



**SOCIAL TRANSFORMATION COMMITTEE:
BASIC INCOME GRANTS, SOCIAL
RELIEF AND FOOD SECURITY**





**SOCIAL TRANSFORMATION
SUB-COMMITTEE PAPER: BASIC
INCOME GRANTS AND THE COVID
19 SOCIAL RELIEF AND FOOD
SECURITY**

AFRICAN NATIONAL CONGRESS

Social Transformation Committee



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1. Introduction and Purpose

The purpose of this paper is to provide an analysis of the Basic Income Grant as a necessary intervention to address the gaps in the Social Protection System and to report on progress on the Special Covid-19 Social Relief of Distress Grant. It also provides an update on the food and nutrition relief programme. The paper is in response to the resolution by the National Executive Committee for all the NEC Subcommittees to be active in guiding the ANCs response to COVID-19.

2. The Basic Income Grant

“I’m now convinced that the simplest approach will prove to be the most effective—the solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income.” Martin Luther King Jr. (1967).

2.1 Definition of the Basic Income Grant

A Basic Income Grant is defined as “...an income paid by the state to each full member or accredited resident of a society, regardless of whether he or she wishes to engage in paid employment, or is rich or poor or, in other words, independently of any other sources of income that person might have, and irrespective of cohabitation arrangements in the domestic sphere.” (Raventós, 2007, p. 8).

There are three general principles of Basic Income Grant (BIG) which are; Universality, Individuality and Un-conditionality. Universality implies that the grant should be open to all (although some proponents of BIG advise starting in a specific domain and then “universalise” it gradually over time). The second principle is individuality which implies that the BIG should be designed to cater to individuals, not households, since it is considered a truly individual right and. The third principle is un-conditionality with the implication that the BIG should be unconditional (or it should employ conditions that do not violate inclusiveness).



2.2 Historical Context

The idea of BIG in South Africa has been mooted since the Taylor Committee (2000), with strong support from the ruling party's allies including trade union movements, opposition parties including the Democratic Alliance (DA) as well as various civil society organisations and segments of organized business. However, actual development of the social assistance system over the years while adopting 90% of the Taylor Report recommendations followed a very different course in respect of the Basic Income Grant. Section 27 of the constitution states that "everyone" has the right to access social security, and if needed social assistance. Social assistance is only provided to children, the elderly and people with disabilities, and to a limited extent short term relief is provided to those in distress. Additionally, there is the Social Relief of Distress (SRD) and the disability grant which caters individuals between the ages of 18 to 59 do not have access to social assistance. The South African Government has chosen various alternative policy interventions to provide assistance to this cohort such as the Expanded Public Works Programmes (EPWP), Labour market interventions, e.g. Minimum wage and wage subsidies. Arguably these have not been very effective as poverty and inequality remains high.

2.3 South Africa's inequality in comparison to other countries

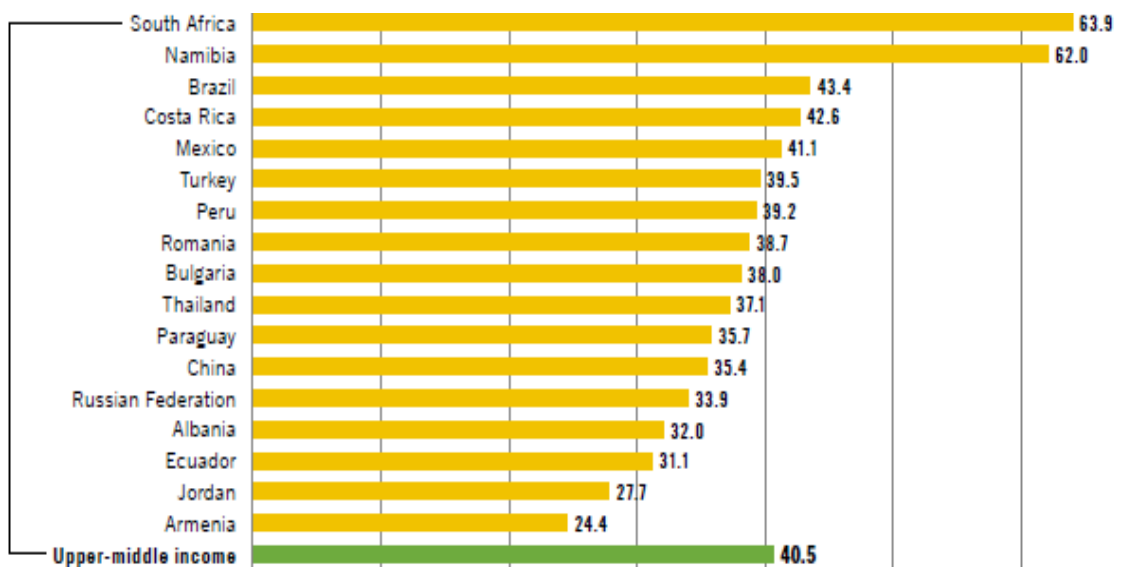


Figure 1: South Africa's inequality comparison to other countries

The figure above shows the inequality rates of South Africa in comparison to other countries. The figure shows South Africa's inequality remains the highest in the world thus the country has failed to successfully redistribute economic gains within the society

2.4 Fiscal cost of the Basic Income Grant

The fiscal costs for the provision of a BIG to the entire population has always been the biggest concern and a hindrance. Estimates vary depending on the size of the grant but even at low level, it is estimated to be a sizable amount. For example: The current amount for the COVID19 SRD stand at R350 for 8 million people while the estimated to cost R17 billion for 6 months (R34 billion a year). If this was provided to the whole population excluding the 18 million currently receiving a grant it would cost about R160 billion, almost doubling the current social grant budget. When viewed as a fiscal cost the billions required to implement a BIG seem prohibitive, however if you consider it from a redistribution perspective and noting that a R160 billion is only 3% of GDP, shifting just 3% from the very wealthy to the poor is relatively a small intervention. Thus it might not really be a question of affordability or sustainability but whether or not we are willing to share; if so, then how much? Proposals for funding have focused largely on the use of the tax system, wherein the grant would be clawed back from those with high incomes through the revision of the tax rate.

2.5 Economic cost of Basic Income Grant

As outlined from the outset that the country's has extremely high levels of income inequality, however, income distribution in our country is hugely distorted. For example, 60% of income goes to the top 10% with the poorest 50% getting less than 10% of the countries income. In South Africa the high inequality levels leads to the following:

- Greater social ills such as crime, substance abuse
- Lower levels of development and poorer health and well being
- Decreased social mobility (i.e. the ability for people to escape poverty)
- Lower levels of economic growth



While positive effects of redistribution will:

- Boost social mobility amongst the poor
- Promote human capital development
- Increase consumption spending by the poor – thereby altering markets to accommodate lower skilled labour.
- Reduce excesses amongst wealthy and possibly imports. Can have a positive effect on the balance of payments account.
- Overall - promotes both local and national economies, with strong evidence emerging that it has relatively strong multiplier effects on the economy.

2.6 Proposals toward a Basic Income Grant for South Africa¹

The Context Pre and Post COVID19:

Any proposals that are designed to address poverty, inequality and unemployment must take account of the social and economic context prior to and post the COVID 19 period. In the period prior to COVID 19, Statistics South Africa's 2017 Report on Poverty indicated that headcount poverty increased from 53,2% in 2011 to 55, 5 % in 2015. Approximately 30, 4 million people were living below an Upper Bound Poverty Line (UBPL) of R1 183 pppm (Poverty lines updated at 2019 purchasing power parity per month). People living below the Lower Bound Poverty Line (LBPL) of R785 pppm increased from 18,7 million in 2011 to 21,9 million (40%) in 2015. In addition people living below the Food Poverty Line (FPL) of R561 per person increased from 21,4 % in 2011 to 25, 2% in 2015 from 11 million to 13, 8 million people.

Post COVID 19 estimates of poverty are much higher especially for those who are over the age of 18 and under 60 years and who are without waged work and live in absolute poverty without any social grant income. They are destitute, and dangerously disengaged. The majority are young, black African, women and many live in rural, informal areas and impoverished townships. The depth and extent of poverty has increased for them alongside a visible growth in wealth and income for a privileged minority.

¹ This section, including the proposals are taken from a working paper by Prof Vivienne Taylor, titled Social Protection: Pathways to a Basic Income Grant beyond COVID 19 and was presented to the ANC Social Transformation Committee (STC) on 26 May 2020.



COVID19 has weakened and undermined the resilience & survival strategies of low- and no-income households. The bottom has fallen out of the emerging black middle class many of whom were estimated prior to COVID 19 to live with debt of up to R7 000 pm and this would significantly increase under the current conditions pushing many into financial ruin. The face of poverty continues to be Black Africans with women and youth disproportionately represented. Children constitute 51% among the LBPL and youth in ages from 18 to 24 years are 43,6%.The social and economic crisis fuels increasing levels of violence and abuse of women and children increases. The care economy, an important feature of the social economy is disintegrating – there is no elasticity in these systems under COVID 19 conditions. Unemployment is expected to rise from a high of 30% to projections that reach 50% of the economically active population according to some.

The evidence of increasing unemployment, deepening and widening poverty and inequalities that have the potential to fuel violence and conflict it is unlikely that the Government will achieve the National Development Plan (NDP) goals and the Sustainable Development Goals (SDGs) of reducing those who live below the LBPL and FPL to zero by 2030. Empirical evidence is unambiguous on the role of income transfers in reducing poverty and inequality.

What is the Approach?

A graduated approach is proposed towards a universal basic income grant. The proposals presented should be considered as part of the post COVID 19 strategies to address the impacts of increasing poverty, unemployment and economic exclusions. A BIG as a social protection strategy combines with complementary public policies to support job creation and socio-economic development and reinforces the process by which redistribution to the poorest generates growth and in turn sustains further broad-based improvements in living standards. It provides predictability for the poorest, has the potential to reduce violence and conflict and starvation and increase learning and health outcomes.



Does the BIG have the ability to reverse the current trend?

Strong evidence based on previous micro simulations finds that a basic income grant can address some of the major shortcomings of the existing social grant system.

- First, because it is universal it addresses critical structural problems related to targeting the poorest people that continue to undermine the effectiveness of the current system.
- Second dispensing with the means test lowers the cost of accessing the grant to both the government and the beneficiaries (administration costs of some grants are as high as 15%)
- Third providing the grant as a fundamental right reduces arbitrary discretion, minimising opportunities for corruption.
- Fourth & most important the broad coverage that universal access provides fills the gaps of the existing social assistance system.
- Fifth the basic income grant could enable the social protection system to reduce the food poverty gap to zero for all groups. No other social security reform can provide the effective breadth of coverage demonstrated by the basic income grant.
- Sixth it will reduce the likelihood of Constitutional Court challenges under Section 27 (1) of the Constitution, especially with regard to the right to food security.

2.7 Combined Proposals towards a Basic Income Grant for South Africa

The proposals presented in this paper take account of varying sizes of the basic income grant, together with the demographic assumptions and labour market projections of employment and unemployment. They focus especially on the people who are currently excluded from any form of social grants.

It provides an analysis of the gross cost of BIG and income transfers and potential adjustments to the income tax structure that can be considered to recuperate most of these transfers without significantly affecting the vertical equity of the net tax burden.



Demographic and Socio- Economic Factors

South Africa's total population aged 18 to 59 is 33 million as shown in Table 1. Of these 7.3 million are not economically active (namely people who have never looked for work and have stayed home or such like) and 25.7 million are economically active.

Pre-Covid-19: Of 25.7 million (66%) considered economically active 17 million had jobs and 8.7 million (34%) were considered unemployed. This includes discouraged work-seekers and excludes unemployment post the age of 60.

Post-Covid-19: It is anticipated that unemployment will increase to 50% namely 12.8 million in 2020 decreasing to 10.8 million (42%) in 2021 and 9 million (35%) in 2022.

Table 1: Population Age, Employment and Unemployment Features Pre and Post COVID19

				2020		2021	2022
Age	Total population	Not Economically active - 22%	Economically active -78%	Employed - precovid - 66% of economically active	Employed - post covid - 50% of economically active	Employed - 58% of economically active	Employed - 65% of economically active
19-54	30 899 560	6 797 903	24 101 657	15 907 093	12 050 828	13 978 961	15 666 077
55-57	1 286 969	283 133	1 003 835	662 531	501 918	582 225	652 493
58-59	775 398	170 588	604 810	399 175	302 405	350 790	393 127
TOTAL	32 961 926	7 251 624	25 710 303	16 968 800	12 855 151	14 911 975	16 711 697
	Unemployed:		Age	Economically active but unemployed – pre-Covid – 34%	Unemployed – post-Covid - 50%	Unemployed - 42%	Unemployed -35%
			19-54	8 194 563	12 050 828	10 122 696	8 435 580
			55-57	341 304	501 918	421 611	351 342
			58-59	205 636	302 405	254 020	211 684
			TOTAL	8 741 503	12 855 151	10 798 327	8 998 606
Source: Calculated from Quarterly Labour Force Survey (Quarter 4: 2019) StatsSA February 2020 and population statistics provided by STATSSA 2018 / 2019							



The Feasibility of a BIG

In assessing the feasibility and affordability of a BIG the following were taken into account:

- The size of the basic income grant, together with the demographic assumptions and the existing social security programmes determines the gross cost of income transfers.
- Adjustments to the income tax structure can recuperate most of these transfers without significantly affecting the vertical equity of the net tax burden.
- Complementary public policies that support job creation and socio-economic development for youth can reinforce the process by which redistribution generates growth and in turn sustains further broad-based improvements in living standards.

Table 2: Proposals - Post Covid – Graduated Approach

	Proposals - Post Covid – Graduated Approach	Potential Take up Rates	Amount of Grant	Indicative Cost estimates
				COST (Rands) pa
Proposal 1	Youth Employment Skills & Job Placement - Ages 19 - 35			Significantly strengthen and extend existing programmes
Proposal 2	Extend OAP to 58-59	(at least 56% are women)	R1860pm	
		30% coverage (232 619)		5 192 056 080
		50% coverage (387 699)		8 653 441 680
Proposal 3	Extend OAP to 55-57 by 2030	(at least 56% are women)	R1860pm	COST (Rands)
		30% coverage (386 090)		8 617 528 800
		50% coverage (683 484)		14 362 574 040
Proposal 4	Grant for Economically Active but Unemployed - Ages 19-59	Would need to register all job seekers	Based on R500 pm -FPL	
2020		12 855 151 (50% unemployment)	2020	77 130 906 000
2021		10 798 327 (42% unemployment)	2021	64 789 962 000
2022		8 998 606 (35% unemployment)	2022	53 991 636 000
Source: Calculated from Quarterly Labour Force Survey (Quarter 4: 2019) StatsSA February 2020 and population statistics provided by STATSSA 2018 / 2019				



Universal Basic Income Grant Proposal (R500 per month)

Table 3: Universal Basic Income Grant

Universal Basic Income grant	Population count	Gross cost
For ages 19-59	32 961 926	R197 771 556 000

Why R500 per month?

This amount is set at just below the current Food Poverty Line (FPL) which is R561 pppm at 2019 costs. This amount removes people from food poverty but does not remove them from the LBPL and UBPL.

It is also important to note that the BIG would be gender responsive because 56% of the population receiving it would be women. Despite the low amount of the grant it reinforces the care economy in which women's labour is exploited. The grant would act as an incentive for young work seekers.

How will the Grant be funded?

Adjustments to the Tax Structure: While all employed persons would also receive the R500 grant they would pay it back in its entirety as part of a tax deduction. Based on a sliding scale the lowest paid employees would pay additional tax of R6000 pa (R500 X 12) to cover the R6000 received via the grants system whilst higher paid employees would pay a higher amount so that the full gross cost of the grant is paid. This is in line with the principle of vertical tax equity and subsidiarity.

Assuming that the full R6000 pa will be recovered through the tax system from each employed person who receives the grant there would be no real additional tax burden to employed individuals. The amounts recovered based on current employment figures would be as reflected below with additional funding required to be raised through a special designated form of Social Protection Tax or Fund:



The figures and projections in this paper are indicative. The projections took into account the shrinking revenue base and increasing budget deficit in the country. More detailed work is required to determine South Africa's tax space.

Table 4: Cost and funding of Universal Basic Income Grant

Total cost of Universal Basic Income Grant: <i>R197 771 556 000</i>	Population count	Recovery	Amount to be raised through additional taxation (total cost less recovery of full grant amount in respect of employed persons)
Recovery from Employed persons - pre -Covid – current employment rate of 66% of economically active population.	16 968 800	-R101 812 800 000	R95 958 756 000
Recovery from Employed persons - post -Covid – estimated employment rate of 50% of economically active population.	12 855 151	-R77 130 906 000	R120 640 650 000
Source: Calculated from Quarterly Labour Force Survey (Quarter 4: 2019) StatsSA February 2020 and population statistics provided by STATSSA 2018 / 2019			

The social, economic and political costs of not introducing a Basic Income Grant in South Africa are more disastrous than the actual monetary costs. It is possible to phase in the provision of a Social Old Age Pension for those who are between 58 and 59 years and in 2022 those who are between the age of 55 and 57. This will have a remarkable impact on the levels of inequality and reductions in poverty. All the proposals ought to be considered as medium term options and provide a combination of interventions that together will address the needs of the most vulnerable and at risk during times of crises as well as act as a stabiliser for economic and social development².



² This is the end of the section taken from Prof Taylor's Working paper.

2.6 NEDLAC Research Commissioned Research: Basic Income Support

NEDLAC reviewed issues that undermine comprehensive social security and identified the gap in social assistance to a large part of the economically active but unemployed (aged 18 to 59 year) as critical. NEDLAC therefore commissioned a research study on the Basic Income Support in the current context. The study seeks to assess the feasibility of providing income support (either universal or means tested) to those between the ages of 18+ to 59 in South Africa. Assessment is given to the costs, macro-economic and as well as the distributional impact and fiscal feasibility of a basic income grant within South Africa. Among others, the focus is on:

- The nature of the income support (universal or means tested, conditional or unconditional);
- The value of the support (nutritional needs, reduce poverty, provide a decent standard of living?) Variable amount or flat rate; If universal – taxed or tax exempt;
- Links to the labour market;
- The macroeconomic and socio-economic impacts are considered; and
- The delivery mechanism (tax credits, grants, wage subsidies, etc).

The NEDLAC study is nearing completion and will be submitted to all constituencies.

2.7 Progress on Targets R350 COVID-19 Special Grant

South African Social Security Agency (SASSA) pays over 18.3 million social assistance benefits to 11.3 million recipients every month. The total value of social grants paid monthly is approximately R20 billion every month (R 187,835,779,000 per annum, this budget has been temporarily adjusted by R33 billion to address the Covid-19 pandemic. The benefits are for older people (> 60 yrs.), people with disabilities and children (0 -18 yrs.). SASSA deposits all social grants into beneficiaries' bank accounts monthly. Beneficiaries choose the payment channel to withdraw and/or transact. Majority use ATMs, retailers and on few go to Post office branches and mobile pay-points.

The social grant payment cycle has since mid-2018 started on the 1st of every month with SASSA transferring funds directly into the bank accounts of beneficiaries. In addition, SASSA deploys through SAPO, mobile payment infrastructure services



to areas where there is no NPS infrastructure (>1% of the beneficiaries' population use such services)

2.8 Recent Grant Increases/Top ups

The child support grant was increased by R300 per child in May, and will be increased by R500 per caregiver from June to October 2020

All other existing grants were increased by R250 per month from May to October 2020 (except for Grant in Aid)

GRANT TYPE	NUMBER OF GRANTS	VALUE
Care Dependency	143 066	R275 073 396,00
Combination	8 099	R29 152 603,00
Child Support	7 131 941	R5 673 943 610,00
Disability	1 038 138	R2 020 527 861,00
Foster Care	253 432	R396 089 771,00
Old Age	3 670 976	R6 857 849 639,00
War Veterans	62	R119 830,00

Table 1: Numbers and rate value Tops-ups on Social Grants

The reinstatement of the temporary disability and care dependency grants, as contained in the signed Directions was also attended to

2.9 Payment Models by Bank

Banks	April 2020	Sum of Amount	May 2020	Sum of Amount
	Sum of Number of Beneficiaries		Sum of Number of Beneficiaries	
ABSA BANK	292,902	R464,958,328.00	292,285	R581,690,901.00
AFRICAN BANK	15,463	R22,620,143.00	15,431	R30,354,990.00
ALBARAKA BANK	194	R370,317.00	195	R427,750.00
BIDVEST BANK	15,076	R19,756,805.00	15,070	R26,962,209.00
CAPITEC BANK	802,779	R1,057,054,712.00	802,947	R1,425,683,949.00



	April 2020		May 2020	
DISCOVERY BANK	1	R3,352.00	1	R2,110.00
FINBOND MUTUAL	46,967	R86,097,523.00	46,892	R109,192,681.00
FINBOND NET1	7,036	R11,236,575.00	7,065	R15,157,303.00
FIRSTRAND BANK	384,421	R593,511,905.00	383,877	R761,568,528.00
GRINDROD BANK	959,582	R1,321,747,245.00	957,774	R1,815,137,988.00
GROBANK LTD	16,287	R30,575,175.00	16,263	R38,041,523.00
HABIB OVERSEAS	3	R5,580.00	3	R6,330.00
HBZ BANK	12	R24,520.00	10	R21,140.00
INVESTEC BANK LTD	71	R129,580.00	71	R147,580.00
ITHALA	13,789	R21,754,972.00	13,758	R28,485,173.00
MERCANTILE BANK	289	R549,082.00	290	R616,303.00
NEDBANK INCORP BOE	12	R22,380.00	13	R27,510.00
NEDBANK LIMITED	335,926	R489,406,731.00	335,377	R642,717,189.00
POSTBANK	8,194,058	R10,762,614,987.00	8,179,878	R14,242,359,986.00
IGPS	8,100,672	R10,619,973,777.00	8,086,603	R14,058,613,906.00
MZANSI	93,386	R142,641,210.00	5	R183,746,080.00
SASFIN	1	R1,860.00		R2,110.00
STANDARD CHARTERED	1	R440.00	1	R740.00
STANDARD SA	244,114	R380,262,816.00	43,743	R481,031,534.00
STATE BANK OF INDIA	1	R1,860.00	1	R2,110.00
TYMEBANK	66	R125,236.00	77	R205,905.00
Grand Total	11,329,051	R15,262,832,124.00	11,311,023	R20,199,843,542.00

Table 2: Breakdown of bank payments

The table above shows the all banks were beneficiaries were paid, the number of beneficiaries per bank and the amount SASSA paid to each bank.

Extraction of the payment file for the payments in June was done over the week of the 20th of May 2020. The planning is underway for the June 2020 payments. As a measure of managing long queues the Department will continue staggering of payments through a further file split, for example Old Age Grant and Disability Grant will be split, additional marshals on the ground and increased level of communication to advise beneficiaries that the money is in their account regardless of whether they use own bank accounts or the SASSA card and will not be reversed if not accessed immediately

2.9 Criterion for qualify for 350 Grant

A special COVID-19 Social Relief of Distress of R350 per month for distressed individuals will be provided as per the following qualification criteria:

- South African Citizen, Permanent Resident or Refugee registered with Home Affairs;
- Resident within the borders of the Republic of South Africa;
- Above the age of 18;
- Unemployed;
- Not receiving any income;
- Not receiving any social grant;
- Not receiving unemployment insurance benefit and does not qualify to receive unemployment insurance benefit;
- Not receiving a stipend from the National Student Financial Aid Scheme;
- Not benefiting from any government Covid-19 support and
- Not resident in a government funded or subsidized institution

The registration or Application process of the R350 is outlined in the diagram below. Applicant can use either WhatsApp, USSD, calling on the Call Centre, visiting the SRD website or face-face with the agents of SASSA.



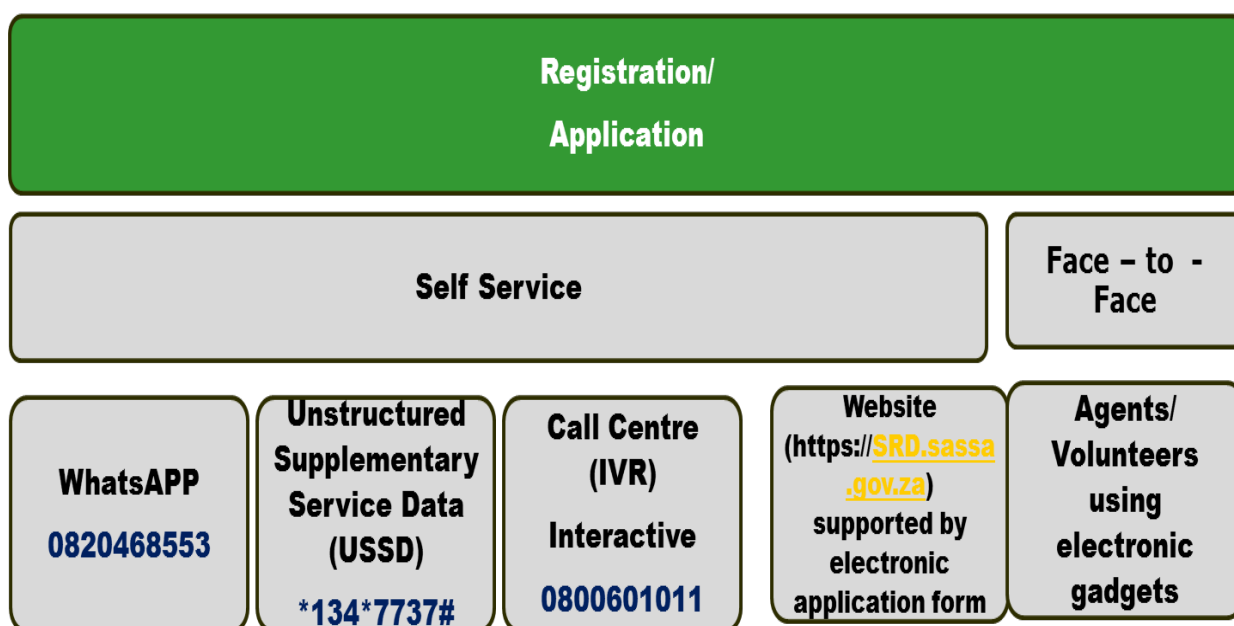


Figure 2: SASSA R350 Grant Application options.

2.10 Progress on R350 Applications

A new COVID-19 SRD grant of R350 for the unemployed citizens was introduced for a period of six months and Regulations was issued on 9 May 2020 to direct the special qualification criteria. the application process was launched on 11 May 2020 with progress:

Applications Received as at 21 May 2020					
USSD		WhatsApp		Website & Email	
Total	Valid	Total	Valid	Total	Valid
2 899 575	1 640 061	893 967	847 599	336 000	336 000

Table 3: Progress of application for the R350 grant.

The total refers to the total number of attempts / applications received. However, some may be uncompleted / others incorrect ID etc and valid are applications which the channel indicated were successfully completed, had all data and valid ID numbers. The Department notes that some applicants also applied on more than one channel. When received at SASSA the duplicates are removed and the ID number, Names and Surname are validated against DHA and one single master record is created.



2.11 Current Status

The following table provides a summary of the current status with regards to processing of applications for the Special COVID-19 SRD Grant

Records extracted in Batches for Validation	Master Records	UIF, Grants, etc. Excluded	PAYE & DHA match Excluded* (*based on exact match)	Requesting Banking Information	Responses Received – Banked and Unbanked
Initial WhatsApp	94 572	50 002	28 784	15 786	10 103
Batch 1	299 828	115 744	72 784	111 300	29 147
Batch 2	500 000	185 213	Awaiting	-	-
Batch 3 and 4*	2+ million	*Incoming, still being processed and de-duplicated			

Table 4: Status of processing for the R350 grant.

Master Record refers to status on the processing of the current Master Records. All applications for banked clients (where bank details were provided) will be sent to National Treasury for Account Verification Services (AVS) with the various banks. Payment extraction will be done thereafter for all verified bank accounts.

3. Section: Food and Nutrition Relief Programme

3.1 Food Security and Access in South Africa

Food security is a national crisis with some evidence suggesting that roughly 50% of our population is food insecure or at risk of food insecurity. According to StatsSA loss of income resulting from the COVID-19 pandemic may lead to higher levels of food insecurity in RSA. For example: the percentage of respondents who reported receiving no income increased from 5.2% before lockdown to 15.4% by the sixth week of the national lockdown

Years	2017		2018	
	Number	Percentage	Number	Percentage
Total population of RSA	56 521 948	-	57 458 000	-
Total number of households	16 199 000	-	16 571 000	-
Number of households with inadequate and severely inadequate access to food	3 450 3 87	21,3%	3 347 342	20.2%
Number of households with severely inadequate access to food	890 946	5.5%	911 405	5.2%
Number of households with inadequate access to food	2 559 442	15.8%	2 485 650	15%
Number of people with inadequate and severely inadequate access to food	13 930 354	24,7%	13 675 004	23.8%

Table 5: Findings of food security in South Africa.

3.2 Food Access by Households

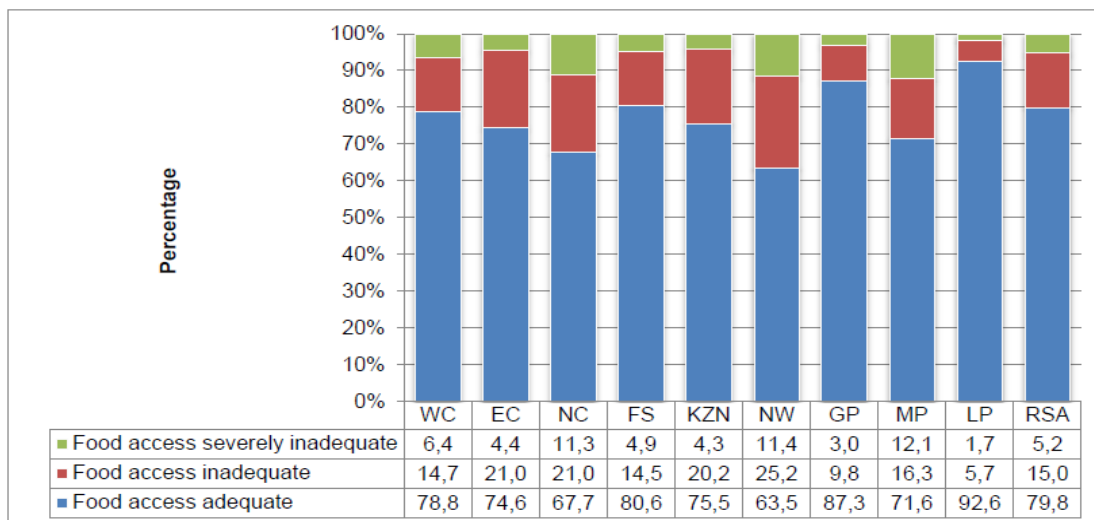


Figure 3: Food access by households.

The figure above shows Percentage of households experiencing food adequacy by province, 2018. Food access problems were more serious in NW (36,6% , NC (32.3%), MP(28.4%), and EC (25,4%). Gauteng (12.8%) and Limpopo (7.4%) had the least food access problems.

3.3 Food and Nutrition Programme of the DSD Context

The lockdown has exacerbated the magnitude of the need for food security as more poor people living below the food poverty line and those whose income has been disrupted have become vulnerable. In line with it's mandate of fighting poverty and hunger, the provision of food and nutrition is one DSDs key programme of a broader social protection agenda. DSD & SASSA provides food relief and social relief of distress using the legislated and credible process administered by officials across the country. The Department uses NPOs as Implementing Agents and partner with Community Based Organizations to render services like food parcels distribution.

The delivery of food parcels is targeted to beneficiaries in DSD centre-based feeding programmes, households that have no income, and those affected by the lock-down

Households are screened/profiled by DSD and SASSA. DSD partnered with the Solidarity Fund and co-funded the delivery of 58 750 food parcels to the value of R43 500 000, delivered through the DSD Implementing Agents. The Solidarity Fund



distributed additional 250 000 food parcels in partnership with other National Food Relief Organisations, Gift of the Givers, Food Forward, Islamic Relief, etc.

To address challenges in relation to food distribution, we have developed a direction (directives) to strengthen coordination. The direction requires that cooked food or parcels must be distributed to households through knock and drop. All NPOs, individuals and private business must apply to DSD for a permit to distribute cooked food or parcels. DSD keeps record of all food or food parcels distributed in a particular area which may include the following:

- Organisation or the person must adhere to all food handling standards,
- All food or food parcels must meet the required minimum health standards;
- The cooked food or food parcel must contain items of high nutritional value; and preferably food parcels contain food with a long shelf life.

Any person who is distributing food or food parcels must inform local SAPS Police Station of their intention to do so prior to the delivery of food or food parcels. Provided below are the details of the update on food distribution in the country.

3.4 NDA Volunteers Enhancing Food Distribution Capacity

The National Development Agency (NDA) allocated an amount of R1.8million to partner with Civil Society Organizations who provide 10 Volunteers each, amounting to 520 volunteers (@ R1 142 stipends for 20 days). Volunteers play a key role in strengthening food distribution capacity and increasing government footprint and response to COVID-19. The volunteers have, amongst others:

- collected data on the households that have individuals who are defaulting on their ARV's and TB medication and have made referrals to DoH for interventions (KZN).
- Identified shops/retailers/vendors that kept expired food items and rotten vegetables during the SASSA paydays. Working with law enforcers, such food items were removed from the shelves. (KZN and LP)
- Community of 20 families between George and Knysna have been identified as having no access to information on special COVID-19 relief grant. They will be assisted by volunteers to fill in their applications.(WC).
- Community education in rural communities continues through distribution of brochures with updated information from government which have been



translated by CSO's into local languages targeting taxi ranks, spaza shops and township malls.

- Volunteers continue to provide que marshalling support during SASSA grant pay days for clients to observe social distancing and also to identify households that are supposed to benefit from food parcels

3.5 Food Distribution since Lockdown

The figure below shows the distribution of food across the country since the lockdown. It shows that the highest number of food distributed was on the 19th of May 2020.

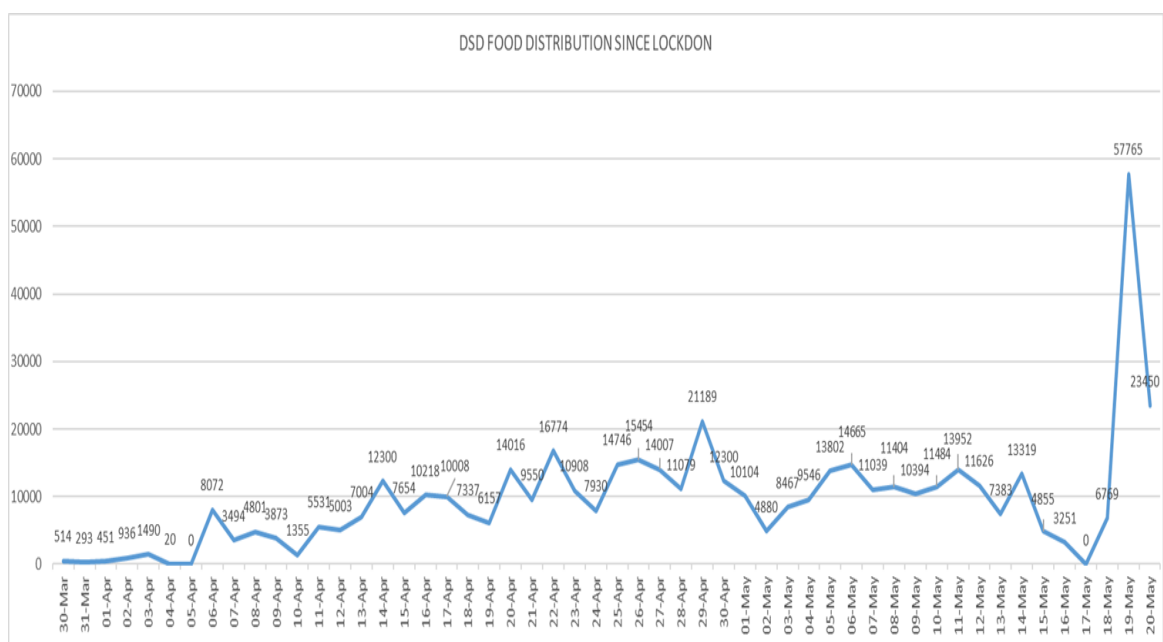


Figure 4: food distributed since the Lockdown

The figure below shows the distribution of food by DSD across the country by province since the beginning of the lockdown. It can be seen that the highest number of food distributed was on the 19th of May 2020 in Mpumalanga.



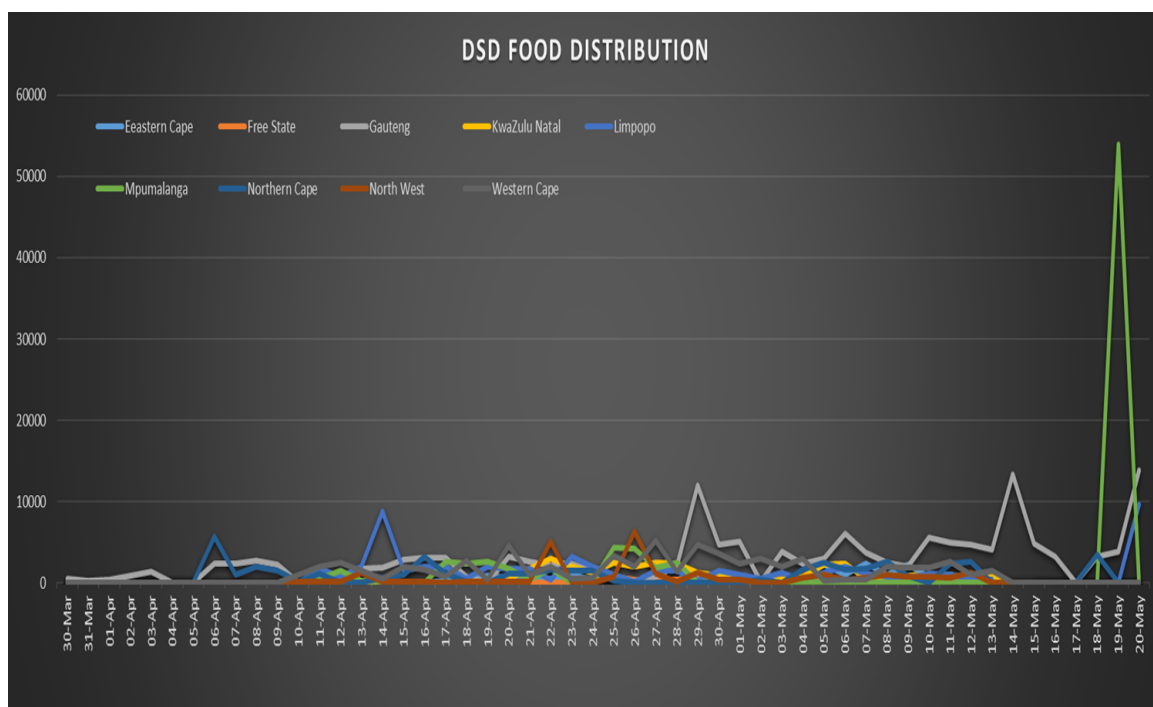


Figure 5: DSD food distributed since the Lockdown per province

3.6 Food Parcel Distribution to households

The table below shows food parcels distributed by DSD to households. Overall, a total of 494 877 food parcels were distributed to an estimated 1 979 508 people. Relative to its population size, Gauteng has the highest number of food parcels distributed. It is concerning that KwaZulu-Natal is amongst provinces with lower number of food parcels distributed.

FOOD PARCEL DISTRIBUTION TO HOUSEHOLDS PROVINCE	Reported by 20/05/2020	
	Food Parcels Distributed	Estimated number of people reached (4 people/Household)
Eastern Cape	20 328	81 312
Free State	11 512	46 048
Gauteng	150 702	602 808
Kwa Zulu Natal	32 276	129 104
Limpopo	58 652	234 608
Mpumalanga	82 135	328 540
Northern Cape	45 940	183 760
North West	26 034	104 136
Western Cape	67 298	269 192



Total	494 877	1 979 508
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Table: Total distributed food to households

The table below shows food SASSA parcels distributed or issued to households. Of the 139 308 applications received, a total of 98 649 were approved and 73 493 food parcels were issued.

APPLICATIONS RECEIVED	APPLICATIONS APPROVED	APPLICATIONS REJECTED	FOOD PARCELS ORDERED	FOOD PARCELS ISSUED
139 308	98 649	26 596	93 446	73 493

Table 7: Total distributed food to households

The Table below shows total food parcels distributed by all stakeholders including Department of Environment, Forestry and Fisheries, the Solidarity Fund, DSD and SASSA. DSD has distributed the highest number of food parcels.

DEPARTMENT/ENTITY	FOOD PARCELS DISTRIBUTED	Estimated number of people reached (1:4)
Department of Environment, Forestry and Fisheries	1 500	6 000
Solidarity fund through big four NPOs operating in all nine Provinces	218 413	873 652
DSD total	494 877	1 979 508
SASSA SRD	73 493	293 972
GRAND TOTAL FOOD PARCELS	788 283	3 153 132

Table 8: Total distributed food to households



3.7 Food distribution challenges and mitigation strategies

The table below shows the challenges of food distribution, and the mitigation strategies. The table also provide the progress the Department has made in mitigating each challenge

Challenge	Mitigation strategy	Progress
<ul style="list-style-type: none"> High demand for food parcels by communities 	<ul style="list-style-type: none"> Mobilise resources for additional food parcels 	<ul style="list-style-type: none"> The Department is in the process of developing a 3-6months national estimates of food need and cost
	<ul style="list-style-type: none"> Mobilise and partners with civil society organisations including NPOs to provide food 	<ul style="list-style-type: none"> Additional partner organisations were recruited by the Solidarity Fund to cover other communities
<ul style="list-style-type: none"> Lack of control over distributions made outside of partnership model 	<ul style="list-style-type: none"> Channel all food distribution through the Provincial structure & Prov-Joint or premiers . Implementation of the partnership model to ensure working together Develop directions for food distribution 	<ul style="list-style-type: none"> Prov-Joints work with all food distribution teams Food distribution plans are shared with the Prov-Joints & Security Agents supports food distribution Draft Direction developed and ready for publication
<ul style="list-style-type: none"> Exclusion of foreign 	<ul style="list-style-type: none"> Partnership with International Organisation on Migration (IOM) Policy decision on inclusion of foreign nationals in food parcels distribution 	<ul style="list-style-type: none"> Discussion with Donors , private sector and international organisation has taken place to deal with his matter

Table 9: Food distribution challenges and mitigation strategies