



South Africa has experienced enormous change over the past 15 years. The achievement of democracy in 1994 led to transformed institutions, new policies and the start of a new society. At the same time, government also had to deal with the legacy left by apartheid and the challenge of integrating South Africa into the world.

The extension of universal franchise and the creation of a democratic state created the possibility for South Africa to address poverty and inequality and to restore the dignity of citizens. In line with the democratic Constitution, new policies were put in place to improve people's quality of life. This has constituted a systematic effort to dismantle apartheid social and economic relations and create a society based on equity, non-racialism and non-sexism.

The new government's Reconstruction and Development Programme (RDP) outlined its key objectives as:

- meeting basic needs
- building the economy
- democratising the State and society
- developing human resources
- nation-building.

Since 1994, these objectives have been elaborated with more specific priorities, consolidated since 1999 into the priorities of the five Cabinet clusters. Government's annual Programme of Action, informed by the cluster priorities, has since 2004 been published each year on the Government's website, and so have the two-monthly updates on the implementation of the programme.

Even as the legacy of apartheid was being dismantled, changes in South African society brought new challenges. *The First Decade of Freedom review*, conducted by government in 2003, assessed how far these objectives had been met through the work of its five clusters, and identified challenges of the Second Decade of Freedom. This review was supplemented in 2006 by a report on macrosocial trends. The report, entitled *A Nation in the Making*, concluded that South African society was making advances in terms of both hard (socio-economic) and soft (identity and social cohesion) issues, but that there were still many challenges to be overcome to fully realise the vision of a better life for all.

The election of 2004 mandated government to implement programmes to sustain – and speed up – the positive developments and address the challenges. Calling for a partnership of all of society, it set the goal of halving poverty and unemployment by 2014. To achieve this, it set itself these broad priorities:

- growing the economy, as the main area of intervention

- new measures to help the poor enter the economy so they could move out of poverty
- improving state performance, the campaign against crime and South Africa's relations with other countries.

The millennium development goals provided further detailed targets and commitments consistent with the broad thrust of government's priorities for the second decade.

In 2007, Cabinet approved a set of key development indicators to provide evidence-based pointers to the evolution of South African society and in 2008, these indicators were again released. Government also undertook a *15-Year Review* during 2008 to assess the progress made in creating a better life for all South Africans since 1994, with particular emphasis on the past five years. Collectively, these statistics and assessments trace the evolution of the democratic governance and society and indicate both the areas of progress achieved as well as the challenges that need to be addressed.

### Governance and Administration Cluster

The principal focus since 1994 has been on deepening the democratisation of governance and improving the capacity of the State to advance the objectives of reconstruction and development.

South Africa has become a well-functioning democracy in a comparatively short time. Two successful national and provincial elections have been held since 1994 and two democratic local elections. Strong institutions of representative democracy have been built, including Parliament, provincial legislatures and municipal councils. Independent institutions support them, including the Human Rights Commission; Public Protector; Auditor General; and Commission on Gender Equality. An independent judiciary has also been established.

Successive elections have increased the proportion of women in legislatures and the executive. The proportion of female Members of Parliament – 33% after the 2004 elections – is one of the world's highest, as is participation of women in the executive across the three spheres. Of the 30-member Cabinet appointed in 2004, 13 were women. The proportion in local government representative bodies has also increased.



Successive policies and laws have helped deepen participatory democracy. The mechanisms include mandatory community consultation in formulating municipal integrated development plans; izimbizo (executive interaction with communities around services and development); ward committees; Thusong Service Centres (previously multi-purpose community centres [MPCCs]); and community development workers (CDWs).

Since 2001, izimbizo have been held regularly. Presidential izimbizo involve the President or Deputy President; and national imbizo weeks twice a year involve the executive of all spheres of government taking part in hundreds of community interactions.

Thusong Service Centres, which are aimed at providing access to a range of services and information in areas with little or no access, have steadily increased towards the target of one per municipality – the 37 MPCCs established by 2003 had become 125 operational Thusong Service Centres by March 2008. By then, 3 305 CDWs had been trained and deployed in 2 000 wards to help communities access services and development opportunities. Ward committees had been established in 96% of wards.

Traditional leadership has also been afforded a role in democratic South Africa with several pieces of legislation passed since 1994 to recognise traditional leadership. There is a programme of support to traditional institutions and a national department is being established to deal with traditional affairs. Government has created an environment for transparency and openness through, among other things, the Promotion of Access to Information Act (PAIA), 2000 (Act 2 of 2000), which allows citizens to access information primarily in possession of the State. It has also adopted the Batho Pele or "People First" approach, which has become the guiding principle for public services.

It has also steadily strengthened its ability to deal with corruption through the Special Investigating Units and Special Tribunals Act, 1996 (Act 74 of 1996), Public Service Anti-Corruption Strategy (2002) and the Prevention and Combating of Corrupt Activities Act, 2004 (Act 12 of 2004). Between 2001 and 2008, three anti-corruption summits extended the fight against corruption to all of society.

The 2006 Open Budget Index – which ranks countries according to how transparent their budgetary processes are – put South Africa in the top six.

The permutation of national ministries and departments, with minor adjustments, was inherited from the pre-1994 administration. A number of structures have emerged to promote integration and co-operation in governance. These include:

- clusters of ministers along the lines of Cabinet committees
- corresponding clusters of directors-general (DGs) and the Forum of South African Directors-General (Fosad), including provincial DGs and heads of departments
- MinMECs of ministers and provincial MECs, dealing with concurrent functions
- the Presidential Co-ordinating Council, bringing together the President, premiers and relevant ministers/MECs.

Challenges of national co-ordination were addressed in a report on the capacity and organisation of the State, prepared by The Presidency and Fosad, which was served before Cabinet in 2005. Among other things, it recommended the development of planning capacity and the harmonisation of monitoring and evaluation (M&E) among co-ordinating departments. A government-wide M&E system has since been developed and a programme of capacity development for M&E units in departments has been initiated.

The first 10 years of democracy saw remarkable progress in unifying and integrating the Public Service. By 2004, the Public Service had also evolved in terms of representivity, with Africans at 72% of service at all levels. Since then, it has become still more representative. Women now occupy 34% of all senior positions.

Financial management has improved at government level through the implementation of the Public Finance Management Act, 1999 (Act 1 of 1999), and the Municipal Finance Management Act, 2003 (Act 56 of 2003).

Capacity-building in the Public Service has been a special focus since 2004. A massive boost in public-service training began when the Public Administration Leadership and Management Academy (successor to the South African Management Development Institute) was inaugurated in August 2008. At local government level, Project Consolidate was launched in 2004 as a two-year hands-on intervention to boost skills development in 136 municipalities. By August 2008, 1 134 experts had been deployed to 268 municipalities (including 139 Project Consolidate municipalities). Key partners, such as the "Siyenza Manje" initiative of the Development Bank of Southern Africa, played a valuable role.



## Social Cluster

The Social Cluster's primary objectives are to alleviate poverty and reduce inequality.

The single most important driver of the decline in poverty has been government's social security assistance programme. From 2,5 million beneficiaries in 1999 to just over 12 million in 2007, the social-grant system is the largest form of government support for the poor.

Since 1994, government has achieved significant progress in creating access for all South Africans to basic services such as electricity, water and sanitation. As part of this, government provides free basic services to poor households: 6 000 litres of water a month; and electricity worth 30 units per month.

Access to basic services has improved substantially: Although the December 2007 target for completely eradicating the bucket sanitation system in established settlements was missed, notable progress was made: between 1994 and 2006, households using the bucket system decreased from 609 675 to 113 085 in all areas.

Progress has been made in deracialising the funding for education and its prioritisation in the national budget. Expenditure for education in 2005 constituted 5,59% of the country's gross national product (GNP). It grew from R30 billion in 1994/95 to R101 billion in 2007/08. Expenditure on all education programmes has expanded rapidly. As a result of measures to promote access to schooling, the participation rate is high and has increased for each age cohort between seven and 15 years of age.

Enrolments at Higher Education (HE) level grew rapidly over the past two decades from roughly 300 000 in 1986 to 750 000 in 2005. The proportion of African students in HE has doubled, but from a low base.

White participation has held steady at 60% (of white 20 – 24-year-olds in the population) since 1986 and Indian participation has grown from 32% to 50%. African and coloured students remain underrepresented at 12% and 13% of their respective 20 – 24-year-old populations in 2005.

Further Education and Training college enrolments increased by 34% from 302 550 in 1998 to 406 143 in 2002, with a particularly fast growth in part-time enrolment.

The increase in per capita health spend was 22% in real terms from 1996 to 2006. The increases in real expenditure are reflected in expanded infrastructure, upgrading of facilities and broadening the available package of health services.

Around 1 600 clinics and healthcare centres have been built since 1994. As a result, 95% of South Africans live within a 5-km radius of a health facility.

From 1997 to 2006/07, access to primary healthcare, measured by visits, increased from 67 021 961 to 101 644 080. South Africa now has the largest number of people enrolled on antiretroviral therapy in the world.

The percentage of children under one year who complete their primary course of immunisation has been increasing at an annualised rate of 5% per year. Coverage is now 88%, within reach of the 90% target.

Households	1996	2001	2007
Using electricity			
for lighting	58%	70%	80%
for cooking	47%	51%	67%
for heating	45%	49%	59%
Water			
At least RDP standard (200m to communal tap)*	62%	78%	85%
Tap in dwelling or on site		61%	70%
Sanitation			
At least RDP standard*	51,6%		71,7%
Flush toilet		52%	60%

Source: *Census and 2007 Community Survey*; department reports for items marked



Severe malnutrition among children under five-years-old has declined, from 88 971 cases in 2001 to 28 165 in 2007.

In dealing with the range of diseases affecting the South African population, there been some successes. Malaria cases have declined from over 50 000 in the late 1990s to about 5 000 in 2007.

Government has declared tuberculosis (TB) a top national health priority. Treatment success rates for TB dropped between 1999 and 2000 and picked up thereafter, remaining relatively stable at around 70%. Co-infection with HIV compounds the severity of TB and makes its prophylactic and curative treatment more costly and problematic.

This has been compounded by the emergence of multi-drug-resistant and extreme drug-resistant strains, which are more costly to treat and have a longer duration.

Annual *HIV Antenatal Survey* trends suggest a stabilisation of HIV prevalence among pregnant women who access public-sector antenatal care services. There is a particularly encouraging trend: a decline from 16% in 2004 to 13,5% in 2006 among women younger than 20 years.

Two programmes lead government's efforts to alleviate asset poverty: land and housing. From 1994 to 2008, 3 132 769 housing subsidies were approved, and 2 358 667 units were completed. This brought housing to 9,9 million citizens who could access state-subsidised housing opportunities, of which 53% were women.

The combined effect of government and private-sector housing has seen the proportion of households in traditional dwellings decline from 18,2% to 11,7% between 1996 and 2007 and those in formal dwellings increase from 64,4% to 70,5%. Through the land restitution programme, assets worth R12,5 billion were transferred to 1,4 million beneficiaries between 1994 and 2007. The Government set a target of redistributing 30% of all agricultural land to previously disadvantaged farmers by 2014.

The total agricultural land distributed thus far constitutes 2,3 million hectares, indicating that the land reform programme has to be stepped up considerably to meet the 2014 target.

Social cohesion has assumed greater focus in the social sector since 2004, particularly since changes in family size and structure, migration and other recent social trends have helped enhance the challenges of reducing the growing number of people in depressed situations.

A key factor in what seems an erosion of social cohesion is the persistence of income inequality as

the benefits of democracy have accrued unevenly to different sectors of society.

## Economic Cluster

In the first few years of democracy, government focused extensively on creating stability in the economy and reintegrating with the international community. However, the *Ten-Year Review* in 2003 concluded that although great progress had been made, the “dynamic of economic inclusion and exclusion” posed a grave challenge and if allowed to persist “could precipitate a vicious cycle of decline in all spheres”.

Government's Medium Term Strategic Framework (MTSF) for 2004 – 2009 therefore makes growing the economy and promoting social inclusion the central priority.

The MTSF point of departure is that halving poverty and unemployment by 2014 requires growth averaging 5% a year till then. This means ratcheting growth to an average of 4,5% a year from 2004 to 2009 and 6% from 2010 to 2014.

To overcome the constraints to faster growth, government launched AsgiSA, the Accelerated and Shared Growth Initiative for South Africa. It focuses on six key “binding constraints”:

- volatility and level of the currency (with the focus on volatility)
- cost, efficiency and capacity of the national logistics system
- shortage of skilled labour, and the labour cost effects of apartheid spatial patterns
- barriers to entry, limits on competition and limited new investment opportunities
- regulatory environment and the burden on small and medium businesses
- deficiencies in state organisation, capacity and leadership.

Advancing towards government's objectives has required critical interventions and special programmes and projects to improve infrastructure; skills; the environment for small business and the Second Economy; competition and industrial policy; and state capacity. These have been the focus of the economic sector since 2004.

In the early 1990s, the economy was in recession, but since 1994 there have been 14 successive years of real gross domestic product (GDP) growth.

The pace accelerated from about 2003, and with it GDP per capita growth. Increased employment and government's redistributive social programme translated the growth into reduced poverty but without reducing overall inequality.





After several years of increasing unemployment, peaking at 31,5% in 2001, faster GDP turned the trend as net new jobs started to outstrip growth in the labour force from 2002. However, the labour force participation rate (proportion of people either employed or seeking employment) is 56,5%, lower than the 65% average in comparable countries.

One of the major achievements has been to stabilise the economy. In 1994, it was recovering from its longest downward phase since 1945, lasting from March 1989 to May 1993. Confronted by an unsustainable budget deficit and high debt service costs, high inflation, low investor confidence and a run on the currency, government made macroeconomic balance the main focus of economic policy for much of the first decade.

Total public-sector debt was managed down from 44% of GDP in 1994 to below 30% of GDP in 2008. By 2006, there was a fiscal surplus. In 1991, core inflation reached 18,9% – since 1994, it had been consistently below 10% until 2008. The Reserve Bank has also reduced the net open forward position to zero (from a deficit of US\$25 billion in 1994) and has accumulated over US\$34 billion gross foreign reserves.

As a result, global investor confidence in South Africa has improved. The bond points spread (the amount South Africa has to pay its creditors above the rate paid by the United States [US] Government) declined rapidly from 291 points in 2001 to 94 in 2006.

The country now spends less in debt service costs, which has enabled government to increase spending on priorities such as health, education and the improvement of public services. Deficit reduction has been assisted by increased revenue receipts. Between 1996 and 2006, revenue collection quadrupled and the number of taxpayers more than doubled. The rise in government revenues resulted from economic growth, improved collection and increased compliance. It took place in a context of tax reforms for small businesses, company tax cuts, and reduction of the income-tax burden for low earners.

Monetary policy has been principally directed at influencing the quantity of money or the interest rate to achieve stable prices. From 1994, inflation averaged 6,3%. In 2000, government adopted inflation targeting as part of its policy to keep inflation within a band of 3% and 6%. From 2004 to 2007, inflation averaged 4,1% but has trended higher since 2006 when it breached the 6% level. To curb inflationary pressures, monetary policy

entered a tightening phase. For the most part, inflation since 2007 has been imported, driven above the target range by global fuel and food increases and amplified by a weakening exchange rate.

The rate of investment or gross fixed capital formation (GFCF) hovered around 15% – 16% of GDP for a long time due to low levels of government investment. A reversal of that trend came with the adoption of AsgiSA and an expansionary R482-billion infrastructure expenditure plan for the 2008 to 2011 period. In 2007, GFCF soared to 21% of GDP.

Levels of private-sector investment are much higher than in 1994 and 2004, and there is a positive pipeline of about R200 billion foreign and domestic investment.

Net foreign investment has been positive. There have been some significant foreign investments in the motor industry, chemicals, mining and banking, but relatively little is green-field investment as most foreign direct investments have been the acquisition of major stakes in existing operations.

South Africa embarked on a set of tariff and trade policy reforms in the mid-1990s. Multilateral liberalisation through the World Trade Organisation (WTO) was combined with efforts to modernise industry. Growth sectors like autos and tourism and cross-cutting sectors such as information and communications technology received special attention in the form of industrial development resources, including science and technology (S&T) and human-resource development funds.

Since 1994, the economy has become more open, more productive and more outward-orientated with both exports and imports growing rapidly.

The Microeconomic Reform Strategy (MERS) of 2001 identified the major microeconomic constraints to the performance of the growth sectors. Since 2004, industrial policy has broadened to encompass further sectors. AsgiSA has identified a range of priority sectors that have been incorporated in the National Industrial Policy Framework and Industrial Policy Acton Plan (IPAP).

Since 2003, the Competition Commission has paid greater attention to fostering compliance with the law and a culture of competition. Investigations of restrictive activities have led to some prominent firms being penalised with fines, administrative penalties and compliance orders.

Beyond the work of the competition authorities, government recognised the need for better



regulatory oversight over the state-owned enterprises, particularly those that were commercialised or privatised in monopoly or semi-monopoly markets. A framework to ensure a co-ordinated and structured approach to regulation is near finalisation.

The Constitution provides for measures to overcome the consequences of apartheid discrimination against the majority. Black Economic Empowerment (BEE) is one of the measures promoted by government to surmount the disparities in wealth and income. The Broad-Based BEE Act, 2003 (Act 53 of 2003), was adopted in 2003 and the Codes of Good Practice gazetted in 2007.

Empowerment in the workplace and employment equity is growing steadily. Black representation in top management reached 22,2% in 2006 and 25,7% in all senior management positions.

Government has directed significant resources towards skills development. Since 1994, it has completely recast the skills development environment, focusing on transforming public education and training-provider institutions and establishing new training institutions.

The Skills Development Act, 1998 (Act 97 of 1998), brought about 25 sector education and training authorities (Setas) that cover clusters of industries. Through the Setas and other agencies like the National Skills Fund, skills-development interventions have been initiated in co-operation with a range of training and education institutions and government programmes such as the Expanded Public Works Programme (EPWP). The interventions have significantly contributed to addressing the plight of youth and the unemployed.

To fast-track and amplify the development of skills, government launched the Joint Initiative on Priority Skills Acquisition (Jipsa) in 2006, to catalyse a more adequate supply of skills to the economy.

Among Jipsa's achievements are more resources to increase the number of engineering graduates, increased registration of artisans, targeted training for Business Process Outsourcing as a strategic growth sector and the placement of over 15 000 unemployed graduates in companies in South Africa and abroad. As part of Jipsa, the Dinaledi schools initiative aims to improve Mathematics, Science and language competence in public schools.

The notion of the "Second Economy" focuses policy attention on the largely inherited structural

inequality, disadvantage and marginalisation that still marks much of South African society. Second-economy programmes, as part of wider anti-poverty measures, promote access to economic opportunities and help improve the returns from economic participation for the poor, whether as producers, workers or consumers.

The EPWP is the flagship public employment programme. It creates temporary work opportunities with on-the-job training to improve participants' chances of sustainable employment. In 2008, it created one million work opportunities – a target originally set for 2009.

Central to government's approach to inclusive economic development is support for the development of small business and enterprises in the informal economy. Despite extensive small business support measures and their consolidation, the small, medium and micro-enterprise (SMME) sector remains small compared to other developing countries. Improving market access for marginalised producers and addressing structural constraints that limit the growth and competitiveness of the sector are key focus areas for the future.

Some 1,3 million households have access to land for farming, often small plots. Outputs are generally low, but the Integrated Food Security Strategy and some provincial programmes to boost returns from commercialising subsistence agriculture have shown steady improvements. The Eastern Cape Siyakhula/Massive Programme brought 360% improvement in yields over three years, matching commercial norms. A range of initiatives to link smallholders to agroprocessing value chains have been initiated in forestry, sugar, and biofuels.

The large increases in food prices in 2008 impacted particularly on the poor. Global factors suggest that this trend is likely to continue. In this context, South Africa took the stance of ensuring that biofuel production does not undermine food production. Ultimately, broadening access to land as well as ensuring responsive and effective agricultural extension services are crucial to realising the potential of agriculture to address rural poverty and enhance the country's food security.

Government has since 1994 given attention to sustainable development and its mainstreaming. South Africa's hosting of the World Summit on Sustainable Development in 2002 gave impetus to the process. Government's 2006 *State of the Environment Report* provided a comprehensive





analysis of the state of South Africa's natural resources and eco-systems.

Investment in research and development (R&D) slowed during the 1990s, from 1,1% of GDP in 1990 to 0,7% in 2003. Since 2004, it has increased. By May 2008, the country's R&D expenditure totalled 0,9% and it was on course to meet the target of 1% of GDP.

In 2007, government launched the Ten Year Innovation Plan to "help drive South Africa's transformation towards a knowledge-based economy, in which the production and dissemination of knowledge leads to economic benefits and enriches all fields of human endeavour". Sectors targeted to benefit from the plan include biotechnology and pharmaceuticals, space S&T, energy security, climate change and highlighting the role of S&T in driving growth and development.

### **Justice, Crime Prevention and Security (JCPS) Cluster**

In 1994, the country inherited multiple criminal justice and security systems that needed to be amalgamated and transformed in line with the democratic Constitution. Steeped in a culture where human rights and civil liberties received little protection, the new Government was challenged with transforming and strengthening the JCPS departments to bring about legitimacy, accountability and effectiveness to improve service delivery and reduce crime.

By 2003, significant progress had been made in transforming the institutions, which had previously prioritised the defence of apartheid, but which were required in a democratic society to ensure the safety and security of all. Integration brought standardisation of 11 different sets of rules and procedures across the country for the police, the courts, intelligence and defence, as well as the rationalisation of structures. Integration and new recruitment procedures have made the departments representative of the South African population. Transformation also involved the adoption of a new ethos, that saw crime as not just a security issue but also a social issue requiring community respect for and participation with the South African Police Service (SAPS); that required courts to be friendly and service-oriented; and that focused correctional centres on rehabilitating offenders to break the cycle of crime.

Enhancing the capacity of the departments was an element of transformation, involving both equipment and personnel.

The SAPS' Automated Fingerprint Identification System, introduced in 2002; the decentralisation and continuing expansion of the Forensic Science Laboratory service; the Home Affairs National Information System, which has been implemented in phases since 2003; the Criminal Justice System (CJS) E-docket and E-Scheduler System; and the upgrading of technology at border posts and ports of entry are some of the instruments that have been created for quicker and more effective processing.

Judicial transformation in democratic South Africa has had a number of aspects. South Africa's constitutional system changed from Parliamentary sovereignty to supremacy of the Constitution, which redefined the independence of the judiciary.

The role of the Judicial Services Commission in appointing judges constitutes a radical break with the past. By mid-2007, 52% of judges and magistrates were black (African, coloured or Indian) and 30% women.

Judgments of the Constitutional Court have tended to reflect deep understanding of the constitutional imperatives and progressive interpretation of the Constitution and social rights in particular. Government's response to court judgments, favourable to government or not, has been respectful, which has helped to reinforce the legitimacy of the courts.

From 1995, anti-crime efforts have been guided by the National Crime Prevention Strategy. Its elements include the National Crime Combating Strategy; the Integrated Justice System programme; the Sexual Offences and Community Affairs Unit focusing on crimes against women and children; until recently, the Directorate of Special Operations (DSO), and Asset Forfeiture Unit in the National Prosecuting Authority; the Financial Intelligence Centre focusing on organised crime; and the Victim-Empowerment Programme.

At the level of the courts, there has been some improvement in performance attributable to the Integrated Justice System. There are increased conviction rates in finalised cases, but the outstanding roll has grown (by 7% from 2002/03 to 2006/07).

Despite initiatives to deal with overcrowding in the correctional services system – new centres; alternative sentencing; correctional supervision; an awaiting-trial project and parole – the problem has grown. From 1995 to 2007, the capacity of the prisons increased from 95 000 to 115 000, while





the number of prisoners went from 111 000 (107% occupancy) to 161 000 (141% occupancy).

The cluster has implemented special initiatives intended to improve its effectiveness. Among those that have made some impact are the specialised courts for commercial crimes and sexual offences, and the Community Policing Policy.

Community police forums were introduced on the premise that success in fighting crime depends on co-operation of the community with the police. Relations with organised business have progressed from the partnership with Business Against Crime – which, among other things, brought about major declines in street crime in targeted city centres – to the joint initiative with the Big Business Working Group to review and revamp the CJS.

Combating violent crimes against women and children is a key priority. Specialised courts dedicated to sexual offences (63 of them) have been established across the country. Thuthuzela Care Centres help prevent secondary trauma for victims of these crimes and also assist in improved conviction rates and speedy justice. Prosecutors, police, magistrates and doctors have been empowered with specialised skills. Dangerous sexual offenders are kept under long-term supervision on release from prison. Amendments to the Sexual Offences Act in 2007 and the Children's Act in 2008 have strengthened the legal weapons for fighting abuse. Minimum sentences have been implemented and a victim-empowerment charter (still to be implemented) has been developed.

Specialised centralised units in the SAPS to deal with family violence, child abuse and sexual assault were established, and in 2007 their functions were decentralised to empower the service at station level to better deal with these matters.

These measures have enhanced the State's capacity to deal with sexual assault and other violence against women and children. Detection rates are relatively high due to the frequent interpersonal relationship between victim and offender. Conviction rates in dedicated courts increased from 63% in 2004/05 to 70% the following year.

The annual Sixteen Days of Activism for No Violence Against Women and Children Campaign continues to focus on the mobilisation of communities in the fight against abuse. This partnership between government and civil society has given rise to the 365 Days Action Plan, which seeks to further mobilise society and promote practical action.

Some of the crimes most prominently associated with organised crime decreased markedly

from 2001 – such as bank robberies and truck hijacking. Cash-in-transit heists showed a marked decrease in 2007 from a peak in 2006.

In 2008, legislation was introduced to merge the functions and powers of the DSO and the Organised Crime Unit into a single agency within the SAPS, to strengthen the capacity to fight organised crime.

The measures taken to facilitate detection of crime through the protection of whistle blowers (Protected Disclosures Act, 2000 [Act 6 of 2000]); to enable the confiscation of the proceeds of crime and link public and private sectors in monitoring financial activities that could involve money laundering are helping to curb organised crime.

The Organised Crime Unit dismantled 273 clandestine drug laboratories between 1994 and 2007 and neutralised 738 syndicates. Between 2002 and 2007, the DSO finalised about 1 300 investigations, initiated just over 1 000 prosecutions with an average conviction rate of 85%. The Asset Forfeiture Unit won forfeiture orders involving more than R115 million and frozen asset worth over R550 million.

Action to regulate ownership of legal firearms and reduce the number of illegal ones include a campaign to persuade people to voluntarily hand over firearms; destructing redundant firearms in the SAPS' possession; an audit of firearms held by government departments; and operations to recover illegal firearms in high-crime areas. There were also joint operations with the Mozambican authorities to destroy weapons caches; and participation in the development of a United Nations (UN) Protocol against Illicit Manufacturing and Trafficking in Firearms. Stricter criteria are applied in the granting of civilian firearm licences.

More comprehensive and stringent firearm-control legislation was promulgated in 2000 and introduced between 2000 and 2004.

By the end of 2007, the SAPS estimated that there were 2,5 million civilian licensed firearms in South Africa, a 44% reduction since 1999. The number of firearms reported lost or stolen declined by 24% from 2004, indicating more responsible and safe firearm ownership. The SAPS has destroyed over half a million firearms since 2000 and firearm-related deaths (relative to other violent deaths) in major urban areas decreased by about 50% from 2001 to 2004.

The Truth and Reconciliation Commission, which was initiated by the democratic Government, helped to deal with the consequences of political violence and human rights abuses under





apartheid. Implementation of its decisions continues, among others in the form of payment of restitution; projects of reconstruction of most affected communities; and restoration of the dignity of communities and individuals with regard to place names, historical monuments and identification and reburial of those killed in instances of human rights abuse.

In the years since the attainment of democracy, government has successfully dealt with manifestations of in South Africa, mainly in the form of urban and right-wing terrorism. It has played its part in combating international terrorism in a manner consistent with the tenets of the Constitution.

Urban terrorism in the Western Cape starting in 1996 was by 2000 virtually brought to a complete end, due to co-ordinated operations of intelligence and law-enforcement agencies.

When right-wing terrorist groups sought to mount challenges to the legitimacy of the State during 2002, intelligence and law-enforcement agencies uncovered the plans, confiscated large amounts of explosives and firearms and brought the suspects to court in a trial, which is still proceeding. Since then, small political groups with radically right wing views have been active, but with little impact.

Control of the country's borders has become more co-ordinated with the establishment of the Border Control Operational Co-ordinating Committee, which includes the departments of home affairs, intelligence, transport, public works, agriculture, health and the SAPS and South African National Defence Force (SANDF). Responsibilities of departments have been rationalised. Infrastructure at entry control points has been upgraded and technology modernised. Government has also entered into agreements with neighbouring and other countries.

Seizure of counterfeit goods fluctuated between R230 million and R450 million over the four years up to 2006/07. During the same period, narcotics seizures grew from 56 to 381. A very large growth in cigarette smuggling in the same period saw the value of such seizures grow from R35 million to R63 million. Cash, endangered species, explosives, motor vehicles and precious stones and metals are among the other illicit goods that border control has regularly seized.

Various courts and agencies already existed to deal with family and commercial matters – such as the divorce courts, maintenance courts and children's courts. New courts have been introduced

through legislation to promote development and equity, such as the equality courts, small claims courts and environmental courts. The Competitions Tribunal gives substance to the anti-competition policy.

In 2005, government initiated a comprehensive review of the CJS in conjunction with the Big Business Working Group. The proposals emerging from the two-year review were adopted by Cabinet in late 2007. These proposals include the need to prioritise building greater capacity of the JCPS departments; modernising technology (including the fast-tracking of existing initiatives); resources and the ability to strategise, plan and work together in an integrated way rather than as separate components.

### **International Relations, Peace and Security (IRPS) Cluster**

South Africa emerged from isolation and marginalisation through normalisation of diplomatic relations and participation in regional, continental and international multilateral organisations. This has enabled it to play a critical role in the First Decade of Democracy – well beyond its capacity and resources – in advancing its own interests and those of developing countries, especially in Africa.

One of the MTSF priorities for 2004 to 2009 is the pursuit of the country's international agenda as a contribution to growth and development. The IRPS Cluster articulated these priorities under five themes:

- Consolidating the African agenda
- Strengthening and Deepening Relations with Countries of the South
- Transforming Relations with the Developed Countries of the North
- Pursuing Economic Diplomacy
- Participating in the Global System of Governance.

To help consolidate integration into the global arena, formal diplomatic representation has continued to grow. In 1994, there were only 65 South African foreign missions. By 2004, there were 105 South African missions in 91 countries; and by 2008, 121 missions in 105 countries. Conversely, the 45 foreign missions accredited in South Africa in 1994 became 105 by 2004. By 2007, government had accredited more than 160 countries and organisations resident in South Africa.

The many multilateral conferences and major international events hosted by South Africa also measure the country's integration into the community of nations. These include the Rugby





World Cup (1995), the All Africa Games (1999), the World Summit on Sustainable Development (2002), the Cricket World Cup (2003), the inauguration of the Pan-African Parliament (PAP) (2006) and its successful bid to host the 2010 World Cup (awarded in 2004).

The regeneration of Africa is the main pillar of South Africa's foreign policy objectives, and is central to ensuring a better life for all in South Africa and on the continent. South Africa contributed to two tangible elements of African renaissance during the first decade. One was the transformation of the continental political architecture with the transition from the Organisation of African Unity to the African Union (AU). Another was the adoption of the New Partnership for Africa's Development (Nepad) as the socio-development blueprint for Africa and the framework for its engagement with the North and other international actors.

In the first 10 years, foundations were also laid for peaceful diplomacy and, through bilateral and multilateral engagements, for raising the profile of Africa's development needs on the world agenda.

The PAP, hosted by South Africa, has since its launch in 2005 been establishing itself as a voice of African citizens. The Economic, Social and Cultural Council was established in 2005 by an assembly of civil-society organisations convened by the AU Commission and has become a vehicle for unified positions from civil society on major issues. The African Commission for Human and People's Rights is in operation. The finance and justice organs have not yet been established, though South Africa is preparing to contribute meaningfully to their formation. South Africa has helped operationalise AU peace and security structures, pre-eminently the AU Peace and Security Council (AUPSC). Apart from having been a member and chair of the council, South Africa was one of the main troop-contributors to the deployment of the first peacekeeping missions under AUPSC auspices. The country actively participated in the establishment of the Continental Early Warning System and the African Standby Force. Nepad has become the main frame of reference and engagement by African governments, regional economic communities (RECs), civil-society bodies on the continent and international bodies and partnerships. South Africa and its African partners have used engagement with the G8 to ensure the adoption of an Africa Action Plan as the framework for the G8's assistance to the continent.

The South African Government, conscious that the primary agents of Nepad implementation must be national governments and RECs, initiated a Nepad Implementation Strategy for South Africa. The country played a part in establishing the Nepad Pan-African Infrastructure Development Fund in 2007, as well as other facilities to promote implementation of Nepad projects.

There has been a positive response to the African Peer Review Mechanism (APRM). Twenty-nine of a possible 53 countries have voluntarily signed up for comprehensive APRM scrutiny. Seven, including South Africa, have gone through their review processes and eight have received a country support mission. South Africa's review was largely smooth and thorough. South Africa was commended for 18 best practices, which other nations could emulate, including: co-operative governance, participatory governance practices, a consultative budget process and provision of basic needs. The report also raised critical issues for South Africa to consider, among them: inequality, poverty eradication, unemployment, crime, models of democracy, accountability of elected officials, race relations and corruption.

These issues are addressed in South Africa's comprehensive APRM Programme of Action.

South Africa has contributed to peaceful resolution of conflicts, drawing from the experience of its own negotiated settlement. Early into its Second Decade of Freedom, South Africa was one of five countries elected to serve in the AUPSC for three years. During this period, the first African-led peace mission was deployed in Sudan and transformed into the combined UN-AU Peacekeeping Mission.

South Africa has been one of the largest troop-contributors to African peace missions, in places such as the Democratic Republic of Congo (DRC), Burundi, Sudan and Ethiopia-Eritrea.

In Zimbabwe, in the context of social and political instability experienced since the turn of the century, South Africa has sought over many years to assist the country to find a lasting solution. In the build-up to the 2008 elections in Zimbabwe, South Africa was mandated by the Southern African Development Community (SADC) to facilitate dialogue, which resulted in unprecedented initial agreements that created an environment for an election in March 2008. South Africa has remained active in facilitating the peace process. It has played a facilitation role in armed conflict situations, including in Burundi and Côte





d'Ivoire. It supported peace processes in Sudan, Liberia and the Comoros.

In recent years, South Africa's peace-making efforts have been supplemented by efforts to lay the basis for permanent stability and peace through economic reconstruction, nation-building and reconstitution of the State. Many government departments have contributed to this process in countries like the DRC, Sudan, Burundi and the Comoros.

Until 2004, the focus with regard to the SADC was on restructuring and replacing sectoral co-ordinating units with national committees to strengthen linkages between the SADC and the countries of the region and between the secretariat and the political structures that guide it.

Since then, focus has shifted to developing policies to guide the SADC integration agenda and to operationalising the many protocols adopted in the past decade. The Regional Indicative Strategic Development Plan harmonises many SADC policies, sector strategies and protocols into priorities to be implemented within clear timeframes.

It provides a sound basis for regional implementation of Nepad and other developmental goals. It gives impetus to trade integration towards a free trade area (formally initiated at the SADC Summit in August 2008), a customs union and a common market. On the other hand, the Strategic Indicative Plan of the Organ for Politics, Defence, and Security Co-operation is a blueprint for effective security co-operation. At a continental level, South African investment and trade with African countries has increased dramatically since 1994.

Africa is now South Africa's fourth-largest export destination. South African investments in southern Africa alone totalled R14,8 billion in 2001. Trade with the rest of Africa totalled about R50 billion that year and increased to R108 billion in 2007.

In building relations between Africa and other continents, South Africa has emphasised strategic partnerships that are of benefit not only to South Africa but also to the continent and its partners.

Established in 2000, the Forum on China-Africa Co-operation held its first heads of states-level summit in Beijing in 2006. The aim of the forum is to strengthen economic co-operation. The India-Africa Forum had its first high-level meeting in April 2008. It will address areas of co-operation on regional and international issues, including climate change and a developmental approach to WTO negotiations. Economic relations between Africa and India have grown significantly with

investments from India totalling some R10 billion in 2006. South African investment in India's transport, mining and technology sectors has been growing.

Japan has hosted four meetings of TICAD (Tokyo International Conference on Africa's Development) between 1993 and 2008. In 2004, South Africa and Japan agreed to extend their relations to allow Japan to support African regional integration and help Africa to access Asian markets. South Korea has created a Korea-Africa Forum, with a more economic bias. At the same time, negotiations are underway to strengthen economic relations between the SADC and Mercosur in Latin America.

South Africa's agenda for South-South co-operation is informed by the broader objective to promote multilateralism in the interests of the developing world. The India-Brazil-South Africa Partnership emerged at the end of the First Decade of Freedom as a potential source of new energy and substantial progress in South-South collaboration, balancing the politics of solidarity with the bricks and mortar of economic activities, including support for Nepad projects. It has developed common positions on global issues and built issue-based trilateral co-operation. It has become a major influence in global politics and economic diplomacy.

The focus in the Non-Aligned Movement (NAM), which South Africa chaired for four years from 1998, has been on making it an effective machinery for the new South-South agenda. It has become effective in driving common positions at the UN where its several members of the Security Council have worked together on major global issues. The G77 and China Forum, established in 1994, has developed crucial common policy positions on a range of issues, mainly economic. When South Africa took the chair in 2006, it aimed with some success to harmonise positions that South countries take in other forums.

South Africa co-championed the New Africa-Asia Strategic Partnership from its establishment in 2005 as part of its commitment to consolidate South-South co-operation. It built on the strategic partnership between Africa and Asia at the dawn of independence initiated at the 1955 Bandung Conference.

Bilateral engagements have been equally crucial in building South-South co-operation. Some have been elevated into binational commissions. These relations have also generated some support for





Nepad and peace diplomacy, and have yielded significant economic benefits for South Africa in the form of increased trade.

The Government has consistently sought to transform North-South relations, particularly on security, the environment, debt relief, market access and terms of trade. South Africa has participated actively in the G8, Organisation for Economic Co-operation and Development, the African Partnership Forum and United Kingdom Commission for Africa with a view to build partnerships based on new values.

Since 2005, the relations with the European Union (EU) have intensified on three fronts: work on a joint EU-Africa Strategy, consultations to develop a Strategic Partnership with South Africa and negotiations on the economic partnership agreements between the EU and individual African countries.

Coupled with the emphasis on economic diplomacy, South Africa has also resolved to improve international marketing of South Africa and Africa. An active campaign to image, brand and market South Africa began in the late 1990s. It included government initiatives, support for non-governmental initiatives (such as Proudly South African); efforts to secure the hosting of hallmark international events; and the creation of a number of bodies, which directly or indirectly contributed to better understanding of the predominantly positive character of South Africa's development and potential.

These include the International Investment Council, the International Advisory Council on Information and Communications Technology as well as the International Marketing Council.

Over the years, in part as a result of these marketing campaigns, there has been a sustained increase in tourist arrivals in South Africa. Foreign arrivals into South Africa were recorded at 5,73 million in 1998 and grew to 9,10 million in 2007. Cumulatively this growth is estimated to have created over 400 000 jobs.

Alongside these developments, the Government mandated the formulation of a strategy to enhance the country's economic diplomacy and branding. As a catalytic pilot project, China is the focus of a variety of activities, including celebrating 10 years of diplomatic relations between the two countries in 2008 and participation in the 2010 Shanghai World Expo. The two governments are also engaging with a view to forging a Partnership for Growth and Development.

To promote co-ordinated conduct of international relations across all the spheres of government, the Consultative Forum on International Relations has been created, comprising national, provincial and local government representatives. Guidelines have been formulated as a frame of reference for all the spheres.

The hosting of the 2010 World Cup brings a communication opportunity of a lifetime for South Africa to market the country and, working with the rest of Africa, to improve the continent's image.

The promotion of international peace, security and stability has been a major theme of South Africa's international participation. It has actively supported the UN and successfully worked through such forums as the G77+China and the NAM to ensure the sanctity of the UN Charter and its rules are observed, especially in dealing with conflict and other threats to peace. It has implemented UN Security Council sanctions, regimes and resolutions on combating terrorism and peace-support operations.

The country embarked on a two-year tenure as a non-permanent member of the UN Security Council in 2007. South Africa consistently took a principled stance with regard to matters tabled in the Security Council, informed by its commitment to multilateralism and the maintenance of international peace and security.

South Africa's hosting of the World Summit on Sustainable Development and its ratification of multilateral environmental agreements enhanced its role as a player in global environmental governance. This has been sustained through its role as one of four developing country donors to the Global Environment Fund and as a donor to the UN Environmental Programme.

## The way forward

Midway through the Second Decade of Freedom, the foundation laid in the first decade and new initiatives since 2004 have enabled South Africa to notch up to a faster trajectory of growth and development. However, the challenges have proved more deep-seated than recognised, and success has brought new challenges.

The findings of the *15-Year Review* in 2008 spell out the areas that require attention for South Africa going forward. These include speeding up growth and transforming the economy, fighting poverty, building social cohesion, international co-operation and building an effective developmental state.



Faster and shared growth is essential for reducing unemployment and poverty. In turn, the country's productive capacity needs to be improved so it can grow faster; absorb more labour, including people with less skills; ensure competition; increase exports; and ensure thriving conditions for SMMEs. There is also a need to develop second-economy programmes that have a mass impact.

There will be a need to take account of a shift in the cost of energy and to protect the environment.

Measures to overcome poverty are central to the comprehensive anti-poverty strategy that government is developing. Reducing unemployment is the key anti-poverty measure. Fighting poverty requires a special effort towards increasing people's chances of entering the labour market and setting up their own businesses. Education has enormous potential to break the cycle of poverty.

Ensuring a harmonious society requires a reduction in inequality, through access to economic

opportunities for all as well as sustaining pro-poor government spending. Key to social cohesion are strong and legitimate public institutions. This requires improved service by the State, improved platforms for public participation and reducing crime and corruption.

Similarly, society has the responsibility to respect and protect the legitimacy and authority of state institutions. Building a cohesive society also requires the promotion of solidarity and caring among all South Africans rather than the values of individualism.

Much work has been done to strengthen partnerships across the world, especially in Africa and the South.

This needs to continue, still prioritising Africa and the countries of the South, while maintaining relationships with industrialised countries. Strengthening strategic partnerships will help advance our national interests, and the deployment of our resources to advance African development.

