



NDA

National
Development
Agency

Strategic Plan 2020/25



social development

Department:
Social Development
REPUBLIC OF SOUTH AFRICA



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SOUTH AFRICAN SOCIAL SECURITY AGENCY

FOREWORD BY THE MINISTER OF SOCIAL DEVELOPMENT

It is my pleasure to present the National Development Agency (NDA) Strategic Plan for the 2020/21 – 2024/25, which aims to set a renewed trajectory for the NDA, intrinsically aligned to the needs of the South African people.

The NDA strategic planning process was preceded by a number of key expectations that the organisation would need to explicitly consider and implement in the coming five (5) year period. Among these were The Presidency's 25-Year Review of the Service Delivery Performance of the Democratic Government of South Africa; the National Development Agency Act, 1998 (amended 2003); the Portfolio Committee's Legacy Report; Auditor-General's reports; the resolutions and electoral mandate of the African National Congress (ANC); the Makgotla; the Portfolio Committee's Workshop on Outcomes' Planning, Implementation and Reporting; the National Development Plan's (NDP) Five Year Implementation Plan; Cabinet's seven (7) priorities that should be implemented during the 2019 — 2024 medium-term strategic framework (MTSF); the State of the Nation Address (SONA), my 2019 Budget Vote; and the need to define South Africa's next twenty-five years (2020 — 2045) in a developmental frame.

The NDA strategy takes into consideration the inclusion of key development-specific imperatives that various prescripts and considerations are directing us to deliver on. Beyond

theory, and in proportions far greater than ever before, the NDA must go to the people. Thus, in developing both the strategy and the annual performance plan (APP) of NDA, it was crucial to continuously refine how the organisation would deliver "development" through the adopted District Development Model.

The 2020/21 – 2024/25 Strategic Plan followed instruction from the sections 4 (2) (a) and 3 of the National Development Act, 1998 which overwhelmingly directs the NDA to "do everything which is necessary to" primarily "contribute towards the eradication of poverty and its causes" and, secondarily, promote "development" and assume the thought leadership on matters relevant to "development policy". It is clear that this is NOT a call to think outside of the box, but rather to create the box!". Aligned to this, the proposed Strategic Plan aims to set the NDA on a pathway to assume its rightful position as South Africa's Premier Development Authority.

I am confident that the proposed Strategic Plan presented here will elevate the NDA on a renewed trajectory to take up its space as the Premier Development Agency of South Africa; relative to the realisation of the South Africa we want. In doing so, the NDA will align itself to the NDP 2030 vision towards eliminating poverty in South Africa by 2030. It is my hope and belief that through the NDA, our people will not only be self-providing, but they can be patriotic economic contributors.



Minister Lindiwe Zulu

FOREWORD BY THE ACCOUNTING AUTHORITY OF THE NDA

This strategic plan offers the NDA a watershed opportunity to redefine itself within the New Dawn and in line with the agenda of Renewal and Hope proclaimed by President Cyril Ramaphosa. The pathway towards the actualisation of the ideals of the New Dawn begin with the NDA repositioning itself and rediscovering its mandate as a premier agency for social-and-community development. This commitment sets the NDA on a strategic trajectory with a clearer vision and mission.

The notion of Khawuleza calls on the renewal and rebuilding of our institutions to have a sense of urgency. The Khawuleza District Model of Service Delivery seeks to return us to an integrated, cooperative and collaborative approach of delivering services to South Africans. The NDA will focus intensely on pursuing strategic partnerships with Civil Society, Private Sector and various spheres of government in implementing the District Development Model. This approach firstly begins with the collaboration

within the Social Development Sector and will be guided by the Portfolio Approach, whose emphasis is on the collective and integrated approach to development. The integrated approach to development will not be limited to Social Development but will manifest vertically across the spheres of government and horizontally across the relevant funding agencies.

The NDA will develop a Turnaround Strategy in the 2020/2021 financial year. The Turnaround Strategy will, amongst others:

- Define clearly our relationship with Civil Society Organisations;
- Review the service delivery model of the NDA;
- Establish the typology of CSOs and re-affirm our niche in serving them;
- Review the structural configuration of the NDA;
- Interface with the International Donor Funding and the Corporate

- Social Investment;
- Develop the NDA's Transformative Agenda for the NDA; and
- Review the Decentralisation Model.

Whilst we must rediscover and renew our mandate and chart a new pathway, the NDA equally recognizes the need for internal organizational transformation and will resolutely focus on instituting a change management process underpinned by a return to excellence and value driven leadership. This rebuilding of the institution should include a conscientious focus on good governance and accountability.

OFFICIAL SIGN-OFF

It is hereby certified that this Annual Performance Plan:

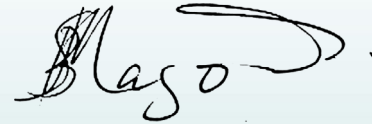
- Was developed by the management of the National Development Agency (NDA), under the guidance of Governing Body.
- Takes into account all the relevant policies, legislation and other mandates for which the NDA is responsible.
- Accurately reflects the Impact, Outcomes and Outputs which the NDA will endeavour to achieve over the five (5) year period of the 2020/21 – 2024/25 financial years.



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Corporate Services



Susan Khumalo
Chief Operations Office



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Research Development Executive



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Hon. Ms Lindiwe Zulu, MP
Minister of Social Development



Zamandlovu Ndlovu
Acting Board Chairperson

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LIST OF ACRONYMS

3IR	Third Industrial Revolution	MTSF	Medium Term Strategic Framework
4IR	Fourth Industrial Revolution	NDA	National Development Agency
CAGR	Compound Annual Growth Rate	NDP	National Development Plan
CPI	Consumer Price Index	NPL	National Poverty Line
CSO	Civil Society Organisation	NPO	Non- Profit Organisation
DCP	Development Corporation Provider	PC4IR	Presidential Commission on the Fourth Industrial Revolution
DSD	Department of Social Development	PFMA	Public Finance Management Act
ECD	Early Childhood Development	RDP	Reconstruction and Development Programme
EE	Employment Equity	SASSA	South African Social Security Agency
EEA	Employment Equity Act	SDG	Sustainable Development Goals
FPL	Food Poverty Line	SMME	Small, Micro and Medium Enterprises
IES	Income and Expenditure Survey	STEM	Science, Technology, Engineering and Mathematics
KPI	Key Performance Indicator	SWOT	Strength, Weakness, Opportunity, Threat
LBPL	Lower Bound Poverty Line	UBPL	Upper Bound Poverty Line
LCS	Living Conditions Survey	VAT	Value Added Tax
M&E	Monitoring and Evaluation		



PART A

PART A: OUR MANDATE

The National Development Agency (NDA) is an agency of government that reports to Parliament through the Department of Social Development. The NDA is classified as a public entity under schedule 3A of the Public Finance Management Act, 1999 (Act No. 1 of 1999), and was established in November 1998 by the National Development Act, 1998 (Act No. 108 of 1998) (NDA Act) as government's response to the challenge of poverty and its causes in South Africa.

The NDA plays a critical role in contributing towards shifting the country from the scourge of poverty towards poverty eradication. Through the Act and various policies, the NDA contributes to – but is not limited to – the advancement of economic development, social cohesion, access to basic human rights and lastly, skills development. This contribution of the NDA supports the National Development Plan (NDP) 2030 outcomes for a greater and better South Africa.¹

The diagram below presents a non-exhaustive list of the legislative and policy mandates of the NDA that will be discussed further:



Figure 1: NDA's Legislative and Policy Mandates

1 Constitutional mandates

The NDA strategic intentions and objectives are guided by the requirements of Chapter 2 of the Constitution of the Republic of South Africa. Chapter 2 of the Constitution outlines the Bill of Rights which sets out the fundamental rights of all South Africans, including the right to dignity and the right to equality. The Bill of Rights also states when rights may be limited.

The NDA-legislated mandate requires the NDA to contribute towards poverty eradication and its causes, thus responding to the Bill of Rights to affirm the rights to health care, food, water, social security, children and education rights.²

¹ NDA website

² NDA Strategy 2016-2021

PART A: OUR MANDATE

2 Legislative mandate

NATIONAL DEVELOPMENT AGENCY ACT

The NDA's mandate is derived from the National Development Agency Act, 1988 (Act No. 108 of 1998). In terms of the Act, the primary objective of the NDA is to contribute towards the eradication of poverty and its causes by granting funds to CSOs for the purposes of:

- (a) carrying out projects or programmes aimed at meeting the development needs of poor communities; and
- (b) strengthening the institutional capacity of other CSOs involved in direct service provision to poor communities.

The secondary objects of the NDA in terms of the Act are-

- (a) to promote-
 - (i) consultation, dialogue and sharing of development experience between CSOs and relevant organs of State; and
 - (ii) debate on policy development
- (b) to undertake research and publication aimed at providing the basis for development policy.

Further, the agency is required to implement programmes that respond to the following areas of responsibilities:

- (1) The NDA must -
 - (a) Act as a key conduit for funding from the Government of the Republic, foreign governments and other national and international donors for development work to be carried out by civil society organisations.
 - (b) Develop, conduct and co-ordinate policy relevant to its objects referred to in section 3;
 - (c) Contribute towards building the capacity of CSOs to enable them to carry out development work effectively; and
 - (d) Create and maintain a database on CSOs, including, but not limited to, the scope and subject matter of their work and their geographical distribution, and share the information in that database with relevant organs of State and other stakeholders.
- (2) The NDA may –

- (a) Grant money from its funds –
 - (i) in accordance with such criteria and procedures as the NDA determines; and
 - (ii) with due regard to the NDA's primary object referred to in the NDA Act to any CSO for any project or programme that an organisation intends to undertake or is undertaking;
 - (b) Make recommendations with regard to legislation and policies directly or indirectly constraining effective development in the Republic.
 - (c) Exercise and power conferred by any other provision of this Act; and
 - (d) generally, do everything which is necessary to achieve its objects referred to in Section 3
- (3) Any grant in terms of subsection (2)
 - (a) to any civil society organisation may not be distributed to its members or office bearers except as reasonable compensation for services rendered.
 - (4) Any civil society organisation to

which a grant is made in terms of subsection (2)(a) must submit to the NDA

(a) audited financial statements regarding the use of that grant at the intervals and in the form prescribed by regulation in terms of section 13; and

(b) in respect of each financial year of the organisation, a comprehensive, narrative report containing-

- (i) an analysis of every project or programme in respect of which that grant is made and a description of all other activities of the organisation; and
- (ii) an audited financial report, not later than the date prescribed by regulation in terms of section 13.

(5) Any grant in terms of subsection (2)(n) must be sufficient to defray the expenses which the civil society organisation in question will have to incur in order to comply with subsection (4).

PART A: OUR MANDATE

3 Policy Mandate

The NDA's functions are guided by the National Development Plan (NDP), the Medium-Term Strategic Framework (MTSF), Sector Plans and the United Nations Sustainable Development Goals (SDGs).

3.1 NDP 2030

The aim of the NDP is in line with the NDA's mandate. The NDP aims to reduce inequality and eliminate poverty by 2030.

The NDP is grounded on six (6) pillars, which outlines objectives to be achieved by 2030 and the intended outcomes.

From the 13 outcomes, the NDA contributes towards seven (7):

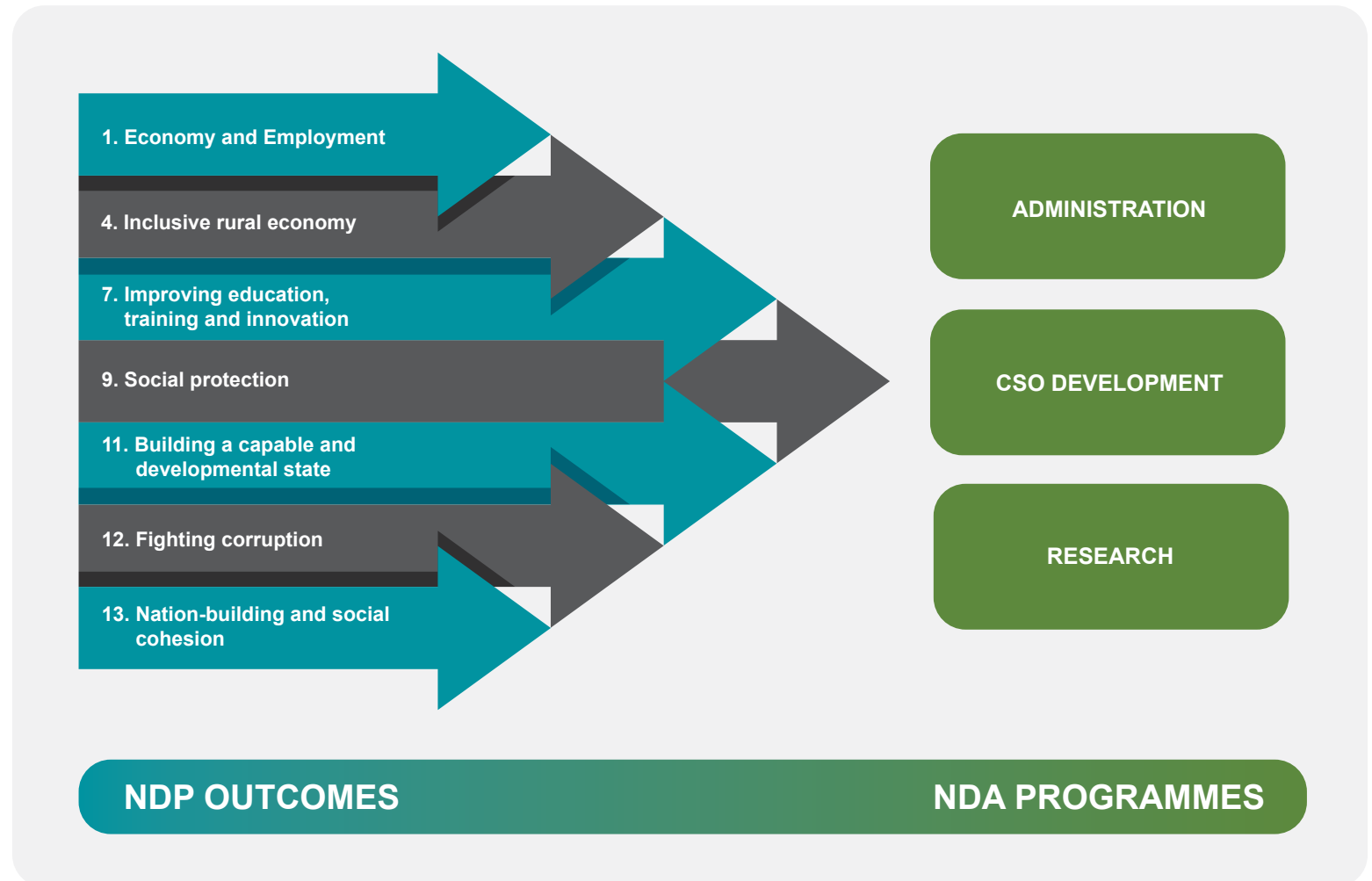


Figure 2: NDP Outcomes and NDA Programmes

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The NDA aims to contribute towards social protection and nation-building and social cohesion through using Civil Society Organisations (CSO's) as a mechanism to access and develop communities. The NDA uses its presence in civil society to facilitate certain interventions, create dialogue regarding community targeted issues as well as raise awareness regarding other social ills such as Gender-Based Violence (GBV).

As per the District Development Model, the NDA will use targeted interventions in rural and remote areas – in the language of the people – and in the identification of vulnerable groups, capacitation of CSOs as well as the support provided in order to optimize the accessibility of services, resource allocation and ensure intended outcomes are reached.

The NDA also contributes towards, economy and employment and inclusive rural economy which are addressed through CSOs as well as through the development of strategic partnerships with other organisations.

Through engaging various stakeholders, – state organs, civil society constituencies, research institutions, higher education and training institutions and business – developing research publications that contribute to development policy and practice and capacitation CSOs operating in various sectors, the NDA will contribute towards improving education, training and innovation in the country. The NDA will also contribute towards building

a capable and developmental state. This will be achieved through the optimization of the organisation's processes which includes the implementation of the ICT masterplan. Through running a clean administration and developing internal frameworks that ensure good governance the NDA will enable the fight against corruption.

3.2. Medium Term Strategic Framework (MTSF)

The NDP has been divided into 5-year components with the MTSF as an implementation and monitoring tool. In the attainment of the 2030 goals, the MTSF identifies the priorities to be undertaken during the five (5) year strategic period. The NDA's 2020/21 – 2024/25 strategy is also informed by the MTSF and contributes towards the 7 priorities:

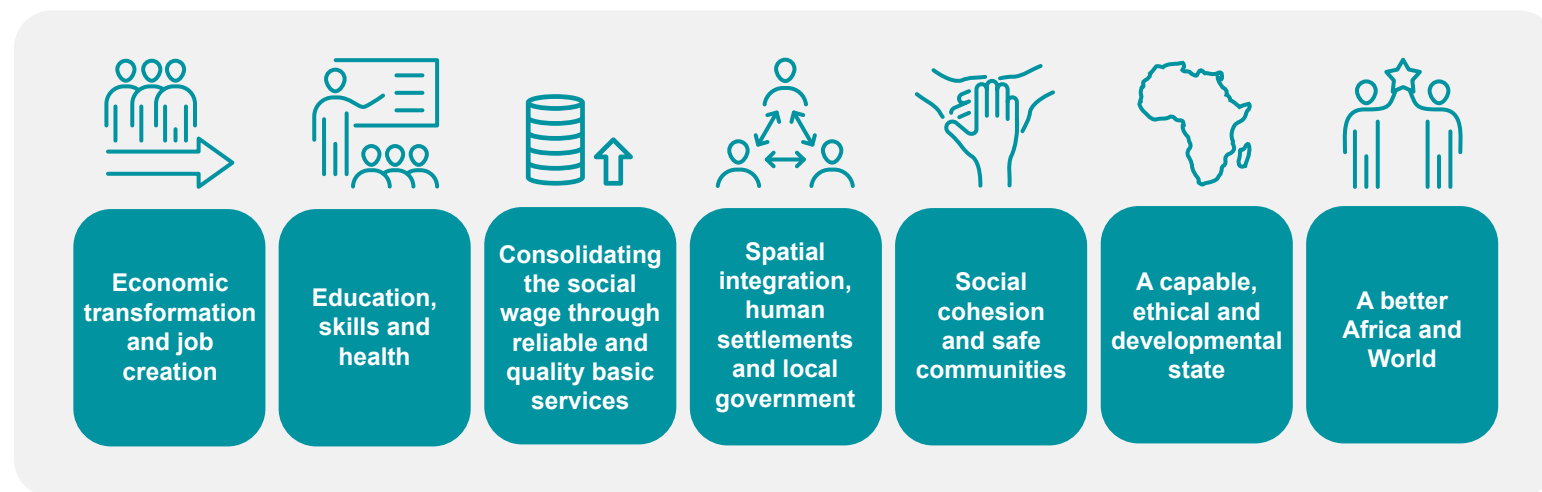


Figure 3: MTSF 7 Priorities

PART A: OUR MANDATE

4 Institutional Policies and Strategies over the five-year planning period

Sector Plans

The revised framework for Strategic Plans and Annual Performance Plans states that the National Department of Social Development (DSD) carries the following five (5) key functions:

- a) Coordinate the development and review of sector-specific plans.
- b) Coordinate the standardisation of indicators for the sector.
- c) Coordinate the development and review of provincial uniform budget programme structures in line with the National Treasury Framework.
- d) Assessment of Strategic and Annual Performance Plans of their provincial concurrent function departments.

- e) Information on concurrent functions across all spheres of government.

Social Development focuses on the need to “put people first” in development processes, hence the Social Development Sector promotes social inclusion of the poor and vulnerable by empowering people, building cohesive and resilient societies, and making institutions accessible and accountable to citizens.

The Social Development Sector Strategic Plan is the plan for which the National Minister of Social Development (a concurrent function department) in consultation with Provincial MECs (of Social Development) as well as other DSD entities agree on the impacts, a set of outcomes and outputs, which must be achieved by the Social Development sector. This guides the Strategic Plans, Annual Per-

formance Plans, and Operational Plans of the entire sector in South Africa.

The sector plans to guide the strategic direction of the entire sector. The following outcomes are outlined in the sector plans:

The NDA’s role in the sector is to enable the achievement of the sector outcomes through its strategic direction. In order to achieve outcome 1 (reduced levels of poverty, inequality, vulnerability and social ills) and outcome 2 (empowered, resilient individuals, families and sustainable communities) the NDA will utilise CSOs as a vehicle to implement programmes aimed at meeting the most critical development needs of poor communities. By capacitation, empowerment and engagements with CSOs the NDA will enhance the ability of CSO’s to serve the communities they are

located in, in meaningful ways that contribute towards the reduction of poverty levels and create sustainable communities. A functional, efficient and integrated sector (outcome 3) will be achieved through the NDA’s cooperation with the sector and strategic partnerships within the sector aimed at benefitting CSO’s, with the ultimate beneficiaries being individuals served by the CSO.

The NDA has designed its strategic plan to enable the organisation to collaborate and coordinate its development with the Department of Social Development and the South African Social Security Agency to contribute effectively towards alleviating poverty in poor communities.

³ Department of Social Development Sector Plans, 2020/21 -2024/25

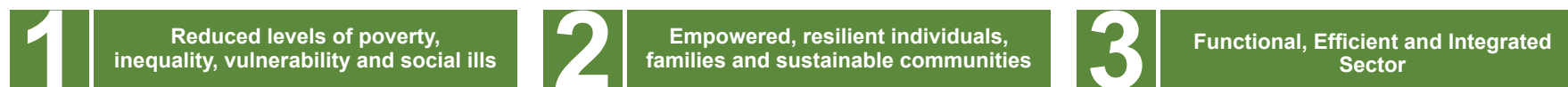


Figure 4: Sector Outcomes for 2020 – 2025³

PART A: OUR MANDATE

Social Development Portfolio

Approach

The social development sector (DSD, SASSA & NDA) has adopted a sectorial approach towards planning, programming and implementation of the sector interventions. The portfolio approach effectiveness is grounded on having a shared and common purposes and goal in planning and implementing their programmes and interventions. The strategic intent of portfolio approach is to also create the linkages and integration requirements with other government departments and agencies, the private sector, and civil society sector to harness resources and focus on improving the quality of life of a South African citizen at community level. It starts with a common and shared strategy development and shared outcomes and impact measures. This allows the sector to identify how they each contribute and shape building a better South African.

The approach will ensure that the social development sector builds strong, reliable and efficient partnerships with the civil society

sector and empower this sector to contribute effectively in building a better South African. The social development sector will also learn how to effectively work with the civil society organisations at local level on how to respond to service delivery challenges and needs of South Africans. The portfolio approach allows the department and its agencies to have combined strategic interventions that provide an overarching direction on bridging the gap between what the welfare services offers and what the development sector offers to the public. The outcome for both of these functions in creating a South African we want residing in a South Africa we all want to live in. The social development portfolio aims at creating an effective ecosystem in the sector to improve coordination, integration, maximising quality of outcomes and impacts to ensure that potential in people to live a better and sustainable livelihood is achieved.

District Development Model

In the State of the Nation address (2019), the President, indicated that Government will

have to undertake improved coordination and cooperation in planning and implementation to ensure the effective implementation of the seven priorities. Consequently, the District Development Model was adopted in 2019 by government. The District Development Model was endorsed by the President's Coordinating Council in November 2019, and requires planning and implementation that is spatially focused at a district level. The model is geared towards improving integration between national, provincial, local government and other organs of state in the implementation of government budget and programmes. Focusing on implementation at a district level will allow for better monitoring and timely delivery of remedies of failures at a local government level and ensure development is carried out collectively with civil society at the grassroots level.⁴

For service delivery, the model requires targeting of the youth, women, people with disabilities, vocational training and labour intensive programmes, review and/redesign of incentives for small businesses, community work programme, training and skills development

and analysis of vulnerable groups, services offered and capacitating small businesses. The aim of this is to bring service delivery to the heart of communities and harness the uniqueness of resources existing at a district level, to enable communities to develop, uplift themselves out of poverty and become self-sustaining, thereby reducing the dependency on state resources.

To summarise, the District Development Model consists of 44 Districts plus 8 Metros, and the model provides an institutional and territorial approach for intergovernmental planning coordination resulting in a Singular (One) Plan for each of the above mentioned 52 areas. Each plan will serve as an intergovernmental, intragovernmental and social compact by providing for long and medium term strategic plans, as well as short term operational plans. The plans will provide the demographic and district profile (i.e. multi-dimensional poverty index, skills audit, social capital index, health index, inequality, service delivery index and stakeholder analysis), governance (i.e. technical support capacity with cooperative, civil

⁴ GCIS 2019

PART A: OUR MANDATE

society and spheres reach), financial, integrated service provisioning, infrastructure engineering, spatial restructuring and economic positioning (i.e. economic opportunity mapping and local economic development through cooperative development).

There are opportunities for the NDA to engage with the District Development Model, especially in the context of policy dialogues on pov-

erty, engaging on the NDA model in relation to cooperative development and also sharing lessons learnt in terms of civil society organisation engagement.

Sustainable Development Goals

The Sustainable Development Goals (SDGs), otherwise known as the Global Goals, is a global agenda consisting of 17 Goals aimed at

ending poverty, protecting the planet and ensuring that humanity enjoys peace and prosperity. It appreciates that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development.

The NDA has prioritised the following key policies and strategies over the

next five (5) years:

- Amendment of the NDA Act
- NDA Turnaround Strategy
- Review of service delivery model
- Strengthen CSO capacity to deliver on the NDA mandate
- Review of the business model
- Strengthening NDA institutional capacity





PART B

PART B: OUR STRATEGIC FOCUS

5 Vision

Championing development for a society free from poverty

6 Mission

A premier development agency that coordinates and integrates development initiatives to break the cycle of poverty in the country

7 Values

As a development agency, we subscribe and promote the following values:

- Integrity
- Accountability and responsibility
- Transparency
- Respect
- Ubuntu
- Innovation
- Excellence



PART B: OUR STRATEGIC FOCUS

8 Situational Analysis

The NDA is a Schedule 3A government entity with the primary mandate of contributing towards poverty eradication. The NDA aims to become the national premier development agency and have a direct impact on policy development. The NDA exists within a global and national context, which has a significant impact on its operating environment. Furthermore, its organisational environment poses challenges and opportunities, which need to be navigated and explored, respectively. Both the external and internal analysis, have been considered in the development of the NDA 5-year Strategic Plan and 2020/21 Annual Performance Plan.

The situational analysis provides an overview of the external environment the organization operates in and the conditions of its internal environment. Methods of analysis used include benchmarking, analysis of the external operating environment, reporting documents, current statistical data and trends as well as inputs from key stakeholders.

8.1. External Environment Analysis

The objective of the external environmental analysis is to ascertain how changes in the operating environment impact the NDA and influence its overall trajectory. Accordingly, the analysis is divided into seven (7) sections: (1) Civil Society Sector Analysis, (2) An overview of poverty in South Africa, (3) A macroeconomic analysis with an emphasis on:- economic growth; unemployment; the Fourth Industrial Revolution and South Africa's education outcome, (4) National government's response to poverty, (5) South Africa's poverty profile (6) The growing informal sector, and (7) A benchmark against similar organisations / countries.

8.1.1. Civil Society Sector Analysis

The civil society sector is often referred to as the third sector which operates outside of the state and of market. It is an important stakeholder in the development of any country, particularly one like South Africa, which seeks to

deepen democracy through the promotion of access to resources by its citizens. Within the civil society sector, there are various types of civil society organisations, such as:⁵

- Development orientated organisations
- Welfare orientated organisations
- Social justice organisations
- Cooperatives and other non-profit but income-producing organisations

The common thread holding all the different types of civil society organisation is their promotion of public and/or social good, to varying degrees.

The growth of the sector has been measured by the number of NPOs that have been and continue to be registered with the NPO Directorate of the Department of Social Development. The total number has been increasing on an annual basis. However, the number of non-compliant NPOs is also very high, with

over 60% of the total registered NPOs being non-compliant.⁶

In the past ten (10) to fifteen (15) years, the civil society sector has deteriorated in its effectiveness to support developmental discourse in South Africa. The civil society sector is confronted with a number of challenges which have led to the funding crisis the sector faces.

In the development of the NDA business case, the following problems the civil society sector faces were identified:

- The sector is fragmented and lacks coherence to present a convincing development agenda and programmes to advance local development.

⁵ *The South African Civil Society Information Service*

⁶ *NDA Business Case 2016*

PART B: OUR STRATEGIC FOCUS

- The sector has been shifted to the periphery regarding the influence on policy and active citizenry, thus making it weak as a key player in formulating national policies on social and economic development agenda.
- The sector is unevenly balanced due to lack of skilled human resources, access to financial resources and demonstration of effective programmes at the community level.
- The majority of organisations in this sector are in a survival mode. This has made them prone to accept any funding – regardless of organisational alignment – and resources to maintain their survivalist nature as opposed to create and expand development programmes at the local level.⁷
- Increasing number of NGO umbrella bodies mushrooming across the country as a result of dissatisfaction from the existing umbrella bodies who would have been custodian of the interest of the sector.

The NDA as one of the major civil society funders in South Africa⁸, driven to move the civil society sector towards a common goal has extensively invested in understanding

the challenges faced by the civil society sector. The coexistence of the civil society sector and the state organs is fundamental in fighting poverty, unemployment and inequalities. The state and the private sector recognises that civil society sector is the most influential sector for debating public discourse⁷ and should, therefore, be included in community development programmes and initiatives.

There is a required need from the sector to demonstrate the impact and beneficial contribution it makes towards development of poor communities across the country, which is one of its key challenges that the NDA assists the sector with achieving through the capacitation of CSOs and grant funding as well as other initiatives the organisation implements in collaboration with CSOs.

8.1.2. Overview of poverty in South Africa

Poverty is defined as the inability of individuals or households to attain sufficient resources to satisfy a socially acceptable minimum standard of living.⁹

The following are various characteristics which determine poverty¹⁰:

- Individual – age (the younger an individual, the more vulnerable to poverty they are), gender, sector of employment, formal education (lower educational attainment), religion and culture
- Community – Access to key services and infrastructure and access to public goods
- Household – household size (larger households), dependency ratio (number of dependents in relation to providers), total value of household assets, gender of head (women led households are more prone to poverty), ages of household members, maximum education attained by any individual.
- Regional – climate shocks (in the case of South Africa climate shocks such as floods and droughts), governance and management (management of poverty alleviation resources), availability of land (land for subsistence farming) and its quality and access to market and services

The characteristics of poverty are observed within the four (4) existing types of poverty in

South Africa. These are, *situational poverty* which is temporary and arises as a result of a crisis or loss; *generational poverty* which occurs when there are at least two generations which have been born into poverty - children who are born into poverty are likely to suffer from poverty into adulthood; *urban poverty* occurs in metropolitan areas with a population size of at least fifty thousand people, the urban poor deal with a complex aggregate of chronic and acute stressors; and *rural poverty* which occurs in areas with populations below fifty thousand people or underdeveloped areas that are segregated from towns, cities and new developments.¹¹

Socio-economic factors are the main causes of poverty in South Africa. Factors such as unemployment, education level, gender disparities, income and household size affect poverty levels. South Africa being one of most

⁷ NDA Environmental Scan Report, 2015

⁸ NDA – The Role of CSOs

⁹ S Ramphoma, *Interdisciplinary Journal*, 2014

¹⁰ World Bank, 2005

¹¹ Jesse, 2006

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inequitable and unequal countries in the world with the richest 20% accounting for more than 61% of overall consumption is indicative of the extent of the poverty challenge the country is facing. The Gini-Coefficient stood at 0.69 in 2018 - its highest since 1994¹² - this is an indicator that economic inequality remains a challenge even in post 1994 South Africa. The unemployment rate remains high and is at 29.1% by fourth quarter of 2019. National job creation interventions have been met with challenging macroeconomic conditions.

In 2015, more than 30.4 million South Africans lived on less than R992 per person per month. The highest levels of poverty were found amongst the African population. Growth in GDP per capita has been nil since 2014 and negative in real terms, which indicate that people are not getting wealthier and directly affects the poverty reduction goals of the country.

Between 2011 and 2015 poverty worsened despite the South African government, international bodies and civil society organisations efforts to mitigate the escalating crisis. The most notable contributing factors to the rising poverty levels are poor responsiveness of poverty reduction policies and programmes; and worsening economic conditions.¹³

In lieu of the escalating poverty crisis, a mon-

ey-metric measure - the National Poverty-Lines (NPLs) Index was developed with the primary purpose of: providing insight when developing targeted developmental policies and programmes towards vulnerable groups and, contributing towards knowledge production for policy development and reform in poverty reduction and eradication.¹⁴ The NPL is constituted by the Upper-Bound Poverty Line

(UBPL), Lower Bound Poverty Line (LBPL) and Food Poverty Line (FPL), as depicted below in per person per month in Rands.

The NPLs were constructed using the cost-of-basic-needs approach and contain both food and non-food components of household consumption expenditure.¹⁵

¹² World Bank, 2018

¹³ ODI Working Paper 258

¹⁴ The NPL is adjusted on an annual basis and is informed by updated data on the Consumer Price Index (CPI).

¹⁵ StatsSA, National Poverty Lines, 2018

Inflation-adjusted National Poverty Lines (2008 - 2018) per person per month in rands

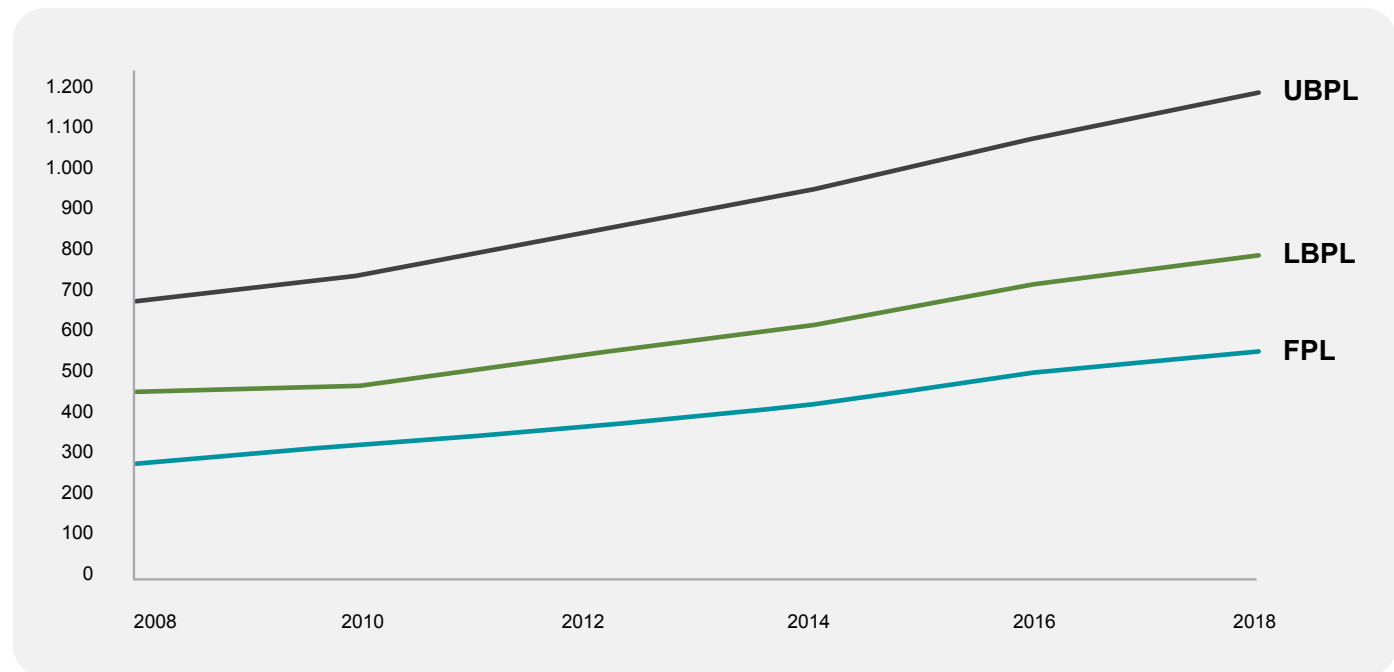


Figure 5: National Poverty Lines

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- FPL – **R547** (in April 2018 prices) per person per month. This is the amount of money that an individual will need to afford the minimum required daily energy intake. This is also referred to as the “extreme” poverty line.
- LBPL – **R785** (in April 2018 prices) per person per month. This is the FPL plus the average amount derived from non-food items of households whose total expenditure is equal to the food poverty line.
- UBPL – **R 1 183** (in April 2018 prices) per person per month. This is the FPL plus the average amount derived from non-food items of households whose food expenditure is equal to the food poverty line.

The rise in the NPL, particularly the FPL implies an increase in the cost of living. FPL is affected by several factors such as changes in the prices of goods and services (a result of the increased VAT rates), the rising cost of poverty eradication which refers to the cost of lifting the poor’s consumption expenditure to the poverty line, and increased inequality in expenditure distribution among the poor.¹⁶ As

a result of escalating poverty there will be an increase in social services demand as more people will require government assistance. This increasing need directly impacts the demand for the NDA’s services and results in added pressure on the NDA’s resources.

The NDA is mandated with contributing towards eradicating poverty and implementing programmes that address the root causes of poverty, to mitigate their impact. The increasing demand for NDA services should be considered in interventions formulation as well as the multifaced nature of poverty. These interventions need to factor in the shrinking government fiscus.

Poverty eradication or elimination initiatives need to be approached with the consideration of the multidimensionality of poverty. The approach to measuring poverty has been broadened to include social disadvantage, vulnerability and powerlessness. However, despite the broadened approach to measuring poverty, when it comes to practicalities of poverty measures and profiling, they are still anchored

on a money-metric approach.¹⁷ This requires the NDA to lean on the money-metric analysis.

The impact of Poverty

Poverty impacts health, educational attainment and widens economic gender disparities in the following manner:

- Health - poverty increases the risks of becoming infected with chronic illness. While these diseases are not caused by poverty, they worsen existing poverty and ruin a household’s economic prospects. Through working with CSOs and partnering with other stakeholder that specifically target health outcomes of poverty the NDA can create greater impact

- Education - there is a high risk of educational underachievement for children living in low income circumstances. Children from poor families are prone to hunger, irritability, headaches and other illnesses which may hamper educational progress. There is a greater possibility that children

from poor families will drop out of school at an earlier age. The NDA through its ECD programmes contributes to the mitigation of the impact of poverty on education.

- Widening gender disparities - poverty has a strong gender dimension. The GHS found that income poverty in South Africa remained a gender issue, with 57% of women in 2015 living below the UBPL and 37,9% of female-headed households.

Through collaborative efforts, the NDA will be able to address the impact of poverty more extensively.

¹⁶ StatsSA 2017

¹⁷ NDA Environmental Scan

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8.1.3. Macroeconomic Analysis

The following macroeconomic analysis aims to explore how changes in various macroeconomic factors affect the NDA's operating environment and subsequently the organisation's capability to fulfil its mandate.

The section will highlight how weak economic growth, rising unemployment and educational outcomes contribute to the triple crisis – with a focus on poverty. Furthermore, this section will analyse government's response to poverty as well as underscore opportunities the NDA can explore in the fulfilment of its primary mandate of contributing towards poverty eradication.

Weak Economic Growth

South Africa is one of the world's largest producers and exporters of gold, platinum, and other natural resources. It has well-developed financial, legal, communications, energy, and transport sectors as well as the continent's largest stock exchange. However, falling commodity prices, a weakening rand, weakening

trade balances, rising unemployment and policy implementation challenges have slowed economic growth considerably.

South Africa has been unable to generate economic momentum with the 2019 economic growth being 0,2% according to StatsSA. This reflects the sharp slowdown in real GDP low investor sentiment, and policy uncertainty.

Due to weak economic growth, government's revenue shortfalls between 2014 and 2018 amounted to approximately R100bn. Furthermore, the weak economic growth has contributed to the higher unemployment, deterioration in human development and increasing poverty levels.¹⁸

The shortfall forces a reprioritisation and re-

allocation of expenditure based on various considerations, including the needs of society. Poverty eradication is a priority area that Government has committed to addressing, thus reinforcing the important role that the NDA is required to play as a Government entity.

¹⁸ *BusinessDay* 10 August 2018

SA's economic growth rates (%) (2013 - 2018)

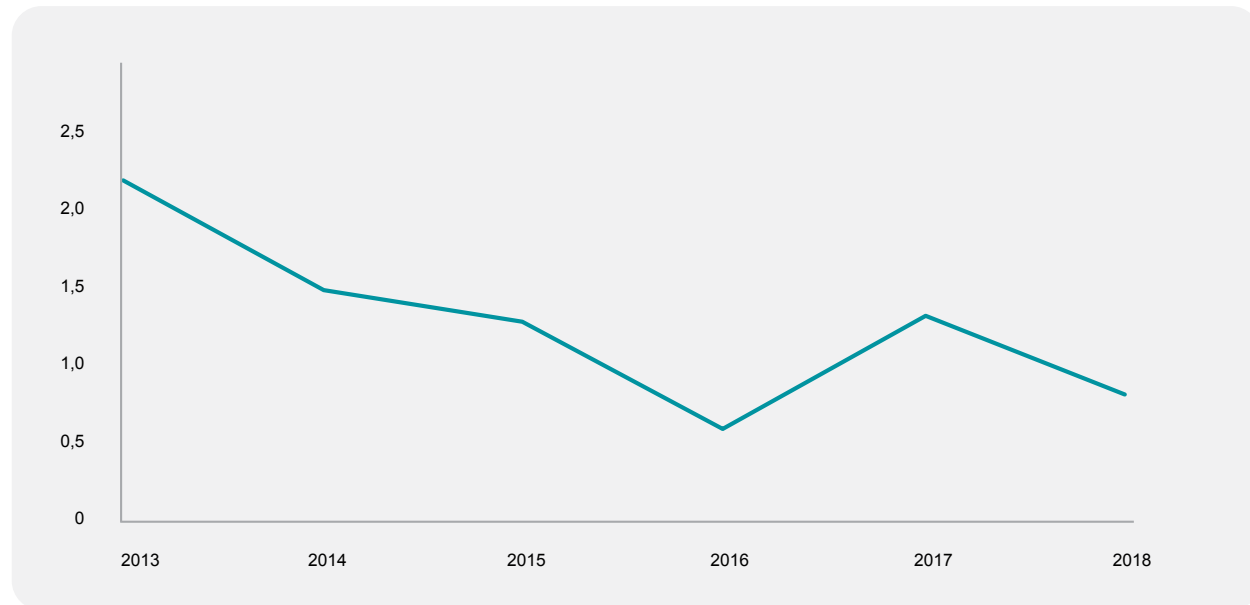


Figure 6: South Africa's Economic Growth Rate

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Rising unemployment

South Africa's unemployment rate is one of the highest in the world. There is a positive correlation between unemployment and poverty and inequality. Therefore, as South Africa's unemployment rate increases so do the levels of poverty and inequality. This exacerbates the triple-crisis. There has been a 3.78% increase in unemployment between 2015 – 2019, as illustrated below:

According to Q4 2019¹⁹, 6.7 million or 29.1%²⁰ of South Africans are unemployed. The expanded definition on unemployment²¹, indicates that over 10 million people are unemployed, translating to a 38,5% unemployment rate.²² The official unemployment rate has risen by 3.78% compound annual growth rate (CAGR) since 2015 with 2% occurring between 2018 and 2019. The contraction of the economy in Q1 2019 and an increase in the number of insolvencies since Q3 2015, con-

tributed to job losses²³ which contributed to the high unemployment numbers. The unemployment racial and gender breakdown show that Africans and women are the hardest hit.

¹⁹ StatsSA

²⁰ Daily Maverick 12 February 2019; official unemployment is out of employment, able to work and actively seeking employment or trying to start a business

²¹ Mail & Guardian 5 August 2019; Expanded unemployment is the officially unemployed including those not looking for employment

²² StatsSA

²³ Fin24 28 July 2019

Unemployment Rate (%) 2015 - 2019

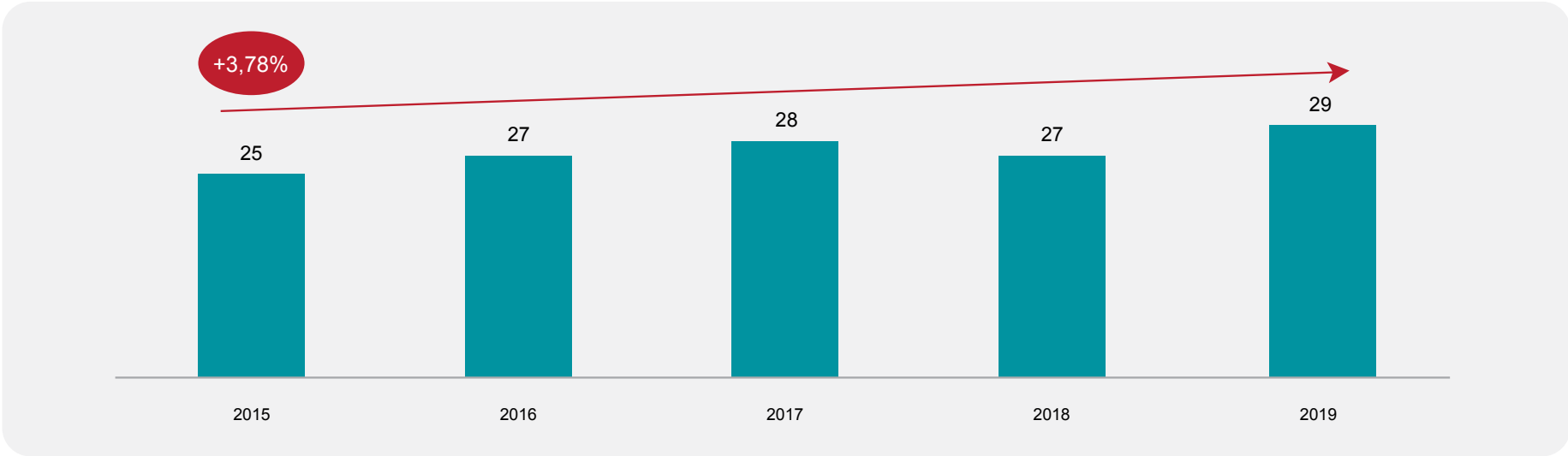


Figure 7: Unemployment Rate (%) 2015 - 2019

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Educational Outcomes

The South African government has made considerable investments in various educational initiatives. One of the noteworthy initiatives aligned to the NDA is the Early Childhood Development (ECD) programme which has been made a very important educational priority. According to the 2019 General Household Survey (GHS) addressing the ECD needs of those aged zero (0) to four (4) years, this initiative pays significant dividends. The ECD programmes are offered at day-care centres, crèches, playgroups, nursery schools and in pre-primary schools. Approximately 38,4% of South African children aged 0–4 years attended day-care or educational facilities outside their homes. The highest attendance was reported in Gauteng (49,8%), Free State (48,3%) and Western Cape (43,7%). By comparison, 49,2% of children remained home with their parents or guardians while another 5,9% were looked after by other adults. This indicates that there remains a large proportion of South African children who either due to lack of facilities or means, are unable to benefit from ECD programmes which are critical in breaking the cycle of poverty.²⁴

Furthermore, the survey indicated that nationally, 32,2% of individuals aged 5 years and older attended an educational institution. Of

the 32,2% who attend school, only 4,5% attended tertiary institutions. While two-thirds of learners attend no-fee schools, a lack of money for fees remained the primary reason a large proportion of individuals in this age group were not studying or ended up dropping out. Almost one quarter (24,2%) of premature school-leavers in this age group (younger than 18) reasoned ‘a lack of money for not studying’.²⁵

Educational attainment continues to improve relative to previous years. The percentage of individuals aged 20 years and older who did not have any education decreased from 11,4% in 2002 to 4,5% in 2018, while those with at least a grade 12 qualification increased from 30,5% to 45,2% over the same period.²⁴

However, only 37% of pupils who start school pass their final matric examination, and 4% of those students complete their tertiary education. The low pass requirement currently in place hinders learners from obtaining the skills they require which leads to individuals not being able to advance their education or obtain lasting employment.²⁶ The inability to secure employment as a result of poor educational outcomes increases one’s vulnerability to poverty. This amplifies the poverty eradication challenges faced by the NDA.

The NDA has invested significantly in the ECD programmes nationally and has continued to reiterate the importance of supporting ECD programmes. The accessibility challenges highlighted by the GHS need to be taken into consideration by the NDA going forward. Strategies addressing increase of accessibility to ECD programmes need to be formulated. There is also a need to remodel the initiatives/programmes in order to create long-term impact through ECD programmes.

There is a global shift towards an increasing need for high-end skills as a result of the Fourth Industrial Revolution (4IR). However, South Africa is a low-to-medium skills dense country creating a mismatch between skills supply and current day labour market demand.²⁷ If education is to be an effective mechanism for sustainable poverty eradication, as seen in other developing countries, structural changes are required within the education system and the manner in which capacitation and training is delivered. This opens the gambit for the NDA to play a critical role in skills development in its pursuit of poverty eradication in the country.

²⁴ *General Household Survey, 2018*

²⁵ *NDA Environmental Scan 2015*

²⁶ *News24 24 April 2019*

²⁷ *StatsSA Labour Force Survey 2019*



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The implications of 4IR on the South African economy

The Fourth Industrial Revolution is an integration of existing and new technologies and follows the Third Industrial Revolution (3IR) which was underpinned by automation, computing and telecommunication.

Witnessing the progress in technological uptake and integration into the economy thus promoting economic development, the South African government has formulated policies and strategies to advance the uptake of 4IR in the country. The Presidential Commission on the Fourth Industrial Revolution (PC4IR) was established with the goal of developing South Africa's 4IR strategy. The National Strategy draws special attention to the vision of a society skilled in Science, Technology, Engineering and Mathematics (STEM) education and has digital fluency.

4IR presents great opportunities for expanded and inclusive economic participation of the broader population of the country, which when followed by the correct deepening into

the economy, could have long-term poverty eradication benefits. However, it is only those exposed to an understanding of technology and applied thinking who will have the ability to exploit the vast opportunities it bears. As a result, 4IR has a significant potential for labour-thinning, cutting across all sectors. Low-skilled, low-paying jobs that are labour-intensive are at risk of automation rendering the

workers unemployed and increasingly their vulnerability to poverty. In a country with a significant unemployment crisis, this will result in the widening of the inequality gap²⁸. The shift towards specialization of spheres and tasks onset by technology will result in newly created skills and jobs, with the following being identified as the skills and jobs of the future:

4IR will impact all facets of the global and national economy and will require a collective effort from all sectors of the economy to address. It is important that the NDA integrate the understanding of the key skills and jobs of the future into its programmes to effectively create an impact in poverty eradication and to increase operational efficiency.

²⁸ Daily Maverick 4 July 2019





















EMERGING SKILLS		EMERGING JOBS	
 Analytical thinking and innovation	 Creativity, originality and initiative	 Software App Developers and Analysts	 Sales and Marketing Professionals
 Active learning and learning Strategies	 Technology design and programming	 Managing Directors and Chief Executives	 Data Analysts and Scientists
 Complex problem solving	 Leadership and social influence	 Financial and Investment Advisers	 Assembly and Factory Workers
 Reasoning, problem solving and ideation	 Critical thinking and analysis	 Sales Rep for Technical and Scientific Products	 General and Operations Managers
 Resilience, stress tolerance and flexibility	 Emotional intelligence	 Industrial and Production Engineers	 Human Resources Specialist

Figure 8: WEF's Survey of Emerging Skills and Roles in South Africa across industries

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8.1.4. National Government's Response to Poverty

Government's short-term measure to address the immediate problems of poverty is through ensuring the provision of social grants in the form of cash transfers to the vulnerable – elderly, children, disabled people and those who lose their jobs. The long-term measures are rooted in the Reconstruction and Development Programme (RDP) strategy through which the root causes of poverty are addressed.²⁹ The National Government acknowledges that effective poverty eradication requires a combined effort from all economic stakeholders and has encouraged the need to leverage synergies amongst all economic stakeholders. Consequently, there has been an introduction of key policies, culminating in the National Development Plan (NDP) to coalesce efforts from all spheres of Government, civil society and private sector.

The NDP aims to eliminate poverty and reduce inequality by 2030. According to the Plan, South Africa can realise these goals by

drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.³⁰ The NDP contains actionable steps towards which vision 2030 can be achieved.

In the State of the Nation Address (SONA), the President outlined the country's seven priorities to move South Africa towards the realisation of the NDP 2030 vision. The President iterated that programmes and policies across all departments and agencies will be directed in pursuit of the seven (7) priorities as listed below:

- Priority 1: Economic transformation and job creation
- Priority 2: Education, skills and health
- Priority 3: Consolidating the social wage through reliable and quality basic services
- Priority 4: Spatial integration, human settlements and local government

- Priority 5: Social cohesion and safe communities
- Priority 6: A capable, ethical and developmental state
- Priority 7: A better Africa and World

The President further iterated the need for a targeted approach and focus on sectors that have growth potential and also emphasised the need for the NDP to return to its place at the centre of the national effort.³¹

The NDA as per its mandate will contribute significantly to the government's efforts towards poverty eradication (or the elimination of poverty) and the strategic direction ought to be in alignment. A particular emphasis on alignment of the NDA's strategic direction to the national poverty elimination efforts, particularly the NDP and the 7 priorities is required.

²⁹ *Etu.org.za*

³⁰ *National Development Plan 2030*

³¹ *BusinessTech 20 June 2019*

8.1.5. South Africa's Poverty Profile

Poverty in South Africa is multidimensional; consisting of several contributing factors, which pertain to access to basic human needs and/ or rights, income and threat of violence. Figure 10 below indicates the geographic distribution of poverty across in South Africa as per the UBPL:

Owing to the multidimensional nature of poverty, it affects a majority of South Africans differently. According to the geographic distribution of poverty, provinces with a high distribution of rural areas have the highest number of people living below the UBPL. Thus, Eastern Cape, Kwa Zulu Natal and Limpopo provinces. However, there are rural and underdeveloped areas which are poverty-stricken in provinces which do not have more than 55% of the people living below the UBPL.

In rural areas, there are more single guardian households and families which often have less access to basic services, support for disabilities and quality education opportunities, as

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well as effective programs to encourage the transition from welfare – reliance on social grants – to working.³² Through partnering with the South African Social Security Agency (SASSA), the NDA will be able to facilitate the transition from welfare through their CSOs and cooperatives.

In addition to the geographic distribution of poverty, there are also key poverty trends associated with the country’s demographics, as presented in the section below.

According to the Income and Expenditure Survey (IES) and the Living Conditions Survey (LCS) which were conducted over the last two (2) survey periods – 2011 and 2015 – the poverty by age analysis revealed that a majority of those living below the UBPL were youth. In 2015, 60% of the total youth population aged between eighteen (18) and twenty-four (24) and 51% aged between twenty-five (25) and thirty-four (34) were living below the UBPL. This is an average of 55,6% across the youth population of the country (see figure 11 below)

³² Jesse, 2006

UBPL Poverty Headcount by Province and Poorest Districts

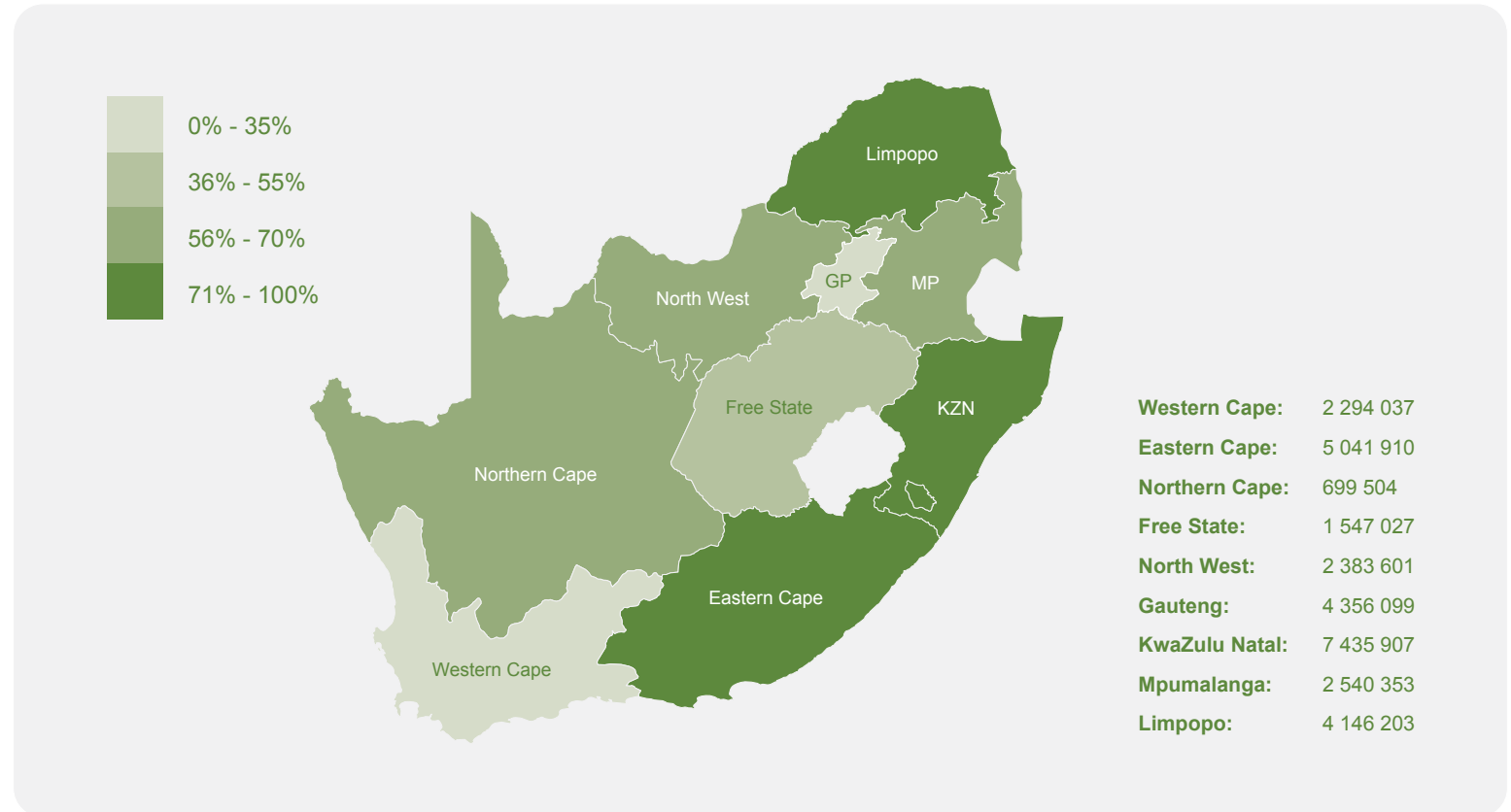


Figure 9: Poverty Headcount by Geography

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In addition to the youth, the IES and LCS highlighted that women, particularly, those of African descent – due to the racial composition of the country – have consistently been recorded as the poorest in the country.

Poverty by Age under the UBPL (% of total population)

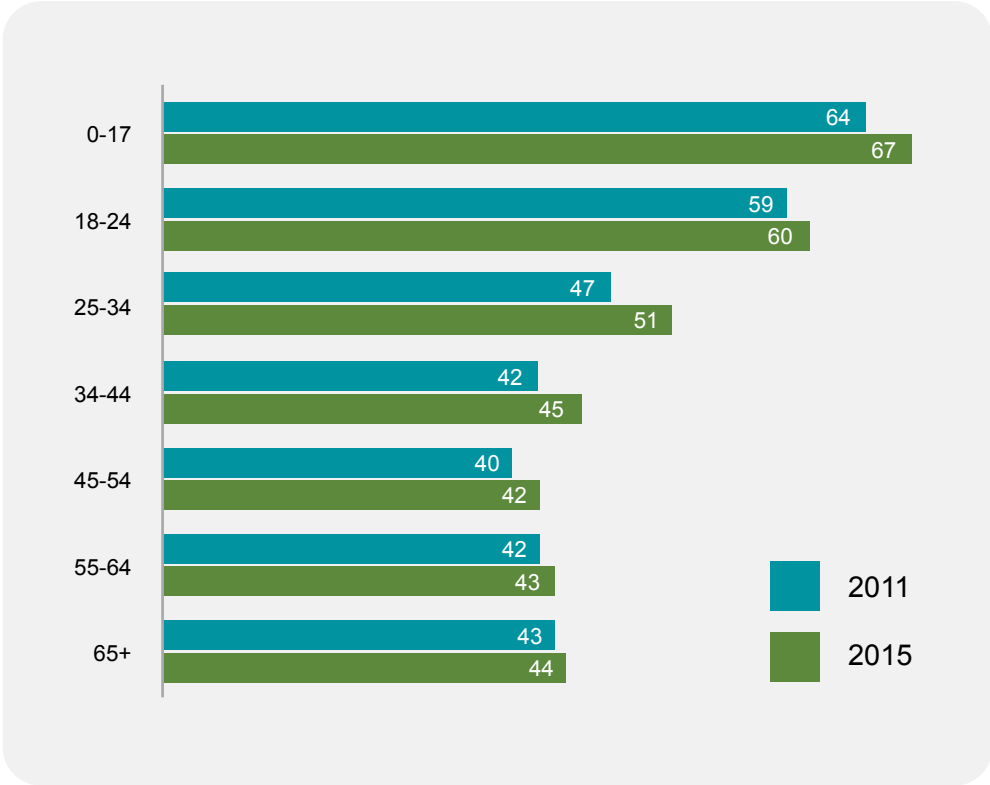


Figure 10: Poverty by Age

Poverty by Gender under the UBPL (% of total population)



Figure 11: Poverty by Gender

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In 2015, the percentage of women living below the UBPL increased by 2% from 55% in 2011. There is a 3% difference between the percentage of men and women living under poverty in 2015, as per the IES and LCS. The percentage of males living in poverty has also increased marginally. However, females, in terms of gender distribution of poverty are still the most affected. This confirms that there are gender disparities within poverty and the greater impact is the marginalisation and disenfranchisement of females living in poverty.

The above analysis indicates that targeting of women, children and youth in poverty alleviation interventions is required in order to address the widening poverty gap.

64,2% of Black people, 41,3% of Coloured people, 5,9% of Indian people and only 1% of White people were living below the UBPL, in 2015. Black people living below the UBPL increased by 2,2% between 2011 and 2015.

A large majority of Black people in South Africa are affected by poverty largely due to Apartheid legacy of the country and being geographically segregated from opportunities.

Poverty by Race under the UBPL 2015 (% of total population)

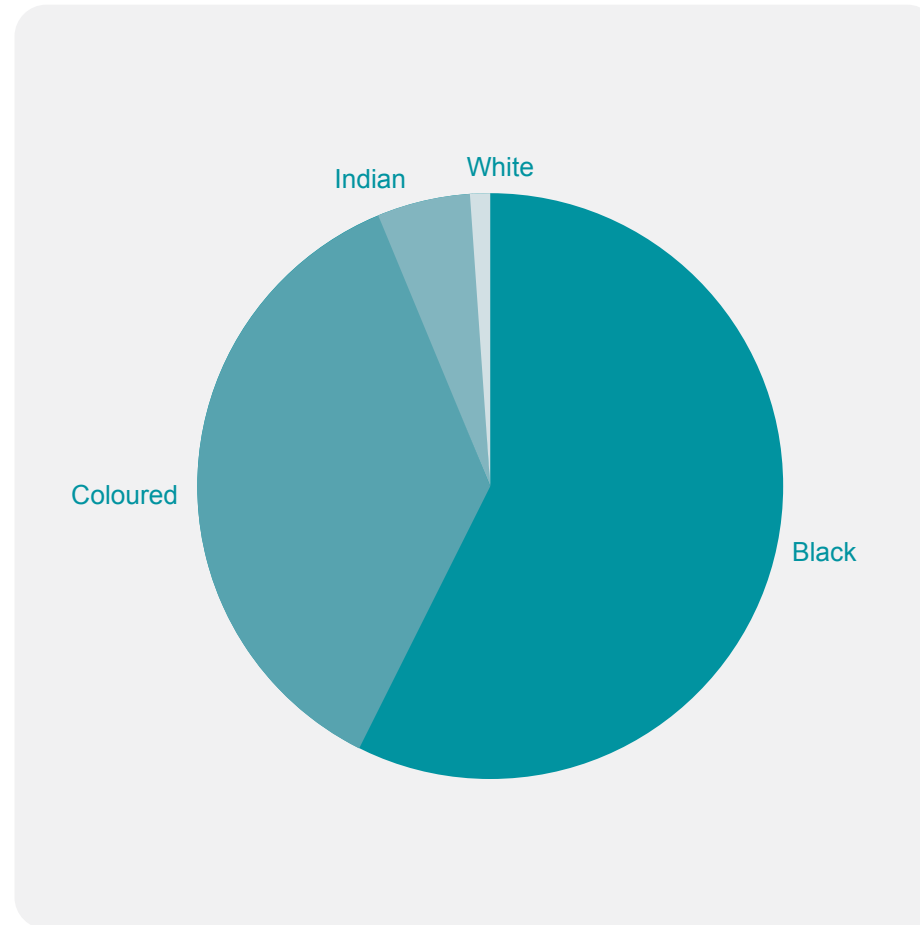


Figure 12: Poverty by Race

8.1.6. A Benchmarking Study of Similar Organisations around the World

In order to underscore the performance of the NDA, a Best Practices and Benchmarking exercise was undertaken to identify the areas of strengths as well as development areas for the NDA. This is a critical step in enabling the NDA not only to improve its brand and become a premier development agency but also focus on process optimisation for enhanced service delivery.

The collective term for capacitation-based organisations is Development Corporation Providers (DCPs). There are eight Best Practices for DCPs. However, based on a gap analysis conducted, three principals were most applicable to the NDA which are CSO Policy/Strategy, Funding Mechanism, and Result Monitoring and Evaluation (M&E).

Effective DCPs consider the following:

In terms of policies and strategies:

- Multi-stakeholder perspectives in order to be wholly inclusive.
- They offer an over-arching framework for their support to and engagement with CSO's and international, national and regional directives

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In terms of funding mechanisms:

- They recognise the need to balance support to CSOs for CSO-defined objectives
- They also recognise the need to balance provider-defined objectives

- They apply M&E to promote learning and reflection with CSOs
- They demonstrate outcome level development results and value-for money.

Below is a depiction of the NDA's performance against the Best Practices:

In terms of Result Monitoring and Evaluation (M&E):

Overall findings from the Best Practice exercise revealed that the NDA does not fully align to international Best Practices. In the adoption, inclusion and application of each of the three dimensions, the NDA's performance rates between intermediate and under-developed. This is a result of the following:

- Lack of alignment to international policies, if aligned may have a positive impact

on the NDA in terms of attracting international third-party donor funding.

- Funding model, the NDA requires a mixed funding approach in order for the organisation to have the resources to grant fund both projects and organisations.
- Lack of results-based M&E therefore the organisation is unable to track the extent of its impact.

Rating the performance of the NDA to DCP Best Practices

The NDA have reached a half-way point in the adoption, inclusion and application of each of three Best Practice dimensions

(Source: Guidance and good practice on CSO development effectiveness and enabling environment; NDA 2017/2018 Annual Report; Team Analysis)









Dimensions	Description	Key Insights based on analysis	Rating
 <p>1 CSO Policy Strategy</p>	<p>Effective Policies and strategies take into account:</p> <ul style="list-style-type: none"> • Multi-stakeholder perspectives to be wholly inclusive • Framework for DCP support to CSO's • International, national and regional directives 	<ul style="list-style-type: none"> • The NDA meets its constitutional and legislative mandate, however as the MTSF outcomes have changed since the 2019 national elections, the NDA's national mandate needs to re-align to the revised outcomes • The policy considerations do not take into account the SDGs, Istanbul Principles, Accra Agenda for Action and AU 2063 Agenda which have an adverse effect on the third-party donor funding the NDA receives 	
 <p>2 Funding Mechanisms</p>	<ul style="list-style-type: none"> • Core or institutional funding • Program or project funding • Predictability in CSO funding 	<ul style="list-style-type: none"> • The NDA utilises a mixed funding approach, however, the success rate as a result of the external environment and implementation does not yield the associated result • The NDA has greater success in project funding viz-a-viz organizational funding. In spite of financial and organisational capacitation initiatives, most CSOs collapse once funding from the NDA stops 	
 <p>3 Result Monitoring & Evaluation</p>	<ul style="list-style-type: none"> • A tool for accountability and compliance • Promotes learning and reflection together with CSOs • This can increase the likelihood of achieving development results as well as inform analyses of development challenges 	<ul style="list-style-type: none"> • The NDA has a well-equipped Research Unit, however the Research Unit operates to effect the secondary mandate and does not adopt an external view to inform strategic direction and targeting of the primary mandate • The NDA is in the process of completing its CSO database but has not conducted concise impact assessment of the success rate of the CSO development • The absence of information on successes and failures of some CSOs impede a targeted approach to achieving the goal of poverty eradication and its causes 	

Figure 13: NDA's Performance against Best Practices

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Below is the NDA's rating against similar organisations when benchmarked against the three dimensions of best practices:



Dimensions	NDA's performance against Best Practices		Rating
<p>1 CSO Policy Strategy</p>	<p>Canada's Civil Society Partnerships Policy (CSPP)</p>	CSPP developed a strategy based on international and national mandates to maximize the impact and results of its international assistance, and foster a strong and vibrant civil society sector via CSO	
	<p>Norwegian Agency for Development Cooperation's (Norad)</p>	Recognizing that a strong civil society is the hallmark of a healthy democracy, in 2018 Norway drafted a paper that achieved national and international buy-in to help develop civil society at large	
<p>2 Funding Mechanisms</p>	<p>Austrian Development Cooperation's (ADC)</p>	Austria integrated 2-5 year project-based funding modalities for CSO's that supported local group in aid recipient countries	
	<p>Sida Pilot Project on Financial Guarantees (Sweden)</p>	Sida is Sweden's pilot project in providing financial guarantees for the repayment of loans to borrowing agencies of CSO's with the aim of supporting CSO's in the informal economy	
<p>3 Result Monitoring & Evaluation</p>	<p>Belgium Ministry of Foreign Affairs, Foreign Trade and Development (BE-MFA)</p>	Belgium is implementing a novel CSO-based impact assessments and creating an evaluative knowledge-sharing toolkit to ascertain the impact of its investments	
	<p>Ministry of Foreign Affairs of the Netherlands (NL-MFA)</p>	The role of CSO's is to ensure that government is run legitimately and is accountable to their objectives. Accordingly, Netherlands is promoting Lobby and Advocacy frameworks to strengthen CSOs in low and lower-middle-income countries	

Figure 14: NDA's Performance against similar organisation

The Benchmarking exercise revealed that the NDA rates between under-developed and intermediate when benchmarked against other DCPs. The organisation's under-developed areas are related to the funding mechanisms and result monitoring and evaluation.

The objective of the internal analysis is to give

an understanding of how the organization is structured and configured to deliver on the mandate of the institution and to explore other internal institutional factors which may impact the organization's ability to achieve its set mandate.

The NDA's annual reports for recent previ-

ous years, input from the strategic planning workshop and input from Exco members were used to source the following information. The internal analysis revealed that although the NDA contributes positively to poverty alleviation and the demand for the organisation's services is increasing, the organization has found it challenging to create and achieve

the desired impact. The internal analysis has identified opportunities the organization can explore in order to minimise threats and internal weaknesses. This section provides a baseline of information used to develop the five (5) – year strategic plan.

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8.1.7. Organisational Structure

The design of the organisational structure greatly informs performance. The structure should be designed to support the execution of the strategy. For the organisation to deliver its plans and achieve set targets, the strategy and the organisational structure must be aligned. It is critical that the NDA's strategy and structure complement one another to ensure good performance within an evolving operating environment.

Below is a diagrammatic representation of the NDA's organisational structure.

The NDA recognises that it is not currently capacitated to meet some of its primary functions, particularly to mobilise financial resources for grant-funding.

The NDA is committed to complying with the Employment Equity Act (EEA). This is evidenced through the organisation's 5-year Employment Equity (EE) plan. NDA's recent EE report indicated that the organisation seeks to promote equitable workplaces. Females make

up 118 of a total of 196 employees.

The NDA has four (4) employees with disabilities, out of a total of 196 employees. While the NDA meets the 2% requirement related to the percentage of employees with disabilities

against a total number of employees as stipulated in the EEA, the NDA aims to increase the percentage annually. In the NDA's EE 5-year plan the organisation is committed to maintaining a 2% annual ratio on the appointment of employees with disabilities and have a ratio

of 51% female to 49% male.³⁴

³³ NDA Annual Report 2018/19

³⁴ NDA EE report

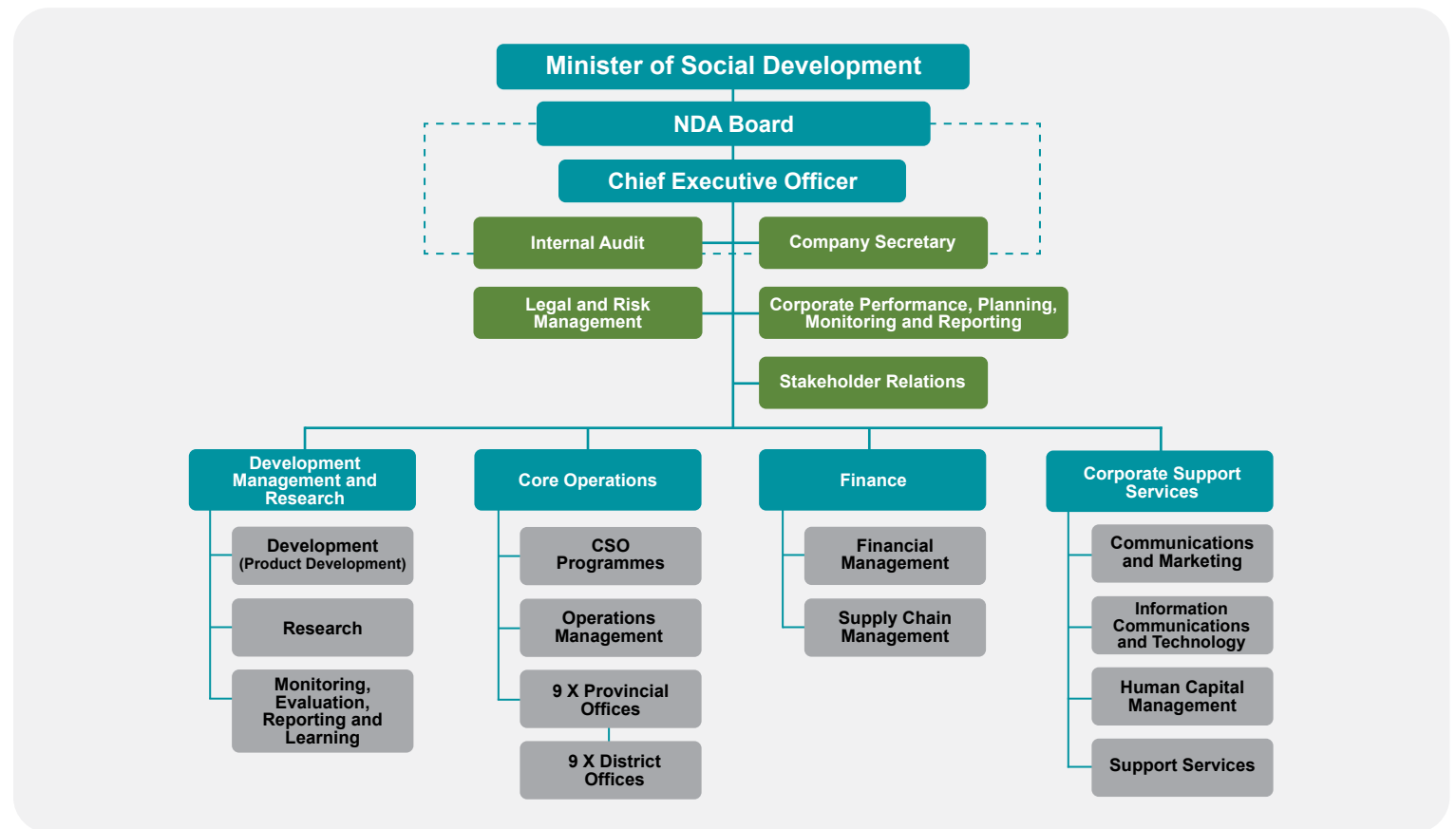


Figure 15: Organisational Structure ³³

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8.1.8. Service Delivery Review

The service delivery review discussed below is based on projects which provide an opportunity for the government to reflect on the 25-year journey's achievements through partnering with other organs of state for the betterment of the lives of all South Africans.

In 2005 the NDA instituted a strategy to aid the organisation in the transition from a primarily grant-distribution focused strategy to one incorporating additional elements such as research, capacity-building and dialogue. The NDA has invested significant resources in income-generating projects that seek to create alternative or complementary income streams and employment for poor households. The income generation programmes and projects that the NDA has funded to date include mostly "traditional sectors" that either require limited capital input (comparatively) and/or a low skills base and therefore do not present a barrier of entry for poor communities.³⁵

³⁵ 25 Year Service Review Report

Service Delivery Model

Service delivery model has been decentralised and provided at district level as opposed to provincial level. The establishment of new district offices and/or upgrading of current advisory centres located in districts to become district offices was prioritised, to overcome barriers to service delivery.

The rationale for decentralization was premised on the fact that the NDA saw a need to be closer to communities for effective deployment of its services. The decentralised approach is premised on geographical location, with a unit of administration being at a district municipality. The NDA underwent extensive assessments to ensure the decentralised structure has the resources required to accommodate the functions expected. This aligns with the District Development Model which requires that programmes be spatially referenced, across 44 districts and 8 metros.

The NDA service delivery model, has defined a package of interventions that will be delivered to CSOs. Below is a diagrammed representation:

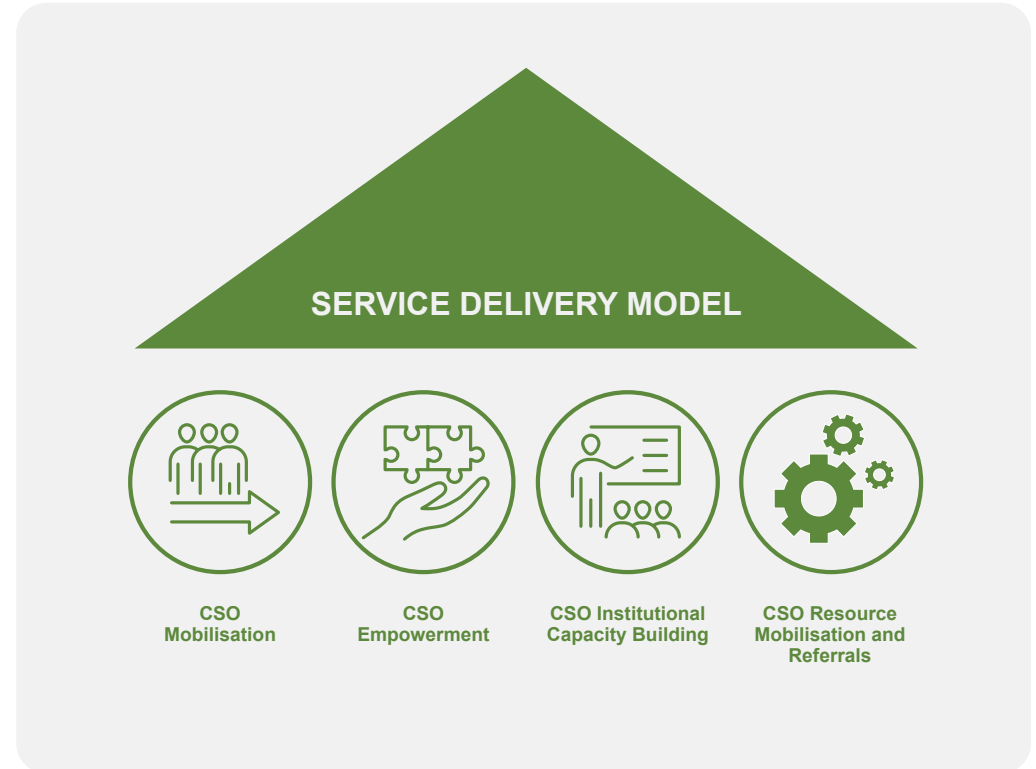


Figure 16: Service Delivery Model

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- CSOs mobilisation - this is the engagement process with CSOs at local level to identify developmental needs, possible interventions, referrals to other departments and supporting communities to develop community structures or formations to organise themselves.

- CSOs empowerment - community empowerment through CSOs provides the NDA a space to implement interventions that uses “development creation” principles focusing on the following outcome areas for local civil society organisations:

- o Confidence – achieved through the involvement of CSOs in discussions about development projects in the community.

- o Inclusive - creation of development interventions is based on the awareness of the make-up of the group one is working with

- o Organised - the approach encourages CSOs to work as a team and work to each other’s strengths.

- o Cooperative - this process promotes working together to identify and implement action, encouraging networking and connections between CSOs.

- o Influential - this process encourages CSOs to make decisions and they do this within known parameters. They decide on the design and timescale of the work, based on aesthetics, ecological consid-

erations and the practical and economic context.

- CSOs institutional Capacity building - process of developing and strengthening the institutional skills, instincts, abilities, processes and resources that organisations and communities need to survive, adapt, and thrive in the fast-changing world. The programme will use the following interventions to enhance abilities of CSOs, especially those that are merging or struggling to realise their goals:

- o Training - formal and non-formal
- o Mentorship
- o Incubation

- CSOs resource mobilisation and referrals - this intervention is critical for assisting CSOs to identify resources and linking them to available resources at all levels.

Grant funding

The NDA has disbursed grants totalling more than R1.3 billion to CSOs from 1999/2000 to 2018/19, with the most amount of grants disbursed in 1999/2000, 2003/2004 and 2011/2012 as depicted in the diagram below:

Total Grants Disbursed Between 1999-2018 in Millions

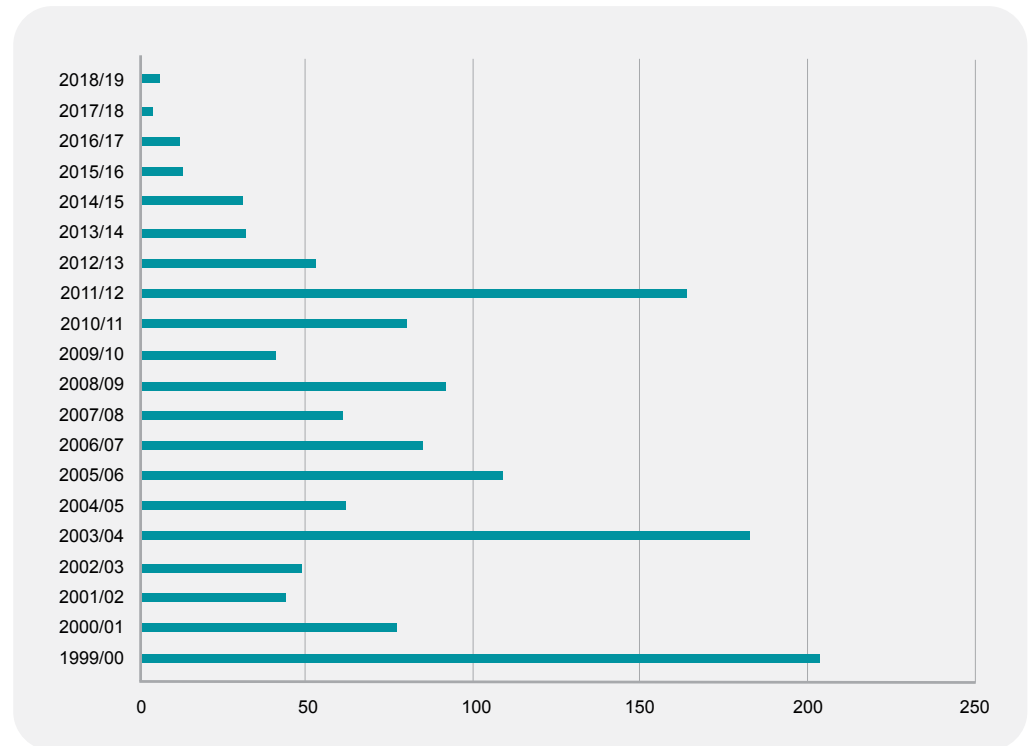


Figure 17: Total Grants Disbursed to CSOs

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The organisations were funded to address poverty alleviation and economic participation of grassroots structures in the country. There has been a significant drop in the funds invested in grant funding over the years largely as a result of the shrinking resources from donor organisations and reduced budget allocation of the NDA.

- organisational development
- Technical capacity training with a focus on sector-specific technical skills development
- Mentoring & Coaching via the identification of organisations that can guide and assist project members to effectively implement

projects funded by the NDA.

The NDA has for the past five years (2013 – 2018) capacitated a total of 33 797 members of CSOs from 23 549 CSOs across all nine provinces.

Between 2013/2014 and 2017/2018, both the

number of CSO and beneficiaries capacitated have increased. Irrespective of budget allocation fluctuations the NDA have consistently managed to increase the number of CSOs capacitated year-on-year.

Capacity building for CSOs

In 2013, the NDA designed an integrated capacity-building programme to reinforce and provide organisational support to the civil society sector. The NDA implemented multi-year capacity building programmes intended to develop the capability of CSOs in order for them to become self-reliant. It additionally assisted the Department of Social Development in strengthening the institutional capacities of NPOs on good governance practices and compliance to the NPO Act. The capacity-building programme focused on the following for the organisations enrolled in the programme:

- Civil society organisations strengthening with a focus on

Financial Year	Number of CSOs Capacitated by the NDA	Number of beneficiaries Capacitated	Budget Allocation
2013/14	2059	4384	R50 020 722,00
2014/15	2531	4927	R47 585 000,00
2015/16	2687	4636	R53 358 896,69
2016/17	6051	7337	R31 189 337,00
2017/18	10221	12513	R36 510 007,49
Total	23549	33797	R218 663 963,00

Table 1: CSOs Capacitated

PART B: OUR STRATEGIC FOCUS

Linkages of Cooperatives to Economic Activities

Another mechanism the NDA utilises to eradicate poverty is cooperatives – jointly owned profit-making organisations. The NDA assists cooperatives with access to markets through SASSA and the DSD. In 2017/18, 556 co-operatives benefited from SASSA procurement through linkages by the NDA to the amount of R105 020 771 a decrease from the 2016/17 777 cooperative beneficiaries.

The assistance offered to cooperatives by the NDA is an instrument for job creation and the promotion of sustainable livelihoods in communities. However, the lack of effective and continuous monitoring systems limits the NDA's ability to measure the extent of impact created and growth of cooperatives. The NDA will enhance programme implementation by instituting monitoring mechanisms to enable economic evaluation of the growth and impact of Cooperatives.

Research, Dialogues and Consultations

As per its secondary mandate, the NDA has produced research reports and held dialogues on several development areas with civil soci-

ety organisations. Most of the organisation's research output was focused on Early Childhood Development (ECD) which was predominantly the organisation's focus area.

The organisation will leverage its relationship with CSOs and its understanding of the civil society sector to position itself as a thought leader in the area of poverty eradication. The NDA will also improve its relationship with its stakeholders through continuous engagements and dialogues with government, academic and research institutions; and the civil society sector. It will also publish research that is in line with the development needs of the country.

CSO Development Model

In the 2015/16 financial year, the National Treasury and the Department of Social Development commissioned a review of the NDA strategy and operations. Based on this review, the NDA developed and introduced the CSO Development Model in an attempt to focus its niche and to realign service delivery to CSOs (see figure 16 above).

Through this model, the NDA developed frameworks, models, standards and tools to implement effective CSO interventions at provincial and district levels.

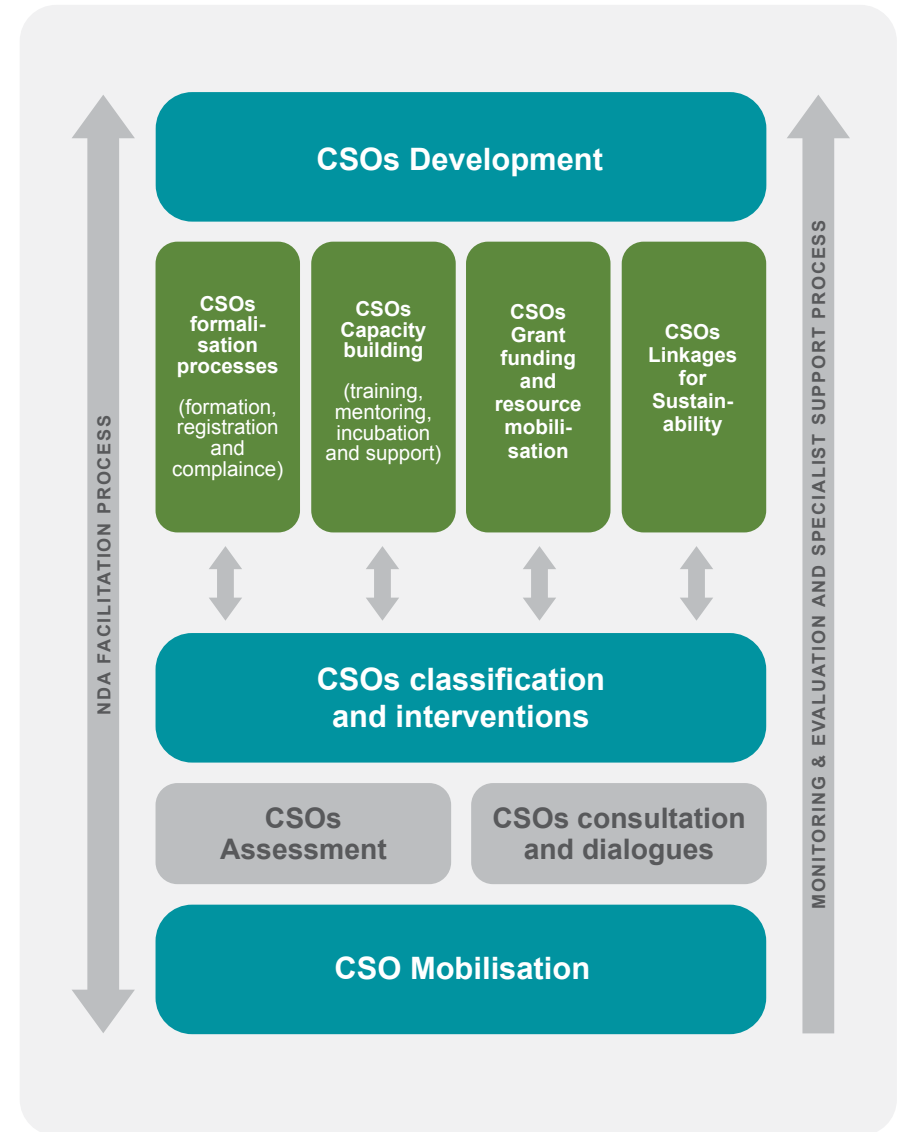


Figure 18: NDA CSO Development Model

PART B: OUR STRATEGIC FOCUS

The CSOs development framework was founded on 3 pillars which are *planning* which covers the preparatory phase of CSOs development interventions; *implementation* which is the execution of plans and interventions identified during the planning phase; and *monitoring and evaluation*, this is a continuous process of monitoring of the implementation of interventions using standard tools and procedures that can provide information on outcomes and the impact of the development interventions implemented for CSOs at a local level.

The current resource constraints the organisation is facing is posing a challenge to the feasibility of the model, hindering the ability of the organisation to meet the model requirements. In addition to the development and implementation of the model, the organisation has throughout the period of the previous strategy made a number of strategic changes.

The strategic changes were adopted with the intention of improving service delivery in alignment with the organisation's mandate. However, the organisation has not adopted an effective monitoring system to measure progress on the interventions. The organisation's Key Performance Indicators (KPIs) are quantitative and output driven and the over-arching reason for non-achievement of KPIs between 2014/15 and 2017/18 is poor and/or delayed implementation of projects.

Below is a collated summary of the reasons the NDA was unable to meet their KPIs between 2014/15 to 2018/19:



2018/19 - Primary focus was shifted to intensify the implementation of change management programme, which will institutionalise the new CSOs development approach and business requirements for the NDA



2017/18 - Adoption of outcome 13 of the Government MTSF. The approach adopted by the DSD in delivery of this outcome is through the Mikondzo Approach



2016/17 - NDA repositioned and reorganised itself to adapt to the required socioeconomic and political changes by focusing on civil society organisations in the most deprived and prioritised districts in South Africa, and its main contribution will be building capacities of these organisations



2015/16 - Building the capacities of civil society, not just NDA funded organisations, through structured formal training of CSOs staff, mentoring of CSOs, staff and Providing incubation programmes for CSOs; Grant funding to civil society organisations must be targeted to specific areas that can assist organisations to sustain and expand its service delivery objectives; Expansion of partnerships with the public sector, private sector and civil society



2014/15 - NDA shifted its strategy targets to the rural poor, especially women, the elderly, children and people with disabilities

Figure 19: Strategic shifts over the past five (5) years

PART B: OUR STRATEGIC FOCUS

8.1.9. Financial Performance

Being a Schedule 3A entity, as defined by the PFMA, the running of the NDA is driven principally by government grants which constitute over 90% of the organization's revenue. The other 10% is derived from third party donors and other income, which include unconditional grants that the organisation receives and interest on bank balances, as detailed below:

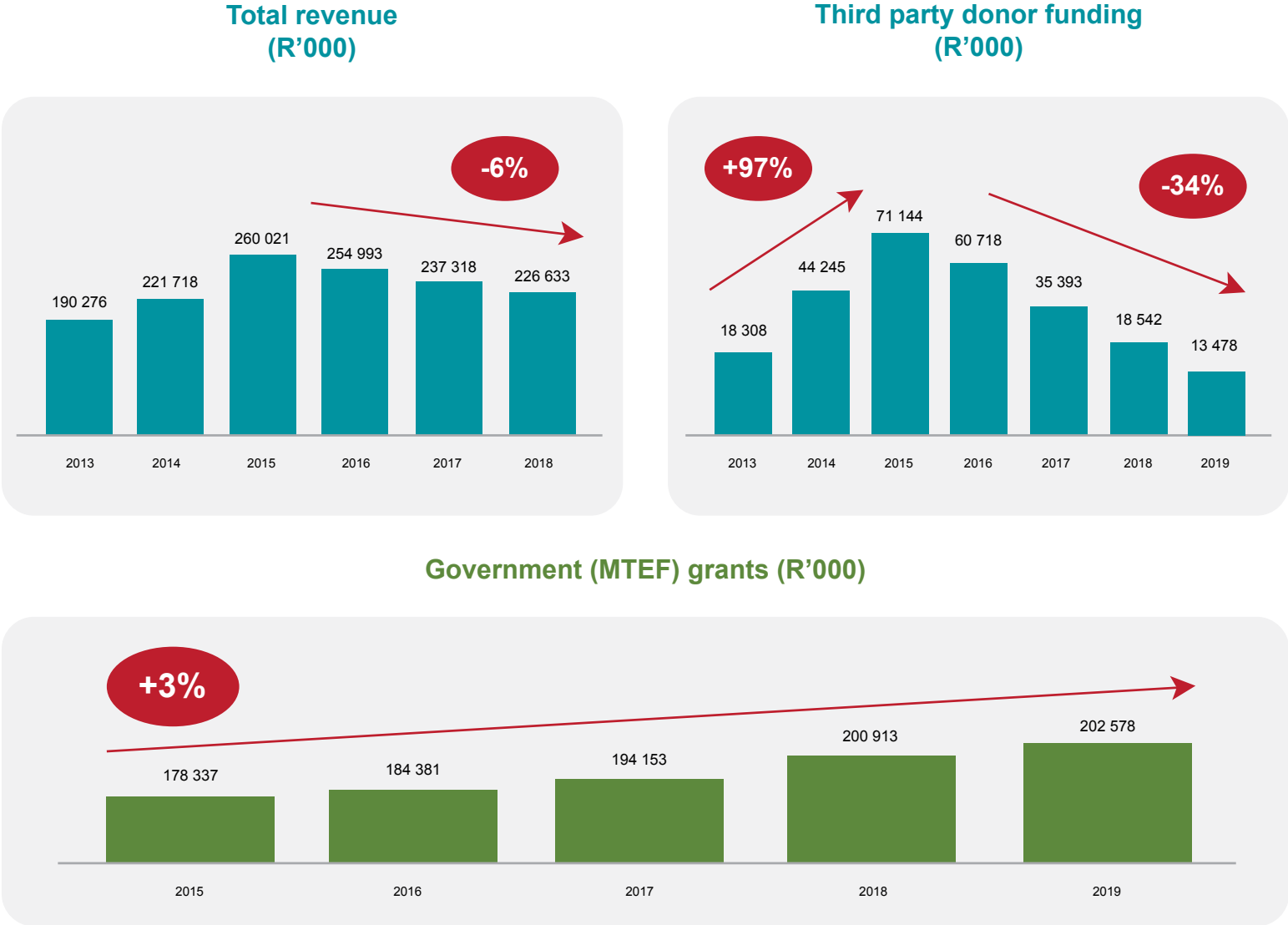


Figure 20: Revenue Split

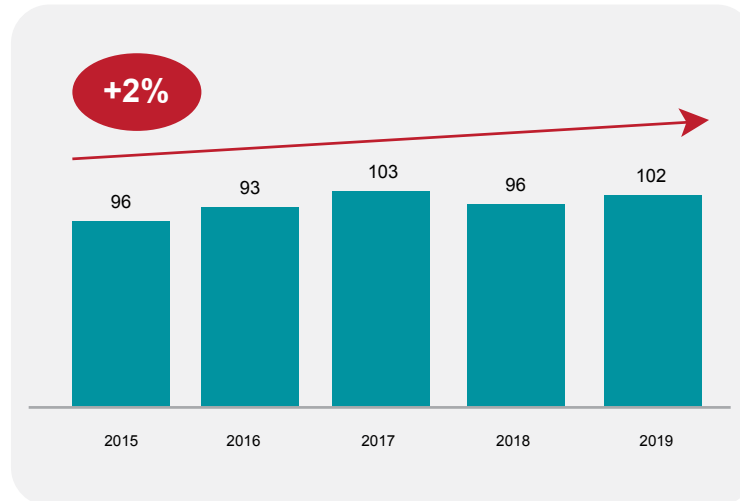
PART B: OUR STRATEGIC FOCUS

In 2019, the NDA received a government allocation of R202 million. In the past 5 years, allocations received from government have increased by 3% CAGR. However, the budget allocation has been negative in real terms. The NDA's revenue declined due to below inflationary increases in transfers from National Treasury, rising fixed cost, a lack of financial reserves and a decline in third party donor funding.

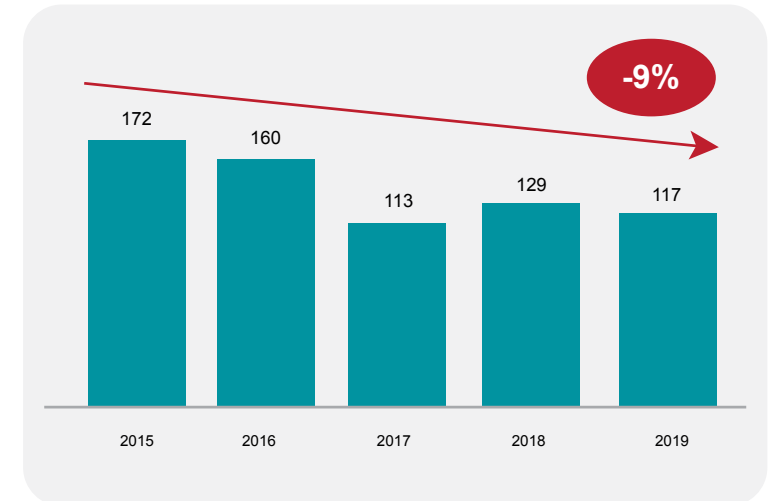
Donors are mostly provincial DSD offices. The key reason for the sharp decline in third party donor funding is due to the National Treasury regulations. This limited the funding the NDA receives as provincial offices are imposing challenges on the NDA's ability to entirely fulfil its mandate, which states that the organisation must act as a key conduit for funding from the Government of the Republic, foreign governments and other national and international donors for development work to be carried out by civil society organisations. Additionally, the current funding levels of the NDA is a key risk when planning activities and interventions.

Expenditure on Governance and Administration (Programme 1) has increased by 2% since 2015 in relation to the 9% decrease in CSO Development Expenditure in the same period, as presented below:

Programme 1: Administration Expenditure (R'000 000)



Programme 2: CSO Development Expenditure (R'000 000)



Programme 3: Research Expenditure (R'000 000)

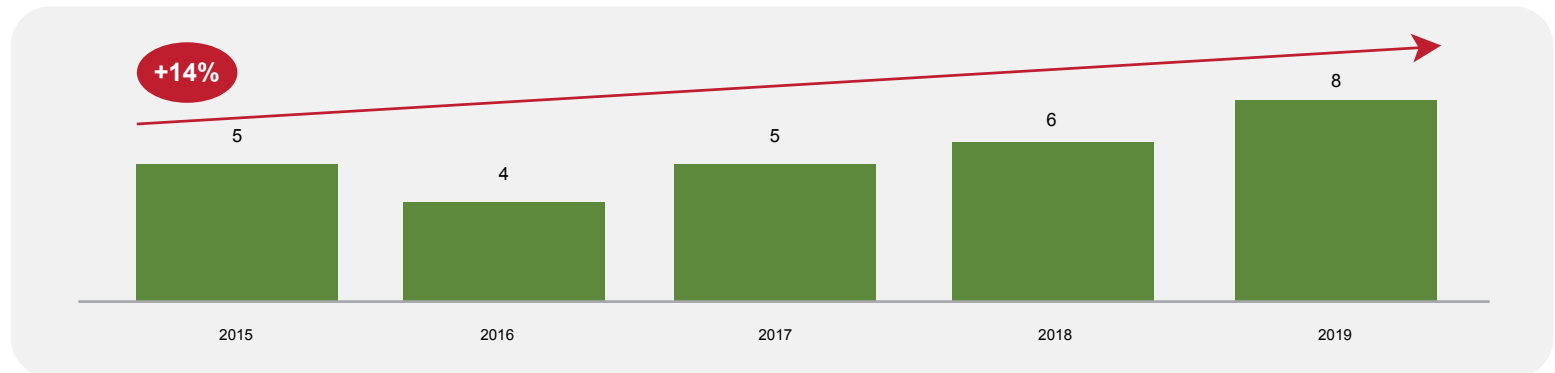


Figure 21: Expenditure per Programme

PART B: OUR STRATEGIC FOCUS

The increase in the administration expenditure can be attributed to the decentralization of the NDA which required the appointment of additional skilled employees. The organisation's financial constraints have negatively impacted the effective execution of strategy and ability to deliver on mandate. The NDA must explore other revenue-generating avenues for the financial sustainability of the organization through leveraging internal strengths, minimising weaknesses and exploring opportunities fundamentally through partnerships and organisational repositioning.

8.1.10. SWOT Analysis

A Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis was conducted to reveal key areas of concern and opportunities for improvement:

Strengths	Weaknesses
<ul style="list-style-type: none"> • Contributes positively to poverty alleviation in the country, a key requirement of many Government policies and strategies, thus high relevance • Human capacity • Mandate mandated to work with civil society • Centralized HR systems 	<ul style="list-style-type: none"> • Performance Management Framework • Weak Monitoring and Evaluation - inability to measure impact and target • Financial constraints • Cost structure - personnel cost as a percentage of total org budget • Poor project management (disbursement of grants) • Poor brand management • Not leveraging on the unique mandate • Overall low to medium compliance to mandate • Not fit for purpose systems processes and ICT • Historic practices not based on policy that guides/makes provision • Poor implementation and selective approach on policy by management • Outdated policies - e.g. remuneration policy - approved in 2009 reviewed after 10 years • Training and mentorship for employees and CSO's
Opportunities	Threats
<ul style="list-style-type: none"> • Being the Premier Development Agency for poverty eradication • Alternative revenue generation through the provision of other services • Alternative revenue generation through partnership in both the public and private sector • Leverage industry knowledge to influence policy • Key implementing agent - align all 3 bodies of state and implement 	<ul style="list-style-type: none"> • Pending reorganization of the State • Poor Brand Reputation stemming from negative peer perception of the NDA • Lack of impact monitoring threatening potential for grant increase • Increased competition in the grant funding space • Niche not clearly identified • Weak economic growth • Rising unemployment • Declining government revenue • High-risk business operation due to operating on real deficit on year to year • Civil Society Sector's doubts about the NDA's ability and effectiveness to play a role of being the state organ for the civil society organisations in the country

Figure 22: SWOT Analysis



PART C

PART C: MEASURING NDA'S PERFORMANCE

9 Institutional Performance Information

9.1. Measuring the Impact

The impact for the strategic plan is the result of achieving specific outcomes which are assessed at the end of the five-year strategic planning period. The table below shows the NDA's impact statement for the strategic period.

Impact statement: Reduced levels of poverty in South Africa

9.2. Measuring Outcomes

Outcome	Outcome Indicator	Baseline	Five-year target
Good Governance	Effective systems in place to achieve good governance	Qualified audit opinion	Clean audit
	Amendment of the NDA Act	NDA Act (2003)	Amended NDA Act
Establish effective public private partnership modalities to effect development goals	Revenue generated through strategic partnerships	New Indicator	R500 million
Self-sufficient and self-reliant communities	Strengthen Civil Society mechanisms/ formations towards achieving NDP goals	New Indicator	Strategically position and embed capacity building model for South Africa
	Fund strategic poverty eradication initiatives	New Indicator	80% disbursement of funds raised from strategic partnerships
Influencing development policy through thought leadership	Develop a research agenda for improvement of NDA work	New Indicator	Research agenda

PART C: MEASURING NDA’S PERFORMANCE

9.3. Explanation of Planned Performance over the Five-Year Planning Period

The National Development Plan (NDP) has a long-term perspective to eliminate poverty and reduce inequality by 2030. According to the plan, South Africa can realise these goals by drawing on the energies of its people, growing an inclusive economy, building capabilities, enhancing the capacity of the state, and promoting leadership and partnerships throughout society.

To achieve these goals, the NDP has been divided into 5-year components with a Medium-Term Strategic Framework (MTSF) as an implementation and monitoring tool. In the attainment of the 2030 goals the MTSF (1) Identifies the Priorities to be undertaken during the 5-year implementation plan (2019-2024) and (2) sets targets for the implementation and monitoring of the priorities through outcomes and outcome indicators.

To support the envisioned goals of the MTSFS and meet the constitutional, legislative and policy mandate, the following table highlights the NDA’s alignment to the seven (7) Priority areas:

Priority	NDA Outcomes aligned to priorities
<p>Economic Transformation and Job Creation</p>	<ul style="list-style-type: none"> • Self-sufficient and self-reliant communities – these are communities that are empowered to address poverty and are able to create opportunities for themselves post developmental interventions. These opportunities include the creation of work for sustainability of livelihoods and sustainable poverty elimination. • Good governance – Through the review of the preferential procurement policy. The NDA will ensure internal compliance to the policy by ensuring the inclusion of SMMEs in localisation and buy local campaigns. The revised procurement policy will amongst others address the strengthening of the Township and Rural economy by allocating 30% of the NDA budget and ensuring timeous payment to all suppliers within 30 days. • Establish effective public private partnership modalities to effect development goals – The NDA seeks to raise resources for funding and support of the CSOs for furtherance of their development work. Through this outcome the NDA also aims to facilitate the increase in the number of competitive small business/CSOs/cooperatives with a focus on township economies and rural development. This it will do through establishing strategic partnerships that will raise resources for continuous support to CSOs.

PART C: MEASURING NDA'S PERFORMANCE

Priority	NDA Outcomes aligned to priorities
<p>Education, skills and health</p>	<ul style="list-style-type: none"> • Influencing development policy through thought leadership – The NDA is striving to produce research output that will place the organisation at the forefront as a thought leader in its area of expertise and in line with the development needs of the country. Various stakeholders through different platforms will be engaged with the research output. The expected output is to ignite dialogue and/or contribute to the development of various strategies and policies in line with the development needs and national priorities. This outcome will contribute to the improved education, training and innovation output of the country and contribute towards the development policy and practice. • Self-sufficient and self-reliant communities – In the creation and enablement of self-sufficient and self-reliant communities, education and training will be crucial. Various capacitation methods will be employed, these include direct capacitation in CSO management, legislative compliance, provision of Learning, Teaching and Stimulation material to Early Childhood Development Centres.
<p>Consolidating the social wage through reliable and quality basic services</p>	<ul style="list-style-type: none"> • Self-sufficient and self-reliant communities – Self-sufficient and self-reliant communities are well capacitated and empowered communities that are creators of quality basic services. Targeting vulnerable individuals and households for the implementation – through CSOs – of food and nutrition security initiatives will contribute towards consolidating the social wage and one of the mechanisms to eradicate poverty and improve people's lives.
<p>Spatial integration, human settlements and local government</p>	<ul style="list-style-type: none"> • Establish effective public private partnership modalities to effect development goals - Through this outcome, the NDA will integrate development initiatives amongst all economic stakeholders for the benefit of the communities the stakeholders operate in. The initiatives will be facilitated in partnership with economic stakeholders, these initiatives include capacitation of municipalities to implement climate change related programmes.
<p>Social Cohesion and safe communities</p>	<ul style="list-style-type: none"> • Establish effective public private partnership modalities to effect development goals – Through coordinating strategic partnerships between key economic stakeholders and CSOs which primarily focuses on safe community initiatives such as ending gender-based violence (GBV), and the restorative justice programme, the NDA will be contributing to the achievement of safe communities. • Fostering social cohesion through the provincial and national social dialogues and the development of social compacts that commit stakeholders to certain actionable programmes that will deepen democracy and unite south Africans.

PART C: MEASURING NDA'S PERFORMANCE

Priority	NDA Outcomes aligned to priorities
A capable and ethical developmental state	<ul style="list-style-type: none"> • Good governance - At the core of good governance is a clean audit and this is what the NDA is striving towards – an unqualified audit opinion which is also in line with the new government's fight against corruption. Good governance requires an ethical and capable state with professional and meritocratic public servants. • Additionally, the NDA will modernise business processes through the implementation of the ICT master-plan. This will optimise operation and capabilities.
A Better Africa A Better World	The expected impact the organisation will make through all its outcomes will contribute towards a better South Africa, which in turn creates a better Africa and world. For example, the NDA's research output will contribute towards total continental and global research output and contribute towards knowledge improvement of other countries. A reduction in poverty numbers locally translated to a total African and global reduction.

b) Rationale for the choice of the outcome indicators

The primary rationale for the choice in outcome indicators is the need for impact creation by the NDA.

Below is a rationale as to the choice of indicators relative to the chosen outcomes:

Outcome	Outcome Indicator	Baseline
Good Governance	Effective systems in place to achieve good governance	The NDA recognizes that internal systems efficiencies and effectiveness are paramount to good governance as they eliminate operating in silos, increases the uptake period of new organizational policies and strategies etc., and enables ease of monitoring and evaluation, all this contribute to good governance.
	Amendment of the NDA Act	
Establish effective public private partnership modalities to effect development goals	Revenue generated through strategic partnerships	The NDA therefore has to establish partnerships with various stakeholders for purposes of raising funds for development. The NDA has a legislative responsibility to mobilise resources and serve as a conduit for funding development work by CSOs.

PART C: MEASURING NDA'S PERFORMANCE

Outcome	Outcome Indicator	Baseline
Self-sufficient and self-reliant communities	Strengthen Civil Society mechanisms/formations towards achieving NDP goals	The NDA has a legislative obligation to grant funds to CSOs for capacity building and advancement of development initiatives to poor communities through CSOs. Through grant funding and capacity building interventions, the NDA seeks to ensure that the communities are graduated from dependency to sustainability and self-reliance.
	Fund strategic poverty eradication initiatives	
Influencing development policy through thought leadership	Develop a research agenda for improvement of NDA work	The NDA recognizes that establishing itself as a thought leader, research output quantity on its own is not enough. The organisation will need to publish research that impacts both development policy and practice. This will require to a large degree contribution of evidence based new knowledge.

c) Explanation of enablers to achieve the five-year targets

For the achievement of the five-year targets, the NDA must focus on cultivating the following enablers:

- **Develop monitoring and evaluation systems:** effective monitoring and evaluation systems create ease in identifying the most valuable and efficient use of resources for tracking success and impact of interventions. It is critical for developing objectives and conclusions regarding the extent to which programmes can be judged a "success". Monitoring and evaluation together provide the necessary data to guide strategic planning, to design and implement programmes and projects, and to allocate, and re-allocate resources in better ways.³⁶
- **Develop partnerships and collaborations:** Partnerships and collaborations are pivotal in the improvement of organisational performance: area-based partnerships provide a mechanism for local organisations, in particular, to work together to address the needs of people and the economy at the local level³⁷. Forging partnerships with entities/ organisations that are strategically aligned to the mandate or strategic direction of the NDA to leverage synergies is important for resource mobilization and creating impact. Development and or strengthening of the NDA's relationship with other DSD entities as well with other key economic stakeholders is therefore crucial.
- **Optimisation of the internal environment:** This includes:

³⁶ *Endvawnow – UN Women*

³⁷ *OECD, Successful Partnerships*

PART C: MEASURING NDA'S PERFORMANCE

o *The review and optimization of people and internal capabilities* – human capital is significant to the NDA's ability to carry out its mandate and support the day-to-day business operation. Therefore, an assessment of existing skillsets and matching them to functions, as well as, upskilling and reskilling of the staff complement in line with the organisation's strategic direction for the five (5) year period is an important enabler.

o *Systems and processes* – this refers to the manner in which operations are carried out within the organisation. An upgrade of the organisation's ICT is focal in optimizing the internal environment. Benefits of efficient systems and processes include effective monitoring of risks, increased reach – both nationally and internationally, monitoring of reach of reports and publications, enhancing capacity through the provision of a single point to coordinate planning and delivery by the respective stakeholder

o *Governance, risk and compliance* - to enhance execution of current functions.

• **Innovative thinking:** This enabler focuses on doing things differently in order to expand the NDA's reach and facilitate change.

o *Change in mindset* – how employees view the organisation, what the organisation does and how it does it. This can be achieved through effective brand reinforcement.

o *Knowledge management* – creating, sharing, using and managing the knowledge and information of an organization.

o *Intrapreneurship* - this allows an employee to act like an entrepreneur within an organization. Intrapreneurship is the use of entrepreneurial skills and thinking to identify initiatives that could benefit the organization. It requires employees to not just think outside the box but create it as well.

d) Explanation of the outcome's contribution to the achievement of the impact

Impact Statement:	Reduced levels of Poverty in South Africa
Good Governance	One of the evidences of good governance is a clean audit. An unqualified audit also speaks to excellent management of funds. If funds are managed correctly, the NDA will be able to provide more and better interventions for the poor.
Establish effective public private partnership modalities to effect development goals	Poverty is a big challenge facing society at large and its reduction cannot be achieved by NDA alone. The strategic partnerships created with the private sector and other government institutions will go a long way in increasing funding available for poverty reduction interventions.
Self-sufficient and self-reliant communities	If communities are self-reliant and self-sufficient, they can create opportunities for themselves and address poverty within the community.
Influencing development policy through thought leadership	Eradication of poverty is a developmental need of the country. The research outcome will allow the NDA to contribute to the reduction of poverty through key recommendations made by the research output.

PART C: MEASURING NDA'S PERFORMANCE

10. Key Risks

Outcome	Key Risks	Risk Mitigation
Good Governance	Non-compliance with regulatory requirements and legislations	<ul style="list-style-type: none"> • Conduct environmental assessment in terms of systems, processes and people
		<ul style="list-style-type: none"> • Continuous improvement in the validation and verification controls of the new system and records • Develop and implement organisational performance and management processes
Establish effective public private partnership modalities to effect development goals	Non-cooperation of stakeholders	<ul style="list-style-type: none"> • Strengthening of Inter-governmental Relations
Self-sufficient and self-reliant communities	Poor economic climate in the formal economy	<ul style="list-style-type: none"> • Increasing opportunities in the informal economy
Influencing development policy through thought leadership	Absence of Research Agenda and evaluation strategy and to guide the development research & evaluations	<ul style="list-style-type: none"> • Draft research strategy and agenda to be developed • Partnerships with public, private and academic institutions
	Limited involvement in facilitating engagement and debates between government, civil society and private sector on development policy	<ul style="list-style-type: none"> • Identify key actors on development space to participate in the engagements and debates • Strengthen partnerships across the development space



PART D



PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Indicator Title	Effective systems in place to achieve good governance
Definition	The indicator refers to the systems which need to be in place to achieve good governance and a clean audit. The indicator will address system requirements for achievement of a clean audit
Source of Data	Management reports • Internal and External Audit Reports
Method of Calculation/Assessment	Audit Outcomes
Assumptions	Creating effective systems will directly lead to a clean audit outcome
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	Unqualified opinion without findings
Indicator Responsibility	Chief Executive Officer (assisted by all executives)

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Indicator Title	Amendment of the NDA Act
Definition	The indicator refers to the amendment and gazetting of the amended NDA Act
Source of Data	Amended NDA Act (gazetted)
Method of Calculation/Assessment	Simple count
Assumptions	Rationale for amendment supported and approved at an executive level
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	Amended NDA Act
Indicator Responsibility	NDA Legal Unit – Internal NDA consultation process DSD Legal Unit – Legislative drafting process

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Indicator Title	Revenue generated through strategic partnerships
Definition	The indicator refers to the value of financial resources committed by NDA strategic partners for funding of CSOs
Source of Data	Funding Agreements
Method of Calculation/Assessment	Aggregation of rand value amounts committed by NDA partners
Assumptions	The commitments made by NDA partners will be fulfilled
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	To secure financial resources for advancement of development work
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

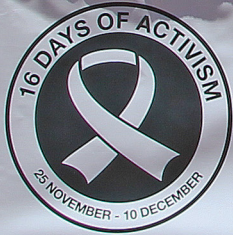
Indicator Title	Strengthen Civil Society mechanisms/formations towards achieving NDP goals
Definition	The indicator aims to measure the outcome of NDA capacity building interventions towards enabling CSOs to play a meaningful socio-economic role in the country
Source of Data	Evaluation reports on capacity building interventions
Method of Calculation/Assessment	Capacity building evaluation results
Assumptions	The CSOs are responsive to NDA capacity building interventions
Disaggregation of Beneficiaries (where applicable)	Women • Youth • People with disabilities
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Bi-Annually (every 2 years)
Desired Performance	CSOs are able to advance the NDP transformation ideals
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Indicator Title	Fund strategic poverty eradication initiatives
Definition	The indicator refers to CSOs that have been grant funded to further their own development programmes
Source of Data	Grant Funding Agreements
Method of Calculation/Assessment	Simple count of CSOs approved for funding by the Board including other CSOs listed as direct beneficiaries of the funding granted to Board approved CSOs
Assumptions	Grant funding process does not take longer than anticipated. Funding is received on time to allow for timeous distribution to CSOs
Disaggregation of Beneficiaries (where applicable)	Women • Youth • People with disabilities
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	To provide financial resources to organisations for the furtherance of their developmental needs
Indicator Responsibility	Chief Operations Officer

PART D: TECHNICAL INDICATOR DESCRIPTION (TID)

Indicator Title	Develop a research agenda for improvement of NDA work
Definition	This indicator refers to the development of a research and evaluation agenda that will direct the NDA in producing research and thought leadership publications to influence development policy
Source of Data	Research agenda document
Method of Calculation/Assessment	Simple count
Assumptions	Buy-in and agreement on the research focus areas as well as participation of relevant stakeholders in developing the research agenda
Disaggregation of Beneficiaries (where applicable)	N/A
Spatial Transformation (where applicable)	N/A
Reporting Cycle	Annually
Desired Performance	The implementation of the research agenda will result in a range of research and thought leadership pieces that influence development policy
Indicator Responsibility	Executive: Research



NDA
National
Development
Agency

Handwritten signatures in green ink.



**SAY NO TO VIOLENCE AGAINST
WOMEN AND CHILDREN**



social development
Department
Social Development
REPUBLIC OF SOUTH AFRICA



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