People Working the land initiative.

**Alignment Analysis**

**ANC Election Manifesto**

The ANC remains committed to dealing with a century old injustice that rendered the majority of our people pariahs in the land of our birth. The heinous 1913 Land Act and resultant land dispossession directly contribute to the ongoing problems of poverty, unemployment and inequality.

**MTSF 2014–2019**

Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.
14. INTEGRATION OF LAND RIGHTS AND WATER RIGHTS

52nd Conference Resolution
Integrate land rights and water rights into a common programme.

Progress to date
Memorandum of Understanding between the DRDLR and DWA being put in place. Representation of senior officials of DWA and the Deputy Minister of DWA at the NLARCC where land acquisition and RADP projects are approved, to ensure the requisite integration.

Alignment Analysis

National Development Plan
A comprehensive water resources management strategy, including an investment programme for water resource development, bulk water supply and wastewater management for major centres by 2012, with reviews every 5 years.

MTSF 2014–2019
Sub-outcome 2: Sustainable Land Reform contributing to agrarian transformation.

15. CONCLUSION
This is the Year of the Freedom Charter and Unity in Action to Advance Economic Freedom. In this regard, this is what the Ready To Govern Document anticipated about the Transformative agenda of South Africa’s democratic, developmental state:

- Legislation on economic matters shall be guided by the principle of encouraging collaboration between the public, private, co-operative, communal and small-scale family sectors with a view to reducing inequality, promoting growth and providing goods and services for the whole population.

- The Bill of Rights shall establish the principles and procedures whereby land rights will be restored to those deprived of them by apartheid statutes. A land claims tribunal, functioning in an equitable manner according to principles of justice laid out in legislation, will, wherever it is feasible to do so, restore such rights. In doing so, it will take into account the role of compensation to be paid by the state to those whose existing titles are affected. Provisions relating to property rights and compensation will have to be applied in such a way that they are not manipulated so as to frustrate a national land reform programme.

The above, as well as the Resolutions of the 52nd and 53rd National Conferences of the African National Congress, remain our guiding lights in implementing a better life for all!

We are moving South Africa forward!

Siyaphubu!