

## PRESENTATION OF THE POLITICAL REPORT BY PRESIDENT CYRIL RAMAPHOSA TO THE 55<sup>TH</sup> NATIONAL CONFERENCE OF THE AFRICAN NATIONAL CONGRESS

## **16 DECEMBER 2022**

National Chairperson Gwede Mantashe, Deputy President David Mabuza. Treasurer General Paul Mashatile, Coordinator in the SGO Gwen Ramokgopa. Former President Thabo Mbeki. Former President Jacob Zuma, Former Deputy President Kgalema Motlanthe, Members of the NEC, Leadership of the Women's League, Youth League, Veterans League and the MK Liberation War Veterans. Leadership of the Alliance Partners – SACP and COSATU, Leaders of Liberation Movements, Religious Leaders, Traditional Leaders, Business Leaders. **Excellencies Ambassadors and High** Commissioners,

On behalf of the National Executive Committee, I would like to extend a very warm word of welcome to all delegates present here as well as our observers and guests for your attendance at this 55<sup>th</sup> National Conference of the African National Congress.

Distinguished International Guests,

Representatives of the media,

Delegates and comrades,

A special word of welcome to representatives of fellow liberation movements and sister parties who honour us through the presence here, thus demonstrating their solidarity and friendship.

This opening session of the 55<sup>th</sup> National Conference is taking place on a day that occupies a special place in the hearts and minds of our people.

It was on this day 61 years ago that Umkhonto we Sizwe, the people's army, was formed, marking a new era in the struggle for liberation.

Today, as we gather to take forward the struggle for the emancipation of all South Africans from all forms of oppression, we honour the courage and the sacrifice of all those who served within the ranks of Umkhonto we Sizwe.

We commend the veterans of Umkhonto we Sizwe who have forged a unified association called MK Liberation War Veterans to take forward the legacy and the memory of the people's army.

We cannot observe this day without paying tribute to the memory of the Chief of Staff of MK, Cde Chris Hani, and express our deep sadness and disappointment that his killer has been released on parole. Our thoughts are with comrade Chris Hani's family Mme Limpho Hani and the party that he led as General Secretary, the South African Communist Party, as they try to make sense of all this and deal with it. We too in the ANC are deeply pained by this. Chris Hani was a great son of the soil and was among the most admired, the most beloved and without a doubt one of the most extraordinary in our revolutionary movement.

We pay tribute to all those who fought in the liberation struggle and to those who paid the price for our freedom with their lives. Let us, in recognition and commemoration of this moment recognition, stand and observe a moment of silence in memory of all those who lost their lives in the struggle for liberation.

## [Moment of Silence]

As a democratic nation, we mark this day, the 16<sup>th</sup> of December, as Reconciliation Day.

On this day, as South Africans, we gather as one people to reaffirm our shared commitment to heal the divisions in our society, to end inequality and to ensure that all may enjoy equal rights and opportunities.

As the African National Congress, this day reminds us of our historic mission to unite the people of South Africa and to give effect to the desire of those brave women and men in Umkhonto we Sizwe who fought for the happiness and freedom of the people

of this country.

I am honoured to stand before you to present this Political Report in compliance with Rule 16.1.2 of the ANC Constitution, which states that "The President shall... present to the National Conference and National General Council a comprehensive statement of the state of the nation and the political situation generally."

In this regard the report must reflect on what the ANC has done to implement the decisions it took at the last National Conference.

This report takes as its starting point the vision and mission of the ANC as set out in our aims and objectives contained in the Constitution, which include among other things:

To unite all the people of South Africa, Africans in particular, for the complete liberation of the country from all forms of discrimination and national oppression;

To end apartheid in all its forms and transform South Africa as rapidly as possible into a united, non-racial, non-sexist and democratic country based on the principles of the Freedom Charter... and in pursuit of the National Democratic Revolution;

To defend the democratic gains of the people and to advance towards a society in which the government is freely chosen by the people according to the principles of universal suffrage on a common voters' roll;

To fight for social justice and to eliminate the vast inequalities created by apartheid and the system of national oppression;

To build a South African nation with a common patriotism and loyalty in which the cultural, linguistic and religious diversity of the people is recognised;

To promote economic development for the benefit of all;

To support and advance the cause of women's emancipation;

To support and advance the cause of national liberation, development, world peace, disarmament and environmentally sustainable development; and

To support and promote the struggle for the rights of children and the disabled.

These aims and objectives necessarily frame the ANC's vision and mission but they also provide us with the tools of analysis of the state of the South African nation.

This also informs our assessment of the progress made over the last five years in advancing the National Democratic Revolution.

This 55<sup>th</sup> National Conference is a watershed moment for the African National Congress.

The theme of our conference is: 'Defend and

Advance the Gains of Freedom: Unity through Renewal'.

This theme calls upon us as delegates to this conference to pursue with greater vigour the rebuilding and renewal of the ANC, and, as a united movement, to advance the fundamental transformation of our economy and society.

The decisions we will take here will determine the future of our movement and, to a large extent, the direction that our country takes in the years to come.

We go into the 55th National Conference as an organisation that is renewing and rebuilding itself.

We have a new membership system as directed by the 54<sup>th</sup> National Conference to combat gatekeeping and manipulation of our democratic process.

More than 3,500 branches held the most democratic processes through the branch general meetings to discuss policies, select delegates to this conference and nominate their preferred leaders.

These are major steps that have been taken in renewing our organisation and ensuring principled unity.

This 55<sup>th</sup> National Conference takes place at a time when the movement and the country are facing enormous challenges.

Members of the ANC who selected all of us as delegates to represent them here, expect us to demonstrate the necessary political consciousness and resolve to confront and overcome these challenges.

Those members who have sent us to this conference are aware that the ANC has traversed a remarkable journey since it was founded 110 years ago.

They know that their glorious movement has dedicated itself to achieving a better life for the people of South Africa.

Our role as an organisation is unparalleled in importance and in the history of our country. Our mission is glorious beyond compare.

It is imperative that we should never forget our original founding mission.

Our members and the people of South Africa expect us to be committed to our responsibility to execute our founding mission.

They also expect us to have the courage and the honesty to recognise our shortcomings and the resolve to correct them.

They harbour in their hearts the hope that the African National Congress will emerge from this Conference with clear and cogent solutions to the challenges they face.

The resilience of the ANC and its enduring support among the majority of South Africans has continued to demonstrate the important role it plays in South African society.

We have nevertheless been hampered in our efforts to further strengthen the ANC and to renew the state and improve the lives of our people as we would have intended to.

Objective and subjective factors such as the devastating Covid-19 pandemic, public unrest, the floods and geopolitical upheavals, as well as various challenges in our movement and government have held us back from serving our people at the best of our ability.

Yet, as we shall elaborate later, there is much we were able to do to address these challenges.

We were able to embark on interventions that enabled us to confront the pandemic.

We introduced economic and social measures that helped minimise the impact of the virus.

We also initiated a variety of measures that have put the economy on a higher trajectory of growth and development.

Despite the time lags in putting the economy on a firm footing of sustained growth, the setbacks of failing electricity generation and other weaknesses in infrastructure, we see green shoots starting to sprout.

I do believe that better days lie ahead.

Since we last gathered here, at the 54<sup>th</sup> National Conference, our movement has had to bid farewell to several stalwarts, leaders and cadres of our movement.

Senior members of our movement who passed away during this time include our Deputy Secretary General Yasmin 'Jessie' Duarte, Isithwalandwe John Nkadimeng, Isithwalandwe Andrew Mlangeni, Isithwalandwe Winnie Madikizela-Mandela, former ANC Treasurer General Mendi Msimang, and NEC members Edna Molewa, Bavelile Hlongwa, Jackson Mthembu and Hlengiwe Mkhize, and veterans Rashaka Ratshitanga, John Ernstzen and Petrus Mashishi.

Many other comrades who made an outstanding contribution to our struggle and to the cause of our people also passed away, some of whom we lost to Covid-19.

We pay tribute to these gallant freedom fighters.

To honour their lives and contribution, we must pick up the spear where it has fallen to continue the struggle to which they dedicated their lives.

I would now like to speak about the state of our nation and the progress of the National Democratic Revolution.

In the Strategy and Tactics document that we

adopted at the 54<sup>th</sup> National Conference, we state that the National Democratic Revolution – the NDR – should strive to realise shared prosperity, social justice and human solidarity.

This should be premised on:

a united state, based on the will of all the people, without regard to race, sex, belief, language, ethnicity or geographic location;

a dignified and improving quality of life among all the people by providing equal rights and opportunities to all citizens; and

the restoration of the birth-right of all South Africans regarding access to land and other resources.

When assessing progress in the execution of the NDR, we therefore need to consider how the current state of our nation reveals the extent to which these goals have been and are being realised.

The state of our nation must, in the first instance, be measured by the quality of life of the people of South Africa, specifically the poor and the working class.

How far has the ANC gone in creating a better life for all South Africans?

In reflecting on the circumstances of the South African people today, we recognise the substantial and meaningful progress that has been made in improving the quality of their lives since the advent of democracy.

Many of our people are feeling the brunt of ever rising living costs in the form of food prices, fuel prices and transport prices.

The levels of poverty continue to give rise to a sense of hopelessness amongst people.

But we also recognise that there are areas where progress has stalled and some areas where our achievements have been eroded.

There are several reasons for this, including slow economic growth over more than a decade and the effects of the pandemic.

Weaknesses in governance and service provision, especially at a local level, have contributed to crumbling infrastructure and failing services.

Corruption and mismanagement have meant that resources meant for the poor have been diverted.

This task – to restore the positive trajectory of social and economic development – must be central to the work of the ANC at this time and must be at the forefront of deliberations at this 55<sup>th</sup> National Conference.

The triple challenge that our people face in the form of poverty, unemployment and inequality continues to be the biggest stain on the development of our people. Whilst the percentage of people that experienced hunger has decreased since the advent of democracy, it is unacceptable that around half of all South Africans live in poverty and a quarter live below the food poverty line.

The expanding provision of basic services to households has been one of the most important interventions by successive ANC governments since 1994 to improve the lives of all South Africans.

According to Statistics South Africa, access to water and sanitation, electricity, housing and other services like waste removal has increased steadily over the last three decades.

Another significant intervention against poverty is the provision of social grants, which are the main source of income for about a quarter of households.

Just over 2.5 million people were receiving social grants in 1999.

Today over 18 million people are receiving these grants.

The introduction of the special Social Relief of Distress grant during the pandemic meant that about half of all South African households received at least one grant.

According to estimates by some researchers, without this expansion of social support in the past two years, poverty would have been 5% higher among the poorest households.

In the long term, one of the most effective instruments to end poverty is education.

Over the last two decades, important progress has been made in access to education.

To ensure every child gets a solid foundation for social and educational development, the ANC government has prioritised early childhood development – ECD.

Through subsidy interventions we have supported several ECD centres and practitioners to ensure that we link early childhood development to the formal school curriculum.

According to Statistics South Africa, there are around 1.6 million children in ECD facilities.

But this only accounts for about a third of children aged 3-5, which means that there is a huge gap that needs to be closed before we can give all children the start they need in life.

South Africa has a significantly high level of enrolment in basic education.

In 2019, 96% of six-year-old children attended an education institution.

However, the dropout rate from school is unacceptably high, with the result that less than half of children who start school get a grade 12 pass.

An important intervention to improve school attendance and alleviate poverty was the introduction of no-fee schools in poor communities.

We have seen the results of our investment in education in the steady improvement in overall matric pass rate since 1994.

From the late 1990s, where the pass rate stood at around 50%, the matric pass rate last year was 76%.

The 54<sup>th</sup> National Conference resolved to improve access to higher education through, among other interventions, the provision of free higher education for students from poor and working class backgrounds.

As a consequence, funding by the National Student Financial Aid Scheme for poor and working class students in universities and TVET colleges rose from R21 billion in 2018 to R38.6 billion in 2021.

The total number of students funded increased from 580,000 to 770,000 over the same period.

The expansion of access to higher education is a great achievement that will benefit the economy and the country for many years to come.

Together with the work being done to strengthen basic education, the growth of post-school education will ignite the skills revolution that we have so often spoken about and we must now embark in a focused manner upon identifying the key skills that our economy needs and deploy young people to acquire those skills.

To ensure that skills training is linked directly to the demand in the economy, we are pioneering a fundamentally different approach to skills development for unemployed youth.

Another important intervention in reducing poverty and improving people's quality of life is the provision of quality health care, especially to the poor.

Since the advent of democracy, starting with the provision of free health care to children under 5 years of age and pregnant women, the ANC government has made substantial progress in this respect.

However, there is still significant inequality in access to health care, with our country still having two parallel health care systems.

The National Health Insurance Bill, which is currently before Parliament, is meant to correct this state of affairs.

This gives effect to the 54<sup>th</sup> National Conference resolution on the NHI.

The introduction of a National Health Insurance will enable every South African to receive appropriate standardised quality health care regardless of their ability to pay.

Within two years of our 54th National Conference,

the world was struck by the most destructive pandemic in more than a century.

The Covid-19 pandemic has cost more than 6.6 million lives globally and more than 102,000 COVID-related deaths have been recorded in South Africa.

Our response to the arrival of the virus in South Africa was swift and decisive.

We employed a strategy that put the lives of our people and their livelihoods above all else.

In addition to the tragic loss of life and the huge strain that was placed on our health system, the pandemic devastated our economy, increased unemployment and deepened poverty.

While the economic effects of the pandemic were severe, the situation could have been far worse had it not been for the decisive and substantial intervention of the state, working with social partners.

In May 2020, government put in place a massive social and economic relief package to provide cash directly to the poorest households, provide wage support to workers and give various forms of relief to struggling businesses.

A total of 18 million people, or close to one-third of the population, received additional grant payments through these relief measures.

More than 5.7 million workers received wage support through the special UIF scheme.

Over R70 billion in tax relief was extended to businesses in distress, around 13,000 businesses were helped through the loan guarantee scheme, and various forms of support and relief were provided to thousands of SMMEs.

As part of this historic package, an additional R20 billion was allocated for the health response to the pandemic, and R20 billion for municipalities for the provision of emergency water, food and shelter for the homeless.

Together with social partners, government established the Solidarity Fund, which raised R3.4 billion for South Africa's response to Covid-19 and the health, humanitarian and social consequences.

Working with social partners, government administered more than 38 million doses of Covid-19 vaccines, reaching more than half of all adults and ensuring 66% of everyone over 50 is fully vaccinated.

This was the largest public health intervention of its kind in our history.

What stands out from the Covid-19 experience is the extent of mobilisation and organisation by the South African people through all social formations and in all communities.

In previous National Conferences, and especially at

the 54<sup>th</sup> National conference, it was decided that a state owned pharmaceutical company should be established.

With the advent of Covid-19, two companies in the pharmaceutical sector in which the state has a shareholding, Biovac and Ketlaphela, have distinguished themselves in terms of capability and innovation.

This year marks 25 years since our democratic Constitution came into effect.

The Freedom Charter, the lodestar of our movement, underpins the values and norms of the country's Constitution and serves as a guide for all our actions, programmes and processes.

The Constitution remains the foundation of our democratic order and the guarantor of the rights of all South Africans.

We have done much to give effect to the rights contained in the Constitution, whether in the form of democratic labour laws or in the progressive provision of housing, water and sanitation, education, health care and social grants to the poor and vulnerable.

However, the task of ensuring that all South Africans are equally able to exercise these rights is far from complete.

This is evident in the high levels of poverty, unemployment and inequality; the lack of access to land and other assets; and weaknesses in the provision of basic services, including deficiencies in the quality of health care and education.

We should resist the populist retort that seeks to lay the blame for lack of transformation and poor service delivery on the constitutional protections and safeguards that ultimately protects us and future generations.

We should rather develop and implement policies that will manifest the promise of a transformative constitution.

Improving our performance in all these areas stands at the centre of what we have described as the 'second phase of transition' to a National Democratic Society.

Indeed, as argued in the Strategy and Tactics document, this phase "should be characterised by decisive action to effect thorough-going economic transformation and democratic consolidation."

The African National Congress was formed to unite South Africans for the complete liberation of our country from all forms of discrimination and national oppression.

The democratic breakthrough of 1994, the ready acceptance by South Africans across race, class and other divisions of a common nationhood, and the almost universal endorsement of our democratic Constitution provide an emphatic response to the

deep divisions that defined colonialism and apartheid.

Yet, despite this clear progress, many of the divisions of the past remain as our colonial and apartheid past continues to cast a shadow on the efforts we seek to make as we build a National Democratic Society.

At their most obvious, these divisions are evident in the material conditions under which South Africans live.

Access to land, wealth, skills, basic services and opportunities very much still reflects the racial, gender and spatial inequality of the past.

Unless these material divides are bridged, the goal of social cohesion and national unity will remain elusive.

Racist and sexist attitudes persist in parts of society, alongside ethnic chauvinism, homophobia and other forms of intolerance.

We see these attitudes manifested in acts of blatant racism, violence against women and discrimination against LGBTQI people and persons with disabilities.

The persistence of these material divisions, attitudes and practices strikes at the core of our efforts to build a National Democratic Society.

There is a subtle erosion of our principle of non-racialism, especially in practice.

The non-racial character of the ANC needs to be reflected both in its policies and in the composition of its membership and leadership, its electoral support and its mobilisation programmes.

Women need to participate fully and equally within all structures of the ANC, and all South Africans regardless of race, gender, class language, culture, sexual orientation or disability must find a home in the ANC.

We must reaffirm our stance that women should also participate fully in all our structures, especially in leadership positions.

One of the defining features of the democratic breakthrough of 1994 is that it gave effect to the call of the Freedom Charter that no government can justly claim authority unless it is based on the will of all the people.

Since then, the country has held regular free, fair and peaceful elections at national, provincial and local level.

The most recent national and provincial elections took place in May 2019, providing a firm mandate for the sixth democratic administration.

The ANC received a majority of the votes at a national level and in all provinces except Western Cape.

The 2019 election is testament to the vitality and

durability of our democracy and the abiding support of the people for the African National Congress.

However, voter turnout in these elections was markedly lower than in previous elections. Voter turnout declined from 73% in 2014 to 66% in 2019.

While there may be reasons for the low voter turnout that are specific to those elections, there has been a discernible decline in voter participation over the course of several elections.

This presents a significant challenge to the development of our democracy and ultimately the legitimacy of our elected institutions.

This requires that the ANC, working together with the Alliance and other social formations, undertakes a deliberate programme to improve voter participation, particularly among young people.

One of the important features in the operation of our democracy is the participation of members of the public in the development of government policies and the passage of laws.

Our conception of democracy – of people's power – has always extended beyond the narrow formalities of elections at regular intervals.

To enhance this, the executive has revived the programme of izimbizo, which provides platforms for communities to engage with the President, ministers, premiers, MECs and local councillors.

Economic transformation stands at the centre of the second phase of transition and is necessary to give effect to the aims and objectives of the ANC.

This means that the structure, ownership, control and participation in our economy need to be radically transformed to serve the interests of all the people.

As set out in the Freedom Charter, our lodestar document, all South Africans must share in the country's wealth.

Economic transformation requires an economy that is growing and creating employment.

It requires an economy in which new businesses are able to emerge and flourish, where black and women South Africans are able to advance at all levels and in all areas of the economy, and where township and rural economies are able to grow.

It is an economy in which the features of apartheid inequality and exclusion are steadily removed and replaced by an economy that involves, empowers and benefits all South Africans.

In the 28 years since the advent of democracy, the country's economy has grown, created employment, and provided opportunities to black and women South Africans that they were previously denied.

However, for much of the decade leading up to the 54<sup>th</sup> National Conference in December 2017, the

economy was characterised by low growth and higher levels of unemployment.

The 54<sup>th</sup> National Conference therefore correctly adopted several important resolutions to reignite growth, accelerate land redistribution, reduce economic concentration, increase localisation and beneficiation, and support the development of small businesses and cooperatives.

These resolutions formed the basis of the ANC's 2019 Election Manifesto and the Medium-Term Strategic Framework of the sixth administration.

Our Conference resolutions continue to guide the economic programme of government.

The progress we are making in addressing our economic challenges has to be seen against the backdrop of the global economic situation and our macroeconomic policies.

The fiscal constraints that we have had to deal with have also played an important role in the trajectory of our economy.

The role of the government in the economy extends beyond just the Budget in that government continues to play a key role in supporting the economy in many other ways.

What should be noted is that more than 50 per cent of the budget goes towards the social wage, to support the livelihoods of our people.

The positive momentum of our economic reform programme was severely disrupted by the measures we had to take to address the pandemic.

As the pandemic subsided, the Russia-Ukraine conflict disrupted global logistics and supply chains, causing severe shortages of critical commodities such as oil and grain, among other things.

Inflation soared necessitating the tightening of monetary policy with all the negative consequences for the economy and our people.

The sound macroeconomic reform agenda that we are diligently executing, as well as the strengthening of SARS and the gains it is making in tax revenues occasioned by positive terms of trade, should give us confidence that our fiscal position is set to return to a firmer footing over the mediumterm.

The macroeconomic stability we have fostered has given us a strong platform to enable the economy to grow going forward.

One of the most significant labour market developments during this time, was the introduction on 1 January 2019 of a National Minimum Wage for the first time in South Africa's history, guaranteeing a minimum floor below which no worker may be paid.

Not only did this give effect to a resolution of the 54<sup>th</sup> National Conference, but it realised a demand that was made in the Freedom Charter more than

60 years ago.

As part of the effort to re-ignite economic growth, in May 2018 government launched an investment drive that sought to raise R1.2 trillion in new investment over five years.

This was in furtherance of the 54<sup>th</sup> National Conference resolution to unite social partners – including government, labour, business and communities – in an investment pact.

To date, around R1.14 trillion in investment commitments has been raised, and some R300 billion has already been invested in projects.

The investment drive has been accompanied by a range of structural reforms to make our economy more competitive, efficient and capable of growth.

These reforms have focused on the network industries of energy, telecommunications, water, railways and ports.

The insecurity of electricity supply continues to be one of the greatest impediments to economic recovery.

Poor policy decisions in the past, together with inadequate maintenance, mismanagement, state capture and widespread corruption, have left our electricity system in a critical state.

The effects of load shedding are felt every day by households, businesses, schools, hospitals and government offices.

Load shedding severely constrains economic growth and transformation, job creation, poverty alleviation and development.

It represents a threat to the advancement of the NDR.

Since the 54<sup>th</sup> National Conference, we have undertaken several far-reaching measures to completely transform the country's energy sector.

Apart from the immediate steps to stop state capture at Eskom and rebuild the utility, government has made significant policy changes to enable a more competitive, reliable, cost-effective and sustainable electricity industry.

An important part of the work to reverse the effects of state capture is the recovery of funds that were paid illegally or improperly to a number of companies.

To date, nearly R3 billion has been recovered by Eskom alone and a further R5 billion is being claimed in various court processes.

The process to restructure Eskom into three separate state-owned entities responsible for generation, transmission and distribution is at an advanced stage, creating the conditions for greater financial and operational efficiency.

This will allow more diversity in the generation of electricity reducing the risk of reliance on a single generator.

While there may be diverse electricity generators and distributors, transmission must remain under the control of the people as it is a national security matter.

The revitalisation of the renewable energy independent power producer programme has brought additional wind and solar power onto the grid, and significantly more generating capacity is due to come online in the next two rounds of the programme.

We expect more than 9,000 megawatts of new embedded generation capacity in the near future.

This is taking place alongside concerted efforts to improve the performance of Eskom's existing power plants.

Whilst we are addressing and attending to the improvement of existing plants the procurement of emergency power is an option that has to be followed up with greater focus.

Critical maintenance and resources have been prioritised for the six power stations that contribute the most to breakdowns.

Eskom is also recruiting skilled personnel, including senior former plant managers and engineers from the private sector.

A special law enforcement team has been set up within the South African Police Service to tackle sabotage, theft and corruption at Eskom.

These and other urgent measures will steadily reduce the frequency and severity of load shedding and ultimately end it.

In fulfilment of the 54<sup>th</sup> National Conference resolution on firm action to improve the governance and performance of state-owned enterprises, steps were taken immediately after National Conference to appoint new leadership with the requisite skills and experience at strategic SOEs like Eskom, Transnet and Denel.

A Presidential State-Owned Enterprises Council was established to assist with the stabilisation of critical SOEs and advise on a new ownership and shareholder management model for the country's SOEs.

The functioning and operational performance of SOEs remains a significant challenge.

Several are struggling with significant debt, underinvestment in infrastructure, the effects of state capture and a shortage of skills.

We see the impact of these challenges in a company like Transnet.

A significant constraint on economic growth is the poor state of much of our rail, road and port infrastructure.

Although we have extensive transport and logistics

networks, a lack of proper maintenance, criminal damage and state capture have meant that these networks have been performing far below their potential.

Various reforms have been initiated to address this situation.

The lack of financial capacity for extensive investment on the part of Transnet, particularly in our ports, has resulted in the need to attract much-needed investment into our country's critical economic infrastructure and promote greater efficiency and competitiveness.

These reforms will help to revitalise and reposition SOEs to fulfil their developmental mandates.

Important reforms have also taken place in telecommunications, an industry that is vital to South Africa's development and its participation in the Fourth Industrial Revolution.

Progress in this regard includes the long overdue transformation of broadband spectrum, which will reduce the cost of data and improve access in under-serviced areas.

The migration from analogue to digital broadcasting, which has begun in several parts of the country, is a crucial step in freeing up spectrum for broadband. It is a priority to now complete the process.

One of the most critical drivers of future growth in an economy is investment in infrastructure.

That is why we are taking several measures to substantially increase investment in infrastructure.

One of the challenges has been to build infrastructure project preparation capacity in order to get infrastructure projects implemented.

That capacity is now being put in place.

To date, 34 out of 50 strategic infrastructure projects are in implementation stages, in areas such as social housing, bulk water supply, road building, rural bridges and student accommodation.

The purpose of all these economic reforms and investment initiatives is to create more employment.

Currently, around 11 million South Africans are without work.

Such high levels of unemployment undermine our efforts to reduce poverty, threaten social stability and prevent our economy from realising its full potential.

Unemployment, particularly among the youth, is the country's greatest challenge and its most urgent task

This situation was made far worse by the Covid-19 pandemic, which led to the loss of around 2 million jobs within the space of a few months in 2020.

Unemployment in South Africa is structural, reflecting the legacy of apartheid colonialism.

Productive activity is concentrated in a few firms in each industry, allowing little room for the growth of small businesses and new entrants.

Most growth sectors are not sufficiently labour intensive and there is a mismatch between the skills we have and the skills we need.

Excessive regulation and inefficient network industries increase the cost of doing business and, importantly, the cost of hiring staff.

An important focus of the last five years has been on encouraging the emergence of small- and medium-sized businesses, cooperatives and informal businesses, as well as township businesses.

Underpinning all our economic transformation efforts is the advancement of the economic position of black and women South Africans.

That is why we introduced broad-based black economic empowerment, affirmative action, preferential procurement and other transformation policies to address the imbalances created by years of apartheid rule.

We must resist all calls to abandon our transformative economic policies or to defer the task of broad-based black economic empowerment.

Now more than ever, we need to undertake the task of empowerment with greater intensity and purpose.

The Economic Reconstruction and Recovery Plan, which was adopted in October 2020, set out to improve the conditions for the revival of the economy post Covid-19.

Recognising that it would take time for the labour market to recover in the wake of the pandemic, government launched the Presidential Employment Stimulus to provide public and social employment opportunities.

It also supported the livelihoods of people in sectors particularly badly affected by the pandemic, such as the creative industry, small scale farmers and ECD practitioners.

One of our tasks is to ensure that the people who graduate from these programmes find opportunities elsewhere in the economy for employment and income generation.

We have set up an online platform to provide pathways for young people to job opportunities, to learn and to start youth enterprises.

To date, over 3 million young people have registered on the platform and more than 890,000 young people have been placed in earning opportunities.

The economy is showing signs of recovery.

The latest GDP figures show that the size of the economy has surpassed pre-pandemic levels.

Employment statistics indicate that nearly 1.5

million net new jobs have been created in the last year, although we have still not recovered all the jobs lost due to the pandemic.

These statistics offer tentative hope of a more sustained recovery.

The task of this 55<sup>th</sup> National Conference is to agree on the necessary measures to ensure not only that the economy recovers faster, not only that it creates more employment, but that it steadily improves the lives of all South Africans, particularly workers and the poor.

It is our responsibility to ensure that the economy does not simply return to where it was before the pandemic, but that it is more inclusive, more diverse and that it is better able to provide employment and economic opportunity to the millions of people who remain marginalised.

An essential part of a more inclusive economy is greater access to land for all those who work it and need it.

The acceleration of land redistribution, as part of a comprehensive land reform programme, was one of the emphatic resolutions of the 54<sup>th</sup> National Conference.

In particular, Conference resolved that:

"We must pursue with greater determination the programme of land reform and rural development as part of the programme of radical socio-economic transformation. Expropriation of land without compensation should be among the key mechanisms available to government to give effect to land reform and redistribution. In determining the mechanisms of implementation, we must ensure that we do not undermine future investment in the economy, or damage agricultural production and food security. Furthermore, our interventions must not cause harm to other sectors of the economy."

As the 54<sup>th</sup> National Conference recognised, the pace of land reform has been too slow to meet the needs of the majority of citizens who remain landless.

Since the advent of democracy, government has transferred over 4 million hectares of land through restitution and over 5 million hectares through redistribution, accounting for nearly 11% of commercial farmland.

This is far below the initial target of 30% by 2014.

Despite the setback to our efforts to amend Section 25 of the Constitution, we continue to pursue all available options, including through legislation like the Expropriation Bill, to implement our 54<sup>th</sup> National Conference resolution on land redistribution without compensation.

There are a number of instruments we will use to drive meaningful land reform, not only to correct a historical injustice but to also use our land more effectively for economic growth and transformation.

The ownership of land and the transfer thereof in rural areas under the control of our traditional leaders is being addressed with their full participation.

Alongside the redistribution of land, we have prioritised agriculture and agro-processing as significant areas of potential growth and job creation.

This includes support for emerging commercial farmers as well as small scale farmers.

The impact of the input vouchers provided to around 140,000 small-scale farmers to buy seeds, fertiliser and equipment as part of the Presidential Employment Stimulus shows the great potential for such targeted support.

As we observed at our 6<sup>th</sup> National Policy Conference in July this year, there is no greater crisis facing our country, our continent and the world than climate change.

The world needs to significantly reduce greenhouse gas emissions if we are to prevent catastrophic destruction and widespread suffering.

Our country has crafted a Just Transition Framework, which will guide our transition to a lowcarbon, climate resilient and inclusive society.

We need to reduce emissions not only for the sake of the health, economic well-being and security of our people, but to ensure that our manufactured products and services remain competitive in a changing global economy.

We have consistently maintained that this transition away from fossil fuels needs to be inclusive and just.

It needs to protect the interests of those workers, businesses and communities that would otherwise be adversely affected by the gradual shift from fossil fuels to renewable energy.

For example, new jobs and opportunities need to be created for workers in old power stations that are being decommissioned and in the coal mines that reach the end of their life.

We need to skill, upskill and reskill workers who will be affected to take up positions in new industries.

Affected communities need to benefit from the building of new renewable energy plants and new industries

There are several misconceptions about the just transition.

For example, there is no intention to close all of South Africa's coal-powered stations or mines.

In terms of the Integrated Resource Plan 2019, several coal-fired power stations are due to be decommissioned between now and 2030.

Several newer coal-fired power stations, including Medupi and Kusile, will remain in operation for

some time to come.

South Africa's future mix of energy sources is outlined in the IRP19.

It envisages a diversity of energy sources.

Over time, the proportion of coal in the energy mix will decline and the proportion of renewable energy will increase.

As a matter of principle, the pace and the form of our just transition must be informed by our national interest, by our developmental needs and by the availability of resources.

The transformation of the financial sector is a priority if we are to ensure that all South Africans have access to banking services and finance.

Among our long-standing resolutions is the establishment of a state bank that would be able more effectively than commercial banks to service the poor and advance the country's developmental needs.

It is for this reason that we need to pursue and finalise the corporatisation of the Post Bank to fulfil that function.

In early 2019, the NEC held extensive discussions about how to implement the 54<sup>th</sup> National Conference resolution on the public ownership of the South African Reserve Bank.

The NEC reaffirmed the need to address the historical anomaly of private shareholding in the bank and agreed that the bank should be fully owned by the people of South Africa.

The NEC agreed that the manner and pace at which this happens needs to take account of the significant financial implications and the country's current fiscal position.

It also needs to ensure, as the Conference stated, that this process does not benefit private shareholder speculators who are looking to make a fortune at the expense of the country's people.

To give effect to the 54<sup>th</sup> National Conference resolution to expand the mandate of the competition authorities to tackle high levels of economic concentration, government made significant amendments to the Competition Act.

Among other things, these amendments have enabled a reduction in data prices following a market inquiry, action against companies that hiked prices during the COVID pandemic, and increased employee ownership in some companies following mergers.

The 54<sup>th</sup> National Conference recognised the importance of state procurement as a lever for empowerment and industrial development.

This has been achieved through a preferential procurement policy that advances people who have been disadvantaged by unfair discrimination, while

ensuring that public bodies contract for goods and services in a manner that is fair, equitable, transparent, competitive and cost-effective.

Government has also designated certain products for local procurement by public entities and government departments, mainly linked to infrastructure.

This policy has helped to expand local manufacturing, attracting investment, generating jobs and improving the country's skills base.

This is part of a broader localisation effort, which involves an accord at Nedlac to localise up to R200 billion of additional production over a five-year period.

To guide South Africa's investment in the digital economy, government established the Presidential Commission on the Fourth Industrial Revolution.

The Commission made several recommendations to enable the country to benefit from rapid technological change, ranging from developing appropriate skills to encouraging advances manufacturing capabilities to promoting innovation.

In line with the 54<sup>th</sup> National Conference resolution, government has prioritised the task of building a capable state.

Through legislative changes for local government and the introduction of a framework for the professionalisation of the public sector across all spheres, steps are being taken to ensure that public servants possess the necessary skills, expertise and experience.

Local government is vital to the developmental role of the State.

This is the sphere of government that is closest to the people and where service delivery and economic activity happen.

It is therefore a great concern that reports from the Auditor-General and National Treasury and the State of Local Government reports point to inefficiency, maladministration, lack of financial controls and poor governance in many municipalities.

There has been an intensive focus on work to improve governance, financial management and service provision in municipalities.

In several instances, national and provincial government have had to take over the running of municipalities to put remedial measures in place.

As the ANC, in preparation for local government elections, we involved community members in the candidate selection process, so that ANC candidates had the support and confidence of the communities they are expected to serve.

We need to examine whether this approach to candidate selection has worked as well as we had expected.

We introduced a new policy that candidates for mayors and other key positions in ANC-led municipalities need to undergo a thorough vetting and interview process before being appointed.

One of the most important innovations of the last five years is the introduction of the District Delivery Model.

This aims to produce integrated district plans in line with the vision of: 'One District, One Plan, One Budget, One Approach'.

The aim is also to involve citizens directly in planning and driving development in their communities.

Crime and violence have become increasingly greater problems for the country.

Communities live in fear, worried about gangsterism, armed robberies, rape and murder.

Women and children are particularly vulnerable to the violence perpetrated against them by men.

The economy is being held back by damage to infrastructure, extortion at construction sites, corruption and the high cost of securing businesses and insuring assets.

Since the 54<sup>th</sup> National Conference, we have prioritised building capacity within our law enforcement system.

We have done much to restore the capabilities and credibility of the National Prosecuting Authority, the South African Police Service, the Hawks and the State Security Agency.

We are recruiting significant numbers of new police personnel, strengthening the Public Order Policing Unit and working to re-vitalise community policing forums.

We will not allow gangs and extortionists to damage our public infrastructure or extort money from businesses.

The SAPS has established multi-disciplinary units to address crimes of economic sabotage and extortion at construction sites by so-called business forums.

We have described the violence committed by men against women and children as a pandemic, which is having a devastating effect on our communities and society.

We must work together to address the drivers of gender-based violence in our communities, including patriarchal attitudes and practices.

As men, we should demonstrate our intolerance of sexism, patriarchy and gender-based violence in how we treat our partners, colleagues, mothers, sisters and daughters.

The public violence and destruction that took place in July 2021 had a great impact on South Africans' sense of security and stability.

In the wake of the unrest, we established an expert panel to examine the state's response to the violence, which found glaring deficiencies in several areas of our intelligence, security and policing capabilities.

The recommendations of that panel are now being implemented.

It would not be correct, as some have done, to characterise the unrest as a manifestation of factionalism within the ANC.

This was clearly an act of counter-revolution to destabilise our democracy and weaken the elected government.

In addition to strengthening the state's ability to respond, the ANC needs to undertake a political programme to prevent a recurrence of these events and the consequent destabilisation of the National Democratic Revolution.

One of the aims and objectives of the ANC is to support and advance the cause of women's emancipation.

We have made significant advances.

It is largely thanks to the ANC's policy that 46% of all National Assembly members are women.

For the first time, half of all Cabinet ministers are women.

Out of 256 judges on the Bench, 114 are women and nearly half of all magistrates are women.

Currently, 62% of the entire public service is female, and 44% of senior management posts are filled by women.

We still have some way to go before we achieve equality in representation across all institutions in our society.

Most notable among the challenges that impede the pursuit of gender equality is the economic position of women.

Much work is underway to promote the economic empowerment women.

Government has set a target of 40% of public procurement for women-owned and -managed businesses, although progress towards this target is uneven between departments.

These efforts are supported by training programmes for women-owned businesses to qualify for government tender process.

There are also various initiatives to direct financial support to women-owned businesses, and specific efforts to ensure access for women to land, housing and public employment opportunities.

One of the clearest instructions from the 54<sup>th</sup> National Conference was to end state capture and tackle corruption within our ranks, within government and across society.

Since then, we have taken decisive measures to end state capture, restore state-owned enterprises, rebuild public institutions and enable the criminal justice system to pursue the perpetrators of corruption.

We have seen important progress by the Hawks, NPA, Special Investigating Unit, Financial Intelligence Centre, SA Revenue Service and others in tackling corruption.

Guided by one of the resolutions of our last Conference, we set up the Commission of Inquiry on State Capture.

The Commission has produced a detailed and deeply disturbing account of the nature, extent and mechanics of state capture.

The Commission's report revealed extensive corruption, fraud and malfeasance within government departments, state-owned enterprises, provincial governments, security services, law enforcement agencies and both local and international companies.

As the ANC, we have consistently maintained that the Commission is a necessary part of the broader social effort to end all forms of state capture and corruption.

We set up a process to engage with the findings and recommendations of the Commission to determine how these can help to enhance the process of fundamental renewal and rebuilding within our movement as well as in government and broader society.

From the deliberations and resolutions of this Conference, we must ensure that we use the work of the State Capture Commission to consolidate and intensify the efforts against state capture, and ensure that those responsible – wherever they may be located – face the full might of the law.

We know that there will be resistance; but this must strengthen our resolve so we can protect and advance the gains of our revolution.

Turning to the state of the African continent, for the past three decades, Africa has seen great advances in democracy, stability and peace.

The formation of the African Union in 2002 and the adoption of the AU Agenda 2063 a decade later demonstrate the determination of African countries to forge a common future defined by peace, development and continental integration.

Progress towards the achievement of these goals has been mixed.

The African Union set itself the objective of 'silencing the guns' on the continent by 2020.

While peace has been achieved in some areas, there is still war and conflict in several parts of Africa.

There is a general recognition that peace and

stability will remain elusive if we do not address the relationship between security and development.

This requires a multifaceted approach that includes improved governance, entrenched democratic norms, respect for human rights and the political will to capacitate our institutions.

We need to address the continued exclusion of women in the economic, political and social spheres, which renders them particularly vulnerable to violence and conflict and which undermines the contribution they could make to finding and sustaining peace.

The continent still needs to find solutions to several other challenges, including the growing spread of terrorism and illicit financial flows, which siphon off resources that could be used to fund development.

As the ANC, we have been working to strengthen our relations with other liberation movements on the continent to develop a common approach to tackling these problems.

One of the most significant areas of progress in the implementation of Agenda 2063 was the coming into effect of the African Continental Free Trade Area in January last year.

The African Continental Free Trade Area will boost intra-African trade, promote industrialisation and competitiveness and contribute to job creation, and facilitate Africa's meaningful integration into the global economy.

South Africa has argued that the African Continental Free Trade Area needs to be used to advance the empowerment of Africa's women.

Improving women's access to trade opportunities not only facilitates economic freedom for women, but also expands the productive capacity of countries.

South Africa assumed the chairship of the African Union in February 2020, mere days before the first Covid-19 cases was identified in Africa.

The continent's swift and decisive response demonstrated what is possible when African countries work together, under the auspices of the African Union, to confront a common crisis.

Africa was able to mobilise vital medical supplies, vaccines and funding on a continental scale.

In the midst of vaccine hoarding by wealthier nations, through the African Union, the AU CDC and the African Vaccine Acquisition Task Team we secured over 500 million COVID vaccine doses for the continent.

African countries have worked together with international partners, especially the WHO, to build the continent's vaccine manufacturing capacity and enhance its health security.

Despite the many challenges that our continent faces, we remain confident about Africa's future.

We are confident that it will continue to grow and thrive, and that it will become a new frontier of global production and development.

Africa has an abundance of natural wealth, from minerals to agriculture to renewable energy sources; a young, dynamic and urban population; and access to emerging technologies.

Institutions of the African Union and regional bodies are playing a greater role in bring countries together to face common challenges, and the African Continental Free Trade Area promises a new era of economic growth and development.

This conference is taking place during rising geopolitical tensions, which are evident in the Russia-Ukraine conflict.

The effects of these tensions include growing food, energy and financial crises, which affect poorer countries the worst.

We reiterate our call for a negotiated solution to the Russia-Ukraine conflict and call on all countries and international bodies to create the conditions for dialogue to bring about a just and lasting peace.

Our foreign policy stance is informed by the premise that multilateralism and respect for international law are key to achieving global political and economic stability.

We therefore continue to uphold the enduring principles of the UN Charter and international law.

The stalemate in Western Sahara continues, with Morocco's inflexible policies not abating despite the appointment of a new Personal Envoy of the UN Secretary-General in September 2021.

Terrorism is spreading on the continent and there is a correlation between the situation in Libya and the growing threat from terrorist activities in the Sahel.

In the Middle East, the occupation of Palestinian territories by Israel, and its ongoing expansion of settlements and policies despite UN Security Council resolutions condemning expansionist activities, continues to fuel conflict.

Israel continues to violate international law, the provisions of the UN Charter and international humanitarian law.

We continue to stand with the Cuban people as they stood with us in the struggle against apartheid and as they continue to provide support for our development.

We reiterate our gratitude to the people and government of Cuba for providing South Africa with medical personnel at the height of the Covid-19 pandemic.

We call for an end to the isolation of Cuba and for the lifting of the embargo and other restriction directed at the country.

In many of our international interactions, we have

drawn attention to the difficulties that Zimbabwe is experiencing as a result of the sanctions imposed by the United State, United Kingdom and the European Union.

We reiterate our call on the international community to lift sanctions against Zimbabwe as called for by SADC and the AU.

South Africa continues to play an important role in the international arena.

We have used our membership of BRICS, the G20 and the Non-Aligned Movement to advance the interests of the African continent and the Global South.

We remain active in the Southern African Development Community – SADC – and organs of the African Union.

We continue to contribute to peace efforts in Mozambique and the Democratic Republic of Congo. Recently, our country played a role in facilitating peace in the war in Ethiopia.

Recent events, such as the Russia-Ukraine conflict, have exposed the inability of the UN Security Council to fulfil its mandate of maintaining international peace and security.

The current configuration of the UN Security Council is outdated and unrepresentative, and disadvantages developing economy countries.

In line with our Conference resolutions, South Africa continues to advocate for reforms that will address the under-representation of the African continent in the UN system, and ensure that the voice of the African continent and of the Global South in general is strengthened in the multilateral system.

The 54<sup>th</sup> National Conference gave us a clear mandate to unite and renew the African National Congress.

In the last five years we did much to pursue a strategy of unity, rejuvenation and renewal.

We reaffirm our conviction that the strength, unity and coherence of the ANC is necessary for the advancement of the interests of the South African people and the building of a National Democratic Society.

We therefore do not pursue the renewal of the ANC for its own sake, but because of its importance to the fulfilment of our historical mission.

Throughout its long history, the ANC has pursued the achievement of unity within its own ranks and across society.

We have been clear that unity must be based on principle and the observance of the revolutionary values of our movement.

Our experience of recent years is that disunity does not arise from ideological, political or strategic differences, but from a contest over positions in the state and the resources that are attached to them.

We need to acknowledge that, despite our efforts over the last five years, we are not as united, cohesive or effective as we should be.

Some of the divisions that existed before the 54<sup>th</sup> National Conference continue within the organisation, including within the National Executive Committee.

As we anticipated, the actions we were mandated to take against corruption and state capture have at times caused friction amongst us.

As we implemented Conference resolutions, some leaders – including NEC members – have had to step aside pending the conclusion of criminal proceedings against them, and others have been required to present themselves to the Integrity Commission.

While such steps as mandated by National Conference do not imply guilt, they are critical to the renewal of the movement and to its standing in the eyes of society.

The process of renewal of the ANC was given a great boost when, at the proposal of the ANC Veterans League, the NEC agreed to set up a Renewal Commission which will present its report during this conference.

The ANC has never fought the struggle for liberation alone.

It has at all material times sought to draw together those formations that align with its objectives and are committed to the pursuit of the NDR.

We have long been grappling with the form the Alliance should take in the democratic era.

Now, after the experience of nearly three decades of democracy, we have agreed on the need for the Alliance to be reconfigured to ensure that it remains relevant and effective in pursuing the NDR under present conditions and into the future.

This 55<sup>th</sup> National Conference must provide guidance on the reconfiguration of the Alliance so that we may conclude that discussion.

The renewal of the ANC will be incomplete without the renewal of our entire movement, including how we deal with the issue of the reconfiguration of the Alliance, the core of the movement.

The matter of reconfiguration should be seen as leading to improving Alliance relations at the national, provincial, regional and local level.

It can be said that at the heart of this process of improving relations in the Alliance lies the imperative to strengthen the Alliance and build its capacity to achieve its historical mission – to drive and complete our shared strategy, the National Democratic Revolution.

As the ANC, we must recognise that there have

been weaknesses, lapses and shortcomings in how we have managed this relationship and how we have approached our common tasks and responsibilities.

In recent times, we have observed tensions within the Alliance.

Some of these tensions arise from our inability to engage effectively and regularly on key issues; while others arise from the broader challenge of an ANC government that is, in effect, in an employer-employee relationship with a significant portion of COSATU members.

This is a complexity that we must understand and resolve.

The ANC recognises the leadership role of the working class in social transformation, and stands ready to work with COSATU, the SACP and all progressive formations to build working-class unity.

One of the tasks arising from the 54<sup>th</sup> National Conference was to rebuild the ANC's electoral support after a gradual decline over the course of more than a decade.

According to our analysis of past trends, we managed to halt the decline in the 2019 national and provincial elections.

This was thanks to hard work, effective campaigning and a positive response to actions arising from the National Conference.

The 2021 local government elections were, however, a significant setback for the organisation and for the NDR.

For the first time in the history of our democracy, our share of the national vote dropped below 50%.

Another grave concern is a substantial decline in the proportion of young people registered to vote.

In the 1999 election, 41% of people aged 18-19 were registered.

By 2021, that number had fallen to 9%.

Unless this trend is reversed, fewer and fewer adults will be registered to vote and the strength of our democracy will steadily decline.

One of the tasks we have identified in successive January 8<sup>th</sup> Statements is to build a social compact among all key constituencies to transform and grow the economy and meet the needs of South Africans.

While much of our focus has been to establish a 'grand' social compact among the social partners formally represented at NEDLAC – which is still under negotiation – the reality is that we have forged several compacts on specific issues over the last five years.

These include partnerships among government, business, labour and different sections of civil society on issues such as the Economic Reconstruction and Recovery Plan, our national

COVID response and vaccine roll-out, the fight against gender-based violence and femicide, the investment drive, climate change and others.

We need to assess whether our ambition to build a 'grand' social compact is feasible, or whether we need to focus on building social compacts around the various areas that require broader social collaboration.

The strength of our branches determines the state of our organisation and its ability to improve people's lives and advance the NDR.

We must determine whether our definition of "a branch in good standing" must not be adapted to better fit the material conditions of the time.

The most important task is to restore the organisational life of our branches in a meaningful manner.

Among other things, this means ending gatekeeping, buying of members and other deviant practices.

We need to address corruption within our ranks in a systematic and principled manner.

We must enhance political education and training for ANC members and equip branch members to advance the programme of social change.

Branches must work to broaden the membership base, partner with a range of civil, community and progressive groupings and be grounded in communities.

They must lead campaigns that make peoples' lives better.

The Letsema Campaign has become the flagship campaign in the ANC leading up to the 2024 elections.

Our branches must put this campaign to good use as it has proven that it has great capacity to reconnect the ANC with our people.

Communities must see an ANC that is in touch with them and involved in the issues that affect them.

The ANC needs to draw in people whose talents, expertise and energy can support our objectives and programme.

Amid the many challenges facing the ANC, the persistence of corruption within our ranks stands out as one of the greatest threats to the continued existence of our movement as an effective force for fundamental social change.

The State Capture Commission makes critical findings about our democratic government, parliament, public entities and about the ANC.

While some of the observations and findings may be unsettling, and there may be some assessments that we disagree with, we have sought to engage honestly and openly with all aspects of the commission's report. Where adverse findings are made against ANC members, the relevant resolution of the 54<sup>th</sup> National Conference has been invoked: that every ANC member accused of, or reported to be involved in, corrupt practices account to the Integrity Commission immediately or face disciplinary processes.

This is a salutary moment for the ANC.

Unless we act now with courage and honesty to redeem our organisation, we will have betrayed the ANC's historical mission and failed our people.

In a decade from now, the ANC will celebrate 120 years of existence.

By that time, in 2032, our ambition for the country would be to have realised the goals set out in the National Development Plan.

This includes the elimination of poverty and the reduction of inequality.

If these and the other goals of the NDP are to be achieved, then the ANC needs to be fundamentally renewed and rebuilt.

Unless we act decisively to address the current malaise within our movement, it is unlikely that the vision of the NDP will be achieved and the prospects for the attainment of a National Democratic Society will be increasingly unlikely.

It is within this context that the NEC set up the Renewal Commission to develop a vision for our movement in 2032 and a roadmap towards the achievement of that vision.

The Renewal Commission will be presenting a report to this Conference on its work, together with a draft Vision 2023 and Roadmap for consideration.

This 55<sup>th</sup> National Conference should envisage what the ANC of the future will be, and should outline the actions that we need to take now to make that future a reality.

We must envisage and work towards an ANC that incorporates the best traditions, values and practices of our past while responding to the changing circumstances of the present.

We must be a movement that embraces the pioneering vision of our founders and the fighting spirit of the young lions of successive generations.

We must be an organisation that distinguishes itself by the quality, capability and political consciousness of its cadres.

The ANC must draw into its leadership ranks the best in our society, the most committed patriots, who seek to serve the people without any expectation of reward.

A member of the ANC must distinguish themselves by their humility, modesty, honesty, truthfulness, purpose, hard work, fortitude, confidence, self-belief and selflessness, by their activism in the community and their concern and love for the people and their welfare.

In its leadership, membership and outlook, the ANC needs to be a broad church rooted among the masses.

It needs to reflect the diversity of South African society, ensuring the equal participation of women throughout its structures and representation of all races, classes, faiths, languages and cultures.

The bias towards the working class and the poor must be evident both in its policies and in its organisational character.

The ANC needs to be a youthful organisation that is in touch with the needs and aspirations of a new generation of South Africans.

We must be an organisation that draws on the experience, wisdom and energies of all generations of activist. Above all, the ANC must be the most effective instrument in the hands of the people for fundamental social and economic change.

These are the hopes we all share.

But for their realisation we need to act decisively to improve our organisation, to strengthen its links with the people and to win their confidence so that we can continue the march towards a truly united, non-racial, non-sexist, democratic and prosperous society.

The challenges that we have encountered in the recent past have caused a great decline in many aspects of South African life, but today we can see that with the initiatives and interventions that are underway we are capable of addressing these challenges and rejuvenating our nation.

But to get there we must be prepared to work hard.

We all must be prepared to forge ahead with confidence and determination.

We must ensure that our movement always remains the pillar that our people can lean on in times of difficulty.

South Africa, like many other countries, has entered a period where strategic opportunities, risks and challenges are concurrent and uncertainties and unforeseen factors are rising.

Various occurrences and events may occur at any time.

We must therefore be mindful of potential dangers, be prepared to deal with worst-case scenarios, and be ready to deal with various calamities, be they, pandemics, economic recession, security and even dangerous weather occurrences.

On the journey ahead, we must firmly adhere to principles that have stood us in good stead in the past:

 the unity and resilience of the South African people;

- the unity and cohesion of the African National Congress in leading our people in government;
- adherence to our people centred developmental path of dealing with poverty, inequality and unemployment.

We must have a strong sense of purpose, fortitude and self-belief in our movement and our people and must not be swayed by fallacies, deterred by intimidation, or cowed by any form of pressure from whatever source.

We must meet obstacles and difficulties head on and focus on addressing the triple challenges of eradicating poverty, reducing inequality and eliminating unemployment. We must harness the indomitable fighting spirit of our forebears like Albert Luthuli, Sefako Makgatho, Nelson Mandela, Walter Sisulu, Govan Mbeki, Chris Hani, Helen Joseph, Albertina Sisulu, Lilian Ngoyi, Charlotte Maxeke, Winnie Madikizela-Mandela, Joe Slovo and Ahmed Kathrada to address the difficulties and challenges on the road ahead so that we are able to open up new horizons for the development of our people.

We dare not fail.

The ANC lives. The ANC leads.

Amandla.

This is the text of the President's Address to the Opening Session.

The full printed version of the Political Report will be distributed to delegates during the course of Conference