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***PROGRESS REPORT ON  
THE WORK OF  
GOVERNMENT FOR THE  
PAST 12 MONTHS***

***Report May 2009 – May 2010***

***GCIS***



## **First year of government in office**

**BACKGROUND:** May 2010 marks a year of the new political administration in office. These key messages supplement the special features of various organisations that evaluate the performance of government against targets set out in the manifesto of the ruling party.

These key messages/talking points highlight notable achievements of government on identified priorities, such as health, poverty eradication, job creation, quality education, rural development and the fight against crime and corruption.

### **Working together, we have started to enhance the way government works**

- Government responded swiftly to the global economic crisis, with the newly-formed Department of Economic Development launching a fund for enterprises in distress, and the Industrial Development Corporation allocated R6.1 billion to support companies hard-hit by the crisis.
- More resources and energy have been channeled towards prevention and treatment of preventable diseases and the revitalisation of the public healthcare system. Massive campaigns on HIV, TB and measles are underway.
- The revitalisation of the country's education system is progressing well, with the departments of Basic Education and Higher Education and Training focusing more attention on better performance of learners and the training of a skilled workforce.
- Government recognises the strategic role that state-owned enterprises play in a developmental state and has put necessary interventions in place to ensure the stability and profitability of the institutions, which include Eskom, the South African Airways and others.
- The widening of the social security net to cover needy children up to the age of 18 forms an integral part government's contribution to the fight against poverty.

### **Government's investment in the 2010 FIFA World Cup will benefit all**

- Preparations for the 2010 FIFA World Cup are on track, and various government departments that have made guarantees to FIFA have delivered on their mandates within guarantee deadlines.
- Transport infrastructure for the World Cup is in line with the country's long-term developmental goals. New initiatives earmarked for use during the World Cup, such as the Bus Rapid Transit system and the Gautrain, form an integral part of the legacy of the tournament.

- Investment in additional resources for the police, disaster management, health and the immigration system will have lasting impact on the effectiveness and efficiency of government to deliver services to the people.

**Working together, we can do more**

- Despite concerted and successful efforts to mitigate the effects of the global financial crisis, particularly through the Expanded Public Works Programme, the high rate of unemployment in the country remains a challenge.
- The spread of violent protests in municipalities across the country, either in protest against wages, unemployment or service, overlook genuine efforts by government's ability to provide basic services.

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## DEPARTMENTAL ACHIEVEMENTS

### DEPARTMENT OF AGRICULTURE, FORESTRY AND FISHERIES

- Completed the fully integration of fisheries management function into the department.
- Developed a new funding model for different categories of farmers, foresters and fishers.

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### DEPARTMENT OF BASIC EDUCATION

The department has made huge strides in education since the establishment of the country's democracy.

Some of the strides that the department has made, especially in the past year includes:-

- School infrastructure and extra-mural sporting activities. In efforts to improve these, spending on infrastructure grew significantly since the late 1990's and provinces have made significant progress in reducing infrastructure backlogs which include libraries, computer centres and related facilities.
- Provinces have indicated in their infrastructure plans a significant increase in the number of facilities that are going to be provided to reduce the backlog.
- The department drafted a school sport policy to ensure that each school offers at least two or more sporting codes. Schools generally have a combination of sport facilities for the following codes: soccer/rugby, netball, hockey, tennis, athletics, cricket and swimming.

The department has also focused on the issue of rural schools and the many challenges that teachers and students in these areas face. As part of this:

- The Council of Education Ministers (CEM) established a cluster on rural development, infrastructure and budgetary aspects at the CEM meeting of 27 June 2009.
- The cluster has been tasked to develop an integrated national implementation strategy for the advancement of quality education and promotion of access to education at rural and farm schools. The implementation strategy will be based on the key focus areas of the framework.
- The department established a working relationship with provincial Education Departments to develop a national framework for quality education in rural areas. The overall aim of the framework is to improve the quality of education and identifies the following key focus areas for action:
  - The department announced a strategy aimed at partnering with the Ministry of Rural Development, as well as with other relevant ministries such as Public Works, Water Affairs and Transport, in order to alleviate the conditions at rural schools.

### Department's interventions contributed to improved performance

- Out of a total of 701 schools that the Department of Basic Education visited and provided support, 321 schools had an increased pass rate in 2009 compared to 2008.
- The Minister also highlighted that the department has taken steps to ensure that children and youth with disabilities receive quality education.
- In 2008, as part of the inclusive education field test, the Department of Basic Education conducted a situational analysis to assess the needs of special schools and full service schools. A total of 33 sampled special schools and four full service schools across the country were visited.
- Flowing from the findings of the above-mentioned situational analysis, between July and December 2009 the department rolled out a tender to procure and supply assistive devices to 10 of the 37 schools visited.

Through this tender:

- R9 million worth of assistive devices, material resources and assistive technology were supplied to the 10 selected schools (seven special and three full service schools) in order to reduce the state of neglect that pervaded special schools in rural and remote areas.
- Learners with physical disabilities were fitted with appropriate, customised wheelchairs with fittings, standing and seating devices.
- Schools for learners with visual impairment were supplied with information technology (IT) equipment to mitigate the effects of visual loss, such as computers with relevant software, desktop magnifiers and Perkins Braille.
  - 80 desktop computers were supplied to the schools
  - Devices and therapy packs for hearing-impaired learners were also supplied
- The department further rolled out a second phase of this tender process between January and March 2010 and 23 of the 37 schools were the added beneficiaries of two computers each, loaded with AAC software. The supply of the equipment happened concurrently with the training of teachers on the usage of such devices.

Also:

- In February 2009, the department engaged the services of a consultant on a one-year contract to develop a strategy for improving the quality of education for learners with visual loss. 26 Schools serving visually impaired learners were visited to audit services.
- The department supplied 25 schools with Braille and enlarged print books through the Ithuba Books project for learners with visual impairment in 2009. A plan for procuring prescribed textbooks in Braille and large print copies for blind and partially sighted learners has been drawn up for 2010/11.

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## **DEPARTMENT OF COMMUNICATIONS**

### **Approval of the Radio Frequency Spectrum Policy**

- Parliament has approved the Department of Communication's (DoC) Radio Frequency Spectrum Policy which involves the allocation of frequency according to the country's developmental needs and International standards. It also ensures efficient radio frequency utilisation and management.
- The DoC has also finalised the Broadband policy whose vision is to ensure that South Africans have universal access and services to broadband by 2019.

### **SABC**

- Having established Ministerial Task Team to investigate the root causes which led to the collapse of corporate governance and financial challenges at both the South African Broadcasting Corporation (SABC) and Sentech; the task team concluded their assignment leading to the appointment of the new SABC board, which engaged with management in putting in place mechanisms to ensure curtailment of expenditure and revenue increment.
- The corporation was granted a R1, 4 billion government guarantees, to enable it to borrow from private banks. A tripartite monitoring team comprising officials from Department of Communications, Treasury and the SABC has been established to monitor the financial performance of the corporation, and its adherence to the terms and conditions underpinning the government's guarantee.
- The corporation's radio sales unit achieved its sale targets and recorded an 11% improvement in advertising.

### **Reduction of cellphone Rates**

- Mobile operators were consulted to discuss mobile termination rate (MTR) reduction where an agreement was reached to cut the MTR from R1.25 to 89 cents with effect from 1 March 2010.
- In line with this, the Independent Communications Authority of South Africa (ICASA) approved a revised amended Interconnection agreement. ICASA has further released draft regulations aimed at ensuring cost based MTR rates in July 2010 on a gliding scale.

### **The launch of the digital repository**

- In an effort to digitise cultural heritage content, the department has launched the KZN digital repository at Stanger in September 2009. The documentary which was unveiled by the department in collaboration with the Ilembe District Municipality is one of the success stories of ensuring that heritage content is captured and preserved using youth.

### **Subsidies for FET colleges**

- Subsidies for internet connectivity were granted to 18 FET colleges.

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## **DEPARTMENT OF COOPERATIVE GOVERNANCE AND TRADITIONAL AFFAIRS**

The department assessed the state of local government in South Africa with specific focus on five areas:

- service delivery particularly focusing on the basic services
  - the reversal of apartheid spatial patterns
  - financial viability and management
  - partnership between municipalities and organised labour and
  - governance
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- The outcome of this assessment overall demonstrated and showed that the system of local government is functional whilst at the same time acknowledging that it is experiencing a lot of distress.
  - The Minister will soon be meeting with the Ministers of National Treasury and Energy to look at revenue streams of municipalities that are sustainable. In many municipalities, qualified and competent personnel is employed, however, in some areas unskilled people are employed in key positions which results in municipalities being unable to deliver on their mandate.
  - The system of ward committees works well, however, it needs to be enhanced and strengthened to ensure effective implementation. Municipalities are not engaging in a sustainable way with local communities. Often issues raised on the ground do not find expression in Council meetings and related processes.
  - The department will be working with National Treasury to review the supply chain management system with the view to ensure that the system is transparent and beyond reproach and that the department is able to close any loophole for corrupt practices that might be perpetrated at that level.
  - The role of community structures such as South African National Civic Organisation (SANCO), ward committees, churches, cooperatives and trade unions is critical in ensuring that the department achieves its objectives. The role already played by some of these social formations has been valuable thus far.
  - The South African Local Government Association (SALGA) has also been identified as a critical role player in the successful implementation of the local government programmes for the relevant fiscal year especially the local government turnaround strategy (LGTAS). It is envisaged that SALGA will officially adopt the strategy at its national member's assembly due to be held during the month of May 2010.
  - In December 2009, the Cabinet approved the local government turnaround strategy. The strategy will be the roadmap for local government practitioners for many years to come.
  - It was agreed that municipalities must be approached on their own individual peculiar conditions and circumstances. It means that municipal specific turnaround strategies and implementation plans have to be developed by every municipality in South Africa.
  - All municipalities are expected to have concluded the development of their municipal specific turn around implementation plans by end of April 2010.

- The Local Government Training Academy (LOGOLA) will be revived so that new councilors, who come in after the 2011 local government elections, are highly capacitated to be able to discharge their responsibilities effectively. The academy will come in handy to retrain the municipal employees who don't have the required skills but retrained.
- The department is implementing flagship campaigns, i.e. Clean Cities and Towns campaign and Operation Clean Audit 2014. Its strategic objectives are to ensure that a campaign on good citizenship, where rights goes hand in hand with responsibilities.
- The department has quantified the backlogs on municipal basic services. They require R495 billion. Therefore, the department will be establishing a special purpose vehicle (SPV) to deliver on these services, working with provinces and municipalities.
- The Municipal Systems Act, the Municipal Structures Act, the Demarcation Board Act, the Municipal Finance Management Act and other related legislation impacting on local government are being reviewed. The Traditional Leaders and Governance Framework Act, National House of Traditional Leaders Act and Property Rates Act will be comprehensively reviewed before the end of this year.
- The department dealing with traditional affairs has been established, therefore, the leadership in terms of the director-general and deputy director-generals are expected to start by 1 July 2010.
- The voices of people in rural areas and traditional communities must find expression in policy development and formulation, legislative development, planning, budgeting, implementation, monitoring and evaluation.
- The department is working on a range of policies, which amongst others include; policy on unity and diversity, uKuthwala, uKungenwa, initiation, traditional healing, traditional leaders protocol, family trees, involvement of the Khoisan people in the system of governance in South Africa, remuneration and benefits of traditional leaders based on uniform norms and standards.
- The department hopes that all these policies will culminate into legislative processes before the end of the year following discussions and deliberations by the nation. In addition to the areas outlined above, the Traditional Leaders and Governance Framework Act, National House of Traditional Leader.

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## **DEPARTMENT OF CORRECTIONAL SERVICES**

### **Background**

All the success stories in correcting offending behaviour, point to strong participation of offenders in rehabilitation and developmental programmes, including skills development, mentoring and counselling and ofcourse there is still room for improvement.

Highlights in terms of progress regarding some of the key pronouncements and undertakings that were made during the presentation of the Budget Vote last year are as follows:-

**Offender labour force**

- We made an undertaking that we shall develop a framework that clearly defines the role that the offenders' labour force can play in the development of communities. This work will help to enhance their skills and social consciousness as well. Work has already started in this regard.

**Attraction of scarce skills for enhanced standards of care**

- Despite the current budget constraints, particularly with regard to expenditure on the compensation of employees, the department has identified various categories of critical vacancies to be filled during the financial year.

**Development of a medical parole policy**

- The policy on medical parole has now been developed and submitted to the Department by the National Council for Correctional Services. Although it has been intention to start to implement the policy by beginning of the new financial year, it has however become clear that before this can be done, changes will have to be made to the Correctional Services Act.

**Overcrowding**

- As indicated last year, it is the Department's view that the problem of overcrowding will not only be dealt with through the commissioning of new facilities. While this can be part of the interventions, the real solution lies in the success of our rehabilitation programmes, the managed release and reintegration of offenders, as well as the integration of processes within the Criminal Justice System.

**Ministerial Task Team**

- As part of our response to overcrowding, a Ministerial Task Team of independent members to conduct an audit of various categories of inmates with a view of determining the status of those inmates regarding their appearance before parole boards, the reclassification of their sentences, application of the bail protocol and the conversion of custodial sentences into correctional supervision has been appointed.
- The task team will also audit various categories and status of vulnerable inmates, including the elderly, inmates with psychiatric problems, children and women.

**The commission of the Kimberley Correctional facility**

- The facility has now been commissioned and handed over to the Department by the Department of Public Works. The centre will be operated fully by the Department of Correctional Services and will provide an additional 3000 bed capacity. We have however staggered the transfer of inmates into the facility in order to manage its gradual ramp-up to full capacity.

**Additional facilities to be procured through the public private partnerships**

- The Department decided to proceed with the procurement of four new facilities through the public-private partnership (PPP) model. It is also our intention that a facility that caters for inmates with needs for psychiatric care should be considered and operated in conjunction with the Department of Health.

### **Implementation of the Seven Day Establishment**

- As promised during the last budget debate, the seven-day establishment is now fully operational in all of our centres. We have however experienced some teething and capacity related problems with regard to the work shift system that is being implemented together with the seven-day establishment, particularly in centres that are under staffed.

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### **DEPARTMENT OF ECONOMIC DEVELOPMENT**

The department assumed responsibility for coordinating government's work on the Framework for South Africa's Response to the International Economic Crisis. The achievements made with regards to this project were as follows:

- The department launched about 20 actions to address the crisis, from efforts to respond to communities in distress, vulnerable workers and troubled enterprises and sectors.
- The department launched a fund for enterprises in distress, and the Industrial Development Corporation (IDC) allocated R6.1 billion to support companies hard-hit by the economic crisis. Applications to the value of R1.1 billion were approved.
- The department worked with the Commission for Conciliation, Mediation and Arbitration (CCMA) to strengthen efforts to avoid retrenchments in the economy.
- As part of a strategy to avoid retrenchment, companies such as BMW and trade unions like the National Union of Metal Workers of South Africa (NUMSA), accessed the department's Training Layoff scheme.

### **In order to address the challenge of food prices:-**

- The department asked Competition Commission authorities to speed up their investigations into price-fixing and cartels in the food supply chain. As a result, a number of implicated companies were prosecuted.
- The IDC recently issued a R2 billion bond that has been taken up by the Unemployment Insurance Fund (UIF). The bond is priced at highly beneficial rates, and the funding that the IDC provides through the utilisation of the bond will fund businesses with labour-intensive operations that are creating and saving jobs.
- The IDC invested, and continues to invest, in a number of green economy projects, ranging from solar power-generating plants to manufacturing activities in the green economy. This is in relation with the country's pursuit of solar, wind and nuclear energy generation, solar heating geysers, bio-fuels and cogeneration, repairing environmental degradation, eco-tourism, smart manufacturing, waste management, regulation of energy efficiency of commercial buildings and the installation of more energy-efficient equipment.

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## **DEPARTMENT OF ENERGY**

### **Renewable Energy**

- The Department concluded the Clinton Climate Initiative supported the pre-feasibility study announced last year. This initiative aims to establish the concept of a Solar Park in our country. Further announcements will be made in this regard in the near future.
- In order to confirm governments' commitment with regard to the use of renewable energy, two flagship initiatives were launched:-
  - A small scale hydro at Bethlehem in the Free State, and,
  - A Waste to Electricity Project at eThekweni.

### **INEP**

- Since the inception of the Integrated National Electrification Programme (INEP), more than 80% of formal households in six provinces have been electrified.

### **Nuclear**

- South Africa has successfully converted our SAFARI 1 reactor from a High Enriched Uranium (HEU) to a Low Enriched Uranium (LEU) based facility.
- We will be the first radio isotope producing country to have completed this conversion process, which is a requirement for supplying radio isotopes into certain key markets.
- The good news is also that South Africa is a leading supplier of medical radio isotopes globally.

### **Strategic stocks**

- The Department of Energy has developed a Strategic Stocks Policy for petroleum products to ensure that the economy does not suffer from shortages during severe liquid fuel supply disruptions.

### **Clean fuels**

- As part of our contribution towards cleaner burning fuels, the Department is determined to modernise SA's fuel specifications. To formulate a common Government position, an interdepartmental task team was formed last year.

### **Petroleum licensing**

- On petroleum licensing, during the course of the last financial year 3,041 licence applications were processed.

### **2010 FIFA World Cup**

- With regards to the 2010 FIFA World Cup, the Department, together with roleplayers in the liquid fuels sector, has within the exemption granted by the Competition Commission, been able to plan for the anticipated increase in the demand during the event.

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## **DEPARTMENT OF ENVIRONMENTAL AFFAIRS**

- The Department has set aside R400 million the eco-towns programme (to be) rolled out to 10 municipalities. The project Buyisela is an initiative led by the Department of

Environmental Affairs in partnership with Indalo Yethu and the Department of Water Affairs.

- The Department will also release a National Climate Change Policy and White Paper which should be concluded by the end of 2010. The policy will build on a broad understanding of what can be done by all stakeholders' government, business, labour, civil society and individual citizens... to reduce greenhouse gas emissions.
- The Integrated Coastal Management Act came into operation in December last year. This is regarded as a significant milestone representing the first legislative instrument towards a holistic and integrated approach to the conservation and management of the South African coastline
- In May this year, the Department will be repatriating species of black rhino which is not indigenous to our country to Tanzania. About two decades ago eight individuals of this rhino species *Diceros bicornis michaeli* was imported to our country and kept at Addo Elephant National Park.
- The department is establishing an interim national wildlife reaction unit specifically to complement the work of the Environmental Management Inspectors commonly referred to as the Green Scorpions, aimed at responding to address broader environmental crimes and wildlife smuggling activities in South Africa.
- With a total of 4 661 environmental cases reported nationally from 1 April 2008 to 31 March 2009, Minister made a commitment to pursue the re-opening of environmental courts and engaged the Minister of Justice and Constitutional Development regarding the re-opening of time slots dedicated to the processing of environmental crimes in our existing courts. The launch site will be the Johannesburg Regional Court in Gauteng on 20 May 2010.
- We trained over 300 prosecutors and over 200 magistrates on environmental crimes in preparation for the reopening of environmental courts and also distributed Prosecutor Manuals on Environment Crimes to the National Prosecuting Authority (NPA).
- Plans are to publish the new Environmental Impact Assessment (EIA) regulations to come into effect in July 2010. The last financial year saw steady progress towards the development and implementation of an environmental assessment system that is effective in enhancing environmental quality whilst efficient in terms of both time frames associated with decision making and maximising value for money.

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## **GOVERNMENT COMMUNICATION AND INFORMATION SYSTEM**

### **Communication**

- GCIS plays a critical role in ensuring that the public has access to information on the programmes and plans of government that are meant to empower them to attain a better life.

- The GCIS provides strategic leadership and coordinates a communication system to fulfil its core mandate of meeting the communication and information needs of government and the public.
- The GCIS has developed a five years national communication strategy (NCS) for 2009 to 2014 that informs and drives communication priorities linked with the electoral mandate and based on the medium term strategic framework (MTSF).
- At the beginning of 2010, an intensive communications campaign on the State of the Nation Address included the development, production and distribution of a mobilisation leaflet in all official languages, coupled with local community outreach events on the day of the speech. News clocks were produced and broadcast on all SABC television stations and E.tv, with the intention of creating awareness of the event.

This year the number of those who watched the live address increased from 2.040.000 in 2009 to 3.961.692 in 2010, a direct result of the change in the timeslot. In addition, the GCIS facilitated the live community radio link up of the address, the reply to the debate on the president's State of the Nation Address, the budget speech and "Talk to your Minister" shows reaching a total of 5.8 million people.

#### **Cluster briefings**

- The GCIS coordinated the ministerial cluster briefings from 19 February to 5 March which remain a critical platform for government to communicate implementation of its priorities.
- The GCIS will ensure that visible implementation of government's priorities, as aligned to the performance outcome approach, is communicated on a regular basis.

#### **2010 FIFA World Cup**

- GCIS will continue to lead efforts to ensure that government intensifies its communications to ensure that its role is clearly profiled and understood within the context of the 2010 FIFA World Cup.
- Initiatives are being implemented through the 2010 National Communication Partnership comprising private and public sector communicators.
- Through various partnerships, the Fly the Flag and Football Friday campaigns were implemented in the run up to the 2009 FIFA Confederations Cup.
- In support of these campaigns, the GCIS implemented a roadshow to Confederations Cup host cities which consisted of media engagements and interactive arts and culture activities with communities in various localities including on community radios.
- The GCIS also developed high definition audiovisual and print stories on government's 2010 FIFA World Cup preparations and related developmental stories which were syndicated to media in South Africa and internationally.
- In recognition of the important role the media plays in shaping perceptions about South Africa and in view of the growing focus on the country as it prepares to host the 2010 FIFA World Cup, the IMC has developed a web based information service aimed

specifically at journalists and communication practitioners who want to know more about South Africa. The website <http://www.MediaClubSouthAfrica.com> offers relevant, mind-opening, up to date and verifiable information on the country and its achievements.

### **Public Participation Programme**

- GCIS together with The Presidency, the Departments of Cooperative Governance and Traditional Affairs and of Arts and Culture is currently conceptualising the Public Participation programme which will ensure that each ministry institutionalises this programme.
- In previous years, the two weeks of intensive communication, called Imbizo registered 340 to 459 events throughout the country.
- It is envisaged that with the new institutionalised Public Participation Programme we will have close to 1 000 events throughout the year.

### **Thusong Service Centres**

- To date there are 150 operational Thusong Service Centres throughout the country.
- Strides have been made in partnership with the Department of Public Service and Administration in ensuring information and communication technology (ICT) connectivity in 55 centres, coupled with an installation of 39 prototype general service counters.
- This will assist in addressing the historical challenges of connectivity for centres, especially those in rural and remote areas. In the past year almost 5.6 million people visited the Thusong Service Centres for a variety of reasons, including accessing identity documents, birth, marriage and death certificates from the Department of Home Affairs; making applications for different types of grants from the South African Social Security Agency (SASSA) and accessing Unemployment Insurance Fund (UIF) and other labour related services from the Department of Labour.

### **New and social media**

- Interactive communication is accompanied by a multimedia approach to communication, using products and platforms that meet the needs and preferences of various sectors of the population.
- Social media platforms including YouTube, Facebook and MXit continue to be explored.

### **Vuk'uzenzele magazine**

- Vuk'uzenzele magazine continues to cover, among others things, government service delivery projects, practical information on how to access and make use of socio-economic opportunities, government campaigns and programmes, local government issues, community development initiatives and light entertaining features.
- It has a print order of 1.6 million copies every two months, which is circulated in all nine provinces, largely door to door in deep rural and peri-urban areas.
- The magazine is published in all official languages, but the majority of the print run is in English.

- Findings from GCIS Tracker Research on awareness of Vuk'uzenzele shows that nearly seven in 10 (67 percent) of the respondents indicated being happy with the magazine in English and other languages mostly spoken in their area.
- The magazine is also published in Braille for the visually impaired, while people in the higher end of the living standards measures can access the magazine through the website.

### **International marketing**

- The GCIS also ensures that South Africa is effectively marketed abroad through the International Marketing Council (IMC), in partnership with the Department of International Relations and Cooperation (DIRCO) and state agencies such as South African Tourism and the Trade Investment South Africa.
- It is important for South Africa to expand and strengthen its communication and marketing activities in support of our missions abroad.
- To this end, the Department of International Relations and Cooperation, GCIS, South African Tourism, the International Marketing Council and the Department of Tourism will be developing a comprehensive international communications and marketing strategy to guide and align strategic international communications with our stakeholders, including South Africa's missions abroad.

### **MDDA**

- GCIS also oversees the development of media diversity in the country through the Media Development and Diversity Agency (MDDA).
- To date, the MDDA has funded 273 projects, amounting to R77 million worth of grant support. These include supporting community radio stations, community newspapers and other community initiatives with skills, seed funding, capacity building and media diversity and literacy, amongst others.
- The MDDA will expand its focus on rural and poor communities who are marginalised from information and have limited or no access to information.

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## **DEPARTMENT OF HIGHER EDUCATION AND TRAINING**

### **Background**

The Department is determined to build a solid base for a post school education and training system that will be the lifeblood of the social and economic development of our country for generations to come.

### **Some Milestones**

#### **Qualifications Framework Act**

- The implementation of the new National Qualifications Framework Act, implemented on 1 June 2009, is progressing well. It must complement the South African Qualifications

Authority, the Council on Higher Education (CHE), Umalusi as well as the project team of the QCTO for the positive way in which the new Act has been embraced.

#### **Sector education and training authorities (SETAs) clean bill of health**

- 19 of the 23 SETAs managed to get a clean bill of health from the Auditor-General's office and for their concerted efforts. During 2009, the SETAs registered 17 228 artisans in training and 109 351 workers completed training in scarce and critical skills through learnerships, apprenticeships and other learning programmes.
- Targets set in the National Skills Development Strategy (NSDS) were well exceeded and these numbers will rise this year.

#### **Universities**

- The ministry has allocated a total of R3,265 billion in infrastructure funds to universities for the 2010/11 and 2011/12 financial years. These funds will help universities to increase production of graduates in the critical areas of engineering, life and physical sciences, teacher education and health sciences.
- Work towards the establishment of universities in Mpumalanga and the Northern Cape will continue this financial year.

#### **National Qualifications Framework (NQF)**

- During this financial year, funding will be set aside to educate the public on the National Qualifications Framework (NQF), to ensure that the wider public, especially our people living in rural and the poorest communities, fully understand how the NQF benefits them.

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#### **DEPARTMENT OF HEALTH**

Successfully popularised the department's 10 point programme which was endorsed by a wide range of key stakeholders in health sector.

- Developed strategies to enhance the Prevention of Mother to Child Transmission (PMTCT) programme, to ensure that by 2014/15, less than five percent of babies born to HIV positive mothers are HIV positive.
- Secured vaccines to deal with H1N1 influenza. The vaccination against H1N1 is being administered to:
  - 80,000 children under 15 years of age who are living with HIV and AIDS
  - 10,000 officials at our ports of entry
  - 700,000 pregnant women
  - 1 million adults with HIV and AIDS who receive treatment at our ART clinics
  - 900,000 people with chronic heart and lung diseases
- Launched the national Measles and Polio Vaccination Campaign to vaccinate 15 million children between the ages of six months and 15 years against measles and to vaccinate 5 million children under five against polio.

- Developed clear strategies in each province to strengthen the country's TB programme. The strategies are based on a review of TB control programme led by the World Health Organisation.
- The provision of Antiretroviral Treatment to pregnant women at CD4 count of 350 or less, to enhance maternal survival. ART is also being provided to people co-infected with TB and HIV at a CD4 count of 350 or less.
- HIV positive pregnant women are now receiving dual therapy from 14 weeks of pregnancy (not 28 weeks as was previously the case) until post delivery.
- HIV and AIDS and TB are being integrated, and will be treated under one roof.
- Commenced implementation of the new treatment guidelines.
- Initiated the largest HIV counselling and testing campaign ever undertaken. All 17 sectors represented in South African National AIDS Council (SANAC) have thrown their weight behind this campaign. Several private sector service providers have also come on board to support us.
- More than 1000 public health facilities are initiating eligible patients on ARV treatment. Originally only 496 public health facilities accredited were providing antiretroviral therapy.

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#### **DEPARTMENT OF HOME AFFAIRS**

- Launched the Registration Campaign which saw the registration of 1,147 000 children and adults of which 354 588 was captured through the late registration of birth process.
- Issued 834 353 ID's to first time applicants through the department's ID Campaign, this was 200 000 more than in the previous year.
- Introduction of the Advanced Passenger Processing system for airlines flying into South Africa. This system enables the screening of passengers before they depart for South Africa.
- Piloting the enhanced Movement Control System to facilitate the secure movement of people in and out of the country in preparation for the 2010 FIFA World Cup. The system will be rolled out to 34 priority ports of entry before the World Cup.
- Implemented the use of biometric access control as an anti corruption measure to prevent illegal access to the department's systems ensuring an audit trail and accountability.
- Passport backlogs have been eliminated.

- In the 40 offices where the live-capture of biometrics is available, the turnaround time for passport application is 14 to 30 days.
- Extension of the departments track and trace system to cover the registration of births, marriages, deaths, passports and some immigration permits.
- Improved access to Home Affairs services by establishing 21 new facilities exceeding the targeted 13.
- The establishment of a new refugee reception centre in Musina.
- Refugee reception centres now issue asylum seeker permits within a day, unlike previously, when it took a week to issue the same permit.
- The connection of 142 hospitals to Home Affairs systems to enable new births to be registered before babies leave the hospitals.

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## **DEPARTMENT OF HUMAN SETTLEMENTS**

- More than 8 000 human settlements projects underway across the country, translating into the construction of 219 000 housing units.
- Successfully engaged the country's major banks. Agreement has been reached to form a joint working team with the banks to look into various aspects of housing finance.
- The department has developed a new outcomes-based approach to defining our targets and to measuring progress.
- Positive developments taking place within Human Settlements are the increased rollout of sanitation infrastructure programmes in rural areas.
- Progress made in building the capacity of municipalities through the department's municipal accreditation process. All six metros and four local municipalities have been assessed to determine their readiness for accreditation. Further assessments will be undertaken to bring the total of prioritised municipalities to 27.
- Significant gains have been made in strengthening partnerships with the homeless and civil society, including South African National Civic Organisation (SANCO), building on the success of the department social contract plenary in Boksburg last November.
- New channels of communication have been opened with the public such as the department's own hotline.
- A recent report from The Presidency indicates that the Department of Human Settlements is a leader when it comes to dealing with referrals – a rate of 86 percent.

- A concept document has been developed for a human settlements index to enable us to categorise living conditions in every city, town and village, and allow the department to track progress in providing basic needs.
- An information and communication technology (ICT) -based monitoring portal has been developed by the department to enable easy online access, in real-time, to data on Human Settlements projects anywhere in the country, with the use of satellite maps and input data collected by provinces.
- Phase 1 of the Housing Demand Database has been completed, resulting in an integrated national database.
- Appointed a National Audit Task Team, headed by the Special Investigations Unit (SIU), working in partnership with the Auditor-General's office to work track down those responsible for corruption, abuse and malpractices.
- 1 570 officials have been arrested to date, of whom 1 189 have been convicted, and R38 million has been recovered. This process has also seen five lawyers struck off the roll and more is to follow.



## **DEPARTMENT OF INTERNATIONAL RELATIONS AND COOPERATION**

The Department of International Relations and Cooperation (DIRCO) has not only fully aligned its work to the country's key domestic priorities, but that it has also woven these into its strategic focus which is based on the primacy of the African continent; the centrality of our region Southern African Development Community (SADC); the country's commitment to South-South relations; the centrality of multilateralism; the significance of relations with countries in the northern hemisphere; and the strengthening of the social, political and economic relations.

- DIRCO currently in the process of consulting stakeholders on the need for the establishment of a Foreign Policy Council which will serve as an avenue for non-state actors to interface with DIRCO on our foreign policy development and implementation.
- As part of its public diplomacy, the department has commenced an outreach to speak directly to communities about the country's foreign policy.
- South Africa remains committed to regional economic integration in Africa. The work in the Southern African Development Community (SADC) should build on the free trade arrangement achieved in 2008 by focusing on boosting regional production capacity, facilitating cross border trade, and developing cross border infrastructure.
- The time has also come to extend preferential markets across Southern and Eastern Africa through the Tripartite Free Trade Area that will draw together SADC, East African Community and Common Market for Eastern and Southern Africa (COMESA).
- The newly established New Partnership for Africa's Development (Nepad) Planning and Coordinating Agency (NPCA) will give focused attention to the implementation of the

regional integration programmes and projects whilst the Africa Union (AU) Commission will continue to deal with policy and serve as the secretariat of the AU.

- As from 1 April 2010, South Africa became a member of the African Union Peace and Security Council (AU PSC ) for a two year period. It also have the support of the African Union to seek in October a non-permanent membership of the United Nations Security Council for the period 2011 to 2012.
- The country's membership of the AU PSC and that of the UN Security Council will be an opportunity to continue contributing its efforts and resources to the peace, security and stability of the Continent and globally.
- South Africa will continue to carry out the SADC mandate to facilitate negotiations between Zimbabwe's ZANU-PF and the two MDC formations for the implementation of the Global Political Agreement.
- The country's facilitation efforts to end the conflict in Burundi are drawing to a positive close, and we can join the international community in looking forward to elections which will start in May 2010.
- The last few decades have seen the ascendance of some countries of the South to an influential role in global affairs. Indications are that they will be a more formidable force in the future. Some like China, India and Brazil are rapidly increasing their weight in the global economy, transforming the balance of forces internationally in favour of the South.
- The department's approach to bilateral and multilateral engagement with countries of the world is not limited to Africa and the South. It also values relations with countries of the North. Each of these geopolitical spaces that is Africa, the South and the North is indispensable to sustaining forward movement in international relations and cooperation.
- The Millennium Development Goals (MDGs) are a good example of the collective agenda of what nations of the world can set for themselves when they work together.
- The country's participation at the Nuclear Security Summit held in Washington recently was guided by its three-pronged principled approach to nuclear matters and these are: nuclear disarmament, nuclear non-proliferation and the peaceful uses of nuclear material.

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## **DEPARTMENT OF LABOUR**

### **Labour laws**

- One of the critical pillars of the Department of Labour's policy interventions is enforcement of labour laws.
- It has started revamping its inspectorate into a specialised body of professionals. When this process reaches completion the inspectors will comprise of generalists, specialists and experts.

- In the course of 2009 the Department established a national Roving Team made up of 47 inspectors. The team has the agility to move from province to province within short space of time and do inspections in different sectors.
- In preparation for this work the team went through an intensive training programme which encompassed all aspects of the legislation administered by the department.
- The Department trained 30 inspectors to specifically focus on Director-General Reviews in terms of the Employment Equity.
- Labour has also narrowed the space for non-compliance in the area of UIF by appointing a team of experts to focus on pay roll audits. This will, among other things, ensure that UIF revenue streams are enhanced while compliance is equally upheld.
- Inspection data shows that 80% of the workplaces visited during 2009 complied with labour laws. Equally important is to note that incidents in the high risk areas were reduced by 63% from the figures of the previous year.

#### **Focus areas**

- In 2010 the Department will, among others, focus on implementation of Employment Services of South Africa to integrate active labour market measures inclusive of job placement services, job search training, career guidance and skills development.
- When the Employment Services potential has been fully unleashed it will have links with the UIF, the Compensation Fund and the public works programmes.
- 47 career counsellors have so far been deployed in some of the labour centres and a total of 41 210 people benefited from their guidance services and career information.
- The Employment Services IT system has been rolled out to all the 125 Labour Centres.
- As at end of December 2009 a total of 470 006 work seekers were registered on the ESSA system and a total of 21 074 job opportunities were registered on the ESSA system. Using the job matching services of ESSA the first 6 845 job opportunities were filled.

#### **Skills Development**

- Skills development a function that now resides with the sister Department of Higher Education and Training.
- Up to 31 October 2009 when skills development was transferred to the Department of Higher Education and Training, a total of 10, 885 against a target of 18,902 learners were registered in various artisan trades and more than 75,300 workers registered during the previous year completed training in scarce and critical skills through learnerships, apprenticeships and other learning programmes.
- During the same period, a total of 39,207 unemployed people against a target of 26 000 were assisted through the National Skills Framework (NSF) to enter learning programmes.

- The past decade of administering the Skills Development Act has shown that there is a huge potential to create employment for those who have gone through training.

#### **UIF**

- The past year ending February 2010, there were 158 000 more contributors on the database of the UIF compared to the end of March 2009 amounting to 7.7 million workers.
- The UIF paid benefits to 746 352 beneficiaries to a total amount of R5.3 billion – which is a 71% increase in unemployment benefit payments compared to the previous year. This is a clear indication of the impact of the current economic crisis and the job losses of the past year as indicated earlier.
- In the coming year the Ministry intends to improve benefits from 8 to 12 months and look at the inclusion of civil servants for UIF. It is also committed to saving jobs and finding alternative employment pathways for those workers unfortunate enough to be retrenched.
- Working together with social partners through NEDLAC, it has put in place a training layoff scheme. The training layoff was launched last September jointly with the CCMA. The Unemployment Insurance Fund and the National Skills Fund jointly committed funds for the scheme to the amount of R2.4 billion. The UIF alone contributed more than R670 million for the training of the unemployed - R40 million of which has been allocated for the 2009/10 period, R200 million for 2010/11, R210 million for 2011/12 and R219 million for 2012/13 period.
- The UIF has also allocated a sum of R2 billion to the Independent Development Corporation to enable it to help companies in distress. As of March 2010 the Department had concluded four training layoff agreements covering 2100 workers in the engineering, auto and mining sectors.

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#### **DEPARTMENT OF MINERAL RESOURCES**

- In line with the Department's spending priorities for 2010/11, an amount of R67 million has been allocated for Mineral Policy and Promotion activities. The department recently convened a mining summit with all stakeholders under the auspices of the Mining Industry Growth and Development Task Team (MIGDETT) with the aim of developing a "strategy for sustainable growth and meaningful transformation", seeking to position the country's mining industry along a growth path whilst simultaneously transforming it.
- Skills development is the cornerstone of competitiveness of the industry. Recently Gold Fields handed over R28-million worth of sponsorships to the University of Johannesburg and the University of the Witwatersrand in support of their engineering faculties, specifically aimed at supporting mining engineering.
- The department is introducing a more frequent monitoring and evaluation mechanism, which will constantly gauge the extent of compliance and transformation to the regulatory regime. The department is enhancing its scope with continuous Regulatory Impact

Assessment (RIA) on legislation and policies developed and implemented in the mining industry. This will ensure constant evaluation of the impact of the policy and will enable the department to assess the socio-economic impact of the legislation governed by the department.

- The Council for Geosciences has completed and published the 1- in 2-million scale geological map for the entire Southern African Development Community (SADC) region. This map is a benchmark product because it is the first integrated geological map for the region that will provide a common understanding of the geology between all the SADC countries. The map is already proving useful in the search for groundwater and minerals in the region. As Africa unravels her geological complexity, additional potential for further mineral development is increased, which has the potential to address the socio-economic plight of the host countries.
- Beneficiation of the country's minerals is a priority for the department and, to this end, the necessary consultations have been completed and the department is ready to table the strategy before Cabinet within the next two months (May and June).
- The importance of research and development aimed at supporting and expediting the country's expanded mineral beneficiation programme cannot be over emphasised. To this end, R165 million has been allocated to Mintek for 2010/11. Although the results seemingly take long, they are generally worth the patience and the continued support of our science councils.
- The Geoscience Amendment Bill was endorsed by Cabinet in December last year and gazetted earlier this year. This Bill will be introduced to Parliament shortly. The main focus of the Bill is to effectively manage infrastructure development in dolomitic terrains as well as to empower the Council for Geoscience (CGS) to be an advisory authority in respect of geohazards and also to enable the CGS to become the custodian of all geotechnical data and technical information relating to exploration and mining. The department has allocated R136 million in support of the activities of the Council for Geoscience during 2010/11.
- The diamond industry was the hardest hit by the global economic and financial crisis, resulting in prices contracting by more than 40% during the year of recession as well as job losses in the same magnitude. Accordingly, the industry has not responded adequately to a number of initiatives being put in place, all of which suggest abundant vulnerabilities within the sector. For instance, the business model of the State Diamond Trader (SDT), including the financing model, structure, operational model and the inhibitive legislative provisions are the basis of the low performance of the SDT. Consequently, the department has instituted an urgent development of a comprehensive strategy for the diamond industry, which seeks to identify structural weaknesses in the structure of the diamond industry and recommend remedial action.
- A Rehabilitation Oversight Committee has been established in department to drive the implementation of a rehabilitation programme for all mines which were licensed prior to the Minerals Act of 1991 and the Mineral and Petroleum Resources Development Act (MPRDA) of 2002.

- The department, through the Council for Geoscience, has been confirmed to host the 2016 International Geological Congress, which will attract a few thousand leading earth-scientists from all over the world. This is just as historic as the 2010 World Cup as it is the first time in the African history that this conference is hosted in the continent. The Council for Geoscience, in partnership with a few geo-institutions, has earnestly begun the preparatory process for the conference and is seeking to attain a long-lasting legacy in the geosciences for the country and the Continent.
- To deal with these pressing occupational health and safety challenges facing the industry, the department has recently embarked on a number of interventions which include:
  - Implementation of the amendments to the Mine Health and Safety Act to improve enforcement and prosecutions
  - Work is being done to improve seismic network coverage and seismic systems integration to assess actions taken by mines in dealing with high risk areas which are prone to seismic events
  - The health capacity of the Inspectorate has been improved by establishing a new Chief Directorate for occupational health and the appointment of additional health inspectors in regional offices.

An amount of R145 million has been allocated toward these Health and Safety Programmes.
- The Mining Qualifications Authority (MQA) has allocated almost R280 million to support the Mining and Minerals Industry with Skills Development. There is great need to partner with FET colleges in areas where there is significant growth in mining. Work experience is important for graduates in area Mining Engineering, Geology, and Metallurgy. The MQA is supporting this initiative through allocation of bursaries to about 500 learners who are studying mining-related qualifications at the different Universities.

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## **PERFORMANCE MONITORING & EVALUATION**

### **Performance monitoring**

- Over the past ten months, government has embarked on a new path of performance outcome indicators intended to ensure that the government machinery becomes more responsive to the needs of its people.

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## **DEPARTMENT OF PUBLIC ENTERPRISES**

The department has:-

- Established a Remuneration Advisory Panel that has been tasked with making recommendations on for a rational, fair and consistent remuneration model for state-owned enterprises (SOEs) that report to the Department of Public Enterprises (DPE). Ms Barbara Masekela will chair the panel.

### **Some of the achievements by SOEs**

- South African Airways (SAA) achieved a modest profit in the past financial year which was a good achievement given the difficult times that most airlines are going through as a result of the economic downturn. SAA's compliance with competition law will be a key focus of the new CEO and will be further enhanced by the appointment of a leading and renowned competition law specialist on the Board.
- SAX continues to perform well and is profitable. Its Board is fast-tracking the replacement of its CEO, Ms Mzimela. SAX is really one of the success stories of the SOE world.
- Broadband Infraco deployed an additional 6 700 km of fibre optic cable in the current financial year to make the total cable deployed and commissioned to 11700 km since inception, providing nationwide coverage of broadband services. To date, the National Long Distance fibre optic network is operational and in Infraco's short period of existence, it has managed to slash national connection costs by about 73%!
- The launch of the West Coast (off Africa) sub-marine cable scheduled for 2011 will further induce a reduction on pricing and improvement in the availability and speed of broadband.

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### **DEPARTMENT OF RURAL DEVELOPMENT AND LAND REFORM Conceptualisation of the Rural Development Programme (CRDP)**

- Rural Development has developed a Comprehensive Rural Development Programme (CRDP) which was shared with all sector departments at National and Provincial levels. The key thrust of the framework is an integrated programme of rural development, land reform and agrarian change.

### **Piloting CRDP**

- The Department is currently implementing the CRDP in several wards of the country with first pilot being launched by President Zuma in Mueyexe, Limpopo province. The expansion of the CRDP implementation is currently underway in 21 wards in the country.
- War on Poverty, which has prioritised 1 128 wards over the Medium Term Strategic Framework (MTSF) period has been relocated from the Presidency to the Department of Rural Development effective from the 1 April 2010.

### **Building institutional capacity**

- The Department has started with the process of building institutional capacity. In this regard, a new organogram has already been approved by the Minister of Public Service and Administration and the National Treasury. The Department is currently in the process of recruiting the required capacity. Post settlement support strategy has been strengthened and properly capacitated with more than 100 employees across the country and partnerships have been developed with tertiary and research institutions.

- An overview of the Department's overall performance has been completed and has guided the development of certain short and medium term strategic and operational remedies.

#### **The CRDP job creation and skills training model**

- The Department has successfully managed to implement a new vibrancy involving communities, the three spheres of government and the private sector. This is envisaged to mobilise resources from all sectors of government to enhance delivery.
- An inclusive CRDP stakeholder participation model has also been developed with the Council of Stakeholders functioning as the planning, implementation and monitoring body- the work undertaken at the CRDP sites, and in conjunction with both National, Provincial and Local Government, erected infrastructure such as housing, water, sanitation, agricultural inputs, community halls, multi-purpose centres, fencing, renovation of schools and clinics.
- With the implementation of these different projects, the department has been piloted a Job Creation and Skills training model.

#### **Food security for all**

- The Department has allocated a 25% of its land acquisition budget (R900million) for the 2010/11 financial year. It has therefore introduced a new programme called "Recapitalisation and Development" whose objectives is to increase production; to guarantee food security; to graduate small farmers into commercial farmers and create employment opportunities within the agricultural sector.

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## **DEPARTMENT OF SCIENCE AND TECHNOLOGY**

### **Introduction**

The primary imperative of the Department of Science and Technology (DST) is to develop, manage and coordinate the National System of Innovation in order to maximise human capital development, sustainable economic growth and improved quality of life for all as mandated by the White Paper on Science and Technology of 1996. The White Paper promotes the advancement of innovation, calling for South Africa to use science and technology to become economically competitive on a global scale, as well as to provide essential services, infrastructure and effective health care for all South Africans. This is to be done by building and sustaining social, legal and economic structures and processes that support innovation, and are competitive while sustaining the natural environment, leading to the enhanced well-being of the people of South Africa.

Since 2008, the DST has focused primarily on implementing the Ten-Year Innovation Plan, while simultaneously continuing with the implementation of the National Research and Development Strategy (NRDS) of 2002. The main aim of the Ten-Year Innovation Plan is to assist in establishing a knowledge-based economy for South Africa, in which the production and dissemination of knowledge leads to economic benefits and enriches all fields of human

endeavour. Its success will be measured by the extent to which science and technology contribute towards enhancing productivity, economic growth and socio-economic development.

The DST has five strategic goals: (a) To develop the innovation capacity of the science system and thereby contribute to socio-economic development; (b) To develop South Africa's knowledge-generation capacity; (c) To develop appropriate human capital for research, development and innovation; (d) To build world class research, development and innovation (RDI) infrastructure; and (e) To position South Africa as a strategic international RDI partner and destination.

## **Snapshot of DST's achievements**

### **Programme 2: Research, Development and Innovation**

#### SumbandilaSat

DST launched a low earth-orbiting satellite, SumbandilaSat, on 17 September 2009. The microsatellite will strengthen South Africa's technological capability and innovation in space science and technology, as well as reinforcing the country's role in national, regional and global space initiatives. The idea is to grow capacity in the space science and technology field, to develop new industries, and to engage rural communities to become part of the process.

SumbandilaSat will have earth observation and communications applications, which are expected to support development strategies for all communities in South Africa. The images acquired will support decision-making in areas such as the prediction of outbreaks of disease, land use and distribution, agriculture (e.g. food security through crop yield estimation), disaster management (floods and fire), natural resource management (e.g. water management), infrastructure planning, and urban planning. The applications will also benefit communities in areas where telecommunications infrastructure is non-existent, through the provision of telecommunications services, e.g. email.

#### Square Kilometre Array

Africa is bidding against Australia to host the world's largest radio telescope, the Square Kilometre Array (SKA). Its unprecedented versatility and sensitivity will make significant new discoveries possible. The SKA is an international project, and will collect data for a whole range of astronomical investigations, complementing other planned instruments in the optical, infrared and millimetre wavebands.

At national level, the SKA will boost South Africa's move towards a knowledge-based economy. The project currently supports about 80 students, mostly from South Africa and its African partner countries. One of the major benefits of the SKA bidding project is the large amount of high-end research that is being undertaken at the universities, building human capital with expertise that will not only support the development of astronomy capability in South Africa, but also make a large number of highly skilled people available to a wide range of industries.

#### South African HIV and AIDS Research and Innovation Platform

The South African HIV and AIDS Research and Innovation Platform (SHARP) was launched in July 2009 to increase the number and quality of locally developed products and services for the prevention, diagnosis and treatment of HIV/Aids. To do this, it will carry out basic research into the host and the virus, and work on developing new or improved treatments, including antiretrovirals, microbicides and prophylactic treatments, as well as preventative and therapeutic vaccines. This platform aims to give opportunities to young researchers who might not yet be established in the field, but who have ideas that deserve support.

#### Hydrogen and Fuel Cell Technology RDI Strategy

Three centres of competence have been developed under the DST's Hydrogen and Fuel Cell Technologies RDI Strategy. In support of the strategy, Anglo Platinum launched a R100 million Platinum Development Fund for the beneficiation of platinum group metals for commercial application. This will enhance research and development capabilities, and develop local enterprises that will use platinum group metals in their products or processes.

#### **Programme 3: International Cooperation and Resources**

The DST has increased its participation in multilateral organisations and enhanced its impact both in the region and globally. South Africa (through the DST) has recently been playing a prominent role in Southern African Development Corporation science, technology and innovation initiatives. The DST secured SADC support for the SKA project at the SADC Summit of 2009, and more recently from the African Ministerial Council on Science and Technology, as well as providing further leadership on policy discussions and activities like the SADC Science, Engineering and Technology Week (in Mauritius).

Furthermore, the DST's leadership role in South-South cooperation was recognised, for instance, in the election of South Africa as the Vice-Chair of the Committee on Development Information, Science and Technology, and as Vice-President of the Non-Aligned Movement Science and Technology Bureau for the next four years. The DST also plays a leading role in several OECD science and technology initiatives.

DST successfully leveraged R178 million in official development assistance funding from partners like Canada, Finland, Germany, Japan, the USA and the United Nations, as well as R11 million for human capital development initiatives from partners like Australia, Canada, France, Germany and Japan.

#### **Programme 4: Human Capital and Knowledge Systems**

##### National Science Week

National Science Week (NSW) is an annual country-wide event led by the DST and supported by the South African Agency for Science and Technology Advancement. It is aimed at highlighting the important role science plays in everyday life and attracting the country's youth to enter and stay in science-related studies and careers. The NSW plays a key role in ongoing DST activities towards the further development of human capital as part of the move towards sustainable socio-economic growth.

##### Fossil discoveries

On 11 November 2009, under the African Origins Platforms, a team led by Prof. Lee Berger, a palaeoanthropologist from the University of the Witwatersrand, described and named a new species of hominid, almost two million years old, which was discovered in the Cradle of Humankind World Heritage Site, 40 km out of Johannesburg. This provided South Africa with an opportunity for human capital development. About 60 leading scientists from around the world and many of students have had the opportunity to work on these precious fossils. The most sophisticated scanning technology has been used.

##### South African Research Chairs Initiative

The South African Research Chairs Initiative (SARChI) is a strategically focused knowledge and human resource initiative aimed at making South Africa competitive in the international knowledge economy on the basis of its existing and potential strengths. The cumulative number of SARChI chairs reached 82 in the 2009/10 financial year. The number of postgraduate

students supported through research chairs grew from 115 in 2007 to 423 in 2009. Of the 423 students, 51% are black, 47% female and 76% South African. Research chair holders also mentor students supported through other sources of funding. The number of these students increased from 252 in 2008 to 367 in 2009. Research chairs supervised a total of 790 students in 2009. Overall, the number of publications increased from 179 in 2008 to 323 in 2009 (265 peer-reviewed journal articles, 10 books, and 48 book chapters).

#### Women in Science Awards

As part of its response to the vision of the NRDS, the DST recognises the achievement of women scientists in South Africa and Africa by rewarding outstanding work done by women in research. Through the Women in Science Awards, the Department aims to increase the number of women scientists and their access to research professions in the country, and to profile well-known women scientists as role models for younger women and girls.

#### Centre for High Performance Computing

Phase II of the Centre for High Performance Computing was installed by the end of June 2009. The peak performance of the new stage is about 30 teraflops per second, with a predictable storage capacity of more than 400 terabytes. The South African National Research Network (SANReN), which is responsible for the roll-out of high-speed broadband network to all academic and research institutions in the country, was awarded a private electronic communications network licence exemption under the Electronic Communications Act, 2005. A major achievement for SANReN was the successful completion of the national backbone network, which connects all major metros in the country with a 10 gigabyte per second link.

### **Programme 5: Socio-Economic Partnerships**

#### Research and Development (R&D) Tax Incentive Programme

More companies have become aware of the R&D Tax Incentive Programme, and the volume of enquiries received by the Department has increased substantially. By the end of October 2009, the DST had received a total of 301 submissions, indicating R&D expenditure of about R3,2 billion. The programme is intended to promote R&D by helping to reduce the costs of product development for companies, and increase the profits resulting from new, innovative ideas, thus boosting the economy.

#### Community-based technology demonstration projects

DST's job-creation initiatives sustained 604 community-based full-time jobs, benefiting mainly women and the youth. These are jobs in community-based technology demonstration projects for agroprocessing, aquaculture, essential oils, and indigenous medicinal plants in support of the bioeconomy. One example is the Hondeklip Bay abalone grow-out project, which is aimed at creating private sector appetite in this area. The ultimate objective of the project is to contribute to the socio-economic development and empowerment of previously disadvantaged coastal communities through employment, skills training, services, SMMEs and business participation.

#### Toolkit for Integrated Planning

Integrated infrastructure planning is essential for accelerating South Africa's movement towards a knowledge-based economy. The DST, with partners, has developed an e-based Toolkit for Integrated Planning, which is aimed at providing enhanced information/improved evidence as input into spatial and integrated development planning processes, and to support the evaluation of alternative planning decisions/policy scenarios to enhance integration, accelerate community

infrastructure and improve service delivery planning. Phase 1a of its development has been completed so far.

#### Titanium R&D projects

Titanium R&D projects are on track. There has been remarkable progress in the primary production of titanium powder, powder metallurgy, investment casting and additive manufacturing, and it is expected that patents (three on the primary titanium process and two on powder metallurgy) will result. The R&D projects gave exposure to 60 students (24% doctoral, 30% masters, 20% honours/BTech and 26% undergraduate).

#### Technology localisation

In a quest to support technology localisation in South Africa, a technology location gap analysis study was conducted with the support of the National Foundry Technology Network through a benchmark of 117 companies. The idea was to identify technology gaps which need to be closed to make the South African foundry industry globally competitive. Of the 117 benchmarked companies, 28 will be receiving technology assistance packages from the DST. The DST has allocated R26 million to support these companies with technology upgrades. The main aim of technology localisation is to support supplier development by assisting local companies to develop their technological capabilities, and then to use these capabilities to leverage procurement opportunities from the infrastructure-build programmes of state-owned enterprises, namely Eskom and Transnet, under the Competitive Supplier Development Programme, and to enter export markets.

#### Broadband connectivity in rural communities

The roll-out of rural wireless mesh network broadband connectivity advanced well in 2009/10. Mesh network equipment is already installed in more than 150 schools in the Nkangala District Municipality in Mpumalanga and some parts of Sekhukhune District Municipality in Limpopo. These schools will be able to access the Internet and communicate with each other when the network goes live. The project will provide direct business opportunities for local entrepreneurs (village operators), 19 of which have already completed the first phase of a two-phase business and technical training programme. This programme should enable them to run their own businesses by operating, supporting and maintaining the network.

#### Advanced Manufacturing Technology Strategy

As part of implementing the Advanced Manufacturing Technology Strategy, the Fluorochemicals Expansion Initiative supported four postdoctoral fellows and 31 science and engineering students (seven doctoral, 12 masters and 12 undergraduates). It is envisaged that this strategy will result in the beneficiation of a wide range of downstream products from South Africa's abundant resources of fluorspar. Ultimately, this should create new business ventures and firms that will support economic growth and development in South Africa.

#### 10-Year Global Change Research Plan

The 10-Year Global Change Research Plan and its implementation plan were finalised. The research plan aims to address the challenges of global change through developing innovative ways to live sustainably in a changing world, responding timeously to environmental disasters and health hazards, and reducing the ecological footprint of humans. To assist in achieving these goals and fostering equitable and improved access to vital resources, data are needed from diverse sources. Systems that coordinate the collection, archiving, analysis and distribution of data are needed in order to provide government, the private sector, civil society, and on-the-ground managers with relevant and timely decision-support tools. Earth observation

networks are used to monitor the environment and collate data that reveal trends and provide information for forecasting changes in the environment.

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## **SPORT AND RECREATION SOUTH AFRICA**

### **2010 FIFA World Cup**

- South Africans have proudly risen to the task of preparing for organising and hosting a memorable World Cup.
- The country ensured it should also be a project of the nation that will contribute to nation building, unity and patriotism.
- The 2010 FIFA World Cup presents the country with an ideal forum to extend an unforgettable South African welcome to the world.
- It offers us a golden opportunity to collaborate with all stakeholders in a dynamic partnership based on integrity and excellence.
- It is a strong catalyst towards the building of national and continental pride and unity.
- It is already boosting tourism and the economy.
- The World Cup must make South Africa a favourable destination to visit and to conduct business. It must reduce Afro-pessimism.
- The country has built new and revitalised existing stadia and has upgraded its transport and accommodation facilities.
- Government has made huge investment in infrastructure development and in reconstructing the image of South Africa and Africa as legitimate members of the family of nations.
- The World Cup has opened many people's eyes to other countries and their cultures. As the youth is inculcated with a sense of national pride and are exposed to other cultures, their respect for unity in diversity gets stronger. This is good for good citizenship that is non-discriminatory and non-xenophobic. This is good for internationalism and a peaceful world.
- SRSA is doing an audit on the socio economic benefits to our people that have accrued from hosting this great event.
- It will also do an assessment of the spiritual and political legacies of the World Cup to South Africa and Africa. This work should be completed by the end of August 2010.
- The coordinating task of the Department has made sure that the 2010 FIFA World Cup Inter-Ministerial Committee and Cabinet get regular reports from the Technical Coordinating Committee.

- The Technical Coordinating Committee in turn made sure that all spheres of government delivered on their guarantees. It also acted as cutting edge in negotiations with the Local organising Committee (LOC), FIFA and other players.

### **World Anti-Doping Agency**

- South Africa has just concluded an unprecedented 10 years stint as board and Executive Committee member of the World Anti-Doping Agency (WADA). The African Union and the Supreme Council for Sport in Africa (SCSA) unanimously agreed to hand this responsibility to Tunisia for one year. During this time South Africa will be unpaid consultants to Africa and WADA on issues affecting Africa on doping.

### **SCSA**

- South Africa also handed over the role of the chair for the Zone VI of the SCSA to Swaziland, the next hosts of the Zone VI under 20 games. The country remains members of the Troika and of the Council of Ministers.

### **UNESCO**

- South Africa continues to serve through the Department's Deputy Minister on the United Nations Education, Scientific and Cultural Organisation (UNESCO) committee that approves funds for the elimination of doping in sport.

### **Mega Sporting Events**

- The Department's (SRSA) cooperation with the Tourism Department as well as the country's impressive record in hosting mega sport events has not gone unnoticed in the world. The United Nations, the National Olympic Committee (IOC), WADA and a whole range of sport federations look at South Africa as a preferred host of world events.

### **School Sport Programmes**

- The department will continue to pursue initiatives that increase the number of participants in sport and recreation. The department will also broaden its focus to the area of recreation and strengthen its relationship with the Department of Basic Education in the delivery of school sport programmes.
- Other important focus areas to assist in broadening the participation base of South African sport will include sports promotion programmes and implementation of more stringent monitoring and evaluation systems, with indicators that highlight the significant impact that these initiatives have on the lives of ordinary South Africans.

### **Community Mass Participation Programme**

- The Community Mass Participation programme addresses among others, government's call for safer communities, lifelong healthy living, and skills improvement. It also contributes to job creation. The department's potential partners here are such Departments as Health, Social Development, Security Cluster and Education. This is where it deals with prevention and correction of anti-social behaviour.
- More than 2 850 schools received sport equipment, training and a coordinator through the Department's mass participation grant in the last financial year. Both junior and senior schools national and regional tournaments take place fairly smoothly.

### **Scientific Support to Athletes**

- Modern day athletes can barely attain their maximum potential without scientific support. To this end SRSA created a special directorate to render scientific and technical support to athletics, both developing and elite athletes.
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### **STATISTICS SOUTH AFRICA**

#### **Business Register: Improving business registration in South Africa**

- An intergovernmental project, the Business Registration Reform project, has been established between the South African Revenue Service (SARS), Stats SA, the dti and National Treasury to look into the development and implementation of a single integrated business registration system that can contribute towards economic growth, through cutting costs for both businesses and the state and support a more comprehensive understanding of our economy.
- A Memorandum of Understanding has been signed by all four parties agreeing to terms of reference and working arrangements. A BRR steering committee has been established to provide strategic direction to the project and the project director has assumed duty.

#### **International and participation**

- In August 2003. Statistics South Africa, in collaboration with the South African Statistical Association, was presented and awarded the bid to host the 57<sup>th</sup> Session of the International Statistical Institute (ISI) on behalf of South Africa.
- The first ever 151 Session to take place in sub-Saharan Africa took place during 16 — 22 August 2009 at the Durban International Convention Centre. South African President Jacob Zuma officially opened the conference that was attended by more than 1800 delegates from all over the world representing 125 countries including the internationally recognised leaders in the field of Statistics.
- The largest participation of 937 African delegates at an 151 session was recorded. 51 African countries were represented, 577 women attended the 151<sup>st</sup> 2009 which is equivalent to 30.6% of the total delegates. Over 90 young statisticians attended 151 2009 for the first time.

Stats SA managed to deliver a world-class 181 Session and the overriding sentiment of the 181 Executive Team as well as attending delegates was that 181 2009 delivered, beyond their expectations, a varied, interesting and relevant scientific programmes.

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## **DEPARTMENT OF TRADE AND INDUSTRY**

The review of **the dti's** performance during 2009-2010 financial year is covered under five key themes, which encapsulates the department's mandate, as is indicated below:

### **Industrial Development**

- Launched the Industrial Policy Action Plan (IPAPII) in February 2010. The IPAP was adopted by the National Cabinet following widespread consultation with business, labour and civil society. It gave expression to the National Industrial Policy Framework adopted in 2007. The IPAPII is a concrete plan to reverse the decline of South African industrial capacity, to facilitate diversification beyond our current reliance on traditional commodities and to support the growth of industry with an emphasis on sectors which produce tradable goods and are labour intensive. Efforts to grow industrial sectors to retain existing jobs and to address the critical problem of unemployment which has remained at unacceptably high levels in our country, is at the core of the IPAPII.
- Thirty two (32) companies in the clothing and textile sector have accessed a R434 million facility for two programmes to the value of R29 million by the 6th April 2010. In 2009 rebate certificates with a deemed value of just over R5 billion for qualifying products were issued in the automotives sector. In the 2010 financial year the projected uptake for investment support in the automotive sector is R1.1 billion. This will 'crowd-in' a further estimated R3.5 billion rand investment from the private sector. These measures will go a long way to reverse the 25 000 jobs lost since the start of the recession. Figures to date indicate that 1 196 jobs have been created since the beginning of the 2010 financial year in this sector.
- Budget funds have been allocated for the film, tourism and business processing outsourcing (BPO) subsectors. This played a significant role in ensuring that, for example 5, 693 jobs were created in the BPO subsector between April and September 2009.
- Completed and issued amended guidelines for the Enterprise Investment Programme (EIP). Simplified rules and more realistic requirements in line with commercial realities.
- Completed development of Automotive Investment Scheme (AIS) guidelines to support the Motor Industry. A budget of R2.7 bn over the Medium Term Expenditure Framework (MTEF) has been secured. The new programme has been extended to include investment in the component sector.
- Completed development of Tax Incentive Regulations and appointment of adjudication committee
- Supported private sector investment in targeted sectors via funding of 871 Enterprises in the Manufacturing, Tourism, Film & TV as well as Business Process Outsourcing and Off-shoring sectors
- Supported 795 projects leveraging R8.4 billion investment under the EIP scheme. Projects will create 16 760 jobs. 87% and 13% of approved projects are in Manufacturing and Tourism respectively. Within Manufacturing 61% of approved projects are in

prioritised IPAP sectors. Number of projects approved, value of investment leveraged and number of jobs created and turnaround times exceed business plan targets.

- Paid 3811 Small Medium Enterprise Development Programme (SMEDP) claims worth R1.35 billion. Turnaround times have improved but still need to clear old outstanding claims. Procedure in place for fast tracking firms experiencing financial distress.
- Eleven BPO&O projects approved worth R620 million investment creating 11 852 jobs. Growth of sector and approved projects appear to be slowing down. Turnaround times on applications and claims exceeded business plan targets.
- Improved the competitiveness of small, black owned enterprises by supporting 4008 enterprises to acquire business development services
- Completed revision of Black Business Supplier Development Programme (BBSDP) guidelines. Scheme to focus on integrating small Black owned and managed businesses into sectoral value chains and government supply chains.
- Improved the viability and competitiveness of 246 emerging cooperatives via funding to the value of R34.5 million.
- Completed consultation process on modernising South Africa's Technical Infrastructure Strategy (SQAM)

### **Trade, Investment and Exports**

- Economic cooperation agreements were signed with Angola, Nigeria, Zambia, Egypt, Senegal and a bilateral investment treaty with Zimbabwe. Agreements with Ethiopia, Uganda and Burundi were concluded and await signature.
- Focused on consolidating the Southern African Development Community Free Trade Agreement (SADC FTA), extending it to the services sector, whilst developing an approach to advance the SADC-EAC-COMESA trilateral trade agreement.
- Submission of the SACU-Mercosur Preferential Trade Agreement (PTA) for ratification by Parliament. Ongoing negotiations on SACU-India PTA agreement to explore modalities for a trilateral trade arrangement between the Southern African Customs Union (SACU), Mercosur and India. Support for bilateral engagement with India and Brazil under the IBSA framework. MOU on trade and economic partnership with Brazil signed. Continued engagement on the Partnership for Growth and Development (PGD) with China.
- The new Non-Proliferation Council was appointed on 14 September 2009. The Council approved amendments to the Regulations and Notices under the Non-Proliferation Act and these were published in the Government Gazette in February 2010.
- Led preparation for the 7<sup>th</sup> World Trade Organisation (WTO) Ministerial Conference, SACU notification to the WTO, and the SACU WTO Trade Policy Review. Supported participation in the G20 process addressing the global economic crisis, shaped the

outcome of the investment policy dialogue in the G8+5 processes. Facilitated inclusion of SA and Africa sessions in the formal World Economic Forum programmes and developed initial position on the trade aspects of the climate change negotiations. Developed common African positions in FOCAC, India-Africa, EU-Africa, South America-Africa engagement, TICAD.

- The SA-EU Enlargement Protocol was signed, extending Trade, Development and Cooperation Agreement (TDCA) preferences to Bulgaria and Romania. The SA-EU Cheese Agreement was implemented. Economic Cooperation Agreement was signed with Hungary. Submitted notification of the SACU-EFTA FTA to the WTO.
- Undertaken various trade and investment promotion activities with SA exporters and investors to Angola (120), Zambia (80), Brazil (60), Nigeria (50) and the UK (210) in support of Presidential State visits.
- **the dti** established new economic offices as part of South African missions in Harare, Zimbabwe, Kinshasa, DRC; and Tehran, Iran. Through these new offices, **the dti** intends to facilitate increased business opportunities for South African companies in those markets.
- Substantive progress has been made to recruit foreign direct investment in a targeted manner. Targeted countries include China, India, Russia, Brazil, Japan, Europe, USA and Middle East. The work programme will translate over the next three years into an investment pipeline of R115 billion of projects.
- Facilitated the 4T6 Puma expansion programme at Ford resulting in them bringing new component suppliers such Magnetto from Italy, Motherson and KLT from India. This represents new investments of R570 million and creation of 350 jobs.
- The Export Marketing and Investment Assistance Scheme (EMIA) granted financial assistance to 411 South African entities participating in National Pavilions, as well as 221 local and 167 international entities participating in Group Outward and Inward Bound Missions respectively. The cost of this financial assistance amounted to R56,5 million for National Pavilions and R 4,7 million for Group Trade Missions. A total number of 23 National and 1 Local Pavilion as well as 49 Group Trade Missions took place during the period under review.
- Under the Small Exporters Development Programme, 365 emerging exporters were trained in partnership with SEDA (target was 200) and 183 new small exporters were assisted to promote their products in international markets, through missions to UK, Portugal, Brazil, Zambia, Chicago, China, USA, Germany & Jamaica. 12 high quality trade lead bulletins were compiled and distributed to potential SMME exporters to ensure that they have access to export opportunities from abroad.

### **Broadening participation**

- The targeted procurement for small enterprises, through the ten product procurement policy framework aimed at increasing access to markets for small, medium and micro enterprises (SMMEs) through government procurement has been finalised. The SMME payment hot line was successfully launched in September of 2009.

- The development of a business plan for the roll-out of Khula direct model to provide direct lending to SMMEs is progressing very well with Treasury having been consulted on the funding model. This project has been taken over by the Department of Economic Development from 1 April 2010.
- The National Small Business Advisory Council has successfully completed its term. This has laid the foundation for the newly appointed Council to resume its work based on the proper guidelines and advisory framework developed by the previous council.
- National SMME Directory has been finalised incorporating SMME support programmes from the public, private sector and donor funded programmes.
- The formulation of the Cooperative Strategy aimed at developing cooperatives through the provision and upscaling of the relevant support programmes has been finalised and approved by NEDLAC, including the NEDLAC report in this regard.
- The investment on the capacity building to the main intermediaries of the South African Micro Apex Fund (**samaf**) is beginning to yield results. These intermediaries are beginning to demand more funding to increase their disbursement levels. This project will now be taken over from 1 April 2010 by the Department of Economic Development.
- A successful advocacy and communication of BBBEE through road shows and workshops have been undertaken in all provinces. The recent gazetting of Chartered Accounting Charter under sec 9(5) is seen as an important milestone in promoting sector specific transformation measures in line with BBBEE. In addition the Advisory Council for monitoring and evaluation of BBBEE has been approved and established. The Council is chaired by the State President.
- The draft Preferential Procurement Regulation has been published in partnership with National Treasury to align PPPFA and BBBEE Act.
- The Centre for Entrepreneurship was launched in collaboration with Wits Business School with a view to achieve the development of core competencies in entrepreneurial education, create a sustainable entrepreneurial eco-system that promotes and nurtures entrepreneurial capacity in individuals, communities and organisations across South Africa.
- The Technology and Human Resources for Industry programme leveraged R227 million from the private sector for new technology development and supported 298 enterprises (64% of which are SMME's) in 2009/10. THRIP supported 2187 students, and 685 researchers.
- The Support Programme for Industrial Innovation recorded sales of R283 million, of which R191million were export sales for new products and processes. In 2009/10 the programme created 176 shop floor jobs, and 59 new projects were supported against a target of 80 projects.

- Seda Technology Programme supported 29 incubators and 66 projects to the value of R98m. This incentive created 6778 jobs; created 243 new SMME's and supported 675 SMME's on quality and standards activities.

### **Regulation**

- Acts passed: Companies, Competition and Consumer Protection via regulation, new public entities and awareness campaigns.
- New law reforms and policy initiatives related to the following compiled: Estate Agents, National Lottery, Gambling and Liquor and Intellectual Property

### **Administration and Co-ordination**

- Initiatives to review post-graduate programmes and Cadet programme
- Conducted training and awareness campaigns on fraud & corruption prevention
- Improved recruitment efforts across the department. Although the vacancy rate has been constant compared to 2008/2009 financial year, in real terms, great improvement has been made which is not evident due to a substantial number of new posts being created during 2009/10. Key positions were filled within **the dti** and in the Economic Development
- Solid corporate policy foundation. The following policy frameworks were develop and reviewed:
  - People management**
    - Human Resource Plan (100% complete)
    - Retention Strategy (100% complete)
    - Human Resource Development Strategy (100% complete)
    - Revised Fraud Prevention Plan and policy (100% complete)
    - JE Policy (100% complete)
    - Performance Management System (100% complete)
    - Disability Management Strategy (100% completed)
  - Service Delivery**
    - Service Delivery Improvement Plan (SDIP) (60% complete)
    - **ICT**
      - Disaster Recovery Plan
      - ICT Security Strategy (80% completed)
    - **Governance**
      - Ethics Management Framework (100% complete)
      - Risk Management Strategy and policy (100% complete)
- Sound financial management: The department has once again received a clean bill of health in the form of an unqualified report on the 2008/09 audit of Annual Financial Statements. This is not only indicative of embedded sound financial management practices but also of the caliber of skills that the department has.

## DEPARTMENT OF TRANSPORT

- The Department Invested R25 billion in passenger rail services to get the country ready for the World Cup and beyond.
- A R1.4 billion treasury guarantee had been provided for Autopax to recapitalise its fleet for 2010 and for the sustainability of the services in the long-term.
- The launch of Rea Vaya Phase one A, which operates between Johannesburg and Soweto carries 20 000 people per day as at December 2009 up from 11 000 in August of the same year.
- On track with the with the construction of the Integrated Rapid Public Transport Networks (IRPTN) infrastructure in Johannesburg, Cape Town and Nelson Mandela Bay.
- The appointment of a service provider to manage the Operational Management Entity (OME) which will have operational oversight over the long distance bus and taxi operations.
- Launch of the new King Shaka international airport at La Mercy at cost of R6.7 billion.
- Finalised the draft implementation strategy and action plan to achieve accessible public transport system for people with disabilities, the elderly, pregnant women, parents with prams and children.
- Formation of the Community Road Safety Councils (RSC) in all nine provinces to assist in making SA roads safer.
- Produced a draft five-year intervention transport plan to integrate rural communities into the mainstream economy. The plan includes the provision of rural transport, access roads and branch lines.

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## DEPARTMENT OF WATER AFFAIRS

### **Ensuring Sustainable and Equitable Water Resources Management Forecasting and balancing water demand and supply**

- Three (3) key reconciliation strategies were completed during the 9/10 financial year. These are :
  - *Crocodile Water Reconciliation strategy* ensures that water security for the Northern areas of Gauteng, the platinum mines and other developments around Rustenburg and Brits and north to Thabazimbi. This covers the water supply to

the largest scale energy related developments that are planned for the Waterberg coalfields in the vicinity of Lephalale.

- *Vaal Reconciliation strategy*: The Vaal system supplies a vast area covering the Eastern Highveld of Mpumalanga, Gauteng, the North West goldfields around Klerksdorp, the Free State goldfields around Welkom and down to Kimberley in the Northern Cape.
  - *Water Reconciliation strategy for the KwaZulu-Natal Coastal Metropolitan Areas*. This strategy essentially covers water supply to the area from Pietermaritzburg to Durban and from KwaDukuza (Stanger) in the north, to Amanzimtoti in the south. It includes the eThekweni Metropolitan area and the Msunduzi and Lembe Municipalities
- The department embarked on a uncharted regulation of drinking water quality. 94% Water Services Authorities were assessed through the Green Drop regulatory programme. This prestigious regulatory programme has been used to determine the levels of confidence the Department should have in the management of drinking water quality by municipalities. The report revealed that all our 2010 FIFA host cities comply with the set national standards and that adequate management practices are in place. The report also indicates a general trend of improvement in the management of drinking water quality.
  - Thirty (30) water licence applications were issued to Historically Disadvantaged Individuals for afforestation and agriculture. It is hoped that this allocation will contribute towards economic growth and rural development.
  - 895 900 hectares were cleared of invasive species through the Working for Water (WfW) Programme. This clearing of invasive species contributes to job creation, water conservation and environmental protection.

### **Ensure Universal Access to Safe and Affordable Basic Water**

#### **Implementation of Regional Infrastructure Bulk for water services (RBIG)**

The RBIG is a targeted support programme to Water Services Authorities (WSAs) to supplement the financing for the development of regional bulk water infrastructure, regional bulk sanitation collection as well as regional water treatment works and waste water treatment works. During 2009/10 financial year an amount of R1.362 billion was invested in this programme. The following Water Schemes were completed and these will improve access to 222 142 people.

- Mbashe District Municipality: Eastern Cape
- Mathulini Bulk Water Scheme: KZN
- Greater Mthonjaneni: KZN
- Van Wyk Vlei Bulk Water Scheme: Northern Cape
- Van der Kloof/Petrusville: Northern Cape
- Makwasi Hill Bulk Water Scheme: North West

Furthermore, the programme has created a total of 6 342 job opportunities.

#### **Support to Local Government**

- Four (4) Provinces were supported with the development of water plans to support provincial growth initiatives.

- 60% of under-capacitated Municipalities were supported in the following areas:
  - deployment of expertise, development of IDPs, operations and maintenance of infrastructure, development of monitoring systems
- Eight (8) Provincial Water Sector plans were reviewed and aligned in terms of the Water for Growth and Development (WfGD) Framework

### **Build, operate and maintain infrastructure**

#### **New water resources augmentation schemes**

- The Vaal River Eastern Sub-system Augmentation Project was declared operational in June 2009. After a capital investment of R2.5 billion water can now be conveyed through a large pipeline from the Vaal Dam to a distribution point near Secunda to ensure the provision of additional water to Eskom and Sasol at the high level of assurance of supply required for strategic industries.
- Olifants River Water Resources Development Project (ORWRDP) 2A: Construction of the Project was progressed to 38% complete. All the related infrastructure necessary to complete the construction of the De Hoop Dam has now been completed. This includes the construction of the new 20 km stretch of the R555 road relocated around the dam basin which was completed and opened for traffic in June 2009. The in-house construction team of DWA is now ready for placing the concrete in this large dam at high production rates. Construction of the dam is scheduled for completion in 2012. A Project Charter was established to set social-economic targets that would promote the optimisation of benefits for the local citizens of the Sekhukhune District. The project employment of local workers peaked at 1200 during the year. Upon completion the stored water will be available for ensuring sufficient water for the social needs of 800 000 people on the Nebo Plateau who currently do not have a sufficient source of water. Water will also be available for new mining developments. To date R1.3 billion has been spent on this project.
- Good progress has been made with preparations in terms of planning and design work for the implementation of four major water augmentation projects for which construction is due to start in the new financial year. These are :
  - Mokolo-Crocodile River Augmentation Project Phase I to supply water to the new Medupi Power station, coal mines and Lephalale municipality by 2013;
  - Mooi-Mgeni Transfer Scheme Project which comprises the construction of Spring Grove Dam and transfer pipeline for augmenting the domestic water supply in the Ethekeeni and Umgungundlovu municipal areas by 2013;
  - Komati River Water Augmentation Scheme to improve the assurance of supply to Eskom's Duvha power station by 2012; and
  - Olifants River Water Resources Development Project Bulk Distribution System to convey the water from the De Hoop Dam to communities and new mines by 2013 and beyond.
- Dam Safety and Rehabilitation Programme: At the end of the financial year a total of eighteen (18) dams had been rehabilitated. The upgrading of these dams ensures: (i) sustainability of water supply (ii) limiting water losses, and (iii) increase in the spillway capacity to ensure the protection of the dam as part of disaster management. R324 million was spent during this year.

### **Poverty alleviation programmes**

- 22 369 employment opportunities were created through Extended Public Works Programme (Working for Water [WfW] and Working on fire [WoF]).
- 1442 SMMEs were created through Extended Public Works Programme (Natural Resource Management Programmes- WfW, WoF, Working for Woodlands)
- The Department installed underground rainwater tanks to 500 households to be used for food gardening and enhancement of access to water.
- Three hundred (300) resource poor farmers were provided with financial support for water infrastructure and capacity building.

### **Pursuing African advancement and enhanced international cooperation and development**

- During this period, the Department (on behalf of the country) hosted the second Africa Water Week event and Seventh Session of African Minister's Council on Water (AMCOW). During this event, South Africa, through the Department of Water affairs, took over the chair of AMCOW for the next two (2) years. This responsibility means that South Africa will take the lead in advocating for prioritisation of water and sanitation in the Continent and mobilisation of resources to realise the basic human right of access to clean drinking water and safe sanitation.

### **Create a value driven, effective and responsive department**

The department undertook improving financial management as a contribution to this government priority. Positive progress had been made in the following:

- For the first time in four successive years, the Department had been given unqualified audit opinion by the Auditor-General.
- The financial management improvement initiatives in areas of (i) asset management, (ii) revenue management, (iii) establishment of risk management, and (iv) the enhancement of internal audit function.
- The Enterprise Wide Asset Management (EWAM) project which undertook the verification and valuation of major water infrastructure assets with a view to producing a complete and verified asset management register including the establishment of relevant asset management policies.
- A project initiated to re-engineer the business processes required to effectively and efficiently manage bulk water supply business by enhancing its operations through the introduction of industry best practice.

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## **DEPARTMENT OF WOMEN, CHILDREN AND PERSONS WITH DISABILITIES**

- Part of the ground work by the Department has been the mobilisation of human and other resources needed for implementation the department's programme.
- The Department has completed the selection process for the position of the director-general for the department and awaiting Cabinet decision. The organogram with the staff complement of 195 has been approved by the Department of Public Service and Administration (DPSA).
- Wheelchairs and assistive devices were handed over to learners with disabilities as part of an initiative supported by the Airport Company of South Africa (ACSA). ACSA has already provided about 400 assistive devices in Free State and during this financial year.
- Participated in the 15 year global review of the implementation of the Beijing declaration and its platform for action convened by the United Nations Commission on the Status of Women (UNCSW) in New York.
- The main focus this year will be on the development of the Gender Equality Bill which should hasten the pace towards gender equality in all sectors of our society.

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