



STRATEGIC PLAN

2026-2035





TOWARDS A DEVELOPMENTAL STATE, SOCIAL COHESION AND A CARING SOCIETY.



NATIONAL LOTTERIES COMMISSION

a member of **the dtic** group



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The National Lotteries Commission (NLC) is a creature of the Lotteries Act (Act No 57 of 1997). It has now been operating for 25 years. During that time much has changed. Principally, in the heady days of the establishment of a constitutional democracy there was an eagerness to serve. At the same time the government realized that the demands on the public purse will be so enormous that government on its own was never likely to serve the societal needs.

There was a recognition therefore that a smart solution be found such that resources may be found without recourse to the national fiscus but at the same time such as to maintain accountability. At the same time there was a need to transform the gambling industry that was inherited from apartheid but to transform it to serve the common good. To enhance accountability, the NLC is subject to the PFMA designated as a Schedule 3A public entity. The Minister of Trade, Industry and Competition is the designated executive Authority of the NLC.

During the 25 years, the NLC has been able to provide resources for worthy good causes that support the work of community-based organisations. Two further developments have affected the work of the NLC. First, in 2011 the National Development Plan 2030 was adopted by the government. The NDP was to be the driver of all government activities and services such as to promote development. That was the first time that the South African Government had defines the

philosophy of the government in that manner. It also required therefore that all government services should adopt the philosophy outlined in the NDP. For a variety of reasons, the NDP has not been a success, nor has it been adopted across government as was envisaged.

The second factor that intervened is that in an extended period, say from 2012-2022 the NLC became embroiled in corruption that sucked in Board Members, Executives and Managers of the NLC, staff and beneficiaries. So serious was this that the President issued a Proclamation authorizing the Special Investigative Unit to undertake a detailed investigation of corruption and how public funds were deflected for private use or benefit. In that process, various SIU estimates suggest the funds to the extent of R1.5bn were abused.

It is therefore for that reason that the NLC is now facing a new life, and it needs to correct the blemishes of the past. First it is the view of the Board that the NLC in recovering and restating its Mandate and Mission must draw from the strategy and philosophy of the National Development Plan 2030. We are convinced that the NLC needs a re-set as it addresses the criminal conduct of the past. To do so we take a leaf out of the NDP and define the purpose of the NLC as developmental in nature. Accordingly, a new statement of Mission and Vision has become imperative in order that the NLC should define the future afresh. This is not just an idle adjustment. It is such as to enable a renewed NLC to emerge out of the ashes of the malfeasance that eroded public confidence.

We therefore present to the Government and People of South Africa this Statement of Strategy that will instill public confidence, align the NLC to the objectives of the State and acknowledge the partnership with the state to promote the public good. We emphasize that the National Lottery exists for the public good. It is an investment that ordinary citizens make and out of which they receive the rewards or dividends of not just winning large sums for their personal benefit, but more importantly, they produce collectively resources to promote the public good. That, in our view, is ubuntu.

Professor N Barney Pityana GCOB FKC MASSAf
Chairperson of the National Lotteries Commission

2. PREAMBLE

The 2026–2030 Strategic Plan marks a defining chapter in the National Lotteries Commission’s journey as we enter a new era of renewal, integrity, and strengthened public service. This period represents a deliberate and transformative shift—one that reaffirms our commitment to ethical stewardship, transparent governance, and the responsible management of the National Lottery in service of all South Africans.

The NLC’s future direction is anchored in optimising and elevating our core mandates: grant funding that meaningfully advances national development priorities and regulatory compliance that ensures a fair, trustworthy, and accountable lottery environment. We have already commenced with intensifying our efforts to streamline grant-making processes, reinforce monitoring and evaluation, and enhance compliance frameworks to protect the integrity of the sector.

This Strategic Plan sets out a renewed vision for an NLC that is responsive, credible, and impactful—an institution that empowers communities, safeguards public interest, and contributes to sustainable socio-economic development. With a strengthened governance culture and a clear strategic path, the NLC is poised to deliver on its mandate with excellence, equity, and purpose.

It also marks a period of significant milestones in the term of the current board which has set out a robust strategy to stabilise and elevate the NLC as a public entity of excellence and impact. Many of the programmes that have been borne of the strategic vision of the board will find themselves already in the implementation of plans in this financial year. This includes the drive to build operational excellence as the modernisation of the NLC increases in pace and reaches its intended target: the lottery participant and grant applicant.

The socio-economic context within which the NLC operates brings different pressures to the NLC. Potential lottery participants find themselves with less disposable income to direct toward lottery games, while the needs of the NPO sector which depends on revenue from the lottery seem to grow exponentially, the age-old economic challenge of supply versus demand. While the needs almost always outweigh the

available resources, our strategies around rebuilding hope in South Africa are developed with impact in mind and quality over quantity. It is envisaged that the mechanism of Research Based Funding, as a key strategic tool, will aid the NLC in better aligning with the targets to reduce inequality and eliminate poverty as outlined in the National Development Plan (NDP).

The 7th administration of the South African government’s refined focus and priorities closely echo the mandate of the NLC, and the Commission finds itself in a position of increased importance, particularly on building a capable, ethical and developmental state. The three pillars of returning the NLC to the focus of its core mandates by reinstating credibility, restoring governance, and building operational excellence continue to be the guiding principles for the entity.

The Commission holds a critical role in safeguarding the integrity, fairness, and transparency of the lottery industry, while also driving positive social change and developmental initiatives through our secondary mandate of funding. Grounded in our commitment to uphold the highest standards of governance, accountability, and ethical conduct, we recognise the significance of fostering collaboration, innovation, and partnership to fulfill our dual mandate effectively.

In the wake of recent trials and tribulations, possibilities await, and our organisation is has embarked on a strategic journey of regeneration and transformation. Through this strategic plan, we seek to chart an even clearer path forward that aligns with our organisational values, leverages our strengths, and addresses the evolving needs and expectations of our distinct stakeholders.

With a renewed focus on collaboration and partnerships, we aim to harness the collective expertise, resources, and networks of diverse stakeholders to drive meaningful impact and sustainable change. Through fostering collaboration among government agencies, non-profit organisations, philanthropic entities, community groups, industry stakeholders, and the public, we seek to amplify our efforts, enhance our reach, and maximise the effectiveness of our interventions.

This strategic plan outlines our vision, mission, values, and strategic priorities for the coming years. It reflects

our unwavering commitment to promoting integrity, transparency, and social responsibility in the lottery industry, while also advancing equitable access to funding and opportunities for organisations and initiatives that address pressing social challenges and contribute to the well-being of communities across our nation.

3. A REMINDER OF WHY THE NATIONAL LOTTERY IS IMPORTANT

Before a single national system existed, several smaller or provincial lotteries operated in South Africa and in some former homelands. Examples include a Transkei lottery (established 1989) and the Natal/KZN Lotto (launched in 1992). These local operations demonstrated both public appetite for lottery games and the problems of fragmented, uneven regulation. After the end of apartheid the new democratic government moved to create a single, regulated national lottery. The Lotteries Act (No. 57 of 1997) was enacted to:

- (a) regulate and prohibit lotteries and sports pools, and
- (b) establish a National Lotteries Board (NLB) to administer and oversee a national lottery.

The Act was assented to in November 1997 and its formal commencement was tied to later implementation steps. The National Lotteries Board (later renamed / restructured into the National Lotteries Commission) was established as the regulator and distribution authority for funds raised. The NLB set up the institutional framework for awarding an operating licence, monitoring compliance and approving distributions to “good causes.”

Why the government wanted a national lottery — the premise and policy goals

The decision to create a single, national lottery after 1994 was driven by several clear aims set out in legislation and policy:

1. Raise non-tax revenue for public good causes.

The Lotteries Act and later policy documents make plain that one of the main objectives was to generate substantial revenues that could be channelled to “worthy causes” (arts, sport, welfare, community development,

and charitable projects) where public funding was insufficient. The lottery was seen as a mechanism to mobilise private spending for public benefit.

2. Create a transparent, regulated distribution mechanism.

Rather than ad hoc charitable gaming or fragmented provincial lotteries, the government wanted a centralised, accountable body (the NLB/NLC) to ensure proceeds were awarded fairly and with oversight, to maximise social impact.

3. Control and regulate gambling activity.

Legalising and regulating a national lottery allowed the state to curb illegal lotteries and rogue promotional competitions, protect consumers (age limits, rules), and ensure operators complied with standards.

4. Economic and social benefits.

The lottery would create jobs (retail, distribution, broadcasting), stimulate ancillary industries (retail sales, media advertising), and offer entertainment revenue streams for the economy — while directing a portion of proceeds into development.

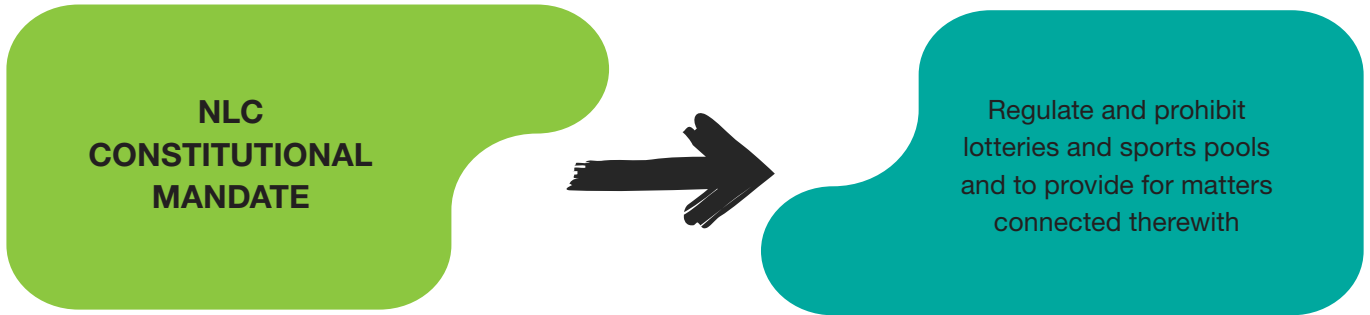
5. Nation-building and redistribution.

In the post-apartheid context, channeling new sources of funding toward community upliftment, arts and culture, sport development, and social welfare fit government priorities for transformation and social inclusion. The national lottery was therefore framed as a redistributive instrument as well as a revenue source.

Over time the NLC has evolved: amendments to the Lotteries Act and subsequent policy decisions expanded and refined the regulator’s mandate and governance. The National Lotteries Commission (NLC) is now the single national regulator tasked with policing compliance, regulating the operator, and overseeing distribution to good causes.

4. PART A: NLC'S MANDATE

4.1 Constitutional Mandate



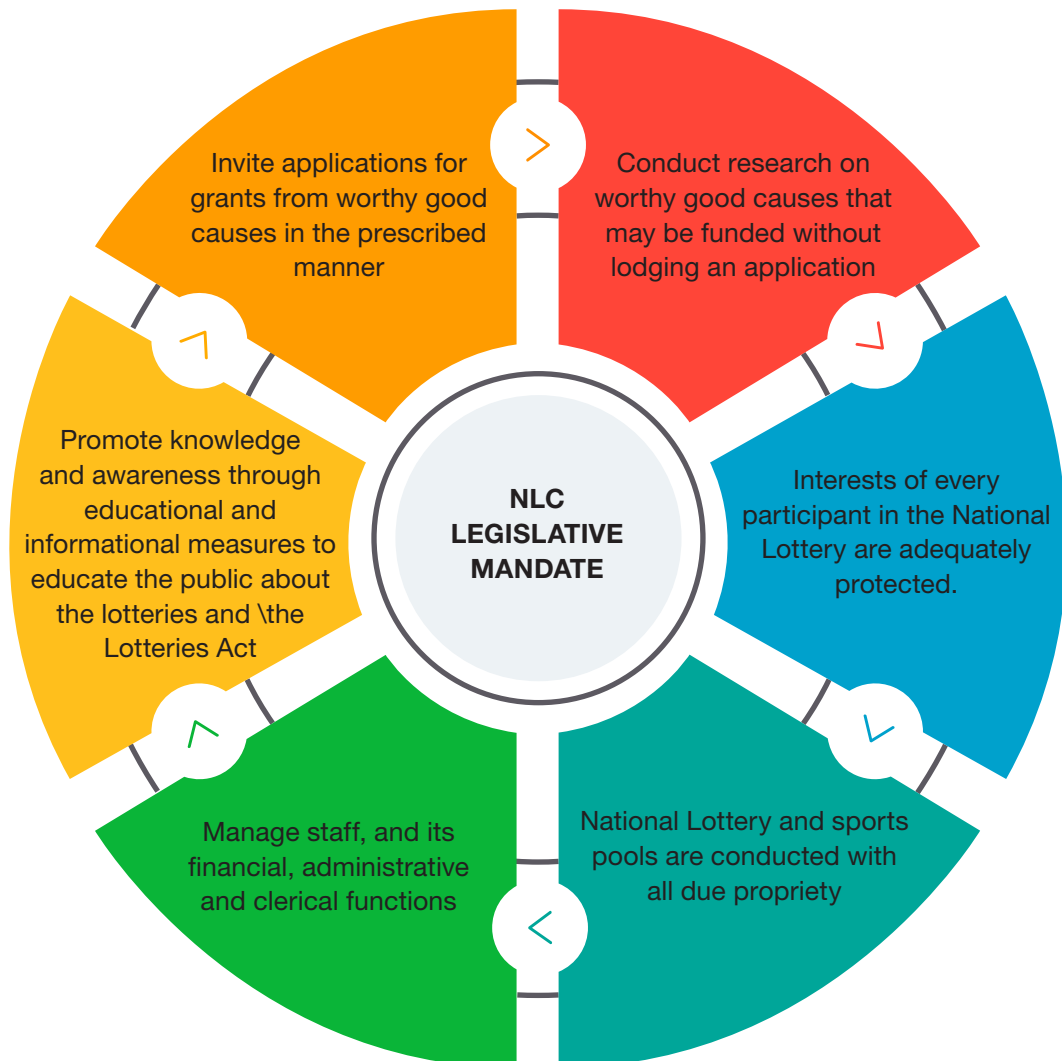
The NLC has the sole mandate to regulate and prohibit lotteries and sports pools and to provide for matters connected therewith.

raise funds for worthy causes. The NLC is governed by a Board appointed by the Executive Authority. The Executive Authority of the NLC is the Department of Trade, Industry and Competition.

4.2 Legislative and policy mandate

The National Lotteries Commission (NLC) is a Schedule 3A Public entity that was established in terms of the Lotteries Act 57 of 1997, as amended, to regulate the National Lottery, Sports Pools and society lotteries, to

The Commission, as set out in the Act, shall apply the principles of openness and transparency, exercise the functions assigned to it in terms of the Act as demonstrated below:



- To ensure that the National Lottery and Sports Pools are conducted with all due propriety and strictly in accordance with the Constitution, all other applicable law and the licence for the National Lottery, together with any agreement pertaining to that licence and that the interests of every participant in the National Lottery are adequately protected.
- Conduct research on worthy good causes that may be funded without lodging an application prescribed in terms of the Lotteries Act, upon request by the Minister, Board or on its own initiative in consultation with the Board.
- Invite applications for grants from worthy good causes in the prescribed manner.
- Promote public knowledge and awareness by developing and implementing educational and informational measures to educate the public about the lotteries and provisions of the Lotteries Act, as amended, and educating the public by explaining the process, requirements and qualifications relating to the application for grants in terms of this Act.
- Manage staff and its financial, administrative and clerical functions and exercise any other function as delegated or directed by the Minister or the Board

4.3 How we fulfill our mandates

The NLC is recognised as a juristic person, which gives rise to various rights and obligations. This empowers

the NLC to make strategic decisions and take decisive actions in pursuit of its mission and objectives. It allows the organisation to act in its own best interests, considering long-term sustainability, stakeholder needs, and societal impact.

Legal recognition as a juristic person enhances the NLC’s credibility, legitimacy, and trustworthiness in the eyes of stakeholders, including grant recipients, donors, partners, and the public. It demonstrates a commitment to accountability, transparency, and adherence to legal standards and regulations, therefore, to ensure the NLC’s continuity and stability over the long term, it is pertinent for the organisation to rely on its ability to operate effectively, responsibly, and autonomously within the legal framework, while fulfilling its mandate to regulate the lottery industry and distribute funds for social development initiatives.

As a separate legal entity, the NLC has the flexibility to engage in a wide range of activities, initiatives, and partnerships to fulfill its mandate. It can collaborate with other organisations, government agencies, and stakeholders to achieve common objectives and goals without undue constraints.

Below is the demonstration of how we fulfill our mandate as the National Lotteries Commission for the good of the society and the public at large.



REGULATE the National Lottery and sports pools as well as other lotteries, including society lotteries and sports pools.



ADVISE the Minister of Trade industry and competition on policy matters relating to the National Lottery, sports pools and other lotteries.



DISTRIBUTE a portion of the revenue from the National Lottery to good causes through the National Lottery Distribution Trust Fund (NLDTF).

HOW WE REGULATE:

NLC exist to safeguard players and the wider public by ensuring that lottery and sports pools participation is credible.

The main ways we do this is by:

- licensing the national lottery and sports pools operator
- registering society lotteries and their schemes
- compliance monitoring of other lotteries
- setting out Licence conditions, codes of practice and approving game rules and regulations
- carrying out compliance reviews for all lotteries and sports pools operators
- enforcement action taken where operators breach licence conditions and society conditions
- working closely with the gambling industry to protect participants
- providing advice and guidance to players and the public
- being the leading authority on lotteries related statistics and research

HOW WE FUND:

The NLC also serves as a Grant Funder, providing registered non-profit organisations with funding to establish projects that improve the lives of everyday South Africans.

We fund projects in the following categories under the Application Based Model:

- Arts, Culture, National Heritage and Environment
- Charities
- Sports and Recreation

The Research Based Model allows for planned and unplanned funding without having to lodge an application and is based on Strategic Partnerships with the NLC.

At the regulatory mandate level, the national lottery continues to make significant deposits to the National Lottery Distribution Trust Fund.

4.4 Functions of the Board

The board shall apply the principles of openness and transparency, in addition to its other functions under the Act, to name a few;

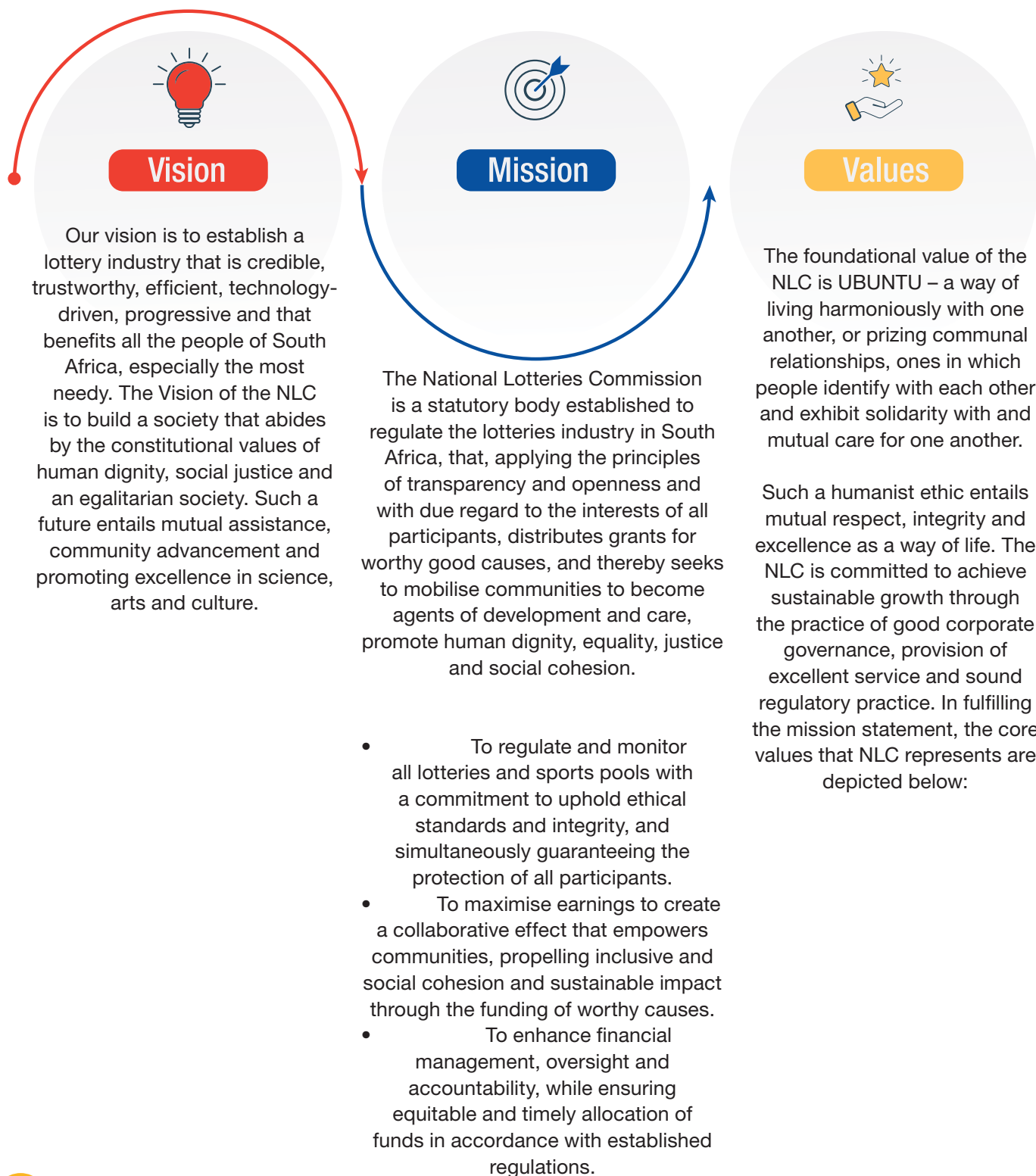
- Advise the Minister on the issuing of the licence to conduct the National Lottery as contemplated in section 13
- Monitor, regulate and police lotteries incidental to exempt entertainment, private lotteries, society lotteries and any other competition contemplated in section 54
- Advise the Minister on percentages to of money to be allocated
- Advise the Minister on the efficacy of legislation pertaining to lotteries and ancillary matters
- Advise the Minister on establishing and implementing a social responsibility programme in respect of lotteries
- Advise the Minister on any matter relating to the National Lottery and other lotteries or any other matter on which the Minister requires the advice of the board
- In consultation with Minister, determine category of applications for grants that are excluded from funding.

In addition to the above highlighted functions, the board are the trustees of the National Lottery Distribution Trust Fund (NLDTF), a fund established for distribution of the net proceeds of National Lottery.

The Board is entrusted with the responsibility of managing and administering the fund and hold it in trust. The fund shall be held in trust by the board for

distribution of any sum paid into the fund as is allocated for expenditure, after the distributing agency has considered, evaluated and adjudicated an application for a grant or following a recommendation of funding of worthy good causes from the Commission after research conducted. Furthermore, the board may invest the money paid in accordance with the Act and the licence for the National Lottery.

5. NLC VISION, MISSION AND CORE VALUES



ACCOUNTABILITY

To embrace our duties with a sense of ownership and responsibility, aiming to create a positive and lasting sustainable influence on the communities we are dedicated to serving.

INTEGRITY AND ETHICAL CONDUCT

To be honest and demonstrate consistent, transparent, fair and an uncompromising adherence to strong moral and ethical principles.

CARING AND RESPECT

To have empathy, compassion, and consideration for others, fostering a positive relationship and supportive work environment.

EXCELLENCE

To be committed to consistently achieve the highest standards of quality and performance in all aspects of our operations.



STRATEGIC **FOCUS**

6. STRATEGIC FOCUS AND OUTCOMES

As articulated, the NLC derives its funds from the proceeds of the National Lottery deposited in the National Lotteries Distribution Trust Fund. The Board members of the NLC serve as trustees of the NLDTF.

The priorities set out above are not exclusive but will inform the strategies of the NLC for the next 10 years in the hope that the grants of the NLDTF will make the greatest impact on the quality of life of the people of South Africa without fear, favour or prejudice.

The NLC will maintain the categories for grants set out in the Act. Annually the NLC will issue a call applications setting out the priorities for that year. The Distributing Agents consider the applications, adjudicate and make grants on merit.

While the NLC endeavours to support as many applications for funding worthy good causes as possible funds, however, are always limited and not all deserving applications will succeed.

The Board of the NLC will also make awards to address specific projects that will make an impact to the national landscape in an enduring fashion. In general, these grants will be selective and will be based on research. Such grants may be viable for a duration that will be determined by the Board.

It must be noted that the National Development Plan (NDP): Vision 2030 is South Africa's long-term blueprint for eliminating poverty and reducing inequality by 2030. It sets out 14 national outcomes that collectively aim to build a capable state, promote inclusive economic growth, enhance social protection, and foster nation-building and social cohesion. The NDP provides the overarching framework through which all organs of state, public entities, and development institutions align their policies, programmes, and budgets to contribute toward the country's shared vision of prosperity and equity.

Why Alignment Matters for the NLC?

As a public entity mandated to regulate lotteries and distribute funding for "good causes" through the National Lotteries Distribution Trust Fund (NLDTF), the

National Lotteries Commission (NLC) plays a vital role in advancing national development priorities. Aligning its Strategic Plan, Annual Performance Plan, and grant-making programmes with the NDP outcomes ensures that the NLC's investments directly support the nation's broader social and economic transformation agenda.

Such alignment enables the NLC to:

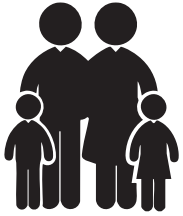
- Demonstrate developmental impact by showing how funded projects contribute to measurable national goals.
- Leverage partnerships with government departments and development agencies working toward the same outcomes.
- Enhance accountability and credibility through transparent contribution to national priorities.
- Maximise the value of lottery funding by targeting areas that address systemic challenges such as unemployment, inequality, social cohesion, and community development.

In essence, alignment with Vision 2030 positions the NLC not merely as a grant funder, but as a strategic development partner that channels national resources toward sustainable, inclusive growth and improved quality of life for all South Africans. The NLC is further at an advantage with its clear mandate, scale and reach including the fact that it is the sole regulator and the largest national grant channel for "good causes", with established legal / regulatory footing and the formal NLDTF funding channel. The organisation's role and reach of distributing funds to civil society and development projects — is unique and vital.

To date, the Commission has disbursed large sums over time and supports many causes (social development, sport, arts, community projects), which creates strong leverage for national outcomes when funds are well targeted.

The Board has identified the following strategic priorities:

1. Holistic Education and Family Cohesion
2. The Development of Vulnerable Youth, especially those who are out of school and out of employment
3. Combatting Gender Based Violence
4. Rural Development
5. Food Security



1. Strategic Priority – Holistic Education & Family Cohesion

The NDP 2030 stresses building capabilities, reducing inequality and poverty, and strengthening families, communities and social cohesion as central to achieving inclusive growth and a safer, more prosperous society.

Programmes that combine high-quality education (including early childhood and skills pathways) with family-strengthening interventions are therefore fully consistent with the NDP’s objectives to “unite South Africans” and to build the capabilities of our people.

Moreso, South Africa’s current challenges make this a high-priority investment. Education throughput and the quality thereof remain fragile: although the DBE reported improvements in some 2024 NSC indicators, systemic challenges persist in learner progression and meaningful learning outcomes – and throughput (Grade 10 --> 12) remains a concern. Strengthening the family and early supports directly improves learner retention and readiness. Youth unemployment and low labour market inclusion are acute: young people face very high unemployment (youth rates consistently far above the national average), making investments that improve education, psychosocial stability and skill pathways critical to reducing long-term economic exclusion. High rates of violence against children and social stressors undermine learning and family functioning; interventions that reduce household stress, improve parenting and strengthen child protection directly support safer learning environments.

Early Childhood Development (ECD) and integrated early interventions show one of the highest long-term economic returns of social investments. Research spearheaded by James Heckman and subsequent regional analyses finds that quality early investments in disadvantaged children produce improved education, health and employment outcomes and deliver sustained social and fiscal returns (commonly cited ranges for long-term returns are in the region of ~7–10% per annum in human-capital terms). UNICEF/region papers applying Heckman’s framework to Southern/Eastern Africa also highlight major upside from scaling ECD. These findings support funding ECD plus family support as a high-value use of public and grant funds.

Additionally, parenting and family-preservation programmes in South Africa reduce child behavioural problems, improve caregiver practices and strengthen family bonds – outcomes that translate into better school attendance, fewer behavioural referrals and lower risk behaviours in adolescence. Local evaluations and reviews of South African parenting-programme pilots show clear benefits when programmes are culturally adapted and accompanied by community outreach.

2 Strategic Priority - The Development of Vulnerable Youth, especially those who are out of school and out of employment

South Africa faces a persistent and deepening youth employment crisis: nearly half of young people are unemployed and millions are disengaged from both education and work. Investing NLC grants in targeted, evidence-based interventions that combine skills, work experience and supportive services for out-of-school, out-of-work youth is directly aligned with the NDP’s goals of building capabilities, reducing inequality and strengthening social cohesion – and it is one of the highest-leverage uses of grant funding to prevent long-term scarring and social costs.

The NDP 2030 further prioritises building human capabilities, expanding access to education and training, increasing participation in the labour market, and strengthening social cohesion and community programmes. Targeted investments in vulnerable youth – especially those who have dropped out or are NEET (Not in Employment, Education or Training) – directly support the NDP objectives to:

- i. raise skills levels,
- ii. reduce structural inequality,
- iii. and increase economic inclusion of historically excluded groups.

Funding youth development therefore advances the NDP’s outcomes on skills, jobs and social cohesion.

Youth (15–34) unemployment is much higher than the national average – recent Stats SA analysis shows youth unemployment at around the mid-40s percentage point range, and a decade-long worsening trend in youth joblessness. This creates a cohort-wide risk of

long spells out of work.

Millions of young people are disengaged. Official Q1:2025 reporting recorded roughly 4.8 million unemployed youth, with many reporting no prior work experience — demonstrating the “first-job” barrier and the extremely large pool of vulnerable youth the NLC could target.

Funding from the NLC is of high-value to address the following:

- Upstream prevention: Early, targeted support for out-of-school youth prevents costly downstream problems — prolonged unemployment leads to lifetime earnings loss (“scarring”), higher welfare reliance and increased vulnerability to crime and instability. Funding prevention produces higher long-term social returns than remediation alone.
- Catalytic role: The NLC can pilot and scale locally-adapted, evidence-based models where public departments are constrained — demonstrating what works and leveraging co-funding. DPME evaluations show many youth programmes exist but vary in design and impact; well-targeted grants can strengthen fidelity and outcomes.
- Targeting the hardest to reach: Large shares of unemployed youth lack work experience — they need combined interventions (training + subsidised work experience + placement and support). Grant funding can subsidise the “first job” pathway and wraparound supports for particularly vulnerable youth.

Alignment with NDP 2030

- Raises skills levels, expands training access.
- Reduces structural inequality.
- Increases economic inclusion & social cohesion

Why Funding Matters

- Prevention: Early support reduces long-term social/economic costs.
- Catalytic role: NLC can test, pilot & scale proven models.
- Reaching the hardest-to-reach: Supports first-job pathways, training + work experience + wraparound services.



3. Strategic Priority - Combating Gender Based Violence & Femicide

The NDP 2030 envisions a South Africa free from fear, where all people — especially women and children — feel safe and enjoy equal rights and opportunities. Chapter 12 of the NDP, Building Safer Communities, explicitly calls for the elimination of all forms of violence against women and children as a prerequisite for social cohesion, economic participation, and human dignity.

Further, Chapter 5 on Transforming Society and Uniting the Country and Chapter 9 on Improving Education, Training and Innovation both emphasise gender equality, empowerment, and the creation of safe environments for growth and learning. The NLC’s strategic focus on combatting GBVF therefore directly supports NDP outcomes to:

- Build safer communities;
- Promote social cohesion and nation-building;
- Strengthen human capabilities; and
- Reduce inequality and poverty through inclusive participation.

South Africa faces one of the highest rates of gender-based violence in the world — a situation that President Cyril Ramaphosa has described as a “second pandemic.” The following key statistics illustrate the scale:

- Femicide rate: South Africa’s femicide rate is five times higher than the global average (UNODC Global Study on Homicide, 2022).
- Police data: In the 2023/24 SAPS Crime Statistics, over 65,000 sexual offences were reported, with women and children making up the overwhelming majority of victims.
- Domestic violence: The South African Medical Research Council (SAMRC) found that 1 in 3 women have experienced physical or sexual intimate partner violence in their lifetime.
- Economic cost: KPMG estimated in 2014 that GBV costs the South African economy between R28 billion and R42 billion annually (about 1% of GDP), due to healthcare, lost productivity, legal, and social welfare costs.
- Youth vulnerability: Studies show that adolescent girls and young women (15–24) face the highest risk of intimate partner violence and sexual assault —

directly affecting their education and employment prospects.

These figures demonstrate that GBVF is not only a human rights crisis but also an economic and developmental barrier, undermining the goals of the NDP and the Sustainable Development Goals (SDG 5: Gender Equality). GBVF further perpetuates poverty by excluding survivors from education, employment, and entrepreneurship. Studies by the World Bank and UN Women confirm that reducing GBV increases women's labour market participation and contributes to GDP growth.

Children exposed to domestic or community violence experience trauma that affects learning, mental health, and long-term productivity. Addressing GBVF therefore contributes directly to human development and education outcomes, aligning with NDP priorities on capability-building. GBVF also disproportionately affects poor, rural, and marginalised communities, where women often lack access to justice and support services. Funding GBVF initiatives ensures equity and social justice, supporting the NLC's mandate to target vulnerable populations.

The NLC has a comparative advantage in funding community-level, cross-sectoral initiatives that complement government programmes to:

- Catalyse local innovation: Support community-led prevention and response models where government reach is limited;
- Strengthen service delivery ecosystems: Build capacity for NGOs, shelters, and CBOs working in GBVF prevention and survivor support;
- Leverage partnerships: Align with the National Strategic Plan on GBVF (2020–2030) to scale successful interventions;
- Enable accountability and learning: Support monitoring, evaluation, and data systems to strengthen national response mechanisms.

Alignment with NDP 2030

- Builds safer communities; promotes equality & human dignity.
- Strengthens human capabilities and reduces inequality.

Why Funding Matters

- GBVF undermines education, employment & economic participation.
- Children exposed to violence face long-term trauma & learning deficits.
- Disproportionate impact on poor, rural & marginalised women.
- NLC can:
 - o Catalyse community-led solutions
 - o Strengthen NGO/CBO service capacity
 - o Support NSP on GBVF (2020–2030)
 - o Improve data, accountability & learning



4. Strategic Priority - Rural Development

The NDP 2030 recognises that South Africa's long-term prosperity depends on inclusive growth that reaches rural and underdeveloped communities. Chapter 6 of the NDP, "An Integrated and Inclusive Rural Economy," envisions vibrant, equitable and sustainable rural communities supported by strong local economies, improved infrastructure, and expanded access to basic services.

The NDP calls for:

- Investment in rural infrastructure (roads, irrigation, broadband, energy);
- Support for smallholder farmers and rural enterprises to boost food security and livelihoods;
- Decentralised economic opportunities to curb rural-urban migration; and
- Community participation and social cohesion in rural development planning.

By prioritising Rural Development, the NLC directly contributes to these NDP outcomes and aligns with the broader national policy frameworks such as the District Development Model (DDM), the National Rural Development Framework, and the Comprehensive Rural Development Programme (CRDP).

The Rural Development Challenge in South Africa

South Africa's rural areas remain disproportionately affected by poverty, inequality, and underdevelopment.

Key Facts and Statistics

Rural poverty: According to Statistics South Africa (2024), almost 60% of people living below the upper-bound poverty line reside in rural areas.

Unemployment: Rural unemployment rates consistently exceed urban rates, particularly among youth and women. In 2023, rural youth unemployment averaged above 50%, compared to 42% in urban areas.

Service access: Rural households face severe deficits in basic infrastructure — with only 62% having access to piped water, 59% to adequate sanitation, and limited access to digital connectivity (Stats SA, 2023).

Education and health disparities: Rural schools have higher dropout rates, and rural clinics face chronic staff shortages, reducing human capital development.

Food insecurity: The Department of Agriculture (2024) estimates that over 20% of rural households experience some level of food insecurity — a situation worsened by climate change and drought.

These statistics reflect the multi-dimensional nature of rural poverty, making holistic rural development a national imperative.

Funding rural development is critical primarily because of the following key outcomes:

(a) Reducing Inequality and Poverty

Rural poverty is both widespread and persistent. Investment in rural development directly contributes to poverty reduction, income diversification, and asset creation, particularly for women and youth.

(b) Food Security and Climate Resilience

Supporting small-scale farmers, agro-enterprises, and local food systems enhances national food security, nutrition, and climate resilience. Community-based projects also reduce vulnerability to drought and environmental shocks.

(c) Economic Inclusion and Localised Growth

Rural economies are often excluded from formal

markets and finance. Grant funding can help unlock inclusive rural value chains, foster micro and cooperative enterprises, and promote local economic self-sufficiency.

(d) Social Cohesion and Stability

Persistent underdevelopment in rural areas fuels social fragmentation, migration pressures, and inequality. Empowering rural communities strengthens social cohesion, community participation, and national stability, directly supporting the NDP's vision of a united and prosperous society.

By investing in rural areas, the NLC fulfills its social mandate to support equity, inclusion, and national development, reaching the communities most excluded from traditional funding flows.

Rural Development

Alignment with NDP 2030

- Builds an inclusive rural economy.
- Expands access to infrastructure, basic services & local economic opportunities.

Why Funding Matters

- Reduces poverty & inequality.
- Strengthens food security & climate resilience.
- Stimulates local economies & inclusive value chains.
- Enhances social cohesion and community stability.



5. Strategic Priority - Food Security

The NDP envisions a South Africa where “no one goes hungry” and where “food security and adequate nutrition are guaranteed for all.” Chapter 6 of the NDP — An Integrated and Inclusive Rural Economy — calls for:

- Increasing household food production and nutrition security,
- Promoting sustainable agricultural practices, and
- Supporting small-scale farmers, cooperatives and community food systems to ensure equitable access to food.

Furthermore, Chapter 11 (Social Protection) and Chapter 12 (Building Safer Communities) link food security to poverty eradication, social stability, and community wellbeing. By prioritising Food Security, the NLC directly contributes to the NDP's objectives to:

- i. Eliminate poverty and reduce inequality;
- ii. Build human capabilities through nutrition and health; and
- iii. Strengthen sustainable livelihoods in both rural and urban communities.

The Food Security Challenge in South Africa

Despite being food-secure at a national level, millions of South African households experience chronic food insecurity due to poverty, unemployment, and rising living costs. According to Statistics South Africa (2023 General Household Survey):

- 11.8% of households reported inadequate access to food,
- 19.9% of children under five were classified as stunted due to chronic undernutrition.

The National Income Dynamics Study (NIDS-CRAM, 2022) found that 27% of households experienced hunger during at least one month of the year. Rising food prices have outpaced income growth: between 2022 and 2024, food inflation averaged 9–10%, disproportionately affecting low-income households. Women-headed households and those in rural provinces (Eastern Cape, Limpopo, KwaZulu-Natal) are the most vulnerable to food insecurity. Climate change, drought, and energy constraints continue to threaten agricultural productivity and household food access.

These trends underscore that food insecurity is both a symptom and driver of poverty, with direct consequences for health, education, and productivity.

Why Funding Food Security is Critical

(a) A Human Right and Development Imperative: Access to adequate and nutritious food is enshrined in Section 27(1)(b) of the South African Constitution, which guarantees “the right to sufficient food and water.” Funding food security initiatives therefore supports constitutional rights and human dignity.

(b) Nutrition and Human Capital: Food insecurity affects

children's cognitive development, school performance, and future earning potential. Research by the Human Sciences Research Council (HSRC) shows that chronic undernutrition can reduce a child's lifetime productivity by up to 20%, entrenching intergenerational poverty.

(c) Health and Social Wellbeing: Undernutrition and poor diets contribute to South Africa's dual burden of malnutrition and obesity, increasing the risk of non-communicable diseases (NCDs) such as diabetes and hypertension. Improving access to healthy food reduces healthcare costs and strengthens population wellbeing.

(d) Economic Empowerment and Livelihoods: Community and small-scale agriculture projects create local jobs, support entrepreneurship, and keep resources circulating within communities. Food production is one of the most accessible entry points for inclusive economic participation, especially for women and youth.

(e) Climate Resilience and Sustainability: Sustainable food systems — including urban agriculture, agroecology, and community gardens — enhance climate adaptation and reduce dependence on volatile food markets.

Ultimately, funding Food Security delivers measurable benefits that directly improve quality of life:

- Improved nutrition and health outcomes, especially for children and pregnant women;
- Reduced poverty and hunger, strengthening family and community stability;
- Enhanced education outcomes, as learners are better nourished and more attentive;
- Economic empowerment through job creation in agriculture and food value chains;
- Greater gender equality, by empowering women as food producers and decision-makers; and
- Increased resilience to climate shocks and price volatility.

Undoubtedly, food security underpins every other development goal — it is the foundation of human dignity, productivity, and national wellbeing.

Alignment with NDP 2030

- Ensures “no one goes hungry”.
- Supports nutrition, health & sustainable livelihoods.

Why Funding Matters

- Upholds constitutional right to sufficient food.
- Better nutrition boosts learning, productivity & health outcomes.
- Strengthens community livelihoods and local food systems.
- Enhances resilience to climate shocks & price volatility.

7. NATIONAL AND PROVINCIAL INDABAS

In our ongoing commitment to transparency, accountability, and responsiveness, the NLC recognises the critical role that public and stakeholder feedback plays in influencing our operations. As part of our plan, we are reintroducing and reinforcing the “Indaba”, a dedicated forum for meaningful dialogue and engagement. The Indaba will serve as an accessible and user- friendly platform for the public and stakeholders to share their perspectives, concerns, and suggestions regarding NLC operations and activities.

The NLC plans to use this great platform for interaction, learning, collaboration, and influence, all of which will lead to more effective and sustainable development outcomes. A national indaba will allow the NLC to engage with stakeholders from civil society groups, government agencies, academia, and the commercial sector. This engagement will allow for better alignment of funding priorities with national development goals and community needs.

The indaba will facilitate the exchange of knowledge, experiences, and best practices among stakeholders. NLC intends to learn about emerging trends, innovative approaches, and successful interventions in various sectors, that will inform our funding strategies and decision- making processes. In essence, the NLC understands that collaborating with other stakeholders at the national indaba can lead to the development of partnerships and alliances to address complex social, economic, and environmental challenges. These partnerships can leverage resources, expertise, and networks to achieve greater impact and sustainability in our grant funded projects.

NLC envisions improved coordination and collaboration as the indaba serves as a platform for coordinating efforts and minimising duplication of initiatives among many stakeholders. By encouraging collaboration and synergy, the organisation will maximise the impact of its funding while also contributing to more coherent and integrated development strategies. Hosting a national indaba not only increases the NLC’s exposure and reputation in the development of communities and among key stakeholders, but it also displays the organisation’s commitment to conversation, partnership, and participatory decision-making in promoting national development goals.

The National Indaba will be followed by Provincial Indabas which will allow NLC to receive feedback and input from stakeholders on the funding priorities, grant funding processes, and impactful funding initiatives. The involvement of different stakeholders can inform the design and proposals of future funding programs, ensuring that there are responsive to the needs and priorities of the communities we serve while also leaving a legacy of sustainable development outcomes.

The provincial indabas will connect the NLC with potential applicants, grantees, and other stakeholders, resulting in new funding opportunities, collaborations, and partnerships that will assist the NLC extend its reach and effect. This illustrates our commitment to resolving public concerns in a timely manner, fostering collaboration, and ensuring that different viewpoints are addressed in future decision-making processes.

NLC FUNDING AND ALIGNMENT TO THE 14 NDP OUTCOMES

