



# LIMPOPO

PROVINCIAL GOVERNMENT  
REPUBLIC OF SOUTH AFRICA

PROVINCIAL TREASURY

# SOCIO-ECONOMIC REVIEW AND OUTLOOK



**2025/26**

**The heartland of South Africa-development is about people**

## Foreword

The 2025/26 Socio-Economic Review and Outlook (SERO) indeed reflects a time of high policy uncertainty, shaped by both domestic and global socio-economic factors. The political developments, such as Donald Trump's resurgence following the 2024 United States of America general elections and the formation of a Government of National Unity in South Africa, contribute to this uncertain climate. These political shifts, in tandem with ongoing global geopolitical tensions, are influencing the global economy, creating challenges for governments, businesses, and individuals alike. The geopolitical dynamics, including trade conflicts, shifting alliances, and international security concerns, are likely to have far-reaching consequences. In addition to these political events, other factors such as inflation rates, energy crises, and economic policies in various nations also play a role in driving the uncertain socio-economic environment.

The global economy continues to exhibit divergent trends, with Emerging Markets and Developing Economies expected to experience stagnant growth between 2024 and 2026. In contrast, Advanced economies are projected to witness modest growth, while sub-Saharan African countries, including South Africa, are anticipated to record positive growth during this period. However, persistent structural challenges hinder South Africa's economic growth and prevent the country from achieving the desired growth levels necessary to address pressing socio-economic challenges.

The South African Reserve Bank (SARB) continues with its quest to cut interest rates to support consumers following three recent reductions. However, the Monetary Policy Committee has been cautious, lowering the repo rate by 25 basis points at each of its last three meetings. Consumer inflation fell below the SARB's target range in December 2024, reaching 3.0 percent. However, challenges persist, including the strengthening United States Dollar against the South African Rand and other currencies. Despite slowing headline inflation, monetary policy in major economies remains tight.

  
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18 March 2025  
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**DATE**

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## **Chapter 1: Economic Overview**

### **1.1 Introduction**

According to the International Monetary Fund's (IMF) January 2025 World Economic Outlook(WEO), global revisions to the forecast have been minimal, offsetting shifts at the country group level, reflecting recent shocks and policies, most notably in Emerging Market and Developing Economies. A slash in production and shipping of commodities (oil in particular) as well as conflicts and civil unrest have led to downward revisions to the regional outlooks for the Middle East, Central Asia and Sub-Saharan Africa.

The global economy is holding steady, although the degree of grip varies widely across countries. Global growth is projected at 3.3 percent both in 2025 and 2026, below the historical (2000–2019) average of 3.7 percent. The forecast for 2025 is broadly unchanged from that in the October 2024 World Economic Outlook (WEO), primarily on account of an upward revision in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to decline to 4.2 percent in 2025 and to 3.5 percent in 2026, converging back to the target earlier in advanced economies than in emerging market and developing economies.

The Medium-term risks to the baseline are tilted to the downside, while the near-term outlook presents divergent risks. In the short term, upside risks could further boost the already robust growth in the United States. However, risks in other countries are predominantly downside, driven by elevated policy uncertainty. Disruptions to the ongoing disinflation process caused by policy decisions could derail the transition to monetary policy easing. This would have implications for fiscal sustainability and financial stability. To mitigate these risks, policymakers must strike a balance between inflation and real economic activity, rebuild buffers, and implement structural reforms to lift medium-term growth prospects. Strengthening multilateral rules and cooperation is also essential.

South Africa's economic growth is projected to reach 0.8 percent in 2024, 1.5 percent in 2025, and 1.6 percent in 2027 as the country steadily addresses its structural challenges. Although progress is underway, overcoming these hurdles will require time. Notably, South Africa's expanding international partnerships have yielded significant economic benefits. Historically, the country has grappled with energy supply constraints, exacerbated by loadshedding, which has severely impacted economic activity. However, since March 2024, a consistent power supply has been maintained, bolstering investor confidence and enhancing economic growth prospects. Furthermore, South Africa has witnessed a decline in Consumer Price Inflation (CPI), providing relief to consumers. In response, the South African Reserve Bank (SARB) reduced the repo rate by 25 basis points in each of the last three Monetary Policy Committee (MPC) meetings, with expectations of a further rate cut at the upcoming (MPC) meeting.

On the 29<sup>th</sup> of May 2024, South Africa held its national general election, resulting in the formation of a Government of National Unity as part of the 7th administration. This administration has inherited the ongoing struggle against poverty, inequality, and unemployment. To effectively address these challenges, initiatives must be implemented to drive economic growth and create more jobs, as the country has long grappled with unemployment amidst a growing working-age population.

## **1.2 World Economic Outlook**

The global economy continues to recover from the impact of geopolitical tensions, showing remarkable resilience. Despite disruptions in energy and food markets, as well as tightening monetary conditions to combat high inflation, the economy has slowed but not come to a halt. Although inflation has eased in major economies, allowing for interest rate cuts, there is still a risk of policy reversals due to underlying inflation remaining above target in several countries. The recent depreciation of the South African rand illustrates how quickly global developments can affect local economies.

Global GDP growth in the third quarter of 2024 was slightly lower than predicted in the October 2024 WEO, mainly due to disappointing data from some Asian and European economies. Key findings include China's growth which was lower than expected at 4.8 percent, due to a slowdown in consumption and delayed stabilization in the property market; India's growth slowed more than expected, driven by a sharp decline in industrial activity; the euro area experienced subdued growth, mainly due to weakness in manufacturing and goods exports; Japan's output contracted mildly due to temporary supply disruptions; and in contrast, the United States maintained robust growth, expanding at a rate of 2.7 percent in the third quarter, driven by strong consumption.

**Table 1: Overview of the World Economic Outlook**

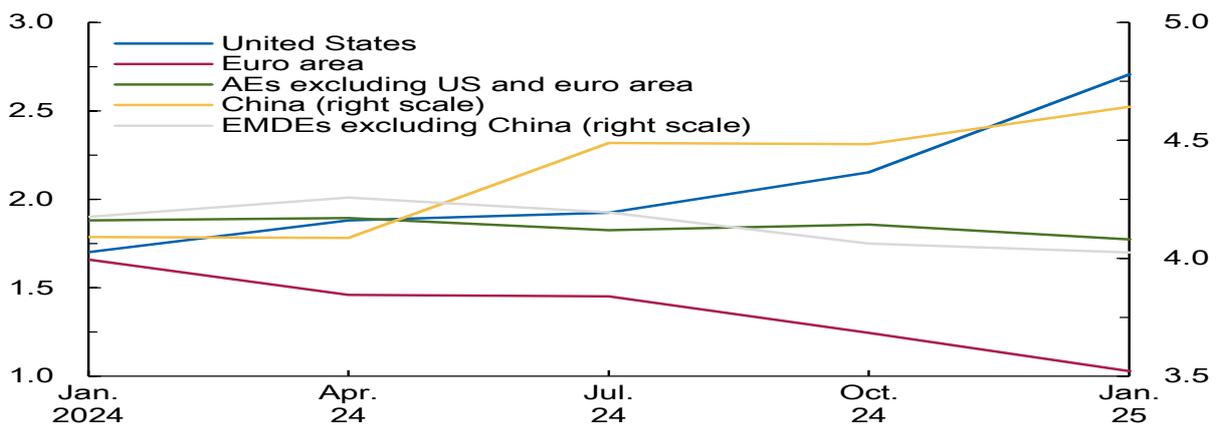
	YEAR OVER YEAR				Difference from	
	Estimate		Projections		October 2024 WEO	
	2023	2024	2025	2026	Projections 1/ 2025	2026
<b>WORLD OUTPUT</b>	<b>3.3</b>	<b>3.2</b>	<b>3.3</b>	<b>3.3</b>	<b>0.1</b>	<b>0.0</b>
<b>ADVANCED ECONOMIES</b>	<b>1.7</b>	<b>1.7</b>	<b>1.9</b>	<b>1.8</b>	<b>0.1</b>	<b>0.0</b>
<b>UNITED STATES</b>	<b>2.9</b>	<b>2.8</b>	<b>2.7</b>	<b>2.1</b>	<b>0.5</b>	<b>0.1</b>
<b>EURO AREA</b>	<b>0.4</b>	<b>0.8</b>	<b>1.0</b>	<b>1.4</b>	<b>-0.2</b>	<b>-0.1</b>
<b>GERMANY</b>	<b>-0.3</b>	<b>-0.2</b>	<b>0.3</b>	<b>1.1</b>	<b>-0.5</b>	<b>-0.3</b>
<b>FRANCE</b>	<b>1.1</b>	<b>1.1</b>	<b>0.8</b>	<b>1.1</b>	<b>-0.3</b>	<b>-0.2</b>
<b>ITALY</b>	<b>0.7</b>	<b>0.6</b>	<b>0.7</b>	<b>0.9</b>	<b>-0.1</b>	<b>0.2</b>
<b>SPAIN</b>	<b>2.7</b>	<b>3.1</b>	<b>2.3</b>	<b>1.8</b>	<b>0.2</b>	<b>0.0</b>
<b>JAPAN</b>	<b>1.5</b>	<b>-0.2</b>	<b>1.1</b>	<b>0.8</b>	<b>0.0</b>	<b>0.0</b>
<b>UNITED KINGDOM</b>	<b>0.3</b>	<b>0.9</b>	<b>1.6</b>	<b>1.5</b>	<b>0.1</b>	<b>0.0</b>
<b>CANADA</b>	<b>1.5</b>	<b>1.3</b>	<b>2.0</b>	<b>2.0</b>	<b>-0.4</b>	<b>0.0</b>
<b>OTHER ADVANCED ECONOMIES 3/</b>	<b>1.9</b>	<b>2.0</b>	<b>2.1</b>	<b>2.3</b>	<b>-0.1</b>	<b>0.0</b>
<b>EMERGING MARKET AND DEVELOPING ECONOMIES</b>	<b>4.4</b>	<b>4.2</b>	<b>4.2</b>	<b>4.3</b>	<b>0.0</b>	<b>0.1</b>
<b>EMERGING AND DEVELOPING ASIA</b>	<b>5.7</b>	<b>5.2</b>	<b>5.1</b>	<b>5.1</b>	<b>0.1</b>	<b>0.2</b>
<b>CHINA</b>	<b>5.2</b>	<b>4.8</b>	<b>4.6</b>	<b>4.5</b>	<b>0.1</b>	<b>0.4</b>
<b>INDIA 4/</b>	<b>8.2</b>	<b>6.5</b>	<b>6.5</b>	<b>6.5</b>	<b>0.0</b>	<b>0.0</b>
<b>EMERGING AND DEVELOPING EUROPE</b>	<b>3.3</b>	<b>3.2</b>	<b>2.2</b>	<b>2.4</b>	<b>0.0</b>	<b>-0.1</b>
<b>RUSSIA</b>	<b>3.6</b>	<b>3.8</b>	<b>1.4</b>	<b>1.2</b>	<b>0.1</b>	<b>0.0</b>
<b>LATIN AMERICA AND THE CARIBBEAN</b>	<b>2.4</b>	<b>2.4</b>	<b>2.5</b>	<b>2.7</b>	<b>0.0</b>	<b>0.0</b>
<b>BRAZIL</b>	<b>3.2</b>	<b>3.7</b>	<b>2.2</b>	<b>2.2</b>	<b>0.0</b>	<b>-0.1</b>
<b>MEXICO</b>	<b>3.3</b>	<b>1.8</b>	<b>1.4</b>	<b>2.0</b>	<b>0.1</b>	<b>0.0</b>
<b>MIDDLE EAST AND CENTRAL ASIA</b>	<b>2.0</b>	<b>2.4</b>	<b>3.6</b>	<b>3.9</b>	<b>-0.3</b>	<b>-0.3</b>
<b>SAUDI ARABIA</b>	<b>-0.8</b>	<b>1.4</b>	<b>3.3</b>	<b>4.1</b>	<b>-1.3</b>	<b>-0.3</b>
<b>SUB-SAHARAN AFRICA</b>	<b>3.6</b>	<b>3.8</b>	<b>4.2</b>	<b>4.2</b>	<b>0.0</b>	<b>-0.2</b>
<b>NIGERIA</b>	<b>2.9</b>	<b>3.1</b>	<b>3.2</b>	<b>3.0</b>	<b>0.0</b>	<b>0.0</b>

SOUTH AFRICA	0.7	0.8	1.5	1.6	0.0	0.1
<b>MEMORANDUM</b>						
WORLD GROWTH BASED ON MARKET EXCHANGE RATES	2.8	2.7	2.9	2.8	0.1	0.1
EUROPEAN UNION	0.6	1.0	1.4	1.7	-0.2	0.0
ASEAN-5 5/	4.0	4.5	4.6	4.5	0.1	0.0
MIDDLE EAST AND NORTH AFRICA	1.8	2.0	3.5	3.9	-0.5	-0.3
EMERGING MARKET AND MIDDLE-INCOME ECONOMIES	4.5	4.2	4.2	4.2	0.0	0.1
LOW-INCOME DEVELOPING COUNTRIES	4.1	4.1	4.6	5.4	-0.1	-0.2
WORLD TRADE VOLUME (GOODS AND SERVICES) 6/	0.7	3.4	3.2	3.3	-0.2	-0.1
ADVANCED ECONOMIES	0.0	2.2	2.1	2.5	-0.5	-0.3
EMERGING MARKET AND DEVELOPING ECONOMIES	2.0	5.4	5.0	4.6	0.3	0.2
<b>COMMODITY PRICES</b>						
OIL 7/	-16.4	-1.9	-11.7	-2.6	-1.3	1.0
NONFUEL (AVERAGE BASED ON WORLD COMMODITY IMPORT WEIGHTS)	-5.7	3.4	2.5	-0.1	2.7	-0.9
WORLD CONSUMER PRICES 8/	6.7	5.7	4.2	3.5	-0.1	-0.1
ADVANCED ECONOMIES 9/	4.6	2.6	2.1	2.0	0.1	0.0
EMERGING MARKET AND DEVELOPING ECONOMIES 8/	8.1	7.8	5.6	4.5	-0.3	-0.2

Source: IMF, January 2025.

Global growth is expected to remain stable, albeit lacklustre at 3.3 percent in both 2025 and 2026, the forecasts for growth are below the historical (2000–2019) average of 3.7 percent and broadly unchanged from October. The overall picture, however, hides divergent paths across economies and a precarious global growth profile.

**Figure 1: Evolution of 2025 growth forecasts**



Source: IMF, January 2025

Among advanced economies, growth forecast revisions go in different directions. In the United States, underlying demand remains robust, reflecting strong wealth effects, a less restrictive monetary policy stance, and supportive financial conditions. Growth is projected to be at 2.7 percent in 2025. This is 0.5 percentage points higher than the October forecast, in part reflecting carryover from 2024 as well as robust labour markets and accelerating investment, among other signs of strength. Growth is expected to taper to its potential in 2026.

In the euro area, growth is expected to accelerate, albeit at a more gradual pace than previously anticipated in October, as geopolitical tensions continue to dampen sentiment. A downward revision of 0.2 percentage points to 1.0 percent in 2025 reflects weaker-than-expected momentum at the end of 2024, particularly in manufacturing, coupled with heightened political and policy uncertainty. However, growth is projected to pick up to 1.4 percent in 2026, driven by stronger domestic demand as financial conditions ease, confidence improves, and uncertainty recedes. In other advanced economies, growth forecasts remain relatively stable, influenced by two offsetting factors. On one hand, recovering real incomes are expected to support a cyclical recovery in consumption. On the other hand, trade headwinds, including a sharp increase in trade policy uncertainty, are likely to keep investment subdued.

The growth outlook for emerging market and developing economies in 2025 and 2026 is expected to remain broadly in line with the 2024 performance. Regarding the October projections, China's 2025 growth forecast has been marginally revised upward by 0.1 percentage points to 4.6 percent. This revision reflects the carryover effects from 2024 and the offsetting impact of the November fiscal package announcement on investment, which counterbalances the negative effects of heightened trade policy uncertainty and property market downturn. For 2026, China's growth is projected to remain stable at 4.5 percent as the impact of trade policy uncertainty dissipates and the increase in retirement age slows the decline in labour supply. In India, growth is expected to remain robust at 6.5 percent in both 2025 and 2026, consistent with the October projections and in line with the country's potential growth rate.

In the Middle East and Central Asia, growth is projected to pick up but less than expected in October. This mainly reflects a 1.3 percentage point downward revision to 2025 growth in Saudi Arabia, mostly driven by the extension of OPEC+ production cuts. In Latin America and the Caribbean, overall growth is projected to accelerate slightly in 2025 to 2.5 percent, despite an expected slowdown in the largest economies of the region.

The economic growth outlook for sub-Saharan Africa is expected to improve in 2025, while emerging and developing Europe is projected to experience a slowdown. Global trade volume estimates have been revised slightly downward for 2025 and 2026, primarily due to the sharp increase in trade policy uncertainty. This uncertainty is likely to affect investment disproportionately among trade-intensive firms. However, in the baseline scenario, the impact of heightened uncertainty is expected to be temporary. Moreover, the front-loading of some trade flows in anticipation of tighter trade restrictions and elevated trade policy uncertainty provides some offsetting effects in the near term.

The global economy is poised to make further progress on disinflation, with only marginal deviations from the October 2024 World Economic Outlook (WEO) forecasts. A gradual cooling of labour markets is expected to mitigate demand pressures, while a decline in energy prices will likely accelerate the downward trajectory of headline inflation toward central bank targets. Inflation projections for 2025 indicate that the United States will likely experience inflation slightly above the 2 percent target, while the euro area is expected to see more subdued inflationary pressures. Meanwhile, China is anticipated to continue facing low inflation. Consequently, the gap between anticipated policy rates in the United States and other countries becomes wider.

### **1.3 Risks to the outlook**

#### **Upward risks**

In the medium term, the balance of risks to the outlook is tilted to the downside, with global growth poised to be lower than its 2025/26 average and five-year-ahead forecasts at about 3 percent. In contrast to the baseline projections, near-term risks

are poised to exacerbate divergences across countries. In contrast to the baseline projections, near-term risks are poised to exacerbate divergences across countries. Specifically, Upside risks dominate in the United States; Downside risks prevail in most other economies, fuelled by elevated policy uncertainty and headwinds from ongoing structural adjustments, notably: Energy sector challenges in Europe and real estate market corrections in China.

An intensification of protectionist policies, for instance, in the form of a new wave of tariffs, could exacerbate trade tensions, lower investment, reduce market efficiency, distort trade flows, and again disrupt supply chains. Growth could suffer in both the near and medium term but at varying degrees across economies. Looser fiscal policy in the United States, driven by new expansionary measures such as tax cuts, could boost economic activity in the near term, with small positive spill-overs onto global growth. Yet, in the longer run, this may require a larger fiscal policy adjustment that could become disruptive to markets and the economy by potentially weakening the role of US Treasuries as the global safe asset, among other things.

Furthermore, higher borrowing to fund looser fiscal policy could increase demand for capital globally, leading to an increase in interest rates and possibly depressing economic activity elsewhere. Confidence and positive sentiment in the United States, partly driven by deregulation, could boost both the demand and the supply side of the economy. While relaxation of unduly tight regulations and reduced red tape for businesses may spur near-term US growth through higher investment, dollar appreciation could fuel risks of capital outflows from emerging market and developing economies and drive risk premiums upward. Moreover, an excessive rollback of regulations designed to put limits on risk-taking and debt accumulation may generate boom-bust dynamics for the United States in the longer term, with repercussions for the rest of the world.

## **Downside risks**

Downside risks to macro-financial stability may be amplified if compounded by a weaker fiscal outlook or stalled progress on structural reforms. Other supply-side shocks, such as labour force disruptions driven by reductions in migration flows to the United States, may permanently reduce potential output and raise inflation during the adjustment period.

A near-term boost for the US economy emanating from these factors would further underscore the divergent growth patterns across economies. If the adverse effects of tariffs and reduction in the labour force dominate, global activity, as well as activity in the United States, might be affected negatively in the medium term. Uncertainties are high: the effects of each factor would unfold differently across countries, influenced by trade and financial linkages; policy responses to actions taken by other countries could play out in a variety of ways, including an escalation of retaliatory tariffs; and the impacts of different policy combinations or different magnitudes of policy changes could be quite different. Inflation dynamics could be shaped in opposite directions by these factors. The magnitude of the inflationary effect from tariffs is especially uncertain. While recent empirical studies find high pass-through to import prices, estimates of pass-through to consumer prices are lower and subject to significant uncertainty. Nevertheless, compared with what took place in earlier episodes of trade disputes, several factors suggest that upside risks to inflation from tariff hikes could be higher this time.

The global economy is coming out of the most significant inflation surge in recent memory. Inflation expectations, especially in many advanced economies, are farther above the central bank target today than in 2017–2021. Second, the cyclical positions of many major economies are more conducive to higher inflation today than in 2016. Third, retaliation in the form of restrictions on specific, difficult-to-substitute materials or intermediate goods may have an outsized impact on aggregate inflation.

The risk of renewed inflationary pressures could prompt central banks to raise policy rates and intensify monetary policy divergence. Higher-for-even-longer interest rates

could worsen fiscal, financial, and external risks. A stronger US dollar, arising from interest rate differentials and tariffs, among other factors, could alter capital flow patterns and global imbalances and complicate macroeconomic trade-offs. In addition to risks from economic policy shifts, geopolitical tensions could intensify, leading to renewed spikes in commodity prices. The conflicts in the Middle East and Ukraine could worsen, directly affecting trade routes as well as food and energy prices. Commodity-importing countries may be particularly affected, with the stagflation impact of higher commodity prices compounded by an appreciating dollar. On the upside, global economic activity may enjoy a bounce if incoming governments can renegotiate existing trade agreements and forge new deals. This could relieve uncertainty faster and be much less disruptive to growth and inflation. By boosting confidence, such cooperative outcomes could even support investment and medium-term growth prospects. Momentum on other policy fronts could also lift growth. Many countries may embrace structural reforms to prevent divergence from their better-performing peers from becoming entrenched.

Amidst elevated uncertainty, policymakers face the dual challenge of mitigating short-term risks while fostering medium-term growth. To achieve this, a multi-pronged approach is necessary. Efforts to boost labour supply, reduce resource misallocation, enhance competition, and support innovation can potentially lift medium-term growth prospects. Monetary policy should strike a balance between ensuring price stability and supporting economic activity and employment. In economies experiencing persistent inflationary pressures and rising risks of upside surprises, a restrictive monetary stance must be maintained until there is clear evidence that underlying inflation is sustainably returning to target.

In economies in which activity is cooling fast and inflation is on track to durably go back to target, a less restrictive stance is justified. In either case, fiscal policy should consolidate to put public debt on a sustainable path and restore the space needed for more agile responses. The consolidation path needs to be carefully calibrated to the conditions a particular economy is facing. It should be sizable yet gradual to avoid hurting economic activity, clearly communicated to avoid disruptions in debt markets,

and credible to achieve long-lasting results. Adopting a growth-friendly approach and mitigating the adverse impacts on poor individuals could help preserve the economy's potential and maintain public support. The divergent paths of monetary policy across countries could generate significant movements in exchange rates and capital flows. As laid out in the IMF's Integrated Policy Framework, adjusting policy rates and allowing exchange rate flexibility are advisable for countries with deep foreign exchange markets and low levels of foreign-currency debt. For those with shallow foreign exchange markets and substantial amounts of foreign-currency debt, temporary foreign exchange interventions (provided that foreign reserves are adequate and used prudently), capital flow management measures, macroprudential policies, or some combination of the three could, in some cases, accompany appropriately set monetary and fiscal policies to preserve macro-financial stability. Beyond the near term, decisive policy action is needed to enhance economic dynamism, boost the supply side, and counter the rising risks to the already-dim medium-term growth prospects. Targeted reforms in labour markets, competition, health care, education, and digitalization can revive productivity growth and attract capital. Active communication to build consensus and continuous engagement with key stakeholders could help policymakers design and effectively implement measures that consider the distributional impact of reform.

Multilateral cooperation is vital in containing fragmentation, sustaining growth and stability, and addressing global challenges. Trade policies should be consistent with the legal framework of the World Trade Organization (WTO), as well as being clear and transparent, to reduce uncertainty, lower volatility in markets, and mitigate distortions. Priorities should be given to restoring a fully and well-functioning WTO dispute settlement system, levelling the playing field, and achieving clarity and coherence of the desire among countries for greater resilience within the rules-based multilateral trading system.

## 1.4 Policy Priorities

Against the backdrop of elevated uncertainty, policies need to rein in short-term risks and rebuild buffers while pushing ahead efforts to lift medium-term growth prospects. Monetary policy should ensure that price stability is restored while supporting activity and employment. In economies in which inflationary pressures are proving persistent and the risk of upside surprises is on the rise, a restrictive stance will need to be maintained until evidence is clearer that the underlying inflation is sustainably returning to target. In economies in which activity is cooling fast and inflation is on track to durably go back to target, a less restrictive stance is justified. In either case, fiscal policy should consolidate to put public debt on a sustainable path and restore the space needed for more agile responses.

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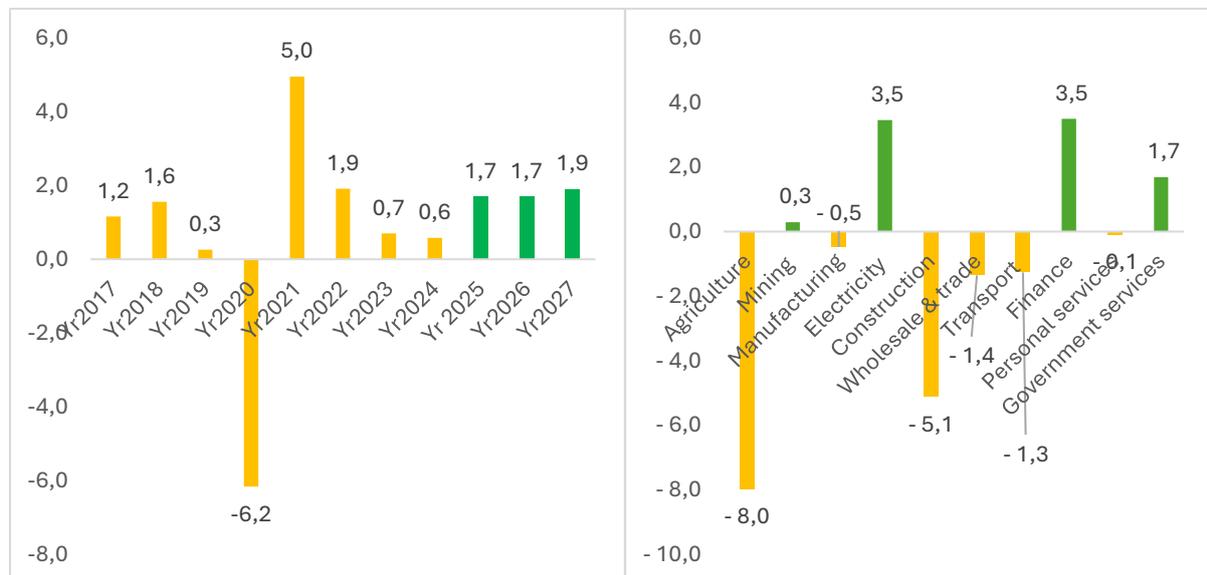
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## 1.5 South African Economic Overview

### 1.5.1 SA Economic Growth

The South African Reserve Bank (SARB) has indicated that there has been an uncertain start to 2024 in the South African economy, but recently, developments have been somewhat positive. The South African economic growth is unstable although the country has not experienced loadshedding for a significant period given the consistent supply and no power outages, serving as a positive indicator for increased productivity in the country economy.

**Figure 2: South Africa annual GDP growth and Sector Contributions (constant 2015 prices)**

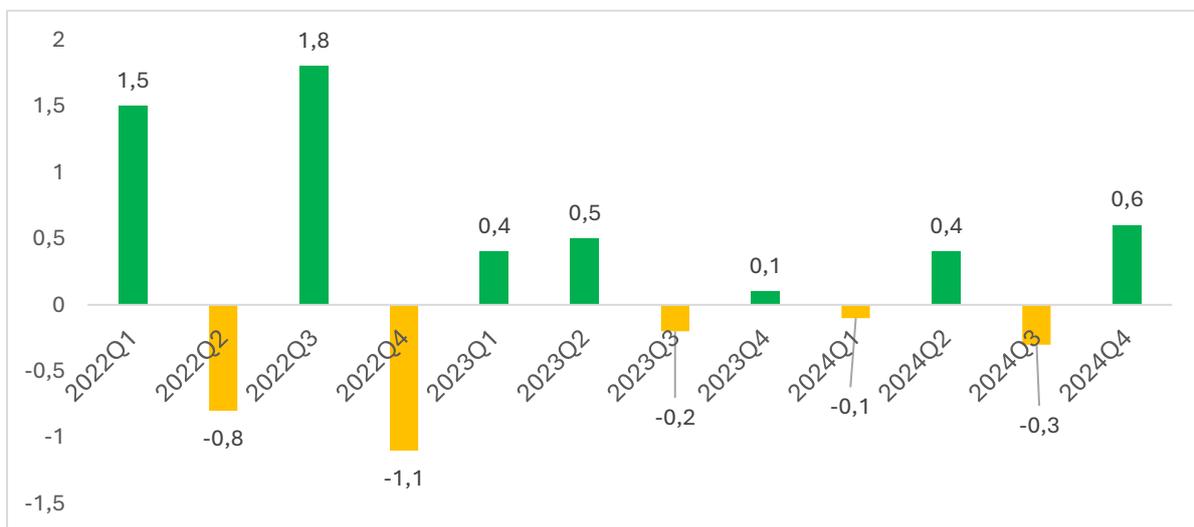


Source: StatsSA, GDP, National Treasury forecasts, 2024.

The South African economic growth continues to grow at undesirable levels as it grows below the required rate. Attributed to the low economic growth performance is the structural challenges, which requires effective reforms. Of recent, there has been positive stride in improved consistent supply of energy and the confidence shown by business in the newly formed Government of National Unity. Given the annual growth trend from 2017 marked by low economic growth, the projection by IMF shows South African Gross Domestic Product growth is projected to average 1.8 percent from 2025 to 2027.

South Africa's economy grew by 0.6 percent in 2024, falling short of the National Treasury's 1.1 percent projection. This sluggish growth disproportionately affects the poor, potentially exacerbating social issues. Moreover, the slow growth translates to limited job creation, intensifying the country's socioeconomic challenges. While sectors like finance, real estate, manufacturing, and utilities drove growth, declines in agriculture, forestry, fishing, trade, construction, and transport contributed to the negative annual growth rate in 2024.

**Figure 3: Quarterly SA GDP growth**

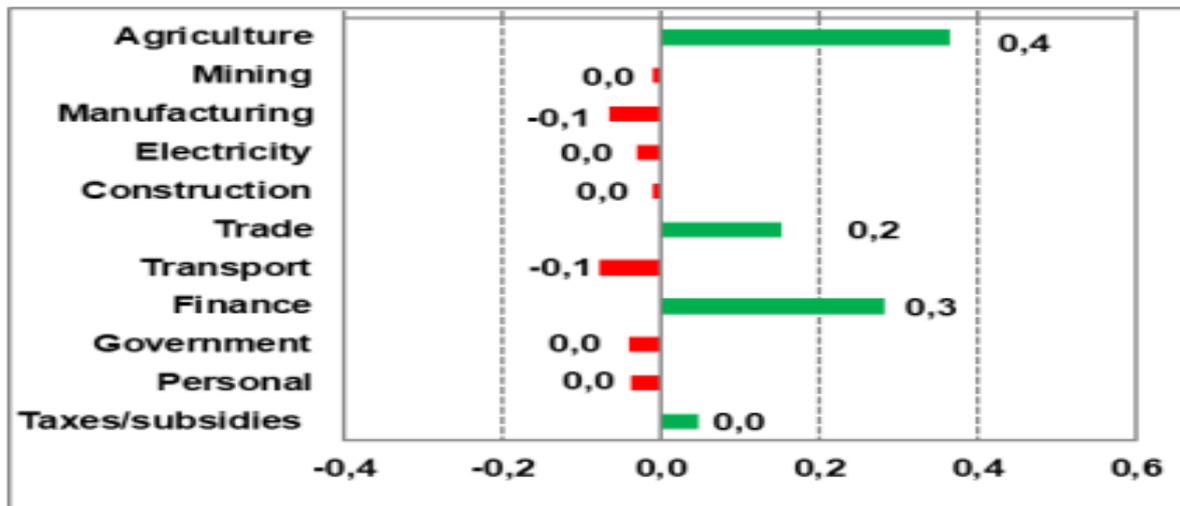


Source: StatsSA, GDP, Q4, 2024.

Despite inconsistent quarterly growth patterns, South Africa's GDP growth was projected to reach 1.1 percent in 2024. While Q2 and Q4 recorded positive growth, Q1 and Q3 saw declines. However, the positive Q4 growth provides optimism for

sustained growth in 2025. South Africa is progressing in addressing structural challenges that hindered economic growth. Although growth occurs in phases, declining headline inflation and anticipated interest rate cuts provide a solid foundation for a positive growth trajectory.

**Figure 4: SA Sector GDP growth contribution**

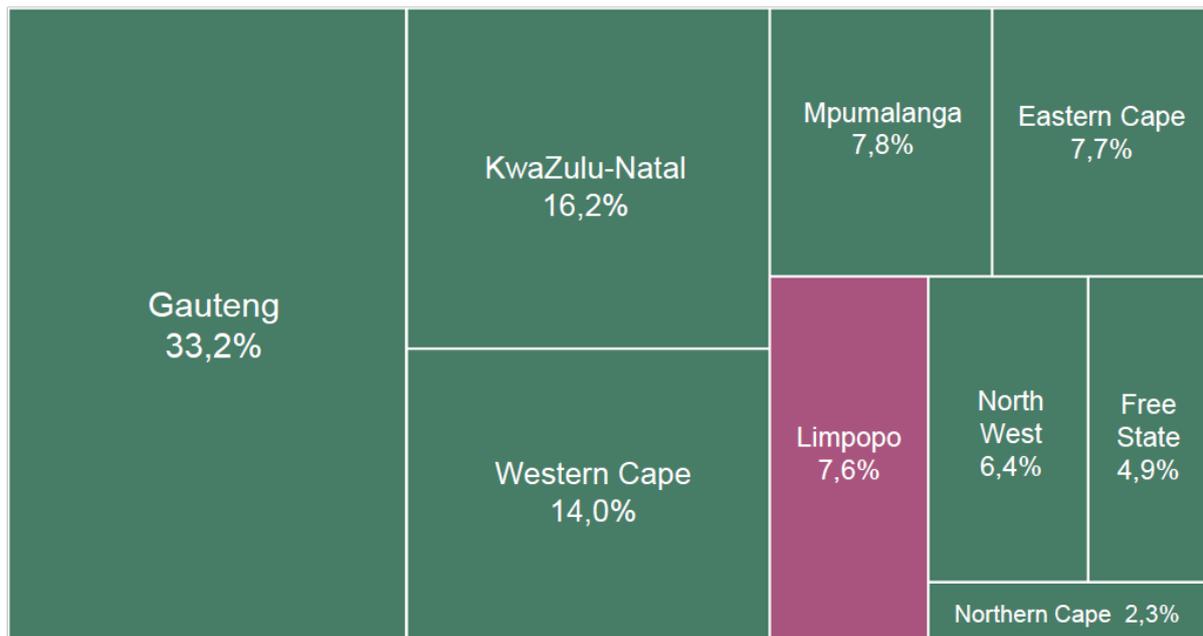


Source: StatsSA, GDP, Q4, 2024.

According to Figure 4 above, three industries recorded positive growth between the third and fourth quarters of 2024. The agriculture industry was the largest positive contributor, increasing by 17.2 percent and contributing 0.4 of a percentage point to the positive GDP growth. The finance industry increased by 1.1 percent, contributing 0.3 of a percentage point. The trade industry increased by 1.4 percent, contributing 0.2 of a percentage point. The transport industry was the largest negative contributor, decreasing by 1.0 percent and contributing -0.1 of a percentage point.

To stimulate economic growth, South Africa should consider diversifying its economy by exploring non-traditional, export-oriented industries. This strategic shift would reduce the country's heavy dependence on the agricultural sector, which has experienced recent declines. The economy of South Africa has recovered to pre-pandemic levels in 2023. Before the growth disruption by COVID-19, since 2013, there was a realisable trend of significant economic growth for South Africa.

**Figure 5 : Share of GDP per province**



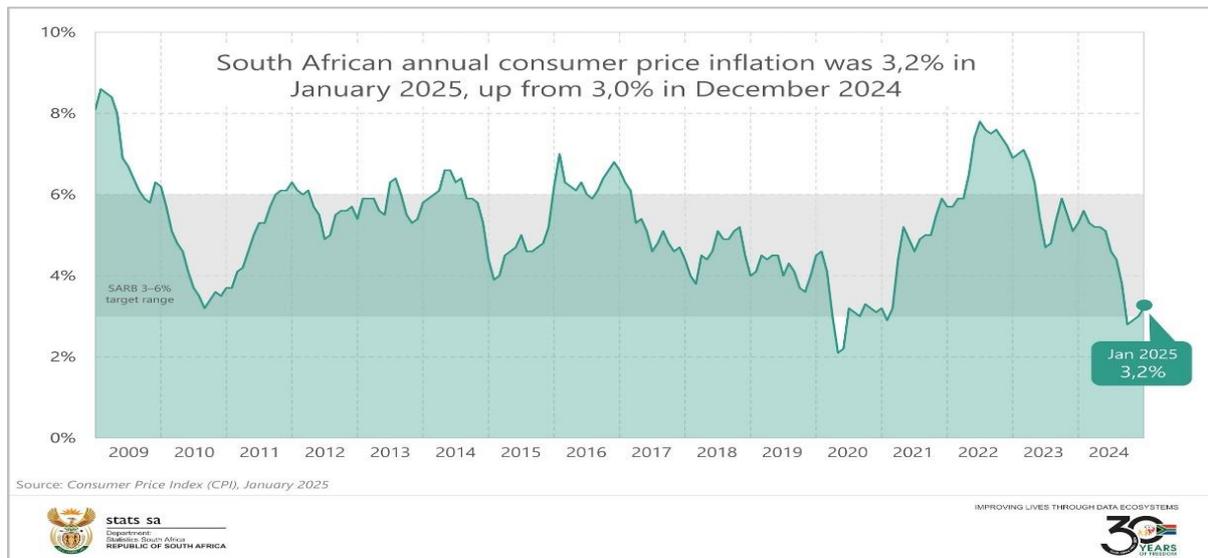
Source: StatsSA, Provincial GDP estimates, 2023

According to StatsSA Provincial GDP estimates, Limpopo contributed 7.6 percent to South African GDP making it the 6<sup>th</sup> highest GDP contributor. The highest contributing provinces to South African GDP is continuously Gauteng which contributed 33.2 percent, followed by KwaZulu-Natal contributing 16.2 percent and the third largest contributor being Western Cape at about 14.0 percent.

### **1.5.2 SA headline Inflation**

The SA headline inflation was initially forecast to moderate over the course of 2024 and projected to average at 5.1 percent for the year as food and fuel price inflation ease. However, there is a positive trajectory as inflation continues to dip below SARB target band of between 3-6 percent.

**Figure 6 : South Africa headline inflation**



Source: StatsSA, CPI, January 2025

South Africa's annual consumer inflation continued its upward trend, rising for the third consecutive month to 3.2 percent in January. This follows increases of 3.0 percent in December, 2.9 percent in November, and 2.8 percent in October, indicating a steady acceleration in consumer price growth.

Inflation for food and non-alcoholic beverages (NAB) increased by 2.3 percent in the 12 months to January. This is a lower increase than the 2.5 percent registered in December 2024. Inflation slowed for meat, fruits and nuts, sugar, confectionery & desserts, fish & other seafood, and milk, other dairy products & eggs. Whilst inflation for cereal products, hot beverages, cold beverages, oils & fats, and vegetables registered higher rates. Meat prices were on average 0.5 percent lower in January 2025 compared with January 2024. This is the third month that the price index for meat has been in deflation, but in January, prices increased by 0.8 percent on a month-on-month basis following a 0.5 percent rise in December.

Prices for cereal products increased by an annual 3.8 percent from 3.7 percent in December, whereas maize meal prices increased by 4.8 percent between December and January. The annual increase for Samp was 15.4 percent. In contrast, prices dropped for both white (-0,7%) and brown (-0,5%) bread. The annual increase for white bread was 1.9 percent and for brown bread 1.0 percent. On the other side, inflation for hot beverages remains sticky at high levels. The annual increase for this category was 13.7 percent in January, slightly up from 13.5 percent in December. Overall prices rose by 1.0 percent between December and January. Instant coffee and roibos tea both increased by 1.4 percent month-on-month. Other food & NAB items that witnessed notable annual increases in January include Samp, fresh cabbages, dried beans, black tea, whiteners, fizzy drinks, and chocolate.

**Table 2 : Yearly average headline inflation**

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Average <sup>1</sup>
2020	4,5	4,6	4,1	3,0	2,1	2,2	3,2	3,1	3,0	3,3	3,2	3,1	3,3
2021	3,2	2,9	3,2	4,4	5,2	4,9	4,6	4,9	5,0	5,0	5,5	5,9	4,5
2022	5,7	5,7	5,9	5,9	6,5	7,4	7,8	7,6	7,5	7,6	7,4	7,2	6,9
2023	6,9	7,0	7,1	6,8	6,3	5,4	4,7	4,8	5,4	5,9	5,5	5,1	6,0
2024	5,3	5,6	5,3	5,2	5,2	5,1	4,6	4,4	3,8	2,8	2,9	3,0	4,4

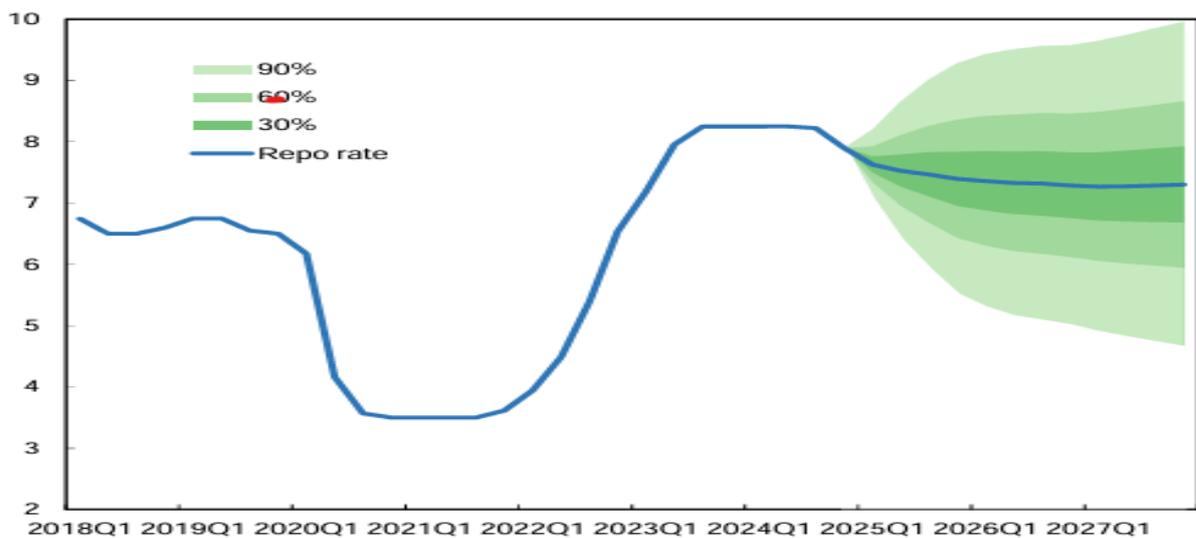
Source: StatsSA, CPI Q4, 2024

On yearly average, 2020 had lowest average of 3.3 percent followed by an increase in 2021 at 4.5 percent, and 2022 averaged at 6.9 percent and declined to 6.0 percent in 2023. The data for December concludes the results for 2024. The average inflation rate for the year was 4.4 percent, down from the average of 6.0 percent in 2023, and it is 1.6 percent lower than the corresponding average of 2023. Inflation in 2024 was the lowest in four years since the pandemic in 2020, when the average rate was 3.3 percent. Food inflation continues to significantly contribute to the high inflation rate.

### 1.5.3 SA interest rate

Between May 2023 and July 2024, the repo rate remained unchanged at 8.25 percent, with the subsequent cut announced during the September 2024 by the SARB Monetary Policy Committee (MPC) meeting. The meeting announced a reduction of 25 basis points, given the consistent material decline in consumer inflation. Accordingly, South Africans begin to realise financial relief given these two consecutive interest rate cuts in 2024, with projected possible future cuts.

**Figure 7 : South Africa's interest rate**



Source: SARB, MPC, January 2024

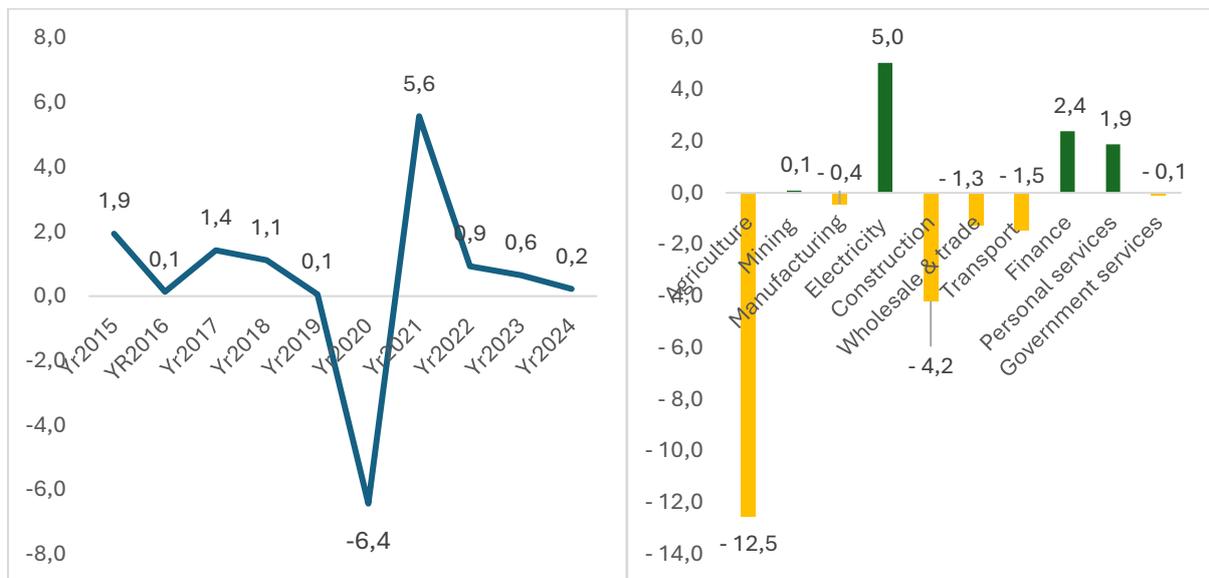
After the recent significant decline in consumer inflation, MPC has, in three occasions, September, November, and January meetings, reduced repo rate by 25 basis points bringing the repo rate to 7.5 percent. SARB's stance on the lower cut on repo rate is premised on the sustainability of lower inflation in order to effect significant repo rate cuts given uncertainty of inflation development in the international space.

Monetary policy in major economies remains restrictive, and headline inflation has slowed. While this has provided some room for major central banks to ease rates further, over the past three months, new inflation pressures and heightened uncertainty suggest diminished policy space. With underlying inflation still above target, in several economies, there are risks of policy reversals.

## 1.6 Limpopo Economic Growth

The provincial economy continues to grow below the envisaged 2.0 percent growth as outlined in the Limpopo Development Plan (LDP). This slow growth is also a mirror reflection of the country's economic performance.

**Figure 8: Limpopo annual economic growth and sector contributions**



Source: Quantec, GDP, 2024.

During the past 10 years, Limpopo's GDP has only grown beyond 2.0 percent in 2021 at 5.5 percent from a negative growth of 6.4 percent in 2020, which was the result of the COVID-19 pandemic. During 2024, the province's GDP only grew by 0.2 percent, following a 0.6 percent growth in 2023. The agriculture sector, manufacturing, construction, wholesale, and transport all contributed negatively to the provincial GDP growth in 2024, while mining, electricity, finance, and personal services recorded positive growth.

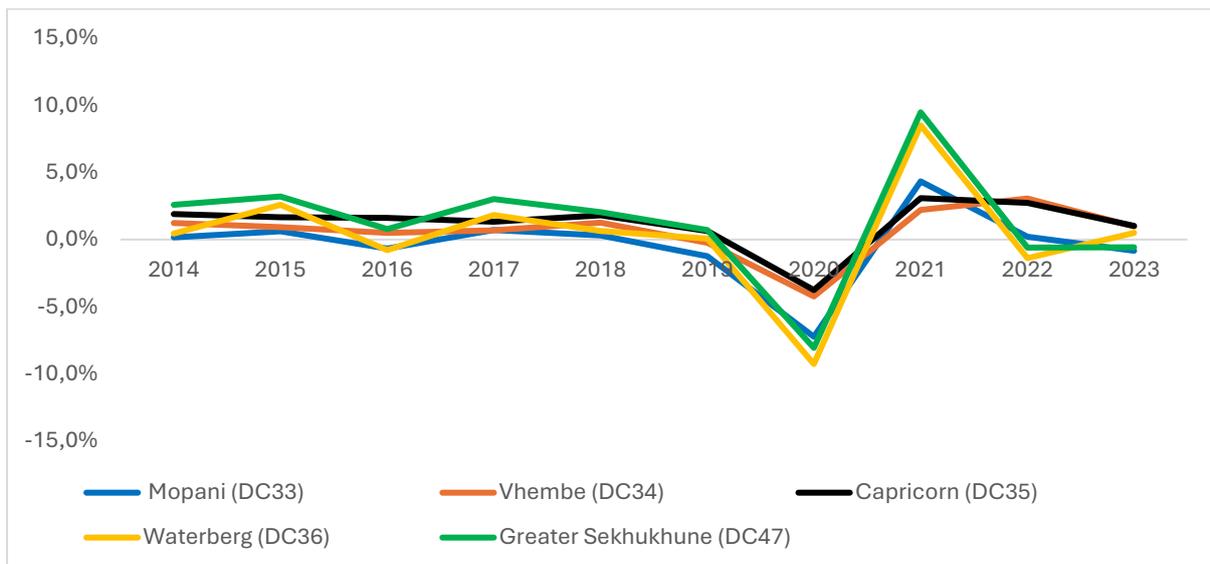
**Figure 9: Limpopo Quarterly economic growth (Q4, 2024)**



Source: Quantec, GDP, Q4,2024.

The Q4 2024 GDP for Limpopo has grown by 0.4 percent, coming from a negative growth in Q3 2024 of 0.5 percent. Limpopo's GDP performance is somehow a mirror reflection of the country's GDP growth since the SA GDP as indicated earlier, has also grown positively. Agriculture remains one of the main sectors for Limpopo's economic growth and has recorded a significantly larger growth of 14.3 percent, therefore implying the need to strengthen investment in the agriculture sector for economic growth. The other sectors that had a positive growth in Q4: 2024 are wholesale & trade, finance, and construction, whilst the transport and communication sector, the Wholesale & retail trade, and others recorded a negative growth.

**Figure 10: Limpopo Districts GDP Growth**



Source: Quantec, GDP, Q3,2024.

The Mining sector remains one of the main sectors for Limpopo District's economic growth. Greater Sekhukhune and Waterberg Districts have recorded a significantly larger growth as compared to the others and have shown a high response to external shocks that affect the mining industry. These districts continue to struggle to bounce back to pre-COVID levels. While Capricorn and Vhembe growth are flatter and less susceptible to the global economic turmoil, this is due to diversification of the district's economy and less reliance on a particular sector.

### 1.7 South Africa G20 Presidency

The Group of Twenty (G20), affectionally known as the G20, is a group of 19 countries and the European Union (EU) that was established in 1999 as a platform for Finance Ministers and Central Bank Governors to discuss international economic and financial issues. Together, the G20 countries account for almost two-thirds of the global population, 75 percent of global trade, and 85 percent of the world's GDP. By the time of the global financial and economic crisis of 2007, the G20 was elevated to the level of Heads of State/Government and was named the premier forum for international economic cooperation. The G20 is an informal club of states that rotates its presidency

annually among its member countries. The country holding the presidency is supported by the previous and incoming presidencies, which together are known as the troika. On the 1st of December 2024, South Africa assumed the G20 presidency, with the preceding Presidency being from Brazil, a member of BRICS.

Figure 11 : How the G20 works



Source: Ankara Centre for crisis and policy studies

The G20 comprises many of the world's largest developing and developed economies. It was established to tackle pressing global economic and financial issues. Given this, it implies that the G20 plays a significant role in shaping international policies as well as ensuring economic growth and development. Accordingly, there has been a wide agenda that now includes trade sustainable development, health, agriculture, energy, the environment, climate change and anti-corruption.

During its previous tenure, Brazil successfully integrated the climate agenda with the inequality agenda within the G20 framework, reflecting its own domestic experiences. Notably, Brazil is among the most unequal economies globally, with a significant share of national income concentrated among the top 1 percent. This disparity is partly attributed to a regressive tax system that perpetuates unfairness.

South Africa aims to build a more inclusive and prosperous Africa and a better world, through its G20 presidency. It furthermore aims to focus on economic inclusion, with the end result of reducing amongst others the soaring levels of unemployment. South Africa needs to ensure that it resolves its structural challenges so to become an investment attractive destination.

**Table 3: Advantages and disadvantages of G20**

<b>Advantages</b>	<b>Disadvantages</b>
<b>Global governance:</b> The G20 provides a platform for leaders to discuss global issues and shape global governance.	<b>Limited membership:</b> The G20 only includes 19 countries and the European Union
<b>Economic cooperation:</b> The G20 facilitates economic cooperation, trade expansion, and investment attraction.	<b>Non-binding decisions:</b> The G20's decisions are not legally binding.
<b>Working groups:</b> The G20 has working groups that focus on priority areas like climate change, green development, and inclusive growth.	<b>Consensus reaching:</b> Countries with different economic and political systems can make it difficult to reach a consensus.

Advantages	Disadvantages
<b>Shared challenges:</b> The G20 works on shared challenges like climate change, the use of AI, and the global tax system.	<b>No permanent secretariat:</b> The G20 doesn't have a permanent secretariat, which can make monitoring and discussions less efficient.
<b>Sustainable development:</b> The G20 works to accelerate progress towards the Sustainable Development Goals.	<b>Protests:</b> G20 summits are often protested by anti-globalization groups.

Source: G20 reports

## 1.8 Climate change

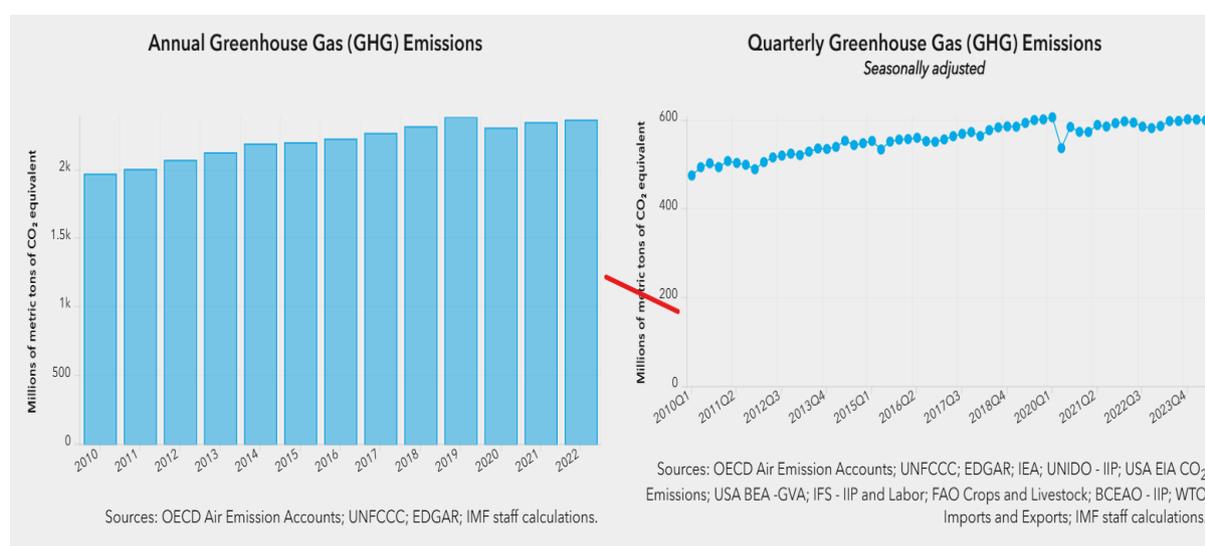
As global warming continues, there has been increasing interest in understanding the effects of climate mitigation policies on the macroeconomy. Leveraging the objective to eliminate carbon emissions by 2050, studies have focused on the impact of mitigation policies on economic activity, employment, and international trade, as well as their distributional effects. Understanding the effects of climate mitigation policies not only on the global economy but on different regions and countries is critical to forging a consensus on how to combat global warming and moving that process forward. Drawing on a model-based analysis of a “net-zero emissions by 2050” scenario, the chapter finds that a range of announced climate policies could have substantially different impacts on external balances over the next decade.

A credible and globally coordinated carbon tax would decrease current account balances in greener advanced economies and increase current accounts in more fossil-fuel-dependent regions like South Africa, reflecting a disproportionate decline in investment for the latter group.

### 1.8.1 Greenhouse Gas Emissions Accounts

A global green transition would not impact the external sector if countries and mitigation policies were identical. However, there are significant structural differences across countries, for example, the degree of fossil fuel dependence and the role of renewables in energy generation that can induce and magnify external sector responses. Differences in the content and pace of implementation of mitigation policies are another source of cross-country asymmetries that could trigger external sector adjustments. This indicator shows both annual and seasonally adjusted quarterly greenhouse gas emissions (GHG) resulting from each region's economic activity.

**Figure 12: Annual Greenhouse Gas (GHG) and Quarterly Greenhouse Gas (GHG) Emissions**

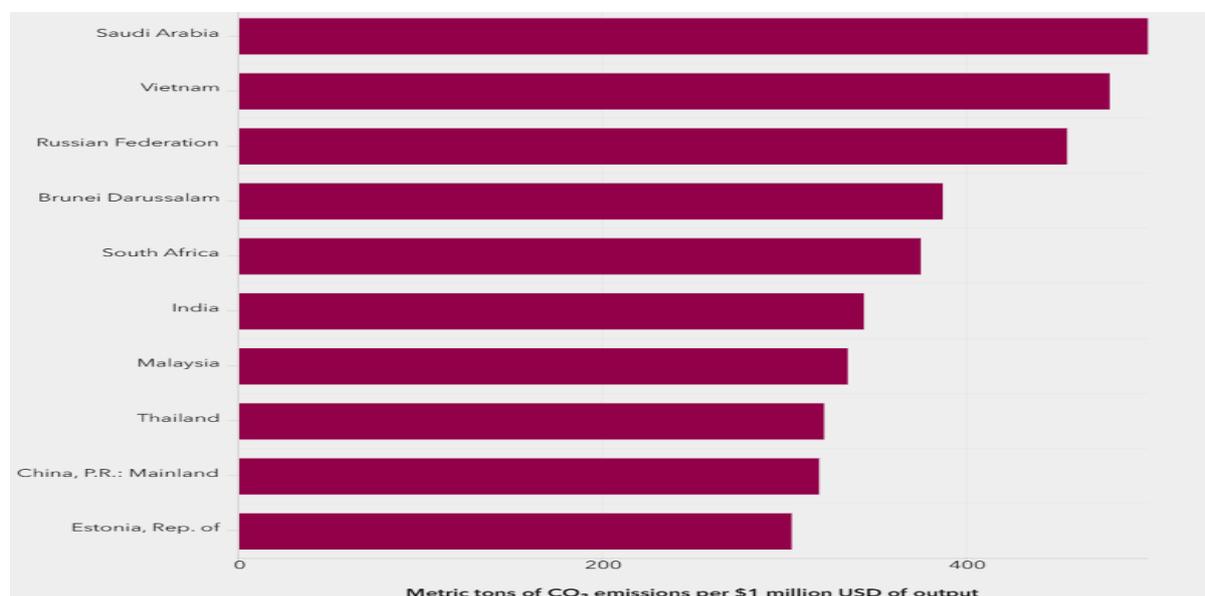


Source: OECD, 2024

The national mitigation targets have been calculated by the IMF based on the IMF's interpretation of each country's Nationally Determined Contributions (NDC) – these are the commitments made by each country to reduce their national emissions. In accordance with the Paris Climate Agreement, indications are that there is an increase on both Annual Greenhouse Gas (GHG) and Quarterly Greenhouse Gas (GHG) Emissions.

## 1.8.2 CO<sub>2</sub> Emissions Multipliers - Top 10 Countries

Figure 13: CO<sub>2</sub> Emissions Multipliers - Top 10 countries for selected Industry and Year



Sources: OECD,2024

South Africa is among the top ten countries in the world in terms of CO<sub>2</sub> Emissions Multipliers for selected Industry, coming at 5<sup>th</sup> after Saudi Arabia, Vietnam, Russian Federation and Brunei Darussalam. The South African situation is a complex one given the natural endowment of the country in coal and other minerals as well as the heavy reliance on coal for the production of electricity.

## 1.9 Conclusions and Recommendations

The IMF global revisions to the forecast have been minimal offsetting shifts at the country group level, reflecting recent shocks and policies, most notably in emerging market and developing economies. Reduction in the production and shipping of commodities (oil in particular) as well as conflicts and civil unrest have led to downward revisions to the regional outlooks for the Middle East and Central Asia and for Sub-Saharan Africa. However, the balance of risks is tilted to the downside: geopolitical tensions could flare up; sudden eruptions in financial market volatility could tighten financial conditions; problems in China's property sector could generate global spill-

overs via their effect on global trade, as could rising protectionism and continued geo-economic fragmentation; and disruptions to the disinflation process could prevent central banks from easing monetary policy, adding challenges to fiscal policy and financial stability. With monetary policy easing, shifting gears on fiscal policy to ensure sustainable debt dynamics and rebuilding of buffers is appropriate. Advancing structural reforms to boost long-term growth and accelerating the green transition remains as necessary as ever.

The South African economy continues to grow at undesirable levels as the country continues to grow below the required rate to stimulate the economy and create employment opportunities. The low economic growth performance in the country is attributed to the structural challenges, which requires effective reforms. These reforms need to be implemented with speed and precision as there is limited room for failure.

Limpopo GDP performance is somehow having a mirror reflection of the country's GDP growth since the SA GDP as indicated earlier has also contracted. Agriculture remains one of the main sectors for Limpopo economic growth and has recorded a significantly larger decline. However, at least on a positive note the mining sector recorded an increase as the province's economic growth continue to be more reliant on the sector given its bigger share. There is a need for the province to address the provincial development challenges and to unlock economic opportunities through increased productivity in the agriculture, manufacturing and construction sectors and a transformed economic structure with greater emphasis on value addition and high investment on infrastructure projects that will help to create employment and stimulate the economy.

However, hope is pinned on the recently constituted 7<sup>th</sup> Administration government of national unity (GNU), as it emphasised the need to turn around the South Africa's economic fortunes at a large scale. The GNU aims to pursue every action that contributes to sustainable, rapid economic growth and remove every obstacle that stands in the way of growth. At the inception of the GNU, there has been a positive reaction by financial markets, which will boost investment. South Africa is continuously faced with a slow economic growth, thereby directing the 7<sup>th</sup> Administration to focus on growing the economy amongst other priorities.

## **Chapter 2: Demographic Characteristics**

### **2.1 Introduction**

The demographic characteristics of a population have a very significant role in policy making in a region or a country, as population growth and decline, as well as changes in the composition and distribution of the population, have a profound impact on many aspects of the livelihood. South Africa and Limpopo province are characterised by its diverse cultures and races. On a provincial basis, there are different compositions as some provinces are more densely populated, whilst some are less populated. The population of areas depends on, among others, prospects of better living. On the other side, people might not freely choose to live in areas with high crime, however areas with better life consequently attract criminal activities. Studies also show that an educated population tends to have fewer births, and if such is transpiring in a certain area, the distribution will show such place having low rates of birth and young children. The age distribution of children and young people has a direct effect on government policies, in a sense of education, health as well social investments. One of the factors affecting population size is migration (in-migration and out-migration) both on a national and provincial level.

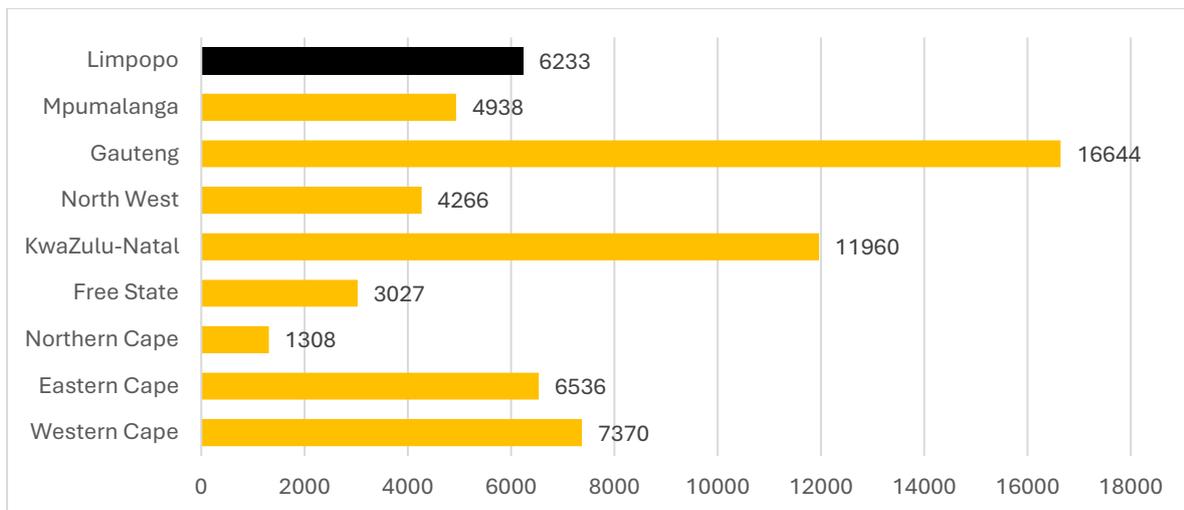
### **2.2 Population**

South Africa's increasing population necessitates responsive government policies to ensure that the rising numbers are accompanied by improved livelihoods. Effective policy interventions are crucial to cater to the growing demands for resources, services, and opportunities, ultimately enhancing the overall well-being of the population.

## 2.1 Population per province

Of the nine provinces of South Africa, some are densely populated whilst some are not. There are various reasons driving population either into or out of the province. It is well known that where there is better life opportunities, it is where more people will be found. People by their nature prefer to reside where there is peace and security and better livelihoods.

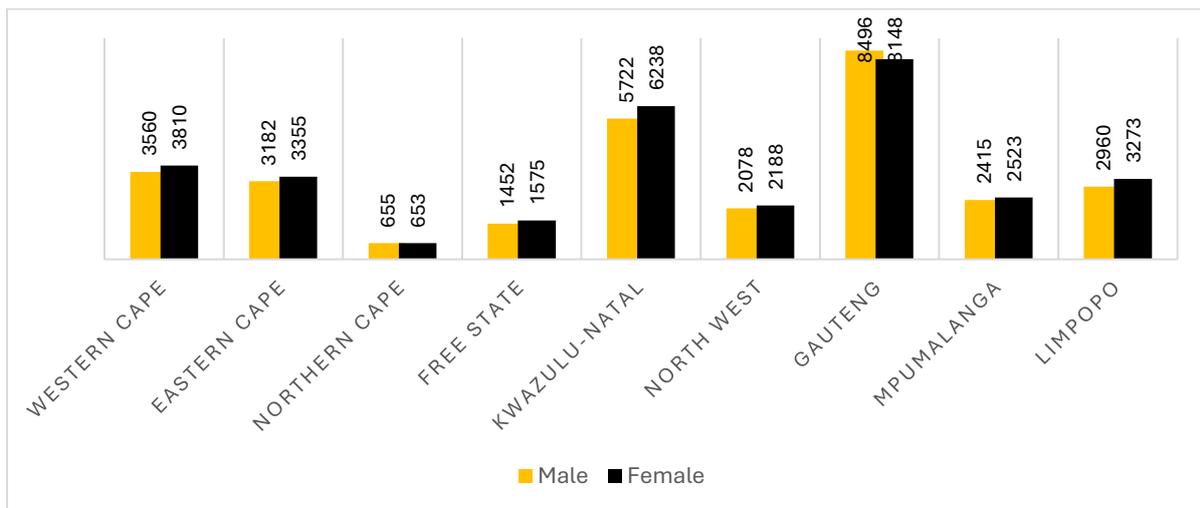
**Figure 14: Provincial population ('000)**



Source: StatsSA, GHS, 2023

According to StatsSA, General Household Survey of 2023, Gauteng (16.6 million) continues to be the largest populous province followed by KwaZulu-Natal (11.9 million) and then Western Cape (7.3 million). Limpopo had approximately 6.2 million persons thereby making it the fifth largest populated province. Inherently, Northern Cape has the lowest level of population size with only around 1.3 million as a result of its low economic activities. The endowments of provinces as well as characteristics influence provincial population.

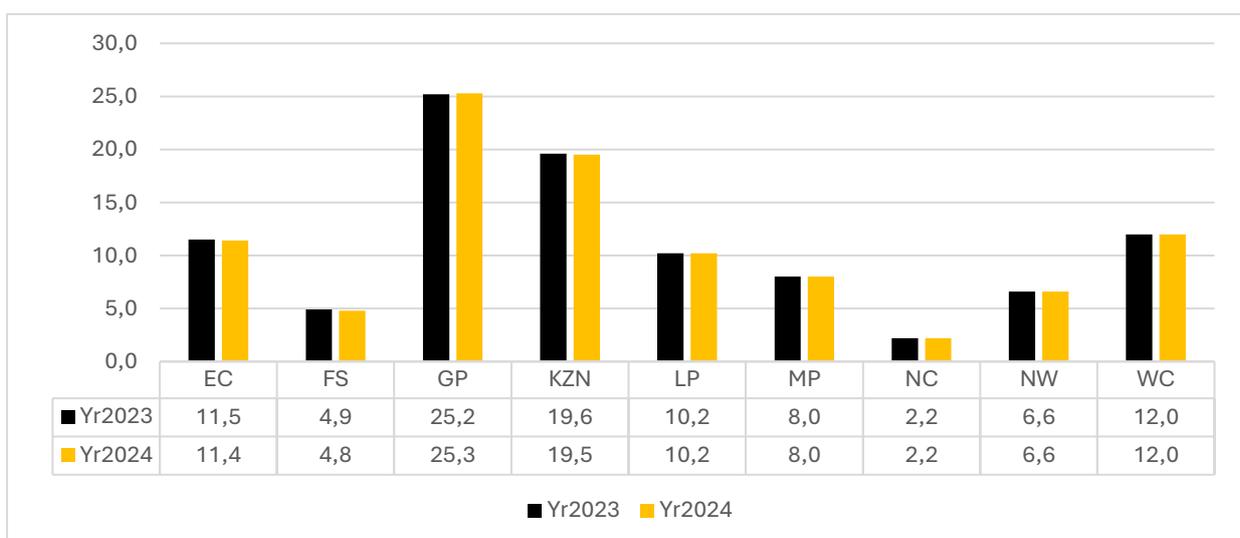
**Figure 15: Population per gender**



Source: StatsSA, GHS, 2023

For policy drive and proper planning, gender factors remain vital in the sense that if the province has a high number of females, expectations are that there will be a sizeable number of births. However, looking at the above Figure, the number of females and males in each province do not vary significantly, and this ought to be factored in policy making. For Limpopo, there were more females than males in 2023, with females numbering around 3.3 million and males approximately 2.9 million.

**Figure 16: Percentage of the projected provincial share of the total population**

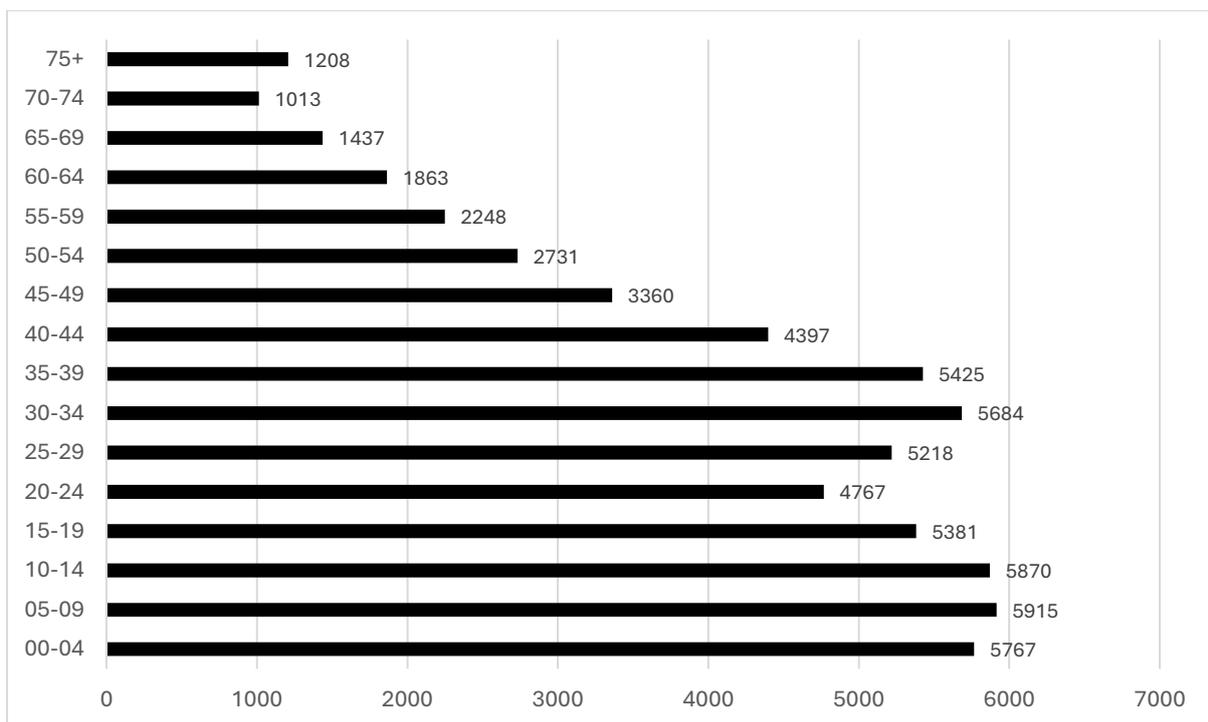


Source: StatsSA, Mid-year population estimates, 2024

The Figure above depicts the estimated percentage of the total population residing in each of the provinces between 2023 and 2024. The provincial estimates indicate that Gauteng, at 25.2 percent, has the largest share of the population, followed by KwaZulu-Natal at 19.6 percent, Western Cape at 12.0 percent and Eastern Cape at 11.5 percent. Northern Cape has the smallest share of the population at 2.2 percent, whereas Free State has the second smallest share of the South African population, constituting 4.8 percent of the population. These provincial estimates indicate that both in 2023 and 2024, approximately 10.2 percent of the South African population lives in Limpopo. Inter-provincial as well as international migration patterns influence the provincial population numbers and structures in South Africa..

### 2.2.1 Age Distribution

**Figure 17: South Africa age distribution**

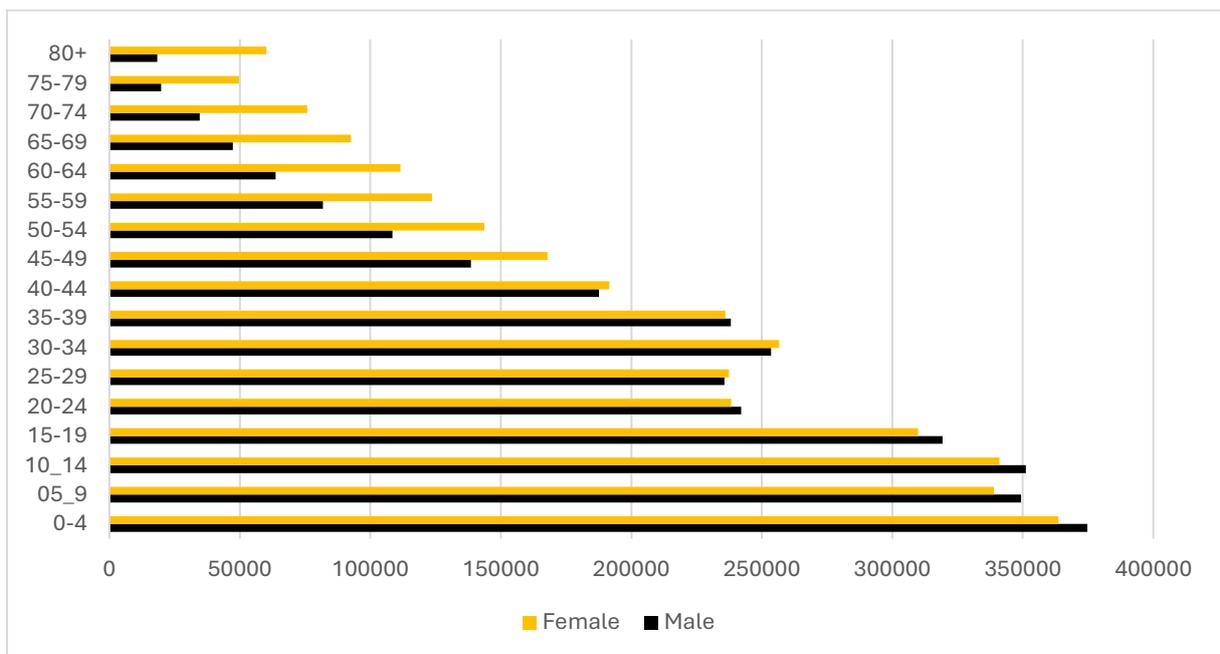


Source: StatsSA, GHS, 2023

Intuitively, as mentioned earlier, age is very significant for planning purposes. In South Africa, there are more people of age 05-09 (5.9 million) followed by those age 10-14 (5.8 million and thereafter 0-4 (5.7 million). Subsequently, youth and children below

youth age together make about 39 million of the entire population. It is recognised above that after age 35-39 distribution, there is a consistent decline in number of population, the decline could be attributed to declining life expectancy, occurrence of chronic diseases, prevalence of crime, exposure to deaths and risky lifestyles, amongst others. The large proportion of young people exacerbates the existing levels of high youth unemployment whilst on the downside, there are more children and some could be beneficiaries of child grants which puts a burden on the government spending. The identifiable effect here is that if youth and older people are engaged in employment, then the burden mentioned above will be reduced as more kids will not qualify for the social grant.

**Figure 18: Limpopo mid-year population estimates by age and sex, 2024**

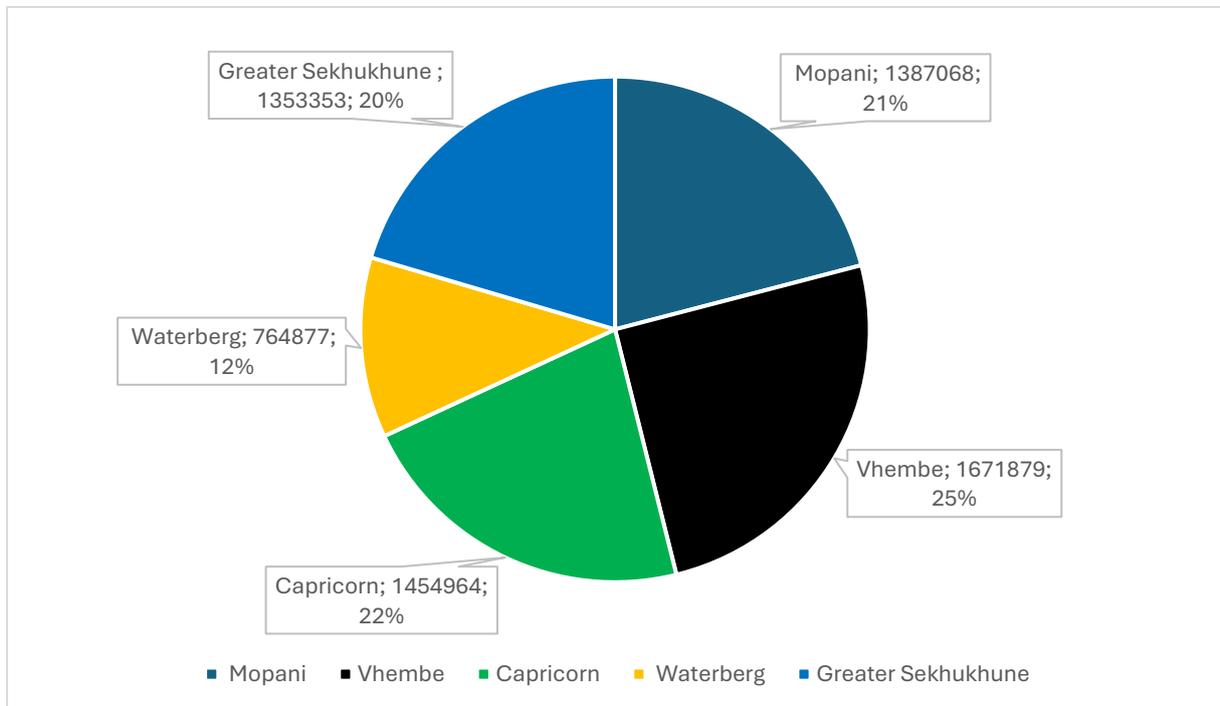


Source: StatsSA, Mid-year population estimates, 2024

According to the 2024 mid-term population estimates, Limpopo has a larger number of young and youth population which is furthermore dominated by males. However, that tends to change after the youth age, as the number of females tends to exceed those of males and with a significant variation. In Limpopo from the age 45 up to 80+ there are more surviving females than males.

## 2.2.2 Population per district

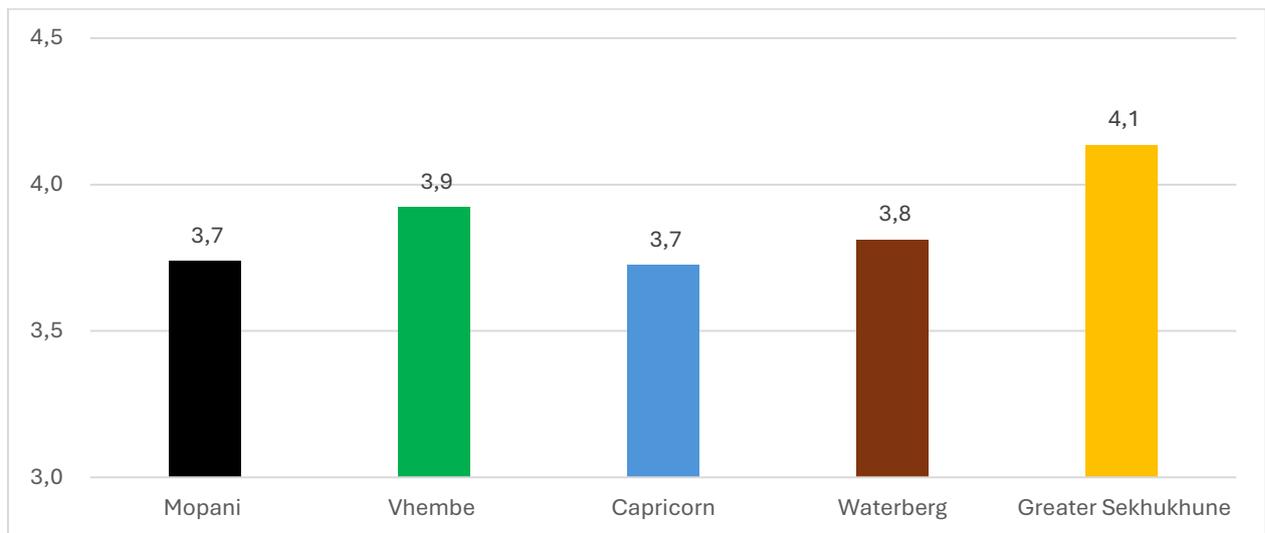
Figure 19: District population and share



Source: Quantec, 2024

On District level, out of the five (5) Limpopo districts, Vhembe continues to be the most populated with approximately 1.7 million people, followed by Capricorn district with 1.5 million people, then Mopani with 1.4 million people, followed by Greater Sekhukhune with 1.4 million people and the lowest populated district becoming Waterberg with a population of less than a million people (764 thousand). Vhembe accounts for 25 percent of Limpopo population whilst Waterberg only accounts for 12 percent. For district planning, it must be advocated that the most resources ought to be channelled to highest populous district provided the overall existing challenges exist across districts.

**Figure 20: District average Household size**



Source: Quantec, 2024

Household numbers as well as average size per household remains vital for the purpose of planning especially regarding allocation of resources by the state. Accordingly, Limpopo average household size is 3.8, whereby, the lowest is in Capricorn and Mopani both having 3.7 average household size. The Greater Sekhukhune district exhibits larger average household size of 4.1 persons per household, which could trigger policy intervention such as provision of housing since it is not the most populous district.

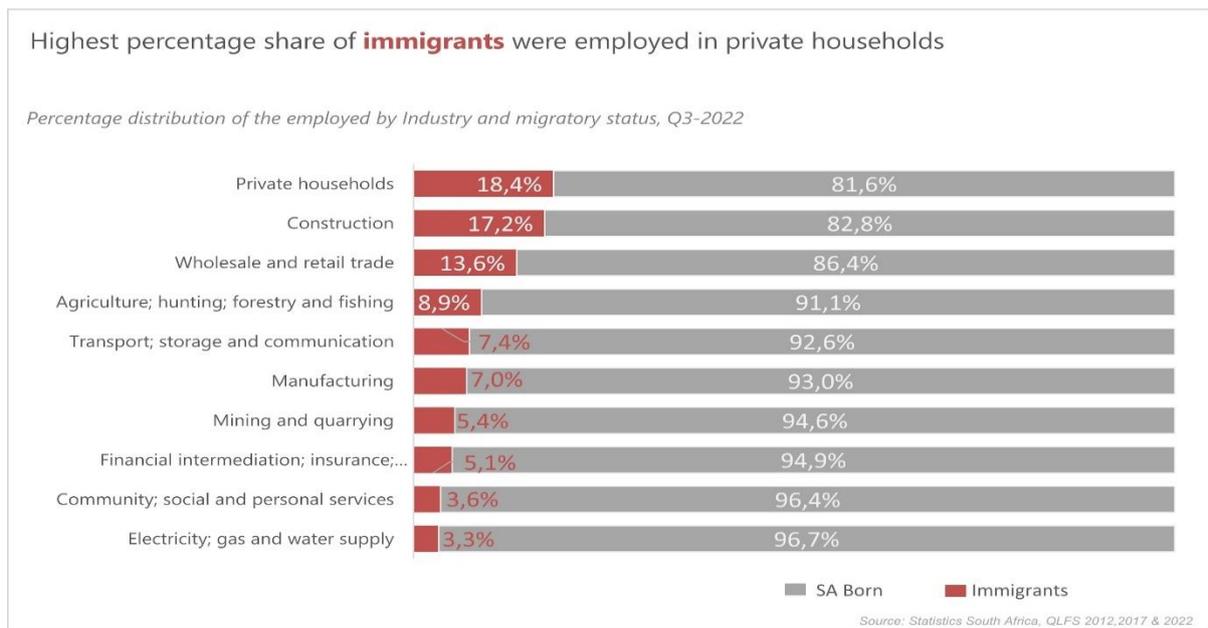
### **2.3 Migration**

Migration intertwines with human development, shaping opportunities through knowledge exchange and remittances while posing challenges like brain drain and irregular migration. Economically, migration fuels growth, driving occupational expansion and entrepreneurship. It is associated with employment, skills development, and competition for scarce resources which, necessitates a balanced approach. Migration's role in social development influences urbanisation and societal identity, requiring inclusive policies to foster cohesion. Health-wise, migration impacts the demand and delivery of healthcare in several ways. Migrant workers play an important role in the healthcare industry while South Africa sees steady emigration of healthcare professionals, demanding a comprehensive policy response.

### 2.3.1 Labour Migration

Labour migration, which is the movement of individuals across the borders for employment purposes, is a fundamental aspect of the global economy and has profound social, economic, and political implications. According to Statistics South Africa report on migration profile, most migrants entering South Africa originate from countries in the Southern African Development Community (SADC) region. Results from Census 2022 showed that the SADC region remained the dominant source for international migrants, contributing 83.7 percent of the total immigrant population. The United Kingdom and Europe region, however, saw a significant decrease, from 22.3 percent in 2001 to 4.9 percent in 2022.

**Figure 21: South Africa labour immigrants**

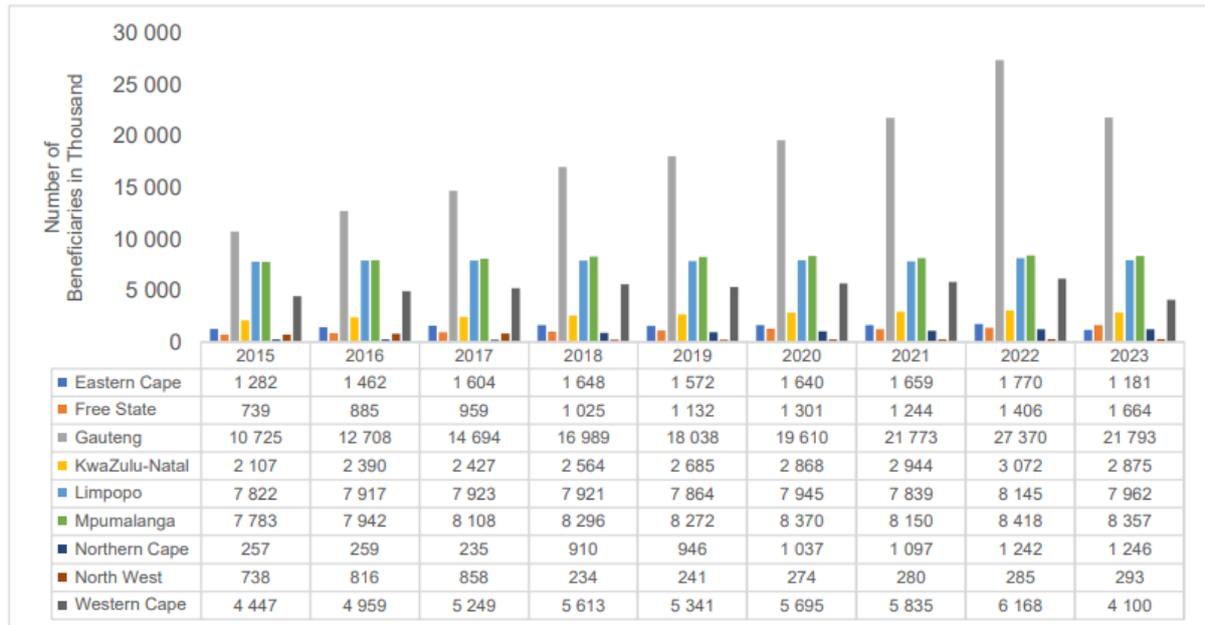


Source: StatsSA, Migration profile report 2024.

On industry employment of immigrants, the highest proportion of immigrants were employed in private households at 18.4 percent, followed by the Construction industry at 17.2 percent and Wholesale and retail trade industries at 13.6 percent , with electricity having the least at 3.3 percent.

### 2.3.2 Immigrant social grant beneficiaries

**Figure 22: Number of immigrant SASSA beneficiaries by province**



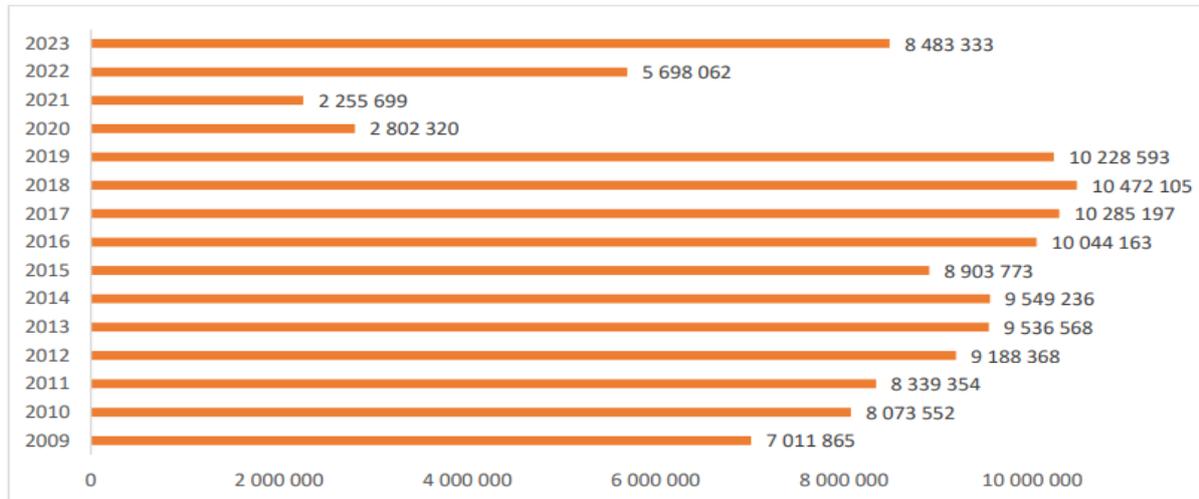
Source: SASSA, data end March 2023

The analysis above excludes data on Social Relief of Distress grants (SRD). Gauteng has remained the province with the highest number of beneficiaries, increasing over the period from 10,725 in 2015 to 27,370 in 2022. The number of beneficiaries in Limpopo and Mpumalanga provinces has remained at approximately 8 000 from 2015 to 2022. Unlike all the other provinces were the number of beneficiaries increased over the period, the number of beneficiaries in the North West province decreased from 738 in 2015 to 285 in 2022.

## 2.4 Tourists

South Africa is endowed with attractive tourist areas, hence its potential to attract tourists from across the globe.

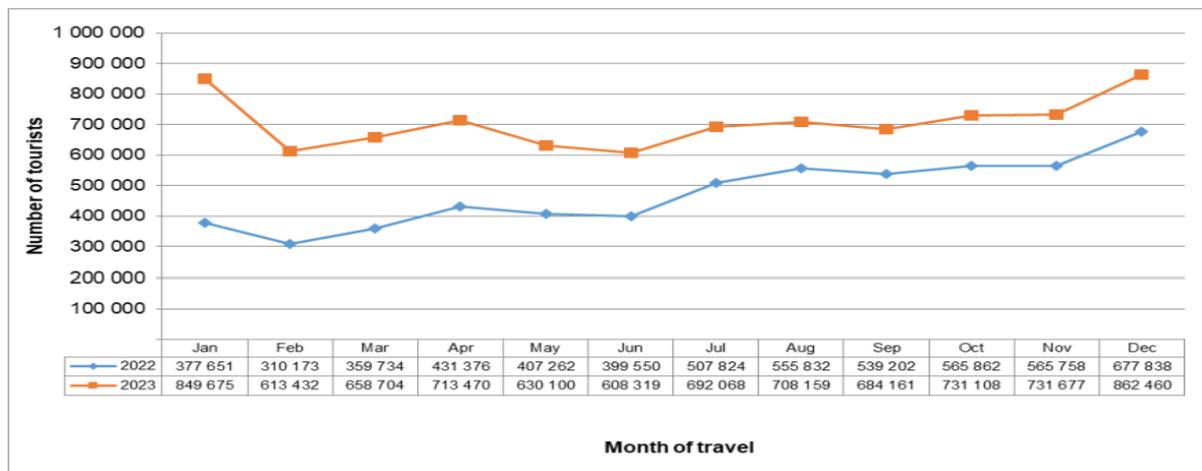
**Figure 23: South Africa number of tourists**



Source: Statistics South Africa, Tourism Report

In 2009, there were around 7 million tourists, with numbers steadily increasing over the subsequent years, reaching a peak of 10 million in 2016. This upward trend continued through 2018, with a slight fluctuation in 2017 and 2018, before dipping significantly in 2020 and 2021. The sharp decline in 2020 and 2021 was attributed to the global impact of the COVID-19 pandemic, which led to widespread travel restrictions, reduced tourism activities and a decline in overall tourist numbers. However, by 2022 and 2023, there was a notable recovery in tourist numbers, with figures reaching 5 million and 8 million respectively. In total, over the entire period, 120 million tourists visited the country.

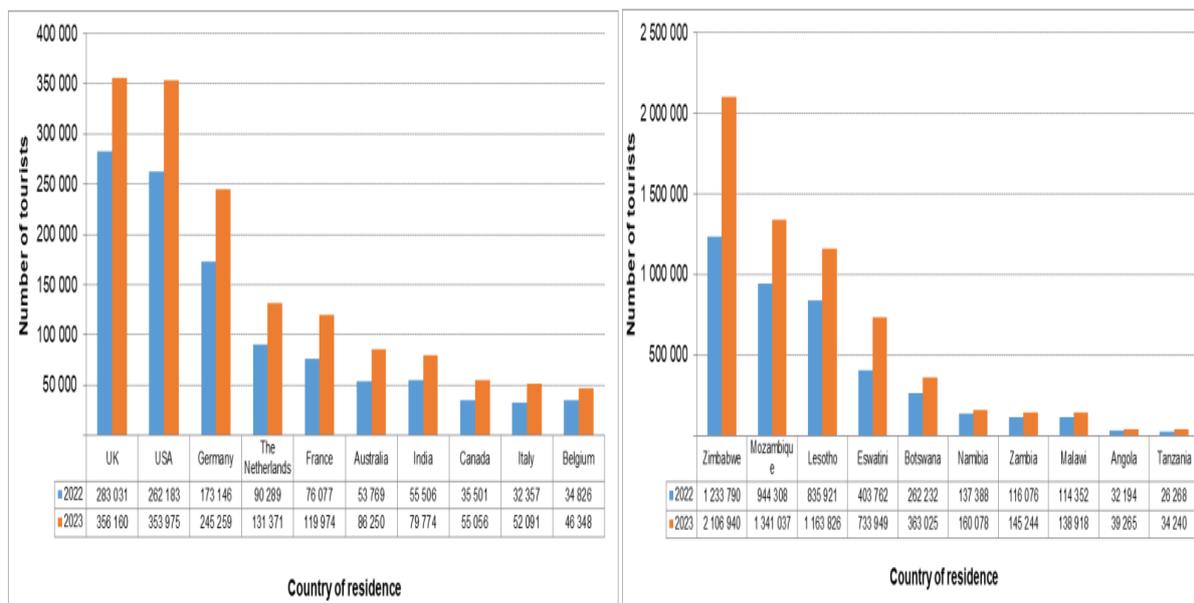
**Figure 24: Number of tourists by month of travel, 2022 and 2023**



Source: StatsSA, Tourism report, 2023

In terms of the number of tourists that visited South Africa in 2023, a total of 8 million tourists came to South Africa in 2023, showing an increase of 48.9 percent from the 5 million tourists recorded in 2022. The highest number of tourist arrivals 862 thousand was recorded in December 2023 followed by 849 thousand which was recorded in January 2023. The least number of tourist arrivals, 613 thousand, was recorded in February 2023 and 608 thousand in June 2023. The monthly tourist arrivals in 2023 were higher than the monthly arrivals observed in 2022.

**Figure 25: SA top 20 sending countries -International and regional**



Source: StatsSA, Tourism report, 2023

As per above, there are 10 leading senders of migrants to South Africa from the world and 10 from the SADC region. The ten leading countries for overseas tourists in 2023 were the United Kingdom with 356 thousand; United States of America (USA) with 353 thousand; Germany, 245 thousand; Netherlands, 131 thousand; France, 119 thousand; Australia, 86 thousand; India, 79 thousand; Canada, 55 thousand; Italy, 52 thousand and Belgium, 46 thousand. A comparison of the 2022 and 2023 volumes indicates that the number of tourists has increased in all 10 leading overseas countries.

The ten leading countries for tourists from the SADC region in 2023 were Zimbabwe, 2 million; Mozambique, 1 million; Lesotho, 1 million; Eswatini, 733 thousand; Botswana, 363 thousand; Namibia, 160 thousand 078; Zambia, 145 thousand; Malawi, 138 thousand; Angola, 39 thousand; and Tanzania, 34 240 thousand. All 10 leading SADC countries showed an increase in the number of tourists between 2022 to 2023.

## **2.5 Conclusion and Recommendations**

The demographic characteristics of a population play a critical role in the planning of policies, as the growth in population or decline in population numbers, as well as changes in the composition and distribution of the population needs to be followed by policy direction that will address the needs of the people. Limpopo had approximately 6.2 million people making it the fifth largest populated province in the country. Gauteng continues to be the largest populous province followed by KwaZulu-Natal and then Western Cape whilst Northern Cape has the lowest level of population size with about 1.3 million. To reduce dense population, provinces should explore their comparative advantages in pursuit of socioeconomic advancement. Population of the youth age and below is significantly higher than from 35 years upwards, signalling the need to develop interventions aimed at integrating youth into employment, since South Africa is sitting on a ticking-bomb of high and unsustainable youth unemployment. In Limpopo, Vhembe district continues to be the most populated, followed by Capricorn district then Mopani District, followed by Sekhukhune District and the lowest populated district being Waterberg District with a population of less than a million people.

Migration and tourism are among factors that affect population size. Migration's role in social development influences urbanisation and societal identity, requiring inclusive policies to foster cohesion. Most migrants entering South Africa originate from Southern African Development Community region. The highest percentage of labour migrants are employed in private households.

South Africa as of 2022 and 2023 has been realising tourist visits recovery which had declined due to COVID-19. Internationally, highest number of tourists coming to South Africa are from UK whilst from SADC it is from Zimbabwe. As much as tourists and immigrants are appreciated, the Government ought to devise a means wherein it attracts those coming for business in order to boost economic growth. There is also an influx of illegal immigrants, which should be prevented since some of these immigrants depend on government for basic social needs thereby putting a burden on government budget.

## **Chapter 3: Labour Market Characteristics**

### **3.1 Introduction**

Over a while, South Africa has been faced with high levels of unemployment due to slow economic growth, and Limpopo Province is not immune. To address this impediment, investing in labour-intensive industries is crucial to absorb a significant portion of the unemployed population into employment. The government's economic policies must be implemented swiftly to create employment opportunities and foster a conducive environment for private sector investment. This can be achieved by promoting economic diversification, investing in education and skills development, and improving infrastructure. Also, investing in public-private partnerships (PPP) is vital in unlocking employment opportunities.

For a reasonable period, South Africa has been experiencing low levels of industrialisation, whereas the economic theory emphasises that if there is no industrialisation in developing countries such as South Africa, which are also experiencing high population growth, there will be no realization of employment. The youth are mostly affected by this rising and unsustainable unemployment rate as they continue to be faced with a lack of skills or skills mismatch, which perpetuates structural unemployment given global movements towards Artificial intelligence (AI) space and use of technology.

### **3.2 Labour Characteristics**

The 2024 fourth quarter Labour Force Survey (QLFS) indicates that approximately 41.5 million South Africans are of working age (i.e. 15-64 years). However, of this working age population there is a sizeable number of those unemployed and also those Not Economically active.

**Table 4: SA Labour market characteristics**

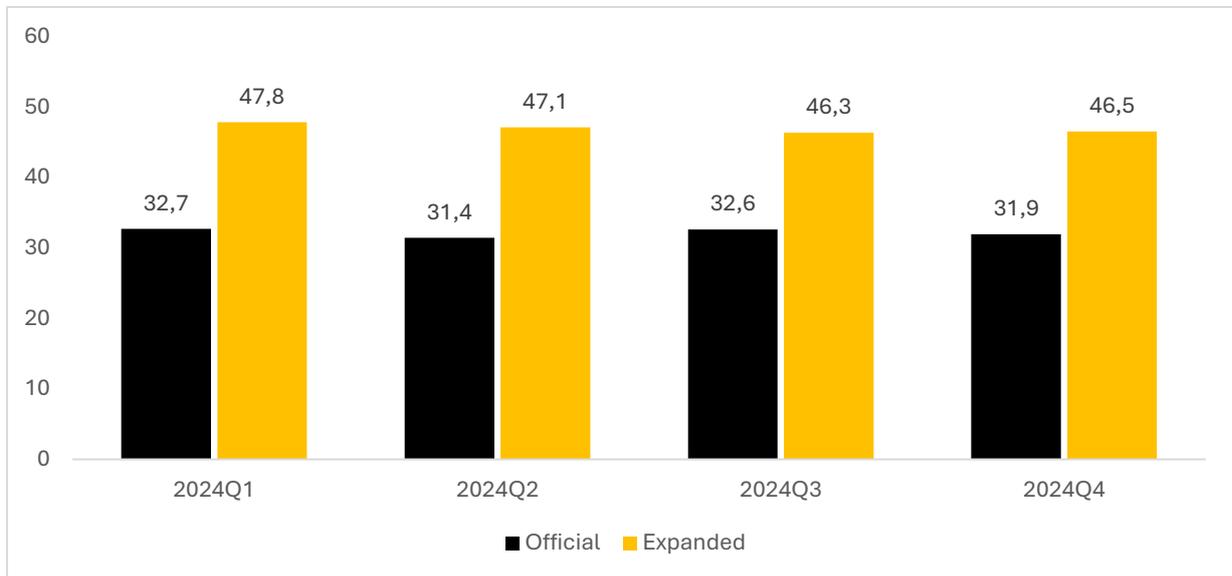
	<b>EMPLOYED</b>	<b>UNEMPLOYED</b>	<b>NOT ECONOMICALLY ACTIVE</b>	
			Discouraged	Other
<b>Q1: 2024</b>	16.8 million	8.2 million	3.0 million	13.1 million
<b>Q2: 2024</b>	16.7 million	8.3 million	3.2 million	13.1 million
<b>Q3: 2024</b>	16.9 million	8.0 million	3.4 million	13.1 million
<b>Q4: 2024</b>	17.1 million	7.9 million	3.5 million	13.0 million

Source: StatsSA, QLFS, Q4 2024.

South Africa's employment numbers fluctuated throughout 2024. In Q1, the country had 16.8 million employed individuals. This number slightly decreased to 16.7 million in Q2, before rebounding to 16.9 million in Q3 and further increasing to 17.1 million in Q4. There is not much of a significant difference in the quarterly employment figures during 2024, thereby implying that the Government and Industry employment initiatives are not bearing the desired fruits at a required pace. In this regard, attention is given to the newly formed Government of National Unity (GNU), with one of its main aims, amongst three objectives, is job creation. The recently adopted Medium Term Development Plan (MTDP) outlines the path towards the realisation of these objectives to reduce the high number of unemployed people. For the three quarters in 2024, the number of unemployed people was between 8.2 million and 8.0 million but at least declined to 7.9 million in Q4. The number of discouraged work seekers among the not economically active working-age population in South Africa increased steadily throughout 2024. In Q1, there were 3.0 million discouraged work seekers, rising to 3.2 million in Q2, 3.4 million in Q3, and reaching 3.5 million in Q4.

### 3.3 SA Unemployment Rate

Figure 26: South Africa Quarterly unemployment (official vs expanded)

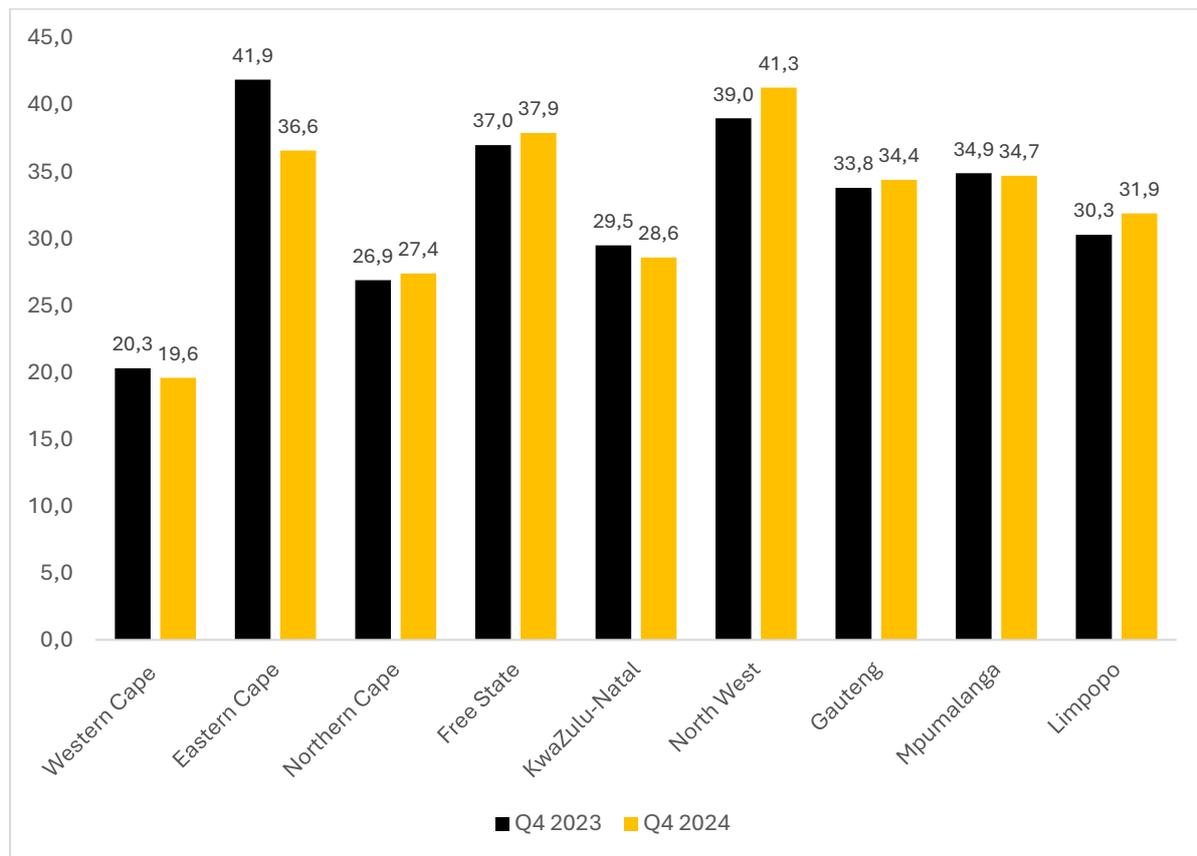


Source: StatsSA, QLFS, Q4, 2024

During 2024, the official unemployment rate reflected an inconsistent pattern in the sense that it declined from 32.7 percent in Q1 to 31.4 percent in Q2, and then increased to 32.6 percent in Q3, and finally, in Q4, it declined to 31.9 percent. The official unemployment rate decreased by 0.7 percentage points to 31.9 percent in Q4: 2024. In Q3:2024, the expanded unemployment rate was 46.3 percent and increased by 0.2 percentage points to 46.5 percent in Q4:2024.

The diverse nature of South Africa's provinces, characterized by unique resources and climatic conditions, inevitably leads to varying unemployment rates across the country. Although these provincial policies are shaped by local circumstances, they are also aligned with the national development plan, ensuring a cohesive approach to addressing unemployment and promoting economic growth.

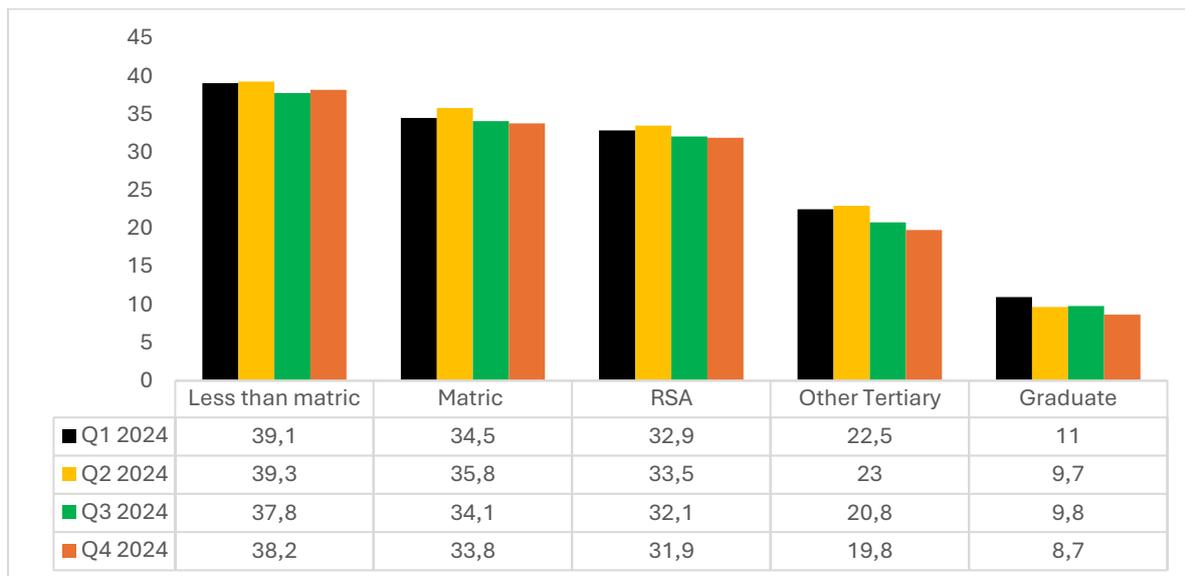
**Figure 27: Unemployment rate per province**



Source: StatsSA, QLFS Q4 2024

The above figure portrays that the Western Cape Province has recorded the lowest levels of unemployment rate for some time relative to other provinces, despite it being the third largest populated province. One of the factors attributing to high levels of provincial unemployment rates could be population growth, but the growth in employment in the Western Cape could be attributed to high levels of economic activities, such as its well-endowed agriculture sector. In the same period, Eastern Cape, followed by Free State and North West, exceeded the 35 percent unemployment rate. During Q4:2023, the unemployment rate in Limpopo was 30.3 percent, which, when compared to a year later, recorded an increase to 31.9 percent, reflecting a percentage increase of 1.6 percentage points.

**Figure 28: Unemployment per educational level**

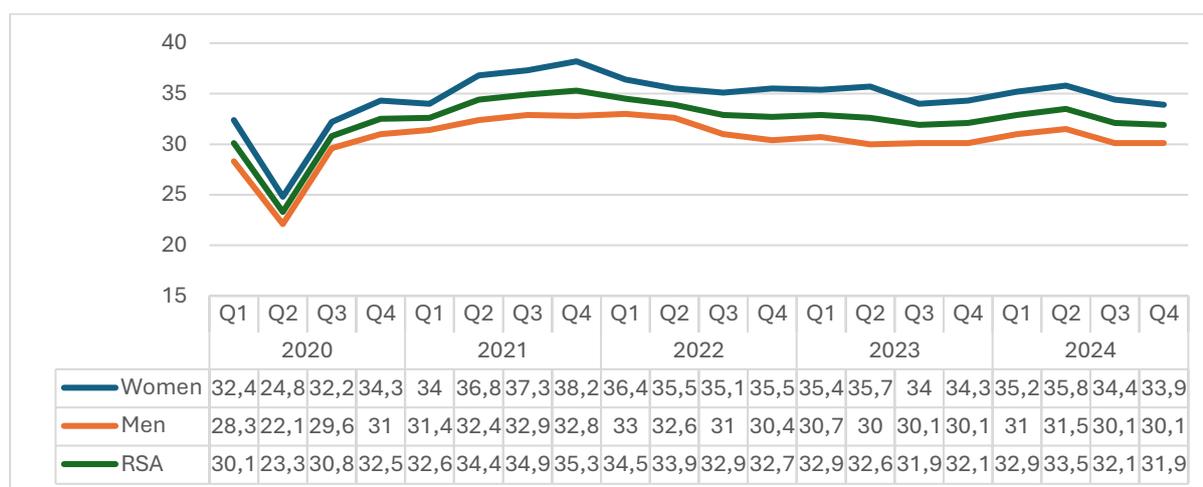


Source: StatsSA, QLFS, Q4, 2024

Education plays a vital role in the development of a country and has a significant impact on mitigating a nation's unemployment rate. A tertiary education, especially a degree, enhances one's likelihood of securing employment, as evident in the figure above. In Q4: 2024, individuals with an educational attainment less than matric recorded an unemployment rate of 38.2 percent, while graduates had a rate of 8.7 percent. Thus, the need to strengthen vocational education cannot be overemphasised.

Unemployment rates for those with matric or lower educational qualifications exceeded the national rate, whereas individuals with other tertiary qualifications and graduates had rates below the national unemployment rate. Comparisons indicated that the unemployment rate is lower among graduates and those with other tertiary education levels and higher for those with matric and less than matric.

**Figure 29: SA Unemployment by gender**



Source: StatsSA QLFS, Q4 2024.

In South Africa, gender plays a significant role in the labour market. This is due to the past marginalization, segregation and lack of policy that advocated for women to be equally employable. Some indigenous cultures confided women to being housewives whilst men would go to look for job opportunities. For the period under review, women's unemployment rate has always exceeded that of their male counterparts.

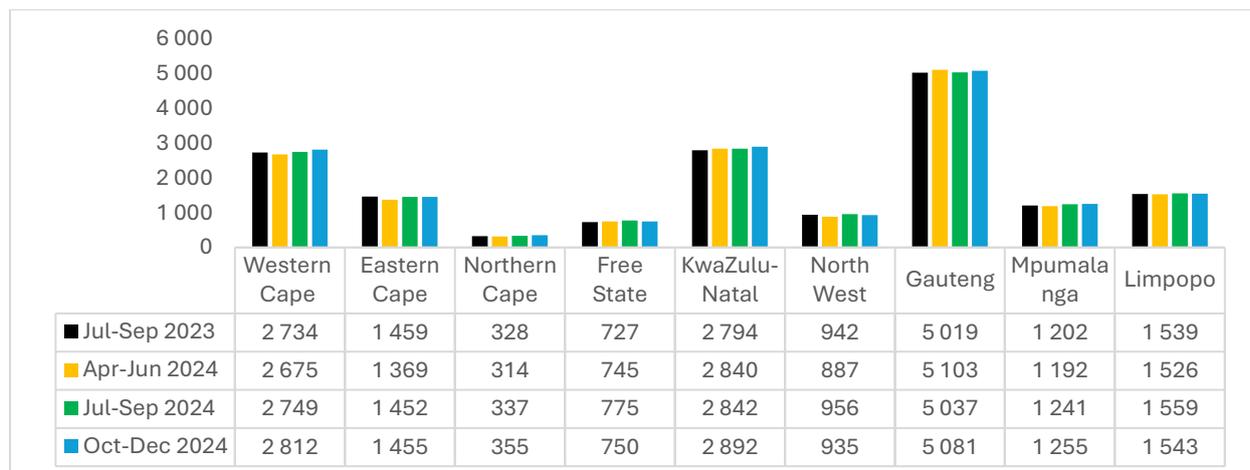
**Table 5: Limpopo youth labour market indicators**

BOTH SEXES	JUL-SEP 2023	OCT-DEC 2023	JAN-MAR 2024	APR-JUN 2024	JUL-SEP 2024	OCT - DEC
	Thousand	Thousand	Thousand	Thousand	Thousand	Thousand
POPULATION 15-34 YRS	2 165	2 163	2 161	2 158	2 156	2153
LABOUR FORCE	980	939	1 002	997	1 048	999
EMPLOYED	555	530	535	554	555	538
FORMAL SECTOR (NON-AGRICULTURAL)	303	276	305	319	303	278
INFORMAL SECTOR (NON-AGRICULTURAL)	180	188	162	161	163	185
AGRICULTURE	48	46	47	49	69	55
PRIVATE HOUSEHOLDS	23	19	22	24	21	20
UNEMPLOYED	425	409	466	443	493	461
NOT ECONOMICALLY ACTIVE	1 185	1 224	1 159	1 161	1 107	1 154
DISCOURAGED WORK-SEEKERS	303	345	301	329	287	314
OTHER(NOT ECONOMICALLY ACTIVE)	882	879	858	832	820	840
<b>RATES (%)</b>						
UNEMPLOYMENT RATE	43,4	43,6	46,6	44,4	47,0	46,1
EMPLOYED / POPULATION RATIO (ABSORPTION)	25,6	24,5	24,8	25,7	25,8	25,0
LABOUR FORCE PARTICIPATION RATE	45,3	43,4	46,4	46,2	48,6	46,4

Source: StatsSA QLFS Q4, 2024.

The Limpopo youth data shows that in Q4: 2023, 530 thousand youth were employed, as compared to 538 thousand recorded for Q4: 2024. This is an indication that there is not much improvement in terms of getting the young people into employment. The formal sector (non-agricultural) remains the highest employing sector in Q4: 2024, employing around 278 thousand youth, however, that is a decline from 303 thousand for Q3:2024, followed by the informal (non-agricultural) sector, employing about 185 thousand people, with the lowest employing sector being Private households at 20 thousand. The number of unemployed youths in Limpopo during Q4 2023 was recorded at 409 thousand, which increased to 461 thousand in Q4 2024. In terms of those Not economically active (NEA), in Q4: 2023, there were about 1.224 million youth not economically active, whereas on yearly comparison, in Q4 2024, there were 1.154 million NEA youth in Limpopo.

**Figure 30: Employment by Province**



Source: StatsSA, QLFS, Q4, 2024

The Gauteng province records the largest number of people employed, followed by KwaZulu-Natal and Western Cape, and this can be attributed to the larger populations and the size of the economies in those provinces. Gauteng's large number of employed people is attributed to its industrial base. The Northern Cape has the lowest number of employed people relative to other provinces; among others, it could be attributed to its lower population size as well as low industrial base. Quarterly, in Q3: 2024, there were 1.559 million employed people, which in Q4 2024 declined to 1.543 million. Limpopo is the province with the fourth largest employed people, indicating

that it has a potential to increase employment if structural changes are effected and new industries with potential growth.

### **3.4 Conclusion and Recommendations**

South Africa faces a persistent and pressing challenge of high unemployment rates, especially among the youth, and Limpopo is not immune. The country's stagnant economic growth, projected to remain below 2.0 percent for the foreseeable future, exacerbates this problem. To address this, the government's economic policies must be implemented effectively to create employment opportunities. According to the Quarterly Labour Force Survey (QLFS) for Q4 2024, Limpopo's unemployment rate increased by 1.6 percentage points compared to the same quarter in the previous year. Education and skills acquisition are crucial in inducing employment. Statistics reflect that graduates have higher employment rates compared to those with only a matric certificate or no matric at all. This calls for the need to strengthen vocational education. Furthermore, despite post-democratic dispensation policy interventions aimed at equality, women in South Africa continue to face higher unemployment rates than their male counterparts. This highlights the need for targeted interventions to address the specific challenges faced by women in the job market.

Moreover, there is a need to foster public-private partnerships towards the realisation of increased job creation because at the centre of job creation lies the potential of the industrialisation of the economy. Limpopo province will benefit greatly if industrialisation within the province is pursued, especially in sub-sectors that are labour intensive. The challenge of structural unemployment remains perpetual in the province given the low basis of skills in fields such as engineering, ICT, Artificial Intelligence and other crucial skills required by the labour market.

## **Chapter 4: Development Indicators**

### **4.1 Introduction**

There are several indicators for the development of a country or a region that ranges from education, environment, population size, and economic performance, amongst others. The improvements in these developmental indicators contribute to human development. For example, countries with high economic activities and high levels of education may translate in a high life expectancy of its population, and vice versa. In pursuit of development, there is a need and drive for socio-economic upliftment, and therefore, countries that are geared towards improved development have the potential to attract investment. Subsequently, economic growth is then realized, which could be re-directed to development, thereby achieving higher levels of development.

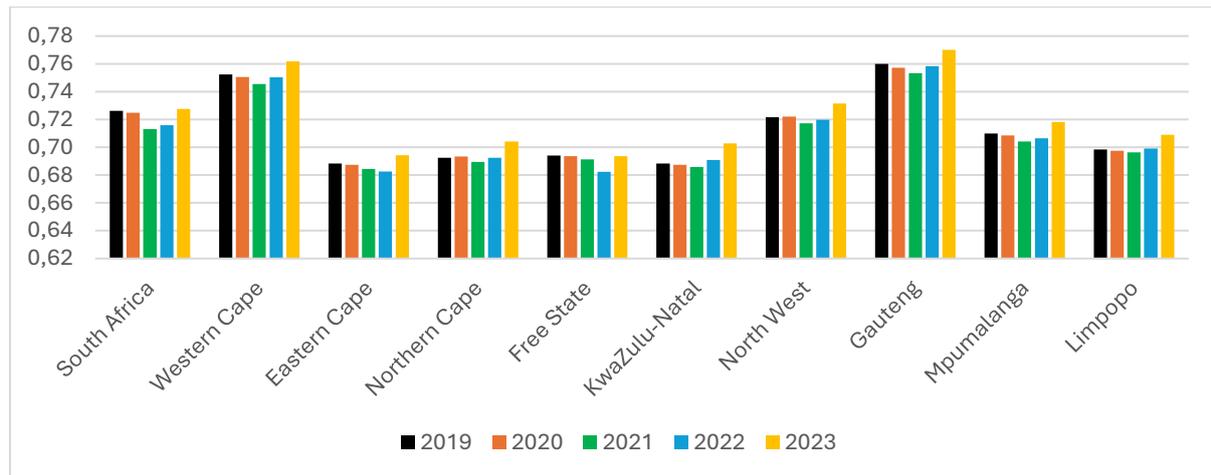
### **4.2 Human Development Levels**

One of the main measures of country development levels is the Human Development Index (HDI). HDI was developed to measure and track development progress among countries as well as regions so that where there is regression, intervention ought to be provided. Furthermore, the HDI provides policymakers with useful information for them to make informed decisions aimed at improving the livelihood of citizens. A country with low levels of human development cannot attract foreign investments and could be trapped in poverty for a lengthy period if policymakers do not direct resources and attention to that.

The figure below provides that, over 5 years, the HDI was the highest in 2023 for all provinces. This is an indication that human development levels for the South African population and its provinces are increasing, implying that the policies and interventions put in place are somehow bearing fruit. The higher levels of HDI are realised in developed countries, therefore, it could be accentuated that South Africa as a developing county is on track as far as human development is concerned. Gauteng and Western Cape have the highest levels of HDI, this could be due to their investment in health and education.

Limpopo has had almost the same levels of HDI between 2019 and 2022, with a sharp rise in 2023, ranking fifth in the country, with Eastern Cape and Free State having lower levels of human development, and this could be attributed to the high levels of unemployment in these provinces.

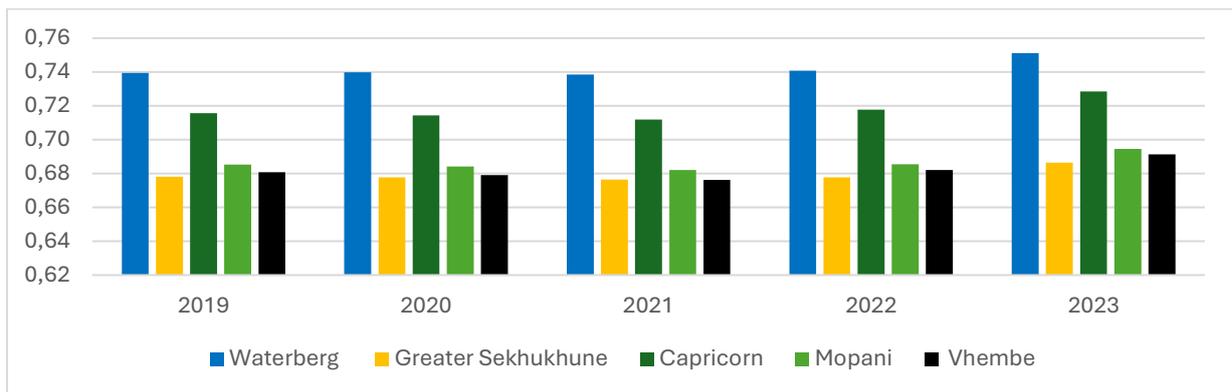
**Figure 31: SA and Provincial Human Development Index (yearly)**



Source: Quantec, 2024

Regarding the Limpopo districts, Waterberg had high levels of HDI for the period 2019 to 2023, whereas the Greater Sekhukhune District recorded the lowest HDI throughout the period under review. This is alarming as the Greater Sekhukhune region is endowed with economic activities such as mining, which is supposed to bring about economic development which should then boost the HDI levels. Mirroring the same development as those of provincial HDI levels, it is realised that also HDI levels of all the districts in the province have increased in 2023, implying that the Limpopo Provincial Government (LPG) and its Districts are on the right path in advancing the human development agenda and this indicates that the implementation of provincial policies have to a certain extent improved the health status of the population through increased access to health care services, and the education level through investment in early childhood development education and improved access to economic opportunities.

**Figure 32: Limpopo Districts Human Development Index**

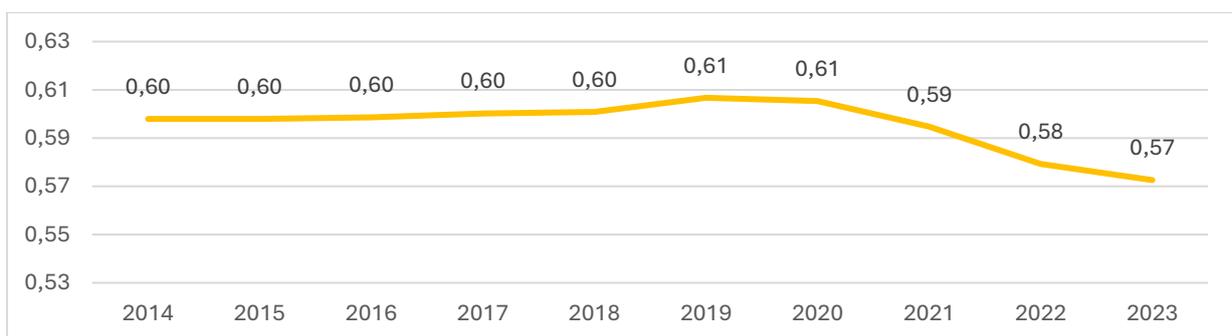


Source: Quantec,2024

### 4.3 Limpopo Inequality -Gini Coefficient

Income inequality is one of the major challenges facing South Africa. The Gini coefficient is the most common measurement of levels of inequality. The Gini is an index between 0 and 1 which measures the distribution of income in an economy and shows how the distribution of income differs from total equality. Total equality exists when the Gini coefficient measure is zero, implying that all households earn an equal income. Whereas a measure of 1 demonstrates total inequality, meaning one household earns all the income whilst other households earn almost nothing.

**Figure 33: Limpopo Gini coefficient**



Source: S&P Global,2024

Conventionally, Limpopo is regarded as one of the poor provinces in South Africa, although there was a decline in inequality levels between 2014 and 2023, from 0.60 to 0.57. The decline is not as huge and desirable; thus, more efforts ought to be

brought into place to effectively further reduce the provincial income inequality. This perpetual income inequality implies that there are low levels of economic activities in the province which need to be unlocked because when the majority of people are earning income, the gap will be significantly reduced. The effect of COVID-19 on income inequality is reflected above that during 2019 and 2020, income inequality increased to 0.61, which declined to 0.58 in 2022.

#### 4.4 Limpopo Poverty Status

##### 4.4.1 Poverty Lines

Poverty lines are important tools that allow for the statistical reporting of poverty levels and patterns, as well as the planning, monitoring and evaluation of poverty reduction programmes and policies for a region or a country.

**Table 6: South Africa poverty lines**

Poverty line	2024 line values
Food poverty line (FPL)	796
Lower-bound poverty line (LBPL)	1 109
Upper-bound poverty line (UBPL)	1 634

StatsSA, National Poverty Lines, 2024

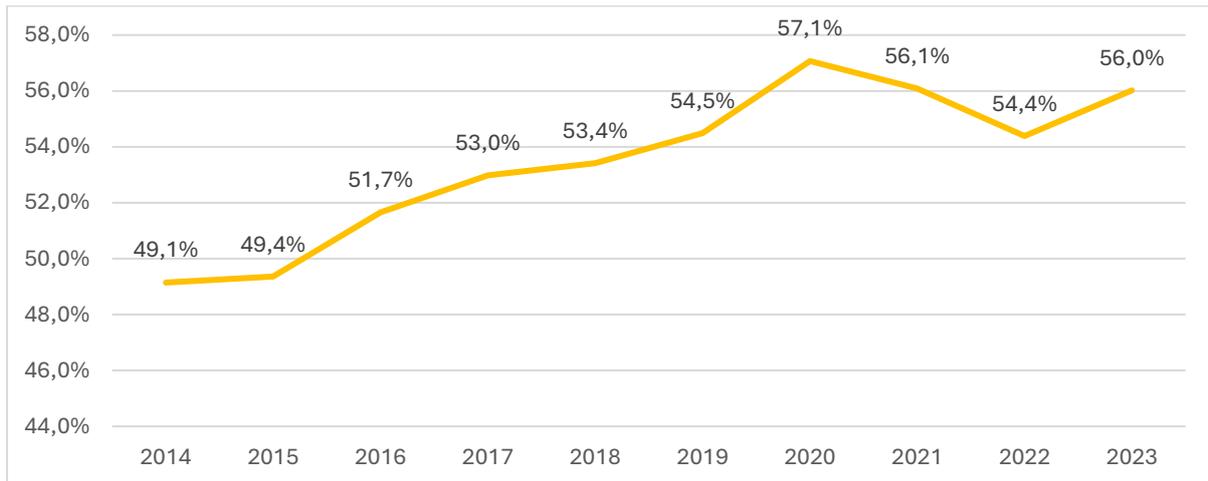
The national poverty lines were constructed using the cost-of-basic-needs approach which links welfare to the consumption of goods and services. The lines contain both food and non-food components of household consumption expenditure.

- Food poverty line – R796 (in May 2024 prices) per person per month. This refers to the amount of money that an individual will need to afford the minimum required daily energy intake. This is also commonly referred to as the “extreme” poverty line.
- Lower-bound poverty line – R1 109 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-food items of households whose total expenditure is equal to the food poverty line; and
- Upper-bound poverty line – R1 634 (in May 2024 prices) per person per month. This refers to the food poverty line plus the average amount derived from non-

food items of households whose food expenditure is equal to the food poverty line.

#### 4.4.2 Limpopo Poverty Rate

**Figure 34: Limpopo share of people below poverty line**



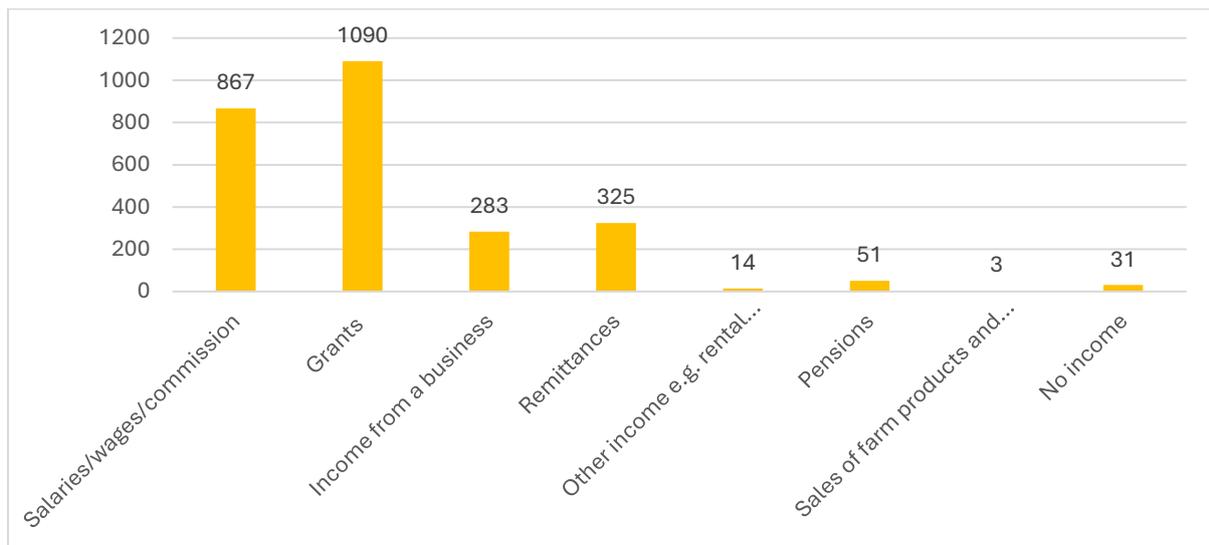
Source: IHS Markit – Regional Explorer, 2024

During 2014, Limpopo had about 49.1 percent of people who lived below the poverty line and continued to increase yearly until it reached a peak in 2020 as is shown above, there were 57.1 percent of people living below the poverty line amidst increasing poverty lines. From 2020, the share of people living under the poverty line declined to 56.1 in 2021 and subsequently to 54.4 in 2022 before it increased to 56.0 in 2023. There is a need for imperative interventions by the government, taking advantage that the country is at the dawn of the 7<sup>th</sup> administration under the Government of National Unity. The effort of the government in fighting poverty is recognised by the 7<sup>th</sup> administration Medium Term Development Plan (MTDP), whereby “inclusive growth and job creation” is the priority.

### 4.4.3 Sources of income

Households have different sources of income, whereby one household might have different income sources.

**Figure 35: Household sources of income**



Source: StatsSA, GHS, 2023

As mentioned earlier, low economic activities in the province contribute to lower economic growth and drive the population to rely on means of income such as remittances, rental salaries, grants, inter alia. It is of concern that most households, despite the disclaimer that “More than one source of income is possible per household”, actually rely on grants as this supports the sentiment that there is a huge reliance on government provision to numerous households. There are about 31 thousand households that have no income at all, with 283 thousand’s main source of income being income from business.

## 4.5 Conclusion and Recommendations

Human development of the population remains an integral part of the upliftment of livelihoods. There are several indicators for the development of a country or a region ranging from education, environment, population size, and economic performance amongst others. The HDI was developed to measure and track development progress in countries as well as regions. It is realized that a country's economic performance has a direct effect on human development levels. The World Bank data indicates that developed countries and regions that are developed have higher levels of human development as compared to those developing as well as under-developed countries. This is also reflected in the context of South Africa, whereby Gauteng and Western Cape, over time, continue to have a higher HDI relative to other provinces. In Limpopo, Waterberg district has a high HDI as compared to other fellow districts.

Limpopo Province has witnessed a decline in inequality over time, albeit modest, with a notable exception during the COVID-19 pandemic. However, poverty remains a pervasive issue. The poverty line serves as a vital tool for tracking poverty levels, identifying patterns, and informing the planning, monitoring, and evaluation of poverty reduction programs and policies. According to statistics, Limpopo had a significant share of 49.1 percent of its population living below the poverty line, with this number increasing annually until it peaked in 2020 at 57.1 percent. This trend underscores the urgent need for government interventions, particularly as the country embarks on its 7th administration under the Government of National Unity. Effective poverty reduction strategies and policies are crucial to address the persistent challenges faced by the province and ensure a more equitable society.

## **Chapter 5: Education**

### **5.1 Introduction**

Education is a human right, a powerful driver of development, and one of the strongest instruments for reducing poverty and improving health, gender equality, peace, and stability. It delivers large, consistent returns in terms of income and is the most important factor to ensure equity and inclusion. For individuals, education promotes employment, earnings, health, and poverty reduction. Globally, there is a 9 percent increase in hourly earnings for every extra year of schooling.

South Africa's education system still faces inequality as a result of the dual education system, which offers unequal education based on wealth, resulting in a weak school system for the poor and more advanced schools for the rich. It is worthy to note that the goal of acquiring education is for individuals to use such education to advance economic gains, including employability. Education ought to provide skills needed in the labour market; however, to some extent, the SA school system is not yet fully achieving such. Much of the failure in the school systems is at the infrastructure level and the use of technologies for teaching.

The post-apartheid government was faced with a school system that was highly fragmented, segregated by race, and with greatly discriminatory funding for teachers, learning materials and schools. The democratic government has been in the battle to reduce these injustices and failures. On a post-matric level, there were various interventions such as an increase in TVET colleges as well as universities to cater for the required skills in the labour market. However, the labour market is not rigid; it changes with the development in the international world, and therefore, the South African education system should be equipped to adapt to such changes, especially technology-wise. The teachers must also be trained and equipped with necessary knowledge to adapt to the changes. The findings of the research depict that the

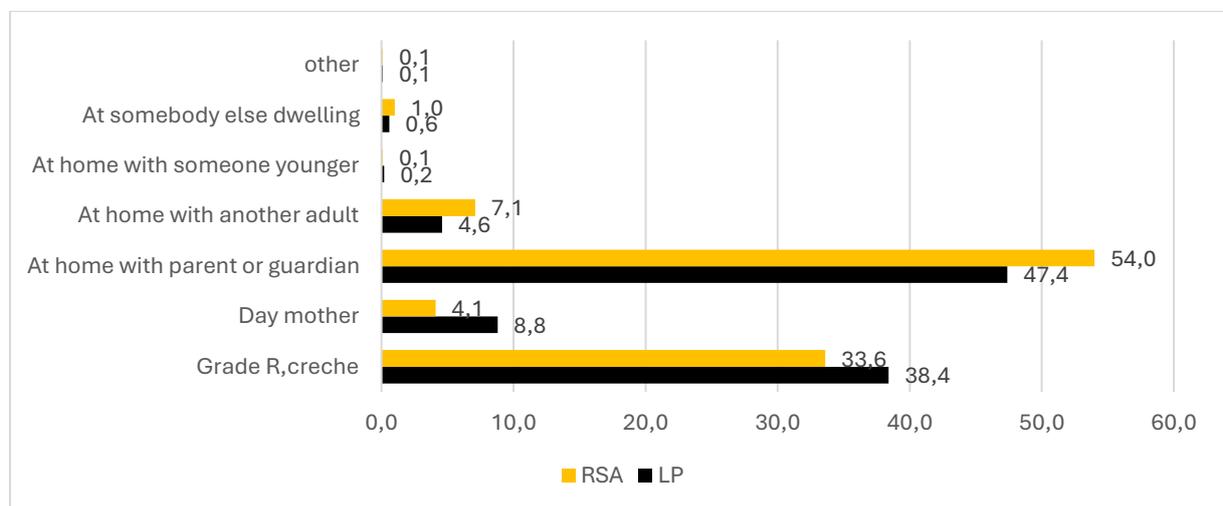
majority of grade 4 learners cannot read for a meaning, pushing the government to come up with a mitigating strategy.

Further to this, on a downward stream, the Government called for increased Early Childhood development centres to ensure kids start learning at a very young age so that they are acquainted with the learning system. Ever since this initiative was implemented, there has been a sizeable increase in the ECD centres, however, there is still some reluctance by some households to enroll little children in the ECD centres.

The acquisition of education enables increased employability or further incorporation in the economic activities, which brings better earnings. According to StatsSA, QLFS, it is indicated that a smaller percentage of tertiary graduates are unemployed relative to those with other types of schooling, with those with no matric having a higher share of unemployed.

## 5.2 Educational Performance

**Figure 36: Percentage of children aged 0–4 years that used different childcare**



Source: StatsSA, GHS 2023

In terms of children aged 0–4 years that used different types of childcare, it is reflected above that in South Africa, the majority (54.0 %) of these children stay at home with either a parent or guardian, whilst for Limpopo, it is the same at 47.4 percent. Following that, 38.4 percent of these children in Limpopo go to creche or Grade R

whilst for South Africa is 33.6 percent. The implication could be that the parents are not fully aware of the ECD centres as provided by the government or have trust issues concerning learners' safety and care at schools, as these young kids still need considerable care.

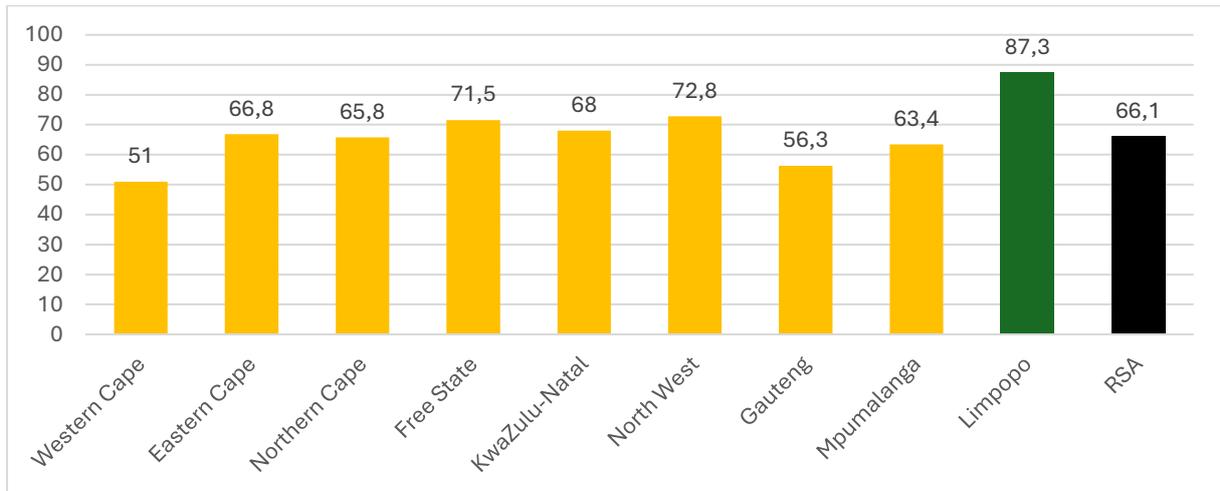
**Table 7: Percentage of individuals aged 5 years and older attending educational institutions**

Type of institution	Province (per cent)									
	WC	EC	NC	FS	KZN	NW	GP	MP	LP	RSA
Pre-school	3,8	3,4	4,8	3,6	2,6	1,5	3,6	2,1	3,0	3,1
School	82,7	91,2	88,6	87,3	90,6	90,2	78,6	92,0	90,0	86,8
Higher education institutions	7,9	2,3	2,4	4,2	4,0	4,2	9,8	2,5	3,6	5,4
TVET	2,6	1,6	1,6	2,7	1,7	2,1	2,7	2,4	2,6	2,3
Other colleges	1,5	1,0	1,7	0,9	0,6	0,8	3,8	0,9	0,7	1,6
Home Schooling	0,6	0,1	0,2	0,3	0,1	0,1	0,5	0,0	0,0	0,2
Other	0,9	0,4	0,7	1,1	0,4	1,1	1,1	0,2	0,1	0,7
<b>Total (Thousands)</b>	<b>1 779</b>	<b>2 035</b>	<b>332</b>	<b>875</b>	<b>3 631</b>	<b>1 188</b>	<b>4 315</b>	<b>1 471</b>	<b>2 137</b>	<b>17 763</b>

Source: StatsSA, GHS, 2023

Nationally, 86.8 percent of individuals aged five years and older attended primary or secondary schools, while a further 5.4 percent attended tertiary institutions. Only 2.3 percent of individuals attended Technical Vocational Education and Training (TVET) colleges. The percentage of individuals aged five years and older who attended school was the highest in Mpumalanga (92,0%), Eastern Cape (91,2%), KwaZulu-Natal (90,6%), North West (90,2%) and Limpopo (90,0%), and lowest in Gauteng (78,6%). Attendance at higher education institutions was most common in Gauteng (9,8%), Western Cape (7,9%), North West (4,2%) and Free State (4,2%).

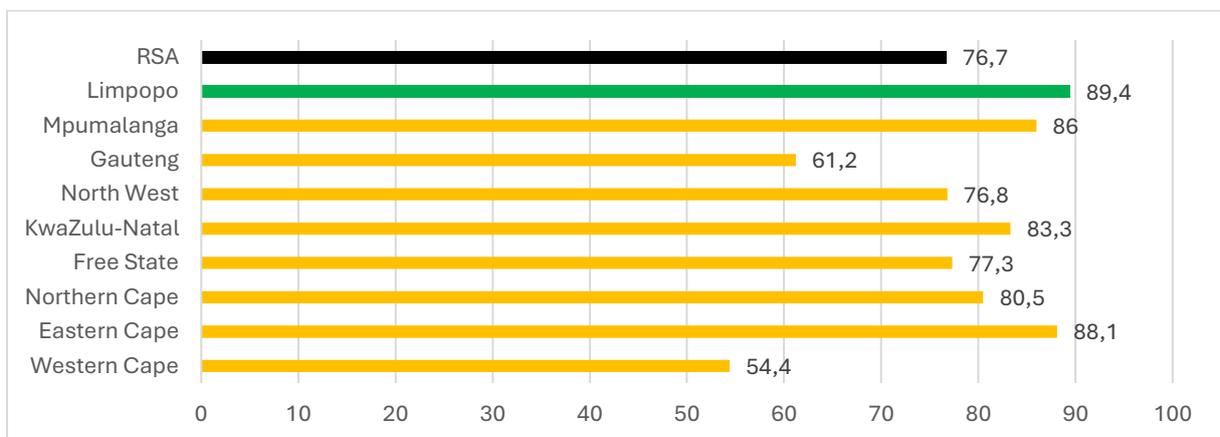
**Figure 37: Percentage of individuals aged 5 years and older attended non-tuition fee paying schools.**



Source: StatsSA, GHS 2023

Although inadequate access to money to pay for fees remains a major hurdle for learners, two-thirds (66,1%) of learners aged five years and older attended schools where no tuition fees were paid in 2023 in South Africa. The attendance of no-fee schools was most common in Limpopo (87,3%), and least common in Western Cape (51,0%), and Gauteng (56,3%). Limpopo has the highest percentage of learners attending no-fee schools, and Education receives the largest budget allocation in the province.

**Figure 38: Learners in public schools benefited from the school nutrition programme**

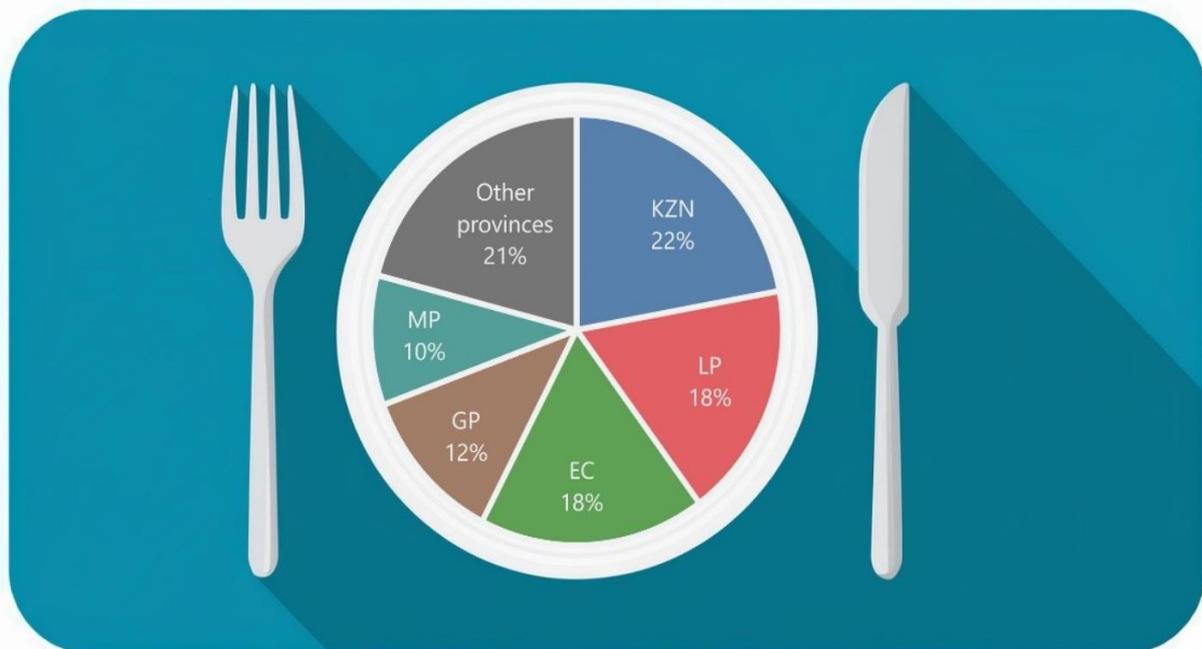


Source: StatsSA, GHS 2023

Overall, about 76.7 percent of learners who attended public schools benefitted from school feeding schemes in 2023. About five (5) provinces have more than 80 percent who benefitted from school nutrition programmes at public schools, with Limpopo being the highest, having almost 90 percent. Eastern Cape is the second largest province with learners who benefitted from the scheme at 88.1 percent learners who benefitted while only 54.4 percent of learners in Western Cape and 61.2 percent of learners in Gauteng benefitted from this type of programme, thus implying that provinces with higher GDP share, tend to have lower percentage of learners benefiting from the nutritional programme.

The South African government established the National School Nutrition Programme (NSNP), a nationwide project that provides meals to schools in poorer communities to ensure that learners receive adequate nutritional support, contributing to good health and improved academic performance. The task of managing the country's education system lies mainly with the provincial government, therefore making it the financial custodian of the programme.

**Figure 39: Provincial school-nutrition programme**

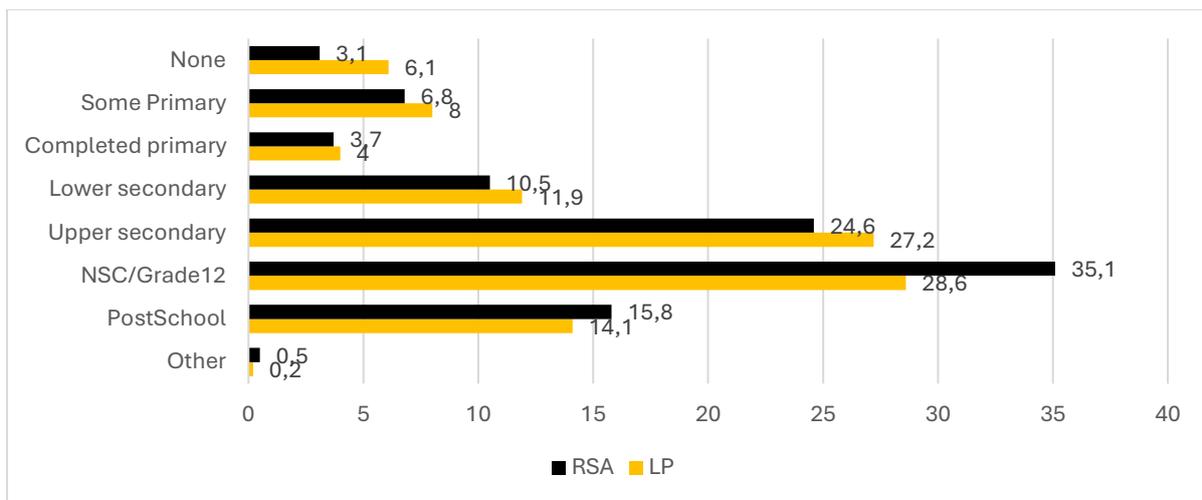


Source: StatsSA, Financial statistics of provincial government, 2024

The importance of NSNP cannot be understated as the Department of Basic Education indicates that 9.7 million learners in over 21 000 schools depend on this programme. While South Africa has made strides in reducing overall hunger, the country must remain vigilant as children are particularly vulnerable to malnutrition. Serious developmental risks, such as stunting, can arise from insufficient access to food. KwaZulu-Natal was the largest spender of NSNP funds, representing 22.0 percent.

Limpopo and Eastern Cape accounted for 18.0 percent each, and Gauteng 12 percent. At the height of the COVID-19 pandemic (2020/21), expenditure on the NSNP decreased in four provinces, including KwaZulu-Natal, Limpopo, Mpumalanga and Gauteng, with the sharpest declines recorded in Limpopo and KwaZulu-Natal emanating from learners not attending schools due to the lockdown’s restrictions.

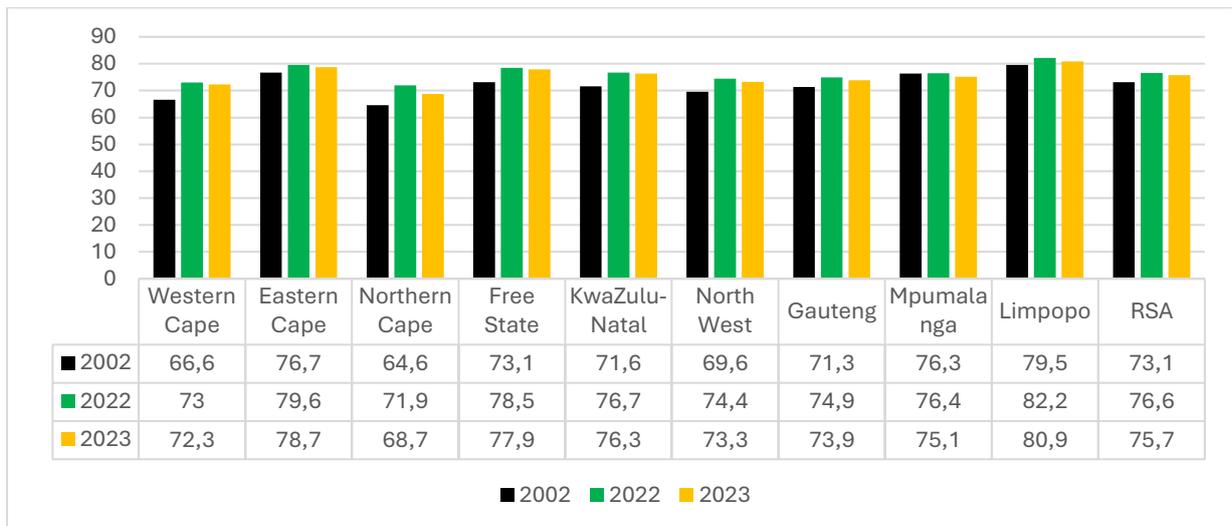
**Figure 40: Percentage of educational attainment for individuals aged 20 years and older**



Source: StatsSA,GHS,2023

As reflected above, individuals without any formal education in Limpopo were at 6.1 percent whilst only 3.1 percent at the national level. Grade 9 is the final year of the senior phase, and learners are allowed to leave school on its completion or when they turn 15 years old, whichever comes first. Individuals with lower secondary qualifications or less in Limpopo were 11.9 percent, whilst those who attained Grade 12 were at around 28.6 percent. Nationally, more than one-third (35,1%) of persons aged 20 years and older have attained Grade 12 as their highest level of education while 15.8 percent have attained some post-school qualifications.

**Figure 41: Percentage of individuals aged 7 to 24 years who attended educational institutions**



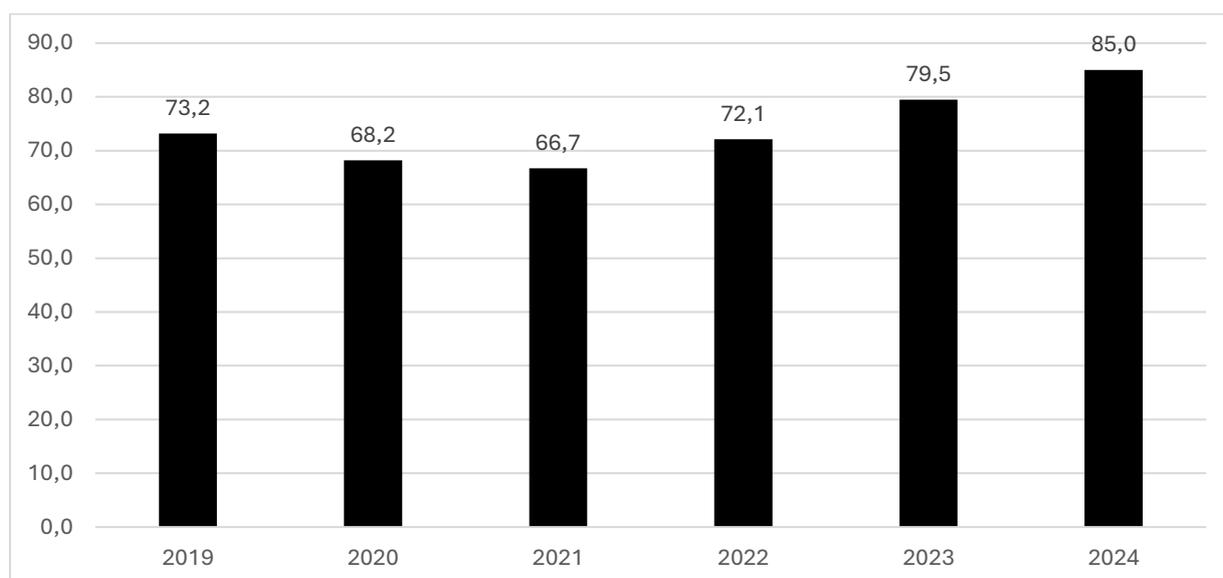
Source: StatsSA,GHS,2023

Nationally, the percentage of persons aged 7–24 who attended educational institutions increased from 73.1 percent in 2002 to 75.7 percent in 2023. Attendance increased across most provinces between 2002 and 2023, with the highest increase observed in the Western Cape (+6,1 percentage points), Free State (+4,8 percentage points) and KwaZulu-Natal (+4,7 percentage points). There is a decrease in Mpumalanga of 1.2 percent between 2002 and 2023. In Limpopo, there was an increase in the percentage of persons aged 7-24 who attended educational institutions from 79.5 percent in 2002 to 82.2 percent in 2022, however the percentage declined between 2022 and 2023 with 1.3 percentage points.

### 5.3 Matric

In South Africa, achieving a matric pass is a pivotal milestone in a student's educational journey. The career paths and future opportunities available to an individual are largely dependent on successfully passing matric, making it a crucial stepping stone for their future aspirations.

**Figure 42: Limpopo matric pass rate**



Source: Department of Basic Education, 2025

Limpopo province has recorded the highest matric pass percentage in its history in 2024. This achievement reflects the investment that the Limpopo Department of Education is putting in place towards assisting pupils in passing matric. The province has witnessed a slump in the pass rate between 2020 and 2021 due to the impact of the COVID-19 disruption, which kept learners away from school for a considerable period. Since 2021, the Limpopo matric pass rate has increased to 72.1 percent in 2022, 79.5 percent in 2023 and recently to 85.0 in 2024.

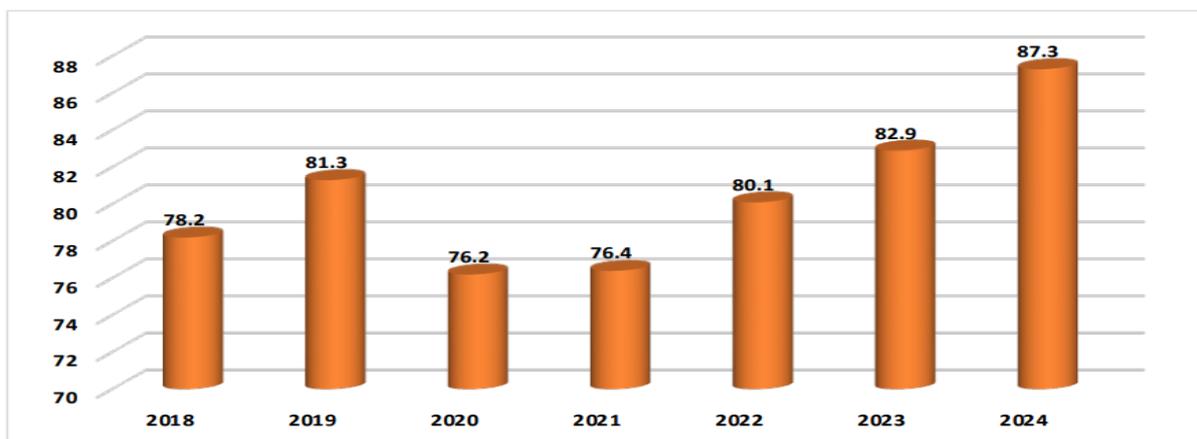
**Table 8: Overall performance of the 2024 grade 12 cohort**

PROVINCE	TOTAL WROTE	TOTAL ACHIEVED	% ACHIEVED	RANKING
EASTERN CAPE	99 739	84 760	84.98	8
FREE STATE	36 312	33 039	90.99	1
GAUTENG	133 228	117 793	88.41	3
KWAZULU-NATAL	161 962	144 990	89.52	2
LIMPOPO	93 474	79 461	85.01	6
MPUMALANGA	64 201	54 567	84.99	7
NORTH WEST	40 757	35 513	87.52	4
NORTHERN CAPE	12 937	10 892	84.19	9
WESTERN CAPE	62 863	54 414	86.56	5
NATIONAL	705 291	615 429	87.26	

Source: Department of Basic Education, 2025.

As a reflection of population dynamics, the majority of learners who wrote the 2024 matric examination were from KwaZulu-Natal, followed by Gauteng province at 161 thousand and 133 thousand, respectively. The number of learners can effectively influence the pass rate; hence, Free State, which is ranked first in terms of pass rate, has the second lowest number of learners who sat for the exam. However, this may not holistically be a true reflection since the Northern Cape Province, which has the lowest population in South Africa, also had the lowest number of learners who wrote and passed matric in 2024. KwaZulu Natal, despite high population, is the second highest in terms of matric pass rate. During 2023, Limpopo was the seventh-ranked, and in 2024 it improved to be the 6<sup>th</sup> ranked.

**Figure 43: NSC examination performance(2018 to 2024)**



Source: Department of Basic Education, 2025.

The 2024 matric pass rate is the highest in the history of South Africa at 87.3 percent, with an increase of 4.4 percentage points. Between 2018 and 2024, the matric pass rate was low in 2020 and 2021 during the COVID-19 pandemic. The current results indicate that the country has moved out of the COVID-19 obstructions and has improved teaching and learning methods.

## 5.4 Conclusion and Recommendations

Globally, there is a 9.0 percent increase in hourly earnings for every extra year of schooling. Education ought to provide skills needed in the labour market; however, to some extent, the SA school system and existing infrastructure are not yet fully achieving such. However, the government called for increased Early Childhood Development centres to ensure kids start learning at a very young age so that they are acquainted with the learning system. Ever since this initiative was implemented, there has been a sizeable increase in the ECD centres, although there is still a huge proportion of these children staying at home with either a parent or guardian for both South Africa and Limpopo. Based on those aged five years and older, almost one-third have attended some kind of educational institution. Limpopo has the highest percentage of learners attending no-fee schools, and this reflects in education receiving the largest budget allocation in the province.

Limpopo province has the highest percentage of learners who benefitted from the school feeding scheme. Nationally, more than one-third of persons aged 20 years and older have attained Grade 12 as the highest level of education while 15.8 percent have attained some post-school qualifications. Furthermore, Limpopo matric results have been improving over time, especially after the COVID-19 setback, whereby the highest pass rate of 85.0 percent was achieved in 2024, moving it from the 7<sup>th</sup> position to the 6<sup>th</sup> position. South Africa also achieved a record high of 87.3 percent in 2024. The Limpopo Provincial Government (LPG) should put more investment into education to further improve the matric results. To realise this improvement, Limpopo Education Department should also put more effort into enrolling more kids of age 0-4 into ECD centres, as this will help solve the challenge of learners in grade 5 failing to read for meaning.

## **Chapter 6: Basic Services**

### **6.1 Introduction**

The South African constitution makes binding provisions for the state to render to its citizens basic services, among others being the provision of shelter, water, etc. However, the attainment of such provision mainly depends on economic performance, given that such ought to be sourced from the government fiscus, which is a subject of revenue collections.

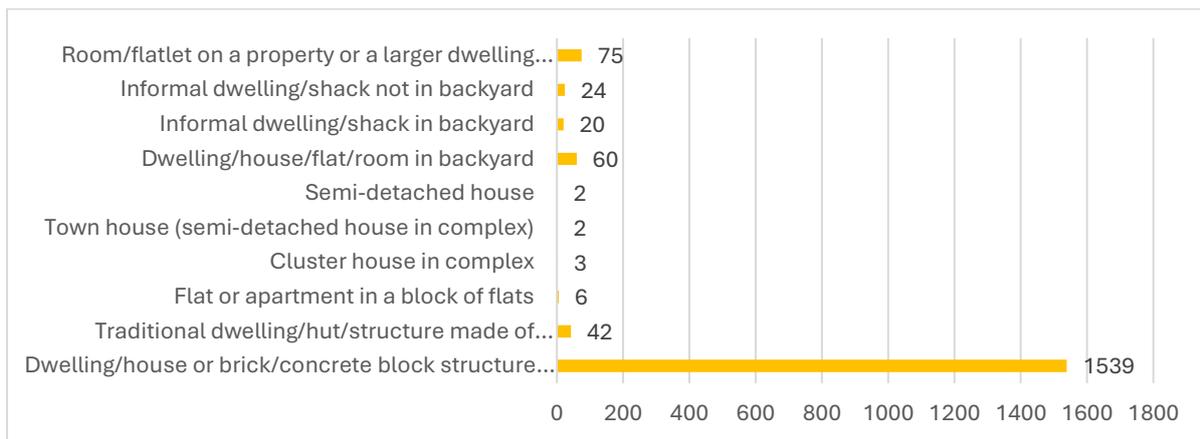
### **6.2 Household Infrastructure**

The government has to provide shelter houses for those who cannot afford them. The poor and the low-income earners are unable to afford the construction of proper housing structures for themselves given their economic status and are dependent on the government to improve their quality of life. Household infrastructure considers types of residential areas as well as how and where these dwellings are erected through spatial planning.

#### **6.2.1 Dwellings**

There are different types of dwellings dependent on factors such as income status, culture, geographical location and age. Most individuals normally do not reside in a dwelling type of their preference but in dwellings that are dictated by circumstances. However, some of the dwelling types are houses provided for by the government, in pursuit of a commitment to the provision of decent shelter as per human rights requirements.

**Figure 44: Limpopo household access to dwelling by type**



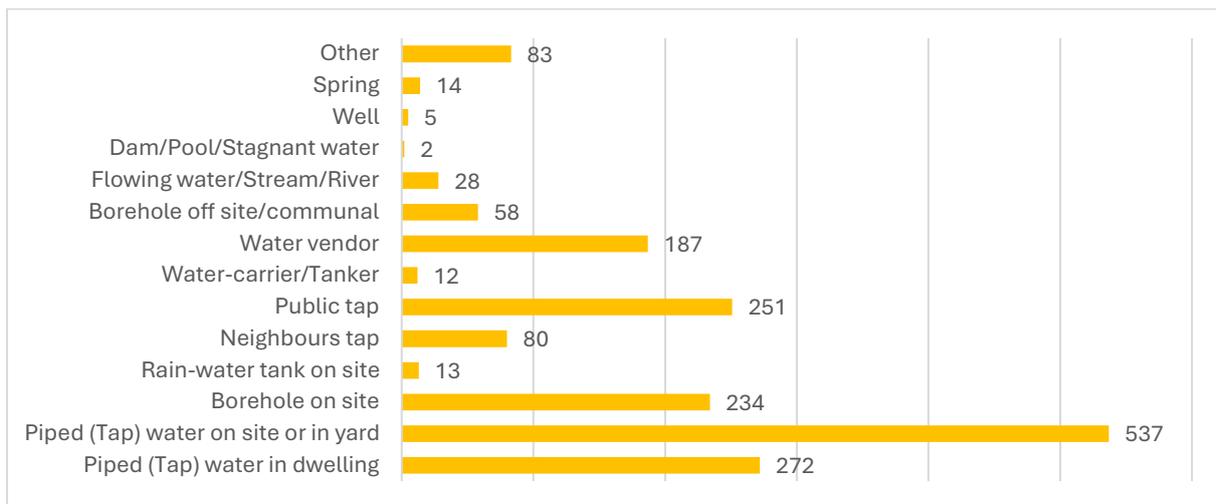
Source: StatsSA, GHS, 2023

About 1.5 million households in Limpopo are living in dwellings/houses or brick/concrete block structures on a separate stand or yard or farm. The Second most popular dwelling type, for Limpopo households, is room/flatlet on a property or a larger dwelling servant quarters/granny flat at almost 75 thousand, followed by 60 thousand dwelling in house/flat/room in the backyard and the least dwelled type is town houses and also semi-detached houses comprising of around 2 thousand households each Government has continuously been providing houses to the impoverished non-affording households, hence there are fewer households living in shacks and informal dwelling. The majority of households in Limpopo are Dwelling/house or brick/concrete block structures on a separate stand or yard or on the farm, which are dwellings in line with those provided for by Limpopo Provincial Government.

### 6.2.2 Water infrastructure

Accessibility of clean and quality water is very instrumental in both social needs and advancement of economic activity, as this can become one of the factors attracting investment. Limpopo is still having a backlog for the provision of water for both household and business operations. There are various sources of water in Limpopo, as indicated below.

**Figure 45: Limpopo household access to water by type**



Source: StatsSA, GHS, 2023

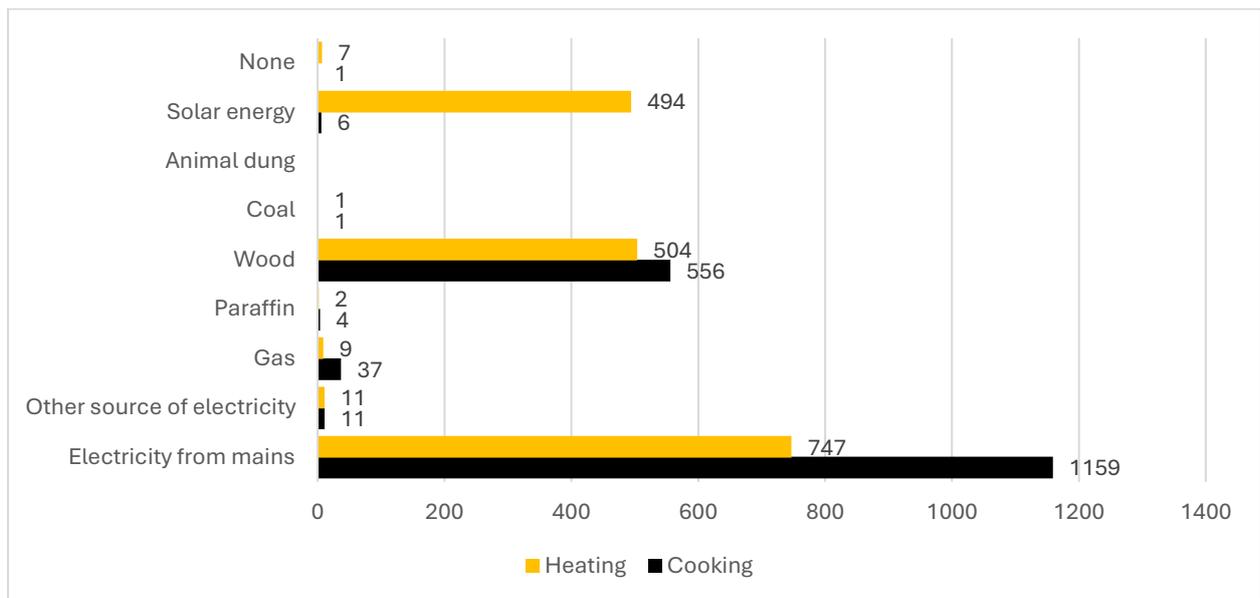
In Limpopo, out of about 1.7 million households in the province, most have access to piped (tap) water on site or in the yard, which are at about 537 thousand households. While about 272 households have piped (tap) water in dwelling, about 251 thousand households have access to public taps and about 234 households have boreholes on site. There are around 187 thousand households whose main source of water is a water vendor, which could put a dent in household income.

The province still has households that access their water from sources that are not clean, these include water flowing from river, stream, dam, spring or even from a well. The province should invest effectively in water infrastructure, this will include building of dams, drilling of boreholes and water purification plants mainly in rural areas.

### **6.2.3 Source of energy**

For the effective development of society and the ease of day-to-day household activities, there is a need for a proper source of energy. In Limpopo, the main source of energy is required for heating and cooking at a household level.

**Figure 46: Limpopo household sources of energy**



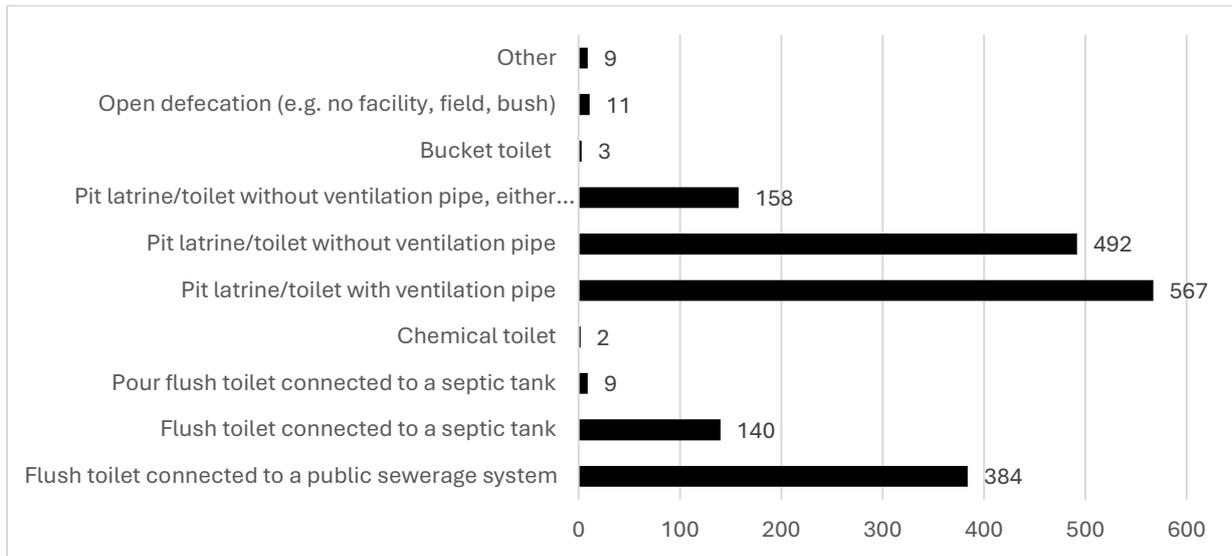
Source: StatsSA, GHS, 2023

In terms of both cooking and heating, the main source energy is electricity from the mains, with 1.1 million households using electricity from the mains for cooking and 747 thousand households using energy from mains for heating. The second highest source of energy for cooking is wood, utilised by 556 thousand households, and wood is also a secondary source of heating, utilised by 504 thousand households.

Limpopo has around 494 thousand households that use solar energy for heating while about 6 thousand households use solar energy for cooking. This subsequent increase in solar energy for both heating and cooking is due to the consumers trying to find alternative sources of energy given the recent Eskom challenges that the country was facing. This has also led to a rise in the use of gas and paraffin as alternative sources of energy.

## 6.2.4 Sanitation

Figure 47: Limpopo sanitation type



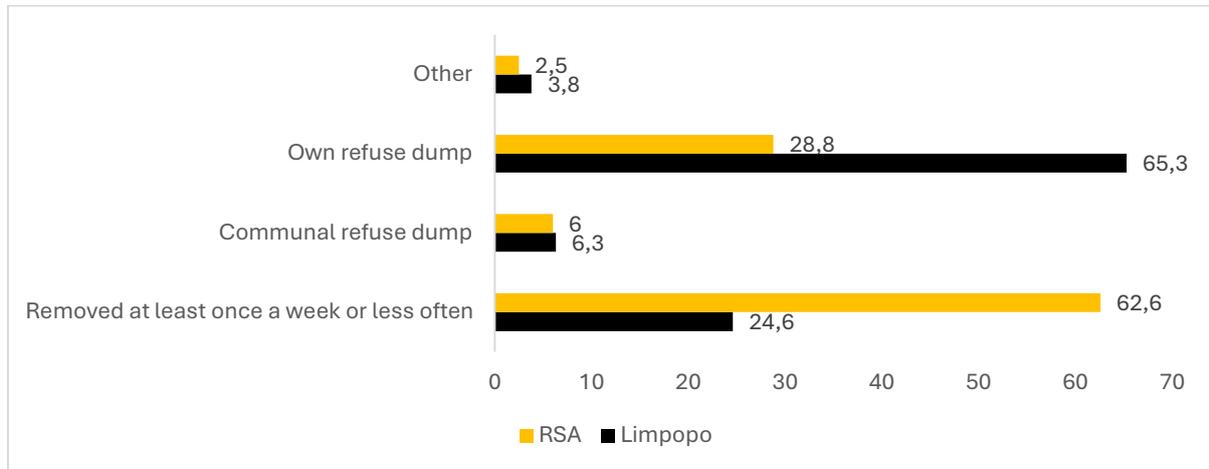
Source: StatsSA, GHS 2023.

Access to safe and hygienic sanitation is a human right, as enshrined in the Constitution of the Republic of South Africa. South Africa, as well as Limpopo, has, over time, made significant progress in ensuring universal access to improved sanitation. In Limpopo, of various types of sanitation, the most used is pit latrine/toilet with a ventilation pipe, used by 567 thousand households, with the second most used being pit latrine/toilet without a ventilation pipe, used by 492 thousand households. The third most used sanitation type is Flush toilets connected to a public sewerage system, used by 384 thousand households. Chemical toilet remains the least used sanitation type, used by around 2 thousand households.

There are fewer households subjected to open defecation, and on the other hand, flush toilets connected to a public sewerage system are increasing. Limpopo needs to increase the provision of proper sanitation facilities and maintain the existing ones for prolonged usage. However, there is a need to address the sanitation backlogs to eradicate the use of improper sanitation such as open defecation.

## 6.2.5 Refuse Removal

Figure 48: Household refuse removal



Source: StatsSA, GHS,2023

In terms of refuse removal, in Limpopo, around 24.6 percent of households refuse is removed at least once a week or less often, whereas for South Africa, 62.6 percent of households refuse is removed at least once a week or less often. This significant difference can be attributed to the ruralness of most Limpopo households. Most of Limpopo households refuse is removed through own refuse dump, accounting for about 65.3 percent and the lowest used method is other at about 3.8 percent. Given this picture whereby a larger percent of Limpopo households use their own refuse dump, may pose a risk of health as well as environmental challenges..

Own refuse dump may lead to water as well as land pollution thereby having negative effect on human, animals and plant health. Own refuse dump is uncontrolled and as such unprocessed waste becomes a breeding ground for diseases. Limpopo government should enhance the provision of recycling and waste bins in various zoned areas and enhance the programmes of litter picking, which could be extended to recycling. Recycling has the potential to reduce the final amount of waste for disposal, whereby the recycled products can generate income.

### **6.3 Conclusion and Recommendations**

As per the Constitution of the Republic of South Africa, there is a binding provision for the state to provide basic services to its citizenry. In Limpopo, the majority of households live in Dwelling/house or brick/concrete block structures on a separate stand or yard or farm, with the least living in townhouses (semi-detached house in complex). In terms of water access, the majority of households access water from piped water on site, however there is a challenge of securing a continuous supply of running water daily. Of the types of Sanitation used, the most used is pit latrine/toilet with a ventilation pipe, with the least used type being chemical toilets.

Seemingly, Limpopo still faces a backlog in terms of basic services provision although significant progress has been made. The Limpopo government needs to continue with its drive to improve the provision basic services to its households.

## Chapter 7: Social Services

### 7.1 Introduction

South Africa as a country is faced with various social challenges affecting its population, requiring government intervention. The issue of affordability of basic social services such as health becomes critical as some citizens can fund the required social services whilst others cannot afford. Challenges such as crime require government intervention through strengthening of the law enforcement operations. Limpopo province continues to exhibit low levels of criminal activities relative to other provinces.

### 7.2 Health

A healthy population is positively related to economic development, since a healthy workforce increases productivity. Limpopo and South Africa continue to invest significant resources into the health sector.

#### 7.2.1 Self-Reported Health Status of Individuals

**Table 9: SA self-reported health status of individuals by sex and population group**

	MALE	FEMALE	BLACK AFRICAN	COLOURED	INDIAN/ASIAN	WHITE	SOUTH AFRICA
	Sex		Population group				
<b>EXCELLENT</b>	30,6	29.1	28.4	39.8	36.6	31.7	29.8
<b>VERY GOOD</b>	27.3	26.0	27.5	22.1	17.0	25.2	26.6
<b>GOOD</b>	36.8	37.6	38.	30.7	37.6	33.9	37.2
<b>FAIR</b>	4.3	5.9	4.7	6.4	7.4	7.8	5.1
<b>POOR</b>	1.0	1.4	1.2	1.1	1.5	1.4	1.2

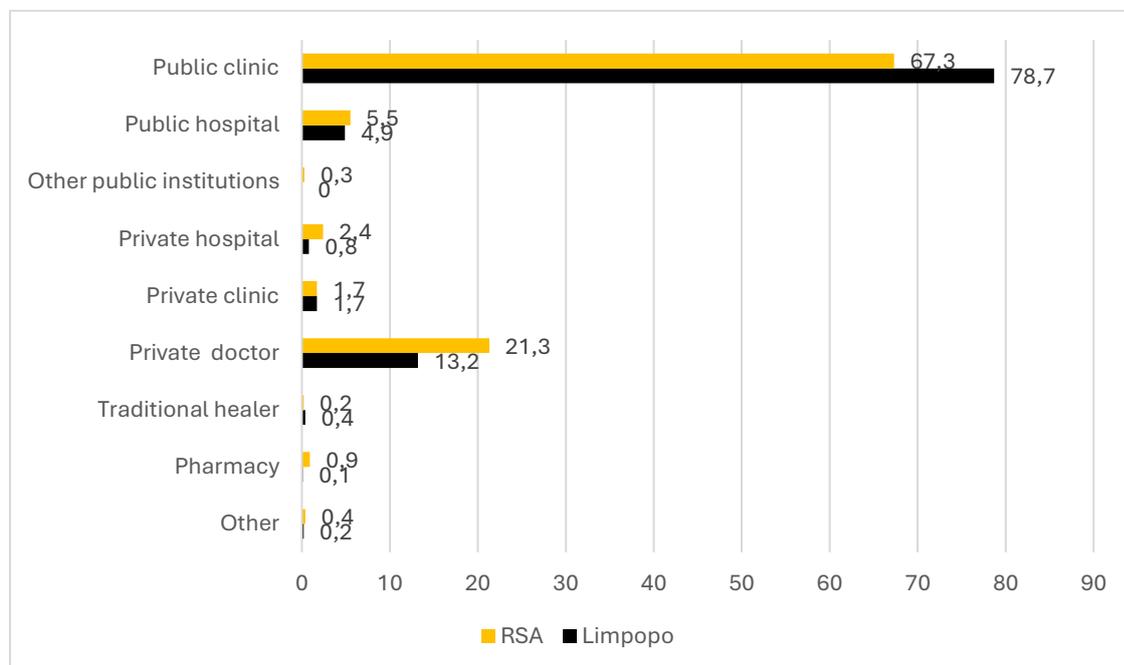
Source: StatsSA, GHS, 2023

In terms of selected individuals who made self-assessment on their health status based on their definition of health, it is shown that 93.6 percent of South Africans perceived their health to be good, very good or excellent. A slightly higher percentage of males (30.6 %) than females (29.1 %) rated their health as excellent. In terms of population group, the percentage of persons with excellent health was the highest amongst coloureds (39.8 %) and lowest for Africans (28.4 %).

### 7.2.2 Place of First Consultation in Case of Illness or Injury

The determinants of first place of consultation in terms of injury or illness are the distance to the nearest facility and the nature of the facility. Most economically advantaged people turn to private facilities as places of first consultation in case of illness or injury.

**Figure 49: Type of health-care facility consulted first by households when members fall ill or get injured**



Source: StatsSA, GHS, 2023

The type of healthcare facility consulted by household members is influenced by factors such as households' proximity to facilities as well as personal preferences based on factors such as affordability and the perceived quality of services. In assessing the type of healthcare facility that households generally visit first when household members fall ill or have accidents, nationally, 73.1 percent of households said that they would first go to public clinics, hospitals or other public institutions, while 25.4 percent of households said that they would first consult a private doctor, private clinic or hospital. In Limpopo, when household members fall ill or have accidents, 83.6 percent of households said they would first go to public clinics, hospitals or other public institutions, while 15.7 percent of households said that they would first consult a private doctor, private clinic or hospital.

### 7.3 Medical Aid Coverage

Medical aid coverage is highly dependent on the income of either the household or individuals. However, others opt for medical aid because of health conditions, although the issue of affordability also plays a significant role in this regard.

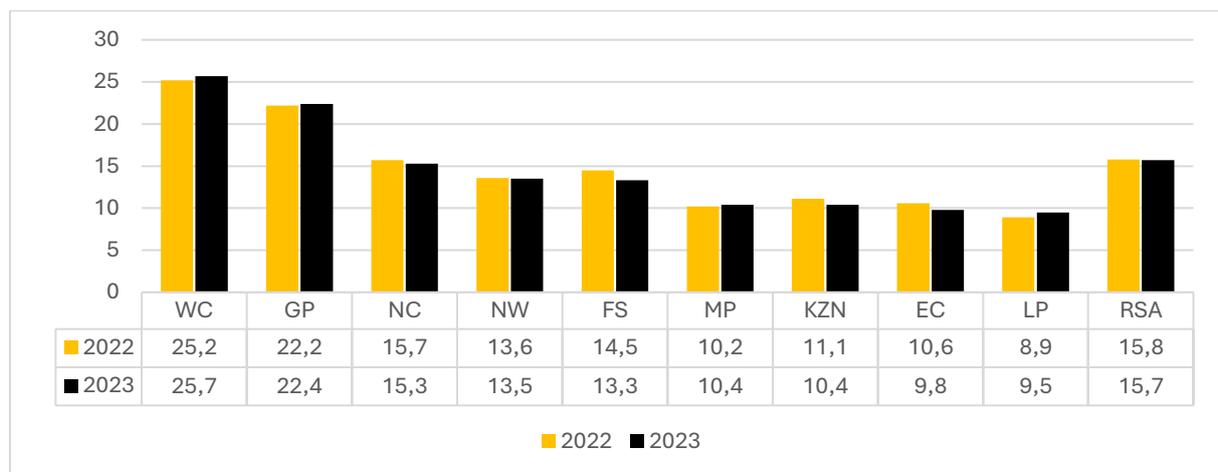
**Table 10: Medical aid coverage, 2002–2023**

Indicator	Year (Numbers in thousands)										
	2002	2004	2008	2010	2012	2014	2016	2018	2020	2022	2023
Number covered by a medical aid scheme	7 284	7 268	8 057	8 967	9 157	9 470	9 447	9 380	9 017	9 699	9 792
Number not covered by a medical aid scheme	38 445	39 666	41 266	41 606	42 819	43 946	45 646	47 628	50 328	51 590	52 402
<b>Subtotal</b>	<b>45 728</b>	<b>46 934</b>	<b>49 322</b>	<b>50 573</b>	<b>51 976</b>	<b>53 416</b>	<b>55 093</b>	<b>57 008</b>	<b>59 346</b>	<b>61 289</b>	<b>62 194</b>
<b>Percentage covered by a medical aid scheme</b>	<b>15,9</b>	<b>15,5</b>	<b>16,3</b>	<b>17,7</b>	<b>17,6</b>	<b>17,7</b>	<b>17,1</b>	<b>16,4</b>	<b>15,2</b>	<b>15,8</b>	<b>15,7</b>
Do not know	140	58	101	23	58	46	53	42	63	95	90
Unspecified	53	29	56	254	291	451	474	408	27	-	-
<b>Total population</b>	<b>45 868</b>	<b>46 992</b>	<b>49 423</b>	<b>50 596</b>	<b>52 034</b>	<b>53 461</b>	<b>55 146</b>	<b>57 050</b>	<b>59 409</b>	<b>61 384</b>	<b>62 283</b>

Source: StatsSA, GHS, 2023

Despite some minor fluctuations over the period, the above table shows that the percentage of individuals who were covered by a medical aid scheme changed very little between 2002 and 2023, declining only slightly from 15.9 percent to 15.7 percent. It is, however, notable that the number of individuals who were covered by a medical aid scheme increased from 7.3 million to 9.8 million persons during this period.

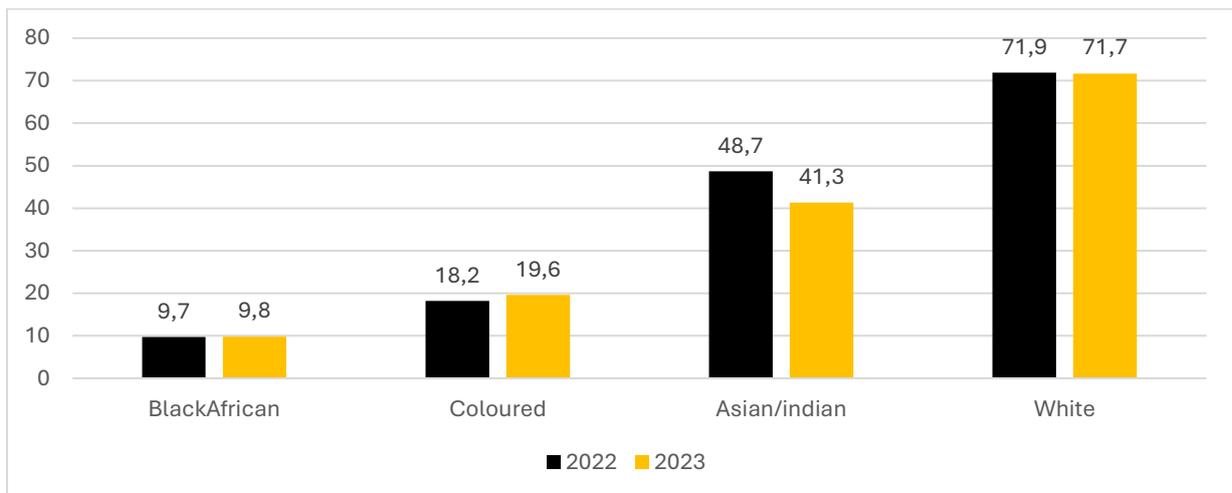
**Figure 50: Provincial percentage of individuals who are members of medical aid schemes**



Source: StatsSA, GHS, 2023

Having a look at provincial distribution of individuals who are members of medical aid schemes, Western Cape and Gauteng have the highest percentage of individuals who are members of medical aid schemes with Limpopo having the lowest. In 2022, Limpopo had 8.9 percent of individuals who were members of medical aid schemes, and this increased to 9.5 percent in 2023. Nationally, the individuals who are members of medical aid schemes declined from 15.8 percent to 15.7 percent (-0.1 percentage points).

**Figure 51: South Africa medical aid coverage by population group**



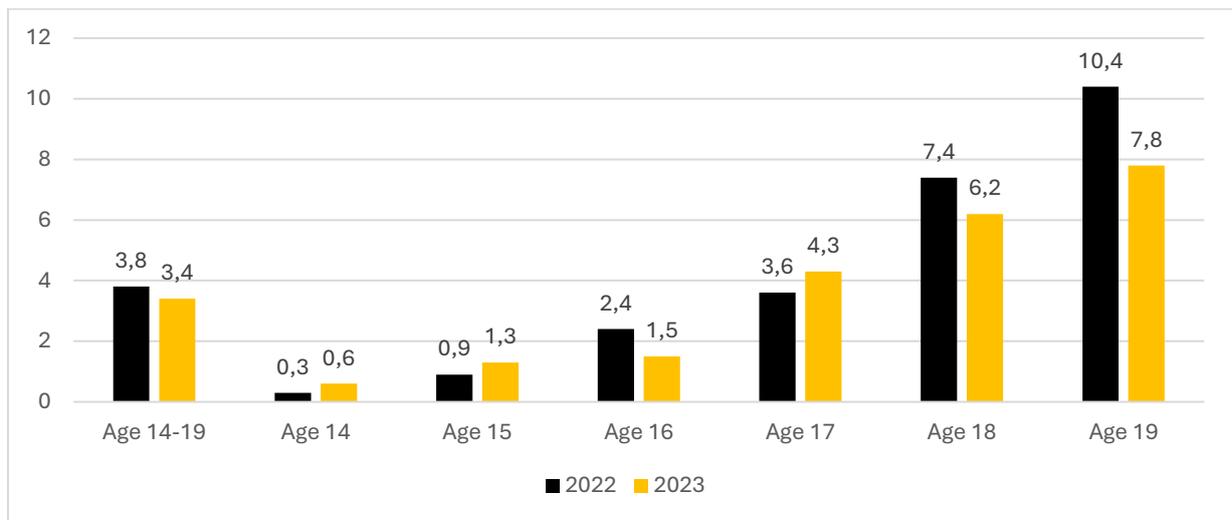
Source: StatsSA, GHS, 2023

During 2022, there were only 9.7 percent of black Africans who were on medical aid, and this increased by 0.1 percentage points to 9.8 percent in 2023. For the Coloured population, there was an increase in those who were on medical aid from 18.2 percent to 19.6 percent between 2022 and 2023. The other population groups have recorded a decline between 2022 and 2023, with Asian/Indian declining by 7.4 percentage points from 48.7 percent to 41.3 percent, and lastly, there was a minor decline in the White population group of only 0.2 percentage points from 71.9 percent to 71.7 percent.

## 7.4 Teenage Pregnancy

Teenage pregnancy can have severe and long-lasting consequences on the prospects of young girls. Often, it leads to premature school dropout, forcing them to prioritize childcare over education and ultimately limiting their career opportunities, social mobility, and overall well-being.

**Figure 52: Teenage pregnancy in South Africa**



Source: StatsSA, GHS 2023

Among other factors contributing to teenage pregnancy are low educational levels, unmodernised contraceptives, cultural effects, and poor economic status. Family circumstances also have a role in teenage pregnancy. Limpopo is among the provinces with a high teenage population, and this is despite existing programmes and initiatives aimed at reducing teenage pregnancy. It is suggested that new approaches to the curbing of this increasing teenage pregnancy ought to be explored to assist in reducing teenage pregnancies.

In comparison to the previous year, 2022, on average, children of age 14-19 have reduced the pregnancy rate by 0.4 percentage points. Age 16 shows a substantial decline from 2.4 percent to 1.5 percent, but for age 17, there was an increase in the percentage between 2022 and 2023. For the children aged 18 and 19, there was also a decline in the percentage of pregnancy, Previously there was several teenage pregnancies, even those which qualifies to be sexual offence (statutory rape).

## 7.4 Social Security

Social grants play a vital role in the improvement of household income and boost affordability. Some households rely solely on the grant provided by the state.

**Table 11: Number of SASSA grants beneficiaries by province**

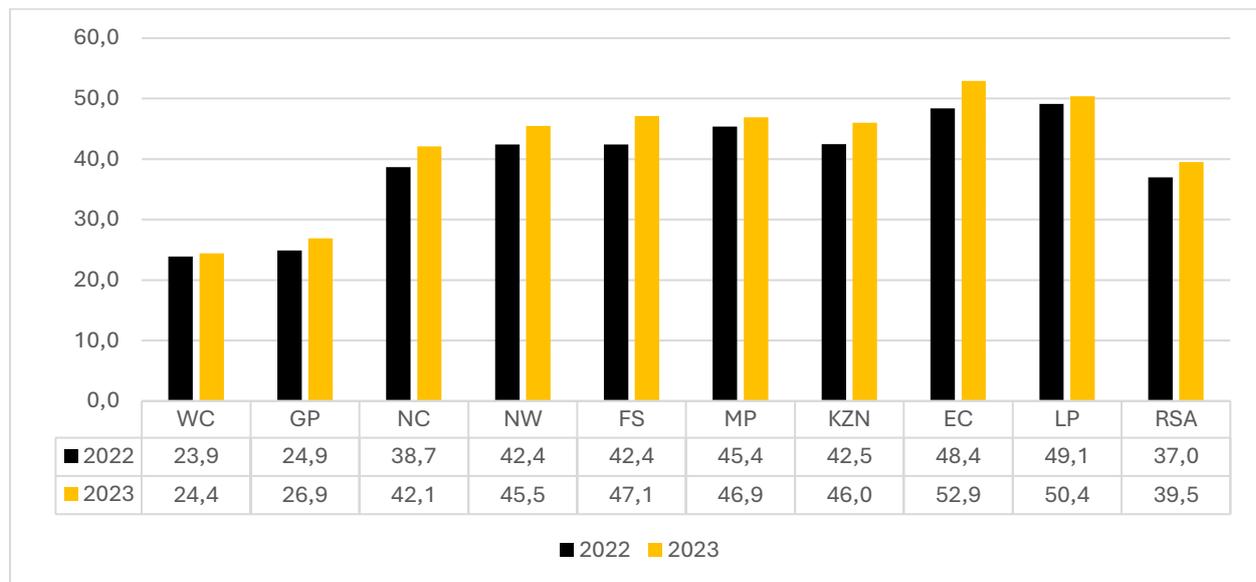
Region	Care Dependency Grant	Child Support Grant	Disability Grant	Foster Care Grant	Grant-In-Aid	Old Age Grant	War Veteran's Grant	Total
Eastern Cape	25 661	1 933 408	179 036	39 913	69 185	633 071		2 880 274
Free State	10 258	704 093	73 956	12 074	20 587	234 882		1 055 850
Gauteng	25 177	2 046 450	129 795	28 232	32 358	796 845	2	3 058 859
KwaZulu Natal	42 503	2 990 920	225 495	32 298	164 553	808 851	2	4 264 622
Limpopo	19 137	1 989 933	101 132	22 456	70 138	532 035		2 734 831
Mpumalanga	13 167	1 206 125	82 478	10 899	37 464	297 979		1 648 112
North West	11 500	919 284	62 401	15 620	32 683	305 208	1	1 346 697
Northern Cape	6 321	337 525	53 994	6 652	41 843	100 698		547 033
Western Cape	18 691	1 035 322	158 165	30 280	33 884	423 348	2	1 699 692
<b>Total</b>	<b>172 415</b>	<b>13 163 060</b>	<b>1 066 452</b>	<b>198 424</b>	<b>502 695</b>	<b>4 132 917</b>	<b>7</b>	<b>19 235 970</b>

Source: SASSA, 2024

KwaZulu-Natal has the highest number of SASSA grant recipients. There are different types of grants provided by SASSA, such as the care Dependency grant, Child Support, Disability grant, Foster care grant, Grant in Aid, old age grant, and the military veterans grant. It's worth noting that these different types of grant payments differ.

About 13.2 million are the recipients of childcare support followed by Old age grant which has over 4.1 million recipients, and only seven (7) recipients for Military veterans grant. Limpopo has almost 2.7 million SASSA grant recipients, whereby almost 2 million are recipients of child support grants and no military veteran recipient. The second highest share in Limpopo grant recipient is old age grant with around 532 thousand recipients. It is prudent to identify the relationship between provincial GDP share, population size, and number of grant recipients to understand the level of economic activities determine to some extend degree of grant recipients.

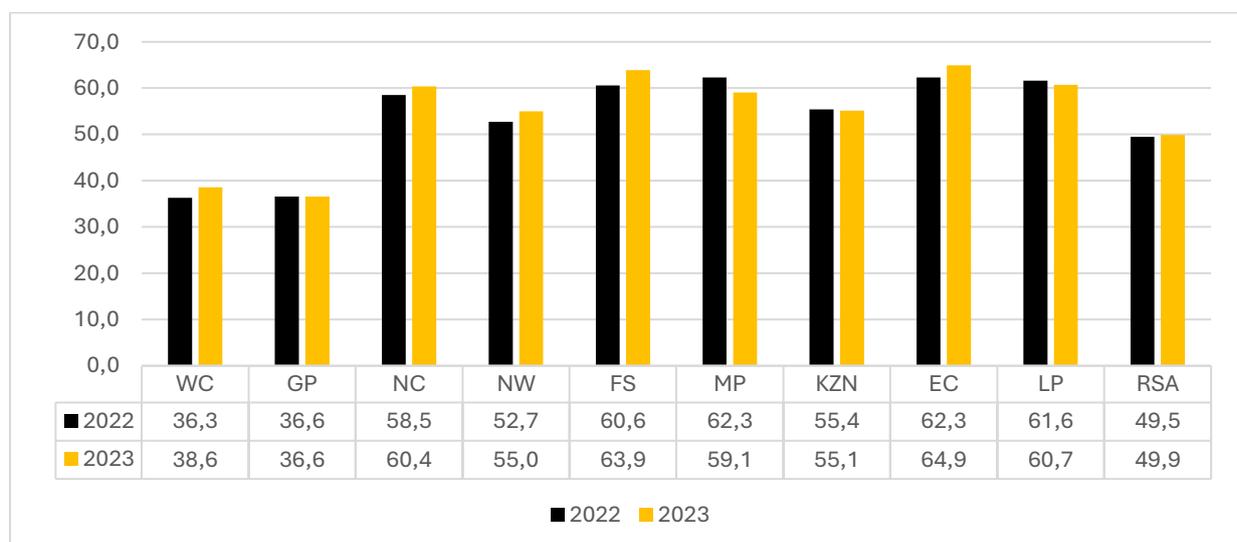
**Figure 53: Percentage of individuals benefiting from social grants by province**



Source: StatsSA, GHS 2023

In addition to the above, in terms of percentage share, in 2022, South Africa had 37.0 percent of individuals as beneficiaries of grants, and this increased to 39.5 percent in 2023. Western Cape and Gauteng recorded a low percentage of individuals who are beneficiaries of social grants, whilst Limpopo recorded an increase from 49.1 percent in 2022 to 50.4 percent in 2023. During 2023, the province with the most individuals benefiting from social grants was Eastern Cape, with 52.9 percent beneficiaries.

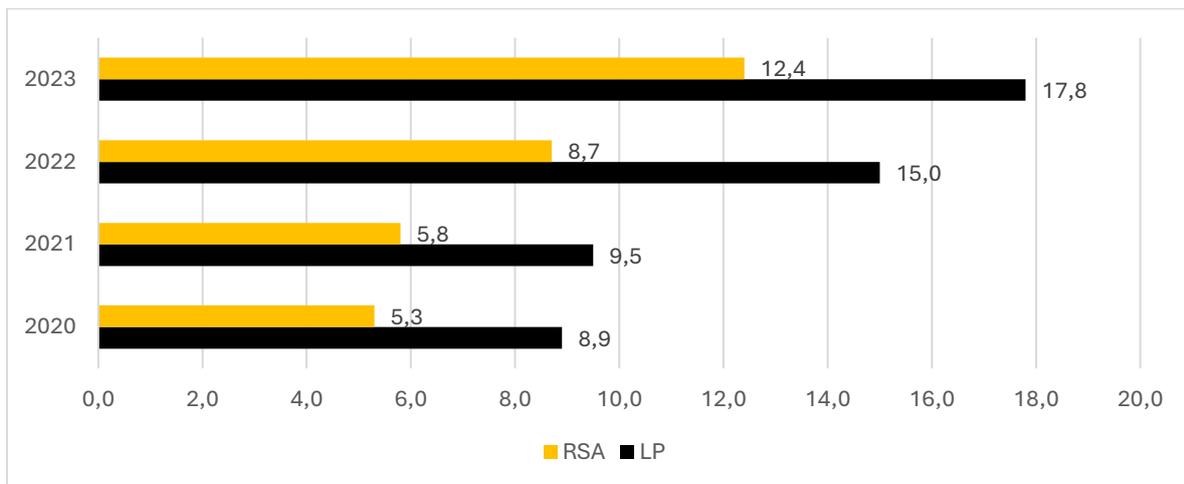
**Figure 54: Percentage of households benefiting from social grants by province**



Source: StatsSA, GHS 2023

The above figure summarises the provincial distribution of households that benefited from social grants in 2023. Households that received at least one type of social grant were most common in Eastern Cape (64,9%) and Free State (63,9%), and least common in Gauteng (36,6%) and Western Cape (38,6%). Limpopo (60,7%) is the third largest in terms of households that benefitted from social grants in 2023.

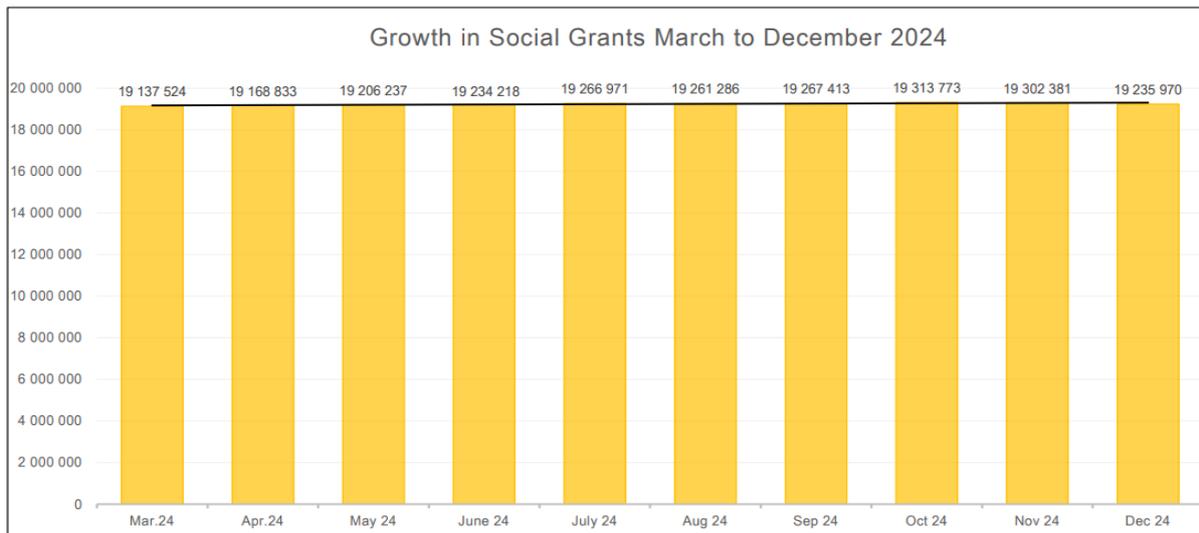
**Figure 55: Percentage of individuals aged 18–59 years that benefitted from SRD**



Source: StatsSA, GHS, 2023

This social relief of distress grant (SRD) was introduced as a result of the COVID-19 outbreak in 2020. In Limpopo, there has been an increase from 8.9 percent in 2020 of recipients to 17.8 percent in 2023, whereas in South Africa, the SRD beneficiaries increased from 5.3 percent in 2020 to 12.4 percent in 2023. This increase puts a burden on the fiscus, which then requires the government to move with speed concerning implementing interventions aimed at job creation, since if persons are having income they do no longer qualify for this SRD grant.

**Figure 56: Growth in Social grants March – December 2024**



Source: SASSA,2024

Overall, for the period March 2014 to December 2024, the number of social grant beneficiaries increased from 19.137 million to 19.235 million. Although the amount of this grant is low, some people wait eagerly to receive it monthly as it is the only source of income. However, given the nature of households, where there is more than one source of income, the SRD can also become supplementary.

## 7.5 Crime Rate

Crime continues to be one of the social issues that affects the communities and this also happens to have an economic impact as it has a potential to scare off investment if not addressed.

**Table 12: Number and percentage of households that experienced a specific type of crime**

Indicator	Statistics (Numbers in '000)	Year				
		2019/20	2020/21	2021/22	2022/23	2023/24
Housebreaking/burglary	Number	2 270	1 935	2 199	2 338	2 609
	Percent	13,5	10,9	12,0	12,5	13,5
Home robbery	Number	415	312	394	465	459
	Percent	2,5	1,8	2,2	2,5	2,4
Assault	Number	117	125	213	219	257
	Percent	0,9	0,7	1,1	1,2	1,3
Theft of motor vehicle	Number	277	212	163	209	222
	Percent	1,7	1,2	0,9	1,1	1,2
Deliberate damaging of dwelling	Number	182	**	**	152	219
	Percent	1,1	**	**	0,8	1,1
Murder	Number	53	43	40	57	67
	Percent	0,3	0,2	0,2	0,3	0,3
Sexual offence	Number	39	25	32	49	47
	Percent	0,3	0,1	0,2	0,3	0,2

Source: StatsSA, Crime Victims Report, 2023

The above table shows that housebreaking/burglary has consistently been the most common crime experienced by households in South Africa. The number of households that experienced this crime decreased from 2019/20 to 2020/21 and then increased in 2021/22. There is a steady increase from 2021/22 to 2023/24. The second most common crime experienced by households in the five years before the survey is home robbery. Over the years, home robbery has declined from 415,000 in 2019/20 to 312,000 in 2020/21. However, there is an increase observed in the experience of home robbery between 2021/22 (394,000) and 2023/24 (459,000). Although there is a slight decrease observed between 2022/23 and 2023/24.

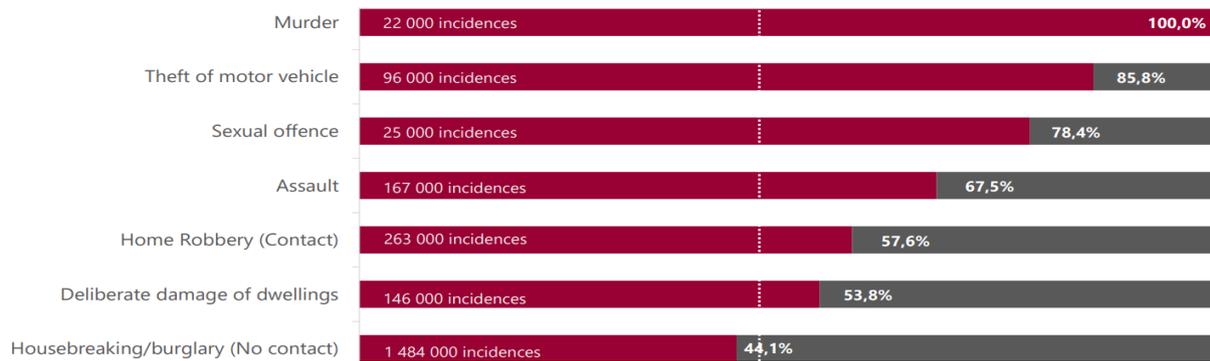
**Table 13: Number and percentage of individuals that experienced a specific type of crime**

Indicator	Statistics	Year				
	(Number '000)	2019/20	2020/21	2021/22	2022/23	2023/24
Theft of personal property	Number	2 400	2 070	2 919	2 790	2 785
	Percent	6,0	5,0	7,0	6,5	6,4
Street robbery	Number	1 109	832	799	1 019	1 093
	Percent	2,8	2,0	1,9	2,4	2,5
Consumer fraud	Number	670	583	1 017	639	739
	Percent	1,7	1,4	2,4	1,5	1,7
Assault excluding sexual assault	Number	495	**	**	515	650
	Percent	1,2	**	**	1,2	1,5
Psychological violence	Number	**	**	**	379	491
	Percent	**	**	**	0,9	1,1
Hijacking	Number	265	151	330	280	287
	Percent	0,7	0,4	0,8	0,7	0,7
Sexual offences	Number	113	**	**	112	116
	Percent	0,3	**	**	0,3	0,3

Source: StatsSA, Crime Victims Report, 2023

Theft of personal property remains the most common crime experienced by individuals in South Africa, with variations throughout the years. The individuals who experienced this crime decreased from 2.4 million in 2019/20 to 2.0 million in 2020/21, then it increased to 2,9 million in 2021/22. Theft of personal property decreased to 2.8 million in 2022/23. A slight decrease has been observed between 2022/23 and 2023/24. The second most common crime experienced by individuals during the five years is street robbery. Street robbery decreased from 1.1 million in 2019/20 to 832,000 in 2020/21, and further declined to 799,000 in 2021/22, then there was an increase observed from 2021/22 to 2023/24. Hijacking has slightly increased from 280,000 in 2022/23 to 287,000 in 2023/24. Psychological violence was measured for the first time in the GPSJS 2022/23. A total of 379,000 individuals experienced psychological violence in 2022/23, and this increased to 491,000 in 2023/24.

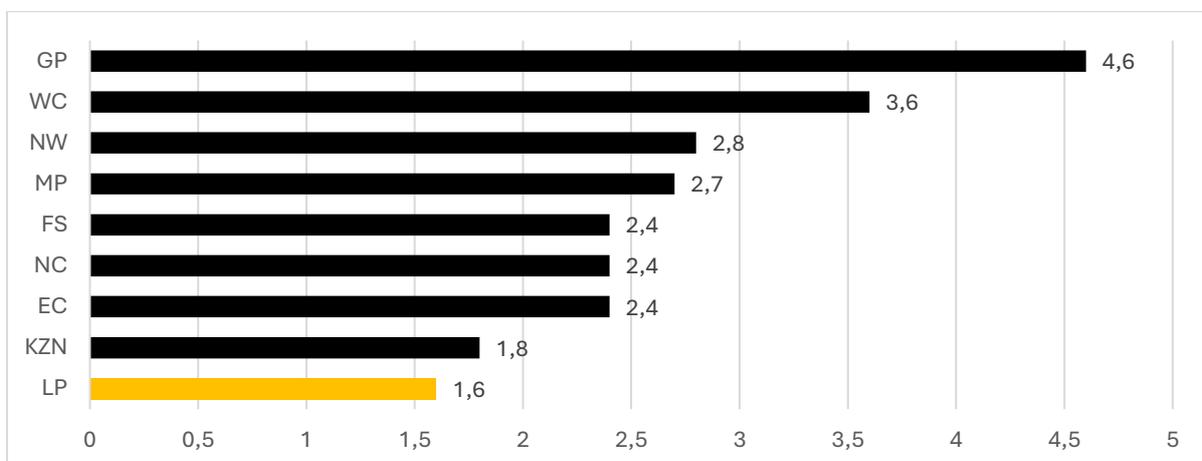
**Figure 57: Households % that reported incidences of specified type of crime to the police**



Source: StatsSA, Crime Victims Report, 2023

In terms of households that reported incidence of a specified type of crime to the police, shows that 100 percent of the 22,000 incidences of murder that occurred were reported to the police. On the other side, theft of motor vehicle incidences that occurred 85.8 percent were reported, whilst 78.4 percent of sexual offence were reported to the police. Housebreaking/burglary (No contact) had the most incidents, occurring at 1.4 million, but only 44.1 percent were reported to the police. It is noted that, to some degree, the reporting of the criminal incidence depends on the type of the crime that occurred, and this should not be the case, as all the crimes that occurred should be reported to reduce the crime rate in the country.

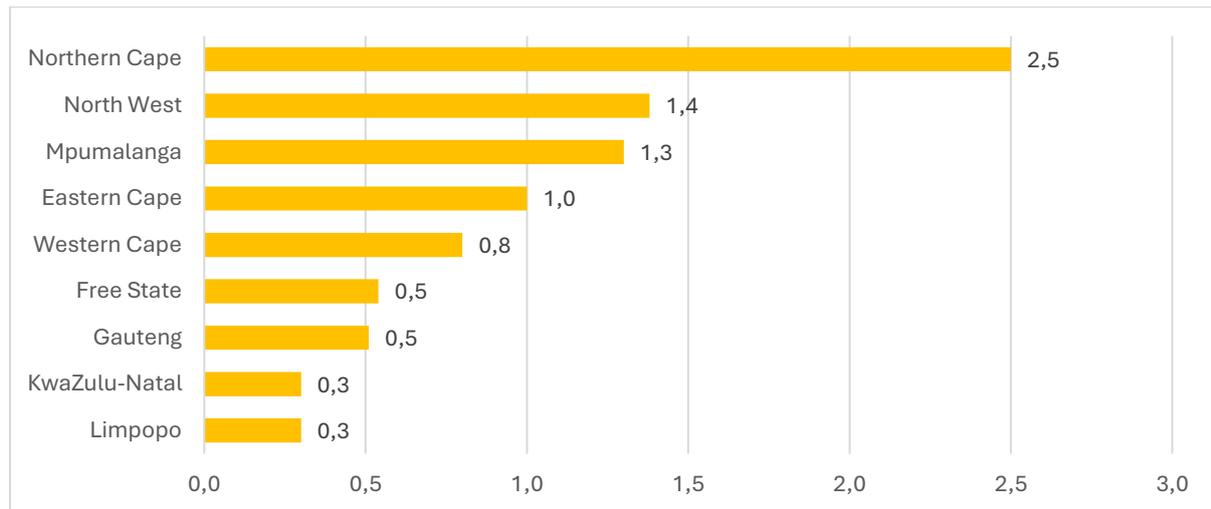
**Figure 58: Percentage of individuals who experience theft of personal property**



StatsSA, Crime Victims Report, 2023

Gauteng province has the highest proportion of individuals that experienced theft of personal property at 4.6 percent, and Limpopo has the lowest proportion at 1.6 percent. GP has almost three times the proportion of individuals who experience theft of personal property compared to Limpopo.

**Figure 59: Individuals aged 16 years and older who experienced assault**



Source: StatsSA, Crime Victims Report, 2023

Surprisingly, there is a larger proportion of persons aged 16 years and older in the Northern Cape province (2.5%) who experienced assault compared to other provinces despite the province having the lowest population. This can be attributable to low economic development, to qualify that in areas of no economic activities population resort to social ills such as drug abuse, crime, among others. Limpopo, together with KwaZulu-Natal, has the lowest proportion of persons aged 16 years and older who experienced assault.

## 7.6 Conclusion and Recommendations

Various social challenges exist and face the households in South Africa at large, and they require prudent government interventions. Though some citizens can fund the required social services, others are not able, and they continue to endure the consequences. In terms of health, the majority of South Africans perceived their health

to be good, very good, or excellent from the survey conducted. Due to circumstances prevailing at different households, such as household income, the majority of households prefer public clinics as healthcare facilities consulted first if a member is ill or gets injured both for South Africa and Limpopo. These circumstances also play a role in medical aid coverage of individuals, wherein Western Cape and Gauteng have a higher proportion of individuals covered by medical aid. Due to the low affordability of private health facilities in Limpopo, more investment in health should be advanced so that citizens can access medical care.

On various categories of crime committed, Limpopo exhibits low levels of crime relative to other provinces. Therefore, the Limpopo government ought to continue and strengthen crime prevention programs. Unemployed youth create a hub for criminal activities, and the role of substance abuse need not be ignored. For the province to curb youth substance abuse, collaboration needs to be made with the existing private rehabilitation centers.

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