



PRESIDENT
CYRIL RAMAPHOSA
**STATE^{OF}
THE
NATION
ADDRESS**
HIGHLIGHTS

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REPUBLIC OF SOUTH AFRICA



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TOGETHER WE CAN BEAT CORONAVIRUS

Highlights of the State of the Nation Address (SoNA) 2021

President Cyril Ramaphosa delivered the SoNA to a hybrid Joint Sitting of the two houses of Parliament – the National Assembly and National Council of Provinces – in Cape Town on Thursday, 11 February 2021.

Reflecting on the past year, the President said: “We, the people of South Africa, have over the past year experienced a terrible hardship. Like a wildfire that sweeps across the mountainous ranges where the fynbos grows, a deadly pandemic has swept across the world, leaving devastation in its path.”

“And yet, like the hardy fynbos of our native land, we too have proven to be resilient in many ways. For three centuries we were victims of oppression, dispossession and injustice. And for three centuries we resisted.

“The flames of injustice may have scarred us, but they did not consume us. The rains of democracy brought rejuvenation and the birth of a new nation. We have risen time and time again from the depths of darkness to herald a new day.

“As we look on the grave damage that this disease has caused, we know that like the fynbos, like all those who have walked this land before us, we will rise again.

“Nearly a year has passed since South Africa saw its first case of the novel coronavirus (COVID-19). Since then, nearly one-and-a-half million people in our country are known to have been infected by the virus. More than 45 000 people are known to have died.

“Beyond these statistics lies a human story of tragedy and pain. There is no family, no community, and no place of work that has not lost someone they knew, worked with, and loved.

“It is also a story of courage and resilience. The resilience of the hospital worker who – day after day, night after night – goes to work to save lives, knowing that they themselves are at risk of infection. It is a wonderful account of the courage of the police officer, the soldier, the essential worker, the carer and all those on the frontline who have kept our country safe, our people fed and our economy going. It is a story of solidarity and compassion.

“Of a nation that has stood together to confront COVID-19 in ways not seen since the early days of our democracy. More than anything else, this crisis has revealed the true character of our remarkable nation.

“It has revealed a spirit of the people who refused to be defeated. It is this South African spirit that must drive our resolve to build a new and more equal economy and a better, more just society.

“The year ahead must be a time for change, for progress and for rebirth. It must be a year in which we rise.” – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

PRIORITIES OF 2021

President Ramaphosa said the overriding priorities of 2021 were to:

- defeat the COVID-19 pandemic;
- accelerate economic recovery;
- implement economic reforms to create sustainable jobs and drive inclusive growth; and
- fight corruption and strengthen the State.

“Fundamental to our nation’s recovery is an unrelenting and comprehensive response to overcome COVID-19. South Africa has just emerged from the second wave of infections since COVID-19 arrived on our shores in March last year.

“Driven by a new variant of the virus, this second wave was more severe and cost many more lives than the first wave. Nevertheless, the human cost could have been far greater.

“Had we not moved quickly to restrict movement and activity, had we not prepared our health facilities, had South Africans not observed the basic health protocols, the devastation caused by this virus could have been far worse.

“This year, we must do everything in our means to contain and overcome this pandemic. This means intensifying our prevention efforts and strengthening our health system.

“It also means that we must undertake a massive vaccination programme to save lives and dramatically reduce infections across the population.

“Earlier this week, we were informed that one of the vaccines that we had procured, the **AstraZeneca** vaccine, offers minimal protection from mild to moderate infection by the new variant known as 501Y.V2.

“This is according to early findings of a study by our scientists and researchers. We applaud these scientists for leading this research and providing new evidence that is vital for guiding our response.

“Since this variant is now the dominant variant in our country, these findings have significant implications for the pace, design and sequencing of our vaccine programme.

“While it should not delay the start of the vaccination programme by much, it will affect the choice of vaccines and the manner of their deployment.

“The first phase of our vaccination programme, which is targeted at health and other frontline workers, will now use the **Johnson & Johnson** vaccine, which has been shown to be effective against the 501Y.V2 variant.

“We have secured nine million doses of the Johnson & Johnson vaccine. The first batch of 80 000 doses will arrive in the country next week. Further consignments will arrive over the next four weeks, totalling 500 000 Johnson & Johnson vaccines.

“All provinces have roll-out plans in place as the first vaccines come through. I wish to thank all provinces for their level of preparedness for this massive undertaking that we are about to embark upon.

“In addition, we have secured 12 million vaccine doses from the global COVAX facility. This will be complemented by other vaccines that are available to South Africa through the **African Union’s (AU) African Vaccine Acquisition Task Team** facility as well.

“Pfizer has committed 20 million vaccine doses commencing with deliveries at the end of the first quarter. We are continuing our engagements with all the vaccine manufacturers to ensure that we secure sufficient quantities of vaccines that are suitable to our conditions.

“The health and safety of our people remains our paramount concern. All medication imported into the country is monitored, evaluated, investigated, inspected and registered by the South African Health Products Regulatory Authority.

“We will continue to use the science-driven approach that has served us well since the earliest days of the pandemic. The success of the vaccination programme will rely on active collaboration between all sectors of society.

“We are greatly encouraged by the active involvement of business, labour, the health industry and medical schemes in particular in preparing for this mass vaccination drive.

“As we have overcome before, we will overcome again and rise. But it is not just this disease that we must defeat. We must overcome poverty and hunger, joblessness and inequality.

We must overcome a legacy of exclusion and dispossession that continues to impoverish our people, and which this pandemic has severely worsened.

"When I delivered the SoNA in this House last year, none of us could have imagined how – within a matter of weeks – our country and our world would have changed so dramatically.

"Our plans had to be adapted in response to a global emergency. Budgets had to be reprioritised and many programmes had to be deferred. Over the past year, South Africa has experienced a sharp decline in growth and a significant increase in unemployment. Poverty is on the rise. Inequality is deepening.

"In the third quarter of 2020, our economy was 6% smaller than it was in the last quarter of 2019.

"There were 1,7 million fewer people employed in the third quarter of 2020 than there were in the first quarter, before the pandemic struck. Our unemployment rate now stands at a staggering 30,8%.

"As a result of the relief measures that we implemented and the phased reopening of the economy, we expect to see a strong recovery in employment by the end of 2020.

"As we worked to contain the spread of the virus, we also had to take extraordinary measures to support ordinary South Africans, assist businesses in distress and protect people's livelihoods.

"The social and economic relief package that we introduced in April last year is the largest intervention of its kind in our history.

"It identified measures worth a total of R500 billion – or about 10% of our Gross Domestic Product – to provide cash directly to the poorest households, to provide wage support to workers and to provide various forms of relief to struggling businesses.

"A total of 18 million people or close to one-third of the population, received additional grant payments through these relief measures. It is estimated that this grant lifted more than five million people above the food poverty line, helping to alleviate hunger in a moment of great crisis.

"To date, more than R57 billion in wage support has been paid to over 4,5 million workers through the **Special Unemployment Insurance Fund Temporary Employer/Employee Relief Scheme (TERS)**. More than R1,3 billion has been provided in support mainly for small- and medium-sized businesses.

"In addition, over R70 billion in tax relief was extended to businesses in distress. Around R18,9 billion in loans have been approved for 13 000 businesses through the **Loan Guarantee Scheme**." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

UPDATE ON THE ECONOMIC RECONSTRUCTION AND RECOVERY PLAN (ERRP)

Since the launch of the ERRP, government has focused on four priority interventions:

- A massive roll-out of infrastructure throughout the country;
- A massive increase in local production;
- An employment stimulus to create jobs and support livelihoods; and
- The rapid expansion of energy generation capacity.

"We announced that we would be embarking on a massive roll-out of infrastructure throughout the country. We knew that to achieve this objective we would need to steadily rebuild technical skills within government to prepare and manage large infrastructure projects." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

INFRASTRUCTURE INVESTMENT PROJECT

Government has developed an infrastructure investment project pipeline worth R340 billion in network industries such as energy, water, transport and telecommunications. Construction has started and progress is being made on a number of projects.

Since the announcement of the ERRP, government has launched two major human settlements projects that will provide homes to almost 68 000 households in Gauteng. Similar human settlements projects are planned in other provinces.

LANSERIA SMART CITY

New post-apartheid cities being conceptualised in a number of places in South Africa form part of government's dream of building new cities that will enable the country to make a break with apartheid's spatial development.

The Lanseria Smart City, the first new city to be built in a democratic South Africa, is now a reality in the making. The draft masterplan for this smart city – which will become home to between 350 000 to 500 000 people within the next decade – was completed in November 2020 and is now out for public comment.

WATER INFRASTRUCTURE PROJECTS



Progress is being made on several major water infrastructure projects. These include Phase 2A of the **Mokolo and Crocodile River Project**, and the **uMkhomazi Water Project**.

ROAD PROJECTS

The **Infrastructure Investment Plan** has identified roads projects worth R19 billion, covering the spine of the South African road network. Work is underway to finalise project finance structuring for these projects.

Resources have been committed from the fiscus to support the construction and rehabilitation of the major N1, N2 and N3 highways. These infrastructure projects will lead to the revival of the construction industry and the creation of much-needed jobs.

INFRASTRUCTURE FUND

The R100-billion Infrastructure Fund is now in full operation. This fund will blend resources from the fiscus with financing from the private sector and development institutions. Its approved project pipeline for 2021 is varied and includes the **Student Housing Infrastructure Programme**, which aims to provide 300 000 student beds.

BROADBAND ROLL-OUT

Government has approved **SA Connect**, a programme to roll out broadband to schools, hospitals, police stations and other government facilities.

LOCAL PRODUCTION

The second priority intervention of the ERRP is to support a massive increase in local production and to make South African exports globally competitive. This will encourage greater investment by the private sector in productive activity.

Key to this plan is a renewed commitment from government, business and organised labour to buy local. This commitment

should lead to increased local production, which will lead to the revival of the manufacturing industry.

All social partners who participated in the development of the ERRP, as part of the social compact, have agreed to work together to reduce South Africa's reliance on imports by 20% over the next five years.

They have identified 42 products – ranging from edible oils to furniture, fruit concentrates, personal protective equipment, steel products and green economy inputs – that can be sourced locally. If South Africa achieves the target, it will significantly expand its productive economy, potentially returning more than R200 billion to its annual output.



SMALL BUSINESS DEVELOPMENT

In 2020, government undertook to create a larger market for small businesses and designate 1 000 locally produced products that must be procured from small, medium and micro enterprises (SMMEs).

As the COVID-19 pandemic forced the closure of global value chains, government has been able to speed up this initiative as the local supply chains became open for locally manufactured products.

To this end, Cabinet approved the **SMME Focused Localisation Policy Framework** which identified the 1 000 products. Furthermore, the Department of Small Business Development (DSBD) and the Department of Trade, Industry and Competition are supporting SMMEs to access larger domestic and international markets. These efforts are supported by robust manufacturing support programmes.

INDUSTRIALISATION

Government's vision for industrialisation is underpinned by sector master plans to rejuvenate and grow key industries. Four master plans that have been completed and signed to date – which are part of the social compact between labour, business, government and communities – have already had an impact in their respective industries.

Through the implementation of the **Poultry Master Plan**, the industry has invested R800 million to upgrade production. South Africa now produces an additional one million chickens every week.

The **Sugar Master Plan** was signed during the lockdown, with a commitment from large users of sugar to procure at least 80% of their sugar needs from local growers. Through the implementation of the plan, 2020 saw a rise in local production and a decline in imported sugar, creating stability for an industry which employs some 85 000 workers. Support for black small-scale farmers is being stepped up, with a large beverage producer committing to expand their procurement sharply.

Since the signing of the **Clothing, Textile, Footwear and Leather Master Plan** in November 2019, the industry has invested more than half a billion rand to expand local manufacturing facilities, including SMMEs.

Government has worked closely with the auto sector to help it weather the pandemic. By the end of the year, the sector had recovered around 70% of its normal annual production, in difficult circumstances. The **Ford Motor Company of South Africa** has announced a R16-billion investment to expand their manufacturing facility in Tshwane for the next generation Ford Ranger bakkie.

This investment will support the growth of around 12 small and medium enterprises in automotive component manufacturing. Nearly half of the procurement spend on construction of the bulk earthworks and top structure at the **Tshwane Special Economic Zone** during this phase is expected to be allocated for SMMEs, an amount equal to R1,7 billion in procurement opportunities.

Toyota has invested in their KwaZulu-Natal facility to start production of the first generation of hybrid electric vehicles to come off a South African assembly line.

This follows investment announcements by Nissan, Mercedes Benz and Isuzu in expanded production facilities, all of which cement South Africa's position as a global player in auto manufacturing.

This year, government will focus on getting the industry back to full production, implementing the **Black Industrialist Fund** and working on a new platform for expanded auto trade with the rest of the continent. This will be part of government's concerted effort to boost the manufacturing sector.

AFRICAN CONTINENTAL FREE TRADE AREA (AfCFTA)

In 2021, government will begin to harness the opportunities presented by the AfCFTA, which came into operation on 1 January 2021, following the adoption of the Johannesburg Declaration by the AU.

The AfCFTA provides a platform for the South African businesses to expand into markets across the continent, and for South Africa to position itself as a gateway to the continent.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT (B-BBEE)

To address the deep inequalities in society, government will accelerate the implementation of B-BBEE policies on ownership, control and management of the economy.

In 2020, government agreed to landmark deals with companies that would advance BEE by transferring ownership to their workers.

SOUTH AFRICA INVESTMENT CONFERENCE (SAIC)

In November 2020, government held the third SAIC to review the implementation of previous commitments and to generate new investment into the economy. Even under difficult economic circumstances, the SAIC managed to raise some R108 billion in additional investment commitments.

Together with investment confirmed from the two previous investment conferences, government has now received R773 billion in investment commitments towards its five-year target of R1,2 trillion.

Firms have reported that some R183 billion of these investments has already flowed into projects that benefit the South African economy. This shows that the country is still an attractive investment destination for both local and offshore companies.

BUSINESS SUPPORT

Government has worked to facilitate investment by increasing the ease of doing business, including by making it easier to start a business.

In the past year, more than 125 000 new companies have been registered through the **BizPortal** platform, completing their registration in just a matter of hours from the comfort of their

homes or offices. Government is making it easier for business to do business.

EMPLOYMENT STIMULUS

Government's third priority intervention is an employment stimulus to create jobs and support livelihoods. The largest numbers of jobs will be created by the private sector in a number of industries as the economy recovers.

Government continues to work in a social compact with the private sector to create a more conducive environment for them to be able to create jobs.

Its compact with the private sector is underpinned by a clear commitment to grow the economy and create jobs. However, the public sector has a responsibility to stimulate job creation both through its policies and through direct job creation opportunities.

The **Presidential Employment Stimulus** is one of the most significant expansions of public and social employment in South Africa's history. By the end of January 2021, over 430 000 opportunities had already been supported through the stimulus.

A further 180 000 opportunities were in the recruitment process. These opportunities are in areas like education, arts and culture, global business services, early childhood development (ECD), and small-scale and subsistence farming.

It involves environmental programmes such as the clearing of alien trees, wetland rehabilitation, fire prevention and cleaning and greening across all municipalities. These programmes are about real lives and real livelihoods.

Nearly half a million people are now receiving an income, developing new skills and contributing to their community and the country's economy.



Government will continue to support employment for as long as it is necessary while the labour market recovers, even as it works to promote stronger and more resilient growth in the private sector.

In the 2020 SoNA, in response to the huge challenge the country faces of youth unemployment, President Ramaphosa announced that the National Youth Development Agency and the DSBD would provide grant funding and business support to 1 000 young entrepreneurs within 100 days.

While the programme had to be put on hold due to the COVID-19 restrictions, it nevertheless managed to reach its target of 1 000 businesses by International Youth Day on 12 August 2020. This provides a firm foundation for government's efforts to support 15 000 start-ups by 2024.

In 2020, government announced the establishment of a **National Pathway Management Network** to provide support and opportunities to young people across the country.

"I want to encourage every young South African to join the more than 1,2 million people who are already in the network, and take their next steps to a better future."

"Of the many hardships our people had to experience last year, schooling disruption placed a huge burden on learners, teachers and families. Despite this they persevered."

"It is our priority for this year to regain lost time and improve educational outcomes, from the early years through to high school and post-school education and training."— **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

ENERGY GENERATION, TRANSMISSION AND DISTRIBUTION

The fourth priority intervention of the ERRP is to rapidly expand energy generation capacity. Restoring Eskom to operational and financial health and accelerating its restructuring process is central to this objective.

Eskom has been restructured into three separate entities for **generation, transmission and distribution**. This will lay the foundations for an efficient, modern and competitive energy system.

Eskom is making substantial progress with its intensive maintenance and operational excellence programmes to improve the reliability of its coal fleet.

Government is working closely with Eskom on proposals to improve its financial position, manage its debt and reduce its dependence on the fiscus. This requires a review of the tariff path to ensure that it reflects all reasonable costs and measures to resolve the problem of municipal debt.

In December 2020, government and its social partners signed the historic **Eskom Social Compact**, which outlines the necessary actions to be taken, collectively and as individual constituencies, to meet the country's energy needs now and into the future.

Over 2020, government has taken action to urgently and substantially increase generation capacity in addition to what Eskom generates:

- The Department of Mineral Resources and Energy was expected to announce the successful bids for 2 000 megawatts (MW) of emergency power.
- The necessary regulations have been amended and the requirements clarified for municipalities to buy power from independent power producers. Systems were being put in place to support qualifying municipalities.
- Government was expected to initiate the procurement of an additional 11 800 MW of power from renewable energy, natural gas, battery storage and coal in line with the Integrated Resource Plan 2019.

Despite this work, Eskom estimates that, without additional capacity, there will be an electricity supply shortfall of between 4 000 and 6 000 MW over the next five years, as old coal-fired power stations reach their end of life.

As part of the measures to address this shortfall, government will in the coming weeks issue a request for proposals for 2 600 MW from wind and solar energy as part of **Bid Window 5**. This will be followed by another bid window in August 2021.

Recent analysis suggests that easing the licensing requirements for new embedded generation projects could unlock up to 5 000 MW of additional capacity and help to ease the impact of loadshedding.

Government will amend **Schedule 2 of the Electricity Regulation Act, 2006 (Act 4 of 2006)** within the next three months to increase the licensing threshold for embedded generation.

This will include consultation among key stakeholders on the level at which the new threshold should be set and the finalisation of the necessary enabling frameworks.

Eskom has already started work to expedite its commercial and technical processes to allow this additional capacity onto the grid without undue delay.

CLIMATE CHANGE

As government mobilises all of the resources at its disposal to support economic recovery, it cannot lose sight of the threat that climate change poses to environmental health, socio-economic development and economic growth.

Government is working to fulfil its commitments under the **United Nations Framework Convention on Climate Change and its Paris Agreement**, which include the reduction of greenhouse gas emissions.

Eskom, the country's largest greenhouse gas emitter, has committed in principle to net zero emission by 2050 and to increase its renewable capacity. It will be looking to partner with investors to repurpose and repower part of its coal fleet.

This will be done in a way that stimulates investment, local economic activity and local manufacturing, as part of a just transition.

Government's work on climate change will be guided by the **Presidential Coordinating Commission on Climate Change**, which was meeting for the first time in February. The commission will work on a plan for a just transition to a low-carbon economy and climate resilient society.

OPERATION VULINDLELA

Government will not achieve higher rates of growth and employment if it does not implement structural economic reforms. These reforms are necessary to reduce costs and barriers to entry, increase competition, stimulate new investment and create space for new entrants in the market.

This work is being driven through Operation Vulindlela, which involves a team in National Treasury and the Office of the President.

Operation Vulindlela focuses on reforms in the electricity, water, telecommunications and transport sectors, as well as reforms to the visa and immigration regime.

DIGITAL MIGRATION

The completion of digital migration is vital to South Africa's ability to effectively harness the enormous opportunities presented by technological change. After many delays, government will begin the phased switch-off of the analogue TV transmitters from March 2021.

It is anticipated that this process, to be done province-by-province, will be completed by the end of March 2022. The process for the licensing of high-demand spectrum is at an advanced stage.

Government hopes that the ongoing litigation on the licensing matter will provide legal certainty and will not unduly delay the spectrum auction process.

WATER SECTOR



In the water sector, government is working through Operation Vulindlela to ensure that water-use licence applications are finalised within the revised timeframe of 90 days; and to revive the

Green Drop and Blue Drop programmes to strengthen water quality monitoring.

Government will finalise and implement the revised **Raw Water Pricing Strategy**, and accelerate the establishment of a national **Water Resources Infrastructure Agency**.

PORTS AND RAIL NETWORK



South Africa's ability to compete in global markets depends on the efficiency of its ports and rail network. Government is repositioning Durban as a hub port for the southern hemisphere and developing Ngqura as the container terminal of choice.

The rail corridor from Gauteng is being extended to enable the export of vehicles through Port Elizabeth. These are crucial steps to move freight from road to rail and increase the competitiveness of the rail system.

IMMIGRATION

Work was underway with the relevant departments to reform South Africa's visa and immigration regime to attract skills and grow the tourism sector. As international travel starts to recover in the wake of COVID-19, government will undertake a full roll-out of eVisas to visitors from China, India, Nigeria, Kenya and 10 other countries.

The revised list of critical skills will be published for public comment by the Department of Home Affairs within one week to ensure that the final version reflects the skills needed by the economy.

STATE-OWNED ENTERPRISES (SOEs)

The momentum that Operation Vulindlela has already built, and the support that it has received across government, shows that government is serious about reform.

Government will continue to work relentlessly and without pause to create a more modern, efficient and competitive economy that is more open to all South Africans.

To support the reform process, the **Presidential SOEs Council** has outlined a clear set of reforms that will enable these vital public companies to fulfil their mandate for growth and development.

Overarching legislation for state-owned companies will be tabled in Cabinet this financial year and Parliament in the next the financial year.

A centralised SOE model is being implemented this financial year, which will ensure a standardised governance, financial management and operational performance framework for all SOEs.

The mandates of all SOEs are being re-evaluated to ensure that they are responsive to the country's needs and the implementation of the National Development Plan.

AGRICULTURAL SECTOR

In the midst of the economic damage caused by COVID-19, South Africa's agricultural sector has performed remarkably well. In 2020, South Africa became the world's second-largest exporter of citrus, with strong export growth in wine, maize, nuts, deciduous fruit and sugar cane.

The favourable weather conditions in 2020 and the beginning of 2021 mean that agriculture is likely to grow in the near term. This provides an opportunity for further public-private partnership in agriculture to promote transformation and ensure sustainable growth.

LAND REDISTRIBUTION

It is an opportunity to accelerate land redistribution through a variety of instruments such as land restitution, expropriation of land in order to boost agricultural output.

By February 2021, government had redistributed over five million hectares (ha) of land, totalling around 5 500 farms, to more than 300 000 beneficiaries. This is in addition to the land restitution process, which has benefited over two million land claimants and resulted in the transfer of around 2,7 million ha.

Government is also pursuing programmes to assist smallholder and emerging farmers with market access, to develop skills across the entire agricultural value chain and increase the number of commercial black farmers.

During the course of the next financial year, government will establish a **Land and Agrarian Reform Agency** to fast-track land reform.

BUILDING A CAPABLE STATE

The Public Service is at the coalface of government, and lack of professionalism does not just impact service delivery; it also dents public confidence. Advancing honesty, ethics and integrity in the Public Service is critical to build a capable state.

Through the National School of Government, government continues to roll out courses and training programmes for government officials from entry level to senior management and the Executive.

In October 2020, President Ramaphosa signed off on Ministerial Performance Agreements with all Ministers, which have since been published online.

This will enhance accountability and focused performance by members of the executive. Government remains on course to build a capable and professional civil service that delivers on its mandate and is accountable to the South African people.

LOCAL GOVERNMENT

Government is proceeding with its efforts to strengthen the local government infrastructure and accelerate service delivery through the **District Development Model (DDM)**.

The DDM brings all three spheres of government to focus on key priorities and implementation of critical high impact projects. Working with both public and private sector partners, government is implementing a range of measures to support municipalities to address inadequate and inconsistent service delivery in areas such as water provision, infrastructure build and maintenance.

Government is focusing on the appointment of properly qualified officials at a local level to ensure effective management and provision of services.

“As we prepare for local government elections, which are due take place this year, we will need to adjust to the conditions forced upon us by COVID-19 so that we can ensure that the people of this country can determine who represents them at this crucial level of government.” – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

FIGHT AGAINST CORRUPTION

Corruption is one of the greatest impediments to the country's growth and development. The revelations from the **Judicial Commission of Inquiry into Allegations of State Capture (Zondo Commission)** lay bare the extent of state capture and related corruption.

Testimony at the commission has shown how the criminal justice system was compromised and weakened. It is therefore vital that government sustains the momentum of the rebuilding effort that began three years ago.

There has been great progress in turning around law-enforcement bodies. Critical leadership positions have been filled with capable, experienced and trustworthy professionals.

There is improved cooperation and sharing of resources between the respective law-enforcement agencies, enabling a more integrated approach to investigations and prosecutions.

Government has started implementing the **National Anti-Corruption Strategy**, which lays the basis for a comprehensive and integrated society-wide response to corruption.

Government will shortly be appointing members of the **National Anti-Corruption Advisory Council**, which is a multi-sectoral body that will oversee the initial implementation of the strategy and the establishment of an independent statutory anti-corruption body that reports to Parliament.

When reports started to surface last year about possible fraud and corruption in the procurement of COVID-related goods and services, government acted decisively to put a stop to these practices, to investigate all allegations and to act against those responsible.

Government established a **Fusion Centre**, which brings together key law-enforcement agencies to share information and resources. The Fusion Centre has brought many cases to trial and preserved or recovered millions of rands in public funds.

The Special Investigating Unit (SIU) was authorised to investigate allegations of unlawful conduct with respect to COVID-19 procurement by all state bodies during the National State of Disaster.

The SIU has finalised investigations into 164 contracts with a total value of R3,5 billion. In a significant advance for transparency and accountability, the **Political Party Funding Act, 2018 (Act 6 of 2018)** will come into operation on 1 April this year.

This will regulate public and private funding of political parties. Among other things, it requires the disclosure of donations to parties and establishes two funds that will enable represented political parties to undertake their programmes.

DEALING WITH CRIME AND VIOLENCE



Crime and violence continue to undermine people's sense of safety and security. Tackling crime is central to the success of South Africa's recovery. Crimes like cable theft, railway infrastructure vandalism, land invasions, construction site disruptions and attacks on truck drivers hamper economic activity and discourage investment.

Government has taken steps and will continue to stop these crimes and deal with those responsible in terms of the law. Task teams have been set up in a number of provinces to deal with extortion and violence on sites of economic activity.

BORDER CONTROL

Government is also fast-tracking the implementation and capacitation of the **Border Management Agency** to curb illegal immigration and cross-border crime.

COMBATING GENDER-BASED VIOLENCE AND FEMICIDE (GBVF)

"Ending GBV is imperative if we lay claim to being a society rooted in equality and non-sexism. When I launched the **National Strategic Plan (NSP) on GBVF** in April last year, I made a promise to the women and children of this country that we were going to strengthen the criminal justice system to prevent them being traumatised again, and to ensure that perpetrators face justice." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

Three key pieces of legislation were introduced in Parliament in 2020 to make the criminal justice system more effective in combating GBV.

To ensure that perpetrators are brought to book, government is making progress in reducing the backlog of GBV cases. Government continues to provide care and support to survivors of GBV.

In the 2020 SoNA, President Ramaphosa said he would prioritise the economic empowerment of women. In 2020, Cabinet approved a policy that 40% of public procurement should go to women-owned businesses. Several departments have started implementing this policy and are making progress.

Government recently launched a groundbreaking private sector-led **GBVF Response Fund**. Several South African companies and global philanthropies made pledges to the value of R128 million.

Over the next three years, government will allocate approximately R12 billion to implement the various components of the NSP on GBVF.

"GBV will only end when everyone takes responsibility for doing so in their homes, in their communities, in their workplaces, in their places of worship and in their schools. Equally we need to give attention to issues affecting children including improving school-readiness, ECD planning and funding, protection against preventable diseases, policy reform around child welfare and reducing violence against children." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

PERSONS WITH DISABILITIES



In the year ahead, government will also forge ahead with efforts to provide greater opportunities for persons with disabilities to participate in the economy and in society in general.

SOCIO-ECONOMIC SUPPORT

"As we rebuild our economy in the midst of a pandemic, it is necessary that we continue – within our means – to provide

support to those businesses and individuals that continue to be most affected." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

Businesses in several sectors are still struggling and many families continue to suffer as the job market slowly recovers.

Over the last few months, government has had ongoing discussions with its social partners in business and labour, who proposed an extension of some of the social and economic support.

Government has therefore decided to extend the period for the **Special COVID-19 Social Relief of Distress Grant** of R350 by a further three months.

This has proven to be an effective and efficient short-term measure to reduce the immediate impact on the livelihoods of poor South Africans.

Government has also decided to extend the COVID-19 TERS benefit until 15 March 2021 only for those sectors that have not been able to operate. The conditions of this extension and the sectors to be included will be announced after consultations with social partners at the National Economic Development and Labour Council.

National Treasury will work with its partners and stakeholders on improvements to the **Loan Guarantee Scheme** so that it better addresses the realities of SMMEs and other businesses as they strive to recover.

Government will work with its social partners to ensure that these and other interventions provide the relief to those who most need it.

"Just as a harsh fire gives new life to our country's fynbos, this crisis is an opportunity to build a different, better South Africa. Rebuilding our country requires a common effort. It requires that every South African takes responsibility and plays their part.

"Let us work together as government, as business, as labour and as all of society to clear away the rubble and lay a new foundation. Above all, let us return this country to the values upon which it was founded." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**

"On the day of his release 31 years ago, Madiba gave his first public address here in Cape Town, where he reminded South Africans there were difficult days ahead, and that the battle was far from won.

"Madiba said: 'Now is the time to intensify the struggle on all fronts.'

"To relax our efforts now would be a mistake which generations to come will not be able to forgive."

"In counting the great cost to our society over the past year, we may be tempted to lose faith.

"But we can get through this. Because we are a nation of heroes. I am referring not to the glorious lineage of Struggle icons, but to the everyday heroes that walk among us, who work hard every day to put food on the table, to keep the company running, and to give support, help and care to our people.

"It is your resilience that will help this country recover. People of South Africa, it is your country that calls on you to rise.

"Let us march forward together to equality, to dignity and to recovery. May God bless South Africa and protect her sons and daughters." – **President Cyril Ramaphosa, SoNA, 11 February 2021, Parliament, Cape Town.**