

Chairperson's Report

The creation of our country's Constitution, one of the most progressive in the world, was a consultative process in which all South Africans could participate and be represented. Participation is, after all, the very foundation of democracy – and South Africans from all walks of life have demonstrated this year that they will not be left behind.

With widespread civil unrest, the need to tackle inequality in South Africa has never been more apparent than now; but, entrenched in every placard, burning tyre and struggle song is hope for change, hope that South Africa can and will truly be a country for all who reside here.

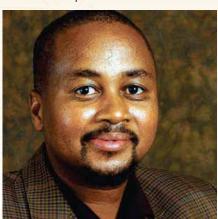
The same can be said for the findings of SPII's community mapping research conducted this year. While the study illustrated challenges of understanding about socio-economic rights among the grassroots, the response to our endeavours demonstrated a profound need for participation and to be heard and to be counted. This is the essence of democracy – and this is the only way to achieve equality in a society so deeply divided into those with resources and those without.

2016 has not only been a watershed year earmarking ten years since SPII came into existence, it also saw an expansion of SPII's research and methodology, as well as advocacy. A growing demand for public engagement with our research shows SPII's growing reputation as a thought leader in the eradication of poverty in the region.

However, our impact not only lies within in the realm of theory and discussion, our campaigning and participation in NEDLAC negotiations around a national minimum wage reached its climax recently when the South African government set a floor wage. While a minimum wage is certainly not a silver bullet to the end of poverty and inequality in South Africa, it is a major step toward a human rights approach to governance in our country and region.

We have come a long way as an organisation, and fuelled with passion for social justice, SPII's staff remains committed to a continued fight for the people, informed by the people and alongside the people. South Africa's democracy was built on comradery, maintaining it requires the same collaboration and cooperation; but most importantly, respect for each other's right to human dignity.

As the Chairperson of SPII, on behalf of the Board, I would like to acknowledge all the staff



and partners of the Institute working tirelessly on the work reported on in this document. Without you, we are not able to fight this important battle. We look forward to extending our partnerships in the year ahead, and strengthening our advocacy for policy reform. I would also like to welcome on board our new strategic partners; I hope that this report will inspire an enthusiasm needed to realise South Africa's democratic ambitions.

Langa Zita
Studies in Poverty and Inequality Institute
Chairperson

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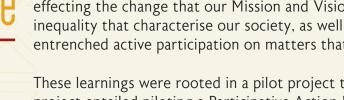
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Director's Note

It is a remarkable honour to have been able to lead SPII for a full decade now. 2016 is the year of our tenth anniversary, and it is an achievement we celebrate with pride. It is also a moment that gives us the chance to reflect on our victories and our challenges alike, internally and in the external environment.



In addition to growing older in 2016, our practice also deepened in terms of understanding better the challenges relating to effecting the change that our Mission and Vision speak to. These changes relate to the very high levels of poverty and inequality that characterise our society, as well as the marginalisation of many poor people from the Constitutionally entrenched active participation on matters that affect them directly and on a daily basis.



These learnings were rooted in a pilot project that we undertook in Evaton which we named "Voices from the Ground". This project entailed piloting a Participative Action Research (PAR) methodology to map communities' experience of the enjoyment of human rights. Working with fourteen young activists and Bokamosa Training Centre which is located in Evaton, we jointly learned about the PAR methodology. The activists then conducted social audits in which over 200 members of the broader Evaton committee participated. From those activations, much emerged regarding the extent to which people felt excluded from any real participation in development or sense of realising tangible fruits of democracy. What was also apparent was the failure of our South African society collectively to advance knowledge of the concept of human rights, the entitlements of rights holders and the obligations of duty bearers amongst the participants in this process.

What is a definite outcome however is an institutional consciousness of the extent to which we as SPII need to enhance the real participation of people affected by poverty and inequality in our work, not as objects or end users, but as active partners in the identification of problems and the development of an approach to finding workable and pragmatic solutions which also aim to build peoples' power and advance transformation.

A linked learning for us has been the intrinsic value of inclusive social dialogue – not as a process to obtain an outcome, but as a process in itself that enables diverse people to hear each other and to speak to each other.

With an external environment increasingly driven by polarising postulation, we hope that our work will be able to succour and support inclusive social dialogue to further realise our objectives of a transformed and healed South Africa and the region.

Isobel Frye Studies in Poverty and Inequality Institute Director



Towards a Decent Standard of Living

#DSL #DecentStandardOfLiving

In addition to the appreciation for the need to have more integral community-based partnerships in our work, in 2016, SPII also from a strategic position developed an understanding of how a Decent Standard of Living is actually a unifying rubric of our respective projects and programmes across the institution as a whole.

From its inception ten years ago, the aim of SPII was to establish an alternative, popularly accessible standard for people's lives to advance the achievement of the fundamental constitutional and human right to dignity in South Africa and the region, in challenge to the survivalist concepts of poverty that were the rage in the early 2000s.

With partners, specifically the Labour Research Service and South African Social Policy Research Institute, SPII has been doggedly advancing the argument that a decent standard of living should be THE central development standard

in South Africa over the last few years. A concrete success of this was the notable inclusion of a commitment to attain a decent standard of living by 2030 for all in South Africa in the National Development Plan by the National Planning Commission. For us, we believe that this has the potential for much greater leverage than the rather lacklustre and questionable commitment in the plan to ending poverty by 2030.

The work that we have been doing alongside the SA Human Rights Commission on the monitoring of the progressive realisation of socio-economic rights is included in this rubric. The monitoring tool is crucial as a tool for critiquing the commitment and progress of the state in the progressive realisation of the universal enjoyment of all in South Africa of the socio-economic rights. These rights guarantee access to housing, healthcare, food and water, a clean environment, education, and to income under social security. These are clearly integral to a dignified life, and yet that is not all that the project is about. Rather than just plotting development deficits, SPII has actively advanced the integration of a human rights approach to development through this project, which includes educating both rights-holders and duty-bearers that these are not nice-to-haves, but a right and an obligation.

Similarly, SPII's participation as a key negotiator for Community Constituency in the National Minimum Wage process at NEDLAC was informed by our research into levels of poverty and inequality and employment patterns in South Africa. The proposed NMW is by no means currently set at a Living Wage. We have also been disappointed by the failure of the NEDLAC process to really address the unequal wage differentials in South Africa, rooted in apartheid capitalism. However, we are committed to advancing the standard of a DSL as a standard for continuous advocacy on wage setting and social security benefit setting in future years.

On 10 November 2016, linked to our Ten-Year Gala celebration, and in recognition of the centrality of our commitment to advancing the DSL, SPII hosted a highly successful one-day roundtable on a DSL at the Crowne Plaza hotel in Rosebank, Johannesburg. Presentations by the Deputy Director General of Social Development as well as Director General of Justice and Constitutional Development emphasised the slow rate of social and economic transformation in South Africa.

Their presentations, however, also outlined the new possibilities inherent in the ratification of the UN International Covenant on Economic Social and Cultural Rights. Khulekani Moyo from the University of the Witwatersrand unpacked the rulings mainly through General Comments of the UN Committee on Economic, Social and Cultural Rights, in particular on the Right to an Adequate Standard of Living.

This was extremely helpful as a guide to fleshing out what social justice and human rights activists could use, including in the development of a Shadow Report to the UN Committee in 2017. The last two presentations included reflections on the state of well-being experienced by people in South Africa. This came through in the presentation of a pilot research project by SASPRI, and finally, PACSA (the Pietermaritzburg Agency for Community Social Action) presented their crucial work that uses the Basic Needs Basket approach to tracking the spending and purchasing power of the poor in Pietermaritzburg, and the deficits between the income levels and the purchasing thresholds to attain a decent standard of living for typical household and family structures. It was an extremely challenging and energising way to wind down the year and plan for 2017.

With the above research partners, we are still positive about locating support to undertake a large-scale research project to develop a concrete basket of what would constitute a decent standard of living within the next two years, but in the interim we will continue to fly this as a necessary obligation we need to strive to meet.



Speakers at the SPII Ten-Year Gala in November 2016.

The SADC BIG Campaign advocates for the introduction of a SADC wide universal social protection grant that is to be funded mainly on a tax on extractives industries in the region. Africa is not poor, yet the majority of Africans live in destitution and the SADC BIG Campaign aims to highlight that poverty and an abundance of natural resource wealth cannot continue to coexist and there needs to be strong shift towards domestic resource mobilisation, particularly from our mineral wealth that is

enriching the rest of the world but Africa. The lack of political will in the implementation of progressive social protection programmes such as a basic income and governments' excuses of budgetary constraints simply cannot be justified with an estimated US\$60 billion leaving Africa through illicit financial flows annually. The project now is in its third phase and has steadily built up momentum for the campaign especially in advocating for social protection as an integral part of sustainable development.

Successes The launch and redesign of our newsletter has functioned as a key information tool and has increased our information dissemination as well as our efforts to reach a wider audience. As a result we've had the opportunity to engage with audiences from all over the world from countries such as Brazil, the United States and Canada. Through our newsletter we have also increased engagement with our steering committee through their regular contribution to our newsletter. The readership of the SADC BIG newsletter is in excess of 784 subscribers and continues to grow our global coverage.

The recruitment of the SADC BIG Coordinator saw our local and regional prominence increase through participation in various civil society engagements and has grown interest for the campaign regionally and internationally. The links formed during the campaign's engagements over the last year have strengthened relationships with various stakeholders from academia to grassroots level. We have continued to use a combination of research and advocacy in order to further the success of the campaign. We have had a strong increase in media visibility in social media and traditional media through the contribution of articles, op-eds, interviews and a strong social media presence. In an effort to extend the dialogue on social protection and basic income we have undertaken to produce information in compact formats such as factsheets and infographics.



The above illustration is an infographic drawn from information contained in our country reports.

New The establishment of a Steering Committee inclusive of members across six regional countries has allowed for the campaign Partnerships to lift off with a lot of energy since the recruitment of the SADC BIG Coordinator. The campaign now has 84 network partners, and 784 endorsements from individuals and civil society groupings.

Since the development of a SADC BIG Campaign microsite, the campaign has since gained prominence with international movements on basic income in Canada – Revenu de base Québec, Brazil – ReCivitas Instituto pela Revitalização da Cidadania, and France – Mouvement français pour un revenu de base (MFRB). These established partnerships have provided an opportunity to engage and have thematic discussions with other civil society movements on international developments on basic income. Moreover, the establishment of social media platforms has contributed to the increasing subscription to our newsletter as well as the number of endorsements that the campaign has received.

Following participation at the World Social Forum (WSF) the SADC BIG Campaign was approached by Basic Income Earth Network (BIEN) to join BIEN affiliates outreach team. The BIEN Outreach group is a collection of basic income activists from around the world. Through this platform the SADC BIG Campaign has been regularly meeting and engaging (via Skype and online meeting tools such as Zoom) with basic income activists from New Zealand, Japan, Canada, Nigeria to name a few. BIEN is keen to receive news and information regarding basic income in Africa, BIEN also published an article from the SADC BIG Campaign last year and continues to support our efforts to disseminate our campaign outputs to the global basic income movement.

Key Highlights over the last year

The SADC BIG Campaign is founded on the notions of social justice and redistributive tax justice as such we are principal advocates for social protection as a human right. It is important for the success of our campaign to interact with social movements and organisations that provide us with multiple perspectives on the challenges we are facing in the region as that will open up a window for possible solutions and recommendations that will ultimately lead to policy formulation and reform.

Strategic engagements

 Meeting with Bishop Emeritus Kameeta, the Namibian Minster of Social Welfare at the annual SASPEN conference in October 2016

Publications

- International successes of a basic income: Bolsa Familia factsheet
- The African Paradox: The mineral wealth resource curse factsheet
- · How a SADC BIG could be administered : Pula Fund Case Study factsheet
- Two issues of The SADC BIG Campaign newsletter

Media & campaigns

- SABC Newsroom interview (16 November)
- Women in the basic income movement (24 November)
- Supported #BasicIncomeWorks & 9th International Basic Income Week on social media

Civil society engagements and presentations

- World Social Forum Montréal (9-15 August)
- Civil Society Forum Swaziland (18-20 August)
- International Workshop on Social Protection Dar Es Salaam
 (16 -17 August)
- PAC Abuja (10 12 October)
- Social Security Seminar South Africa (1-3 November)
- 2017 Alternative Mining Indaba South Africa (6-8 February)



A universal income grant stands to benefit those most vulnerable in the region.

Socio-Economic Rights Monitoring Tool Project

2016 was an eventful year for the Socio-Economic Rights Monitoring Tool project (the SER Project). The main goal of the project remains to develop and implement an accessible and widely utilised set of tools to monitor the progressive realisation of socio-economic rights in South Africa. This goal is pursued through rigorous research and sustained advocacy on a number of fronts.

Monitoring the progressive realisation of socio-economic rights requires the undertaking of comprehensive research on the policies adopted, budget allocations and expenditure, and outcome indicators for each of these rights. This research forms the backbone of the SER Project and is the basis for our various advocacy initiatives.

Highlights

Research In 2016 we developed innovative reports on the Right to Water and Sanitation and the Right to a Healthy Environment. These reports were launched at a policy dialogue in Johannesburg which provided a unique space for government officials, civil society organisations and the South African Human Rights Commission to critically interrogate the successes, gaps and challenges experienced in the implementation of these rights.

For the first time, these reports were accompanied by Peoples' Guides, which provide an accessible summary of the key findings and recommendation of the reports, so that they may be understood and taken on board by as wide a range of people as possible. Positive feedback on the guides means that we will continue to produce these for future reports in 2017 on the progressive realisation of the Rights to Housing, Health Care, Social Security and Work.

2016 also saw the SER Project delve deeper in the budgetary aspects of the state's obligation to provide for socio-economic rights. The project held a policy dialogue in Cape Town during Budget Week in February. The dialogue included Dr. Makhozi Khosa, ANC MP and Member of the Finance Committee in Parliament, Yasmin Sooka, Executive Director of the Foundation for Human Rights, Shireen Motara, Chief Operations Officer of the SA Human Rights Commission, and Director of SPII, Isobel Frye. The conversation was based on a Policy Brief produced by the project entitled "Within its available resources": Socio-Economic Rights and the National Budget".

Later in the year, we teamed up with the SA Human Rights Commission to host a roundtable discussion on Budgeting for Socio-Economic Rights. The roundtable was attended by high-level officials from National Treasury as well as a range of civil society organisations from across the country, some of whom made presentations on their innovative work monitoring different aspects of government budgets. The inputs made at the roundtable fed into the completion of a guide entitled "Budget Analysis for Advancing Socio-Economic Rights: A Guide for State and non-State Human Rights Advocates and Researchers".

The guide represents a step forward by SPII and the SAHRC in terms of our understanding of the methodologies and approaches used to hold the state accountable for formulating budget priorities, which ensure the allocation and expenditure of maximum available resources on socio-economic rights. The guide will also provide the framework on which our 2017 working paper looking at the actual generation, allocation and expenditure of resources on socio-economic rights in South Africa over a ten year period, will be based.

Advocacy Highlights

Conducting research is only half of the business of the SER Project. In order to ensure that our research has the greatest possible impact, we also undertake advocacy in a number of areas. This includes engagements with key stakeholders both in and outside of government where we share our findings and push for the implementation of our recommendations. 2016 saw us have several meetings with the Department for Planning, Monitoring and Evaluation

(DPME) in the Presidency, whom we have been pressing to integrate our human rights-based indicators into their processes and frameworks for monitoring the performance of government. We also kept in close contact with Statistics South Africa (StatsSA), whose surveys provide much of the data for our indicators.

The SA Human Rights Commission (SAHRC) remains a key partner in monitoring the progress government is making towards ensuring socio-economic rights for all. In addition to collaboration on government budget monitoring, we submitted updated indicators for socio-economic rights which we had developed for the Commission to utilise in their monitoring of government. We also provided a 'Gap Analysis and Performance Monitoring Framework' for the Commission to use in their development of a parallel report on the government's implementation on the International Covenant on Economic, Social and Cultural Rights (ICESCR).

Government's ratification of the ICESCR in April 2015 meant that it had to produce an Initial Report to the UN Committee on Economic, Social and Cultural Rights (the UN Committee) by April 2017. The SER Project provided valuable assistance to government in compiling this report by providing a 'Framework Document' which set out the key information that the state would be required to produce in the report and how it should go about structuring that information. We also participated in all the meetings of a 'Data Group' which was established by the Department of Justice and Constitutional Development in order to assist the government in locating the information needed for the production of a comprehensive report. The Data Group included StatsSA, the SAHRC, and the Foundation for Human Rights, the DPME and the Department of Arts and Culture. In 2017 we plan to participate in the production of a civil society parallel report, to be submitted to the UN Committee prior to South Africa's hearing in Geneva in 2018.

The SER Project undertook various activities in the media to increase the profile of the project and the awareness of our research within the general public. Our Senior Researcher collaborated with the Director of the Equal Education Law Centre to produce a series of articles for GroundUp under the theme 'Towards Equality in School Funding'. On the same topic, the Senior Researcher was also interviewed by Eusebius Mackaiser on 702 and contributed a chapter for a book called 'The Education Rights Handbook' on 'Funding Basic Education'. In relation to the right to food, the Senior Researcher was interviewed on SABC News about the impact of rising food prices on the poor. Our Researcher wrote an article for The Daily Vox entitled '60 Years After the 1956 Women's March, Our Women Still Bear the Brunt of Poverty and Inequality' and appeared on etv Sunrise for Youth Day.

New Frontiers: community based monitoring

Finally, 2016 saw a major breakthrough for the SER Project as we were able to embark on a community-based monitoring pilot project for the first time. Although extremely limited in funds and timeframes, we developed close working relationships with community activists from Evaton, a township outside of Johannesburg, including training them to monitor human rights challenges in their community. Led by the Researcher, we employed a Participatory Action Research methodology to ensure that the pilot project was formulated and implemented in line with the needs of the community. A full report on the pilot project is available on our website. We hope to be selected for a fully funded Phase 2 of this project in 2017.

Basic Needs

South Africa's socio-economic climate is burdened with the triple challenge of persistent poverty, increasing inequality and widespread unemployment. The Basic Needs Basket (BNB) Project grew out of a need to contextualise how poverty, an unstable economy, inflation and increasing food and basic Basket Project necessities costs affect lower income households and their ability to lead a decent standard of living.

Determining the cost and requirements of a basic needs basket has not been an easy task. The fact About that South Africa is characterised by high inequality means that socioeconomic class stratifications present a host of ideas of what is considered a "basic need", for many lower income households, barely surviving has been normalised to such a deep extent that living from hand to mouth is the order of the day.

It is for this reason that a Basic Needs Basket Project has been identified as a necessary tool in the advocating for a decent standard of living for all. Through the data that is collected by volunteers of ACAOSA, it has thus far revealed that even the most basic items are unaffordable for lower income households and the poor working class, affecting the most vulnerable communities in South Africa who find themselves continuously trapped in the vicious poverty cycle.

Successes

Over the last year, the Basic Needs Basket Projects has sought to investigate deeper into the connection between food inflation, food insecurity and the attainment of a decent standard of living.

The BNB project has succeeded in providing a snapshot of the socio-economic situation across South Africa; the data gathered has been a key tool in highlighting the gaps between poor households' income and rapid inflation. Lower income households spend the majority of their income on food and basic need purchases. This has resulted in ordinary South Africans feeling the shrinking capacity of their incomes intensely and so the data produced by the BNB project continues to contribute towards the shaping of the policy discourse and interrogates existing economic policy gaps and South Africa's economic growth path.

Furthermore the data provided by the BNB project has demonstrated that the official measurable poverty lines by Statistics South Africa do not truly reflect peoples' lived realities and often take a very minimalistic approach to demonstrating the true state of South African poverty.

Partnerships

New During the second half of the last year, SPII met with ACAOSA to reenergise the BNB project by discussing the overall objectives of the BNB project, the advocacy strategy of the project and setting the agenda moving forward. SPII and ACAOSA consolidated the terms and agreement of the

partnership as well as the commitment of both organisations to the project and an agreement to hold a workshop, together with the ACAOSA volunteers who collect the data for the project. At the workshop held during the 8th and 9th December 2016, a new data capturing tool was formulated that reflected the needs of the different communities across the nine provinces the volunteers operate in, as well as a reflection as to what items they deem necessary to live a decent standard of living.

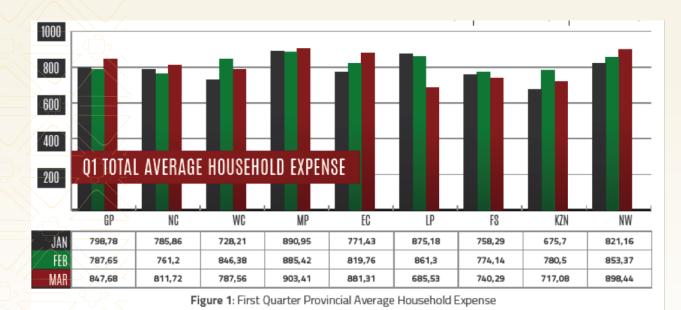
Presence on External platforms

Through our promotion of a decent standard of living for all, SPII has been a key stakeholder at the National Economic Development and Labour Council (NEDLAC) and the Basic Needs Basket Project has been frequently made reference to in the advocacy for the institutionalisation of a national minimum wage.

Published material involving partners or training

The Basic Needs Basket workshop from 8-9 December 2016 was a true reflection of the endeavour to link the work of the project with communities, a critical aspect of the workshop included reflections from the participants' communities and households which shed light into socioeconomic issues from a grassroots levels. Some of these revelations were captured in a video titled "It's About Time", this video profiled experiences of poverty by community members and a call to action for change. The video will be released as part of the Basic Needs Basket ongoing advocacy strategy.

In addition to that over the last year the Basic Needs Basket released two policy briefs, infographic campaigns and a fact sheet during activated through our #No2Hunger and #No2Poverty drives on social media during the week of International Poverty Day awareness. This information was disseminated through our social media platforms and our website, and continues to be a part of our advocacy efforts.



The table above shows the provincial average household expense in the first quarter of 2016.

Audited Financial Statements

Donors 2016

Christian Aid
Church of Sweden
Foundation for Human Rights
Ford Foundation

Statement of Financial Position as at 31 December 2016

(Registration number IT 3080/2006)

	Note(s)	2016 R	2015 R
Assets			
Non-Current			
Assets Property, plant			
nd equipment	2	3	3
Current Assets			
rade and other receivables	3	419 518	470 609
Cash and cash equivalents	4	481 502	1 341 467
		901 020	1 812 076
Total Assets		901 023	1 812 079
equity and Liabilities			
equity			
rust capital	5	100	100
Accumulated surplus		165 968	302 966
		166 068	303 066
iabilities			
Current Liabilities			
rade and other payables	6	734 955	1 509 013
otal Equity and Liabilities		901 023	1 812 079

Studies in Poverty and Inequality Institute

(Registration number IT 3080/2006)
Annual Financial Statements for the year ended 31
December 2016

Statement of Comprehensive Income

	Note(s)	2016 R	2015 R
Revenue		4 134 288	5 241 971
Other income		464 226	224 651
Operating expenses		(4 769 182)	(5 424 263)
Operating surplus	7	(170 668)	42 359
Investment revenue	8	33 670	52 186
(Deficit) Surplus for the year		(136 998)	94 545

SPII is a not-for-profit trust which was registered in 2006. SPII is also registered with the Department of Social Development as a non-profit organisation (NPO), and has been granted tax exemption status under the Income Tax Act from the South African Revenue Service (SARS). SPII has strong stakeholder networks bridging civil society, government, organised labour and business. We are grounded in a belief in effective democratic engagement, human rights and non-racialism. SPII is committed to the full realisation of political, social and economic rights contained in the Constitution of South Africa. What sets SPII apart from other research and policy institutions is the emphasis on both content (knowledge) and process (inclusive participation). With the strategic guidance of its board of trustees, SPII is an organisation characterised by a sense of vision, justice and commitment to research and policy innovation.





SPII focuses on generating new knowledge, information and analysis in the field of poverty and inequality studies in South and Southern Africa. Through facilitating collaborative partnerships with and between government, labour, institutions of democracy, academia, social movements and civil society organisations, SPII is able to develop and advocate for the implementation of innovative and empirically-based social and economic policies capable of combating poverty, reducing inequality, and promoting sustainable development. SPII supports the development of a tradition of effective public participation in policymaking and implementation.

SPII believes that:

- if we engage in well-informed, quality strategic research; and
- if we include informed civil society perspectives in this research; and
- if we have fieldwork that reaches socio-economically marginalised groups;

then we can:

- effectively analyse the features and drivers of poverty and inequality;
- support the development of innovative, evidence-based measures of poverty reduction; and
- develop specific policies and strategic recommendations for reducing poverty and inequality; and

- promote dynamic participation by civil society in the debate; and
- support oversight bodies around the solutions to poverty and inequality; and
- develop strategic relationships with all three arms of government to ensure the trust necessary for our recommendations to have influence;

we will:

• build a pro-poor policy environment to ensure a shift to a faster and more effective reduction of poverty and inequality and the promotion of agency among all people living in Southern Africa.



Special Thank You to:









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