

national planning commission Department: The Presidency REPUBLIC OF SOUTH AFRICA

Concerns over Escalating Levels of Poverty, Inequality, Unemployment: National Planning Commission to release a Ten-Year NDP Review.

'For the period under review (2012-2022), the South African economy has not performed as expected. Growth has averaged 0.99 % for the period with per capita GDP growth negative in five of the years under review. <u>South Africans are becoming poorer.</u> Unemployment has increased to 33.9%, with little improvement in overall employment.'

With the current Gini coefficient at 0.69 and more than 50% of South Africans living below the poverty line, extreme poverty and inequality remain persistently high in South Africa. This is one of the troubling findings contained in a Ten-Year Review of the <u>National Development</u> <u>Plan</u> (NDP), set for release in July 2023.

The primary goals of the NDP are to eliminate poverty, and reduce inequality and unemployment by 2030. The Plan was adopted by the country in 2012 to give effect to the constitutional rights and principles of improving lives and providing opportunities for all South Africans.

The review is currently being conducted by the <u>National Planning Commission</u> (NPC), which is the custodian of the *National Development Plan: Vision 2030*. The NPC is an independent, advisory body comprising experts and professionals from diverse fields, which advises government on the implementation of the NDP. The third and current NPC was appointed by President Ramaphosa in December 2021.

The ongoing review, whose full findings are scheduled to be released in July 2023, came under scrutiny at the NPC's second quarterly plenary held on Friday, 5 May 2023. In line with its mandate, this review gives the NPC an opportunity to assess progress made by the country towards these developmental goals, while providing advice that will change the trajectory that it identifies. "The review will function as a mirror and a barometer of progress, as well as a reminder to all of us that we neglect our national long-term plan at our own peril." said Deputy Chair of the NPC, Prof Tinyiko Maluleke.

This analysis interrogates the progress of the NDP since its adoption, taking into consideration various crises that have emerged around the world and within the country. These include the



Covid-19 pandemic, severe flooding and landslides in KwaZulu-Natal and Eastern Cape, the Transnet strike, the Russia – Ukraine war, and the devasting impact on society and the economy due to extensive loadshedding). While this review, which will be released in July 2023, assesses the key NDP indicators or targets, such as poverty, inequality, and unemployment for the past ten years (i.e., 2012-2022), it also evaluates the extent to which planning has been institutionalised and what reforms have been undertaken to the country's planning system following the adoption of the NDP.

The assessment is timely given that 2024 will mark the end of term for both the sixth administration since South Africa's democratic dispensation, and the current 2019-2024 cycle of the Medium-Term Strategic Framework (MTSF), which guides the work of all government entities.

Other issues dealt with at last week's meeting included:

- the instability in local government, including in political coalitions, and its impact on service delivery,
- the ongoing electricity supply crisis and its implications for economic growth,
- the increasing state of lawlessness and insecurity graphically illustrated in the Thabo Bester and Nandipha Magudumana saga,
- geopolitical machinations and their impact on South Africa and the cost of living, and

The commissioners also deliberated on the need to strengthen the NPC by writing its terms of reference into law so that the existence, work, and impact of the NPC does not depend on the goodwill of the government of the day. This confirmed the statement made by the Minister in the Presidency responsible for Planning, Monitoring, and Evaluation, Minister Maropene Ramokgopa, who is also the Chairperson of the NPC, at the Portfolio Committee on Public Service and Administration on 2 May 2023 that the NPC needed to be 'strengthened as an independent institution to monitor the implementation of the NDP and provide feedback and guidance to the government'.

The NPC Deputy Chair, Prof Maluleke emphasised that, "As the NPC, we wish to again emphasise that the NDP: Vision 2030 should be at the heart of government planning – it is the planning lodestar of the country. It is the compact to which we all agreed.

Better coordination and leadership between government departments and across the different spheres of government is key if we are to meet the aspirations of the NDP.



Vision 2030: Our Future, Make it Work

It must also be noted the NDP is a plan for all, not just government. We, therefore, urge business, labour, civil society to play their part in making the NDP a reality.

Our future, make it work."

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Vision 2030: Our Future, Make it Work