



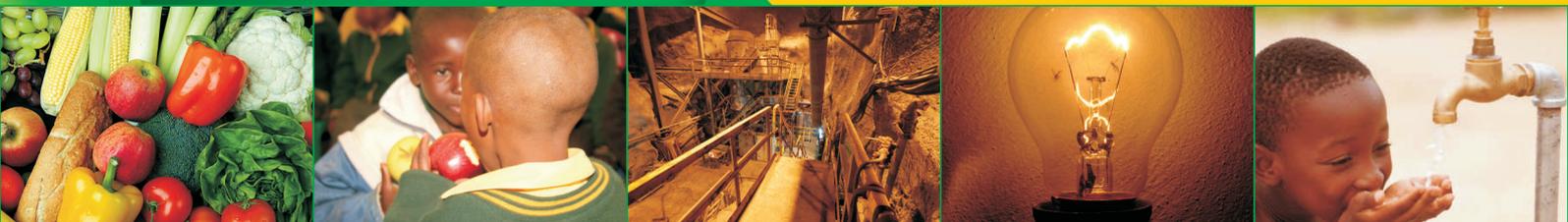
LIMPOPO

PROVINCIAL GOVERNMENT
REPUBLIC OF SOUTH AFRICA



YEAR REVIEW REPORT 1994 - 2009

A discussion document



The heartland of southern Africa - development is about people!

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The heartland of southern Africa - development is about people!

FOREWORD

The Constitution of our land enjoins the democratic state to discharge quality services to all citizens irrespective of race, gender, creed or geographic location. Since 1994, the African National Congress being the ruling party, through its various election manifestos, has directed that we redress past injustices by striving to do our utmost in improving the living conditions of our people. In carrying out this Constitutional obligation and the political mandates given us, we were able to develop in the previous 15 years, plans that enabled government to deliver on a sustainable basis. These plans include the Medium Term Strategic Framework, the Provincial Growth and Development Strategy, Five year Strategic Plans, Integrated Development Plans of municipalities and Annual Performance Plans of departments. All of these plans were cascaded down to business plans of various units and the performance instruments of public servants. This is the framework and context within which the Limpopo Provincial Government carried out its tasks in the past 15 years.

This report chronicles the performance of government over the period under review. It should be viewed as an appraisal of our collective performance and a measurement of our commitment towards the achievement of the ideal of a better life for all. It is evident from this report that much work has been done in the past 15 years to liberate our people from the legacies of ignorance, hunger, disenfranchisement and dispossession. In the quest for improved service delivery to our people, government has surpassed its service delivery targets.

It is in equal vein that we take to heart the lessons learnt over this period. Obviously, there cannot be any doubt that we need a comprehensive assessment into the capacity of government, given the stark realities we face in rendering quality service delivery to our people.

We encourage all citizens to consider this report, as a discussion document which can help unearth best practices, policy gaps and limitations of implementation in certain service delivery areas, thereby enhancing integrated planning and societal development.

We hope you will enjoy your read!

Mr Cassel Mathale
Limpopo Premier (Acting)

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METHODOLOGICAL NOTE

In 2009 South Africa would be completing fifteen years since the advent of democracy. During 2008 the National Government published a Fifteen Year Review and encouraged provinces to undertake similar exercises. The Executive Council decided that Limpopo Province should conduct its own Fifteen Year Review. This review was led by the Director General supported by the Heads of Provincial Departments. A steering committee was established from departments, which provided the technical work. In evaluating the achievements of Limpopo since 1994 to date, a period of 15 years, various documents were consulted to gather data on progress made and challenges encountered. Furthermore, focussed consultations with various stakeholders took place with the view to validate the initial drafts. The outcome of the Limpopo Province 15 Year Review was approved by the Executive Council early in 2009.

This review assesses government's performance by measuring the impact of its policies and programmes. In a number of cases, the necessary data was not available; in other cases, proxy measures were utilised. The key data that has been used to conduct this review has been sourced primarily from Statistics South Africa (StatsSA). The report also utilises information from other sources, such as reports and research commissioned by the departments, and reports presented to the Executive Council.

One of the reasons why the report was developed, is because government has emphasised the need for better monitoring and evaluation of the implementation of its programmes. Monitoring and evaluation is the life-blood of sound and efficient planning and implementation. For this report to add value to government work and to the broader process of social transformation, it should be based on objective measurements that reflect the ideals in our constitution: to improve the quality of life of all South Africans and ensure that South Africa contributes to the creation of a better Africa and a better world.

This review has been structured to serve as a discussion document, which must facilitate dialogue around government service delivery and engagements to support policy prioritisation and planning.

LIST OF PROVINCIAL DEPARTMENTS

Department	Abbreviation
Agriculture	DoA
Economic Development, Environment, and Tourism	DEDET
Education	DoE
Health and Social Development	DHSD
Local Government and Housing	DLGH
Office of the Premier	OTP
Provincial Treasury	PT
Public Works	DPW
Roads and Transport	DRT
Safety, Security, and Liaison	DSSL
Sports, Arts and Culture	DSAC

CHAPTER ONE

INTRODUCTION TO THE REVIEW

The birth of freedom and democracy in 1994 was a watershed moment, which opened sufficient avenues and possibilities for the assertion of people's aspirations in almost all areas of human endeavour. For the first time in history, all citizens of the country were able to determine a democratic government of their choice, whose principal mandate became the need to confront the terrible legacy of dispossession and disenfranchisement which prevailed for over three hundred years. The democratic government led by the African National Congress created over a period of 15 years conditions suitable for sustainable growth and development in the context of the reconstruction and development programme. Over the past 15 years, phenomenal strides were made in developing enabling policies and legislative framework aimed at fast tracking implementation of various programmes of government.

Today, the citizens of South Africa and Limpopo in particular, enjoy conditions of peace and stability and have started building a united nation, joining hands without regard to race, colour or gender. Each of our communities is free to express their linguistic and cultural identity, and to assume their equal place within our new nation. Inspired by the Freedom Charter, we can truly say: South Africa belongs to all who live in it.

Conditions have been created where the majority of our people who were the victims of apartheid neglect, now enjoy a better quality of life than was the case in the past. Women, workers, rural communities and people with disabilities are continuously receiving focused attention through government programmes.

Every South African enjoys the right to speak freely, to organise freely, and to criticize without fear of arrest, prosecution or torture, as guaranteed in the Constitution and the Bill of Rights.

Our country is respected throughout the world and is continuing to play an ever increasing role within the body politic of the continent and the globe. In the words of the former Premier of the Province Adv. Ngoko Ramatlhodi:

"We never doubted the enormity of the task that lay ahead. That is why we put up a solid foundation. That is why today we sing in unison as fellow compatriots. The chorus of our song reverberates throughout the length and breadth of our motherland. It can be heard in the valleys of Limpopo, in the lowveld of Mpumalanga, in the highvelds of Gauteng, in the plains of the Free State, in the bushveld of the North-West, in the desert of the Northern Cape, in the mountains of the Kwa-Zulu Natal, and in the grasslands of the Eastern Cape. We sing the song of the Freedom Charter and, and we say South Africa belongs to all those who live in it black and white. We sing with unparallel conviction; singing as the rainbow people of God. The miracle people of South Africa. In Limpopo we sing with boundless joy as we celebrate our modest contribution to the building of a new and democratic South Africa. We did this sparing neither limb nor life, as we together engaged in a titanic struggle to dismantle the chaos of yesterday."

As the purpose of the 15 year review report is outlined, this chapter will give the background of the Province, with regard to its geographic, demographic and socio-political dynamics. It will also reflect on the developments relating to the cross boundary demarcation and the processes which led to the formulation of the PGDS.

Purpose of the Report

The purpose of this report is to give a brief outline of progress made by the provincial government in implementing the mandates of the ruling party over the past fifteen years. This report builds on the Ten Year Review undertaken during 2004 but focuses on the previous five years. Key challenges facing Limpopo in the quest for development and improved quality of service delivery are highlighted. This review, as a discussion document, will enable the Province to develop concrete action plans that will move the Province towards a pathway of sustained development and improved quality of life for all.

Background

Since 1994, government has been engaged in a vigorous process of transformation. This includes the development and enactment of a new and democratic Constitution in 1996, which paved the way for the transformation of state machinery and changes in public policy direction. All these changes were geared towards removing the edifice of the Apartheid state and shaping the nature of the society in general. The ruling party's Ready to Govern document and the Reconstruction and Development Programme (RDP) were fully utilised as fundamental guides for the development of our young state and its nascent democracy. The aspirations of common nationhood, common citizenship and a more equal society are today enshrined in the Constitution of the Republic, which is rated as one of the most progressive and democratic constitutions in the world.

Government is obliged by the Constitution to provide services that are required by the community and must adhere to a process that ensures that the wishes of the electorate are met at every level. The figure below describes how such a process operates.

Figure 1: The Limpopo Province Accountability Framework



Figure 1 shows that the policies and programmes of government are derived from the manifesto of the ruling party. This is done through the development of the Medium Term Strategic Framework, which guides government planning and budgeting processes. This is translated into a Provincial Growth and Development Strategy (PGDS) which becomes the framework for the implementation of government programmes at provincial level. Each department is required to develop a five-year sector strategic plan and an Annual Performance Plan (APP) based on the Integrated Development Programme (IDP) of municipalities. Public servants are in turn required to generate their performance instruments derived from the Annual Performance Plan. All these are done in the context of legislation, policies and the availability of funds.

The ruling party manifestos for the period under review are summarised in the following table.

Table 1: Summary of Ruling Party Manifestos (1994 to 2004)

Ser	1994 Manifesto	1999 Manifesto	2004 Manifesto
1	Have economy that grows through providing jobs, housing and education	Sustainable economic growth, development and job creation	Reduce unemployment by ½
2	Harness resources of country towards redistribution and development	End poverty and degradation	Reduce poverty by ½
3	Meet basic needs of people	Education- building skill levels	Provide skills required by the economy
4	Build communities through integrated and sustainable approach	Build a non-racial and non-sexist society	Ensure that all South Africans exercise their constitutional rights and enjoy full dignity and freedom
5	Have a peaceful and secure environment in which people can leave without fear	End the abuse of the vulnerable: women, children, elderly, and people with disabilities	Compassionate government services to the people
6	Ensure that that government is an inclusive, people driven process	Address the HIV/ AIDS pandemic	Significantly reduce the number of serious crimes and priority crimes as well as cases of those awaiting trial
7		IT and bridging the digital divide (becoming a smart province)	Massively reduce cases of TB, Diabetes, Malnutrition, and Maternal Deaths, Malaria and HIV and AIDS
8		Integrated development planning	Position SA as an effective force in global relations

Source: African National Congress

The 1994 elections created the necessary conditions for the newly elected National Government to commence with the challenging task of changing the South African society for the better. In Limpopo, (formerly known as the Northern Transvaal and later, the Northern Province), the provincial government inherited and amalgamated four administrations viz: Transvaal Provincial Administration, Venda, Lebowa and Gazankulu, with their challenges, ranging from inequitable distribution of resources, lack of accountability to low productivity.

The Province was faced with a unique challenge of establishing a single administration from the four homeland administrations, dealing with service delivery and infrastructure backlogs, which characterised the rural communities. This was done through the establishment of the current norms and standards that ensure the delivery of services to communities that were previously marginalized and deprived of access to opportunities. Among the urgent priorities the Government set itself, was the need to work with all citizens to improve the provision of education, health services, housing, water supply, land, electricity, refuse removal, and roads.

The situation also demanded of Government to change the manner in which public funds were being utilised. This was intended to create an enabling environment within which, the economy could improve and provide more jobs, thus improving the quality of life of our people. The following are some of the major successes of Limpopo:

- The amalgamation of four previous administrations into one united functional province;
- Consolidated provincial legislation policies and guidelines;
- The establishment of Transitional Local Councils (TLC's);
- Established and realigned municipal boundaries into five (5) district and twenty-five (25) local municipalities;
- Development of the Provincial Growth and Development Strategy (PGDS) linked to the National Spatial Development Perspective (NSDP), Medium Term Strategic Framework (MTSF) and the Integrated Development Programmes (IDP);

- Development of a provincial five-year Local government strategic agenda;
- Institutionalisation of Inter-governmental relations;
- Effective co-ordination of development programmes;
- The provision of infrastructure and basic services (housing, water, electricity, etc.);and
- Development of focused interventions such as accelerated shared growth initiative of South Africa (ASGISA), Joint Initiative for Priority Skills Acquisition (JIPSA), Project Consolidate and APEX projects.

Despite many successes accomplished by the provincial government, challenges such as the following, remain:

- Unemployment;
- Poverty reduction;
- Infrastructure backlogs, especially water and sanitation;
- Local government systems;
- Attracting investment;
- Skills development; and
- HIV & AIDS and TB related issues.

Geography and Demography

Limpopo is located at the northern-most tip of South Africa, bordering Zimbabwe to the north, Mozambique to the east, Botswana to the west. The Province covers an area of 125701.86 sq km, which represents 10.2% of the area of South Africa. The geographic location of the Province is seen as an opportunity to promote trade in manufactured goods within the Southern Africa Development Community (SADC) and the rest of Africa. The capital city of the Province, Polokwane, has a potential to develop into the logistical centre for the region. Memoranda of Understanding (MOUs) have been signed with the neighbouring Province of Matabeleland in the South of Zimbabwe and with Gaza Province of Mozambique, in order to promote trade and collaboration between provinces in the region.

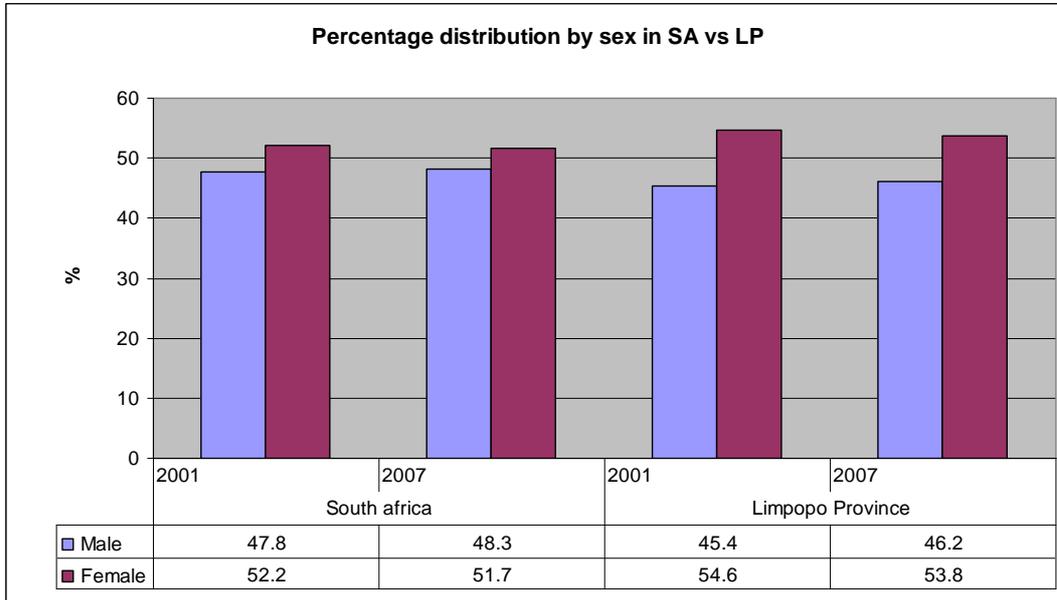
Census 2001 reflects a total population for Limpopo of 5.2 million, which represents 11.8% of the entire population of South Africa. The total population comprises 54.6% female and 45.4% male. 48% of the total population are children under the age of 15. This latter figure presents an enormous challenge in terms of education and future employment.

Figure 2: Limpopo Demographic Picture

Source: StatsSA, 2008

Figure 2 shows that the demographic changes in the Province indicate a slight decline in the youth, population especially the under-14 age group.

Figure 3: Population Distribution by Gender for Limpopo and South Africa (2001 and 2007)



Source: StatsSA, Census 2001, Community Survey, 2007

According to figure 3, women still constitute a higher proportion of the population of the Province; however, the number of males has been marginally increasing from 45.5% to 46.2%. Since a similar trend is manifesting nationally, this increase cannot be explained in terms of migration patterns.

Table 2: Provincial Population Trend 1996-2007

	Share of SA population (%)		Provincial population growth
	1996	2007	1996/2007
Gauteng	18,8	21,5	34,3%
Western Cape	9,7	10,9	31,2%
KwaZulu-Natal	21,1	21,2	18,9%
Mpumalanga	7,7	7,5	16%
Limpopo	11,3	10,8	14,2%
North West	7,2	6,7	11,3%
Eastern Cape	15,1	13,5	6,1%
Free State	6,5	5,7	5,2%
Northern Cape	2,5	2,2	3,8%
South Africa	100	100	20%

Source: Statistics SA, Census 1996; Census 2001, Community Survey, 2007

Limpopo is one of the four provinces that experienced a steady decline in their share of population since 1996. Population in the two main centres of economic activity increased throughout the period, substantially faster than the 20% growth in the national population, namely Western Cape by 31% and Gauteng by 34%. The patterns of internal migration observed in the first decade have therefore, continued into the beginning of the second decade, as people move towards areas of greater economic activity. With the differing provincial trends came different demands for social services, continuing loss of more skilled people from the more rural provinces and weakening of social organisation and cohesion in both rural and urban areas. Migration in search of opportunity tends also to contribute to the spatial spread of poverty.

The relatively fast shifts in the spatial distribution of the population create difficulties in planning. They affect the achievement of set targets, for example, plans for dealing with informal settlements presuppose that when residents move to better accommodation, they will not be replaced by others in the same informal settlements.

Adding further impetus to these dynamics of social and economic stress in areas of domestic immigration is the increased migration in recent years from across the borders of South Africa. The lack of a migration strategy and policy has also meant insufficient state influence on attitudes towards immigrants – many of whom move to the same stressed areas as internal migrants.

Cross Boundary Demarcation

In 1994, there were 7 regions and 49 Transitional Local Councils. The Province was later divided into six districts; viz. Capricorn, Waterberg, Vhembe, Mopani, Sekhukhune and Bohlabela. The last two districts were cross-boundary districts and straddled the provincial boundaries of Limpopo and Mpumalanga.

The RSA Constitution Twelfth Amendment Act of 2005, amended the Constitution of the Republic of South Africa, 1996, so as to re-determine the geographical areas of the nine provinces of South Africa. According to the amendment the Mpumalanga portions of the Sekhukhune Cross-boundary District Municipality (CBDC'3) are incorporated into Limpopo Province. This means Greater Marble Hall Local Municipality (CBLC3), Greater Groblersdal Local Municipality (CBLC4) and Greater Tubatse Local Municipality (CBLC5) are now wholly in Limpopo Province. Maruleng Local Municipality (NPO4a1) and the Kruger National Park District Management Area north of the Olifants River remains in Limpopo Province, are incorporated into Mopani District Municipality. Thus, the new demarcations have divided Limpopo Province into five districts, which are Capricorn, Waterberg, Vhembe, Mopani and Sekhukhune and 25 Local Municipalities.

Parliamentary Representation

The first democratic election held in 1994, witnessed 92% of the votes going to the African National Congress (ANC), with the National Party and Freedom Front gaining 3.3% and 2.2% respectively. These three parties were represented in the Legislature. In overall, Limpopo registered the highest percentage of votes for the ruling party, as compared to the other provinces.

In the 1999 elections, the ANC again performed above average in the Province with 88% of the vote. The UDM became the official opposition party, receiving 3%, followed by the New National Party with 2%, as well as the Democratic Party, the Pan Africanist Congress of Azania, and the African Christian Democratic Party, all with about 1%. The 2004 provincial elections saw the ruling ANC party gaining 89.18 % of the votes, followed by the Democratic Alliance with 3.59%, the United Democratic Movement with 1.72%, and the African Christian Democratic Party with 1.26%.

During the first term, 3 political parties were represented in the Provincial Legislature, in the second term, 6 parties were represented, and in the third term, 4 parties are represented. Whilst the ANC has been the most dominant party in Limpopo Province, the fluctuations in the number and composition of the parties represented in the legislature indicate a dynamic political landscape. On the other hand, the Province has had only two Premiers since 1994, attesting to the political stability of the Province.

Stability

Limpopo has experienced minimum unrest over the past 15 years and is relatively stable and peaceful. There were however, some sporadic unrest in the then Bohlabela District (Bushbuckridge) between 1996-1997, and in the Sekhukhune District (Moutse) between 2006-2007, over demands for the area to be transferred into Mpumalanga. Other incidences include sporadic taxi violence over the 1996-1997 period, as well as witchcraft-related violence. The Province is therefore, regarded as having the lowest crime rate in the country.

The changes in family size and structure, migration and other recent social trends have contributed to a growing number of people in depressed situations. A key factor in what seems to be an erosion of social cohesion, is the persistence of income inequality. The benefits of democracy have accrued unevenly to different sectors of society, weakening the sense of togetherness, which is a basis of cohesion. This has led to social cohesion assuming greater focus since 2004.

Evolution of the PGDS

The conceptualisation of the PGDS is based on a comprehensive analysis of the material conditions prevailing in the Province. The Strategy also identified a need to focus on sector-specific strategies, programmes and project-level opportunities and interventions, as well as alignment with the Integrated Development Plan (IDP) of municipalities.

Since 1994 until 1996, the Province has been implementing government programmes based on the Reconstruction and Development programme (RDP). Between 1997 and 1999 the Executive Council adopted a "Framework for Growth and Development in the Northern Province", which required the Province to develop annual Growth and Development Strategies, aimed at providing a vision for growth and development and parameters for the formulation of detailed operational plans. From then henceforth, the Provincial Growth and Development Strategies that were developed were based on at least a five year time horizon.

The direction for the Limpopo Provincial development has been outlined in the Growth and Development Strategy document with the ultimate goal of improving the quality of life of the people in the Province. One of the major challenges facing government is to promote economic growth and job creation, while at the same time, provide for social development as a means of

addressing the needs of the poor. The key pillars of the Strategy have been identified as agriculture, mining and tourism.

The provincial government embarked on an interactive and consultative process to establish the provincial development agenda. In 1999, the provincial government and its partners in development, adopted the Provincial Growth and Development Strategy (PGDS) with the following objectives:

- Growing an economy that creates jobs;
- Institution-building and transformation;
- Infrastructure provision and maintenance;
- Building the administration;
- Crime prevention;
- Debt repayment;
- Human resources development;
- HIV & AIDS/TB; and
- Addressing social services backlogs.

After being elected Premier of Limpopo Province in 2004, Mr. Sello Moloto made the following commitment, on behalf of government, to the people of Limpopo:

“... [w]e feel humbled by your confidence, and commit ourselves towards working in partnership with you in a quest to create work and fight poverty in Limpopo. Top of the agenda of the newly elected Limpopo provincial government will be a concerted effort to fight poverty, HIV/AIDS, backwardness, underdevelopment, illiteracy, crime, homelessness, child abuse and related social ills that continue to afflict humanity. In the same vein, we shall have to work side-by-side to build an economy that can encourage more investment and create sustainable jobs. The creation of a system of truly developmental local government will also be the centrepiece of our integrated planning in the delivery of essential services”.

This commitment led, to the Province adopting the current PGDS during 2004. In order to achieve the growth and development vision of the Province, the PGDS adopted about fifty targets and indicators aligned to the Millennium Development Goals to support the following strategic objectives:

- To improve the quality of life of the population of Limpopo;
- Growing the economy of the province, sustainable job creation, innovation and competitiveness;
- Improve the institutional efficiency and effectiveness of Government;
- Address priorities that cut across the three objectives above, such as Black economic Empowerment, HIV/AIDS-TB, poverty reduction, issues of Land and Environment etc; and
- Attain regional integration.

In contrast to the previous PGDS, this one outlined seven industrial value chain clusters which encompass an array of linked industries, from suppliers and providers of infrastructure to downstream activities and service organisations to take advantage of the province’s competitive factor conditions in mining, agriculture, and tourism.

The structure of this report is such that the progress of the province is analysed based on the above stated PGDS objectives.

CHAPTER TWO

INSTITUTIONAL EFFICIENCY AND EFFECTIVENESS

The introductory chapter amongst other things, highlighted the mandates given by the ruling party to provide services to the people with a view to improve the quality of life of the people. It is therefore, important to reflect on the capacity of government to deliver on its mandates. Building institutional efficiency and effectiveness is crucial in strengthening the capacity of government to deliver services to the majority of people. This requires a better organisation of government, skilled human capacity, as well as adequate physical and material resources.

This chapter will reflect on the organisation of the provincial administration, resource allocation and capacity of government to deliver services.

The organisation of the Provincial Administration

The Constitution of the Republic of South Africa, Act No. 108 of 1996, Section 125, vests the executive authority of the Province in the Premier who exercises that authority together with other Members of the Executive Council (EXCO), who are assigned specific powers and functions in terms of section 126. The Executive Council is accountable to the Provincial Legislature.

Since 1994, the configuration of the provincial departments changed about 5 times in order to find effective implementation of the provincial mandates. In 1994 the grouping of departments was simply an amalgamation of the various departments as they existed within the apartheid arrangement as well as new components such the RDP Commission. The latest configuration was done in 2004 whereby the Department of Economic Development, Environment, and Tourism was excised from the Treasury to stand on its own and the roads function was transferred from the Department of Public Works to the Department of Transport. The idea behind this development was the creation of a department which would have a clear and direct focus on economic development and job creation through the harnessing of our potential around our two competitive advantages, as well as streamline the function of roads with those of transport.

Table 3: Reconfiguration of Departments from 1994 to 2008

DEPARTMENT	NUMBER OF RECONFIGURATIONS	NUMBER OF MEC'S	NUMBER OF HOD'S ¹
OTP	0	2	3
DHSD	2	4	4
DoE	1	5	3
DLGH	2	5	5
DPW	1	5	5 (1)
DRT	1	6	4
DEDET	0	1	1
DSAC	0	6	4
DSSL	1	5	4
PT	4	4	2 (1)
DoA	2	4	4

Source: Office of the Premier, 2008

Table 3 shows that some of the departments have had more leadership changes over the 15 years than others. The departments which have been configured most, are facing stability challenges, in relation to for instance, governance and service delivery issues.

¹ The number in brackets indicate the number of Heads of Department who acted in that position for at least a year but were not included in the figure (un-bracketed) as they were not formally appointed.

EXCO Cluster Committees were introduced in the second term to promote an integrated and informed planning, implementation and decision-making process. The EXCO Cluster Committees have greatly facilitated and strengthened co-operative governance, which have prevented departments from operating in silos.

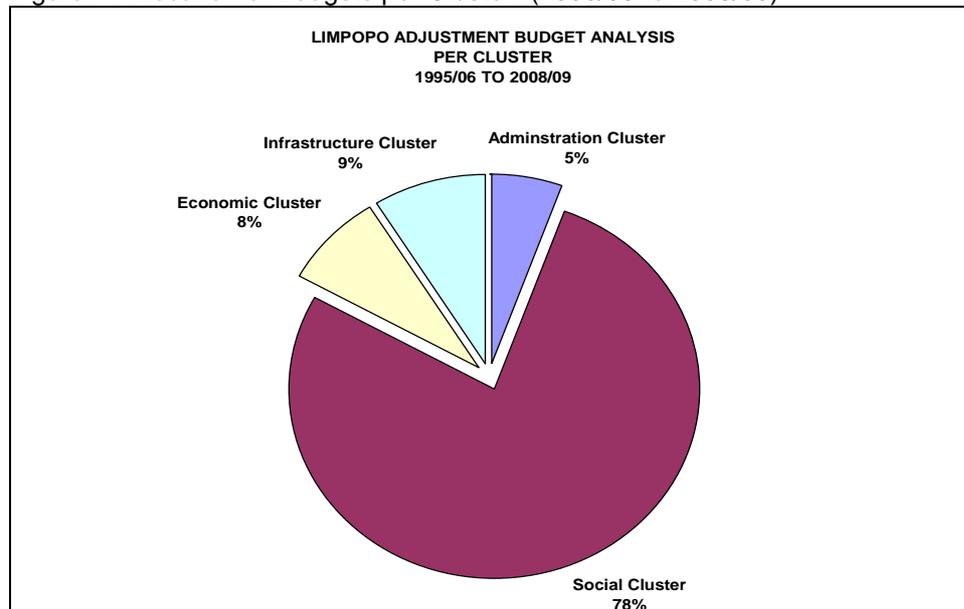
The nature and composition of the Cluster Committees has evolved over the years to become more inclusive regarding issues of infrastructure, finance and local needs and expectations through the attendance of District Municipal Managers and representatives from National Departments, located within Limpopo. The current Cluster Committees are the Social, Economic, and Governance & Administration Clusters.

Over the past fifteen years, a concerted effort has been made to ensure an inclusive approach. This has been evident through the quarterly EXCO 'Makgotla' and the Premier's Inter-Governmental Forums, held over the years, which include the active involvement of the three spheres of government, as well as parastatals.

Financial Management

At this point it is important to see how financial resources are allocated, managed, and utilised in the Province.

Figure 4: Allocation of Budgets per Cluster² (1995/06 to 2008/09)



Source: Limpopo Provincial Treasury, various budget books from 1994 to 2008

Figure 4 indicates that over the period 1995 to 2008, 95% of the provincial budget has been allocated to service delivery oriented clusters and more specifically, social cluster departments. This cluster has been receiving close to 80% of the budget. Noting that one of the key challenges in the Province relates to the creation of jobs, it is imperative that priority be given to funding projects which create quality jobs through growing the economy.

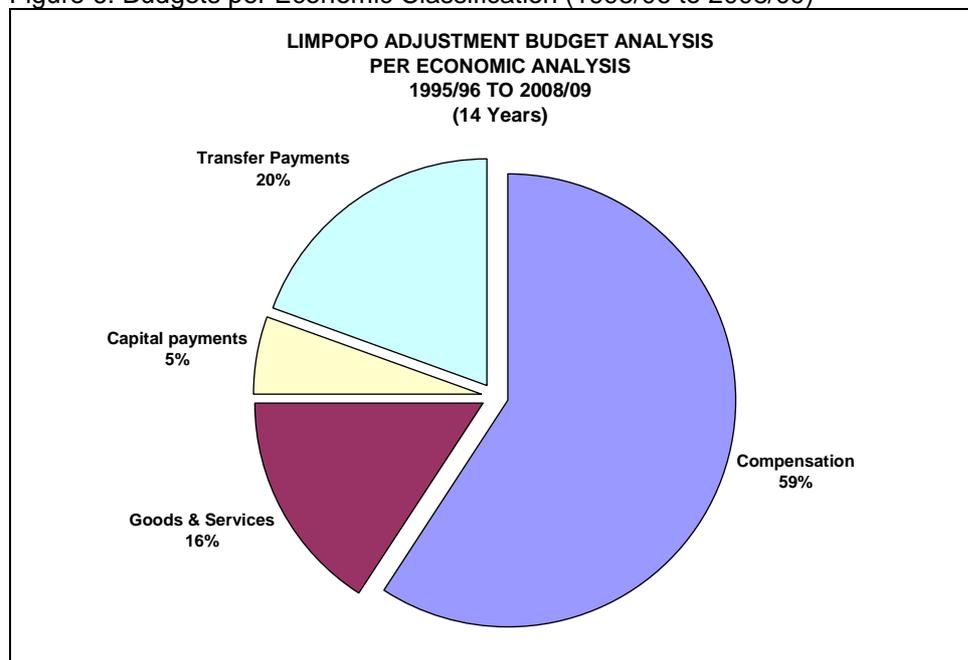
² Over the 15 years, the grouping of clusters has frequently changed. In order to have a consistent comparison Roads, Public Works, and Housing are consistently treated as infrastructure; Transport, Economic Development, Tourism, Agriculture, and Environment are treated as economic cluster; education, health, social development, and sports, arts, and culture are treated as social cluster; and Office of the Premier, Local Government, and Treasury, and Traditional Affairs are treated as administration.

Figure 5: Comparison of budgets by economic classification

Source: Limpopo Provincial Treasury 2008

Figure 5 indicates that current payments increased from 70% to 80%. The reduction in transfer payments from 22% in the second term to 13% is attributed to the establishment of the South African Social Security Agency (SASSA) in 2005. The upward swing experienced in Payments to Capital assets during the period 2005/06 to 2008/09 was due to an increase in the payments on office buildings and fixed structures. The provincial Payments to Capital Assets have shown a decrease of 16.4 % on year to year basis over the 3 term period. The desirable expenditure for capital should have been at least 20%. Considering that Limpopo inherited huge infrastructure backlogs from the former homelands, it is evident that the Province is still far from attaining the desirable capital allocation to deal with such backlogs. It should be noted that some of the key mandates of the Province include provision of services that demand a high number of employees, thus increasing the amount of money required for compensation.

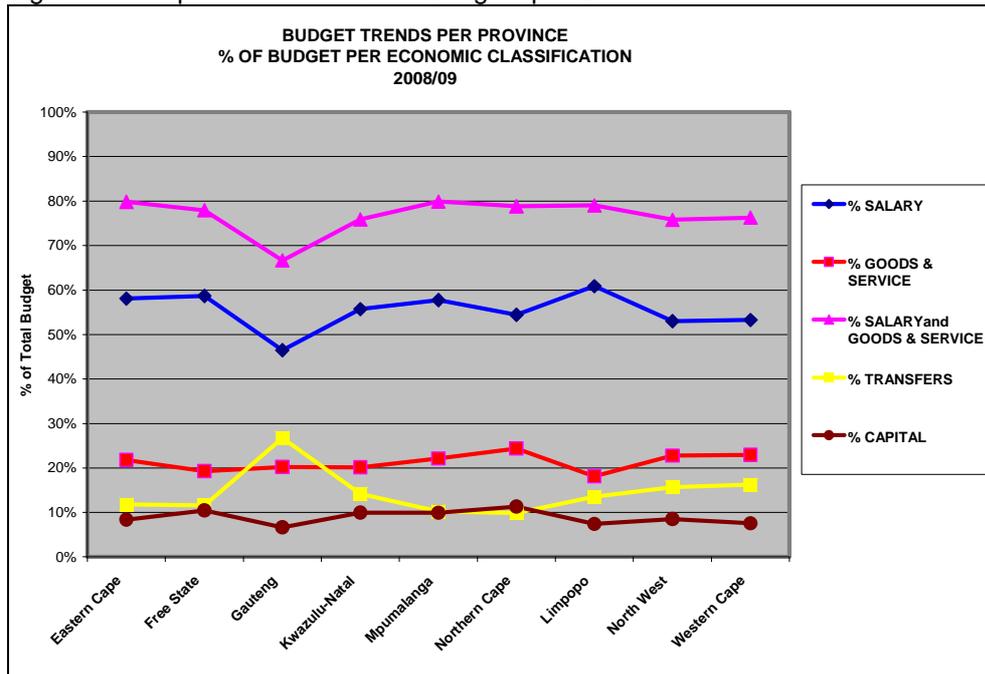
Figure 6: Budgets per Economic Classification (1995/06 to 2008/09)



Source: Limpopo Provincial Treasury, various budget books from 1994 to 2008

Figure 6 shows that spending on capital payments has been the lowest at about 5%, whilst the Province has been spending about 60% of its budget on the compensation of employees. Noting the vacancy rate, the amount spent on the compensation of employees is likely to increase. This situation limits the flexibility of the provincial government to change its priorities at short notice.

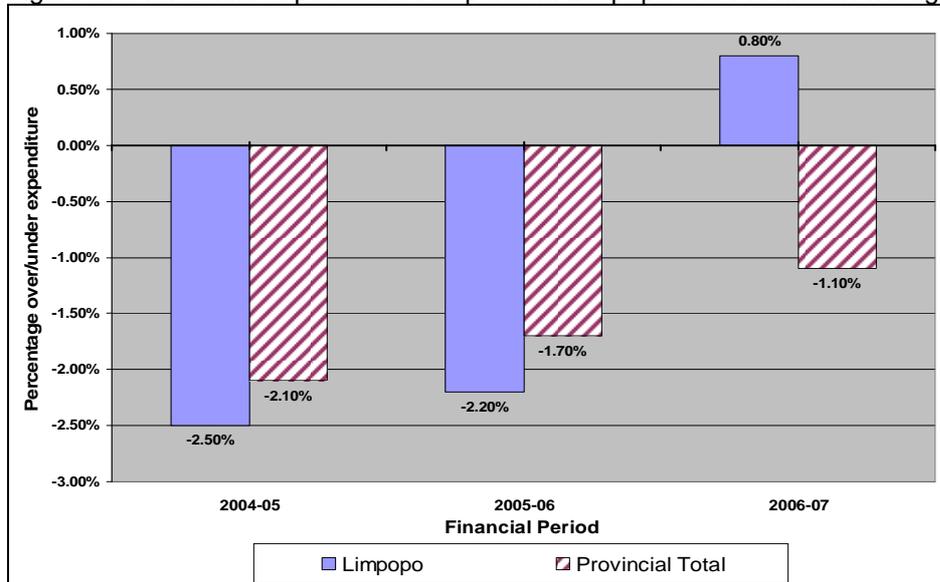
Figure 7: Comparison of Provincial Budgets per Economic Classification



Source: Limpopo Provincial Treasury, various budget books from 1994 to 2008, 2008

Figure 7 shows that, compared to other provinces, Limpopo is spending slightly more on salaries and less on capital. In relation to spending on capital, Limpopo is in the same low spending range as Gauteng and the Western Cape. It is important to note that both Gauteng and the Western Cape provinces have a highly developed provincial infrastructure, whereas, Limpopo as a consequence of its rural nature and uneven development, has a substantial backlog.

Figure 8: Over/Under expenditure comparison: Limpopo and Provincial Average



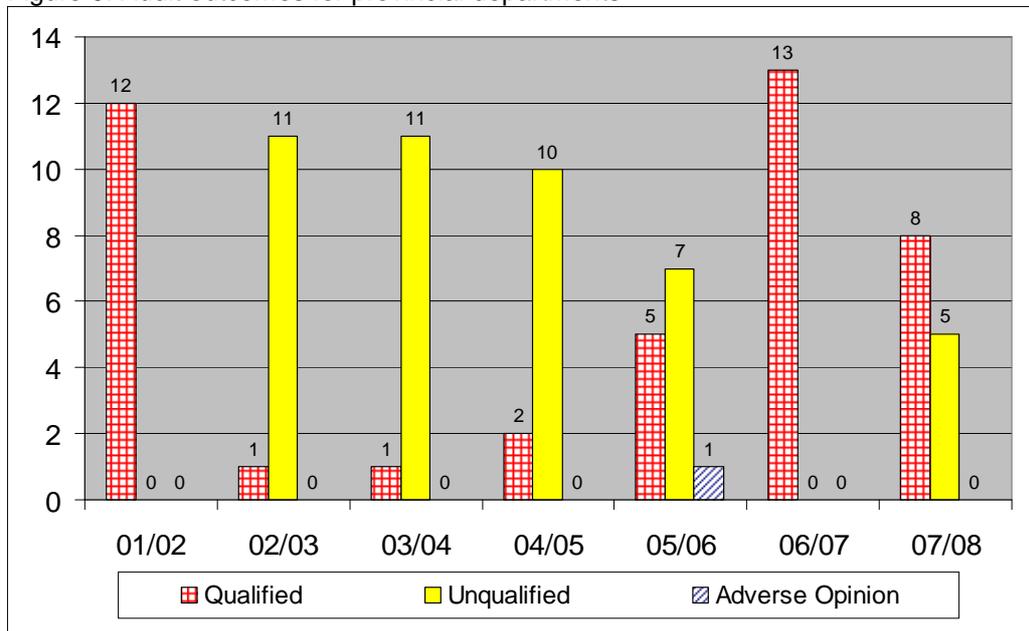
Source: Public Service Commission, State of the Public Service, 2008

The spending of the budget has not been a strong point of the Province. Figure 8 above indicates that Limpopo Provincial Government under spent its budget by 2.5% in 2004/05 and by 2.2% in 2005/06 above the national averages for provincial governments of 2.1% and 1.7% respectively. However, Limpopo overspent by 0.8% during 2006/07, compared to the average of 1.1% under-spend for all provincial governments. This trend illustrates an improving capacity of the province to spend its budget, specifically its equitable share.

Capacity and Governance

The Auditor General's report has been increasingly utilised to assess the credibility of the Annual Reports and the overall state of governance.

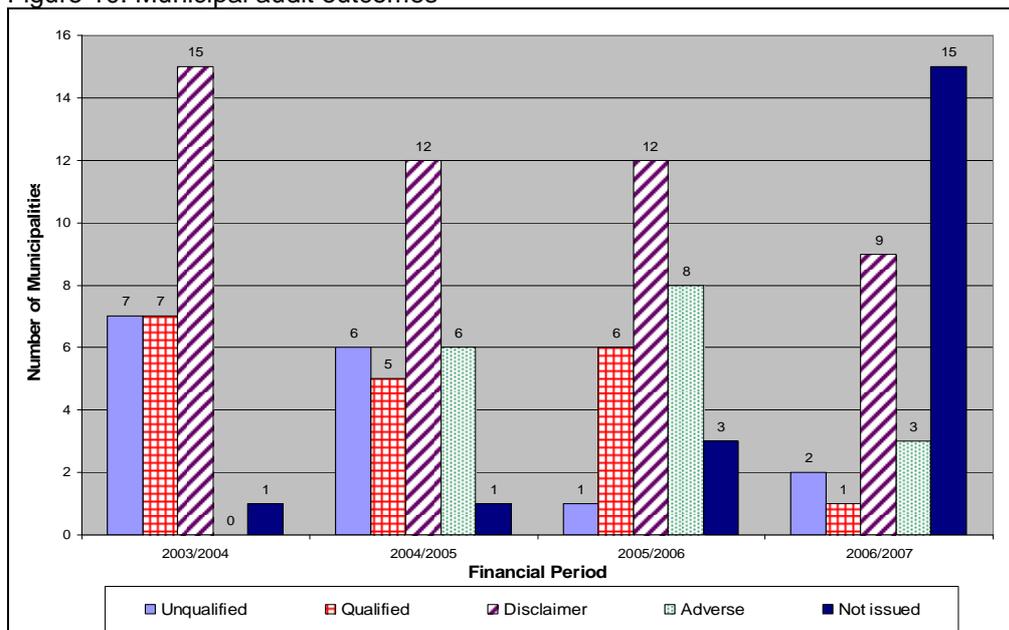
Figure 9: Audit outcomes for provincial departments



Source: Office of the Premier, 2008

As per figure 9, in 2001/02 Financial Year all departments received qualified opinion from the Auditor General. This stabilised from 02/03 to 04/05, however from 05/06 the number of qualifications increased and reached a peak in 2006/07. It appears that starting from 2007/08 qualifications are beginning to the client. The cause of this trend is primarily due to the increasing audit standards against which departments are measured, as well as challenges related to poor asset management. The audit performance of municipalities shows a negative picture compared to the provincial scenario.

Figure 10: Municipal audit outcomes



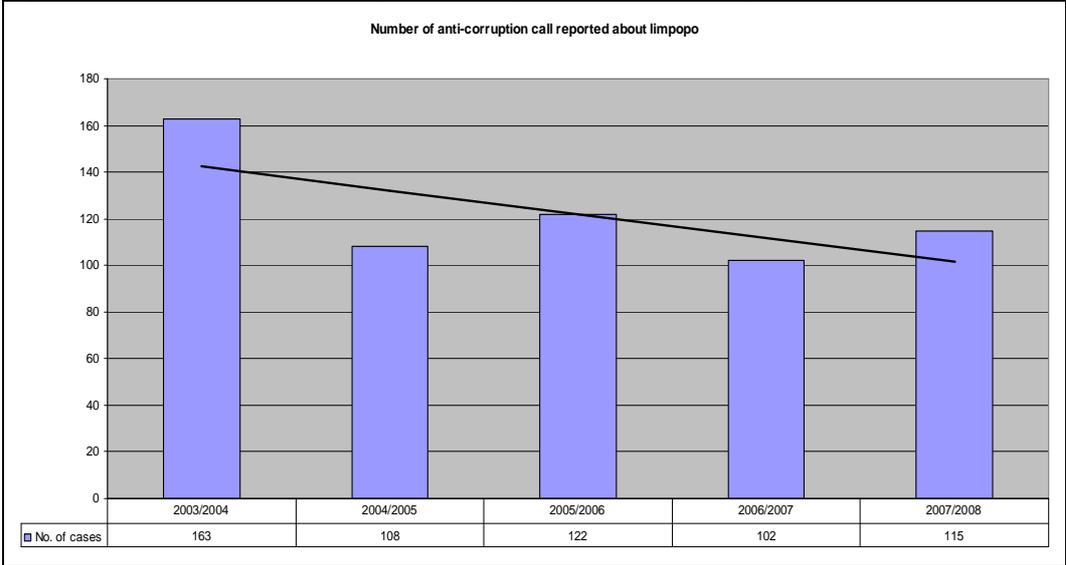
Source: Department of Local Government and Housing, 2008

As shown in Figure 10, there is a high rate of disclaimers and adverse opinions. The number of unqualified reports has also been decreasing. Whilst municipalities were putting in place measures to improve on qualifications, the introduction of GAMAP/GRAP has had a negative impact on the audit outcome. These outcomes are a clear indication of inadequate financial management skills and capacity within municipalities. This phenomenon gives credence to the view that there is still a need to continue supporting and assisting municipalities in running their affairs. Due to cross boundary realignment, the audit outcome of the Bohlabela District Municipality was excluded. Bushbuckridge local municipality was included in the first three years. Tubatse local municipality was included only in 2006/7.

With the promulgation of the Public Finance Management Act in 2000 and the adoption of the 2nd King Report on Corporate Governance, the Limpopo Province introduced formal structures and procedures to manage organisational risks. In 10 years or so, all provincial departments managed to conduct risk assessments and action plans. As the management of risks is improving, so is good governance manifesting itself.

Good governance should be complemented by transparency, good ethical conduct and corruption free practices. The fact that since 1994, government has been more transparent, fuelled the perception that corruption has been on the increase.

Figure 11: Number of Anti-corruption calls (2003/04 to 2007/08)

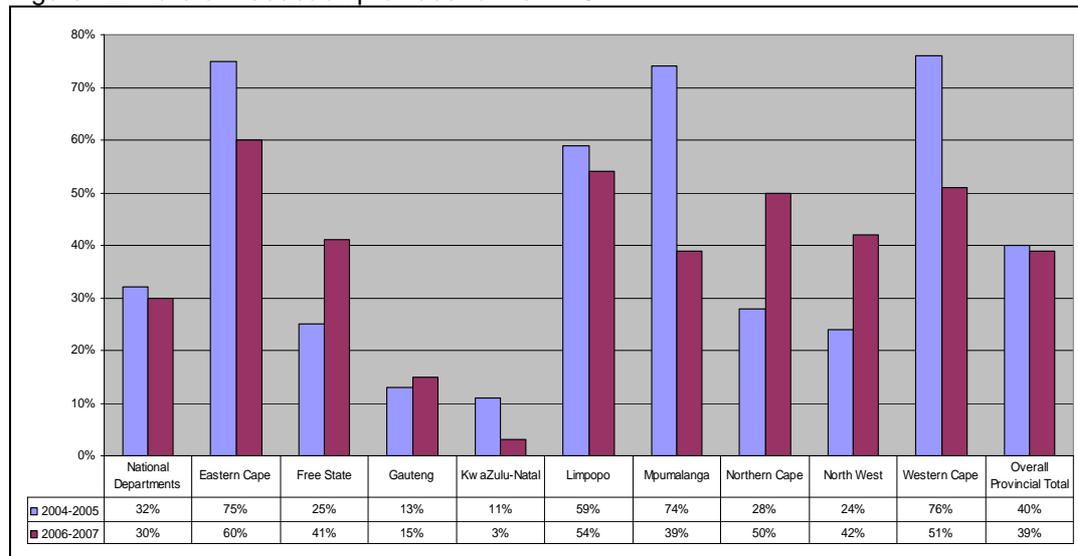


Source: Public Service Commission, 2008; Office of the Premier, 2008

Figure 11 shows a decline in the number of anti-corruption calls reported in Limpopo.

In 1998, the Limpopo Provincial Government launched its anti-fraud and anti-corruption programme, which included the establishment of a toll-free number through which members of the community could report allegations of fraud or corruption. In 2005 the provincial number was discontinued because the National Anti-Corruption Hotline (NACH), managed by the Public Service Commission, was established to deal with allegations at a central level. From that time onwards, provincial departments have had to build minimum capacity, in order to manage the allegations that have been referred by the NACH.

Figure 12: Rate of Feedback provided to the NACH

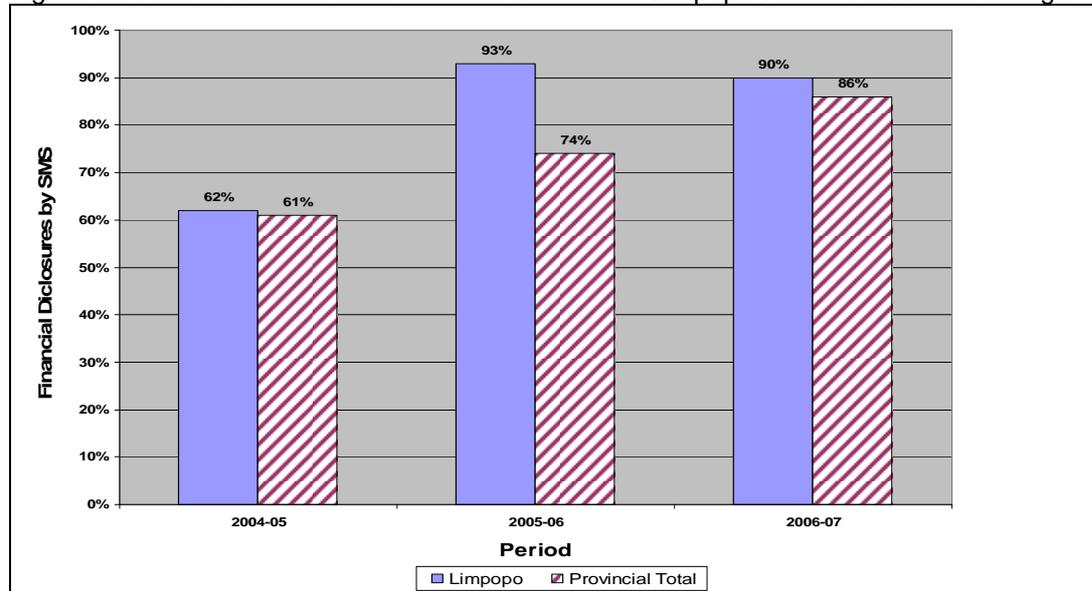


Source: Public Service Commission, State of the Public Service Report, 2008

As shown in figure 12, the rate of feedback that was provided by the Province on the progress of the investigation for the referred cases had declined from 59% to 54% between 2005 and 2007. Despite the fact that the Province's performance is better than the national average, this undesirable trend suggests a declining capacity to manage allegations of fraud or a reduced commitment to deal with the allegations of fraud and corruption.

Despite programmes to reactively deal with allegations of fraud and corruption, the Province has undertaken a number of programmes to proactively root out impropriety. These programmes included, among other things, a process to conduct a province-wide exercise to root out "ghost workers". Senior Managers are required to disclose their financial interests on an annual basis, as part of the management of conflict of interest.

Figure 13: Rate of financial SMS member disclosures Limpopo versus Provincial Average



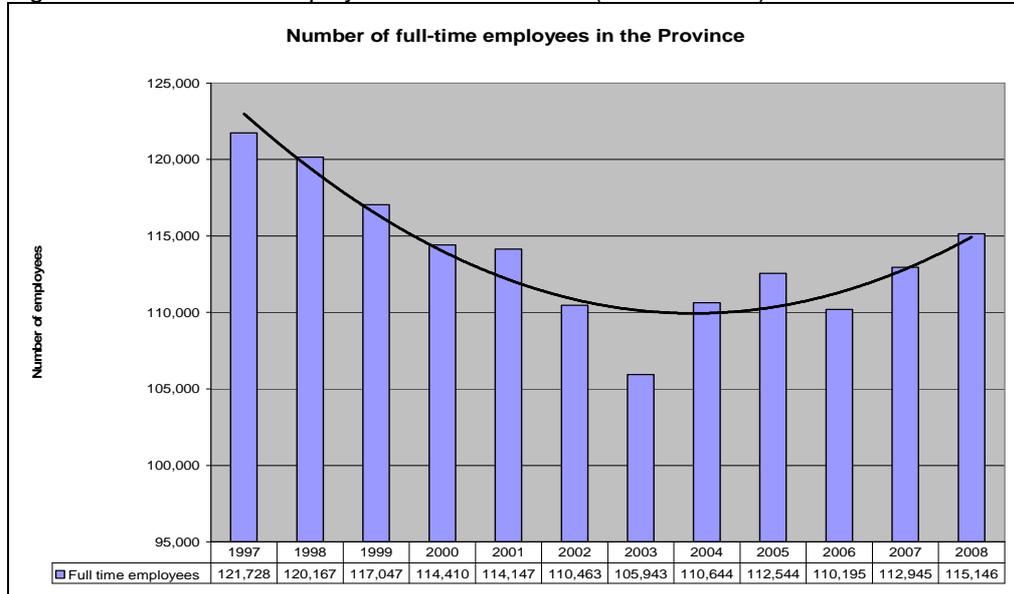
Source: Public Service Commission, State of the Public Service, 2008

The trend in figure 13 shows a greater percentage of compliance in disclosing financial interests amongst Senior Management Service (SMS) members in Limpopo than the national average. This and other indicators show that the level of compliance in the Province is relatively high; however, the actual rate has decreased in 2007.

Human Resources Management

The human resource and organisational capacity of the departments has been determined based on the prescripts of the Public Service Act. Over the period under review the organisational structures of departments have been continuously reviewed, in line with mandates and service delivery imperatives.

Figure 14: Number of Employees in the Province (1997 to 2008)

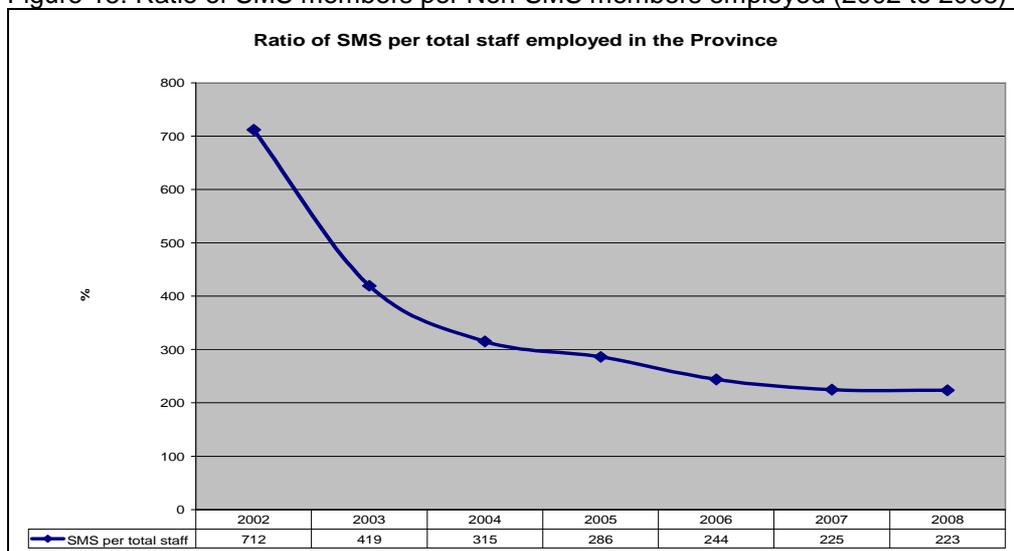


Source: Office of the Premier, 2008

Figure 14 reflects a decrease of full-time employees from 1998 to 2003. This decrease was due to the decision on right-sizing the public service, which was put in place in order to manage personnel expenditure. In doing so, the administration implemented measures that included the severance packages. The result of the reduction of employees in the public service led to a decline in management capacity. Thus the administration implemented a number of activities to restructure and realign departments with their mandates. This in turn led to the employment statistics increasing between 2004 and 2008.

Between 2002 and 2008, when the SMS was established, the number of Senior Managers in the province has been increasing at a steady rate. This has provided the province with an increasing management capacity.

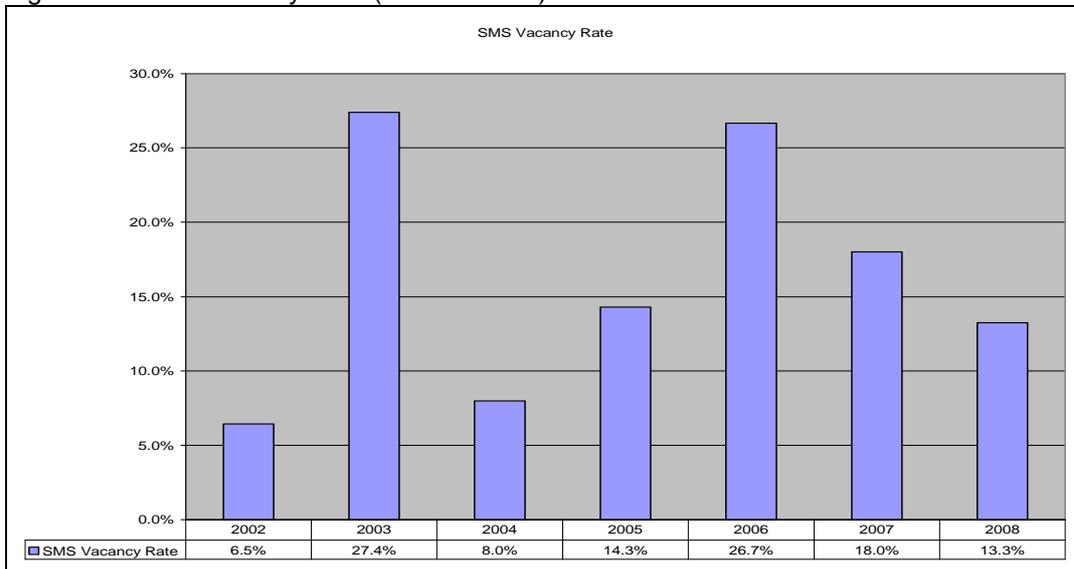
Figure 15: Ratio of SMS members per Non-SMS members employed (2002 to 2008)



Source: Office of the Premier, 2008

Over the period depicted in figure 16, the ratio of SMS members to non-SMS members has increased from 1: 712 in 2002 to 1:223 in 2008, as stated in figure 15. Whilst the ration of SMS to other members kept on increasing, the vacancy rate for SMS members followed a different pattern.

Figure 16: SMS Vacancy Rate (2002 to 2008)

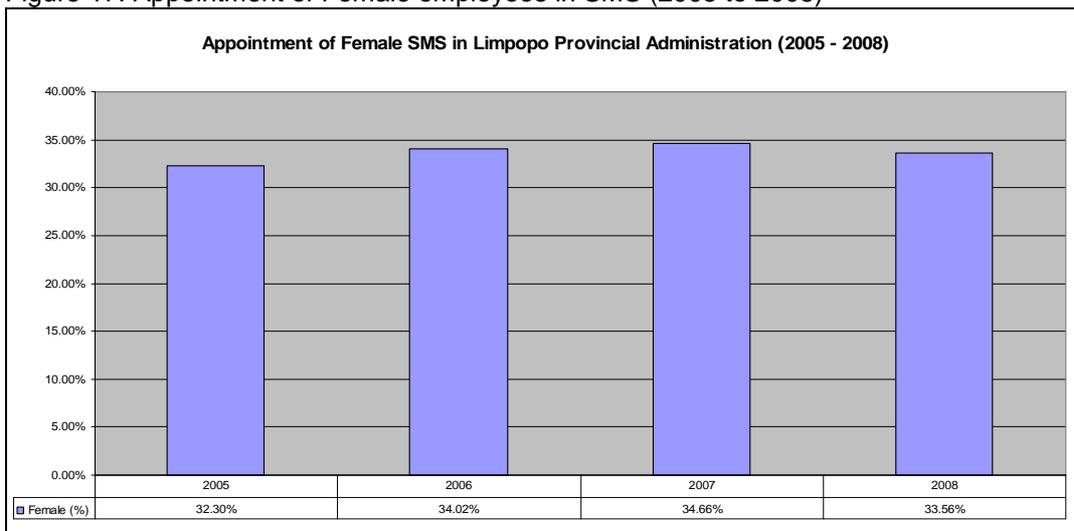


Source: Office of the Premier, 2008

Figure 16 shows that the vacancy rate for SMS members peaked during 2003 and 2006. The rate for 2003 was related to the non-filling of posts, whereas, in 2006 it was related to the recent restructuring process within departments. Since 2006 the rate has been steadily decreasing. The average rate between 2002 and 2008 is 16.3%.

The policy on employment equity requires of all employers to comply with the 30% female representation at senior management level. The policy further requires 2% representation of people with disabilities at SMS level. By 2009, 50% of SMS members have to be female.

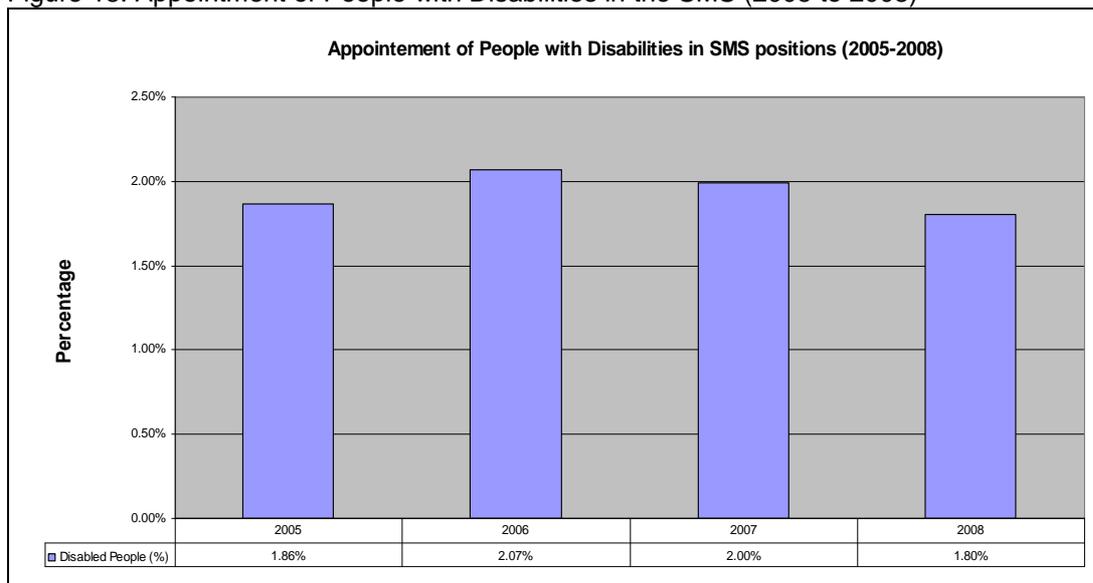
Figure 17: Appointment of Female employees in SMS (2005 to 2008)



Source: Office of the Premier, 2008

Figure 17 shows that the 30% female representation at SMS level was first reached in 2005.

Figure 18: Appointment of People with Disabilities in the SMS (2005 to 2008)

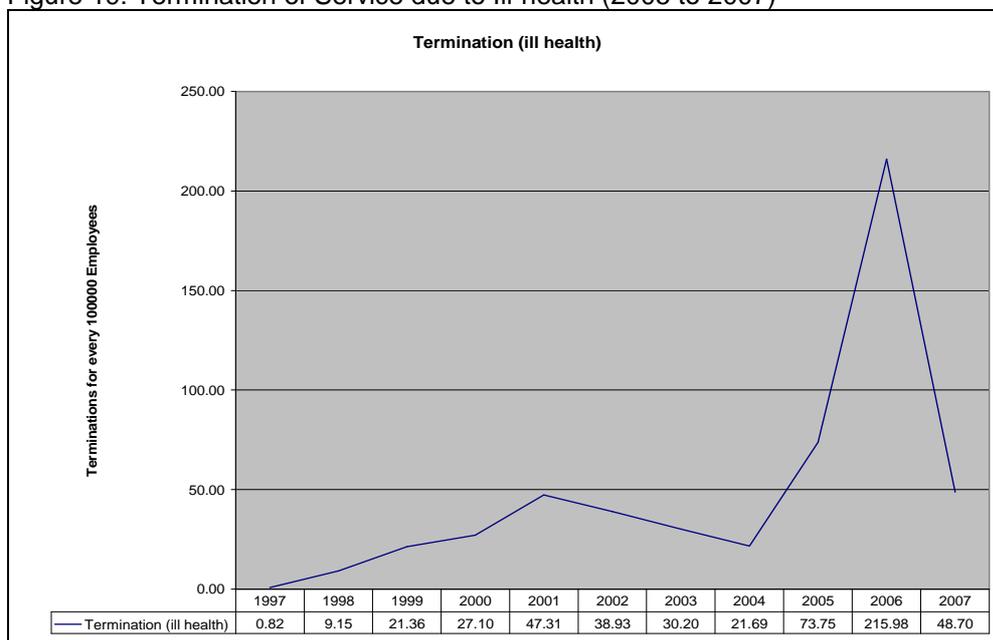


Source: Office of the Premier, 2008

Since 2005 Limpopo Province has improved its performance and exceeded the set target on the appointment of people with disabilities within the SMS ranks as stated in figure 18. The number of people with disabilities has however, reduced to below the target by 2008.

The provincial administration is losing personnel due to ill-health and death as it will be shown hereunder.

Figure 19: Termination of Service due to Ill-health (2005 to 2007)



Source: Office of the Premier, 2008

Figure 19 shows a sharp increase on the number of terminations due to ill-health experienced between 2004 and 2006. Thereafter, the rate decreased substantially due to the implementation of the Policy on Ill-health Retirement (PILIR).

Figure 20: Termination of Service due to Death (1997 to 2007)



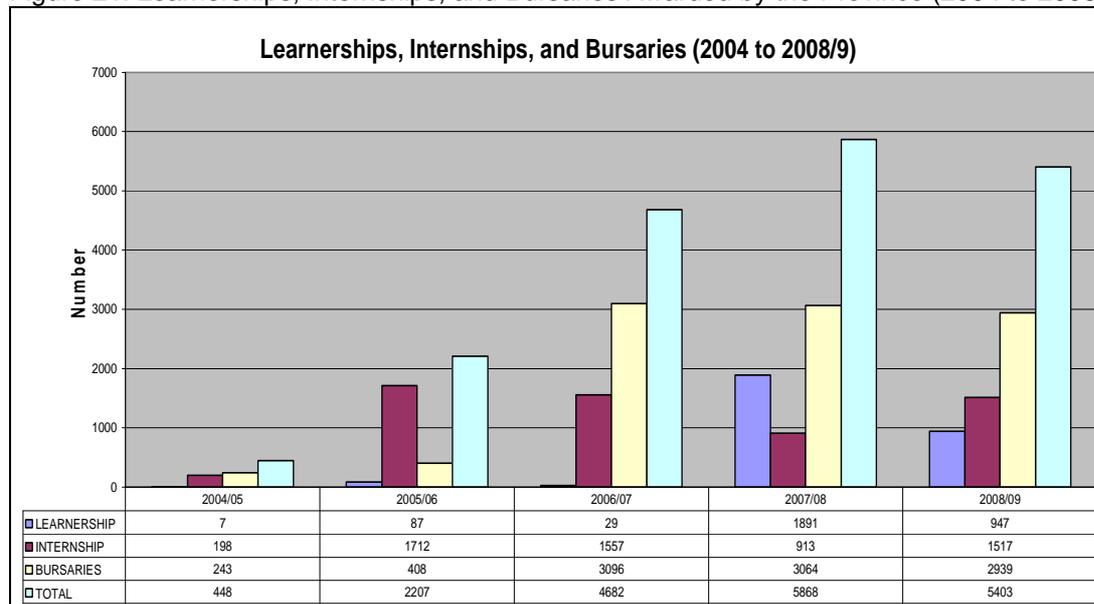
Source: Office of the Premier, 2008

Employee terminations due to death have been increasing since 1997 to date with a sharp rise in 2006, as illustrated by figure 20. The terminations due to ill-health and deaths correlate with the employment statistics presented above. This issue requires further investigation to find out the reasons behind this trend.

Human Resource Development

The processes to develop a Provincial Human Resource Development Strategy were initiated during the 2nd term and by the middle of the current term, the Strategy was finalised and its implementation commenced. The Strategy identified skills that were necessary to achieve the goals of the PGDS and specific targets were set. Furthermore, in pursuance of the Provincial HRD Strategy, Further Education & Training and Institutions of Higher Learning aligned their programmes to meet these targets. To enhance the development of human resource potential, government introduced the learnership and internship programmes, which are meant to develop new skills and to give practical experience to new graduates. Furthermore departments have bursary schemes which are awarded to deserving students, and aimed at closing the skills shortage within the public service.

Figure 21: Learnerships, Internships, and Bursaries Awarded by the Province (2004 to 2008/9)



Source: Office of the Premier, 2009

Figure 21 shows that the number of bursaries has on average, been increasing each year since 2004. Learnerships and Internships have also been increasing, albeit in a fluctuating manner. There is thus a need to continue giving attention to the building of skills through learnerships, internships, and the provision of bursaries, specifically for those skills that have been identified as scarce within Limpopo.

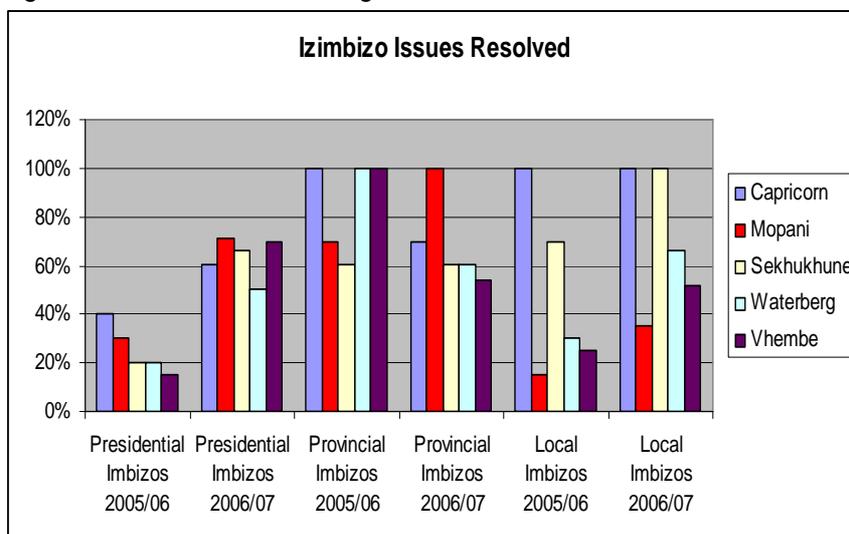
Service Delivery Improvement

There are a number of programmes and projects that have been introduced in attempt to improve service delivery. These programmes and projects require government departments and municipalities to work in partnership with each other, as well as with other stakeholders. These include Thusong Service Centres, which were previously referred to as One Stop Service Centres, and then Multi-Purpose Community Centres. Whereas, the Province is steadily advancing towards achieving the target of one Service Centre per municipality. The number of departments providing services from these remains low.

The Community Development Programme which hosts Community Development Workers (CDW) has been successfully implemented in the Province. This programme is meant to increase access to government services and to create a platform to provide information to members of the community on government services, irrespective of which department or sphere of government is responsible for such. Since its inception in 2004, the province has trained and placed CDW in almost all wards by the end of 2008. Most of the work of CDW still relates to assisting communities to access social grants. More effort needs to be placed on ensuring that communities are able to become more self sustaining by assisting them in development and self-development oriented interventions.

The provincial government has, over the fifteen years, implemented a number of programmes aimed at effectively communicating with communities and other stakeholders. These programmes include “EXCO meets the people”, Izimbizo, as well as other department specific interactions. Some of the provincial departments have established award winning community engagement programmes such as the “My Councillor and I” programme, which intends to provide a platform for Councillors to interact with the communities they serve. Other Departments such as Education, Health and Social Development, and Safety and Security run ongoing programmes to engage members of the community in their activities. Whenever government interacts with communities, the intention is also to ensure that the issues raised by members of the community are resolved. As a result, government has developed a system for the monitoring of progress in resolving issues raised by communities.

Figure 22: Success in resolving Izimbizo issues

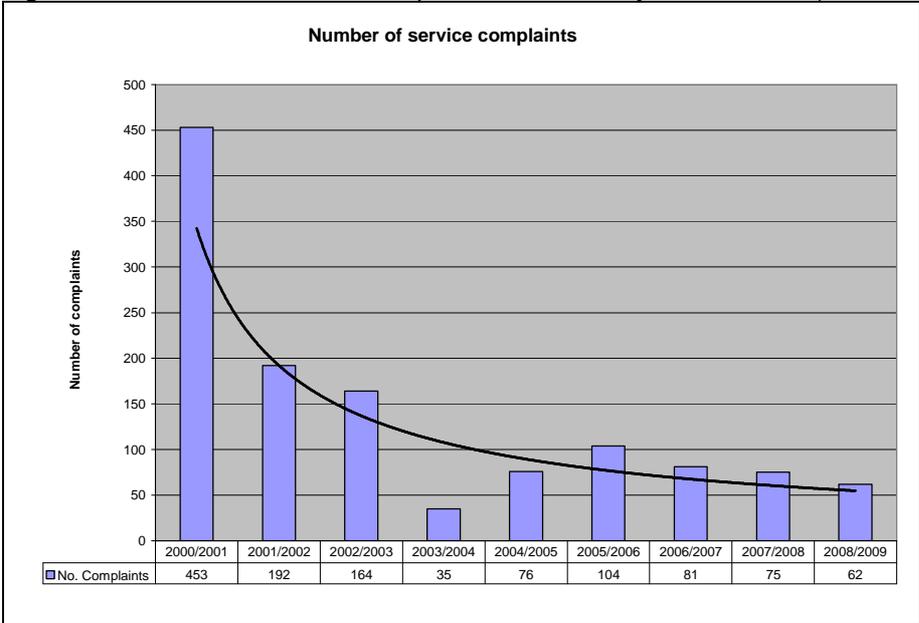


Source: Department of Local Government and Housing 2008

As shown in Figure 22, some of the issues raised from as far back as 2005/06 have not been resolved, the failure to resolve these issues relates to the practical challenges that government faces, and the fact that some issues, such as the provision of bulk water supply, truly do take time to resolve.

Communities are also encouraged to raise their complaints on whatever area of service delivery they are not happy about.

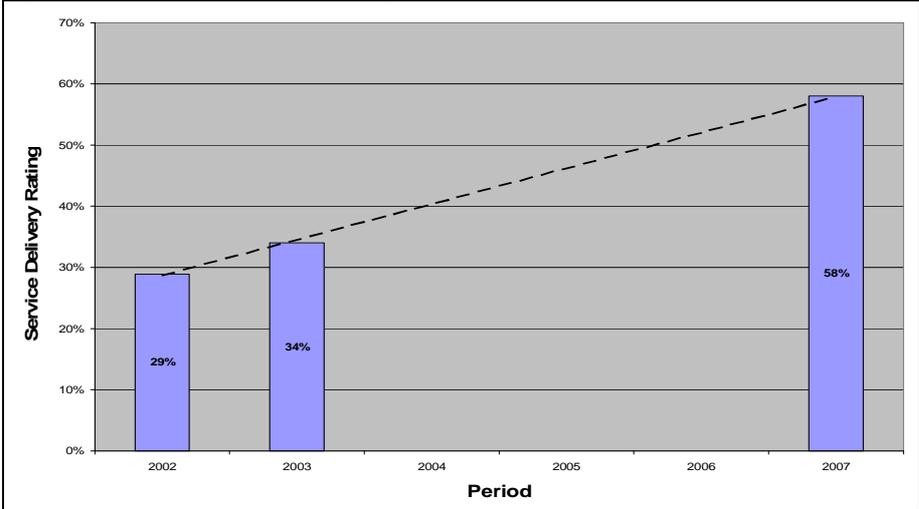
Figure 23: Number of Service Complaints Received by the Province (2000 to 2008/9)



Source: Office of the Premier, 2008

Figure 23 shows that over the period 2000 to 2008 the number of complaints has steadily decreased. This trend has to be viewed with other trends, such as the customer satisfaction rating, in order to determine a possible explanation.

Figure 24: Service delivery rating per survey conducted



Source: Office of the Premier, 2008

The outcome of the customer satisfaction surveys, as well as the decrease in the number of service complaints as indicated figure 24, shows that communities were becoming more satisfied with the delivery of services by government. This improvement can only be attributed to the efforts of government to improve service delivery. The issue of service delivery still remains a priority of the provincial government.

CHAPTER THREE

GROWING THE ECONOMY

The Limpopo Province is rich in strategic minerals and fertile agricultural land, combined with a unique landscape of fauna and flora. This chapter will reflect on the structure of the provincial economy as it has evolved over the last 15 years. Insights will be shed on the contribution of Limpopo Province to the national economy with specific reference to primary and secondary industries, economic growth and employment creation.

Much work still has to be done to redress issues of land ownership and distribution, in order to enhance the economic opportunities, which are available in the Province. The following chart provides a clear pattern of land ownership in our province.

Figure 25: Patterns of Land Ownership in Limpopo

Source: Department of Land Affairs (Limpopo Regional Office), 2009

Figure 25 shows that about 60% of the land in the Province is in private ownership and 25% in the hands of traditional leadership institutions.

The Provincial Economy

The Provincial Growth and Development Strategy indicates that agriculture, mining, and tourism competitive advantage of the Province. In order to attain the vision of a peaceful, prosperous, united, dynamic, and transformed province, economic development, social justice, and improved quality of life has a central role. In order to maximise on Limpopo's represent the competitive advantage, the current PGDS identified seven industrial clusters namely, the Platinum and Chrome Cluster, Coal and Petro-Chemical Cluster, Logistics Cluster, Red and White Meat Cluster, Tourism Cluster, Horticulture Cluster, and Forestry Cluster.

Limpopo has excellent agricultural potential, mineral reserves, and tourism resources. A basic challenge in the fields of agriculture and mining is the low level of added value connected to primary production. The mining sector has grown in importance in the provincial economy. The growth in mining between 1995 and 2002 has been remarkable as compared to agriculture and manufacturing. The potential growth sub-clusters within the mining include the platinum mining along the Dilokong Corridor in Sekhukhune and Mokopane together with coal mining and the petrochemical cluster in the Waterberg District.

One of the challenges in this sector is to ensure that the residents of Limpopo benefit more extensively from the exploitation of the province's mineral wealth in the future. New mineral

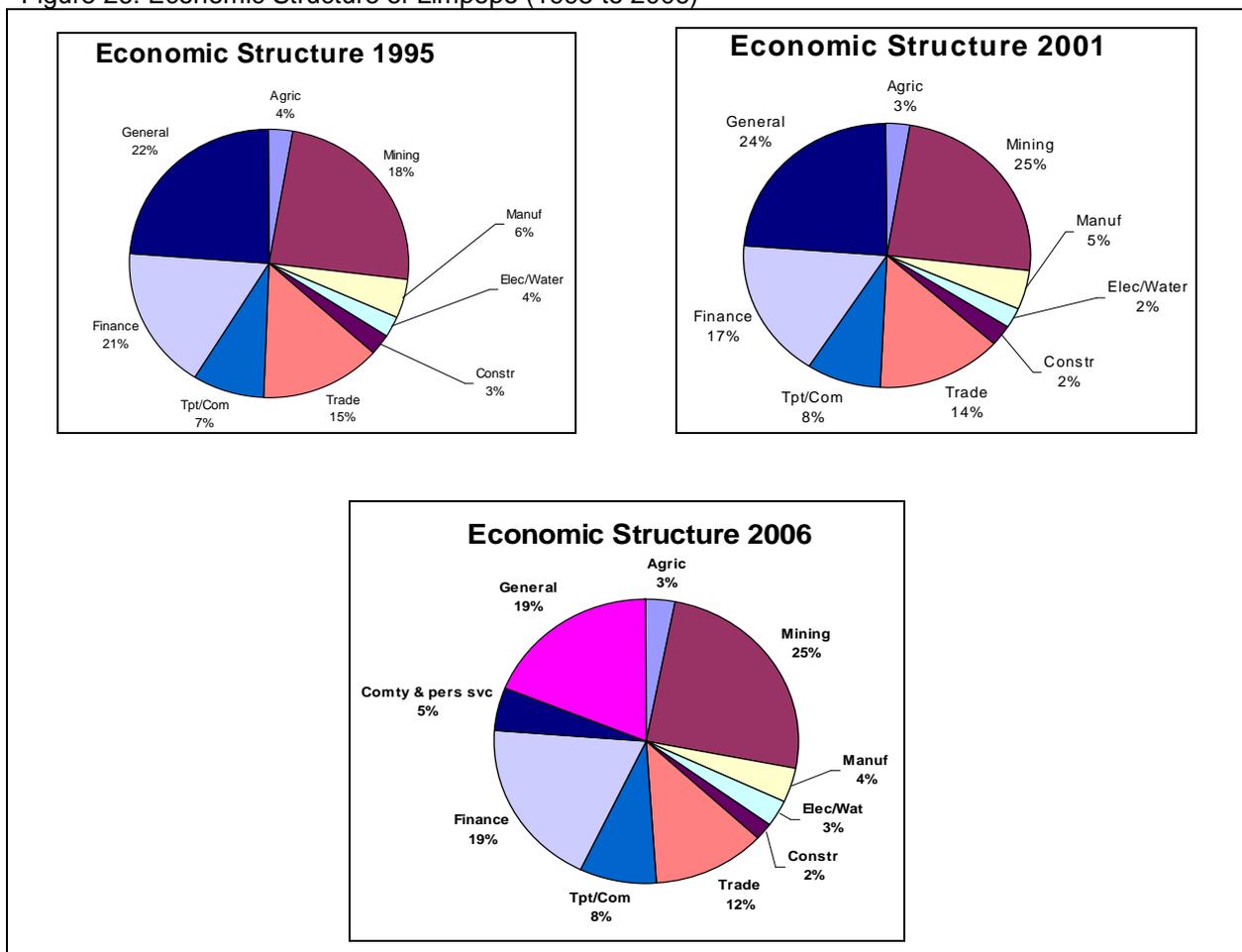
legislation, enacted in 2004, has raised the prospect of the transformation of the mining industry through the de-concentration of ownership and increased access to mineral resources on the part of junior and small-scale mining companies, as well as black economic empowerment. New innovative solutions with respect to both business and technology, together with ICT and logistic support, are areas to be looked into in order to enable the desired progress to take place.

Agriculture is another important sector in the Limpopo provincial economy, contributing 4.3% of the GGP in 2003. The Province produces 75% of the country's mangoes, 65% of its papaya, 36% of its tea, 25% of its citrus, bananas, and litchis, 60% of its avocados and 70% of its tomatoes. Limpopo is the second largest producer of potatoes in the country, accounting for 19% of South Africa's total production.

The Limpopo Province has exceptional tourism potential. The Province offers a diversity of ten rich cultures and a concentration of game farms, nature reserves, national parks, biosphere nature reserves, and Trans-frontier conservation areas. Altogether, there are eight tourism sub-clusters in Limpopo at a number of high-potential destinations. The great concentration of game areas provides substantial potential for further development of the tourism sector.

An analysis of the provincial economy shows that the provincial economy has been growing. The PGDS has identified the growing of the provincial economy as a prerequisite towards ensuring improved quality of life of the people of Limpopo. The approach of selecting anchor sectors for the growth of the economy should not in any way minimise the importance of all the other sectors in growing and sustaining the provincial economy.

Figure 26: Economic Structure of Limpopo (1995 to 2006)



Source: StatsSA

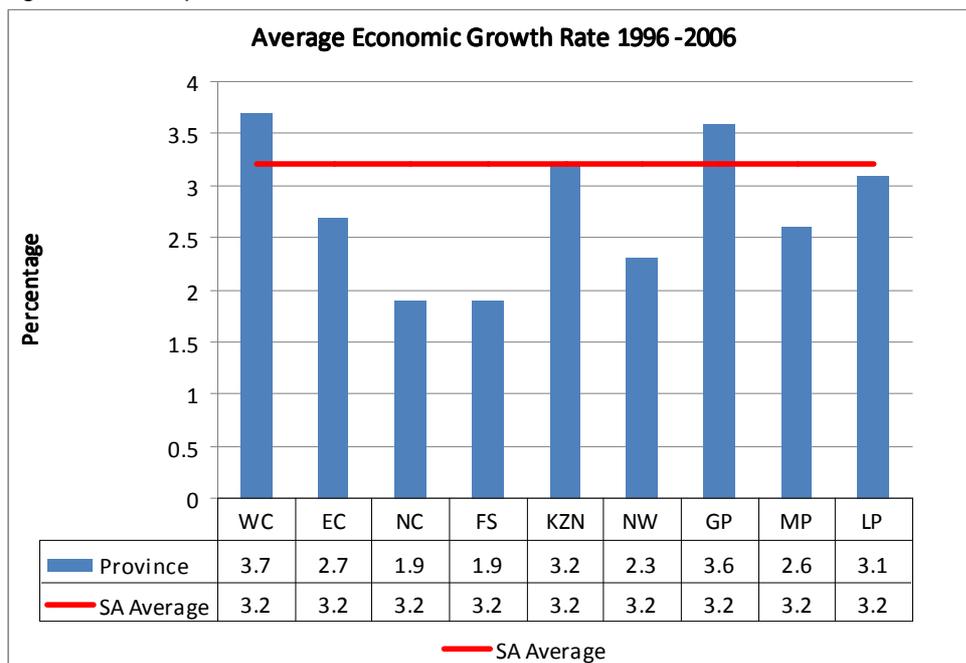
Figure 26 indicates changes in the structure of the Limpopo provincial economy that took place between 1996, 2001, and 2006 respectively. It shows that mining's share in our economy increased from 18% in 1995 to 25% in 2006. Limpopo's rich mineral deposits include platinum group metals, iron ore, chromium high-grade and middle-grade coking coal, diamonds, antimony, phosphate and copper, as well as mineral reserves such as gold, emeralds, scheelite, magnetite, vermiculite, silicon and mica.

Agriculture's share decreased from 4% in 1995 to 3% in 2006. Manufacturing's share also decreased from 6% in 1995 to 4% in 2006. The decrease in the contribution of agriculture over this period is amongst others, attributed to challenges of land claims, poor support for new land beneficiaries and conversion of arable land into game farming. On the other hand, poor beneficiation of primary goods is regarded as a factor which led to the decrease in the share of manufacturing.

Source: StatsSA

As can be observed from figure 27, the structure of the provincial economy is markedly different from that of the national economy. The contribution of mining and quarrying, agriculture, forestry and fisheries, as well as general government services contribute more to the provincial economy than the contribution of the same sectors in the national economy. The relative contribution of the manufacturing sector, as well as the other tertiary sectors to the national economy, is comparatively more than the contribution of the same sectors within the provincial economy. Over the past fifteen years, the provincial economy grew well despite the challenges of decline in other sectors and poor labour absorption capacity.

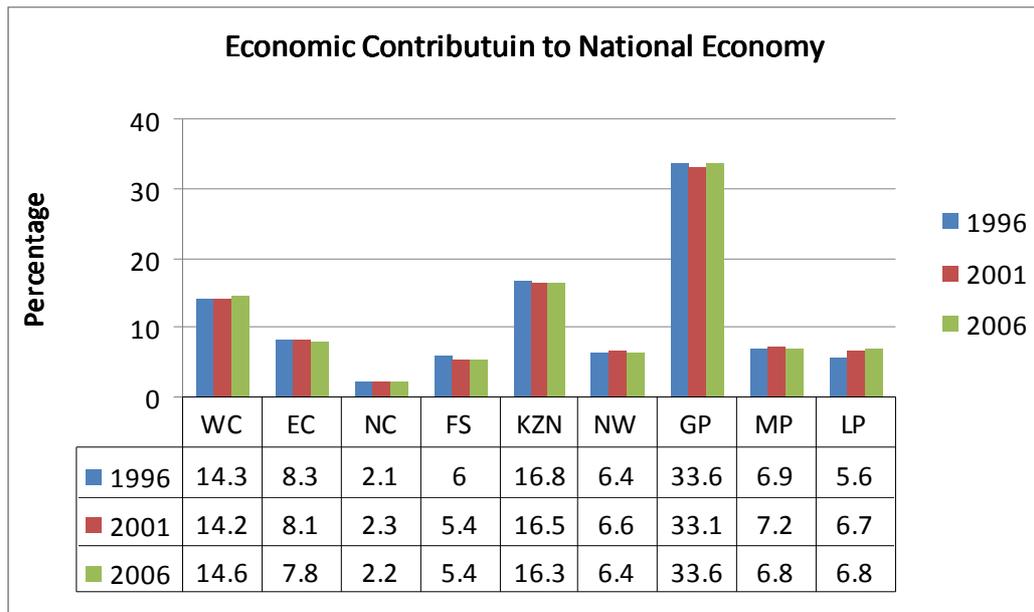
Figure 28: Comparison of Growth Rates 1996 to 2006



Source: StatsSA

Despite that the average economic growth for the Province has been marginally below the national average, it is the fourth highest average growth after the Western Cape, Gauteng, and Kwa-Zulu Natal, as shown in figure 28.

Figure 29: Contribution of Limpopo Province to the National Economy



Source: StatsSA

As shown in figure 29, Limpopo Province’s contribution to the national GDP increased from 5.6% in 1996 to 6.8% in 2006 registering the highest % increase contribution over the period at 1.2%. This marked the Province as the fifth biggest contributor to the national GDP. Besides the Western Cape, it is the only province which has increased its contribution to the national economy. This trend, which needs to be accelerated, will surely boost Limpopo’s vision to be a major contributor to the national economy by 2020.

Figure 30: Contribution of Primary Industries to the GDPR of Limpopo (1995 to 2006)

The contribution of primary industries has been increasing and this increase is attributed to mining and quarrying activities as can be seen in figure 30. However, agriculture, forestry and fishing have declined. In order to grow the agricultural sector, Limpopo government established an Agribusiness Academy at Tompi Seleka and Madzivhandila Agricultural Training Colleges in order to train and mentor small scale farmers. Through the Mechanization Revolving Credit Access Scheme, government is able to assist farmers in providing 50% support for the purchase of agricultural working tools, such as tractors and implements. To date, over 99 entrepreneurs in the agricultural sector have been assisted to buy and acquire tractors and

other tools. There are a few areas in the Province where irrigation is not necessary for farming. The rehabilitation of 114 irrigation schemes in the Province has also seen remarkable progress.

Land and agrarian reform gained pace and momentum as part of the rural development strategy. To date, government delivered approximately 16,000 hectares via the Proactive Land Acquisition Strategy (PLAS) and 22,564 hectares via Land Revitalisation and Agricultural Development (LRAD). Overall, government managed to transfer 363 875 hectares to 39 125 beneficiaries in the Province since 1994.

Figure 31: Contribution of Secondary Industries to GDP of Limpopo (1995 to 2006)

Source: StatsSA

As shown in figure 31 the contribution of secondary industries in the economy has been decreasing in all sectors. This phenomenon shows that there is no improvement with regard to beneficiation.

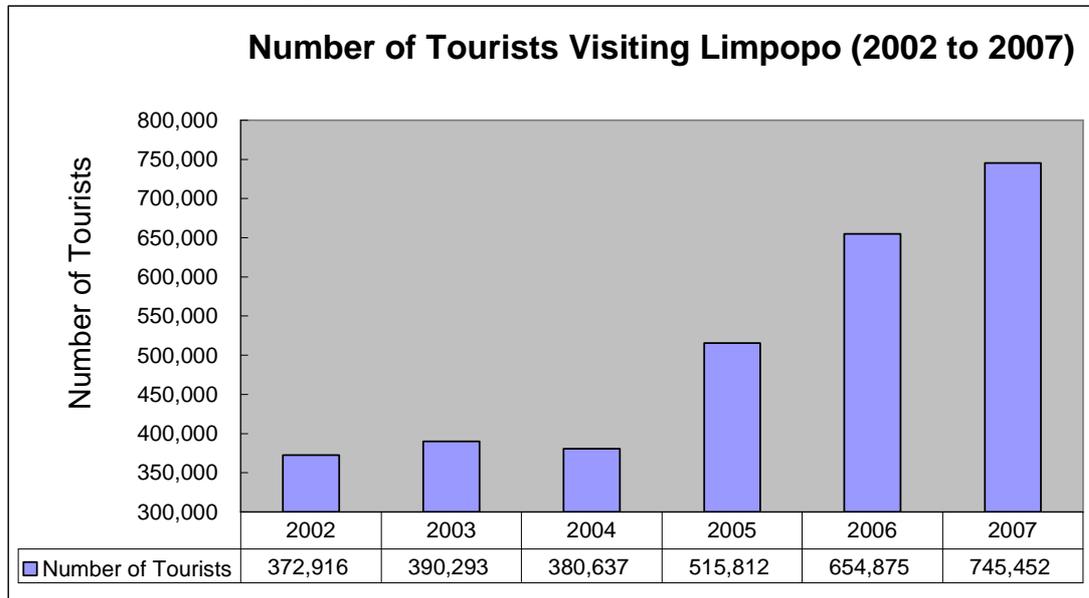
Figure 32: Contribution of Tertiary Industries to the GDP of Limpopo (1995 to 2006)

Source: StatsSA

Figure 32 shows that the tertiary industry contribution has also been decreasing over the past few years.

Limpopo has huge potential for tourism. The performance of the tourism sector (one of the three competitive areas the Province has selected), would be partly reflected in many of the tertiary industry sectors and thus measuring the increase in the number of tourists visiting the Province.

Figure 33: Tourists Visiting Limpopo

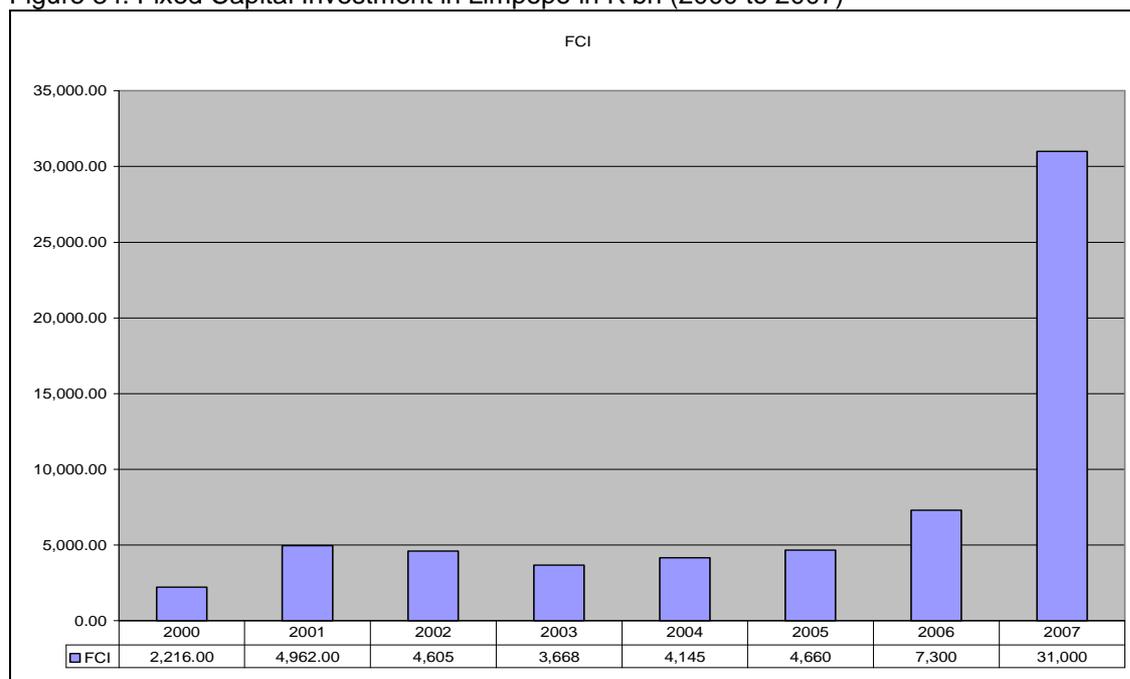


Source: Department of Economic Development, Environment, and Tourism, 2008

Figure 33 shows that between 2002 and 2007 the number of tourists visiting Limpopo has almost doubled. Furthermore, Limpopo Province has changed its ranking as a contributor of tourists to South Africa from eighth to fifth.

There are three investor groups in the South African economy: the private sector, government, and the parastatals. The investment performance of all three has been lower than expected, and the government-sector investment reached historically low levels a decade ago. Since 1999 government investment expenditure has begun to grow.

Figure 34: Fixed Capital Investment in Limpopo in R'bn (2000 to 2007)



Source: Department of Economic Development, Environment, and Tourism, 2008

As shown in figure 34, Fixed Capital Investment in Limpopo started to peak in 2001 and recently it skyrocketed to over R31 billion in 2007. This development is as a consequence of the Lephalale initiatives and is a tremendous boost to the provincial economy. The implementation of the above mentioned gigantic project requires considerable amounts of investment in road and other economic infrastructure.

Table 4: Road Infrastructure Activities for Period 1999/2000 to 2007/08

ACTIVITY	BUDGET (R' M)	OUTPUT (km or no.)
Tarring	2,763,580	885
Tarring (Gundo Lashu)	248,582	57
Rehabilitation	350,419	711
Repair/ Reseal/ Fogspray	504,946	2202
Regravelling	52,074	543
Bridges: Construction	125,517	20
Bridges & Culverts: Repairs	12,100	26
Total	4,057,218	

Source: Roads Agency Limpopo, 2008

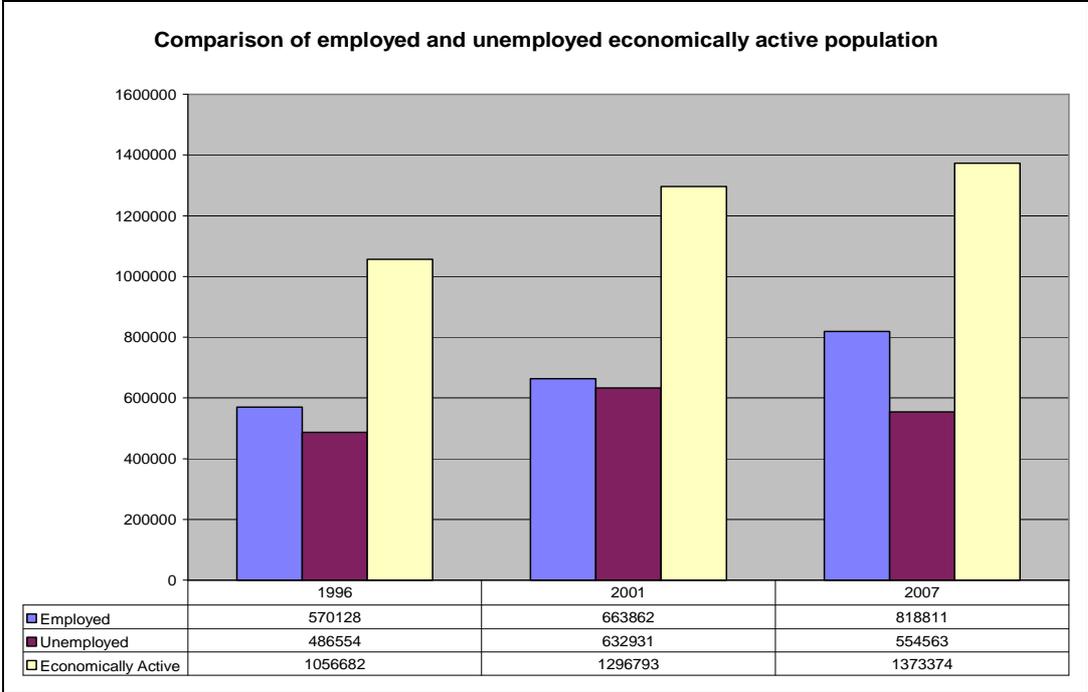
The government of Limpopo spent over R4 billion on road infrastructure between 1999/2000 to 2007/08, as illustrated in table 4. A considerable amount of this figure was spent on tarring, rehabilitation, repairs, and on bridges. These activities produced a number of jobs for our people, especially in the rural areas.

Creation of Jobs

Improving the quality of life for the people in Limpopo necessarily implies that the economy has to create jobs, which is correctly stated by the PGDS as one of the development objectives for the province. Nationally between 1995 and 2002, the number of people employed in the country

increased substantially. This phenomenon represents a large number of newly created jobs. However, during the same period, the number of people without jobs escalated. A key point to note regarding the job market is that while many unskilled people are unemployed, there is a shortage of suitably skilled workers, which is a serious constraint on the expansion of the economy.

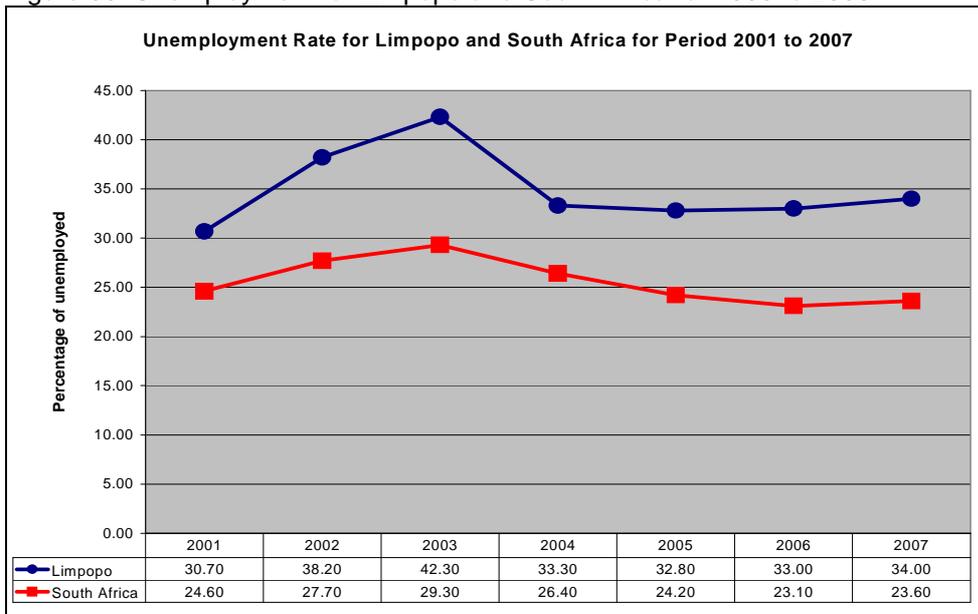
Figure 35: Employment trends in Limpopo



Source: StatsSA

In line with the objective of growing the provincial economy, the employment figures are also increasing as reflected in figure 35. The number of employed people gradually increased from 1996 to 2007. In 1996 we had 570,128 which increased to 818,811 in 2007. The number of unemployed people slightly decreased from 632,931 in 2001 to 554,563 in 2007. However, this number remains high given the lower number of 486,554 unemployed people in the province in 1996. On the other hand, we have seen a consistent increase in the number of economically active people in the province since 1996. Whilst we had 1,056,682 economically active people in 1996, this figure had increased to 1,373,374 by 2007.

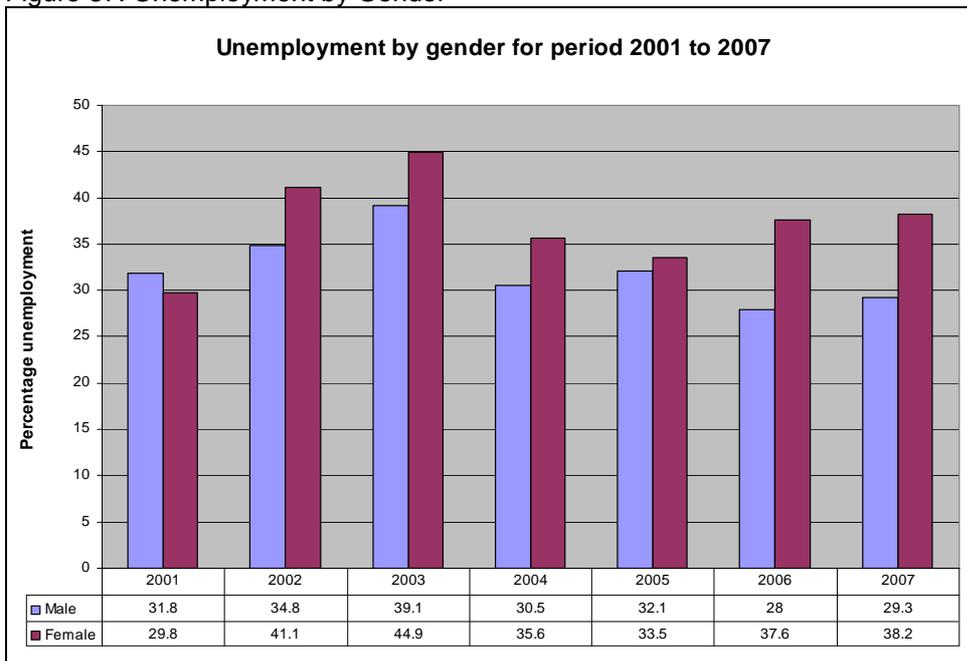
Figure 36: Unemployment for Limpopo and South Africa for 1996 to 2008



Source: StatsSA, Labour Force Survey Historical Revision March Series 2001-2007, 2008

Figure 36 shows that unemployment in Limpopo has decreased since 2003 when it peaked at 42.3%. Since 2005, the rate of unemployment has been on the increase, from 32.8 in 2005 to 34% in 2007.

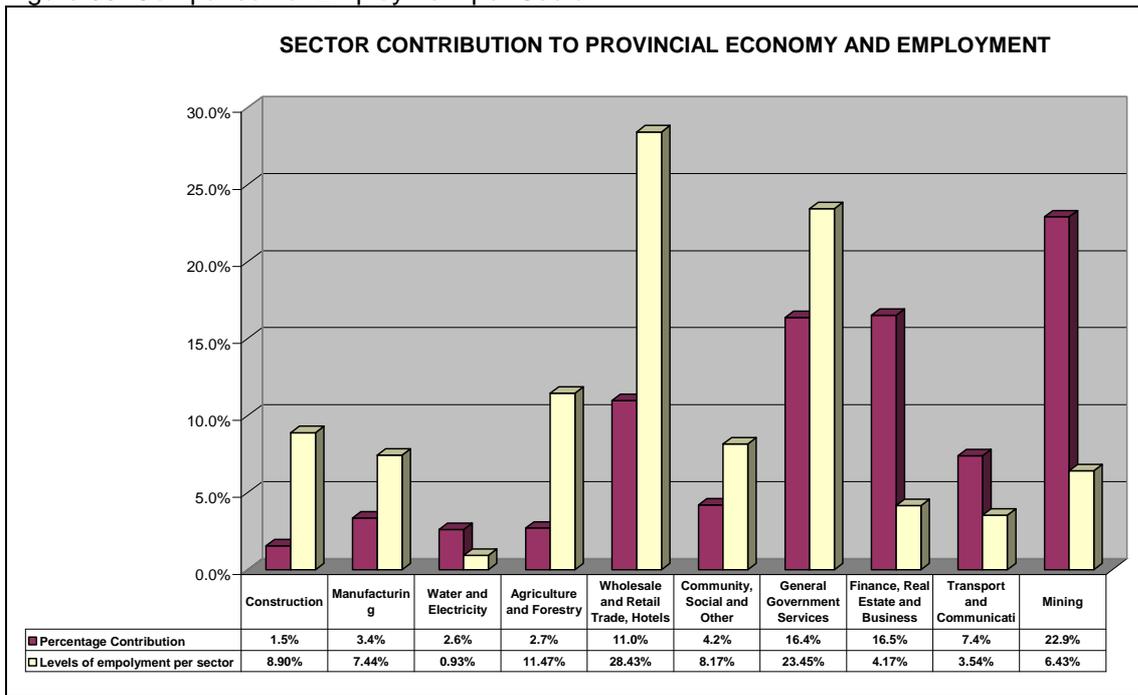
Figure 37: Unemployment by Gender



Source: StatsSA, Labour Force Survey Historical Revision March Series 2001-2007, 2008

Figure 37 shows that in Limpopo, the unemployment rate has consistently been higher among women, thus capacity building and empowerment programmes need to focus on women.

Figure 38: Comparison of Employment per Sector



Source: StatsSA,

Figure 38 indicates that despite the fact that mining's contribution to the provincial economy is high, its contribution to the creation of jobs is low. There are other sectors, such as wholesale, and retail, trade, and hotels whose contribution to the provincial economy is lower. Whereas, its percentage contribution to jobs is higher than that of mining. It is thus clear that some of the sectors that do not contribute so much to the size of the economy actually contribute more to the creation of jobs.

CHAPTER FOUR

CROSS CUTTING PRIORITIES & REGIONAL INTEGRATION

While the previous chapters were focusing on issues around institutional efficiency and effectiveness, as well as the growing of the economy, there are areas which are cutting across all objectives of the Strategy. These include among others, HIV and AIDS, STI, and TB, Broad Based Black Economic Empowerment, Expanded Public Works Programme, Poverty Eradication, as well as the attainment of regional integration.

Furthermore, this chapter outlines the key interventions put in place to reduce poverty, create jobs through the Integrated Sustainable Rural Development Programme, Broad Based Black Economic Empowerment, and the Expanded Public Works Programme.

HIV, AIDS, STI and TB

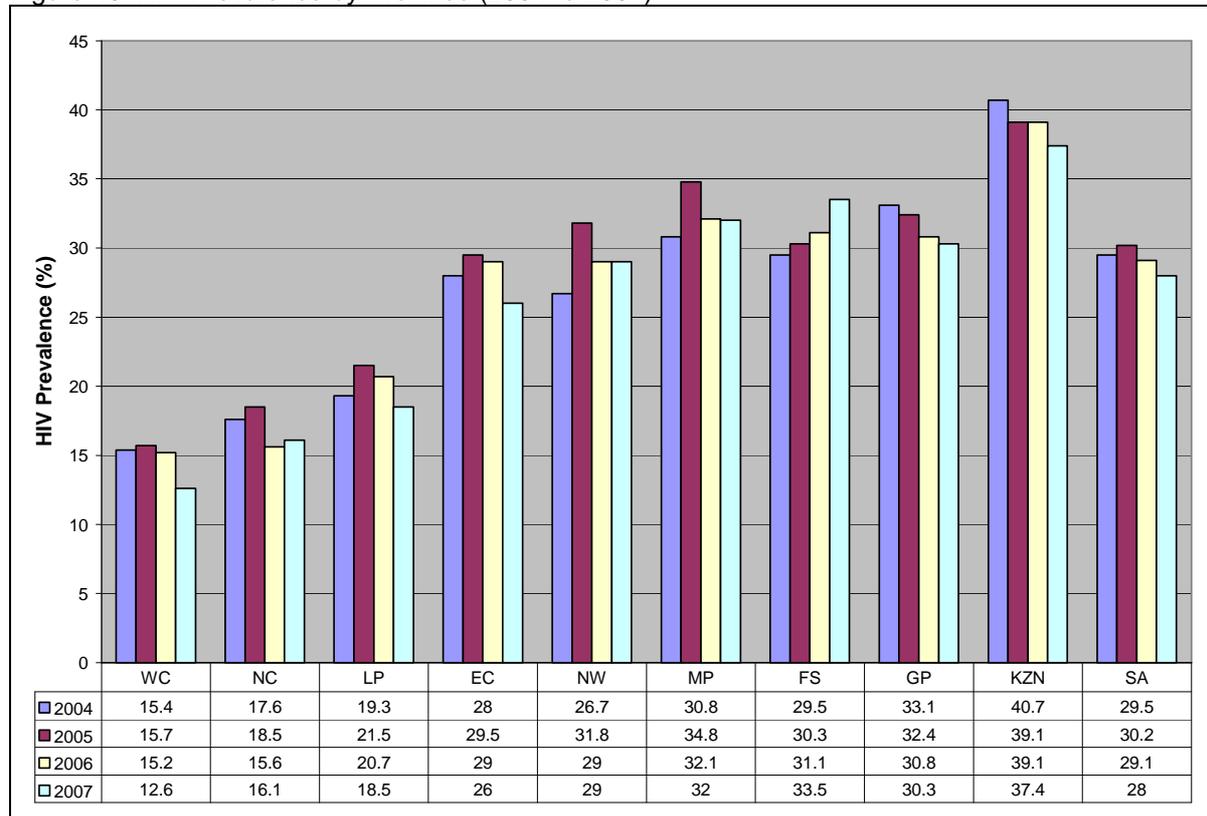
In order to strengthen its efforts to combat HIV and AIDS, South Africa produced the Comprehensive Plan for HIV and AIDS, as well as the Inter-sectoral Strategic Plan for HIV and AIDS for 2007 to 2011, which builds on the gains of the Strategic Plan for 2000 to 2005. The Strategic Plan serves as a framework for the country's response to the major challenge of HIV and AIDS. At present all provincial public health facilities are providing Voluntary Counselling and Testing.

In addition, Nutritional supplementation is provided to People Living with HIV and AIDS, TB, and other debilitating conditions.

Source: Department of Health, Annual Ante-natal sero-prevalence survey, 2008

As shown in figure 39, the HIV prevalence levels in Limpopo have remained lower than the national average since 1990. Since 2005 the HIV prevalence rate has been declining.

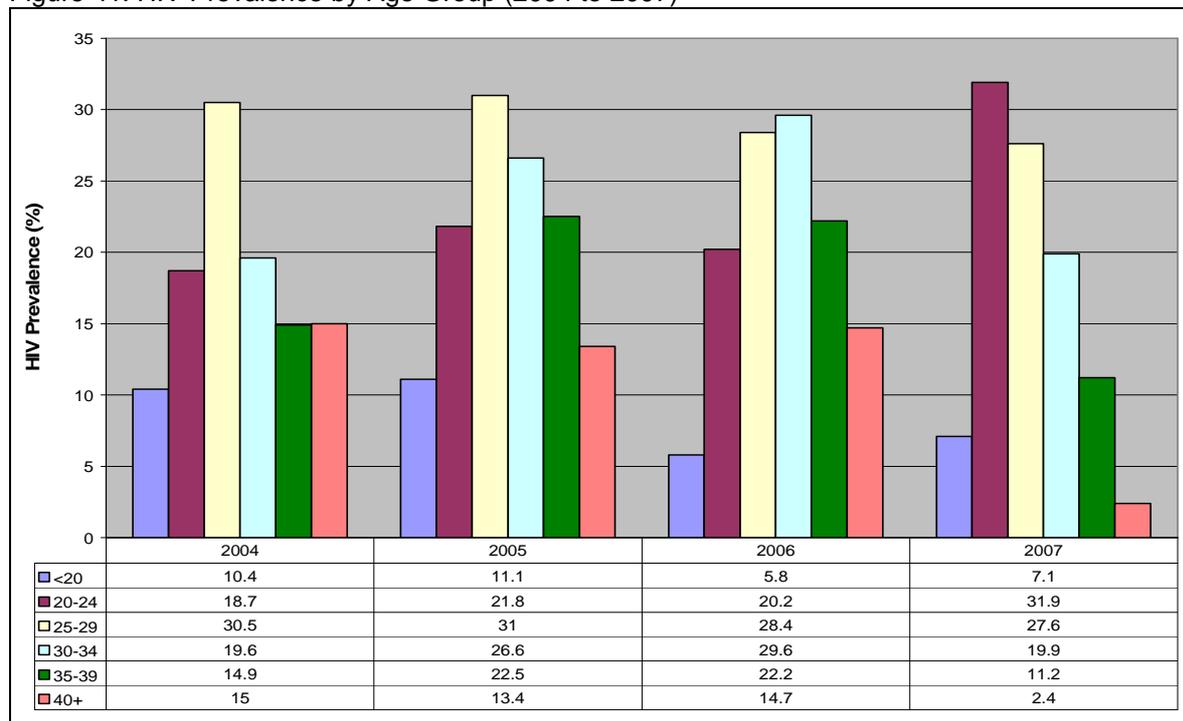
Figure 40: HIV Prevalence by Province (2004 to 2007)



Source: Department of Health, Annual Ante-natal sero-prevalence survey, 2008

Limpopo remains the 3rd lowest in terms of HIV prevalence in the country as shown in figure 40.

Figure 41: HIV Prevalence by Age Group (2004 to 2007)



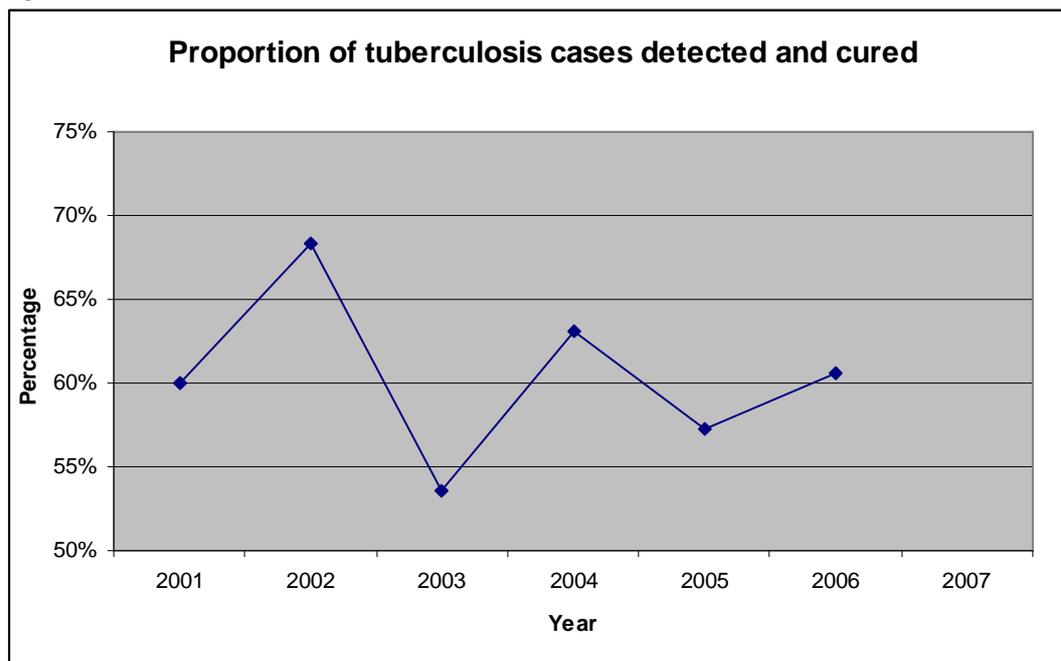
Source: Department of Health, Annual Ante-natal sero-prevalence survey, 2008

Figure 41 shows that the HIV prevalence amongst the 20-24 age groups has been rising sharply above all age groups between 2006 and 2007 reaching 31.9%. The group above 40 has declined more than six times.

The Province has 54 accredited Comprehensive HIV and AIDS Care, Management and Treatment sites with a total of 32, 079 patients enrolled by the end of the first quarter of 2008/09. Every municipality has at least one accredited Comprehensive Programme for HIV and AIDS Management (CCMT) Care and Treatment. Limpopo is the first province in the country to implement Anti-Retroviral treatment at Primary Health Care level. The Province's first CCMT site has initiated more than a thousand patients on Highly Active Anti-Retroviral treatment.

In keeping with the World Health Organisation (WHO) AFRO resolution of 2005, South Africa has implemented a National TB Crisis Management Plan. The advent of extreme drug resistant TB in 2006 posed yet another challenge. The TB case load in the Province has increased from 4,023 in 1996 to 18,931 in 2007. By 2007 the Province had registered 33 Multi-Drug Resistant (MDR) and 7 Extreme Drug Resistant (XDR) TB cases.

Figure 42: TB Cases detected and cured



Source: Department of Health & Social Development, 2008

Figure 42 indicates that the cure rate for TB in the Province has been declined between 2001 and 2006.

2nd Economy Interventions

Over the past 15 years, the Limpopo government intervened through diverse ways to ease the challenge of poverty faced by its citizens. The target of these interventions was women, people with disability and youth in the main. Amongst the initiatives implemented include plans to bridge the economic divide between the 1st and 2nd economy through Broad Based Black Economic Empowerment and other poverty eradication strategies. In this regard, government is currently implementing the War-Room on poverty approach as an immediate step towards implementing the broader anti-poverty strategy.

In Limpopo Province the Integrated Sustainable Rural Development Programme identified Sekhukhune as a nodal point. The total estimated budget allocated per year is not less than R348m targeted for infrastructure. As a consequence of this phenomenon, of the four revitalised hospitals in the Province, two are in this nodal point (Jane Furse and Dilokong). A considerable amount of work has been done on schools, clinics roads, dams (Construction of De Hoop Dam, raising of Flag Boshielo Dam wall) and water schemes. Despite all these initiatives, water scarcity still remains a challenge in Limpopo.

Government has also intervened through programmes such as the Expanded Public Works Programme (EPWP). The EPWP is implemented across four sectors: infrastructure, environment and culture, social and economic. Notable in this programme are the *Gundo Lashu* labour intensive rural roads regravelling programme, which succeeded in improving the provincial road network. The programme has also succeeded in creating more jobs than capital intensive methods. In the process, many participants benefited from the programme through the acquisition of skills. Of those who have benefited on a national basis thus far, 48% are female, and 37% are young people.

Table 5: Net Work Opportunities Created through EPWP in Limpopo

	2004/05	2005/06	2006/07	2007/08	TOTAL
Limpopo	15,933	10,584	18,276	28,853	73,644

Source: Presidency, Development Indicators, 2008

There have also been successes in the implementation of the Sakhasonke Emerging Contractor Development Programme, aimed training contractors from historically disadvantaged backgrounds to become self sustainable and economically viable. 120 entrepreneurs were trained through this programme. 2,741 entrepreneurs went through the EPWP learnership programme, whilst 574 youth were absorbed through the National Youth Service to render maintenance in government - owned buildings. Overall, about 70,354 temporary and 3,387 permanent jobs were created in all EPWP sectors during the years under review.

Regional Integration

The PGDS emphasizes the importance of relations with neighbouring countries due to the strategic location of the Province. Consequently, the provincial government has entered into Memoranda of Understanding (MOUs) with a number of Provinces and/or Regions. The table below highlights the areas wherein MOU have already borne fruit.

Table 6: Outcome of MOU by Country

Country and/or Region/Province	Outcome
Zimbabwe’s Matebeleland South & North	<ul style="list-style-type: none"> ➤ Communicable Disease control ➤ Tourism Cooperation ➤ Trans-frontier Parks
Mozambique’s Gaza Province	<ul style="list-style-type: none"> ➤ Communicable Disease control & case management ➤ Agric Cooperation ➤ Trans-frontier Parks
China’s Anhui and Punjab Region	<ul style="list-style-type: none"> ➤ Economic Investments ➤ Mechanization
France’s Rhone Alpes Region	<ul style="list-style-type: none"> ➤ Women empowerment ➤ Hospital twinning
Namibia (being finalised)	<ul style="list-style-type: none"> ➤ Economic Development
Finland (National agreement)	<ul style="list-style-type: none"> ➤ Information Society strategy development
Italy’s Marche Region	<ul style="list-style-type: none"> ➤ Food park
Cuba	<ul style="list-style-type: none"> ➤ Training of Drs. and provision of engineers and Drs.

Source: Office of the Premier, 2008

As can be adduced from Table 6, the main areas of collaboration for the MOUs are capacity building & skills transfer, trade facilitation, tourism development, sharing of market information and investment facilitation. The Province would soon evaluate the impact of these agreements.

CHAPTER FIVE

IMPROVING THE QUALITY OF LIFE OF THE POPULATION

As reflected in the mandates of the ruling party, the improvement of the quality of life of the people remains central to the implementation of government programmes. This chapter will reflect on, the development of the human potential, and as well as the improvement of the health status of the population. The provision of the basic needs of the people will also be looked into as well as selected crime trends.

Culture and Heritage

Limpopo has a very rich culture and heritage. Over the past fifteen years the Provincial Administration made strides in transforming and supporting the institution of traditional leadership. The process of verification of the status of traditional leadership through The Commission on Traditional Leadership Disputes and Claims is in process.

There are 6 heritage monuments for warrior kings in the Province namely, Makgoba, Sekhukhune, Mokopane, Makhado, Nghunghunyane, and Malebogo. At the moment we have three museums in the province. The province has declared eight heritage sites:

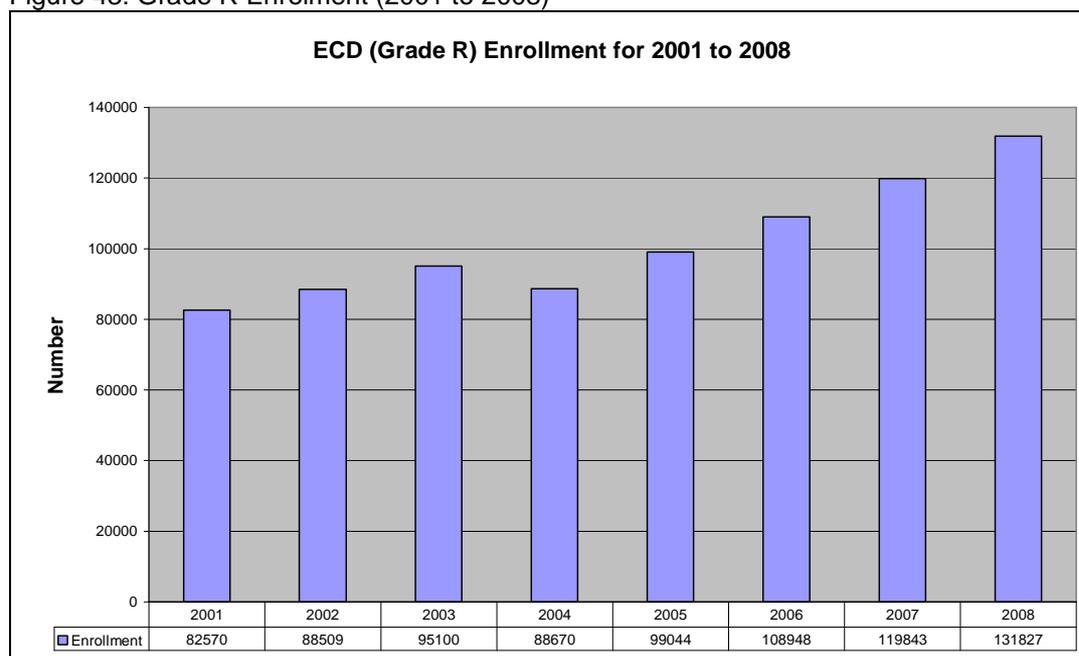
- 2 sites declared as World Heritage Sites viz; Mapungubwe, and Makapans valley
- 6 sites declared as provincial heritage sites

The province has been honoured to be one of the hosting venues for the 2010 FIFA Soccer World Cup.

Developing the Human Resource Potential

One of the strategic goals for the Province is to ensure that all children are provided with an adequate foundation to enable them to participate in and benefit from education. Early childhood development (ECD) is a key programme to achieve this objective. To date, a total of 1,553 ECD centres have been established by members of the communities to provide care, support and stimulation to children between the ages of 0 and 4 years. A total 1,093 centres with 44,290 children are receiving government subsidy. Most of the children who receive the subsidy come from low income households.

Figure 43: Grade R Enrolment (2001 to 2008)

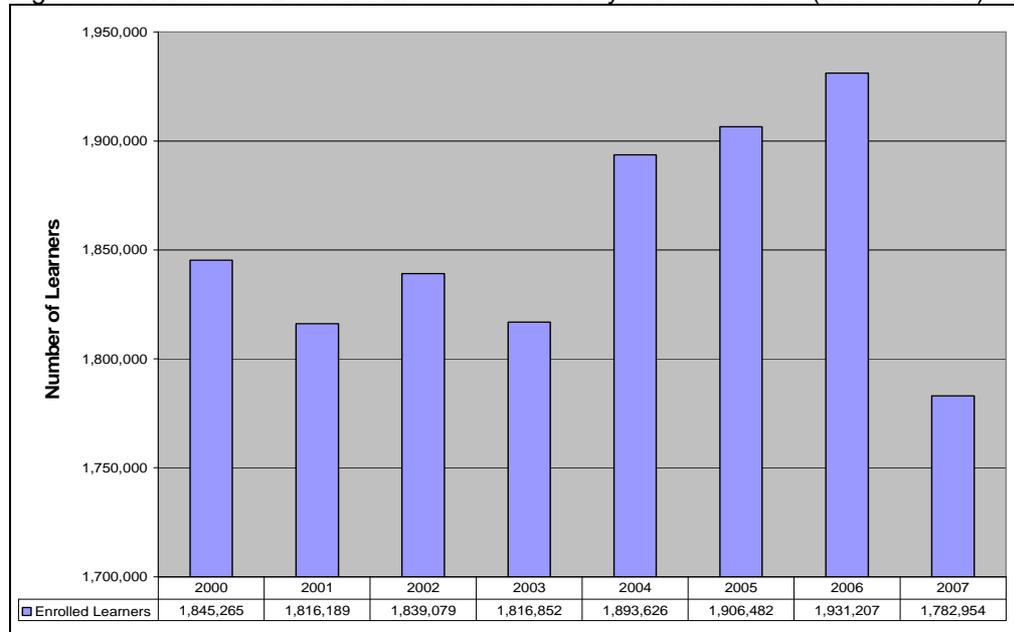


Source: Department of Education, 2008

Figure 43 shows that between the period 2001 and 2008, the number of children enrolling for ECD has been increasing steadily.

The Constitution of the Republic of South Africa, affords all citizens the right to a basic education, including adult basic education, and further education, which the state, through reasonable measures, must make progressively available and accessible. The Province has succeeded in increasing the number of youth that participate in the schooling system.

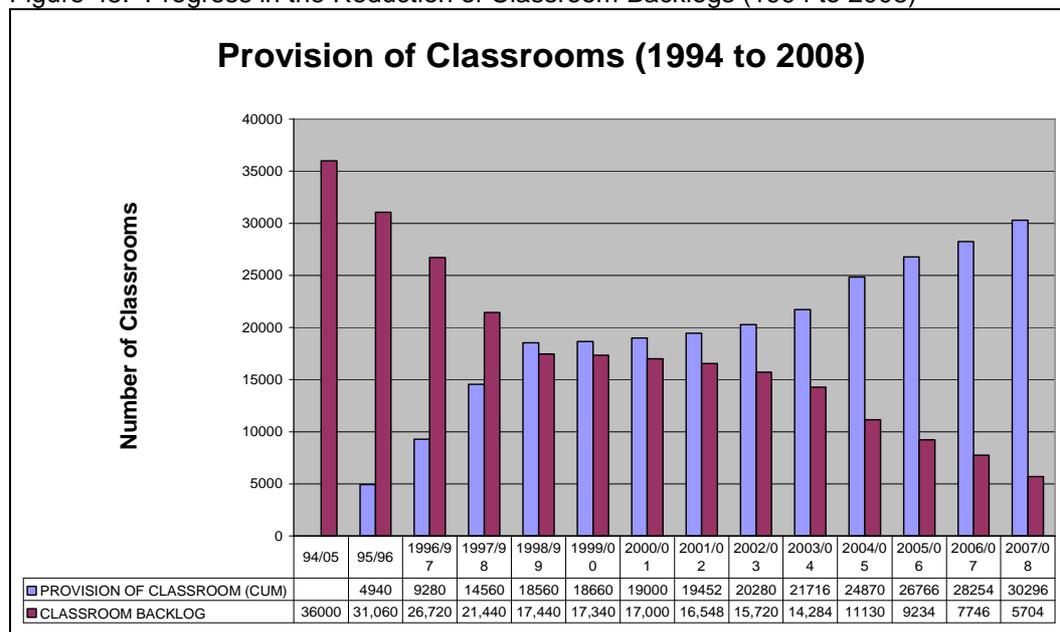
Figure 44: Number of Learners Enrolled in Ordinary Public Schools (2000 to 2007)



Source: 2006 & 2007 School Realities in Department of Education, 2008

Figure 44 shows that since 2000, the Province has seen the number of learners enrolled in public ordinary schools increasing steadily. Access to schools is improved through, among other things, the provision of scholar transport services particularly for learners who are located in remote areas where access to schooling is a challenge.

Figure 45: Progress in the Reduction of Classroom Backlogs (1994 to 2008)



Source: Department of Education, 2008

Figure 45 indicates that as the number of classrooms built was increasing, the classroom backlog has been decreasing. The Province is thus in the process of eliminating the number of learners studying under trees and the quality of education is improving.

The National School Nutrition Programme aims to contribute to enhanced active learning through school feeding, and through promoting and supporting the implementation of food production initiatives at schools, in order to improve household food security. The Province was feeding for 156 days per year from 2004 to 2007. For the 2008/09 financial year feeding days increased to 187 days per year.

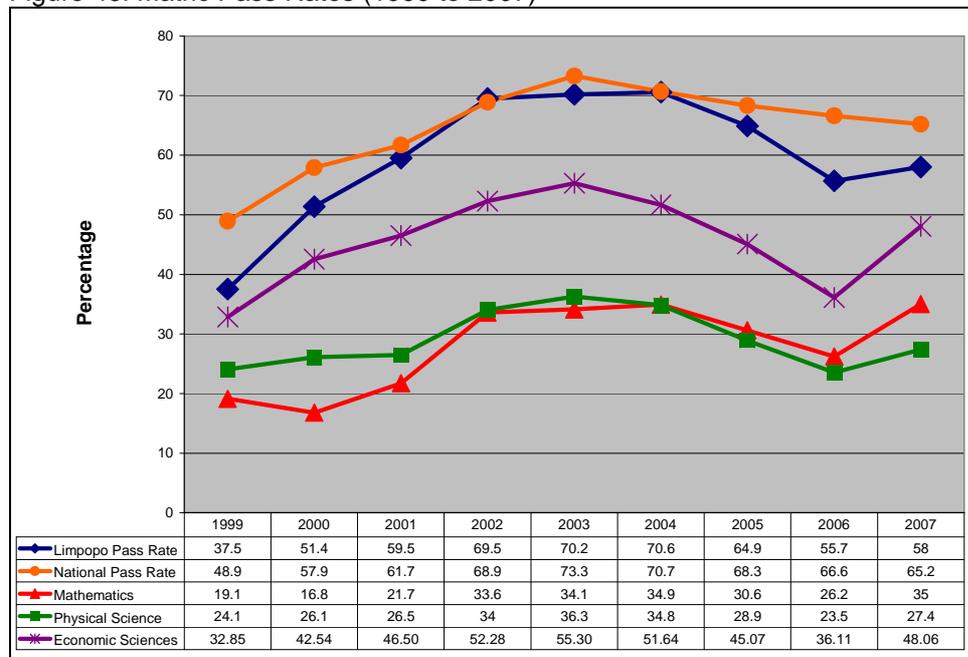
Table 7: Learners Benefiting from the School Nutrition Programme (2004 to 2008)

	2004	2005	2006	2007	2008
No of learners benefiting from the NSNP	1,157,195	1,140,521	1,102,508	1,025,867	998,313

Source: Department of Education, 2008

The country witnessed an increase in full time enrolment for matric examinations in 2006, compared to 2004 and 2005, more especially in Limpopo. This significant increase in learner enrolment indicates that more learners are gaining access to education.

Figure 46: Matric Pass Rates (1999 to 2007)

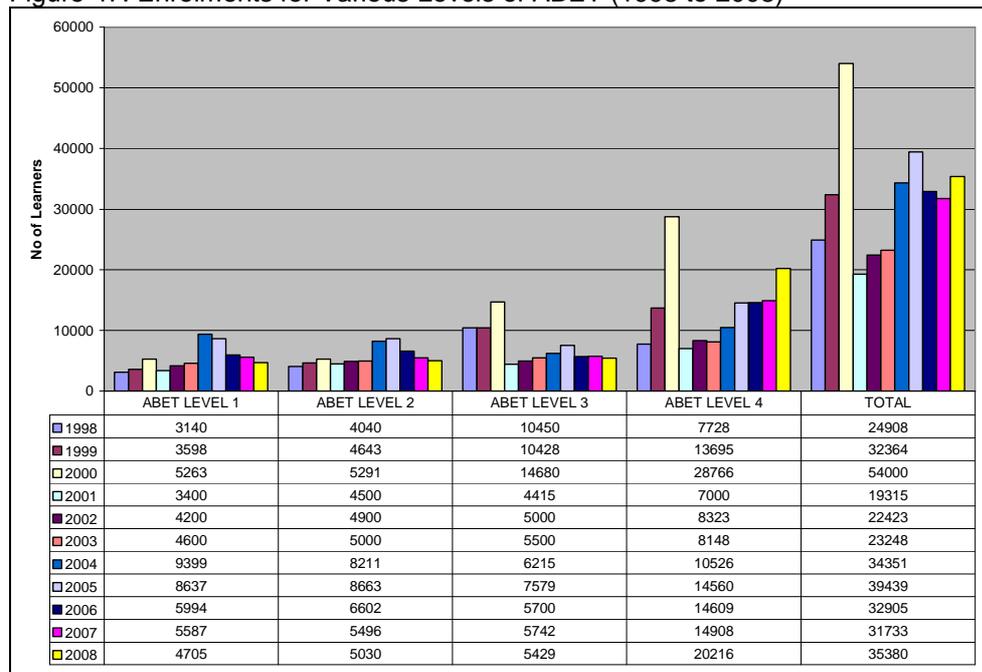


Source: Department of Education, 2008

As shown in figure 46, the matric pass rate in the Province was 37.5% in 1999. This increased substantially to reach a peak of 70.6% in 2004. The pass rate came down to 55.7% in 2006 and increased to 58% in 2007. A similar pattern followed in specific subjects such as Economic Sciences, Physical Science, and in Mathematics. The decline in the matric performance in 2006 can be attributed to a number of factors, including curriculum change and the increased cognitive demand for the matric examination.

The province's objective regarding adult education, is to reduce illiteracy and to create opportunities for all to access a better life. This goal seeks to ensure that those who are disadvantaged because of their lack of education are given every opportunity to develop, so as to enable them to be in a position to access economic opportunities. Before 1998 adult learners attended after hours classes, which focused only on matric.

Figure 47: Enrolments for Various Levels of ABET (1998 to 2008)

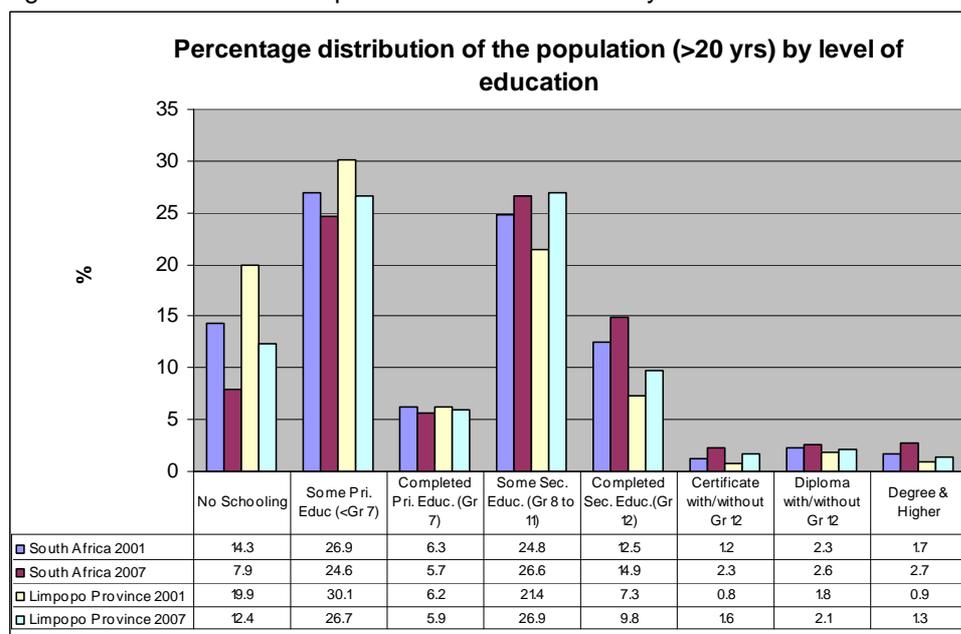


Source: Department of Education

Figure 47 indicates the number of learners that have enrolled from 1998 - 2008. The trends also show that the enrolments for ABET Level 4 has been increasing steadily. Since 1994, Limpopo reorganized its 7 FET Colleges with their 17 Campuses to run programmes that would align to the skills required to achieve the goals set out in the PGDS.

The main outcome indicator for education is the adult literacy rate, the proportion of the population over 15 years that can read and write in at least one language. General outcomes of the educational programmes indicate that there has been an increase in literacy rates.

Figure 48: Distribution of Population above 20 Years by Level of Education



Source: StatsSA, 2007

As shown in figure 48, more people above the age of 20 have increased their level of education.

Improving the health and social status of the population

The Primary health care approach was adopted by the Province as a strategy to reach all communities in the Province through Community Health Centres, fixed clinics, and Mobile services. Primary health care facilities in the Province increased from 316 in 1994 to 416 in 2008 and those providing 24 hour service increased from 164 in 1994 to 321 in 2008. All these facilities are implementing the Primary Health Care Package.

Table 8: Primary Health Care Building Programme

Year	New	Upgrades	Total clinics provided
1994 -1999	87	76	168
2002/03	-	21	21
2003/04	-	21	21
2005/06	6	27	33
2006/07	5	15	20
2007/08	-	15	15
2008/09	6	21	27
TOTAL	114	196	300

Source: Department of Health and Social Development, 2008

As shown in table 6, 196 clinics were upgraded and 114 new clinics were built. There are currently 68 fixed mobile points in existence. The clinic building programme has ensured that most communities live within a walking distance from a primary health care facility.

Since the advent of democracy, government was faced with dilapidated hospital infrastructure, however this has been partially addressed by the hospital revitalisation programme. Lebowakgomo, Jane Furse, Dilokong and Nkhensani have been completed under this programme, whilst Thabamopo, Maphutha Malatjie and Letaba are currently in progress.

Table 9: Facility Upgrade Programme

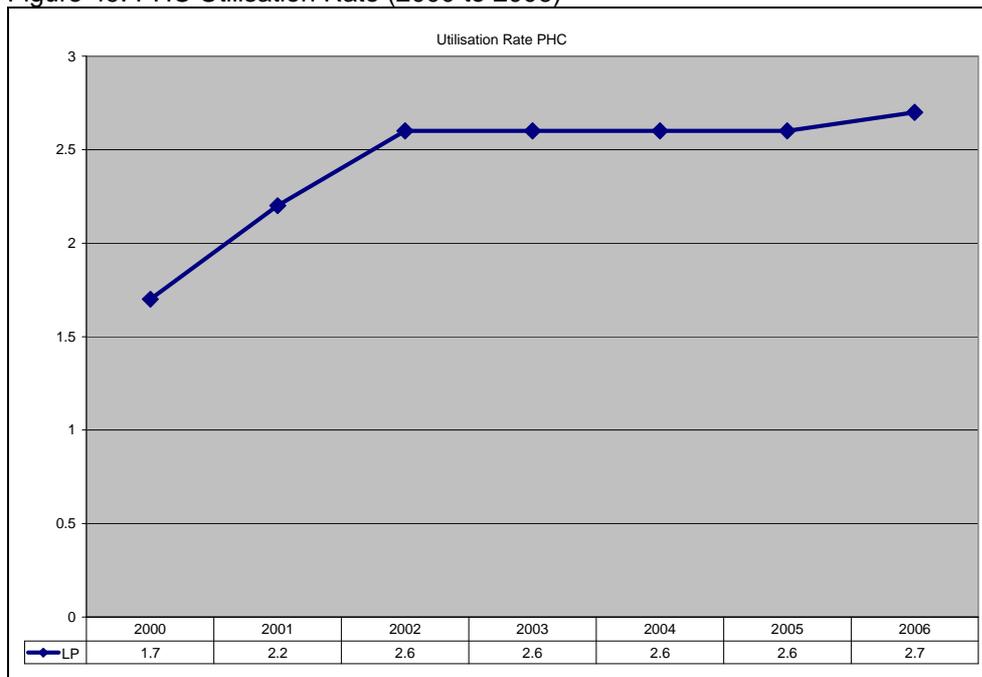
Facility	Number	Value
Hospital upgrade	40	R1.298Bn
Hospital revitalised	7	R871m
Forensic mortuaries	13	R100
EMS Stations	11	R54.9m
<i>Total</i>	<i>71</i>	<i>R2.3Bn</i>

Source: Department of Health and Social Development, 2008

Table 9 outlines the number and costs of various health infrastructure programmes. 71 facilities have benefited from this programme. Emergency Medical Services (EMS) is rendered from 45 stations located throughout the Province which have increased from only 11 stations in 1994. This is a major achievement given the fact that 34 of these stations are in rural areas and they were non-existent in 1994. The available ambulance to population ratio has improved from 1:166,000 to 1:30,000. The number of ambulances has increased from 47 in 1994 to 413 in 2008. Due to these interventions response times for Emergency Medical Services have improved from the 1 hour in 2004 in both urban and rural areas to 25 minutes in urban and to 45 minutes in rural areas. There are still major challenges, such as the shortage of Intermediate and Advanced Emergency Care Practitioners.

The provision of health practitioners, infrastructure, equipment and machinery can only be meaningful when members of the community utilise these to improve their well-being. The Primary Health Care (PHC) utilisation rate informs us of the number of times each resident of the Province utilises these services. Factors that affect utilisation include accessibility, acceptability, affordability, appropriateness and availability of resources and personnel.

Figure 49: PHC Utilisation Rate (2000 to 2006)

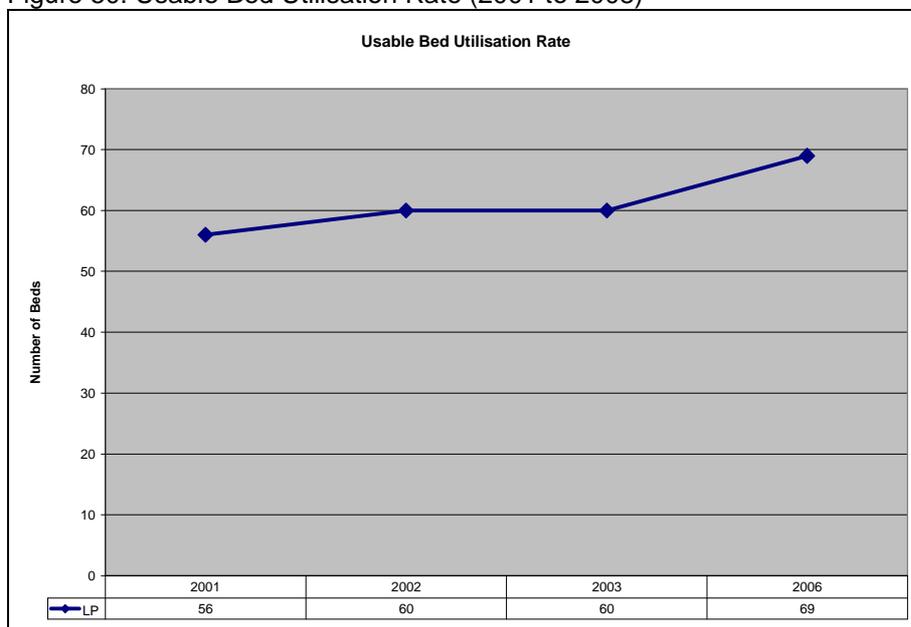


Source: Health Systems Trust, 2008

Figure 49 shows that the PHC utilisation rate increased from 1.7 visits per person per year in 2000 to 2.7 in 2006. The utilisation rate in Limpopo has always been above the national average of 2.3

The usable bed utilisation rate indicates the rate at which the available usable beds are utilised.

Figure 50: Usable Bed Utilisation Rate (2001 to 2008)



Source: Health Systems Trust, 2008

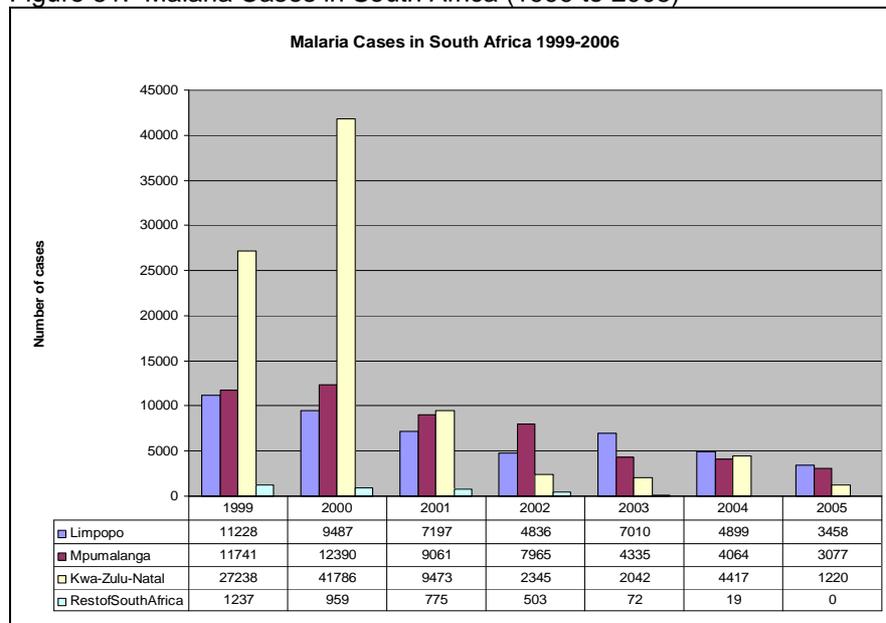
As indicated on figure 50, the usable utilisation rate for District hospitals in Limpopo has increased from 56% in 2001 to 69% in 2006, indicating improved efficiency in the utilisation of available health resources.

The management and control of malaria is one of the key areas of success within the public health sector. The Cross border collaboration between the Limpopo Province in SA and the

Matabeleland South in Zimbabwe, is ongoing and two countries are currently finalising a malaria elimination strategic plan. The factors behind the success in malaria control include:

- an increase in indoor residual spraying;
- the use of artemisinin-based combination therapy by the malaria affected provinces which reduces the parasite carriage;
- intensified surveillance leading to early detection of any increase in malaria cases in high risk areas; and
- epidemic preparedness teams capacitated to respond to the seasonal outbreaks.

Figure 51: Malaria Cases in South Africa (1999 to 2005)



Source: National Department of Health, 2007

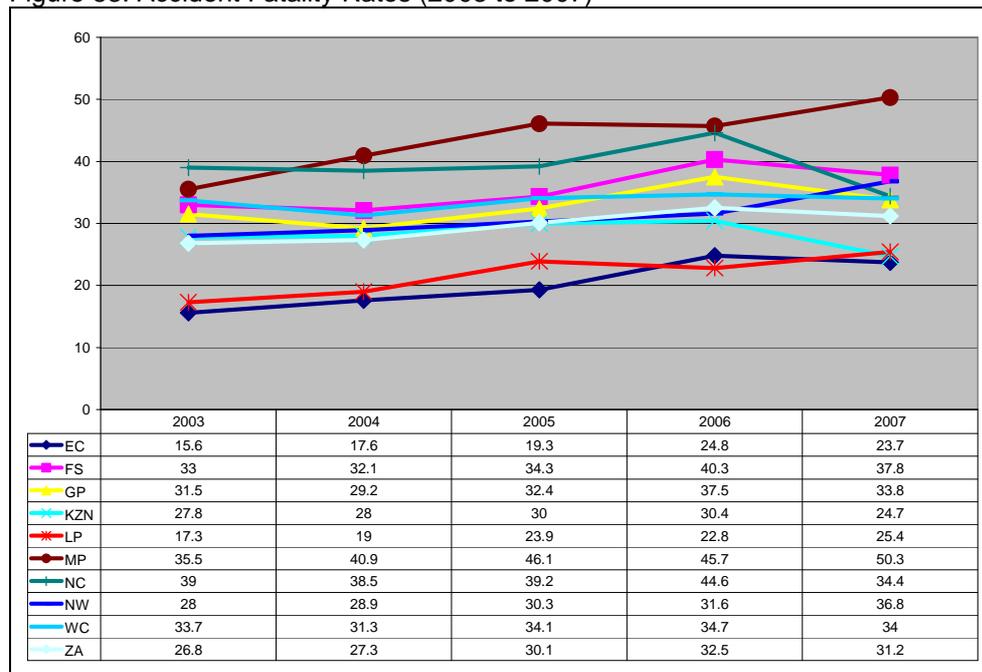
As shown in figure 51, the number of malaria cases in Limpopo Province is higher than in the rest of South Africa. However, there has been a significant decline in the cases of malaria over the period under review.

Source: National Department of Health, 2007

Initially the Province had the highest malaria case fatality rates. Now the rate is comparable to the national average, as shown in figure 52.

Road accidents are not only an indication of the state of traffic management, but contribute to the status of the health of the population.

Figure 53: Accident Fatality Rates (2003 to 2007)

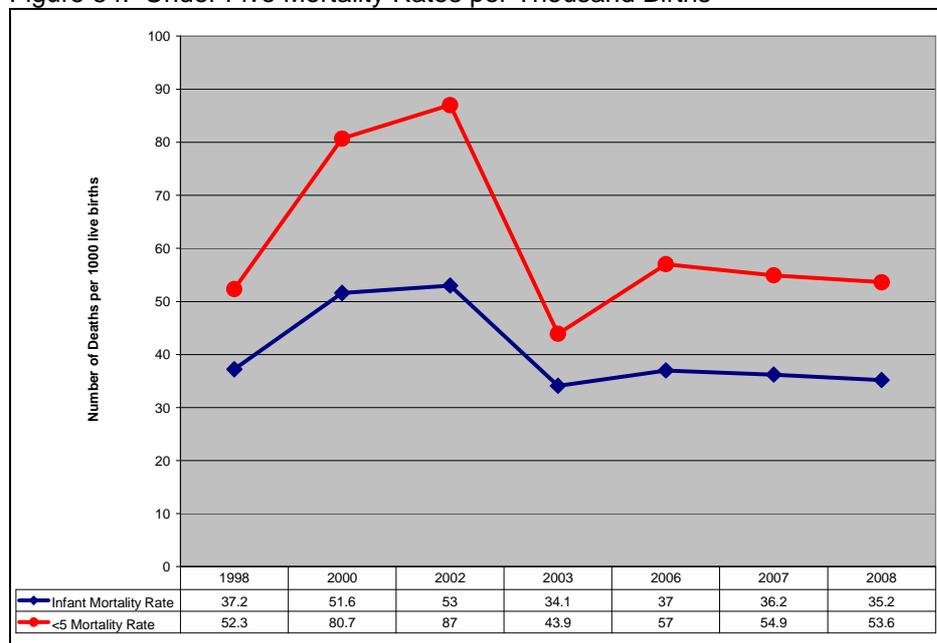


Source: Health Systems Trust

As shown in figure 53, the number of road fatalities per hundred thousand people on Limpopo roads is lower than those of other provinces. However, the rate has increased slightly.

Some of the indicators of the health status of a population relate to the mortality rates of various groups of the population and the life expectancy rates.

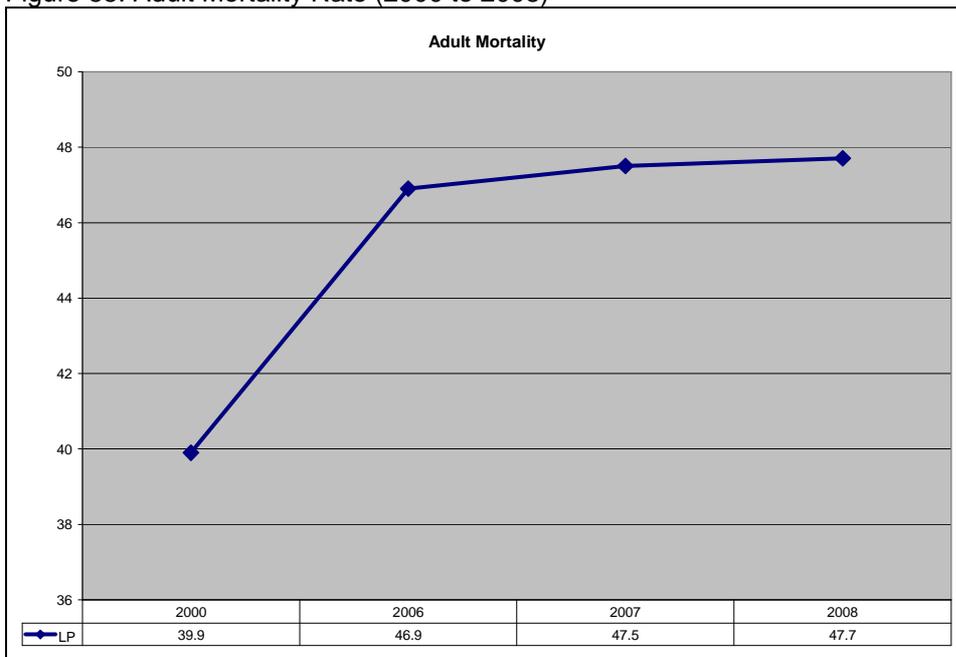
Figure 54: Under Five Mortality Rates per Thousand Births



Source: Health Systems Trust, 2008

As reflected on figure 54, the under five and the infant mortality rate sharply increased during the period from 1998 to 2002. In 2003 the figures dropped sharply to stabilise to their near 1998 levels.

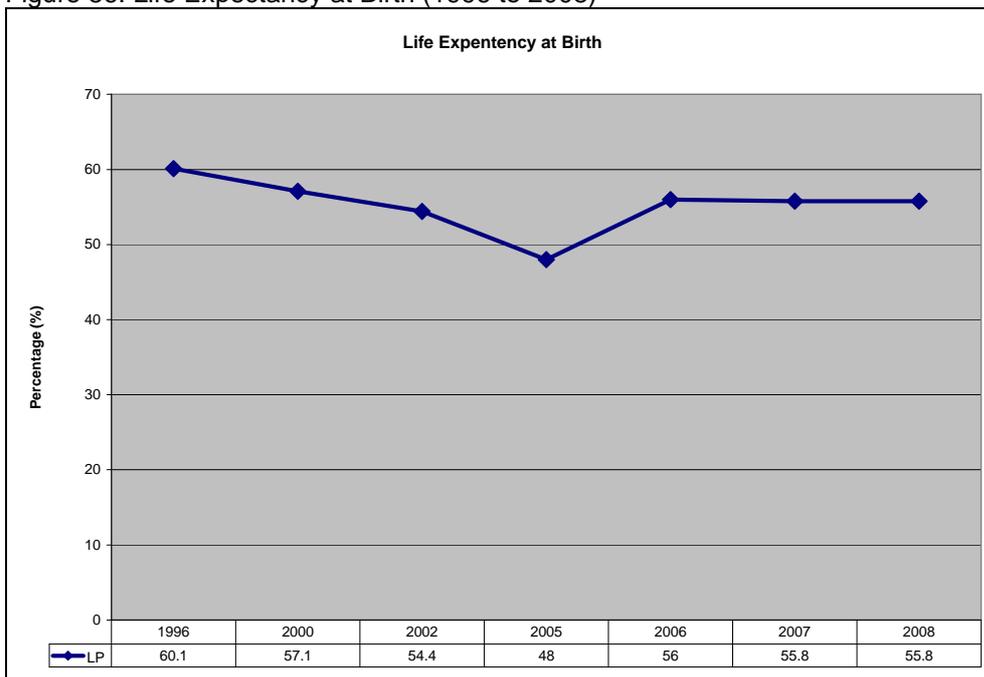
Figure 55: Adult Mortality Rate (2000 to 2008)



Source: Health Systems Trust, 2008

Figure 55 shows a sharp increase in the mortality rate from 39.9% in 2000 to 47.7% in 2008. This could be attributed to the HIV and AIDS related conditions.

Figure 56: Life Expectancy at Birth (1996 to 2008)

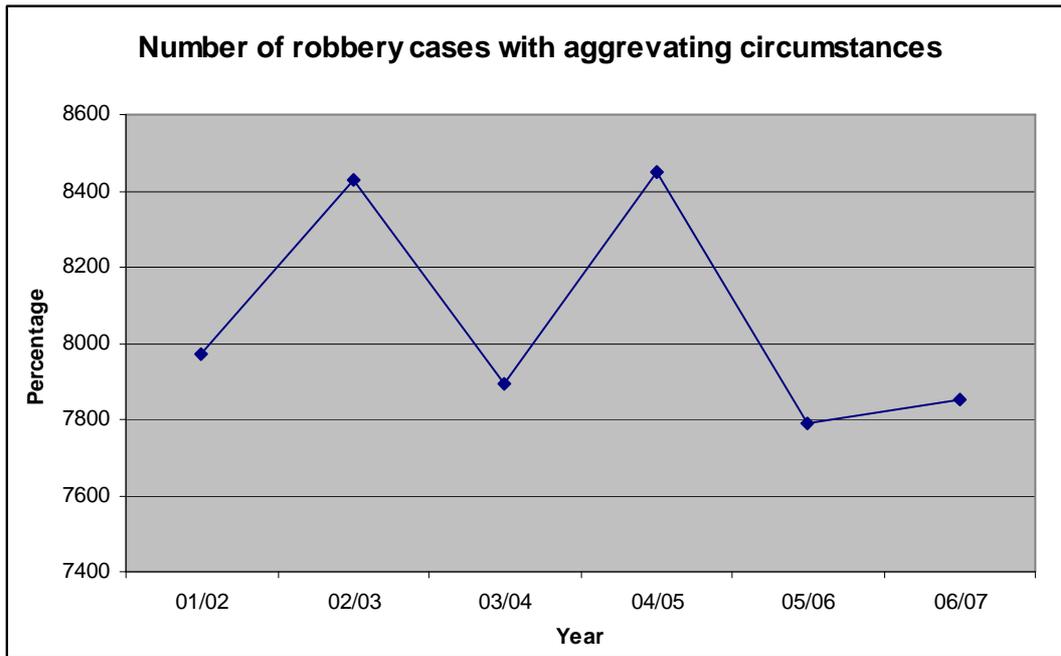


Source: Health Systems Trust, 2008

Consistent with the adult mortality rate, figure 56 shows that life expectancy at birth decreased by five years between 1996 and 2008.

The issue of reducing crime and enhancing stability has been central to government policies. The strategy and plans of the government in this regard have been anchored with the National Crime Prevention Strategy. This strategy led to the formulation of the Provincial Crime Prevention Strategy. There is evidence that the government is beginning to make an impact on the crime situation. Serious crime levels in the country are continuing to come down or are stabilising.

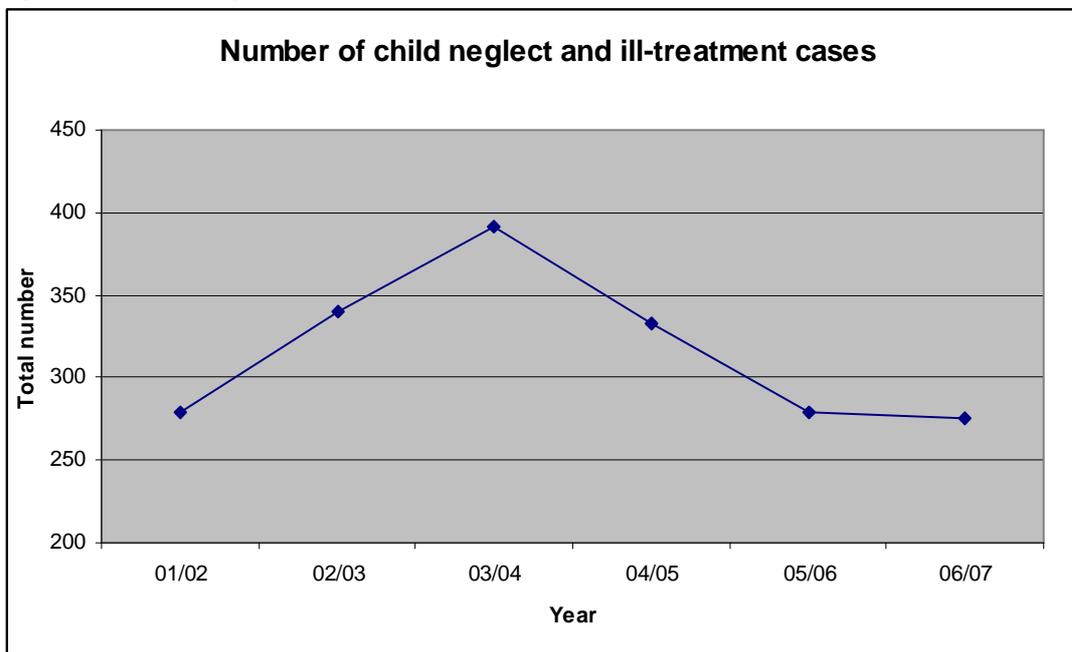
Figure 57: Robbery with Aggravating Circumstances (2001 to 2007)



Source: SAPS, Crime Statistics in Department of Safety and Security, 2008

Figure 57 shows that in Limpopo Province aggravated robbery has been generally decreasing since 2001.

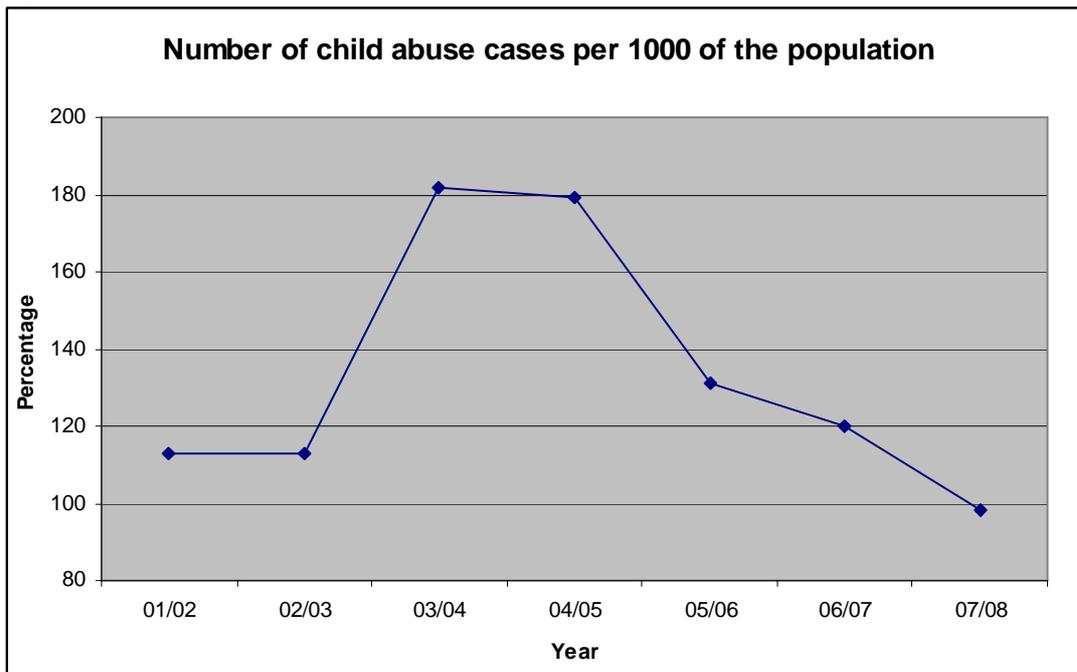
Figure 58: Child Neglect and Treatment Cases (2001 to 2007)



Source: SAPS, Crime Statistics in Department of Safety and Security, 2008

Figures from the above crime statistics show that the number of neglected and ill-treated children is on the decline, as shown in figure 58.

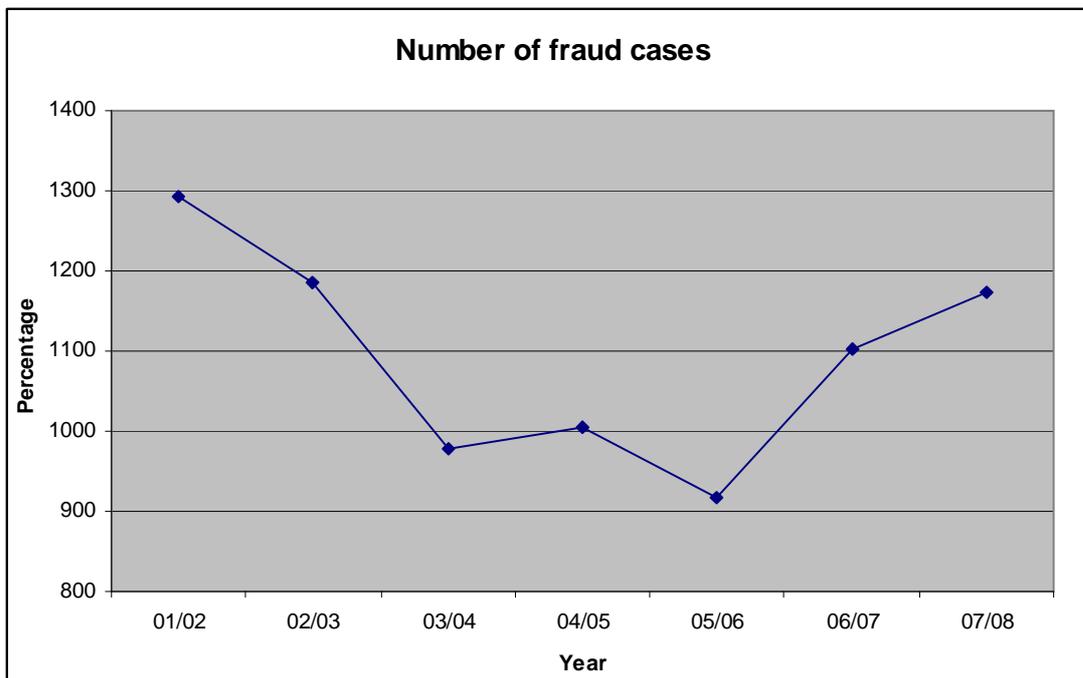
Figure 59: Child Abuse Cases per 1000 of the Population (2001 to 2008)



Source: SAPS, Crime Statistics in Department of Safety and Security, 2008

As shown in figure 59, the number of reported abused children rose sharply between 2002 and 2003. Since then the figure has dropped significantly.

Figure 60: Number of Reported Fraud Cases (2001 to 2008)



Source: SAPS, Crime Statistics in Department of Safety and Security, 2008

Figure 60 shows that the number of fraud cases declined from 1,300 in 2001 to less than a thousand in 2003, but increased to just below 1,200 in 2008.

Murder is one of the most reliable statistics related to crime trends due to the fact that almost all murders are reported and recorded.

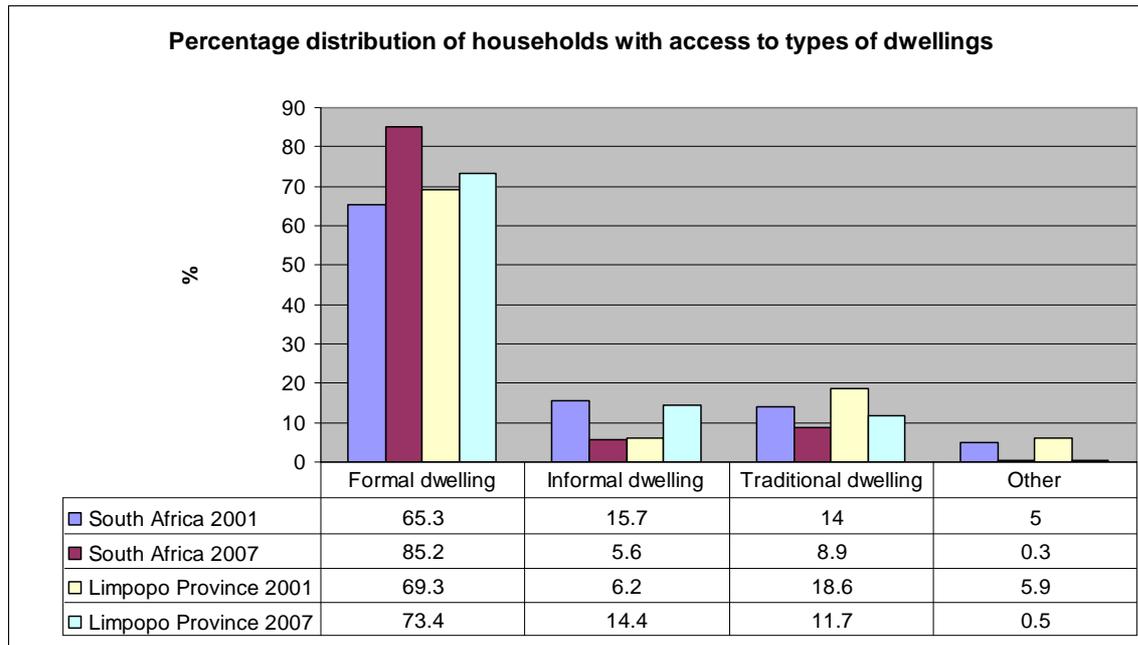
Source: SAPS, Crime Statistics in Department of Safety and Security, 2008

Figure 61 indicates that, over and above Limpopo being a peaceful province, the murder rate in the province has decreased from 16.1 per 100,000 to 12.9 in 2007/08

Meeting the basic needs of the population

Government is committed to providing access to housing, electricity, water and sanitation as basic services. A further commitment is to ensure that access to these basic services is not solely determined by the ability to pay. Consequently, government provides free basic services to poor households at 6 000 litres of water a month and electricity worth 50kwh per month. The following diagram shows the distribution of households with access to different types of dwellings in Limpopo.

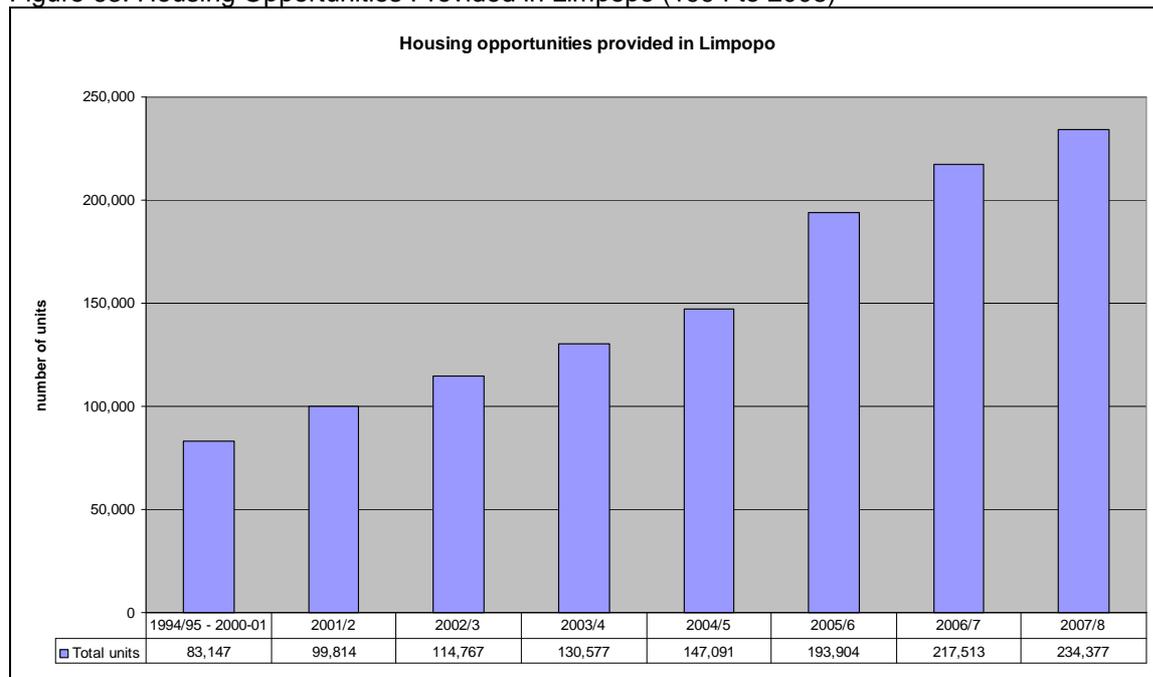
Figure 62: Distribution of Households per Types of Dwellings



Source: StatsSA

Figure 62 indicates that both formal and informal dwellings are increasing, whereas, traditional dwellings are decreasing. Despite the phenomenal increase in the provision of housing opportunities the Province is not fully meeting the demand. However, one of the major successes in the Province is the provision of housing opportunities.

Figure 63: Housing Opportunities Provided in Limpopo (1994 to 2008)

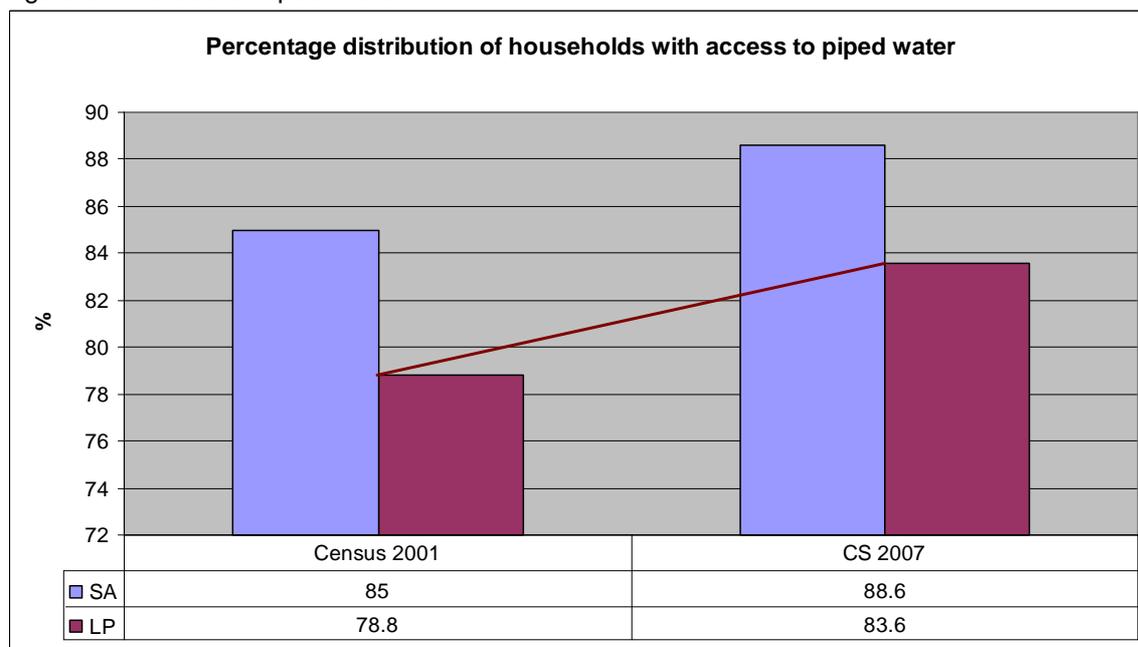


Source: Department of Local Government and Housing, 2008

As shown in figure 63, the Province has created 234,377 housing opportunities, which includes serviced sites, rural and urban housing, emergency houses, farm-worker houses, People's Housing Process (PHP) and institutional / rental units.

Government is committed to providing access to electricity, water and sanitation as basic services. A further commitment is to ensure that access to these basic services is not solely determined by the ability to pay. Consequently, government provides free basic services to poor households: 6 000 litres of water a month and electricity worth 50kwh per month.

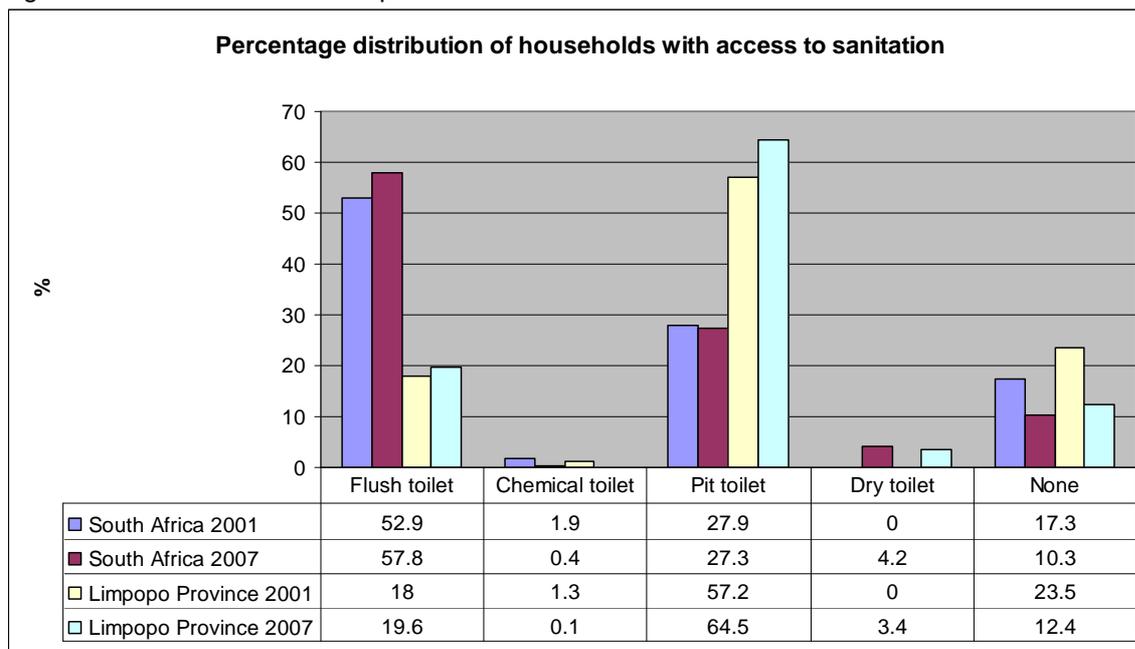
Figure 64: Access to Piped Water



Source: StatsSA, 2008

Despite the increase in the access to piped water, Limpopo is, however, still below the national average, as shown in figure 64.

Figure 65: Access to Sanitation per household



Source: StatsSA, 2008

These findings in figure 65 illustrate an increase in the percentage of households in Limpopo receiving intermediate or full access to sanitation (Flush Toilet or Chemical Toilet) between 1996 and 2001. However, due to a greater number of households surveyed in 2001 (1 117 965) compared to 1996 (984,457), the percentage of households with below basic facilities (bucket latrine or no facility whatsoever) is greater in 2001. The increase in the number of households with pit latrines poses a significant risk to underground water sources. This illustrates a delivery challenge that still exists.

Figure 66: Access to Electricity

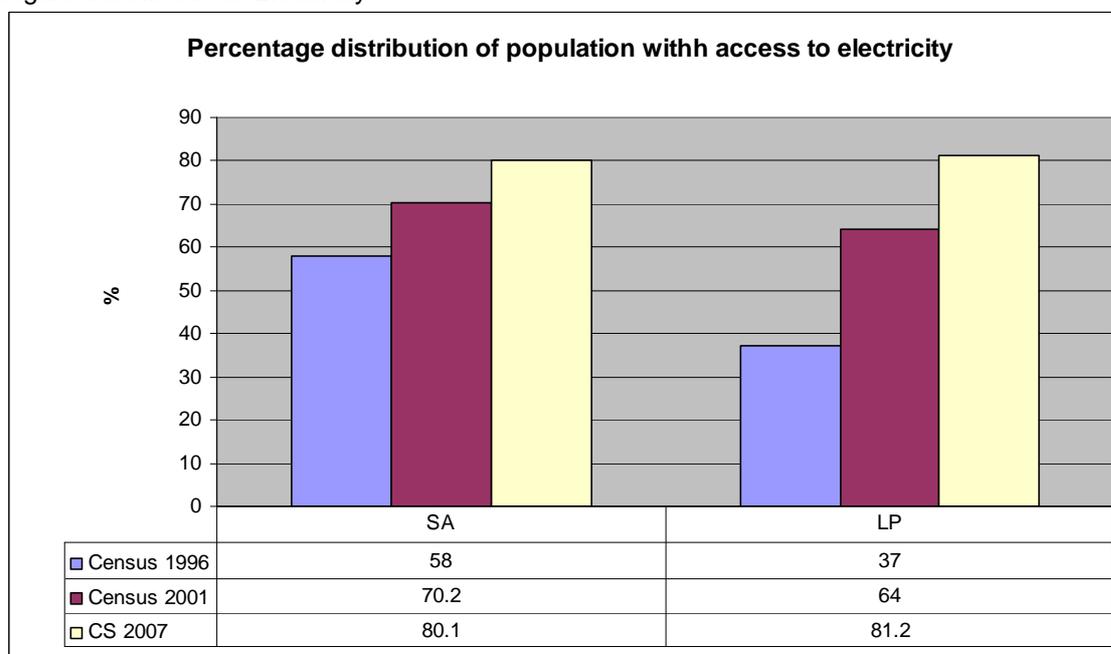


Figure 66 shows that Limpopo Province has had a comparatively successful programme of electrification despite being the least urbanized province in the country. The rate of rural connections rose from 38.8% in 1997 to 58.1% in 2001, while the rate of urban connections has risen from a fairly high level of 74.61% in 1997 to 87.5% in 2001. Limpopo has a slightly higher rate of access than the rest of the country.

There are at least seven types of grants currently administered by government and these are targeted at pensioners, poor families with children, war veterans, foster care, and grants in aid of families taking care of children and people in need. Research shows that grants are exceptionally well targeted.

Source: South African Social Security Agency (Limpopo), 2008

Figure 67 shows that there has been an increase in all types of grants given to beneficiaries since 2004. The targeting of these grants has been very effective in reducing the income dimension of poverty.

CHAPTER 6

IMPLICATIONS OF THE FIFTEEN YEAR REVIEW

The findings of the Review have been highlighted in the previous chapters. In order to give meaning to the findings, it is imperative to **consider** their implications. Generally, the findings indicated that the Province has achieved most of the goals set out in the various manifestos. However, there are still some challenges that need to be attended to as outlined below.

Institutional Efficiency and Effectiveness

The report revealed that the Province has the required capacity to carry out the mandates of the ruling party even though there are challenges. The reports also established the following implications:

- The collective decision-making process through the cluster committee system was found to be functioning well for as long as the decisions are followed up and implemented. This implies that the shared vision and integrated service provision should be enhanced.
- The purpose of the reconfiguration of departments is a noble idea. However, those department which had most changes in leadership are facing continuity challenges, which in turn, impact negatively on management and good governance.
- The report revealed increased improvement in overall budget spending. Challenges still remain in ensuring that the Province invests in public infrastructure. The implication of this is that the backlog inherited from the former homelands remains unattended or in some cases even increasing. Concerted effort should therefore, be made to address the infrastructure backlog.
- Financial management capacity was found to be improving steadily in the provincial sphere of government but remains a challenge in municipalities. The Five Year Local Government Strategic Agenda and the various supporting programmes such as Siyenza Manje and Project Consolidate will go a long way to assist municipalities in this area.
- Much of the compliance in providing feedback on reported cases of alleged corruption is impressive. The perception that there is increasing corruption in government persists. It is therefore, imperative for the Province to step up the management of anti corruption and that it communicates its efforts adequately.
- Public service is well staffed by employees who have the required qualifications; the challenge is however, regarding the organisational culture and competence, which impacts on the quality of services. Strategies need to be developed to deal with these challenges noting the difficulty of managing and measuring competence.
- Appropriate skills shortage has been identified as major obstacle in improving service delivery and in reducing unemployment.
- The HRD Strategy will go a long way to address this challenge provided it is given priority attention with regard to funding.

Growing the Economy

Over the past fifteen years, the provincial economy has been growing, primarily as a result of mining, but not fast enough to create sufficient jobs and to improve the contribution of the provincial economy to that of the country.

- The following factors slow economic growth & job creation:
 - Insufficient investment in economic infrastructure such as roads and telecommunications;
 - Lack of access to production factors such as land;
 - Insufficient beneficiation within the Province; and
 - Lack of relevant skills necessary to grow the economy.

- Taking into consideration the mandate, resources, and the current socio-economic situation, the building skills is the most critical intervention that the Province can engage in.
- The period under review saw a revolution in Information and Communications Technologies, the consolidation of globalisation, reflected in the integration of financial markets and its mismanagement, leading to the current economic melt - down. The international outlook remains fragile reinforced by lingering concerns around geopolitical tensions and unresolved international trade issues.
- It is therefore imperative to invest in ICT related programmes, particularly in the information society to enable the communities to participate in the growing economy of the Province.
- One of the major consequences of the apartheid system is that “two economies persist in one country” the first is an advanced sophisticated economy based on skilled labour which is becoming more globally competitive. The second is mainly informal, unskilled and those unemployable in the formal sectors. Despite impressive gains made in the first economy, the benefits of growth have yet to reach the second economy. Within Limpopo's context, the benefits of mining have to accrue to the local communities as well.
- This review suggests that the below average growth in the agricultural sector, which has the potential of creating jobs, can be remedied by among other things, the following:
 - Engaging in focussed programmes to increase productivity in the farms;
 - Development of a comprehensive land transfer system that will include the effective joint management of water and land rights;
 - Comprehensive restitution programmes whereby, farms are restituted as “going concerns”;
 - Provision of skills, resources, and support to “true” emerging farmers, rather than individuals who want to own farms as a lifestyle choice; and
 - The creation of marketing opportunities for farmers.
- Whilst the number of tourists has been increasing, the Province has to attract even more tourists through sustaining its marketing campaigns. In addition, the Province can utilise its varied scenery and rich culture to exploit opportunities in the film - making industry. The isolation and promotion of mining, agriculture, and tourism, should not derail the Province from ensuring that the structure of the economy is more balanced without being too dependent on the primary sector.

Cross Cutting Priorities and Regional Integration

- In its efforts to combat HIV and AIDS the Province is successfully implementing the national Comprehensive Plan for HIV and AIDS, as well as the Inter-sectoral Strategic Plan for HIV and AIDS for 2007 to 2011. More health facilities are providing services to more people. The success in managing HIV and AIDS is witnessed by the downward HIV prevalence trends. However, the rising prevalence rate for the 20 to 24 age group is worrisome.
- Despite the concerted efforts to effectively manage TB, the outcomes remain below expectation. Addressing these challenges has to remain a priority of the Province.
- The provincial government plays an important role in the quest to eradicate poverty. Through its procurement processes, most of the provincial expenditure is benefiting previously disadvantaged individuals. In addition to the public service Supply Chain Management Policy, focussed programmes to promote and monitor Broad Based Black Economic Empowerment within the provincial economy would assist deracialising the mainstream business sector.
- Through the improved management of the EPWP programme there are more skills provided to people who need them, and more jobs are produced for the unemployed. The second phase of this programme is expected to provide even more jobs, through an aggressive approach that will see more money being allocated by the National Treasury to incentivise the achievement of targets should receive priority support by all departments.
- The recently launched war-on-poverty campaign as part of the National anti-poverty strategy has laid a firm foundation for cross-sectoral and intergovernmental coordination of development programmes. As a newly developed programme it is still fragile and needs to be nurtured until it is fully institutionalised. Regarding to the Integrated Sustainable Rural

Development Programme, the Province has invested significant resources in the development nodes in the Province, specifically Sekhukhune District. However, there is a need to keep proper records on the investment, so as to be able to ensure accountability for the investment made.

- The nine provincial apex projects that were selected towards the final years of the last term have not been fully achieved. Most of these are well on the path to success and thus require to be sustained. The capacity to effectively monitor and evaluate key priorities in the Province is a weakness that the Province needs to address. This weakness is further exacerbated by the weak record-keeping practices dominating the administration.
- Whilst the impact assessment of the MOU signed between the Province and other countries/regions is still to be finalised, this review suggests that going forward, the Province will have to focus on their implementation. Future cooperation arrangements and interactions have to be entered into based on concrete plans and programmes. This also means that provincial investment promotion campaigns are to be supported by well-packaged projects.
- South Africa has demonstrated a strong commitment to promoting the interests of the African continent. Limpopo being viewed as a gateway to the rest of Africa and bordering on three countries has to - more than most other provinces - focus on cooperation and coordination with these countries. This will require an integrated and focused manner in dealing with the three countries bordering the Province, including regular cross-border meetings. The improvement of the provincial regional integration programme will enable the Province to benefit economically, socially, and culturally from the African Renaissance.

Improving the Quality of Life of the Population

The province has succeeded in improving the quality of life of our people in a number of ways.

- It has been acknowledged that ECD provides an important basis for all future learning. It was found that though the national targets to implement ECD are still to be effected, Limpopo has already fully implemented the programme making it one of the few provinces with a successful ECD programme. This should be sustained. However, it was found that about 18,000 children of school going age were not in class in 2007. This has to be attended to as a matter of urgency.
- The general performance of the school system as measured by grade 12 results has generally been improving over the period under review. However, over the past few years the number of exemptions has been declining. Having ensured access to education, the key focus in the next period should be to improve the quality of the education system.
- Despite the increasing enrolment in ABET, 564,000 people above the age of 15 years cannot read or write. These numbers suggest that ABET outcomes should be increased Substantially to achieve stated targets. It is planned that the Mass Literacy Campaign, *Kha ri gude*, should be able to assist the province and the country to eradicate illiteracy.
- The Province has achieved great strides in ensuring that the people of the Province have access to health services. There is a need to focus more on all elements of quality, specifically related to human resources, provision of medicines, emergency medical services, support services such as laundry, and the improvement of waiting times. In order to increase the number of health professionals, the building of a medical school and the related teaching hospital is in progress.
- The Province has succeeded on many fronts including the many children in conflict with the law and providing services to people with special needs. The areas that need further attention include the building of synergy in the provision of youth services, the empowerment of rural women in the same way as others, the prioritisation of the employment of people with disabilities, and the reversal of the tendency to focus on evens when dealing with issues concerning special categories.
- Much as the Province continues to remain peaceful. There is a need to reduce the levels of crime even more. This can be enhanced through increased engagement with the community. The Justice, Crime Prevention, and Security Cluster coordination at provincial level is currently weak and in order to improve the criminal justice system, it is an area that needs more attention. This has been noted and is in the process of being addressed.

- Even though progress over the fifteen years has been impressive, the Province can still improve. Despite obvious pockets of non-delivery, the provision of housing, water, sanitation, and electricity is commendable. Going forward, the provision of water and sanitation should remain a key focus area. In this regard, the province should continue to seek dedicated funding for the province-wide integrated bulk water infrastructure.

Recommendations

1. Reconfiguration of departments and the appointment of leadership should be stabilised to ensure continuity in the implementation of government programmes.
2. Recruitment and the retention of specialised skills such as financial management, engineering, planning, monitoring and evaluation, and management should be given priority.
3. Agreements should be entered into with local institutions of higher learning to design and provide short intervention courses to capacitate and enhance skills of public servants who are already in service. The courses should have national and international exposure components on best practice.
4. The initiative on competency assessment should be enhanced and results used for appropriate placement of existing staff. This should however, not be used as a punitive measure for any other purpose, other than improving efficiency and performance.
5. The anti-corruption initiatives which are in place should be enhanced and should be given priority attention, in order to deal with corruption issues decisively. These initiatives should be accompanied by intensive communication to inform both the public service and the public, on the actions taken against corrupt individuals.
6. Skills development fund should be established with contribution from both the government and the private sector, in order to fully implement the Human Resource Development Strategy, which will be responsive to the economic growth needs of the Province.
7. A Growth Fund should be established with contributions from both government and private sector to deal with public infrastructure backlogs, which have a negative impact on projects of economic value.
8. Major economic infrastructure projects should be packaged and implemented through Public Private Partnerships.
9. Projects identified through investment promotion should be packaged and be used for future outward and inward investment promotion missions.
10. Province-wide bulk water infrastructure and sewer system infrastructure projects should be packaged and dedicated funding sought, as special projects to deal with the backlog.
11. Review the land claims management process, with possible amendment to legislation, to ensure that claimed land is transferred with the required resources, including water rights.
12. Enter into an agreement with Botswana, with a view of managing cross border development and issues including the management of communicable diseases.
13. Conduct specific focussed studies on the following in view of the changing Provincial socio-economic landscape:
 - Determination of baselines;
 - Factors influencing the young nature of our provincial population;
 - Impact of special programmes;
 - Impact of social cohesion programmes; and
 - Impact of remittances from migrants on the provincial economy.

SELECTED SOURCES AND FURTHER INFORMATION

The following list of selected sources is presented to assist readers in sourcing further information in relation to the areas dealt with in this document:

1. Reports from Statistics South Africa can be found on their website, www.statssa.gov.za
2. The National 15 Year Review, the Development Indicators: 2008, Scenarios 2025: The Future we Chose, as well as other reports from the Presidency can be accessed on the presidency's website, www.thepresidency.gov.za
3. National departments' websites can be accessed through the main website of government www.gov.za and those of provincial departments at www.limpopo.gov.za.
4. The website of the Health Systems Trust, www.hst.org.za, which contains information on health.