

BULLETIN

JULY 2015



■ *Foreword by the* **SECRETARY GENERAL, GWEDE MANTASHE**

Economic Growth and Job Creation are Priority



The Lekgotla was held over three days, and was followed immediately therefore by the Cabinet Lekgotla. The main purpose of the July lekgotla is to influence the budget process so that resources are allocated to the priority areas identified by the ANC. The ANC cabinet ministers, who all attend the NEC lekgotla as cadres of the movement, are expected to be drivers and implementers of the programme of the movement after these makgotla.

In 2015 the biggest challenge facing our country is the low economic growth and potential massive job losses as a consequence. In the lekgotla the commission on economic transformation and other commissions considered various options to be embarked upon. It is, however, clear that unless the private sector comes to the party solutions are far from realisation. The mindset that unemployment is a government problem or view it narrowly as a problem of the ANC, leads various role players to fail in playing their part to find solutions.

We must confront this crisis as a nation. We must not wait until we reach the point similar to the Greece situation, and only then mobilise society. We must act immediately. The arrogance with which some of the major companies deal with the unions and bulldoze them into accepting that there is no alternative to retrenchments must be confronted by the nation.

The emphasis on the main challenges facing our society does not make other areas of work less important. We are emphasising the issue of job losses to highlight the importance of appreciating that one area has the potential of impacting negatively on other areas. The linkage between the state of employment in society and the complications in social development are clear. The cry that social wages are not sustainable in the long-term would be relevant when more jobs are created.

The most important issue is the implementation of decisions taken and the ability to monitor the implementation. Implementation must happen in all the spheres of government. This is more critical as we approach the local government election in 2016. These are going to be tough elections with a barrage of attacks directed at the ANC. The understating of the progress being made and exaggeration of the problems is going to be a key feature of the offensive against the ANC. Our response should not be directed at the opposition forces but to our people. We must be pre-occupied by the desire to serve the people. Basic services must be provided not because of pressure but because of the need to do so.

The reports of the commissions must be used in guiding implementation and monitoring.

Enjoy the reading.

■ *Political Overview* by **PRESIDENT JACOB ZUMA**



Time to Go Back to Basics

We have gathered here to assess the progress we have made in creating a better life for all our people, especially the poor and the working class.

We declared 2015 the Year of the Freedom Charter and Unity in Action to Achieve Economic Freedom. Our overall message as well since the last national general election is ***Together We Move South Africa Forward***. It is under these two interrelated themes that we convene this lekgotla.

We also meet just a week after celebrating Nelson Mandela International Day.

Madiba continues to unite us in the quest to do good for our communities and country.

Our Lekgotla takes place a month after the successful Alliance summit at which we reaffirmed the strategic importance and relevance of a united ANC-led alliance in our society. We agreed that disunity serves only to derail us from our historic mission to reverse the legacy of apartheid and colonialism. The summit recognized that the Alliance remains a critical force to ensure that the goals of the Freedom Charter and the National Democratic Revolution are achieved.

Indeed our movement is the only one which can successfully conceptualize and implement a widely supported radical programme of fundamental transformation which is aimed at the creation of a non-racial, non-sexist, democratic and prosperous South Africa.

This Lekgotla should build on the spirit of the Alliance summit which declared that:

“As delegates to this Summit, we pledge to take forward the spirit of unity, self-critical evaluation and a determination to implement the key decisions we have agreed upon.”

This is important because it is only through a thorough process of self-critical evaluation that we will be able to know exactly where we need to change the way we work. We will also know where we need to improve our capacity in order to accelerate the pace of

delivery. That is the purpose of this lekgotla.

This Lekgotla also takes place when the leadership that was elected in Mangaung in 2012 is now half way through its term of office.

The lekgotla should thus help us to critically and carefully analyse progress in the implementation of the Mangaung conference resolutions as we prepare for our National General Council. The Mangaung conference enjoined us to move boldly as we enter the second phase of our transition from apartheid colonialism to a national democratic society. We further declared that we would implement radical socio-economic transformation to meaningfully address the triple challenges of poverty, unemployment and inequality. We must assess progress made in this regard and further recommend improvements where needed.

We have also identified projects regarded as low hanging fruits in each lekgotla. We should reflect on how far we are in implementing those kinds of projects.

The last Lekgotla endorsed the **Back to Basics** programme of action which is aimed at making our municipalities work better. The programme remains the key ANC and Government programme aimed at ensuring that citizens have a positive experience of local government.

Key lessons from the first phase of implementing this programme have revealed the following:

- Political instability and weaknesses in governance are two of the primary causes of poor service delivery at municipal level;
- Municipalities with weaknesses in governance and corporate management functions such as financial management, supply chain management, wrong appointments also tend to experience difficulties in service delivery; and
- Processes and systems for citizen engagement are generally weak in municipalities that are categorised as dysfunctional.

While the Back to Basics approach has had significant successes, it has not yet had sufficient impact.

It is now time to be more precise and practical regarding actions which will be effective in changing how municipalities are working.

In this regard, all ANC provinces and provincial governments must do a few things.

- They must build the capacity of the provincial Departments of Cooperative Governance and Traditional Affairs in order to monitor and support the operations of municipalities.
- They should develop a program of interventions with national COGTA to reduce the number of dysfunctional municipalities.
- Provinces should ensure that they do not have any municipality which has financial disclaimers from the Auditor-General.

All ANC controlled municipalities must also implement the following non-negotiables:

1. National and Provincial government departments must be active in supporting municipalities to report back to their communities on the programmes of government.
2. Municipal Councillors must have regular community engagement and municipal complaints management systems.
3. All ANC controlled municipalities must formally adopt in their councils the action plans developed by the provincial and national COGTA departments.
4. We must have ward level plans in every municipality for service provision, for infrastructure projects and improvements.
5. More interdepartmental effort is required to ensure that the root causes for weaknesses in delivery of water, sanitation, electricity, roads, storm water drainage and waste removals are addressed. We identified these services as priorities in the last lekgotla and must report on them.
6. We need to put in place a range of support packages for less resourced municipalities, with conditions attached to them which municipalities must meet.
7. We must intensify the professionalisation and modernise management functions in municipalities. In this regard, people who occupy positions that they do not qualify for, must be removed.
8. We must also act decisively against corruption in municipalities.
9. Recommendations of forensic investigation reports must be implemented by municipalities without delay.

*We as the ANC
must lead the process
of integrated planning
and delivery.*

These are all issues we should seriously discuss at this lekgotla.

In addition, the ANC must seriously discuss the criteria for selection of Councilors for next term of Local Government implementing the decisions of previous NEC Makgotla.

Our branches must better understand the wards and the needs of the people in that ward so that there is synergy between what the branch is doing

and what the municipality is doing. The political side must help to identify the priorities. We should master that to ensure that these two work together.

Finally, we as the ANC must lead the process of integrated planning and delivery.

The economy remains an apex priority. We meet during a difficult period locally and globally. We still need to adjust to a world where low global growth is normal.

The International Monetary fund expects the world economy to grow by just 3.3% in 2015, which unfortunately would be driven mainly by developed economies.

The continuation of monetary support in Europe, lower fuel prices, improving confidence and favourable employment trends in some parts, are expected to provide support for economic growth in developed economies.

In the developing economies the picture is less favourable. The trajectory of growth in China remains strong yet fragile, while economies like Brazil and Russia continue to slowdown.

In South Africa, developments in Greece have further strengthened our case for the need for budget discipline. We must live within our means.

Looking domestically, our growth remains far from our National Development Plan goals of 5.4%.

The National Treasury estimates that electricity shortages are currently costing the economy close to 1 percentage point in economic growth. That suggests that we could attain close to 3 % economic growth from the efforts invested in resolving the shortages.

We continue to implement the five point plan to address power system constraints.

The plan covers:

- The interventions for maintenance and operations efficiency;
- Harnessing the co-generation opportunity through the extension of existing contracts with the private sector;
- Accelerating the programme for substitution of diesel with gas to fire up the diesel power plants;

- Launching a coal independent power producer programme; and
- Managing demand through specific interventions within residential dwellings, public and commercial buildings and municipalities through retrofitting energy efficient technologies.

Medupi currently produces 794 megawatts of electricity from one of the units, and is meant to be fully commissioned sometime in September 2015.

Independent power producers are currently contributing around 2000 megawatts to the grid. Government has contracted a further 3000 megawatts that will come on stream by 2018. Despite the achievements to date, continued load-shedding suggests that a lot of work still needs to be done.

Resolving the energy shortage lifts us to economic growth that is still way short of our NDP ambitions. It is through this recognition that a further 8 priorities are being implemented to further improve our growth potential as outlined in the State of the Nation Address, in the 9 point plan.

Work is underway through the economic cluster to do the following:

- revitalise agriculture
- add more value to our mineral resources
- fast track industrial policy action plan
- encourage private investment
- moderate workplace conflict
- unlocking small business
- boosting the role of state owned companies
- Advancing the ocean economy.

Over the medium-term, the continued implementation of the National Development Plan should help address binding constraints in the economy, thus boosting business and consumer confidence, investment and economic growth.

We have no doubt that if we double our efforts to achieve the goals we have set ourselves as listed above; we will achieve our NDP goals of creating sustainable growth and employment for our people. Outside of our borders there are also notable opportunities to further support our economic growth performance.

The sub-Saharan Africa region provides an important support to exports of South Africa's manufactured goods. We clearly need the region for our industrialization policy. The recent signing of a free trade agreement is a good response to these opportunities.

Growth in the sub-Saharan region is expected at 4.5% in 2015.

It is for this reason that South African companies should be encouraged to seek expansion in the continent. It is welcome

that annual investment by South African companies into the continent rose from 5.5billion rand in 2002 to 36billion rand in 2013. This serves the country well through earnings and also provides a channel for export penetration.

The ANC government has continued to work actively with all social partners to improve the functioning of the labour market and improve labour relations, a process led by the Deputy President.

The Marikana experience is one we all do not want to see repeated anywhere in our country.

Based on that experience, the revitalization of mining towns and providing support to communities should remain our key focus as the ANC. The MarikanaReport was released and government is working on the implementation thereof.

Job creation remains a critical national priority. There are hundreds of thousands of new entrants to the labour market every year, mainly young South Africans, who are able and willing to work, and who are looking for jobs. We have made substantial, though not sufficient progress with job creation in the past four and a half years.

The national infrastructure plan remains critical for job creation and as a stimula for economic growth and development.

Through the work of the Presidential Infrastructure Coordinating Commission (PICC), we have helped unblock construction projects that were stuck. We have facilitated regulatory approvals such as water-use licences and deepened the localisation of component manufacturing. We have also helped to train many young South Africans. But there is scope to do even more.

One of the key challenges is that we do not always work in an integrated manner as the ANC in government. One sphere of government builds a large dam but the other sphere fails to connect the local community to the water from that dam, even though there is budgeted money for it.

We must be bolder, taking the tough decisions, of what to build, where to build it, how to finance it and we must do it now as our people expect and indeed deserve radical transformation in their lives.

In the next 12 months, we must take tough decisions to ensure that government so that it works seamlessly and to the benefit of all our people.

We will take decisions on funding that will go to a sphere of government that has the capacity to deliver water systems, sanitation, schools, clinics and roads; and we expect all ANC structures and employees to fully implement such decisions.

This tendency to hide behind formal structures to disguise lack of implementation or indeed, a desire to control tenders, must be brought to an end.

A number of developments have taken place on the international front.

We have just hosted a very successful Summit of the African Union which took important decisions particularly on the need for our continent to be self-reliant in financing our regional organizations and finding African solutions to African problems.

Unfortunately, this Summit was overshadowed by the President Al Bashir matter which brought to the fore African concerns about the ICC and the role of our own judiciary in defence of our national interests. The NEC has already pronounced on the ICC and gave guidance to Cabinet.

The international balance of forces has presented some positives that we must reflect on.

The improving relations between Cuba and the USA is a vindication of the correctness of the position we have taken on the illegal blockage on Cuba, as is the release of the Cuban Five who were in our country a few days ago.

The Iran deal is another vindication of the correctness of our position on the imposition of unilateral sanctions on Iran and the right of all nations to nuclear technology for peaceful use.

The continuing attacks and attempts to isolate Russia do not augur well with these positive developments and threaten to reignite another Cold War. Our relations remain very deep, especially after the successful BRICS Summit that was hosted by that country.

BRICS continue to grow from strength to strength as an alternate voice and structure in the international system which historically has favoured one side. The Middle East is still a war zone, and Palestinians are not about to achieve their deserved right to self-determination. That struggle continues for all of us.

In our continent, we welcome the election of President Buhari as this opens a new chapter in our relations with Nigeria.

We may also want to reflect on the findings of the Coroner on the tragedy that befell our compatriots in that country during the collapse of the church building in Nigeria.

Our comrades in South Sudan are gradually finding each other towards the coexistence of the warring factions within the SPLM.

We are also encouraged by the advances in the DRC against the negative forces that have for years been destabilising that country. Our forces are deployed in the FIB, therefore we must take active interest in the current impasse between the DRC government and MONUSCO.

Closer to home, Lesotho is a challenge we cannot ignore and require our collective wisdom as a Movement.

We will also continue to participate in party to party engagements and to strengthen the relationships with fraternal former liberation movements in the continent and beyond. This indicates a lot of work on the regional and international front on which we must pronounce and chart the way forward.

Next month we will mark National Women's Day and women's month. We should remember that the advancement of women is an integral part of the programme of the ANC and its government. The Alliance Political Council should discuss how the women's formations of the ANC, SANCO, SACP and COSATU should work together within the Alliance.

We held a successful celebration of youth month in June with lots of programmes throughout the country. We had equally successful Africa month campaigns.

Let us continue to be a campaigning organisation and a campaigning government and keep in touch with our people, as we move South Africa forward with them.

Comrade, we have a lot of work to do this weekend.

We must ensure that we do not fall into the temptation of being caught in endless debates and discussions. We must come up with solutions with time frames.

The work we do here, will provide leadership to the Cabinet lekgotla that takes place next week.

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■ Presentation by **SECRETARY GENERAL, GWEDE MANTASHE**

Implementing Radical Economic and Social Transformation: *Reality or Myth?*



1. BACKGROUND

- 1.1 In the January 2015 Lekgotla we identified and confirmed the priorities for the term ending in 2019. This was prefaced with a prompt on every public representative and government department to move swiftly and with speed to implement programmes, as a means to address the needs of our people.
- 1.2 This Lekgotla should ask if we all understand the urgency of this call. This question can be answered only when we have a sense of how resources are allocated to the priority areas we identified. Equally important is to analyse the capacity of the state to execute, implement and ensure the quality of services delivered.

2. WHAT THIS LEKGOTLA SHOULD ACHIEVE

- 2.1 The Treasury has been asked to provide this Lekgotla with concrete information on the allocation of resource allocation to the various clusters. Our intention is to see how the budget is directed to the priority areas. This is not intended to be a motivation for one or the other Ministry.
- 2.2 This Lekgotla, as a result of this process of the Treasury, should be able distinguish between investment spending and consumption spending, with the purpose of quantifying progress in creating new economic capacity.
- 2.3 The commissions are expected to select clear priorities for the respective clusters so that the budgeting process can seek to put resources where they are urgently needed.
- 2.4 The Ministry of Public Service and Administration has been requested to provide an analysis of the capacity of the state. Injecting funds into ridding us of our challenges is futile when we do not have the required capacity in the state to implement programmes. Capacity should also be supported by a right attitude that is informed by the understanding of the direction taken by the ANC in government.

- 2.5 Among the questions where we wish to be provided with answers are:

- Why is there still heavy reliance on consultants when the state is boasting of being the biggest contributor, by far, to the new jobs created since 2008? Are mere numbers and not the requisite skills?
- Do Directors General view it as interference, or do they become nervous, when the ANC seeks knowledge and understand or any issue? This is critical for the government/party trust levels to be at the right level.

3. OUR PRIORITIES AND THEIR IMPLEMENTATION

- 3.1 The questions we have highlighted above, both in terms of our fiscal reality – against the backdrop of a difficult economic environment, and the capacity of our state; should assist our frank discussion on our present priorities and what corner we should turn to achieve a radical transformation of or society.

Economic Growth, Job Creation, Decent Work and Sustainable Livelihoods

- 3.2 We are slow in implementing this priority. In a country like ours where unemployment is high, job creation should be uppermost in whatever we do and say – internally and externally.
- 3.3 There is progress in the discussions about the minimum wage. A conclusion of this matter will go a long way in creating decent work. The contestation of space between higher earnings and the absorption of the majority of people into employment must be discussed and solutions should be found. It is satisfying for those employed to get higher wages and better living and working conditions. Nevertheless, when such a desirable environment is not complemented with an insistence on more people being employed and reversing the current trend of

retrenchments, a perception that will develop is one where we will be considered to be concerned only with what satisfies us and those within our fold. Consequently, avoiding this sensitive debate will be at our own risk.

3.4 The economy is growing at a disappointingly low rate. The presentation by comrade Nene will illustrate the reality and provide us with figures.

3.5 The questions we must pose, particularly with regard to sectors intended for growth and employment, are:

- Are we not over-investing in the auto sector without seeing the multiplier effect of this investment in the form of both economic growth and employment creation?
- Which labour intensive sectors are being subsidised and capital incentivised?
- Is our investment in agriculture not limited in focus, with regard to small projects, and therefore yielding minimal impact? Are we, perhaps, not caught up in a false paradigm that assumes that food processing will create all the jobs in this important sector? These questions could equally apply to rural development and land reform.
- How fast are we allocating quotas to emerging companies in the fisheries industry as opposed to big companies having the monopoly? And what are we doing to stop our people handing over their allocation to big companies for immediate cash at the expense of developing new capacity?
- What is the contribution of the forestry to the GDP? Is this sector still monopolised by companies like Mondi and SAPPI with little evidence of any transformation in the sector?

3.6 Our articulation on these sectors that carry the biggest potential to growing the contribution to the overall growth and the creation of more jobs lacks specificity. We should apply our mind to the primary sector of food production as critical for the whole value chain. This means land reform should be linked to food production.

3.7 The question is whether current government programmes are effectively implemented with the necessary results being visible. Land reform has caught the imagination of society but policy clarity and certainty is necessary. The opening of land claims beyond the original 1913 cut-off date must be given real meaning.

Health and Education

3.8 It suffices to say that we have been making great improvement in these priority areas. This is despite a few challenges in some provinces, which the media tends to give a profile to. However, we should acknowledge that this is minimal given the commitment and implementation. We should probably raise the level of our communication on

these advances, which will also add impetus of action and greater confidence among our people.

3.9 The main issues we should address ourselves to here should be:

- Further improving the quality of education and teacher training in our schools
- Developing an improved administration of NSFAS, with a focus on ensuring that the administrators are in the campuses and those universities provide – because some of these administrators do not share our worldview in this regard.
- Outsourcing in the health sector is of critical concern, which impacts on the delivery of capacity and the delivery of a qualitative healthcare overall. We should address this matter, without being restraint by arguments of creating a black middle class.

Corruption and Crime

3.10 South Africa, even in the context of the continent, is perceived to be the most corrupt country. This perception derives from the narrative, constantly repeated in the public, about corruption in the public sector and less so in the private sector. Our public representatives are caught in this narrative to a point that they cannot demystify it. At other times they are overly sensitive, even to false allegations, in their responses.

3.11 The perception and image of our country can only be changed by concrete programmes that lead to prosecution and conviction of those involved. We must be bold in dealing with corruption within our ranks, first, and in society more broadly.

3.12 In the Alliance summit we raised questions about corporate capture when business interests manipulate political and administrative process for their benefit at the expense of the people. Therefore,

- How widespread is the practice of name-dropping when transgressions are committed in the public sector and, therefore, end up dragging the ANC in the mud when resources are being leaked? Are there parallel processes that strengthen the infrastructure for the corruption industry? Political appointments at the senior level of the state cannot be immune to this tendency. How much resources get leaked as a result of the seriousness of this growing tendency? The real question is whether corruption is systemic or not. It would be systemic if it is embedded in systems of the state.
- But also important is whether the people we have in the state are of the calibre that they can steer clear of such manipulations and unethical behaviour. Therefore, our assessment should transcend the debate about the skills capacity and include ethical conduct and attitude.

Local Government

3.13 Local government remains an area of priority. The improvement in the audit results in this sphere of government must be appreciated, with the Back to Basics programme remaining the main area of focus. More must be done to correct the weaknesses in local government as we are going to the 2016 local government elections. As we move closer to the elections, there must be a window period where the changes in leadership must not be allowed.

Infrastructure the Social Wage

3.14 Social infrastructure should be rolled out with the necessary speed. Human settlement is at the heart of mass resentment. However, it can be turned around to be the driver of improvement in the electoral fortunes for our movement.

3.15 The contribution of social grants in taking millions of our people out of abject poverty is a positive. We should resist the emerging emphasis on these programmes not being sustainable in the long run. Such a debate, while necessary, sometimes overlooks the reality of destitution among the majority of our people. It is in our ethos, and is also our responsibility to support the poor in society. It is essential to human solidarity. Nation-building and national cohesion must be factored into the discussions about social transformation.

3.16 The catalyst sectors identified seem to be in a crisis. We are not bold enough in dealing with the apparent crisis. For example:

- Energy infrastructure seems to be over-shadowed by regular load-shedding. We don't seem to have the necessary focus and provide necessary information publicly on progress underway regarding the infrastructure roll-out. We have been talking about three power stations under construction but non-committal to when society can expect to see them commissioned. Regular above inflation tariff increases in the midst of load shedding cannot instil

confidence.

- Transport infrastructure is a catalyst sector should focus on an efficient, accessible, affordable and reliable public transport system. We cannot talk of transport infrastructure as only strengthening a pit to port economic system.
- ICT has been identified as a catalyst sector. Digital migration remains elusive and weighs heavily on South Africa's leadership role in the continent. Although all indications are that we are technologically superior even within the SADC, there is a growing concern that we are being overtaken by even some of our smallest neighbours in our ICT and digital roll out. The matter has, largely, been left to government. ANC policy positions, on the other hand, have been overlooked if not ignored.
- In water and sanitation there is greater visibility. However, the projects that we committed to must be implemented. Water and sanitation infrastructure is not only a social transformation matter but equally an economic transformation issue.

4. CONCLUSION

- 4.1 The January Lekgotla provided us with detailed reports on the progress made. We should still get the assessment of how far we have moved since then, and highlight challenges encountered in the implementation. This will help us understand why all our efforts do not yield the expected results, with regard to reducing unemployment and inequality and eradicating poverty.
- 4.2 Except for the impact made by social grants, we are making little progress in our fight against the triple challenges. This is serious as the patience of our people is running thin, particularly in the face of agitation for discontent.
- 4.3 The commissions are therefore expected to talk to the priorities and the budget process. They must identify issues that can be addressed urgently. The quality and pace of service delivered must be improved.

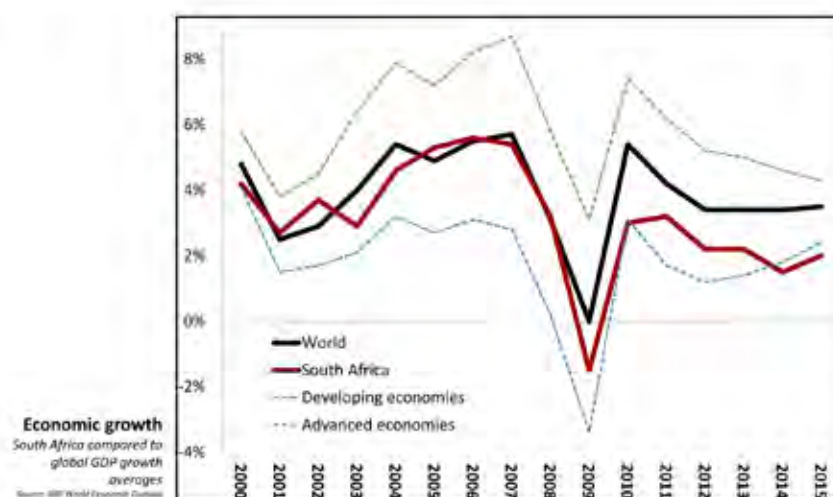
■ Plenary Presentations

The Lekgotla, following the President's political overview and the Secretary General's presentation, received two more presentations.

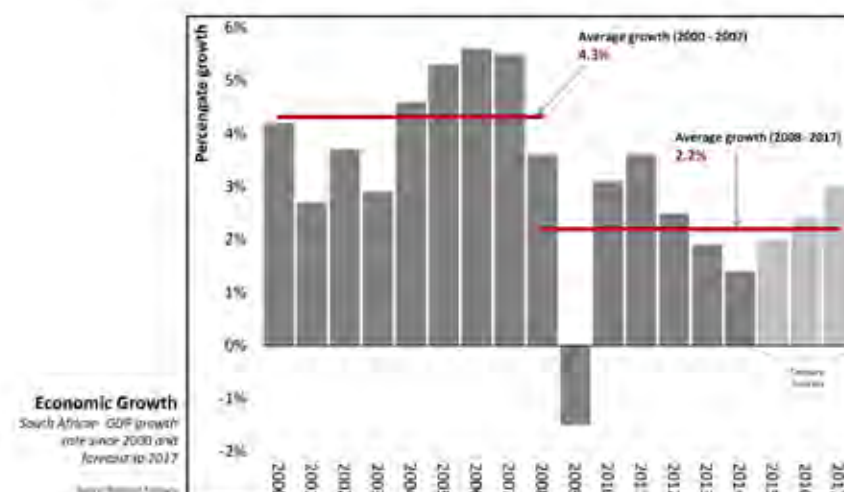
■ Presentation by **NHLANHLA NENE**

ECONOMIC OUTLOOK AND FISCAL POLICY

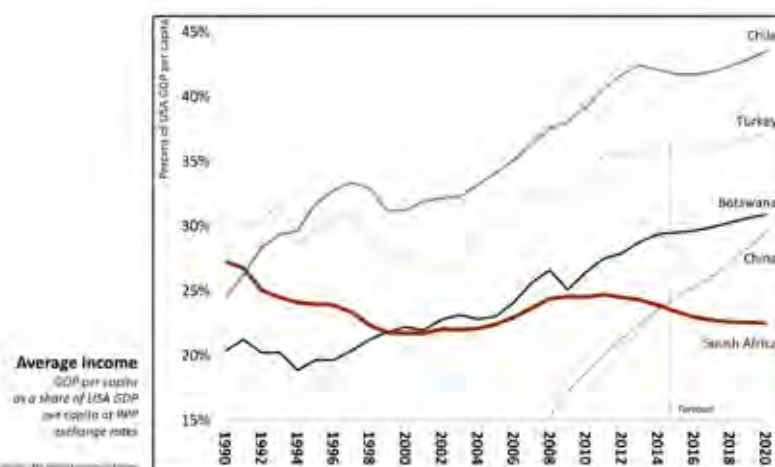
South Africa's economic growth has diverged from the global average



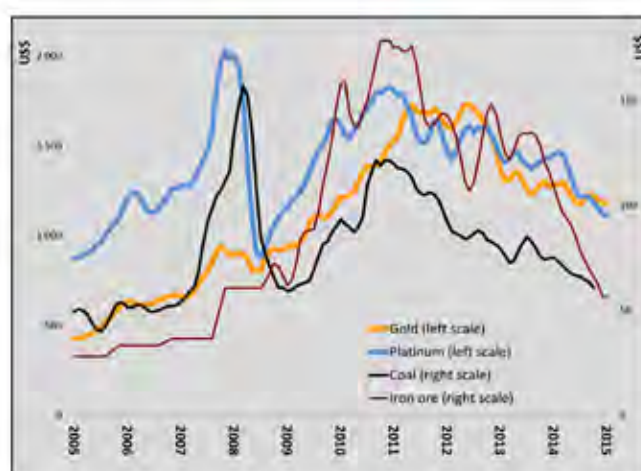
The trend rate of growth has declined, casting doubt on the future potential of the economy



While some are catching up, South Africa is left behind

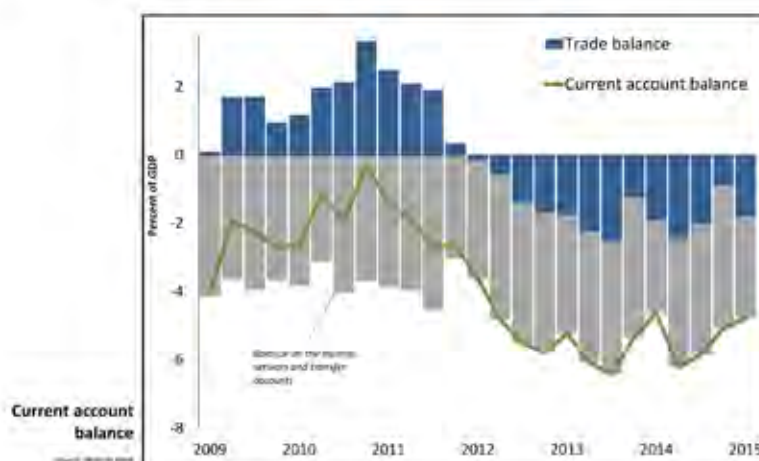


The prices of key commodity exports are falling

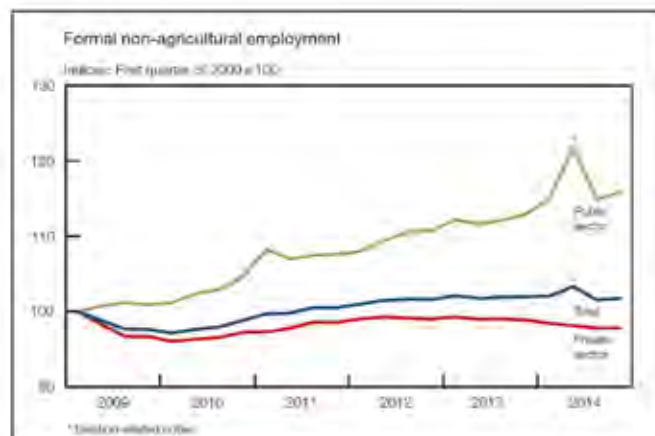


Slow growth should reduce imports and exchange rate depreciation should boost exports....

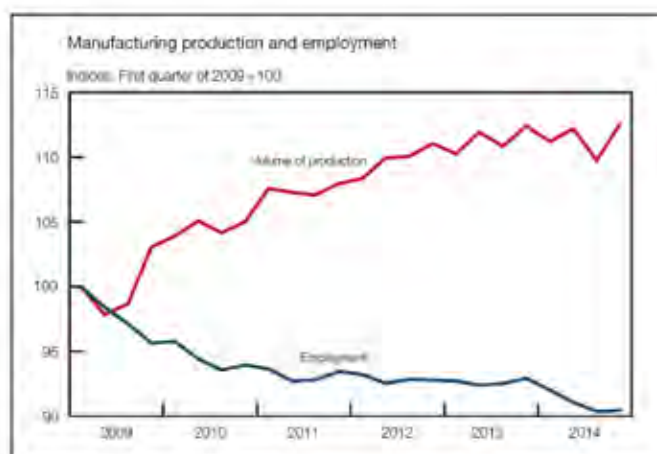
But the trade deficit remains too wide



Only the public sector has been creating formal jobs;
trends in private sector employment growth are still disappointing



In manufacturing the recovery in output is accompanied by job shedding



Global trends

- A "new normal" of slow global growth with heightened financial turbulence
- Growth in the US is positive:
 - This has resulted in a stronger dollar
 - The US will start raising interest rates soon, putting pressure on South Africa, which is reliant on foreign savings
- China is slowing at a rapid pace, with equity prices falling and commodity demand slowing sharply
- Most commodity exporters (including African economies) are slowing
- The Greek crisis and a possible Greek exit could hamper the European recovery

Trends in South Africa

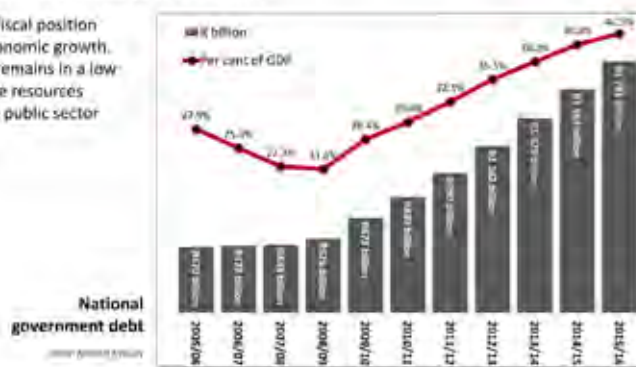
- Electricity outages are a binding constraint on growth: South Africa's economy grew by 1.5% in 2014 and is projected to grow by 2% in 2015. Growth is not expected to reach 3%, even by 2017
- Commodity prices are still falling and growth in SA's key export partners is in doubt
- The high current account deficit makes South Africa reliant on foreign savings and vulnerable to global capital flows
- Business and consumer confidence are at a very low ebb
- Labour unrest has cost significant growth in past four years and uncertainty about the future persists
- Employers are responding to higher wage settlements by retrenching staff, for instance in the mining sector.
- Rising personnel costs are crowding out public sector capital spending

Bright spots

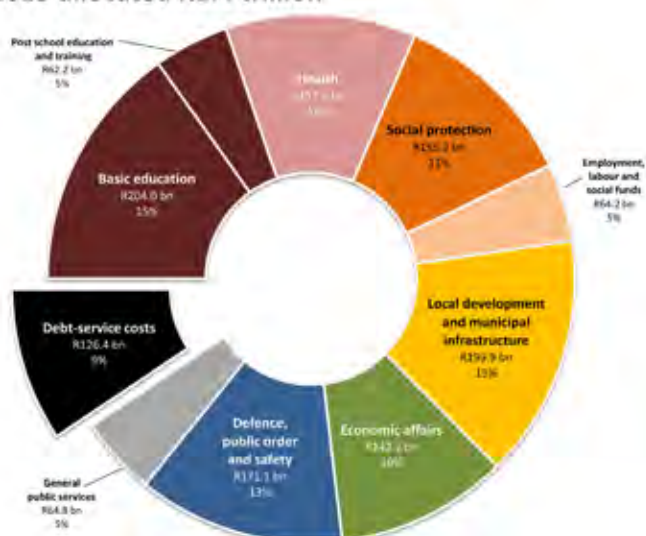
- Africa continues to grow at about 5%, even though it has slowed from a year ago
- Manufacturing exports are growing, but not fast enough to offset falling commodity exports
- SOE investment has held up well, but weak balance sheets could threaten that
- South African corporates are doing relatively well on their foreign investments
- The public finances are stabilising, allowing for moderate spending growth in future years.

Fiscal constraints

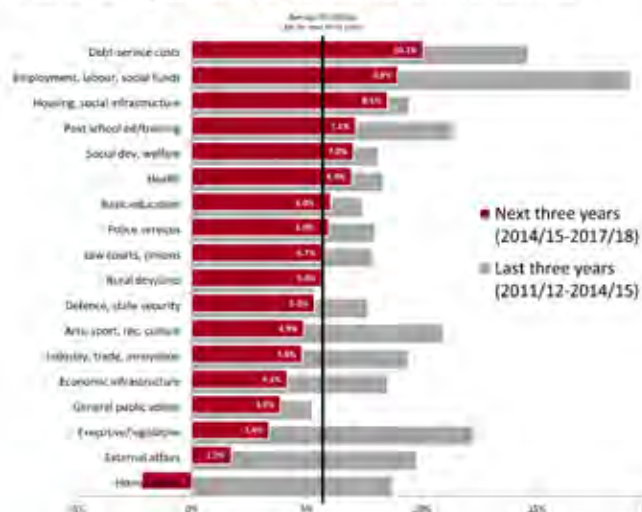
- Debt has not yet stabilised:
 - South Africa is dependent on foreign savings to finance its budget through debt
 - Large debt redemptions are scheduled for 2017 onwards
 - Interest payments on debt now absorb 3% of GDP and are the fastest growing element of government spending.
- Budgets will be very tight for the next two years. Fiscal constraints should ease from 2017 onwards, once debt as a percent of GDP stabilises.
- Government's fiscal position depends on economic growth. If South Africa remains in a low-growth trap, the resources available to the public sector cannot grow.



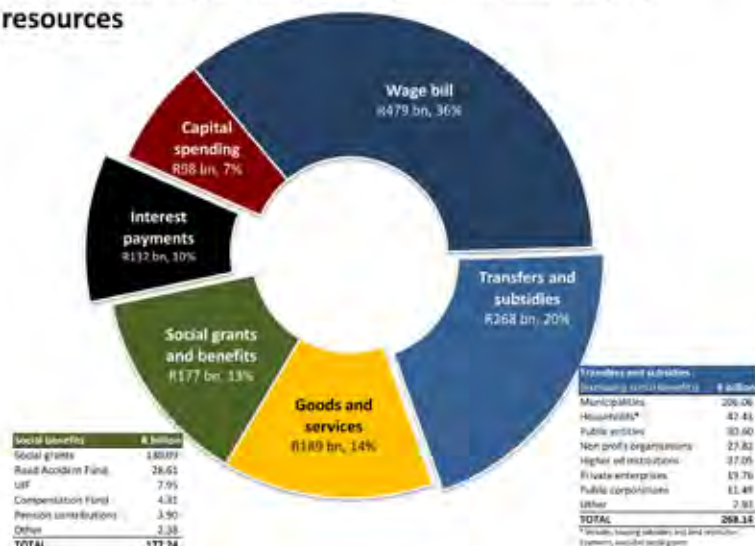
Budget 2015 allocated R1.4 trillion



Medium-term budgets are grow in line with priorities



There is little room for discretion in the allocation of resources



Wage settlement will absorb additional resources

- The wage settlement with public sector unions:
 - 7% salary increase this year, CPI + 1 for the next two years
 - Housing allowance increases by R300 across the board
 - Employers medical contribution increases by 28.5%
- This translates into an 11.5 percent increase for the average employee
- Will cost an extra R12.6 billion this year, R21 billion next year and R32 billion the year after
- Money that was held back to support new policy initiatives will be diverted towards compensation
- Additional resources will be diverted from capital spending to compensation in the next two year
- Government will be unable to create additional employment in the public service for the next two years

Key policy issues

- Electricity will only cease to be a binding constraint on growth by about 2020
- Employment and income growth: There has been no real employment gains or income growth for the past 7 years, It is unlikely that this will improve in the medium term. This has significant social consequences which could translate into political shifts if not addressed
- Our key export markets are slowing, and the trade deficit remains high despite slowing growth and exchange rate depreciation.
- SA is vulnerable to changes in global sentiment: Higher US interest rates, Greek exit and China slowdown could mean even lower growth
- There is little fiscal or monetary policy space to support demand. Once the debt-to-GDP ratio is stabilised there will be more room for public expenditure to grow.
- The budget invests R1.4 trillion, but the outcomes achieved are disappointing.
- SOC balance sheets are stretched, high government debt is crowding out capital spending by public corporations
- Policy issues are causing uncertainty in several sectors:
 - Tourism (visa rules)
 - Agriculture (land reform strategies)
 - Urban investments (location of major projects and development corridors)
 - Mining (MPRDA amendments)
 - Energy (Nuclear)

■ Presentation by **NATHI MTHETHWA**

THE CAPACITY OF THE STATE

Initial Thoughts for Measuring Progress

INTRODUCTION

1. In order for us to better grapple with the subject matter, we need to primarily reflect on the fundamentals of our National Democratic Revolution. To restate, its (NDR) objective is the creation of a united, non-racial, non-sexist, democratic and prosperous society.
2. The state and its capacity is key to the attainment of this strategic perspective.
3. The kind of state we are creating is a developmental one, characterised by a state structure nexus that enables it to achieve our developmental goals. This point is buttressed by the NDP which calls for a capable developmental state.
4. State, as a term is widely used and sometimes used interchangeably with government without any distinction. In our context, we refer to three arms of the state i.e, the executive, legislature and judiciary. Within these parameters, our task at hand deals with that institution of the state which is non-partisan but serves any government of the day. It is the component widely referred to as the machinery. The Civil Service as opposed to the government which gets elected on a partisan ticket on intervals (Five year term).

CAPACITY OF THE STATE

5. In order to organise our thoughts properly around this topic, we need to pose a question, "*Capacity to do what?*" or "*capable of doing what?*"
6. In our endeavour to respond to the question, we will invoke what underpins our theoretical perspective on the matter of the state. Further, our policy posture as we defined a developmental state in 2007.
7. ... 'At the core of these tactics is the creative use of instruments of the state power, steadily but surely resorting to the hands of the motive forces of fundamental change- A state that is being transformed to serve the interests of all the people'. (*Strategy and tactics adopted at the 51st Conference*).
8. The strategy and tactics directs us that the State's capacity

will be measured by its ability to truly use state power to achieve fundamental change in our society and prosperity, serving all our people. To this extent, the opposite is also true.

9. How should the state power be used? What about interference or intervention by the state within the invisible hand of market forces?
10. Our strategy and tactics rejects neo-liberal ideology which is essentially market fundamentalism where all should idolise 'market forces to which all should kneel in prayer: Everyone for himself and the devil takes the hind-most!'
11. 'We seek to build a Developmental State with the capacity to effect fundamental transformation- a state that approaches the issue of ownership of means of production on the basis of balance of evidence, informed by the needs of society, particularly the poor (S & T)'.
12. Again, whether our state has capacity or not, and capacity to do what is well captured in our strategy and tactics. It is the capacity to effect fundamental transformation'.
13. We need to remind ourselves how the ANC in 2007 defined the attributes of a Developmental State, expanding from our theoretical basis alluded to above.
14. Four key attributes of a Developmental State are:
 - Strategic Orientation (which ensures sustained growth rates and socio-economic inclusion).
 - Capacity to lead in the definition of a common national agenda.
 - Organisation Capacity (Having the correct structures, Institutions and systems that work well together), and
 - Technical Capacity (To translate broad objectives into programmes and projects which then get implemented effectively).
15. We acknowledge some grounds covered in creating such capacity as defined above. Through the same breadth, a mammoth task still lies ahead on this matter. This is based amongst others, the diagnostic reports of the National Planning Commission, Presidential Review Committee on

State-owned entities, previous NEC and Cabinet Makgotla et al.

16. Through the NDP, we have defined a clear national vision for the first time around which to mobilise society. We have transformed many apartheid structures and systems, and even put in place, new ones. Periodically, we have engaged in exercises to review the macro-organisation of the state to bring about improvements where necessary. The passing of the Public Administration and Management Act should be commended, as it seeks to respond to the ANC's single public service outlook.
17. Our priority investment in education, training and skills development is aimed at building technical capacity which is central to the creation of a capable developmental state.

ON STRATEGIC ORIENTATION

18. We have not been able to achieve an inclusive growth the way we intended. There are clear interventions that have emerged from our rich successive engagements within the Economic Transformation cluster in the ANC and its government, and we need sustained implementation and monitoring of these. These include among others, stabilising our SOC sector so that it can play its rightful role in economic development and increasing our investment infrastructure.
19. The Presidential Review Committee on State-owned entities' recommendations should be implemented with speed in order to salvage our SOC sector. Also, the outcome of our trillion rands investment to infrastructure development should be highlighted.
20. The cardinal point for all of us currently is the path pointed by the President during the State of The Nation Address. How do we achieve the nine point plan viz:
 - Resolving the energy challenge;
 - Revitalising agriculture and agro-processing value chain;
 - Advancing beneficiation or adding value to our mineral wealth;
 - More effective implementation of a higher impact Industrial Policy Action Plan;
 - Encouraging Private Sector investment;
 - Moderating workplace conflict;
 - Unlocking enterprises (SMMEs), Co-operatives, township and rural enterprises;
 - State reform and boosting the role of the State – owned companies, Information and Communications Technology (ICT) infrastructure or Broadband roll-out, Water, Sanitation and Transport Infrastructure; as well as

- Growing the ocean economy and other sectors.

ON IDEATIONAL CAPACITY

21. Although we have been able to define a clear national vision, we have not leveraged on this achievement to mobilise society behind the vision. Even within our alliance, questions do arise every now and then about this vision and its appropriateness because of the lack of creativity in capitalising on this vision, our country gets easily distracted to invest a lot of energy in debating hollow and destructive, somewhat populist matters (good example is Parliament and Liberal Press in this regard). We need to invest more resources and effort in mobilising society behind this vision, flexing the capacity of the State (including such structures as Community Development workers and other sectoral structures), ANC and its alliance partners.

ON ORGANISATIONAL CAPACITY

22. We continue to experience challenges in the macro-organisation of the state. Inter-governmental relations have not necessarily matured adequately and, this impacts in the manner in which we can act as a collective to deliver services to our people. Unnecessary turf contestations within and between spheres still distract us in some cases. The back to basics approach we have adopted at local government level offers us with a good opportunity to strengthen our inter-governmental relations in order to achieve 'a state to serve the interests of all the people, especially the working class and the poor' (Strategy and Tactics).
23. At some point, we need to go back to the ANC's resolution on the Review of Provinces and finalise it whichever way.
24. An important matter related to the capacity of the state is the institutional memory of the State. To what extent is the high turnover of civil servants, especially at a senior level contributes to the stability or lack thereof of the state. If the point that, within the state departments only one Department has maintained its HOD since its inception is true, what does this have on the capacity of the state.

ON TECHNICAL CAPACITY

25. Our ability to turn our broad objectives into clear programmes and projects which we implement effectively requires a lot of attention. We are often found wanting when it comes to infrastructure programmes, as lessons from the Presidential Infrastructure Coordinating Commission (PICC) have shown us. National Treasury's 2015 Public Sector Supply Chain Management Review shows that during the 2013/14 Financial Year, National and provincial departments spent some R 5,5 billion and

R 7,44 billion on consultants. There are concerns that these amounts have been increasing over the years and without rushing into ill-informed conclusions about the use of consultants, a question needs to be asked whether we are using such services strategically. In fact, in 2013/14 the total amount spent by the Public sector on goods and services and construction work (according to National Treasury) was around R500 billion, which shows the purchasing muscle of the state which should be leveraged for purposes of achieving our national vision.

26. Our Election Manifesto commits us to turn every public sector workplace into a training space. Annually, the public service recruits about 20 000 young people into our internship, learnership, and artisan development programmes. We are working hard to upscale this annual intake hopefully to 60 000, and these will add to skills reservoir. We need other sectors to come to the party as well.
27. However, part of our challenge when it comes to skills is not just the issue of training and development, but rather retention. In the MTSF we have a target on the average time a Head of Department takes in their post, and we are not doing well in this area. As at September last year, the average was 3 years and 2 months for those at national level, and 2 years 7 months for the provincial sphere. This in part suggests that our NDP commitment of stabilising the political-administrative interface might still be experiencing challenges. It might also suggest that we have not as yet professionalised our recruitment and selections practices to a point where we are able to attract talent and manage it effectively.
28. We have also not done well with the consequence management in the public sector and this runs the risk of impacting on the public's confidence in the state. Our reports show that in the public service, it still takes about 175 days (on average) to deal with disciplinary cases and that allegations of corruption reported to the National Anticorruption Hotline (managed by the Public Service Commission) still take too long to resolve. The NDP requires us to professionalise the public sector and ensure higher levels of productivity, and ill-discipline should not be tolerated.

SOUTH AFRICA WITHIN THE GLOBAL VILLAGE

29. The development agenda for South Africa is clearly articulated in the National Development Plan (NDP), Vision 2030. This journey started in 1994 as the ANC led the democratization process, with programs such as the Reconstruction and Development Program (RDP), Growth, Employment and Redistribution (GEAR), Accelerated Shared and Growth Initiative for South Africa (ASGISA) and others. The NDP talks of a developmental state that needs to be capable and inherently requires leadership, sound policies, skilled managers and workers, clear lines of accountability, appropriate systems, and consistent and fair application of rules. Peter Evans posits that capable state should have the ability to pursue collective goals coherently and has capable public bureaucracies that are competent. Thomas Carothers puts an even compelling argument that a capable state is a well-functioning state that has capable, impartial institutions and a solid capacity to develop, legislate, and implement effective policies.
30. At a continental level the African Union Agenda Vision 2063, which was formulated in 2013, is meant to deliver development for Africa. This plan is meant to be domesticated such that African countries take part in the implementation of the Agenda 2063. At the international level the Millennium Development Goals (MDGs) which were in force from 2000 and conclude in 2015 are being replaced with Sustainable Development Goals (SDGs) which will be tracked from 2016 to 2030. While the SDGs are global in nature, the responsibility of implementation resides with individual countries and hence the need to map the NDP indicators against the SDGs.
31. South Africa is a signatory to the Millennium Declaration of 2000 and the country has been committed to meeting and reporting on the MDGs. Five country reports have been produced on the MDGs – in 2005, 2007, 2008, 2010 and 2013. The compilation of the close-out report of the MDGs has been concluded and is being prepared for the final phase of presentation to various state entities prior to its formal presentation at the United Nations General Assembly (UNGA) in September 2015. The report is a fair reflection of the progress made by South Africa towards achievement of the global development goals set in 2000 and all the relevant stakeholders such as government, the academia, civil society organizations actively involved in this process.
32. As can be seen from the results of the MDGs, not all the goals and targets were achieved. The SDGs then became the framework within which unfinished business from the MDGs would be incorporated and new and emerging issues would be dealt with. This is a bigger agenda than the MDGs as the number of goals increased from 8 in MDGs to 17 in SDGs, from 20 targets to 169 targets and from 60 indicators to a minimum of 304 indicators. The data needs will be immense. The statistical community will be called upon to play a central role in the monitoring of the goals and targets of this new development agenda.
33. The “*Data Revolution*” has been called for to support the post-2015 development agenda. This will include the need to develop new methodologies and data, to cover new development challenges, such as measuring inequality, climate change, governance, security, violence against women as well as expanding data sources into big data so that official statistics in this context could ensure quality and sustainability.
34. South Africa has been involved in interactions on the

SDGs at national, continental and international level. Following the launch of the intergovernmental process on the post-2015 agenda at the United Nations, South Africa has been involved in interdepartmental consultations relating to the SDGs. The themes that South Africa focused on were economic development, social development, environmental issues, global partnerships for development and peace and security. StatsSA went further to review a proposed list of SDG indicators to test them for suitability, relevance and feasibility. This exercise led to StatsSA mapping a list of indicators from the NDP and MTSF against the proposed list of SDG indicators to check for relevance and the degree to which the international agenda coincided with the national agenda.

35. The African Union Agenda, Vision 2063 is premised on seven aspirations for the continent, which are:
 - (i) a prosperous Africa based on inclusive growth and sustainable development;
 - (ii) an integrated continent, politically united and based on the ideals of Pan-Africanism and the vision of Africa's Renaissance;
 - (iii) an Africa of good governance, democracy, respect for human rights, justice and the rule of law;
 - (iv) a peaceful and secure Africa;
 - (v) an Africa with a strong cultural identity, common heritage, shared values and ethics;
 - (vi) an Africa whose development is people-driven, relying on the potential of African people, especially its women and youth, and caring for children; and
 - (vii) Africa as a strong, united and influential global player and partner.
36. All countries in the continent are expected to align their development plans to Agenda 2063. To make this possible an exercise led by the African Union is underway to formulate indicators for Agenda 2063 Ten-year implementation plan.

CONCLUDING REMARKS

37. We have certainly made a lot of progress towards building a capable state and the 4 attributes the ANC has defined as shown above remain a useful analytical tool to use in this regard. However, there are clear gaps that we still need to address in each one of these attributes. The NDP has placed before us a number of meaningful interventions and these need to be pursued in a focused manner.
38. At continental level, the indicators for the Ten-year plan of agenda 2063 will be formulated. This work should be ready by January 2016. The indicators will then be given to all African countries for domestication or alignment to the respective national development plans. An annual report of the progress the continent is making on implementing Agenda 2063 will be produced under the leadership of the African Union. At international, the Heads of State and Government will present their respective final reports of MDGs (2000 to 2015) at the UNGA in September 2015. Each country will outline which of the MDGs, targets and indicators were achieved and not achieved. This process will lead to discussions on SDGs and the roadmap going forward.
39. Evidence-based policymaking is very critical for a capable developmental state. It is a way of making public policy decisions that are fully consistent with a democratic political process characterized by transparency and accountability. The state should be in a position to track with empirical evidence if the policies that are undertaken by government, as well as by different political administrations, are making progress or otherwise. Because official statistics and evidence are a public good, freely accessible to policy makers and the public, it could place a greater premium on how participatory democracy compliments representative democracy.

REPORTS FROM THE COMMISSIONS

This Section covers Reports to the Plenary Session by various NEC Sub-Committees and reflect on the outcomes of the Commissions.

1. ECONOMIC TRANSFORMATION

1. Introduction

- 1.1. The Commission's deliberations were informed by the January 2015 NEC Lekgotla recommendations; the President's Polical Overview to the July 2015 NEC Lekgotla; an evaluation by the Monitoring and Evaluation Unit on progress in the implementation of the MediumTerm Strategic Framework by Comrade Jeff Radebe; and the Economic Outlook and Fiscal Policy Challenges presentation by Comrade Nhlanhla Nene.
- 1.2. The Commission received brief Presentations from Comrades Senzeni Zokwana, Ngoako Ramatlhodi, Rob Davis, Siyabonga Cwele and Nomvula Mokonyane on the selected productive areas listed below. The presentations reflected progress made, challenges identified and proposed solutions. The productive areas are as follows:
 - 1.2.1. Agriculture and Agro-Processing;
 - 1.2.2. Mining and Beneficiation;
 - 1.2.3. Manufacturing and IPAP;
 - 1.2.4. Infrastructure: ICT; and
 - 1.2.5. Water and Sanitation.
- 1.3 The Commission was seized with the task of evaluating progress, and focusing on the challenges that must be addressed in deepening the 2nd phase of radical socio-economic transformation.
- 1.4 The strategic choices that have to be made in transforming the economy turn on the economic will to ensure that across key sectors of the economy, fundamental structural change is undertaken as a key objective of creating an economic climate that will ensure inclusive economic growth that will transform the lives of in particular the poor and address the relationship of the developmental state to production relations in the economy positioning itself as a facilitator together with the private sector of growth and development.
- 1.5 Structural changes in the economy are informed by an assessment of both global and domestic economic considerations, slowing global growth and uncertain financial stability across the world coupled with falling commodity prices and dropping commodity demand. Domestically slow growth remains the central challenge with its related consequences.
- 1.6 The second phase of our democratic transition calls for bold and decisive steps to place the economy on a qualitatively different path that eliminates poverty and unemployment, creates sustainable livelihoods, and substantially reduces inequality. It also calls for radical economic transformation and a sustained focus on addressing the uneven quality of service delivery. In this respect the strategic role of our State Owned Enterprises (SOE's) is even more important today and the governance and financing challenges to SOE's have to be addressed if we are to realise the optimal potential of the SOE's in driving economic growth and developing the economy.
- 1.7 Informed by the 2014 Manifesto ANC directs government to build on the progress in implementing the priorities electoral mandate of decent employment through inclusive growth; a skilled and capable workforce to support an inclusive growth path; an efficient and responsive economic infrastructure network and economically vibrant and sustainable rural communities contributing towards food security for all.
- 1.8 Our key economic objectives remain the acceleration of economic growth along an inclusive and sustainable path; the achievement of much higher levels of employment creation and decent work; the substantial reduction in inequality, ensuring meaningful black participation in the ownership, control and management of the economy and rolling back economically unhealthy monopoly practices which skew the economy and uncompetitive behaviour.

2. EVALUATION OF SPECIFIC POLICY INTERVENTIONS

- 2.1 Progress since the last NGC was reflected upon in the key sectors of the economy. These included - Agrarian transformation and land reform strategies; the mining sector; energy security; employment and income growth; tourism; manufacturing and trade interventions; the quality of investment and the outcomes that are being achieved and the strategic functioning of State Owned Enterprises.
- 2.2 Progress on these policy interventions was acknowledged and the need for greater clarity in the articulation of policy across sectors.

3. MANUFACTURING AND THE INDUSTRIAL POLICY ACTION PLAN

Key Challenges:

- 3.1 The manufacturing sector's percentage contribution to SA GDP and employment has declined over time, with 2015 ratios substantially lower than in the late 1990s. Its competitiveness has been eroded by rising administered costs, decades of under-investment in economic infrastructure, and the electricity supply challenges.
- 3.2 Whilst much has been achieved in the manufacturing sector it continues to decline. Whilst production has recovered jobs continuing to decline and contribution to GDP is relatively dropping.
- 3.3 In the global context, there is more uncertain with China's growth path no longer as commodity-intensive. New supplies of key mineral commodities are coming on-stream in an environment of very soft commodity prices leading to further downward pressure on prices e.g. coal, iron-ore, and steel.

Key recommendations

- 3.4 There is a need to boost manufacturing through strengthening application of specific incentives. Increased conditions must be applied to incentives to achieve strategic objectives.
- 3.5 The restructured sector support package and revised production incentive scheme for clothing, textile, footwear and leather should serve as a good example which has resulted in the stabilisation of job losses stabilized, and in certain parts of the sector a growth in jobs.
- 3.6 Economic trade-offs and incentives must address greater income and jobs. That only conditional incentives should be issued and they should be linked to production.
- 3.7 Economic Support Packages need to be allocated to unlock private-sector investment and catalyse

industrialisation.

- 3.8 Beneficiation must be used as a base to extract more incentive benefits linked to long term planning.
- 3.9 IDZs must be used effectively to build the manufacturing base.
- 3.10 Youth the Tax Incentive scheme must be focused on fewer but strategic sectors.
- 3.11 Adding price advantage to programmes and value chains of mineral beneficiation; infrastructure; innovation; and regional integration, must constitute key considerations to stimulate manufacturing.

4. MINING

Key Challenges

- 4.1. The global context has become more uncertain with China's growth no longer being as commodity-intensive as before.
- 4.2. The South African mining sector is experiencing serious challenges due to falling global commodity prices, labour relations instability and restructuring that is leading to massive job losses.
- 4.3. New supplies of low cost mineral commodities are coming on-stream in an environment of very soft commodity prices, leading to further downward pressure on prices in coal, iron-ore, and steel.
- 4.4. Compliance with the mining charter is still a challenge, resulting in slow transformation of the sector.
- 4.5 The slow pace of beneficiation, which is more at pilot level requires implementation of projects needs to be expedited.

Key Recommendations

Mineral and Petroleum Resources Development Act (MPRDA)

- 4.6 The MPRDA currently back before Parliament should be split into separate mineral and petroleum legislation to provide dedicated attention to oil and gas. The process needs to be expedited to facilitate local beneficiation as well as provide clarity on an oil and gas legal framework.

State Intervention in the mining sector

- 4.7 The Bill to create the legal framework for the State owned mining company should be finalized as part of strengthening the company and enhancing State intervention in the mining sector.

- 4.8 The legal regime should enable the State to have more than one State-owned mining entity, with mineral resources and rights as a whole vesting in the State through the Department of Mineral Resources and individual State-owned entities controlling and managing rights granted to them.

Transformation of the Mining Industry

- 4.9 Whilst welcoming the Mining Charter compliance assessment, the principle of *“once empowered always empowered”* as articulated by sections of the mining industry requires government to consider engaging the industry with an intention of finding solution through other channels within the tripartite forums, including the opportunity offered by the October Mining Phakisa.
- 4.10 Work on implementing programmes to revitalise the mining towns and the Framework Agreement for a Sustainable Mining Industry must continue and should be given support.
- 4.11 As part of the transformation of the mining sector, necessary support should be given to emerging mining companies for the purposes of promoting job creation.

Beneficiation and Trading of minerals

- 4.12 Intensification of promoting industrialization through mining beneficiation, speeding up implementation of beneficiation programmes, prioritizing the iron ore and steel, polymers, energy minerals, titanium, platinum group metals and upstream inputs value chains.
- 4.13 Calls for an investigation into the trading regime on minerals so as to ensure that exporting of minerals is done in an optimal manner that ensures maximum returns to the country and deals with illicit trading, such as miss-pricing, profit shifting and tax base erosion.

Job Losses

- 4.14 Noted with deep concern the job losses in the mining sector and welcomed the interventions of the Department of Mineral Resources to save jobs by using Section 52 of the Mineral and Petroleum Resources Development Act (MPRDA), which empowers the Department to intervene to save jobs.
- 4.15 Calls for action to be taken by Government to curb the undesirable practice of unnecessary moth-balling shafts and putting them under care and maintenance, which results in more job losses.

Mining Phakisa

- 4.16 Welcomes the Mining Phakisa taking place in October, which should be used as a platform to revitalise and modernise the sector, mitigate against any further job losses, expedite beneficiation, promote and

support research and development, stabilise the sector, ensure labour relations stability, as well as improving the welfare of mining workers.

5. ON AGRICULTURE

- 5.1. Whilst noting significant effort in the implementation of the January 2015 Lekgotla recommendations, the source of food basket is threatened by competing uses, which if not managed can reduce significantly South Africa's ability to feed itself and enjoy comparative advantage in the agricultural trade. Strong land use planning and management is therefore critical.

Key support and interventions measures

As a response to the above challenges the following issues were identified as key support intervention measures to considered:

A. High value crops for small holders

- 5.2 To broaden market access and increase global competitiveness, ensure various initiatives for the local manufacture of animal feeds to reduce input costs are in place.
- 5.3 That the biofuel strategy implementation needs to be accelerated and the necessary incentive packages put in place.
- 5.4 A feedlot strategy be developed and implemented with a bias towards the previously disadvantaged and small holders as part of militating against possible loss of stock from severe droughts.

B. Input costs for the sector

- 5.5 The cost of inputs, farming machinery and equipment's remain major competitive obstacles to farming.
- 5.6 Speeding up of the establishment of a local industry based on manufacturing of farming machinery, equipment and local farming inputs needs to be undertaken as well as on the manufacturing of fertilizers and the key role of Foscor's in ensuring this happens.

C. Promoting food security

- 5.7 More concerted efforts towards the promotion of subsistence farming through food gardening and family gardens. There must be an integration plan that links food security and nutrition.
- 5.8 DAFF, DRDLR and DTI to work cooperatively towards implementation of the 46 identified agro parks and the acceleration of this programme.

D. Extension Services

- 5.9 A support package to farmers in support of rural development be undertaken which in-turn could address the level of reliance on state grants.
- 5.10 That water resource management and allocation, which results in many land reform farms lying fallow needs urgent attention.
- 5.11 That there is an urgent need to intensify research, development and innovation in the sector and calls for the intensification of the work of the Agricultural Research Council, including adequate funding commensurate with the developmental needs of the agricultural sector.
- 5.12 The reduction in the Commercial farmers is a concern and requires extensive research into the cause of this phenomenon. An education and training intervention strategy that is linked to skills development, academic development and research development that provides initiatives and that focus on the youth needs to be undertaken. This would also help with the infusion of young people in Agriculture. For these initiatives to be successful they must be able to take beneficiaries to the farm and link this process with land reform projects and state farms.
- 5.13 Rapid adaptation of farming methods that respond to climate change is critical.

E. Access to funding/finance

- 5.14 Recommends the analysis of funding support sources, review and improve co-ordination and integration funding support to ensure efficient agricultural production.
- 5.15 Calls for increased direct state involvement in farming in partnership with those who work and live on the land through the involvement of SOE's and DFIs.

F. Market Diversification

- 5.16 Position the state as a market for agricultural production and nutrition. Prioritisation of state procurement to promotesmall holder farming and cooperative farming.
- 5.17 These interventions are designed to support the sector, hampered by external factors such as global barriers to trade through artificial international standards and massive subsidies by other countries disguised in indirect incentive programmes.

G. Supply Chain Support

- 5.18 Mechanisation systems must be reviewed to ensure their effectiveness and that all Agricultural infrastructure support to increase agricultural productivity be identified, costed and prioritised for funding. Agricultural storage capacities must be prioritised for smallholder farmers in

order to manage market access instability.

H. Speeding up of Land Reform and support

- 5.19 The speeding up of land reform anchored on the four-tier land tenure system and the work of District Land Reform Committees remains central. Government will implement the relative rights for people working and living on the land more commonly but not accurately referred to as the 50/50 policy framework.

The pilot projects in this regard will be speeded up whilst ensuring common understanding and a single message from the ANC.

- 5.20 Calls for the strengthening of spatial planning and land use management.
- 5.21 Further strengthening of cooperative governance to ensure synchronisation of programmes across spheres in the interest of national development.

6. ICT TRANSFORMATION, MODERNISATION AND GOVERNMENT SERVICES

- 6.1 The Commission noted that the state entities in the ICT sector are being integrated and rationalised as per the January 2015 Lekgotla recommendation. Whist concern was expressed on the pace of the process it is expected to be concluded by the end of the financial year.

On e-government

- 6.2 The state information technology agency (SITA)'s function is being rationalised from 18 to 3 focus areas, focusing on ensuring secure government network and data centres.
- 6.3 Recommends designation on the procurement of computer and other ICT equipment's in a way that facilitates local industrialization and the creation of jobs

On broadband roll out

- 6.4 Notes the procurement process in government for broadband rollout;and urges government to proceed with speed in this regard.
- 6.5 Recommends that the engagement on the details of the implementation with Treasury be concluded soon to expedite the movement forward.

On the conversion of the Post office into a fully-fledged state bank

- 6.6 Urges government to act with speed to resolve the challenges faced by the South African Post Office and the conversion of the Post Bank into a fully-fledged bank.

- 6.7 Recommends that government remain seized with the task of engaging the reserve bank on the various proposals including partnering or merging.
- 6.8 Government should expedite the process of transforming the Postbank to a bank of choice, especially for government banking services and to ensure that the South African Post Office is a service of choice for the delivery of mail and parcels.

On the Spectrum allocation

- 6.9 Notes the progress made with regard to regulatory framework with regard to the allocation of spectrum, which recognises the '*use it or lose it principle*', and the consideration for set asides for development, security, research and the facilitation of new entrants.
- 6.10 Implores government to finalize the process as the delay is impacting negatively on South Africa's Competitiveness and Growth

7. WATER AND SANITATION

- 7.1 Water remains a scarce resource in South Africa. Due to climate change effects, poor management of the resources and to some extent past bad development choices, access to water challenges remain. Immediate decisive action is required.
- 7.2 The country has over the years addressed water challenges through surface water by construction of dams and direct extraction from the rivers.
- 7.3 Single purpose use dams for specific sectors, like energy, manufacturing, agriculture and mining has meant that communities and other sectors adjacent to the resource were restricted from access. The situation of shortage in the midst of abundance continues to exist.
- 7.4 47% of water is lost between the source and the yard due to poor infrastructure owing to lack of maintenance and aging infrastructure. The losses also take a form of non-revenue water losses through illegal connections and leakages.

Recommends

- 7.5 Support for the initiative by government towards developing a national water infrastructure Master Plan and call for it to be expedited.
- 7.6 The review of the SOCs (Water Boards) be completed.
- 7.7 Complete the review of the Water Services Act and the Water Systems Act to allow for the building of an integrated national operations and maintenance capacity that would ensure seamless response to water

infrastructure challenges.

- 7.8 Support the initiative to consider other water sources such as underground water, mining water reclamation and desalination and exploring of alternative water storing.
- 7.9 Regional linked sources, such as The Great Inga, the Zambezi Basin and others to be identified and explored with immediate effect.
- 7.10 More cooperative working amongst affected state institutions, such as water and sanitation, COGTA, Energy and SOE's.
- 7.11 The development of an Integrated Water Plan.
- 7.12 The potential of water and sanitation to open up new possibilities in job creation needs to be further studied, including such recycling programmes such as waste for energy.

8. TOURISM, FILM AND HOSPITALITY

Notes:

- 8.1 That the tourism sector holds great potential for job creation, especially in rural areas. Advancing transformation in the tourism sector is paramount.
- 8.2 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.
- 8.3 Tourism generated 9.7% of South Africa's GDP in 2013 – and supports more than 1.4 million jobs in the country.
- 8.4 There is potential to unlock greater value by investing more in nurturing a culture of domestic tourism. Increasing government investment in tourism marketing, 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.

Recommends

- 8.5 The intensification at growing the industry.
- 8.6 The popularity of South Africa as a filming location, be utilised as an advantage to expanding the tourism industry.
- 8.7 Ensure coherence both in the understanding and communication of the VISA policy in government.

9. ON STATE OWNED ENTERPRISES DRIVERS OF ECONOMIC GROWTH

- 9.1 Reaffirms the critical economic levers of the developmental state are State-Owned Enterprises (SOE's), and are vehicles to improve economic infrastructure and increase economic growth and that through their strategic investment that they drive investment and respond to the economic developmental needs of the state.
- 9.2 On infrastructure roll out, the SOE's will continue to play a critical role in the economy whilst transferring technical skills, innovation and capital.
- 9.3 That the state must be in a position to initiate and give life to catalytic sectors. In this regard, together with private sector investment SOEs shape and drive economic growth.
- 9.4 That this requires that the nature and character of the SOE is one that has the capacity to shape local economic development; and informs the character of research and development in specific sectors.
- 9.5 Key challenges of governance, ability to implement policy directives, financial and operational functioning

are the main challenges all of which were addressed in the draft ANC policy document of 2012 on SOE's.

10. BUILDING THE NECESSARY CAPACITY TO TAKE FORWARD THE 2ND RADICAL PHASE OF OUR ECONOMIC TRANSFORMATION.

- 10.1 Need to take the work of transforming the economy of South Africa to a higher trajectory to deal with the triple challenges of poverty, unemployment and inequality.
- 10.2 Acknowledges that such an action will require concerted effort from cadres of the movement who are well prepared and fit for purpose to tackle the socio-economic challenges our country is faced with.
- 10.3 The ANC embark on a programme to send as many people as possible for a longer duration to various successful countries, to study their system and learn lessons and experience on how these countries tackled their economic challenges. These initiatives should include formal education to administrators and technical people.

2. SOCIAL TRANSFORMATION

Overview

- ❑ Key issues that emerged from the Manifesto
- ❑ What were the recommendations that emerged from the January Lekgotla, Progress and Challenges
- ❑ What are the consequences, impact, contributions to economic growth, reducing poverty, inequality and unemployment
- ❑ What are the specifics related to improving local government service delivery.

SOCIAL COHESION

ANC Manifesto Commitments

1. Investment in the cultural and creative industries
2. Honouring and celebrating collective heritage
3. Promoting and preserving old and new museums and monuments
4. Liberation Heritage Route
5. Schools: Struggle History, Constitutional Values, Anthem & Flags
6. Deeds of social solidarity as individuals, organisations and communities
7. Community Art Centre and Library in every ward
8. Promoting Constitutional Values (20th Anniversary in 2016)
9. Participatory democracy in workplace, schools, hospitals, clinics and communities
10. Investing in the SA economy – "Proudly South African"
11. Culture of dialogue, accords and commitment across society
12. Public representatives to be in touch with the people on the ground
13. Building effective communication tools for our people

Challenges

- Nation building and social cohesion imperatives not taken seriously by many government departments and thus not taken into account in the various programmes. Furthermore budgets do not factor social cohesion impact. This leads to reporting that borders on malicious compliance.
- There is no clear alignment in the co-ordination of national social cohesion initiatives to provincial and local levels. This results in incomplete reporting of initiatives
- Infrastructure development capacity within Department and its entities

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NATION BUILDING AND SOCIAL COHESION PROGRESS SINCE JANUARY

- Reportback Summit was held on 30 March 2015.
- The resolutions of the Social Cohesion Summit of 2012 endorsed and adopted a 12-point declaration, which included the hosting of provincial social cohesion summits.
- Provincial Summits were concluded.
- Provincial Social Cohesion strategies are currently being finalised by the different provinces
- Social Cohesion Advocates program enhanced to include a broader range of people that would resonate with all in society.

REPATRIATION PROGRAM

- Moses Kotane and JB Marks Repatriation from Russia
 - Preparatory work in Moscow done in November 2014
 - Repatriation in March 2015
 - Reburial in March 2015
- The National Repatriation Policy that covers repatriation of heritage assets and human remains is in the process of being drafted.

LEGACY PROJECTS

Liberation Heritage Route

Provinces were mandated to provide 3 sites for the pilot phase of the project

At least one of the projects proposed must deal with the women contribution to the liberation struggle.

This process has contributed to social cohesion as the determination of the pilot sites was done at the local level

Some provinces have not provided their pilot projects while others provided more than three projects.

There is a interaction between the Department of Arts and Culture (DAC) with the Department of Tourism to intergrate the Heritage Tourism approach to the sites in order to determine what works and what does not. This will also provide the economic impact of these projects in terms of economic growth impact, job creation potential and multiplier effects on the local economy.

The Cabinet Memo is completed and ready to be sent to the Cabinet

LEGACY PROJECTS

The National Heritage Monument and Heroes Acre

An imposing structure that celebrates the four pillars of the struggle is planned. The National Heritage Monument will also have a number of life size statues of the heroes and the heroines of the struggle to highlight their contributions to the struggle.

GroenKloof is the identified site for the Heroes Acre and National Heritage Monument.

MoU between the Tshwane Metro and DAC is being finalised.

Thereafter the Heritage Impact Analysis and Environmental Impact Analysis will be concluded.

Sod turning targeted for September 2015

The Cabinet Memo is completed and ready to be sent to the Cabinet

POLICY AND INDUSTRY DEVELOPMENT

A draft white paper on the Arts, Culture and Heritage sector is being developed with further consultations taking place in the following manner:-

Workshops in all the provinces with special emphasis that township and rural areas are covered

Technical engagements with the different genres within the sector

Written submissions from interested parties

The Creative Industries Federation of South Africa (CCIFSA)

Elections of the First Board was elected in March 2015 despite disruptions to the process

Provincial representation is cemented in the Broad Governing structure

Provincial roadshows are currently underway to define the programme of action for CCIFSA

FUNDING ISSUES

- No progress on the additional funding for the Department of Arts and Culture portfolio due to budgetary constraints.
- National Lotteries Commission
 - Regulations were passed by DTI which decreased the allocation for Arts and Culture from 28% to 23%.
 - Engagements with the National Lotteries Commission and the DAC is ongoing in order to align the lottery funding to the DAC priorities.
- Social Protection for artists
 - The DAC has set aside a catalytical R20 million Fund to address the plight of legends that are above 70 years old to leverage other sources of funding from business.
 - Department of Social Development Social Security proposal is welcomed as it provides a platform to address the vulnerability of artists and sports persons
 - Ticket Levy proposal not yet finalised.

SCHOOLS PROGRAMME

- Co-ordination Forum between DBE and DAC led by deputy ministers to cover
 - National Symbols in Schools, (SA Flags, SA National Anthem, AU Anthem)
 - Preamble of the Constitution in schools
 - Artists in Schools Program
 - Arts Curriculum in schools
 - Teacher Development Programmes
 - Dual Purpose Libraries
 - Expanding Arts and Culture initiatives such visits to Museums, Theatres, Liberation Heritage sites and other Heritage Institutions to school pupils to be compulsory before they leave the school system as they are the future audiences, patrons of the arts or arts practitioners of the future.

CULTURAL DIPLOMACY

- Africa Month – May 2015
 - The programme was implementing the theme
 - "We Are Africa, opening the doors of learning and culture from Cape to Cairo."***
 - Successful execution of Africa Month came at the heels of the attacks on foreign nationals. This was a successful proactive programme that contributed to nation building and social cohesion.
 - The focus of the program
 - Performing Arts
 - Dialogues
 - Music
 - Film
 - Food
 - Crafts
 - Business engagements
 - The program was implemented in all the provinces with special focus on township and rural areas. There were events on every day of May 2015.

CULTURAL DIPLOMACY

- UK and China Seasons
 - These programmes are ending this year.
 - There are discussions on the legacy programmes arising from the season in order to get a return of investment beyond the season.
- BRICS Cultural Agreement
 - A BRICS Cultural Agreement was recently (July 2015) signed by the member countries in Russia
 - This provides a platform for having BRICS Cultural Programs within the member states
- Russian Seasons
 - Planning is underway
 - To be implemented in 2016

Key Discussion Points

- Nation Building and Social Cohesion not elevated to the centre of discussion within the NDR debate
 - What is the theoretical framework that we are moving from that informs
 - The community engagement approaches are limited to meetings in urban areas and they don't take place at a ward level which then
 - As a result when we communicate with do so with ourselves at government level. This blocks the relevant information about government programs from filtering down to the level where the the impact is felt.

Proposal on Nation Building and Social Cohesion

- Key Proposal
 - Nation building should be elevated to the centre of discussion in order to drive the level of ownership by all the spheres of government. This means that Nation Building and Social Cohesion should be mainstreamed by asking what is the contribution of all the government programs to nation building and social cohesion.
 - There needs to be alignment between the Nation Building and Social Cohesion initiatives of national, provincial and local government, especially to enhance information flowing to all levels and also to report comprehensively on all the interventions.

Proposal on Nation Building and Social Cohesion

What should be communicated

The focus must be on the real issues affecting people on a daily basis, for example

- Energy Challenge
- Water Challenge
- Economy
- Migration

The communication that talks to the people in an accessible manner, preferably using pictures and in their own languages.

Infuse the government success stories within these engagements while honestly acknowledging the gaps. It is important to have a credible and realistic way of dealing with these identified gaps to as not to create unrealistic expectations.

The engagements must lead to issue-specific social compacts (e.g. Energy Compact) that will be part of the broader Social Compact envisaged in the MTSP Outcome 14

- The social compacts must also be a call to action.
- This must contain commitments from government, labour, business and civil society to drive nation building and social cohesion

SOCIAL COHESION

- ❑ Concluding Remark
- ❑ Investment in Arts and Culture Projects can be rallying points for communities.
- ❑ Can develop positive community spirit in the context of negative media.
- ❑ Activities can be done at ward level.

Current key programmes

Active nation

- National School Sport Programme
- Community Sport
- Club Development
- Rural Sport Improvement Programme

Winning nation

- Federation Support
- Scientific Support
- Sport Support Services

Facilities

- National Facilities Plan

SPORT: PROGRESS FROM LAST LEKGOTLA

- The 2nd Sport Transformation Barometer has been released.
- Transformation target agreements have been signed with the 'Big 5' sports federations: football, Rugby, Cricket, Athletics and Netball.
- The second season of the Netball Premier League has been successfully delivered.
- 11 sport facilities have been delivered and handed over to communities.

CONSTRAINTS

- Limited funding
- Lack of capacity
- Policy and legislative impediments
- Political opposition to the sport transformation agenda
- Unintended policy consequences and threat to the sport system

LOCAL GOVERNMENT ELECTIONS

- Elections specific programmes
- Mining towns
- Local Job creation and contribution to the economy
- Contribution to Infrastructure development

FOCUS ON METROS: TSHWANE

- Progress: 2 outdoor Gyms in Mabopane and Refiloe, Community-based tournament in Boekenhout.
- PLANNED PIPELINE PROJECTS: Community outdoor gym in Temba Hammanskraal, Multi-purpose sport court in Mathibestad, sport programming in football and netball.

FOCUS ON METROS: NELSON MANDELA BAY

- Sport programming in Rugby, football and Netball delivered through "Eye of the Tiger".
- PLANNED PIPELINE PROJECTS - outdoor gym in Walmer, Multipurpose sport court in Zwide, sport programming (Metro Games tournament).

FOCUS ON METROS: JOHANNESBURG

- 2 outdoor Gyms in Eldorado Park and Jabulani in Soweto, a Recreation Park in Joubert Park.
- PLANNED PIPELINE PROJECTS: refurbishments of 8 multi-purpose community recreation centers accompanied by recreational programming, renovation of the Wembley Indoor Sports Arena for Basketball. Sport programming in Tennis.

FOCUS ON METROS: EKURHULENI

- PROGRESS: Sport programming in Netball and Football, provision of sporting equipment to 17 schools.
- PLANNED PIPELINE PROJECTS: Multi-purpose Sport court in Daveyton, Sport programming in Chess.

BUDGET

R880m

- R578m to provinces as Conditional Grant
- R174m to Sport Federations as Transfers
- R128 remaining with Dept (Compensation, Capex and Goods and Services).

KEY ISSUES FOR RECCOMENDATIONS

- ❑ MIG Grant - 15% ring-fenced (consolidation)
- ❑ Ticketing Levy
- ❑ Bid for the 2022 Commonwealth Games

HUMAN SETTLEMENTS WHITE PAPER

- Human Settlements Draft White Paper is in place
- Consultation processes have started with sector departments
- To be presented to the Portfolio Committee on human settlements
- No anticipated challenges for meeting this Manifesto/MTSF target

Human Settlements Master Spatial Plan

- Final Draft Master Spatial Plan is in place
- The Draft MSP was used to assess and approve 77 Catalytic Projects
- Discussed with Provinces and Municipalities
- MSP accepted as a tool for achieving social, spatial and economic integration objectives of HS projects
- There are no anticipated challenges in meeting this MTSF target
- To be submitted to Cabinet for Approval

Human Settlements Catalytic Projects

- 77 Catalytic Projects spread across Provinces, Cities and Mining Towns
 - Spatial, social and economic integration
- 33 Catalytic Projects (Government Led) were submitted by Provinces and Cities
- 46 Catalytic Projects (Private Sector Led) were submitted by private sector Developers/Companies
- The funding model will be submitted to National Treasury in August
- Implementation Protocols to be finalised with contracting parties

Nelson Mandela Bay Human Settlements Plan

- M3 (MOA) Agreement was signed by the three Executive Authorities (Minister, Member of the Executive Council and Mayor of the City)
- The Accounting Officers of the National Department, Provincial Department, City and Housing Development Agency have signed an Implementation Protocol (IP)
- The Steering Committee, chaired by DG, meets monthly to provide guidance on programme and project implementation
- The Approach can be replicated in other Cities and towns where support is needed.
- We have looked at challenges in other metros and these are being addressed.

6.4 PROJECTS READY FOR IMPLEMENTATION (2015/16) BY HDA

HOUSING PROJECTS	Planned Units	Year 1(2015-16)
		Value
CHATTY 1060	350	R38,831,450
CHATTY 491	115	R12,758,905
Joe Slovo West 2000 Phase 1	400	R44,378,800
Joe Slovo West 2000 Phase 2	2000	R221,894,000
Soweto on Sea Unbuilt sites 500	100	R11,094,700
TOTALS	2965	R 151, 664,549

Military Veterans Housing Programme

- The Military Veterans Housing Programme is headed by a Deputy Director General
- The provinces have contracted to deliver in excess of 2000 units in this financial year
- A fully capacitated professional service provider is being sourced to provide:
 - Programme support to DMV and Human Settlements
 - support to provinces with beneficiary administration and stakeholder management
 - Project Management Services

Human Settlements Mining Towns

- Housing Development Agency was appointed to manage Human Settlements Projects
- Implementation Protocols to be signed with mining companies and owners of the land
- Projects are at various stages of development in the 21 mining towns
- Water and Sanitation is providing bulk water supply
- Mining Companies have submitted a list of projects to be declared as catalytic projects

Human Settlements Women Empowerment

- A practice note was issued to all provinces to set aside 30 % of the budget for women empowerment
- The delivery agreements between Minister and MECs will include this target
- NHBRC was appointed to manage this programme on behalf of the sector
- NHBRC Has provided training to 100 women contractors
- Women's Build is planned for Gauteng and Limpopo in the month of August

Western Cape N2 Gateway

- This project is listed as one of the government Led Catalytic Projects
- Joe Slovo informal Settlements upgrade is progressing fairly well (Langa)
- Public Works has made 120 ha piece of land available for development (Blouberg)
- Negotiations between HDA and Denel to be concluded as soon as possible. (Swartklip)
- All the informal settlements next to Cape Town International Airport will be part of this project

Title Deeds Backlog and funding requirement

- **Title Deeds Programme will catalyse township property market**
- **Cost of eradicating the backlog**
 - Backlog: **857,000 Title deeds**
 - Registration @ R1,800.00 per site, to include:
 - Township Establishment, Ownership Contestations, Conveyancing, etc.
 - **Est. cost: R1,5 Billion!!!**
- **Delivery Trade-offs**
 - Funding from Grant Allocation
 - Est. cost of house @ R160,000
 - **Loss of some 11,000 housing opportunities over MTEF!!**
- **RING FENCE R1.5 Billion from the Grant to prioritise this programme**

Water and Sanitation

- Bulk Water and reticulation supply is targeted for the 27 priority districts
- Phase two of the Bulk Water Supply Project in Nelson Mandela Bay Metro is fully funded
- Emalahleni and Madibeng (Mining Towns have been targeted for bulk water infrastructure)
- Lack of bulk Water supply and Waste Water treatment in the targeted areas of NC, EC and FS is the main cause of the delay
- Ventilated Improved Dry Pits are discouraged in urban areas

Bucket Eradication

- A nation wide assessment on buckets in formal settlements verified a total of 61 361 (from the initial report of 88 127 Buckets) across the country to be eradicated by end of the financial year.,
- To date we have eradicated 8 354 buckets and in progress 22 063 with the implementing agent and the Department through own contractors will eradicate 30 944,
- Policy is being developed for Sanitation in informal settlement.

SOCIAL DEVELOPMENT PROGRESS

The 2014 January Lekgotla and the Manifesto processes identified the following as priorities for Social Development for 2014 and Beyond:

- Design and Implementation of the Social Protection Floor (essential transfers and services: water, food and nutrition, health, education, housing, land) – livelihood security
- The Universalisation of the Child Support Grant
- The Universalisation of the State Old Age Pensions
- The Development of Special Package for Military Veteran
- Social Insurance and equitable retirement reform
- Developmental Social Welfare Services
- Household Food and Nutrition Security

Progress on Challenges and Recommendations

- A joint ETC/STC hold a workshop wherein employment issues are explored in detail. Such a workshop must look at the nature of unemployment in South Africa (Voluntary or Involuntary. It must look at the role that macro-economic policy and micro-economic strategies must play in dealing with unemployment. The role of social security measures to deal with the consequences of unemployment and poverty should also be discussed.
- Discussion on Youth Employment strategies also required.

Progress on Challenges and Recommendations

- The Consolidated Government Document on Comprehensive Social Security should be released for consultations at NEDLAC.
 - Will be released for public consultations in August.
 - Proposed that joint STC/ETC workshop be held so that the ANC position guides government engagement with stakeholders.
- Work to develop the Social Protection Floor as envisaged in the NDP needs to be speed up. This will include provisions that would serve to make services like education free and/or significantly cheaper.
 - This is being dealt with through the coordination of outcome 13.
 - Proposals for increasing access to the CSG and Older Persons Pensions are completed. These will be discussed and taken forward as part of the discussion on the Consolidated Government Report discussed above. Despite agreements made at the policy conference, the Mangaung Conference, we have not been able to move as speedily on the universalisation of the CSG and SOAP as planned.
 - Implementation was to commence in 2015/2016
 - This is due to financial constraints

Progress on Challenges and Recommendations

- The work on secondary economic activities aimed at ensuring that the funds invested in communities through the social grants contribute to local economic development in a manner that benefits local communities and thereby lessens the risk of anger, resentment and xenophobic violence associated with small enterprises being owned by and run by foreign nationals.
 - Cooperatives unit established at the National Department:
 - Focuses mainly on food (vegetables, etc) and clothes supplied for SGB (food parcels and school uniforms) and CND's (food and uniforms)
 - SASSA embarking on a pilot project in the Free State to promote local merchants
 - Payment infrastructure will be installed in local merchants to encourage purchases from these
 - Contracts with merchants will be conditional on them purchasing goods from local cooperatives

Progress on Challenges and Recommendations

- Urgent action is required to deal with the delayed implementation of measures aimed at reducing the harmful impact of alcohol as agreed by the IMC and cabinet. This includes the Prohibition of Advertising Bill and the restrictions on time and places of sale:
 - IMC has agreed that the Draft Bill on advertising be gazetted for public discussion.
 - The package of measure developed by the DTI are well on track. Regulating time&place of sales; legal age of purchase; zoning with regards to location of taverns etc.: public consultations will end on 31 August.
 - Changes to regulations for zero tolerance on drink driving has been developed by the Dept. of Transport.
- A discussion with all stakeholders at the STC will be held to discuss these and other strategies to deal with alcohol.

Progress on Challenges and Recommendations

- The STC will also discuss strategies to deal comprehensively with illicit drugs:
 - Supply Reduction
 - Including dealing precursor chemicals used for production
 - Demand Reduction
 - Law enforcement/Restraint: focus on the producers rather than users.
 - Treatment and Reintegration
 - Support for Local Drug Action Committees to lead on Community Responses (Eldorado Park Experience).

Progress on Challenges and Recommendations

- The Development of Special Package for Military Veteran:
 - Joint Task Team established between DSD and DMV.
 - The DMV developed legislation, which includes benefits for military veterans. The department (through SASSA) concluded a SLA agreement with DMV to provide payment infrastructure for their benefits – however due to funding challenges; DMV has not been able to operationalise their legislation.
 - There is a the Special Pensions and there is still no clear decision on whether this should be moved from Treasury. This is due to different views from Military Veterans themselves.

Impact Re: Economic Growth, Reducing Poverty, Inequality and Unemployment

- There is evidence from impact studies that social grants does have a multiplier effect on the economy – especially in relation to foods and other basic goods.
 - Money redistributed to lower income groups increases demand for basic G&S – which can be produced and supplied locally; whereas money distributed to higher income groups increases demand for luxury items (which are more likely to be imports)
- Challenge is still to ensure that this economic growth benefit traders in local communities.
- Does provide a level of stability in times of economic crisis and shields the poorest quintiles in times of economic turmoil and uncertainty.
- Evidence that it contributes to job-seeking behaviour – people living in households that access grants more likely to look for work.
- Stabilises incomes of the lowest 60% of the population and tempers growth in inequality – while inequality has gotten worse over the last 2 decade, without grants it would have been much worse

Recommendations from the January Lekgotla, Progress and Challenges

Finalisation of structure and budget of the Department of Women with key focus areas of:

- Partnership with other department and stakeholders reducing violence against women
- Women's rights and social economic empowerment
- Making the 16 days of activism a 365 days of consciousness and activism

The role of the Department understood as:

- to serve as integrating and coordinating department in relation to gender transformation and women's empowerment and rights;
- to support government departments in relation to gender-sensitive legislative, policy and regulatory functions;
- to conduct monitoring and evaluation of implementation by departments and social partners to assess progress, opportunities or challenges in relation to socio-economic empowerment of women;
- to undertake outreach and advocacy to ensure that the socio-economic empowerment and gender equality programme is a national priority; and
- to enable and support gender-responsive planning and budgeting;

The Department has finalised strategic goals and strategic objectives

Recommendations from the January Lekgotla, Progress and Challenges

Social and Economic Empowerment

The Strategic Objectives that the Department has set will involve the development of frameworks for social transformation to empower women for economic empowerment and participation of women, and a framework for gender responsive planning and budgeting. This work will be taken forward in consultation with the relevant Clusters. The building of the capacity of the Department of Women to drive this work is a priority

DoW needs to aggregate information on all departments gender strategies: DHS has women's set asides re construction with a target of Minister is 80% women involvement in construction of houses – ECape at about 50%. DM Transport has the mandate for Department's empowerment strategy for women. DEA is refining their gender strategy and DMR is developing a gender strategy

Recommendations from the January Lekgotla, Progress and Challenges

Reducing Violence and Discrimination

- Accountability and coordinating measures should be put in place to ensure that all government departments work towards the empowerment of safety of women
- The IMC on Gender Based Violence has been established. The inter departmental task team on the integrated social crime prevention strategy addresses gender based violence.
- The Department of Women will need to engage the National School of Government and the relevant departmental colleges on this area of work as it consolidates its capacity.

Recommendations from the January Lekgotla, Progress and Challenges

Institutional strengthening

- *We need to consider renaming the Ministry of Women to ensure that we allocate specific state responsibility to ensure the safety of all people, including those targeting for their actual or perceived sexual orientation or gendered identities*

The mandate of the Department is the socio-economic empowerment of women, promotion of women's rights and gender equality. This is a broader mandate than addressing gender based violence. Safety of people from contact crimes is a multi-departmental responsibility, coordinated through the DSD in the Integrated Social Crime Prevention Strategy and through the criminal justice system. To the extent that empowerment of women is a societal issue, it must involve the engagement of all citizens to address amongst others the safety of people. The Department has been very clear that the gender based violence includes the safety of LGBTI community.

- *We urge that the necessary resources be given to this department in order to succeed (Human Resources and Finances).*

What are the consequences, impact, contributions to economic growth, reducing poverty, inequality and unemployment

The focus of work is on

- financial inclusion of women which both enables economic empowerment and lifts women out of poverty;
- inclusion of women in the agricultural value chain and in food security- this is both a key economic empowerment opportunity for women, and a major job creation opportunity.

The development of frameworks for economic empowerment of women will ensure that increasingly the 51% of the population contribute to economic activity.

Economic empowerment of women tends to lead to reduce gender based violence as women have greater choices.

The department is developing a procurement strategy that will develop local and women service providers, albeit it with a small budget.

3. LEGISLATION AND GOVERNANCE

REPORT OF THE L&G COMMISSION: ANC NEC LEKGOTLA: JULY 2015

ACCELERATE IMPLEMENTATION OF BACK TO BASICS PROGRAMME:

MORE HANDS ON APPROACH
20% OF ACTIONS THAT CREATE 80% OF IMPACT
VISIBLE AND IMPACTFUL IMPLEMENTATION
POSITIVE PEOPLE'S EXPERIENCE OF LOCAL GOVERNMENT

25 and 26 July 2015

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2. President's Address
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4. Overview: January 2015 Lekgotla
5. Key Lessons / Status of the B2B program
6. Proposed Actions for Adoption at the July 2015 Lekgotla

GENERAL INTRODUCTORY POINTS

- We are making progress in implementing the B2B programme. We need to intensify and accelerate this – focussing on 20% of actions that will yield 80% results.
- B2B must not only focuss on local government – it must be government-wide and inter-governmental.
- Local government is a strategically located sphere of government – closest to the people and where service delivery by all of government takes place.
- We now need 1-year and 3 year plans.

GENERAL INTRODUCTORY POINTS

- **Key Shifts:**
 - All national and provincial departments must commit to integrated planning and delivery;
 - Key departments – services must integrate plans with IDPs
 - Now need ward level plans and projects – all +/- 4300 wards
 - Need to focus on action / execution
- **2016 LGE – a very different election**
 - Do not allow the opposition to capitalise on our own weaknesses
 - Must act on corruption - visibly, and the public must action, and not just our intentions
 - Interference with administration and procurement must stop.
 - ANC must be willing to take disciplinary action against those who damage the credibility of the movement.

PRESIDENT'S ADDRESS

The President gave clear practical directives to guide impactful implementation of the Back-to-Basics programme:

PROVINCIAL GOVERNMENT:

1. Build the capacity of the provincial CoGTA departments to monitor and support the operations of municipalities;
2. Develop a program of interventions with national CoGTA to reduce the number of dysfunctional municipalities;
3. No municipality should have financial disclaimers from the A-G;
4. Premiers and MEC's to be active in supporting municipalities, mobilization and engagement with communities

MUNICIPALITIES:

PRESIDENT'S ADDRESS

1. National and Provincial government departments must be active in supporting municipalities to report back to their communities on the programmes of government.
2. Councillors must have regular community engagement and municipal complaints management systems;
3. All municipalities must formally adopt B2B action plans developed with provincial and national CoGTA departments;
4. Implement ward level plans in every municipality for services provision, for infrastructure projects and improvements;
5. Interdepartmental collaboration to ensure accelerated delivery of water, sanitation, electricity, roads, storm water drainage and waste removal.

PRESIDENT'S ADDRESS

MUNICIPALITIES:

6. Implement support packages for less capacitated municipalities. These support packages should have conditions attached to them which municipalities must meet, such as the verification endorsement of service delivery projects by qualified experts, and stricter conditions for infrastructure grants, etc.
7. Intensify professionalisation and modernise management functions in municipalities. Ensure qualified and experienced officials.
8. Act decisively against corruption. Recommendations of forensic investigations must be implemented by municipalities without delay;
9. Strengthen intergovernmental collaboration to ensure that all sector departments are hands-on in their support to municipalities. All spheres should prioritise and focus on the 20% of actions which will create 80% of the impact.

OVERVIEW

CRITICAL FOCUS AREAS AND PROGRESS MADE

ACTION	PROGRESS
Protocol or code of conduct to manage the relations between party and state <u>are required</u>	<i>Ongoing</i>
Consistency between alliance structures needs to be politically managed through the introduction of a protocol for alliance relations at local government level	<i>Done at recent alliance summit</i>
Addressing water and sanitation issues	<i>Ongoing</i>
Deliver a core basket of services by all municipalities in the next 180 days: water, electricity, sanitation, roads, waste, housing and basic infrastructure maintenance	<i>IMTT Established to coordinate integrated planning and delivery</i>
Municipalities to continue performing their day to day functions, e.g. cutting grass, working street lights, etc	<i>Ongoing</i>
Preparations for the 2016 local government elections need to be set in place immediately. The candidate's list process should be brought forward much earlier to allow for profiling in communities. Criteria discussions could start early and be sanctioned by structures.	<ul style="list-style-type: none"> •All national and provincial elections structures established; •90% of regional structures established; •ongoing establishment of the LETs and BETs •All structures are alliance and MDM based

ACTION	PROGRESS
Develop a document on the review formula for allocation of wards, including the criteria and process for selection of Councillors for discussion at NGC.	Done
Develop training and capacity building for new councilors of the functionality of municipalities, ANC tradition, discipline and policies.	Ongoing
Implement Mangaung Conference resolution relating to the relationship between PEC, REC, BEC with municipal governance	Ongoing
The establishment of a dedicated office to look at petitions and follow up as well as an inter-active Monitoring & Evaluation unit in the Mayor's office	

ACTION	PROGRESS
Filling of vacancies with officials with requisite skills and qualifications. Identify list of municipalities per province with this challenge	Ongoing
Urgent implementation of the 53 rd National Conference resolution on the separation of powers at local government and delegated authority;	Ongoing
Set date for NEC and Metro and big Cities Mayors meeting	Metro Forum established
Identified municipalities that require urgent intervention. Peace and stability questions should be addressed by involvement of the peace and stability cluster	Done; ongoing review

CRITICAL FOCUS AREAS AS IDENTIFIED: DEMARCATION

ISSUES	ACTIONS	PROGRESS
• Address financially and economically non-viable municipalities;	• Finalise and speed up review of non-viable municipalities;	MDB was requested to redetermine outer boundaries
• Additional models of municipal form needed for diverse areas	• Review the institutional form of government in non-viable parts of the country;	Will be done through the amendment of the legislation
• Political management of outcomes of the Demarcation Board determinations;	• ANC political management strategy for managing determinations made by the MDB boundary;	Ongoing
• Inability to confront complex problems of ethnicity, federalism, xenophobia and racism;	• ANC to be vocal and act against ethnicity, racism and xenophobia, federalism; • Develop innovative ways to accommodate diversity	Ongoing

CRITICAL FOCUS AREAS AS IDENTIFIED BY THE JANUARY 2015 LEKGOTLA: POLITICAL INSTABILITY

ISSUES	ACTIONS	PROGRESS
<ul style="list-style-type: none"> In-fighting and factionalism; Political interference with supply chain management processes; Poor conduct and discipline among councillors; 	<ul style="list-style-type: none"> Oversight and accountability of ANC Councillors deployed in municipalities; SG and Provincial Secretaries to work with REC & BEC to ensure functionality, effectiveness and stability of municipal Troika's; 	<i>Ongoing</i>
<ul style="list-style-type: none"> REC and BEC micro managing municipal governance; 	<ul style="list-style-type: none"> Implement protocol or code of conduct to manage relations between party and state 	<i>Ongoing</i>
<ul style="list-style-type: none"> Poor caliber of deployees to LG and high turnover of Councillors 	<ul style="list-style-type: none"> Vigorous training programmes and empowerment of new Cllrs; Vigorous candidate selection processes on the quality 	<i>Ongoing</i>

CRITICAL FOCUS AREAS AS IDENTIFIED BY THE JANUARY 2015 LEKGOTLA: INSTITUTIONAL WEAKNESSES

ISSUES	ACTIONS	PROGRESS
<ul style="list-style-type: none"> High vacancy rate Appointment of unsuitable and unqualified personnel 	<ul style="list-style-type: none"> Filling of vacancies with officials with requisite skills and qualifications; 	<i>Ongoing; CoGTA established database of former MMs and section 56 managers</i>
<ul style="list-style-type: none"> Politicised and disruptive strikes 	<ul style="list-style-type: none"> ANC to engage COSATU and municipal labour unions on their constructive role in municipalities; 	
<ul style="list-style-type: none"> Weak capacity for planning and implementation 	<ul style="list-style-type: none"> Mobilisation of technical expertise to support implementation; 	<i>Ongoing</i>
<ul style="list-style-type: none"> Weak administrative accountability and transparency, poor internal controls and consequence management 	<ul style="list-style-type: none"> All District Municipalities to establish Shared Services to support weak local municipalities 	<i>Ongoing; CoGTA held meeting with all WSA Districts on strengthening district governance</i>

CRITICAL FOCUS AREAS AS IDENTIFIED BY THE JANUARY 2015 LEKGOTLA: SERVICES

ISSUES	ACTIONS	PROGRESS
<ul style="list-style-type: none"> Poor collaboration and integrated planning and delivery of basic services; 	<ul style="list-style-type: none"> IMC on service delivery to introduce protocols for implementing integrated projects 	<i>IMTT established</i>
<ul style="list-style-type: none"> Spatial transformation and integration remains a challenge; 	<ul style="list-style-type: none"> Implement spatial transformation and integration projects in targeted metropolitan areas 	<i>Spatial plans, and integrated project plans are being developed</i>
<ul style="list-style-type: none"> Poor maintenance and budgeting for infrastructure; 	<ul style="list-style-type: none"> Enforcing compliance with norms and standards regarding infrastructure management (maintenance of infrastructure) Refocus specific grants to focus on creating bulk water infrastructure, 	

CRITICAL FOCUS AREAS AS IDENTIFIED BY THE JANUARY 2015 LEKGOTLA: ELECTIONS

ISSUES	ACTIONS	PROGRESS
• Process of selection of Councillors not rigorous enough to find appropriately skilled councillors;	• Review criteria and process for the selection of candidates for 2016;	<i>Ongoing</i>
• High turnover of Councillors	• Implement criteria for retention of certain number of CIs based on proper assessment of performance during their tenure	<i>Ongoing</i>
• Lack of intensive training and orientation programme's for Councillors	• Introduce intensive training and induction programme for new Councillors	<i>Programme developed and to be implemented after selection of candidates</i>
• Inadequate understanding of the profile of youth, middle class and urban poverty;	• Develop strategy for mobilization of metro voters;	<i>Strategy workshops are being held in the provinces</i>

CRITICAL FOCUS AREAS AS IDENTIFIED BY THE JANUARY 2015 LEKGOTLA: ELECTIONS

WARD DELIMITATION PROCESS	ANC PROCESSES	PROGRESS
Final list of seats per municipality was published in October and November 14;	ANC inputs should be driven by the provincial secretaries;	<i>Done</i>
Deadline for consultation end of March 2015;	Ensure that we take local organisations into account to avoid conflict and make sure we speak with one voice;	<i>These timeframes have been revised post the request made in terms of section 22(2) of the MDA</i>
A 14 day objection period will follow.	ANC has to coordinate at sub-regional level between council and structures and then get approval for every submission at provincial level before submitting it.	
MDB publishes revised boundaries in May 2015 for approval or objections		
By end July 2015 MDB hands over all wards to the IEC to start delimitation of Voter Districts.		

KEY LESSONS FROM INITIAL PHASES OF B2B

- Political instability and weaknesses in governance are two of the primary causes of poor service delivery at municipal level;
- Municipalities with weaknesses in governance and corporate management functions such as financial management, HRM and SCM also tend to experience difficulties in service delivery;
- Citizen engagement generally weak in municipalities categorized as dysfunctional and at risk;
- There is correlation between senior management vacancy rates, poor appointments and lack of functionality of municipalities;
- Municipalities generally have weak technical capacity in planning, project management, designing and procurement of infrastructure;
- Political reluctance to collect outstanding rates and taxes from influential constituencies and keeping tariffs low for political reasons;

INSTITUTION OF TRADITIONAL LEADERSHIP

- Balance maintenance agenda with developmental agenda for institution of traditional leadership;
- Continue to promote a harmonious relationship between Traditional Leadership and Local Government;
- Traditional leaders participation in IDP's and community consultation processes;
- Traditional leaders to facilitate access to land for development;

PROGRESS REPORT ON THE B2B PROGRAMME

All ANC controlled municipalities must formally adopt in their councils the action plans developed by the provincial and national CoGTA departments

- The B2B programme launched in 8 provinces;
- Provincial B2B task teams established and conducting hands-on monitoring (comprising of national and provincial CoGTA, and sector departments);
- The B2B teams have developed municipal support plans – these have been adopted by municipalities;
- Approximately 200 municipalities are consistently reporting on their performance against set indicators in the B2B programme;
- MECs and SALGA reporting to MinMEC on B2B implementation;
- Premiers report to the PCC on B2B implementation;
- Support and intervention packages prepared for identified "hot-spot" municipalities.

PROPOSED ACTIONS FOR ADOPTION AT THE JULY 2015 LEKGOTLA

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
	<ul style="list-style-type: none"> • Build the capacity of the provincial CoGTA departments in order to monitor and support the operations of municipalities • Intergovernmental cooperation between all national and provincial departments must be enhanced. All sector departments must be hands-on in their support to municipalities. All spheres should prioritise and focus on the 20% of actions which will create 80% of the impact using available levers for change 	
1. The Role of National and Provincial Governments	<ul style="list-style-type: none"> • Institutionalise IGR structures at provincial level, which include mayors, municipal managers, MECs of sector departments, and their HoDs, to be chaired by the CoGTA MEC • Promote inter-sphere communication and collaboration on projects initiated by National or Provincial government at the local level 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
	<ul style="list-style-type: none"> • Develop a programme of interventions with national CoGTA to reduce the number of dysfunctional municipalities • Not have any municipality which have financial disclaimers from the A-G 	
2. Accelerating Back-to-Basics	<ul style="list-style-type: none"> • B2B should not only be a CoGTA programme, but rather a government-wide programme • The ANC to B2B to address organisational challenges • Identify and focus support and intervention to hot spot areas / municipalities • All Provinces and HoDs and Mayors and MMs to vigorously implement the B2B programme • Provincial secretaries to manage ANC involvement in supporting B2B implementation 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
	<ul style="list-style-type: none"> • We must have ward level plans in every municipality for services provision, for infrastructure projects and improvements • More interdepartmental effort is required to ensure that the root causes for weaknesses in delivery of water, sanitation, electricity, roads, storm water drainage and waste removals are addressed 	
3. Key Services	<ul style="list-style-type: none"> • Need integrated planning and delivery of human settlements, and ensure the availability of water, sanitation, electricity and roads • Eradicate the bucket system • National and Provincial governments must directly support / intervene in weaker municipalities that lack the capacity to deliver basic services infrastructure • All provincial resources and equipment to be made available to municipalities, eg. Road graders • Revive and strengthen RRT capacity to accelerate service delivery 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
ANC must seriously discuss the criteria for selection of Councilors for next term of Local Government implementing the decisions of previous NEC Makgotla		
4. Political Stability / Management	<ul style="list-style-type: none"> Identify and remove councillors that display poor discipline and contribute to instability in councils Remove councillors who are rejected by the community 	
5. Councillor selection	<ul style="list-style-type: none"> Nomination of candidates to be finalised by end of December 2015 Proper screening and public scrutiny of councillors before deployment Deploy senior members of the ANC to critical municipalities Publicising mayoral candidates for the 2016 LGE Finalise policy on retention; continuity and change of councillors 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
Need to put in place a range of support packages for less capacitated municipalities. These support packages should have conditions attached to them which municipalities must meet, such as the verification endorsement of service delivery projects by qualified experts, and stricter conditions for infrastructure grants, etc.		
6. Municipal finances / revenue collection	<ul style="list-style-type: none"> Promote a culture of payment for services – councillors to lead by example Municipalities to build internal capacity to accelerate their revenue and debt collection efforts Ensure timeous transfer of municipal budgetary allocations (not to pay salaries) Review the fiscal system to ensure a more equitable allocation to LG MIG to be used exclusively for basic services infrastructure 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
Decisively act against corruption in municipalities. Recommendations of forensic investigations report must be implemented by municipalities without delay		
7. Combatting Corruption	<ul style="list-style-type: none"> Expose and deal with corrupt elements within the ANC in order to regain public confidence CoGTA to be more proactive in investigating allegations of corruption 	
8. Integrity	<ul style="list-style-type: none"> Act expeditiously on findings and recommendations by integrity commissions. 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
	<ul style="list-style-type: none"> • National and Provincial government departments must be active in supporting municipalities to report back to their communities on the programmes of government • Premier and MEC's to be active in supporting municipalities, mobilization and engagement with communities • Councillors must have regular community engagement and municipal complaints management systems 	
9. Community Involvement / Engagement	<ul style="list-style-type: none"> • Take council meetings to community venues, in addition to the council chamber • Promote public attendance at council meetings • Need more frequent ward committee engagements (at least monthly meetings) • Establish effective call centres and improve response times 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
	<ul style="list-style-type: none"> • National and Provincial government departments must be active in supporting municipalities to report back to their communities on the programmes of government • Premier and MEC's to be active in supporting municipalities, mobilization and engagement with communities • Councillors must have regular community engagement and municipal complaints management systems 	
10. Communication (Upscaling the propaganda machinery)	<ul style="list-style-type: none"> • Ward-specific fact sheets must be developed • All projects must be launched, irrespective of its size • Make optimal use of social media • Communicate service delivery achievements more effectively 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
11. Immediate actions	<ul style="list-style-type: none"> • Electrification of houses and streets • Cleaning communities through regular clean-up campaigns • Fixing traffic lights, patching potholes, cutting grass, fencing of cemeteries, renovating community halls 	
12. Relationship with business	<ul style="list-style-type: none"> • Develop guidelines for the promotion of sound relations between business and municipalities • Reduce the red-tape in municipalities in order to promote investment by business in local spaces 	
13. Membership of the ANC	<ul style="list-style-type: none"> • Improve systems for the management of ANC membership cards to prevent gate-keeping • Accelerate membership recruitment drive 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
14. Outsourcing	<ul style="list-style-type: none"> Limit outsourcing of government services Review the outsourcing model of the Community Works Programme delivery Consider an open-tender adjudication system (eg. Gauteng) 	
15. Enforcement of By-laws	<ul style="list-style-type: none"> Municipalities to ensure more effective enforcement of by-laws 	
16. Demarcation	<ul style="list-style-type: none"> Undertake an assessment of the viability of municipalities with a view to initiating a further redetermination of boundaries process post the 2016 LGE 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
Intensify professionalisation and modernise management functions in municipalities People who occupy positions they do not qualify for, must be removed		
17. Professionalisation of Government Administration	<ul style="list-style-type: none"> ANC to ensure high quality deployments across the spheres of government Filling of vacancies with officials with requisite skills and qualifications. Identify list of municipalities per province with this challenge 	
18. L&G	<ul style="list-style-type: none"> Deployees in relevant sectors responsible for basic services to participate in L&G sub-committee meetings Provincial and regional L&G structures must convene regularly 	

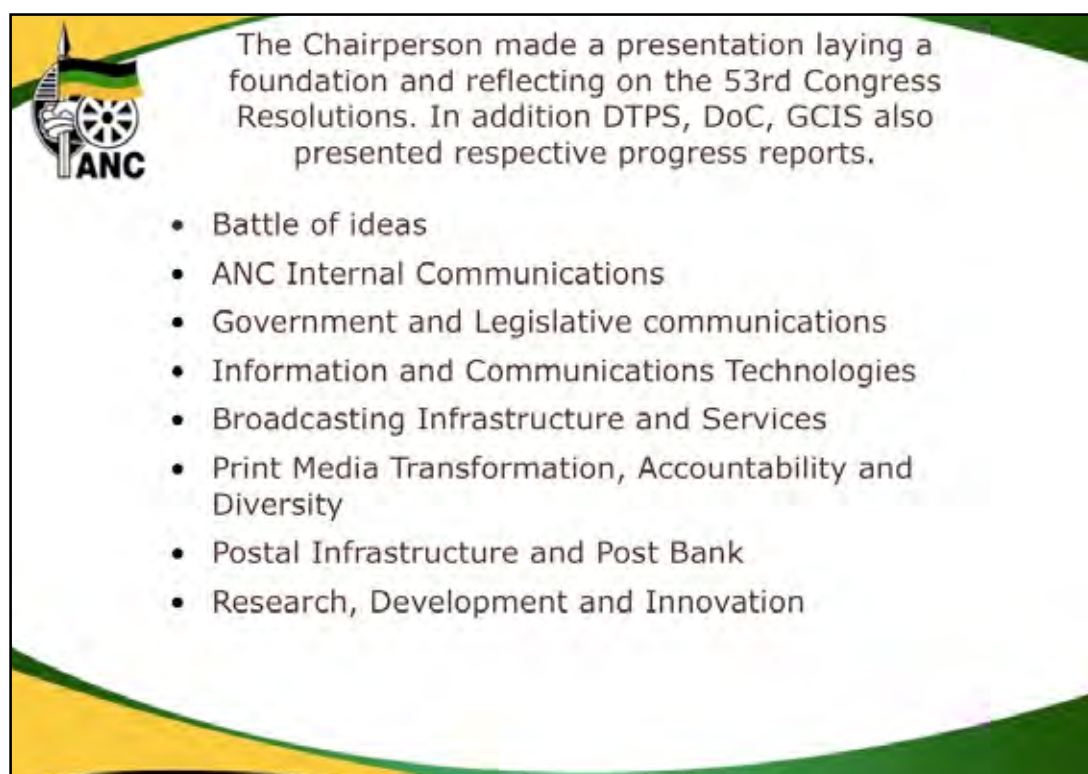
ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
19. Youth unemployment	<ul style="list-style-type: none"> Train artisans to maintain infrastructure Utilise local labour especially from the youth in the roll-out of basic services infrastructure 	

ACTIONS: JULY 2015 NEC LEKGOTLA

FOCUS AREA	ACTIONS	TIMELINES / RESPONSIBILITY
20. Key risks	<ul style="list-style-type: none"> Illegal land invasions Illegal electrical and water connections Use of RDP houses for informal trading rather than for shelter for the poor Needs to be carefully managed in the run-up to the 2016 LGE Opposition parties capitalise on incidents of crime in local municipalities to win support 	

4. COMMUNICATIONS





Context: **Reflections on the battle of ideas and the balance of forces**

- Print Media ownership and control still remains in the hands of the big 4 (Naspers/Media 24, Caxton, Times Media Ltd/TML, Independent Newspapers/Sekunjalo) with Naspers/Media24 dominating the landscape.
- Print media remains largely untransformed / predominantly white owned as confirmed by a number of reports (MDDA 2009, MDDA 2014, Press Freedom Commission/PFC, Print Digital Media Transformation a Task Team/PDMTT, GCIS Media Landscape)



Context: **Reflections on the battle of ideas and balance of forces**

- Lack of transformation is reflected in the entire value chain (Newsroom, publishing, printing, distribution, research, advertising, ABC certification, etc).
- The editorial is driven by sensationalism, oppositional bias and ideologically skewed against the ANC
- The journalism curriculum and teaching remains reinforcing this kind of media




Context: **Reflections on the Battle of Ideas and Balance of forces**

- Self driven regulation remains dominant in the newly adopted co-regulation and therefore rendering print media regulation ineffective. PFC recommendations are yet to be fully implemented.
- Coverage and reporting is anti-ANC and alliance, mostly noncompliance with Press Code with little consequences



Context: **Reflections on the Battle of Ideas and Balance of forces**

- ANC opponents in the battle of ideas therefore include the media
- How do we disarm our opponents
- New print media players like The New Age, Sekunjalo, community and small commercial media attempt to present a different perspective
- Use of unmediated platforms like social and digital media is an option
- ANC Internal Communication has been strengthened with the restructuring of DIP and establishment of the War Room



January NEC Lekgotla decisions and Actions

- ICT, particularly broadband, have the potential to propel our economy to higher levels of growth, opening opportunities for new industries and modernizing the delivery of social and economic services. Lekgotla has directed the finalization of the digital migration process to support broadband roll out. Government must move with the necessary speed to meet the deadline of 15 June 2015.
- Lekgotla has also resolved to sustain and expand key infrastructure programmes and ensure focused attention to strengthening the agricultural, mining and manufacturing sectors as part our industrialization drive.



January NEC Lekgotla decisions and actions

- Lekgotla has further mandated government to resolve governance challenges at State Owned Companies to ensure that these state institutions are able to play their role as effective instruments of change.
- SMMEs and Cooperatives must be supported.
- All government programmes must seek to provide markets for their goods and services.



Challenges and bottle necks

- Lack of the implementation of ANC resolutions.
- Lack of accountability of some ANC deployees to the centre of power (ANC).
- Capacity and resources constrain ANC DIP structures (provincially and locally) and war room.
- Positioning of ANC spokespersons at provinces and regions need reflection.
- Active participation of ANC cadres and leadership in the battle of ideas.
- Corruption (perceived or real).



Key concrete interventions towards the 2016 Local Elections and beyond

- Strategies to mitigate digital migration further delays (review BDM Policy in favor of the December 2013 cabinet decision).
- Increase broadband rollout programmes.
- Review of Government Communication Strategies and plans.
- Increase advertising in and usage of community & small commercial media.
- Increase usage of media that is unantagonistic to the ANC.
- Strengthen GCIS.
- Punch messaging regarding the good story of ANC Gvt.



Key concrete interventions towards the 2016 Local Elections and beyond

- Strengthening of corporate governance in the public broadcaster, promotion of good governance and compliance with the Broadcasting Act, License Terms & Conditions.
- Strengthening the public broadcaster and other Free-To-Air television services (in particular community broadcasting).
- Support and invest in relevant content development.
- Strengthening of the regulator.




Key priorities

- Government and Legislature communication
- Review BDM Policy (Digital Migration)
- Broadband rollout
- Community and small commercial media
- Strengthening ANC DIP and war room at all levels.



Capacity of the State

- Strengthening institutional arrangements
- Ensure proper and skilled deployments
- Improve ANC and Government coordination and working relations




Required resources

- Skilled cadres
- Funding for broadband rollout
- Funding for unintended consequences resulting from the digital migration delays (dual illumination, maintenance of digital infrastructure network, DTT - DTT migration, awareness campaign, etc)
- Funding ANC DIP and its war room.



Commission discussion structure

1. Communications and battle of ideas
 - common understanding of the battle of ideas (dominant ideas)
 - reengineering the battle of ideas
 - strengthening DIP and the War Rooms
 - political structures must form the machinery to confront the battle of ideas
2. Challenges, Key Interventions: what needs to be done
 - Costs to communicate
 - Broadband rollout (SA connect)
 - Digital migration
 - Government and legislature communication
 - Postal services
 - Strengthening the Public Broadcaster
 - Strengthening the regulator
 - Review of communication strategies (having regard to unantagonistic media and media reaching out to targeted communities like community & small commercial media, TNA, Sekunjalo, PBS, social & digital media).
3. Priorities



Questions

- Context: battle of ideas, analysis of the state of affairs and balance of forces, ANC Internal Communications. Which ideology gets overshadowed?
- How do we disarm our opponents, what is the required machinery, capacity?
- Challenges: inequality, poverty and unemployment. What interventions are needed to respond to this challenge?
- What is to be done?




Communications and battle of ideas

- common understanding of the battle of ideas (dominant ideas)
- reengineering the battle of ideas
- political structures must form the machinery to confront the battle of ideas
- create patriotism, passion and consciousness for the country
- packaging the good story to tell
- use propaganda, groom and train spokespersons (including Gvt communicators) to tell our story
- Gvt communicators must understand the ANC good story and be able to tell the story
- put a narrative for the good story to guide messaging
- our people, the beneficiaries of the good story, must be empowered to tell the story. Communication must be embedded in the masses.
- understanding the environment we operating under, which is highly polluted, with a pool of "dirty money" corrupting our society
- ANC need to reclaim the space
- Battles of ideas must be understood to be about power, overall hegemony



Communications and battle of ideas

- DIP is and must be at the centre of communication.
All communicators should get a cue from DIP
- strengthening DIP, establish the propaganda desk to win hearts and minds, desk of information and the War Rooms (rapid response)
- access to internet and link of all ANC offices, use party political funding to fast track. Chief Whips should be called to support this resolution
- use of digital media: ANC App (24 hours work stations supporting and managing information and messaging), whatsapp groups,
- Cadres must actively make use community radio
- joint war rooms
- activation of organs of people's power and civil society
- ANC should consciously create and support progressive voices supporting our constitutional democracy
- Support SMMEs, co-ops to capture the good story, package and sell it, including to online TV – [many voices one message]
- communication must be part of the 30% set aside for SMMEs



Communications and battle of ideas

- Battle of Ideas Council must be established and mirrored by Government to set the agenda.
- The model should be cascaded into provinces and regions.
- Government work must be communicated regularly on Public and Community Broadcasting slots, giving Gvt reporting.



Government and Legislature Communications


- Strengthen Government, Legislature and Constituency offices communication
- Government should up its ability to communicate and strengthen its machinery in order to be ahead of our opponents in preparation to local Gvt
- Joint war rooms (ANC, Govt & Legislature)
- Tell the good story continuously
- Messaging around the Good Story must be tailor made for local context and ANC MPs should communicate the messages. (One message many voices – MPs, MPLs and Councillors). Where possible stories must be told by beneficiaries.
- Communication should be simplified and in languages spoken by our people.
- ANC call on Gvt communication to attend ANC meetings and work with the ANC.



Review Communication Strategies

- Review communication strategies to have regard to other platforms in our pursuit to promote media diversity (like community and small commercial media, PBS, social and digital media, etc) and therefore use of relevant media consumed by the targeted communities and audiences.
- Media procurement should be through media that complies with the BBBEE Act and Code of Good Practices, and should be aimed at promoting media diversity.
- Community and small commercial media should be trained and capacitated in order to comply with requirements to access the advertising.

PRIORITY ACTIONS TOWARDS LOCAL GOVERNMENT ELECTIONS AND BEYOND




Postal Services and Postbank

- Postbank is required to be a Public company in terms of the Banks Act and definition of a public company in terms of the Companies Act excludes SoEs. Further, Postbank is required to have a Bank Controlling Company (BCC), in this case would be SAPO and Reserve Bank is not in supportive of SAPO to be the BCC.
- Amendment of laws to support the objective of corporatising the POSTBANK should be considered and fast tracked in terms of the MoU for special dispensation.
- Turnaround of SAPO : Gvt must channel and procure its services (courier, mail, banking, etc) through SAPO in its repositioning for eservices, supporting egovernment and enhancing service delivery to reach out grassroots communities.
- ANC calls on the respective Gvt Departments to support SAPO in line with the January 2015 ANC NEC Lekgotla.



Cost to communicate

- Resolution and its implementation is in progress.
- The Policy maker and the Regulator should fast track the conclusion in respect of market inquiry.
- Gvt should accelerate the implementation of this resolution decisively.



SA Connect - broadband rollout

- Resolution implementation is in progress but requires more support from the provinces and impact on service delivery must be measured.
- SA Connect, a Master Plan aimed at coordinating infrastructure rollout and national coherent planning
- SoE rationalisation must ensure coordination
- Gvt must expedite development of a strategy in terms of the SA Connect
- Provinces, municipalities and Dept must own the SA Connect and accordingly its services
- Gvt must develop strategies to fund and support broadband rollout as an economic enabler, drive towards SMART Cities, enhancing egovernment and eservices.




Digital migration

- January Lekgotla decision was that BDM 2013 Policy be gazetted.
- BDM 2013 Policy was revised and a new BDM 2015 Policy was approved and gazetted
- Northern Cape must be switched off and on by December 2015. SADC date is December 2016, as a target depending on legal challenges. (DoC assured the Commission)
- Determination of the Performance Period and Annual Switch Off (ASO) [dual illumination, DTT to DTT migration, etc]. The period will be 18 to 24 months.
- Legal threat: leave to Appeal
- Financial implications of further delays and transmission and signal interference implications to negatively affect communities along borders and the more than 62% households using aerial antenna
- Gvt must develop a phased plan that provides certainty
- Gvt must develop a Plan B (Risk Mitigation Strategy) in the event the leave to appeal is granted which may further delay.



ANC resolutions vs Cabinet decision and implementation thereof

- One of the challenges is in the implementation of ANC resolutions and decisions by ANC deployees in Gvt.
- ANC should develop a Programme of Actions on the implementation of ANC resolutions.



Public Broadcasting

- The transformation of SABC must be prioritised across all levels, including middle management, recruitment should enhance public broadcasting objectives.
- ANC should develop a Programme of Action aimed at monitoring the implementation of ANC resolutions on the SABC.
- ANC should ensure through the Regulator that content of SABC complies with its obligations to provide public service content, relevant to our constitutional principles.
- ANC should mobilise and train a number of young people in the various aspect aimed at ensuring a new cadreship to assist the transformation objectives.
- SABC should cover the entirety of SA, reflecting the diversity, provinces, etc.
- SABC international editorial need to prioritise the African and BRICS agenda
- ANC should ensure SABC is strengthened in compliance with the Broadcasting Act and its ICASA License



Independent Regulator

- The call for the strengthening of the independent regulator established to regulate in the public interest.



General

- Communication should be jacked up.
- ANC has achieved a number of great achievements in its priority areas like Rural Development, Education, Health, Infrastructure Rollout.
- ANC should develop targeted, timebound action plan towards the local Gvt elections.
- ANC propaganda should be mainstreamed by leadership and taken serious by all structures.
- ANC internal communication must be reengineering in preparation for the NGC.



Plenary

- Independent regulation of print media is part of the investigation in terms of the 53rd congress resolutions must be prioritized and the 5th Parliament will conduct this inquiry.
- Free to Air TV must be strengthen in order for telling the good story be accessible to all. Pay TV is not accessible and remains in the monopoly. This need to be in our minds as we resolve the Digital Migration challenges.
- Importance of indigenous languages was be prioritized.
- Propaganda strengthening must include Parliament.
- Strengthening communication must be accross the Board, including our organs of state.

5. EDUCATION, HEALTH AND SCIENCE AND TECHNOLOGY

Celebrating 60 years of the Freedom Charter

INTRODUCTION

- The Chairperson welcomed all members of the commission.
- Two presentations were made, one on tasks of the commission and proposed approach; and the other on the National Health Insurance (NHI).

APPROACH AND MANDATE

- The Commission focused on the following:
 - The evaluation of progress made against plans and programs by various sectors.
 - The identification of critical priority areas, proposed amendments of plans and programs plus budgets for quick wins towards the achievement of the election mandate and targets by December 2017.
- The Chairperson took members of the commission through the reporting template, which was designed to get all participants to focus on assessing progress made since the 2015 January ANC NEC Lekgotla. It also noted that the template required of all participants to focus on resolutions and commitments made at the said ANC NEC Lekgotla. The commission was reminded of the fact that the current work of the ANC takes root from resolutions of the 53rd ANC National Conference, the National Development Plan 2030 and the 2014 National Election Manifesto plus resultant priorities detailed in the 2014-2019 Medium Term Strategic Framework of government.
- The Commissions noted the input made by the President, the Secretary General and other National Executive Committee members at start of Lekgotla. These were the Political Overview, the Program of the ANC, a report on the Monitoring and Evaluation of performance of MTSF targets, fiscal overview and the capacity of the state.
- The Commission was addressed by Cde Aaron Motsoaledi on the NHI and some of the critical issues that affect the health sector.

RESOURCE DOCUMENTS

- Members of the commission each received copies of presentations made on the first day of Lekgotla, a copy

of the January 2015 ANC NEC Lekgotla Bulletin, a copy of detailed reports of the work of the ANC in the Basic Education, Higher Education and Training, Health as well as Science and Technology sectors up to 30 June 2015; and the reporting template.

COMMON CHALLENGES

- The Commission was reminded of the following challenges that were identified as cross cutting for all sectors, especially for Basic Education and Health, as sectors that have concurrent national and provincial functions and responsibilities:
 - Human resource challenges and skills gaps in education and health, including the those associated with teachers, doctors, nurses and other health professionals plus researchers;
 - Quality of education and Quality of health services;
 - Governance, resourcing and implementation challenges associated with concurrent powers, e.g. resource allocation and budgeting at national and provincial levels.
- Other challenges include:
 - Weak ANC branches in so far as effective leadership of campaigns and programmes in these sectors;
 - Instability of management structures in some government departments caused by unjustifiable removal of managers; and
 - Prolonged non-appointment of managers into vacant posts.

TASKS FOR THE COMMISSION

- The Commission was requested to review action on the resolutions of the January ANC NEC Lekgotla. It was also directed to consider important questions and inputs made by the leadership when it was setting the tone of Lekgotla.
 - What was implemented?
 - Identify challenges and impediments.
 - What are priorities for 2015-2016 and what are budget priorities?

- ❑ What are reasons for the low economic growth of our economy?
- ❑ Is the deployment of resources, e.g. financial and human, appropriate?
- ❑ What are the levers?
- ❑ What kind of support is needed by commercial farmers and other commercial sectors?
- ❑ How can we attain the ideal composition of the state and ideal capacity of the state?
- ❑ What role should the private sector play or be encouraged plus incentivised to play?

PROCESS

- Members of the Commission broke into three groups for detailed discussions of sectoral progress against resolutions of the ANC.
- Reports of the groups were received and discussed by the re-convened Commission.
- The commission adopted the report.
- The full report detailing the work of the Subcommittee up to 30 June 2015 is available on request for Lekgotla delegates for information.

PROGRESS REPORT, WITH SPECIAL FOCUS ON RESOLUTIONS OF THE 2015 JANUARY ANC NEC LEKGOTLA

1. Science and Technology:

- 1.1 **Resolution: *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.***

- **Analysis of progress:** Modelling work on the actual amount for 1.5 % has been done and the Ministers of Science and Technology and Finance set up a task team to do further work.
- **Challenges and intervention measures:**
 - ❑ The task team will work on identifying sources of funding from other spheres of government including provincial and municipal governments.
 - ❑ We should continue to leverage private sector funding for innovation.
- Comments, identification and review of priorities and budget: None.

- 1.2 **Resolution: *The role of Science Technology and Innovation should be incorporated into the strategies of the Economic Transformation Committee (ETC) to***

support attempts to diversify and transform the South African economy because of its cross cutting nature.

- **Analysis of progress:** There has been no progress in the implementation of this resolution.
- **Challenges and intervention measures:** The Economic Transformation Committee (ETC) should be directed to have science and technology as a standing cross-cutting agenda item.

- 1.3 **Resolution: *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.***

- **Analysis of progress:**
 - ❑ The Budget coordination structure and how such a budgetary process would work were shared with the National Treasury.
 - ❑ Attempts by the National Treasury to set up a functional group to coordinate budgets for Science councils have resulted in meeting for the first time this year as part of the budgetary process.
- **Challenges and intervention measures:**
 - ❑ We should quickly establish a vote for S&T as part of the budgetary process.
 - ❑ Establish a legislative framework or instrument for the distribution of funds to science councils across government by the DST and National Treasury.

- 1.4 **Resolution: *Draw on the work and experiences of the Departments of Science and Technology and Basic Education in providing connectivity to schools across the country.***

- **Analysis of progress:** Wireless Mesh Network, an alternative that is cheaper than broadband, has been rolled out in schools in Limpopo, Mpumalanga and the Northern Cape.
- **Challenges and intervention measures:**
 - ❑ We note the inclusion of DST pilots in Limpopo, NC and Mpumalanga with the "SA Connect".
 - ❑ Need to ensure that there is broadband rollout by the Department of Telecommunications and Postal Services (DTPS); and the rollout needs to happen urgently.

- 1.5 **Resolution: *Ensure there is research on education issues to inform policy.***

- **Analysis of progress:** The HSRC has been conducting studies on attitudes of learners on mathematics and science and other scientific studies that inform policy.

- Challenges and intervention measures: There has to be an increase in demand by policy makers for research on the improvement of education policy, e.g. research on the usage of tablets or laptops and their consequences to improving learning outcomes.

1.6 Resolution: *Accelerate the process of evaluating the remuneration of academics to attract younger people into academia.*

- Analysis of progress: DHET has included this work as part of the programme to expand the next generation of academics in consultation with the DST.
- Challenges and intervention measures: Include the remuneration of academics to the DHET programme for the next generation of academics.

2. Basic Education:

2.1 Resolution: *Provide psycho-social support to schools.*

- Analysis of progress:
 - Department has piloted a project to deal with psycho-social support.
 - Mass media campaign will soon go out which talks to school violence and bullying.
- Challenges and intervention measures:
 - Pregnancy and Drug Abuse in schools. Monitor and support girls who are pregnant to ensure that after pregnancy they return to school.
 - Bullying and drop outs at schools.
 - Sanitary towels for girls. There is a tender at Treasury to deal with sanitary towels. Must consider possibilities in local manufacturing of sanitary towels.
 - Must support COSAS programme called "Learning without Fear" to achieve safe and conducive learning environment for learners.
 - Must involve ANC Branches to support our schools and take responsibility for education.

2.2 Resolution: *Ensure that education is regarded as a continuum.*

- Analysis of progress: Work being done to ensure that this is addressed at the basic education level from Grade R to Grade 12.
- Challenges and intervention measures: Must expand this work to include higher education in order to achieve Grade R to Life Long Learning.

2.3 Resolution: *Allow for a discussion with stakeholders to reflect on the frequency and scope of the ANA test,*

notwithstanding its positive reception.

■ Analysis of progress:

- Minister has gazetted on ANA policy for public comment.
- DBE is reconsidering the testing and considering different approaches, e.g. Diagnostic and Confidential testing.
- Positive note is that all learners were writing the ANA.
- DATA on ANA outcomes has been used by Districts to intervene in schools.

■ Challenges and intervention measures:

- Must consider if we are spending money wisely on ANA.
- Moving ANA from third to Fourth Quarter.
- Must use international benchmarking and Higher Education Institutions to validate the tool used for testing

2.4 Resolution: *Ensure that we sustain the momentum of the infrastructure programme, with particular reference to the provision of water and electricity.*

■ Analysis of progress:

- DBE and DST are working together on technological interventions to deal with water challenges in some of our schools.
- We should complete the schools under construction within the financial year.

■ Challenges and intervention measures:

- Municipalities are charging schools for water and electricity above business rates. Some Municipalities use examination periods to discontinue services as leverage for schools or Provincial Departments to pay.
- There are about 6000 schools with pit latrines, particularly in the Eastern Cape.
- There are schools which still rely on rainwater only.
- There is vandalism of excellent infrastructure, including electricity, water and sanitation at schools. Some communities are using school resources particularly for water, pushing the utilities bill higher.
- Must engage Eskom to play a social investment to our schools.
- Municipalities must be engaged to declare special dispensations for our schools, through favourable rates. Must mobilize society to take responsibility for school resources.
- There exists opportunities for employment creation through the maintenance of services in our schools.

- ❑ Provincial Departments must ensure that they plan for infrastructure particularly maintenance.

- **Comments, identification and review of priorities and budget:** An additional R1.5 billion will be needed for infrastructure.

2.5 Resolution: *Education to provide rapid universal connectivity for ICT as an enabler for quality education.*

■ **Analysis of progress:**

- ❑ Operation Phakisa on communications has begun.
- ❑ Hard Lab will be on its next stage by September.
- ❑ Implementation of the Paperless Classroom in 8 schools around Gauteng has begun.

■ **Challenges and intervention measures:**

- ❑ Security remains a challenge at schools to protect our ICT infrastructure.
- ❑ Must mobilize society to ensure that our school ICT infrastructure is protected.

- **Comments, identification and review of priorities and budget:** No information provided to Lekgotla on specifics of national and provincial priorities and budgets.

2.6 Resolution: *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.*

- **Analysis of progress:** There is a framework of three departments, DST, DBE and DHET on Maths, Science and Technology.
- **Challenges and intervention measures:** Work is being done to ensure that the departments clearly outline their roles and responsibilities.

2.7 Resolution: *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.*

- **Analysis of progress:** No concrete progress at this level, except for some pronouncements in the Gauteng Province.

- **Challenges and intervention measures:** Need to ensure that this work begins.

- **Comments, identification and review of priorities and budget:** No information provided to Lekgotla on specifics of national and provincial priorities and budgets.

2.8 Resolution: *That we swiftly move to a Quality Management System (QMS) to enable the DBE to assess the competencies of educators for development purposes and to encourage self-assessment by educators.*

■ **Analysis of progress:**

- ❑ An electronic version of the self-assessment for educators has been done.
- ❑ Competency tests for officials and Principals will be introduced in January 2016.

■ **Challenges and intervention measures:**

- ❑ Competency tests are not used for appointments at all levels by SGBs.
- ❑ There could be labour resistance of this intervention.

- **Comments, identification of priorities and budget:** Resolve the impasse with SADTU to enable the sector to urgently implement the QMS throughout the country.

2.9 Resolution: *To discourage curriculum changes in order to avoid change fatigue.*

■ **Analysis of progress:**

- ❑ No major curriculum changes are being implemented.
- ❑ No disruptions of curriculum are envisaged.
- ❑ No major complaints from teachers on curriculum.

- **Challenges and intervention measures:** Norms and standards are being used to ensure implementation of curriculum.

2.10 Resolution: *Fast track the implementation of the LURITS system to enable the education sector to track learners from basic to higher education.*

■ **Analysis of progress:**

- ❑ Cooperation between DBE and Home Affairs is continuing.
- ❑ The Learner Unit Record Information and Tracking System (LURITS) will be the official source of data from May 2016.
- ❑ Received funding from the private sector for the first phase.
- ❑ Districts are being innovative on how they are using the data available.

■ **Challenges and intervention measures:**

- ❑ The current system is not web based.
- ❑ Basic Education and Higher Education and Training should cooperate on how data is shared in order to track progress of students.

This data should be used for research to understand outcomes.

2.11 Resolution: *Intervene in the intermediate and senior phase of school especially in the area of mathematics.*

- **Analysis of progress:**
 - ❑ Both phases have had intervention.
 - ❑ “1 + 4 intervention” to assist Grade 7-9 teachers on Maths.
 - ❑ Timetable is not disturbed.
 - ❑ Mpumalanga + 4 other PEDs have rolled out.
 - ❑ Provinces are running the project.
- **Challenges and intervention measures:**
 - ❑ Results of the progress of this intervention will be seen after the ANA results.
 - ❑ Schools not teaching Maths at Grade 12 have been instructed to provide math commencing in Grade 10.
 - ❑ Provinces are advised to employ Maths teachers for these schools.
 - ❑ Need to push up the number of mathematics learners and teachers.
 - ❑ Support needed from other departments to adopt schools.
 - ❑ Must explore the use of experts in out universities.
 - ❑ Must recruit unemployed graduates and train them for a year.
- **Comments, identification and review of priorities and budget:** There are budget constraints but reprioritizing of funding will take place.

2.12 Resolution: *Provide support to Learner Representative Councils (LRCs) to better understand their roles in the governance of school.*

- **Analysis of progress:**
 - ❑ Department and COSAS have met on three occasions to discuss amongst other issues, capacitating Learner Representative Councils (LRCs).
 - ❑ A National Conference for LRCs will take place before end of the year.
 - ❑ COSAS has begun with Provincial Conferences for its LRCs.
- **Challenges and intervention measures:**
 - ❑ Training will be done for LRCs across the country.
 - ❑ Must ensure focus is on meeting procedures, important policy areas, and understanding of their governance responsibilities.
 - ❑ LRCs must be orientated across the country.

2.13 Resolution: *Mobilise communities to oppose tendencies to target schools as part of civil disobedience.*

- **Analysis of progress:** There has been improvement in many areas that were monitored by DBE.
- **Challenges and intervention measures:** Presence of ANC structures is not felt in community protests to guide and endure that schools are not targets.
- **Comments, identification and review of priorities and budget:** ANC branches must ensure that they take responsibility and lead society.

2.14 Resolution: *Improve the efficiency of scholar transport provision.*

- **Analysis of progress:**
 - ❑ Scholar Transport policy had been approved.
 - ❑ There is joint work between DoT and DBE in this regard.
 - ❑ Seven out of Nine provinces have located scholar transport with the Department of Transport.
- **Challenges and intervention measures:**
 - ❑ There are challenges in routes and rates charged for scholar transport.
 - ❑ Must monitor progress in Provincial Departments.
 - ❑ Must give guidance to parents and SGBs in order to enable them to ensure that private transport providers meet the requirements of the policy.
- **Comments, identification and review of priorities and budget:** Even though substantial budget has been allocated for this service, it is unable to address all learners in need due to inefficiencies of budget use.

2.15 Resolution: *To embed our constitutional values and principles as well as those of the Freedom Charter in the Curriculum.*

- **Analysis of progress:**
 - ❑ Constitutional values have been included in lessons
 - ❑ Workbooks for next year have been approved to include values. Material will be distributed on the Freedom Charter.

2.16 Resolution: *Improve efficiency in the roll out of the National School Nutrition Programme (NSNP).*

- **Analysis of progress:**
 - ❑ There is an impact evaluation by DPME that will be concluded for this financial year on the National School Nutrition Programme (NSNP).

- ❑ Menu is being reviewed.

■ **Challenges and intervention measures:**

- ❑ Limpopo is not complying with the resolution on the discontinuing of the tendering for school nutrition.
- ❑ Must stress the implementation of ANC policies across structures.

2.17 Resolution: *Commitment by all parties to maintain labour peace during the period of salary negotiations.*

- **Analysis of progress:** There has been improvement in this regard, especially due to the resolution of the salary negotiations.

- **Challenges and intervention measures:** Engagement must continue with partners to ensure that labour peace is sustained beyond salary negotiations.

3. HIGHER EDUCATION AND TRAINING:

3.1 Resolution: *Back to school campaign must be extended to include Higher Education Institutions.*

- **Analysis of progress:** There is currently an Apply Now Campaign that the department is undertaking

■ **Challenges and intervention measures:**

- ❑ Enhance the interface between the DBE and DHET to ensure adequate career guidance at grade 9, 10, 11 and 12.
- ❑ We should enforce that learners apply by August prior to the year of proposed admission.
- ❑ Insist that universities ensure that feedback on provisional admissions is given to applicants by November.
- ❑ Schools should be encouraged to assist learners to apply in time irrespective of their results in mid-year examinations.
- ❑ Higher Education Institutions (HEIs) to develop a framework for the management of walk-ins through creative means such as online applications or responsible admission assistants.

- **Comments, identification and review of priorities and budget:** Not much resource needed apart from those already committed by the department.

3.2 Resolution: *Finalise the policy for free higher education for poor students at undergraduate level as a matter of urgency.*

- **Analysis of progress:** There has not been much progress apart from the submission of the report by the working group to the minister.

■ **Challenges and intervention measures:**

- ❑ Insist on the minister to release to the Sub-Committee on Education, the report of the Ministerial Working Group on Fee-Free Education.
- ❑ Utilise the current means test of NSFAS for ensuring that this fee-free education funds the poor but also consider another framework for the funding of the missing-middle.

- **Comments, identification and review of priorities and budget:** We assume that the funding for this will be determined by the report and the policy implementation framework but it is surely going to cost a huge amount.

3.3 Resolution: *Finalise a policy on Community Service for all students by July 2016 and implementation by December 2017.*

- **Analysis of progress:** This is work in progress.

- **Challenges and intervention measures:** The task-team has reported the difficulties of this system but plans are in place within the specified timeframe.

- **Comments, identification and review of priorities and budget:** Resources will be determined by the outcome of the Ministerial report.

3.4 Resolution: *Disagreements at HEIs must be dealt with in a disciplined manner without resorting to vandalism and destruction of property or acts of intimidation.*

- **Analysis of progress:** There has been progress in this front as there were no disruptive strikes in the present year.

■ **Challenges and intervention measures:**

- ❑ The South African Students Congress (SASCO) committed to ensuring that all strikes that it undertakes in institutions will be peaceful.
- ❑ The department has also been engaging in workshops with the Student Representative Councils (SRCs) to ensure that no disruption of property happen during protests.
- ❑ Ensure prompt response on grievances of students so that they do not escalate into violence.
- ❑ The movement structures in campuses should use soft-power to ensure that they guide the various protests to be about the actual grievances rather than the disruption of property.

- ❑ **Comments, identification and review of priorities and budget:** There is no need for resources for this program.

3.5 Resolution: *Conclude work of the various committees and structures on shifting Nursing and Agricultural Colleges to a national competency by March 2017.*

- **Analysis of progress:** There has been progress in this front working with both the minister of health and the minister of agriculture.
- **Challenges and intervention measures:**
 - All documents necessary for the transfer should be finalised by respective ministries by the end of August 2015.
 - Whilst the transfer is fully supported, the DHET should maintain the nature of programme provisioning in agricultural and nursing colleges.
- **Comments, identification and review of priorities and budget:** No significant resources needed, apart from those already committed by the respective departments.

3.6 Resolution: *Finalise Higher Education and Training funding model and framework by March 2015 and implement approved framework by March 2016.*

- **Analysis of progress:** This is work in progress; but implementation will take place three (3) years after approval.
- **Challenges and intervention measures:** Work on this front has been satisfactory.
- **Comments, identification and review of priorities and budget:** This policy will require the dedication of more resources but also the purposeful utilisation of the resources currently available.

3.7 Resolution: *Fast track Central Application Service (CAS) for implementation by March 2018.*

- **Analysis of progress:** There has been work on this front but there is a delay in the date that this will come online.
- **Challenges and intervention measures:**
 - DHET should ensure that it develops a policy framework for admissions criteria linked with the Central Application Service (CAS).
 - In the meanwhile universities should be encouraged to enter into agreements on central applications using the current model of KZN as an example.
- **Comments, identification and review of priorities and budget:** There needs to be funding commitment for this project.

3.8 Resolution: *Engage all relevant structures of the ANC and government to avail resources.*

■ **Analysis of progress:**

- Various spheres of government are funding students in higher education and training in a scattered and uncoordinated manner.
- Most ANC branches are indigent and thus it will be unfair to require them to commit resources to fund Post-Schooling Education and Training (PSET).

■ **Challenges and intervention measures:**

- Government departments should commit large amounts of their budgets into funding students through NSFAS, using the example shown by the department of health, education and social development.
- Ensure placement of qualified personnel from government-funded bursary schemes.
- We should enter into partnerships with various private entities with the sole aim of funding higher education.

■ **Comments, identification and review of priorities and budget:** This will require a fair amount of funding from the various departments.

3.9 Resolution: *Finalise Policy and Procedures for Measurement of Research Output of public HEIs by March 2015.*

- **Analysis of progress:** There has been satisfactory work in progress in this front.

3.10 Resolution: *Implementation of forensic audit of NSFAS at institutions by March 2015 linking this up with the Gap funding.*

- **Analysis of progress:** This is work in progress.
- **Challenges and intervention measures:**
 - The challenge is that of funding going to undeserving people.
 - We need to ensure that the audit is completed soon.
- **Comments, identification and review of priorities and budget:** The DHET has committed resources for this project.

3.11 Resolution: *Implementation of first phase of Staffing South African Universities Framework by 01 July 2015.*

- **Analysis of progress:** The first phase of Staffing South African Universities Framework is being implemented.
- **Challenges and intervention measures:** A cohort of 200 has already been identified for phasing in next year.

3.12 Resolution: Education Alliance must have a programme to support the PSET system.

■ **Analysis of progress:**

- ❑ Meetings of the Education Alliance have not been convened.
- ❑ The Education Alliance does not have a programme to support the PSET system.

■ **Challenges and intervention measures:**

- ❑ The Education Alliance should have regular meetings with the aim of implementing its programme of action and supporting the PSET system.
- ❑ The Alliance should submit a progress report after its meeting in August 2015.

3.13 Resolution: Monitor HEIs to ensure they are not using the national benchmark test as a hindrance to the transformation agenda.

■ **Analysis of progress:** The higher education and training has not put in place a system to monitor HEIs' use of the national benchmark test.

■ **Challenges and intervention measures:** There has been discussion by the DHET with the Higher Education South Africa, now newly named Universities South Africa on this matter and progress can be properly tracked in the beginning of next year.

4. HEALTH:

4.1 HIV and Maternal and Child Health

4.1.1 Resolution: 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 HIV campaign.

■ **Analysis of progress:** Breastfeeding regulations have been published.

■ **Challenges and intervention measures:**

- ❑ Engagement of ANC structures and those of women.
- ❑ Community Health Workers must be utilised.

■ **Comments, identification and review of priorities and budget:** Young mothers are subjected to peer-pressure and there are cultural barriers to breastfeeding.

4.1.2 Resolution: 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.

■ **Analysis of progress:** A new policy on contraception and reproductive health using alternative and/or new methods is in place, e.g. contraceptive implants.

■ **Challenges and intervention measures:**

- ❑ Those who conduct illegal abortions are not arrested. The National Family Planning Campaign.
- ❑ The campaign by itself is not enough. It must be supported by various structures.

■ **Comments, identification and review of priorities and budget:** Promotion of dual methods of contraception amongst learners and women in the reproductive age.

4.2 Tuberculosis (TB)

4.2.1 Resolution: Intensify the fight against Tuberculosis at Primary Care level.

■ **Analysis of progress:** Testing campaign for TB, HIV and Non Communicable Diseases (NCDs).

■ **Challenges and intervention measures:** Intensify testing for TB and target big gatherings such as soccer events and rallies.

■ **Comments, identification and review of priorities and budget:** Budgeted for in 2015-2016.

4.2.2 Resolution: 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.

■ **Analysis of progress:** Recruitment of researchers and establishment of a special fund, namely the Public Health Enhancement Fund.

■ **Challenges and intervention measures:** Include research skills earlier in the school curriculum and work with education departments to expose learners to various industries.

■ **Comments, identification and review of priorities and budget:** Introduce scientific and research skills during the Gap Year.

4.2.3 Resolution: ANC Branches must have health portfolio to deal with TB and other health issues.

■ **Analysis of progress:** The performance of PEC Subcommittees is not uniform.

- **Challenges and intervention measures:** There are no campaigns by weak branches and Subcommittees.
- **Comments, identification and review of priorities and budget:** The capacity of many branches is weak.

4.3 Healthy life style

4.3.1 **Resolution:** *ANC Branches must have health portfolios to promote programs that promote at no costs healthy lifestyle of members, their families and communities in wards where the ANC operates.*

- **Analysis of progress:** Obesity prevention strategy has been finalised and will be launched.
- **Challenges and intervention measures:** All sectors must participate in the launch of campaigns, e.g. Obesity Prevention campaign.
- **Comments, identification and review of priorities and budget:** Members of the ANC at all levels of the movement must participate in campaigns.

4.3.2 **Resolution:** *It is proposed that 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.*

- **Analysis of progress:** The Department of Sports and Recreation is leading most campaigns.
- **Challenges and intervention measures:** Intervene by using media, including social media and Facebook.
- **Comments, identification and review of priorities and budget:** The Department of Sports and Recreation must support other government departments and also work with communities.

4.3.3 **Resolution:** *There should be strict regulation of the establishment and operations of alcohol outlets, bottle stores and shebeens.*

- **Analysis of progress:** Regulations are not enforced.
- **Challenges and intervention measures:** Community must be engaged in education programmes on harmful use of alcohol.
- **Comments, identification and review of**

priorities and budget: Budgets must be allocated for education programmes and campaigns.

4.3.4 **Resolution:** *Health needs to work closely with the security cluster to deal with the issue of illicit drug importation and abuse.*

- **Analysis of progress:**
 - ☐ This has not been achieved.
 - ☐ However, health is working with the social cluster on this programme.
- **Challenges and intervention measures:** Expand beyond social cluster.

4.3.5 **Resolution:** *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.*

- **Analysis of progress:** New laboratory opened in KwaZulu Natal in April 2015.
- **Challenges and intervention measures:**
 - ☐ Mobile laboratory to be bought and chemists appointed.
 - ☐ Partnership between health and transport department must be established.
- **Comments, identification and review of priorities and budget:**
 - ☐ Transport to pay for staff.
 - ☐ Health to procure mobile laboratories.

4.3.6 **Resolution:** *The Commission identified the need for the Subcommittee to advise the ANC about socially-acceptable use of alcohol.*

- **Analysis of progress:** Not achieved.
- **Challenges and intervention measures:** Economic Transformation, Social Transformation, youth and women must collaborate at the level of NEC Subcommittees to work on common policy and programs against alcohol abuse.
- **Comments, identification and review of priorities and budget:** Work with government committee led by social development.

4.3.7 **Resolution:** *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.*

- **Analysis of progress:** Not achieved.

- Challenges and intervention measures: Network of all youth formations to be established led by the ANC Youth League.
- Comments, identification and review of priorities and budget: Dedicated funds for campaigns and partnership with relevant government departments.

4.4 Expansion of free Primary Health Care

4.4.1 Resolution: *Prioritise and intensify the roll out the program of the Ideal Clinic Model using the Operation Phakisa Delivery Model.*

- **Analysis of progress:** The programme has started. Information systems have been installed in 700 of 1400 targeted facilities
- **Challenges and intervention measures:** Communication strategy for the roll out of the NHI and the Ideal Clinic Model must be implemented.
- **Comments, identification and review of priorities and budget:** Coordinating unit being established in provinces. Structures of the ANC and Alliance must be informed so that they will support the program.

4.4.2 Resolution: *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.*

- **Analysis of progress:** Gauteng and KwaZulu Natal have War Rooms
- **Challenges and intervention measures:** Promote the creation of war rooms in other provinces.
- **Comments, identification and review of priorities and budget:** Leadership by Premiers.

4.4.3 Resolution: *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).*

- **Analysis of progress:**
 - ☐ District Health strategy approved.
 - ☐ 70% Clinic Committees in place.
- **Challenges and intervention measures:** None.
- **Comments, identification and review of**

priorities and budget: Create 52 District Governance and Management structures

4.4.4 Resolution: *Community Health Workers (CHW) must be absorbed into formal government employ part of Ward-based PHC outreach teams.*

- **Analysis of progress:** CHWs are members of Ward-based PHC outreach teams.
- **Challenges and intervention measures:** Absorb more Community Health Workers into Ward-based PHC teams.
- **Comments, identification and review of priorities and budget:** The health sector has commissioned work to determine costs of absorption, which is estimated at about R4 billion.

4.5 The implementation of the National Health Insurance (NHI).

4.5.1 Resolution: *It is proposed that implementation of the NHI starts at PHC level, as that would be affordable.*

- **Analysis of progress:**
 - ☐ Work in some NHI pilot sites progressing well.
 - ☐ All sites reviewed. Appraisal report available.
- **Challenges and intervention measures:** Detailed plan has been developed.
- **Comments, identification and review of priorities and budget:** Students and other formations to be informed

4.5.2 Resolution: *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.*

- **Analysis of progress:** Gauteng Province has involved all levels and all structures of the ANC. The same process is underway in the Eastern Cape. That will be followed by KwaZulu Natal.
- **Challenges and intervention measures:** All-inclusive structure to be established to educate the public on NHI.
- **Comments, identification and review of priorities and budget:** Dedicated budget for advocacy.

4.5.3 **Resolution:** *There is a need for the matter to be discussed comprehensively at a broad meeting of the Subcommittee on Education and Health.*

- **Analysis of progress:** Not yet implemented.
- **Comments, identification and review of priorities and budget:** A broad meeting of the Subcommittee will be convened by end of September 2015 to comprehensively discuss the NHI.

4.6 The establishment of the NHI fund

4.6.1 **Resolution:** *This matter must be finalised by health and Treasury.*

- **Analysis of progress:** The draft White Paper on the NHI and the draft Paper on NHI Financing by the National Treasury are ready.
- **Challenges and intervention measures:** Health and the National Treasury have met and established work streams.
- **Comments, identification and review of priorities and budget:** Discuss NHI within the context of a broader transformation agenda and a shared perspective of radical socioeconomic transformation and radical transition.

4.7 Improving the Quality of Public Health Care services

4.7.1 **Resolution:** *There must be consequences if managers are not doing their work.*

- **Analysis of progress:** No report submitted on steps against non-performing managers.
- **Challenges and intervention measures:** HR and Finance recruitment through unemployed graduates.
- **Comments, identification and review of priorities and budget:** School of Government to provide training.

4.7.2 **Resolution:** *Improve conditions of work and support staff and systems.*

- **Analysis of progress:** The Workload Indicators of Staffing Need (WISN) method, a human resource management tool, completed at PHC level and now expanded to hospitals.
- **Comments, identification and review of priorities and budget:** All provinces are to implement staffing norms.

4.7.3 **Resolution:** *A proposal was made that we do lifestyle audits of staff in procurement. It was also proposed that staff in procurement at all levels of government must be rotated regularly to minimise corruption.*

- **Analysis of progress:** All departments must have Internal Audit departments that must consult lifestyle audit.

4.7.4 **Resolution:** *Attention must be given to boilers in health facilities, as the company that delivers services such as maintenance of boilers is a monopoly.*

- **Analysis of progress:** Boilers installed in x number of hospitals out of y number where this is needed, especially in the Free State and Limpopo.
- **Comments, identification and review of priorities and budget:** Future recruitment of full-time artisans for maintenance.

4.7.5 **Resolution:** *The health sector must design its own program of "Back-to-Basics". We must discuss programs which allow us to return to basics of management and leadership.*

- **Analysis of progress:** Patient care at the centre with six (6) Core Standards, namely cleanliness, security, infection control, attitude of staff, drug stock outs and long queues.
- **Comments, identification and review of priorities and budget:** Promote Core Standards in the community and involve governance structures such as Clinic Committees and Hospital Boards plus ANC structures in the monitoring of implementation.

4.8 The cost of private health care

4.8.1 **Resolution:** *The Subcommittee must further discuss this matter and submissions made.*

- **Analysis of progress:** Progress has not been quantified and final submissions were not made to the NEC.
- **Comments, identification and review of priorities and budget:** Market Inquiry must be a matter of interest by Alliance Partners.

4.8.2 **Resolution:** *The Alliance must publicly support the proposal on the reduction of the cost of the private health care.*

- **Analysis of progress:** The Alliance has not embarked on a campaign for the reduction of cost of private health care.

- **Comments, identification and review of priorities and budget:** Submission and participation in public hearings must be encouraged.

5. CROSS-CUTTING RESOLUTIONS

5.1 **Resolution:** *Deal decisively with the main and important causes of failure, mainly human resources planning, development and management; finance, procurement and infrastructure.*

- **Analysis of progress:** Recruitment of people with appropriate skills, especially those with qualifications in management, finance and human resources.
- **Comments, identification and review of priorities and budget:** School of Governance to provide training or all managers that are newly recruited.

5.2 **Resolution:** *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.*

- **Analysis of progress:** Subcommittee has held its ordinary meetings.
- **Comments, identification and review of priorities and budget:** As indicated above, a special meeting will be convened to deal with the NHI.

5.3 **Resolution:** *Urgently convene through the Office of the SG a summit of all role players at the level of political leadership to focus mainly on the four issues that need political intervention identified above.*

- **Analysis of progress:** Not done.
- **Comments, identification and review of priorities and budget:** Meeting to be convened by the SG.

5.4 **Resolution:** *The ANC must communicate its achievements in these sectors to the masses of our people on an ongoing basis.*

- **Analysis of progress:** Not done.
- **Challenges and intervention measures:** A draft pamphlet and template on achievements must be developed for distribution to branches and communities.
- **Comments, identification and review of priorities and budget:** Health forums must communicate with all structures and provide feedback. This includes convening of health izimbizo.

5.5 **Resolution:** *Local Government must play a critical role in supporting Education, Health and Science & Technology.*

- **Analysis of progress:** Not done.
- **Challenges and intervention measures:** Health is working with local government on the implementation of the Ideal Clinic Model.
- **Comments, identification and review of priorities and budget:** Districts must interact with counsellors.

5.6 **Resolution:** *The structures of the movement are encouraged to actively participate in the activities of the Subcommittee. This entails attending meetings of the subcommittee.*

- **Analysis of progress:** Not achieved.
- **Challenges and intervention measures:** All Subcommittee must participate in health campaigns.
- **Comments, identification and review of priorities and budget:** Health activism must be promoted and all areas communicated to structures timely for their participation.

6. ADDITIONAL COMMENTS FROM PLENARY DISCUSSIONS:

6.1 The Commission proposes that the ANC should have a longer policy cycle to allow government to execute plans, as frequent policy changes made possible by five year policy cycles makes implementation of policy and plans difficult.

6.2 Various factors impede mothers from breastfeeding their children for at least six months, as recommended. These include cultural beliefs and the failure by the public and private sector to allocate friendly spaces for women to breastfeed their children without prejudice.

6.3 Plenary was informed that the Commission received a detailed briefing on the National Health Insurance. The Commission was informed of the main impediments which are policy-related, namely the source of funds and the preferred model of the NHI Fund. Plenary was also informed that the schedule from National Treasury will be available as an attachment to the draft White Paper on the NHI when it is submitted to Cabinet.

6.4 A proposal was made that the education, health, science and technology sector should prioritise communication of its successes to members and communities at large. Various methods should be used, including regular distribution of brochures. The following were mentioned as notable achievements: getting more women into education, progress towards universal access to grade R, building of two universities and admission to programs in 2016; the unbundling of MEDUNSA from the University of Limpopo and the establishment of Sefako Makgatho University; the 1000 libraries project led by the Minister

of Basic Education; the provision of ICT in the education sector; strengthening programs such as the Accelerated Schools Infrastructure Development Initiative (ASIDI) in the 2015-2016 financial year; TVET Colleges; and progress being made towards the completion of the MeerKAT program.

- 6.5 Plenary was alerted to the danger of taking decisions and resolutions without discussing and understanding policy, laws and budgetary allocations. The 2007 National Conference resolution on Community Health Workers was cited as a good example.
- 6.6 It was emphasised that the sector and the ANC is not making good progress with the NHI and the sector needs to speed up work on this program.
- 6.7 The Commission also compiled a document entitled **Basic Education – Additional comments and answers** (*Annexure 1*).

7. CONCLUSION:

- 7.1 The Commission is satisfied that most resolutions have been implemented by various sectors.
- 7.2 Most of the priorities identified have been budgeted for in this financial year.
- 7.3 Some of the priorities identified are prioritised for funding in the 2016-2017 financial year.

SUMMARY: PROGRESS REPORT OF THE COMMISSION ON EDUCATION, HEALTH, SCIENCE AND TECHNOLOGY

No.	RESOLUTIONS	ANALYSIS OF PROGRESS	CHALLENGES AND INTERVENTION MEASURES	COMMENTS, IDENTIFICATION AND REVIEW OF PRIORITIES AND BUDGET
1.	Science and Technology			
1.1	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	Modelling work on the actual amount for 1.5 % has been done and the Ministers of Science and Technology and Finance set up a task team to do further work	<ul style="list-style-type: none"> The taskteam will work on identifying sources of funding from other spheres of government including provincial and municipal governments We should continue to leverage private sector funding for innovation 	
1.2	The role of Science Technology and Innovation should be incorporated into the strategies of the Economic Transformation Committee (ETC) to support attempts to diversify and transform the South African economy because of its cross cutting nature	<ul style="list-style-type: none"> There has been no progress in this 	<ul style="list-style-type: none"> The Economic Transformation Committee(ETC) should be directed to have science and technology as a standing cross-cutting agenda item 	

1.3	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	<ul style="list-style-type: none"> The Budget coordination structure and how such a budgetary process would work were shared with the National Treasury. Attempts by the National Treasury to set up a functional group to coordinate budgets for Science councils have resulted in meeting for the first time this year as part of the budgetary process 	<ul style="list-style-type: none"> We should quickly establish a vote for S&T as part of the budgetary process Establish a legislative framework or instrument for the distribution of funds to science councils across government by the DST and National Treasury 	
1.4	Draw on the work and experiences of the Departments of Science and Technology and Basic Education in providing connectivity to schools across the country	<ul style="list-style-type: none"> Wireless Mesh Network, an alternative that is cheaper than broadband, has been rolled out in schools in Limpopo, Mpumalanga and the Northern Cape 	<ul style="list-style-type: none"> We note the inclusion of DST pilots in Limpopo, NC and Mpumalanga with the "SA Connect" Need to ensure that there is broadband rollout by the Department of Telecommunications and Postal Services (DTPS) and this needs to happen urgently 	
1.5	Ensure there is research on education issues to inform policy	<ul style="list-style-type: none"> The HSRC has been conducting studies on attitudes of learners on mathematics and science and other scientific studies that inform policy 	<ul style="list-style-type: none"> There has to be an increase in demand by policy makers for research on the improvement of education policy, e.g. research on the usage of tablets or laptops and their consequences to improving learning outcomes. 	
1.6	Accelerate the process of evaluating the remuneration of academics to attract younger people into academia	<ul style="list-style-type: none"> DHET has included this work as part of the programme to expand the next generation of academics in consultation with the DST 	<ul style="list-style-type: none"> Include the remuneration of academics to the DHET programme for the next generation of academics 	

2.	Basic Education		
2.1	Provide psycho-social support to schools	<ul style="list-style-type: none"> Department has piloted a project to deal with psycho-social support. Mass media campaign will soon go out which talks to school violence and bullying. 	<ul style="list-style-type: none"> Pregnancy and Drug Abuse in schools. Monitor and support girls who are pregnant to ensure that after pregnancy they return to school. Bullying and drop outs at schools. Sanitary towels for girls. There is a tender at Treasury to deal with sanitary towels. Must consider possibilities in local manufacturing of sanitary towels. Must support COSAS programme called "Learning without Fear" to achieve safe and conducive learning environment for learners. Must involve ANC Branches to support our schools and take responsibility for education.
2.2	Ensure that education is regarded as a continuum	<ul style="list-style-type: none"> Work being done to ensure that this is address at the basic education level. Grade R – Grade 12 	<ul style="list-style-type: none"> Must expand this work to include higher education in order to achieve Grade R to Life Long Learning.

<p>2.3</p> <p>Allow for a discussion with stakeholders to reflect on the frequency and scope of the ANA test, notwithstanding its positive reception</p>	<ul style="list-style-type: none"> Minister has gazetted on ANA policy for public comment. DBE is reconsidering the testing and considering different approaches, e.g. Diagnostic and Confidential testing Positive note is that all learners were writing the ANA. DATA on ANA outcomes has been used by Districts to intervene in schools 	<ul style="list-style-type: none"> Must consider if we are spending money wisely on ANA. Moving ANA from third to Fourth Quarter Must use international benchmarking and Higher Education Institutions to validate the tool used for testing 	
<p>2.4</p> <p>Ensure that we sustain the momentum of the infrastructure programme, with particular reference to the provision of water and electricity</p>	<ul style="list-style-type: none"> DBE and DST are working together on technological interventions to deal with water challenges in some of our schools. We should complete the schools under construction within the financial year. 	<ul style="list-style-type: none"> Municipalities are charging schools for water and electricity above business rates. Some Municipalities use examination periods to discontinue services as leverage for schools or Provincial Departments to pay. There are about 6000 schools with pitlatrines, particularly in the Eastern Cape. There are schools which still rely on rainwater only. There is vandalism of excellent infrastructure, including electricity, water and sanitation 	<ul style="list-style-type: none"> An additional R1.5 billion will be needed for infrastructure

			<p>at schools.</p> <ul style="list-style-type: none"> ▪ Some communities are using school resources particularly for water, pushing the utilities bill higher. ▪ Must engage Eskom to play a social investment to our schools. ▪ Municipalities must be engaged to declare special dispensations for our schools, through favourable rates. ▪ Must mobilize society to take responsibility for school resources. ▪ There exists opportunities for employment creation through the maintenance of services in our schools. ▪ Provincial Departments must ensure that they plan for infrastructure particularly maintenance. 	
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2.5	Education to provide rapid universal connectivity for ICT as an enabler for quality education	<ul style="list-style-type: none"> Operation Phakisa on communications has begun. Hard Lab will be on its next stage by September. Implementation of the <i>Paperless Classroom</i> in 8 schools around Gauteng has begun 	<ul style="list-style-type: none"> Security remains a challenge at schools to protect our ICT infrastructure. Must mobilize society to ensure that our school ICT infrastructure is protected. 	No information provided to Lekgotla on specifics of national and provincial priorities and budgets.
2.6	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	<ul style="list-style-type: none"> There is a framework of three departments, DST, DBE and DHET on Maths, Science and technology. 	<ul style="list-style-type: none"> Work is being done to ensure that the departments clearly outline their roles and responsibilities 	
2.7	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	<ul style="list-style-type: none"> No concrete progress at this level, except for some pronouncements in the Gauteng Province. 	<ul style="list-style-type: none"> Need to ensure that this work begins. 	

2.8	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	<ul style="list-style-type: none"> An electronic version of the self-assessment for educators has been done. Competency tests for officials and Principals will be introduced in January 2016. 	<ul style="list-style-type: none"> Competency tests are not used for appointments at all levels by SGBs. There could be labour resistance of this intervention 	Resolve the impasse with SADTU to enable the sector to urgently implement the QMS throughout the country
2.9	To discourage curriculum changes in order to avoid change fatigue	<ul style="list-style-type: none"> No major curriculum changes are being implemented. <ul style="list-style-type: none"> No disruptions of curriculum are envisaged. No major complaints from teachers on curriculum 	<ul style="list-style-type: none"> Norms and standards are being used to ensure implementation of curriculum. 	
2.10	Fast track the implementation of the LURITS system to enable the education sector to track learners from basic to higher education	<ul style="list-style-type: none"> Cooperation between DBE and Home Affairs is continuing. <ul style="list-style-type: none"> LURITS will be the official source of data from May 2016. Received funding from the private sector for the first phase. Districts are being innovative on how they are using the data available. 	<ul style="list-style-type: none"> System not web based. Basic Education and Higher Education should cooperate on how data is shared, in order to track progress of students. This data should be used for research to understand the outcomes. 	

<p>2.11</p>	<p>Intervene in the intermediate and senior phase of school especially in the area of mathematics</p>	<ul style="list-style-type: none"> Both phases have had intervention. "1 + 4 intervention" to assist Grade 7 -9 teachers on Maths. Timetable is not disturbed. Mpumalanga + 4 other PEDs have rolled out. Provinces are running the project. 	<ul style="list-style-type: none"> Results of the progress of this intervention will be seen after the ANA results. Schools not teaching Maths at Grade 12 have been instructed to provide math commencing in Grade 10. Provinces are advised to employ Maths teachers for these schools. Need to push up the number of Mathematics learners and teachers. Support needed from other departments to adopt schools. Must explore the use of experts in out universities. Must recruit unemployed graduates and train them for a year. 	<p>There are budget constraints but reprioritizing of funding will take place.</p>
<p>2.12</p>	<p>Provide support to Learner Representative Councils (LRCs) to better understand their roles in the governance of school</p>	<ul style="list-style-type: none"> Department and COSAS have met on three occasions to discuss amongst other issues, capacitating LRCs. A National Conference for LRCs will take place before end of the year. COSAS has begun with Provincial Conferences for its LRCs 	<ul style="list-style-type: none"> Training will be done for LRCs across the country. Must ensure focus is on meeting procedures, important policy areas, and understanding of their governance responsibilities. LRCs must be orientated across the country. 	

2.13	Mobilise communities to oppose tendencies to target schools as part of civil disobedience	<ul style="list-style-type: none"> There has been improvement in many areas that were monitored by DBE. 	<ul style="list-style-type: none"> Presence of ANC structures is not felt in community protests to guide and endure that schools are not targets. ANC branches must ensure that they take responsibility and lead society. 	<ul style="list-style-type: none"> Even though substantial budget has been allocated for this service, it is unable to address all learners in need due to inefficiencies of budget use.
2.14	Improve the efficiency of scholar transport provision	<ul style="list-style-type: none"> Scholar Transport policy had been approved. There is joint work between DoT and DBE in this regard. Seven out of Nine provinces have located scholar transport with the Department of Transport. 	<ul style="list-style-type: none"> There are challenges in routes and rates charged for scholar transport. Must monitor progress in Provincial Departments. Must give guidance to parents and SGBs in order to enable them to ensure that private transport providers meet the requirements of the policy. 	
2.15	To embed our constitutional values and principles as well as those of the Freedom Charter in the Curriculum	<ul style="list-style-type: none"> Constitutional values have been included in lessons Workbooks for next year have been approved to include values. Material will be distributed on the Freedom Charter. 		
2.16	Improve efficiency in the roll out of the National School Nutrition Programme (NSNP)	<ul style="list-style-type: none"> There is an impact evaluation by DPME that will be concluded for this financial year on the National School Nutrition Programme (NSNP). Menu is being reviewed. 	<ul style="list-style-type: none"> Limpopo is not complying with the resolution on the discontinuing of the tendering for school nutrition. Must stress the implementation of ANC policies across structures. 	

2.17	Commitment by all parties to maintain labour peace during the period of salary negotiations	<ul style="list-style-type: none"> There has been improvement in this regard, especially due to the resolution of the salary negotiations. 	<ul style="list-style-type: none"> Engagement must continue with partners to ensure that labour peace is sustained beyond salary negotiations. 	
3.	Higher Education and Training			
3.1	Back to school campaign must be extended to include Higher Education Institutions	<ul style="list-style-type: none"> There is currently an <i>Apply Now Campaign</i> that the department is undertaking 	<ul style="list-style-type: none"> Enhance the interface between the DBE and DHET to ensure adequate career guidance at grade 9, 10, 11 and 12 We should enforce that learners apply by August prior to the year of proposed admission Insist that universities ensure that feedback on provisional admissions is given to applicants by November Schools should be encouraged to assist learners to apply in time irrespective of their results in mid-year examinations Higher Education Institutions (HEIs) to develop a framework for the management of walk-ins through creative means such as online applications or responsible admission assistants 	<ul style="list-style-type: none"> Not much resource needed, apart from those already committed by the department

<p>3.2</p>	<p>Finalise the policy for free higher education for poor students at undergraduate level as a matter urgency</p>	<ul style="list-style-type: none"> There has not been much progress apart from the submission of the report by the working group to the minister 	<ul style="list-style-type: none"> Insist on the minister to release to the Sub-Committee on Education, the report of the Ministerial Working Group on Fee-Free Education <ul style="list-style-type: none"> Utilise the current means test of NSFAS for ensuring that this fee-free education funds the poor but also consider another framework for the funding of the missing-middle 	<ul style="list-style-type: none"> We assume that the funding for this will be determined by the report and the policy implementation framework but it is surely going to cost a huge amount
<p>3.3</p>	<p>Finalise a policy on Community Service for all students by July 2016 and implementation by December 2017</p>	<ul style="list-style-type: none"> This is work in progress 	<ul style="list-style-type: none"> The task-team has reported the difficulties of this system but plans are in place within the specified timeframe 	<ul style="list-style-type: none"> Resources will be determined by the outcome of the Ministerial report.

3.4	Disagreements at HEIs must be dealt with in a disciplined manner without resorting to vandalism and destruction of property or acts of intimidation	<ul style="list-style-type: none"> There has been progress in this front as there were no disruptive strikes in the present year 	<ul style="list-style-type: none"> SASCO committed to ensuring that all strikes that it undertakes in institutions will be peaceful The department has also been engaging in workshops with the SRCs to ensure that no disruption of property happen during protests Ensure prompt response on grievances of students so that they do not escalate into violence The movement structures in campuses should use soft-power to ensure that they guide the various protests to be about the actual grievances rather than the disruption of property 	<ul style="list-style-type: none"> There is no need for resources for this
3.5	Conclude work of the various committees and structures on shifting Nursing and Agricultural Colleges to a national competency by March 2017	<ul style="list-style-type: none"> There has been progress in this front working with both the minister of health and the minister of agriculture 	<ul style="list-style-type: none"> All documents necessary for the transfer should be finalised by respective ministries by the end of August 2015 Whilst the transfer is fully supported, the DHET should maintain the nature of programme provisioning in agricultural and nursing colleges 	<ul style="list-style-type: none"> No significant resources needed, apart from those already committed by the respective departments

3.6	Finalise Higher Education and Training funding model and framework by March 2015 and implement approved framework by March 2016	<ul style="list-style-type: none"> This is work in progress; but implementation will take place three (3) years after approval. 	<ul style="list-style-type: none"> The work in this front has been satisfactory 	<ul style="list-style-type: none"> This policy will require the dedication of more resources but also the purposeful utilisation of the resources currently available
3.7	Fast track Central Application Service (CAS) for implementation by March 2018	<ul style="list-style-type: none"> There has been work on this front but there is a delay in the date that this will come online 	<ul style="list-style-type: none"> DHET should ensure that it develops a policy framework for admissions criteria linked with the CAS In the meanwhile universities should be encouraged to enter into agreements on central applications using the current model of KZN as an example 	<ul style="list-style-type: none"> There needs to be funding commitment for this project
3.8	Engage all relevant structures of the ANC and government to avail resources	<ul style="list-style-type: none"> Various spheres of government are funding students in higher education and training in a scattered and uncoordinated manner Most ANC branches are indigent and thus it will be unfair to require them to commit resources to fund Post-Schooling Education and Training (PSET) 	<ul style="list-style-type: none"> Government departments should commit large amounts of their budgets into funding students through NSFAS, using the example shown by the department of health, education and social development Ensure placement of qualified personnel from government-funded bursary schemes We should enter into partnerships with various private entities with the sole aim of funding higher education 	<ul style="list-style-type: none"> This will require a fair amount of funding from the various departments

3.9	Finalise Policy and Procedures for Measurement of Research Output of public HEIs by March 2015	<ul style="list-style-type: none"> There has been satisfactory work in progress in this front 		
3.10	Implementation of forensic audit of NSFAS at institutions by March 2015 linking this up with the Gap funding	<ul style="list-style-type: none"> Challenges of funding going to undeserving people is the main challenge in this front 	<ul style="list-style-type: none"> The work has already started. We need to ensure that the audit is completed soon. 	<ul style="list-style-type: none"> Resources have already been committed by the department in this regard
3.11	Implementation of first phase of Staffing South African Universities Framework by 01 July 2015	<ul style="list-style-type: none"> The first phase of Staffing South African Universities Framework is being implemented. 	<ul style="list-style-type: none"> 200 cohort has already been identified for phasing in next year 	
3.12	Education Alliance must have a programme to support PSET system	<ul style="list-style-type: none"> Meetings of the Education Alliance have not been regularly sitting 	<ul style="list-style-type: none"> Education Alliance should have regular meetings with the aim of implementing its programme of action and supporting the PSET The Alliance should report on its progress after its meeting in August 	
3.13	Monitor HEIs to ensure they are not are using the national benchmark test as a hindrance to the transformation agenda	<ul style="list-style-type: none"> The higher education and training has not put in place a system to monitor HEIs' use of the national benchmark test. 	<ul style="list-style-type: none"> There has been discussion by the DHET with the Higher Education South Africa, now newly named Universities South Africa on this matter and progress can be properly tracked in the beginning of next year 	

4.	Health				
4.1	<i>HIV and Maternal and Child Health</i>				
4.1.1	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 HIV campaign	Breastfeeding regulations have been published	<ul style="list-style-type: none"> Engagement of ANC structures and those of women Community Health Workers must be utilised 	Young mothers are subjected to peer-pressure and there are cultural barriers to breastfeeding	
4.1.2	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	A new policy on contraception and reproductive health using alternative and/or new methods is in place, e.g. contraceptive implants	<ul style="list-style-type: none"> Those who conduct illegal abortions are not arrested. The National Family Planning Campaign The campaign by itself is not enough. It must be supported by various structures 	Promotion of dual methods of contraception amongst learners and women in the reproductive age	

4.2	<i>Tuberculosis (TB)</i>				
4.2.1	Intensify the fight against Tuberculosis at Primary Care level	Testing campaign for TB, HIV and Non Communicable Diseases (NCDs)	Intensify testing for TB and target big gatherings such as soccer events and rallies	Budgeted for in 2015-2016	
4.2.2	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	Recruitment of researchers and establishment of a special fund, namely the Public Health Enhancement Fund	<ul style="list-style-type: none"> Include research skills earlier in the school curriculum and work with education departments to expose learners to various industries 	<ul style="list-style-type: none"> Introduce scientific and research skills during the Gap Year. 	
4.2.3	ANC Branches must have health portfolio to deal with TB and other health issues	The performance of PEC Subcommittees is not uniform	The are no campaigns by weak branches and Subcommittees	The capacity of many branches is weak	
4.3	<i>Healthy life style</i>				
4.3.1	ANC Branches must have health portfolios to promote programs that promote at no costs healthy lifestyle of members, their families and communities in wards where the ANC operates	Obesity prevention strategy has been finalised and will be launched	All sectors must participate in the launch of campaigns, e.g. Obesity Prevention campaign	Members of the ANC at all levels of the movement must participate in campaigns	

4.3.2	It is proposed that 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	The Department of Sports and Recreation is leading most campaigns.	Intervene by using media, including social media and Facebook.	The Department of Sports and Recreation must support other government departments and also work with communities.
4.3.3	There should be strict regulation of the establishment and operations of alcohol outlets, bottle stores and shebeens	Regulations are not enforced	Community must be engaged in education programmes on harmful use of alcohol	Budgets must be allocated for education programmes and campaigns
4.3.4	Health needs to work closely with the security cluster to deal with the issue of illicit drug importation and abuse	<ul style="list-style-type: none"> This has not been achieved. However, health is working with the social cluster on this programme 	Expand beyond social cluster	
4.3.5	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	New laboratory opened in KwaZulu Natal in April 2015	<ul style="list-style-type: none"> Mobile laboratory to be bought and chemists appointed Partnership between health and transport department must be established 	<ul style="list-style-type: none"> Transport to pay for staff. Health to procure mobile laboratories

4.3.6	The Commission identified the need for the Subcommittee to advise the ANC about socially-acceptable use of alcohol	Not achieved	Economic Transformation, Social Transformation, youth and women must collaborate at the level of NEC Subcommittees to work on common policy and programs against alcohol abuse	Work with government committee led by social development
4.3.7	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	Not achieved	Network of all youth formations to be established led by the ANC Youth League	Dedicated funds for campaigns and partnership with relevant government departments

4.4	Expansion of free Primary Health Care				
4.4.1	Prioritise and intensify the roll out the program of the Ideal Clinic Model using the Operation Phakisa Delivery Model	The programme has started. Information systems have been installed in 700 of 1400 targeted facilities	Communication strategy for the roll out of the NHI and the Ideal Clinic Model must be implemented	Coordinating unit being established in provinces. Structures of the ANC and Alliance must be informed so that they will support the program	
4.4.2	Adopt the model of <i>Operation Sukuma Sakhe</i> and the <i>War Room Implementation Program</i> (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 Counsellors, Community Liaison Officers and Community Development workers	Gauteng and KwaZulu Natal have War Rooms	Promote the creation of war rooms in other provinces	Leadership by Premiers	
4.4.3	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)	<ul style="list-style-type: none"> District Health strategy approved 70% Clinic Committees in place 		Create 52 District Governance and Management structures	
4.4.4	Community Health Workers (CHW) must be absorbed into formal government employ	part of Ward-based PHC outreach teams	Absorb more Community Health Workers into Ward-based PHC teams	The health sector has commissioned work to determine costs of absorption, which is estimated at about R4 billion	

4.5	<i>The implementation of the National Health Insurance (NHI)</i>			
4.5.1	It is proposed that implementation of the NHI starts at PHC level, as that would be affordable	<ul style="list-style-type: none"> • Work in some NHI pilot sites working well • All sites reviewed. Appraisal report available 	Detailed plan has been developed	<ul style="list-style-type: none"> • Students and other formations to be informed
4.5.2	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	Gauteng Province has involved all levels and all structures of the ANC. The same process is underway in the Eastern Cape. That will be followed by KwaZulu Natal	All-inclusive structure to be established to educate the public on NHI	Dedicated budget for advocacy
4.5.3	There is a need for the matter to be discussed comprehensively at a broad meeting of the Subcommittee on Education and Health.	Not yet implemented		A broad meeting of the Subcommittee will be convened by end of September 2015 to comprehensively discuss the NHI

4.6	<i>The establishment of the NHI fund</i>				
4.6.1	This matter must be finalised by health and Treasury	The White Paper on the NHI and the draft Paper on NHI Financing by the National Treasury are ready	Health and the National Treasury have met and established work streams	Discuss NHI within the context of a broader transformation agenda and a shared perspective of radical socioeconomic transformation and radical transition	
4.7	<i>Improving the Quality of Public Health Care services</i>				
4.7.1	There must be consequences if managers are not doing their work	No report submitted on steps against non-performing managers	HR and Finance recruitment through unemployed graduates	School of Government to provide training	
4.7.2	Improve conditions of work and support staff and systems	WISN completed at PHC level and now expanded to hospitals		All provinces are to implement staffing norms	
4.7.3	A proposal was made that we do lifestyle audits of staff in procurement. It was also proposed that staff in procurement at all levels of government must be rotated regularly to minimise corruption			All departments must have internal Audit departments that must consult lifestyle audit	

4.7.4	Attention must be given to boilers in health facilities, as the company that delivers services such as maintenance of boilers is a monopoly	Boilers installed in x number of hospitals out of y number where this is needed, especially in the Free State and Limpopo	Future recruitment of full-time artisans for maintenance
4.7.5	The health sector must design its own program of "Back-to-Basics". We must discuss programs which allow us to return to basics of management and leadership	Patient care at the centre with 6 Core Standards, namely cleanliness, security, infection control, attitude of staff, drug stock outs and long queues	Promote Core Standards in the community and involve governance structures such as Clinic Committees and Hospital Boards plus ANC structures in the monitoring of implementation
4.8	The cost of private health care		
4.8.1	The Subcommittee must further discuss this matter and submissions made	Progress has not been quantified and final submissions were not made to the NEC	Market Inquiry must be a matter of interest by Alliance Partners
4.8.2	The Alliance must publicly support the proposal on the reduction of the cost of the private health care	The Alliance has not embarked on a campaign for the reduction of cost of private health care	Submission and participation in public hearings must be encouraged

5.	CROSS-CUTTING RESOLUTIONS			
5.1	Deal decisively with the main and important causes of failure, mainly human resources planning, development and management; finance, procurement and infrastructure	Recruitment of people with appropriate skills, especially those with qualifications in management, finance and human resources	School of Governance to provide training or all managers that are newly recruited	
5.2	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	Subcommittee has held its ordinary meetings	As indicated above, a special meeting will be convened to deal with the NHI	
5.3	Urgently convene through the Office of the SG a summit of all role players at the level of political leadership to focus mainly on the four issues that need political intervention identified above	Not done	Meeting to be convened by the SG	
5.4	The ANC must communicate its achievements in these sectors to the masses of our people on an ongoing basis	Not done	A draft pamphlet and template on achievements must be developed for distribution to branches and communities	Health forums must communicate with all structures and provide feedback. This includes convening of health izimbizo.

5.5	Local Government must play a critical role in supporting Education, Health and Science & Technology	Not done	Health is working with local government on the implementation of the Ideal Clinic Model	Districts must interact with counsellors
5.6	The structures of the movement are encouraged to actively participate in the activities of the Subcommittee. This entails attending meetings of the subcommittee	Not achieved	All Subcommittee must participate in health campaigns	Health activism must be promoted and all areas communicated to structures timely for their participation

Annexure 1

BASIC EDUCATION: ADDITIONAL COMMENTS AND ANSWERS TO QUESTIONS POSED

Many of the questions have been answered in the report of the Commission. However, the Commission discussed questions posed and made the following comments, mostly focused on Basic Education:

1. The Commission has reviewed resolutions of the 2015 January ANC NEC Lekgotla.
2. The Commission evaluated progress, identified resolutions and plans that were implemented successfully and those which were not implemented. The Commission also noted that some communities are taking responsibility for their schools.
3. **Challenges and impediments**
 - 3.1 Not enough communication is happening. Sometimes our communications is not penetrating public discourse.
 - 3.2 Societal mobilization. Making Education a societal issue.
 - 3.3 ANC must take ownership of the issues of Education. We have structures that are complacent, feeding to the delivery state narrative. ANC must reclaim our communities and all spaces.
 - 3.4 Safety in our schools is a challenge. Easy access of criminal elements within our schools remains a growing concern. We must support the COSAS campaign called “*Learning without Fear*”, which seeks to raise awareness about school safety. We must begin by targeting the most dangerous schools.
 - 3.5 Fencing of our schools must be fast tracked.
 - 3.6 We must work with local government to deal with the location of alcohol outlets, which are operating next to our schools.
 - 3.7 Corruption and collusion continues to cripple our ability to make significant progress particularly in the School Nutrition and Scholar transport programs.
4. **Priorities for this financial year. And how does budget respond to these?**
 - 4.1 The 1000 Libraries per year program, linked to the reading program. These include rehabilitation and building of libraries.
 - 4.2 ICT is an important priority. ICT will assist to release money from the textbooks and assist in economies of scale.
 - 4.3 Upgrading over 4000 Early Childhood Development practitioners’ salary levels to level 6.
 - 4.4 Training of Early Childhood Development (ECD) practitioners.
 - 4.5 Mathematics and Science Unit.
 - 4.6 Improving Annual National Assessments (ANA).
 - 4.7 Ensuring labour peace.
 - 4.8 National School Nutrition remains an important priority.
5. **Low economic growth in terms of our sector. How can we assist as sector?**
 - 5.1 Skills remain a challenge in the economy, particularly the low levels of artisan production.
 - 5.2 Diversity of Skills is important. Career pathing should begin
 - 5.3 Long term planning and policy stability.
 - 5.4 ANC planning cycle must also be extended. The five year policy review cycle is unsustainable.
6. **Do we have appropriate deployment of resources both financial and human?**
 - 6.1 We have improved over the recent period.
 - 6.2 We have forced provinces to fund curriculum, and have seen some improvements in this regard.
 - 6.3 In some areas we have challenges of human resource allocations.
7. **Opportunities that can accelerate success**
 - 7.1 We have identified the community, teachers’ organizations and student organizations as the drivers of success.
 - 7.2 Look at Agriculture as one of potential of economic drivers.
8. **How can we attain the ideal composition of the state and enhance the capacity of the state. Do we have sufficient human resources?**

- 8.1 Evaluating qualifications within our education system.
 - 8.2 We need to improve the number of teachers in Mathematics, Sciences and Technology.
 - 8.3 We are facing challenges with the number of Geography and History teachers.
 - 8.4 We must ensure that we evaluate the capacity in our schools.
9. ***Private sectors role, are we collaborating with the private sector? How do we improve such partnerships? (Private institutions).***
- 9.1 We have collaboration with Private Sector. Must consolidate and centralize this work. Corporate Social Investment (CSI) funding is at the billions.
 - 9.2 Expand the partnerships that exist between our schools and the private sector.

6. PEACE AND STABILITY

1. Focus of the Commission

The commission moved from the premise that the ANC government has executive jurisdiction over the whole Republic including non-state actors. In this regard equal attention should be paid to the conduct of the private sector and civil society formations as it is to that of public servants and representatives.

The Peace and Stability subcommittee has a critical role to play in ensuring domestic stability, and safeguarding national sovereignty against internal and external threats. The Commission further asserted that more should be done to restore public confidence in the ANC as the custodian of the aspiration of the people, and in the capacity of the ANC government to fight crime and corruption.

The commission focused mainly but not exclusively on assessing progress made in implementing resolutions of the January 2015 Lekgotla. Subsequent to progress assessment and identification of implementation gaps, the Commission identified areas for implementation by the organization as well as those by government. The commission also noted that corruption does not only relate to the procurement environment but cuts across many other areas including at a service interface.

The Commission further alluded to the need to enhance the hegemony of a progressive narrative in the public domain. In this respect the ANC has a political responsibility to participate in public dialogue and where necessary constructively criticize decisions on matters affecting the livelihoods of South Africans irrespective of the nature of authorities pronouncing such decisions.

2. Prohibition of public servants and public representatives from doing business with the State

2.1. Progress

- 2.1.1. The Public Service Management Act has come into force and its implementation is being monitored by the Legislature and Governance Subcommittee.
- 2.1.2. There has been improved compliance with financial disclosure imperatives in the public sector.
- 2.1.3. The FICA has been amended to include prominent influential persons.

2.2. Challenges

- 2.2.1. The coming into force of the legislation has not had a significant impact in deterring public servants from doing business with the state.
- 2.2.2. The focus on anti-corruption activities should extend to issues like land, buildings, licenses and permits, and provision of government services.

2.3. Recommendations

- 2.3.1. The Peace and Stability Subcommittee is responsible for law enforcement and should therefore play a role in the enforcement of the legislation.
- 2.3.2. The application of the legislation should be extended to lower level managers as in most cases they are at the coal face of procurement activities and are vulnerable to financial and/or in kind inducements.
- 2.3.3. Civil servants including those in the security cluster should be periodically rotated from one employment site to another so as to circumvent growth of unprofessional and frequently corrupt relations with clients, service providers and other persons they interact with and/or are responsible for.
- 2.3.4. The government should conduct lifestyle audits for all employees of the state and its related entities.
- 2.3.5. The vetting process should be expedited for government employees and those of its related entities.
- 2.3.6. There should be a single vetting agency for the state to vet all strategically placed civil servants (including in state owned enterprises) including those who reject promotion even though it comes with an improved remuneration package.
- 2.3.7. Deployment Committee should also ensure proper vetting is undertaken prior to deployment of comrades.
- 2.3.8. The ANC should launch a concerted public awareness campaign against corruption.
- 2.3.9. The ANC should take decisive action against members involved in corruption including those using money to influence outcomes of conferences.

3. Improving the State's corruption investigation, prosecuting, and conviction capacity

3.1. Progress

- 3.1.1. The data on convictions on corruption is being collated for publication in the near future.

3.2. Challenges

- 3.2.1. Coordination between anti-corruption agencies needs strengthening.
- 3.2.2. Cooperation between investigators, forensic experts and prosecutors is uneven and consequently some corruption cases are lost due to poorly court ready dockets and at times compromised evidence.

3.3. Recommendations

- 3.3.1. There should be enhanced coordination of all anti-corruption agencies.
- 3.3.2. Investigations should be intelligence-driven and prosecution-led to ensure a high conviction rate.

4. Strengthening of Anti-corruption legislation

4.1. Progress

- 4.1.1. Private corruptions remains a competition legislation issue in the form of collusion, price fixing, horizontal and vertical restrictive anticompetitive acts. However plans are in place to ensure the imposition of stiffer penalties on private sector corruption offenders.

4.2. Challenge

- 4.2.1. There is lack of synergy in the plethora of corruption legislation.

4.3. Recommendations

- 4.3.1. The government should look at synergizing its anticorruption instruments (including laws, regulations and institutions).
- 4.3.2. Challenge the leadership of the private sector to subject itself to instruments of financial interest disclosure, vetting and life style audit.

5. Ensuring that all the people of South Africa are and feel safe

5.1. Progress

- 5.1.1. A CPF training manual has been concluded and regulations finalised.
- 5.1.2. There will be a national CPF conference in 2015.

- 5.1.3. CSFs have been established in some municipalities in the country.

- 5.1.4. Operation Fiela has been rolled out throughout the country and has boosted the confidence of the people in the capacity of our government to fight crime.

5.2. Challenges

- 5.2.1. There is insufficient funding for CSFs.
- 5.2.2. There is lack of public confidence in the Criminal Justice System (CJS) and the ability of the government to self-correct as evidenced in vigilantism acts and violent public protests.
- 5.2.3. The lack integration of the CJS through amongst others ICT impacts on its optimal performance.
- 5.2.4. A high number of parole applicants are rejected due to lack of compliance with offender profile prescripts.
- 5.2.5. Proximity and accessibility of police stations to communities especially rural and peri-urban ones remains a challenge in the fight against crime.
- 5.2.6. There are inadequate systems in place to facilitate victim participation in parole processes.
- 5.2.7. Though allocation of resources to the Police in the past ten years has been increasing at 10% per annum, there has not been significant commensurate benefit to the people.
- 5.2.8. The Regulation of Gatherings Act 205 of 1993 only requires the applicant to give notice and not apply for permission, in this regard to stop an illegal march requires an order of court by a magistrate. This has invariably led to legal complications where the police have ventured to stop illegal marches without first securing a court order.
- 5.2.9. There is a perception that crime pays and hence some communities harbor certain crime benefactors for own benefit, e.g. those who conduct illegal electricity connections are sometimes not only protected by the communities but the illegal connections which are an illicit benefit remain in place benefitting a considerable number of community members.
- 5.2.10. There is a perception that South African job creation tends to favour non-nationals and the reality that some non-nationals occupy strategic positions which drive our policy implementation in the civil service. This is a source of potential domestic instability as well as a risk to national security.

5.3. Recommendations

- 5.3.1. Enhance the capacity of the courts to eliminate backlogs and increase conviction rates. Call upon

the judiciary to report regularly and timeously on the finalization of cases.

- 5.3.2. Proximity and accessibility to police stations should be improved through building infrastructure and facilities to ensure enhanced police visibility at community levels.
- 5.3.3. There is a need for the security cluster to look at its resource allocation guide including its service model.
- 5.3.4. The administration of the CJS should be stabilized such that all outstanding investigations and prosecutions are concluded expeditiously, and all vacant posts filled.
- 5.3.5. Strengthen the capacity of the CJS to prevent, investigate and prosecute crime to ensure improved outcomes.
- 5.3.6. Expedite the integration of the CJS such that ICT is at the centre of case management, policing, and prosecution.
- 5.3.7. There should be partnerships with international crime fighting entities to ensure that criminal networks are combatted in all their bases across the crime chain in each country.
- 5.3.8. The government should look at amending the Regulation of Gatherings Act 205 of 1993 to facilitate ease of stopping illegal marches.
- 5.3.9. The ANC branches should play a critical role in exposing those who commit crime as well as those who harbor criminals.
- 5.3.10. The Government should not only arrest those who commit crime but should eradicate all sources of benefits derived from criminal activities including but not limited to illegal electricity connections.
- 5.3.11. The security cluster should plan regular programmed joint operations to fight crime and corruption in a manner that is visible to the public.
- 5.3.12. The government should explore the use of ICT for crime prevention e.g. installation CCTV technology from national to municipal level.
- 5.3.13. There should be equitable resource allocation across the CJS to ensure uniform maximum output.
- 5.3.14. The resolution not to appoint non-nationals at senior and strategic government positions must be adhered to.
- 5.3.15. Operation Fiela should be intensified and extended to all parts of the country especially the Western Cape.

6. Private Security Industry

6.1. Progress

- 6.1.1. The Private Security Industry Regulation Bill is before the President to be assented to.

6.2. Challenges

- 6.2.1. The private security industry ownership of, and its massive employment of foreigners pose a national security risk.
- 6.2.2. The fact that the private security industry is in possession of excessive amount of capacity also poses a national security risk.
- 6.2.3. A number of national key points are secured by foreign owned private security companies.
- 6.2.4. Noted an increase of the utilization of private security by government.
- 6.2.5. Certain South African private security companies doing business in the continent sometimes get involved in activities that compromise South Africa's diplomatic work in the continent.

6.3. Recommendations

- 6.3.1. Government must with immediate effect take leadership in securing all national key points using our security services.
- 6.3.2. The security cluster to engage all spheres of government with regard to the utilization of private security companies.
- 6.3.3. The President should sign the Private Security Industry Regulation Bill without much ado to ensure that controlling interest of private security companies is in the hands of South African nationals.

7. Creating the Border Management Agency (BMA) by 2016, and Concluding the International Migration Review

7.1. Progress

- 7.1.1. A draft BMA Bill was finalized after consultation with affected state organs and submitted to Cabinet in mid-July 2015 requesting approval to publish the draft Bill for public comment.
- 7.1.2. Subject to consideration by Cabinet at the end of July 2015, the draft Bill should be published for public comment in August 2015.
- 7.1.3. Based on these time frames the Bill should be submitted to Parliament in October 2015.

7.2. Challenges

- 7.2.1. There have been serious challenges which need urgent attention in relation to cooperation and coordination of BMA components, however in an integrated approach.

7.3. Recommendations

- 7.3.1. There should be a speedy resolution of matters in relation to cooperation and coordination of BMA components.

8. Concluding the International Migration Review

8.1. Progress

- 8.1.1. Home Affairs has launched the first phase of engagement on immigration policy that will lead to the Green Paper by the 31st March, 2016; and a White Paper in 2016/17 that will form the basis for drafting comprehensive legislation.

8.2. Challenges

- 8.2.1. International migration is a worldwide problem and requires international cooperation to address.
- 8.2.2. There is a high migration rate from other parts of the continent to Europe and South Africa.
- 8.2.3. There is a necessity for a permitting regime for low skilled migrants from neighbouring countries.
- 8.2.4. There is a need to develop an efficient refugee regime.
- 8.2.5. There are unintended consequences in balancing security and economic imperatives.

8.3. Recommendations

- 8.3.1. The finalization of the White Paper which will form the basis for drafting comprehensive new legislation should be expedited.
- 8.3.2. Cabinet has appointed an IMC led by DHA to look at the unintended consequences.

9. Finalising the White Papers on Safety and Security, and on Police

9.1. Progress

- 9.1.1. The White Papers have gone to Cabinet and has been gazetted for public comments.
- 9.1.2. The White Papers will go to Parliament on the 4th August, 2015.

10. Finalising and implementing the single police service

10.1. Progress

- 10.1.1. The policy framework has been set in the White Paper on Police.

10.2. Challenges

- 10.2.1. There were some objections raised by SALGA and an interdepartmental task team has been established to address it.

10.3. Recommendations

- 10.3.1. The implementation of this outstanding conference resolution must be expedited.

11. Finalising the Defence Review Strategic Policy

11.1. Progress

- 11.1.1. The Defence Review Strategic Policy was adopted by Parliament, what is left is its resourcing.

11.2. Challenges

- 11.2.1. There has not been adequate advocacy for the resourcing of the Defence Review Strategic Policy as the Parliamentary public hearings were held for a short period and did not receive requisite publicity.
- 11.2.2. The Defence Review Strategic Policy processing by Parliament took place concurrently with the hearings in the Arms Procurement Commission. The public perception that arms procurement was tainted by corruption was ignited by the hearings despite the fact that the quality of evidence proffered in the commission hearings revealed the contrary.

11.3. Recommendations

- 11.3.1. The ANC should lead an advocacy campaign to educate the public about the necessity of the Defence Review Strategic Policy especially as it relates to national sovereignty and safety of all citizens.
- 11.3.2. Adequate provision of funding must be made by the state for the implementation of the Defence Review Strategic Policy outcomes.

12. Non-Statutory Forces Integration

12.1. Progress

- 12.1.1. A project team has been established in the Office of the Deputy Minister of Police to deal with amongst others pro-rating of leave, pension pay-outs, and re-ranking.

12.2. Challenges

- 12.2.1. The challenges of remuneration, benefits, ranks and promotions in certain areas remain unresolved in the security establishment.

12.3. Recommendations

- 12.3.1. Government must conclude the resolution of all outstanding matters related to the NSF by the end of the financial year.

13. Transformation of the Judiciary

13.1. Progress

- 13.1.1. There has been notable progress in the demographic transformation of the bench albeit with minor progress towards achieving gender equity.

13.2. Challenges

- 13.2.1. The Commission welcomed the meeting with the President called by the judiciary. However the commission is gravely concerned by the growing incidents of judicial overreach.
- 13.2.2. The commission understands that the ANC is an independent structure with its own Constitution and internal disciplinary processes and therefore the rulings of the judiciary on ANC internal processes to the extent of disbanding ANC structures are seen in a dim light by the commission.
- 13.2.3. While the commission upholds separation of powers and independence of the judiciary, the recent pronouncements of the judiciary from public podiums other than the bench on matters relating to policy are of serious concern.

13.3. Recommendations

- 13.3.1. We reiterate the defence of constitutional democracy.
- 13.3.2. We recognize the separation of the three arms of state as one of the constitutional principles.
- 13.3.3. The commission encourages public discourse on the functioning of the three arms of state.
- 13.3.4. The ANC should organize a people's consultative summit to engage on the challenges presented by judicial overreach.
- 13.3.5. There should be a deliberate programme to support progressive black legal professionals to enhance the transformation imperatives of the judiciary.

14. Cyber Security

14.1. Progress

- 14.1.1. The security cluster has finalized the Cyber

Security Bill and it is ready for tabling before Cabinet.

- 14.1.2. Cyber security structures have now been established.

14.2. Challenges

- 14.2.1. There have been increased incidents of cyber attacks globally.
- 14.2.2. There is limited regulation of cyber space in the world.
- 14.2.3. Noted increased utilization of foreign unsecured information systems in government.

14.3. Recommendations

- 14.3.1. The Government should expedite the finalization of the relevant legislation and regulations.
- 14.3.2. There must be public awareness campaigns on securing the cyber space.
- 14.3.3. The security cluster must put systems and measures in place to protect the integrity of state information systems.
- 14.3.4. Government must finalise the implementation of the security cluster ICTS.

15. Military Veterans

15.1. Progress

- 15.1.1. The data base of military veterans has been concluded and verified.

15.2. Challenges

- 15.2.1. The current formulation of the legislation regulating military veterans remain exclusionary.
- 15.2.2. Other organs of state not adequately fulfilling their obligations towards military veterans.

15.3. Recommendations

- 15.3.1. The Military Veterans Act 18 of 2011 and Special Pensions Act 69 of 1996 need to be reviewed and amended.
- 15.3.2. All state organs across all spheres of government must comply with the Military Veterans Act 18 of 2011.

7. INTERNATIONAL RELATIONS

1. INTRODUCTION

The July 2015 Lekgotla reflected on progress made in the implementation of the priorities identified in the January 2015 Lekgotla, and assessed the current situation with the view to noting our progress in implementing the resolutions. Taking into cognizance the fluidity of international relations, the commission was satisfied with the progress made.

The commission's report to the July 2015 Lekgotla incorporates both the report of the Department of International Relations and Co-operation (DIRCO) on the commitments made by the ANC in both the **ANC's 53rd National Conference Resolutions** and **NEC Lekgotla Resolutions of January 2015**.

1.1 Since this is the Year of the Freedom Charter and Unity in Action to Advance Economic Freedom, the commission further considered:

- The fact that clause 10 of the Freedom Charter—***"There Shall Be Peace and Friendship"*** – is indeed mostly achieved in terms of assessment of government programmes from 1994 to date and we continue to advance on new issues in the ever-changing world. The Southern Africa region is the safest region in Africa where all countries are stable, have free and fair elections without interference in sovereignty, save in cases where there are political challenges such as Lesotho and Swaziland, in terms of human rights, freedom of association and democratisation challenges. And the Democratic Republic of Congo where we are helping in dealing with the negative forces that have been interfering with the country's achievement of peace.
- Elsewhere in the continent the number of conflicts and coups has been reduced since the early 1990s and a number of countries are reforming their laws and constitutions towards strengthening their democracies. Except the few countries such as Somalia, Central Africa Republic, Libya, Sudan and South Sudan which are faced with challenges.
- The commission also noted the new developments on the rise of terrorism which is strengthening even those countries that had stable democracies and is a scourge that must be defeated.
- **Advances on achievement of peace and stability should still be consolidated.** We also to welcome the establishment of the African Capacity for Immediate Response to Crises (ACIRC) which will

be a precursor to the Africa Standby Force for enabling us to resolve African problems with African solutions.

1.2 The Lekgotla noted and further reaffirmed **DIRCO's strategic objectives** as expressed in South Africa's Foreign Policy and resolved in previous ANC conference resolutions:

- ***Creating a better South Africa and contributing to a better and safer Africa and the world***
- The imperative for South Africa to play a leading role in championing the values of human rights, democracy, reconciliation and the eradication of poverty and underdevelopment.
- The principle of humanity that is a value and philosophy embedded in our national consciousness.
- Our national interest of economic diplomacy which aims at opening up new trade and investment opportunities and further enhancing them where they already exist, in the South-South, North-South, Region, Africa and through involvement in multilateral blocs such as BRICS, IBSA etc. Other new initiatives are being encouraged to expand our relations in new blocs such as the discussions of the creation of the Colombia, Indonesia, Vietnam, Egypt, Turkey and South Africa (CIVETS). We also welcomed our continued participation in the G77 plus China and in the G20.
- South Africa's participation in the international space and its role should be understood in the context of the pursuance of its national interest which is an expression of its domestic priorities and interests. Amongst these is the urgent goal of defeating the triple challenges of poverty, unemployment and inequality, to realise the achievement of the National Development Plan. It is also to fulfil our programme of creating a better life for all in a safe and secure country.

2. MATTERS FOR CONSIDERATION AT THE 2015 NATIONAL GENERAL COUNCIL (NGC)

The commission in the July 2015 Lekgotla reflected on the following resolutions from the January 2015 Lekgotla and realised that most of the issues need deeper analysis and some might impact on policy positions taking into cognizance the changing global environment. Amongst

the instructions from the January Lekgotla was to develop discussion points to help the ANC take decisions and better understand global developments and their impact. We therefore recommend that these matters which are already in the discussion document for NGC 2015 be considered then. These are:

- **Statistics on economic growth in South Africa and the world**, particularly growth forecasts in the Eurozone and their impact on our economy;
- **Potential implications of the election outcomes in Greece**, as well as the current developments in the EU-Greece impasse and their implications for the EU and for South Africa. We also need to assess the state of the other EU countries which may follow Greece's trend including Portugal, Italy and Spain.
- **Developments as a result of the emergence of terrorist groups and terrorist attacks** in Nigeria, Kenya, Somalia, the Sahel Region, Middle-East, France and Australia, amongst others;
- **The Ukraine/Russia conflict and its impact on energy**, the tough stance of the USA, including the sanctions imposed on Russia and our understanding of these developments;
- **Low growth figures among our BRICS partners** – the slowdown in China, India and Russia; and similarly, our response and relations with India since the change of government.

3. ONGOING ASSESSMENT OF OUTCOME 11 OF THE MEDIUM TERM STRATEGIC FRAMEWORK (MTSF)

- 3.1 **The implementation of Outcome 11 of the MTSF** focuses on what the NDP envisages to achieve on the set targets considering that foreign policy is executed in an ever-changing global environment. Thus we will continuously review, evaluate and assess our progress to ensure that we are on course and where challenges exist adapt our strategies.

4. CONTRIBUTE TO CONFLICT PREVENTION, PEACE-KEEPING AND POST-CONFLICT RECONSTRUCTION AND DEVELOPMENT

4.1 Conflict resolution and peacekeeping

- 4.1.1 In line with our resolve to ensure the achievement of lasting peace in Africa, on 1 April 2014, South Africa began its two year term in the African Union Peace and Security Council (AUPSC).
- 4.1.2 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

to 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.

PROGRESS TO DATE:

- (i) The July 2015 Lekgotla noted the positive intervention made by ACIRC in Mali as it intervened by joining the French army in countering destabilizing forces that sought to derail Mali's stability.
- (ii) The June 2015 AU Summit in Johannesburg resolved on the funding model which will enable ACIRC to respond to any other interventions that may be needed in the continent; and to build its capacity to operate as the African Standby Force. This work is in progress and we will continue to analyze developments as they unfold.

THEREFORE RESOLVE:

- That the ANC should develop a better understanding of the capability and capacity of the ACIRC, its impact on achieving peace on the continent and the challenges that it might face.

- 4.2 In terms of **South Africa's commitment to regional stability**, we assumed a role in resolving the constitutional crisis in Lesotho, by hosting and attending a number of emergency meetings which, amongst others, resulted in the rejection of the unconstitutional change of Government; a call for the immediate restoration of constitutional normalcy; the safe repatriation of the leadership; appointment of the Deputy President, Cyril Ramaphosa, as the Southern African Development Community (SADC) Facilitator to the Lesotho Conflict; and the deployment of a SADC Politics, Defence and Security Observer Mission.

PROGRESS TO DATE:

- (a) The July 2015 Lekgotla noted and appreciated the intervention made in Lesotho during the first phase of intervention which entailed urging parties and the government of Lesotho to hold elections in order to resolve the impasse.
- (b) We support the ongoing investigations of the recent killings.

THEREFORE RESOLVE:

- (a) That Lesotho be assisted in achieving reforms in the following areas: constitution, security sector, civil service, justice system and revamping of the voter's roll.
- (b) That the ANC should continue to engage at party-to-party level to enable and compliment the work being done by Government and SADC to address the challenges that continue to plague Lesotho.

4.3 On Madagascar:

- South Africa led a SADC Organ mission to the Republic of Madagascar, in an effort to encourage role players to make space for political healing and reconciliation.

PROGRESS TO DATE:

- The July 2015 Lekgotla commended the successful SADC election observer mission on Madagascar and accepts that the elections were indeed free and fair.
- The commission observed that there was however an attempt by Parliament to impeach the newly elected president which was reversed by their constitutional court.

THEREFORE RESOLVES:

- That the ANC continue to engage at party-to-party level to impress on parties the need to work for the common goal of stability in the country, complimenting Government and SADC mediation efforts.

4.4 South Africa participated in **SADC-ICGLR (International Conference on the Great Lakes Region) efforts** aimed at reviewing the mid-term progress of the FDLR Demobilisation, Disarmament; Repatriation and Reintegration process.

PROGRESS TO DATE:

- The commission noted the success in reducing the impact of negative forces.
- We noted the need to assist the government of the DRC in engaging with MONUSCO to reduce the size of its mission because the DRC's capacity to secure and defend itself has increased tremendously over time.

THEREFORE RESOLVES:

- That the ANC continue with its engagement and relations at party-to-party level to influence and the direction towards a peaceful and complete settlement.

4.5 As part of efforts to enhance peace, security and stability in the sub-continent, South Africa also led **SADC Electoral Observer Missions** to Mozambique, Botswana, Namibia, Mauritius and Zambia.

PROGRESS TO DATE:

- The elections were held successfully in these countries and were endorsed by the SADC electoral observer missions as free and fair. This augurs well with the vision of peace and stability in the region and the continent, and this good work should be strengthened and continued.

4.6 The January 2015 Lekgotla further noted the following political issues and the need for:

- Intelligence gathering so as to have knowledge and understanding of the motive forces behind conflicts, particularly in the mineral rich parts of the continent
- Civil society and particularly alliance partners – such as COSATU and its affiliates, with fraternal relations in the continent, to take keen interest in assisting Government towards responding to peacekeeping and conflict resolution.
- South Africa, and the ANC, to develop appropriate responses to instances that may lead to conflict and tension where;
- The right to freedom of speech is advanced as cause or reason to insult religious beliefs or faith of others
- Certain international formations and blocs – such as NATO – engage in subtle means of aggression, as in the situation of the Ukraine/Russia
- Both the ANC and Government to have a discussion on gender based violence in conflict situations and how this is being addressed, including in the post conflict dispensation.

PROGRESS TO DATE:

- All of the above matters have been integrated into the NGC discussion documents and will be finalised with recommendations.

4.7 Post conflict reconstruction and development

4.7.1 The commission noted with concern that South Africa continues to invest heavily in peacekeeping and conflict resolution efforts, yet fails to benefit from this investment and is continuously overtaken by other countries that did not engage in such efforts. The commission, therefore, proposes that:

- There should be an integrated, inter-ministerial team to develop a strategy of South Africa's intervention post conflict for purpose of reconstruction and ensuring there are benefits accrued to the country with regards to our national agenda.
- Our economic agenda should be given a political content and underpinned by our political objectives.
- We should create capacity in the ANC and in Government to ensure follow up on decisions made and develop synergy between the investments made in peacekeeping and post conflict outcomes.
- We should assess progress on operation-

alization of the South Africa Development and Partnership Agency (SADPA), noting that legislation is at an advanced stage to repeal the African Renaissance Fund and establish the Development Partnership Fund (DPF) to be administered by SADPA.

PROGRESS TO DATE:

- The July 2015 Lekgotla reconfirms the January 2015 Lekgotla decision on Post-Conflict Resolution Assistance Package and the agenda to assist those countries affected towards achieving the goals of peace such as infrastructure development, investment etc. The development of the strategy through an inter-ministerial committee to be initiated by DIRCO towards achieving the goal. Progress on this will be reported in the next Lekgotla in 2016.
- However the July 2015 Lekgotla noted that legislation has not yet been passed in parliament on the issue of SADPA; but work is continuing between DIRCO and Treasury to reach consensus on the concurrency matter. The commission further recommends that ANC put pressure on government to pass this legislation on SADPA.
- The July 2015 Lekgotla while noting work done by various subcommittees to address challenges to post-conflict, investments and peace-keeping, instructs the ANC NEC Subcommittees such as Peace and Stability, Economic Transformation, International Relations etc to hold a joint meeting to share experiences and develop a political and policy synergy.

5. ADVANCE SOUTH AFRICA'S TRADE AND INVESTMENT THROUGH BILATERAL ENGAGEMENTS

Bilateral engagements

- 5.1 South Africa continues to strengthen bilateral relations through high-level visits. The Department conducted a number of formal bilateral meetings with priority given to countries from the SADC Region, and the African continent.
- In the period from April to December 2014, DIRCO has facilitated more than 24 structured bilateral engagements.
 - Between 20th and 23rd January 2015, South Africa received Ambassadors of Middle East/Asia and other countries accredited to South Africa with the aim of removing obstacles to the enhancement, and the resuscitation of bilaterals as well as with a view to pursuing and securing national interests. These countries include Syria, Oman and DPRK as well as Cuba. A similar meeting will take place with Iran next week.

PROGRESS TO DATE:

- The July 2015 Lekgotla noted progress made on the bilateral relations as identified in the January 2015 Lekgotla and the challenges around the implementation of the agreements.
- The Lekgotla tasked DIRCO to make an impact assessment of the implementation of all bilateral agreements signed in the past five years and beyond. This assessment must include all agreements signed with all countries at all spheres of government. The assessment report will form part of the future sittings of Lekgotla in the run up to the 2017 National Conference of the ANC.
- The Middle East remains a focal point and the commission recommends that Iraq be included amongst the countries to receive attention.
- A ministerial meeting with Iran did take place and work has commenced.

Trade and investment

- 5.2 South Africa will continue its efforts to consolidate SADC economic integration, the Tripartite Free Trade Area (TFTA) and the Continental Free Trade Area (CFTA). There must also be concerted efforts to increase regional trade through industrialization and infrastructure development.

PROGRESS TO DATE:

- The recent SADC summit held in Zimbabwe at the end of April 2015 adopted the revised Regional Indicative Strategic Development Programme (RISDP) and Industrialization Strategy for the region. This is a significant leap towards regional integration.
- The trilateral summit of SADC, COMESA and ECA held at the beginning of June 2015 in Egypt, launched the commencement of the Tripartite Free Trade Area (TFTA).
- The 25th Ordinary Session at the Summit level of the AU held in Johannesburg in June 2015 launched the roadmap towards the Continental Free Trade Area (CFTA) negotiations.

- 5.3 The commission further noted the need to:

- Develop means to empower those in our diplomatic service with skills and expertise on economic diplomacy matters.

PROGRESS TO DATE:

- Training has commenced for all Heads of Missions on economic diplomacy.
- There is an ongoing training programme for all officials to be posted abroad.

- A toolkit on economic diplomacy has been distributed to all our missions.

- We need to develop means of using the regional and strategic blocs in order to impact on trade and investment

5.4 Review of Bilateral Relations by DIRCO

- Review the bilateral relations we have, consolidate them on a country by country basis, so we can ensure the trade and investment in the region and continent.

PROGRESS TO DATE:

- The July 2015 Lekgotla notes the work being done by DIRCO in reviewing bilateral agreements with various countries as per scheduled meetings.

THEREFORE ALSO RESOLVES:

- The Lekgotla instructs DIRCO to review the impact and progress in the implementation of these bilateral agreements over the past five years with the view to assessing weaknesses and putting intervention measures. This applies to all spheres of government.
- That the ANC and government in reviewing all these bilateral agreements will help in understanding the impact our foreign policy and the achievement of our national interest has in realizing our National Development Plan goals and our aspirations of creating a better life for our people and by ending the triple challenges of unemployment, poverty and inequality.

5.5 Economic, Trade, Investment Protocols and Engagements:

- Engage South African businesses, and ensure that they are protected when they invest in the region.
- Develop strategies on encouraging South African companies to invest in other countries.
- Develop and implement the Charter of Good Practice and the adherence to ILO Conventions wherever South African companies invest
- Convene an Africa conference to assist in addressing these questions of the needs and the structures of our economies in order to inform trade and investment, since trade goes together with industrial production.
- Develop a bilateral on trade and investment – link various institutions in DTI and DIRCO – TISA and economic diplomacy, with the latter in an embassy. Possible trade and industry in South African missions abroad
- There should be greater coordination at the cluster level, in government, with more focus given to trade and investment issues instead of an overemphasis on peace and security matters.

THEREFORE RESOLVES:

- The July 2015 Lekgotla recommends that this matter be dealt with by the Economic Transformation Subcommittee and should report regularly in future meetings.

5.6 REGIONAL INTEGRATION AND SACU

- Broaden integration across regions with less emphasis on paper than substance.
- Need to prepare adequately for the SADC's Special Summit in April 2015 where trade protocols in the region will be debated, look at issues such as the value of SACU and its impact on South Africa's economy, monetary and fiscal matters, etc.

PROGRESS TO DATE:

- The SADC Special Summit was held in Zimbabwe April 2015 as reported earlier, however on the issue of SACU there is ongoing engagements to resolve the impasse.

5.7 BRICS BANK

- We need to look at the potential value-add of the establishment of the BRICS Bank in South Africa and its role in infrastructure development, etc.

PROGRESS TO DATE:

- The commission applauds the 7th BRICS Summit held in Russia in July 2015 that launched the BRICS Development Bank.
- South Africa has appointed the Vice President and the non-executive board member to the bank which has commenced its operations in Shanghai.
- Work is under way for the establishment of the regional office in Johannesburg.

5.8 On AGOA and South Africa engagements

- Prepare to engage with the USA – considering the recent change in the Congress – on the Africa Growth and Opportunity Act, which is to be soon reviewed. We should also consider what compromises will need to be made on our part.

PROGRESS TO DATE:

- The engagements on AGOA did take place as scheduled and the negotiations reached conclusions on the issue of poultry quota, however there are still outstanding matters to be addressed.

THEREFORE RESOLVES:

- The delegations should take into consideration our national interest aiming at our economic growth and job creation in the engagements

5.9 Financial Systems on Countries Facing Unilaterally-imposed Embargos and Sanctions:

- Noting that South Africa faces challenges in trading with some countries affected by embargos and sanctions, due to the current International and clearance systems South Africa subscribes to, case in point, Cuba and Zimbabwe (which had similar challenges in the past) as well as developments in Russia. Therefore, it is imperative for South African government to explore alternative transaction mechanisms available, to align legislation where necessary to legal global acceptable systems, such as the Bolivian Alliance for People of our America- People's Trade Treaty (ALBA-TCP), to advance our trade and investment potential in the globe.

PROGRESS TO DATE:

- The Lekgotla noted the need to review some of the financial clearance systems and recommends that the Economic Transformation Subcommittee (ETC) look into this matter, including studying the ALBA-TCP model and others which may be of assistance in the future.
- This will help South Africa to still continue to have trade with countries that are faced with unilaterally imposed sanctions and embargos.

6. CONTINENTAL AND INTERNATIONAL SOLIDARITY

The Lekgotla of January 2015 also proposed the need for a careful balance to be struck between the role of Government and that of the ANC in situations such as Palestine, Western Sahara, Swaziland, etc. This is necessary considering the ANC's principled relationship with specific organisations in these countries and the specific policy positions it has taken regarding their situations, respectively.

PROGRESS TO DATE:

- In light of the fact that there are ongoing solidarity campaigns to support Western Sahara, Cuba, Palestine and Swaziland; the degree of success varies from one campaign to the other as will be detailed below.

6.1 On Western Sahara

South Africa continues to:

- Support the inalienable right of the Saharawi people to

decolonization and self-determination.

- Support the efforts of the AU and the UN that seeks to resolve the protracted Western Sahara conflict in accordance with international legality.
- Be steadfast in calling for the protection of human rights in the Saharawi occupied territories.
- Render political support and humanitarian assistance to the Saharawi Democratic Republic (SADR) through the African Renaissance Fund (ARF). DIRCO has provided financial assistance to the SADR Embassy in Pretoria for its operational needs.

The Lekgotla of January 2015 further proposed

- The need to be more forceful on engagement with the Moroccan Government, with a consideration of embargoes where possible

PROGRESS TO DATE:

- The July 2015 Lekgotla appreciated the AU stance to play an active role as a co-guarantor with the UN on the resolution of the Western Sahara question.
- We also welcome the AU decision to instruct its Regional Offices all over the world to invite SADRA to its meetings and exclude Morocco.
- We welcome the AU's nomination of former Mozambican President Chisano as a special envoy to mediate on the Morocco-Western Sahara issue and call on the ANC-led Alliance to take it up as a campaign issue to pressurise Morocco to accept the AU initiative.

THEREFORE RESOLVED:

- We need to urgently strengthen Western Sahara Solidarity Forum in which all Alliance and the Mass Democratic Movement participate.
- The Lekgotla further supports the decision taken by the ANC to host a conference on Africa Solidarity on Western Sahara in October 2016.
- The Lekgotla recommends that ANC members, ministers, parliamentarians and members of the alliance should be discouraged from attending and participating in any gathering in Morocco unless it is at the invitation of AU and UN.
- We discourage the recent developments where ANC and Alliance members are being invited by European Groups/ NGOs and Morocco sponsored groups to visit Morocco which seek to undermine our solidarity and campaign on the determination of Western Sahara. The ANC distances itself from those who recently purported to constitute an ANC delegation which visited Morocco.
- As resolved at the 53rd National Conference, the ANC should continue with the campaign of the self-

determination of Western Sahara and engage with allies of Morocco to persuade them to pressurise Morocco to implement the UN resolution on Western Sahara that supports the existence of the Saharawi Arab Democratic Republic (SADR) and encourages its recognition by all African and world countries.

6.2 On Cuba

- South Africa's solidarity with the people and government of Cuba continues and we recognise the recent positive outcomes of these efforts. We strongly called on the United States to lift its economic embargo during the UNGA (United Nation General Assembly) 68 meetings of September 2013.
- We continue to call on the international community to remove the unfair economic embargo against Cuba.

The January 2015 Lekgotla further proposed that

- Government, and the ANC, should send senior delegations to Cuba in order to enter into specific agreements with the Cuban Government. This should be done in view of the relaxation of relations between Cuba and the USA, with consideration to benefits for our party and our country.
- Provincial governments owing the Cuban Government for their continued assistance should facilitate payments.

PROGRESS TO DATE:

- The July 2015 Lekgotla noted and appreciated the release of the Cuban Five Heroes and the successful hosting of their delegation by ANC-led Alliance structures nationally and in Provinces which was historic and had a positive impact on elevating Cuba's contribution, in particular in Namibia and in South Africa. The hosting included holding the International Symposium on Cuba Solidarity which took a number of resolutions which will guide and support the solidarity work on Cuba.
- We also applaud Parliament for successfully hosting the Cuban Five Heroes during their visit.
- We appreciate the gains made in resumption of diplomatic ties between the Cuba and the US. We also acknowledge the removal of Cuba from the list of governments deemed by the US to be promoting terrorism.
- The Lekgotla noted that in spite of the tremendous gains achieved though bilateral and historic relations with Cuba, South Africa is lagging behind some of the Western countries such as France, Spain and Canada in taking advantage of the newly available trading opportunities in Cuba.

THEREFORE RESOLVES:

- Friends Of Cuba Society (FOCUS) should be strengthened and encouraged to continue with its campaigns, especially

in the area of lifting the blockade, and to continue with the programme of International Solidarity Brigades to Cuba. Of importance, the ANC and the Alliance should continue with campaigns for the lifting of the blockade.

- The Lekgotla further recommends for better coordination between DIRCO, DPE and DTI in securing trading and economic opportunities to realise our national interests and priorities. This will assist in addressing barriers such as transport when strategic business and tourism opportunities arise.
- The Lekgotla notes that there is a planned trade mission to Cuba in September 2015 and further recommends that South Africa utilise this opportunity optimally.
- Need to educate South Africans about Cuba's contribution in Africa's liberation including that of South Africa and Namibia as part of the history that must be introduced into the school curriculum.
- We further urge and instruct Government Departments and Provinces to embark on an ongoing comprehensive orientation of South African students selected to study in Cuba and other countries such as China etc about the society, culture, political system; and all relevant information to assist them to understand and behave in a sensitive manner towards their hosts.
- The Lekgotla notes an urgent need for reinforcement of SA mission in Havana in light of the significant number of South African student population and therefore recommends for a speedy deployment of an Education Attaché to oversee and coordinate student matters in the country.
- The commission urges the provincial governments to urgently and fully honour their commitments to Cuba.
- We also urge the Lekgotla to support the resolutions taken at the International Symposium on Cuba Solidarity which took place in Johannesburg in June 2015, during the visit of the Cuban Five Heroes in which the South African government was urged to consider scaling up the relationship with Cuba to Strategic Summit Level.

6.3 On Palestine:

- South Africa supports the Palestinian cause both bilaterally and in various multilateral forums. South Africa is proud to be among the co-sponsors of an UNGA Resolution that granted Palestine the status of an observer state.
- Maintained its solidarity with the Palestinian people as well as participated in the NAASP initiative of the Second Conference among East Asian Countries for Palestinian Development (CEAPAD II), held in Indonesia, March 2014.
- As part of her contribution to international diplomatic

efforts towards the resolution of the Palestinian-Israeli conflict, President Zuma appointed former Minister Dr Zola Skweyiya and former Deputy Minister Mr. Aziz Pahad as Special Envoys to convey his grave concern over the then escalating violence, the civilian displacement and the deterioration of the humanitarian situation in the Gaza Strip. Ambassador M Dangor has also been made an Envoy for North Africa and the Middle East.

The January 2015 Lekgotla proposed that:

- Both Government and the ANC should be appraised on the new developments in Palestine with regard to: the two nation state proposal; support among Arab nations that were close to the cause of the Palestinians and the global support for Palestine vis-à-vis Israeli aggression in varying forms. Based on these, both the ANC and Government should develop new and appropriate approaches to interacting with the various role players, towards attainment of the freedom of Palestine.

PROGRESS TO DATE:

- The July 2015 Lekgotla notes the continuing efforts of South Africa and ANC in brokering peace between Palestine and Israel, including appreciating the good work done by the appointed Special Envoys which are doing good work towards engaging parties and organisations in Israel, Palestine and the Region towards seeking a solution to the Palestinian question.
- We further note the continued mobilisation of support for the Palestinian cause by various organisations in the Palestinian Solidarity Alliance, BDS and the ANC-led Alliance.
- The Lekgotla however notes with concern efforts and campaigns by Israeli Agencies to thwart the efforts of the ANC and the Alliance on their stance on Palestine. These include sponsoring our Progressive Youth Alliance (PYA) member organisations on trips to Israel. The ANC has distanced itself from these visits and calls on all members in the Alliance, MDM structures and our Youth Formations not to undertake such trips organised by agencies or groupings that are sympathetic to Israel as this undermines our solidarity and support for a free Palestine.
- The Lekgotla noted and commends the South African Institutions such as universities etc, that have refused to get into agreements with Israel in support of the Palestinian cause.
- We also emphasise the fact that the ANC is not anti-Semitic.

THEREFORE RESOLVES:

- The July 2015 Lekgotla urges the ANC Caucus to pass a motion in Parliament in recognition of Palestinian Statehood, as was adopted by our government in the United Nations together with other Governments and their Parliaments in the world.

- The Lekgotla further recommends that we educate our members in the ANC led Alliance at all levels of our organisation, and those who are deployed as representatives in Government, Parliament, Legislatures and Councils; and Civil society groups to be mindful of our policy towards the Israeli Government and the need not to engage in any activities that can be seen as undermining the Palestinian cause.
- The Lekgotla noted with concern that there is a growing number of young Jewish South Africans who go to Israel for national service and as such there should be a campaign to discourage this practise. There is a need for us to strengthen our legislation in this regard.
- The Lekgotla recommends that a discussion and review of dual citizenship be tabled before the NGC.
- We need to review of our economic engagements and stance on Israel taking into account the posture of our allies in South-South cooperation fora who are themselves engaging with Israel economically; and further recommend to the NGC to discuss this matter fully and make recommendations.
- Continue to engage and discourage companies whose operations are in opposition to the Palestinian cause as well as those who source goods from occupied territories of Palestine with the view to isolating them if they ignore the call.
- Encourage Provinces and Municipalities to enter into and implement agreements guided by South African Government and the Palestinian Authority foreign policies as part of strengthening our support and consolidating development.
- We encourage all leaders of the ANC-led Alliance to speak boldly on solidarity platforms on the issue of Palestine including participating in the Anti-Israel Apartheid Week.
- The ANC should continue on party-to-party engagements with organisations such as FATAH, PLO and HAMAS on the issue of Palestine, including also engaging other organisations which can be persuaded in the region to pledge their support for a free Palestine.

6.4 On Swaziland

PROGRESS TO DATE:

- The July 2015 Lekgotla noted that not much progress has been made on Swaziland and reemphasised the need for implementation of the ANC's 53rd National Conference Resolutions.
- We continue to reiterate our stance as expressed in the 53rd National Conference resolutions, on "recognising the current conflict in Swaziland that has negatively impacted the economy and the human rights of the Swazis; further calling on the Swazi monarch and

leaders in Swaziland to create the space for open and free dialogue to find a lasting solution to the challenges facing Swaziland; the ANC confirms its strong support for the people of Swaziland and will engage the Swaziland government to find solutions to the problems facing its people [including] the democratisation of Swaziland.”

- As resolved further at the 53rd National Conference of the ANC, as *“the tripartite alliance we should merge our solidarity campaigns on the basis of a commonly agreed framework of action and therefore the ANC supports campaigns for the unbanning of political parties and the release of all political prisoners.”*

THEREFORE RESOLVES:

- In light of lack of progress in resolving the conflict in Swaziland, the July 2015 Lekgotla resolved that our Government must continue to engage with the Monarchy and the Government of Swaziland to find an amicable solution to the lack of democratisation, and the model adopted must be that which is supported by the Swazi people.
- The Lekgotla resolved that the ANC and the Alliance should engage all parties and all stratas of society in Swaziland to formulate a desired common vision for the future of Swaziland which will ultimately appeal to all Swazis across the board.
- The Lekgotla resolved that the ANC and its alliance partners should continue with the solidarity campaign on Swaziland highlighting the human rights violations, detentions and lack of freedom of speech and association, police brutality.
- In addition, the ANC and the Alliance should meet to discuss and develop a merged common solidarity programme (which will focus on human rights violations, detentions, lack of freedom of speech and association, political parties which cannot operate freely and contest elections) which will guide the Alliance taking into cognisance President Jacob Zuma’s closing remarks at the July 2015 Lekgotla on understanding the disposition of the Swazis and identifying areas in which we can assist the people of Swaziland and their government to find solutions.

7. ENSURE AN EQUITABLE AND JUST SYSTEM OF GLOBAL GOVERNANCE

- 7.1 South Africa continued to build on its proud record of achievement in global multilateral organisations through:
- South Africa continues to campaign for the reform of the UN, especially the Security Council and the Bretton Wood Institutions.
 - 2015 marks the 70th Anniversary of the formation of the United Nations. South Africa will play a

leading role within the G77 and China to ensure that the celebrations are used as a platform to highlight the need for reform of the UNSC and other global governance structures.

- South Africa commenced with its Chairship of the G77 & China in January 2015 and will lead the negotiations on behalf of Developing Countries regarding the Post 2015 Development Agenda.
- South Africa has served as Co-Chair of the G20 Development Working Group (DWG) since its establishment in 2010. As a member of the G20, South Africa will continue to participate in its processes to promote global economic stability and long-term sustainable and equitable growth.
- Since assuming its position on the UN Human Rights Council on 1 January 2014, South Africa continues to focus on the realization of the right to development, the attainment of the MDGs and the configuration of the priorities for the Post-2015 Global Development Agenda.
- Negotiations on the Post-2015 Development Agenda will be concluded by the end of this year. We will continue to call for the acceleration of efforts and resources to ensure the achievement of the Millennium Development Goals (MDGs) 2015 and beyond.

Human Rights

- South Africa participated in the 29th Special Session of UNGA on 22 September 2014 in New York on Population and Development and promoted comprehensive Sexual and Reproductive Health and Rights for all women and girls. South Africa reaffirmed its national commitments to providing universal access to sexual and reproductive health services, especially for vulnerable groups, including adolescents.
- The South African Government, through DIRCO, continues to play a leading role in the context of the UN resolutions addressing issue of empowerment of women and gender equality. In this regard South Africa has been a strong advocate for the implementation of the Beijing Platform for Action as well as the need to place women’s issues at the center of the Post -2015 Global Development agenda including a standalone goal on Gender Equality.
- The South African Government serves as the Vice –Chair of the Bureau of the CCPCJ charged with responsibility of revising the United Nations standard Minimum Rules (SMRs) for the treatment of offenders, both in the context of custodial and non-custodial. The objective of the process is to revise the moribund and defunct prison terminology and align these to contemporary global practices based on human rights norms and standards.

- One of the major achievements by South Africa in the UN Human Rights system has been advocacy and the clarion call for the treatment of the two core Human Rights Covenants on an equal footing and with the same emphasis. As a result, South Africa has been charged with the responsibility of spearheading resolutions on the Right to Development (RtD) and the Rectification of the legal status of the Committee on Economic, Social and Cultural Rights (a treaty Monitoring body).

- South Africa succeeded, after a 12 year painstaking process, to finally launch the aforementioned Decade which seeks to promote the dignity of people of African Descent in the Diaspora. Both the UNHRC and the UNGA adopted several SA-authored resolutions on this matter in the course of 2014, which culminated in the official launch of the Decade on the International Human Rights Day, namely, 10 December 2014 in New York.

7.2 The January 2015 Lekgotla further proposed that:

- The ANC should have a thorough debate/workshop on the Ezulwini Consensus, taking into account
 - That the historical moment ten years ago when the consensus was reached does not pertain today
 - Whether there is any momentum for such a consensus today
 - Whether there are sufficient alliances among us in the continent, the G77 and China bloc, etc,
 - A criteria of which African countries should be considered for inclusion in the UN Security Council .
- There should be a paper commissioned by the International Relations subcommittee, dealing with the transformation of all multilateral institutions, for example, the UN, IMF, WB, etc. Among other things, such a paper should seek to pose the question, whether the agreement that led to the formation of the UN post WW2 is relevant in today's global context – such as veto power, responding to the needs of all global players, etc. The paper should be developed for discussion and direction in the 2015 NGC.
- Develop a list of anchor countries that South Africa needs to work with based on historical relations of the ANC, political influence and trade, where we should
 - Deploy our best cadres; and
 - Create alliances for engagement at international level.

PROGRESS TO DATE:

- On the just and Equitable Global Governance system, South Africa remains an important global player and is continuously invited to take up positions of responsibility. This is in line with our quest to assert ourselves as the ANC-led government in influencing a Better Africa and

a Better World. We also note the cooperation that is growing in South-South and North-South relations as well as in the continent; as well as the growing interest of various political parties in working with the ANC.

- The following analysis and proposals will assist us in continuously assessing our posture and for the recommendation of those areas which the January 2015 Lekgotla had instructed us to develop positions on, including the new developments as they unfold.

WE THEREFORE RESOLVE:

- (i) On the **Reform of the UNGA** and the **UN Security Council**
 - A workshop has been scheduled for September 2015 to review the Ezulwini Consensus, and discuss the reform of the UN Security Council as resolved at the January 2015 Lekgotla. The outcomes of the workshop discussions will be referred to the NEC meeting that will consider and inform the delegation to the UN General Assembly on the Reform Package.
- (ii) **Reform of Global Multilateral Institutions**
 - The reform of multilateral institutions such as the IMF, World Bank etc is already incorporated in the NGC discussion document and recommendations will arise to guide the ANC and government on these matters.
- (iii) **On Strategic Anchor States**
 - The July 2015 Lekgotla accepted the IR Subcommittee's reviewing of the draft document on Strategic Anchor States which will be finalised and used to guide our strategic deployment of resources and personnel. This work will then be finalised at the September 2015 workshop and will inform the discussions at the 2015 NGC.

8. STRENGTHENING INSTITUTIONS OF THE AFRICAN UNION

Africa Rising and Agenda 2063

- 8.1 In response to South Africa's commitment to continue promoting and supporting the building of a better Africa, a national consultative process was undertaken on Agenda 2063. The consultation process culminated in a Joint Session of Parliament on 31 October 2014, to get inputs from civil society on "The Africa We Want".
- 8.2 The January 2015 Lekgotla recommended that
 - There should be coordination at AU level to monitor and evaluate action and programmes undertaken under the 2063 agenda.
 - There should be a deliberate inclusion of young people in programmes of Agenda 2063 and the concept of 'Africa Rising'. This is critical considering

that young people comprise about 60% of our continent's population, and they are adversely affected by illiteracy, unemployment, etc. Therefore, their direct participation in global exchanges, etc., and their consultation in efforts intended to uplift them is essential.

PROGRESS TO DATE:

■ The July 2015 Lekgotla noted that the AU Agenda 2063 was adopted with the following seven (7) aspirations. As this is a new programme which will guide the Africa we want and aspire for, the report is still at its initial stages of implementation by government. Secondly, it is being recommended that both Government and Parliament should adopt and domesticate it formally into our government and parliamentary programmes.

■ Lastly, we call on South Africans to expand their understanding and knowledge of the AU Agenda 2063 and embrace it as their own programme that filters into their daily lives. We note the following initial progress and further resolve as follows:

(I) A prosperous Africa based on inclusive growth and sustainable development

- The commission took note of the infrastructure project, north-south and east-west corridor projects which are about roads, rail, ports, telecommunications.
- Note the engagements and signing of the Continental Free Trade Agreement and the Tripartite Free Trade Agreement.

(II) An integrated continent politically united based on the ideals of Pan-Africanism and the vision of African Renaissance.

- The July 2015 Lekgotla commends the work that has begun during Africa month 2015 which introduced the AU anthem and symbols.
- We therefore resolve that this be a continuous programme until all South Africans can sing the AU anthem and urge government to display the AU flag and symbols on all government/state buildings at all the three spheres, e.g Union Building, Provincial Government head quarters, Parliament, Legislatures and Municipalities, Courts, Police Stations, Correctional Centres etc.
- We also encourage the private sector, particularly South African companies to fly the AU flag alongside the South African flag.
- The commission further recommends that the AU month be an annual event mobilising all sectors of society significantly.

(III) An Africa of good governance, democracy, respect for human rights, justice and the rule of law

- The commission noted and appreciated countries in Africa that are observing the principles of good governance, rule of law, respect for the constitution and for human rights as agreed at the AU. We therefore urge that the ANC and Alliance structures together with our government continue to champion the principle of leaders not staying in power for unlimited periods, and to resist the temptation to change constitutions for this purpose. This will help to strengthen our democracies and to maintain our people's trust in our governments.

(IV) A peaceful and secure Africa

- The Lekgotla noted and welcomed the establishment of ACIRC which is a precursor to the establishment of the Africa Standby Force to secure an everlasting and peaceful Africa and to resolve African problems with African solutions.

(V) An Africa with a strong cultural identity, common heritage, shared values and ethics

- The Lekgotla encourages our people to gain knowledge and understanding through activities as displayed during Africa month 2015, through cultural and educational exchanges. The commission further recommends that these cultural, sports, educational, interactive activities be rolled out continuously at all levels and to promote people to people engagements. This will expand the shared values of pan-Africanism and African Renaissance.

(VI) An Africa whose development is people driven, relying on the potential of African people, especially its women and youth and caring for children

- The Lekgotla notes the successful hosting of the Africa Diaspora conference whose aim is to tap into Africa's peoples in the Diaspora to contribute to the development of the continent and tap into the skills of those living in the continent towards a prosperous Africa. And also to invest in the development of skills of women and youth for the achievement of Agenda 2063 and building a caring society for its children.
- Governments and Communities must initiate and strengthen programmes geared towards skills development and capacity building as a matter of priority.

(VII) Africa as a strong, united and influential global player and partner

- The Lekgotla welcomed the recent AU summit resolutions and its quest to build its institutions that will respond to the many regional programmes geared towards addressing Africa's challenges.
- We believe in a united Africa that will be able to

influence agendas and reforms in multilateral institutions.

- ❑ The Lekgotla therefore recommends that the ANC and the Alliance, the governments in the Regions of Africa together with civil society, to embark on campaigns that promote Africa's unity and prosperity.

9. ATTACKS ON FOREIGN NATIONALS

9.1 The January 2015 Lekgotla recommended that

- Both Government and the ANC should develop a coherent message on the issue of attacks on foreign nationals and how we can manage the issue. Such a message should assist South African society to distinguish between these attitudes/behaviour and criminality that seek to conceal itself by taking advantage of such attitudes.
- Government should recognise and appropriately respond to the economic conditions of South Africans, particularly the black majority in the townships and rural communities, which sometimes give rise to conflict between nationals and foreign nationals. In addition, there should be recognition of the fact that some South Africans who owned businesses in these communities have leased these to foreign nationals because they stand to benefit more, financially. Therefore, Government should explore appropriate legislation at national and provincial levels to regulate this aspect, neither disadvantaging South African nationals nor discriminating against foreign nationals.
- Government should develop an understanding of how the establishment of schools and institutions by foreign nationals with extremist views, have a potential negative impact on stability in our country and how this could possibly create tensions between different religious formations.

PROGRESS TO DATE:

- The July 2015 Lekgotla noted and welcomed the establishment of the Inter-Ministerial Committee (IMC) on Migration assigned to investigate, propose measures and programmes that will deal with the challenges of migration and attacks on foreign nationals which occurred recently. Amongst the issues are solutions to the challenges of porous borders, illicit business activities and goods, undocumented migrants, undermining of trading laws etc.
- The Lekgotla commends the government's interventions through Operation Fiela and other measures aimed at responding to all the issues our people have raised. Also to deal with crime irrespective of who the perpetrators are to effect normality in society.

THEREFORE RESOLVES:

- In addition, we urge Government to consider the establishment of Provincial and Metro offices that will deal with integration of foreign nationals into communities (including education on our culture, laws, language, societal norms etc).
- To encourage government to communicate successes and achievements in addressing the challenges that have been raised regarding migration and any new measures aimed at enhancing social cohesion.

10. INSTITUTIONAL INFRASTRUCTURE

10.1 Continued support for the Pan African Parliament (PAP) as a legislative body of the AU that exercises oversight and affect its advisory and consultative powers. South Africa will continue to provide logistical and substance support to PAP sessions. These were held in Midrand, South Africa, in May 2013 and March 2014 respectively.

10.2 The commission further recommended that

- Government officials and Alliance cadres with knowledge and expertise on Africa and international matters should be seconded to African and other international institutions. To ensure that this is realised, Government should review the remuneration policy and commensurate benefits that accompanying such secondments, so they match those offered in South Africa.
- Government should also review and change its present stance to decline South African officials representing our country in various African and international institutions, especially those where we even invest financially. We should also, in this regard, resist the persistent attempt to blackmail us as "*big brother*" in the continent.
- We should develop greater clarity on the role of South Africa in PAP and what our MPs in this institution speak about and focus on. For example,
 - ❑ Ensuring a collective African voice on the Palestinian question
 - ❑ Ensuring the advancement of a common perspective on global governance
 - ❑ Championing the protection of the rights of women, children, and broadly
 - ❑ Being vocal on issues of social justice
 - ❑ Being outspoken on the question of Swaziland
- Revisit our reason to have motivated for the establishment of an African Court, notwithstanding that some African countries are signatories to the ICC. We should, in that vein, recognise that this is not to suggest that the ICC is an inappropriate

institution, albeit its challenges. SADC must start investigating a new model for a deadlock breaking mechanism which in the future can assist, should there be any situation that confront the region.

- We note that the African Court on Human and people's right is in existence and we have ratified and served on it until 2014. However, there are new developments about one principal judicial organ of the AU called the African Court of Justice, Human and People's Right that the AU Summit has endorsed.

PROGRESS TO DATE:

- The July 2015 Lekgotla noted and commended the establishment of the AU Foundation which is aimed at ensuring the self reliance of the AU in carrying out its mandate. The foundation will be hosted in South Africa and the Tshwane municipality has already identified land for housing the AU Precinct which will also host the PAP, Pan African Women's Organisation (PAWO) and the UN headquarters.
- The Lekgotla commends government on the hosting of a successful workshop focusing on Women in the continent on the sidelines of the AU Summit and urges the ANC and alliance structures to continue championing the cause for the protection of women and children on the continent.

THEREFORE RESOLVES:

- To urgently review the operations of the ICC taking into cognisance discussions in the previous AU summits in which concerns were raised on the attitude and the biased posture of the ICC towards the leaders of Africa. To review the legislation domesticating the ICC based on the recent incident which confronted the country during the hosting of the 25th Ordinary Session of the African Union in Johannesburg. Also to specifically look into the question of whether or not the AU, SADC and other continental bodies and organs are appropriately covered by the law on immunities and privileges; with the view to making proposals to either develop a package of reforms or to review our membership in the ICC. This is informed by a number of countries which still refuse to accede to the instrument of ratification thus denying the ICC to be a global organisation and an instrument that is fair to all in dealing with gross human rights violations, war crimes and genocides.
- Therefore resolves that the NEC Subcommittee on International relations must develop a discussion document with proposals on all these matters for consideration to the NEC. This will form part of the discussions at the workshop in September 2015 whose outcomes will be presented to the subsequent NEC meeting.

11. ADDITIONAL RESOLUTIONS BY THE JULY 2015 LEKGOTLA:

11.1 *International Organisations and Institutions with Agendas aimed at Undermining our Democracy*

- The Lekgotla noted with concern the increasing number of International Organisations and Institutions which are using South Africa as a hub to advance causes that seem to directly oppose the vision of the National Democratic Revolution. These organisations and institutions are being funded by sources who are known to be opposed to the agenda of the progressive forces.
- The Lekgotla therefore resolves that the ANC-led Alliance must look into this phenomenon and develop strategies to counter such, including strengthening our legislative frameworks.

11.2 *National Interest*

- The ongoing discussions and the draft paper on the national interest question should be finalised so that we can begin to conscientise South Africa society to rally behind the country and its aspirations. This will assist South Africans to be patriotic, to love and care for their country including recognising its achievements both locally and internationally. The country needs to have a body of aspirations informed by the vision and future we desire.
- This will be further enhanced and finalised at the September 2015 workshop, then tabled at the NGC for consideration and adoption.

11.3 *Budget and Resources for Advancing our International Work*

- The Lekgotla noted the good work done by government, in particular DIRCO in augmenting South Africa's position and advancing our Foreign Policy on the international stage. It also took into cognisance the need for strategic deployment of our personnel and capital to attract Foreign Direct Investment (FDI) and position South Africa as an investment and tourism destination of choice. And to be a champion of development in the continent and elsewhere in exporting our knowledge and skills to better use in the advancement of our national interest.
- The Lekgotla resolves to continuously assess and put resources where appropriate to ensure that we become a global player that is visible and present and that we enhance our leadership and influence.

12. BUILDING A CAPABLE STATE

- The Lekgotla noted and commended the establishment of the Association of Former Ambassadors which will provide the necessary capacity, support and human resources to deal with broader policy and intervention matters in International Relations.
- The Lekgotla resolves that this capacity be archived and tapped into by both Government and other groupings in society.

CONCLUSION

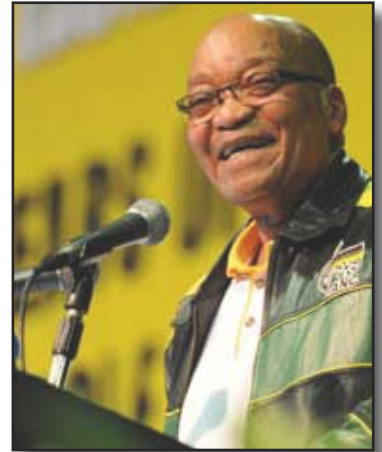
- South Africa and the ANC must assert themselves and up the ante in the International space.
- We must be consistent in our messages and content as well as demonstrate bold and decisive leadership.

PROGRESS TO DATE:

- The July 2015 Lekgotla concluded that South Africa continues to play a significant role in the international arena, partnering with those that agree with us and persuading others to share our vision of A Better Africa and a Better World. This quest for asserting South Africa and the ANC's goals is informed by our national interest and is being advanced on bilateral and multilateral platforms. This is further demonstrated by the number of international events that we host, state visits and engagements at party-to-party levels which have increased tremendously. However, we remain cognisant of the fact that the field of international relations is in constant flux and we need to constantly adapt without compromising our principles.

■ *Closing Address by* **PRESIDENT JACOB ZUMA**

Let Us Turn Word into Action



Comrades we have come to the conclusion of what has been one of the most productive ANC makgotla.

I believe we are coming out of this meeting much clearer about the tasks that lie ahead for our movement and our government, especially as we move closer towards the National General Council and the Local Government Elections next year.

We came here in order to primarily understand the state of our economy and its capability in growing the economy and creating more decent jobs, to understand the capacity of the state to deliver critical services to our people, and lastly to understand the performance of the state as led by the ANC.

These are not new debates – they are work in progress. We have taken many resolutions on many of these in previous makgotla.

So we came here to assess progress on the work we are doing and where necessary to craft new interventions where we have not sufficiently addressed them.

I hope that discussions at commissions helped all of us to get a bigger picture on what is really happening in our country in relation to the economy, social transformation, governance, national security, education and health, science and technology, communication and the battle of ideas, and international relations.

The report on the state of the economy was of utmost concern as it showed that South Africa's economic growth is still lagging behind most global economies.

Our economic plans should always take the national and global realities into account in order to enable us to take

advantage of opportunities that present themselves in the various sectors of the economy, while simultaneously mitigating the ever-present threats to inclusive economic growth.

I was also concerned that we still do not have a full understanding of the capacity of the state to enable it to deliver on its broad mandate.

Further, as we said earlier in our political overview, it is clear that we still have many people who do not have the requisite knowledge and skills for the positions they occupy.

We reiterate that enable the state to deliver on its promise, we must have the right skills at the right places.

The issue of our skills base must be of serious concern to all of us. We should continue to do more to train more engineers, financial managers, doctors, science and maths teachers, IT specialists, and artisans.

This will greatly enhance the capacity of the state to deliver, and thus minimise the heavy reliance on consultants to do government work.

The recent by-elections held nationwide last week must give us a sense of confidence that the ANC still remains a party of choice for the majority of our people.

Our performance and the favourable results indicate the confidence that our people still have in our movement. However the good results must not lead us to a state of complacency, but it must spur us to work even harder.

The results confirm our view that the opposition does not offer any alternative solutions to the ANC and its policies.

As long as we remain united and focused on the task at hand, we will continue to defend the advances of our revolution.

We congratulate all provinces which did well during these by-elections and hope that they will keep up the good work and the momentum as we move closer to the Local Government Elections.

This meeting has given us an opportunity to reflect on the progress we have made in many areas of our work. There is clearly some progress on some of the things that we agreed upon at our last Lekgotla.

It is also clear that there are some areas which were not fully implemented since our last Lekgotla.

We should take note of these and firmly resolve that those areas where we were found wanting must be addressed and implemented with the speed and the urgency that they require.

We have reflected critically on the immediate challenges and resolved on the immediate interventions that should be made as we move closer to the Local Government Elections.

There is a common understanding that as we move towards elections we must behave like a governing party and show that we are actually in an "Election Mode."

This means that all the things that we do between now and the election time must be done with urgency they require.

We have agreed that whatever we do must be properly profiled. We must showcase the ANC Government as a government that delivers. Our people must be informed about every achievement of their government.

This means that we must step up our communications and propaganda machinery.

This Lekgotla also emphasised the importance and the correctness of our Back to Basics programme and all its elements.

The meeting further elaborated that the Back to Basics programme must not only be seen as a local government programme but must correctly be viewed as a programme that cuts across all spheres of government including national and provincial governments.

We have also agreed that during this period we must implement at least 20 percent of high impact programmes that will give us 80 percent impact in the eyes of our communities.

Those programmes were already identified at our previous

Lekgotla. They include fast-tracking and accelerating the delivery of basic services such as water, sanitation, electricity and housing.

We have also said that as we move towards the Local Government Elections we must pay particular attention on the selection of ward councillors and mayors. This process must be concluded before the end of the year.

We must also ensure that we manage better internal tensions and contestations.

We must be firm in ensuring that we implement rapid enforcement of discipline and be firm in dealing with those who seek to disrupt ANC programmes.

Allegations of corruption must be dealt with timeously at all levels of government. Corruption is eating away the integrity of the ANC.

We should never arrive at a point where the majority of our people stop believing what we say.

We cannot afford to go to local government elections with people who are unpopular and may cost us votes.

While we must ensure that we follow internal party democracy, we must also ensure that our candidates are also acceptable to local communities.

This also means that we must urgently deal with apparent gatekeeping in the ANC, when it comes to our membership system.

Joining and being a member of the ANC as well as carrying an ANC membership card must not be the most difficult thing in the country, as it currently seems to be.

We have also agreed that some of the issues that relate to Local Government Elections must be addressed. These include the issues of demarcation, as well as the formula for allocating PR councillors.

It cannot be correct that where we win many seats we become disempowered by the process of allocating more seats to smaller opposition parties.

We must also ensure that the work of various sub-committees continues after this meeting, they must be actively engaged in finalising the work that is not completed by this meeting.

The issue of replicating sub-committee structures at provincial and regional levels must be attended to with urgency.

The work that was done during the Alliance Summit must also be taken forward in order to ensure that we normalise relations between Alliance partners ahead of

the Local Government Elections.

The reports of the outcomes of the Alliance Summit must speedily reach all components of the Alliance.

The details of what the various commissions discussed, debated and resolved on are contained in commission reports. I do not intend to go into them extensively.

However our main preoccupation should be around how we ensure that such resolutions get implemented at the end of the day, and how we guide government in implementing them.

Our main weakness as the ANC has largely been around this area, the implementation phase of the resolutions.

If we can address this we would go a long way in advancing the country's agenda of growing the economy, creating jobs attaining a better life for all.

We must ensure that there are strong systems in place which will take us to the higher level of implementation.

Our monitoring and evaluation systems must be strengthened at all levels of our movement and government.

This meeting has gone some way towards helping us to prepare and plan for the NGC as well as the local government elections and has clarified our work ahead.

I believe that the discussions and resolutions of this meeting will inform the work of government when it meets to deliberate during its Cabinet Lekgotla.

Let us go out to put into practice what we have adopted as our line of march.

I thank you.

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