



NYDA ANNUAL PERFORMANCE PLAN 2023/24 PRESENTATION



NATIONAL YOUTH DEVELOPMENT AGENCY
OUR YOUTH. OUR FUTURE.

CONTEXT TO THE PRESENTATION

A photograph of four young women of diverse backgrounds working together at a wooden table. One woman is seated and writing in a notebook, while the others stand around her, looking at the work. The image is dimmed with a blue overlay.

Putting South Africa to work

An integrated approach for the working age unemployed

A window of opportunity

The coronavirus pandemic, the unrest in KZN and Gauteng, and the worsening employment situation present a window of opportunity for fundamental change.

- The widespread violence and social unrest that South Africa witnessed in July 2021 threw into stark relief what we already knew: that the status quo of poverty, unemployment and inequality is untenable.
- There is a need both to **address the immediate crisis**, and to establish a social system that can create **long-lasting stability** and **restore confidence** and hope in the future. To do this, our interventions need to be **ahead of the curve**.
- South Africa needs a **new consensus** that embraces the following:
 - Accelerated implementation of **structural reforms** and other measures to support high rates of economic growth and help firms to grow, overcoming political and bureaucratic resistance
 - A bold **expansion of public support for employment** and social protection that will reach approximately 11 million unemployed
 - A new set of interventions aimed at **supporting firms of all sizes**, but with a special focus on informal, survivalist and micro-enterprise activity, in order to grow employment
- **These three objectives are inseparable**: one without the other will lead to continued exclusion, or to a fiscal crisis.

Objectives

The challenge: reclaiming 11 million productive lives

- The objective of this strategy is to design a bold, **once-in-a-generation** programme to tackle **unemployment and poverty** at a **mass scale**
- The goal is ambitious: to **end food poverty** and **significantly reduce unemployment** through immediate and long-term interventions
- With over 11 million unemployed adults, the response has to provoke a **structural break** in labour market outcomes
- South Africa is losing its most precious resource, human capital, to **poverty and catastrophic levels of unemployment**
- The **most important investment** that the country can make is through giving **dignity and agency** to those currently excluded from the economy and **reclaiming their productive capabilities** – this is an ethical and economic imperative
- Addressing unemployment and poverty will improve social and political stability, **creating a virtuous cycle** that supports growth
- Increased employment and income transfers will have a **wider stimulus effect** on the economy, especially for local businesses

**The logic of the strategy: provoking a structural change in
labour market outcomes**

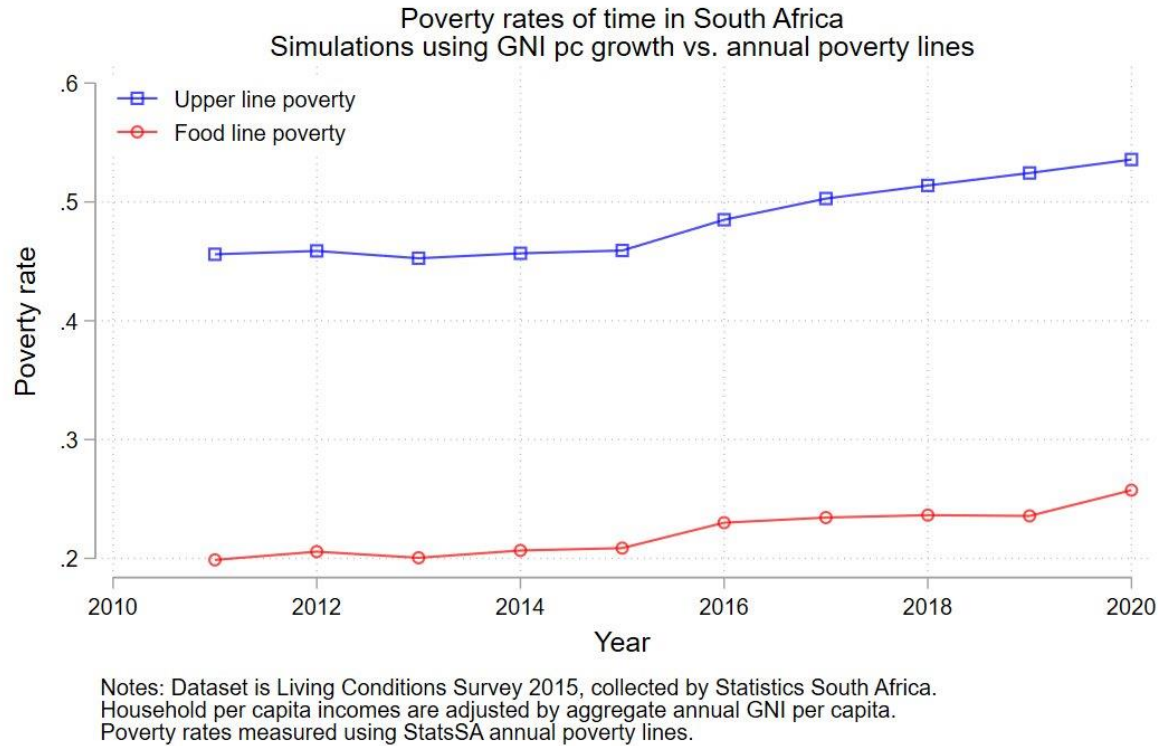


The challenge...

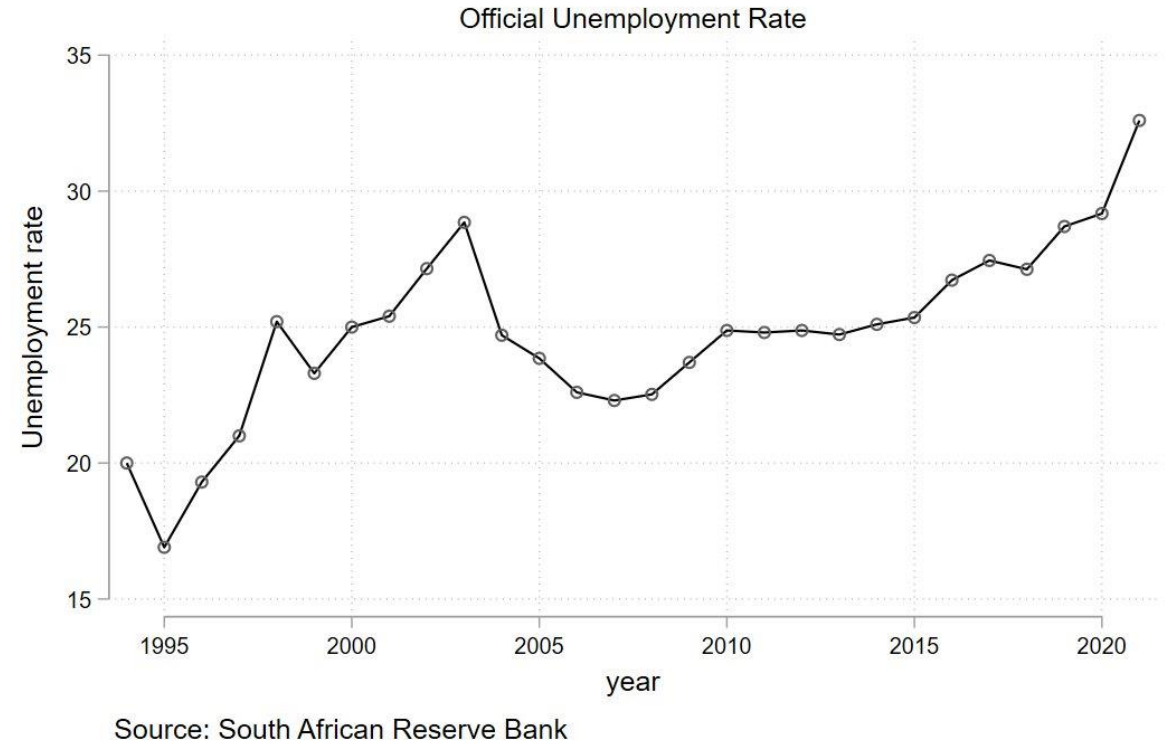
Exclusion, low growth, inefficient spending and poor outcomes.

- 1 South Africa faces a triple challenge of **poverty, inequality, and unemployment**. In addition to the divides of geography, race and education, COVID-19 has exacerbated the divide between those who are employed, have jobs, and are “included” in society; and those who are unemployed and are “excluded.” Women and young people have always struggled more in the labour market, and the pandemic has made them significantly worse off.
- 2 South Africa’s economy has been stuck in a **low-level equilibrium** with low GDP growth, stagnant fixed capital formation, and falling GNI per capita. The status quo will not self-correct: a “big push” is required to achieve a higher equilibrium.
- 3 SA spends significantly (across public and private institutions) on education and skills development with **very low returns on investment leading to poor impact**.
- 4 Youth unemployment is the greatest concern, with **two-thirds** of the more than one million young people entering the labour market each year **not in any form of employment, education or training**.
- 5 **Food poverty** has increased for several years, with almost one-in-five households reporting going hungry on a regular basis. This must be addressed in the short term while we achieve higher growth and employment in the long-run.

Poverty and unemployment are increasing, not decreasing

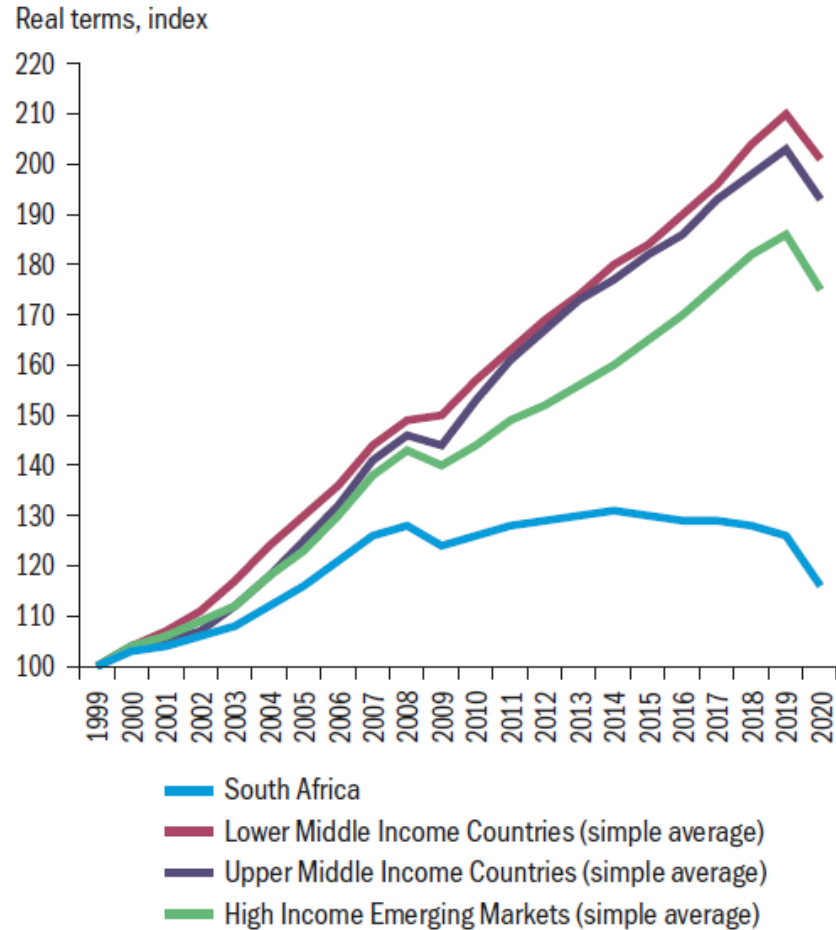


Poverty increased from 20% in 2014 to 24% in 2020 according to the food poverty line. Growth in food prices has exceeded growth in GNI per capita for many years. This means that incomes in South Africa have been declining in real terms, with most South Africans becoming poorer over the last decade.

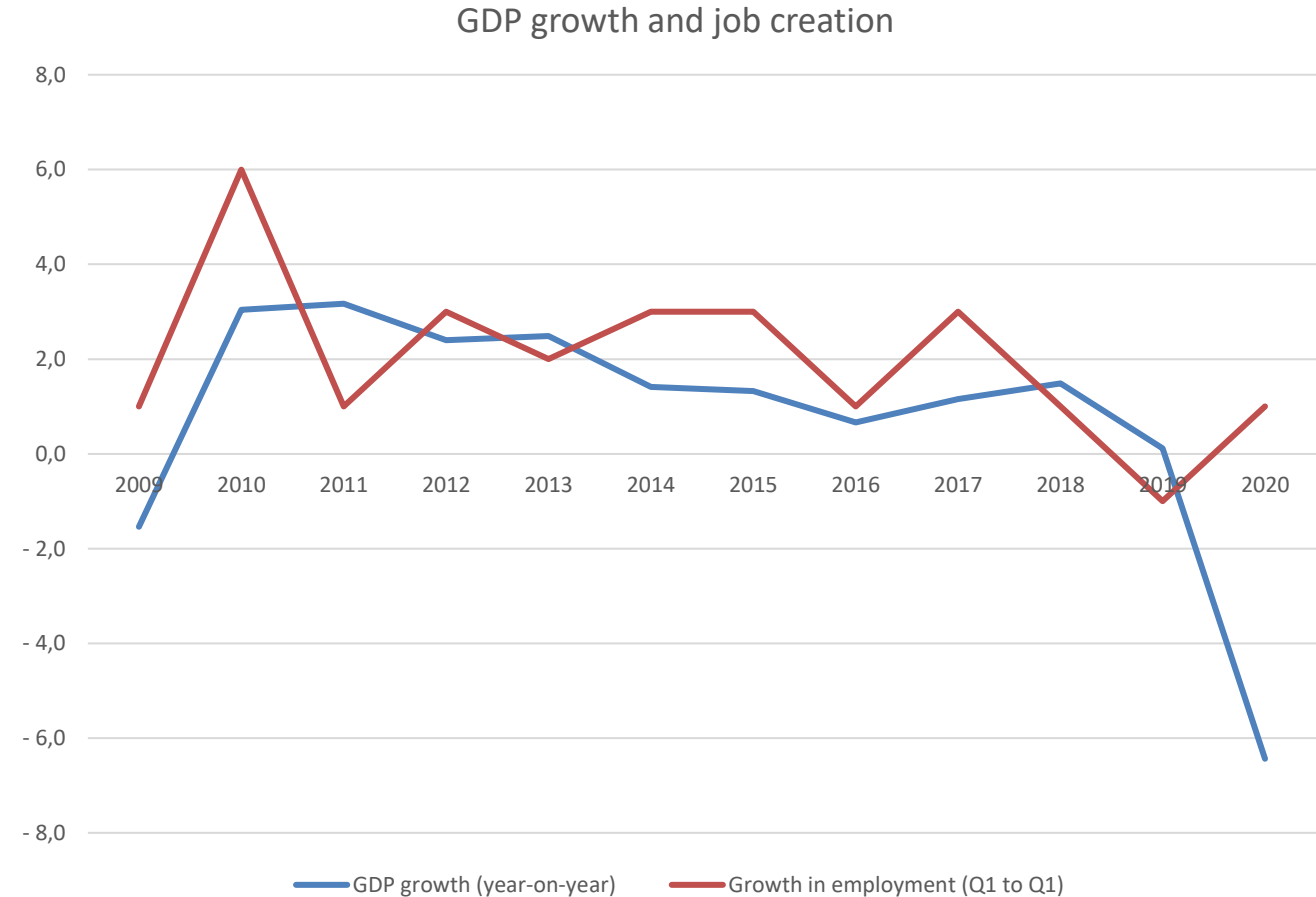


The rate of unemployment has increased dramatically over the past two-and-a-half decades, with brief declines in the mid-1990s and early 2000s.

We need to achieve higher GDP growth, and a structural change in the labour intensity of growth



Source: World Bank, GDP per capita 1999 – 2020



Source: Stats SA, QLFS and GDP 2008-2021

Why is unemployment so high?

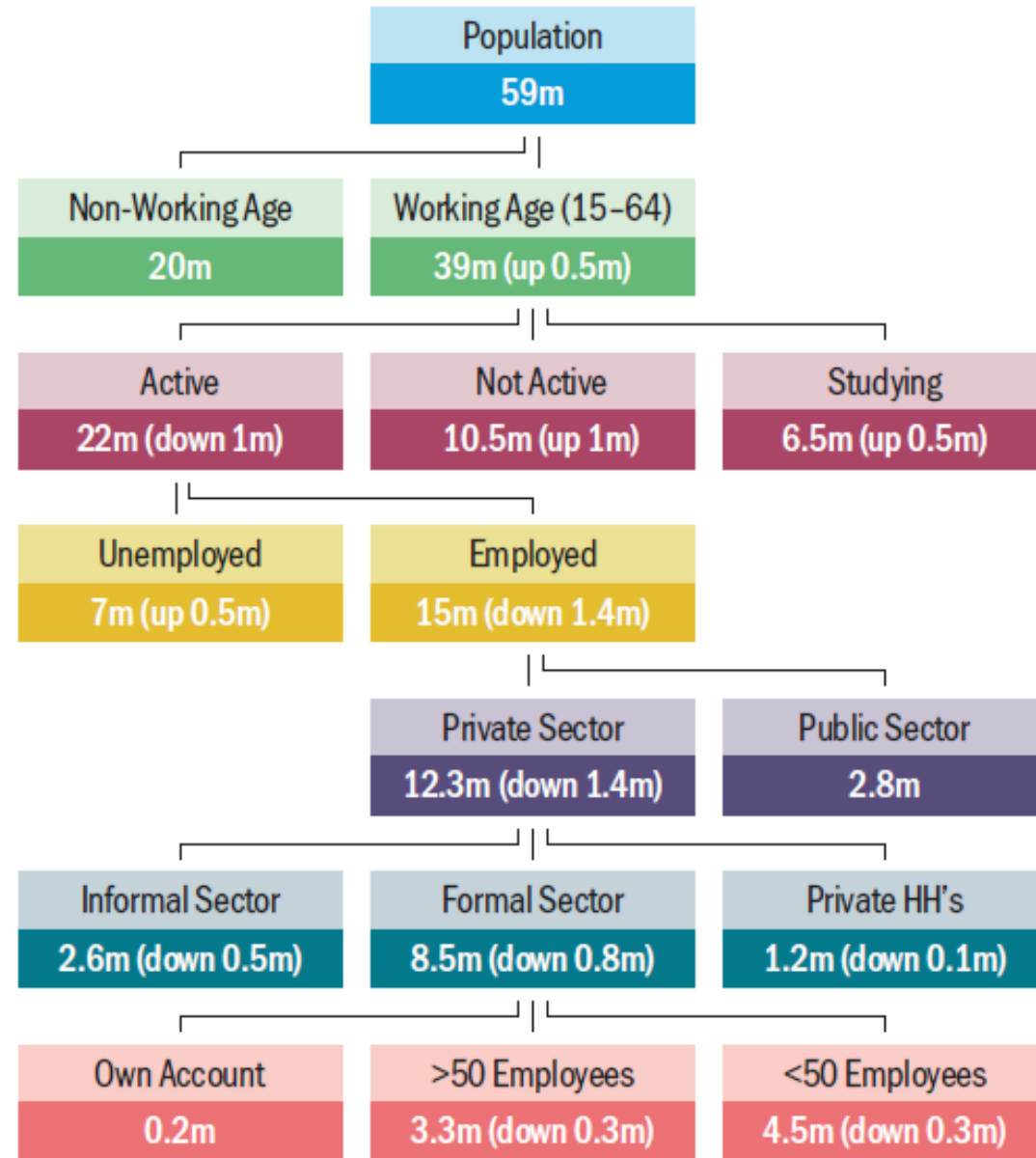
The causes of unemployment are structural, and need to be addressed at their source.

- **Sectoral structure** of the economy – our agriculture sector is unusually small for a developing economy, deindustrialisation must be halted and reversed
- **Concentration** of productive activity in a few firms within sectors, stifling small businesses and new entrants
- **Spatial distribution** of economic activity skewed
- Over-regulation of business activity and labour markets **stifles job creation**, especially for small businesses
- **High transaction costs** and inefficient network industries reduce competitiveness
- **Insufficient and poorly matched skills** mean that South Africa has a low skills base, while the structure of the economy is biased towards high skills – fewer jobs for the skills we have

Supporting small businesses and entrepreneurs

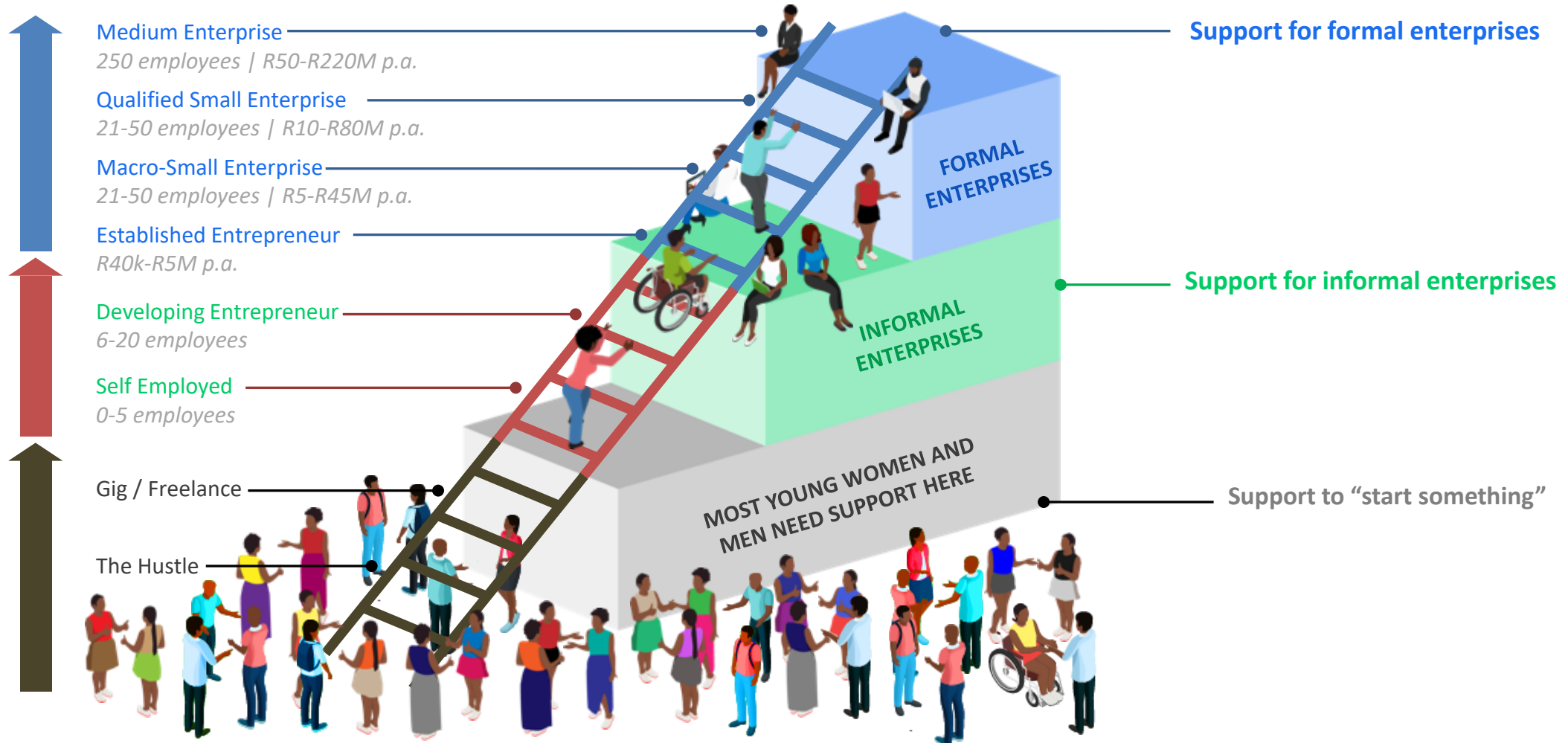
The greatest potential for job creation lies in small businesses and the informal sector.

- The formal economy serves as the growth engine for the South African economy, contributing to 85% of economic output with relatively high productivity in all major economic sectors (~R4.3 trillion).
- However, self-employment represents only 10% of all jobs, compared to 30% in most upper middle-income countries such as Turkey, Mexico and Brazil.
- If South Africa were to match the self-employment rates of our peers, **we could potentially halve our unemployment rate.**



The Enterprise Ladder

A range of interventions is required to support small businesses of different kinds, from survivalist to formal enterprises

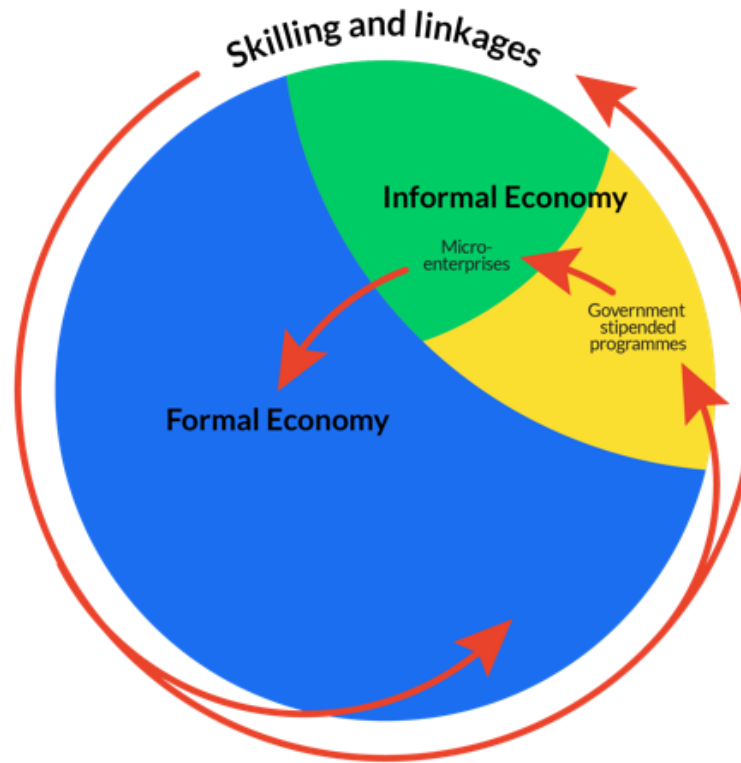


A whole-economy approach

The formal economy will always be the largest source of employment, but a whole-economy view is needed to create the broad range of opportunities required

Skilling and linkages are necessary to match skills development to demand in the economy, and to support the unemployed to access opportunities.

The formal economy serves as the growth engine for the South African economy and helps power the informal economy. It provides the highest quality opportunities for young people.



The **microenterprise** system consists of entrepreneurs and gig workers; it is fragmented and not as well understood as the formal economy, but can create many pathways to earning.

Government stipended programmes provide short-term earning opportunities and can serve as a (funded) entry point into the labour market for excluded youth.

So what do we
need to do?

A structural break in labour market outcomes would entail five major shifts:

- Shift towards **enabling private sector employment**, not over-regulating it
- Shift towards new, **labour-intensive growth sectors**
- Shift towards more **small businesses and entrepreneurs** by reducing the regulatory burden and supporting SMMEs
- Shift towards **demand-led skills development** that enhances employment outcomes
- Shift towards **lower input and transaction costs** to increase competitiveness



A portfolio of interventions to reclaim productive lives



Ending poverty, harnessing productive capabilities and creating new dynamism in the economy.

1

In the past, **difficult trade-offs** have not been made due to insufficient social consensus and a lack of urgency. Both of those conditions are now in place – more than ever before.

2

South Africa can significantly reduce food poverty by **expanding social protection** to reach those who currently receive no support, and who remain excluded from the economy. This approach recognises that it will take time to create employment, and state intervention is required in the meantime.

3

However, any expansion of social protection must be **accompanied by credible measures to boost economic growth** and support firms to expand – or else it risks an unsustainable fiscal burden. Messaging in this regard is important.

4

The **core focus must be on creating jobs**, both through stimulating private sector employment (supporting firms to expand) and through direct public funding for employment interventions. **Sustainable employment is the long term goal.**

5

A **range of interventions** is required to reach scale and to cater for diverse needs, ensuring that **all those who are unemployed receive some kind of support.**

...the opportunity

Four types of intervention

Diverse needs call for a portfolio of interventions that collectively achieve scale

The proposal outlines measures to stimulate private sector employment, alongside expanded public employment (delivered by a range of public and private actors) and social protection.



The success of these interventions relies on our ability to put forward a **credible growth story** and **improve the climate for job creation**, as state support is not a permanent solution to unemployment.

However, while the **structural reform agenda** remains the primary mechanism to revive growth, **a range of complementary actions** are needed to create jobs in the short term.

1

Increasing private sector employment

Accelerating implementation of structural reforms

Supporting labour-intensive growth sectors

Harnessing the Just Energy Transition

Reducing red tape and supporting SMMEs

Expanding the Employment Tax Incentive

2

Publicly-funded employment

Presidential Employment Stimulus

National Youth Service

Reforming EPWP and CWP

3

Expanded social protection

Basic income support for the unemployed

4

Support to enable productive livelihoods

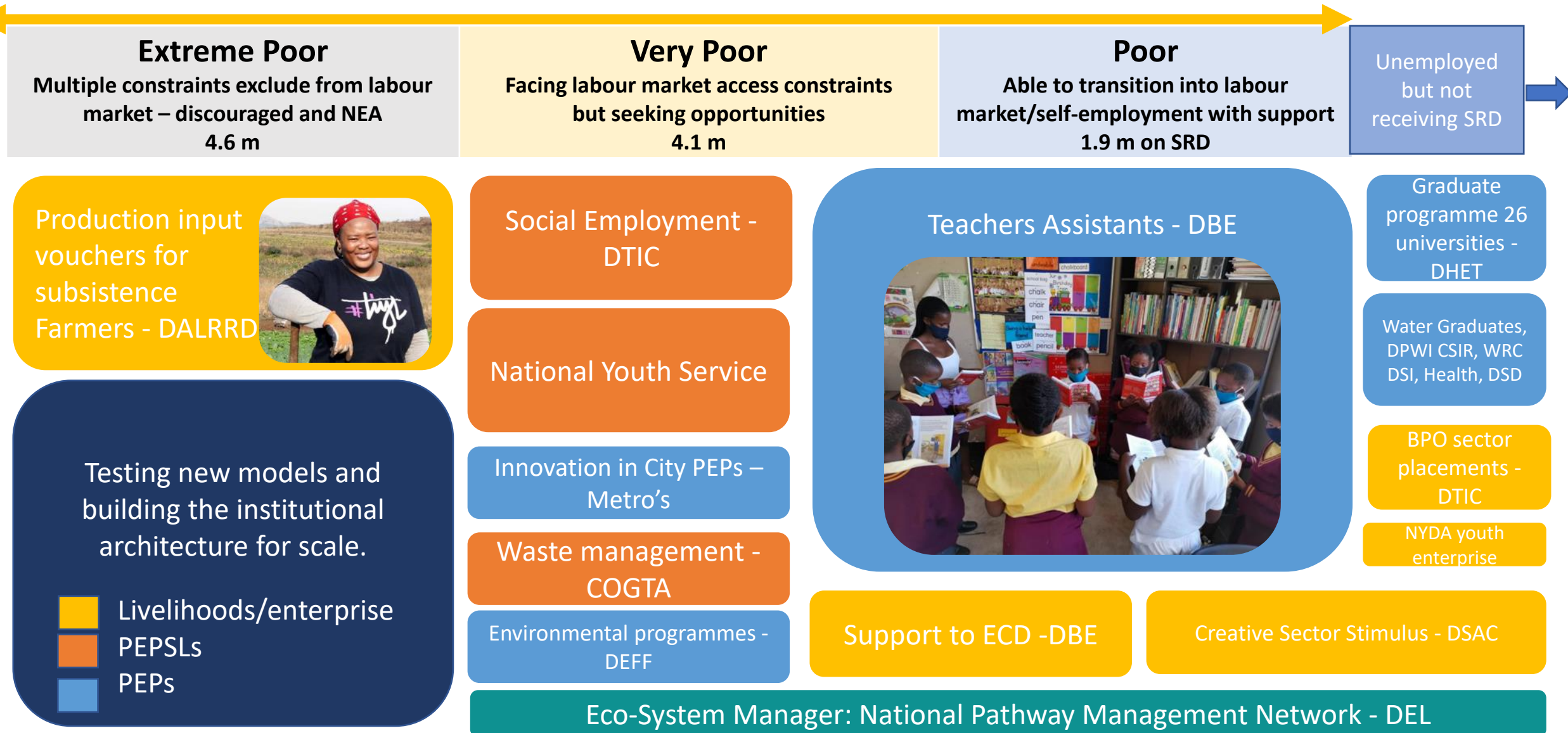
Pathway Management Network

Demand-led skills development

Funding for start-ups and SMMEs

Access to broadband and data

The PES as an “innovation sandbox” augmenting scale and delivering quality outcomes: over 1 million opportunities created since October 2020.



Summary: an “employment-first” approach

An effective strategy should prioritise employment, while providing a minimum level of support for those who cannot access work.

- The *Putting South Africa to Work* strategy recognizes that **the only solution to unemployment in the long term is to achieve higher and more inclusive economic growth**. If economic reforms are not implemented to address the binding constraints on economic growth, employment will not grow and additional social spending will not be sustainable.
- In the immediate term, however, **unemployment has devastating consequences** – to the extent that it may threaten social stability, in a vicious cycle that would undermine the prospects for future growth.
- The aim of the strategy is therefore to **identify a range of measures that can collectively reach all ± 11 million South Africans who have previously received the SRD Grant** through some form of support, recognising that no single intervention is likely to do so on its own.
- The **first priority is to increase employment**: to create as many opportunities for work as possible, whether in private sector or in publicly funded programmes. The second priority is to ensure that support is provided to those for whom work is not available, to increase opportunities for productive livelihoods and social security.

STRATEGIC OVERVIEW

Strategic overview

Vision:

A credible, capable, inclusive and activist development agency that is responsive to the plight of South Africa's youth

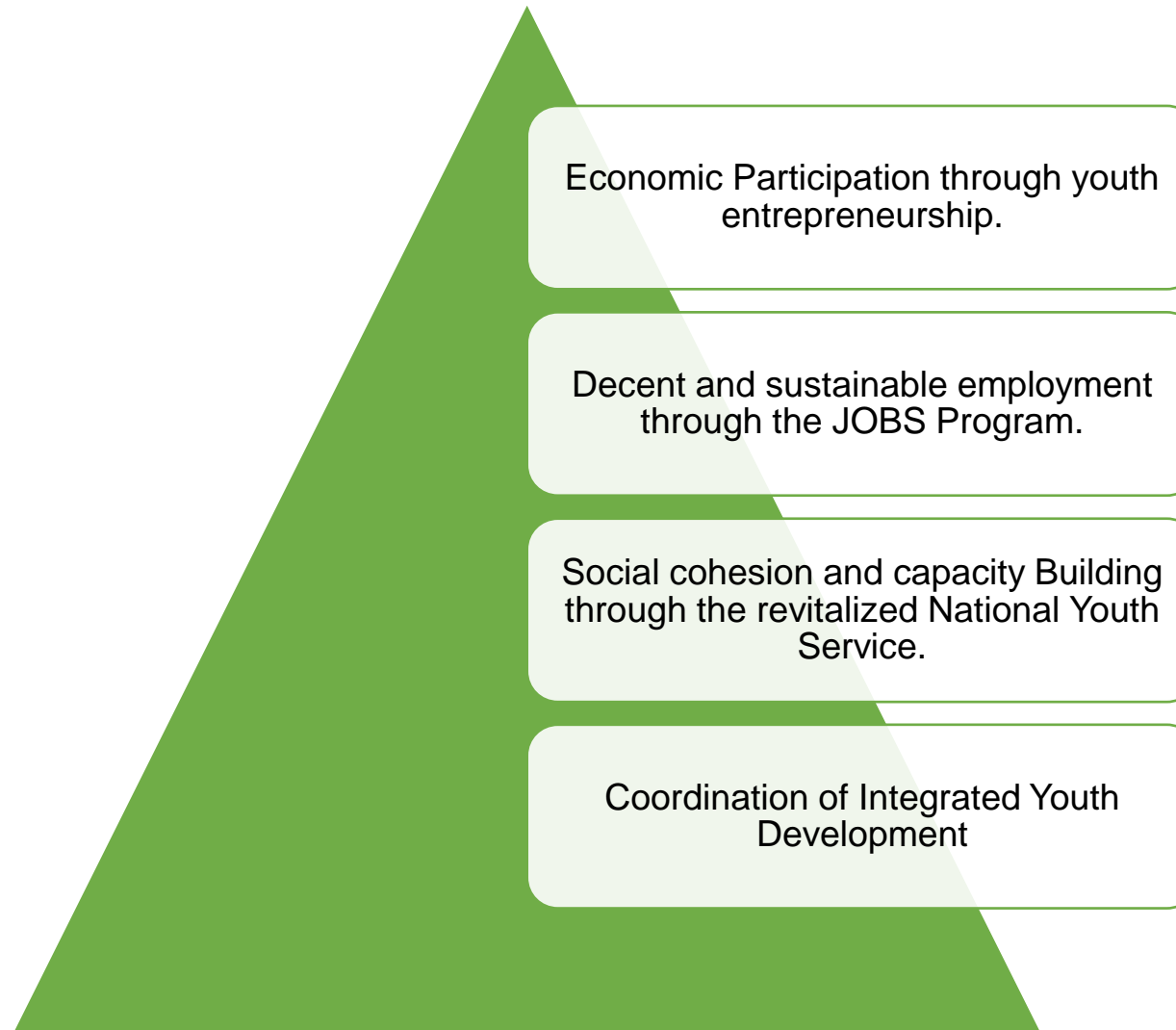
Mission:

To mainstream youth issues into society through stakeholder coordination
To facilitate and champion youth development with all sectors of society

Values:

- Integrity
- Accountable
- Accessible
- Respectful
- Collaborative
- Agile

NYDA STRATEGY



PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION

Presidential Youth Employment Intervention

Introduction

The PYEI is South Africa's most comprehensive effort to address youth unemployment to date. Its goal is to enable more young people to move from learning to earning. It seeks to coordinate, accelerate and enhance existing programmes and unblock pathways to employment, training and youth enterprise. Additional resources drive the development of innovative approaches.

The PYEI is coordinated by a Project Management Office (PMO) in the Presidency and combines the know-how of leading experts, government departments, the private sector, social partners and young people themselves.

The PMO's direct reporting line to the President adds convening power. Implementation is led by national departments and entities best positioned to ensure rapid and effective delivery. The PMO provides oversight, strategic direction and support to implementing departments. This includes unblocking administrative bottlenecks, co-creating interventions, securing funding and sourcing technical support. The PMO also facilitates and strengthens linkages with stakeholders outside government.

Presidential Youth Employment Intervention

Introduction

What the Presidential Youth Employment Intervention plans to achieve

The PYEI is contributing to the President's stated goal of creating 2 million new jobs for young people in this decade. It is pursuing results in the following outcome areas over the medium term:

- ▶ New demand is generated, and opportunities are aggregated and made visible for young people.
- ▶ An increasing number of young people are employed in the formal and informal economy, including through youth entrepreneurship.
- ▶ An increasing number of young people access opportunities for workplace experience, service and training. Young people seamlessly transition and navigate different pathways (within and beyond the PYEI, and across learning and work areas).
- ▶ An increasing number of enterprises are owned and managed by young people.
- ▶ An improved system (across government/non-government/private sector) enables opportunities for young people.

The PMO in the Presidency continuously monitors progress with implementation. Quarterly updates are published on the PYEI dashboard available here: www.stateofnation.gov.za



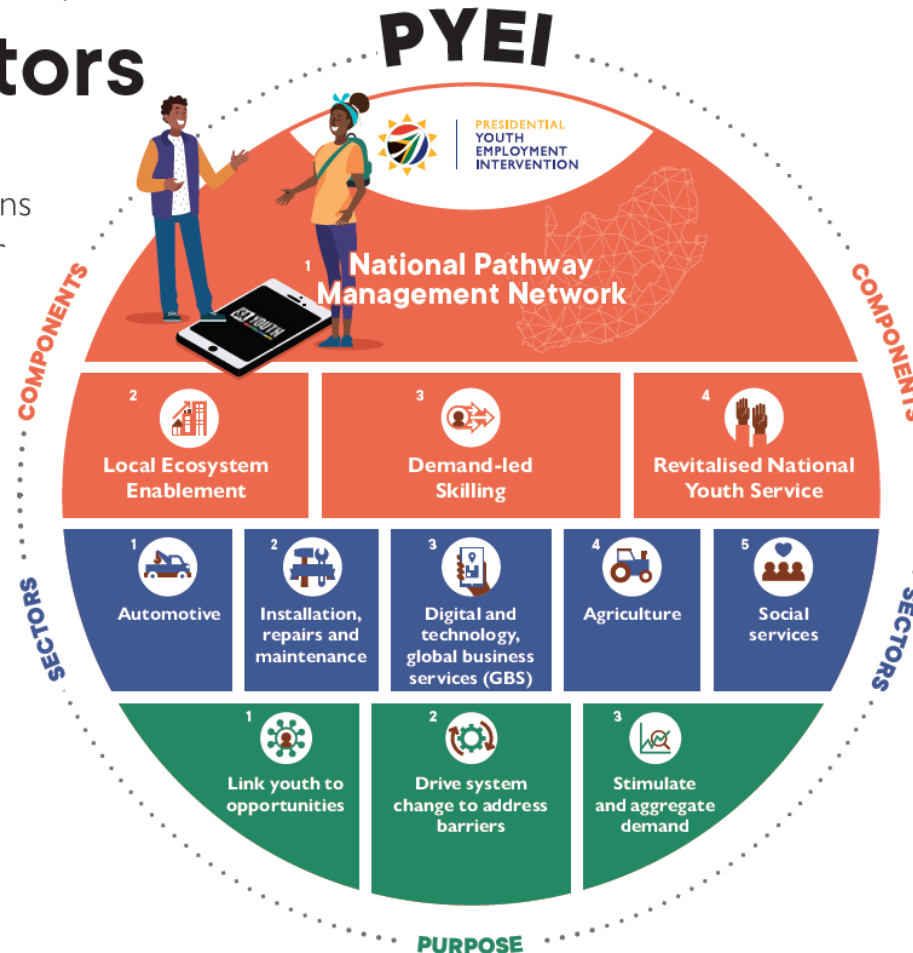
Presidential Youth Employment Intervention

A National Network

One national network, four components, five priority sectors

The PYEI is implementing priority actions to link young people to opportunities for learning, workplace experience and earning a sustainable living.

It also implements interventions to address barriers young people faces and supports the creation of opportunities in the formal and informal economies. These actions are focused on sectors with identified potential for sustained growth that can translate into employment opportunities for young people. These sectors are digital and technology, global business services, agriculture, installation repairs and maintenance, social services, and automotive.



Presidential Youth Employment Intervention

Core principles

PRESIDENTIAL YOUTH EMPLOYMENT INTERVENTION CORE PRINCIPLES

To drive implementation, the PYEI has adopted the following key principles:

- ▶ Place young people at the heart of the intervention; design around and respond to their needs, challenges and lived experiences.
- ▶ Provide accountability for implementation.
- ▶ Leverage existing policies, plans and agreements and focus on addressing gaps in policies.
- ▶ Create space for innovation that accelerates delivery and catalyses further action.
- ▶ Strengthen and build effective partnerships across all spheres of government, with the private sector and social and development partners.
- ▶ Address constraints to job creation both on the supply and demand side by maximising the allocation of resources within and outside of government to jointly identified priorities.



A revitalised National Youth Service



PRESIDENTIAL
YOUTH
EMPLOYMENT
INTERVENTION

- The **revised model for NYS builds on experience gained** through similar initiatives in the past.
- **Using just 16 hours of the participant's time per week, the NYS leaves them with room to explore further opportunities** for training, employment or entrepreneurship during their term of service.
- **This eases the transition into follow-on activities.** A strong focus on the principles of youth development empowers participants to reflect on their future and take practical steps towards achieving their goals.
- **All NYS participants receive stipends**, providing them with the experience of earning their own money – potentially for the first time in their lives.



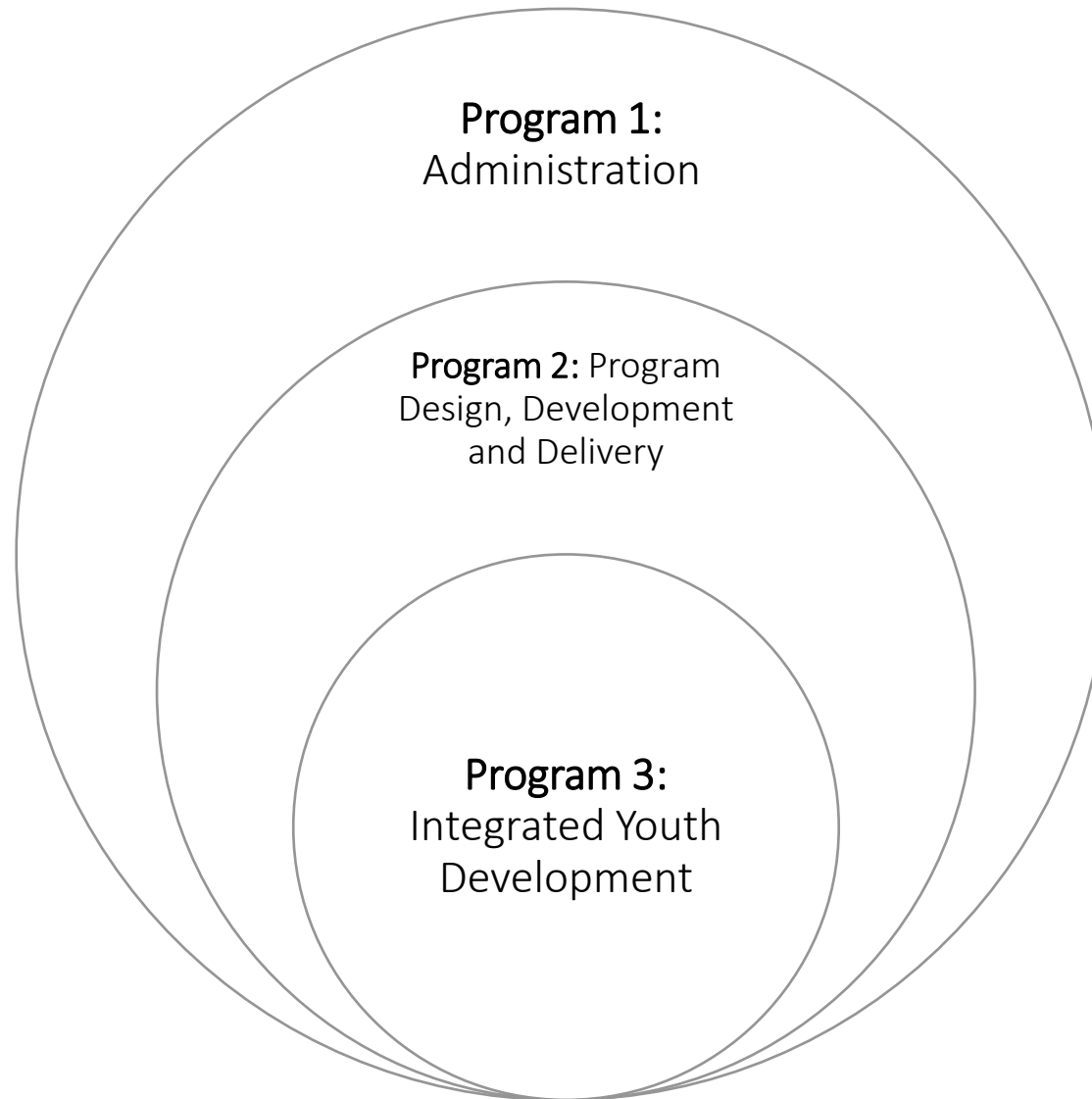
PROGRAMMES AND TARGETS

METHODOLOGY FOR STRATEGIC PLANNING PROCESS

- Multiple sources of information is considered including but not limited to the NDP 2030, NYP, 25-year review, MTSF, Priorities of Government, SONA and Budget Speech, BRR, Stats SA reports.
- NYDA Act guides development of strategy.
- Existing baselines are considered as guidelines.
- International best practice including AU Youth Charter, SDG's, BRICS Youth, and young of South Africa are considered.
- Overall strategy is formulated, and performance indicators linked to strategy are developed.
- Budget and human resources are aligned to each program. Targets are specifically allocated on gender and persons with disabilities.
- Strategy is consulted with DPME, National Treasury, and DWYPD.
- NYDA avoids duplication as far as possible – where another government department / agency has function we would rather partner than duplicate.
- Key partners are identified who can assist us in strategy implementation.
- Targets monitored by M&E Unit and audited by internal and external audit.

STRATEGIC PLAN AND THE ANNUAL PERFORMANCE PLAN

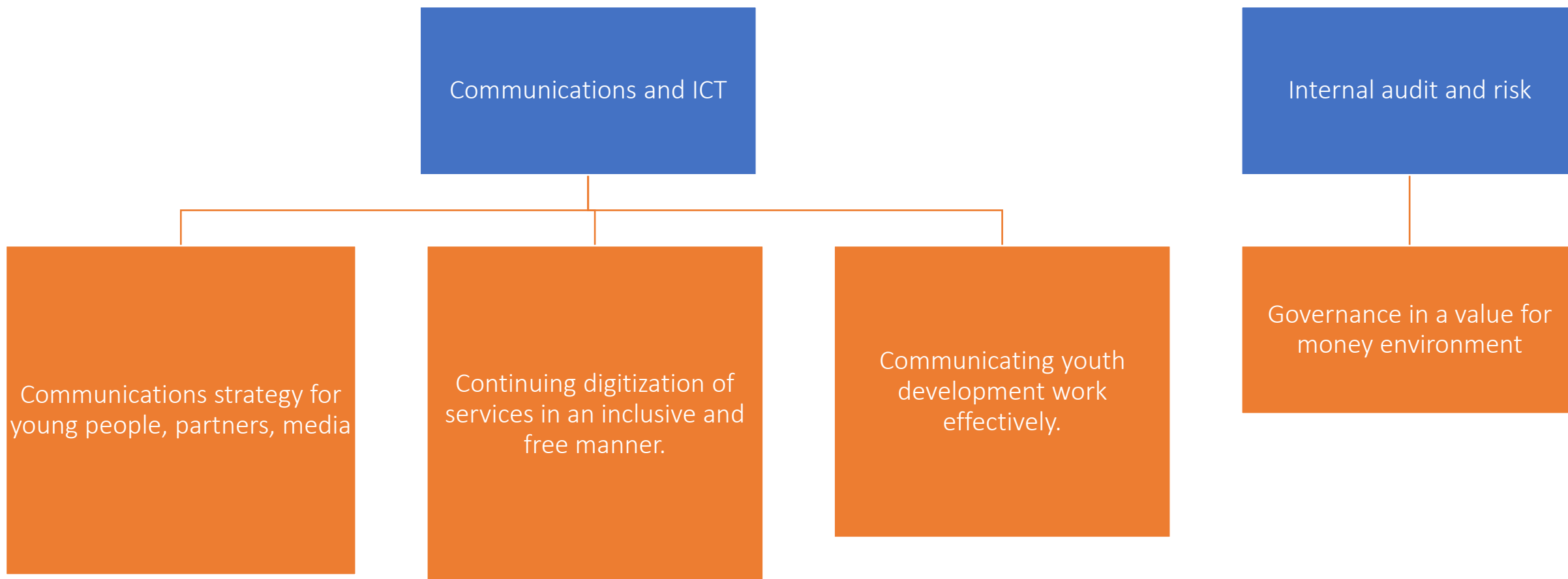
- Strategic Plan is a five-year institutional medium-term plan with outcome indicators and five-year targets
- The NYDA Five Year Strategic Plan is anchored on the Government's long-term plan and it should align to Government wide priorities.
- In fulfilling its legal obligation, the NYDA must **produce and table the strategic plan and APP** annually to Parliament.
- The process is guided by DPME **Medium-Term Strategic Framework** (MTSF)
- The **Five-Year Strategic Plan** should cover a period of at least **five years** and can be amended during the five-year period it covers.
- The **Annual Performance Plan (APP)** **sets out** what the NYDA **intends** doing in the **financial year** to implement its Strategic Plan.
- **Operational Plans** should be developed for all divisions which should align to individual performance contracts.



PROGRAM 1: ADMINISTRATION

NYDA Internal Strategy





PROGRAM 1: ADMINISTRATION

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
An efficient and effective Agency characterized by good corporate governance and ethical leadership	Number of NYDA Quarterly Management Reports Produced	3	4	4	4	4	4
	Develop and implemented organizational culture strategy	-	-	-	Developed and Implemented 50% of the organizational culture strategy	Developed and Implemented 75% of the organizational culture strategy	Developed and Implemented 100% of the organizational culture strategy
	Value of funds sourced from the public and private sectors to support the youth development programmes.	R60 million	R70 million	R150 million	R250 million	R300 million	R350 million
	Number of SETA partnerships established	4 SETA partnerships established	6 SETA partnerships established	6 SETA partnerships established	6 SETA partnerships established	15 SETA partnerships established	15 SETA partnerships established
	Number of partnerships signed with technology companies	2 partnerships signed with technology companies	2 partnerships signed with technology companies	2 partnerships signed with technology companies	3 partnerships signed with technology companies	4 partnerships signed with technology companies	5 partnerships signed with technology companies

PROGRAM 1: ADMINISTRATION

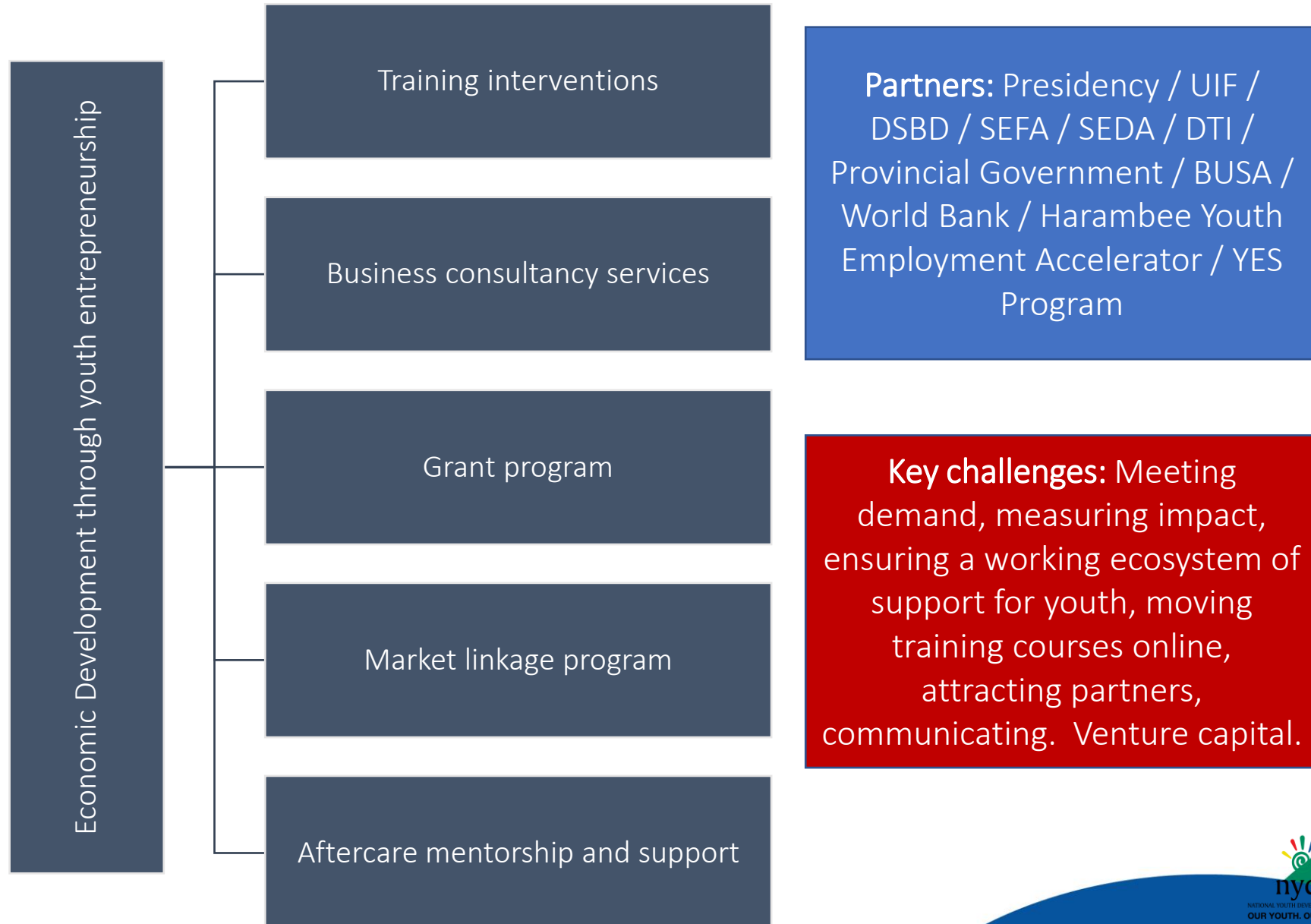
Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
An efficient and effective Agency characterized by good corporate governance and ethical leadership	Review and implement ICT Strategic Plan	Review and implement ICT Strategic Plan indicating 50% achievement of ICT targets in the plan by end of the financial year	Review and implement ICT Strategic Plan indicating 50% achievement of ICT targets in the plan by end of the financial year	Review and implement ICT Strategic Plan indicating 75% achievement of ICT targets in the plan by end of the financial year	Review and implement ICT Strategic Plan indicating 90% achievement of ICT targets in the plan by end of the financial year	Review and implement ICT Strategic Plan indicating 95% achievement of ICT targets in the plan by end of the financial year	Review and implement ICT Strategic Plan indicating 100% achievement of ICT targets in the plan by end of the financial year
	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy	Review and implement Integrated Communication and Marketing Strategy
	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produce and approve the NYDA Strategic Risk Register by Ops Exco	Produce and approve the NYDA Strategic Risk Register by Ops Exco

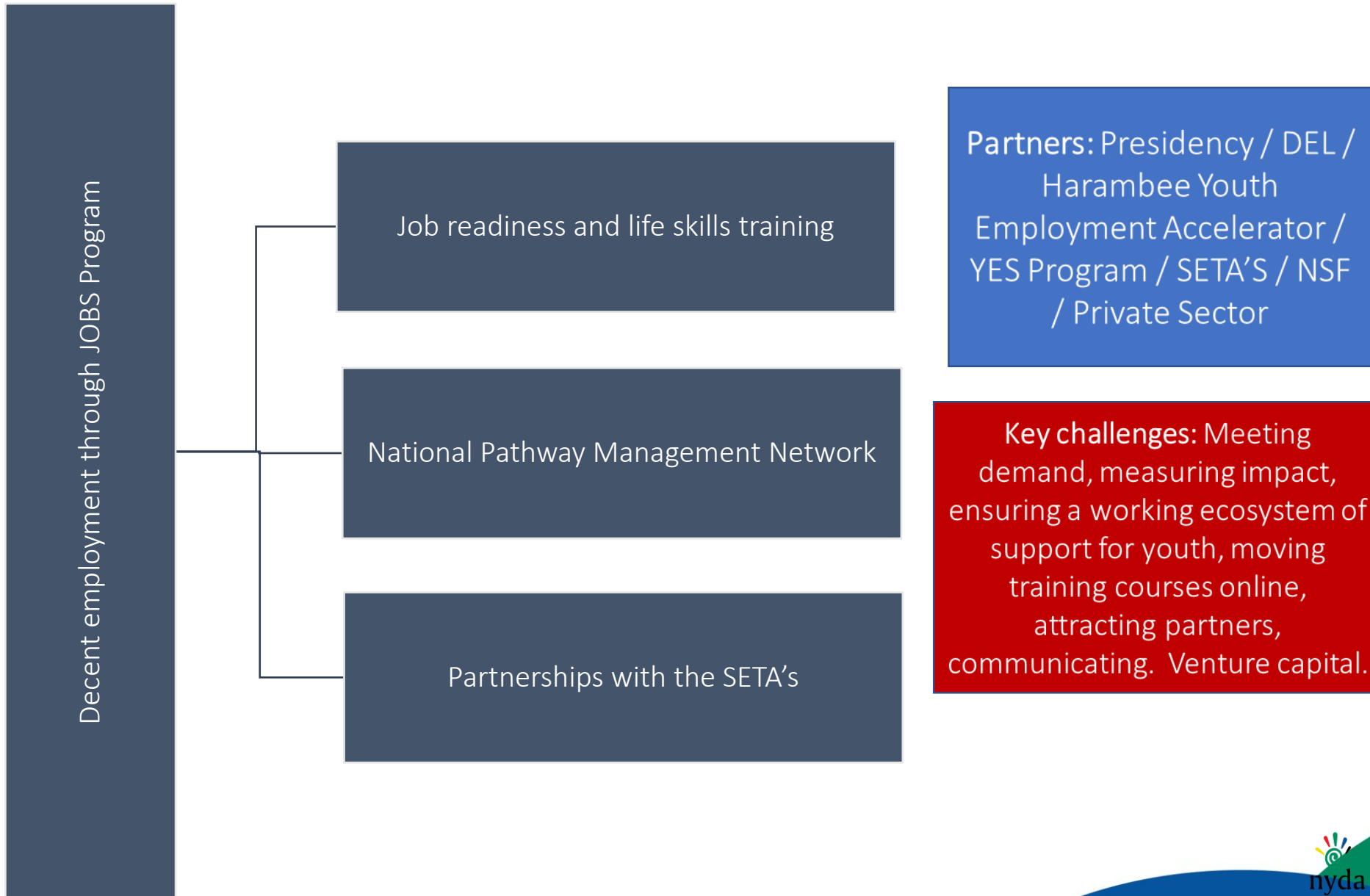
PROGRAM 1: ADMINISTRATION

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
An efficient and effective Agency characterized by good corporate governance and ethical leadership	Percentage preferential procurement spend on enterprises that are Youth-owned (30% youth owned, 40% women owned and 5% persons with disability)	-	-	-	Percentage preferential procurement spend on enterprises that are Youth-owned (30% youth owned, 40% women owned and 5% persons with disability)	Percentage preferential procurement spend on enterprises that are Youth-owned (30% youth owned, 40% women owned and 5% persons with disability)	Percentage preferential procurement spend on enterprises that are Youth-owned (30% youth owned, 40% women owned and 5% persons with disability)
	Developed and implemented customer service plan.	-	-	-	Developed and Implemented 50% of the organizational culture strategy	Developed and implemented 75% of the customer service plan.	Developed and implemented 100% of the customer service plan.
	Number of partnerships established with companies listed on the JSE.	-	-	-	10 partnerships established with companies listed on the JSE.	15 partnerships established with companies listed on the JSE.	20 partnerships established with companies listed on the JSE.

PROGRAM 2: OPERATIONS

Youth entrepreneurs strategy





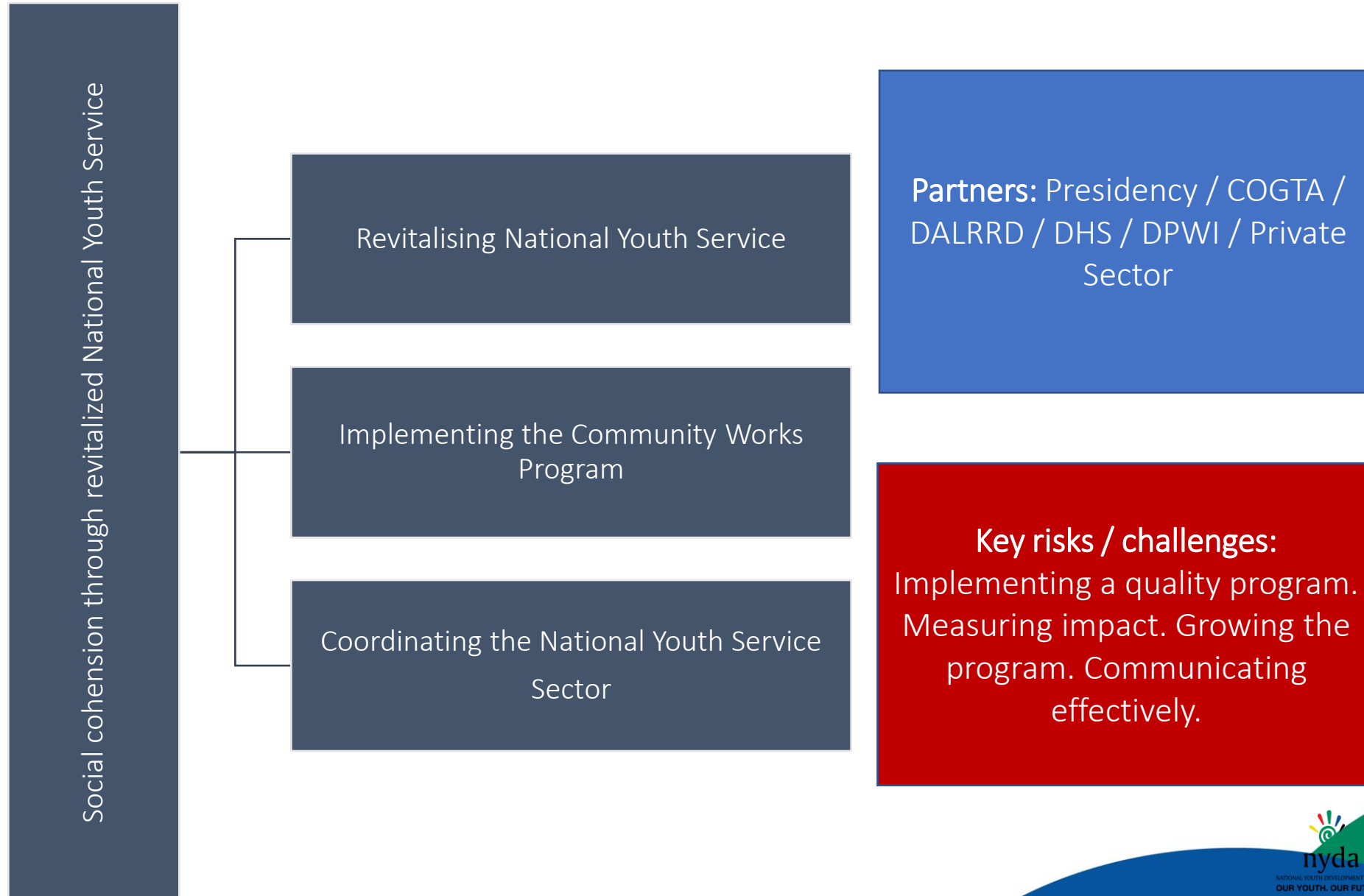
PROGRAM 1: OPERATIONS

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Increased access to socio-economic opportunities, viable business opportunities and support for young people to participate in the economy.	Number of youth owned enterprises supported with financial interventions	1103	2005	2000	2200	2500	3000
	Number of youth supported with non-financial business development interventions	1885	20 000	25 000	28 000	29000	30000
	Number of jobs created and sustained through supporting entrepreneurs and enterprises	5 000	6 000	6200	7 000	8000	9000
	Number of Business Development Support services offered to young people	20731	1872	1000	1 200	1500	1800

PROGRAM 1: OPERATIONS

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Increased access to socio-economic opportunities, viable business opportunities and support for young people to participate in the economy.	Number of young people capacitated with skills to enter the job market	1 250	50 000	75 000	30 000	40 000	50 000
	Number of young people placed in jobs	-	-	10 000	20 000	30 000	40 000

National Youth Service



National Youth Service

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Increased co-ordination and implementation of NYS programmes across all sectors of society	Number of organisations and departments lobbied to implement NYS	15	40	60	70	80	90
	Number of young people participating in NYS Expanded Volunteer Projects	-	30 000	11 000	15 000	15 000	20 000

National Youth Service

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Increased co-ordination and implementation of NYS programmes across all sectors of society	Number of young people securing paid service opportunities.	-	-	50 000	20 000	-	-
	Number of young people transitioning out of the National Youth Service (NYS) into other opportunities.	-	-	10 000	4 000	-	-
	Number of young people that have completed planned service activities	-	-	45 000	18 000	-	-

PROGRAM 3: INTEGRATED YOUTH DEVELOPMENT

Integrated Youth Development



Integrated Youth Development

Outcome	Output Indicator	Previous Medium-Term Targets			New Medium-Term Targets		
	Output Indicator	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Produce research reports which influences change in youth sector and build sustainable relationships	Number of impact programme evaluations conducted.	4	3	4	5	6	7
	Developed a research Report in the Country	-	-	Develop a status of the Youth Report in the country	Develop a Youth research report in the country	Develop a Youth research report in the country	Develop a Youth research report in the country
	Produced Annual report on Integrated Youth Development Strategy	-	-	-	Produced Annual report on Integrated Youth Development Strategy, National Youth Service and Disability strategy	Produced Annual report on Integrated Youth Development Strategy, National Youth Service and Disability strategy	Produced Annual report on Integrated Youth Development Strategy, National Youth Service and Disability strategy
	Number of Youth Status Outlook Reports Produced	0	3	3	6 Youth status outlook reports produced.	6 Youth status outlook reports produced.	6 Youth status outlook reports produced.

YOUTH WITH DISABILITIES

Youth with disabilities

Strategic focus

- NYDA developed a strategy on disability
- This plan will assist in building awareness amongst young persons with disabilities and link them to products and services of the NYDA and to wider government.
- Dedicated branch training officers in each branch was trained on disability and will continue to support persons with disability with NYDA programmes as a branch level.
- NYDA has created an enabling environment that would promote the full participation of youth with disabilities in the NYDA programs.
- Inclusion of Youth with Disabilities on Expanded Volunteer Projects
- Conduct social campaigns on GBV for youth with disability
- Make NYDA online services available to persons with disability
- Capital budget set aside to upgrade facilities for access of youth with disabilities.
- Budget for printing of training manuals in braille and for sign language interpreters.
- We have allocated specific quantitative targets on all programs for youth with disabilities
- The NYDA will continue to make inroads in the disability sector in accordance with the disability strategy.
- Produced an Annual Report on partnerships established with Disability organisations to promote youth development.

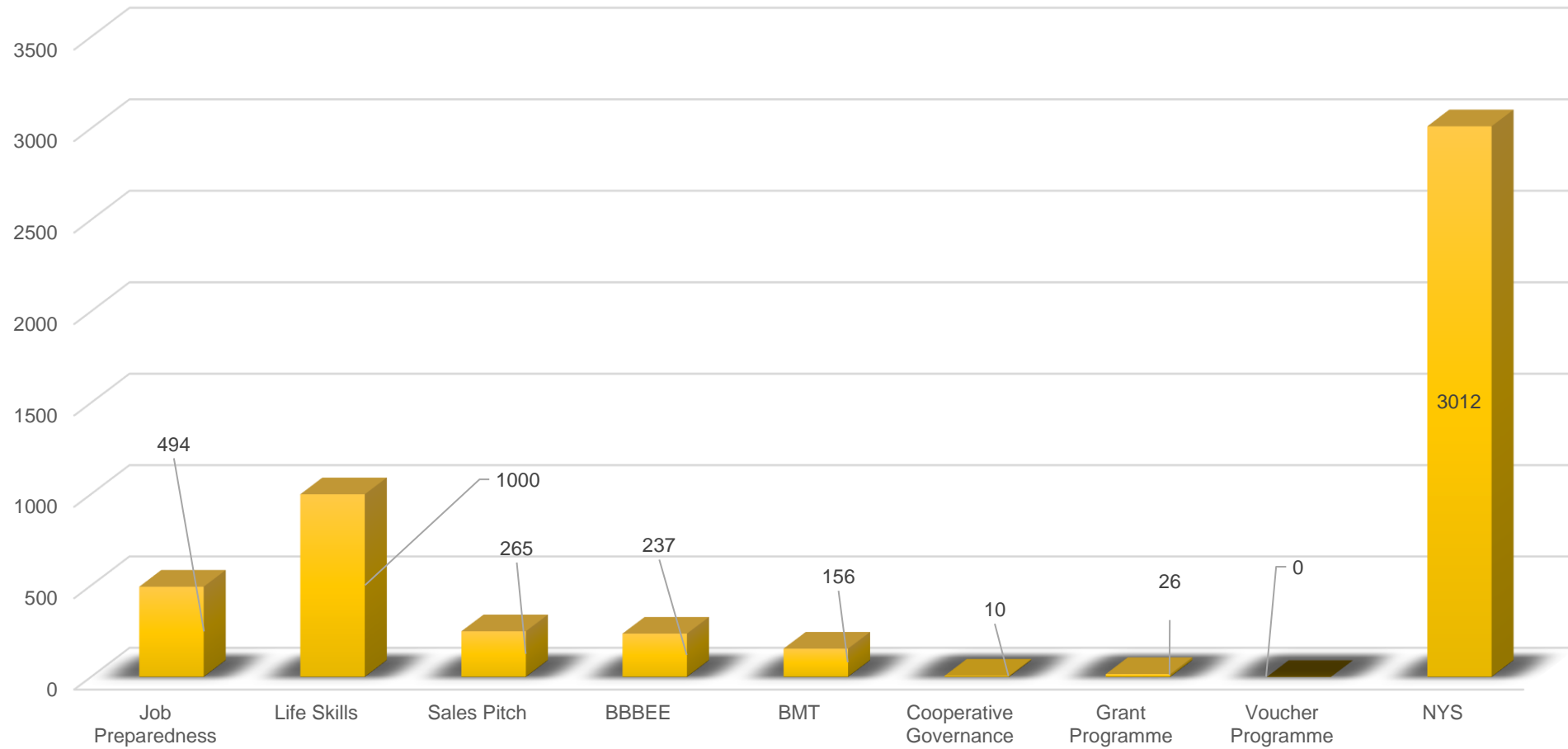
Youth with disabilities

Strategic focus



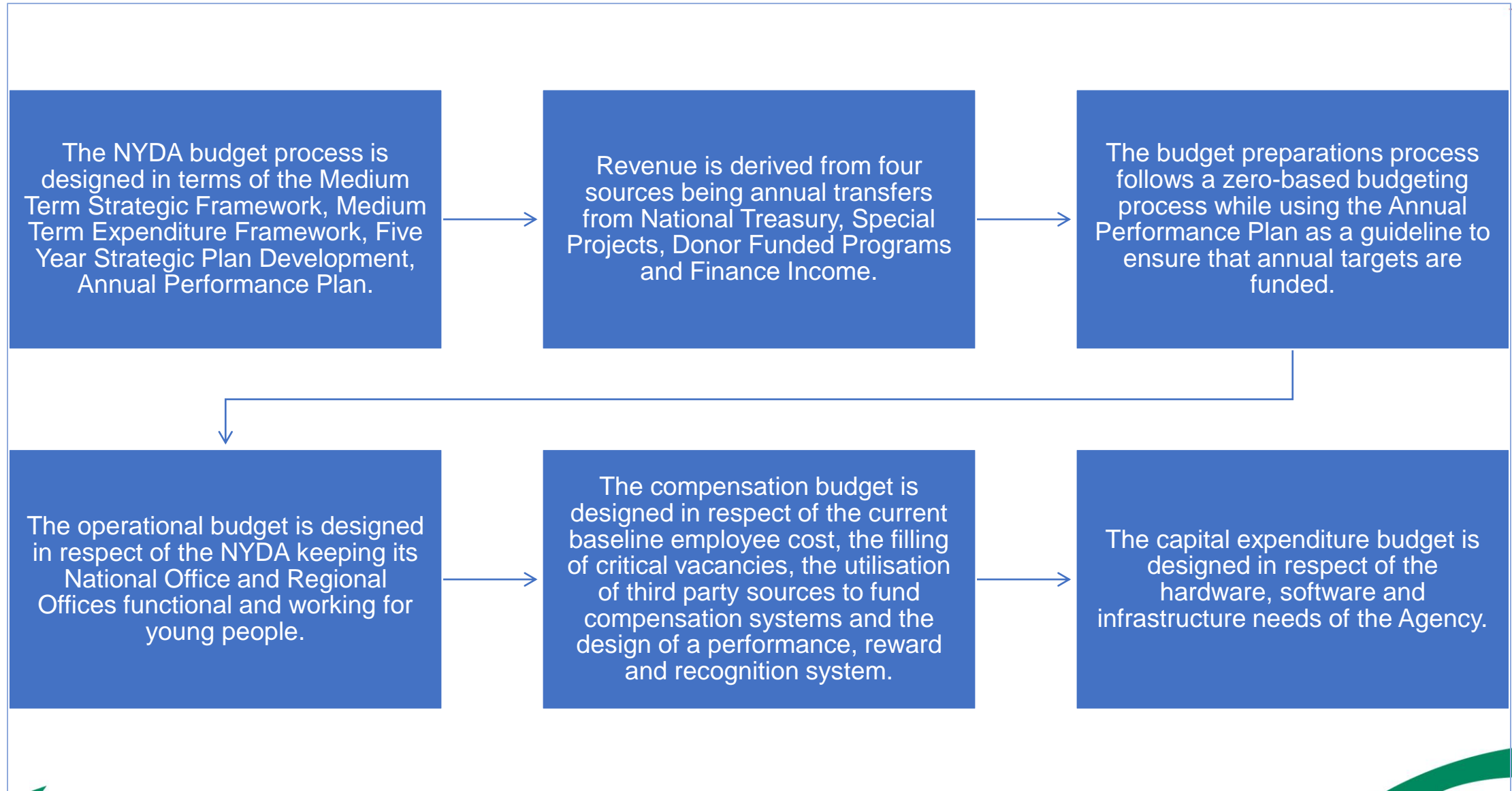
- The NYDA Western Cape in partnership with the Department of Economic Development and Tourism (DEDAT) is in talks with Wholesale and Retail SETA (W&RSETA) to participate in learnership to place 539 young people in the clothing and textile sector and some of them will be persons with Disability and about 21 persons with disability will be part of the programme.
- Together with FoodBev SETA an accredited service provider has been appointed to train 150 learners on New Venture Creation over a 12-month period in Mpumalanga. The recruitment of the learners commenced in the third quarter.
- The NYDA have partnered with KwaZulu Natal Department of Social Development ion Mkhanya- Kude District and Public service Sector –Education and Training (PSETA) to establish a 24 months learnership and recruited 50 young people with disabilities.
- NYS established partnership with Blind SA in Mpumalanga and Special Olympics for the games that were held in Limpopo Province.
- We also worked with Sports for social change that reported on young people with intellectual disabilities through PYEI and National Youth Service.
- We are also planning to do more work with institutions that promote learning for youth with disabilities and access to employment, using NYS as a pathway.

DISABLED BENEFICIARIES PER PROGRAMME



FINANCIAL MATTERS – 2023/24 BUDGET

BUDGET METHODOLOGY



Economic outlook - in the context of National budget

Domestic Outlook– 2023 budget speech by Minister of finance

- “South Africa’s economy grew by an estimated 2.5 per cent in 2022. This is an upward revision from 1.9 per cent projection in the 2022 MTBPS, reflecting a better-than-expected outcome in the third quarter of 2022.
- At R4.6 trillion, the size of the economy in 2022 was bigger than the pre-pandemic levels in real terms, evidence of a robust economic recovery even in the face of lingering COVID-19 scarring.
- However, the medium-term growth outlook has deteriorated. Real GDP growth is projected to average 1.4 per cent from 2023 to 2025, compared with 1.6 per cent estimated in October”

NYDA budget context

- The NYDA was allocated an additional R200 million in 2022/23 and R250 million in 2023/24 for implementation of the Presidential Youth Employment intervention- National Youth Service. This has created more than 50 000 job opportunities since 2022-23 financial year.
- Post the COVID-19 pandemic, the Agency is still feeling the effects of the budget cuts implemented across sectors of government, resulting in the 2023-24 budget allocation to remain at 0,38% increase when compared to prior year allocation of R481 million.

REVENUE STRUCTURE

The NYDA revenue is mainly through the National Treasury allocation which is allocated at a value of R483 million. Additional R250 million has been allocated for the implementation of the Presidential Youth Employment intervention – National Youth Service.

The following revenue sources form the revenue base of the Agency.

- Interest income
- Donor Funding Income
- Project Management fees earned from implementation of donor funded projects.

Interest income - The increase in interest income is attributable to the increase in interest rates and the ability of the organisation to hold greater cash reserves because of renegotiated tranche payments and additional received from donors. Interest income is forecasted at an effective annual rate of 2.85 percent per the negotiated rates.

Donor funded income - Donor funding represents the transfers of resources/funds to the entity by government and/or other organisations in return for a compliance with certain conditions relating to the operating activities of the entity.

REVENUE BUDGET

DESCRIPTION	2022/2023 ANNUAL BUDGET	2023/2024 ANNUAL BUDGET	ANNUAL BUDGET % CHANGE (2022/23)
Department of Woman, Youth and Disability - Grant Income	R481 265 000	R483 114 000	0,38%
Donor funded income	R64 133 417	R112 231 850	75%
Interest income	R5 000 000	R16 000 000	220%
Presidential Youth Employment Fund Income	R200 000 000	R250 000 000	25%
Project Management Fees (Donor Funding)	R1 840 000	R6 000 000	226%
Other income	-	-	0%
Commitment rollover	-	-	0%
Total Budget	R752 238 417	R867 345 850	15%

COMMITTED DONOR FUNDING BUDGET

PARTNER	2022-23		2023-24	PURPOSE
	ANNUAL BUDGET	ADJUSTED BUDGET	ANNUAL BUDGET	
ETDP SETA	R6 500 000	-	-	Internship Programme
NYS Flemish Donor Finding	R2 000 000	R823 000	-	Research and learning development for National Youth Service.
DSAC The Young Patriots Programme (TYPP)	R9 944 000	R12 456 174	R11 343 000	The Young Patriots Programme
Services SETA Apprenticeship	R8 376 525	R8 376 525	R7 950 000	Technical Skills development programme
Department of Cooperative Governance	R36 312 892	R76 700 214	-	Community Works Programme
Industrial Development Corporation	R1 000 000	R1 000 000	R1 000 000	Enterprise development - Voucher Programme
PSETA - NYDA	-	R1 988 350	R2 445 300	Internship Programme
PSETA DPSA	-	R1 102 250	R2 445 300	Internship Programme
CWP Agrarian	-	R3 950 000	-	Agrarian Community Works Programme
CWP Ngove Agrarian	-	R5 884 926	-	Agrarian Community Works Programme
CWP North-West (Bakwena) Agrarian	-	R5 279 484	-	Agrarian Community Works Programme
Jobs Fund – National Pathway Management Fund	-	R6 460 000	-	Pilot Innovation site
KZN DSD Grants funding	-	R1 520 415	-	Grants Programme
Fetola Funding -COE	-	R960 000	-	Grants Programme
FoodBev SETA	-	R9 402 500	-	Technical Skills development programme
DoL UIF - NYS	-	-	R19 081 250	Technical Skills development programme
DoL UIF - Grants & Technical skills programme	-	R17 000 000	R41 967 000	Grants Programme
FASSET	-	R1 750 000	-	Technical Skills development programme
PSETA - NYDA (Disability)	-	R4 194 500	-	Internship Programme
Nelson Mandela Youth Dialogue Programme	-	R2 571 800	-	Presidential Youth Dialogue Programme
Limpopo OTP - Youth Fund	-	-	R5 000 000	Youth development Fund
Jobs Fund - Mentorship	-	-	R2 500 000	Mentorship programme
CWP Agrarian - Phase 1	-	-	R3 500 000	Agrarian Community Works Programme
CWP Agrarian - Phase 2	-	-	R15 000 000	Agrarian Community Works Programme
Total	R64 133 417	R161 420 139	R112 231 850	

ANNUAL PERFORMANCE PLAN AND BUDGET ALIGNMENT

- The NYDA budget is driven by and aligned to the priorities of the Annual Performance Plan (APP) and the Agency's strategic outcomes.
- The APP reflect funded service-delivery targets per Strategic Output.
- The Agency utilise monthly management accounts as an in-year tool for monitoring the implementation of the budget. At year-end annual financial statements are prepared, which are included in the annual report as per the requirements of PFMA

EXPEDITURE BUDGET BY PROGRAMME

PROGRAMME	2022/2023 ANNUAL BUDGET	2023/2024 ANNUAL BUDGET	ANNUAL BUDGET % MEDIUM TERM STRATEGIC CHANGE (2022/23) FRAMEWORK	
Administration	R86 232 000	R100 501 126	17%	An efficient, effective and development orientated public service
Economic Participation	R180 979 894	R200 167 804	11%	Decent employment through inclusive economic growth
Integrated Youth Development	R5 183 000	R5 097 727	-2%	Produce research reports which influences change in youth sector and build sustainable relationships
Decent Employment through Jobs programme	R68 766 000	R53 971 186	-22%	Quality basic education & decent employment through inclusive economic growth
National Youth Service	R205 059 000	R289 608 007	41%	Nation building and social cohesion
Sub-Total (Programmes)	R546 219 894	R649 345 850	19%	
Employee Costs	R206 018 523	R218 000 000	6%	An efficient, effective and development orientated public service
TOTAL	R752 238 417	R867 345 850	15%	

EXPENDITURE BY ECONOMIC CLASSIFICATION

NATURE	2022/2023 ANNUAL BUDGET	2023/2024 ANNUAL BUDGET	ANNUAL BUDGET % CHANGE (2022/23)
Administration and overheads	R58 401 465	R65 436 937	12%
Communications and ICT	R45 157 850	R37 423 612	-17%
Audits	R5 630 000	R7 482 259	33%
Risk and legal	R3 633 000	R5 670 000	56%
Human Resources	R7 530 000	R6 667 500	-11%
Travel, accommodation	R38 804 157	R32 115 216	-17%
Project disbursements	R24 327 316	R48 519 897	99%
Donor funded expenditure	R64 133 417	R112 231 850	75%
Grant and voucher disbursements	R90 202 689	R76 029 385	-16%
Goods and services	R337 819 894	R391 576 655	16%
Transfer Payments - Jobs Fund	R200 000 000	R250 000 000	100%
Employee costs	R206 018 523	R218 000 000	6%
Capital expenditure	R8 400 000	R7 769 195	-8%
Total	R752 238 417	R867 345 850	15%

COST OF EMPLOYMENT PER PROGRAMME

- The employee costs budget of the NYDA is impacted by numerous amounts of factors that subjects the budget thereof to a certain amount of elasticity. The creation of a salary structure that enters employees at the 25th percentile remains the Human Resources policy of the NYDA as it drives the performance management of the organisation.
- Salary increases in general must be budgeted for to compensate for a cost of living adjustment for those who earn at the graded benchmark of their position. However, in the three prior financial years' salary increases were impacted by Covid-19 budget cuts, which subsequently resulted in increases being capped at maximum average of 5%, with general staff and junior managers at 3% to 3.5%; senior managers and executives at between 0% to 2.5%.
- For the 2023/24 financial year, the Agency has agreed a salary increase at 6,6% for micro staff and 3% for macro staff. This is against the broader 7.5% public sector wage agreement and 3.8% recommendation of the Independent Commission for the Remuneration of Public Office-bearers,
- The NYDA has budgeted R218 million for salary allocations, in the 2023-24 budget year compared to the previous financial year. This also represents 25% of the total budget against a general norm of 35%.
- The Agency has further reviewed the organisational structure to reduce the salary bill and cater for overall budget cuts also factoring organisational growth.

COST OF EMPLOYMENT PER PROGRAMME

PROGRAMME	2022/2023 ADJUSTED BUDGET	2023/2024 ANNUAL BUDGET	% CHANGE	% ALLOCATION PER PROGRAMME
Administration	R73 614 035	R75 635 920	3%	35%
Economic Participation	R89 961 376	R97 815 688	9%	45%
Integrated Youth Development	R1 498 624	R1 498 624	0%	1%
Decent Employment through Jobs programme	R32 616 138	R34 573 106	6%	16%
National Youth Service	R8 328 349	R8 476 661	2%	4%
TOTAL	R206 018 523	R218 000 000	6%	100%

MEASURES AGAINST LOADSHEDDING

- The operation team has 43 centres across the country and currently only five have backup power. Teams continue working through loadshedding, however operations are impacted.
- An analysis was conducted to determine the impact of loadshedding on operations at the centre and district level, with an estimated cost of R6.5 million required for backup power supply.
- Due to financial constraints the strategy is to approach the implementation at the staggered phase, also based on budget availability.
- All new lease specification documents have a new clause wherein the landlords will be required to avail backup generators and installation of invertors.
- In the interim, we have prioritised the following office for procurement of backup power supply:

Mahikeng (high priority)
Mthata, Alfred Nzo and ugu
Ixopo, Uthukela and Mbazwana
Emalahleni, Tzaneen and Thohoyandou
Sedibeng, Johannesburg and westrand
Durban, Empangeni, Beaufortwest

**COST OF OFFICE
ACCOMMODATION
– ALL NYDA OFFICE**

RENTAL COSTS EXCLUDING UTILITIES	
Head Office	R10 419 306
Regional Offices	
- Rental Costs (21 Centres and 2 District centres)	R14 975 910
- Rent Free (1 Centre and 16 District centres)	-
Total Costs	R25 395 216

COST OF OUTREACH PROGRAMMES

- The NYDA has budgeted R4.4 million for 160 planned outreach activities. This equates to an average cost of R27 500 per activity which includes the cost of exhibition, catering, free wi-fi, travel and accommodation.

UTILISATION OF CONSULTANTS

- The NYDA does not make use of consultants.

Human Resources

Human Resources: Vacancy Report

Position	Number of positions	Filled	Male	Female	Vacant	Recruitment underway
Executive Management	8	8	2	5	0	0
Senior Management	10	10	4	6	0	0
Managers	28	27	16	11	1	3
Specialist	92	83	37	47	9	9
Business Development Advisor	71	62	27	35	9	9
Frontline Officer /Informidiary	14	13	5	8	1	0
Jobs Officer	9	7	2	5	2	0
Outreach Officer	11	10	8	1	1	1
Trainer	54	51	20	31	3	3
Head Office Officers	63	55	15	40	8	7
Branch Administrators	82	73	26	47	9	6
Administrators H/O	16	11	3	8	5	4
Receptionist	23	21	8	13	2	1
Housekeeper	65	63	11	52	2	1
Security	10	10	6	4	0	0
Total	556	504	190	314	52	44
Vacancy Rate	9,4%					
Projected Vacancy Rate	7,9%					

Communications strategy

LAYING OUT A COMMUNICATIONS STRATEGY

Communications Strategy

Content development
aligned to the strategy

Digitally focussed
organisation including
data analytics

High levels of customer
service

Thought leaders on
youth development

Modern day events
management

More streamlined
Internal
Communications

NYDA Hubs

LAYING OUT A COMMUNICATIONS STRATEGY – RURAL AREAS

Increased outreach
activities

Greater
collaboration with
local municipalities

Utilisation of
mobile outreach
vehicles

Partnerships with
community radio

Partnerships with
community based
organisations

YOUTH MONTH AND YOUTH DAY.

- In our analysis and consultation with young people, the manner in which we commemorate Youth Day and Youth Month through rally's is no longer relevant to young people.
- Young people are responsive to opportunities which allow them to better their lives.
- This must be balanced with narrating the historical significance of June 16th.
- For Youth Day 2023 we are planning the largest career and opportunities expo for young people so that they may receive access to information and knowledge in an inclusive manner.
- Ideally, we would like the opportunity expo to incorporate Higher Education Institutions, Private and Public sector opportunities and civil society organisations.
- We intend to use the Youth Day weekend to also offer opportunities to young creatives (artists, poets) a platform to showcase their work.
- There is also an opportunity to incorporate youth owned enterprises as part of the delivery of food and beverage services for the opportunities expo.
- We intend to have masterclasses with sector experts throughout the weekend to expose young people to new industries and work.
- It is also an opportunity to showcase our work as the PYEI.
- At this stage we are awaiting a decision on the host Province and then we will start planning and have a more formal engagement with the coordinating committee.

New priorities

NEW PRIORITIES

- The NYDA has met on three occasions with the Minister in the Presidency for Women, Youth and Persons with Disabilities and on one occasion with the Deputy Minister.
- We are prioritizing the establishment of a radio program that will be far reaching and will focus on expanding the opportunities for youth, women and persons with disabilities.
- The SANDF's has significant capacity to massify skills development for the youth. Against this backdrop, we will develop together with the SANDF a proposal to place the Defence Force at the forefront of South Africa's Skills Revolution, technology transfer and War on Youth Unemployment.
- We are working on high priority sectors for a skills revolution in the automotive, oceans economy and creative arts sectors.
- NYDA will be hosting the BRICS Youth Summit in July 2023. DIRCO has shown interest in supporting our proposition for a BRICS Youth Secretariat and processing it through the SHERPA for endorsement by the Ministers of Youth and the Heads of State. This is a huge opportunity for the Youth Secretariat to become a structure of BRICS like the New Development Bank and the BRICS Business Council and to be headquartered in South Africa which can unlock benefits across employment, education, skills and research.

Key priorities of Portfolio Committee

Key projects

- Two cannabis projects have been started, one in the Eastern Cape with the Small Enterprise Development Agency and the other in Ingwe TVET College which intends to build a Cannabis facility, play a significant role in terms of education, training and research on the Cannabis and further contribute on stimulating the growth of Cannabis Economy. The College has obtained a Cannabis License, Off-take agreements with national and international businesses and forged partnerships with different stakeholders.
- The NYDA Regional Manager had an engagement with the Mayor to discuss possible interventions for young people in and around Port St Johns. The area is largely rural and as a result minimal opportunities for young people but there is massive potential in tourism and Maritime sector.
- The NYDA has connected the Municipality with one of our partners the South African International Maritime Institute to conduct trainings to young people and the general communities of PSJ. The intention is to create awareness around the possible opportunities in the Maritime space.
- The NYDA in the Eastern is currently in discussions with the Municipal Manager on a potential skills training of manufacturing focused on carpentry and other technical skills.
- We have also managed to conduct trainings in PSJ such as business management , Life skills and Job Preparedness in this financial year.
- We are also planning to have career expos in the province and PSJ is earmarked to be one of the Municipalities that will host the NYDA career expo.
- In the month of March the NYDA together with the Department of Social Development conducted Life Skills training with Social Development dealing with psycho-social support and their Behavioral Change programme.

Progress on legislative processes

LEGISLATIVE PROCESSES

- The NYDA bill is now with Parliament.
- The Status of Youth Report and second progress report for the Integrated Youth Development Strategy are completed and ready for presentation.

Budget Review and Recommendations

RECOMMENDATION	RESOLUTION
The Committee noted the need to align with the 4th Industrial Revolution and therefore asked the NYDA how it was influencing government to look at shifting to 4th Industrial Revolution insofar as youth development was concerned.	The NYDA has shifted to an entirely digital system. We have also developed a single sign on with SAYouth.Mobi making it easier for young people to access government services. We are revamping our call center to be the central point of contact. In both basic and higher education we are monitoring the progress of the IYDS in the reform of the curriculum to adjust to the 4IR. We are also lobbying for more government services to young people to be digital.
The Committee welcomed the programmes and services rendered by the NYDA questioned how the NYDA was measuring the impact of its programme on the community.	We have provided the Committee with four evaluation reports on NYDA products and services.
The Committee noted with concern that no provision has been made for youth over 18 years of age living in shelters and identified this as a gap. Hence the Committee, enquired whether the NYDA had an exit strategy to deal with youth who have no alternative support structures, who leave shelters at the age of 18 years	We are conceptualizing a program with the metros to address the homelessness of young people.
The Committee was impressed with the businesses of the visited that were supported by the NYDA and reiterated that the NYDA needed to market these businesses within government. Hence the NYDA to facilitate, having NYDA funded businesses on Government's supplier databases	Through our market linkages program and youth entrepreneurs database we are vigorously opening up access to market opportunities for young people both in the public and private sectors.

RECOMMENDATION	RESOLUTION
The Committee questioned whether merely accepting cv's were enough to job placement and what else needed to be done to ensure the success rate and uptake. The Committee was not satisfied with the NYDA just receiving CVs and indicated that emphasis should be placed on active lobbying and matching youth in search of employment with industry opportunities. The Committee was concerned about the workload of a job placement officer and therefore queried whether these persons had the time to link CV's of applicants to other stakeholders	The NYDA is moving beyond just accepting CV's and is actively meeting with employers / employer groups and developing tailor made recruitment solutions for individual employers and where skills gaps exist, working with the SETA's to fill these skills gaps.
The Committee remained concerned about youth in rural areas and as such enquired how the NYDA reaches out to communities especially rural communities to advertise the products and services of the NYDA	The NYDA is actively marketing itself in rural areas through community radio and outreach programs as well as collaboration with local municipalities.
The Committee noted with concern the challenges experience by the owner of laundrette which was largely attributed to poor mentorship, lack of business management, inadequate record keeping skills, inappropriate procurement of equipment for the intended business use and suitable premises to conduct the business	The NYDA has strengthened its aftercare program providing more ongoing support to beneficiaries even beyond two years and is reforming its mentorship program focusing on the quality of the mentors and rating of mentors.

Beneficiary stories

Beneficiary story

- Young pig farmer Zintle James (24) is on an inspired journey to becoming a successful entrepreneur.
- Originally from Sterkspruit in the Eastern Cape, James began her enterprise in 2020 when her interest was piqued by a post on social media during the COVID-19 pandemic lockdown. Speaking to Vuk'uzenzele, James said while her father owned two pigs at the time, she never thought of using them to start a business. While idling at home during the pandemic, the human resources management graduate was exposed to more information on piggery on social media platforms. “It was then that I decided to start a focused project. I joined Facebook pages on farming and I bought two more pigs, piglets and feed using my funds.” Using cash savings she had managed to raise from her internship stint with the Eastern Cape Department of Education, in July 2022 she acquired another male and female pigs. In November 2022, James was able to scale up her operations because of funding she received from the National Youth Development Agency (NYDA). The agency funded James with R45 000. Thanks to the funding, she was able to purchase 10 piglets. Today, her operation boasts an impressive 90-pig herd. “[The funding] helped me to buy the commercial breed which meant I would be able to grow my business,” she said. Outlining her vision for the business, the budding businesswoman said her ultimate goal was to supply commercial clients. James currently sustains the business by selling to her local community but has prospects of running her butchery chain store one day. She urged other youths looking to secure funding from the NYDA to be patient and meticulous with their applications. “You don’t need to have connections or bribe someone to get the funding. It doesn’t work like that. As long as you have all the documents in order, you will get the funding. You just need to be patient,” she said.



Beneficiary story



- YearBeyond alumni Melikhaya Mzola has dreamed about making a future in ICT since he was ten years old. As a young boy who looked up to his father, he hoped to follow in his footsteps and work with electronics. It was only fitting that receiving a computer from his father would be one of his biggest motivators, catapulting his journey into Computer Science and ICT.
- Unfortunately, like many students in South Africa, financial circumstances can limit the ability to go to the finish line when pursuing higher education goals. When the same fate fell on Melikhaya, it was up to his determination to continue working towards his dream.
- Reflecting on the experiences and lessons he learned in the programme, Melikhaya acknowledges feeling like a role model in his community because of the programme. Being a NYS participant and YeBoneer in a smaller community, he felt visible, inspiring more youth to enquire about joining.
- During his time at the library, Melikhaya began to see ways in which the ICT champions could assist in transforming the library's day-to-day system and combining his passion for helping the community, ICT, and becoming an innovator and based on the research and advice, Melikhaya and his team created an app that would assist in the interim with checking books in and out of the library. Regarding its other features, Melikhaya says that the app "can register new patrons, and it can also do reports on a monthly basis

Thank you.