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1 FOOD SECURITY & NUTRITION

This category addresses the accessibility, affordability, and quality of food for South Africans. It covers issues related to hunger, malnutrition, food shortages, and nutritional deficiencies, all of which have long-term effects on both individual health and the broader economy. The effects of climate change, food inflation, and limited agricultural resources further exacerbate food insecurity in many parts of the country.

1.1 Hunger

South Africa grapples with a food paradox where national food self-sufficiency exists alongside widespread household level food insecurity. High inflation and systemic inequality ensure that while shelves are full, millions of citizens lack the purchasing power to maintain a nutritious diet.

#	Title	Detail
1	National Prevalence	Approximately 20 million people (roughly one third of the South African population) experience food insecurity, with millions regularly going to bed hungry. ¹
2	The Affordability Gap	Despite being an agricultural powerhouse, nearly 49% of the population is forecasted to live in food scarcity conditions by 2026 due to the inability to afford basic staples. ²
3	Childhood Stunting	South Africa maintains a moderate but persistent hunger level with a child stunting rate of 24.4%, reflecting chronic undernutrition that impairs lifelong physical and cognitive development. ³
4	Constitutional Violation	In a country rich in resources, the ongoing hunger of millions represents a grave violation of Section 27(1)(b) of the Constitution, which guarantees everyone the right to access sufficient food. ⁴
5	Household Inadequacy	According to recent survey data, 22.2% of South African households, roughly 14 million people, categorise their access to food as inadequate or severely inadequate. ⁵
6	Systemic	Hunger in South Africa is not caused by scarcity but by an economic

¹ University of the Witwatersrand (2023) 1 in 5 South African households begs for food – the link between food insecurity and mental health. Johannesburg: University of the Witwatersrand. Available at: <https://www.wits.ac.za/news/latest-news/opinion/2023/2023-04/1-in-5-south-african-households-begs-for-food--the-link-between-food-insecurity-and-mental-health.html> (Accessed: 24 January 2026).

² Shoprite Group (2025) *South African Food Security Index 2025*. Cape Town: Shoprite Holdings Ltd. Available at: <https://www.shopriteholdings.co.za/newsroom/2025/world-food-day-2025.html> (Accessed: 24 January 2026).

³ Simelane, T., Mutanga, S.S., Hongoro, C., Parker, W., Mjimba, V., Zuma, K., Kajombo, R., Ngidi, M., Masamha, B., Mokhele, T., Managa, R., Ngungu, M., Sinyolo, S., Tshililo, F., Ubisi, N., Skhosana, S., Ndinda, C., Sithole, M., Muthige, M., Lunga, W., Tshitangano, F., Dukhi, N., Sewpaul, R., Mkhongi, A. and Marinda, E. (2023) *National Food and Nutrition Security Survey: National Report*. Pretoria: Human Sciences Research Council (HSRC). Available at: <https://repository.hsrc.ac.za/handle/20.500.11910/23338> (Accessed: 24 January 2026).

⁴ South African Human Rights Commission (2025) *Terms of Reference for the National Investigative Hearing into the Right to Food*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/home/21/files/TOR%20The%20Right%20to%20Food.pdf> (Accessed: 24 January 2026).

⁵ TimesLIVE (2026) 'Report finds South Africa's minimum wage inadequate for basic needs', *TimesLIVE*, 6 January. Available at: <https://www.timeslive.co.za/news/south-africa/2026-01-06-report-finds-south-africas-minimum-wage-inadequate-for-basic-needs/> (Accessed: 23 January 2026).

#	Title	Detail
	Inequality	divide where the average worker is left $\approx$ R1,400 short each month of being able to afford a basic nutritious diet. ⁶
7	Regional Epicentre	The Eastern Cape has emerged as the epicentre of the crisis, with 12.35% of households facing severe food insecurity, triple the rate of the Western Cape. ⁷
8	Child Mortality	Tragically, an estimated 11,000 South African children die from hunger related causes annually, a figure described by activists as a preventable crime of state failure. ⁸
9	Food Inflation Pressure	While headline inflation slowed to 3.5% in late 2025, food and non-alcoholic beverage inflation remained higher at 4.4%, disproportionately affecting the lowest expenditure groups. ⁹
10	The Grant Trap	Although over 13 million children are reached by Child Support Grants, the R560 monthly payment covers less than half the cost of a basic nutritious food basket for a single child. ¹⁰
11	Agricultural Paradox	South Africa produces enough food to feed every citizen, yet 1 in 5 people go hungry every day due to the grotesque reality of food sitting in shops across from starving communities. ¹¹
12	Corporate Concentration	The concentration of power in the food value chain is a primary driver of hunger, as massive retail profits persist alongside rising levels of acute malnutrition. ¹²
13	Vulnerable Demographics	Female headed households in provinces like the Free State are significantly more likely to be food insecure, with nearly half of that province's population consuming an inadequate diet. ¹³

⁶ Statistics South Africa (2024) *General Household Survey 2024*. Statistical Release P0318. Pretoria: Statistics South Africa. Available at: https://www.statssa.gov.za/?page_id=1854&PPN=P0318 (Accessed: 24 January 2026).

⁷ Forbes Africa (2025) *New research shows deepening food insecurity in South Africa with the crisis most severe in the Eastern Cape*. 4 December. Available at: <https://www.forbesafrica.com/current-affairs/2025/12/04/new-research-shows-deepening-food-insecurity-in-south-africa-with-the-crisis-most-severe-in-the-eastern-cape> (Accessed: 23 January 2026).

⁸ Mutsila, L. (2025) 'Nearly 11,000 SA children die from hunger a year, a "preventable crime"', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-nearly-11000-sa-children-die-hunger-a-year-preventable-crime/> (Accessed: 24 January 2026).

⁹ Statistics South Africa (2025) *Consumer Price Index November 2025*. Statistical Release P0141. Pretoria: Statistics South Africa. Available at: https://www.statssa.gov.za/?page_id=1854&PPN=P0141 (Accessed: 24 January 2026).

¹⁰ Hall, K. and Hendricks, S. (2025) 'Child health and nutrition', in Jamieson, L., Mathews, S., Machisa, M. and Lake, L. (eds) *South African Child Gauge 2025*. Cape Town: Children's Institute, University of Cape Town, pp. 112–134. Available at: https://ci.uct.ac.za/sites/default/files/media/documents/ci_uct_ac_za/533/child-health-and-nutrition-south-african-child-gauge-2025.pdf (Accessed: 24 January 2026).

¹¹ Doyer, T. (2024) 'SA produces enough food – still people are starving', *SA Grain Magazine*, 2 October. Available at: <https://sagrainmag.co.za/2024/10/02/sa-produces-enough-food-still-people-are-starving/> (Accessed: 24 January 2026).

¹² South African Human Rights Commission (2025) *Politics, power, and the right to food: a national inquiry into the food systems of South Africa*. Johannesburg: SAHRC. Available at: <https://sahrc.org.za/home/21/files/The%20Right%20to%20Food%20Concept%20Note.pdf> (Accessed: 24 January 2026).

¹³ Shoprite Group (2025) *South African Food Security Index 2025: Provincial breakdown and key findings*. Cape Town: Shoprite Holdings Ltd. Available at: <https://www.shopriteholdings.co.za/newsroom/2025/world-food-day-2025.html> (Accessed: 23 January 2026).

#	Title	Detail
14	Economic Trade offs	Hunger forces poor families to make impossible choices, with the average worker spending over 57% of earnings on transport and electricity, leaving almost nothing for high quality protein. ¹⁴
15	Cognitive Costs	Early childhood hunger in South Africa is creating a stunting generation, where 1 in 4 children face lifelong cognitive deficits that will likely result in lower future employment rates. ¹⁵
16	Health Facility Data	Since January 2025, over 150 children under the age of five have died from acute malnutrition within South African health facilities alone, according to parliamentary disclosures. ¹⁶
17	Dignity and Justice	Activists argue that hunger in South Africa is not a natural disaster, but a human made failure of policy that turns poverty into a daily, bodily experience of suffering. ¹⁷
18	The School Nutrition Lifeline	The National School Nutrition Programme is the only daily meal for over 9 million learners, making its stability critical to preventing a total collapse of child nutrition in poor districts. ¹⁸
19	Cost of a Nutritious Basket	As of December 2025, the average cost of a basic household food basket was R5,333, a figure that remains entirely out of reach for families dependent on the national minimum wage. ¹⁹
20	Systemic Betrayal	Despite 31 years of democracy, hunger remains a daily reminder that wealth and food access in South Africa are as wildly unequal today as they were during the peak of historical oppression. ²⁰

¹⁴ Competition Commission of South Africa (2025) *Cost of Living Report: August 2025*. Pretoria: Competition Commission of South Africa. Available at: https://www.compcom.co.za/wp-content/uploads/2025/09/CC_Cost-of-Living-Report.pdf (Accessed: 24 January 2026).

¹⁵ UNICEF South Africa (2021) *The 'slow violence' of malnutrition in South Africa*. Pretoria: UNICEF South Africa. Available at: <https://www.unicef.org/southafrica/press-releases/slow-violence-malnutrition-south-africa> (Accessed: 23 January 2026).

¹⁶ Sikhakhane, N. (2025) 'SA's malnutrition "tragedy" — death of 155 children this year alone sparks calls for urgent state action', *Daily Maverick*, 20 May. Available at: <https://www.dailymaverick.co.za/article/2025-05-20-malnutrition-tragedy-155-sa-children-have-died-this-year-alone/> (Accessed: 23 January 2026).

¹⁷ Mutsila, L. (2025) 'Nearly 11,000 SA children die from hunger a year, a "preventable crime"', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-nearly-11000-sa-children-die-hunger-a-year-preventable-crime/> (Accessed: 24 January 2026).

¹⁸ Democratic Alliance (2025) *Concerns over NSNP provision rise as the academic year draws to its end*. Cape Town: Democratic Alliance. Available at: <https://www.da.org.za/2025/12/concerns-over-nsnp-provision-rise-as-the-academic-year-draws-to-its-end> (Accessed: 23 January 2026).

¹⁹ Pietermaritzburg Economic Justice & Dignity Group (2025) *Household Affordability Index: December 2025*. Pietermaritzburg: PMBEJD. Available at: https://pmbejd.org.za/wp-content/uploads/2025/12/PMBEJD_Key-Data_December-2025_31122025.pdf (Accessed: 23 January 2026).

²⁰ Southern Africa Food Lab (2025) *Confronting SA's hunger emergency — From constitutional rights to empty plates*. Stellenbosch: Southern Africa Food Lab. Available at: <https://www.southernafricafoodlab.org/2025/10/13/confronting-sas-hunger-emergency-from-constitutional-rights-to-empty-plates/> (Accessed: 23 January 2026).

1.2 Stunting

Stunting represents the physiological manifestation of chronic malnutrition during the critical first 1,000 days of life. This condition results in permanent, irreversible damage to cognitive and physical development, effectively locking children into a cycle of poverty before they reach school age.

#	Title	Detail
1	National Prevalence Rate	Nearly 27% of South African children under the age of five are stunted, a figure that has remained stubbornly high despite various social intervention programmes. ²¹
2	The First 1,000 Days Crisis	One in four South African children grows up physically and cognitively stunted by early childhood malnutrition, permanently limiting their future learning and earning potential. ²²
3	Total Affected Population	Approximately 1.5 million children in South Africa are currently stunted, a statistic that underscores the nation's failure to address the root causes of dietary inequality. ²³
4	Economic Growth Inhibitor	Chronic stunting stifles not only individual potential but also national economic growth, as a significant portion of the future workforce enters the market with diminished cognitive capacity. ²⁴
5	Global Competitiveness	With 27% of children affected, South Africa faces a deeper systemic issue that limits the country's ability to compete globally in knowledge-based economies. ²⁵
6	Intergenerational Inequality	Stunting is a silent crisis that locks inequality into the next generation, as children from the poorest 20% of households are nearly twice as likely to be stunted as those from the wealthiest 20%. ²⁶
7	Long-term Health Consequences	Stunting increases the risk of metabolic diseases like diabetes and hypertension in adulthood, creating a dual burden of malnutrition and non-communicable diseases. ²⁷

²¹ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: United Nations Children's Fund (UNICEF). Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

²² UNICEF South Africa (2024) *Situation Analysis of Children and Adolescents in South Africa 2024*. Pretoria: UNICEF South Africa. Available at: <https://www.unicef.org/southafrica/media/10606/file/ZAF-UNICEF-situation-analysis-children-adolescents-South-Africa-2024.pdf> (Accessed: 24 January 2026).

²³ Jamieson, L., Mathews, S., Machisa, M. and Lake, L. (eds) (2025) *South African Child Gauge 2025*. Cape Town: Children's Institute, University of Cape Town. Available at: <https://ci.uct.ac.za/cg-2025-intersections-violence-against-women-and-children-disrupting-intergenerational-harm> (Accessed: 24 January 2026).

²⁴ World Bank, 2025. *South Africa Economic Update, Edition 15: Learning — Overdue Reforms and Emerging Priorities in Basic Education*. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099331502032511082/south-africa-economic-update-learning-overdue-reforms-and-emerging-priorities-in-basic-education> [Accessed 24 January 2026].

²⁵ UNICEF, 2021. *The 'slow violence' of malnutrition in South Africa*. UNICEF South Africa press release, 25 February. Available at: <https://www.unicef.org/southafrica/press-releases/slow-violence-malnutrition-south-africa> [Accessed 23 January 2026].

²⁶ UNICEF, 2021. *The 'slow violence' of malnutrition in South Africa*. UNICEF South Africa press release, 25 February. Available at: <https://www.unicef.org/southafrica/press-releases/slow-violence-malnutrition-south-africa> [Accessed 23 January 2026].

#	Title	Detail
8	Human Capital Erosion	Stunting undermines human capital long before schooling begins, meaning that education investments often fail to yield expected results because the biological foundation for learning was never established. ²⁸
9	Poverty Marker	Stunting remains one of the clearest markers of entrenched child poverty in South Africa, reflecting a lack of access to clean water, sanitation, and diverse diets. ²⁹
10	The Stunting Paradox	Despite South Africa's middle-income status, its stunting rates are higher than many poorer sub-Saharan African nations, indicating that wealth distribution is the primary driver of malnutrition. ³⁰
11	Cognitive Development Impairment	Poor nutrition in the first years of life leads to permanent neurological scars, often resulting in a loss of up to 10% of lifetime earning potential per individual. ³¹
12	Maternal Nutrition Links	Stunting is often linked to maternal malnutrition and low birth weights, suggesting that the crisis must be addressed by supporting pregnant women in impoverished communities. ³²
13	Policy Failure	Stunting signals that current social policies are failing children before they even walk, as the Child Support Grant fails to keep pace with the rising cost of nutrient dense foods like eggs and milk. ³³
14	Silent Crisis of Potential	When nutrition fails, South Africa fails the next generation, effectively thinning out the top tier of potential innovators, doctors, and leaders. ³⁴
15	Urban vs. Rural Disparity	While stunting is prevalent nationwide, rural areas in the Eastern Cape and KwaZulu-Natal show stunting rates exceeding 30%, reflecting severe geographic inequality in food access. ³⁵

²⁷ Leung, J. C. Y., McGowan, C., Yau, S., Leung, C., & Wong, G. (2021). *Severe malnutrition or famine exposure in childhood and cardiometabolic non-communicable disease later in life: a systematic review*. *BMJ Global Health*, 6(3), e003161

²⁸ Department of Basic Education (2025) *Early Childhood Development (ECD) Census Analysis: Mapping the Quality and Reach of Early Learning in South Africa*. Pretoria: Department of Basic Education. Available at: https://www.education.gov.za/ECD_Census.aspx (Accessed: 24 January 2026).

²⁹ South African Human Rights Commission, 2023. *Report of the Inquiry into Child Malnutrition and the Right to Food in the Eastern Cape and South Africa* [report]. Available at: <https://www.sahrc.org.za/home/21/files/EASTERN%20CAPE%20MALNUTRITION%20REPORT%20FINAL%209.11.23.pdf> [Accessed 24 January 2026].

³⁰ Welthungerhilfe and Concern Worldwide (2025) *2025 Global Hunger Index: South Africa*. Bonn/Dublin: Global Hunger Index. Available at: <https://www.globalhungerindex.org/south-africa.html> (Accessed: 24 January 2026).

³¹ DG Murray Trust (2025) *The Economic Cost of Stunting in South Africa*. Cape Town: DGMT. Available at: <https://dgmt.co.za/the-economic-cost-of-stunting-in-sa/> (Accessed: 24 January 2026).

³² South African Medical Research Council (2025) *Maternal and Child Health Trends 2025*. Cape Town: SAMRC. Available at: <https://www.samrc.ac.za/reports/maternal-child-health-trends-2025> (Accessed: 24 January 2026).

³³ Pietermaritzburg Economic Justice & Dignity Group (PMBEJD), 2025. *Household Affordability Index – Key Data December 2025*. Available at: <https://pmbejd.org.za/> [Accessed 23 January 2026].

³⁴ Nelson Mandela Foundation (2025) *The Long Walk to Food Security: A report on the structural barriers to zero hunger*. Johannesburg: Nelson Mandela Foundation. Available at: <https://www.nelsonmandela.org/news/publications/the-long-walk-to-food-security-2025> (Accessed: 24 January 2026).

³⁵ Shoprite Group (2025) *South African Food Security Index 2025: Provincial breakdown and key findings*. Cape Town: Shoprite Holdings Ltd. Available at: <https://www.shopriteholdings.co.za/newsroom/2025/world-food-day-2025.html>

#	Title	Detail
16	Environmental Factors	Recurring droughts and water scarcity exacerbate stunting by increasing the prevalence of diarrhoeal diseases, which prevent nutrient absorption in young children. ³⁶
17	Social Justice Perspective	Delayed physical growth is delayed justice; stunting is a daily reminder that the biological development of a child is dictated by their parents' bank balance. ³⁷
18	The 2026 Outlook	Current projections suggest that without a massive increase in fortified food subsidies, stunting will remain the single largest barrier to South Africa achieving its National Development Plan 2030 goals. ³⁸
19	Impact on School Readiness	Stunted children are more likely to repeat grades and drop out of school, directly feeding into South Africa's high youth unemployment rates. ³⁹
20	National Security Threat	Chronic undernutrition and stunting represent a long-term national security threat by creating a population that is physically and mentally less resilient to economic and social shocks. ⁴⁰

1.3 Food Shortages and Supply Chain Disruptions

South Africa's food system is increasingly vulnerable to a combination of volatile global markets and domestic climate shocks. While the nation produces sufficient calories on a macro level, logistical bottlenecks and erratic weather patterns frequently interrupt the flow of affordable staples to the most vulnerable communities.

#	Title	Detail
1	Escalating Shortages	Food shortages are escalating across South Africa, with over 14 million people affected as global supply chain disruptions and climate change take a heavy toll on availability. ⁴¹
2	Rising Costs	South Africa's food security crisis has deepened with a 20% rise in food prices caused by supply chain issues and erratic weather patterns that

³⁶ Amnesty International South Africa (2025) *Climate change and the right to nutrition*. Johannesburg: Amnesty International South Africa. Available at: <https://www.amnesty.org.za/reports/climate-change-nutrition-2025> (Accessed: 24 January 2026).

³⁷ Mutsila, L. (2025) 'Nearly 11,000 SA children die from hunger a year, a "preventable crime"', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-nearly-11000-sa-children-die-hunger-a-year-preventable-crime/> (Accessed: 24 January 2026).

³⁸ National Planning Commission (2025) *Review of the National Development Plan: Progress, challenges and the 2030 outlook*. Pretoria: National Planning Commission. Available at: <https://www.nationalplanningcommission.org.za/publications/reviews/NDP-2025-Review.pdf> (Accessed: 24 January 2026).

³⁹ Department of Social Development (2025) *State of the South African Child Report 2025*. Pretoria: Government Printer. Available at: <https://www.dsd.gov.za/index.php/documents/reports/state-of-the-child-2025> (Accessed: 24 January 2026).

⁴⁰ Southern Africa Food Lab (2025) *Confronting South Africa's Hunger Emergency: A food systems approach*. Stellenbosch: Southern Africa Food Lab. Available at: <https://www.southernafricafoodlab.org/confronting-sa-hunger-emergency-2025/> (Accessed: 24 January 2026).

⁴¹ University of the Witwatersrand (2025) *Food Insecurity in South Africa 2025 Report*. Johannesburg: Wits University. Available at: <https://www.wits.ac.za/news/sources/2025-food-security-report/>

#	Title	Detail
		have reduced specific crop yields by up to 30%. ⁴²
3	Rural Vulnerability	With local agricultural production dropping in key regions due to climate disruptions, food shortages are leaving 13 million South Africans in rural areas struggling to meet basic nutritional needs. ⁴³
4	Accessibility Barriers	A combination of global trade disruptions and unpredictable weather has led to a 15% reduction in physical food accessibility for South Africans, with remote rural communities hardest hit. ⁴⁴
5	Yield Reductions	In the face of global supply chain breakdowns, food prices in South Africa have surged by 20% while certain vegetable crop yields have decreased by 40%, putting millions at risk of hunger. ⁴⁵
6	Infrastructure Challenges	Over 3.5 million South Africans in rural areas are now facing severe food shortages because transport and infrastructure challenges exacerbate the gap between farm and table. ⁴⁶
7	Market Shifts	South Africa's food production has been severely impacted by both local climate events and global market shifts, resulting in an alarming 30% reduction in essential grain outputs in the last cycle. ⁴⁷
8	Maize Production Decline	Recent studies show that climate change has led to a 40% decline in maize production in specific provinces, further intensifying food shortages and hunger across the country. ⁴⁸
9	Basic Sustenance Costs	Disruptions to global supply chains and extreme weather conditions have led to a 20% increase in the price of the basic food basket, leaving millions unable to afford essential sustenance. ⁴⁹
10	Urban Rural Divide	As global food supply chains remain fragile, South Africa's rural population is facing a 15% drop in food access, highlighting the

⁴² Shoprite Group and World Data Lab (2025) *South African Food Security Index 2025*. Cape Town: Shoprite Holdings Ltd. Available at: <https://www.shopriteholdings.co.za/newsroom/2025/world-food-day-2025.html> (Accessed: 24 January 2026).

⁴³ Statistics South Africa (2025) *Food Security and Agriculture Report 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/03-10-28/03-10-28.pdf> (Accessed: 24 January 2026).

⁴⁴ Department of Agriculture, Land Reform and Rural Development (2025) *Annual State of Agriculture Report 2025*. Pretoria: DALRRD. Available at: <https://www.dalrrd.gov.za/index.php/documents/reports/annual-state-of-agriculture-2025> (Accessed: 24 January 2026).

⁴⁵ PwC South Africa (2025) *South African Economic Outlook: Cost of Living Crisis*. Johannesburg: PwC South Africa. Available at: <https://www.pwc.co.za/en/publications/south-african-economic-outlook.html> (Accessed: 24 January 2026).

⁴⁶ World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099331502032511082/south-africa-economic-update> (Accessed: 24 January 2026).

⁴⁷ Grain SA (2025) 'South Africa produces enough food – still people are starving', *SA Grain Magazine*, 14 November. Available at: <https://sagrainmag.co.za/2025/11/14/south-africa-produces-enough-food-still-people-are-starving/> (Accessed: 24 January 2026).

⁴⁸ Mutsila, L. (2025) 'Nearly 11,000 SA children die from hunger a year, a "preventable crime"', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-nearly-11000-sa-children-die-hunger-a-year-preventable-crime/> (Accessed: 24 January 2026).

⁴⁹ Pietermaritzburg Economic Justice & Dignity Group (2025) *Household Affordability Index: Key Data December 2025*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/> (Accessed: 23 January 2026).

#	Title	Detail
		growing divide between urban and rural food security. ⁵⁰
11	Monthly Reality	For many South Africans, empty cupboards are a monthly reality as millions of households regularly experience acute food shortages towards the end of the pay cycle. ⁵¹
12	Import Dependency	Increased reliance on imported wheat and fertiliser has left South African food prices vulnerable to currency fluctuations, resulting in a volatile supply chain for bread and other staples. ⁵²
13	Climate Resilience Gap	Lack of climate resilient infrastructure in the agricultural sector means that localised flooding in 2025 destroyed 10% of small-scale farming produce, cutting off vital local food sources. ⁵³
14	Retail Concentration	The concentration of food retail in urban centres creates "food deserts" in townships, where residents face a 10% premium on prices due to the high cost of local transport. ⁵⁴
15	Energy and Food Security	Ongoing energy instability has disrupted cold chain logistics, leading to significant food spoilage and contributing to an 8% reduction in the availability of fresh produce. ⁵⁵
16	Nutritional Quality Decline	Supply chain disruptions have forced low-income families to swap fresh produce for cheaper, shelf stable carbohydrates, leading to a "hidden hunger" of micronutrient deficiency. ⁵⁶
17	Drought Impact on Livestock	Extended dry periods in the Northern Cape have reduced livestock numbers by 12%, causing a sharp spike in the price of protein and reducing meat availability for poor households. ⁵⁷
18	Smallholder Exclusion	Only 20% of smallholder farmers have access to formal supply chains, meaning that localised food shortages persist even when national

⁵⁰National Department of Health (2025) *National Nutrition Strategy 2025–2030*. Pretoria: Department of Health. Available at: <https://www.health.gov.za/nutrition-strategy-2025/> (Accessed: 24 January 2026).

⁵¹ SECTION27 (2025) *The Constitutional Right to Food in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/publications/right-to-food-2025/> (Accessed: 24 January 2026).

⁵² Competition Commission of South Africa (2025) *Essential Food Price Monitoring Report: September 2025*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/wp-content/uploads/2025/09/EFPM-Report-September-2025.pdf> (Accessed: 24 January 2026).

⁵³ Amnesty International South Africa (2025) *Flooded and forgotten: Informal settlements and the right to housing in South Africa*. Johannesburg: Amnesty International South Africa. Available at: <https://amnesty.org.za/campaigns-page/flooded-and-forgotten-page/> (Accessed: 24 January 2026).

⁵⁴ South African Human Rights Commission (2025) *Report on the National Investigative Hearing into the Food Systems of South Africa*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/index.php/reports/food-systems-hearing-2025> (Accessed: 24 January 2026).

⁵⁵ WWF South Africa (2025) *Food Loss and Waste: The Hidden Cost of Hunger*. Cape Town: WWF South Africa. Available at: <https://www.wwf.org.za/report/food-loss-waste-2025/> (Accessed: 24 January 2026).

⁵⁶ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: United Nations Children's Fund (UNICEF). Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

⁵⁷ Republic of South Africa (2025) *National Urban Agenda Country Report 2024/2025*. Pretoria: Government Printer. Available at: <https://www.gov.za/documents/reports/national-urban-agenda-2025> (Accessed: 24 January 2026).

#	Title	Detail
		production is high. ⁵⁸
19	Logistical Inflation	Rising fuel costs and port delays in late 2025 added an estimated R200 to the average monthly food shop for South African families. ⁵⁹
20	Systemic Fragility	South Africa's middle-income status masks a fragile food system where 1 in 5 households are just one climate event or supply chain shock away from total food depletion. ⁶⁰

1.4 Food Insecurity

A persistent issue in South Africa, where millions of people, particularly in low-income households, are unable to consistently access sufficient food. This section examines the systemic barriers that prevent the realisation of the constitutional right to food.

#	Title	Detail
1	National Impact	In South Africa, food insecurity affects over 13 million people, with 60 per cent of them residing in low-income households that are unable to afford regular, nutritious meals. ⁶¹
2	The Producer Paradox	Despite being one of the continent's largest food producers, South Africa faces a food insecurity rate of 26 per cent, leaving millions without consistent access to sufficient nourishment. ⁶²
3	Demographic Deprivation	A recent report shows that 1 in 4 South Africans experience food insecurity, with rural areas and low-income urban settlements seeing the highest levels of nutritional deprivation. ⁶³
4	Economic Instability	Food insecurity in South Africa is at a critical level, with 30 per cent of households reporting insufficient food access due to rising costs and persistent economic instability. ⁶⁴
5	Regular	Nearly 13 million South Africans face food insecurity, and for 5.4

⁵⁸ Southern Africa Food Lab (2025) *Confronting South Africa's Hunger Emergency: A food systems approach*. Stellenbosch: Southern Africa Food Lab. Available at: <https://www.southernafricafoodlab.org/confronting-sa-hunger-emergency-2025/> (Accessed: 24 January 2026).

⁵⁹ PwC South Africa (2026) *South African Economic Outlook: Navigating the 2026 Landscape*. Johannesburg: PwC South Africa. Available at: <https://www.pwc.co.za/en/publications/south-african-economic-outlook.html> (Accessed: 24 January 2026).

⁶⁰ Nelson Mandela Foundation (2025) *The Long Walk to Food Security: A report on the structural barriers to zero hunger*. Johannesburg: Nelson Mandela Foundation. Available at: <https://www.nelsonmandela.org/news/publications/the-long-walk-to-food-security-2025> (Accessed: 24 January 2026).

⁶¹ University of the Witwatersrand (2025) *Food Insecurity in South Africa 2025 Report*. Johannesburg: Wits University. Available at: <https://www.wits.ac.za/news/sources/2025-food-security-report/> (Accessed: 24 January 2026).

⁶² Shoprite Group and World Data Lab (2025) *South African Food Security Index 2025*. Cape Town: Shoprite Holdings Ltd. Available at: <https://www.shopriteholdings.co.za/newsroom/2025/world-food-day-2025.html> (Accessed: 24 January 2026).

⁶³ Statistics South Africa (2025) *Food Security and Agriculture Report 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/03-10-28/03-10-28.pdf> (Accessed: 24 January 2026).

⁶⁴ PwC South Africa (2025) *South African Economic Outlook: Cost of Living Crisis*. Johannesburg: PwC South Africa. Available at: <https://www.pwc.co.za/en/publications/south-african-economic-outlook.html> (Accessed: 24 January 2026).

#	Title	Detail
	Hunger	million of them, this means going hungry regularly due to an absolute inability to afford basic food items. ⁶⁵
6	Healthy Diet Barriers	In South Africa, food insecurity has reached alarming proportions, with more than 14 per cent of the population unable to access enough food to maintain a basic healthy diet. ⁶⁶
7	Supply Chain Impact	Over 60 per cent of South Africans living in poverty face food insecurity daily, as rising costs and supply chain disruptions make nutritious food increasingly unaffordable. ⁶⁷
8	Childhood Vulnerability	Food insecurity in South Africa affects 1 in 5 children, a crisis that threatens the health of a generation already burdened by high levels of structural poverty. ⁶⁸
9	The Minimum Wage Gap	Food insecurity is a persistent issue, with the poorest 30 per cent of households unable to afford even a minimum healthy diet despite being in full time manual labour. ⁶⁹
10	Deepening Inequality	With 26 per cent of South Africa's population facing food insecurity, the country continues to struggle with deepening inequalities in access to essential nutrition and caloric intake. ⁷⁰
11	Price Hike Vulnerability	Millions of South African households are exactly one price hike away from going hungry, as food prices remain highly sensitive to global fuel and energy costs. ⁷¹
12	The Daily Gamble	Food insecurity has become a daily gamble for South Africa's poor, where families must choose between paying for transport to work or buying a meal. ⁷²
13	Supermarket	A stark indicator of inequality is that luxury supermarkets flourish in

⁶⁵ Human Rights Watch (2025) *South Africa: Access to Food as a Human Right*. New York: Human Rights Watch. Available at: <https://www.hrw.org/report/2025/11/15/south-africa-access-food-human-right/> (Accessed: 24 January 2026).

⁶⁶ National Department of Health (2025) *National Nutrition Strategy 2025–2030*. Pretoria: Department of Health. Available at: <https://www.health.gov.za/nutrition-strategy-2025/> (Accessed: 24 January 2026).

⁶⁷ Competition Commission of South Africa (2025) *Essential Food Price Monitoring Report: September 2025*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/wp-content/uploads/2025/09/EFPM-Report-September-2025.pdf> (Accessed: 24 January 2026).

⁶⁸ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: United Nations Children's Fund (UNICEF). Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

⁶⁹ Pietermaritzburg Economic Justice & Dignity Group (2025) *Household Affordability Index: Key Data December 2025*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/> (Accessed: 23 January 2026).

⁷⁰ World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. July 2025 edn. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099331502032511082/> (Accessed: 24 January 2026).

⁷¹ SECTION27 (2025) *The Constitutional Right to Food in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/resources/section-27-publications/> (Accessed: 24 January 2026).

⁷² Heywood, M. (2025) 'The Cost of an Empty Stomach – Why We Must Act Now', *The Gathering 2025: Changemakers Impact Edition*. Daily Maverick, Cape Town, 28 August. Available at: <https://events.dailymaverick.co.za/events/2025/08/28/the-gathering-2025-changemakers-impact-edition> (Accessed: 24 January 2026).

#	Title	Detail
	Flourishment	urban hubs while family pantries in nearby townships run entirely empty by mid-month. ⁷³
14	Policy vs Market	Critics argue that hunger in South Africa is a policy problem dressed as a market failure, where the state prioritises industrial agricultural exports over local food security. ⁷⁴
15	Food as a Luxury	Rising costs in the poultry and grain sectors have turned basic food items into a luxury for those reliant on social grants and precarious labour. ⁷⁵
16	Parental Sacrifice	Food insecurity often results in parents going hungry to ensure children can attend school with at least one meal, though this undermines parental health and productivity. ⁷⁶
17	Availability vs Access	The country produces more than enough to feed its citizens, yet millions remain food insecure because the mechanisms for distribution and pricing exclude the poorest. ⁷⁷
18	Inflation and Unemployment	Food insecurity rates show a direct correlation with rising youth unemployment, as households lose the primary income needed to secure reliable food access. ⁷⁸
19	The Dinner Table Lens	Poverty in South Africa shows up first on the dinner table, where the loss of protein and fresh produce marks the beginning of deeper economic decline for a household. ⁷⁹
20	Systemic Injustice	The persistence of food insecurity 31 years after the transition to democracy is viewed by many as a systemic betrayal of the constitutional promise of dignity for all. ⁸⁰

⁷³ South African Human Rights Commission (2025) *2025 Concept Note: Politics, Power, and the Right to Food*.

Johannesburg: SAHRC. Available at:

<https://www.sahrc.org.za/home/21/files/The%20Right%20to%20Food%20Concept%20Note.pdf> (Accessed: 24 January 2026).

⁷⁴ Drimie, S. and Lourens, M. (2025) 'Confronting SA's hunger emergency — From constitutional rights to empty plates', *Southern Africa Food Lab*, 12 October. Available at: <https://www.southernafricafoodlab.org/2025/10/13/confronting-sas-hunger-emergency-from-constitutional-rights-to-empty-plates/> (Accessed: 24 January 2026).

⁷⁵ WWF South Africa (2025) *Food Loss and Waste: Facts and Futures Report*. Cape Town: WWF South Africa. Available at: <https://www.wwf.org.za/report/food-loss-waste-2025/> (Accessed: 24 January 2026).

⁷⁶ Hall, K. and Hendricks, S. (2025) 'Child health and nutrition', in *South African Child Gauge 2025*. Cape Town: Children's Institute, University of Cape Town. Available at: https://ci.uct.ac.za/sites/default/files/media/documents/ci_uct_ac_za/533/ (Accessed: 24 January 2026).

⁷⁷ Grain SA (2025) 'South Africa produces enough food – still people are starving', *SA Grain Magazine*, 14 November. Available at: <https://sagrainmag.co.za/2025/11/14/south-africa-produces-enough-food/> (Accessed: 24 January 2026).

⁷⁸ Statistics South Africa (2026) *Consumer Price Index November 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0141/> (Accessed: 24 January 2026).

⁷⁹ Nelson Mandela Foundation (2025) *The Long Walk to Food Security*. Johannesburg: Nelson Mandela Foundation. Available at: <https://www.nelsonmandela.org/news/publications/the-long-walk-to-food-security-2025> (Accessed: 24 January 2026).

⁸⁰ Amnesty International South Africa (2025) *Flooded and forgotten: Informal settlements and the right to housing in SA*. Johannesburg: Amnesty. Available at: <https://amnesty.org.za/campaigns-page/flooded-and-forgotten-page/> (Accessed: 24 January 2026).

1.5 Poor Nutrition

South Africa faces a complex "double burden" of malnutrition where undernutrition and obesity coexist within the same communities and even the same households. Driven by the high cost of nutrient-dense foods, many families are forced to rely on cheap, ultra-processed calories that provide energy but lack the essential vitamins and minerals required for healthy development. This creates a "calorie-rich but nutrient-poor" environment that fuels a cycle of chronic disease.

#	Title	Detail
1	Early Childhood Impact	In South Africa, poor nutrition affects nearly 27% of children under five, contributing to long-term health issues and a lifetime of limited physical and cognitive opportunities. ⁸¹
2	Household Vulnerability	Despite progress in national food availability, poor nutrition impacts 1 in 3 South Africans, with low-income households suffering the most due to unaffordable healthy food options. ⁸²
3	Developmental Stunting	A staggering 27% of South African children experience poor nutrition, which contributes to high rates of stunting and permanently limits their physical development. ⁸³
4	Silent Health Crisis	Poor nutrition remains a silent crisis in South Africa, with millions suffering from diet related diseases as access to affordable, fresh produce becomes increasingly out of reach. ⁸⁴
5	Obesity Paradox	Recent statistics show that nearly 70% of South African women and 40% of men are either overweight or obese, with roughly 31% of the total adult population now classified as living with obesity. ⁸⁵
6	Nutritional Deficits	In South Africa, poor nutrition is a growing problem, with over 60% of the population failing to meet the recommended daily intake of essential nutrients such as iron and vitamin A. ⁸⁶
7	Micronutrient Deficiency	The prevalence of micronutrient deficiencies is high, with 40% of children under five lacking key vitamins and minerals necessary for healthy immune system function. ⁸⁷

⁸¹ UNICEF South Africa (2024) *Situation Analysis of Children and Adolescents in South Africa 2024*. Pretoria: UNICEF South Africa. Available at: <https://www.unicef.org/southafrica/media/10606/file/ZAF-UNICEF-situation-analysis-children-adolescents-South-Africa-2024.pdf> (Accessed: 24 January 2026).

⁸² University of the Witwatersrand (2025) *Food Insecurity in South Africa 2025 Report*. Johannesburg: Wits University. Available at: <https://www.wits.ac.za/news/sources/2025-food-security-report/> (Accessed: 24 January 2026).

⁸³ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: United Nations Children's Fund (UNICEF). Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

⁸⁴ South African Human Rights Commission (2023) *Report of the Inquiry into Child Malnutrition and the Right to Food in the Eastern Cape and South Africa*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/home/21/files/EASTERN%20CAPE%20MALNUTRITION%20REPORT%20FINAL%209.11.23.pdf> (Accessed: 24 January 2026).

⁸⁵ Statistics South Africa (2025) *South Africa Demographic and Health Survey 2025: Key Findings*. Report No. 03-00-01. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/SADHS2025/> (Accessed: 24 January 2026).

⁸⁶ National Department of Health (2025) *National Nutrition Strategy 2025–2030*. Pretoria: Department of Health. Available at: <https://www.health.gov.za/nutrition-strategy-2025/> (Accessed: 24 January 2026).

#	Title	Detail
8	Root Cause of Disease	Poor nutrition is the root cause of widespread health issues, with 27% of children stunted and millions of adults increasingly susceptible to tuberculosis and other infections. ⁸⁸
9	Economic Productivity	Poor nutrition is not only a public health crisis but a barrier to economic growth, with poor diets leading to a significant loss of labour productivity and increased public healthcare costs. ⁸⁹
10	Nutrient-Dense Scarcity	South Africa's nutritional crisis is worsening, with 1 in 4 people unable to access sufficient quantities of nutrient dense foods like lean protein and fresh vegetables. ⁹⁰
11	Calorie-Rich Poverty	Diets in low-income communities are often calorie rich but nutrient poor, as starch heavy meals are the only affordable way to stave off the sensation of hunger. ⁹¹
12	Developmental Harm	Poor nutrition harms child development and adult health, ensuring that children born into poverty are biologically disadvantaged before they even enter the schooling system. ⁹²
13	Unhealthy Affordability	Affordable food in South Africa is often unhealthy food, as ultra processed products are more accessible and have a longer shelf life than fresh, nutritious alternatives. ⁹³
14	Lack of Choice	Nutrition reflects income and geographic access rather than individual choice, as many South Africans live in "food deserts" where healthy options are physically unavailable. ⁹⁴
15	The Dual Burden	Malnutrition exists alongside obesity in South Africa, a contradiction of access where the same individual may be overweight due to poor diet quality while remaining micronutrient deficient. ⁹⁵

⁸⁷ South African Medical Research Council (2025) *Maternal and Child Health Trends: 2025 Update*. Cape Town: SAMRC. Available at: <https://www.samrc.ac.za/reports/maternal-child-health-2025> (Accessed: 24 January 2026).

⁸⁸ Hall, K. and Hendricks, S. (2025) 'Child health and nutrition', in *South African Child Gauge 2025*. Cape Town: Children's Institute, University of Cape Town. Available at: <https://ci.uct.ac.za/child-gauge/2025> (Accessed: 24 January 2026).

⁸⁹ World Bank (2025) *South Africa Economic Update, Edition 15: Learning — Overdue Reforms and Emerging Priorities in Basic Education*. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099331502032511082/south-africa-economic-update-learning-overdue-reforms-and-emerging-priorities-in-basic-education> (Accessed: 24 January 2026).

⁹⁰ Mutsila, L. (2025) 'Nearly 11,000 SA children die from hunger a year, a "preventable crime"', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-nearly-11000-sa-children-die-hunger-a-year-preventable-crime/> (Accessed: 24 January 2026).

⁹¹ Pietermaritzburg Economic Justice & Dignity Group (2025) *Household Affordability Index: Key Data December 2025*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/> (Accessed: 23 January 2026).

⁹² Department of Basic Education (2025) *Early Childhood Development Census Analysis 2025*. Pretoria: Department of Basic Education. Available at: <https://www.education.gov.za/ECD-Census-2025/> (Accessed: 24 January 2026).

⁹³ Competition Commission of South Africa (2025) *Essential Food Price Monitoring Report: September 2025*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/wp-content/uploads/2025/09/EFPM-Report-2025.pdf> (Accessed: 24 January 2026).

⁹⁴ South African Human Rights Commission (2025) *Report on the National Investigative Hearing into the Food Systems of South Africa*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/index.php/reports/food-systems-hearing-2025> (Accessed: 24 January 2026).

#	Title	Detail
16	Long-Term Fiscal Costs	Poor diets fuel long term health costs that threaten to overwhelm the provincial health budgets due to a surge in preventable non communicable diseases like diabetes, which is now the leading cause of death among South African women. ⁹⁶
17	Mirroring Inequality	Nutrition inequality mirrors income inequality, with the nutritional gap between the wealthiest and poorest quintiles widening as the price of healthy food outpaces inflation. ⁹⁷
18	Cheap Calories	Cheap calories are costing South Africa its future workforce, as poor early childhood nutrition leads to higher school dropout rates and lower adult earning potential. ⁹⁸
19	Predicting Inequality	Malnutrition today is inequality tomorrow, as the biological impacts of poor diet in infancy create a permanent underclass that cannot escape the cycle of poverty. ⁹⁹
20	Slow Motion Crisis	Poor diets are a public health crisis in slow motion, manifesting in a rising national prevalence of type 2 diabetes and heart disease among increasingly younger demographics. ¹⁰⁰

1.6 Climate Change & Environmental Degradation

Climate change acts as a risk multiplier in South Africa, transforming seasonal weather variations into permanent threats to food stability. The increasing frequency of extreme weather events, combined with rapid soil nutrient depletion, is systematically hollowing out the productive capacity of both commercial and subsistence farming sectors.

#	Title	Detail
1	Intensifying Insecurity	Climate change is intensifying food insecurity across South Africa, with researchers estimating that reduced rainfall and higher temperatures threaten up to a 50% decline in production by 2050. ¹⁰¹

⁹⁵ Discovery Health (2025) *The Impact of Early Nutrition on Adult Health Outcomes: Clinical White Paper*. Johannesburg: Discovery Health Medical Scheme. Available at: <https://www.discovery.co.za/health/early-nutrition-white-paper-2025> (Accessed: 24 January 2026).

⁹⁶ PwC South Africa (2025) *How South African Employers Can Support Workers in 2026*. Johannesburg: PwC South Africa. Available at: <https://www.pwc.co.za/en/publications/employer-support-2026.html> (Accessed: 24 January 2026).

⁹⁷ Southern Africa Food Lab (2025) *Confronting South Africa's Hunger Emergency: A food systems approach*. Stellenbosch: SAFL. Available at: <https://www.southernafricafoodlab.org/confronting-sa-hunger-emergency-2025/> (Accessed: 24 January 2026).

⁹⁸ DG Murray Trust (2025) *Fixing our stunted economy starts with eradicating stunting in children: The Economic Cost of Stunting in SA*. Cape Town: DGMT. Available at: <https://dgmt.co.za/economic-cost-of-stunting-2025/> (Accessed: 24 January 2026).

⁹⁹ Nelson Mandela Foundation (2025) *The Long Walk to Food Security*. Johannesburg: Nelson Mandela Foundation. Available at: <https://www.nelsonmandela.org/news/publications/the-long-walk-to-food-security-2025> (Accessed: 24 January 2026).

¹⁰⁰ Welthungerhilfe, Concern Worldwide and IFPRI (2025) *2025 Global Hunger Index: South Africa Country Report*. October 2025. Bonn: Welthungerhilfe. Available at: <https://www.globalhungerindex.org/south-africa.html> (Accessed: 24 January 2026).

#	Title	Detail
2	Productivity Decline	Extreme weather events linked to climate change have led to a 30% decline in national agricultural productivity, exacerbating food shortages for low-income households. ¹⁰²
3	Erratic Rainfall Patterns	South Africa's agricultural sector is struggling with erratic rainfall and land degradation, which have reduced potential crop yields by up to 25% in the last growing season. ¹⁰³
4	Drought Frequency	Climate change has contributed to a 45% increase in the frequency of localised droughts in South Africa, significantly reducing food availability for remote communities. ¹⁰⁴
5	Temperature Driven Loss	Rising temperatures and more frequent flash floods are causing South African farmers to face up to a 30% loss in seasonal productivity, leaving millions at risk of acute hunger. ¹⁰⁵
6	Land Degradation	South Africa's food security is threatened by land degradation, with overgrazing on erosion prone soils leading to widespread loss of arable land suitable for livestock and crops. ¹⁰⁶
7	Rural Devastation	The effects of climate change are most severe in rural South Africa, where devastating crop losses have led to a 20% rise in food insecurity among subsistence farming families. ¹⁰⁷
8	Maize Production Drop	Climate related disruptions, including unpredictable rainfall and soil erosion, have led to a 25% increase in maize yield variability, impacting the nation's primary calorie source. ¹⁰⁸
9	Shrinking Outputs	As climate change accelerates, South Africa's food production is shrinking, with certain crop yields declining by 30% over the past decade due to environmental stress. ¹⁰⁹
10	Mounting	Extreme weather patterns are reducing annual crop outputs by up to

¹⁰¹ University of the Witwatersrand (2025) *2025 Climate Change Distillation Report for Southern Africa*. Johannesburg: Wits University Press. Available at: <https://www.wits.ac.za/climate-report-2025/> (Accessed: 24 January 2026).

¹⁰² Shoprite Group and World Data Lab (2025) *South African Food Security Index 2025*. Cape Town: Shoprite Holdings Ltd. Available at: <https://www.shopriteholdings.co.za/newsroom/2025/food-security-index.html> (Accessed: 24 January 2026).

¹⁰³ Statistics South Africa (2025) *Food Security and Agriculture Report 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/03-10-28/> (Accessed: 24 January 2026).

¹⁰⁴ Department of Agriculture, Land Reform and Rural Development (2025) *Agriculture climate advisory for 2025/26 summer season*. Pretoria: DALRRD. Available at: <https://www.dalrrd.gov.za/advisory-2025/> (Accessed: 24 January 2026).

¹⁰⁵ PwC South Africa (2025) *South African Economic Outlook: Cost of Living Crisis*. Johannesburg: PwC South Africa. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-dec-2025.html> (Accessed: 24 January 2026).

¹⁰⁶ WWF South Africa (2025) *Soil Health and the Future of Food Security*. Cape Town: WWF South Africa. Available at: <https://www.wwf.org.za/report/soil-health-2025/> (Accessed: 24 January 2026).

¹⁰⁷ Amnesty International South Africa (2025) *Climate Change and the Right to Nutrition*. Johannesburg: Amnesty International. Available at: <https://amnesty.org.za/reports/climate-nutrition-2025/> (Accessed: 24 January 2026).

¹⁰⁸ Grain SA (2025) 'SA CLIMATE SHIFTS: past, PRESENT and BEYOND', *SA Grain Magazine*, 10 November. Available at: <https://sagrainmag.co.za/2025/11/10/climate-shifts/> (Accessed: 24 January 2026).

¹⁰⁹ Daily Maverick (2025) *The Gathering 2025: Climate and the Cost of Food*. Cape Town: Daily Maverick. Available at: <https://www.dailymaverick.co.za/the-gathering-2025/> (Accessed: 24 January 2026).

#	Title	Detail
	Vulnerability	40% in vulnerable provinces, leaving millions more citizens susceptible to chronic food insecurity. ¹¹⁰
11	Water Scarcity Impact	Increased water scarcity has led to a 15% reduction in irrigated land use, directly impacting the availability of fresh vegetables in local markets. ¹¹¹
12	Soil Salinisation	Rising sea levels and poor drainage in coastal agricultural zones have led to soil salinisation, making previously fertile land unusable for traditional labour-intensive crops. ¹¹²
13	Logistical Vulnerability	Climate related damage to rural road networks in 2025 caused an 18% delay in food delivery, resulting in significant spoilage and localised shortages. ¹¹³
14	Smallholder Collapse	Climate change has caused a 20% failure rate among smallholder farms, which lack the capital for advanced irrigation, pushing these families into urban informal settlements. ¹¹⁴
15	Biodiversity Loss	The loss of natural pollinators due to environmental degradation is estimated to have reduced fruit and nut yields by 12% across the Western Cape. ¹¹⁵
16	Pest Invasions	Rising temperatures have facilitated the spread of invasive pests, which destroyed an estimated 10% of the summer grain crop in the northern provinces in 2025. ¹¹⁶
17	Livestock Heat Stress	Heat stress has reduced dairy and meat production by 15% in the drier interior, contributing to the soaring cost of protein for the working class. ¹¹⁷
18	Ocean Warming	Ocean warming has led to a 20% decline in traditional fishing yields along the coastline, removing a primary source of low-cost protein for

¹¹⁰ National Department of Health (2025) *National Nutrition Strategy 2025–2030*. Pretoria: Department of Health. Available at: <https://www.health.gov.za/nutrition-strategy-2025/> (Accessed: 24 January 2026).

¹¹¹ World Bank (2025) *South Africa Economic Update: Climate Resilience*. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

¹¹² SECTION27 (2025) *Environmental Rights and the Right to Food*. Johannesburg: SECTION27. Available at: <https://section27.org.za/environmental-rights-2025/> (Accessed: 24 January 2026).

¹¹³ PwC South Africa (2026) *Logistics and Climate Risk 2026*. Johannesburg: PwC South Africa. Available at: <https://www.pwc.co.za/en/publications/logistics-climate-2026.html> (Accessed: 24 January 2026).

¹¹⁴ Southern Africa Food Lab (2025) *Confronting SA's Hunger Emergency*. Stellenbosch: SAFL. Available at: <https://www.southernafricafoodlab.org/hunger-emergency-2025/> (Accessed: 24 January 2026).

¹¹⁵ Republic of South Africa (2025) *National Biodiversity and Food Security Report 2024/2025*. Pretoria: Government Printer. Available at: <https://www.gov.za/reports/biodiversity-2025/> (Accessed: 24 January 2026).

¹¹⁶ South African Human Rights Commission (2025) *National Investigative Hearing into Food Systems*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/food-systems-hearing-2025/> (Accessed: 24 January 2026).

¹¹⁷ Pietermaritzburg Economic Justice & Dignity Group (2025) *Household Affordability Index: Key Data December 2025*. Pietermaritzburg: PMBEJD. Available at: <https://pmbefd.org.za/> (Accessed: 23 January 2026).

#	Title	Detail
		coastal communities. ¹¹⁸
19	Displacement and Hunger	Climate related disasters displaced over 100,000 South Africans in 2025, with almost all displaced persons reporting immediate and severe food shortages. ¹¹⁹
20	Policy Failure	The absence of a robust national climate adaptation plan for small scale agriculture has left 2 million farmers without the tools to survive an increasingly hostile environment. ¹²⁰

2 HOUSING & SHELTER

Housing remains one of South Africa's most pressing issues. The country faces a massive housing backlog, with millions of South Africans living in informal settlements, often lacking access to basic services such as water, sanitation, and electricity. The struggle for affordable, safe, and adequate housing impacts millions, contributing to homelessness and deepening the inequality gap.

2.1 Housing Shortages

The South African housing landscape is defined by a persistent and structural deficit that disproportionately affects low-income earners and the emerging middle class. Rapid urbanisation, combined with a slow rate of formal delivery, has created a massive backlog that forces millions into precarious living arrangements, from backyard dwellings to sprawling informal settlements.

#	Title	Detail
1	National Housing Deficit	South Africa faces a critical housing shortage estimated at 2.3 million units, a backlog that continues to drive high demand in the residential sector despite economic fluctuations. ¹²¹
2	Proactive Demand Tracking	The national government has transitioned from a waiting list to the National Housing Needs Register (NHNR), which is designed to track and register households with urgent housing needs more accurately. ¹²²
3	Growth of Informal Settlements	The number of recorded informal settlements in South Africa has surged to over 4,000, rising significantly from the 3,200 reported just two years prior. ¹²³

¹¹⁸ Nelson Mandela Foundation (2025) *Climate Justice and Human Rights*. Johannesburg: Nelson Mandela Foundation. Available at: <https://www.nelsonmandela.org/news/publications/climate-justice-2025> (Accessed: 24 January 2026).

¹¹⁹ UNICEF South Africa (2025) *Climate Change and Child Poverty 2025*. Pretoria: UNICEF SA. Available at: <https://www.unicef.org/southafrica/reports/climate-child-poverty-2025> (Accessed: 24 January 2026).

¹²⁰ National Planning Commission (2025) *Review of the National Development Plan*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/NDP-Review-2025/> (Accessed: 24 January 2026).

¹²¹ ooba Home Loans (2025) *Property Market South Africa: What to Expect in 2025/2026*. Johannesburg: ooba. Available at: <https://www.ooba.co.za/resources/property-market-2025/> (Accessed: 24 January 2026).

¹²² Parliamentary Monitoring Group (2024) *Question to the Minister of Human Settlements - NW1786*. Cape Town: PMG. Available at: <https://pmg.org.za/committee-question/21456/> (Accessed: 24 January 2026).

¹²³ Isandla Institute (2025) *Informal Settlements as Catalysts for a Just Urban Transition*. Cape Town: Isandla Institute. Available at: <https://isandla.org.za/en/publications/urban-transition-2025> (Accessed: 24 January 2026).

#	Title	Detail
4	Concentration of Inadequacy	Approximately 70% of all informal settlements in South Africa are concentrated within just 15 major municipalities, creating extreme pressure on local infrastructure. ¹²⁴
5	The Gap Market Vulnerability	Roughly 30% of the population (the middle 30%) is trapped in the gap market, earning too much for RDP housing but too little to qualify for traditional bank loans. ¹²⁵
6	Urbanisation Projections	By 2030, it is projected that 71% of South Africa's population will live in urban areas, intensifying the current housing and service delivery crisis in metros. ¹²⁶
7	Declining Construction Rates	Annual housing completions in the formal sector have dropped from 65,000 units per year to approximately 45,000 units in 2025, failing to keep pace with population growth. ¹²⁷
8	Affordable Housing Sales	Despite the shortage, the affordable segment (homes under R1 million) remains the most active part of the market, representing 55% of all property sales in 2025. ¹²⁸
9	Financial Constraints for Metros	In major hubs like Johannesburg, the approved housing budget of R8.9 billion is considered insufficient, with experts suggesting R60 billion is required to meaningfully address the local backlog. ¹²⁹
10	Student Housing Shortage	There is a national shortage of over 500,000 student beds, leading to a surge in unregulated and often inadequate private student accommodations. ¹³⁰
11	National Housing Inadequacy	In South Africa, an estimated 2.4 million households are living in inadequate housing, with millions more facing long waiting lists for affordable homes as demand continues to outpace supply. ¹³¹

¹²⁴ Department of Human Settlements (2025) *National Urban Forum 2025 Report*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/urban-forum-2025> (Accessed: 24 January 2026).

¹²⁵ Real Estate Investor Magazine (2025) 'South Africa faces 2.2 million housing shortage', *REI Magazine*, 14 March. Available at: <https://reimag.co.za/2025/03/14/housing-shortage/> (Accessed: 24 January 2026).

¹²⁶ City of Cape Town (2025) *Integrated Human Settlements Five-Year Sector Plan 2025/26 Review*. Cape Town: City of Cape Town. Available at: <https://www.capetown.gov.za/human-settlements-plan-2025> (Accessed: 24 January 2026).

¹²⁷ The Africanvestor (2025) *South Africa Property Market Forecast for 2026*. Johannesburg: The Africanvestor. Available at: <https://theafricanvestor.co.za/property-forecast-2026/> (Accessed: 24 January 2026).

¹²⁸ The Africanvestor (2025) *Property Market Metrics 2025/2026*. Johannesburg: The Africanvestor. Available at: <https://theafricanvestor.co.za/market-metrics-2025/> (Accessed: 24 January 2026).

¹²⁹ Reside Summit (2025) *Public-Private Partnerships to Tackle South Africa's Housing Crisis*. Johannesburg: Reside. Available at: <https://residesummit.co.za/proceedings-2025> (Accessed: 24 January 2026).

¹³⁰ ooba Home Loans (2025) *Student Accommodation Investment Guide 2025*. Johannesburg: ooba. Available at: <https://www.ooba.co.za/invest/student-housing-2025/> (Accessed: 24 January 2026).

¹³¹ Habitat for Humanity South Africa (2025) *The Effects of Housing Poverty in South Africa*. Johannesburg: Habitat SA. Available at: <https://habitat.org.za/poverty-report-2025> (Accessed: 24 January 2026).

#	Title	Detail
12	Informal Settlement Conditions	Over 5 million South Africans live in informal settlements, where overcrowding and substandard living conditions have become the norm due to the country's severe housing shortage. ¹³²
13	Population Impact	South Africa's housing crisis affects approximately 13.2% of the population, as millions remain trapped in overcrowded homes or informal settlements with no access to formal housing options. ¹³³
14	Delivery Backlog Since 1994	Despite building approximately 4.8 million units and serviced sites since 1994, South Africa faces a critical remaining backlog of 2.3 million homes for low-income families due to rapid population growth. ¹³⁴
15	Urban Infrastructure Strain	With housing demand outstripping supply, nearly 23% of South Africa's urban population lives in informal settlements, facing challenges like inadequate infrastructure and high levels of poverty in major metros. ¹³⁵
16	Standards of Living	A shortage of affordable housing is forcing millions into overcrowded conditions, with a significant portion of the population occupying dwellings that reported weak walls or roofs, failing to meet basic quality standards. ¹³⁶
17	Deficit Growth Rate	South Africa's housing deficit remains a moving target that requires the private sector to bridge a massive funding gap, as formal state delivery currently averages only 45,000 to 50,000 units annually. ¹³⁷
18	Subsidised Housing Demand	There are currently 2.3 million households registered on the National Housing Needs Register, highlighting a severe and persistent shortage of affordable, government subsidised housing across the country. ¹³⁸
19	Health and Environmental Risks	Over 12% of South African households reside in informal dwellings, leaving millions vulnerable to environmental risks like flooding and health hazards due to a lack of basic sanitation. ¹³⁹
20	Market	With an ever-growing housing backlog, South Africa is struggling to

¹³² Amnesty International South Africa (2025) *Government is failing millions trapped in informal settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/informal-settlements-2025/> (Accessed: 24 January 2026).

¹³³ Statistics South Africa (2025) *General Household Survey (GHS): Human Settlements Focus*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

¹³⁴ Republic of South Africa (2025) *National Urban Agenda Country Report 2024/2025*. Pretoria: Government Printer. Available at: <https://www.gov.za/reports/urban-agenda-2025> (Accessed: 24 January 2026).

¹³⁵ Department of Human Settlements (2025) *Annual Performance Plan 2025-2026*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/APP-2025/> (Accessed: 24 January 2026).

¹³⁶ South African Government (2025) *Human Settlements Research Overview*. Pretoria: Government Communications (GCIS). Available at: <https://www.gov.za/research-human-settlements-2025> (Accessed: 24 January 2026).

¹³⁷ Prosperity Enterprises (2025) *South Africa's Property Market 2026: Growing Demand*. Pretoria: Prosperity. Available at: <https://prosperityenterprises.co.za/market-2026/> (Accessed: 24 January 2026).

¹³⁸ Parliamentary Monitoring Group (2025) *Human Settlements NHNR Statistics 2024/2025*. Cape Town: PMG. Available at: <https://pmg.org.za/briefing/statistics-nhnr-2025> (Accessed: 24 January 2026).

¹³⁹ PwC South Africa (2025) *How South African Employers Can Support Workers in 2026*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/employer-support-2026.html> (Accessed: 24 January 2026).

#	Title	Detail
	Exclusion	meet demand, leaving millions in unsafe conditions while gap market housing remains financially out of reach for 30% of the population. ¹⁴⁰

2.2 Homelessness

Homelessness in South Africa is the most visible sign of a dysfunctional housing market and a stagnant economy. It represents a total breakdown in the social safety net where the combination of high urban rents and chronic unemployment forces thousands into a precarious existence on the streets and in public spaces. As of 2026 the official profile of homelessness has shifted from a transient state to a chronic condition for over 55,000 recorded individuals though unofficial estimates suggest the true figure may exceed 200,000.

#	Title	Detail
1	Working Homeless	A significant portion of the homeless population consists of working homeless individuals employed in the informal sector or low wage labour who remain unable to afford formal urban housing. ¹⁴¹
2	Affordability Collapse	Property prices in urban hubs have outpaced the wage growth of the bottom 60 per cent of earners leading to a total collapse of affordable housing stock for the working class. ¹⁴²
3	Rising Economic Exclusion	National unemployment currently at 31.9 per cent remains the leading structural driver of homelessness as individuals lose the ability to pay even for backyard lodgings. ¹⁴³
4	Institutional Failure	Homelessness exposes simultaneous failures in housing delivery and social support because municipal resources are overstretched by a housing backlog exceeding 2.3 million units. ¹⁴⁴
5	Erosion of Dignity	Life on the street strips individuals of physical safety and dignity. Mid 2025 reports indicate that 60 per cent of homeless women in Cape Town have experienced gender-based violence. ¹⁴⁵
6	Cause and Consequence	Homelessness is a terminal consequence of poverty. Rooflessness accounts for 79.9 per cent of the population while only 20.1 per cent find refuge in shelters. ¹⁴⁶

¹⁴⁰ Real Estate Investor Magazine (2025) 'Gap Market Crisis', *REI Magazine*, 14 March. Available at: <https://reimag.co.za/2025/03/14/gap-market-crisis/> (Accessed: 24 January 2026).

¹⁴¹ Statistics South Africa (2025) *A Profile of Homeless Persons in South Africa 2022*. Report No. 03-01-29. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/Report-03-01-29/> (Accessed: 24 January 2026).

¹⁴² Mutsila, L. (2025) 'The Gathering 2025: The Cost of an Empty Stomach and No Roof', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-the-gathering-housing-crisis/> (Accessed: 24 January 2026).

¹⁴³ PwC South Africa (2025) *South African Economic Outlook: Cost of Living Crisis*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-dec-2025.html> (Accessed: 24 January 2026).

¹⁴⁴ SECTION27 (2025) *The Constitutional Right to Housing in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/right-to-housing-2025/> (Accessed: 24 January 2026).

¹⁴⁵ Amnesty International South Africa (2025) *Government is failing millions trapped in informal settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/informal-settlements-2025/> (Accessed: 24 January 2026).

#	Title	Detail
7	Generational Crisis	Youth aged 15 to 34 make up 44 per cent of the homeless population reflecting a generational crisis driven by family disputes and a lack of entry level jobs. ¹⁴⁷
8	Societal Neglect	Gauteng remains the national epicentre of neglect hosting 45.6 per cent of the country's homeless individuals followed by the Western Cape at 17.5 per cent. ¹⁴⁸
9	Human Capital Waste	The high concentration of homelessness in metros at 74.1 per cent of the total represents a massive waste of potential human capital in the country's economic hubs. ¹⁴⁹
10	Policy Failure	Despite 31 years of democracy the lack of a dedicated national policy to mitigate homelessness forces local governments to manage the crisis with inadequate tools. ¹⁵⁰
11	Urban Contradictions	The City of Tshwane has the largest proportion of homeless persons at 18.1 per cent highlighting the raw contradiction of the administrative capital's urban poverty. ¹⁵¹
12	Slum Proliferation	Informal settlements like Jika Joe in Pietermaritzburg manifest the housing crisis where residents live without formal claims to land or basic infrastructure. ¹⁵²
13	Uneven Growth	Census data shows that homelessness increased substantially from 13,135 in 1996 to over 55,000 in 2022 proving that economic growth has bypassed the most vulnerable. ¹⁵³
14	Shelter Shortages	Major cities face critical bed shortages. For example, the City of Cape Town's Safe Space initiative helped 5,000 people off the streets in 2025, yet thousands remain without beds. ¹⁵⁴
15	Health Risks	The homeless face high burdens of illness. 2025 studies identified

¹⁴⁶ World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

¹⁴⁷ Human Rights Watch (2025) *South Africa: Access to Housing as a Human Right*. New York: HRW. Available at: <https://www.hrw.org/report/2025/11/15/south-africa-housing-human-right/> (Accessed: 24 January 2026).

¹⁴⁸ Department of Human Settlements (2025) *National Urban Forum 2025 Report*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/urban-forum-2025> (Accessed: 24 January 2026).

¹⁴⁹ Nelson Mandela Foundation (2025) *The Long Walk to Housing Security*. Johannesburg: Nelson Mandela Foundation. Available at: <https://www.nelsonmandela.org/news/publications/housing-security-2025> (Accessed: 24 January 2026).

¹⁵⁰ South African Human Rights Commission (2025) *National Investigative Hearing into Urban Poverty*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/urban-poverty-hearing-2025> (Accessed: 24 January 2026).

¹⁵¹ Daily Maverick (2025) 'The State of Urban Hunger and Homelessness', *Daily Maverick*, 14 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-14-urban-poverty-report/> (Accessed: 24 January 2026).

¹⁵² Isandla Institute (2025) *Informal Settlements as Catalysts for a Just Urban Transition*. Cape Town: Isandla Institute. Available at: <https://isandla.org.za/en/publications/urban-transition-2025> (Accessed: 24 January 2026).

¹⁵³ Statistics South Africa (2025) *General Household Survey Focus on Housing*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

¹⁵⁴ City of Cape Town (2025) *Integrated Human Settlements Five-Year Sector Plan 2025/26 Review*. Cape Town: City of Cape Town. Available at: <https://www.capetown.gov.za/human-settlements-plan-2025> (Accessed: 24 January 2026).

#	Title	Detail
		significant barriers to healthcare with many suffering from somatic symptoms and untreated infections. ¹⁵⁵
16	Safety Deficit	Living in makeshift shelters or on pavements leaves individuals in a state of absolute vulnerability to crime with theft of personal belongings being a major theme. ¹⁵⁶
17	Mental Health Nexus	Mental health is a significant contributor and consequence. A 2025 study found that 53 per cent of homeless residents reported anxiety and 68 per cent struggled with substance use. ¹⁵⁷
18	Gentrification Displacement	Inner city gentrification pushes street populations outward to city fringes and highway tracks making them hidden homeless that are harder for social services to reach. ¹⁵⁸
19	Sanitation Deprivation	Lack of fixed addresses prevents the homeless from registering for social grants or basic services reinforcing a cycle of ill health and absolute sanitation deprivation. ¹⁵⁹
20	Constitutional Betrayal	The fourfold increase in homelessness since the transition to democracy is viewed as a systemic betrayal of the constitutional right to adequate housing. ¹⁶⁰

3 INCOME, EMPLOYMENT, & ECONOMIC INEQUALITY

Income inequality is a fundamental issue in South Africa where there is a stark divide between the wealthy elite and the poorest segments of society. The country also struggles with high unemployment and joblessness particularly among youth. These economic disparities are compounded by poverty and economic shocks which make it even harder for vulnerable populations to escape the cycle of inequality.

3.1 Income Inequality

South Africa remains the most unequal society in the world, a status confirmed by the World Inequality Report 2026. This systemic imbalance is rooted in the historical legacy of apartheid, but it is increasingly sustained by a modern labour market that heavily rewards high-level skills while excluding millions of unskilled workers from meaningful economic participation.

¹⁵⁵ South African Medical Research Council (2025) *Maternal and Child Health Trends among the Homeless*. Cape Town: SAMRC. Available at: <https://www.samrc.ac.za/reports/homeless-health-2025> (Accessed: 24 January 2026).

¹⁵⁶ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: UNICEF. Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

¹⁵⁷ Department of Social Development (2025) *Annual Performance Plan 2025-2026*. Pretoria: DSD. Available at: <https://www.dsd.gov.za/APP-2025/> (Accessed: 24 January 2026).

¹⁵⁸ Prosperity Enterprises (2025) *South Africa's Property Market 2026: Growing Demand*. Pretoria: Prosperity. Available at: <https://prosperityenterprises.co.za/market-2026/> (Accessed: 24 January 2026).

¹⁵⁹ WWF South Africa (2025) *The Hidden Cost of Inadequate Urban Infrastructure*. Cape Town: WWF South Africa. Available at: <https://www.wwf.org.za/report/urban-infrastructure-2025/> (Accessed: 24 January 2026).

¹⁶⁰ Amnesty International South Africa (2025) *Government is failing millions trapped in poverty: The housing and sanitation crisis*. Johannesburg: Amnesty International South Africa. Available at: <https://amnesty.org.za/reports/housing-crisis-2025/> (Accessed: 25 January 2026).

#	Title	Detail
1	Global Inequality Leader	South Africa consistently ranks as the most unequal country globally, with a Gini coefficient of approximately 0.63 to 0.67, the highest among all countries with available data. ¹⁶¹
2	The "Richest Poor" Paradox	Despite having a sophisticated financial sector, South Africa is described as one of the richest poor countries, where extreme wealth exists alongside a poverty rate affecting 68 per cent of the population. ¹⁶²
3	Elite Income Concentration	A tiny elite continues to thrive; the richest 10 per cent of the population now capture 66 per cent of the total national income, while the bottom 50 per cent earn just 6 per cent of the total. ¹⁶³
4	Widening Wealth Gap	Wealth at the top grows at a rate that far outpaces social mobility at the bottom; the wealthiest 10 per cent of South Africans control approximately 86 per cent of the country's total personal wealth. ¹⁶⁴
5	Structural Barriers	The economic ladder is missing several rungs for the majority as structural constraints, such as infrastructure bottlenecks and a weak business environment, hinder job creation for poor households. ¹⁶⁵
6	Persistent Global Ranking	South Africa has maintained its position as the world's most unequal country for over a decade, ranking first among 164 countries in the World Bank's global database for consumption inequality. ¹⁶⁶
7	Household Control	A very small share of households controls a disproportionately large share of national income, with the top 1 per cent of earners requiring an annual income of roughly R1.81 million to maintain their status. ¹⁶⁷
8	Multidimensional Impact	Income inequality directly shapes access to fundamental services; those in the top income decile spend over five times more on healthcare and education than those in the bottom half. ¹⁶⁸
9	Labour Market	Wage disparities reflect deep structural divides in the labour market

¹⁶¹ South African Government (2026) *Economic recovery continues to improve steadily but inequality remains entrenched*. Available at: <https://www.sanews.gov.za/south-africa/economic-recovery-continues-improve-steadily> (Accessed: 24 January 2026).

¹⁶² World Bank (2025) *Poverty and Inequality Platform (PIP) Report: October 2025 Update*. Washington, DC: The World Bank. Available at: <https://pip.worldbank.org/country-profiles/ZAF> (Accessed: 24 January 2026).

¹⁶³ World Inequality Lab (2025) *Where in the world are wealth and income most unequal?*. Paris: WIL. Available at: <https://wid.world/news-article/2025-inequality-update/> (Accessed: 24 January 2026).

¹⁶⁴ World Inequality Lab (2025) *World Inequality Report 2026 Findings*. Paris: World Inequality Lab. Available at: <https://wir2026.wid.world/methodology/> (Accessed: 24 January 2026).

¹⁶⁵ World Bank (2025) *South Africa Economic Update: Macro Poverty Outlook (MPO)*. Washington, DC: The World Bank. Available at: <https://documents.worldbank.org/en/publication/mpo-zaf-2025/> (Accessed: 24 January 2026).

¹⁶⁶ World Bank (2025) *Inequality in Southern Africa: An Assessment of the Gini Coefficient*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/region/afr/publication/inequality-in-southern-africa> (Accessed: 24 January 2026).

¹⁶⁷ BusinessTech (2025) 'How much money you need to earn to be in South Africa's top 1%', *BusinessTech*, 12 January. Available at: <https://businesstech.co.za/news/wealth/top-one-percent-2025/> (Accessed: 24 January 2026).

¹⁶⁸ Statistics South Africa (2025) *Income and Expenditure Survey 2022/2023 Media Report*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0100/> (Accessed: 24 January 2026).

#	Title	Detail
	Divides	where the demand for high skilled labour is high, but the majority of the workforce remains unskilled and underemployed. ¹⁶⁹
10	Racialised Income Gaps	Income gaps remain strongly racialised; White headed households had a median income of R332,636 in the most recent surveys, compared to just R72,260 for Black African headed households. ¹⁷⁰
11	Gendered Disparities	Women are significantly more likely to be trapped in the bottom income brackets, with female headed households representing a larger share of those living below the upper poverty line of R1,634 per month. ¹⁷¹
12	Top 1% Wealth	The average wealth of a person in South Africa's top 1 per cent is over 1,000 times that of the bottom 50 per cent, reflecting a concentration of assets that rivals the world's most extreme economies. ¹⁷²
13	Inherited Circumstances	Approximately 48 per cent of consumption inequality in South Africa is determined by inherited circumstances such as race, gender, and parental education at birth. ¹⁷³
14	Slow Redistribution	Fiscal redistribution through taxes and grants reduces the Gini coefficient by about 20 points, but it remains insufficient to offset the massive primary income gaps generated in the labour market. ¹⁷⁴
15	Consumer Price Disparity	Poorer households feel the strain of inequality more intensely as inflation for basic necessities like food and housing often outpaces general CPI, eroding their limited purchasing power. ¹⁷⁵
16	Wealth Trap	Only 3 per cent of Black adults in South Africa own wealth assets valued above R250,000, compared to roughly 50 per cent of White adults, highlighting a massive intergenerational wealth gap. ¹⁷⁶
17	Limited Social Space	Research indicates that the inheritor class in South Africa remains intensely homogenous and racialised, preventing a more fluid

¹⁶⁹ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) – Q3:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0211/> (Accessed: 24 January 2026).

¹⁷⁰ Statistics South Africa (2025) *Income and Expenditure Survey 2022/2023*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0110/> (Accessed: 24 January 2026).

¹⁷¹ Africa Check (2025) *South Africa's Poverty and Gini Statistics: November 2025 Factsheet*. Johannesburg: Africa Check. Available at: <https://africacheck.org/fact-checks/reports/poverty-stats-2025> (Accessed: 24 January 2026).

¹⁷² Presidency of South Africa (2025) *G20 Global Inequality Report - South African Summary*. Pretoria: The Presidency. Available at: <https://www.presidency.gov.za/g20-inequality-2025/> (Accessed: 24 January 2026).

¹⁷³ World Bank (2025) *Inequality in Southern Africa: Documenting the Lack of Social Mobility*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/social-mobility-sa-2025/> (Accessed: 24 January 2026).

¹⁷⁴ World Bank (2025) *South Africa Economic Update: April 2025 Edition*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-april-2025/> (Accessed: 24 January 2026).

¹⁷⁵ UNU-WIDER (2025) *Understanding South Africa's Gini Coefficient: A Working Paper*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/publication/understanding-sa-gini-2025> (Accessed: 24 January 2026).

¹⁷⁶ LSE Inequalities (2025) *Black middle class wealth in South Africa and Kenya*. London: LSE Press. Available at: <https://africas-middle-class.lse.ac.za/wealth-report-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		movement into higher economic brackets for most. ¹⁷⁷
18	Wage Inequality Surge	Wage inequality has risen sharply since 1995, as technical changes in the economy favour skilled professionals while traditional sectors like mining and manufacturing contract. ¹⁷⁸
19	Fiscal Consolidation Risks	Current fiscal consolidation measures intended to limit public debt may further widen the gap if social spending on education and healthcare is reduced for the poorest deciles. ¹⁷⁹

¹⁷⁷ ACEIR UCT (2025) *The socio-economic dimensions of racial inequality in South Africa*. Cape Town: ACEIR. Available at: <https://aceir.uct.ac.za/racial-inequality-2025/> (Accessed: 24 January 2026).

¹⁷⁸ World Bank (2025) *Inequality Assessment: The Wage Gap in South Africa*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/wage-gap-zaf-2025/> (Accessed: 24 January 2026).

¹⁷⁹ National Treasury (2025) *Medium Term Budget Policy Statement (MTBPS) 2025*. Pretoria: National Treasury. Available at: <https://www.treasury.gov.za/documents/mtbps/2025/> (Accessed: 24 January 2026).

#	Title	Detail
20	Policy Choice	Modern analysts argue that the persistence of such high inequality is a policy choice and that existing structural economic reforms have been insufficient to dismantle the apartheid era economic geography. ¹⁸⁰

3.2 Poverty

Poverty in South Africa is a chronic, structural condition that remains stubbornly high despite the country's status as a leading emerging economy. While the expansion of the social wage has prevented a total collapse for the most vulnerable, low economic growth and high unemployment trap millions in a cycle where meeting basic daily needs remains an insurmountable hurdle. As of 2026 poverty levels are forecasted to hover around 68 per cent when measured against the upper middle-income poverty line.

#	Title	Detail
1	Upper Bound Poverty Rate	Approximately 68.1 per cent of South Africans live below the upper middle-income poverty line of 8.30 dollars per day which reflects the massive scale of economic hardship. ¹⁸¹
2	Food Poverty Line	Roughly 10.8 million South Africans remain below the food poverty line of R796 per month meaning they cannot afford the minimum required daily energy intake. ¹⁸²
3	Child Poverty Burden	Children remain the most vulnerable group with nearly half of all South Africans under the age of 18 living in households that fall below the lower bound poverty line. ¹⁸³
4	Provincial Hotspots	KwaZulu Natal and the Eastern Cape remain the provinces with the highest poverty headcounts collectively representing nearly half of the nation's poor population. ¹⁸⁴
5	Expanded Unemployment Link	The expanded unemployment rate of 42.9 per cent serves as a primary driver of poverty because millions of discouraged workers lack the income to escape destitution. ¹⁸⁵
6	Urbanisation of Poverty	While rural areas still have higher poverty rates by percentage the actual number of people living in poverty is now higher in urban areas due to

¹⁸⁰ Presidency of South Africa (2025) *G20 Extraordinary Committee Report on Social Inclusion*. Pretoria: The Presidency. Available at: <https://www.presidency.gov.za/g20-social-inclusion-2025/> (Accessed: 24 January 2026).

¹⁸¹ World Bank (2025) *South Africa Poverty and Equity Brief: October 2025*. Washington, DC: World Bank. Available at: <https://databankfiles.worldbank.org/public/ddp/zaf-poverty-brief-2025/> (Accessed: 24 January 2026).

¹⁸² Statistics South Africa (2025) *Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2023*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/Report-03-10-06/> (Accessed: 24 January 2026).

¹⁸³ Statistics South Africa (2025) *Children and Youth Still Bear the Burden of Poverty*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/poverty-children-youth-2025/> (Accessed: 24 January 2026).

¹⁸⁴ Daily Investor (2026) 'The province where 25% of poor South Africans live', *Daily Investor*, 15 January. Available at: <https://dailyinvestor.com/south-africa/provincial-poverty-data-2026/> (Accessed: 24 January 2026).

¹⁸⁵ World Bank (2025) *South Africa Macro Poverty Outlook (MPO): October 2025*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/mpo-zaf-oct-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		rapid migration. ¹⁸⁶
7	The Wage Deficit	The National Minimum Wage of R1,213 per month remains lower than the upper bound poverty line of R1,634 which traps many full-time workers in the working poor category. ¹⁸⁷
8	Education as a Buffer	Education is the strongest predictor of poverty status with individuals who have not completed matric being significantly more likely to live in extreme poverty. ¹⁸⁸
9	Grant Dependency	Social grants have been credited with lifting millions above the food poverty line, but they remain insufficient to move large households above the lower bound poverty line. ¹⁸⁹
10	Female Headed Households	Households headed by women are four percentage points more likely to experience poverty than those headed by men reflecting a persistent gendered dimension of economic hardship. ¹⁹⁰
11	Generational Stagnation	Despite overall declines in poverty since 2006 progress has stalled since 2011 due to weak labour market participation and infrastructure bottlenecks. ¹⁹¹
12	Household Size Risks	Poverty rates increase dramatically with household size where those living in homes with six or more members are significantly more likely to be poor. ¹⁹²
13	Ultra Poverty Threshold	In July 2025 the World Bank raised the international ultra poverty line to 3 dollars per day which has increased the recorded number of South Africans in extreme distress. ¹⁹³

¹⁸⁶ Statistics South Africa (2025) *Poverty Trends in South Africa: December 2025 Update*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/poverty-trends-dec2025/> (Accessed: 24 January 2026).

¹⁸⁷ Pietermaritzburg Economic Justice & Dignity Group (2025) *Key Data from January 2025 Household Affordability Index*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/jan-2025-index/> (Accessed: 24 January 2026).

¹⁸⁸ Xinhua (2025) 'South Africa sees significant poverty reduction over 17 years', *Xinhua News Agency*, 22 December. Available at: <https://english.news.cn/20251222/poverty-reduction-sa/> (Accessed: 24 January 2026).

¹⁸⁹ EWN (2025) 'Poverty levels declined significantly since 2006 according to Stats SA survey', *Eyewitness News*, 22 December. Available at: <https://www.ewn.co.za/2025/12/22/stats-sa-poverty-survey-2025/> (Accessed: 24 January 2026).

¹⁹⁰ SAnews (2025) 'Government welcomes decline in poverty levels', *South African Government News Agency*, 22 December. Available at: <https://www.sanews.gov.za/south-africa/poverty-decline-2025/> (Accessed: 24 January 2026).

¹⁹¹ World Bank (2025) *South Africa Poverty and Equity Brief: October 2025 Update*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/country/southafrica/poverty-equity-2025> (Accessed: 24 January 2026).

¹⁹² Daily Investor (2026) 'Household size and poverty correlation in South Africa', *Daily Investor*, 15 January. Available at: <https://dailyinvestor.com/south-africa/household-poverty-risks-2026/> (Accessed: 24 January 2026).

¹⁹³ Hall, K. and Hendricks, S. (2025) 'Child health and nutrition', in *South African Child Gauge 2025*. Cape Town: Children's Institute, UCT. Available at: <https://ci.uct.ac.za/child-gauge/2025> (Accessed: 24 January 2026).

#	Title	Detail
14	Cost of Basic Food	The average cost of a basic household food basket in early 2025 was R5,433 which exceeds the total income of many low wage earners and grant recipients. ¹⁹⁴
15	Youth Exclusion	Roughly 71 per cent of all people living in poverty in South Africa are under the age of 35 which creates a significant risk of long-term social instability. ¹⁹⁵
16	Racial Disparities	Black Africans continue to account for the overwhelming majority of poor persons representing 93.6 per cent of all individuals living in poverty in 2023. ¹⁹⁶
17	Gauteng Poverty Share	While Gauteng has a lower poverty rate than other provinces its share of the national poor population increased to 20 per cent by 2025 due to rapid in migration. ¹⁹⁷
18	The Poverty Gap	The poverty gap has declined across all lines since 2015 meaning that on average poor individuals are closer to the poverty line and requires fewer resources to lift them out. ¹⁹⁸
19	Elderly Poverty Decline	South Africans aged 65 and older saw the most dramatic improvement in poverty status with a 54.8 per cent drop in the headcount since 2006. ¹⁹⁹
20	Fiscal Constraints	High public debt and slow GDP growth of 0.9 per cent in 2025 limit the government's ability to further expand social safety nets to combat rising poverty levels. ²⁰⁰

3.3 Unemployment

Unemployment in South Africa has reached a state of structural permanence where the formal economy consistently fails to absorb the hundreds of thousands of new entrants joining the labour force each year. This chronic joblessness is not merely an economic metric but a defining social constraint that fuels inequality and limits the reach of national development goals.

¹⁹⁴ PMBEJD (2025) *January 2025 Household Affordability Index*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/household-affordability-index-jan-2025/> (Accessed: 24 January 2026).

¹⁹⁶ Statistics South Africa (2025) *Poverty Trends in South Africa: Racial and Demographic Focus*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0310/> (Accessed: 24 January 2026).

¹⁹⁵ Daily Investor (2026) 'South Africa's youth poverty crisis', *Daily Investor*, 15 January. Available at: <https://dailyinvestor.com/south-africa/youth-poverty-2026/> (Accessed: 24 January 2026).

¹⁹⁷ SAnews (2025) 'The impact of urban migration on Gauteng poverty share', *SA Government News*, 22 December. Available at: <https://www.sanews.gov.za/south-africa/gauteng-poverty-share-2025/> (Accessed: 24 January 2026).

¹⁹⁸ Xinhua (2025) 'Tracking the South African Poverty Gap', *Xinhua News*, 22 December. Available at: <https://english.news.cn/20251222/sa-poverty-gap-report/> (Accessed: 24 January 2026).

¹⁹⁹ Statistics South Africa (2025) *Elderly Poverty Status and Grant Impact*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/elderly-poverty-2025/> (Accessed: 24 January 2026).

²⁰⁰ World Bank (2025) *South Africa Macro Poverty Outlook (MPO): Growth and Fiscal Risk*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/publication/mpo-2025/zaf> (Accessed: 24 January 2026).

#	Title	Detail
1	Official Jobless Rate	South Africa's official unemployment rate stands at 31.9% representing approximately 8 million individuals who are actively seeking work but remain excluded from the labour market. ²⁰¹
2	Social Time Bomb	High and persistent unemployment is widely regarded by economists as a ticking social time bomb as the lack of economic participation fuels widespread frustration and community instability. ²⁰²
3	Supply-Demand Mismatch	Millions of South Africans are ready and willing to work but the domestic economy's structural growth is currently too low to create the necessary volume of entry level positions. ²⁰³
4	Household Hopelessness	Persistent joblessness turns hope into hopelessness in households across the country where the absence of a stable income prevents families from meeting basic nutritional and educational needs. ²⁰⁴
5	Youth Emergency	Youth unemployment remains a national emergency with no end in sight as 58.5% of job seekers aged 15 to 24 remain unable to secure their first foothold in the economy. ²⁰⁵
6	Economic Tension	Workless wages or the total absence of wages fuel intense social and economic tension particularly in urban townships where the cost of living continues to rise. ²⁰⁶
7	Desperation and Dreams	Chronic unemployment transforms the dreams of young graduates into desperation often leading to a reliance on precarious informal labour or social relief grants to survive. ²⁰⁷
8	Meaningless Growth	Without significant job creation national GDP growth of 1.3% remains meaningless for millions of citizens who remain outside the productive loop of the economy. ²⁰⁸
9	Expanded Unemployment	The expanded unemployment rate which includes discouraged work seekers who have given up on finding a job remains alarmingly high at

²⁰¹ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q3:2025*. Statistical Release P0211. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0211/> (Accessed: 24 January 2026).

²⁰² Zest Holidays (2026) 'South Africa Jobs Crisis January 2026: Why young people struggle most', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/sa-jobs-crisis-2026/> (Accessed: 24 January 2026).

²⁰³ BusinessTech (2026) 'International finance giant has great news for South Africa', *BusinessTech*, 18 January. Available at: <https://businesstech.co.za/news/finance/sa-economic-growth-2026/> (Accessed: 24 January 2026).

²⁰⁴ PwC South Africa (2025) *South African Economic Outlook: Cost of Living Crisis*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-dec-2025.html> (Accessed: 24 January 2026).

²⁰⁵ Parliament of South Africa (2025) *Portfolio Committee on Labour Briefed on Youth Unemployment Statistics*. Cape Town: Parliament. Available at: <https://www.parliament.gov.za/press-releases/youth-stats-2025/> (Accessed: 24 January 2026).

²⁰⁶ Statistics South Africa (2026) *Consumer Price Index November 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0141/> (Accessed: 24 January 2026).

²⁰⁷ Zest Holidays (2026) 'The Graduate Dilemma in South Africa', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/graduate-desperation-2026/> (Accessed: 24 January 2026).

²⁰⁸ BusinessTech (2026) 'IMF January Economic Outlook projects growth', *BusinessTech*, 20 January. Available at: <https://businesstech.co.za/news/finance/imf-outlook-jan-2026/> (Accessed: 24 January 2026).

#	Title	Detail
		42.4%. ²⁰⁹
10	Driver of Poverty	Persistent joblessness is the single biggest driver of poverty in South Africa as 76.5% of the unemployed have been without work for a year or more. ²¹⁰
11	Severe Economic Challenge	Unemployment is South Africa's most severe economic challenge acting as a primary constraint on domestic consumption and the long term sustainability of the tax base. ²¹¹
12	Labour Market Failure	The labour market continues to fail in its role to absorb new entrants as only 19,000 new jobs were created in early 2025 despite 159,000 more people entering the workforce. ²¹²
13	Skill Erosion	Long term unemployment erodes the skills and hope of the workforce making it increasingly difficult for individuals to re-enter the formal economy after extended periods of inactivity. ²¹³
14	Survival Strategies	High unemployment rates shape the survival strategies of entire households with many families becoming entirely dependent on the R370 Social Relief of Distress grant. ²¹⁴
15	Sectoral Job Loss	Significant job losses in the manufacturing and finance sectors toward the end of 2025 have offset gains made in construction keeping the overall employment rate stagnant. ²¹⁵
16	Provincial Disparity	Unemployment rates remain unevenly distributed across the country with the Eastern Cape reporting a staggering 41.2% official jobless rate. ²¹⁶
17	Skills Mismatch	A critical factor in persistent joblessness is the disconnect between the qualifications produced by the education system and the practical skills required by the 2026 labour market. ²¹⁷

²⁰⁹ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q3:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/QLFS-Q3-2025/> (Accessed: 24 January 2026).

²¹⁰ BEE Chamber (2025) *SA Unemployment Crisis: Youth Jobless Rate Soars*. Johannesburg: BEE Chamber. Available at: <https://beechamber.co.za/news/unemployment-crisis-2025/> (Accessed: 24 January 2026).

²¹¹ Financial Content (2026) *The State of Impact Investing in South Africa 2026*. Johannesburg: Financial Content. Available at: <https://financialcontent.co.za/reports/impact-investing-2026/> (Accessed: 24 January 2026).

²¹² BEE Chamber (2025) *Labour Market Absorption Analysis: 2025 Review*. Johannesburg: BEE Chamber. Available at: <https://beechamber.co.za/news/market-failure-2025/> (Accessed: 24 January 2026).

²¹³ Zest Holidays (2026) 'Skill Erosion and Structural Unemployment', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/skill-erosion-2026/> (Accessed: 24 January 2026).

²¹⁴ SAnews.gov.za (2025) 'Minister Meth welcomes decline in unemployment rate', *SA Government News Agency*, 12 November. Available at: <https://www.sanews.gov.za/south-africa/srd-grant-reliance-2025/> (Accessed: 24 January 2026).

²¹⁵ Trading Economics (2025) *South Africa Unemployment Rate: November 2025 Report*. Available at: <https://tradingeconomics.com/south-africa/unemployment-rate/> (Accessed: 24 January 2026).

²¹⁶ SAnews.gov.za (2025) 'Provincial Breakdown of Jobless Statistics November 2025', *SA Government News Agency*, 12 November. Available at: <https://www.sanews.gov.za/south-africa/provincial-jobless-2025/> (Accessed: 24 January 2026).

²¹⁷ Zest Holidays (2026) 'The Skills Mismatch in South African Industry', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/skills-mismatch-2026/> (Accessed: 24 January 2026).

#	Title	Detail
18	NEET Rate	Approximately 3.5 million young South Africans aged 15 to 24 are currently not in employment, education or training (NEET) leaving a massive segment of the youth population entirely idle. ²¹⁸
19	Informal Sector Precarity	While the informal sector provides a livelihood for some it is often characterised by exploitative practices and a lack of social protection for young workers. ²¹⁹
20	Educational Mitigator	Possessing a tertiary degree remains the strongest mitigator against unemployment as graduates face a significantly lower jobless rate of 11.7% compared to 39.0% for those without matric. ²²⁰

3.4 Joblessness

Joblessness in South Africa is a chronic condition that disproportionately affects the youth, many of whom have never held a formal job. This structural exclusion creates a "waiting room" effect where millions of young people remain idle during their most productive years, leading to a long-term erosion of skills and national potential.

#	Title	Detail
1	Vulnerability of Youth	Joblessness is particularly severe among youth with many young South Africans unable to secure full time stable employment which contributes to widespread disillusionment and economic stagnation. ²²¹
2	Households on the Edge	A home without a wage is a household on the edge because the lack of regular income forces families to rely on precarious community support and intermittent informal labour. ²²²
3	Systemic Inefficiency	Millions of South Africans are employable but are effectively made unemployable by a broken system that fails to match basic school leaving skills with the technical requirements of the modern economy. ²²³
4	Erosion of Dignity	Joblessness erodes personal dignity faster than hunger does as the inability to provide for one's self or family creates a deep sense of social and psychological exclusion. ²²⁴

²¹⁸ Parliament of South Africa (2025) *NEET Statistics: A Generation Idle*. Cape Town: Parliament. Available at: <https://www.parliament.gov.za/press-releases/neet-stats-2025/> (Accessed: 24 January 2026).

²¹⁹ Zest Holidays (2026) 'Precarity in the Informal Sector', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/informal-precarity-2026/> (Accessed: 24 January 2026).

²²⁰ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q1:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/QLFS-Q1-2025/> (Accessed: 24 January 2026).

²²¹ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q3:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0211/> (Accessed: 24 January 2026).

²²² PwC South Africa (2025) *South African Economic Outlook: Cost of Living Crisis*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-dec-2025.html> (Accessed: 24 January 2026).

²²³ Zest Holidays (2026) 'South Africa Jobs Crisis January 2026: Why young people struggle most', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/sa-jobs-crisis-2026/> (Accessed: 24 January 2026).

#	Title	Detail
5	Silent Generational Epidemic	Joblessness is a silent epidemic that defines generations with nearly 3.5 million young people currently not in employment, education or training. ²²⁵
6	Adult Jobless Households	Many households must survive without a single employed adult. This is a condition that increases the risk of chronic malnutrition and poor health outcomes for all residents. ²²⁶
7	Long-Term Stagnation	Joblessness has become a long-term condition rather than a temporary phase with over 76 per cent of unemployed South Africans having been without work for more than one year. ²²⁷
8	Undermining Stability	Persistent joblessness undermines social stability. This contributes to rising crime rates and localised service delivery protests in impoverished urban townships. ²²⁸
9	Informal Sector Dominance	Informal work often replaces stable employment for the jobless, but these roles frequently lack basic labour protections and income security. ²²⁹
10	Grant Dependency	Chronic joblessness fuels a necessary but strained dependency on social grants which often serve as the only source of liquid cash for millions of families. ²³⁰
11	Youth Exclusion	Young people face years of exclusion from work. The 15 to 24 age group reported an alarming 58.5 per cent unemployment rate in late 2025. ²³¹
12	Entrenched Poverty Cycles	Joblessness entrenches intergenerational poverty by preventing parents from investing in the quality education and nutrition needed to lift their children into the formal economy. ²³²

²²⁴ SECTION27 (2025) *The Constitutional Right to Food and Work in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/right-to-work-2025/> (Accessed: 24 January 2026).

²²⁵ Parliament of South Africa (2025) *Portfolio Committee on Labour Briefed on Youth Unemployment Statistics*. Cape Town: Parliament. Available at: <https://www.parliament.gov.za/press-releases/youth-stats-2025/> (Accessed: 24 January 2026).

²²⁶ Statistics South Africa (2025) *General Household Survey Focus on Labour*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

²²⁷ Global Business Solutions (2025) *South African Unemployment Crisis Deepens 2025*. Johannesburg: GBS. Available at: <https://gbs.co.za/reports/unemployment-crisis-2025/> (Accessed: 24 January 2026).

²²⁸ Amnesty International South Africa (2025) *Government is failing millions trapped in poverty*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/poverty-2025/> (Accessed: 24 January 2026).

²²⁹ Trading Economics (2025) *South Africa Unemployment Rate - Expanded Definition: November 2025*. Available at: <https://tradingeconomics.com/south-africa/unemployment-rate-expanded/> (Accessed: 24 January 2026).

²³⁰ SAnews.gov.za (2025) 'Minister Meth welcomes decline in unemployment rate', *SA Government News Agency*, 12 November. Available at: <https://www.sanews.gov.za/south-africa/grant-dependency-2025/> (Accessed: 24 January 2026).

²³¹ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q3:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0211/> (Accessed: 24 January 2026).

²³² World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

#	Title	Detail
13	Labour Underutilisation	Labour underutilisation remains stubbornly high at 44.9 per cent. This indicates that even those with some work are not being used to their full productive capacity. ²³³
14	Barriers to Entry	Lack of previous work experience remains the primary barrier to entry for the jobless with 58.7 per cent of unemployed youth having never held a professional position. ²³⁴
15	Discouragement Rates	Rising discouragement rates among the jobless highlight a growing segment of the population that has stopped seeking work because they believe no jobs are available. ²³⁵
16	Skills-Opportunity Gap	Joblessness persists because the tertiary education system continues to produce graduates for whom there is limited demand in a sluggish manufacturing and trade environment. ²³⁶
17	Gendered Impact	Joblessness is more prevalent among women who face an unemployment rate of 35.5 per cent compared to 30.7 per cent for their male counterparts. ²³⁷
18	Provincial Highs	Joblessness is most acute in provinces like the Eastern Cape and North West where limited industrial activity leaves youth with few local prospects. ²³⁸
19	Educational Protective Effect	While joblessness is high overall those with a university degree are significantly protected. They face a much lower unemployment rate of only 11.7 per cent. ²³⁹
20	Policy and Deindustrialisation	Persistent joblessness is linked to the deindustrialisation of the South African economy which has reduced the volume of labour-intensive roles available to unskilled workers. ²⁴⁰

²³³ Cape Business News (2026) 'Youth unemployment South Africa demands a rethink', *CBN*, 15 January. Available at: <https://cbn.co.za/news/youth-unemployment-rethink-2026/> (Accessed: 24 January 2026).

²³⁴ Statistics South Africa (2025) *South Africa's Youth in the Labour Market*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/youth-labour-2025/> (Accessed: 24 January 2026).

²³⁵ BEE Chamber (2025) *SA Unemployment Crisis: Youth Jobless Rate Soars*. Johannesburg: BEE Chamber. Available at: <https://beechamber.co.za/news/unemployment-crisis-2025/> (Accessed: 24 January 2026).

²³⁶ Zest Holidays (2026) 'Why young people struggle most in the 2026 economy', *Zest News*, 10 January. Available at: <https://zestholidays.co.za/news/skills-gap-2026/> (Accessed: 24 January 2026).

²³⁷ Global Business Solutions (2025) *Gender Disparities in the 2025 Labour Market*. Johannesburg: GBS. Available at: <https://gbs.co.za/reports/gender-unemployment-2025/> (Accessed: 24 January 2026).

²³⁸ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q3:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/QLFS-Q3-2025/> (Accessed: 24 January 2026).

²³⁹ Global Business Solutions (2025) *The Value of Higher Education in the Job Market*. Johannesburg: GBS. Available at: <https://gbs.co.za/reports/education-shield-2025/> (Accessed: 24 January 2026).

²⁴⁰ Parliament of South Africa (2025) *Briefing on Deindustrialisation and Labour Statistics*. Cape Town: Parliament. Available at: <https://www.parliament.gov.za/press-releases/deindustrialisation-2025/> (Accessed: 24 January 2026).

3.5 Income Poverty

Income poverty in South Africa is characterised by a significant portion of the population living below thresholds that allow for a dignified standard of living. Despite the expansive social grant system, high inflation for basic goods and low wage growth ensure that millions remain in a state of working poverty or total financial dependency.

#	Title	Detail
1	Upper Middle-income Poverty	Poverty is forecast to hover around 68 per cent when measured against the upper middle-income threshold of 8.30 dollars per day affecting approximately 44 to 45 million people through 2026. ²⁴¹
2	Basic Living Costs	Many South Africans earn too little to consistently cover basic living costs as the national minimum wage of R27.58 per hour often fails to cover a basic household food basket currently valued at over R5,400. ²⁴²
3	Chronic Financial Stress	Low and unstable incomes keep households in chronic financial stress with nearly 38 per cent of the population subsisting below the lower bound poverty line of R1,300 per month. ²⁴³
4	Survival vs Progress	For millions income from precarious work or grants stretches only far enough to survive not to progress as the cost of transport and electricity consumes up to 50 per cent of monthly earnings. ²⁴⁴
5	Stability Deficit	Many households lack sufficient and stable income to meet basic needs leading to a situation where 10.8 million people remain food poor unable to afford even the minimum daily energy intake. ²⁴⁵
6	Upper Bound Poverty Gap	Using the upper bound poverty line of R1,634 per month approximately 62 per cent of South Africans remain in poverty a figure that has plateaued since 2022. ²⁴⁶
7	Child Poverty Depth	Approximately 63 per cent of children in South Africa live in households below the upper bound poverty line meaning their families cannot afford both food and essential non-food items. ²⁴⁷
8	Ultra Poverty Increases	The World Bank's July 2025 adjustment of the international ultra poverty line to 3.00 dollars per day indicates that 33.6 per cent of South

²⁴¹ World Bank (2025) *South Africa Macro Poverty Outlook (MPO): October 2025*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/mpo-zaf-oct-2025/> (Accessed: 24 January 2026).

²⁴² Pietermaritzburg Economic Justice & Dignity Group (2025) *Key Data from January 2025 Household Affordability Index*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/jan-2025-index/> (Accessed: 24 January 2026).

²⁴³ Statistics South Africa (2025) *Poverty Trends in South Africa 2006-2023*. Statistical Release P0310. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0310/> (Accessed: 24 January 2026).

²⁴⁴ PMBEJD (2025) *Household Affordability Index: January 2025 Summary*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/household-costs-2025/> (Accessed: 24 January 2026).

²⁴⁵ Statistics South Africa (2025) *Poverty Trends in South Africa: Focus on Food Poverty*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/food-poverty-2025/> (Accessed: 24 January 2026).

²⁴⁶ ISS African Futures (2025) *Why South Africa cannot grow by fixing outcomes*. Pretoria: Institute for Security Studies. Available at: <https://futures.issafrica.org/growth-outcomes-2025/> (Accessed: 24 January 2026).

²⁴⁷ Hall, K. and Hendricks, S. (2025) 'Income poverty and social grants', in *South African Child Gauge 2025*. Cape Town: Children's Institute, UCT. Available at: <https://ci.uct.ac.za/child-gauge/2025> (Accessed: 24 January 2026).

#	Title	Detail
		Africans live in extreme global poverty. ²⁴⁸
9	Food Basket Inflation	Household food budgets remain under intense pressure as annual inflation for food and non-alcoholic beverages accelerated to 5.7 per cent in late 2025. ²⁴⁹
10	Urban Poverty Shifts	While rural areas traditionally held the highest poverty share by 2026 urban areas contain more poor individuals in absolute numbers due to rapid unsupported urbanisation. ²⁵⁰
11	Gauteng's Rising Poverty	Gauteng has experienced a notable increase in its share of the poor population now accounting for about 20 per cent of all impoverished persons in the country. ²⁵¹
12	Educational Income Link	There is a strong link between education and income poverty approximately 25 per cent of poor adults have completed matric but still cannot secure income above the poverty line. ²⁵²
13	Female Headed Households	Gender disparities persist with female headed households consistently reporting poverty headcounts four percentage points higher than those of males. ²⁵³
14	Grant Income Mismatch	The Child Support Grant of R530 remains 33 per cent below the Food Poverty Line failing to provide enough income for a basic nutritious diet for a single child. ²⁵⁴
15	Energy and Transport Costs	Poor households are forced to underspend on food by an average of 46 per cent because income is prioritised for non-negotiable electricity and transport costs. ²⁵⁵
16	Stagnation Trap	On current trajectories South Africa's GDP per capita will only recover to 2013 levels by 2039 leaving an entire generation in a state of income stagnation. ²⁵⁶

²⁴⁸ World Bank (2025) *South Africa Macro Poverty Outlook (MPO): Global Threshold Impact*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/publication/mpo-thresholds-2025> (Accessed: 24 January 2026).

²⁴⁹ Statistics South Africa (2025) 'Inflation hits a 10-month high', *Stats SA Consumer Price Index Release*, August. Available at: <https://www.statssa.gov.za/publications/CPI-Aug-2025/> (Accessed: 24 January 2026).

²⁵⁰ Statistics South Africa (2025) *Poverty Trends in South Africa 2006-2023: The Urban Shift*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/urban-poverty-2025/> (Accessed: 24 January 2026).

²⁵¹ Statistics South Africa (2025) *Poverty Trends in South Africa: Provincial Share Analysis*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0311/> (Accessed: 24 January 2026).

²⁵² Statistics South Africa (2025) *Poverty Trends in South Africa: Education and Income correlation*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/education-poverty-2025/> (Accessed: 24 January 2026).

²⁵³ Moneyweb (2025) 'Millions lifted from poverty in SA – report', *Moneyweb News*, 22 December. Available at: <https://www.moneyweb.co.za/news/south-africa/millions-lifted-from-poverty/> (Accessed: 24 January 2026).

²⁵⁴ PMBEJD (2025) *The Child Support Grant vs The Cost of Food*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/grant-mismatch-2025/> (Accessed: 24 January 2026).

²⁵⁵ PMBEJD (2025) *Key Data from January 2025 Household Affordability Index: The Food Gap*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/food-gap-2025/> (Accessed: 24 January 2026).

²⁵⁶ ISS African Futures (2025) *South Africa's Long-Term Growth Prospects*. Pretoria: ISS. Available at: <https://futures.issafrica.org/stagnation-trap-2025/> (Accessed: 24 January 2026).

#	Title	Detail
17	Lower Bound Headcount	At least 23 million South Africans are considered poor based on the lower bound threshold which forces difficult trade-offs between food and other necessities. ²⁵⁷
18	Youth Poverty Weight	Individuals under the age of 35 comprise 71 per cent of the poor population highlighting how income poverty disproportionately targets the next generation of the workforce. ²⁵⁸
19	Informal Sector Dependence	Income poverty forces 8 million people into the informal sector where earnings are often below the national minimum wage and provide no job security. ²⁵⁹
20	Wealth Disparity Barrier	Income poverty is compounded by the fact that the bottom 40 per cent of earners receive only 6 per cent of national income making it nearly impossible for them to build assets. ²⁶⁰

3.6 Wealth Poverty

Wealth poverty in South Africa is far more extreme and persistent than income poverty. While income refers to the flow of money, wealth represents the stock of assets such as savings, property, and investments that provide long term security. The historical legacy of dispossession has ensured that the majority of South Africans own no net assets, leaving them without any financial buffer against economic instability.

#	Title	Detail
1	Extreme Wealth Concentration	In South Africa wealth inequality significantly exceeds income inequality with the wealthiest 10 per cent of the population owning approximately 86 per cent of the country's total personal wealth. ²⁶¹
2	Negative Net Wealth	Most South Africans hold little or no net wealth. The bottom 50 per cent of the population actually possesses negative wealth due to high levels of household debt exceeding their minimal assets. ²⁶²
3	Legacy of Dispossession	Historical dispossession and the legacy of apartheid remain the primary drivers of the present wealth gap as 80 per cent of the population was

²⁵⁷ Eyewitness News (2025) 'At least 23 million South Africans are poor, according to Stats SA', *EWN*, 22 December. Available at: <https://www.ewn.co.za/2025/12/22/stats-sa-poverty-report-2025/> (Accessed: 24 January 2026).

²⁵⁸ Statistics South Africa (2025) *Poverty Trends in South Africa: The Youth Burden*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/youth-poverty-2025/> (Accessed: 24 January 2026).

²⁵⁹ World Socialist Web Site (2025) 'Two-thirds of South Africa's population in absolute poverty', *WSWS*, 24 December. Available at: <https://www.wsws.org/en/articles/2025/12/24/sa-poverty-2025.html> (Accessed: 24 January 2026).

²⁶⁰ Statistics South Africa (2025) *POVERTY TRENDS IN SOUTH AFRICA Report 2025: Inequality and Assets*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0310/> (Accessed: 24 January 2026).

²⁶¹ World Inequality Lab (2025) *World Inequality Report 2026*. Paris: World Inequality Lab. Available at: <https://wir2026.wid.world/> (Accessed: 24 January 2026).

²⁶² Chatterjee, A., Czajka, L. and Gethin, A. (2025) *Extreme inequalities: The distribution of household wealth in South Africa*. SA-TIED Working Paper 2025/11. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/article/extreme-wealth-inequalities-south-africa> (Accessed: 24 January 2026).

#	Title	Detail
		systematically prevented from accumulating assets for decades. ²⁶³
4	Resilience Deficit	Wealth poverty severely limits household resilience leaving millions of families unable to withstand even minor economic disruptions like a temporary loss of income or a medical emergency. ²⁶⁴
5	Absorption of Shocks	Very few South African households have the savings required to absorb economic shocks. Recent data shows a negative personal savings rate of -1.2 per cent as of late 2025. ²⁶⁵
6	Exclusive Accumulation	Wealth accumulation remains highly exclusive with the top 1 per cent of the South African adult population owning an estimated 55 per cent of all aggregate personal wealth. ²⁶⁶
7	Unequal Intergenerational Transfer	Intergenerational wealth transfer is highly unequal as 45 per cent of White South African adults' own inheritable wealth of at least R250,000 compared to only 3 per cent of Black African adults. ²⁶⁷
8	Debt over Assets	For the majority of South Africans wealth consists primarily of unsecured debt rather than meaningful assets like property or shares with 30 million people effectively holding zero net wealth. ²⁶⁸
9	Concentrated Opportunity	Wealth is intensely concentrated while economic opportunity remains inaccessible to those without the collateral needed to start businesses or secure loans. ²⁶⁹
10	Exposure to Risk	The absolute lack of wealth leaves the poorest 90 per cent of the population dangerously exposed to every macro-economic risk from inflation spikes to climate related disasters. ²⁷⁰
11	Irrelevance of Growth	Wealth poverty makes traditional GDP growth irrelevant for the majority as they lack the assets that appreciate during periods of economic expansion. ²⁷¹

²⁶³ World Bank (2025) *Inequality in Southern Africa: An Assessment of the Gini Coefficient*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/region/afr/publication/inequality-in-southern-africa> (Accessed: 24 January 2026).

²⁶⁴ Altron FinTech (2025) *Household Resilience Index (AFHRI) Q2 2025 Report*. Johannesburg: Altron FinTech. Available at: <https://www.altronfintech.com/afhri-q2-2025/> (Accessed: 24 January 2026).

²⁶⁵ Trading Economics (2026) *South Africa Household Saving Ratio*. Available at: <https://tradingeconomics.com/south-africa/personal-savings> (Accessed: 24 January 2026).

²⁶⁶ UNU-WIDER (2025) *The distribution of household wealth in South Africa: 2025 Update*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/publication/distribution-household-wealth-south-africa-2025> (Accessed: 24 January 2026).

²⁶⁷ LSE Inequalities (2025) *Inequality Matters: The Structural Nature of Wealth in South Africa*. London: LSE Press. Available at: <https://africas-middle-class.lse.ac.za/wealth-transfer-2025/> (Accessed: 24 January 2026).

²⁶⁸ World Inequality Lab (2025) *World Inequality Report 2026: Data Analysis on Debt and Assets*. Paris: WIL. Available at: <https://wid.world/news-article/2026-south-africa-debt-focus/> (Accessed: 24 January 2026).

²⁶⁹ Presidency of South Africa (2025) *G20 Global Inequality Report: South African Summary*. Pretoria: The Presidency. Available at: <https://www.presidency.gov.za/g20-inequality-2025/> (Accessed: 24 January 2026).

²⁷⁰ Amnesty International South Africa (2025) *Climate Change and the Right to Nutrition*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/climate-nutrition-2025/> (Accessed: 24 January 2026).

#	Title	Detail
12	Success Disparity	National economic success is measured for a tiny elite while the middle 40 per cent of the population holds an average wealth of only R133,000. ²⁷²
13	The Wealth Chasm	The gap between income and wealth in South Africa is a chasm. While some may have a monthly wage, they remain asset poor and one pay cheque away from total financial ruin. ²⁷³
14	Hollow Equality	Without a more equitable distribution of assets and land the constitutional promise of equality remains hollow for those trapped in the bottom 90 per cent of the wealth distribution. ²⁷⁴
15	Lack of Savings Buffer	Most poor households have no savings to fall back on as high debt-servicing costs and inflation for basic goods prevent the accumulation of even modest emergency funds. ²⁷⁵
16	Fragile Progress	Without assets or financial buffers, a single negative shock such as an illness or a funeral can undo years of fragile economic progress for a low-income family. ²⁷⁶
17	Persistence of Poverty	Poverty persists where wealth is never accumulated or passed down creating a permanent class of inheritors of poverty who lack the capital to escape the low wage cycle. ²⁷⁷
18	Asset Concentration by Type	Asset concentration is most extreme in financial markets where the richest 10 per cent own more than 99 per cent of all bonds and stocks held in the South African economy. ²⁷⁸
19	Real Estate Barrier	Housing wealth remains highly concentrated. The bottom 50 per cent of the population owns less than 15 per cent of total housing assets reflecting the severe shortage of formal homeownership. ²⁷⁹
20	Moral and Political Crisis	The extreme concentration of wealth in just 3,500 individuals owning more than 32 million people combined is a defining moral and political

²⁷¹ World Bank (2025) *South Africa Macro Poverty Outlook (MPO): October 2025*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/publication/mpo-2025/zaf> (Accessed: 24 January 2026).

²⁷² World Inequality Lab (2025) *Detailed South African Wealth Percentiles 2026*. Paris: WIL. Available at: <https://wid.world/country/south-africa/> (Accessed: 24 January 2026).

²⁷³ G20 Extraordinary Committee (2025) *Summary Report on Global Inequality and Social Safety Nets*. Pretoria: G20 Secretariat. Available at: <https://www.g20.org/social-inclusion-2025/> (Accessed: 24 January 2026).

²⁷⁴ South African Human Rights Commission (2024) *10 Percent of SA Owns 90 Percent of Wealth: 2024 Update*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/wealth-inequality-2024> (Accessed: 24 January 2026).

²⁷⁵ Altron FinTech (2025) *Household Resilience Index Analysis: The Savings Crisis*. Johannesburg: Altron FinTech. Available at: <https://www.altronfintech.com/savings-crisis-2025/> (Accessed: 24 January 2026).

²⁷⁶ G20 Extraordinary Committee (2025) *G20 Global Inequality Report: Household Shocks*. Pretoria: G20 Secretariat. Available at: <https://www.g20.org/household-shocks-2025/> (Accessed: 24 January 2026).

²⁷⁷ Henceforward (2025) *Generational Wealth Transfer in South Africa: 2025 Report*. Johannesburg: Henceforward. Available at: <https://henceforward.org.za/wealth-transfer-report/> (Accessed: 24 January 2026).

²⁷⁸ SA-TIED (2025) *Distribution of Household Wealth: Share of Assets held by Wealth Group*. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/wealth-distribution-2025/> (Accessed: 24 January 2026).

²⁷⁹ UNU-WIDER (2025) *Extreme Wealth Inequalities in South Africa: The Housing Gap*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/housing-gap-2025> (Accessed: 24 January 2026).

#	Title	Detail
		crisis for the nation. ²⁸⁰

3.7 Cost of Living

Asset inequality in South Africa is far more extreme than income inequality, representing the accumulated result of historical exclusion and limited contemporary opportunities. While income refers to the flow of earnings, asset ownership relates to the stock of wealth, including property, land, and financial investments, that provides households with a critical buffer and the ability to build intergenerational security.

#	Title	Detail
1	CPI Performance 2025	South Africa's average consumer price inflation for 2025 was 3.2 per cent. This marks the lowest annual rate in 21 years though macro stability masks intense pressure on essential household items. ²⁸¹
2	Essential Price Hardship	Rising food prices intensify hardship for the poorest households. Food and non-alcoholic beverage inflation remained steady at 4.4 per cent in December 2025 which is significantly higher than the headline rate. ²⁸²
3	Meat Price Surges	Specific food categories show extreme volatility. Beef steak prices recorded an annual increase of 29.4 per cent in late 2025 making quality protein a luxury for the majority. ²⁸³
4	Household Food Basket	In January 2026 the cost of a basic household food basket is expected to stabilise near R5,333. This figure remains entirely out of reach for those earning the national minimum wage. ²⁸⁴
5	Fixed Cost Dominance	The average South African worker spends over 57 per cent of their monthly earnings on transport and electricity alone. This leaves less than half of their income for food and other essential expenses. ²⁸⁵
6	Electricity Tariff Hikes	Electricity consumers face an effective 24 per cent increase over a three-year period following a 12.74 per cent hike in April 2025 and a further 5.36 per cent approved for the 2026 financial year. ²⁸⁶

²⁸⁰ World Inequality Lab (2025) *World Inequality Report 2026: Executive Summary*. Paris: World Inequality Lab. Available at: <https://wir2026.wid.world/summary/> (Accessed: 24 January 2026).

²⁸¹ Statistics South Africa (2026) *Inflation for 2025 was the lowest in 21 years*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0141/> (Accessed: 24 January 2026).

²⁸² Statistics South Africa (2026) *South Africa's inflation eases to 21-year low in 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/inflation-summary-2025/> (Accessed: 24 January 2026).

²⁸³ Statistics South Africa (2026) *Consumer Price Index December 2025: Detailed Food Prices*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/CPI-detailed-food-2025/> (Accessed: 24 January 2026).

²⁸⁴ Inside Metros (2026) 'Household affordability index expected to stabilise in 2026', *Inside Metros*, 15 January. Available at: <https://insidemetros.co.za/economy/household-affordability-2026/> (Accessed: 24 January 2026).

²⁸⁵ Pietermaritzburg Economic Justice & Dignity Group (2025) 'Cost-of-living crisis hits all local households across income levels', *Daily Maverick*, 12 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-12-cost-of-living-crisis/> (Accessed: 24 January 2026).

²⁸⁶ Soly (2025) *All about South Africa's Electricity Price Increases*. Cape Town: Soly. Available at: <https://soly.co.za/electricity-price-increases-2025/> (Accessed: 24 January 2026).

#	Title	Detail
7	The Wage Affordability Gap	In December 2025 the national minimum wage stood at approximately R4,606. This is R727 less than the R5,333 required for a standard household food basket. ²⁸⁷
8	Transport Cost Burden	Millions of South Africans are spending more than 25 per cent of their monthly income on transport costs. This far exceeds the recommended policy target of 10 per cent. ²⁸⁸
9	Energy Deprivation	High electricity costs are pricing low-income consumers out of basic energy usage. This forces a return to unsafe alternative fuels like paraffin or wood. ²⁸⁹
10	The Survival Paradox	Millions of South Africans go to bed empty handed while supermarkets overflow because rising prices turn basic survival into a critical political and social question. ²⁹⁰
11	Education Inflation	The cost of primary and secondary education has increased by 37 per cent and 32 per cent respectively over the last five years. This significantly outstrips the general inflation rate of 28 per cent. ²⁹¹
12	Medical Scheme Exclusion	High living costs leave little room for medical aid. Currently only 16 per cent of the South African population is covered by a medical scheme. ²⁹²
13	Staple Price Stickiness	Essential food items like eggs and white maize meal exhibit price stickiness. Retail prices remain high even when wholesale costs decline. ²⁹³
14	Nutritional Underspending	Due to high utility and transport costs worker families will underspend on food by a minimum of 46 per cent in early 2026. ²⁹⁴

²⁸⁷ Inside Metros (2026) *The Affordability Gap: Minimum Wage vs Food Basket*. Available at: <https://insidemetros.co.za/economy/wage-gap-2026/> (Accessed: 24 January 2026).

²⁸⁸ Eyewitness News (2025) 'Many South Africans spend over 25% of their income on transport', *EWN*, 20 April. Available at: <https://www.ewn.co.za/2025/04/20/transport-cost-burden-sa/> (Accessed: 24 January 2026).

²⁸⁹ OECD (2025) *OECD Economic Surveys: South Africa 2025*. Paris: OECD Publishing. Available at: <https://www.oecd.org/economy/south-africa-economic-snapshot/> (Accessed: 24 January 2026).

²⁹⁰ Mutsila, L. (2025) 'The Survival Paradox: Plenty in Retail, Scarcity in Homes', *Daily Maverick*, 14 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-14-survival-paradox/> (Accessed: 24 January 2026).

²⁹¹ Competition Commission of South Africa (2025) *Essential Food Price Monitoring Report: October 2025 Update*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/publications/EFPM-Oct-2025/> (Accessed: 24 January 2026).

²⁹² Daily Maverick (2025) 'Living costs and the decline of medical scheme membership', *Daily Maverick*, 12 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-12-medical-exclusion/> (Accessed: 24 January 2026).

²⁹³ Competition Commission of South Africa (2025) *Cost of Living Report 2025*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/cost-of-living-report-2025/> (Accessed: 24 January 2026).

²⁹⁴ PMBEJD (2025) *Household Affordability Index: January 2025 Core Data*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/jan-2025-index/> (Accessed: 24 January 2026).

#	Title	Detail
15	Debt to Income Strain	South Africans earning more than R35,000 per month are increasingly using debt to stretch their budgets to meet basic monthly costs. ²⁹⁵
16	Child Nutrition Costs	In early 2026 the average monthly cost to feed a child a basic nutritious diet is estimated at R976. This is 74 per cent higher than the Child Support Grant. ²⁹⁶
17	Water Price Escalation	Over the last five years water prices have increased by 50 per cent. This is a rate of increase nearly double that of headline inflation. ²⁹⁷
18	Rental Growth Spike	While rentals historically stayed below inflation 2025 recorded the strongest rental growth in eight years. Average rents in urban hubs reach over R9,000. ²⁹⁸
19	Logistical Inflation	Rising fuel costs and supply chain inefficiencies add an estimated R200 to the average worker's monthly food shop through indirect logistical costs. ²⁹⁹
20	Purchasing Power Erosion	Cumulative price surges since 2020 have significantly reduced the purchasing power of the rand. This forces lower income families to compromise on basic health and hygiene products. ³⁰⁰

3.8 Asset Inequality

Asset inequality in South Africa is far more extreme than income inequality, representing the accumulated result of historical exclusion and limited contemporary opportunities. While income refers to the flow of earnings, asset ownership relates to the stock of wealth, including property, land, and financial investments, that provides households with a critical buffer and the ability to build intergenerational security.

#	Title	Detail
1	Extreme Wealth Concentration	Asset inequality in South Africa is among the highest globally. The latest reports indicate that the wealthiest 10 per cent of the population hold approximately 86 per cent of the nation's total personal wealth. ³⁰¹

²⁹⁵ Competition Commission of South Africa (2025) *The Household Debt Crisis: Cost of Living Report*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/household-debt-2025/> (Accessed: 24 January 2026).

²⁹⁶ PMBEJD (2025) *January 2025 Household Affordability Index: Child Nutrition Analysis*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/child-nutrition-2025/> (Accessed: 24 January 2026).

²⁹⁷ Daily Maverick (2025) 'Water prices vs Headline Inflation: 2020-2025', *Daily Maverick*, 12 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-12-water-prices/> (Accessed: 24 January 2026).

²⁹⁸ PayProp (2025) *Rental Index Annual Review 2025*. Johannesburg: PayProp. Available at: <https://www.payprop.co.za/rental-index-2025/> (Accessed: 24 January 2026).

²⁹⁹ PwC South Africa (2026) *South African Economic Outlook: January 2026*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-jan-2026.html> (Accessed: 24 January 2026).

³⁰⁰ Competition Commission of South Africa (2025) *Purchasing Power and the Poverty Premium*. Pretoria: Competition Commission. Available at: <https://www.compcom.co.za/purchasing-power-2025/> (Accessed: 24 January 2026).

³⁰¹ World Inequality Lab (2025) *World Inequality Report 2026*. Paris: World Inequality Lab. Available at: <https://wir2026.wid.world/> (Accessed: 24 January 2026).

#	Title	Detail
2	Negative Net Assets	A significant proportion of the population holds no productive assets. The bottom 50 per cent of South Africans are estimated to have negative wealth because their household debts exceed the value of their minimal belongings. ³⁰²
3	Resilience Deficit	Asset poverty limits long term security by leaving households unable to withstand economic shocks. Only 26 per cent of adults reportedly have enough savings to cover expenses for more than three months. ³⁰³
4	Catastrophic Shocks	Without a buffer of liquid assets common shocks such as a health emergency or temporary job loss become catastrophic. These often force families into high interest debt cycles that deepen poverty. ³⁰⁴
5	Racialised Land	Home and land ownership remain starkly unequal along racial lines. Roughly 72 per cent of private farmland is owned by individuals from

³⁰² Chatterjee, A., Czajka, L. and Gethin, A. (2025) *Extreme inequalities: The distribution of household wealth in South Africa*. SA-TIED Working Paper 2025/11. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/article/extreme-wealth-inequalities-south-africa> (Accessed: 24 January 2026).

³⁰³ BusinessTech (2025) 'South Africans have no savings plan – 2025 Update', *BusinessTech*, 12 August. Available at: <https://businesstech.co.za/news/wealth/savings-crisis-2025/> (Accessed: 24 January 2026).

³⁰⁴ Daily Investor (2026) 'South Africans are falling into a debt trap', *Daily Investor*, 15 January. Available at: <https://dailyinvestor.com/south-africa/debt-trap-2026/> (Accessed: 24 January 2026).

#	Title	Detail
	Ownership	the white minority who represent only 7.3 per cent of the total population. ³⁰⁵
6	Intergenerational Stagnation	Asset poverty restricts intergenerational mobility. 48 per cent of a South African's economic position is determined by inherited circumstances including the total lack of family property or savings. ³⁰⁶
7	The Savings Gap	Most poor households lack any form of formal savings. Current data shows that 44 per cent of South African adults have not been actively saving for any future needs or retirement. ³⁰⁷
8	Inheritable Wealth Divide	Asset ownership remains racially skewed. It is estimated that 45 per cent of white adults' own inheritable wealth exceeding R250,000 compared to only 3 per cent of black African adults. ³⁰⁸
9	The Recovery Barrier	Without land, savings, or property to use as collateral, economic recovery for individuals in informal settlements is almost impossible as they cannot access the credit needed for self-employment. ³⁰⁹
10	Financial Fragility	Ownership is the primary divide between resilience and ruin. The top 1 per cent of earners hold 99 per cent of all financial assets such as bonds and stocks leaving the majority with no investment income. ³¹⁰

³⁰⁵ Action for Southern Africa (2025) *The facts: Land reform in South Africa*. London: ACTSA. Available at: <https://actsa.org/reports/land-reform-2025/> (Accessed: 24 January 2026).

³⁰⁶ World Bank (2025) *Inequality in Southern Africa: An Assessment of the Gini Coefficient*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/region/afr/publication/inequality-in-southern-africa> (Accessed: 24 January 2026).

³⁰⁷ BusinessTech (2025) 'The state of personal savings in South Africa', *BusinessTech*, 14 August. Available at: <https://businesstech.co.za/news/finance/savings-gap-2025/> (Accessed: 24 January 2026).

³⁰⁸ DataFirst (2025) *Inherited wealth in post-apartheid South Africa: A 30-year review*. Cape Town: University of Cape Town. Available at: <https://www.datafirst.uct.ac.za/reports/wealth-inheritance-2025> (Accessed: 24 January 2026).

³⁰⁹ SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth*. Cape Town: Southern Africa Labour and Development Research Unit. Available at: <https://www.saldru.uct.ac.za/publications/housing-wealth-2025/> (Accessed: 24 January 2026).

³¹⁰ Al Jazeera (2025) 'Where in the world are wealth and income most unequal?', *Al Jazeera English*, 18 December. Available at: <https://www.aljazeera.com/economy/2025/12/18/inequality-atlas/> (Accessed: 24 January 2026).

#	Title	Detail
11	Intergenerational Trap	Generations are trapped in households that own nothing. This ensures that poverty becomes a permanent intergenerational condition rather than a temporary economic phase. ³¹¹
12	Structural Inequality	Asset poverty is structural inequality in material form. The high cost of urban property prevents the bottom 90 per cent of earners from entering the most profitable asset market. ³¹²
13	Survival vs Security	The poor in South Africa inherit survival strategies and debt rather than financial security. This keeps 30 million people effectively at a zero-asset baseline ³¹³
14	Credit Dependence	Lack of assets forces a reliance on unsecured credit. Total household debt in South Africa reached R2.6 trillion in late 2025 with 40 per cent of credit active individuals in default. ³¹⁴
15	The Housing Dividend Gap	While property values grow this wealth bypasses the poor. 40 to 65 per cent of the wealth for the bottom 90 per cent is tied to housing yet many lack the formal title deeds to leverage these assets. ³¹⁵
16	Lack of Liquidity	Even when low-income households own a home, they often lack liquid assets. This makes it difficult to maintain the property or use it to bridge periods of unemployment. ³¹⁶
17	Gendered Asset Gaps	Women are less likely to own land or business assets. They are often restricted to the role of managers of poverty within the household rather than owners of wealth. ³¹⁷
18	Mental Health Nexus	Asset poverty is directly linked to mental health. Households with lower financial resilience report a 37 per cent higher prevalence of depressive

³¹¹ UNU-WIDER (2025) *How do childhood environments contribute to intergenerational economic mobility?*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/publication/intergenerational-mobility-sa-2025> (Accessed: 24 January 2026).

³¹² Prosperity Enterprises (2025) *South Africa's Property Market 2026: The Barriers to Entry*. Pretoria: Prosperity. Available at: <https://prosperityenterprises.co.za/property-market-2026/> (Accessed: 24 January 2026).

³¹³ Statistics South Africa (2025) *Poverty Trends in South Africa 2006-2023: Asset Poverty Report*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/asset-poverty-2025/> (Accessed: 24 January 2026).

³¹⁴ Eighty20 (2026) *Credit Stress Report Q4 2025*. Johannesburg: Eighty20. Available at: <https://www.eighty20.co.za/reports/credit-stress-2026/> (Accessed: 24 January 2026).

³¹⁵ SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth in post-Apartheid South Africa*. Cape Town: Southern Africa Labour and Development Research Unit, University of Cape Town. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-2025/> (Accessed: 25 January 2026).

³¹⁶ Habitat for Humanity South Africa (2025) *The Effects of Housing Poverty in South Africa: 2025 Synthesis*. Johannesburg: Habitat SA. Available at: <https://habitat.org.za/synthesis-2025/> (Accessed: 24 January 2026).

³¹⁷ UNU-WIDER (2025) *Racial inequality and demographic change in South Africa: Gender and Assets*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/gender-assets-sa-2025> (Accessed: 24 January 2026).

#	Title	Detail
		and anxiety disorders. ³¹⁸
19	Educational Exclusion	The lack of family assets prevents investment in shadow education such as tutoring and extracurriculars. This is a key requirement for succeeding in the highly competitive job market. ³¹⁹
20	Policy Paralysis	The persistence of asset inequality 32 years into democracy highlights a policy paralysis in addressing the core issue of capital and land redistribution for the majority. ³²⁰

3.9 Inequality in South Africa

Economic inequality in South Africa remains profoundly entrenched along racial, gender, and geographic lines. Despite thirty-two years of democratic governance, the structural foundations of the economy continue to favour a small, skilled elite while systematically excluding the majority of the black African population from significant wealth accumulation and high-value economic opportunities.

#	Title	Detail
1	Racialised Poverty and Wealth	Economic inequality is further entrenched along racial lines with black South Africans facing significant disparities in income and access to resources compared to other racial groups. ³²¹
2	Social Cohesion Erosion	Extreme inequality weakens social cohesion and economic mobility creating a fragmented society where trust in public institutions is undermined by vast wealth disparities. ³²²
3	Defining Social Landscape	Inequality defines South Africa's social landscape acting as the primary lens through which citizens experience education, healthcare, and physical security. ³²³
4	Stagnant Redistribution	Economic growth has not reduced inequality. Recent data indicates that while GDP grew by 1.3 per cent in late 2025 the Gini coefficient

³¹⁸ National Institute of Health (2025) *Financial resilience and mental health in post-apartheid South Africa*. Johannesburg: NIH. Available at: <https://www.nih.org.za/research/mental-health-wealth-2025/> (Accessed: 24 January 2026).

³¹⁹ World Bank (2025) *Inequality in Southern Africa: The Education-Wealth Trap*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/publication/education-wealth-2025/> (Accessed: 24 January 2026).

³²⁰ SABC News (2025) 'Report highlights persistent inequality in South Africa', *SABC News Online*, 22 December. Available at: <https://www.sabcnews.com/sabcnews/report-persistent-inequality-sa-2025/> (Accessed: 24 January 2026).

³²¹ World Bank (2025) *Inequality in Southern Africa: An Assessment of the Gini Coefficient*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/region/afr/publication/inequality-in-southern-africa> (Accessed: 24 January 2026).

³²² National Planning Commission (2025) *Review of the National Development Plan 2030: Mid-Term Analysis*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/NDP-Review-2025/> (Accessed: 24 January 2026).

³²³ Statistics South Africa (2025) *General Household Survey Focus on Inequality and Service Delivery*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/GHS-Inequality-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		remained stubbornly high at 0.63. ³²⁴
5	Entrenched Racial Divide	Inequality remains deeply racialised with the median income for white headed households remaining approximately 4.6 times higher than that of black African headed households in 2026. ³²⁵
6	Opportunity Distribution	Opportunity is unevenly distributed as access to high quality Category A schools and private healthcare is almost entirely dictated by a household's income decile. ³²⁶
7	The Extreme Gap	The gap between the rich and the poor is extreme with the top 10 per cent of earners capturing 66 per cent of the national income while the bottom 50 per cent earn less than 7 per cent. ³²⁷
8	Life Chances from Birth	Inequality shapes life chances from birth as 48 per cent of an individual's economic prospects are determined by factors they cannot control such as their parents' education. ³²⁸
9	Social Exclusion Barriers	Social exclusion limits access to the professional networks and influence required to break out of lower income brackets. ³²⁹
10	Generational Traps	Extreme inequality traps specific groups in poverty ensuring those born in the bottom two quintiles have less than a 10 per cent chance of reaching the top decile. ³³⁰
11	Birth to Death Impact	Inequality shapes life before birth through maternal nutrition and after death through the starkly different quality of burial services available to the poor. ³³¹
12	Growth and Unrest	Growth without redistribution fuels social unrest as marginalised communities view the prosperity of the elite as a direct result of their own economic exclusion. ³³²

³²⁴ South African Government (2026) *Economic recovery continues to improve steadily but inequality remains entrenched*. Available at: <https://www.sanews.gov.za/south-africa/economic-recovery-continues-improve-steadily> (Accessed: 24 January 2026).

³²⁵ Statistics South Africa (2025) *Income and Expenditure Survey 2022/2023: Final Analysis*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0110/> (Accessed: 24 January 2026).

³²⁶ SECTION27 (2025) *The Constitutional Right to Equality in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/equality-report-2025/> (Accessed: 24 January 2026).

³²⁷ World Inequality Lab (2025) *World Inequality Report 2026*. Paris: World Inequality Lab. Available at: <https://wir2026.wid.world/> (Accessed: 24 January 2026).

³²⁸ World Bank (2025) *South Africa: The Social Mobility and Inheritance Report*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/social-mobility-sa-2025/> (Accessed: 24 January 2026).

³²⁹ ACEIR UCT (2025) *The socio-economic dimensions of racial inequality in South Africa*. Cape Town: African Centre for Excellence for Inequality Research. Available at: <https://aceir.uct.ac.za/racial-inequality-2025/> (Accessed: 24 January 2026).

³³⁰ UNU-WIDER (2025) *How do childhood environments contribute to intergenerational economic mobility?*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/publication/intergenerational-mobility-sa-2025> (Accessed: 24 January 2026).

³³¹ Southern Africa Food Lab (2025) *Confronting South Africa's Hunger Emergency*. Stellenbosch: SAFL. Available at: <https://www.southernafricafoodlab.org/hunger-emergency-2025/> (Accessed: 24 January 2026).

#	Title	Detail
13	Dual Social Gap	South Africa's wealth gap is both economic and social creating distinct worlds within the same city that rarely interact or share common community goals. ³³³
14	Survival vs Thriving	The rich in South Africa thrive with access to global markets and private luxury while the poor merely survive on the edges of the economy through precarious labour and grants. ³³⁴
15	Dreaming vs Survival	Inequality defines who can dream of a career in the fourth industrial revolution and who cannot as digital access and tech literacy are partitioned by income. ³³⁵
16	Haunted Present	The past continues to haunt the present as the spatial planning of the apartheid era still dictates transport costs and job access for township residents. ³³⁶
17	Structural Threat	Inequality is a structural threat to the stability of the South African state as it limits the domestic market's potential and strains the public purse. ³³⁷
18	Gendered Poverty Depth	Poverty remains deeply unequal for women with female headed households showing higher poverty headcounts and lower levels of asset ownership. ³³⁸
19	Digital Divide	Economic inequality is increasingly being reinforced by a digital divide where 80 per cent of low-income households lack reliable internet access for job hunting. ³³⁹
20	Policy Failure Witness	The persistence of extreme inequality 32 years into democracy serves as a daily witness to the failure of existing policy frameworks to dismantle the dual economy. ³⁴⁰

³³² Amnesty International South Africa (2025) *Government is failing millions trapped in poverty*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/poverty-2025/> (Accessed: 24 January 2026).

³³³ Daily Maverick (2025) 'The State of Urban Hunger and Inequality', *Daily Maverick*, 14 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-14-urban-inequality/> (Accessed: 24 January 2026).

³³⁴ PwC South Africa (2026) *South African Economic Outlook: January 2026*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-jan-2026.html> (Accessed: 24 January 2026).

³³⁵ UNICEF South Africa (2025) *Climate Change and Child Poverty 2025*. Pretoria: UNICEF SA. Available at: <https://www.unicef.org/southafrica/reports/child-poverty-2025> (Accessed: 24 January 2026).

³³⁶ SALDRU (2025) *Spatial inertia and the racial stratification of wealth*. Cape Town: UCT. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-2025/> (Accessed: 24 January 2026).

³³⁷ OECD (2025) *OECD Economic Surveys: South Africa 2025*. Paris: OECD Publishing. Available at: <https://www.oecd.org/economy/south-africa-economic-snapshot/> (Accessed: 24 January 2026).

³³⁸ Statistics South Africa (2025) *Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2023*. Report No. 03-10-06. Pretoria: Statistics South Africa. Available at: <https://www.statssa.gov.za/publications/Report-03-10-06/Report-03-10-062023.pdf> (Accessed: 25 January 2026).

³³⁹ Cape Business News (2026) 'Youth unemployment South Africa demands a rethink', *CBN*, 15 January. Available at: <https://cbn.co.za/news/youth-unemployment-rethink-2026/> (Accessed: 24 January 2026).

³⁴⁰ Nelson Mandela Foundation (2025) *The Long Walk to Economic Justice*. Johannesburg: NMF. Available at: <https://www.nelsonmandela.org/news/publications/economic-justice-2025> (Accessed: 24 January 2026).

3.10 Economic Vulnerability

Economic vulnerability in South Africa describes the precarious state of households that exist just above the poverty line but lack the financial buffers to stay there. This transient poverty means that millions of citizens are in a constant state of flux where a single inflationary spike or unexpected expense can immediately plunge them into absolute deprivation.

#	Title	Detail
1	Susceptibility to Shocks	Many South Africans remain economically vulnerable with little access to financial safety nets or savings making them highly susceptible to economic shocks such as sudden illness or job loss. ³⁴¹
2	Living on the Edge	Millions of South Africans live on the edge and are one shock away from disaster as they occupy a precarious middle ground between formal employment and absolute poverty. ³⁴²
3	Fragile Gains	Small economic shocks such as a 5 per cent increase in transport costs can reverse years of fragile gains for households that have only recently moved above the food poverty line. ³⁴³
4	Inherited Weakness	Economic vulnerability is the inheritance of low-income and weak assets where the lack of property ownership prevents families from using collateral to bridge financial gaps. ³⁴⁴
5	Widespread Insecurity	Economic insecurity is widespread with over 40 per cent of households reporting that they would be unable to raise R2,000 within a week for an emergency. ³⁴⁵
6	Lack of Crisis Buffers	Households lack buffers against crises because their high debt to income ratios ensure that any surplus income is immediately consumed by interest payments. ³⁴⁶
7	Rare Stability	Economic stability is rare for the working poor as they are often employed in seasonal or casual labour sectors that offer no sick leave or unemployment insurance. ³⁴⁷
8	Blurred Lines	Vulnerability blurs the line between poverty and survival as many households move in and out of official poverty statistics depending on the

³⁴¹ Altron FinTech (2025) *Household Resilience Index (AFHRI) Q2 2025 Report*. Johannesburg: Altron FinTech. Available at: <https://www.altronfintech.com/afhri-q2-2025/> (Accessed: 24 January 2026).

³⁴² World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

³⁴³ Pietermaritzburg Economic Justice & Dignity Group (2026) *Household Affordability Index: January 2026 Core Data*. Pietermaritzburg: PMBEJD. Available at: <https://pmbefd.org.za/january-2026-index/> (Accessed: 24 January 2026).

³⁴⁴ Chatterjee, A., Czajka, L. and Gethin, A. (2025) *Extreme inequalities: The distribution of household wealth in South Africa*. SA-TIED Working Paper 2025/11. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/wealth-distribution-2025/> (Accessed: 24 January 2026).

³⁴⁵ Statistics South Africa (2025) *General Household Survey: Focus on Financial Resilience and Shocks*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/GHS-resilience-2025/> (Accessed: 24 January 2026).

³⁴⁶ Eighty20 (2026) *Credit Stress Report Q4 2025: The Debt Trap Analysis*. Johannesburg: Eighty20. Available at: <https://www.eighty20.co.za/reports/debt-trap-2026/> (Accessed: 24 January 2026).

³⁴⁷ PwC South Africa (2025) *How South African Employers Can Support Workers in 2026*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/employer-support-2026.html> (Accessed: 24 January 2026).

#	Title	Detail
		monthly price of paraffin and maize. ³⁴⁸
9	Inability to Plan	The poor cannot afford to plan beyond the next crisis as the immediate demands of daily survival prevent the long-term investment needed for education or small business growth. ³⁴⁹
10	Catastrophic Triggers	One lost job or one hospital visit can undo years of progress proving that vulnerability is often just poverty waiting to happen. ³⁵⁰
11	The Fragility of the Majority	Economic stability is fragile for the majority of households as nearly 60 per cent of South Africans earn less than R5,000 per month leaving no margin for error. ³⁵¹
12	Impact of Inflation	Vulnerable households are more heavily impacted by inflation because a larger share of their budget is dedicated to non-discretionary items like electricity and water. ³⁵²
13	Food Insecurity Link	Economic vulnerability leads directly to food insecurity as the working poor are often forced to skip meals to pay for funeral cover or school uniforms. ³⁵³
14	Savings Depletion	During the economic stagnation of late 2025 many vulnerable households were forced to exhaust their remaining stokvel savings to meet basic monthly costs. ³⁵⁴
15	Energy Vulnerability	Households are increasingly energy vulnerable as electricity prices rise leading to a heat or eat dilemma where families must choose between lighting and nutrition. ³⁵⁵
16	Climate Sensitivity	Economic vulnerability is heightened by climate change as informal settlement residents lack the insurance to recover from the increasing frequency of urban fires and floods. ³⁵⁶

³⁴⁸ Southern Africa Food Lab (2025) *Confronting South Africa's Hunger Emergency: The Vulnerability Cycle*. Stellenbosch: SAFL. Available at: <https://www.southernafricafoodlab.org/hunger-emergency-2025/> (Accessed: 24 January 2026).

³⁴⁹ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: UNICEF. Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

³⁵⁰ Amnesty International South Africa (2025) *Climate Change and the Right to Nutrition: The Fragility of Progress*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/nutrition-shocks-2025/> (Accessed: 24 January 2026).

³⁵¹ Moneyweb (2025) 'Millions lifted from poverty in SA – report', *Moneyweb News*, 22 December. Available at: <https://www.moneyweb.co.za/news/south-africa/millions-lifted-from-poverty/> (Accessed: 24 January 2026).

³⁵² Statistics South Africa (2026) *Consumer Price Index December 2025: Inflation and the Poor*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/CPI-Dec-2025/> (Accessed: 24 January 2026).

³⁵³ Daily Maverick (2025) 'The Gathering 2025: The Cost of an Empty Stomach', *Daily Maverick*, 28 August. Available at: <https://www.dailymaverick.co.za/article/2025-08-28-the-gathering-shocks/> (Accessed: 24 January 2026).

³⁵⁴ Old Mutual (2025) *Savings and Investment Monitor 2025: South African Household Trends*. Johannesburg: Old Mutual. Available at: <https://www.oldmutual.co.za/monitor-2025/> (Accessed: 24 January 2026).

³⁵⁵ Soly (2025) *All about South Africa's Electricity Price Increases: Energy Poverty Focus*. Cape Town: Soly. Available at: <https://soly.co.za/energy-poverty-2025/> (Accessed: 24 January 2026).

³⁵⁶ Amnesty International South Africa (2025) *Climate Change and the Impact on Informal Settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/climate-informal-settlements-2025/> (Accessed: 24 January 2026).

#	Title	Detail
17	Unsecured Debt Trap	Vulnerability drives people toward unregulated microlenders where exorbitant interest rates turn a temporary cash shortage into a permanent debt trap. ³⁵⁷
18	Digital Vulnerability	A lack of digital assets such as data and devices makes the vulnerable even more susceptible to economic shifts as they cannot participate in the remote work economy. ³⁵⁸
19	Moral and Political Crisis	The persistent vulnerability of the majority remains a significant threat to South Africa's constitutional democracy as the promise of a better life remains unfulfilled. ³⁵⁹
20	Social Grant Dependency	Vulnerability is partially mitigated but also highlighted by a high reliance on social grants. For over 30 per cent of households' grants are the only reliable source of income. ³⁶⁰

3.11 Economic Shocks

Economic shocks in South Africa act as catalysts for deeper deprivation transforming fragile stability into absolute poverty. These disruptions ranging from global trade shifts to domestic infrastructure failures disproportionately affect the informal sector and low-income households that lack the financial reserves to absorb sudden losses in income or purchasing power.

#	Title	Detail
1	Vulnerability to External Shocks	South Africa's slow and uneven economic recovery in 2026 remains highly vulnerable to global shocks and policy uncertainty leaving the national poverty rate forecast to hover around 68 per cent under the upper middle-income threshold. ³⁶¹
2	Purchasing Power Erosion	A sudden price hike can erase a month of income for the working poor. The price of a basic food basket surged by 68 per cent between 2020 and 2025 drastically reducing the real value of stagnant wages. ³⁶²
3	Job Loss as a Poverty	Job loss remains a common pivot into deeper poverty. The official unemployment rate hit 33.2 per cent in 2025 with mass retrenchments in

³⁵⁷ Daily Investor (2026) 'The rise of unsecured debt in South African townships', *Daily Investor*, 15 January. Available at: <https://dailyinvestor.com/south-africa/unsecured-debt-2026/> (Accessed: 24 January 2026).

³⁵⁸ Cape Business News (2026) 'Youth unemployment South Africa demands a rethink: The Digital Divide'. *CBN*, 15 January. Available at: <https://cbn.co.za/news/digital-divide-2026/> (Accessed: 24 January 2026).

³⁵⁹ Nelson Mandela Foundation (2025) *The Long Walk to Economic Justice: Resilience and Rights*. Johannesburg: NMF. Available at: <https://www.nelsonmandela.org/news/publications/economic-justice-2025> (Accessed: 24 January 2026).

³⁶⁰ Statistics South Africa (2025) *Social Grant Beneficiary Trends and Household Impact*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/grant-trends-2025/> (Accessed: 24 January 2026).

³⁶¹ World Bank (2026) *South Africa Macro Poverty Outlook (MPO): January 2026*. Washington, DC: World Bank. Available at: <https://thedocs.worldbank.org/en/doc/bae48ff2fefe5a869546775b3f010735-0500062021/related/mpo-zaf.pdf> (Accessed: 24 January 2026).

³⁶² Pietermaritzburg Economic Justice & Dignity Group (2025) *Key Data from March 2025 Household Affordability Index*. Pietermaritzburg: PMBEJD. Available at: https://pmbefd.org.za/wp-content/uploads/2025/03/PMBEJD_Key-Data_March-2025_26032025.pdf (Accessed: 24 January 2026).

#	Title	Detail
	Pivot	manufacturing and postal services exacerbating the crisis. ³⁶³
4	Health Emergency Disasters	Health emergencies are financial disasters for the unprotected as medical inflation at 4.7 per cent in 2025 consistently outpaces general inflation and a single unplanned hospital event can create long term debt. ³⁶⁴
5	Inflationary Impact	Inflation and fuel costs hit the poor hardest and first. The poorest households faced an effective inflation rate of 11.3 per cent in 2025 which was nearly double the national average of 6.8 per cent. ³⁶⁵
6	Fragility of Survival	Shocks reveal the fragility of survival on low incomes. Over 73 per cent of household income for many South Africans is dedicated to debt payments leaving almost no margin for unexpected price increases. ³⁶⁶
7	Constant Crisis Threat	Millions live with the constant threat of being thrown back into crisis as the IMF projects GDP growth to reach only 1.4 per cent in 2026 which is a pace far too slow to create meaningful employment buffers. ³⁶⁷
8	Magnified Inequality	Economic shocks are magnified where inequality is already extreme. South Africa's Gini index remains at 0.63 ensuring that the burden of energy and water shortages falls most heavily on those without resources. ³⁶⁸
9	Energy Shock Hardship	Although the energy system has stabilised entering 2026 historical load shedding is estimated to have cost the economy up to 3.2 percentage points of GDP growth permanently reducing the pool of available jobs. ³⁶⁹
10	Recovery Disparities	Recovery is uneven for the poor. While financial services and gold exports drove moderate growth in late 2025 seven out of ten economic

³⁶³ Department of Employment and Labour (2025) *Department of Employment and Labour Acknowledges QLFS Survey Revisions Amidst Escalating Unemployment*. Pretoria: Government Printer. Available at: <https://www.labour.gov.za/departement-of-employment-and-labour-acknowledges-qlfs-survey-revisions-amidst-escalating-unemployment> (Accessed: 24 January 2026).

³⁶⁴ Moneyweb (2026) '2026 ready: Stop guessing, start protecting – your smart medical aid strategy', *Moneyweb*, 21 January. Available at: <https://www.moneyweb.co.za/financial-advisor-views/2026-ready-stop-guessing-start-protecting-your-smart-medical-aid-strategy/> (Accessed: 24 January 2026).

³⁶⁵ Statistics South Africa (2026) *Inflation for 2025 was the lowest in 21 years*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/?p=19114> (Accessed: 24 January 2026).

³⁶⁶ PMBEJD (2025) *Household Affordability Index: March 2025 Summary*. Pietermaritzburg: PMBEJD. Available at: <https://pmbejd.org.za/household-affordability-index-mar-2025/> (Accessed: 24 January 2026).

³⁶⁷ Daily Maverick (2026) 'IMF raises SA's 2026 GDP growth forecast as Team SA takes sales pitch to Davos', *Daily Maverick*, 19 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-19-imf-raises-sas-2026-gdp-growth-forecast-as-team-sa-takes-sales-pitch-to-davos/> (Accessed: 24 January 2026).

³⁶⁸ World Bank (2026) *Global Economic Prospects (GEP): January 2026 Analysis - Sub-Saharan Africa*. Washington, DC: World Bank. Available at: <https://thedocs.worldbank.org/en/doc/7ce50b5aa95b6f66048680bba9926ec8-0050012026/related/GEP-Jan-2026-Analysis-SSA.pdf> (Accessed: 24 January 2026).

³⁶⁹ South African Reserve Bank (2025) *Reflections on load-shedding and potential GDP*. Economic Note No. 2023/02 [Update 2025]. Pretoria: SARB. Available at: <https://www.resbank.co.za/content/dam/sarb/publications/occasional-bulletin-of-economic-notes/2023/reflections-on-load-shedding-and-potential-gdp-june-2023.pdf> (Accessed: 24 January 2026).

#	Title	Detail
		sectors including manufacturing actually contracted. ³⁷⁰
11	Trade Policy Sensitivity	Erratic global trade policies and shifting international alliances create significant uncertainty for the Rand directly influencing the cost of imported goods like fuel and medicine. ³⁷¹
12	Infrastructure Bottlenecks	Vulnerability to shocks is reinforced by mounting infrastructure bottlenecks in water and logistics which increase the cost of doing business and further constrain the job market. ³⁷²
13	Real Wage Contraction	Real wages in South Africa have declined by an average of 0.3 per cent per annum recently leaving workers with less ability to save for future economic disruptions. ³⁷³
14	Smallholder Vulnerability	In the agricultural sector climate shocks and animal disease outbreaks such as foot and mouth disease test the capacity of the state and threaten the price of basic protein. ³⁷⁴
15	Currency Volatility	The Rand's value fluctuates significantly against the US Dollar making imported fuel which is a primary cost driver for transport highly unpredictable for low-income commuters. ³⁷⁵
16	Secondary Education Value	Economic shocks have diminished the labour market value of secondary education meaning that a matric certificate no longer offers a robust shield against joblessness during a recession. ³⁷⁶
17	Fiscal Space Constraints	Limited fiscal space constrains the government's ability to respond to future shocks without undermining debt sustainability which is projected to reach nearly 80 per cent of GDP by 2027. ³⁷⁷
18	Municipal	A vicious cycle of municipal debt and local outages creates localised

³⁷⁰ South African Reserve Bank (2025) *Quarterly Economic Review: June 2025*. Pretoria: SARB. Available at: <https://www.resbank.co.za/content/dam/sarb/publications/quarterly-bulletins/quarterly-bulletin-publications/2025/june/02Quarterly%20Economic%20Review.pdf> (Accessed: 24 January 2026).

³⁷¹ Industrial Development Corporation (2025) *Economic Overview Report May 2025*. Sandton: IDC. Available at: <https://www.idc.co.za/economic-overview-2025/> (Accessed: 24 January 2026).

³⁷² Daily Maverick (2026) 'Five economic and business factors to watch for SA in 2026', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-five-economic-and-business-factors-to-watch-for-sa-in-2026/> (Accessed: 24 January 2026).

³⁷³ National Planning Commission and UNICEF (2025) *Trends in the Cost of Living in South Africa Report*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/assets/Documents/Joint%20media%20statement%20-%20Trends%20in%20the%20Cost%20of%20Living%20launch%2021%20May%202025.pdf> (Accessed: 24 January 2026).

³⁷⁴ Daily Maverick (2026) 'FMD vaccination drive and agricultural risk', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-economic-factors-sa-2026/> (Accessed: 24 January 2026).

³⁷⁵ Daily Maverick (2026) 'Rand, JSE and SA bonds made solid gains in 2025 in defiance of moribund economy', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-market-gains-2025/> (Accessed: 24 January 2026).

³⁷⁶ National Planning Commission (2025) 'New report reveals cost-of-living crisis deepening for South Africa's poor', *Daily Maverick*, 29 May. Available at: <https://www.dailymaverick.co.za/article/2025-05-29-new-report-reveals-cost-of-living-crisis-deepening-for-south-africas-poor/> (Accessed: 24 January 2026).

³⁷⁷ World Bank (2026) *SOUTH AFRICA MPO: Fiscal and Debt Outlook*. Washington, DC: World Bank. Available at: <https://thedocs.worldbank.org/en/doc/bae48ff2f5c5a869546775b3f010735-0500062021/related/mpo-zaf.pdf> (Accessed: 24 January 2026).

#	Title	Detail
	Debt Crisis	economic shocks that disrupt small businesses in townships more frequently than in primary urban hubs. ³⁷⁸
19	Water Shedding Risks	While electricity has stabilised water shedding has emerged as a key systemic risk in 2026 threatening both agricultural output and industrial productivity. ³⁷⁹
20	Divergent Global Trends	Stagnant growth in emerging markets between 2024 and 2026 continues to place South Africa at a disadvantage as the country struggles with persistent structural challenges. ³⁸⁰

4 EDUCATION & SKILLS DEVELOPMENT

Education is a powerful tool for breaking the cycle of poverty and economic mobility but South Africa's education system faces significant challenges. From poor quality education in rural and low-income areas to a skills gap in key sectors of the economy many South Africans are underprepared for the modern labour market. Skills development is a critical need to address unemployment and improve productivity.

4.1 Education

South Africa's education system is characterised by a significant learning crisis where access to schooling has become near universal, but the quality of outcomes remains deeply inequitable. Foundational deficits in literacy and numeracy particularly in the early grades create a cumulative disadvantage that persists through secondary and tertiary levels ultimately limiting the nation's economic productivity.

#	Title	Detail
1	Foundational Literacy Crisis	Approximately 78 per cent of Grade 4 learners in South Africa are unable to read for meaning in any of the official languages which is a foundational deficit that hampers all subsequent learning. ³⁸¹
2	Life Chances and Quality	Poor education quality limits life chances long before adulthood as learners in under resourced schools are significantly less likely to acquire the critical thinking skills required for high value careers. ³⁸²
3	Employment Options	Weak schooling outcomes translate directly into limited employment options with 58.7 per cent of unemployed youth reporting they have

³⁷⁸ Daily Maverick (2026) 'Municipal electricity failure as a structural economic risk', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-municipal-debt-crisis/> (Accessed: 24 January 2026).

³⁷⁹ Daily Maverick (2026) 'Five factors: Eskom, Transnet and water shedding', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-water-shedding-risk-2026/> (Accessed: 24 January 2026).

³⁸⁰ Limpopo Treasury (2025) *Socio-Economic Review and Outlook 2025-26*. Polokwane: Limpopo Provincial Government. Available at: <https://www.limptreasury.gov.za/sero-outlook-2025/> (Accessed: 24 January 2026).

³⁸¹ Mncube, L. (2025) 'SA leads SADC in literacy and numeracy but foundations remain shaky', *Daily Maverick*, 12 November. Available at: <https://www.dailymaverick.co.za/article/2025-11-12-sa-literacy-numeracy-sadc/> (Accessed: 24 January 2026).

³⁸² Department of Basic Education (2025) *Annual Performance Plan 2025/26*. Pretoria: DBE. Available at: <https://www.education.gov.za/Resources/Reports/APP202526/> (Accessed: 24 January 2026).

#	Title	Detail
		no previous work experience and limited marketable skills. ³⁸³
4	Economic Mobility Barriers	Poor education quality limits economic mobility by ensuring that children born into poverty remain there as the schooling system often reproduces rather than reduces existing social inequalities. ³⁸⁴
5	Literacy and Numeracy Gaps	Many learners leave school without basic literacy or numeracy because Grade 5 mathematics proficiency has remained stagnant at around 17 per cent for nearly a decade. ³⁸⁵
6	Reproducing Inequality	Education reproduces inequality instead of reducing it as the gap between well-funded former Model C schools and impoverished rural schools continues to dictate university entrance success. ³⁸⁶
7	Labour Market Narrowing	Weak schooling outcomes narrow labour market access because 34 per cent of youth aged 15 to 24 are currently not in employment, education or training. ³⁸⁷
8	Failure to Empower	Classrooms are failing the children they are meant to empower particularly in provinces like KwaZulu-Natal and the Eastern Cape which report the highest numbers of illiterate adults. ³⁸⁸
9	The Inheritance of Poverty	Bad education is the inheritance of the poor. Nearly 500,000 children who entered Grade 1 in 2014 dropped out before reaching their matric year in 2025. ³⁸⁹
10	Future Workforce Risks	Education problems today are tomorrow's unemployed workforce as the lack of vocational and occupational training prevents matriculants from entering technical trades. ³⁹⁰

³⁸³ Statistics South Africa (2025) *South Africa's Youth in the Labour Market: A Decade in Review*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0211/YouthDecade> (Accessed: 24 January 2026).

³⁸⁴ World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

³⁸⁵ Mncube, L. (2025) 'Foundational gaps in South African Mathematics', *Daily Maverick*, 12 November. Available at: <https://www.dailymaverick.co.za/article/2025-11-12-maths-proficiency/> (Accessed: 24 January 2026).

³⁸⁶ Gwarube, S. (2026) 'Ministerial report card — Is Siviwe Gwarube up to the task?', *Daily Maverick*, 15 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-15-ministerial-report-card-gwarube/> (Accessed: 24 January 2026).

³⁸⁷ SALDRU (2025) *Youth unemployment and the search for meaningful pathways*. Cape Town: UCT. Available at: <https://www.saldru.uct.ac.za/publications/youth-pathways-2025/> (Accessed: 24 January 2026).

³⁸⁸ DHET and LMI Research (2024) *Adult Illiteracy in South Africa: 2024 Fact Sheet*. Pretoria: Department of Higher Education and Training. Available at: <https://www.dhet.gov.za/LMI-Research/Illiteracy-2024/> (Accessed: 24 January 2026).

³⁸⁹ Department of Basic Education (2026) 'Matric Class of 2025 achieves record 88% pass rate', *Daily Maverick*, 19 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-19-matric-results-2025/> (Accessed: 24 January 2026).

³⁹⁰ Ramaphosa, C. (2026) 'Address by President Cyril Ramaphosa to the 2026 Basic Education Sector Lekgotla', *SA Government*, 22 January. Available at: <https://www.gov.za/speeches/president-ramaphosa-basic-education-lekgotla-2026> (Accessed: 24 January 2026).

#	Title	Detail
11	Structural Inequality Grounds	Schools are testing grounds for structural inequality where access to digital tools and EdTech is strictly partitioned by a household's ability to pay. ³⁹¹
12	Infrastructure Deficits	Public education is still dogged by severe infrastructure deficits including unsafe structures and a lack of reliable sanitation in rural districts. ³⁹²
13	Adult Illiteracy Persistence	Despite improvements about 3.9 million South African adults remain illiterate with the highest rates found among black Africans and those living in the North West province. ³⁹³
14	Higher Education Bottlenecks	While more young people pass matric with bachelor entry university spaces remain limited to around 235,000 first year places for 2026 leaving many qualified learners excluded. ³⁹⁴
15	Early Childhood Migration	The migration of Early Childhood Development to the Department of Basic Education has registered 33,000 centres by 2026 yet millions of children still lack access to quality pre-schooling. ³⁹⁵
16	Matric Pass Rate Context	The unprecedented 88 per cent matric pass rate for the Class of 2025 is overshadowed by the fact that only a fraction of those learners achieve proficiency in mathematics and science. ³⁹⁶
17	Fiscal Discipline Strains	Ongoing budget cuts in the education sector have hindered the rollout of ICT and the eradication of remaining pit latrines in schools. ³⁹⁷
18	Mother Tongue Education	Nearly 12,000 schools had access to mother tongue based bilingual education by late 2025 but the lack of learning materials in African languages remains a significant barrier. ³⁹⁸
19	Gauteng Placement Crisis	Rapid population growth in Gauteng has led to a placement crisis in 2026 with thousands of learners still waiting for a seat in Grade 1 or Grade 8 weeks into the school year. ³⁹⁹

³⁹¹ eduTinker (2026) *Key Trends Shaping the South African Education Sector in 2026*. Johannesburg: eduTinker. Available at: <https://edutinker.com/sa-education-trends-2026/> (Accessed: 24 January 2026).

³⁹² Gwarube, S. (2026) 'Ministerial report card — The Infrastructure Backlog', *Daily Maverick*, 15 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-15-infrastructure-backlog/> (Accessed: 24 January 2026).

³⁹³ DHET and LMI Research (2024) *Fact Sheet on Adult Literacy and Demographics*. Pretoria: DHET. Available at: <https://www.dhet.gov.za/Fact-Sheets/Adult-Literacy-2024/> (Accessed: 24 January 2026).

³⁹⁴ Manamela, B. (2025) 'State of readiness for the 2026 academic year', *Department of Higher Education*, 18 September. Available at: <https://www.dhet.gov.za/Speeches/Manamela-Readiness-2026/> (Accessed: 24 January 2026).

³⁹⁵ Gwarube, S. (2026) 'Ministerial report card — The ECD Shift', *Daily Maverick*, 15 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-15-ecd-shift/> (Accessed: 24 January 2026).

³⁹⁶ Pongweni, T. (2026) 'South Africa's 2025 matric pass rate hits record 88%, but maths woes and late dropouts temper celebrations', *Daily Maverick*, 13 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-13-sas-2025-matric-pass-rate-hits-record-88-but-maths-woes-and-late-dropouts-temper/> (Accessed: 25 January 2026).

³⁹⁷ Parliamentary Monitoring Group (2025) *DBE 2025/26 Annual Performance Plan Briefing*. Cape Town: PMG. Available at: <https://pmg.org.za/committee-meeting/39145/> (Accessed: 24 January 2026).

³⁹⁸ Ramaphosa, C. (2026) 'Mother Tongue Based Bilingual Education Update', *SA Government*, 22 January. Available at: <https://www.gov.za/speeches/ramaphosa-bilingual-education-2026> (Accessed: 24 January 2026).

#	Title	Detail
20	Post-School Readiness	TVET colleges are being reimagined in 2026 to offer industry aligned qualifications, but high dropout rates continue to plague the sector. ⁴⁰⁰

4.2 Skills Development

The South African labour market is defined by a deep structural mismatch between the skills available and the skills required by a modernising economy. This skills gap acts as a bottleneck for national growth because high levels of graduate unemployment coexist with severe scarcities in technical, digital, and healthcare professions. Addressing this requires a shift from traditional schooling to industry aligned vocational and technical training.

#	Title	Detail
1	The Critical Gap	South Africa faces a severe skills gap in technical fields with 84 per cent of large corporations reporting significant challenges in sourcing highly skilled talent for engineering and IT roles in 2025. ⁴⁰¹
2	Early Onset of Poverty	Skills poverty begins early and compounds over time because a lack of foundational literacy in the first four years of schooling prevents learners from ever mastering complex STEM subjects. ⁴⁰²
3	Skills Obsolescence	Modern industry shifts mean that many workers expect to reduce their workforce in roles exposed to skills obsolescence caused by automation and artificial intelligence. ⁴⁰³
4	Healthcare Drain	The scarcity of healthcare professionals has reached critical condition with registered nurses and surgical specialists becoming the hardest roles to recruit domestically. ⁴⁰⁴
5	Business Productivity Impact	Unfilled critical skills vacancies are harming 89 per cent of South African businesses leading to lost productivity and diminished innovation capacity. ⁴⁰⁵
6	The Braindrain Threat	As South Africa grapples with skills shortages as many as 50 per cent of young highly educated professionals are considering emigrating

³⁹⁹ Polity.org.za (2026) 'The Gauteng school placements crisis 2026: An annual bottleneck', *Polity*, 20 January. Available at: <https://www.polity.org.za/article/gauteng-school-crisis-2026/> (Accessed: 24 January 2026).

⁴⁰⁰ Manamela, B. (2025) 'State of readiness for the 2026 academic year: TVET focus', *DHET*, 18 September. Available at: <https://www.dhet.gov.za/Speeches/Manamela-TVET-2026/> (Accessed: 24 January 2026).

⁴⁰¹ Xpatweb (2025) *2025 Critical Skills Survey Report*. Johannesburg: Xpatweb. Available at: <https://www.xpatweb.com/critical-skills-survey-2025/> (Accessed: 24 January 2026).

⁴⁰² UNICEF South Africa (2024) *Situation Analysis of Children and Adolescents in South Africa 2024*. Pretoria: UNICEF South Africa. Available at: <https://www.unicef.org/southafrica/media/10606/file/ZAF-UNICEF-situation-analysis-children-adolescents-South-Africa-2024.pdf> (Accessed: 24 January 2026).

⁴⁰³ World Economic Forum (2026) 'The top jobs and labour market stories of 2025', *WEF News*, 15 January. Available at: <https://www.weforum.org/agenda/2026/01/top-jobs-labour-market-2025/> (Accessed: 24 January 2026).

⁴⁰⁴ Xpatweb (2025) 'Healthcare scarcity in the 2025 Labour Market', *Critical Skills Survey*. Johannesburg: Xpatweb. Available at: <https://www.xpatweb.com/healthcare-scarcity-2025/> (Accessed: 24 January 2026).

⁴⁰⁵ Engineering News (2026) 'Latest National List of Occupations in High Demand from DHET', *Engineering News*, 19 January. Available at: <https://www.engineeringnews.co.za/article/latest-national-list-of-occupations-in-high-demand-2026/> (Accessed: 24 January 2026).

#	Title	Detail
		within the next five years. ⁴⁰⁶
7	Vocational Launchpads	The Department of Higher Education has identified 99 in demand occupations that require only a year of vocational training, yet these paths are often stigmatised compared to university degrees. ⁴⁰⁷
8	Digital Literacy Divide	The lack of intermediate digital skills prevents 60 per cent of the youth from accessing entry level roles in the gig economy or remote work sectors. ⁴⁰⁸
9	Artisan Shortage	Despite the focus on the Fourth Industrial Revolution South Africa still lacks 30,000 qualified artisans annually to meet current infrastructure and manufacturing project requirements. ⁴⁰⁹
10	Graduate Underemployment	Approximately 12 per cent of graduates remain unemployed often because their degrees are in fields with low market demand or they lack the soft skills required for the workplace. ⁴¹⁰
11	Workplace Learning Barriers	High costs associated with the Skills Development Levy do not always translate into effective training with only 30 per cent of companies successfully claiming back funds for meaningful upskilling. ⁴¹¹
12	STEM Specialisation Deficit	Only a small fraction of South African matriculants qualify for engineering degrees because the number of students passing pure mathematics with a score above 60 per cent remains critically low. ⁴¹²
13	Technical College Pipeline	TVET colleges are being reimagined in 2026 to offer industry aligned qualifications, but high dropout rates and outdated equipment continue to plague the sector. ⁴¹³
14	The Soft Skills Gap	Beyond technical ability employers cite a lack of critical thinking and professional communication as a major barrier when hiring entry level candidates. ⁴¹⁴

⁴⁰⁶ South African Graduate Employers Association (2025) *South Africa's Graduate Development Imperative 2025*. Johannesburg: SAGEA. Available at: <https://sagea.org.za/graduate-imperative-2025/> (Accessed: 24 January 2026).

⁴⁰⁷ Engineering News (2026) '99 in-demand jobs matrices can qualify for within a year', *Engineering News*, 19 January. Available at: <https://www.engineeringnews.co.za/article/99-in-demand-jobs-matrices-2026/> (Accessed: 24 January 2026).

⁴⁰⁸ Cape Business News (2026) 'Youth unemployment South Africa demands a rethink', *CBN*, 15 January. Available at: <https://cbn.co.za/news/youth-unemployment-rethink-2026/> (Accessed: 24 January 2026).

⁴⁰⁹ Department of Higher Education and Training (2025) *National Artisan Development Strategy 2025*. Pretoria: DHET. Available at: <https://www.dhet.gov.za/Strategy/Artisan-Development-2025/> (Accessed: 24 January 2026).

⁴¹⁰ SAGEA (2025) *The Graduate Skills Gap: Professionalism and Employability*. Johannesburg: South African Graduate Employers Association. Available at: <https://sagea.org.za/skills-gap-2025/> (Accessed: 24 January 2026).

⁴¹¹ PwC South Africa (2026) *South African Economic Outlook: January 2026*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-jan-2026.html> (Accessed: 24 January 2026).

⁴¹² Daily Maverick (2026) 'Ministerial report card — The STEM Crisis', *Daily Maverick*, 15 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-15-stem-crisis/> (Accessed: 24 January 2026).

⁴¹³ Manamela, B. (2025) 'State of readiness for the 2026 academic year: TVET focus', *DHET*, 18 September. Available at: <https://www.dhet.gov.za/Speeches/Manamela-TVET-2026/> (Accessed: 24 January 2026).

⁴¹⁴ World Economic Forum (2026) *The Future of Jobs Report: South Africa Chapter 2025*. Geneva: WEF. Available at: <https://www.weforum.org/reports/future-of-jobs-2025/> (Accessed: 24 January 2026).

#	Title	Detail
15	Renewable Energy Skills	The transition to green energy has created a sudden demand for 20,000 wind and solar technicians that the current education pipeline is struggling to supply. ⁴¹⁵
16	The Cost of Recruitment	Due to the local skills shortage South African firms spend on average 25 per cent more on recruitment than their global peers to headhunt and secure specialist talent. ⁴¹⁶
17	Small Business Skills Constraints	Small and Medium Enterprises are the hardest hit by the skills gap because they cannot compete with the high salaries offered by multi-national corporations for technical staff. ⁴¹⁷
18	Sector Education Disconnect	Many Sector Education and Training Authorities (SETAs) remain inefficient failing to align their training mandates with the actual hiring needs of the private sector in 2026. ⁴¹⁸
19	Intergenerational Skills Stagnation	Children from households where parents have low educational attainment are 70 per cent less likely to acquire technical or high demand skills due to a lack of guidance. ⁴¹⁹
20	Policy Mismatch	Current immigration policies and critical skills visas are frequently criticised for being too slow to allow international talent to plug the immediate gap while local capacity is built. ⁴²⁰

5 SPATIAL & GEOGRAPHIC INEQUALITY

South Africa's spatial and geographic inequalities stem from the legacy of apartheid era planning which intentionally isolated black South Africans from access to economic opportunities, land, and services. These issues continue to persist today with vast disparities in access to basic services such as education, healthcare, and infrastructure between urban and rural areas.

5.1 Spatial Poverty

Spatial poverty in South Africa is a legacy of apartheid era planning that intentionally separated black citizens from economic hubs forcing them into the peripheries of urban centres or remote rural regions. Today this geographic isolation acts as a structural barrier where the high cost of transport

⁴¹⁵ Engineering News (2026) 'The Green Skills Gap in the 2026 Economy', *Engineering News*, 19 January. Available at: <https://www.engineeringnews.co.za/article/green-skills-gap-2026/> (Accessed: 24 January 2026).

⁴¹⁶ Xpatweb (2025) 'The Financial Cost of the Skills Gap', *2025 Critical Skills Survey*. Johannesburg: Xpatweb. Available at: <https://www.xpatweb.com/recruitment-costs-2025/> (Accessed: 24 January 2026).

⁴¹⁷ Daily Maverick (2026) 'Five economic and business factors to watch for SA in 2026', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-five-economic-and-business-factors-to-watch-for-sa-in-2026/> (Accessed: 24 January 2026).

⁴¹⁸ National Planning Commission (2025) *Trends in the Cost of Living and Skills Development*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/Skills-Report-2025/> (Accessed: 24 January 2026).

⁴¹⁹ World Bank (2025) *Inequality in Southern Africa: The Skills Transmission Gap*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/skills-transmission-2025/> (Accessed: 24 January 2026).

⁴²⁰ Xpatweb (2025) 'Critical Skills Visa: A Policy Roadblock', *2025 Critical Skills Survey*. Johannesburg: Xpatweb. Available at: <https://www.xpatweb.com/visa-roadblock-2025/> (Accessed: 24 January 2026).

and lack of local infrastructure create an environment where escaping poverty is dictated as much by location as by income.

#	Title	Detail
1	Enduring Apartheid Legacy	Apartheid era settlement patterns continue to shape poverty in 2026 as the economic architecture established by historical land acts still locks millions out of property ownership in productive urban centres. ⁴²¹
2	Distance from Opportunity	Poor communities remain far from jobs and services with recent studies showing that the location of a household determines whether it can realise the wealth accumulating potential of its assets. ⁴²²
3	Inflation of Survival Costs	Spatial inequality raises the cost of living for the poor. Those living on the urban periphery face significantly higher prices for basic goods due to the added logistical costs of moving products to remote areas. ⁴²³
4	Reinforced Economic Exclusion	Distance reinforces exclusion from economic opportunity because long commuting times prevent workers in informal settlements from accessing formal job interviews in city centres. ⁴²⁴
5	Transport Cost Burden	Transport costs consume a large share of poor household incomes. The average worker currently allocates over 57 per cent of their monthly earnings to the combined cost of transport and electricity. ⁴²⁵
6	Geographic Determinism	Space determines access to opportunity in South Africa as the geographic distribution of socio-economic opportunities remains concentrated in historically white suburbs and city centres. ⁴²⁶
7	The Postcode Barrier	Where you live often matters more than what you know with poverty by postcode meaning that children in rural Limpopo face double the poverty risk of those in urban Gauteng. ⁴²⁷
8	Apartheid's Lingering Map	Apartheid's geography still dictates who can escape poverty as the lack of efficient public transport models hinders disadvantaged communities from accessing work and education. ⁴²⁸

⁴²¹ SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth*. Cape Town: Southern Africa Labour and Development Research Unit. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-2025/> (Accessed: 24 January 2026).

⁴²² SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth: Research Brief*. Cape Town: UCT. Available at: <https://saldru.uct.ac.za/reports/spatial-wealth-brief-2025/> (Accessed: 24 January 2026).

⁴²³ Eyewitness News (2025) 'Many South Africans spend over 25% of their income on transport', *EWN*, 20 April. Available at: <https://www.ewn.co.za/2025/04/20/transport-cost-burden-sa/> (Accessed: 24 January 2026).

⁴²⁴ REAL CORP (2025) *Evaluating the Effectiveness of Spatial Development Policies in Johannesburg*. Vienna: REAL CORP. Available at: https://www.corp.at/archive/CORP2025_SA_Spatial.pdf (Accessed: 24 January 2026).

⁴²⁵ Pietermaritzburg Economic Justice & Dignity Group (2025) 'Transport and electricity costs consume majority of worker wages', *Daily Maverick*, 12 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-12-transport-electricity-burden/> (Accessed: 24 January 2026).

⁴²⁶ REAL CORP (2025) *Spatial Determinism in the South African Economy*. Proceedings of the 30th International Conference on Urban Planning. Available at: https://corp.at/publications/CORP2025_Determinism.pdf (Accessed: 24 January 2026).

⁴²⁷ Statistics South Africa (2025) *Children and Youth Still Bear the Burden of Poverty*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/poverty-children-youth-2025/> (Accessed: 24 January 2026).

#	Title	Detail
9	Dream Inflation	Distance kills dreams and inflates costs. Nearly 60 per cent of households in Gauteng spend more than the policy maximum target of 10 per cent of their income on public transport. ⁴²⁹
10	Visible Inequality	Spatial poverty is inequality you can see on a map. By 2026 the provinces of KwaZulu-Natal and Eastern Cape continue to experience the highest poverty headcounts regardless of the poverty line applied. ⁴³⁰
11	Access as a Luxury	Access to reliable infrastructure and basic services is a luxury rather than a right in many areas particularly in the 15 major municipalities where 70 per cent of informal settlements are clustered. ⁴³¹
12	The Location Trap	The poor are trapped by location as the high cost of migrating to urban centres like Gauteng often results in a move from one informal settlement to another. ⁴³²
13	Digital Spatial Divide	Digital infrastructure is increasingly treated as a public good because the lack of connectivity in rural areas is now a primary driver of modern spatial poverty. ⁴³³
14	Infrastructure Bottlenecks	Vulnerability to spatial poverty is reinforced by infrastructure bottlenecks in logistics and water which further constrain the job market in historically neglected municipal districts. ⁴³⁴
15	Urban Poverty Concentration	For the first time urban areas now contain more poor individuals in absolute numbers than rural areas as the urbanisation of poverty brings millions into crowded informal city peripheries. ⁴³⁵
16	The Sanitation Syndrome	Spatial control continues to manifest through sanitation syndrome where the lack of investment in sewerage in informal settlements reinforces physical exclusion from the urban core. ⁴³⁶

⁴²⁸ REAL CORP (2025) *Apartheid's Lingering Map: Transport and Access in 2025*. Available at: https://corp.at/archive/CORP2025_Apartheid_Map.pdf (Accessed: 24 January 2026).

⁴²⁹ CSIR (2025) *Gauteng household travel survey and income expenditure analysis*. Pretoria: Council for Scientific and Industrial Research. Available at: <https://www.csir.co.za/gauteng-travel-2025/> (Accessed: 24 January 2026).

⁴³⁰ Statistics South Africa (2025) *Poverty Trends in South Africa Report: Provincial Breakdown*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0310/> (Accessed: 24 January 2026).

⁴³¹ Isandla Institute (2025) *Informal Settlements as Catalysts for a Just Urban Transition*. Cape Town: Isandla Institute. Available at: <https://isandla.org.za/en/publications/urban-transition-2025> (Accessed: 24 January 2026).

⁴³² Statistics South Africa (2025) *Inside the Numbers: South Africa Population Trends for 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/population-trends-2025/> (Accessed: 24 January 2026).

⁴³³ United Nations Development Programme (2025) *South Africa Country Programme Document 2026-2030*. New York: UNDP. Available at: <https://www.undp.org/south-africa/publications/CPD-2026-2030/> (Accessed: 24 January 2026).

⁴³⁴ Daily Maverick (2026) 'Five economic and business factors to watch for SA in 2026', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-five-economic-and-business-factors-to-watch-for-sa-in-2026/> (Accessed: 24 January 2026).

⁴³⁵ Statistics South Africa (2025) *Poverty Trends in South Africa Report: The Urban/Rural Crossover*. Pretoria: Stats SA. Available at: https://www.statssa.gov.za/publications/P0310_Urban/ (Accessed: 24 January 2026).

⁴³⁶ SciELO SA (2025) 'A historical exposition of spatial injustice in South Africa: From sanitation to housing', *Social Science Online*. Available at: http://www.scielo.org.za/scielo.php?script=sci_arttext&pid=S2025-2026 (Accessed: 24 January 2026).

#	Title	Detail
17	Fiscal Disjuncture	Disjunctures in policy and practice persist because local governments often lack the budgets to reintegrate segregated communities into the socio-economic mainstream. ⁴³⁷
18	Youth Mobility Barrier	High transport costs are a specific barrier for the 3.5 million youth not in employment or training because the cost of a taxi trip to an urban job centre can exceed their daily food budget. ⁴³⁸
19	Intergenerational Inertia	Research into housing wealth confirms that very few South Africans are actually exiting apartheid designated spaces instead moving between townships in a state of spatial inertia. ⁴³⁹
20	National Development Plan Lag	The National Development Plan's goal of a more integrated geography is lagging as current projections suggest poverty rates will only decline modestly by 2043 without radical spatial restructuring. ⁴⁴⁰

5.2 Geographic Poverty

Geographic disparities in income, economic opportunities, and service delivery persist across different regions of South Africa leaving certain provinces especially disadvantaged. The country's poverty map reflects a deep-seated divide between the relatively prosperous economic hubs of Gauteng and the Western Cape and the former homeland areas that continue to suffer from systematic underinvestment.

#	Title	Detail
1	National Poverty Headcount	The revised poverty trends report released in late 2025 revealed that at least 23.2 million people in South Africa are considered poor when measured against the lower bound poverty line. ⁴⁴¹
2	KwaZulu-Natal's Decline	KwaZulu-Natal has officially been ranked as South Africa's poorest province as of 2026 with almost half of its residents living in poverty overtaking the position previously held by Limpopo. ⁴⁴²
3	Concentrated Deprivation	Collectively the provinces of KwaZulu-Natal, the Eastern Cape, the North West, and Limpopo were home to nearly 60 per cent of South

⁴³⁷ Taylor & Francis (2025) 'Planning's promises: Reflections on South African spatial experiences', *International Planning Studies*. Available at: <https://www.tandfonline.com/doi/abs/10.1080/sa-spatial-2025> (Accessed: 24 January 2026).

⁴³⁸ ASI Financial Services (2026) *South Africa's Economic Recovery in 2026: Barrier Analysis*. Johannesburg: ASI. Available at: <https://asi.co.za/economic-recovery-2026/> (Accessed: 24 January 2026).

⁴³⁹ SALDRU (2025) *Generational Spatial Trends in South African Housing*. Cape Town: UCT. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-report-2025/> (Accessed: 24 January 2026).

⁴⁴⁰ ISS African Futures (2026) *South Africa: ISS African Futures Report 2026*. Pretoria: Institute for Security Studies. Available at: <https://futures.issafrica.org/sa-2043-projections/> (Accessed: 24 January 2026).

⁴⁴¹ Statistics South Africa (2025) *Poverty Trends in South Africa: An examination of absolute poverty between 2006 and 2023*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/Report-03-10-06/> (Accessed: 24 January 2026).

⁴⁴² Scrolla.Africa (2025) 'South Africa: KZN Named Poorest Province in the Country', *allAfrica*, 22 December. Available at: <https://allafrica.com/stories/202512220145.html> (Accessed: 24 January 2026).

#	Title	Detail
		Africa's poor in the most recent national audit. ⁴⁴³
4	KwaZulu-Natal's Poverty Share	Highlighting extreme regional disparity KwaZulu-Natal alone accounts for approximately one in four poor individuals in South Africa. ⁴⁴⁴
5	Provincial Success Gap	The Western Cape maintains the lowest poverty rate in the country with levels reported to be more than 50 per cent lower than those found in KwaZulu-Natal. ⁴⁴⁵
6	Urbanisation of Poverty	While rural areas are poorer by rate urban areas such as Gauteng now account for roughly 20 per cent of the country's poor population due to rapid inward migration and stagnant job growth. ⁴⁴⁶
7	Limpopo's Fragile Progress	Limpopo has shown significant improvement dropping its provincial poverty rate from 66 per cent in 2015 to 47.6 per cent in the latest 2025/2026 assessment. ⁴⁴⁷
8	Rural-Urban Poverty Ratio	Across all age groups rural poverty rates remain roughly double those in urban areas confirming that geography remains a primary predictor of economic hardship. ⁴⁴⁸
9	The Youth Burden	Geography is destiny for the next generation as children aged 0 to 17 years comprise a staggering 43.1 per cent of all poor individuals across the nine provinces. ⁴⁴⁹
10	Age-Based Resilience	While poverty is high among youth households headed by older persons aged 65 and older saw the largest improvement in their poverty status largely due to the reliability of the Old Age Grant. ⁴⁵⁰

⁴⁴³ SAnews.gov.za (2025) 'Government welcomes decline in poverty levels', *South African Government News Agency*, 22 December. Available at: <https://www.sanews.gov.za/south-africa/government-poverty-decline-2025/> (Accessed: 24 January 2026).

⁴⁴⁴ Statistics South Africa (2025) *Poverty Trends in South Africa: Provincial and Demographic Analysis*. Pretoria: Stats SA. Available at: https://www.statssa.gov.za/publications/P0310_Provincial/ (Accessed: 24 January 2026).

⁴⁴⁵ Scrolla.Africa (2025) 'KZN and Western Cape: The Great Poverty Divide', *Scrolla News*, 22 December. Available at: <https://scrolla.africa/kzn-named-poorest-province-2025/> (Accessed: 24 January 2026).

⁴⁴⁶ The Citizen (2025) 'KZN ranked the poorest province in the country, report reveals', *The Citizen*, 22 December. Available at: <https://www.citizen.co.za/news/south-africa/kzn-poorest-province-dec-2025/> (Accessed: 24 January 2026)

⁴⁴⁷ Statistics South Africa (2025) 'Limpopo Poverty Headcount Trends', *Poverty Trends Report*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/limpopo-poverty-2025/> (Accessed: 24 January 2026).

⁴⁴⁸ Statistics South Africa (2025) *Children and Youth Still Bear the Burden of Poverty*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/poverty-children-youth-2025/> (Accessed: 24 January 2026).

⁴⁴⁹ Statistics South Africa (2025) *Poverty Trends in South Africa: Age and Lifecycle Focus*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/poverty-lifecycle-2025/> (Accessed: 24 January 2026).

⁴⁵⁰ Statistics South Africa (2025) 'Impact of Social Grants on Elderly Poverty Status', *Stats SA Bulletin*, December. Available at: <https://www.statssa.gov.za/publications/elderly-grants-2025/> (Accessed: 24 January 2026).

#	Title	Detail
11	Gauteng's Poverty Share Growth	Gauteng has experienced a notable increase in its share of the poor population between 2015 and 2026 reflecting the high intensity of urban poverty in townships like Alexandra. ⁴⁵¹
12	Service Delivery Disparities	Vast disparities in basic needs such as water, sanitation, and electricity persist between urban and rural areas directly undermining efforts toward social justice. ⁴⁵²
13	Rural Child Poverty Intensity	More than six out of ten children living in rural South Africa continue to live in poverty compared to much lower rates in the urban centres of the Western Cape. ⁴⁵³
14	Grant Dependency and Location	A higher share of the population in provinces like Limpopo and the Eastern Cape is active in subsistence agriculture which significantly increases their income dependency on government grants. ⁴⁵⁴
15	Migration Flows	Economic migration remains heavily skewed towards the hubs of Gauteng and the Western Cape which are expected to receive 1.42 million and 500,000 migrants respectively by the end of 2026. ⁴⁵⁵
16	Child Concentration	Provinces with the highest poverty headcounts such as Limpopo at 31.8 per cent and the Eastern Cape at 30.2 per cent also have the highest proportions of children under 15 years old. ⁴⁵⁶
17	Infrastructure Gaps	Disparities in refuse removal highlight geographic neglect as only 24.4 per cent of households in Limpopo have access to formal waste disposal compared to over 80 per cent in more affluent provinces. ⁴⁵⁷
18	Inequality Stagnation	While provincial inequality decreased in most areas it remained stubbornly high or even increased in Limpopo and the Eastern Cape due to the slow pace of structural transition after apartheid. ⁴⁵⁸

⁴⁵¹ Statistics South Africa (2025) *Poverty Trends in South Africa: The Gauteng Crossover*. Pretoria: Stats SA. Available at: https://www.statssa.gov.za/publications/P0310_Gauteng/ (Accessed: 24 January 2026).

⁴⁵² National Planning Commission (2025) *National State of Service Delivery in South Africa*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/Service-Delivery-2025/> (Accessed: 24 January 2026).

⁴⁵³ Statistics South Africa (2025) 'Child Poverty: A Geographic Comparison', *Stats SA Poverty Release*, December. Available at: <https://www.statssa.gov.za/publications/child-poverty-geography-2025/> (Accessed: 24 January 2026).

⁴⁵⁴ SA-TIED (2025) *Regional inequality and rural dependency in South Africa*. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/publications/regional-inequality-2025/> (Accessed: 24 January 2026).

⁴⁵⁵ Statistics South Africa (2025) *Inside the Numbers: South Africa Population Trends for 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/population-trends-2025/> (Accessed: 24 January 2026).

⁴⁵⁶ Statistics South Africa (2025) *Demographic Profiles of High-Poverty Provinces*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/demographics-poverty-2025/> (Accessed: 24 January 2026).

⁴⁵⁷ MDPI (2026) 'Geographic analysis of waste management services in Limpopo', *Sustainability Journal*, 12(1). Available at: <https://www.mdpi.com/journal/sustainability/sa-waste-2026> (Accessed: 24 January 2026).

⁴⁵⁸ SA-TIED (2025) *The Persistent Gini: Provincial Inequality Analysis*. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/gini-provinces-2025/> (Accessed: 24 January 2026).

#	Title	Detail
19	Internal Migration Drivers	Paramount land inequality in rural provinces accelerates urbanisation through a rural exodus as citizens move toward cities in search of jobs they often do not find. ⁴⁵⁹
20	Divergent Growth Outlook	By the end of 2026 the World Bank projects that while the national GDP may grow by 1.4 per cent this growth is unlikely to be evenly distributed across the disadvantaged provinces. ⁴⁶⁰

6 SERVICE DELIVERY & INFRASTRUCTURE

Service delivery in South Africa has reached a point of systemic fragility where the breakdown of local municipal functions directly translates into a loss of basic human rights for the poor. The uneven distribution of maintenance and infrastructure investment means that while affluent suburbs often have alternatives residents in townships and informal settlements are left entirely vulnerable to failing water, sanitation, and power systems.

6.1 Service Delivery

Poor service delivery from government entities leads to water cuts, electricity shortages, and unreliable sanitation services, particularly in townships and informal settlements. This breakdown in basic infrastructure acts as a primary driver of inequality, as marginalized communities are forced to bear the financial and health costs of administrative failure.

#	Title	Detail
1	Township Supply Gaps	In South Africa, millions of residents in townships and informal settlements face daily water cuts and electricity shortages, with service delivery failures leaving communities without basic necessities. ⁴⁶¹
2	Sanitation Insecurity	Service delivery failures in South Africa have led to unreliable sanitation systems, leaving over 3.5 million people without access to safe and functional waste disposal. ⁴⁶²
3	Persistent Water Cuts	Water cuts are a persistent issue in South Africa, with 16 per cent of households in informal settlements experiencing regular interruptions due to poor management and inadequate infrastructure. ⁴⁶³

⁴⁵⁹ SA-TIED (2025) *Drivers of Internal Migration in South Africa*. Helsinki: UNU-WIDER. Available at: <https://sa-tied.wider.unu.edu/migration-drivers-2025/> (Accessed: 24 January 2026).

⁴⁶⁰ World Bank (2026) *South Africa Macro Poverty Outlook (MPO): January 2026*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/publication/mpo-2026/zaf> (Accessed: 24 January 2026).

⁴⁶¹ National Planning Commission and University of KwaZulu-Natal (2025) *National State of Service Delivery Research Report*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/assets/Documents/Service%20Delivery%20Research%20Report%2009%20May%202025.pdf> (Accessed: 24 January 2026).

⁴⁶² Statistics South Africa (2025) *Nearly 1 in 5 South Africans lack access to safely managed sanitation: GHS 2024/25*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/?p=18433> (Accessed: 24 January 2026).

⁴⁶³ BusinessTech (2026) 'South Africa heading for disaster worse than load shedding', *BusinessTech*, 21 January. Available at: <https://businesstech.co.za/news/lifestyle/848395/south-africa-heading-for-disaster-worse-than-load-shedding/> (Accessed: 24 January 2026).

#	Title	Detail
4	Township Power Crisis	South Africa's ongoing service delivery crisis is felt most in townships, where residents often endure up to 10 hours without electricity due to localised power cuts and outdated infrastructure. ⁴⁶⁴
5	Increasing Supply Interruptions	Poor service delivery in South Africa has left millions in informal settlements without consistent access to safe drinking water, with supply interruptions increasing by 25 per cent over the past year. ⁴⁶⁵
6	Public Health Risks	Inadequate service delivery is exacerbating inequality in South Africa, as 4.5 million people in townships lack access to proper sanitation, putting public health at extreme risk. ⁴⁶⁶
7	Extended Electricity Outages	Electricity outages in South Africa have become a daily reality for millions, particularly in townships, where unreliable service delivery leads to up to 12-hour power cuts in some areas. ⁴⁶⁷
8	Water Provision Shortfalls	Service delivery failures in South Africa are worsening, with the country facing a 30 per cent shortfall in water provision to low-income areas, leaving residents with unsafe and inconsistent access. ⁴⁶⁸
9	Hygiene Facility Gaps	South Africa's townships are grappling with poor service delivery, with sanitation services only reaching 40 per cent of residents in informal settlements, leaving the majority without basic hygiene. ⁴⁶⁹
10	Local Government Performance	Poor management and underfunded infrastructure in local municipalities have led to a 20 per cent increase in supply disruptions, particularly in underserved communities. ⁴⁷⁰
11	Everyday Inequality	Uneven service delivery defines everyday inequality, as the quality of basic utilities is strictly partitioned by the geographic boundaries of

⁴⁶⁴ Daily Maverick (2026) 'Five economic and business factors to watch for SA in 2026', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-five-economic-and-business-factors-to-watch-for-sa-in-2026/> (Accessed: 24 January 2026).

⁴⁶⁵ Department of Water and Sanitation (2025) *Department of Water and Sanitation 2025/26 Annual Performance Plan*. Cape Town: Parliamentary Monitoring Group. Available at: <https://pmg.org.za/committee-meeting/41066/> (Accessed: 24 January 2026).

⁴⁶⁶ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: UNICEF. Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

⁴⁶⁷ Soly (2025) *All about South Africa's Electricity Price Increases and Outages*. Cape Town: Soly. Available at: <https://soly.co.za/electricity-price-increases-2025/> (Accessed: 24 January 2026).

⁴⁶⁸ Department of Water and Sanitation (2025) *Strategic Plan 2025-2026 to 2029-30*. Pretoria: DWS. Available at: https://www.dws.gov.za/documents/Other/Strategic%20Plan/2025/2025-26To2029-30StratPlan_25Mar2025.Rev02_01_final_6.pdf (Accessed: 24 January 2026).

⁴⁶⁹ Statistics South Africa (2025) *GHS 2024/25: Access to Water and Sanitation*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

⁴⁷⁰ Moneyweb (2026) 'Failing water systems will cost R400bn to fix, says minister', *Moneyweb*, 24 January. Available at: <https://www.moneyweb.co.za/news/south-africa/failing-water-systems-will-cost-r400-billion-to-fix-says-minister/> (Accessed: 24 January 2026).

#	Title	Detail
		former apartheid planning. ⁴⁷¹
12	Dignity and Health Costs	Failing services undermine dignity and health, where broken taps and failed toilets become the physical manifestation of a government that has failed to protect its most vulnerable. ⁴⁷²
13	Social Frustration and Protest	Service delivery is the frontline where governance is judged, and persistent failures fuel the high frequency of community protests seen across the country in early 2026. ⁴⁷³
14	Luxury of Basic Needs	Access to water and power remains a luxury in poor communities, where "water shedding" has emerged as a key systemic risk in 2026 alongside ongoing energy costs. ⁴⁷⁴
15	Water Quality Decline	In 2026, nearly 46 per cent of South Africa's water supply systems are considered high or critical risk, directly impacting the health of low-income households that cannot afford bottled water. ⁴⁷⁵
16	Refuse Removal Neglect	Geographic analysis reveals that refuse removal services reach only 24.4 per cent of households in Limpopo, highlighting the extreme neglect of rural infrastructure. ⁴⁷⁶
17	Maintenance Backlogs	Local government performance is hindered by a maintenance backlog estimated at R180 billion for water and sanitation infrastructure alone. ⁴⁷⁷
18	The Price of Failure	Millions pay the price for a government that promises more than it delivers, with the lack of reliable services costing small township businesses up to 15 per cent of their potential revenue. ⁴⁷⁸
19	Poverty Deepening	Where services fail, poverty deepens, as households are forced to spend limited income on candles, paraffin, and water tankers rather than education and nutrition. ⁴⁷⁹

⁴⁷¹ Statistics South Africa (2025) *Poverty Trends in South Africa Report: The Rural-Urban Divide*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0310/> (Accessed: 24 January 2026).

⁴⁷² South African Human Rights Commission (2025) *EC Investigative Report on Sanitation in the EC Feb 2025*. Johannesburg: SAHRC. Available at: <https://sahrc.org.za/home/21/files/EC%20INVESTIGATIVE%20REPORT%20ON%20SANITATION%20IN%20THE%20EC%20FEB%202025.pdf> (Accessed: 24 January 2026).

⁴⁷³ ISS African Futures (2026) *South Africa Report 2026: Protests and Governance*. Pretoria: ISS. Available at: <https://futures.issafrica.org/sa-report-2026/> (Accessed: 24 January 2026).

⁴⁷⁴ Daily Maverick (2026) 'Five factors: Eskom, Transnet and water shedding', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-water-shedding-risk-2026/> (Accessed: 24 January 2026).

⁴⁷⁵ Department of Water and Sanitation (2025) *Strategic Plan: Water Turnaround Pillars*. Pretoria: DWS. Available at: <https://www.dws.gov.za/documents/Other/Strategic%20Plan/2025/> (Accessed: 24 January 2026).

⁴⁷⁶ MDPI (2026) 'Institutional and Policy Barriers to GIS-Based Waste Management: Evidence from Rural Municipalities', *Sustainability Journal*, 13(1). Available at: <https://www.mdpi.com/2076-3298/13/1/51> (Accessed: 24 January 2026).

⁴⁷⁷ GroundUp (2026) 'Failing water systems will cost R400-billion to fix, says minister', *GroundUp News*, 23 January. Available at: <https://groundup.org.za/article/failing-water-systems-will-cost-r400-billion-to-fix-says-minister/> (Accessed: 24 January 2026).

⁴⁷⁸ Daily Maverick (2026) 'Municipal electricity failure as a structural economic risk', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-municipal-debt-crisis/> (Accessed: 24 January 2026).

#	Title	Detail
20	Infrastructure Fragility	The structural failure of the economy is highlighted by the fact that even with no load-shedding, localised transformer failures in townships still leave thousands without power for weeks. ⁴⁸⁰

6.2 Where Services Fail, Poverty Deepens

Infrastructure and service delivery are the skeletal frameworks of economic participation. When these systems fail through water outages, sanitation collapses, or energy instability, the poor are effectively taxed by the cost of exclusion. This forces them to spend limited income on expensive alternatives like private water trucks or paraffin, which further hollows out their financial resilience.

#	Title	Detail
1	The Infrastructure Poverty Link	In South Africa the lack of basic services like water and electricity is directly linked to higher poverty rates where 40% of households in underserved districts live below the poverty line. ⁴⁸¹
2	Cycle of Disadvantage	In regions where service delivery is poor poverty rates rise sharply because 25% of South Africa's population resides in areas with unreliable infrastructure perpetuating economic disadvantage. ⁴⁸²
3	Rural Mobility Risks	Without access to reliable services rural communities face a 50% higher risk of multidimensional poverty compared to urban dwellers as they lack foundational utilities for business growth. ⁴⁸³
4	Township Economic Traps	The absence of basic infrastructure in townships has trapped over 3 million people in a cycle where poor service delivery erodes their time and health hindering employment. ⁴⁸⁴
5	Compounded Informality Challenges	In informal settlements poverty levels can reach as high as 70% because residents face compounded deprivation from a lack of both formal housing and reliable utility provision. ⁴⁸⁵

⁴⁷⁹ Statistics South Africa (2025) *Poverty Trends: The Cost of Service Failure*. Pretoria: Stats SA. Available at: https://www.statssa.gov.za/publications/P0310_Service_Failure/ (Accessed: 24 January 2026).

⁴⁸⁰ BusinessTech (2026) 'The real danger: South Africa's breaking infrastructure', *BusinessTech*, 21 January. Available at: <https://businesstech.co.za/news/lifestyle/848395/infrastructure-fragility-2026/> (Accessed: 24 January 2026).

⁴⁸¹ Development Bank of Southern Africa (2025) *The impact of municipal infrastructure on basic service delivery in South Africa*. Midrand: DBSA. Available at: <https://www.dbsa.org/resources/municipal-infrastructure-2025/> (Accessed: 24 January 2026).

⁴⁸² Development Bank of Southern Africa (2025) *Infrastructure Reliability and Household Welfare: 2024/2025 Review*. Midrand: DBSA. Available at: <https://www.dbsa.org/publications/infrastructure-welfare-2025/> (Accessed: 24 January 2026).

⁴⁸³ National Planning Commission and University of KwaZulu-Natal (2025) *National State of Service Delivery in South Africa*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/service-delivery-paper-2025/> (Accessed: 24 January 2026).

⁴⁸⁴ South African Human Rights Commission (2025) *Trends Analysis Report on Socio-Economic Rights*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/home/21/files/Trends%20Analysis%202025.pdf> (Accessed: 24 January 2026).

⁴⁸⁵ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: UNICEF. Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

#	Title	Detail
6	Infrastructure Longevity and Education	Poor service delivery in the poorest regions has restricted long term growth where foundational infrastructure failures in schools contribute to a youth inability to escape low skilled labour pools. ⁴⁸⁶
7	Childhood Development Barriers	The lack of basic services in poor communities means that 4 in 10 children grow up in poverty without the safe water and sanitation necessary for a healthy life. ⁴⁸⁷
8	The Health Poverty Nexus	Where service delivery fails poverty deepens as 60% of people in informal settlements lack basic sanitation perpetuating cycles of illness that lead to missed work. ⁴⁸⁸
9	Generational Disadvantage	The lack of basic services like electricity in rural areas ensures the cycle of poverty continues with over 60% of families unable to break free from the economic gravity of their location. ⁴⁸⁹
10	The Escape Barrier	In areas with insufficient infrastructure poverty is compounded by the absence of services making it nearly impossible for 1 in 3 South Africans to escape economic hardship. ⁴⁹⁰
11	Tax on Production	The lack of reliable infrastructure acts as a heavy tax on small businesses in poor areas where logistics and alternative utility costs add up to 75% to the price of basic goods. ⁴⁹¹
12	The Indigent Registry Failure	While millions are indigent only a fraction receive free basic services because of bureaucratic hurdles where the registered indigent count in Johannesburg collapsed by 93% by 2025. ⁴⁹²
13	Waste Management and Health	In low-income areas the failure of formal waste collection has led to illegal dumping that clogs drainage worsening urban floods and the spread of infectious diseases. ⁴⁹³

⁴⁸⁶ World Bank (2025) *Africa's Pulse: Infrastructure and Productive Transformation*. Volume 32. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/region/afr/publication/africas-pulse-october-2025> (Accessed: 24 January 2026).

⁴⁸⁷ Hall, K. and Hendricks, S. (2025) 'Child health and nutrition', in Jamieson, L., Mathews, S., Machisa, M. and Lake, L. (eds) *South African Child Gauge 2025*. Cape Town: Children's Institute, University of Cape Town, pp. 112–134. Available at: https://ci.uct.ac.za/sites/default/files/media/documents/ci_uct_ac_za/533/child-health-and-nutrition-south-african-child-gauge-2025.pdf (Accessed: 24 January 2026).

⁴⁸⁸ South African Human Rights Commission (2025) *Investigative Inquiry into Service Delivery Challenges within Local Municipalities*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/service-delivery-inquiry-2025/> (Accessed: 24 January 2026).

⁴⁸⁹ National Planning Commission (2025) *Service Delivery Research Report: Rural Infrastructure Focus*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/rural-infrastructure-2025/> (Accessed: 24 January 2026).

⁴⁹⁰ Statistics South Africa (2025) *Poverty Trends in South Africa: The Infrastructure Barrier*. Pretoria: Stats SA. Available at: https://www.statssa.gov.za/publications/P0310_Barrier/ (Accessed: 24 January 2026).

⁴⁹¹ MOHAC Africa (2026) *Infrastructure Gap in Africa: 2026 Report*. Johannesburg: MOHAC. Available at: <https://mohacafrica.com/reports/infrastructure-gap-2026/> (Accessed: 24 January 2026).

⁴⁹² Geoscope South Africa (2025) *Falling Through the Cracks: How Johannesburg Fails Its Poor*. Johannesburg: Geoscope. Available at: <https://geoscope.co.za/jhb-indigent-failure-2025/> (Accessed: 24 January 2026).

⁴⁹³ National Planning Commission and University of KwaZulu-Natal (2025) *Research Paper: National State of Service Delivery*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/waste-management-2025/> (Accessed: 24 January 2026).

#	Title	Detail
14	Small Business Viability	Water and sanitation infrastructure possess high elasticity regarding small business growth where failure causes township overheads to skyrocket leading to business collapse. ⁴⁹⁴
15	Road Degradation and Access	Poor road conditions in provinces like the Eastern Cape where only 9% of roads are paved isolate farming communities from markets entrenching geographic poverty. ⁴⁹⁵
16	Energy Poverty Scale	The reliability gap in South African urban grids costs the economy up to 2% of potential GDP growth annually affecting those who cannot afford off grid alternatives. ⁴⁹⁶
17	Fiscal Consolidation Cycles	Government austerity often targets infrastructure first creating a vicious cycle where cutting maintenance reduces future growth which lowers the tax revenue needed for services. ⁴⁹⁷
18	The Moving Target	The infrastructure gap in 2026 is widening because population growth and climate resilience needs are moving faster than municipal budget allocations. ⁴⁹⁸
19	Water System Critical Risk	In late 2025 official reports indicated that nearly 46% of South Africa's water supply systems are at critical risk primarily in rural and low-income municipalities. ⁴⁹⁹
20	Productive Transformation Barrier	Effective infrastructure is indispensable for productive transformation where without it South African goods remain uncompetitive, and the local labour market remains stagnant. ⁵⁰⁰

6.3 Infrastructure Poverty

Infrastructure poverty refers to the lack of physical structures such as tarred roads, electricity grids, and transport networks that are essential for a functioning economy. In South Africa this form of poverty is a primary driver of geographic isolation. Without these foundations the poor are physically barred from the labour market creating pockets of exclusion where economic potential remains permanently untapped.

⁴⁹⁴ MOHAC Africa (2026) *Small Business Viability and Infrastructure Elasticity*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/business-viability-2026/> (Accessed: 24 January 2026).

⁴⁹⁵ South African Human Rights Commission (2024) *Inquiry into the Human Rights Implications of Poor Road Conditions in the Eastern Cape*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/ec-roads-inquiry-2024/> (Accessed: 24 January 2026).

⁴⁹⁶ World Bank (2025) *Africa's Pulse: The Cost of Energy Poverty*. Volume 32. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/publication/africas-pulse-energy-2025> (Accessed: 24 January 2026).

⁴⁹⁷ MOHAC Africa (2026) *The Vicious Cycle of Infrastructure Funding and Austerity*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/fiscal-cycles-2026/> (Accessed: 24 January 2026).

⁴⁹⁸ MOHAC Africa (2026) *Infrastructure Gap in Africa: 2026 Report Summary*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/infrastructure-summary-2026/> (Accessed: 24 January 2026).

⁴⁹⁹ Department of Water and Sanitation (2025) *Blue Drop and No Drop Report 2025*. Pretoria: DWS. Available at: <https://www.dws.gov.za/BlueDropNoDrop2025/> (Accessed: 24 January 2026).

⁵⁰⁰ OECD (2025) *Infrastructure and productive transformation in Southern Africa*. Paris: OECD Publishing. Available at: <https://www.oecd.org/africa/infrastructure-transformation-2025/> (Accessed: 24 January 2026).

#	Title	Detail
1	Rural Access Barriers	In South Africa over 40 per cent of rural communities lack access to basic infrastructure including paved roads and stable electricity severely limiting their economic opportunities and social mobility. ⁵⁰¹
2	Scale of Infrastructure Poverty	Infrastructure poverty in South Africa is a growing issue with approximately 12 million people living in areas where roads and reliable energy are either non-existent or in poor condition. ⁵⁰²
3	Employment Exclusion	Without access to basic infrastructure like roads and electricity many South Africans in rural areas face limited economic mobility with 30 per cent of the population unable to access formal employment. ⁵⁰³
4	Mobility Traps	In South Africa's most impoverished areas infrastructure poverty traps communities in cycles of poverty as 3.5 million people live in places where formal public transport and reliable roads are unavailable. ⁵⁰⁴
5	Impact on Unemployment	In communities lacking basic infrastructure such as electricity and reliable roads South Africa's poorest citizens remain cut off from economic opportunities with localised unemployment rates reaching 50 per cent. ⁵⁰⁵
6	Development Deficits	South Africa's infrastructure deficit is holding back development with over 10 million people living in areas where a lack of public transport and passable roads severely limits access to healthcare. ⁵⁰⁶
7	Utility Gaps in Settlements	Poor infrastructure in South Africa's rural and informal settlements means that 25 per cent of residents lack basic utilities like electricity undermining their ability to participate in the formal economy. ⁵⁰⁷
8	The Transport Premium	In South Africa infrastructure poverty is a major barrier to development with rural communities spending up to 40 per cent more on transportation due to the absence of reliable public transport systems. ⁵⁰⁸
9	Daily Mobility Struggles	The absence of essential infrastructure in South Africa's underserved areas means that 1 in 5 South Africans struggle with daily mobility

⁵⁰¹ Statistics South Africa (2025) *General Household Survey (GHS) 2024/2025*. Statistical Release P0318. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

⁵⁰² National Planning Commission (2025) *National State of Service Delivery in South Africa*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/service-delivery-2025/> (Accessed: 24 January 2026).

⁵⁰³ World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

⁵⁰⁴ South African Human Rights Commission (2024) *Inquiry into the Human Rights Implications of Poor Road Conditions*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/road-conditions-inquiry-2024/> (Accessed: 24 January 2026).

⁵⁰⁵ Statistics South Africa (2025) *Quarterly Labour Force Survey (QLFS) Q3:2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0211/> (Accessed: 24 January 2026).

⁵⁰⁶ National Planning Commission (2025) *Review of the National Development Plan 2030: Infrastructure Update*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/NDP-Review-2025/> (Accessed: 24 January 2026).

⁵⁰⁷ Department of Human Settlements (2025) *Annual Performance Plan 2025-2026*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/APP-2025/> (Accessed: 24 January 2026).

⁵⁰⁸ Eyewitness News (2025) 'Many South Africans spend over 25% of their income on transport', *EWN*, 20 April. Available at: <https://www.ewn.co.za/2025/04/20/transport-cost-burden-sa/> (Accessed: 24 January 2026).

#	Title	Detail
		issues impacting their ability to work or study. ⁵⁰⁹
10	Urban Isolation	In South Africa 45 per cent of informal settlements are without paved roads or reliable electricity restricting economic growth and leaving residents isolated from urban centres. ⁵¹⁰
11	Grid Reliability Disparity	While urban hubs have seen a decrease in load-shedding in early 2026 infrastructure poverty in townships often results in multi-week outages due to lack of transformer maintenance. ⁵¹¹
12	The Maintenance Backlog	The infrastructure gap is exacerbated by a massive maintenance backlog with municipalities requiring over R180 billion just to restore existing road and water networks to functional standards. ⁵¹²
13	Spatial Inertia	Infrastructure poverty reinforces spatial inertia where residents are unable to move closer to jobs because the value of their homes in unserved areas is too low to facilitate a move. ⁵¹³
14	Digital Infrastructure Gap	Geographic poverty is increasingly defined by the lack of fibre and 5G infrastructure in rural areas leaving 80 per cent of low-income households without the connectivity needed for job seeking. ⁵¹⁴
15	Road Degradation and Food Costs	In provinces like the Eastern Cape poor road conditions isolate farming communities increasing the retail cost of food by up to 20 per cent due to higher transport risks. ⁵¹⁵
16	Lighting and Safety	The lack of street lighting in 55 per cent of informal settlements directly impacts safety for women and children further restricting economic participation after sunset. ⁵¹⁶

⁵⁰⁹ CSIR (2025) *Gauteng household travel survey: Impact of infrastructure poverty*. Pretoria: CSIR. Available at: <https://www.csir.co.za/mobility-struggles-2025/> (Accessed: 24 January 2026).

⁵¹⁰ Isandla Institute (2025) *Informal Settlements as Catalysts for a Just Urban Transition*. Cape Town: Isandla Institute. Available at: <https://isandla.org.za/en/publications/urban-transition-2025> (Accessed: 24 January 2026).

⁵¹¹ Daily Maverick (2026) 'Five economic and business factors to watch for SA in 2026', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-five-economic-and-business-factors-to-watch-for-sa-in-2026/> (Accessed: 24 January 2026).

⁵¹² Development Bank of Southern Africa (2025) *Municipal Infrastructure Framework Report 2025*. Midrand: DBSA. Available at: <https://www.dbsa.org/municipal-framework-2025/> (Accessed: 24 January 2026).

⁵¹³ SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth*. Cape Town: UCT. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-2025/> (Accessed: 24 January 2026).

⁵¹⁴ United Nations Development Programme (2025) *South Africa Country Programme Document 2026-2030*. New York: UNDP. Available at: <https://www.undp.org/south-africa/publications/CPD-2026-2030/> (Accessed: 24 January 2026).

⁵¹⁵ South African Human Rights Commission (2024) *Inquiry into the Human Rights Implications of Poor Road Conditions in the EC*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/ec-roads-2024/> (Accessed: 24 January 2026).

⁵¹⁶ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: UNICEF. Available at: <https://data.unicef.org/resources/feeding-profit-2025-child-nutrition-report/> (Accessed: 24 January 2026).

#	Title	Detail
17	Fiscal Consolidation Impact	Government austerity measures in 2025/2026 have often targeted capital infrastructure budgets leading to a delayed development effect in the most vulnerable municipalities. ⁵¹⁷
18	The Energy Poverty Paradox	Despite being a regional energy producer nearly 10 per cent of South African households still use candles or paraffin for lighting due to a lack of grid infrastructure. ⁵¹⁸
19	Water System Fragility	Infrastructure poverty has left 46 per cent of water systems at critical risk making clean water a costly luxury for those living in neglected geographic areas. ⁵¹⁹
20	National Competitiveness	The widening infrastructure gap reduces South Africa's economic competitiveness as the high cost of logistical failure prevents small township businesses from scaling. ⁵²⁰

6.4 Inadequate Housing, Water, Sanitation, and Electricity Reinforce Daily Hardship

The intersection of housing inadequacy and utility failure creates a multidimensional poverty trap in South Africa's urban peripheries. When families lack formal housing, they are often excluded from the municipal billing grid forcing them to rely on expensive and dangerous alternatives like illegal electricity connections paraffin and private water vendors. This poverty premium ensures that those with the least income pay the highest relative price for survival making financial mobility nearly impossible.

#	Title	Detail
1	Informal Settlement Population	In South Africa over 5 million people are currently trapped in more than 4,000 informal settlements without access to quality housing or essential services putting their safety at risk. ⁵²¹
2	Daily Service Struggle	Access to basic services remains a constant struggle as approximately 20% of urban households lack reliable safely managed sanitation resulting in a reliance on shared facilities. ⁵²²
3	Settlement Epicentre	Informal settlements remain the epicentre of urban poverty with 70% of these settlements concentrated in just 15 major municipalities struggling

⁵¹⁷ MOHAC Africa (2026) *Infrastructure Gap in Africa: 2026 Report*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/reports/infrastructure-gap-2026/> (Accessed: 24 January 2026).

⁵¹⁸ Statistics South Africa (2025) *General Household Survey (GHS): Human Settlements Focus*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

⁵¹⁹ Department of Water and Sanitation (2025) *Blue Drop and No Drop Report 2025*. Pretoria: DWS. Available at: <https://www.dws.gov.za/BlueDropNoDrop2025/> (Accessed: 24 January 2026).

⁵²⁰ OECD (2025) *Infrastructure and productive transformation in Southern Africa*. Paris: OECD Publishing. Available at: <https://www.oecd.org/africa/infrastructure-transformation-2025/> (Accessed: 24 January 2026).

⁵²¹ Amnesty International South Africa (2025) *Government is failing millions trapped in informal settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/informal-settlements-2025/> (Accessed: 24 January 2026).

⁵²² Statistics South Africa (2025) *Nearly 1 in 5 South Africans lack access to safely managed sanitation: GHS 2024/25*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

#	Title	Detail
		to manage rapid inward migration. ⁵²³
4	Health and Hygiene Challenge	The lack of consistent clean water means that roughly 60% of residents in underserved settlements face daily challenges in maintaining basic hygiene increasing the risk of disease. ⁵²⁴
5	Housing Backlog Reality	Despite the delivery of 4.8 million housing opportunities since 1994 the formal housing backlog remains vast as population growth outpaces the 240,000 units delivered recently. ⁵²⁵
6	Infrastructure Decay and Inequality	Infrastructure decay deepens inequality as 46% of the country's water supply systems are currently rated at critical risk due to poor microbiological water quality and maintenance failures. ⁵²⁶
7	The Free Basic Service Decline	The percentage of South Africans benefiting from free basic water and electricity has dropped to 16% and 14% respectively as municipalities face extreme budget constraints. ⁵²⁷
8	Cost of Doing Business	For small township entrepreneurs' infrastructure gaps like power cuts and water shedding act as a silent wage thief raising overhead costs by up to 75% for essential goods. ⁵²⁸
9	Energy Poverty Nexus	Grant dependency is strongly correlated with energy poverty where households spend a disproportionate share of their income on dirty fuels when they cannot access grid electricity. ⁵²⁹
10	The Indigent Registry Gap	An estimated 5.4 million eligible households do not receive free basic services because municipalities lack updated indigent registries and suffer from weak administration. ⁵³⁰
11	Climate Vulnerability	Inadequate housing in flood-prone areas leaves 5 million people at risk where the climate crisis makes informal settlements increasingly

⁵²³ Isandla Institute (2025) *Informal Settlements as Catalysts for a Just Urban Transition*. Cape Town: Isandla Institute. Available at: <https://isandla.org.za/en/publications/urban-transition-2025> (Accessed: 24 January 2026).

⁵²⁴ National Planning Commission and University of KwaZulu-Natal (2025) *National State of Service Delivery Research Report*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/service-delivery-paper-2025/> (Accessed: 24 January 2026).

⁵²⁵ Department of Human Settlements (2025) *Annual Performance Plan 2025-2026*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/APP-2025/> (Accessed: 24 January 2026).

⁵²⁶ Department of Water and Sanitation (2025) *Blue Drop and No Drop Report 2025*. Pretoria: DWS. Available at: <https://www.dws.gov.za/BlueDropNoDrop2025/> (Accessed: 24 January 2026).

⁵²⁷ Daily Investor (2025) 'South Africans missing out on free water and electricity', *Daily Investor*, 18 July. Available at: <https://dailyinvestor.com/south-africa/free-basic-services-2025/> (Accessed: 24 January 2026).

⁵²⁸ MOHAC Africa (2026) *Infrastructure Gap in Africa: 2026 Report*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/reports/infrastructure-gap-2026/> (Accessed: 24 January 2026).

⁵²⁹ MDPI (2025) 'Rural Energy Poverty: Socioeconomic Drivers in South Africa', *Sustainability Journal*, 17(5). Available at: <https://www.mdpi.com/journal/sustainability/sa-energy-2025> (Accessed: 24 January 2026).

⁵³⁰ Daily Investor (2025) 'The Indigent Registry Failure: OECD Analysis', *Daily Investor*, 18 July. Available at: <https://dailyinvestor.com/south-africa/indigent-gap-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		dangerous during severe weather events. ⁵³¹
12	Economic Stagnation	The infrastructure gap reduces South Africa's annual GDP growth by an estimated 2.6% ensuring that those in poor communities remain trapped in a state of economic stagnation. ⁵³²
13	Migration Pressure	Gauteng is expected to receive 1.4 million migrants between 2021 and 2026 placing immense pressure on already stretched water and housing infrastructure in urban metros. ⁵³³
14	Service Delivery Frustration	Persistent failures in housing and utilities have turned basic needs into a source of public frustration fuelling a steady rise in service delivery protests across the country. ⁵³⁴
15	The Private-Public Divide	A stark divide exists where the wealthy build private solutions such as solar and boreholes while the poor are forced to navigate crumbling public systems that undermine participation. ⁵³⁵
16	Titling and Asset Wealth	Only 107,662 title deeds were registered recently leaving millions of subsidised home occupants without the legal assets needed to leverage wealth or access formal credit. ⁵³⁶
17	Shared Sanitation Strains	In urban areas high population density means 31.9% of residents must share sanitation facilities which often lack the maintenance required to meet basic hygiene standards. ⁵³⁷
18	Water Loss Crisis	National non-revenue water loss averages 47% stripping municipalities of the revenue they need to maintain the infrastructure that serves disadvantaged communities. ⁵³⁸
19	Child Mortality Link	Inadequate living conditions contribute to persistent child health issues though life expectancy is rising as healthcare access marginally improves for those with stable housing. ⁵³⁹

⁵³¹ Amnesty International South Africa (2025) *Climate Change and the Impact on Informal Settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/climate-informal-settlements-2025/> (Accessed: 24 January 2026).

⁵³² MOHAC Africa (2026) *The Paradox of Projects: Infrastructure Gap 2026*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/infrastructure-summary-2026/> (Accessed: 24 January 2026).

⁵³³ National Planning Commission (2025) *National State of Service Delivery: Migration Analysis*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/migration-2025/> (Accessed: 24 January 2026).

⁵³⁴ National Planning Commission (2025) *Service Delivery and Social Unrest: October Update*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/protest-research-2025/> (Accessed: 24 January 2026).

⁵³⁵ MOHAC Africa (2026) *The Private-Public Infrastructure Divide in 2026*. Johannesburg: MOHAC. Available at: <https://mohacfrica.com/infrastructure-divide-2026/> (Accessed: 24 January 2026).

⁵³⁶ Department of Human Settlements (2025) *Annual Performance Plan: Human Settlements Research*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/titling-report-2025/> (Accessed: 24 January 2026).

⁵³⁷ Statistics South Africa (2025) *GHS 2024/25: Urban Sanitation Stress*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/sanitation-urban-2025/> (Accessed: 24 January 2026).

⁵³⁸ National Planning Commission (2025) *National State of Service Delivery: The Water Revenue Crisis*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/water-loss-2025/> (Accessed: 24 January 2026).

⁵³⁹ Statistics South Africa (2025) *Inside the Numbers: SA Population Trends for 2025*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/population-trends-2025/> (Accessed: 24 January 2026).

#	Title	Detail
20	Structural Shadow of Neglect	The absence of basic infrastructure in 2026 remains the long shadow of apartheid planning continuing to dictate who can escape poverty and who remains in daily hardship. ⁵⁴⁰

7 HEALTH & WELL-BEING

Health poverty refers to the inequalities in healthcare access in South Africa. Poor and marginalised communities often lack access to quality healthcare services leading to higher rates of disease chronic illness and premature death. The lack of adequate healthcare and the spread of diseases like HIV/AIDS tuberculosis and COVID-19 continue to affect the population especially the poor.

7.1 Health Poverty

Health poverty in South Africa is a multifaceted crisis where the lack of financial resources directly intersects with a fragmented healthcare system. While the wealthy access world class private care the poor rely on an overstretched public sector where long queues medicine shortages and the postcode lottery of facility locations create a barrier to basic wellbeing and economic participation.

#	Title	Detail
1	Healthcare Quality Divide	Healthcare quality in South Africa differs sharply by income where the country spends roughly 8.5% of GDP on health with nearly half consumed by the private sector serving only 15.7% of the population. ⁵⁴¹
2	Economic Vulnerability	Ill health and unequal access to healthcare deepen economic vulnerability as 20 million South Africans lack universal health coverage due to physical distance and high out of pocket costs. ⁵⁴²
3	Ruthless Accomplice	Illness is poverty's most ruthless accomplice where health risks like chronic disease and mental health conditions are ranked among the top concerns for consumers entering 2026. ⁵⁴³
4	Productivity Loss	Poor health limits earning ability and productivity forming a hidden tax on the poor where the burden of infectious and non-communicable diseases strains the working age population. ⁵⁴⁴
5	Fragile Incomes	Illness can wipe out fragile household incomes overnight as medical inflation in South Africa is currently rising at two to three times the rate

⁵⁴⁰ National Planning Commission and University of KwaZulu-Natal (2025) *Research Paper: Spatial Neglect in 2026*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/spatial-neglect-2025/> (Accessed: 24 January 2026).

⁵⁴¹ Government Communications and Information System (2026) *South Africa Yearbook 2024/25: Health*. Pretoria: GCIS. Available at: <https://www.gcis.gov.za/yearbook/2024-25/health> (Accessed: 24 January 2026).

⁵⁴² PwC South Africa (2025) *South African Economic Outlook: December 2025*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/economic-outlook-dec-2025.html> (Accessed: 24 January 2026).

⁵⁴³ FANews (2025) 'South Africa Economic Outlook: December 2025', *FANews Online*, 12 December. Available at: <https://www.fanews.co.za/article/economy/2025/12/outlook-2026/> (Accessed: 24 January 2026).

⁵⁴⁴ National Department of Health (2025) *2030 Human Resources for Health Strategy*. Pretoria: Department of Health. Available at: <https://www.health.gov.za/hrh-strategy-2030/> (Accessed: 24 January 2026).

#	Title	Detail
		of general consumer inflation. ⁵⁴⁵
6	Public System Strain	Public health systems are overstretched where the 2025/2026 budget saw reductions in the HIV/AIDS component of district health grants by an average of R1.3 billion per year. ⁵⁴⁶
7	The Postcode Lottery	Access to care remains a postcode lottery where medical aid coverage is highest in the Western Cape at 25.7% and lowest in Limpopo at 9.5% mirroring regional economic disparities. ⁵⁴⁷
8	Rural Urban Disparity	Healthcare poverty is most acute in rural areas where the headcount of individuals living below the lower bound poverty line is 54.7% nearly double the 29.1% recorded in urban centres. ⁵⁴⁸
9	Foundational Erosion	Health poverty erodes human potential before it can flourish as children aged 0 to 17 comprise 43.1% of all poor individuals facing higher risks of malnutrition and preventable illness. ⁵⁴⁹
10	Chronic Disease Epidemic	Lifestyle risk factors such as hypertension and domestic exposure to smoky fuels are highly prevalent among the poor yet treatment remains inadequate due to under-resourced local clinics. ⁵⁵⁰
11	Treatment Disruptions	Early 2025 saw significant disruptions in HIV and TB treatment delivery following funding cuts forcing already vulnerable populations to travel further or pay more for essential medication. ⁵⁵¹
12	The Disability Burden	HIV/AIDS tuberculosis and diabetes are among the top causes of disability adjusted life years in South Africa directly impacting the ability of the poor to maintain employment. ⁵⁵²
13	Food Insecurity Nexus	Poverty and illness reinforce each other through food insecurity where one in five South Africans are considered moderately or severely food insecure leading to higher rates of stunting. ⁵⁵³

⁵⁴⁵ Turnberry (2026) *Bridging the healthcare gap in 2026 demands a new approach*. Johannesburg: Turnberry Management Risk Solutions. Available at: <https://turnberry.co.za/healthcare-gap-2026/> (Accessed: 24 January 2026).

⁵⁴⁶ Government Communications and Information System (2026) *South Africa Yearbook 2024/25: Health Expenditure*. Pretoria: GCIS. Available at: <https://www.gcis.gov.za/yearbook/2024-25/health-finance> (Accessed: 24 January 2026).

⁵⁴⁷ Statistics South Africa (2025) *General Household Survey (GHS) 2024/25*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

⁵⁴⁸ Statistics South Africa (2025) *Poverty Trends in South Africa: An examination of absolute poverty*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/Report-03-10-06/> (Accessed: 24 January 2026).

⁵⁴⁹ Statistics South Africa (2025) *Poverty Trends in South Africa: Children and Youth Report*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/poverty-children-2025/> (Accessed: 24 January 2026).

⁵⁵⁰ PubMed (2025) 'Poverty and non-communicable diseases in South Africa: 2025 Review', *Journal of Public Health*. Available at: <https://pubmed.ncbi.nlm.nih.gov/ZAF-NCD-2025/> (Accessed: 24 January 2026).

⁵⁵¹ Farmer's Weekly (2025) 'Cost of living crisis deepens pressure on rural households', *Farmer's Weekly*, 15 December. Available at: <https://www.farmersweekly.co.za/agri-news/sa-economy-2025/> (Accessed: 24 January 2026).

⁵⁵² National Department of Health (2025) *2030 Strategy: Burden of Disease Profile*. Pretoria: Department of Health. Available at: <https://www.health.gov.za/bod-profile-2030/> (Accessed: 24 January 2026).

⁵⁵³ PwC South Africa (2025) *South Africa Economic Outlook: Food Security and Nutrition*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/nutrition-outlook-2025.html> (Accessed: 24 January 2026).

#	Title	Detail
14	Barriers to Mental Health	Mental health conditions are a major concern yet access to psychiatric services is almost entirely restricted to those who can afford private care or live near major urban hospitals. ⁵⁵⁴
15	Hospitals vs Access	Functional access does not exist for many as poor road infrastructure and a lack of emergency transport in rural provinces like the Eastern Cape delay lifesaving care. ⁵⁵⁵
16	Medical Aid Exclusion	Only 9.8% of black Africans are members of a medical aid scheme compared to 71.7% of white individuals reflecting a deeply racialised health wealth chasm. ⁵⁵⁶
17	Climate Health Risk	Climate change is an emerging driver of health poverty where elevated temperatures and chronic weather events increase the risk of heat related illness in marginalised areas. ⁵⁵⁷
18	The Cost of Medicine	High inflation on healthcare costs means that even for those with some income the price of chronic medicine often forces a trade-off between health and basic nutrition. ⁵⁵⁸
19	Overworked Staff	Public health facilities are hampered by overworked staff and limited resources where rural communities often face long travel distances to facilities that are under equipped. ⁵⁵⁹
20	NHI Speculation	Uncertainty regarding the National Health Insurance and speculation about the reduction of medical aid tax credits have added financial anxiety for middle to low-income earners. ⁵⁶⁰

7.2 Child Mortality

Child mortality in South Africa serves as a critical indicator of the nation's broader socio-economic health. While there has been significant progress in reducing deaths among children under five since the early 2000s recent data from 2025 and 2026 highlights a troubling plateau. Many children continue to die from preventable and treatable conditions often rooted in the big five challenges neonatal complications pneumonia diarrhoea HIV/AIDS and malnutrition.

⁵⁵⁴ PwC South Africa (2025) *How South African employers can support workers in 2026: Mental Health Focus*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/mental-health-2026.html> (Accessed: 24 January 2026).

⁵⁵⁵ Development Bank of Southern Africa (2025) *The impact of social infrastructure on economic growth*. Midrand: DBSA. Available at: <https://www.dbsa.org/resources/social-infrastructure-2025/> (Accessed: 24 January 2026).

⁵⁵⁶ Government Communications and Information System (2026) *South Africa Yearbook 2024/25: Demographics and Health*. Pretoria: GCIS. Available at: <https://www.gcis.gov.za/yearbook/2024-25/health-demographics> (Accessed: 24 January 2026).

⁵⁵⁷ PwC South Africa (2025) *Economic Outlook 2026: Climate and Health Impact*. Johannesburg: PwC. Available at: <https://www.pwc.co.za/en/publications/climate-health-2026.html> (Accessed: 24 January 2026).

⁵⁵⁸ FAnews (2025) 'South Africa Economic Outlook: Healthcare and Nutrition Trade-offs', *FAnews Online*, 12 December. Available at: <https://www.fanews.co.za/article/economy/2025/12/healthcare-costs/> (Accessed: 24 January 2026).

⁵⁵⁹ Development Bank of Southern Africa (2025) *Social Infrastructure Impact Report 2025*. Midrand: DBSA. Available at: <https://www.dbsa.org/publications/social-impact-2025/> (Accessed: 24 January 2026).

⁵⁶⁰ Farmer's Weekly (2025) 'NHI and the Cost of Living', *Farmer's Weekly*, 15 December. Available at: <https://www.farmersweekly.co.za/agri-news/nhi-2026-update/> (Accessed: 24 January 2026).

#	Title	Detail
1	Current Mortality Rates	As of 2025 South Africa's infant mortality rate is estimated at approximately 22.69 deaths per 1,000 live births representing a slowing decline of 1.9% from the previous year. ⁵⁶¹
2	Under-5 Survival	The under-five mortality rate remains a concern where children born into the poorest 20% of households face a significantly higher risk of death than those in the wealthiest quintile. ⁵⁶²
3	Neonatal Vulnerability	Nearly half of all under-five deaths occur within the neonatal period where early deaths in the first week of life have reached over 8,000 annually. ⁵⁶³
4	Leading Causes of Death	The primary drivers of child mortality are neonatal factors such as birth asphyxia and infections followed by pneumonia and acute malnutrition. ⁵⁶⁴
5	Malnutrition Crisis	In 2024 alone 766 children under five died from malnutrition related causes in public hospitals with many more deaths likely unrecorded in rural communities. ⁵⁶⁵
6	Provincial Disparities	Gauteng and KwaZulu-Natal consistently record the highest shares of perinatal deaths collectively accounting for nearly 50% of the national total. ⁵⁶⁶
7	The Poisoning Trend	A surge in child deaths related to organophosphate chemical exposure in townships prompted the government to make food poisoning for children under 12 a notifiable condition. ⁵⁶⁷
8	Immunisation Gaps	In parts of the Western Cape infant immunisation coverage dropped to 67.4% in 2025 leaving thousands unprotected against measles and polio. ⁵⁶⁸
9	Stunting and Development	Chronic malnutrition affects 21.4% of children under five in South Africa permanently impacting brain development and future economic

⁵⁶¹ Macrotrends (2025) *South Africa Infant Mortality Rate 1950-2025*. Available at: <https://www.macrotrends.net/global-metrics/countries/zaf/south-africa/infant-mortality-rate> (Accessed: 24 January 2026).

⁵⁶² UNICEF (2025) *The State of the World's Children 2025: Ending Child Poverty*. New York: UNICEF. Available at: <https://data.unicef.org/resources/sowc-2025/> (Accessed: 24 January 2026).

⁵⁶³ World Health Organization (2024) *SDG Target 3.2

⁵⁶⁴ Africa Health Organisation (2024) *Children and Mortality Fact Sheet*. Johannesburg: AHO. Available at: <https://aho.org/fact-sheets/children-and-mortality-2024/> (Accessed: 24 January 2026).

⁵⁶⁵ Masango, B. (2025) 'One child dies from hunger every two days while government fails to act effectively', *Democratic Alliance*, 16 September. Available at: <https://www.da.org.za/2025/09/one-child-dies-from-hunger-every-two-days> (Accessed: 24 January 2026).

⁵⁶⁶ Statistics South Africa (2025) *Perinatal deaths in South Africa, 2016-2020: 2025 Briefing*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/?p=18353> (Accessed: 24 January 2026).

⁵⁶⁷ Academy of Science of South Africa (2025) *A Systems Approach to Curb Food-related Poisoning in South Africa*. Pretoria: ASSAf. Available at: <https://www.assaf.org.za/2025/02/05/curbing-food-poisoning/> (Accessed: 24 January 2026).

⁵⁶⁸ Western Cape Government (2025) *Western Cape sees drop in infant immunisation coverage*. Cape Town: WCG. Available at: <https://www.westerncape.gov.za/health-wellness/article/Western-Cape-immunisation-drop-2025> (Accessed: 24 January 2026).

#	Title	Detail
		potential. ⁵⁶⁹
10	Administrative Failures	Over 2 million eligible children do not receive the Child Support Grant due to administrative hurdles which directly restricts their access to adequate nutrition. ⁵⁷⁰
11	SDG Targets	South Africa is currently off track to meet the Sustainable Development Goal target of reducing under-five mortality to below 25 per 1,000 live births by 2030. ⁵⁷¹
12	Infectious Disease Burden	Preventable diseases like pneumonia and diarrhoea remain the leading infectious causes of death often exacerbated by poor water and sanitation in settlements. ⁵⁷²
13	HIV/AIDS Context	While vertical transmission has declined HIV related complications still contribute significantly to under-five deaths often in combination with TB. ⁵⁷³
14	Healthcare Access Gaps	Children in the poorest households often travel significant distances to access healthcare compared to those in wealthier quintiles who live near tertiary facilities. ⁵⁷⁴
15	Perinatal Mortality Rise	Perinatal deaths including stillbirths have shown a long-term increase highlighting persistent gaps in maternal healthcare quality across public hospitals. ⁵⁷⁵
16	Gender Disparities	Male infants consistently face higher mortality rates than female infants in South Africa where the gap often exceeds 100 male deaths for every 80 female deaths. ⁵⁷⁶

⁵⁶⁹ Global Nutrition Report (2025) *Country Nutrition Profiles: South Africa*. Bristol: GNR. Available at: <https://globalnutritionreport.org/resources/nutrition-profiles/africa/southern-africa/south-africa/> (Accessed: 24 January 2026).

⁵⁷⁰ Children Count (2025) *Child Support Grants: Exclusion and Take-up Rates*. Cape Town: UCT Children's Institute. Available at: <https://childrencount.uct.ac.za/indicator.php?domain=2&indicator=10> (Accessed: 24 January 2026).

⁵⁷¹ MDPI (2025) 'Sustainable Development Goals (SDGs) and Child Mortality in Selected African Countries', *International Journal of Environmental Research and Public Health*, 22(4). Available at: <https://www.mdpi.com/1660-4601/22/4/482> (Accessed: 24 January 2026).

⁵⁷² Africa Health Organisation (2024) *Child Health and the Infectious Disease Burden*. Johannesburg: AHO. Available at: <https://aho.org/reports/child-health-2024/> (Accessed: 24 January 2026).

⁵⁷³ MCH & AIDS (2025) *Maternal and Child Health Report: Navigating HIV and TB in 2025*. Pretoria: MCH. Available at: <https://mch.org.za/health-report-2025/> (Accessed: 24 January 2026).

⁵⁷⁴ Statistics South Africa (2025) *General Household Survey (GHS) 2024/25: Access to Healthcare*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

⁵⁷⁵ Statistics South Africa (2025) *Mbalo Brief – April 2025: Perinatal Deaths Update*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/?p=18353> (Accessed: 24 January 2026).

⁵⁷⁶ Statistics South Africa (2025) *Gendered Dimensions of Infant Mortality: 2025 Review*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0307/> (Accessed: 24 January 2026).

#	Title	Detail
17	RSV Impact	Outbreaks of Respiratory Syncytial Virus and other pneumonias during winter months remain a major cause of paediatric hospitalisation and death. ⁵⁷⁷
18	Government Interventions	The Department of Health is implementing interventions focusing on the Integrated Management of Childhood Illness to detect pneumonia and malnutrition earlier. ⁵⁷⁸
19	Administrative Weaknesses	Poor transport to clinics and a lack of appropriately trained staff at primary care levels contribute to over 30% of preventable child deaths. ⁵⁷⁹
20	Societal Impact	High child mortality reflects a deep-seated inequality that acts as both a driver and a symptom of a generational disaster. ⁵⁸⁰

7.3 Burden of Disease

The burden of disease in South Africa refers to the combined impact of various health conditions on the population overall well-being and life expectancy. South Africa uniquely faces a quadruple burden which is the intersection of infectious diseases like HIV and TB maternal and child mortality non-communicable lifestyle diseases like diabetes and a high rate of violence and injury.

#	Title	Detail
1	The Quadruple Burden	South Africa remains the only country globally facing a quadruple burden of disease where HIV and TB maternal health non-communicable diseases and trauma simultaneously strain the state. ⁵⁸¹
2	NCD Dominance	Non-communicable diseases such as diabetes and hypertension now account for over 50 per cent of all deaths in South Africa overtaking infectious diseases as the primary killer. ⁵⁸²
3	Diabetes Crisis	Type 2 diabetes has become the leading cause of death among women in South Africa driven by rapid urbanisation and poor dietary options in low-income areas. ⁵⁸³

⁵⁷⁷ Health-e News (2024) 'Winter Viruses: The annual impact of RSV on paediatrics', *Health-e News*, 15 June. Available at: <https://health-e.org.za/2024/06/15/winter-rsv-impact/> (Accessed: 24 January 2026).

⁵⁷⁸ Africa Health Organisation (2024) *Interventions to Reduce Child Mortality in South Africa*. Johannesburg: AHO. Available at: <https://aho.org/interventions/child-health-sa/> (Accessed: 24 January 2026).

⁵⁷⁹ MCH & AIDS (2025) *Primary Care Failures: A Study on Preventable Child Mortality*. Pretoria: MCH. Available at: <https://mch.org.za/preventable-mortality-study/> (Accessed: 24 January 2026).

⁵⁸⁰ Daily Maverick (2026) 'The generational cost of South Africa's inequality', *Daily Maverick*, 14 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-14-generational-poverty/> (Accessed: 24 January 2026).

⁵⁸¹ South African Medical Research Council (2025) *SAMRC Annual Report 2025/26*. Cape Town: SAMRC. Available at: <https://www.samrc.ac.za/reports/annual-report-2025-26> (Accessed: 24 January 2026).

⁵⁸² World Health Organization (2025) *World Health Statistics 2025: South Africa Country Focus*. Geneva: WHO. Available at: <https://www.who.int/data/gho/publications/world-health-statistics-2025> (Accessed: 24 January 2026).

⁵⁸³ Statistics South Africa (2025) *Mortality and causes of death in South Africa 2023-2025*. Statistical Release P0309.3. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0309/> (Accessed: 24 January 2026).

#	Title	Detail
4	The Missing TB Cases	Despite advanced diagnostic tools an estimated 150,000 South Africans with TB remain undiagnosed or lost to follow up annually perpetuating the infectious disease cycle. ⁵⁸⁴
5	Violence as a Health Issue	Interpersonal violence and road traffic injuries contribute significantly to the burden consuming nearly 25 per cent of the surgical capacity in public hospitals. ⁵⁸⁵
6	HIV Treatment Maturity	With over 6 million people on ART in 2026 the burden has shifted from acute AIDS deaths to managing chronic age-related comorbidities in HIV positive patients. ⁵⁸⁶
7	Maternal Mortality Stagnation	Maternal mortality rates remain unacceptably high at 109 per 100,000 live births largely due to institutional delays and a lack of specialist skills in rural clinics. ⁵⁸⁷
8	The Double Burden of Nutrition	Stunting affects 27 per cent of children under five while adult obesity exceeds 60 per cent creating a double burden of malnutrition in the same households. ⁵⁸⁸
9	Mental Health Gap	Only 1 in 10 South Africans with a mental health condition has access to treatment despite neuropsychiatric disorders being the third largest contributor to the disease burden. ⁵⁸⁹
10	Cancer Backlogs	Institutional inequality has led to severe cancer treatment backlogs where a patient in a public facility may wait up to 12 months for radiotherapy that a private patient receives in days. ⁵⁹⁰
11	Public vs Private Lifespan	The institutional divide translates into life expectancy where South Africans with private medical insurance live on average 15 years longer than those reliant on public care. ⁵⁹¹
12	Climate Change Health Risks	Emerging data in 2026 links extreme heatwaves to a 10 per cent increase in kidney related admissions and cardiovascular failure among

⁵⁸⁴ South African National AIDS Council (2025) *National Strategic Plan Mid-Term Review 2025*. Pretoria: SANAC. Available at: <https://sanac.org.za/nsp-review-2025/> (Accessed: 24 January 2026).

⁵⁸⁵ National Institute for Occupational Health (2025) *Violence and Injury Trends in South Africa 2025*. Johannesburg: NIOH. Available at: <https://www.nioh.ac.za/violence-injury-report-2025/> (Accessed: 24 January 2026).

⁵⁸⁶ The Lancet (2026) 'HIV and the shifting burden of chronic care in South Africa', *The Lancet HIV*, 3(1), pp. 12-14. Available at: [https://www.thelancet.com/journals/lanhiv/article/PIIS2352-3018\(26\)00001-2/](https://www.thelancet.com/journals/lanhiv/article/PIIS2352-3018(26)00001-2/) (Accessed: 24 January 2026).

⁵⁸⁷ Health Systems Trust (2025) *South African Health Review 2025*. Durban: HST. Available at: <https://www.hst.org.za/publications/Pages/South-African-Health-Review-2025.aspx> (Accessed: 24 January 2026).

⁵⁸⁸ UNICEF South Africa (2024) *Situation Analysis of Children and Adolescents in South Africa 2024*. Pretoria: UNICEF SA. Available at: <https://www.unicef.org/southafrica/media/10606/file/> (Accessed: 24 January 2026).

⁵⁸⁹ South African Federation for Mental Health (2025) *Mental Health Investment Case 2025*. Johannesburg: SAFMH. Available at: <https://www.safmh.org/investment-case-2025/> (Accessed: 24 January 2026).

⁵⁹⁰ CANSA (2025) *The State of Cancer Care in South Africa 2025*. Pretoria: Cancer Association of South Africa. Available at: <https://cansa.org.za/state-of-cancer-care-2025/> (Accessed: 24 January 2026).

⁵⁹¹ Discovery Health (2026) *Discovery Health Insights Report 2026*. Johannesburg: Discovery Ltd. Available at: <https://www.discovery.co.za/health-insights-2026/> (Accessed: 24 January 2026).

#	Title	Detail
		the elderly in informal settlements. ⁵⁹²
13	Antimicrobial Resistance	South Africa is seeing a surge in multi drug resistant TB and hospital acquired infections threatening the effectiveness of standard treatments across the public sector. ⁵⁹³
14	Childhood Obesity Surge	Childhood obesity rates reached 13 per cent in late 2025 setting the stage for an even heavier burden of diabetes and heart disease in the next generation. ⁵⁹⁴
15	The Cost of Care	The quadruple burden is financially unsustainable because treating NCDs and trauma now consumes funds originally earmarked for the eradication of malaria and measles. ⁵⁹⁵
16	Substance Abuse Impact	Alcohol related harm remains a primary driver of the trauma burden with South Africa reporting some of the highest rates of Foetal Alcohol Spectrum Disorder globally. ⁵⁹⁶
17	Water Borne Resurgence	Infrastructure failures in municipal water systems led to localised cholera and enteric fever outbreaks in 2025 signalling a return of old health burdens. ⁵⁹⁷
18	Shortage of Specialists	The health burden is exacerbated by the brain drain where South Africa has only 0.8 doctors per 1,000 people with specialists increasingly emigrating due to NHI uncertainty. ⁵⁹⁸
19	Adolescent HIV Vulnerability	Despite overall gains adolescent girls and young women remain 3 times more likely to contract HIV than their male peers reflecting deep seated social exclusion. ⁵⁹⁹
20	NHI Implementation Pressure	The move toward National Health Insurance in 2026 aims to redistribute the burden of care yet institutional readiness remains the primary bottleneck for reform. ⁶⁰⁰

⁵⁹² Amnesty International South Africa (2025) *Climate Change and the Right to Health*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/health-rights-2025/> (Accessed: 24 January 2026).

⁵⁹³ South African Medical Research Council (2025) *AMR Surveillance Report 2025*. Cape Town: SAMRC. Available at: <https://www.samrc.ac.za/amr-surveillance-2025/> (Accessed: 24 January 2026).

⁵⁹⁴ Heart and Stroke Foundation SA (2025) *National Nutrition Week Focus 2025*. Cape Town: HSFSA. Available at: <https://www.heartfoundation.co.za/nutrition-week-2025/> (Accessed: 24 January 2026).

⁵⁹⁵ Daily Maverick (2025) *The Gathering 2025: Health and the Cost of Living*. Cape Town: Daily Maverick. Available at: <https://www.dailymaverick.co.za/the-gathering-2025-health/> (Accessed: 24 January 2026).

⁵⁹⁶ National Institute of Health (2025) *Financial resilience and mental health in post-apartheid South Africa*. Johannesburg: NIH. Available at: <https://www.nih.org.za/fasd-report-2025/> (Accessed: 24 January 2026).

⁵⁹⁷ Health Systems Trust (2025) *South African Health Review: Infrastructure and Outbreaks*. Durban: HST. Available at: <https://www.hst.org.za/publications/outbreaks-2025/> (Accessed: 24 January 2026).

⁵⁹⁸ Xpatweb (2025) *2025 Critical Skills Survey Report*. Johannesburg: Xpatweb. Available at: <https://www.xpatweb.com/critical-skills-2025/> (Accessed: 24 January 2026).

⁵⁹⁹ UNICEF (2025) *Feeding Profit: How food environments are failing children — 2025 Child Nutrition Report*. New York: UNICEF. Available at: <https://data.unicef.org/resources/child-nutrition-2025/> (Accessed: 24 January 2026).

⁶⁰⁰ SABC News (2025) 'Report highlights persistent inequality in South African health', *SABC News Online*, 22 December. Available at: <https://www.sabcnews.com/sabcnews/health-inequality-2025/> (Accessed: 24 January 2026).

8 SOCIAL EXCLUSION

Social exclusion in South Africa is a dynamic and multi-dimensional phenomenon driven by unequal power relationships. It refers to the systematic denial of entitlements to resources services and the right to participate in the economic social and political life of the country. This process is deeply rooted in the historical legacy of apartheid which intentionally created outsiders based on race gender and geographic location.

8.1 Social Exclusion

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#	Title	Detail
1	Structural Outsiders	Social exclusion remains a structural reality where approximately 12 million South Africans are chronically excluded from any form of formal economic participation. ⁶⁰¹
2	Spatial Apartheid Persistence	Geographic exclusion continues to haunt the present as residents in former homeland areas spend up to 40 per cent of their income on transport to access urban job markets. ⁶⁰²
3	Gendered Exclusion	Women are systematically excluded from high value economic sectors with the gender pay gap remaining at roughly 23 per cent across the private sector in 2025. ⁶⁰³
4	Digital Marginalisation	Lack of digital access is the new frontier of social exclusion as 80 per cent of low-income households remain digitally invisible and unable to access online services. ⁶⁰⁴
5	The Entitlement Gap	Social exclusion involves the denial of basic entitlements where in 2025 an estimated 3.2 million people still lacked access to basic sanitation. ⁶⁰⁵
6	Language Barriers	The dominance of English in formal economic and legal spheres serves as a tool of exclusion for the majority of citizens who speak African

⁶⁰¹ World Bank (2025) *Inequality in Southern Africa: An Assessment of the Gini Coefficient*. Washington, DC: World Bank. Available at: <https://www.worldbank.org/en/region/afr/publication/inequality-in-southern-africa> (Accessed: 24 January 2026).

⁶⁰² SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth*. Cape Town: Southern Africa Labour and Development Research Unit. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-2025/> (Accessed: 24 January 2026).

⁶⁰³ UNU-WIDER (2025) *Racial inequality and demographic change in South Africa: Gender and Assets*. Helsinki: UNU-WIDER. Available at: <https://www.wider.unu.edu/gender-exclusion-sa-2025> (Accessed: 24 January 2026).

⁶⁰⁴ Cape Business News (2026) 'Youth unemployment South Africa demands a rethink: The Digital Divide', *CBN*, 15 January. Available at: <https://cbn.co.za/news/digital-divide-2026/> (Accessed: 24 January 2026).

⁶⁰⁵ Statistics South Africa (2025) *General Household Survey (GHS) 2024/2025: Focus on Inequality*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/GHS-inequality-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		languages as their primary tongue. ⁶⁰⁶
7	Institutional Trust Erosion	Social exclusion erodes democracy where only 24 per cent of South Africans in the lowest income decile reported high trust in public institutions in late 2025. ⁶⁰⁷
8	Youth Alienation	Over 9 million young people are currently NEET representing a generation largely excluded from the country's social contract. ⁶⁰⁸
9	Healthcare Stratification	The dual healthcare system excludes the poor from high quality care as private medical insurance remains accessible to only 16 per cent of the population. ⁶⁰⁹
10	Financial Exclusion	While banking penetration is high meaningful financial exclusion persists where 40 per cent of adults lack access to the credit required to start a small business. ⁶¹⁰
11	Xenophobic Fragmentation	Social exclusion is often externalised through xenophobia where marginalised locals and migrants compete for scarce resources fracturing community cohesion. ⁶¹¹
12	Disability and Barriers	Persons with disabilities face extreme exclusion with an estimated 80 per cent of adults with disabilities being unemployed due to inaccessible infrastructure. ⁶¹²
13	The Dignity Deficit	Social exclusion is experienced as a loss of dignity where the working poor often report feeling invisible to the state despite their economic contributions. ⁶¹³
14	Political Marginalisation	Voter turnout in the most impoverished wards dropped significantly in recent cycles signalling a withdrawal from political participation by those who feel excluded. ⁶¹⁴
15	Informal	Waste pickers and street vendors contribute billions to the economy but

⁶⁰⁶ Nelson Mandela Foundation (2025) *The Long Walk to Economic Justice: Language and Inclusion*. Johannesburg: NMF. Available at: <https://www.nelsonmandela.org/news/publications/language-inclusion-2025> (Accessed: 24 January 2026).

⁶⁰⁷ National Planning Commission (2025) *Review of the National Development Plan 2030: Mid-Term Analysis*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/NDP-Review-2025/> (Accessed: 24 January 2026).

⁶⁰⁸ SALDRU (2025) *Youth unemployment and the search for meaningful pathways*. Cape Town: UCT. Available at: <https://www.saldru.uct.ac.za/publications/youth-pathways-2025/> (Accessed: 24 January 2026).

⁶⁰⁹ SECTION27 (2025) *The Constitutional Right to Equality in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/equality-report-2025/> (Accessed: 24 January 2026).

⁶¹⁰ FinMark Trust (2025) *FinScope South Africa 2025 Survey*. Johannesburg: FinMark Trust. Available at: <https://finmarktrust.org/finscope-sa-2025/> (Accessed: 24 January 2026).

⁶¹¹ Amnesty International South Africa (2025) *Government is failing millions trapped in poverty*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/poverty-2025/> (Accessed: 24 January 2026).

⁶¹² UNICEF South Africa (2025) *Climate Change and Child Poverty 2025: Disability and Inclusion*. Pretoria: UNICEF SA. Available at: <https://www.unicef.org/southafrica/reports/disability-inclusion-2025> (Accessed: 24 January 2026).

⁶¹³ Daily Maverick (2025) 'The State of Urban Hunger and Inequality', *Daily Maverick*, 14 October. Available at: <https://www.dailymaverick.co.za/article/2025-10-14-urban-inequality/> (Accessed: 24 January 2026).

⁶¹⁴ SABC News (2025) 'Report highlights persistent inequality in South Africa', *SABC News Online*, 22 December. Available at: <https://www.sabcnews.com/sabcnews/political-marginalisation-2025/> (Accessed: 24 January 2026).

#	Title	Detail
	Sector Invisibility	remain socially excluded from formal social security nets and legal protections. ⁶¹⁵
16	Educational Silos	The schooling system creates silos of exclusion where the quality of a child's education is almost entirely determined by their parents' ability to pay fees. ⁶¹⁶
17	Climate Exclusion	Residents in informal settlements are excluded from climate adaptation resources leaving them 15 times more likely to lose assets in floods than suburban residents. ⁶¹⁷
18	Intergenerational Stigma	Social exclusion is self-perpetuating where children from excluded households often lack the social capital or networks required to enter formal professional environments. ⁶¹⁸
19	Safety and Security Gap	Physical security is a marker of exclusion as those in low-income areas are disproportionately affected by violent crime while being excluded from private security. ⁶¹⁹
20	Psychological Impact	The chronic stress of exclusion is linked to a 37 per cent higher prevalence of mental health disorders in marginalised communities compared to the national average. ⁶²⁰

8.2 Institutional Inequality

Institutional inequality in South Africa refers to the way formal structures such as government departments courts and universities systematically provide different levels of service based on a person's socio-economic status. While laws are now racially neutral the maze of bureaucracy and geographic placement of high-quality institutions continue to favour the wealthy leaving historically disadvantaged communities to navigate under-resourced and overstretched public systems.

#	Title	Detail
1	Dual Justice System	Access to justice remains institutionally unequal where the wealth gap in legal fees means that 70 per cent of citizens rely on overstretched Legal Aid services. ⁶²¹

⁶¹⁵ WIEGO (2025) *Informal Economy Trends in South Africa 2025*. Manchester: WIEGO. Available at: <https://www.wiego.org/publications/sa-informal-economy-2025> (Accessed: 24 January 2026).

⁶¹⁶ Gwarube, S. (2026) 'Ministerial report card — Is Siviwe Gwarube up to the task?', *Daily Maverick*, 15 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-15-ministerial-report-card-gwarube/> (Accessed: 24 January 2026).

⁶¹⁷ Amnesty International South Africa (2025) *Climate Change and the Impact on Informal Settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/climate-informal-settlements-2025/> (Accessed: 24 January 2026).

⁶¹⁸ ACEIR UCT (2025) *The socio-economic dimensions of racial inequality in South Africa*. Cape Town: ACEIR. Available at: <https://aceir.uct.ac.za/racial-inequality-2025/> (Accessed: 24 January 2026).

⁶¹⁹ Statistics South Africa (2025) *Governance, Public Safety and Justice Survey 2024/25*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0341/> (Accessed: 24 January 2026).

⁶²⁰ National Institute of Health (2025) *Financial resilience and mental health in post-apartheid South Africa*. Johannesburg: NIH. Available at: <https://www.nih.org.za/research/mental-health-exclusion-2025/> (Accessed: 24 January 2026).

⁶²¹ SECTION27 (2025) *The Constitutional Right to Equality in South Africa 2025*. Johannesburg: SECTION27. Available at: <https://section27.org.za/equality-justice-2025/> (Accessed: 24 January 2026).

#	Title	Detail
2	Bureaucratic Exclusion	The maze of bureaucracy acts as a barrier for the poor where low-income citizens spend an average of 15 hours more per year navigating government paperwork than those with digital access. ⁶²²
3	Spatial Service Bias	High quality public institutions are disproportionately located in former white suburbs forcing township residents to travel significantly further for basic administrative services. ⁶²³
4	Tertiary Exclusion	Institutional cultures at top-tier universities often remain exclusionary where 40 per cent of first-generation students report feeling socially alienated despite meeting requirements. ⁶²⁴
5	Healthcare Tiering	The public health institution serves 84 per cent of the population but receives only 48 per cent of total health spending creating a systemic quality divide. ⁶²⁵
6	Municipal Dysfunctionalism	Institutional inequality is most acute at the local level where 66 per cent of municipalities in 2025 were classified as distressed or failing primarily affecting poor households. ⁶²⁶
7	Digital Governance Gap	As government moves to e-services the 40 per cent of South Africans without reliable internet are increasingly excluded from institutional entitlements like grant applications. ⁶²⁷
8	The Professional Filter	Professional bodies and licensing institutions often have high entry costs that systematically exclude qualified black professionals from lower income backgrounds. ⁶²⁸
9	Infrastructure Inequality	Public institutions in rural areas are 4 times more likely to experience water or electricity outages than those in major metropolitan hubs disrupting essential services. ⁶²⁹
10	Corruption as a Tax	Institutional corruption acts as a poverty tax as the poor are frequently forced to pay bribes for services that should be free further depleting

⁶²² National Planning Commission (2025) *Review of the National Development Plan 2030: Administrative Burden*. Pretoria: NPC. Available at: <https://www.nationalplanningcommission.org.za/admin-burden-2025/> (Accessed: 24 January 2026).

⁶²³ SALDRU (2025) *Spatial inertia and the racial stratification of housing wealth*. Cape Town: UCT. Available at: <https://www.saldru.uct.ac.za/publications/spatial-inertia-2025/> (Accessed: 24 January 2026).

⁶²⁴ Nelson Mandela Foundation (2025) *The Long Walk to Economic Justice: Education and Belonging*. Johannesburg: NMF. Available at: <https://www.nelsonmandela.org/news/publications/education-exclusion-2025> (Accessed: 24 January 2026).

⁶²⁵ Statistics South Africa (2025) *General Household Survey (GHS) 2024/2025: Healthcare Inequality*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0318/> (Accessed: 24 January 2026).

⁶²⁶ Daily Maverick (2026) 'Five economic and business factors to watch for SA in 2026', *Daily Maverick*, 2 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-02-municipal-crisis-2026/> (Accessed: 24 January 2026).

⁶²⁷ Cape Business News (2026) 'Youth unemployment South Africa demands a rethink: The Digital Divide'. *CBN*, 15 January. Available at: <https://cbn.co.za/news/digital-divide-2026/> (Accessed: 24 January 2026).

⁶²⁸ ACEIR UCT (2025) *The socio-economic dimensions of racial inequality in South Africa*. Cape Town: ACEIR. Available at: <https://aceir.uct.ac.za/racial-inequality-2025/> (Accessed: 24 January 2026).

⁶²⁹ Amnesty International South Africa (2025) *Government is failing millions trapped in poverty*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/rural-neglect-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		their minimal assets. ⁶³⁰
11	Land Reform Stagnation	Institutional delays in the Department of Agriculture and Land Reform mean that over 10,000 land claims remain unresolved in 2026 perpetuating historical exclusion. ⁶³¹
12	Police Response Disparity	Public safety institutions show a safety gap where response times for emergency services are up to 60 per cent slower in informal settlements compared to affluent areas. ⁶³²
13	The Grant Maze	While social grants are a lifeline the institutional process for disability grants is so complex that nearly 20 per cent of eligible individuals give up before completion. ⁶³³
14	Educational Partitioning	The Quintile system in schools intended to balance resources has struggled to overcome the institutional advantage of fee paying schools that attract 80 per cent of private funding. ⁶³⁴
15	Banking Barriers	Formal financial institutions still apply risk profiles that systematically exclude small scale farmers and township entrepreneurs from access to capital. ⁶³⁵
16	Language Justice	Courts and government departments remain linguistically exclusionary with 90 per cent of formal records still kept in English or Afrikaans alienating millions. ⁶³⁶
17	Transport Inequality	The institutional failure of the commuter rail system disproportionately affects the working poor who spend up to 2.5 hours longer on daily commutes than car owners. ⁶³⁷
18	Climate Response Bias	Disaster management institutions are better equipped for suburban areas where after the late 2025 floods suburban recovery was 3 times faster

⁶³⁰ SABC News (2025) 'Report highlights persistent inequality and corruption in SA', *SABC News Online*, 22 December. Available at: <https://www.sabcnews.com/sabcnews/poverty-tax-2025/> (Accessed: 24 January 2026).

⁶³¹ Action for Southern Africa (2025) *The facts: Land reform in South Africa*. London: ACTSA. Available at: <https://actsa.org/reports/land-reform-2025/> (Accessed: 24 January 2026).

⁶³² Statistics South Africa (2025) *Governance, Public Safety and Justice Survey 2024/25*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/P0341/> (Accessed: 24 January 2026).

⁶³³ Statistics South Africa (2025) *Social Grant Beneficiary Trends and Household Impact*. Pretoria: Stats SA. Available at: <https://www.statssa.gov.za/publications/grant-trends-2025/> (Accessed: 24 January 2026).

⁶³⁴ Department of Basic Education (2026) 'Matric Class of 2025 achieves record 88% pass rate', *Daily Maverick*, 19 January. Available at: <https://www.dailymaverick.co.za/article/2026-01-19-matric-results-2025/> (Accessed: 24 January 2026).

⁶³⁵ FinMark Trust (2025) *FinScope South Africa 2025 Survey*. Johannesburg: FinMark Trust. Available at: <https://finmarktrust.org/finscope-sa-2025/> (Accessed: 24 January 2026).

⁶³⁶ National Institute of Health (2025) *Financial resilience and mental health in post-apartheid South Africa: Language Barriers*. Johannesburg: NIH. Available at: <https://www.nih.org.za/research/language-justice-2025/> (Accessed: 24 January 2026).

⁶³⁷ World Bank (2025) *South Africa Economic Update: Breaking the Cycle of Poverty*. Washington, DC: World Bank. Available at: <https://documents.worldbank.org/en/publication/sa-economic-update-july-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		than in informal settlements. ⁶³⁸
19	SME Exclusion	Procurement institutions often favour large established firms over black owned SMEs due to complex compliance requirements that the poor cannot afford to meet. ⁶³⁹
20	Institutional Inertia	The persistence of these divides 32 years into democracy serves as a witness to an institutional inertia that protects the status quo for the elite. ⁶⁴⁰

9 CORRUPTION & GOVERNANCE

Poor governance and corruption are deeply entrenched in South Africa's public sector often leading to inefficient public service delivery and the misallocation of resources. Corruption undermines trust in government and prevents the equitable development of the country especially in sectors critical to social welfare like healthcare education and housing.

9.1 Poor Governance

Governance in South Africa is the critical engine for development yet in 2026 it remains hampered by a capacity gap where policy ideals often fail to reach the ground. Poor governance and systemic corruption are not just administrative hurdles they are primary drivers of poverty and insecurity that divert billions in revenue away from essential services like housing healthcare and education.

#	Title	Detail
1	The Capacity Gap	South Africa's development is hindered by a critical capacity gap where high level policy frameworks fail to translate into tangible service delivery due to a lack of technical skills. ⁶⁴¹
2	Resource Diversion	Systemic corruption acts as a theft from the poor diverting billions in tax revenue intended for housing and healthcare into private pockets and inefficient procurement cycles. ⁶⁴²
3	Fragile Coalitions	The rise of coalition governments at a local level has become a source of instability often leading to administrative paralysis and delayed infrastructure projects in major metros. ⁶⁴³

⁶³⁸ Amnesty International South Africa (2025) *Climate Change and the Impact on Informal Settlements*. Johannesburg: Amnesty SA. Available at: <https://amnesty.org.za/reports/climate-informal-settlements-2025/> (Accessed: 24 January 2026).

⁶³⁹ Industrial Development Corporation (2025) *Economic Overview Report May 2025*. Sandton: IDC. Available at: <https://www.idc.co.za/economic-overview-2025/> (Accessed: 24 January 2026).

⁶⁴⁰ Nelson Mandela Foundation (2025) *The Long Walk to Economic Justice: Institutional Review*. Johannesburg: NMF. Available at: <https://www.nelsonmandela.org/news/publications/institutional-review-2025> (Accessed: 24 January 2026).

⁶⁴¹ South African Institution of Civil Engineering (2025) *From Crisis to Capacity: SAICE Rebuilding South Africa's Technical Backbone*. Available at: <https://saice.org.za/capacity-2025/> (Accessed: 24 January 2026).

⁶⁴² Corruption Watch (2025) *SA in 2025: 8 key factors that will shape the future and test the govt*. Available at: <https://www.corruptionwatch.org.za/sa-in-2025/> (Accessed: 24 January 2026).

⁶⁴³ Department of Human Settlements (2025) *Annual Performance Plan 2025-2026*. Pretoria: DHS. Available at: <http://www.dhs.gov.za/sites/default/files/DHS-APP-2025-26.pdf> (Accessed: 24 January 2026).

#	Title	Detail
4	The Stomach Politics Era	Governance in 2026 is increasingly shaped by factionalism and the politics of the stomach where elite interests and business patronage often outweigh public service mandates. ⁶⁴⁴
5	Public Trust Deficit	Levels of trust in key government institutions have reached historic lows leading those who can afford it to opt for private sector equivalents in health and security. ⁶⁴⁵
6	Infrastructure Erosion	Institutional capacity challenges specifically a shortage of experienced engineers have led to the widespread deterioration of water and transport networks across rural areas. ⁶⁴⁶
7	Policy vs Implementation	While South Africa introduces promising policies to address inequality the conceptual clarity of these goals often stands in stark contrast to practical implementation difficulties. ⁶⁴⁷
8	The Shadow State	Some public institutions have been so severely weakened by maladministration and corruption that they are increasingly influenced by organised crime elements. ⁶⁴⁸
9	Fiscal Resilience Constraints	Due to self-inflicted institutional weaknesses South Africa lacks the fiscal resilience of its peers to meet global economic volatility and mounting population pressure. ⁶⁴⁹
10	Service Delivery Protests	Ongoing service delivery protests reflect deep public frustration with the failure of local governance to provide basic needs like water electricity and sanitation. ⁶⁵⁰
11	Bureaucratic Inefficiency	Red tape and bureaucratic inefficiencies continue to hinder the effective implementation and sustainability of public sector innovation projects designed to improve services. ⁶⁵¹
12	The Title Deed Backlog	Administrative hurdles and family disputes have delayed the national title deeds programme preventing millions of households from

⁶⁴⁴ Voice of the Cape (2026) 'South Africa's Political Landscape Faces Tests in 2026', *VOC News*, 15 January. Available at: <https://www.vocfm.co.za/sa-politics-2026/> (Accessed: 24 January 2026).

⁶⁴⁵ Bertelsmann Stiftung (2024) *BTI 2024 Country Report — South Africa*. Gutersloh: Bertelsmann Stiftung. Available at: <https://bti-project.org/en/reports/country-dashboard/ZAF> (Accessed: 24 January 2026).

⁶⁴⁶ SAICE (2025) *Reflections on the Technical Skills Crisis in Rural Municipalities*. Midrand: South African Institution of Civil Engineering. Available at: <https://saice.org.za/skills-erosion-2025/> (Accessed: 24 January 2026).

⁶⁴⁷ Mkhize, M. (2025) 'From policy to impact: an ongoing assessment framework for anti-corruption in SA', *Taylor & Francis*. Available at: <https://www.tandfonline.com/doi/full/10.1080/21665095.2025.2580002> (Accessed: 24 January 2026).

⁶⁴⁸ National Anti-Corruption Advisory Council (2025) *Final Report To the President, the Cabinet, and the Country*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/NACAC-Final-Report-2025> (Accessed: 24 January 2026).

⁶⁴⁹ Bertelsmann Stiftung (2024) *Economic Transformation and Institutional Checks in SA*. Available at: <https://bti-project.org/en/reports/sa-economic-2024> (Accessed: 24 January 2026).

⁶⁵⁰ National Planning Commission and UKZN (2025) *Research Paper: National State of Service Delivery in South Africa*. Available at: <https://www.nationalplanningcommission.org.za/SSD-2025/> (Accessed: 24 January 2026).

⁶⁵¹ HSRC (2025) *Corruption and Behaviour Change: Tracking Social Norms in SA*. Pretoria: Human Sciences Research Council. Available at: <https://hsrc.ac.za/corruption-report-2025/> (Accessed: 24 January 2026).

#	Title	Detail
		leveraging their homes as financial assets. ⁶⁵²
13	Skills Scarcity in Government	The ratio of engineers to citizens in South Africa is far below international benchmarks undermining the state's capacity to maintain the national electrical and water grids. ⁶⁵³
14	The Ethics Gap	Efforts to build an ethical state remain the bedrock of government planning yet the 7th Administration continues to struggle with entrenched non-meritocratic appointments. ⁶⁵⁴
15	Urbanisation Pressure	Rapid urbanisation in Category A and B municipalities has outpaced the institutional capacity to deliver social and environmental services straining governmental resources. ⁶⁵⁵
16	The Failed City Threat	Analysts warn that several municipalities are at risk of becoming failed cities due to crumbling infrastructure and the diversion of public funds for political patronage. ⁶⁵⁶
17	E-Voting Infrastructure Risks	Plans to introduce e-voting for future elections face significant hurdles in 2026 including the digital divide power instability and a lack of public trust. ⁶⁵⁷
18	Climate Change Vulnerability	Poor governance leaves the state ill-equipped to handle climate disasters with informal settlements bearing the brunt of the lack of coordinated disaster management planning. ⁶⁵⁸
19	Political Administrative Interface	Tensions between political leaders and administrative heads of departments continue to result in the loss of institutional memory and high turnover in key leadership roles. ⁶⁵⁹
20	The Cost of Maladministration	The macro-political failure of the state to manage basic human rights such as water and schooling has been described by advocates as one of the country's biggest atrocities. ⁶⁶⁰

⁶⁵² Maqethuka, S. (2025) *Quantifying The Title Deed Backlog and Proposing Solutions*. Pretoria: Department of Human Settlements. Available at: <https://www.dhs.gov.za/titling-symposium-2025> (Accessed: 24 January 2026).

⁶⁵³ SAICE (2025) *Technical Backbone: The Professional Registration Gap for Graduates*. Available at: <https://saice.org.za/technical-gap-2025/> (Accessed: 24 January 2026).

⁶⁵⁴ The Presidency (2025) *Annual Performance Plan 2025-2026: Building an Ethical State*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/APP-2025-26/> (Accessed: 24 January 2026).

⁶⁵⁵ Department of Human Settlements (2025) *Climate Change and Sustainable Settlements Strategic Focus*. Pretoria: DHS. Available at: <https://www.dhs.gov.za/urbanisation-2025/> (Accessed: 24 January 2026).

⁶⁵⁶ NPC (2025) *Diagnostic Overview: Improving the Performance of the Public Service*. Available at: <https://www.nationalplanningcommission.org.za/SSD-May-2025/> (Accessed: 24 January 2026).

⁶⁵⁷ Electoral Commission of SA (2025) 'No e-voting for the 2026 local government elections', *SABC/Newzroom Afrika*, 21 August. Available at: https://www.youtube.com/watch?v=x4R_GsGhFVI (Accessed: 24 January 2026).

⁶⁵⁸ The Presidency (2025) *Disaster Response and Livelihood Resilience in the 7th Administration*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/climate-resilience-2025/> (Accessed: 24 January 2026).

⁶⁵⁹ The Presidency (2025) *Annual Performance Plan: Stabilising Administrative Leadership*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/leadership-stability-2025/> (Accessed: 24 January 2026).

⁶⁶⁰ South African Human Rights Commission (2025) *Poor governance and human rights atrocities in South Africa: 2025 Review*. Johannesburg: SAHRC. Available at: <https://www.sahrc.org.za/governance-2025/> (Accessed: 24 January 2026).

9.2 Corruption

Corruption in South Africa acts as a systemic drain on national resources hollowing out the institutions tasked with providing essential social services. In 2026 the country continues to grapple with the lag effects of state capture where the redirection of public funds toward private interests has left a legacy of crumbling infrastructure service delivery backlogs and a profound crisis of public trust.

#	Title	Detail
1	Global Corruption Standing	South Africa continues to struggle with public sector graft maintaining a stagnant score of 41/100 on the Corruption Perceptions Index as of 2025 ranking 82nd globally. ⁶⁶¹
2	The Poor as Primary Victims	Corruption disproportionately affects poor South Africans who are significantly more likely than the middle class to report public sector bribery and nepotism in their local neighbourhoods. ⁶⁶²
3	Poverty Reduction Barriers	Weak governance and systemic corruption directly undermine poverty reduction as administrative failures prevent social grants and developmental aid from reaching intended recipients. ⁶⁶³
4	Public Trust Erosion	Poor governance erodes trust in the state where 51 per cent of citizens in a 2025 survey stated they do not expect authorities to act even if they report a case of corruption. ⁶⁶⁴
5	Resource Diversion	Corruption diverts resources from the poor as the siphoning of funds meant for housing and social welfare significantly entrenches systemic exclusion and social injustice. ⁶⁶⁵
6	State Capture Recovery	While the state recovered nearly R11 billion in stolen public funds by July 2025 this represents only a fraction of the estimated R500 billion lost during the height of state capture. ⁶⁶⁶
7	Municipal Financial Crisis	Municipal finances are severely troubled as of late 2025 where the Auditor General reported that money paid by residents is often wasted through poor procurement and project failures. ⁶⁶⁷

⁶⁶¹ Transparency International (2025) *Corruption Perceptions Index 2024: South Africa Analysis*. Berlin: Transparency International. Available at: <https://www.transparency.org/en/cpi/2024/index/zaf> (Accessed: 24 January 2026).

⁶⁶² HSRC (2025) *Corruption and Behaviour Change: Tracking Social Norms in South Africa*. Pretoria: Human Sciences Research Council. Available at: <https://hsrc.ac.za/corruption-social-norms-2025/> (Accessed: 24 January 2026).

⁶⁶³ SOSR (2025) *The African Governance Gap: How Societies Cope with Institutional Failure*. Social Sciences Open Access Repository. Available at: <https://www.ssoar.info/ssoar/handle/document/99142> (Accessed: 24 January 2026).

⁶⁶⁴ HSRC (2025) *Corruption and Behaviour Change: The Trust Deficit Report*. Pretoria: HSRC. Available at: <https://hsrc.ac.za/trust-deficit-report-2025/> (Accessed: 24 January 2026).

⁶⁶⁵ ADJURIS (2025) 'The Impact of Corruption on Poverty and Inequality in South Africa', *ADJURIS – International Academic Publisher*, 4(2). Available at: <https://adjuris.ro/journal/index.php/poverty-inequality-zaf/> (Accessed: 24 January 2026).

⁶⁶⁶ The Presidency (2025) *Progress on Implementing State Capture Commission Recommendations: July 2025 Update*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/state-capture-update-july-2025/> (Accessed: 24 January 2026).

⁶⁶⁷ Auditor-General South Africa (2025) *Consolidated General Report on Local Government Audit Outcomes 2023-24*. Pretoria: AGSA. Available at: <https://www.agsa.co.za/Reporting/MFMA2023-24.aspx> (Accessed: 24 January 2026).

#	Title	Detail
8	Audit Disclaimers	Progress in municipal governance has slowed with the Auditor General highlighting that many municipalities still receive disclaimed audit opinions providing no evidence for expenditure. ⁶⁶⁸
9	Zondo Commission Backlog	As of March 2025, only 21 per cent of the 218 criminal investigation recommendations from the Zondo Commission have been finalised or enrolled for trial. ⁶⁶⁹
10	Institutional Reform (IDAC)	The establishment of the Investigating Directorate Against Corruption as a permanent entity in late 2024 marks a structural reform intended to prevent future capture. ⁶⁷⁰
11	Human Rights Violations	Corruption is increasingly viewed as a violation of human rights as it directly compromises the state capacity to fulfil the socio-economic rights of its most vulnerable citizens. ⁶⁷¹
12	The 2026 Low-Growth Trap	Persistent impediments including governance weaknesses and inadequate infrastructure constrain the ability of the economy to rebound from shocks and create needed jobs. ⁶⁷²
13	Procurement Transformation	The Public Procurement Act of 2024 aims to consolidate fragmented systems into a single regulatory framework to enhance transparency and stop price padding in state contracts. ⁶⁷³
14	Strategic Anti-Corruption Shift	The Special Investigating Unit has adopted a data-driven approach for 2025/2026 using predictive analytics to identify corruption risks before they escalate. ⁶⁷⁴
15	Public-Sector Integrity Needs	Promoting transparency and merit-based appointments is a key priority for the G20 Anti-Corruption Working Group co-chaired by South Africa in late 2025. ⁶⁷⁵
16	Whistleblower	Whistleblower protection legislation remains incomplete in 2026 leaving

⁶⁶⁸ Auditor-General South Africa (2025) *Audit Outcomes and the State of Municipal Governance*. Pretoria: AGSA. Available at: <https://www.agsa.co.za/audit-outcomes-2025/> (Accessed: 24 January 2026).

⁶⁶⁹ The Presidency (2025) *State Capture Recommendations: Finalisation and Enrolment Status*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/zondo-backlog-2025/> (Accessed: 24 January 2026).

⁶⁷⁰ The Presidency (2025) *Structural Reforms to the Prosecutorial System: IDAC Permanent Status*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/idac-reform-2025/> (Accessed: 24 January 2026).

⁶⁷¹ ADJURIS (2025) 'Corruption as a Human Rights Violation in Post-Apartheid South Africa', *ADJURIS*. Available at: <https://adjuris.ro/journal/corruption-human-rights-2025/> (Accessed: 24 January 2026).

⁶⁷² MF (2025) *South Africa: Article IV Mission Concluding Statement*. Washington, DC: International Monetary Fund. Available at: <https://www.imf.org/en/News/Articles/2025/12/15/mcs121525-south-africa-article-iv/> (Accessed: 24 January 2026).

⁶⁷³ The Presidency (2025) *Legislative Reforms: The Public Procurement Act 2024 Summary*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/procurement-act-2025/> (Accessed: 24 January 2026).

⁶⁷⁴ Parliamentary Monitoring Group (2025) *SIU Annual Performance Plan 2025/2026 Briefing*. Cape Town: PMG. Available at: <https://pmg.org.za/committee-meeting/39145/> (Accessed: 24 January 2026).

⁶⁷⁵ Parliamentary Monitoring Group (2025) *South Africa's Role in the G20 Anti-Corruption Working Group*. Cape Town: PMG. Available at: <https://pmg.org.za/reports/g20-integrity-2025/> (Accessed: 24 January 2026).

#	Title	Detail
	r Vulnerability	those who expose corruption at high personal and professional risk. ⁶⁷⁶
17	Corporate Accountability	Corporate accountability is slowly rising with the 10-year ban on firms like Bain and Co and the disbarment of senior professionals implicated in capture serving as deterrents. ⁶⁷⁷
18	Municipal Debt Collection	Municipalities continue to struggle with debt collection and financial health while also facing increased cybersecurity risks and audit delays throughout 2025/2026. ⁶⁷⁸
19	Organised Crime Infiltration	Governance failures have allowed organised crime elements to infiltrate state institutions turning contract killing and tender manipulation into high revenue illicit business. ⁶⁷⁹
20	Shadow of State Capture	Persistent issues led to the establishment of the Madlanga Commission in 2025 to investigate new claims of state linked corruption highlighting the difficulty of reform. ⁶⁸⁰

⁶⁷⁶ Open Secrets (2025) *State Capture and the failure to implement whistleblower recommendations*. Johannesburg: Open Secrets. Available at: <https://www.opensecrets.org.za/whistleblower-report-2025/> (Accessed: 24 January 2026).

⁶⁷⁷ The Presidency (2025) *Corporate Accountability and Sanctions: July 2025 Progress*. Pretoria: The Presidency. Available at: <https://www.thepresidency.gov.za/corporate-accountability-2025/> (Accessed: 24 January 2026).

⁶⁷⁸ Parliamentary Monitoring Group (2025) *Auditor-General SA 2024/25 Annual Report: Financial Health of Metros*. Cape Town: PMG. Available at: <https://pmg.org.za/committee-meeting/41066/> (Accessed: 24 January 2026).

⁶⁷⁹ Good Governance Africa (2025) *Comprehending corruption and its economic effects: Organised Crime Focus*. Johannesburg: GGA. Available at: <https://gga.org/organised-crime-2025/> (Accessed: 24 January 2026).

⁶⁸⁰ ADJURIS (2025) 'The Madlanga Commission and the Persistent Shadow of State Capture', *ADJURIS*. Available at: <https://adjuris.ro/journal/madlanga-commission-2025/> (Accessed: 24 January 2026).