

Solidarity Fund Performance to Date

Parliament
Standing Committee on Finance
Meeting

01 December 2020



AGENDA



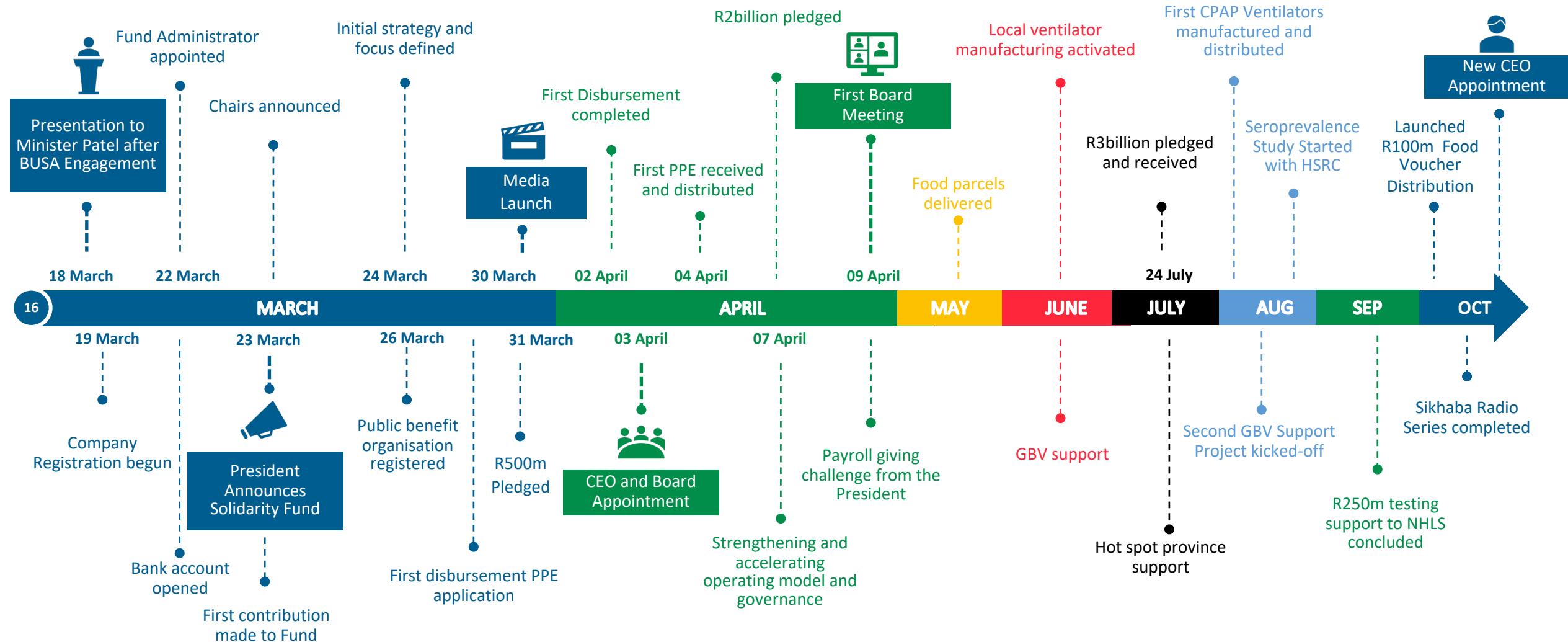
- 1** The **Mandate** of the Solidarity Fund
- 2** **Allocation** of Funds and Reach
- 3** Criteria for **Disbursements** & Disbursements to Date
- 4** **Role of the Fund** in the approved Programmes
- 5** Fund **Administration and Governance**
- 6** **Impact and Lessons Learnt**
- 7** **Phase II** of the Fund

THE STORY OF SOLIDARITY



THE STORY OF SOLIDARITY

Formed as a rapid response vehicle to augment Covid-19 initiatives for South Africa, mobilizing and creating impact through an agile and iterative approach



OTHER SUPPORTING ORGANISATIONS AND STRATEGIC PARTNERSHIPS TO THE FUND

In-Kind Product Donations



Supporting Organisations



Strategic Partnerships



CURRENT MANDATE AND GOALS OF THE FUND

The Solidarity Fund was designed as a rapid response vehicle to unite the nation in solidarity behind the efforts of government, business and civil society to help South Africa through the COVID-19 challenge.

Mandate of the Solidarity Fund

- 1** The Fund is required to mobilise and coordinate financial and in-kind contributions from all South Africans and members of the international community
- 2** The Fund is required to use funds raised to ameliorate both the health crisis and the social consequences of the pandemic.
- 3** The Fund is required to bring South Africans together to play their part in combatting COVID-19.



Goals of the Solidarity Fund

The contributions of citizens, business and other donors will be pooled and put toward three clear focus areas where the Fund can have the greatest impact.

- 1 Detect & Prevent**
To understand the magnitude of the infection problem and support measures to flatten the curve by lowering infection rates.
- 2 Care**
To assist with the management of those people in hospital or requiring medical care.
- 3 Support**
To support those people whose lives are disrupted by COVID-19.

PRINCIPLES OF SOLIDARITY



Strong, Independent Board of Directors

Governed by an independent board of directors led by Ms. Gloria Serobe, and includes independent and experienced board members from business, government and civil society that guide and oversee the Fund



Empowered and Accountable Leadership

The leadership team operates in an agile manner, aligned with the rapid response focus of the Fund, but always subject to the governance required to ensure that all contributions to the Fund are recognized, accounted for and effectively managed, and to ensure that all disbursements are aligned with the Fund's mandate



Alignment with National Strategy

Works closely with Government and Business for South Africa but is entirely independent. Committed to aligning with the National Health Strategy in order to deliver the greatest possible impact. The Fund is focused on initiatives that are inclusive across the country where there is great need



Frictionless

A resource efficient entity - no salaries or overhead costs. All donations go directly to impact



Transparency

Committed to transparency in all the Fund's work, from fundraising to disbursements. The Fund holds itself accountable to all South Africans



Speed and Scale

The Fund is a rapid response vehicle - it moves at speed and focusses on scale in order to be catalytic, to fill gaps, and to deliver impact quickly across the nation at this time of crisis

ALLOCATION OF FUNDS AND REACH

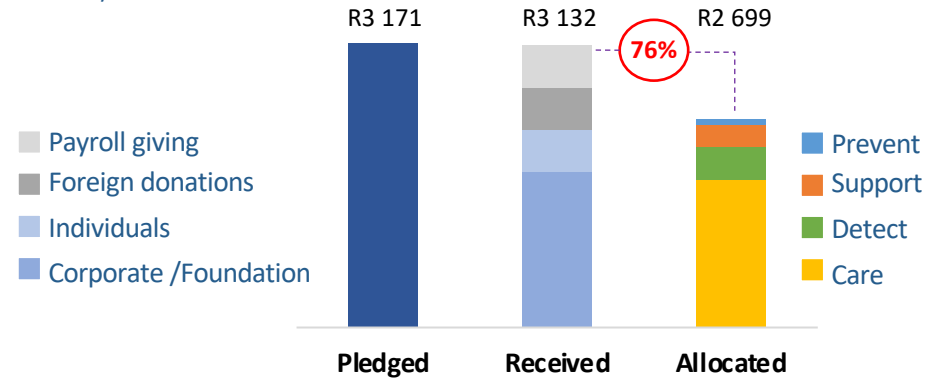


FUNDING

Over **R3.1 billion** raised since inception, of which **R2.4 billion** allocated

Pledged, received, allocated, Rmn

As at 30/11



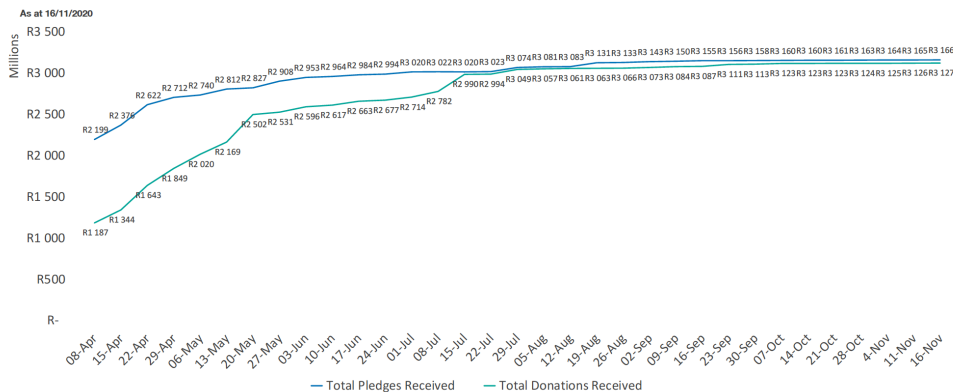
Top 10 donations, Rmn

Mary Oppenheimer and Daughters	1 000
Naspers Limited	500
The ELMA South Africa Foundation	250
Hasso Plattner Foundation	100
South African Government	100
Allan & Gill Gray Philanthropy Limited	50
Lottery South Africa	50
Telesure Investment Holdings	50
Anonymous	50
Ninety One Limited	40

Top 10 payroll giving, Rmn

Economic Freedom Fighters	15,0
South African Government	8,0
Anonymous	4,6
Coronation Fund Managers	4,5
Safika Holdings (Pty) Ltd	3,0
Capitec Bank Holdings Limited	2,8
Yellowwoods	2,5
AngloGold Ashanti Limited	2,4
Sibanye Stillwater Limited	2,1
Pepkor Holdings	2,0

Cumulative donations vs. pledges over time



Total number of donations received

306 044

Donations
in total

14 735
Individuals

5 855
Anonymous

282 704
Fundraising
partners

2 750
Corporates/
trusts

Funding partners



ALLOCATION OF FUNDS AS PER THE MANDATE

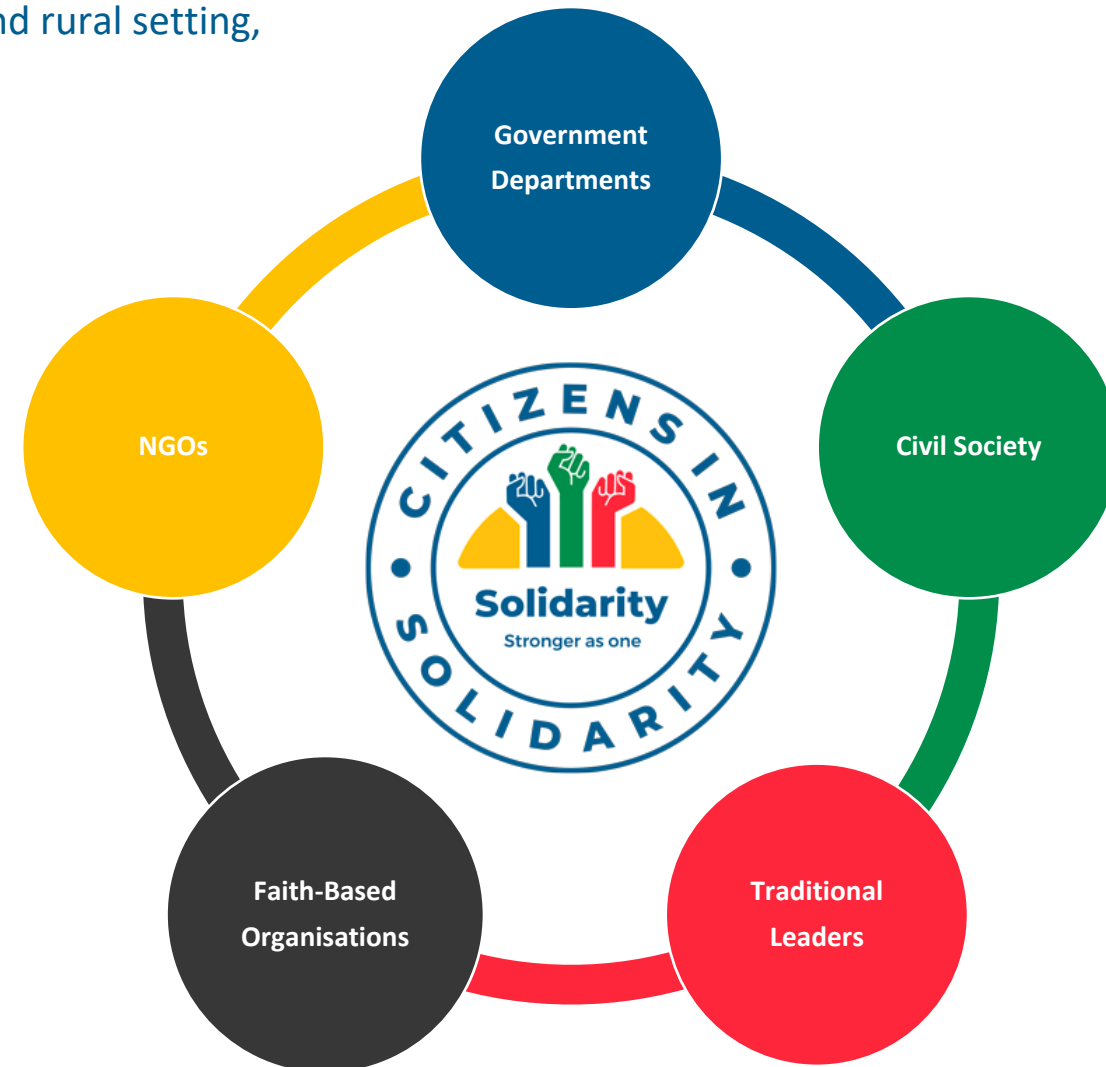
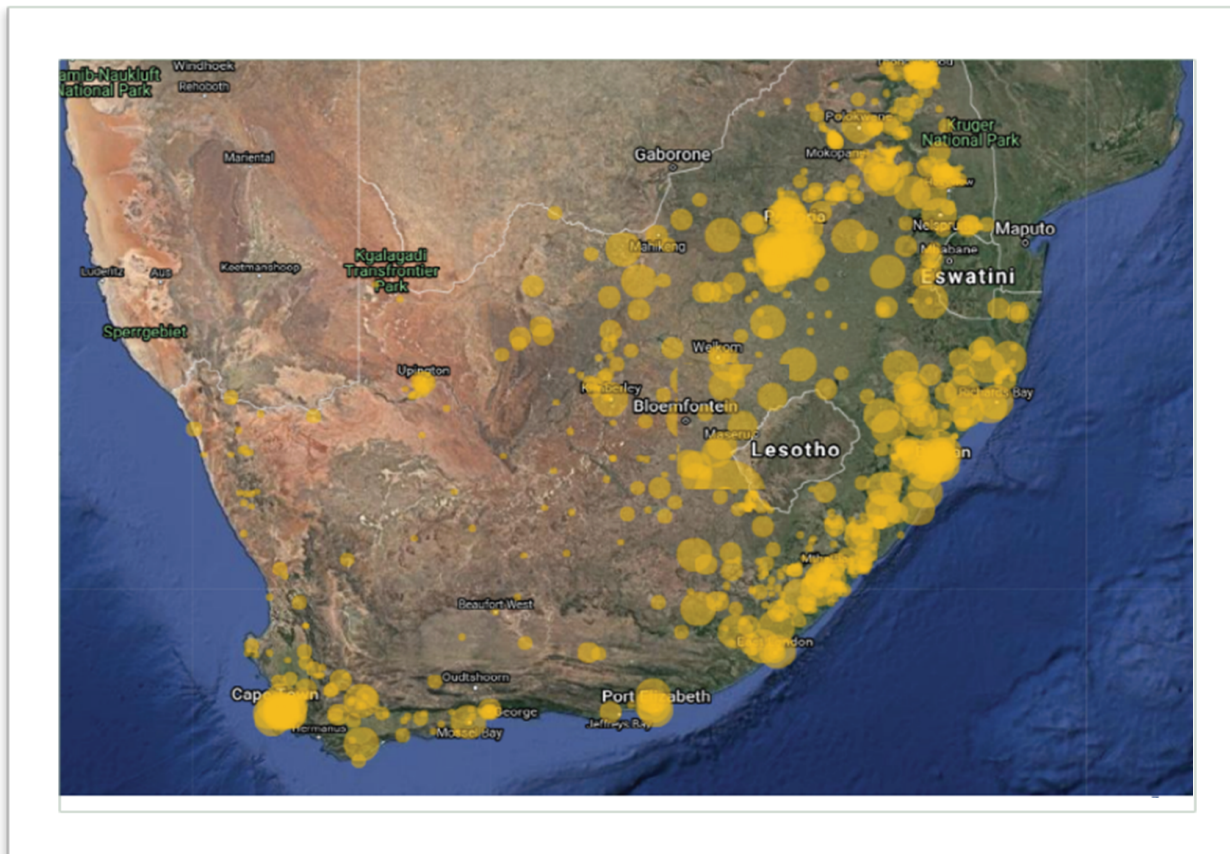
Pooling contributions to fund high-impact initiatives in three key focus areas:

- 1** Mobilise and coordinate financial and in-kind contributions from all South Africans and members of the international community
- 2** Use contributions to ameliorate the health crisis and the social consequences of the pandemic
- 3** Bring South Africans together to play their part in combatting COVID-19



IMPACT AND REACH ACROSS SOUTH AFRICA IN PARTNERSHIP WITH STAKEHOLDERS

Impact is spread across all nine provinces in South Africa, in both urban and rural setting, through partnerships with multiple stakeholders



THE FUND'S DISBURSEMENT CRITERIA AND DISBURSEMENTS TO DATE



GUIDING CRITERIA ON FUND ALLOCATIONS TO ENSURE EFFICIENT DEPLOYMENT AND ACCOUNTABILITY IN DELIVERY

The Fund **will** provide funding and support for:

- ✓ Catalytic interventions that complement, enhance or augment those provided by the state (where the state has limited capacity to intervene)
- ✓ Gap funding that accelerates the delivery of critical interventions in response to Covid-19 and, where possible, supports local manufacture and SMMEs
- ✓ Addressing a challenge that is a direct consequence of Covid-19 or that is severely exacerbated by the crisis
- ✓ Interventions by non-state actors in response to Covid-19 that are delivered at scale in the Fund's focus areas
- ✓ Interventions that enable and support coordinated responses across social partners to accelerate scalable and sustainable solutions to Covid-19 related humanitarian and economic challenges

The Fund **will not** provide funding for:

- ✗ Interventions for people who do not need support
- ✗ Interventions that existing government or substantial private programmes are adequately addressing
- ✗ Funding of employment, including SMME funding unrelated to procurement of PPE or other COVID related supplies and services
- ✗ Unsolicited funding applications from NPOs or companies to support their operations or programmes in areas that are not within our mandate
- ✗ Large items that take up significant portions of the Fund's budget

SOLIDARITY FUND PROGRAMMES AND DISBURSEMENTS TO DATE



AS AT: 30 Nov 2020

		Programme Allocations	Disbursements	Impact & Reach (Beneficiaries)
Health Response (16 Projects)	Care	PPE	Allocated R884m → ±R835m	±51 million units of PPE have been ordered, of which ±38 million units have landed in SA and continue to be distributed
		Ventilators	Allocated R281m → ±R181m	10 000 ventilators have been produced by CSIR, and 6 918 have been distributed countrywide. SAVE-P have produced 2 000 ventilators (100%) to date. Remaining 8000 Ventilators will be completed 20 Nov.
	Detect	Testing	Allocated R410m → ±R340m	NHLS increased its testing capacity from ±100 tests a day in March to over ±45 000 tests per day in July. Supporting ICPA and SAMRC with surge testing capacity. Kicked off anti-body testing with HRSC – Seroprevalence Study
		Essential Equipment	Allocated R196m → R6,4	Agreements between SF and the ECDOH and WC have been signed R11m orders for EC have been approved and issued to suppliers. 8% orders have been delivered.
Humanitarian (11 sub-Projects)	Support	Food Relief	Allocated R320m → ±R181m	Phase 1 of the food relief program has reached over 280 000 households countrywide. Phase 2 Food vouchers will support 135 000 households (by 02 Dec 106 650 would have been disbursed) and 47 000 households with Farming Input vouchers, 66% of which will be women headed. Countrywide.
		Gender Based Violence	Allocated R95m → ±R19m	133 shelters and care centres provided with PPE and critical medical services to assist women and children affected by GBV GBV Command Centre supported through recruitment and training of 10 social worker supervisors; trauma training for social workers, furniture, laptops, tablets and data. GVB PII Call for Applications have been launched and are being screened. Disbursement to commence in Q1 2021 (R75m)
Behaviour Change	Change	Solidarity Campaign	Allocated R176m → ±R63m R2 699m*	Reached 33,9 million adults across various platforms in 6 weeks. The safe school campaign <i>Phepha uFunde</i> has kicked off successfully. The retail campaign is drawing to a close and has delivered 40 000 spaza packs ±2 600 radio inserts thus far, reaching ±28 million people The educational program in partnership with the SACC will enable reach to ±1 million members

* Includes notional R327m for COVAX contribution

THE FUND'S ROLE IN THE PROGRAMMES



THE ROLE OF THE SOLIDARITY FUND IN SOME OF THE EXECUTED PROGRAMMES

The intent of the Fund is to focus on being an enabler through fund deployment, where possible the Solidarity Fund will make use of service providers over owning internal capabilities and assets

Programmes

Role of Fund in the Programme

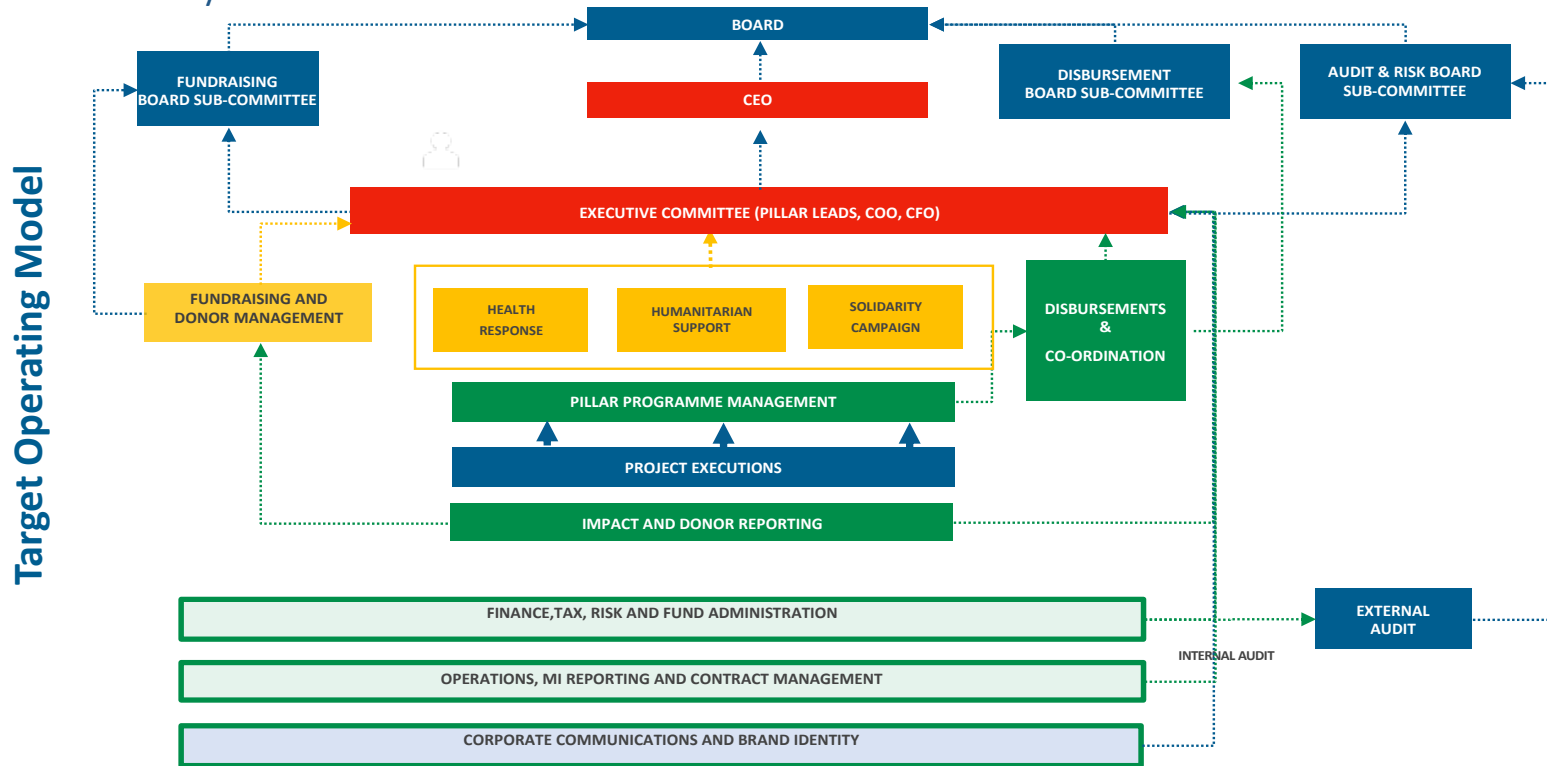
Health Response	PPE	<p>The Fund partnered with B4SA to procure PPE. The B4SA portal provided a single, accessible mechanism for any supplier to register their products for approval. The Fund could then compare pricing across approved suppliers to select the lowest price products, subject to meeting licensing, quality and availability requirements.</p> <p>Approved local and black-empowered suppliers, who met all the technical criteria and registered on the portal were prioritised. Registration as an approved supplier on the portal did not guarantee any award of contracts/bid, but it did mean that they will be considered for participation in the bids. The B4SA team had an open, inclusive procurement platform and invested in robust processes to conduct supplier vetting, licensing & SABS quality checks, strict governance protocols and multiparty approvals.</p>
	Ventilators	<p>The Fund committed to support the local National Ventilator Project (NVP). The primary objective of NVP is to assist with the local manufacture of non-invasive CPAPs. Four companies were successful in developing ventilator prototypes that met all necessary health standards. The Fund then contracted CSIR and SAVE-P, two of the successful local prototype developers, to produce up to 18,000 and 2,000 ventilators, respectively.</p>
Humanitarian	Food Parcels	<p>The Fund assisted to augment existing civil society and government food relief efforts. The distribution of the parcels were done through a range of partners to optimise national coverage. 59 811 Parcels were distributed through the Department of Social Development's (DSD) and 235 Community Nutrition and Development Centres. 151 276 Parcels were distributed through 4 large national food distribution non-profit organisations. 69 000 Parcels were distributed through 17 community-based and faith-based organisations at a provincial and local level. 23 500 Vouchers were distributed in partnership with the South African Council of Churches (SACC).</p>
	GBV	<p>Following a rapid assessment done by Global Health Strategies that included desk-top research and interviews with GBV sector stakeholders, areas of support were recommended to the Fund which focused on national organisations that provided support to women and children who were victims of GBV. These included scaling up the GBV Command Centre, providing the National Shelter Movement (78) with funding for PPE, medical services and safe transport and Thuthuzela Care Centres (55) with PPE.</p>



FUND ADMINISTRATION AND GOVERNANCE

THE ADMINISTRATION OF THE FUND AND THE GOVERNANCE STRUCTURES

The operating model of the fund outlines the significant decision making, approval and oversight bodies within the Solidarity Fund.



Operational Functions

The operational functions provide support in areas of Strategy, Coordination, Finance, Fund Administration and Communication to ensure effective delivery of the Fund’s mandate through the four areas of focus.

Fund Administration: Old Mutual provide independent and professional fund administration to the Solidarity Fund.

Monitoring & Evaluation: Tshikululu provide an experienced monitoring and impact evaluation function to the Solidarity Fund

Legal Counsel: ENSAfrica are providing legal and contracting support to the Solidarity Fund.

Internal Control Environment

The EY team have designed and documented the end to end functions, processes and associated controls across the Fund

Board of Directors

Fund Raising Board Committee

Oversight of the Fund Raising function.

Disbursements Board Committee

Oversight of disbursements into Health Response, Humanitarian Effort, and the Solidarity Campaign. Supported by an executive disbursements committee.

Audit & Risk Board Committee

Oversight over financial and other reporting, the control environment and overall compliance. Largely guided by King IV and IFRS, not PFMA

CEO

The CEO is charged with the coordination of the end to end execution of the funds mandate coordinating with related functions in the fund and also with the partners and platforms that enable distribution, impact and reporting.

Solidarity Fund Areas of Focus

The four primary areas of focus within the Solidarity Fund, each under accountable leadership, are Fund Raising and the three areas of disbursement: the Health Response, Humanitarian Effort and the Solidarity Campaign.

Independent Auditors

SKXi Protiviti have provided internal auditing capabilities to the fund

PWC have been appointed as the independent external auditors of the Solidarity Response Fund NPC.

GOVERNANCE ON FUND DISBURSEMENTS

Solidarity Fund Board Approval

All disbursements greater than R100m are presented to the SF Board for approval and all other approved disbursements are tabled for noting.

The Disbursements Board Committee, led by Dr Ayanda Ntsaluba, provides oversight of the Solidarity Fund’s disbursement function. It approves all disbursements under R100million.

The Executive Disbursements team coordinates the design and formulation of proposed disbursement programs, supporting the Disbursements Board Committee.

The technical teams are drawn from non-governmental organisations, corporate South Africa and other stakeholders to ensure that all interventions and proposals respond to the primary needs, have the right coverage and is effectively executable

Disbursements Board Committee Approval

Executive Disbursement team and Exco for Approval

Technical Advisory Committee (TAC) – for Humanitarian Interventions
 Technical Review Panel (TRP) – for Health Interventions



Does the interventions align to the mandate of the Fund’s allocations?



Is the response to a direct consequence of Covid-19?



Will the gap funding accelerate the delivery of critical interventions in response to Covid19?



Is the response from SF a catalytic intervention that complements or augments those provided by the state?



IMPACT AND LESSONS LEARNT

SOLIDARITY FUND IMPACT IN NUMBERS



Reagent and extraction kits to enable testing



Critical health care equipment for the Eastern Cape



Households reached and provided with food parcels



Adults reached through the Solidarity and behavioural campaign



Tests provided by increasing testing capacity



Non-invasive ventilators manufactured which has activated local manufacturing capacity (6 918 distributed)



Household/subsistence farmers to receive farming input vouchers in rural areas (66% Women-headed households)



Of listeners found the Sikhaba content informative



Rand to assist with the Seroprevalence study



Ventilators distributed to 32 hospitals in 7 provinces



Households targeted to receive food vouchers



Users have accessed the return to work website



20 sector and 120 sub-sector safe return to work protocols developed



Units of PPE procured. 36 million units have been dispatched to all 9 provinces



Units of PPE procured for medical students



Shelters and care centres provided with PPE and critical medical services to assist women and children affected by GBV



CBO's and 18 NPOs set to receive funding for GBV

LESSONS LEARN'T

Over the past seven months we've had opportunities to learn:

CONTEXT

- Trust is central to success. Despite the enormous trust deficit in South Africa, through a combination of crisis, relationships and radical transparency the Solidarity Fund was able to galvanise capital and support to a newly formed, untested vehicle with no track record.



These lessons will guide our work moving forward:

- Continue the **culture of transparency** – continue to be open with data and information, publish and share reports widely, engage stakeholders and actively connect with the press and social media to build on trust.
- Continue to focus on building hope and social solidarity.

GOVERNANCE

- A strong, independent board, empowered Exco and CEO. **Partnered with government, but independent.** Benefitted from association with the President, but able to clearly show no involvement in corruption that plagued government.



- Maintain a clear and focused purpose.
- Ensure continuity with a strong, credible and independent board.
- Continue to ensure alignment between the board and management.

OPERATIONS

- **Frictionless operating model** has tremendous upsides but not sustainable. Phenomenal pro bono and seconded support allowed for agility, speedy and robust decision making, with all capital direct to impact, which was needed in the crisis phase/first 6 months. Next iteration of Fund requires steady FTE support.



- Continue to keep overheads as low as possible, continue focus on agile and robust decision making.
- Shift to new **Technical Operating Model** that allows for steady staff/ capacity component to maximize spend to impact.
- Maintain a non-hierarchical purpose driven culture focused on delivering the greatest impact.

PROCUREMENT

- **Leverage off execution capacity**
- **Single scalable procurement platform** / Supplier vetting and quality assurance

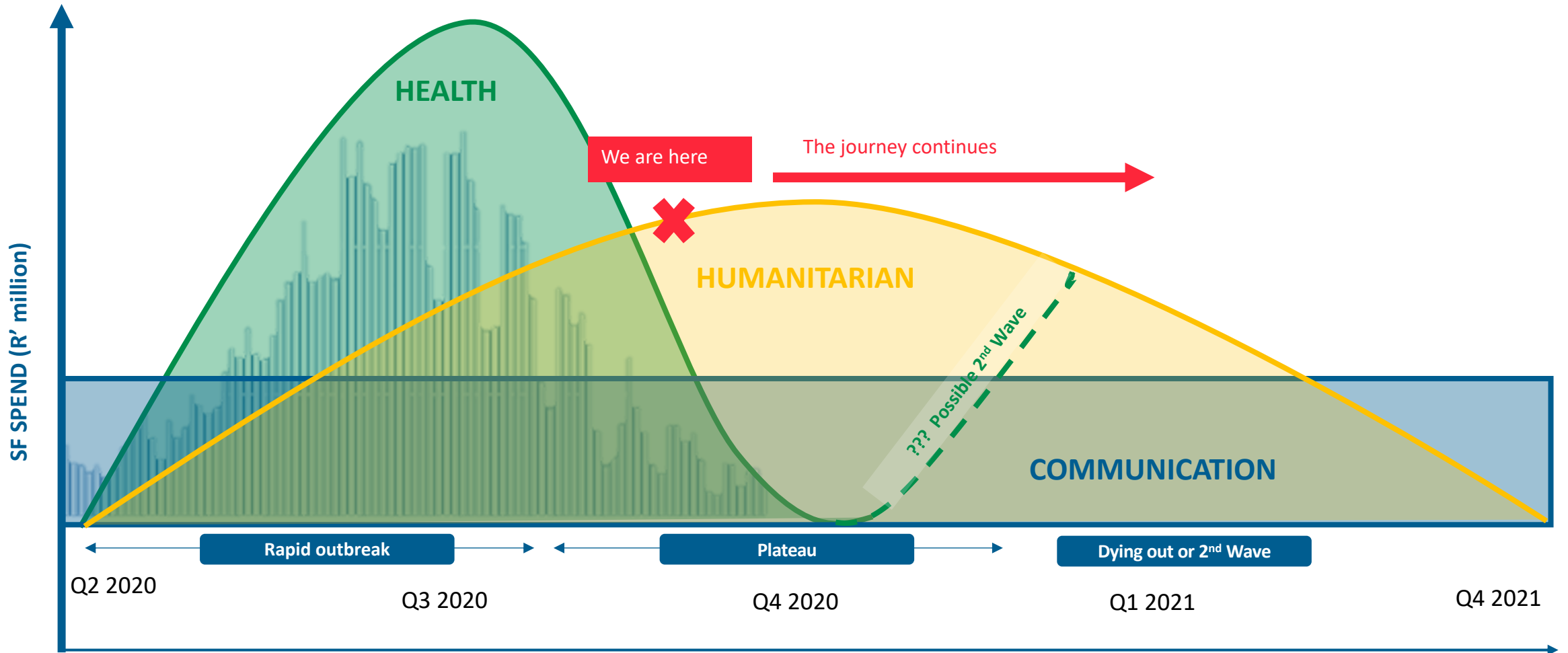


- Leverage off capacity in the private sector (procurement of medical supplies) and civil society (humanitarian interventions)
- Ensure very strict quality control as part of a strong overall risk management framework



PHASE II OF THE FUND

THE FOCUS OF THE FUND CONTINUES TO RESPOND TO THE SHIFTS IN THE PANDEMIC



The ongoing transmission will continue to cause **economic disruption**, and therefore the response of the Fund **will continue**. The fund is planning to assist the **National Government** with vaccine procurement.

OUR PHASE II MANDATE

Retain our 3-Pillar strategy and continue to fund high-impact and legacy initiatives in three key focus areas

- 1** In the **Health Pillar**, the fund will play a catalytic role to fund vaccines in the COVAX facility. It may choose to assist in partnership with the NDOH with the distribution should one become available next year.
- 2** The fund allocation will shift more focus on **Humanitarian interventions** as the economic disruptions continue into a possible 2nd Wave
- 3** In Level 1 and with the festive season approaching, ongoing awareness and **Behavioural efforts** are needed to reduce the rate of transmission. Should a vaccine become available to SA in the next year, the Fund will help to create awareness and promotion of such vaccines.

- +R3.2bn raised
- 76% allocated
- +/- R209 mn pipeline

	Priorities	Implementation Plan - HOW	Proposed allocations of Remaining Funds
Humanitarian Effort	<ul style="list-style-type: none"> • Additional humanitarian and Community-led social support efforts • Continue to support GBV in phase 2 • Continue to drive the Food Relief Interventions 	<ul style="list-style-type: none"> • Sustainable models for community-based care and humanitarian support • Support identified and relevant intervention/s in GBV value chain 	40–50%
Health Response	<ul style="list-style-type: none"> • Support for vaccination efforts and campaigns • Assess high care capacity country-wide and invest in longer term health care solutions • Investigate local Manufacturing options • Second wave health response 	<ul style="list-style-type: none"> • Investigate vaccination options for SA • Working with IDC and other organisations to supplement the local manufacturing of medical equipment • Investigate possible 2nd wave scenarios and effective response 	40–45%
Solidarity Campaign	<ul style="list-style-type: none"> • Scale up multi-channel “Citizens in Solidarity” communication campaign • Mobilising citizens networks and community-based • Change agents to drive adherence and in-community care 	<ul style="list-style-type: none"> • Multi-media communications campaign aligned to national campaign and contact tracing app • Coordinated Citizens networks and channels • Community based change agents for prevention 	20–25%



**THANK
YOU**