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SUMMARY OF DISCUSSION DOCUMENTS

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1 BALANCE OF FORCES

1.1 African and International

- There has been a change in global dynamics;
- China now world's second largest economy since 2011; and it overtook US as 'largest global economy' in 2014 + surpassed US as Africa's largest trading partner in 2009;
- Global economic crisis brought to fore 'dominance, adventurism and sheer power of finance capital'...what some have referred to as the 'casino economy' which 'brought the world economy to the brink of collapse...it has also generated greater activism by regulators to limit the impact of financial crises on governments and citizens';
- Rivalries among world's biggest powers continue;
- US using 'containment strategy' to undermine China's relationship-building with developing nations;
- US narrow national interests still prevail to keep it the 'dominant and uncontested global power';
- Example of US's 'unipolarity' is its 'unilateralism' in the fight against terror and 'regime change';
- Unbridled market capitalism has lost its shine in last three decades;
- Global economic crisis brought to surface role State can play in regulating the financial sector...and the concomitant social ills resulting from this;
- Neoliberal ideology faces 'crisis of confidence and credibility';
- Africa both beneficiary and, in some instances, victim of changing global dynamics;
- Seven of the ten fastest growing economies in the world are in Africa;
- Projections are that Africa's collective GDP would almost double by the middle of the 2020s;
- African economic integration has not been pursued with the enthusiasm it deserves;

- How do these opportunities and challenges relate to South Africa's own growth and development? Is Africa Rising a threat or an opportunity? Barring countries largely in conflict, South Africa is the economic growth laggard on the continent;
- South Africa can also exploit the natural advantage of its geography situated as it is in the south between East and West;

1.2 South Africa

- South Africa stable nation with progressive constitution South African polity essentially a stable one, with Constitution accepted across board as broad framework for the regulation of socio-political relations. Its articulation of different generations of rights lends it a progressive character for the pursuit of speedier transformation;
- ANC bemoans some sectors of society using courts to fight battles: a worrying trend in the recent period has been the tendency for leaders of various sectors of society, especially in the political arena, to seek judicial resolution for matters that can be managed through other channels. These range from quarrels with a puppet and the singing of songs, to legal challenges against constitutionally-valid administrative actions by the Executive. On the one hand, such 'lawfare' can suck up the judiciary into the maelstrom of day-to-day societal management and thus unnecessarily splutter it with mud. On the other, repeated attempts of this kind, into which huge resources thrown, do suggest that some privileged sectors of society seek to undermine the popular electoral mandate;
- It should also be noted that, from time to time, tensions have boiled over between the judiciary and the other arms of the state, and between the executive and the legislatures. Such tensions can be healthy – and are perhaps normal – in a constitutional democracy. However, to the extent that these tensions may reflect a slow pace of transformation in the judiciary, poor accountability by the executive, or disdain for electoral outcomes by opposition parties and a poor sense of inclusivity by the majority parties in the legislatures, these need to be addressed in a systematic manner, with the fundamental aim of strengthening the democratic system;
- Service delivery protests a concern for the ANC: legitimacy of the polity and state may be fraying due to protests as a form of democratic expression post-1994; the ANC calls this the 'flammable social tinder'; local government especially is where this manifests;

- ANC suffering damage to its brand, name and image: ANC coming under increased scrutiny for purportedly not tackling corruption forcefully; as a result 'legitimacy of the state and polity are undermined';
- Impression being created State failing in its duties to manage bodies under it... state-owned entities...high management turnovers suggest 'patronage' coverups' 'poor decision-making';
- These elements threaten the 'legality' and 'legitimacy' of the system...with 'forces opposed to transformation' both on the right and left using it tactically;
- SA economy still 'trapped in the path dependency of the mineral-energy complex';
- Huge concentration and centralisation of capital, with monopolies dominating most sectors of the economy, and some of them engaging in uncompetitive practices, is a major challenge. Small, medium and micro-enterprises do not enjoy the same broad proportion of GDP as in other developing countries;
- National Planning Commission recognised the critical challenge is that the economy creates too few jobs and economic opportunities. The skills development programmes have been proceeding at too slow a pace. All this impacts most negatively on youth, women and rural communities;
- The distribution of wealth and income is largely still characterised by the racial and gender demographics of the colonial past;
- It is the combination of all these factors which have impelled the ANC to call for radical economic transformation, as a critical pillar of the second phase of transition to a national democratic society. As intimated above, such transformation has to address, among others, issues of high rates of economic growth, changing structure of the economy in terms of sector configurations, equitable distribution of wealth and income, de-racialisation of ownership of capital, better skills and training programmes, efficient provision of social and economic infrastructure, and diversification of our international economic partnerships;
- High unemployment rates among young people, combined with urbanisation, have created a large swathe of marginalised and alienated youth – with major implications for social stability;
- What deserves noting is that South African society (including particularly the Black and Coloured communities) is more educated, with a higher proportion

located in the middle strata and a smaller proportion made up of industrial workers;

- Recent surveys notably by the Institute of Justice and Reconciliation has flagged that race relations have not been improving ...poor and people from lower LSMs excluded from inter-racial social integration;
- The state has, as matter of policy, sought to implement redistributive policies and to promote a spirit of human solidarity. However, the lived experienced of the overwhelming majority in society, wherever each individual may be located, is one of a nation driven by cut-throat competition, a rat race to climb the social ladder, and the fear of falling among those higher up who thus use legal and notso-legal efforts desperately to cling to what they have. Apprehension about falling down the social ladder afflicts especially the new, mostly-first-generation middle and upper strata (essentially from the Black community), who have nary an inheritance to fall back on;
- The change in social demographics, with a growing numbers of Black 'middle and upper classes', has not fundamentally changed the skewed racial distribution of wealth and income. It has also brought to the fore social disparities within the Black community itself. At the same time, the value system based on selfishness and crass materialism is getting further entrenched in society;

1.3 Politics/ elections

- ANC losing support since last two national elections;
- EFF tapping into support from informal settlements;
- Race still 'largely' determines vote choices;
- But 'white-based' parties, combined, started at 24% in 1994, declined and are back at 23% in 2014;
- DA attracting more minority voters;
- The most dramatic shifts have happened in the metros. Except for a marginal gain in Buffalo City, the ANC's support declined in these areas by an aggregate of 10.3 percentage points, with the EFF gaining 11.4% and the DA increasing its support by 6.5 percentage points. In these areas, the ANC seems to have shed support among the lower and upper middle strata among Africans as well as the poorest of the poor;

- The aggregation of political choices in accordance with self-declared socioeconomic policies does present an interesting picture. This is that Left of Centre parties (ANC, UDM and COPE) had 74% of the vote in 2009, which came down to 64% in 2014. Right of Centre parties (DA, IFP, NFP, UCDP, ACDP and FF+) attained 24% in 2009 and 28% in 2014. The aggregate self-declared Far Left (PAC, APC, AZAPO and EFF) had not performed much beyond 1% since 1994: in fact it attained 0.4% in 2009; but went up to 6.6% in 2014;
- The sentiment for social transformation remains strong; but some of the motive forces no longer consider the ANC as the representative of such change. Secondly, there is patent impatience with the pace of change and this expresses itself among the poorest in society as well as some African professionals and youth. Thirdly, while white multi-class support for the DA has remained solid, a section of the Black middle strata (Coloureds, Indians and a small segment of Africans) now view this party as being representative of their interests. Fourthly, the choices also reflect the rising primacy of current issues such as manifestations of corruption and Gauteng's eTolls in electoral decisions introducing an interesting (though still moderate) fickleness to South African politics, especially among the middle strata;
- Having sensed this tentative shift with regard to popular confidence in the ANC and the government, the opposition parties – <u>particularly the EFF and the DA –</u> <u>believe they have drawn blood and can inflict further blows to undermine the</u> <u>ANC.</u> The disruptions in parliament and some legislatures, campaigns to occupy land and others that border on illegality, are all meant to, or do in fact have the effect of, undermining the legitimacy of the ANC, of the government and ultimately of the state as such;
- <u>A coup d'état is not possible in South Africa.</u> Some of the disruptive and nearillegal campaigns may have the effect of initiating mass uprisings or other actions that may goad the state into precipitate action; as has happened with the unseemly disruptions in Parliament and, on the extreme, the Marikana tragedy. Whether this would be by default or by design – on the part of the adventurists – is a matter of conjecture;
- The obvious intention of these forces is to improve their electoral prospects and, by democratic means, to displace the ANC as government across the spheres. This is rough, clumsy and distasteful; but it is legal political engagement all the same. It behoves the ANC to develop tactics that obviate the impact and attractiveness of these trickeries;

- The ANC currently remains the only primary force capable of driving the project of social transformation. However, this is dissipating. The ANC's leadership status and role are under threat; and other political forces seek to exploit its weaknesses to dislodge it;
- The ANC is 'losing the moral high ground';
- <u>Party problems identified from previous conferences persist:</u> 'factionalism and money politics', 'improper conduct' by leaders and members, splits in the trade union movement, 'business unionism' and distance between workers and union leaders;
- In brief, the <u>ANC needs seriously and systematically to embark on organisational</u> <u>renewal</u> in order to maintain, and indeed strengthen, its status and role as a vanguard in this second phase of transition to a national democratic society;
- A <u>serious turn-around is required.</u> Otherwise, the National Democratic Revolution is in grave danger!

2 SOCIAL TRANSFORMATION

- Progress made in past 21 years; millions still left out of economy: whilst in over the past twenty years of Freedom and Democracy, significant strides have been made in building a socially inclusive society, made progress in reducing poverty, closing the gap between the poor and the rich. However, despite this progress in fighting and reducing poverty, inequality and unemployment, we still face challenges of race, gender and slow economic growth which results in many excluded from the economy;
- Social grants making tangible difference in lives of SA's poor: Child Support Grants (CSG) - Internationally, the grant has been recognised by the World Bank as amongst the best unconditional transfers in the world. In a recent report entitled The State of Social Safety Nets 2014, the World Bank ranks the CSG amongst the top five programmes across the world in terms of absolute number coverage as well as percentage of the population coverage. The Child Support Grant was ranked the largest social safety net in the continent;
- More attention to be paid to SA's younger population as they are the future: children make up 31.3% of the population, and therefore require interlinking strategies to ensure that the adults of 2030 are active agents in implementing the vision for South Africa envisioned in the NDP;

- Given the positive impacts of the CSG, the ANC-led government will work towards universalising the Child Support Grant so that no deserving child is excluded. However, South Africa has approximately 1.5million double orphans and approximately 4million poor children who have mothers, but due to poverty and other social problems reside with their extended families. These are all children in need of foster care. The foster care system is cumbersome, with significant administrative delays that impact negatively on orphaned children's rights to adequate and timeous social assistance as is constitutionally required. Over the next five years, work will be done to review the CSG and FCG to align the benefits and create a universal child benefit;
- Youth aged 15–24 years account for almost 20% of the country's population while those aged 15–34 years account for 37%. The majority of the youth are poor, with more than half of all 18–24 year olds living under the lower bound poverty line of R604 per month in 2011. More than two-thirds live under the higher bound poverty line of R1 113 per month and that about half are unemployed and about two-thirds are inactive. Employment projections show that even if average annual growth were to rise to 5%, unemployment amongst 15–24 year olds would be 44% and 31% by 2020 and 2030 respectively, in the absence of special other interventions. In addition, the youth are unduly burdened with all key social challenges including unemployment, substance abuse and HIV and AIDS;
- <u>Amendments will be made to the Social Assistance Act to ensure that children</u> <u>over the age of 18 who are still at school are able to continue accessing the Child</u> <u>Support Grant so that their basic needs can be met;</u>
- The <u>ANC-led government will universalize the State Old Age Pension</u> over the next 5 years. This will ensure that no older persons are left vulnerable due to exclusions currently associated with the means tests that are applied;
- The <u>current housing mandate</u> restricts subsidies to households earning less than R3,500 per month. This was premised upon the assumption that end-user finance would be accessed for the construction of houses by income groups above R3500 per month. This has not in fact occurred and there is a growing disjuncture between subsidised and non-subsidised residential accommodation. This impacts negatively on the operation of the residential property market. In order to address this problem, a new subsidy mechanism is to be introduced to facilitate the availability and accessibility of affordable housing finance products/instruments to medium income households (earning R3,500 to R 7,000 p.m.) by providing a mechanism to overcome the down-payment barrier;

- Section 10A of the Housing Act prohibits the <u>sale of government-subsidised</u> <u>property</u> for a period of eight years. This section was enacted to protect subsidy beneficiaries from downward raiding. The provision has also had the unintended consequence of undermining beneficiary choice and housing mobility and has created a significant barrier to formal secondary transactions. For this reason, an amendment to Section 10A of the Housing Act, 1997, is to be introduced to reduce the prohibition period following occupation to five years;
- Within the urban context, there is a need to focus on "changing the face" of the stereotypical "RDP" houses and settlements through promotion of alternative technology and design. The Department will investigate measures and incentives to enhance housing design and promote and alternative technologies, including support and protection of indigenous knowledge systems;
- A phased-approach to the introduction of <u>compulsory African languages in</u> <u>schools</u> will be adopted;
- The NDP proposes that every ward should have adequate facilities for basic exercise and sporting activities and suggests improving public services and spaces as well as building integrated housing and sports facilities in communities to ensure sharing of common spaces across race and class. It also encourages a holistic approach to low-cost housing developments that include local recreational facilities. Daily interactions on an equal basis build social cohesion and common understanding. These interactions will be promoted effectively when South Africans share more public spaces;
- For the transformation vision for sport to be realised, school sport must be adequately resourced. The government must ensure, that there are adequate facilities for the majority of the population to play sport and that these are adequately maintained. This does not need expensive buildings, but recreational environments with basic facilities that can function as community hubs. Communities should organise sporting events, leagues, championships and generally look after the sports facilities once they are installed or developed. Corporate investments in grassroots sport should also be encouraged.

3 ECONOMIC TRANSFORMATION

• The <u>core structural weakness of South Africa's economy</u> is its continued incorporation into the global division of labour as producer and exporter of

primary commodities, and importer of value-added, manufactured products. This growth trajectory – typical of many colonised countries in Africa – constrains our ability to create jobs at an appropriate skill level and in sufficient numbers to address South Africa's unemployment challenge, and bestows the benefits of local value-addition (jobs, company profits which can be re-invested in the economy, tax revenue and industrial deepening) on our trading partners;

- Given the current and forecast subdued demand for South Africa's key commodity exports and weak prices, our <u>current growth trajectory cannot be</u> <u>sustained</u>, nor has it proven to be supportive of inclusive growth;
- It is therefore <u>crucial for South Africa to improve the competitiveness of the</u> <u>domestic environment;</u>
- <u>Compared to its peers, South Africa is shown as a serious underperformer.</u> Growing at rates that are out of sync with its peers;
- Despite a low interest rate environment, private sector investment has fallen since the 2008 crisis and remains weak. Consumption-led and import-intensive growth has evaporated with dangerously rising household indebtedness and the emergence of a substantial current account deficit. In the past 3 years, prolonged strikes in the platinum and manufacturing sectors, and at the South African Post Office have severely disrupted economic growth;
- Rising government debt and a wide current account deficit make South Africa vulnerable to global economic shocks;
- <u>Growth remains too low and job creation insufficient. A key constraint to</u> <u>achieving our industrial growth is the national electricity shortage;</u>
- The NDP envisages that over time annual public and private investment levels should be raised from the current 19% to 30% of GDP;
- Investment by state owned enterprises rose sharply from 2007 and continued to grow at a lower rate after 2008. General government investment (mainly construction of social infrastructure like hospitals, schools and police stations) remained low during the recession, but is now growing strongly. However, private sector investment remains very weak;
- Some, on the left, argue that low private sector investment proves that South African capital is unpatriotic, that it is on an investment strike and that it would be better if the state enlarged its role in order to advance economic transformation;

- Others, on the right, argue that it is in fact the state that is retarding private investment, that if more state assets had been privatised and the state had reduced its role in the economy then growth and investment would have been higher;
- Production and employment in the manufacturing sector (now 12% of GDP from 19% 14 years ago), has continued to decline due to fierce competition from – sometimes illegal or subsidised – imports, low productivity, low rate of reinvestment, falling technology development and inadequate skills formation;
- From 2000 to 2014, employment in the agriculture sector fell from 1.4 million to a <u>mere 600,000.</u> During this period, average farm size increased through consolidation and became more mechanised, capital intensive and more reliant on chemical inputs;
- While the sector is now more efficient both in its production outputs and net farm income, it has not been accompanied by concomitant increases in transformation nor employment, despite support programmes such as the Re-capitalisation of Land Reform, BBBEE charter, and various other programmes aimed at addressing transformation;
- The <u>State must therefore re-think the design and implementation effectiveness of</u> <u>its programmes to address the structural challenges of economic transformation,</u> <u>growing market dominance and increasing job losses within the sector;</u>
- TARGET: A condition must be added to all incentive programmes funded by the state, that <u>5-10% of produce procured by manufacturers and commercial farmers</u> <u>must come from SMMEs and smallholder producers in the sector. This would</u> <u>require a state registry of all farmers;</u>
- TARGET: we must dedicate a significant percentage of resources (ideally 40%) to unemployed youth graduates in Agriculture, Forestry and Fisheries;
- TARGET: <u>All supermarkets must procure 5% of its fresh produce and processed</u> food products locally and from smallholder farmers;
- The pace of land reform is accelerating;
- Since 1994 7.4 million hectares have been delivered, 5.3m between 1994-2009 and 2.1m over the past 5 years;
- Number of employees in the agricultural sector has fallen by 20% between 2008 and 2014;

- <u>Oil and gas resources are emerging as another potential game changer in South</u> <u>Africa;</u>
- Acceleration of oil and gas exploration including shale gas exploration and coalbed methane (CBM) can only be successful through a comprehensive approach the upstream sector in the oil and gas sector;
- Another sector which holds great potential for job creation, especially in rural areas, is tourism. However, barriers to entry into the value-chains of the sector that are faced by SMME's, Black-owned enterprises, particularly the youth and co-operatives need attention. We need to draw lessons on how to improve the integration of Black people, women, the youth, SMME's and co-operatives into the tourism value-chain;
- If we add up all the indirect impacts, tourism generated 9.7% of South Africa's GDP in 2013 and supports more than 1.4 million jobs in the country;
- We must continue to encourage the creation of new businesses, cooperatives and the expansion of small business, by reducing the costs of compliance with government regulations, making it easier for companies to 'do business' with government, making sure that government pays its invoices on time and strengthening the role of our development finance institutions;
- Small and medium enterprises and co-operatives have a potential to create more job opportunities, particularly for the youth. The best way of taking investment opportunities to poor communities is by supporting SMME's and Cooperatives in those communities. Once these SMME's and cooperatives thrive, larger firms, such as banks, begin to open up services and economic activity improves. The strategy should be to promote SMME's and Cooperatives in poor communities;
- Recognising the enormous potential of the ocean in contributing to economic growth, creating jobs and reducing poverty, key Government departments must cooperate in enhancing the ocean economy in four new growth focus areas, namely marine transport and manufacturing, offshore oil and gas exploration, aquaculture and marine protection services and ocean governance;
- The South African economy continues to be dominated by monopolies and oligopolies in strategic value-chains. Monopoly and cartel pricing directly undermines the growth of the economy by increasing prices of key products for downstream industry and those that are essential for low income consumers. In addition, tight knit insiders raise barriers to entry for new participants including black owned and managed firms, and lobby to protect their position through rules

and regulations that favour incumbents. These have served to stifle the development of downstream, labour-intensive industries, small and medium-sized enterprises, cooperatives and Black-owned firms;

- The world has become more connected, networked, and interdependent. At the centre of this inter-connection is ICT. This sector is a key enabler of innovation and is a fundamental resource for a developing economy. It can open many avenues for growth and employment. There is a need for a comprehensive national approach to the deployment of the ICTs to modernize government, the economy and service delivery within the context of a national e-strategy and an integrated e-government policy;
- Widening disparities in income, wealth, and opportunities have risen to the top of our concerns;
- The capacity of the state is a macroeconomic issue because it influences the behaviour of the economy as a whole. It is therefore important that we reemphasise the need to continuously improve the capacity of the state;
- However, <u>one of the key challenges of the South African Public Service is to</u> <u>develop and retain competent leaders, technical staff and managers.</u> Experience has shown that during the time of political changes of government, there is normally a high level of movement that can be expected, and most senior managers have accepted this reality;
- The strategic role of the state should be accompanied by increasing the economic planning capacity of the state, restoring its long-term economic perspective, which should provide an anchor around which private sector investment decisions should be made. This will require that we build state capacity, establishing high standards of employment in the public service, raise the levels of professionalism, discipline and a commitment to serve. The public sector must strengthen its planning capacity and project management skills;
- LABOUR MARKET <u>Currently, 95% of the unemployed do not have tertiary</u> <u>education, 62% have less than secondary education, and 60% have been</u> <u>unemployed for more than a year. Unemployment affects young people the most;</u> <u>40% of the unemployed are new entrants to the labour market, which are most</u> <u>likely to be young people; 72% of the unemployed are young people.</u> Tackling the unemployment challenge is to a large degree similar to tackling youth unemployment; our objective is to attain full employment – with adult South Africans either employed or in meaningful self-employment. By 2030, the unemployment rate, broadly-defined, should not exceed 6%. Ideally, the majority

of these should be in decent jobs characterised by a living wage, decent conditions of employment and appropriate benefits.

4 EDUCATION AND HEALTH

4.1 Basic Education

- To promote <u>school safety</u>, the DBE and PDEs (provincial departments of education) are implementing in all provinces the 2nd phase of the Partnership Protocol of linking schools with police stations and the establishment of Safe School Committees. 15514 schools have been linked to police stations as at June 2014 and Safe School Committees have been established;
- The DBE and PDEs are implementing a comprehensive programme focusing on Sexual Reproductive Health (SRH) and education outcomes to keep girls in schools. The Subcommittee will receive a progress report on the implementation of recommendations of the 2009 DBE report entitled Teenage pregnancy in South Africa – with a specific focus on school-going learners. The DBE has come up with a draft policy for the Prevention and Management of Learner Pregnancy. This policy is an alternative to the previous policy that punished learners for falling pregnant. The proposed new policy considered the rights of the learner to education, dignity and the right of privacy. The draft policy would be circulated to Provincial Education Departments;
- Engage trade unions for members to accept re-deployment and re-skilling;
- In order to promote Inclusive Education, the sector has initiated a process of developing the <u>South African Sign Language (SASL) curriculum for grades R</u> <u>to12</u>, whose implementation will follow a phased-in approach starting at Foundation Phase and grade 9 from 2015 to end with implementation at grade 12 in 2018. Training focused on more than 250 teachers and Deaf Teaching Assistants from the implementing grades in 45 schools will be implemented from 2015 onwards;
- Information Communication Technology will be prioritized for implementation at schools to act as an anchor for the radical transformation of the basic education;
- Teacher Development will be prioritised to enhance teacher performance and quality of learning and teaching support through increasing the depth of content knowledge of our teachers;
- Mobilise communities to oppose tendencies to target schools as part of civil disobedience;

- Improve the efficiency of scholar transport provision;
- To embed our constitutional values and principles as well as those of the Freedom Charter in the Curriculum;
- Improve efficiency in the roll out of the National School Nutrition Programme (NSNP);
- <u>Commitment by all parties to maintain labour peace during the period of salary</u> <u>negotiations;</u>

4.2 Higher Education (DHET/ HET)

- A Ministerial Task Team was established to ascertain whether community service for graduates is feasible within South Africa and to propose a model for implementing community service for graduates. A report on this matter was supposed to have been finalised by the end of March 2015. The HET sector expects that this report will be approved by the Minister by the end of June 2015;
- A report on <u>transformation in public universities</u> has not been submitted. The Subcommittee noted that the DHET established in January 2013 an Oversight Committee on Transformation in South African Universities;
- The Subcommittee has not received a report on the review and improvement of • the National Student Financial Aid Scheme (NSFAS) aimed at encouraging students from working class and poor communities to go to tertiary institutions. The Subcommittee has noted that the DHET has increased the NSFAS funding at Universities from R2.2 billion in 2010 benefitting 148387 students to R3.693 billion in 2013 assisting 194923 students. This has been increased to R4.095billion in 2015, which means that the fund has been doubled in five years. NSFAS student bursary funding at TVET colleges increased from R318million in 2010, benefitting 61706 students to R1.953billion in 2013 assisting 220978 students. It also noted that NSFAS students in their final year were provided with full cover of costs to study in 2011 with 57667 students benefiting in the 2011 and 2012 academic years totalling R1.9billion with final year students, who successfully completed their studies, had their loans converted to a 100% bursary, as an incentive. The number of students covered by NSFAS at universities will not be able to grow without the injection of additional funding. Currently only 205000 university students can be supported per annum. The 26804 final year students who were funded and graduated as part of the final year programme amounted to R1.1billion;

- The Subcommittee has noted that the program of the <u>re-opening of teacher</u> <u>training colleges</u> is being implemented albeit without urgency;
- The <u>unbundling of MEDUNSA from the University of Limpopo</u> has been completed. The MEDUNSA campus has been incorporated into the Sefako Makgatho Health Sciences University (SMU) on 01 January 2015;
- The Subcommittee has noted that the DHET is working towards the finalization of a policy on student accommodation; that it has allocated R1.652billion towards student housing over the period 2012–2015; and that it works with various partners to address the provision of student accommodation in the post-school system. R1.413billion has been ring-fenced for historically disadvantaged institutions and campuses. Existing infrastructure funds for the period 2012–2013 to 2014–2015 have been allocated largely to those universities with the greatest needs and backlog;
- The DHET has intensified its Campaign against Corruption. An amendment to the Higher Education Act was done in 2012 to ensure that university Council members and management declare their business interests to prevent them benefiting from contracts with institutions. Student governance rules to stop students from being part of tender committees have been instituted. There is no university currently under administration;
- The HET sector did not finalize the policy on <u>free higher education</u> to all undergraduate level students for adoption before the end of 2013. The Subcommittee noted that the Ministerial Working Group on Fee-Free Higher Education completed its report in mid-2013 and that the Minister elected not to publish the report, but rather to work with its recommendations to develop a draft policy statement;
- The target date for amendments to NSFAS Act and draft regulations to be published for public comment is March 2017;
- The DHET has not introduced a newly structured National Student Financial Aid Scheme (NSFAS) to enable fee-free education from 2014 onwards. However, NSFAS has implemented a new student centric model on 7 October 2013 which makes it possible for eligible students at higher education institutions and TVET colleges to apply directly to NSFAS for funding;

4.3 Health

• Elements that are still 'works in progress': Strengthen health-specific management capacity for programs and facilities, especially hospitals; Evaluate

and strengthen the District Health System and Primary Health Care; Review all policies, legislation, regulations and directives that led to the closure of nursing schools and colleges; Expand the scope and numbers of Community Health Workers; Strengthen programs against MDR-TB and XDR-TB; Improve drug supply and management; Draft plans for the establishment of a state-owned drug manufacturing entity;

- <u>Strengthen provincial departments of health capacity to deliver and maintain</u> <u>health infrastructure for primary and secondary health facilities;</u>
- Non-negotiables for health, e.g. pharmaceuticals, security, vaccines, food, dry dispensary, have been adopted as a policy and good practice for hospitals and clinics and a strategy of monitoring availability of essential goods and services. The sector will report on the monitoring of implementation of this resolution and incidents of shortage plus plans to prevent the said shortages;
- Regulations on diet and salt content in foodstuffs to enforce salt reduction in the food industry were signed on 18 March 2013;
- The <u>NHI fund has not been set up as yet using state revenue.</u> The resolution directs that the fund be set up urgently by 2014. However, discussions have been initiated between the Department of Health and the National Treasury through the facilitation of the Presidency;
- ANC and government are working to mobilize of broad social support for the roll out of the NHI. The Gauteng ANC and government have undertaken roadshows to popularise NHI in the NHI Pilot districts in 2013;
- In order to accelerate the <u>training of health professionals</u> in collaboration with the Ministry of Higher Education and local Universities and where necessary to extend training to outside the borders of our country; the DoH has expanded the Mandela-Castro Health Collaboration by increasing intake of students from about 90 per annum to close to 1000 per annum in 2012. Most local universities have expanded their training platform for medical students thereby increasing their total intake per annum;
- An <u>Ombudsperson responsible for Quality of Health Care has not yet been</u> <u>appointed.</u> The deadline for this appointment was 2013;
- The National Pricing Commission to <u>regulate the health care costs in the private</u> <u>sector</u> was not established in 2013 as per resolution. The DoH is waiting for the finalisation of and recommendations from the Market Enquiry into the Private Health Sector Costs to inform appropriate interventions;

• Laws to <u>abolish marketing of alcohol products</u> were not passed by 2013 as directed by the resolution;

4.4 Science and Technology (DST)

- The announcement on 25 May 2012 that South Africa has won the bid to host the <u>Square Kilometre Array (SKA)radio telescope project</u> marked the completion of a mandate for the DST to lead in the effort of getting a project of massive scientific significance to South Africa, Africa and the Southern hemisphere. This is significant as it includes the recognition of the MeerKat telescope, a South African product, as a critical component of the SKA project;
- The DST has contributed to about <u>2000 graduates and students placed in the</u> <u>DST funded work preparation programmes</u> in Strategic Energy Technologies Information Systems (SETIs) including its science councils, national facilities and museums for the past two to three years;
- The <u>first dish of the MeerKat</u>, which will form 25% of the first phase of the SKA, was launched in March 2014. This project is on course and continues to contribute to assist South Africa to attract other radio-astronomy initiatives such as the C-Band All Sky Survey (C-BASS) and the Precision Array for Probing the Epoch of Re-ionisation (PAPER);
- A highlight of the 2012/13 financial year was the <u>expansion of the broadband</u> <u>connectivity to all the major campuses of tertiary educational institutions</u> through the continued implementation of the SANReN programme. A total of 139 research and educational sites have been connected with high-speed networks ranging from a minimum of one to a maximum of 10 gigabits per second;
- The DST is implementing the Square Kilometre Array (SKA) and MeerKAT project coordinated through the Presidential Infrastructure Coordinating Committee (PICC). The Board of the international SKA Organisation in March 2015 agreed on the design of the first Phase of the SKA, called SKA1, which will fit into the € € 650 million budgeted for its construction. The detailed design is now proceeding and construction of SKA1 is expected to start in 2018. The first dish of the MeerKat, which will form 25% of the first phase of the SKA, was launched in March 2014. This project is on course and continues to contribute to assist South Africa to attract other radio-astronomy initiatives;
- Continue to ensure that <u>funding for Science and Technology reaches 1.5% GDP</u> and at least reaches the investment equivalent to African Peers;

5 LEGISLATURE & GOVERNANCE

5.1 Challenges identified with regard to resolutions from 53rd National Conference

- The <u>implementation of major transformative policies</u> around reconfiguration of the state has, in some cases, not been as speedily as mandated. The specific short-comings are:
- The resolution on <u>Review of Provinces</u> adopted in two National Conferences It has not been implemented;
- The resolution on creating a <u>Single Public Service</u> is also progressing at a slow pace;
- The resolution on <u>Gender Mainstreaming in the Public Service</u> has not met the required targets;
- Addressing Local Government institutional challenges, such as the viability of some municipalities, fiscal arrangements and the two-tier system, has not been implemented as mandated;
- The resolution on <u>Municipal Demarcation</u> has also not been adequately addressed;
- The National Conferences resolved to strengthen the legislatures and ensure deployment and retention of capable cadres in National and Provincial Legislatures, and Local Government Councils. However, the realisation of this resolution remains a serious challenge;
- Similarly, the implementation of National Conference resolutions on mechanisms to strengthen participatory democracy, community participation and an activist parliament has been lacking;

5.2 Legislatures

• The <u>Fifth Parliament has been characterised by unity of the opposition with the</u> <u>intention of destabilising Parliament.</u> This has been demonstrated through the attempted motions of no confidence targeting ANC leadership in parliament; the unruly and disobedient behaviour, walk outs; and flagrant disregard of electoral doctrines that underpin the role and character of the democratic Parliament;

5.3 Local Government

• The 53rd National Conference further mandated that <u>relations between councillors</u> <u>and traditional leaders should be improved in the interest of service delivery</u> and development. The policy paper on traditional leaders will adopt practical mechanism and guides to improve the relationship between councillors and traditional leaders;

5.4 Electoral Issues

- The overall electoral system has been endorsed by the National Conference. The Conference noted that the <u>proportionality and allocation of PR seats in municipal</u> <u>councils, vis-à-vis ward councillors, needs to be reviewed;</u>
- In the recent election, an observation has been made around the eligibility for election as a President, Premier and Presiding officers. The Constitution provides for the President to be indirectly elected from the National Assembly, as is the case of other Office Bearers, including Premiers in the Provinces. <u>There is a</u> <u>need for further clarification and exploring the possibility of whether a distinction</u> <u>between a 'natural born" citizen and a "naturalised" citizen can be made when</u> <u>considering eligibility for assuming the Office of Presidency, Premier or Presiding</u> <u>officers;</u>

5.5 Demarcations

- The ANC conferences have mandated that the <u>structure</u>, <u>role and mandate of the</u> <u>Demarcation Board be reviewed</u>. The review of the Demarcation Board is informed by the development and maturity in the system of governance and our democracy;
- The <u>frequency of boundary reviews has been a constant source of concern for</u> <u>the ANC and communities;</u>
- The Ward Delimitation process, as mandated by the Demarcation Act, is also a policy area that ANC Conference has resolved on;
- The role and responsibilities of the Municipal Demarcation Board are being reviewed. A Task Team has reported to COGTA and further work is being done to address these and other issues. At the same time, there is a need to clearly define the framework within which re-demarcations occur. The NEC has resolved that <u>re-demarcation of boundaries must be aligned to the census;</u>
- Government is considering the <u>creation of further Category A municipalities</u> and also the possibility of strengthening Districts through applying the District Management Model to dysfunctional municipalities;
- The <u>delimitation of wards is also under review given that every time ward</u> <u>boundaries change, it impacts on structures of the ANC and government.</u> Given

the importance of wards in municipal planning, mechanism must be found to reduce the frequency and extent of ward boundary changes;

5.6 Service Delivery Protests

- The NEC resolved to <u>establish a Rapid Response Team (RRT)</u>. The RRT was tasked to <u>investigate the root causes of protests</u> and identify hotspot areas where there are high levels of protest. The RRT was also mandated to introduce remedial measures to stabilise and reduce protests;
- Hotspot municipalities are prioritised based on service delivery protest(s), institutional instability, and lack or inadequate infrastructure impacting negatively on service delivery;
- Rapid Response Specialists comprising of former DG's, Municipal Managers, CEO's of public sector entities was established, with requisite expertise and experience to resolve governance and institutional challenges that leads to protest and instability;

5.7 2016 Local Government Elections

- In the context of <u>preparing for the 2016 Local Government elections</u>, the ANC must be decisive in addressing the following issues:
- The calibre and quality of Councillors deployed in municipalities;
- Accountability and transparency of councillors to their communities;
- Management of consequences and performance management of deployed cadres;
- Leadership and Management Training for deployed cadres;
- Micro management of municipalities by ANC structures (PEC's, REC's, BEC's);
- Occupy moral high ground and deal decisively with fraud and corruption; and
- Campaigns and programmes targeted at changing the image and credibility of Local Government;
- There is a need to improve the quality of engagement between government and citizens. It is not sufficient to increase service delivery if this is not done in consultation and through engagement with local constituents;

- <u>Public-elected representatives across all spheres of government need to</u> <u>communicate better on the work that government has done.</u> Many politicians and officials spend significant amounts of time in meetings, which limits their ability to engage with communities and undertake the tasks they are entrusted with.
 Meetings must be minimized so that delivery and action can take centre stage and so that government is more responsive to local needs;
- The need to create more active citizenship and more responsive State;

5.8 Urbanisation

- The <u>rapid urbanization and growing urban sprawl presents a serious challenge to</u> <u>urban management;</u>
- Within the twenty years of democratic governance we <u>have not been able to</u> <u>reverse the apartheid spatial legacy is a paramount concern.</u> The characterization of the key issues affecting Cities, Metros and urban areas should be how to deal with issues of rapid urbanization informal settlements upgrades, spatial integration, urban management and issues associated with providing basic services and understanding the interest of an urban voter;
- The significant growth of the metros over the past decade makes a compelling case for ANC to pay special attention to metros. The backlogs that already exists in all major cities, due to increased population growth means that cities are facing major infrastructural backlogs and challenges;
- The <u>voting trends in the metros require the ANC to review its strategies</u> and launch a programme dedicated at reversing the current trend. The programme objectives will be to consolidate the ANC electoral base, recover the lost electorate and advance into new electoral support;
- Clearly millions of people still remain living in informal settlements even though great strides have been made to build formal housing in the major metros. Most major cities had a growth of between 5% and 15% in the number of people living in formal housing between 2001 and 2011;

6 COMMUNICATIONS AND BATTLE OF IDEAS

6.1 Battle of Ideas

• The news media has been filled with raging attacks on the nature and character of the movement. Opposition parties who lost the elections have been provided with ample space to question the outlook of the mass democratic movement and

substitute with their own visions. There is a <u>ganging up on the ANC and the</u> <u>movement's representatives by the media analysts, media commentators, the</u> <u>ultra-left and ultra-right forces.</u> All the media outlets including unfortunately the public broadcasting outlets are dominated by the persistent attack on the NDR;

- The <u>ANC has not been able to systematically respond to this escalating</u> <u>ideological and political attack.</u> The spokespersons of the ANC remain largely lone voices as there is no coordinated machinery that draws on the collective political and ideological base of the movement. As a result the ANC has failed so far to set the agenda in the national discourse through the limited dialogues on all media platforms. In the meantime, the ANC cadres deployed in Government have not actively contributed to the degree required into ANC publications;
- Some progress has been achieved in the <u>re-organisation of the ANC</u> <u>Communications Team</u> to provide capacity to engage the media and counter the onslaught;
- The <u>ANC has not effectively demanded its rightful share of the media space.</u> In many instances the "right to reply" to baseless attacks have not been followed upon. It is now usual to hear one sided discussions, attacking the ANC, in print, radio and television platforms without ANC cadres and spokespersons participating. There is a need for coordination of the participation by ANC Cadres on the different platforms where the ANC voice is in deficit;
- Facilities to manage multiple digital media platforms must be utilized to actively monitor news and debates on all media platforms and develop daily message in collaboration with the ANC communications team and disseminate the messages;
- ANC should measure its successes where it governs, package the success stories and disseminate them through all media platforms;
- An ANC Business Plan for communications must be developed;

6.2 ANC Internal Communications

 The <u>ANC Media Charter (1992) must be reviewed guided by the new</u> technological developments, SA Constitutional dispensation, the current media landscape and the need to respond to the radical transformation agenda. The revised ANC Media Charter should outline the role of media in the development of a non-racial, non-sexist and democratic society. It should also outline the role of public media (including the Public Broadcasting Services and the Parliamentary Services) in the provision of platforms for the effective participation of all the people in the democratic dispensation. The Charter must outline the role of independent media regulation and accountability within the framework of the new SA Constitutional dispensation. The evolution of community media and the participation of small and medium sized commercial media entities should form part of the policy principles. The funding mechanisms that will support public, community and small/alternative commercial media in order to realize media plurality and diversity. The Charter should also provide an ANC policy perspective on the reflection of African voices in the global arena including SADC platforms for regional reflection and continental platforms;

- There is a <u>need to train ANC communicators at all levels of the organization</u> and <u>continuously train all deployed cadres in media handling. ANC cadres deployed</u> <u>in Government must be obligated to attend media coaching and training.</u> Strengthening the ANC's own network of sympathetic circle of analysts and journalists is important;
- <u>Effective and coherent government communication</u> aimed at rendering effective structure and services informing people of government programmes has not yet been fully addressed despite all efforts. The problem of coordination and integration between municipalities, provinces and national government has not been achieved;
- ANC should support Legislature's communication where it governs and ensure effective and coherent communication;
- There is a huge number of government communicators in all three spheres. <u>Government communication stills lacks coherency in the different spheres.</u> This needs intervention in order to transform the way government communicates to its citizenry;
- In this regard, there is a <u>need for the development of a National Government</u> <u>Communications Policy to provide a framework for communications at different</u> <u>spheres of Government</u>. This frame-work should provide for a coherent structure to communicate Government programmes and activities, and enable the interaction of the people with Government in all spheres;
- The National Government Communication Policy should provide for the use of all official languages and all platforms to reach all citizens;
- <u>Government communication and messaging need to be coordinated and reflect a</u> <u>one united country and one united Government;</u>

- <u>Government media buying patterns should not reinforce media concentration and media monopoly, instead its bulk-buying strategy should ensure that communication reaches targeted audiences and support media diversity agenda.</u> All spheres of government should advertise in the community and small commercial media that produce media in the languages spoken by communities, to assist with media transformation and diversity, and the sustenance and growth of these media;
- There is a <u>need to review Government policy that mandates placements of</u> <u>advertising on national newspapers, as this reinforces media monopoly, as this is</u> <u>not relevant to local and provincial Government needs.</u> These so called national newspapers are not available in all local municipalities and rural areas. This policy therefore is not reflective of the real media landscape in our country, in terms of national coverage platforms;

6.3 ICTs/ Broadband/ Cellular Coverage

- The <u>fixed line segment continues to be dominated by Telkom</u> whereas the wireless segment is dominated by two operators namely Vodacom and MTN. Even though new licenses have been issued in all market segments the reality of the market is that the established players have consolidated their market share to such an extent that issuing new licenses no longer leads to any significant changes in market behavior. The same situation is playing out in the broadcasting subscription market. In this market even though others have been licensed <u>Multi-Choice continues to dominate</u> and this dominance cannot be challenged any time soon;
- Choice of technology due to socio-economic and other realities should not deepen inequalities within and between communities;
- Infrastructure and services should be aligned within social and economic development plans of communities and Government;
- The management of the spectrum and other scarce natural resources is emerging again as crucial to the success or failure of interventions to broaden the sector beyond the number of players that currently dominate;
- The <u>roll-out of e-government services has not progressed as fast as it should</u> <u>have</u> possibly done, due to the fragmented approaches to the deployment of ICT infrastructure and systems within government. There is a need for a national egovernment strategy that involves all spheres of government. This strategy must inform all the spheres of government in planning e-government services;

- SA should expedite the development of a comprehensive cyber-security policy, which should be in place by the time of the 54th ANC Conference. In its nature, cyber-security is a shared responsibility and thus policy development should be a coordinated effort. National policy should also encourage/support citizens to take active interest in the security of their own information in the cyber-space;
- The rights of South Africans to use the ICTs for their freedom of expression, cultural and artistic expression will be protected and regulations will ensure adequate space for South African content. Policy will promote the production of South African content and impose measures for the display of predominant South African content;
- The protection of the minors and the vulnerable will receive uttermost consideration in the regulations dealing with obscene violence, pornography and gratuitous sexual display during times when these vulnerable groups are able to watch;

6.4 Broadcasting Services

- The <u>public broadcasting system</u>, <u>beset by many structural</u>, <u>managerial and</u> <u>funding problems</u>, <u>needs to be restructured and repositioned</u> to prioritise public service as opposed to the commercial focus that it has displayed</u>;
- The 51st, 52nd and 53rd ANC Conference resolutions on funding have not been implemented due in part to the failure to develop a public broadcasting model that is not reliant on commercial programming, failure to cost the mandate as well as different interpretations on the role of public broadcasting in government;
- The series of crises at the public broadcaster reflect a lack of leadership, lack of accountability and poor management. In confronting the crisis more emphasis has been placed on reporting processes without a corresponding attention to holding those responsible to account for the financial and organisational maladministration that has brought the public broadcasting institution to the crisis;
- There are a range of issues relating to the SABC/public broadcasting which need to be covered in a new White Paper, taking into account the strengths and weaknesses of the current system and the impact of digitization and

convergence. There is a need for a discussion on the nature of the converged services, the structure, funding, governance and management;

- The <u>SABC must be restructured to prioritise public services in the digital age.</u> There is a need for the reconsideration of the mandate, structure and services of the SABC in view of the con-vergence of the transmission medium, services and devices. Policy must determine the scope of SABC's responsibilities in terms of publishing in all the digital platforms. In line with the principle of regulatory parity, under convergence, the definition of broadcasting must be reviewed to take into account the emergence of non-linear television or radio like services such as video-on-demand, Internet Protocol Television (IPTV) and over-the-top services;
- As part of this process, the government must, in line with the resolutions of the 53rd conference, increase its funding of the SABC. This must be implemented progressively over a reasonable period. Government funding must be ring fenced to be targeted towards public programming such as indigenous languages, developmental and educational programming. In addition to government funding, the SABC requires a long-term sustainability strategy based on a people centered approach to public broadcasting;
- Programming that is supporting education, health, poverty eradication, rural development, crime prevention and other societal priorities are miniscule compared to programming that is entertainment based. Budgets devoted to developmental programming are reflective of the miniscule programming output targeting the developmental agenda. This needs to be revised as a matter of urgency;
- <u>SABC reach to the African continent must be enhanced in order to support</u> <u>African rise, NEPAD and BRICS. Partnership with the BRICS countries in respect</u> <u>of relevant programming must be explored;</u>
- There are a range of issues to be noted regarding the SABC which take into account the strengths and weaknesses of the current system, in the context of policy review. These include; the nature of the services, the mandate, the structure and funding of the future SABC. The ANC must ensure there is political will and skilled capacity to implement these resolutions;
- The <u>ANC reaffirms that a stable corporate governance mechanism is required to</u> provide long-term stability. These include strengthening the SABC's accountability to parliament, shareholder (government) and the public. The public ownership of the SABC is central to its existence and sustainability;

6.5 Print Media

- Information and content gap is widening between the haves and have nots. Agenda is set by (amongst others) a white monopoly media, established media and driven towards neoliberal paradigm. The media space is filled by attacks on the positions of the movement and the National Democratic Revolution (NDR) by both the ultra-left and neo-liberals. In this context, the long dormant ultra-left forces have been resuscitated and provided ample space used to at-tack the democratic forces;
- <u>South Africa has lagged behind in terms of the transformation of print media</u> in respect of the entire value chain, viz. publication, printing, advertising, circulation, newsrooms, content, languages, class, gender, conditions of employment, etc;
- Quality of journalism continues to deteriorate with increasing signs of gutter journalism;
- On the skills front, young graduates in media studies have been exposed to a media studies curriculum and journalism in the respective School of Journalism that supports the status quo of media landscape, promote sensational reporting and lacks a great deal regarding development communication and with little training in terms of government communication;
- Many young people from historically disadvantaged backgrounds come out of the Basic Education system that does not promote the media literacy and the culture of reading. This prevailing information and content divide, have constrained the ability of many citizens to participate in the mainstream economy thus entrenching the spectre of poverty and underdevelopment afflicting many people in the world as a whole and in our country, in particular;
- Changes in respect of patterns of ownership and control of the media (broadcast and print) is slow, in some cases in respect of broadcasting gains achieved post-1994 are reversed away from a diverse media back towards a monopoly. The dominant "big 4" namely Naspers, Times Media Ltd, Caxton and the Independent Media Group (which has changed ownership to Sekunjalo) continue to dominate the print media space, despite the buyout by Sekunjalo Group of the Independent Newspapers Group and the establishment of The New Media (TNA). The print sector is still dominated by four big players. These companies also dominate the entire value chain of the market especially printing, distribution, advertising and research. This integration and the very market structure is perhaps the biggest bar-rier to market entry and potentially show possible anti-competitive behaviour. Other main-stream media players include the M&G Media and TNA Media;

 Issues of media transformation should continue to focus on ownership and control, management, editorial, reporting on children, gender, rural, class, language and content diversity, as well as other demographic considerations across the entire value chain from publishing, printing, distribution, research, advertising, audit of bureau of circulation (ABC certification), editor's forum, etc;

6.6 Post Office

- The <u>digital revolution has become the disruptive innovation to the traditional</u> <u>business of postal service.</u> With several different communications channels competing for consumers, the postal service needs to modernize its role to accommodate for the digital age. This therefore necessitates for the future of postal services to be defined within the context of these technological developments. The postal service should consider new products and services that reflect the evolving mandate to bind the nation together in a new world where people are increasingly communicating digitally;
- Post Bank should be considered as a State Bank/ Banker of Government. All civil servants should be paid through the Post Bank;

7 INTERNATIONAL RELATIONS

- The ANC as an organisation proposed six pillars (at its 53rd National Conference) to deal with the International community. They are: building a better Africa and world; continental and international solidarity; party-to-party, intra-party and multi-party relations; transformation of global governance; and policy development issues;
- ANC sees need to strengthen multilateral institutions such as SADC, AU and UN to "achieve the overall objectives of creating a just, equitable and humane world";
- The transformation of SADC Parliamentary Forum to a full legislative organ of SADC must serve to reinforce regional integration ensuring that it addresses the needs of the peoples of the region;
- The ANC has been engaging various role players on recent changes in the continent as a result of the uprisings in North Africa (the "Arab Springs"), the situations that ensued in CAR, South Sudan, Chad, Madagascar and Libya as well as analysing the impact of the recent economic recessions in Europe and the United States (US);
- US effectively uses its "aggressive foreign policy to advance its national interests";

- Lack of democracy used as excuse for US intervention in areas where its national interests are under threat; 'national interest' become important factor in determining the world balance of forces;
- Trade between RSA and China surpassed USD \$400-billion in current year;
- US does not "appreciate resurgence of China and Russia as dominant factors in arena of international power relations"; it has instead declared a Cold War against these two emerging world powers;
- On Africa, the ANC seeks to promote "developmental integration" across the existing Regional Economic Communities culminating in the eventual establishment of a continental Free Trade Area is a common endeavour agreed by the continent;
- Integration of African regional blocks and multilateral structures remain at the heart of ensuring continent occupies its rightful position in arena of global socioeconomic power relations. Unity and cohesion of Africans remains the backbone of international relations policy;

Stats from the Department of Trade and Industry estimate that trade between RSA and the rest of Africa was R11.4-billion in 1994 and today stands at R389billion. On the other hand, RSA trade volumes with Asia and the Middle East were at R42-billion in 1994 and now at R788-billion. Trade with the European Union (EU) now amounts to R439-billion;

- The renewal of the African Growth and Opportunity Act (AGOA) presents an opportunity to increase trade with the US;
- Globally, terrorism remains one of the most serious concerns;
- On the Middle East situation, this has attracted the interest of Western powers and others deploying militarily in the region, ostensibly to fight the rise of extremists, but in the process helping to further complicate the situation in the volatile region;
- On the International Criminal Court (ICC), the ANC assets that the organisation
 has "gradually diverted from its mandate and allowed itself to be influenced by
 powerful non-member states". To the party, the ICC is "tending to act as a proxy
 instrument for these states, which sees no need to subject them to its discipline,
 to persecute African leaders and effect regime change on the continent...it is
 being used as a court against Africa, deliberately oblivious to the fact that African
 countries themselves were vocal in their support for the necessity of such a

mechanism, with for example, Senegal being the first country to ratify the Rome Statute";

8 PEACE AND STABILITY

- Discussion on the transformation of the judiciary forms part of SECTION 8, PEACE & STABILITY, of the NGC discussion documents, pages 194 198;
- "Good progress" made in relation to transformation of the justice system;
- Decision to restructure judiciary and integrate courts affirmed by Superior Courts Bill and 17th Constitution Amendment Bill...both signed into law during 2013;
- The Superior Courts Act brought together a number of separate pieces of legislation relating to the Constitutional Court, the Supreme Court of Appeal and the High Court. The Act also rationalised the 13 High Courts, which included those inherited from the former apartheid homelands into a single High Court with a fully functional divisions of the Court established in each Province;
- The 17th Constitution Amendment Act on the other hand paved the way for the Constitutional Court to be the apex court on all matters. <u>This Act has also</u> <u>enhanced the independence of judiciary and strengthened the separation of</u> <u>powers</u>;
- Department of Justice and Constitutional Development also started to implement the <u>alignment of the magisterial districts to municipal districts</u>. In this regard, 36 magisterial districts within Gauteng and North-West province have been identified for alignment to the municipal districts with effect from 1 December 2014. The process will continue across the other provinces over the next two years;
- Legal Practice Act finalized and signed into law. This Act will help in removing barriers to entry into the legal profession and in the long-term increase the pool of legal professionals from which potential judges and magistrates can be drawn. At the same time, the Act will strengthen the independence of the profession, whilst at the same time allowing for greater accountability of practitioners;
- On 17 September 2014 Cabinet noted the transfer of administrative functions and staff attached to the Superior Courts from the Department of Justice and Correctional Service to the Office of the Chief Justice. The transfer of functions and identified staff commenced on 1 October 2014. This is in line with the constitutional requirement for the separation of powers and an independent judiciary.

- On the South African Police Services (SAPS), the Annual Crime Statistics for the period 2008/09 to December 2013 indicate a continued general decrease in serious crime. The general decrease in serious crime can be attributed to a number of factors including a huge investment in policing and the criminal justice system since 2009;
- However, a worrying development has been the 0.5% increase in the number of contact crimes (murder, attempted murder, sexual offences, and assault with intention to inflict grievous bodily harm, common assault, robbery with aggravating circumstances and common robbery);
- The fact that SAPS provides the crime statistics on an annual basis implies that trends can only be known after a year. This prevents efficient intervention as plans to circumvent the trends can only be developed once the plans are known. This impacts negatively on what can be shared with the public at media briefings and it impacts negatively on planning interventions as trends and hotspots are not immediately known;
- Interaction with communities through street and ward committees needs further attention to augment the work done through community policing forums and community safety forums;
- The ANC still aims to have a Single Police Service to maximise effective policing in RSA. This resolution is in a process of being realised;
- On presidential pardons, challenges remain in dealing with certain persons who require pardons and have received high media attention;
- On corruption, major strides have been made towards establishing a resilient anti-corruption system, with more than 800 persons currently under criminal, financial and/or forensic investigation, with pre-trial proceedings initiated against 298 persons during the 2013/14 financial year;
- Since 2010, 169 criminal cases involving 945 persons have been under investigation and led to 54 convictions;
- In the same period, freezing orders totalling R1.811-million were obtained; assets to the amount of R1.039-million were seized and criminal assets to the amount of R105-million were forfeited on Anti-Corruption Task Team (ACTT) cases;
- During the first quarter of 2014/15, the Asset Forfeiture Unit (AFU) finalised freezing orders to the value of R511-million, exceeding the quarterly target with R344-million (206%);

 On military veterans, a number of positive developments have been noted in this regard. Firstly, the National Treasury has consistently increased allocations to the Department of Military Veterans from R20 million in 2010/11 to R504 million in 2014/15;

9 RURAL DEVELOPMENT AND LAND REFORM

- Phase 1 of the land audit has been completed and the report has been made public. Phase 2 will be completed by September 2015, including race, nationality and gender information;
- The ANC reaffirms land-related resolution taken at the 53rd National Conference: to replace the willing buyer willing seller prescript with the "just and equitable" principle in the Constitution immediately where the state is acquiring land for land reform purposes; Expropriation without compensation on land acquired through unlawful means or used for illegal purposes having due regard to section 25 of the Constitution; Expedite the promulgation of the new Expropriation Act;
- There has been overall progress regarding the redistribution of former whiteowned agricultural land in RSA, 82-million hectares to be specific;
- A key challenge remains the Expropriation Act of 1975 which is still in effect and not aligned to the "just and equitable" principle as enshrined in section 25 of the RSA Constitution. Government is therefore being charged market-related prices in instances of expropriation, rather than "just and equitable" compensation as per section 25(3) of the Constitution. This impacts negatively on land reform;