

45. County profile: South Africa



1. Development profile

From 1948 until 1994, South Africa was governed by the racist and exclusionary policies of apartheid. The white Nationalist party, which implemented the repressive system, extolled the virtues of separate development of the races. The result was decades of oppression of all non-white ethnic groups, particularly black Africans. The African National Congress (ANC), led by international icons such as Nelson Mandela, combined with the efforts of other organizations and significant international pressure brought an end to the Apartheid era in 1994. The first multi-racial and multi-party elections culminated in Nelson Mandela being elected President. This transition was championed as one of the most monumental political events of recent history and proof that “a peaceful, negotiated path from conflict and injustice to cooperation and reconciliation is possible”.¹ While South Africa is nominally and legally free of Apartheid, the cancerous fingers of the policy still grip all aspects of society. This is evident in “imbalances in decent housing, education and health care”.² The ANC continues to dominate politics, although recent infighting has damaged the party’s reputation both internationally and domestically. This conflict climaxed in 2008 when President Thabo Mbeki was forced from office. His successor, Jacob Zuma has been constantly surrounded by controversy; he has been accused of rape and charged with corruption. Recently, Julius Malema, head of the ANC’s powerful Youth League, has come under fire for making hateful remarks, expelling journalists from news conferences and publically announcing that South Africa should implement land redistribution policies similar to those carried out in Zimbabwe.

South Africa is considered a middle income nation with an emerging market economy. The country boasts: an abundance of valuable natural resources; a sound judicial system; well-developed financial, communication, energy and transportation structures; political freedom; and the 18th largest stock exchange in the world.³ However, “South Africa’s image as the political and economic driving force of Africa masks the extent of poverty that continues to defy intervention”.⁴

¹ *South Africa: Country Brief*. (2010). Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,menuPK:368086~pagePK:141132~piPK:141107~theSitePK:368057,00.html>

² *South Africa*. (2010). Retrieved from US Government, Central Intelligence Agency: <https://www.cia.gov/library/publications/the-world-factbook/geos/sf.html>

³ Ibid.

⁴ *South Africa*. (2008, November). Retrieved from OneWorld: <http://uk.oneworld.net/guides/southafrica/development>

South Africa has shown a commitment to poverty alleviation and social sector improvements. Education enrolment has increased as can be seen by the increase from 45 percent to 72 percent increase in secondary school enrolment from 1991 to 2008. Access to electricity has also improved since the end of apartheid as it increased from 34 percent to 81 percent between 1993 and 2007. It is estimated that over 13 million people benefitted from The Child Support Grant in 2009 and one-fourth of the population receives social grants.⁵ The government has tried to alleviate the inadequate levels of housing and has built 1.6 million free housing units; however, the public housing sector is marred by corruption, inefficiency and poor quality. The country also has a very high level of poverty which, based on recent estimates, is over 43 percent.⁶ Facilities for education are generally poor and many rural schools lack basic sanitation. Despite this, the MDGs in education are close to being achieved. Gender equality has improved and over 30 of seats in Parliament and cabinet positions are held by women.⁷ While accurate data as to the effectiveness of this initiative has not been made available, the Government has promised universal access to safe water and adequate sanitation by the end of 2010.⁸

South Africa is home to the largest number of people living with HIV/AIDS in the world, with 5.5 million people affected by it.⁹ The country also struggles with 24 percent of the global cases of tuberculosis. The current health problems are partially rooted in several inevitable consequences of the Apartheid system; migrant labour led to the destruction of families, alcoholism, gender-based violence and the spread of sexually transmitted diseases and the health delivery system inherently caters to the wealthy population. Life expectancy fell from 54.9 years in 2001 to 50.5 years in 2007¹⁰ and, due to HIV/AIDS, infant and child mortality rates are rising.¹¹ Hospitals are severely understaffed, as most doctors work in the private sector or emigrate out of the country due to low wages in public-sector positions. Due to a 20 percent increase in health care investment in 2008, 1,600 hospitals were built.¹²

Basic infrastructure is deteriorating as a result of two decades of inadequate investment and “a lack of competition” in the contracts awarded to various companies, which often results in low quality and “shoddy” work.¹³ This has also caused electricity shortages which paralysed the economy for several weeks in 2008. Ports are overburdened and cannot accommodate rising trade, “as a result, freight transport costs are high, at 15 percent of GDP.”¹⁴ The Black Economic Empowerment Initiative was instituted following the end of apartheid with the aim of providing opportunities for black South Africans. While the initiative is widely accepted and deemed necessary and beneficial, compliance

⁵ *South Africa*. US Government, Central Intelligence Agency.

⁶ *South Africa*. OneWorld.

⁷ *Ibid*.

⁸ *Ibid*.

⁹ *South Africa: Country Brief*. World Bank.

¹⁰ *Ibid*.

¹¹ *South Africa*. OneWorld.

¹² *South Africa*. (n.d.). Retrieved from African Economic Outlook:
http://www.africaneconomicoutlook.org/en/countries/southern-africa/south-africa/#/social_context_human_resource_dev

¹³ *Ibid*.

¹⁴ *Ibid*.

remains costly and complex and many have criticized the Government for not adequately assisting firms to ease the process.¹⁵

South Africa's vast natural resources have brought the country riches and conflict. As with most countries that are dependent on mineral reserves, income distribution is extremely unequal; a situation which was exacerbated by Apartheid policies. While there has been significant economic growth in the post-Apartheid period, inequality among race, gender and location has increased.¹⁶ As measured by the Gini coefficient, inequality rose from 0.64 to 0.67 from 1995 to 2008¹⁷ and UN-Habitat has deemed South Africa's cities as the most unequal in the world.¹⁸ Unemployment is one of the most acute challenges facing the country. It is estimated that 23.6 percent of the population is unemployed and this number does not reflect reality as the definition of "unemployed" does not include discouraged workers and people who had worked even one hour during the previous week.¹⁹ Because of the global economic crisis, economic growth in 2009 was negative 1.8 percent. Mining and manufacturing activities were hit the hardest as the global demand for commodities declined. The construction sector has grown as the result of a substantial Government roads investment programme alongside the necessary preparations for the 2010 FIFA World Cup.²⁰ The World Cup is expected to boost economic gains in 2010. The formal economy attracts the largest amount of foreign direct investment in all of Africa.²¹ While agriculture accounts for only 5.2 percent of employment and 3.2 percent of GDP, maintenance and advancement of the sector are a priority and in 2008, output increased by 18.8 percent.²²

Mining activities account for 5.8 percent of GDP with the most common minerals mined being gold, platinum, coal and diamonds.²³ Mining output declined in 2008 as a result of electricity shortages, tighter mine safety regulations and falling prices. South Africa has 90 percent of the platinum reserves on earth, 80 percent of the manganese, 73 percent of the chrome, 45 percent of the vanadium and 41 percent of the gold.²⁴ The nation is also the fourth largest producer of diamonds in the world.

¹⁵ *South Africa*. African Economic Outlook.

¹⁶ *South Africa*. US Government, Central Intelligence Agency.

¹⁷ *South Africa: Country Brief*. World Bank.

¹⁸ *South Africa*. OneWorld.

¹⁹ *South Africa*. African Economic Outlook.

²⁰ *South Africa: Country Brief*. World Bank.

²¹ *South Africa*. OneWorld.

²² *South Africa*. African Economic Outlook.

²³ *Mining and Minerals in South Africa*. (n.d.). Retrieved from SouthAfrica.info: <http://www.southafrica.info/business/economy/sectors/mining.htm>

²⁴ *Ibid*.

Socioeconomic indicators ²⁵	
Population (millions)	48.69
GNI per capita, PPP (current USD)	9,790
GDP (current USD) (billions)	276.45
GDP composition by sector (%)	Agriculture - 3 Industry- 34 Services- 63
GDP growth rate (%)	3.1
Percent below poverty line (%)	26.2
Inflation (%)	10.8
GINI index	57.8
Adult literacy rate (%)	88.0
Life expectancy (years)	51
Child dependency ratio	46.6
Elderly dependency ratio	7.1
HIV prevalence (%)	18.1
Overseas development aid per capita (current USD)	16
Net official development assistance (USD millions)	1,125
Remittances as % of GDP	0.3
2009 Human Development Index (HDI) ranking	129

2. Vulnerability analysis

2.1 External shocks

The global economic crisis led to the first recession in South Africa in 17 years. Other factors contributing to the downturn were: “unprecedented power shortages; the hike in global oil and food prices in the first six months of the year; the slow-down of private consumption; and the decline in foreign investment and exports”.²⁶ Economic growth in 2009 was measured at negative 1.8 percent with activity in the mining and manufacturing sectors being hit particularly hard. The unemployment rate increased from 21.9 percent in 2008 to 24.3 percent in 2009.²⁷ Eskom, the state run energy company, failed to raise funds for much needed improvement projects because of the economic crisis.

2.2 HIV/AIDS

South Africa has the unfortunate distinction of being the country with the most people infected with HIV/AIDS with 5.5 million people suffering.²⁸ In 2006, 29 percent of pregnant women were HIV positive. In 2005, the total number of orphans in South Africa was 2.5 million, the majority of which

²⁵ *South Africa: Country Data*. (n.d.). Retrieved from World Bank:
<http://www.worldbank.org/data/countrydata/countrydata.html>

²⁶ *South Africa*. African Economic Outlook.

²⁷ *South Africa: Country Brief*. World Bank.

²⁸ *South Africa: Country Brief*. World Bank.

was the result of AIDS. This number is expected to double by 2015 due to increasing maternal mortality.²⁹ The prevalence rate in KwaZulu-Natal is 39.1 percent.³⁰ The Government has been accused of not taking the epidemic seriously and many deplore the South African National HIV/AIDS programme as severely inadequate.³¹ In 2006, the country launched the HIV/AIDS and STI Strategic Plan for 2007-2011 which involves a significant increase in funding and ambitious policies aimed at combating the epidemic. President Zuma recently launched a programme to test one-third of South Africa's population by June of next year. He announced that "the country's 4,300 clinics and hospitals are ready to provide HIV testing and counselling to all and he said that the number of facilities supplying anti-retroviral drugs used to combat AIDS would be doubled from 500 to 1000."³² The Government will also triple the number of condoms distributed each year. In his bid to discourage the stigma surrounding HIV/AIDS tests, President Zuma publically took a test, announced the results to the nation on television, and reminded South Africans that people with the disease have not committed any sort of crime.³³

3. Monitoring and evaluation

Under apartheid policy, blacks were excluded from social and economic surveys. This makes measuring the progress toward the Millennium Development Goals difficult, as there is no data from the baseline year of 1990.³⁴ The most recent UNDP Human Development Report estimates poverty at 10.7 percent of the population, which is basically unchanged from the 2000 level of 11.3 percent. This renders the achievement of reducing the number of people who live in extreme poverty by one-half by 2015 almost impossible.³⁵

In 2008, the Government conducted a review of policies since the end of apartheid, "In addition to the economic achievements of solid growth while maintaining macroeconomic stability, the review notes progress in democracy building, governance, poverty alleviation, service delivery, skills development and crime prevention. Nevertheless, considerable shortcomings remain in all these areas. In view of this, the new budget law for 2009/10 allocates additional funds to priority sectors."³⁶

The Government-Wide Monitoring and Evaluation System aims to "provide an integrated, encompassing framework of M&E principles, practices and standards to be used throughout

²⁹South Africa. (n.d.). Retrieved from United Nations Children's Fund:
http://www.unicef.org/infobycountry/southafrica_877.html

³⁰South Africa. African Economic Outlook.

³¹South Africa. OneWorld.

³²South Africans Praise Latest HIV/AIDS Testing Campaign. (2010, April 27). Retrieved from Medilinks:
<http://medilinkz.org/news/news2.asp?NewsID=30931>

³³ Ibid.

³⁴South Africa. OneWorld.

³⁵ Ibid.

³⁶South Africa. African Economic Outlook.

Government, and function as an apex-level information system which draws from the component systems in the framework to deliver useful M&E products for its users.”³⁷

4. Social assistance programmes overview

*All currency conversions are based on 17th February 2010 rates:

- 1 ZAR = 0.12976 USD;
- 1 EUR = 1.369 USD;
- 1 GBP = 1.57161 USD.³⁸

Programme# 1: cash transfer	Programme name	Old Age, Disability, and Survivors ³⁹
	Programme components	<ul style="list-style-type: none"> ▪ Old-age pension (means-tested): <ul style="list-style-type: none"> ○ Up to ZAR 1,010 (USD 131.06) a month is paid for a single pensioner; married couples may receive double the amount. The pension is reduced to 25% of the maximum amount if the pensioner resides in a care facility under contract to the State for more than 3 months. ○ Constant-attendance allowance: 240 rand a month is paid. ▪ Disability grant (means-tested): Up to ZAR 1,010 (USD 131.06) a month is paid. <ul style="list-style-type: none"> ○ Constant-attendance allowance: ZAR 240 (USD 31.14) a month is paid.
	Programme coverage	<ul style="list-style-type: none"> ▪ Persons with limited means who are citizens of South Africa, permanent residents, or refugees with disabilities (for disability benefits only). ▪ Exclusions: Persons confined to or cared for in state facilities. Special system for public-sector employees. ▪ Old-Age Pension beneficiaries: 2,233,897. ▪ Disability grant beneficiaries: 1,456,367.⁴⁰
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Old-age grant (means-tested): <ul style="list-style-type: none"> ○ Age 61 (men) or age 60 (women) and a citizen or permanent resident of South Africa at the time of the application. The age requirement for men will be lowered to age 60 in April 2010 ○ Means test: The applicant must have an annual income of less than ZAR 27,552 (USD 3,575.15) for a single person; ZAR 58,224 (USD 7,555.15) for a couple. The applicant must not have more than ZAR 484,800 (USD 62,907.65) in assets for a single person; ZAR 969,600 (USD 125,815.30) for a couple. ○ Constant-attendance allowance: A grant-in-aid is paid to persons receiving the old-age grant who require the constant attendance of others as a result of a certified mental or physical condition.

³⁷ Policy Framework for the Government-wide Monitoring and Evaluation System. (2007, November). Retrieved from Republic of South Africa: www.info.gov.za/view/DownloadFileAction?id=94547

³⁸ Currency Converter. (2010). Retrieved from Oanda: <http://www.oanda.com/currency/converter/>

³⁹ Table text from “South Africa.” *Social Security Programs Throughout the World: Africa 2009*. (2009). Retrieved from US Government, Social Security Administration: <http://www.ssa.gov/policy/docs/progdesc/ssptw/2008-2009/africa/southafrica.html>

⁴⁰ *South Africa Social Security Profile*. (2010). Retrieved from G.E.S.S. – Global Extension of Social Security: <http://www.oit.org/gimi/gess/ShowCountryProfile.do?cid=2&aid=2>

		<ul style="list-style-type: none"> ○ Beneficiaries are eligible to receive only one benefit at a time. <ul style="list-style-type: none"> ▪ Disability grant (means-tested): Paid to a citizen, permanent resident, or refugee assessed as incapable of providing adequate self-support for more than 6 months. The temporary grant is paid if aged 18 to 60 (men) or aged 18 to 59 (women). The disability must be confirmed by a medical assessment report. <ul style="list-style-type: none"> ○ A disability grant is considered permanent if the citizen is assessed as incapable of providing adequate self-support for more than 12 months. ○ Means test: The applicant must have an annual income of less than ZAR 27,552 (USD 3,575.15) for a single person; ZAR 58,224 (USD 7,555.15) for a couple. The applicant must not have more than ZAR 484,800 (USD 62,907.65) in assets for a single person; ZAR 969,600 (USD 125,815.30) for a couple. ○ Constant-attendance allowance: A grant-in-aid is paid to persons receiving the disability grant who require the constant attendance of others as a result of a certified mental or physical condition.
	Finance	<ul style="list-style-type: none"> ▪ Beneficiaries are eligible to receive only one benefit at a time. ▪ Insured person: None. ▪ Self-employed person: None. ▪ Employer: None. ▪ Government: The total cost. ▪ The government contributions also finance medical benefits under Sickness and Maternity.
	Legal framework	<ul style="list-style-type: none"> ▪ First laws: 1928 (old age), 1936 (blindness), and 1946 (disability). ▪ Current law: 2004 (social assistance), with 2008 amendment
	Administrative framework	<ul style="list-style-type: none"> ▪ The <i>Social Assistance Act, No. 13 of 2004</i> is the landmark of a new strategy in the field of social protection in the country. The act charges the national government with responsibility for social security grants. ▪ In April 2006 the task for the management, administration and payment of social assistance grants was transferred to the South African Social Security Agency (SASSA).

Programme# 2: social insurance	Programme name	Sickness and Maternity⁴¹
	Programme components	<ul style="list-style-type: none"> ▪ Sickness benefit: The benefit is equal to 45% of the insured's weekly earnings and is paid for up to 26 weeks after a waiting period of 4 to 6 weeks. ▪ Maternity benefit: The benefit is equal to 45% of the insured's weekly earnings and is paid for a total of 17 weeks (6 weeks in the event of a miscarriage or a stillborn child). The benefit is paid from 18 weeks before and up to 8 weeks after the expected date of childbirth. ▪ Workers' medical benefits: All old-age pensioners and disability pensioners

⁴¹Table text from "South Africa." *Social Security Programs Throughout the World: Africa 2009*. US Government, Social Security Administration.

		<p>are entitled to subsidized medical care at provincial hospitals. Benefits include hospitalization and medicines.</p> <ul style="list-style-type: none"> ▪ Dependents' medical benefits: All old-age pensioners and disability pensioners are entitled to subsidized medical care at provincial hospitals. Benefits include hospitalization and medicines.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Cash sickness benefits: The insured must have at least 13 weeks of contributions in the 52 weeks before the incapacity began. ▪ Cash maternity benefits: The insured must have at least 13 weeks of contributions in the 52 weeks before the expected date of childbirth (if adopting a child, 18 weeks of contributions in the 52 weeks before the date of adoption).
	Programme coverage	<ul style="list-style-type: none"> ▪ Sickness and maternity benefits: Eligible insured workers working more than 24 hours a month, the unemployed, and workers with earnings reduced to no more than 1/3 of the regular wage. <ul style="list-style-type: none"> ○ Exclusions: Government employees and employees who work fewer than 24 hours a month; foreigners who enter the country to fulfil an employment contract and who are required by law to leave the country when the contract ends; and persons receiving a monthly state pension, any benefit from the work injury and occupational disease compensation fund, or benefits from any unemployment fund or scheme. ▪ Medical benefits: Old-age pensioners and disability pensioners.
	Finance	<ul style="list-style-type: none"> ▪ Cash sickness and maternity benefits: financing comes from the unemployment benefits. ▪ Medical benefits: financing comes from Old Age, Disability and Survivors.
	Legal framework	<ul style="list-style-type: none"> ▪ Current laws: 2001 (unemployment insurance), implemented in 2002; and 2003 (health), implemented in 2004. ▪ Note: Cash sickness and maternity benefits are paid under the 2001 unemployment insurance legislation.
	Administrative framework	<ul style="list-style-type: none"> ▪ Department of Labour provides general supervision. ▪ Managed by a bipartite board, local unemployment benefit committees, and claims officers, the Unemployment Insurance Fund administers the program.⁴²

Programme# 3: social insurance	Programme name	Work Injury⁴³
	Programme components	<ul style="list-style-type: none"> ▪ Temporary disability benefits: <ul style="list-style-type: none"> ○ If the insured is assessed with a total disability, 75% of the insured's earnings is paid for up to 12 months; may be extended for up to 24 months (longer in special cases) after a further assessment of the disability. The benefit is paid after a 3-day waiting period. ○ The maximum earnings for benefit calculation purposes are ZAR 3,884.31 (USD 504.03) a week or ZAR 16,832.00 (USD 2,184.12) a month. ○ The maximum benefit is ZAR 2,913.23 (USD 378.02) a week or ZAR 12,624 (USD 1,638.09) a month.

⁴³ Ibid.

		<ul style="list-style-type: none"> ▪ Partial disability: A percentage of the insured's earnings as determined by the Compensation Commissioner's Office is paid for up to 12 months; may be extended for up to 24 months after a further assessment of the disability. ▪ Permanent disability pension: <ul style="list-style-type: none"> ○ If the insured is assessed with a total disability, the maximum pension is equal to 75% of the insured's earnings. ○ If the insured's monthly earnings are less than ZAR 2,169 (USD 281.45), the benefit is calculated based on monthly earnings of ZAR 2,169 (USD 281.45). ○ The maximum earnings for benefit calculation purposes are ZAR 3,884.31 (USD 504.03) a week or ZAR 16,832.00 (USD 2,184.12) a month. ○ The minimum monthly benefit (based on a total disability) is ZAR 1,626.75 (USD 211.09). ▪ Partial disability: If the assessed degree of disability is less than 100% but higher than 30%, a percentage of the full pension is paid according to the assessed degree of disability. <ul style="list-style-type: none"> ○ For an assessed degree of disability of 30% or less, a lump sum is paid equal to 15 times the insured's monthly earnings. ○ If the insured's monthly earnings are less than ZAR 2,169 (USD 281.45), the benefit is calculated based on monthly earnings of ZAR 2,169 (USD 281.45). ○ The maximum earnings for benefit calculation purposes are ZAR 9,428 (USD 1,223.38) a month. ○ The minimum lump sum (based on a 30% disability) is ZAR 32,535 (USD 4,221.74). ○ The maximum lump sum (based on a 30% disability) is ZAR 141,420 (USD 18,350.66). ▪ Workers' Medical Benefits: <ul style="list-style-type: none"> ○ Benefits include medical, surgical, and hospital care and appliances. Benefits are provided for up to 2 years; may be extended in special cases. ○ The cost of transporting an injured employee to a hospital, a doctor's surgery, or to his or her place of residence is reimbursed by the compensation fund. ▪ Survivor pension: <ul style="list-style-type: none"> ○ The pension is equal to 40% of the permanent total disability pension to which the deceased would have been entitled. A lump sum is also paid equal to two months of the permanent total disability pension to which the deceased would have been entitled. The pension is paid to a widow or to a widower with a disability for life and does not cease on remarriage. ▪ Orphan's pension: <ul style="list-style-type: none"> ○ 20% of the permanent total disability pension to which the deceased would have been entitled is paid for each unmarried orphan younger than age 18 (no age limit if disabled). ▪ All survivor benefits combined must not exceed the permanent total disability pension to which the deceased would have been entitled, up to ZAR 11,193 (USD 1,452.40) a month.
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		<ul style="list-style-type: none"> ▪ Funeral grant: Up to ZAR 8,880 (USD 1,152.27) is paid.
	Programme coverage	<ul style="list-style-type: none"> ▪ Employed persons, including some contract workers and military personnel. ▪ Exclusions: Household workers, self-employed persons, and some contract workers and military personnel.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Work injury benefits: <ul style="list-style-type: none"> ○ There is no minimum qualifying period. ▪ Occupational disease benefits: <ul style="list-style-type: none"> ○ Paid if the insured is diagnosed with an occupational disease as defined by law.
	Finance	<ul style="list-style-type: none"> ▪ Insured person: None. ▪ Self-employed person: Not applicable. ▪ Employer: The total cost is met through the payment of insurance premiums. The cost of premium varies, depending on the reported accident rate. ▪ Government: None; contributes as an employer for government employees.
	Legal framework	<ul style="list-style-type: none"> ▪ First law: 1914. ▪ Current law: 1993 (occupational injuries and diseases), with 1997 amendment.
	Administrative framework	<ul style="list-style-type: none"> ▪ Department of Labour provides general supervision. ▪ Compensation Commissioner administers the program, including claims decisions and the management of funds from which benefits are paid. ▪ Employers must normally insure against liability with a public compensation fund, but in certain instances may insure with an employers' mutual association licensed by the Minister of Labour. ▪ Government and some local authorities are individually liable.

Programme# 4: social insurance	Programme name	Unemployment⁴⁴
	Programme overview	<ul style="list-style-type: none"> ▪ In recent years, unemployment insurance coverage has been significantly expanded, and the fund is financially sound (reserves of around ZAR 19 billion (USD 2.47 billion)). However, the UIF provides limited income support. Therefore, the question is whether a public insurance fund should hold such reserves considering the high rate of long term unemployment. It would also be beneficial to exploration different measures that could strengthen the preventive and integrative elements in the UIF system. There is also a need to link unemployment benefits with social assistance.⁴⁵
	Programme benefits	<ul style="list-style-type: none"> ▪ Unemployment Benefits: <ul style="list-style-type: none"> ○ The benefit varies between 38% and 58% of average earnings in the last 6 months, depending on the insured's period of service, and is paid for up to 8 weeks. ▪ Survivor benefit:

⁴⁴ Ibid.

⁴⁵ *South Africa Social Security Profile*. G.E.S.S. – Global Extension of Social Security.

		<ul style="list-style-type: none"> ○ A lump sum is paid equal to up to 8 weeks of the unemployment benefit the deceased would have been entitled to based on his or her period of service and previous earnings.
	Programme coverage	<ul style="list-style-type: none"> ▪ All employees working for more than 24 hours a month, including household and seasonal workers and employees in national and provincial governments. ▪ Exclusions: Self-employed persons; government employees and employees who work fewer than 24 hours a month; foreigners who enter the country to fulfil an employment contract and who are required by law to leave the country when the contract ends; and persons receiving a monthly state pension, any benefits from the work injury and occupational disease compensation fund, or benefits from any unemployment fund or scheme.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ Unemployment benefit: <ul style="list-style-type: none"> ○ The insured's entitlement to the benefit increases at a rate of 1 day of benefits for every 6 completed days of employment, up to 238 days in the 4-year period before the date of application for the benefit. The insured must have at least 13 weeks of contributions during the last 52 weeks and be capable of and available for work. The insured must register with and report to the public employment exchange, unless unemployment is the result of illness or pregnancy. Unemployment must not be the result of refusing suitable work or training. The unemployment benefit is paid after 14 days of unemployment. ▪ Survivor benefit: <ul style="list-style-type: none"> ○ The surviving spouse or a life-partner of the deceased must apply for the benefit within 6 months of the insured's death. In the absence of a surviving spouse or life-partner, the benefit is paid to a dependent child. The child must be younger than age 21 (age 25 if a student) and have been totally or largely dependent on the deceased.
	Finance	<ul style="list-style-type: none"> ▪ Insured person: <ul style="list-style-type: none"> ○ 1% of covered earnings. ○ The maximum earnings for contribution calculation purposes are ZAR 12,478 (USD 1,619.15) a week or ZAR 149,736 (USD 19,429.74) a month. ○ The insured person's contributions also finance cash sickness and maternity benefits under Sickness and Maternity, above. ▪ Self-employed person: Not applicable. ▪ Employer: <ul style="list-style-type: none"> ○ 1% of the insured's covered earnings. ○ The maximum earnings for contribution calculation purposes are ZAR 12,478 (USD 1,619.15) a week or ZAR 149,736 (USD 19,429.74) a month. ○ The employer's contributions also finance cash sickness and maternity benefits under Sickness and Maternity, above. ▪ Government: <ul style="list-style-type: none"> ○ 25% of total employee and employer contributions, up to ZAR 7 million (USD .908 million) a year. ▪ The maximum earnings for contribution calculation purposes are ZAR 12,478

		(USD 1,619.15) a week or ZAR 149,736 (USD 19,429.74) a month.
	Administrative framework	<ul style="list-style-type: none"> Government contributions also finance cash sickness and maternity benefits under Sickness and Maternity, above. Department of Labour provides general supervision. Managed through its board and regional business unit managers, the Unemployment Insurance Fund administers the program.
	Legal framework	<ul style="list-style-type: none"> First law: 1937. Current laws: 1966 (unemployment), implemented in 1967, with amendments; 2001 (unemployment insurance); and 2002 (contributions).

Programme# 5: welfare and social services/public works	Programme name	Expanded Public Works Programme⁴⁶
	Programme overview	<ul style="list-style-type: none"> The EPWP is a nationwide programme covering all spheres of government and state-owned enterprises. It aims to draw significant numbers of unemployed people into productive work accompanied by training, so that they increase their capacity to earn an income.
	Programme objective	<ul style="list-style-type: none"> To alleviate unemployment for a minimum of one million people in South Africa, of which at least 40% will be women, 30% youth and 2% disabled, by 2009.
	Programme components	<ul style="list-style-type: none"> The program is divided into seven outputs. The outputs are further divided into sub-outputs. In total, there are four sectors to the programme and those sectors are the infrastructure sector, the environment sector, the social sector and the economic sector. Infrastructure sector plan: <ul style="list-style-type: none"> The infrastructure plan is being led by the Department of Public Works. The plan will draw from experiences of similar programmes from the provincial level in KwaZulu-Natal and Limpopo. During the course of the programme, approximately ZAR 15 billion (USD 1.94 billion) will be allocated to labour-intensive infrastructure projects such as road construction, trenching, sidewalks, etc. Approximately 37 000 km of roads, 31 000 km of pipelines, 1 500 km of storm water drains and 150 km of urban sidewalks will be constructed using labour-intensive methods. Environmental sector plan: <ul style="list-style-type: none"> The environmental sector plan is led by the Department of Environmental Affairs and Tourism with inputs from the departments of Water Affairs and Forestry, Arts and Culture, and Agriculture. The plan aims to create 200 000 jobs through expansion of pre-existing programmes and creation of new programmes. Some examples of these programmes are the Department of Agriculture's Land Care programme, the Department of Environmental Affairs and Tourism's People and Parks, Coastal Care, Sustainable Land-based Livelihoods, Cleaning up SA, and Growing a Tourism Economy

⁴⁶Table drawn from *Consolidated Programme Overview and Logical Framework Version 6*. (2004, June). Retrieved from EPWP Unit, Department of Public Works: www.epwp.gov.za/Downloads/logframe.doc

		<p>programmes.</p> <ul style="list-style-type: none"> ○ The government has committed ZAR 4 billion (USD .519 billion for the programmes). <ul style="list-style-type: none"> ▪ Social sector plan: <ul style="list-style-type: none"> ○ The social sector plan is led by the Department of Social Development with inputs from the Departments of Health and Education. ○ Two programmes, the Home / Community Based Care (HCBC) for AIDS sufferers and Early Childhood Development (ECD), have been identified as the best opportunities to expand employment. Between the two, the plan aims to create 150,000 jobs. Further research will be undertaken to locate more areas where programmes can be implemented. ○ A total of ZAR 600 million (USD 77.9 million) of direct expenditure is currently committed to the programme. It is anticipated that this amount will increase to ZAR 2 billion (USD 0.26 billion). ▪ Economic sector plan: <ul style="list-style-type: none"> ○ The economic sector plan will endeavour to train and educate unemployed persons in order to expand their employment prospects. The students will graduate with enough knowledge to effectively establish and run enterprises and work in both the public and private sectors. ○ The programme is initially aimed at targeting 3,000 unemployed persons to become students.
	Programme coverage	<ul style="list-style-type: none"> ▪ In total, the programme is designed to employ nearly 1 million individuals. ▪ Over 1 million temporary jobs were created by the programme in 2008 alone.
	Beneficiary determination process	<ul style="list-style-type: none"> ▪ The programme targets those who are unemployed, but who are able and willing to work no matter the skill level of the individual. ▪ The programme especially looks to cover young individuals.
	Finance	<ul style="list-style-type: none"> ▪ The programme is financed by the national government and all funds are allocated using normal budgetary procedures.
	Administrative framework	<ul style="list-style-type: none"> ▪ The programme will be coordinated by the Department of Public Works. However, the lead departments for each sectoral plan will coordinate those specific aspects of the programme.
	Socioeconomic impacts	<ul style="list-style-type: none"> ▪ Given the above purpose and targets an EPWP project or programme will typically have the following characteristics: <ul style="list-style-type: none"> ○ It provides temporary work opportunities to largely unskilled people ○ It provides relevant training to workers as part of the programme ○ Projects or programme provide government services or create government assets.

Programme# 6: welfare and social services/public works	Programme name	Renewable Energy Market Transformation ⁴⁷
	Programme components	<ul style="list-style-type: none"> The project will work to provide technical assistance and increase capacity-building exercises in order to increase renewable energy power generation and solar water heating for commercial purposes.
	Programme duration	<ul style="list-style-type: none"> 28th June 2007 until 30th September 2011.
	Finance	<ul style="list-style-type: none"> The project has a total cost of ZAR 132.85 million (USD 17.3 million). This is being funded by the South African government, the Global Environment Facility and the private sector.
	Administrative framework	<ul style="list-style-type: none"> The Department of Minerals and Energy (DME) is responsible for implementing this project and has designated the Development Bank of Southern Africa (DBSA) as the implementing agent. The DBSA is a well-established agency that has considerable expertise in both financing and managing development projects. In recent years, DBSA has taken an interest in promoting renewable energy investments.

Programme# 7: cash transfer	Programme name	Child Support Grant ⁴⁸
	Programme objective	<ul style="list-style-type: none"> To supplement household incomes for those households with young children who live in extreme poverty by providing cash transfers.
	Programme components	<ul style="list-style-type: none"> A transfer valued at ZAR 250 (USD 32.44) is delivered every month for every child in a qualifying household for a maximum of 6 children.
	Programme duration	<ul style="list-style-type: none"> The programme was initiated in 1998 and is currently running.
	Programme coverage	<ul style="list-style-type: none"> 8,523,741 in 2009.⁴⁹
	Beneficiary determination process ⁵⁰	<ul style="list-style-type: none"> The head of household must be a South African citizen or permanent resident. The maximum income allowed under the programme is ZAR 30,000 (USD 3,892.80) per year one caregiver or a combined ZAR 60,000 (USD 7,785.60) per year if there are two caregivers. Eligible children must not have been born after 31 December 1993 and must reside with a primary caregiver and not with a state institution. The grant becomes voided if the child for whom the grant is being paid passes away, moves from the country, is not claimed for 3 consecutive months, or turns 18.

⁴⁷Table drawn from *Projects % Operations*. (2007, June 28). Retrieved from World Bank: <http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/AFRICAEXT/SOUTHAFRICAEXTN/0,,contentMDK:21392095~menuPK:64282138~pagePK:41367~piPK:279616~theSitePK:368057,00.html>

⁴⁸ Table drawn from Williams, Martin J..*The Social and Economic Impacts of South Africa's Child Support Grant*. (2007, May 7). Retrieved from Williams College: www.williams.edu/Economics/Honors/2007/Williams_thesis.pdf

⁴⁹ Khumalo, Gabi. "South Africa: Child Support Grant Extended to 15-Year-Old Children." (2009, March 9). Retrieved from AllAfrica: <http://allafrica.com/stories/200903100367.html>

⁵⁰ *Child Support Grant*. (n.d.). Retrieved from South African Government Services: <http://www.services.gov.za/ServicesForPeople/Socialbenefits/childsupportgrant.aspx?Language=en-ZA>

	Finance	<ul style="list-style-type: none"> The national government finances the programme.
	Legal framework	<ul style="list-style-type: none"> The Social Assistance Act of 2004.⁵¹
	Administrative framework	<ul style="list-style-type: none"> The Department of Social Development is responsible for administering the programme with support of SASSA.
	Monitoring and evaluation ⁵²	<ul style="list-style-type: none"> Monitoring and evaluation is undertaken by the Department of Social Development.
	Programme barriers	<ul style="list-style-type: none"> Income limits for the programme have not been adjusted to the rate of inflation and means tests are inconsistently applied. There are challenges in the amount of resources required to deliver the grant, especially in rural areas of the country.
	Socioeconomic impacts	<ul style="list-style-type: none"> In South Africa, the child support grant is the broadest based instrument for a social security system that halves the country's poverty gap. Significant improvement has been made in areas such as child hunger and malnutrition as well as child development.

Programme# 8: public works	Programme name	Zibambele ^{53 54}
	Programme objective	<ul style="list-style-type: none"> Provide medium to long term employment for rural poor households by contracting them to maintain rural roads.
	Programme components	<ul style="list-style-type: none"> The programme provides ZAR 5.57 (USD 0.72) per hour (minimum construction industry wage) or ZAR 334 (USD 43.34) per month to rural poor families to maintain gravel access roads in rural areas close to where the families live. The contracts are awarded for 12 month periods. The particular section of road that the contract is for is determined by the terrain the road covers. The programme seeks to provide training and life skills to the rural poor.
	Programme coverage	<ul style="list-style-type: none"> There are approximately 17,000 contracts being made a year to cover more than 11,000 kilometres of rural roads.
	Beneficiary determination process	<ul style="list-style-type: none"> The programme tries to target those households headed by women or who suffer from HIV/AIDS but are still willing and able to provide the necessary labour. If the family becomes supported by another grant, it is usually encouraged to give up the Zibambele contract in favour of another family.

⁵¹ Aislinn Delany, Zenobia Ismail, Lauren Graham, Yuri Ramkissoo, *Review of the Child Support Grant*. (2008, June). Retrieved from United Nations Children's Fund: www.unicef.org/southafrica/SAF_resources_childsupport.pdf

⁵² Zimela, Zukiswa. "South Africa: National Study on child Grant to Start." (2010, May). Retrieved from AllAfrica: <http://allafrica.com/stories/201005200002.html>

⁵³ "Zibambele: Labour-based Construction and Maintenance Programme." (n.d.). Retrieved from KwaZulu-Natal Department of Transportation: http://www.kzntransport.gov.za/programmes/zibambele/labour_based_construct.htm

⁵⁴ Naidoo, Devashree. *The Zibambele Rural Road Maintenance Poverty Alleviation Programme: a Case Study Employing the Livelihood Approach as a Tool to Understand Poverty Alleviation in the Vulindlela Area*. (2010). Retrieved from University of KwaZulu-Natal: <http://researchspace.ukzn.ac.za/xmlui/handle/10413/506>

	Finance	<ul style="list-style-type: none"> The programme is funded by the eThekweni Municipality. The total annual cost for the 2004/5 financial year was ZAR 18 million (USD 2.34 million). This amount increased to ZAR 21 million (USD 2.72 million) in 2005/6 and ZAR 28 million (USD 3.65 million) in 2006/7.
	Legal framework	<ul style="list-style-type: none"> The programme arose from the National Land Transport Strategy and National Land Transport Transition Act 22 of 2000.
	Administrative framework	<ul style="list-style-type: none"> The Department of Transport in KwaZulu-Natal (South Africa) implements the Zibambele programme.
	Monitoring and evaluation	<ul style="list-style-type: none"> The programme does not have any monitoring and evaluation framework of its own. However, several outside studies have been commissioned.
	Programme barriers	<ul style="list-style-type: none"> The programme lacks any monitoring and evaluation framework. There have been complaints that the wages for the programme are too low. Households could become dependent on the programme to survive.
	Socioeconomic impacts	<ul style="list-style-type: none"> 93 percent of the programmes participants were female thereby helping to close the gender equity gap in South Africa. A high level of community ownership has evolved from the programme.

Programme# 9: cash transfer	Programme name	Care Dependency Grant⁵⁵
	Programme objective	<ul style="list-style-type: none"> To help provide additional income for those who are required to permanently attend to a disabled child.
	Programme components	<ul style="list-style-type: none"> A grant valued at ZAR 1010 (USD 131.06) is paid to an eligible beneficiary.
	Programme coverage	<ul style="list-style-type: none"> 106, 073 caregivers have been covered by the programme.
	Beneficiary determination process	<ul style="list-style-type: none"> Must be a parent, primary caregiver or a foster parent appointed by the court and be a South African citizen or permanent resident. The beneficiary should not have an income greater than ZAR 129,600 (USD 16,816.89) per year if only one caregiver or a combined ZAR 259,200 (USD 33,633.79) per year if they are married. The child must: be younger than 18 years; not be cared for permanently in a state institution; have a severe disability and need full-time and special care.
	Finance	<ul style="list-style-type: none"> The government of South Africa finances the programme.
	Legal framework	<ul style="list-style-type: none"> Current law passed in 2004.
	Administrative framework	<ul style="list-style-type: none"> SASSA administers and pays the grant.

⁵⁵ Table drawn from *Care Dependency Grant*. (n.d.). Retrieved from South African Government Services: <http://www.services.gov.za/ServicesForPeople/Socialbenefits/caredependencygrant.aspx?Language=en-ZA>

Programme# 10: cash transfer	Programme name	Foster Child Grant⁵⁶
	Programme components	<ul style="list-style-type: none"> The grant pays ZAR 710 (USD 92.13) per month per child.
	Programme coverage	<ul style="list-style-type: none"> The programme has covered 474,012 individuals.
	Beneficiary determination process	<ul style="list-style-type: none"> The court must declare the child in question to be a foster child and both the child and caregiver must reside in South Africa. The foster parent must be a South African citizen, permanent resident or refugee.
	Administrative framework	<ul style="list-style-type: none"> SASSA implements the programme.

Programme# 11: cash transfer	Programme name	War Veterans⁵⁷
	Programme components	<ul style="list-style-type: none"> A grant will be paid to all eligible veterans. The maximum amount that will be paid to veterans is ZAR 1,100 (USD 142.74) per month. A constant attendant supplement ZAR 240 (USD 31.14) will be paid as determined to be necessary.
	Programme coverage	<ul style="list-style-type: none"> The programme has so far covered 1,611 individuals.
	Beneficiary determination process	<ul style="list-style-type: none"> Veterans from the First World War, Second World War, the Zulu uprising, or the Korean War who are not able to support themselves financially. Also, the person in question must: be a South African citizen or permanent resident; be 60 years old or older and/or disabled; not be the a recipient of any other social grant; not be cared for in a state institution; earn more than ZAR 31,296 (USD 4,060.97) per year or own assets worth more than ZAR 518,400 (USD 66,229.50) ---this number doubles if married.
	Finance	<ul style="list-style-type: none"> The national government finances the programme.
	Legal framework	<ul style="list-style-type: none"> Current law: 2004 (social assistance), with a 2008 amendment.
	Administrative framework	<ul style="list-style-type: none"> SASSA implements the programme and has several methods of payment available for beneficiaries to take advantage of.

⁵⁶Table drawn from *Foster Care Grant*. (n.d.). Retrieved from South African Government Services: <http://www.services.gov.za/ServicesForPeople/Socialbenefits/fosterchildgrant.aspx?Language=en-ZA>

⁵⁷Table drawn from *War Veteran's Grant*. (n.d.). Retrieved from South African Government Services: <http://www.services.gov.za/ServicesForPeople/Socialbenefits/warveteransgrant.aspx?Language=en-ZA>

Programme# 12: cash transfer	Programme name	Grant-in-Aid⁵⁸
	Programme objective	<ul style="list-style-type: none"> To allow for individuals who are already supported by a social grant to be able to hire a full-time caregiver if necessary.
	Programme components	<ul style="list-style-type: none"> A grant worth ZAR 250 (USD 32.44) per month is paid to eligible beneficiaries.
	Programme coverage	<ul style="list-style-type: none"> The programme has covered over 23,131 individuals.
	Beneficiary determination process	<ul style="list-style-type: none"> The individual must already be the recipient of a disability grant, war veteran's grant or an old-age grant. The individual must also be unable to perform daily tasks without assistance from others. The individual must also not be under the care of a state institution.
	Administrative framework	<ul style="list-style-type: none"> SASSA implements the programme and utilizes various payment methods to deliver the grant to beneficiaries. The grant is paid at the same times as other grants being received by the beneficiary.

Programme# 13: in-kind transfer	Programme name	Vukuzakhe⁵⁹
	Programme objective	<ul style="list-style-type: none"> To provide opportunities and transfer skills to historically disadvantaged groups.
	Programme components	<ul style="list-style-type: none"> Contracts are awarded to emerging contractors after a rigorous interview process which determines skill levels and other important characteristics of the contractor. Contracts are awarded to contractors in four stages with each stage getting more rigorous and demanding on the contractors and with fewer levels of support from the department at each stage.
	Programme coverage	<ul style="list-style-type: none"> Statistics show that there are 3,155 contractors in the programme database. This amounts to 42 percent of the total number of contractors in KwaZulu-Natal.
	Administrative framework	<ul style="list-style-type: none"> Most participant contractors have become members of the Vukuzakhe Associations. These associations act as a liaison between the contractors and the Department of Transportation on matters concerning the programme.

⁵⁸ Table drawn from *Grant-in-Aid*. (n.d.). Retrieved from South African Government Services: <http://www.services.gov.za/ServicesForPeople/Socialbenefits/grantinaid.aspx?Language=en-ZA>

⁵⁹ Table drawn from *Vukuzakhe: The Emerging Contractors Development Programme*. (n.d.). Retrieved from Department of Transport, KwaZulu-Natal: <http://www.kzntransport.gov.za/programmes/vukuzakhe/index.htm>

Programme# 15: in-kind transfer	Programme name	Food Security Services⁶⁰
	Programme overview	<ul style="list-style-type: none"> 30 percent of South Africans spend less than ZAR 600 (USD 77.86) per month which means they have difficulty meeting basic needs.
	Programme objective	<ul style="list-style-type: none"> To provide food aid to the most vulnerable people in order to help alleviate poverty.
	Beneficiary determination process	<ul style="list-style-type: none"> Beneficiaries are determined on the basis of development criteria as well as geographic and social status criteria. Examples of the criteria are as follows: <ul style="list-style-type: none"> households with children or that are child headed; households have individuals with disabilities; female-headed households; households affected by HIV/AIDS; Households who expend ZAR 300 (USD 38.93) or less.
	Legal framework	<ul style="list-style-type: none"> Social Assistance Act, 2004 (Act 13 of 2004).
	Administrative framework	<ul style="list-style-type: none"> The programme is implemented by various implementation agencies who meet the following criteria: <ul style="list-style-type: none"> charitable organisations; experience (track record) in food relief; existing relationship with the DoSD (National and Provincial); capacity to procure in bulk, thus offering food packs at a lower cost; infrastructure at provincial level to package the food parcels, rather than transport from far flung areas; capacity to distribute food packs to identified areas that will be a walking distance; ability to add value to the programme.

⁶⁰Table drawn from *Family Support Services*. (n.d.). Retrieved from South African Government Services: <http://www.services.gov.za/ServicesForPeople/Socialbenefits/familysupportservices1.aspx?Language=en-ZA>