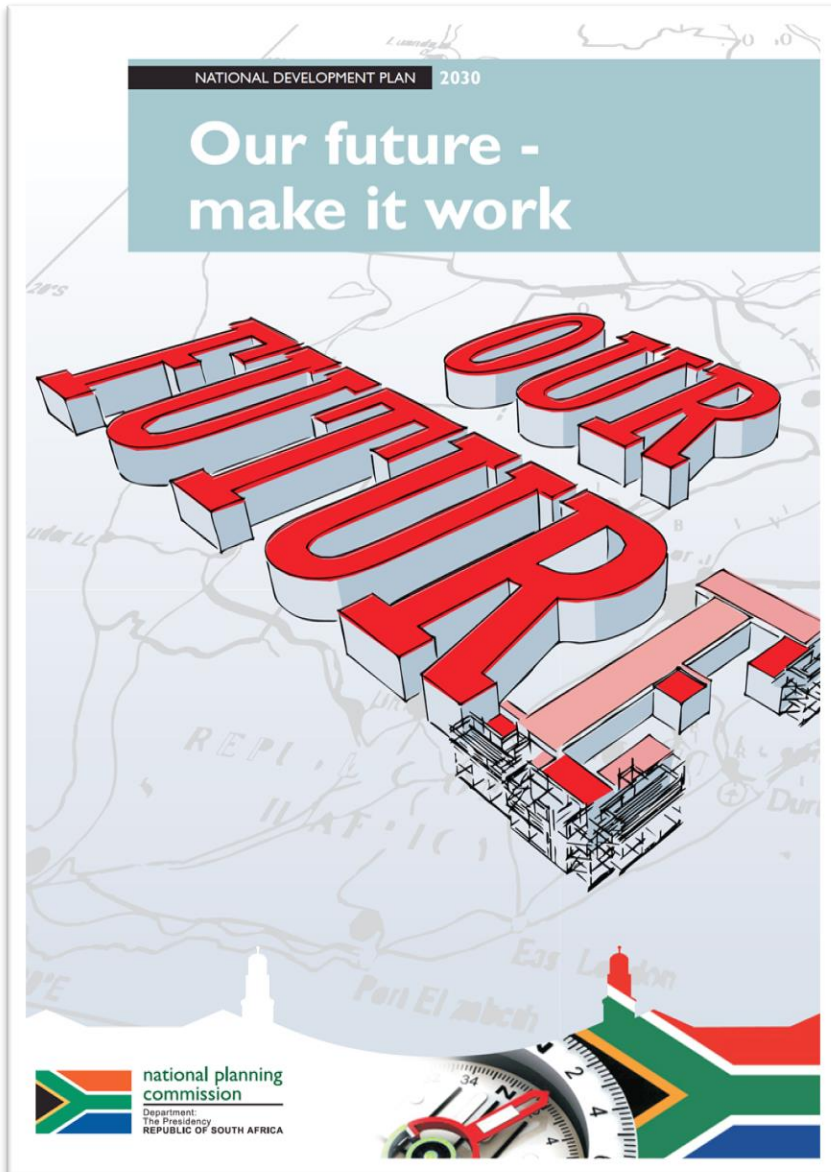


Vision 2030: NDP (Targets vs Reality)

Prof Johann Kirsten

Director: Bureau for Economic Research, Stellenbosch University

The basics



The National Development Plan (NDP)

- **Eliminate poverty and reduce inequality by 2030**

It requires a collective effort: “South Africa belongs to all its people and the future of our country is our collective future. Making it work is our collective responsibility” (NDP, p.1)

How far have we progressed?

- There is a need to measure and communicate progress
- Greater accountability – **“You can only manage what you measure”**
- Better implementation of policy

Also: some reflections on plans, policies versus implementation
NDP, ERRP, AAMP, etc...

Policy relevance (NDP 15 chapters correspond with other frameworks)

7 Priorities of the Sixth Administration (President Ramaphosa in SONA 2019)

Creating a capable, ethical
and developmental state

Enhancing economic
development and job
creation

Improving our education
outcomes and skills
revolution and ensuring a
healthy nation

Consolidating the social
wage through quality and
reliable basic services

Enhancing spatial
integration, human
settlements and local
government

Advancing social cohesion
and safe communities

Working for a better
Africa and World

Economic Reconstruction and Recovery Plan and Operation Vulindlela

Infrastructure rollout,
specifically in network
industries like
communications, freight
transport and water

Improving energy security
through stabilising the
electricity supply

Support for tourism, e.g.
through a visa regime that
attracts skills and grows
tourism

Food security

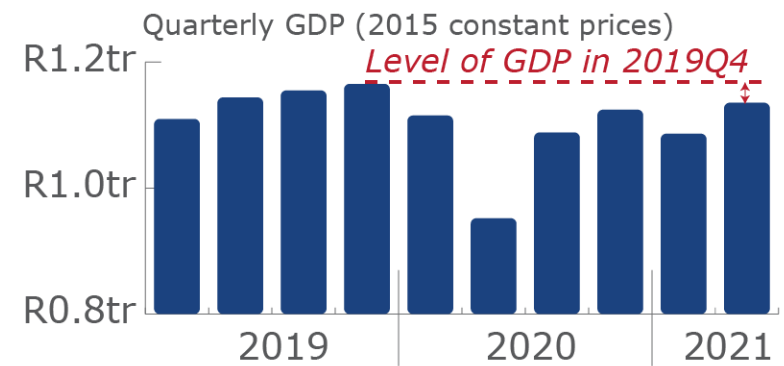
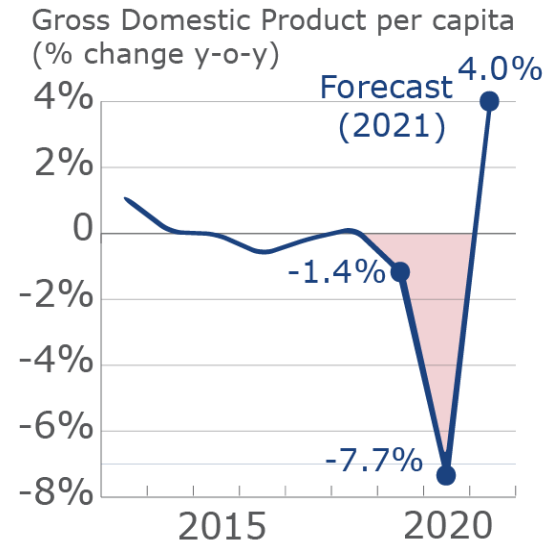
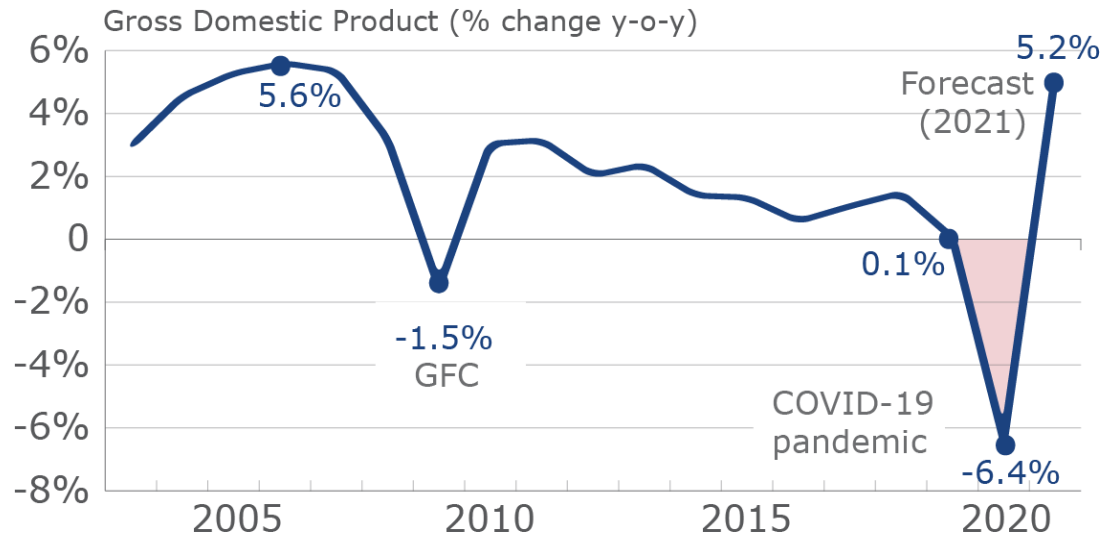
Localisation through
industrialisation

Green economy
interventions

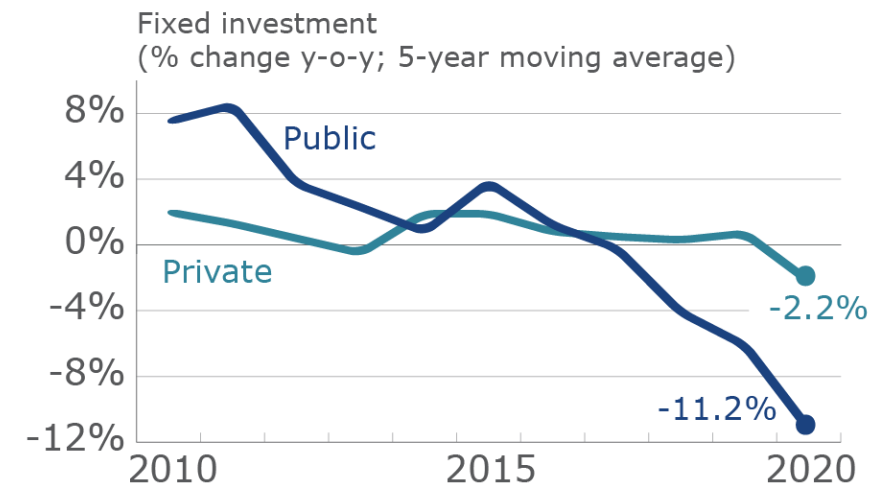
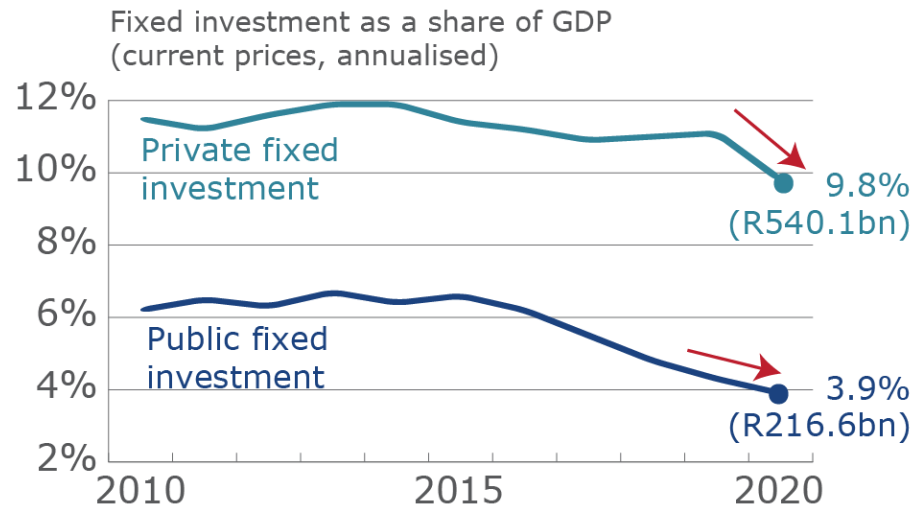
Macro-economic policy
interventions

Public employment
programmes

Gross Domestic Product

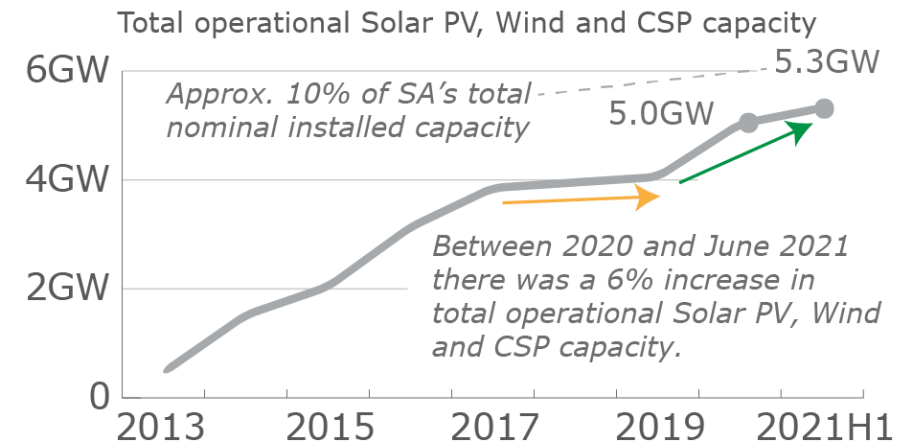
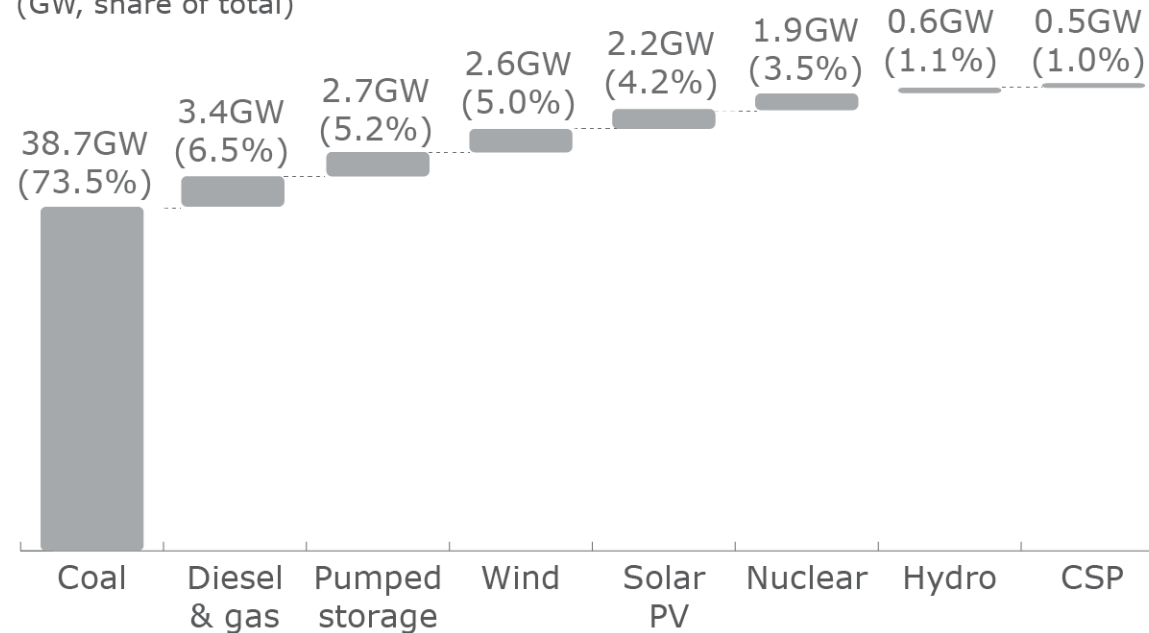


Fixed investment



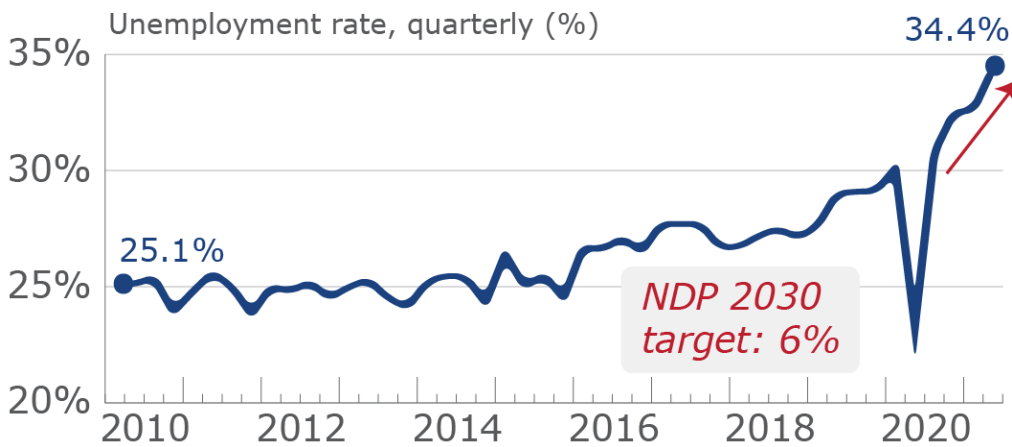
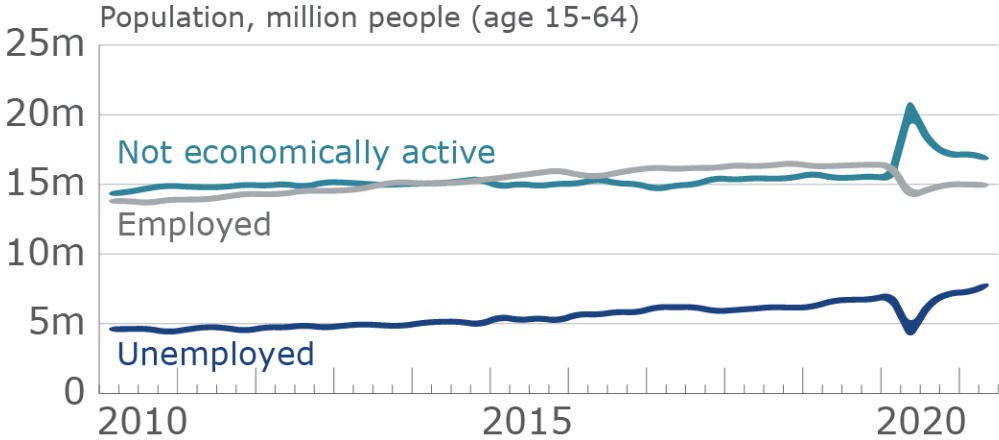
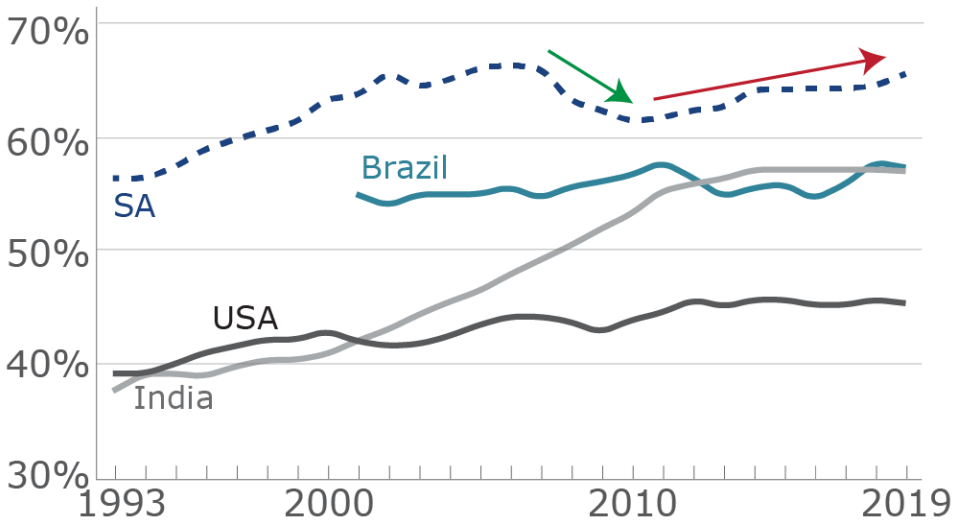
The environment (green energy) – transition to carbon-free economy

Nominal electricity generation capacity as at the end of June 2021 (2021H1)
(GW, share of total)

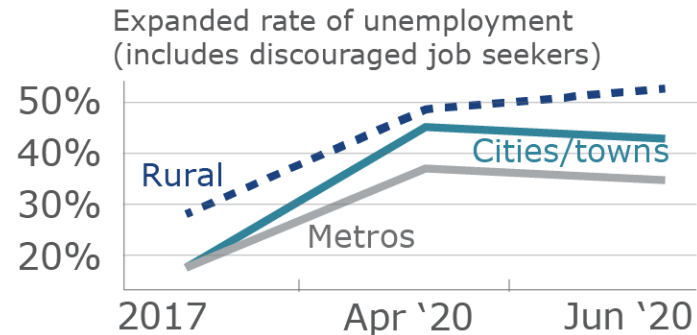
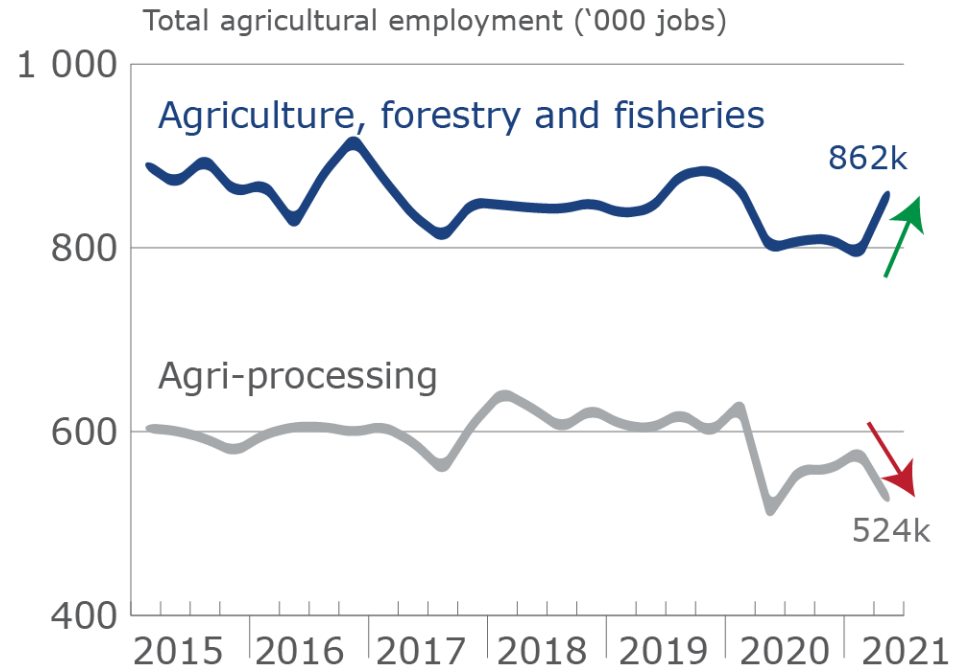


Inequality and unemployment

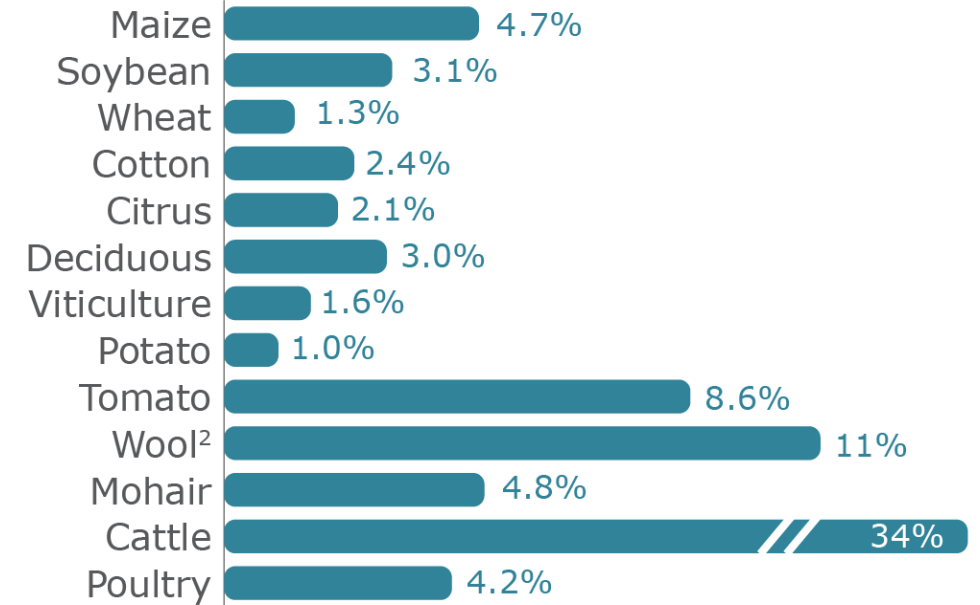
Distribution of income (top 10% pre-tax income share)



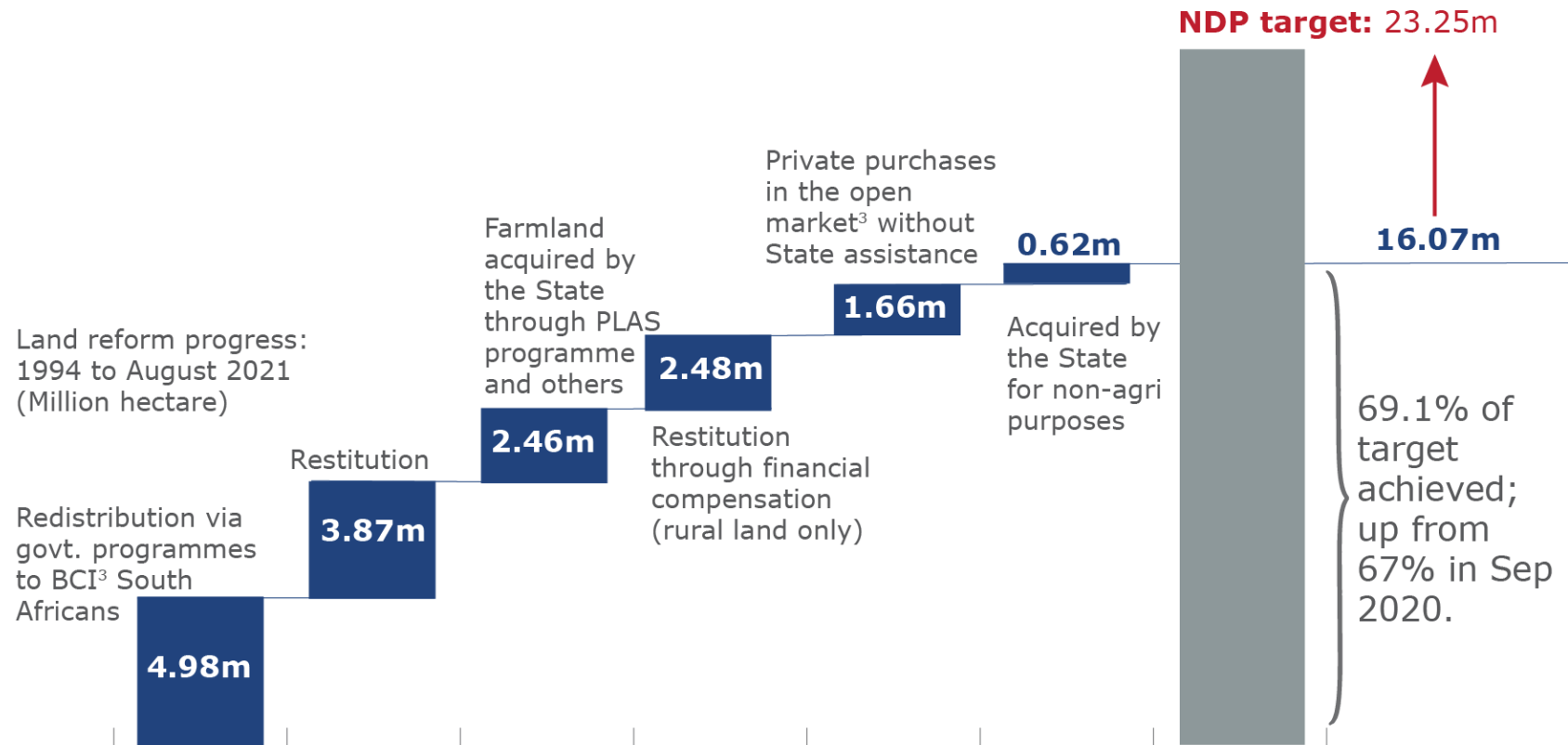
Employment and transformation in agriculture



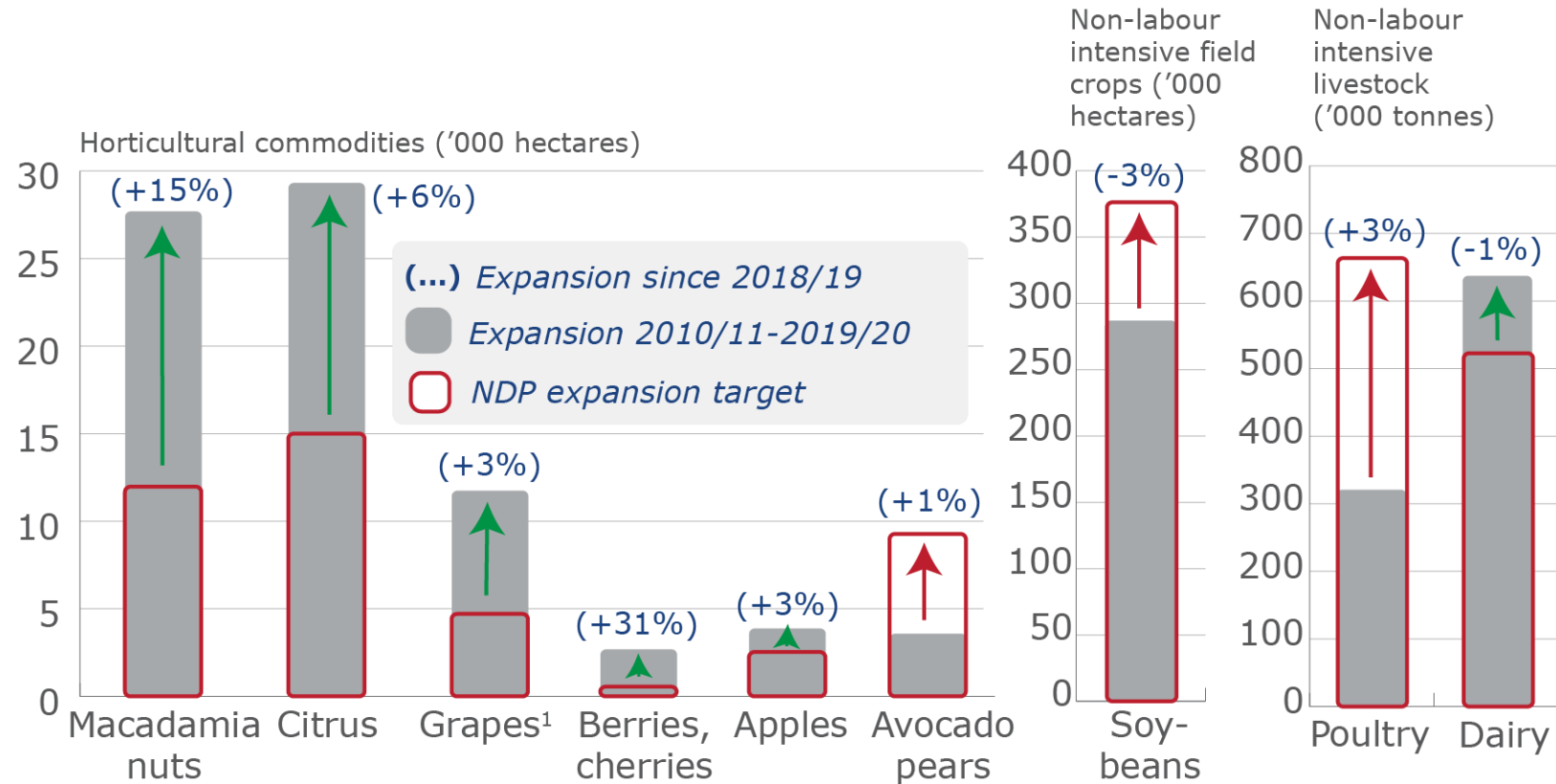
Black farmer share in output (2015-2019)



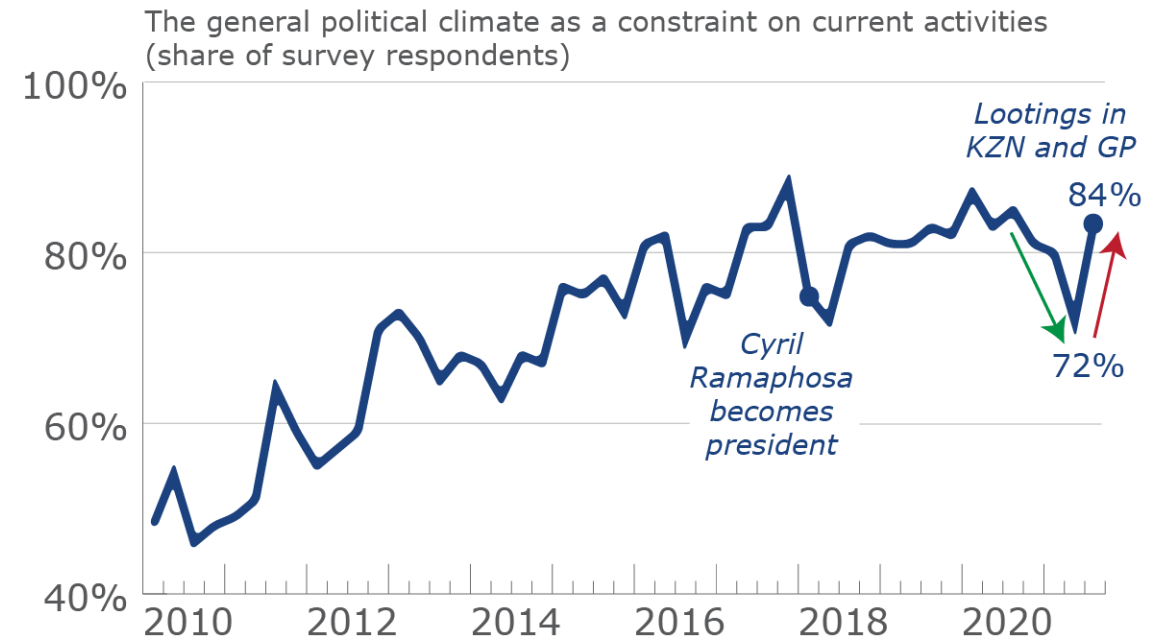
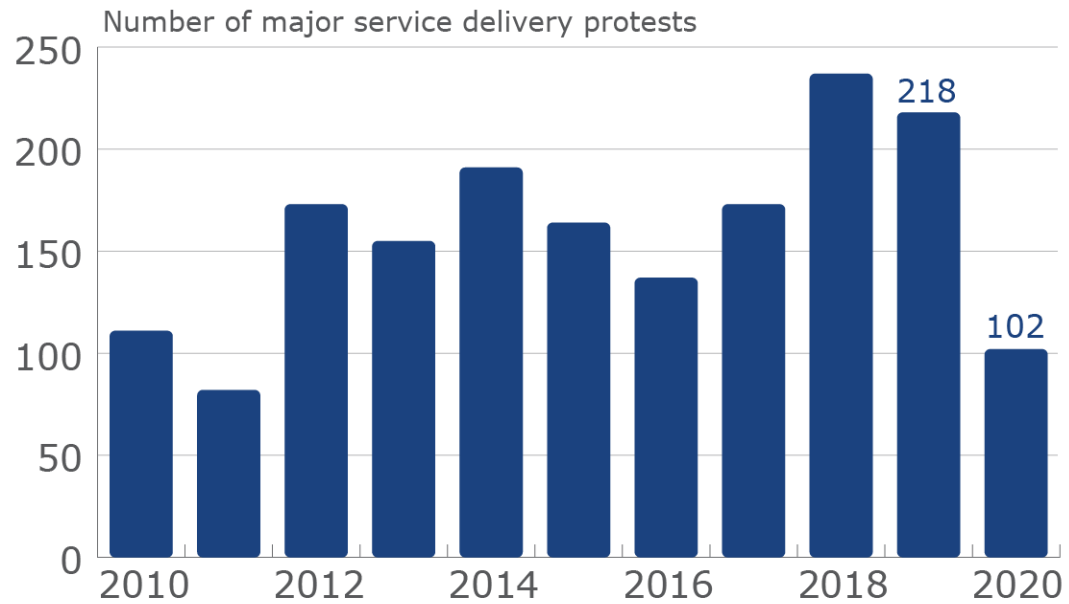
Land reform



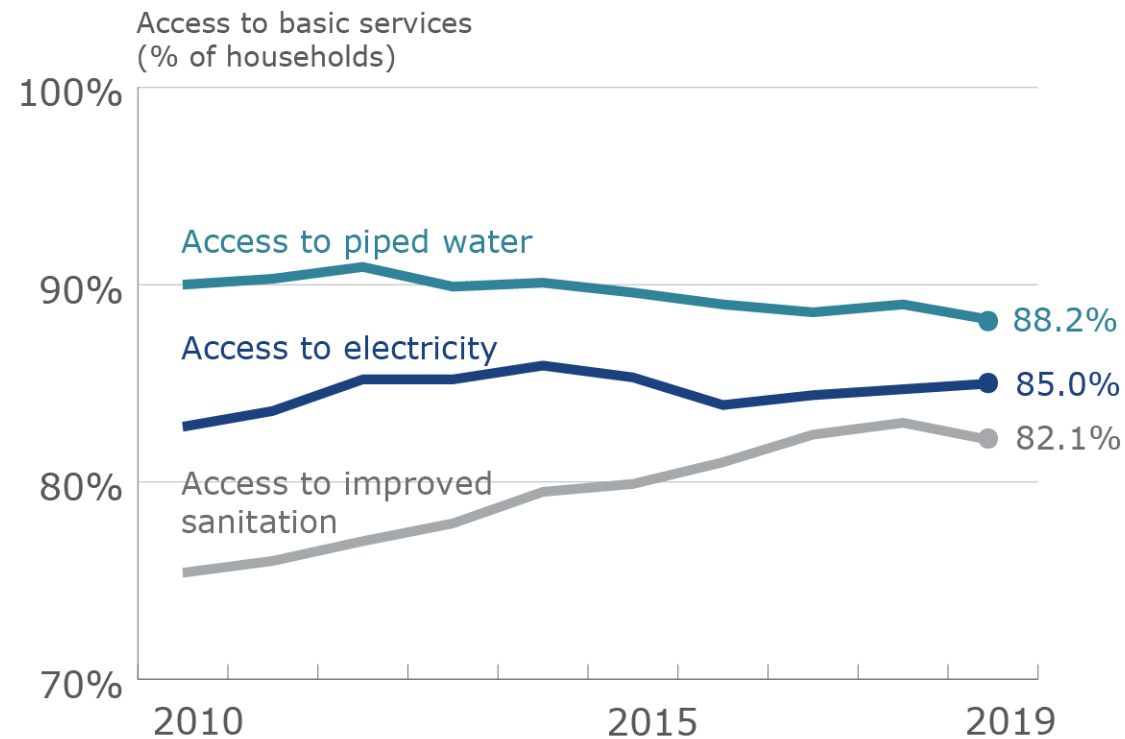
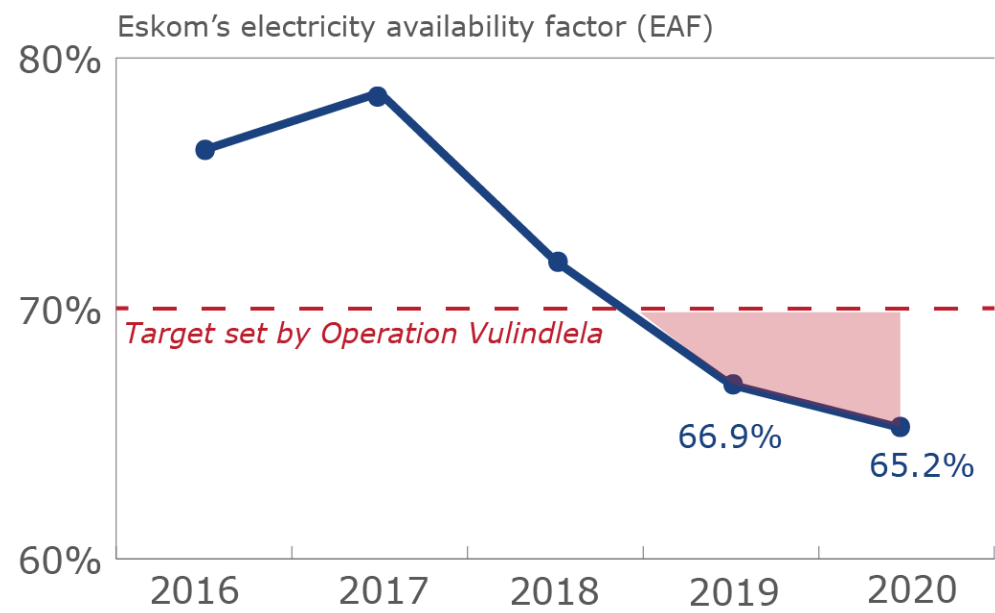
Growth in select commodities relative to NDP targets



Capable state

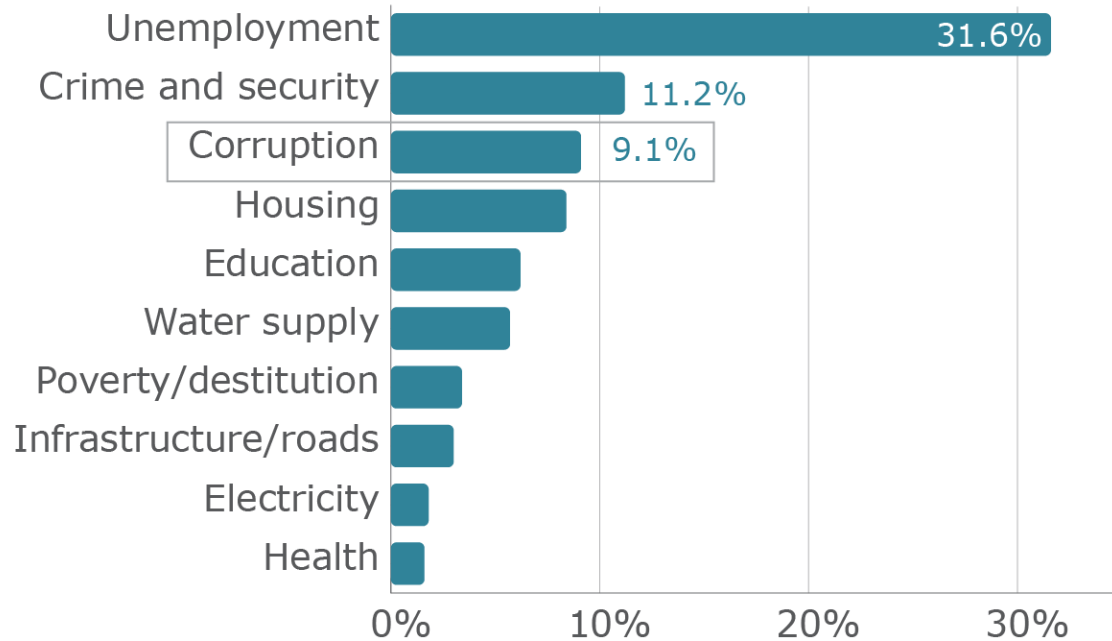


Access to basic services

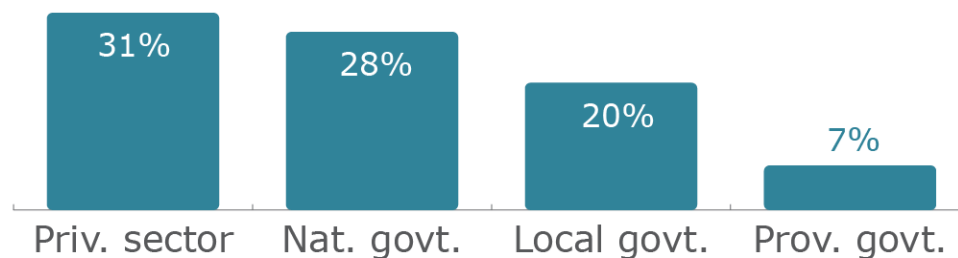


Corruption

The most important problems facing SA that government should address (share of respondents, 2021)



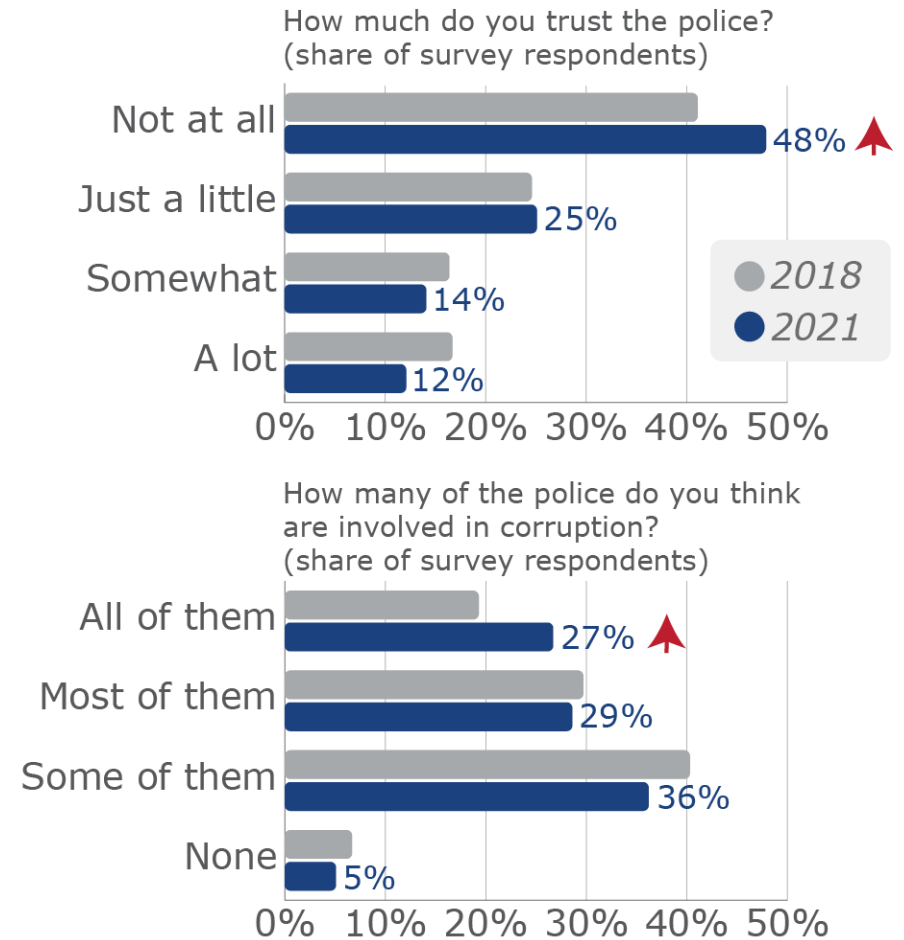
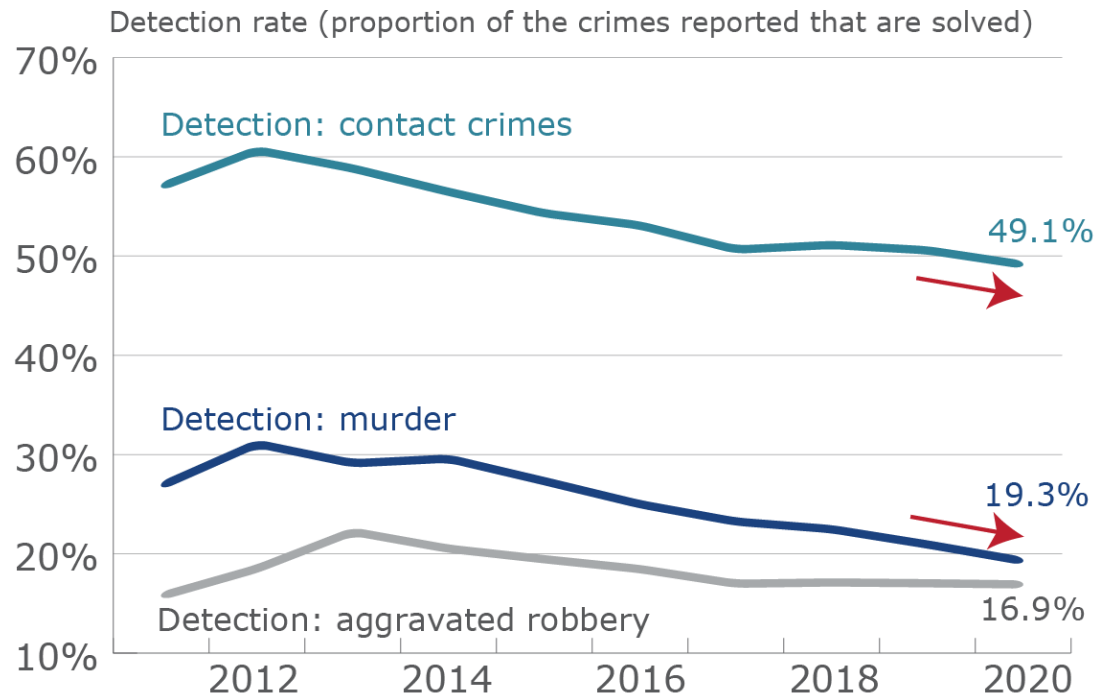
Institutional location of corruption (share of whistle-blower reports received by Corruptions Watch from Jan to Jun 2021)



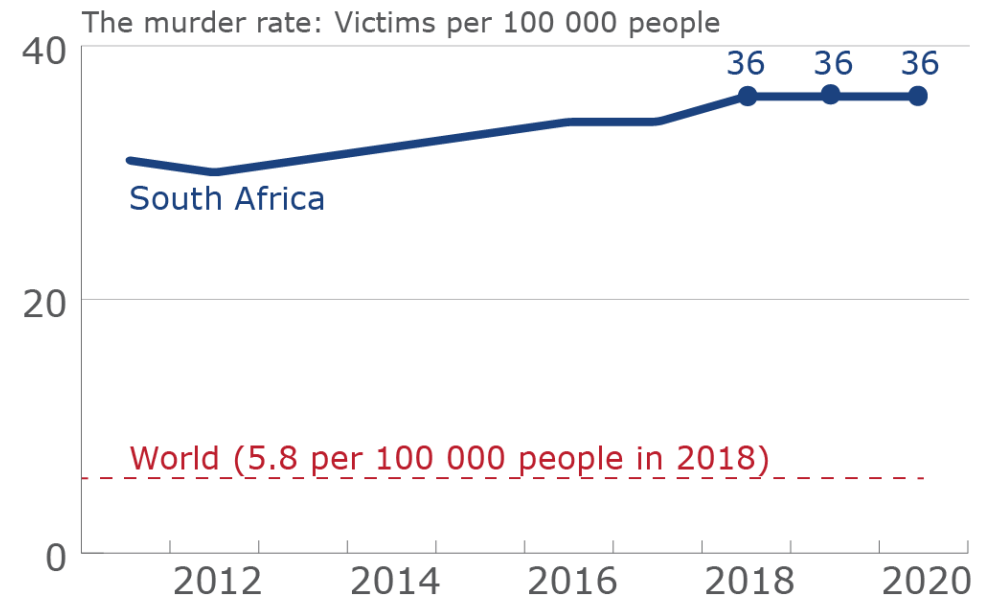
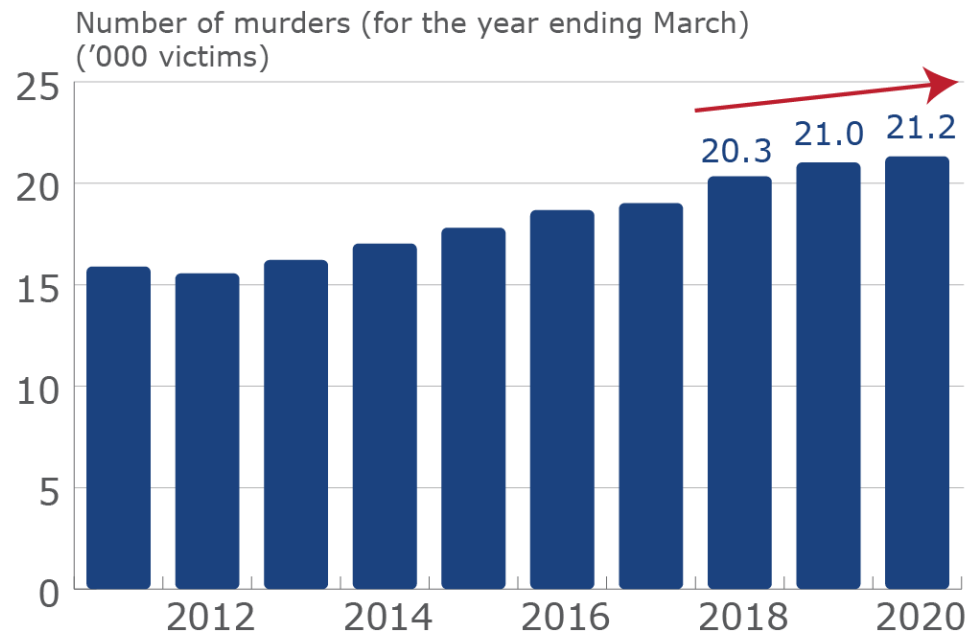
Share of respondents that answered "All of them" to the question: How many of the following people do you think are involved in corruption? (2021)



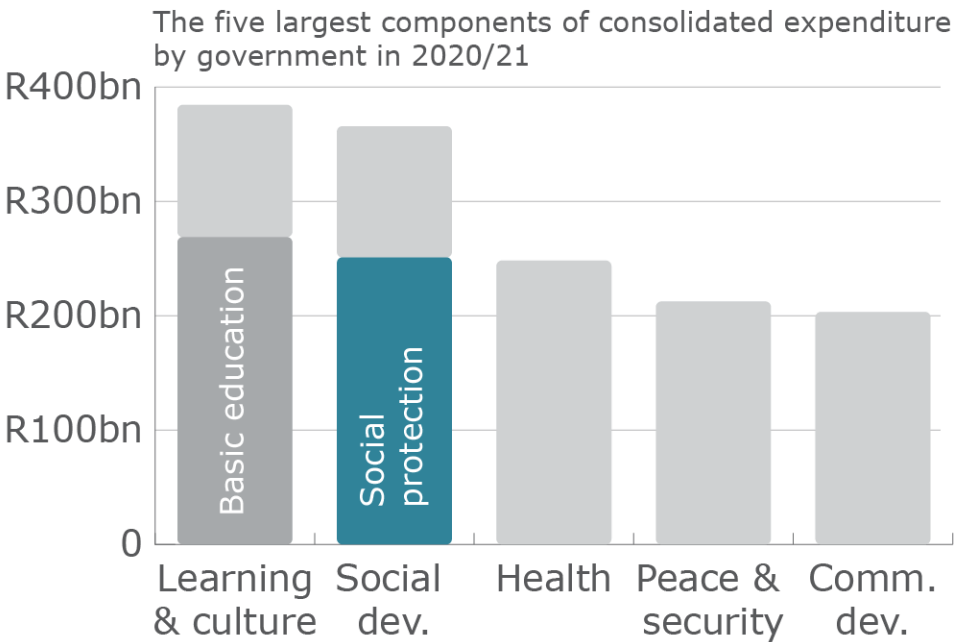
Safety and security: confidence in the police



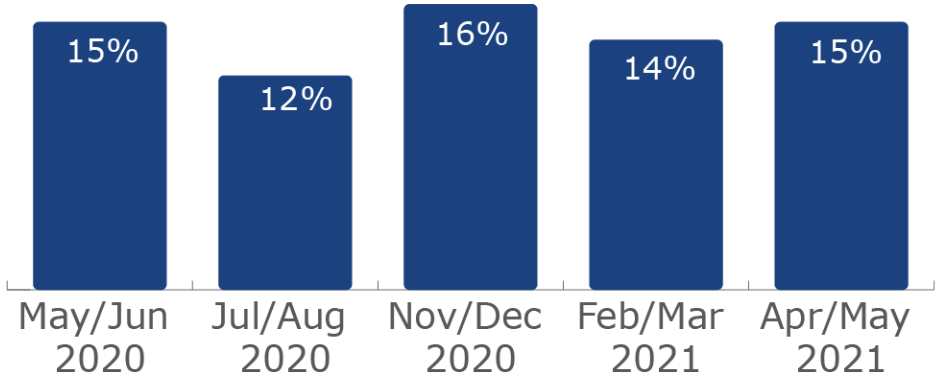
Safety and security: the murder rate



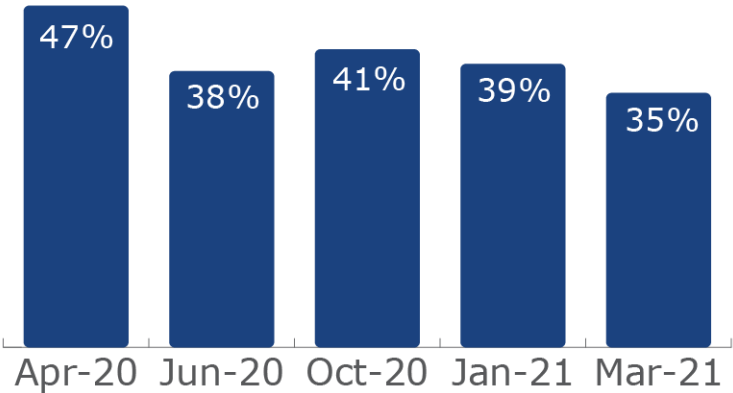
Social protection



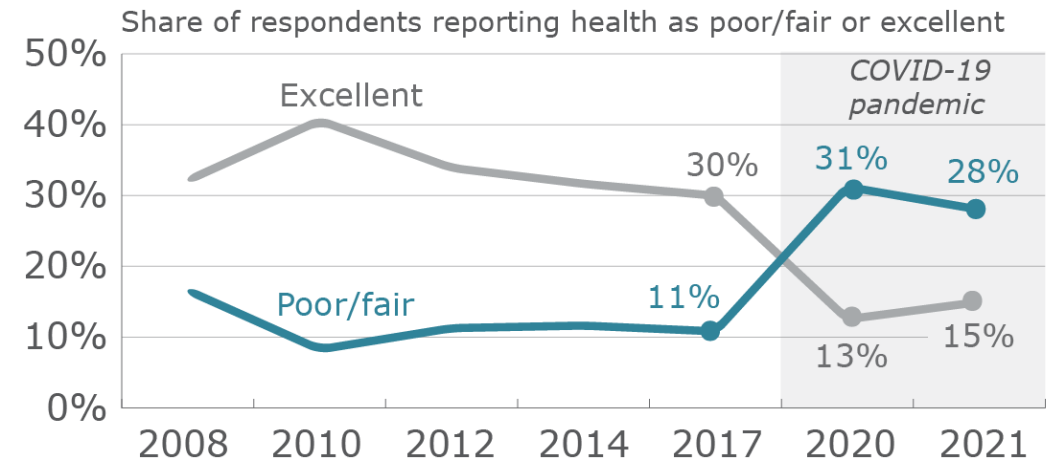
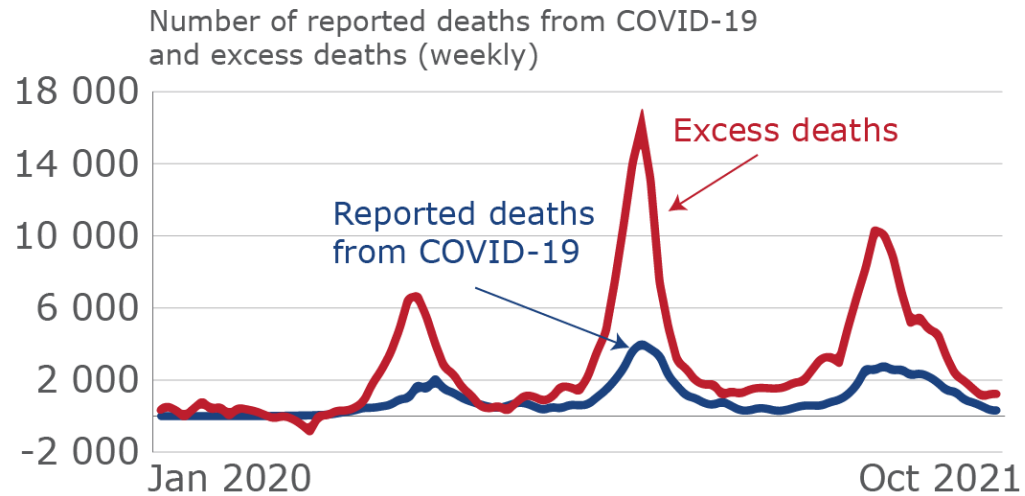
Share of respondents reporting child hunger (Question: ***In the past 7 days***, has any child in your household gone hungry because there wasn't enough food?)



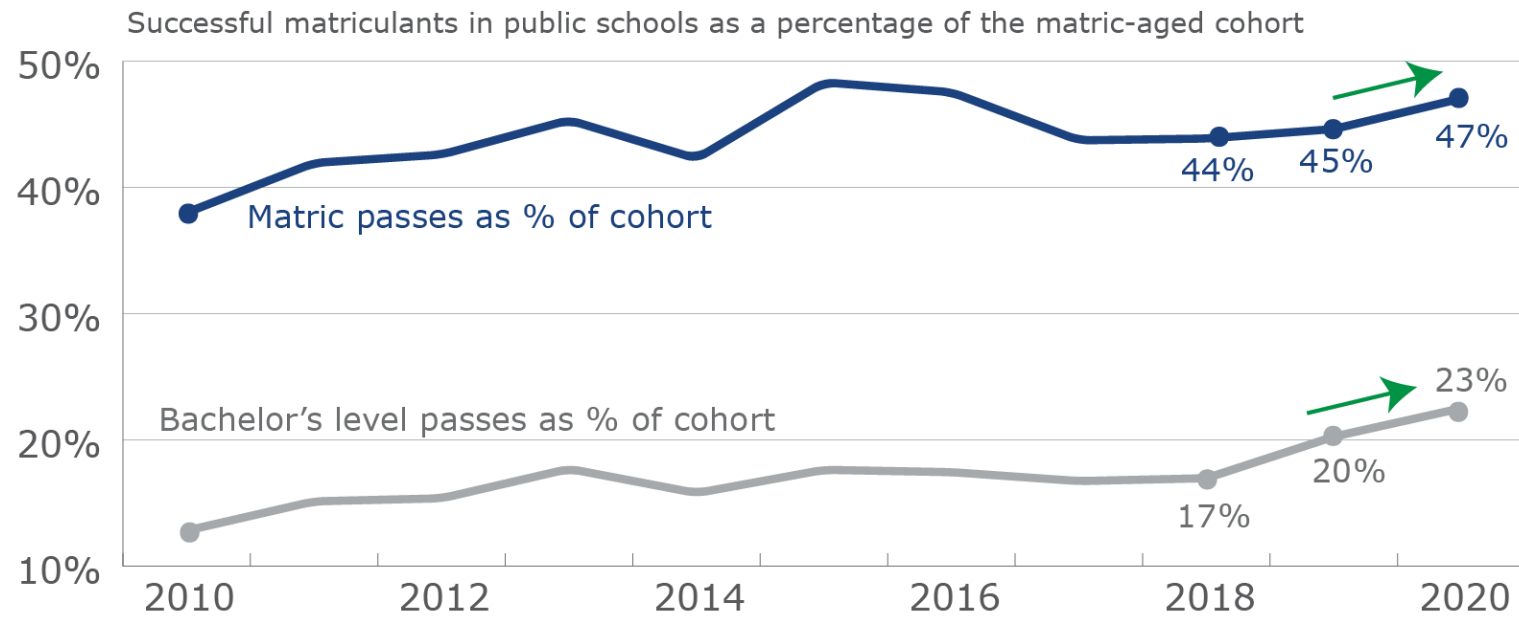
Share of respondents reporting food insecurity (Question: ***In the past month***, did your household run out of money to buy food?)



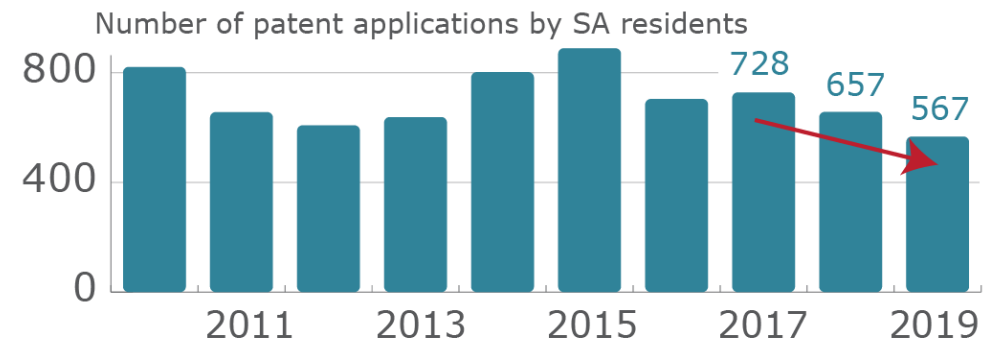
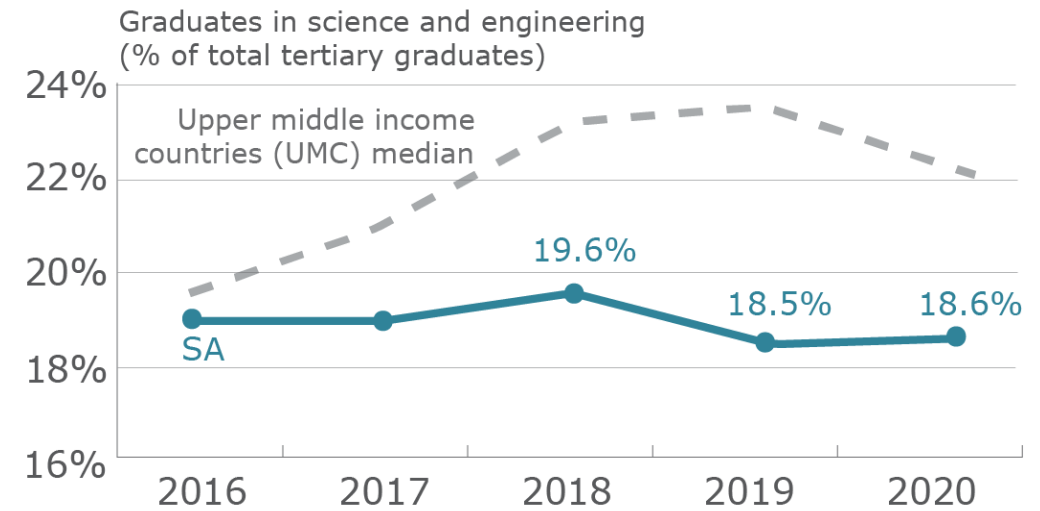
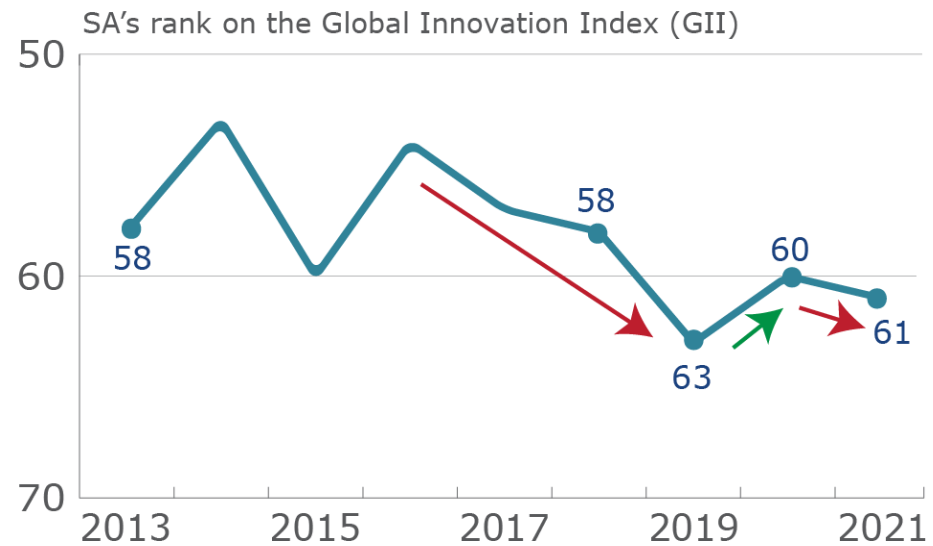
Health (COVID-19)



Education



Innovation



Agricultural Plans, plans and plans...

	NDP Chapter 6 (2012)	Economic Recovery and Reform Plan(2019)	Presidential Economic Advisory Committee: Agriculture brief (2020)
Access to land/land reform	<ul style="list-style-type: none"> Land reform should lead commercial production. Secure tenure and fully defined property rights. Suggest that ""district level model"" of redistribution 	<ul style="list-style-type: none"> Land reform must be oriented around growing the agriculture sector to foster economic development, and not simply to transfer land. Land reform managed in a transparent manner Tenure security will assist with access to finance. 	<ul style="list-style-type: none"> Requires coordination, facilitation and support, through the Agriculture and Land Reform Agency Tenure reform for communal areas: Supports the NDP Chapter 6 land redistribution strategy
Access to water	<ul style="list-style-type: none"> Increased investment into water resources and irrigation infrastructure Reallocate water that is made available 	<ul style="list-style-type: none"> Better use of existing resources and development of water schemes Address inefficient irrigation investment, and infrastructure use and maintenance 	<ul style="list-style-type: none"> Expand water savings and efficiencies and give incentive to invest into water saving technologies and infrastructure. Reallocate water rights for transformation purpose
Market Access (exports, imports, logistics)	<ul style="list-style-type: none"> Innovative market linkages. Improve infrastructure, road, rail, communication, and cold chains Preferential procurement to ensure new entrants can also access these markets. 	<ul style="list-style-type: none"> Investment into innovative market linkages Contract farming to expand smallholder farming Strategic government procurement mechanisms 	<ul style="list-style-type: none"> Attention to solving logistical hinderances and focus on expanding market access. Unlock new markets by engaging with countries in conjunction with farmer organizations
Farmer support services	<ul style="list-style-type: none"> Train a new cadre of extension officers. Investigate appropriate location of extension and other agriculture services at province level. Increased investment in research and development. 	<ul style="list-style-type: none"> Improve quality and number of extension officers State subsidy to enable private sector to deliver extension services to smallholder farmers 	<ul style="list-style-type: none"> Growth of livestock subsector; animal health, meat safety improvement of national lab capacity
Access to finance and financial assistance	<ul style="list-style-type: none"> Land Bank provide mortgage loans for up to 40 years Stepped programme of financing Financing and vesting of private property rights. 	<ul style="list-style-type: none"> Innovative financing solutions required by farmers; long-term loans with deferred interest repayments, subsidised interest rate loans Concessional financing to commercial farmers in exchange for development concessions. 	

AAMP – 6 pillars

Main purpose of AAMP: To reaffirm NDP's chapter six goals of enhanced food security, inclusive growth in agriculture and agro-processing, high job creation, and export growth. Six pillars:

1. To provide policy certainty to boost business confidence.
2. To enhance state capacity and efficiency and strengthen partnerships with the private sector to boost comprehensive farmer support programmes, biosecurity control measures and protocols, agricultural research and development, technology adoption, and access to markets.
3. To fast-track infrastructure maintenance and expansion of irrigation schemes, dams, dipping tanks, roads, rail and port facilities, fresh produce markets, and processing infrastructure.
4. To improve food security, increase production and employment by ensuring inclusive growth.
5. To ensure comprehensive agricultural support programmes which include agricultural financing for farmers through Blended Finance.
6. Expand market opportunities through improved market access and logistics.

Programme might be too complicated and depends on the capacity of the state. Not much different from the Strategic Plan of 2001, NDP 2012, etc...

A Simple Plan to transform the agricultural sector

Who should qualify for land?

- Be at least of 18 years of age but younger than 50 years.
- Qualifications and experience suitable for productive utilisation of the land.
- Beneficiaries who farmed before or who worked on commercial farms will be preferred.
- Intend to personally occupy and work the land.
- Be of good character, not guilty of, or charged with, any criminal offence.
- Able to access sufficient operational capital to develop and work the holding.

How should they be supported?

- A broad-based and inclusive approach with ease of application and qualification.
- No public tenders - no time is wasted and there are no opportunities for patronage.
- Only investment for on-farm infrastructure should be supported
- Fixed improvements to land such as conservation works, fences, contouring, soil improvement programmes and investments for 'regenerative agriculture' should also qualify.
- A universal flat rate per specific item will apply for refund claims by farmers. The rate should be not more than 80% of the market rate/value of the specific item.