

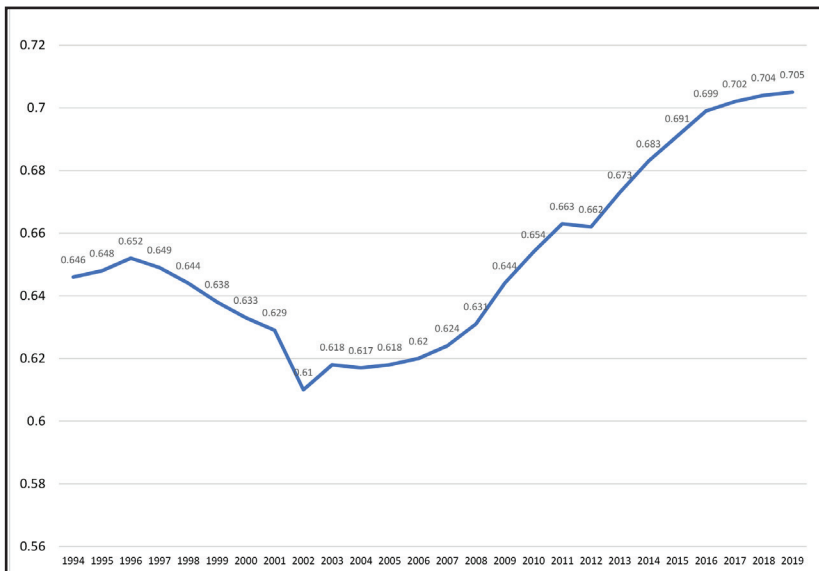
South Africa in the world in figures¹

This section provides relevant data on South Africa’s performance on key global and continental indices from 1994 onwards. The graphs provide an overview of South Africa’s profile in human development, trade, investment, competitiveness, infrastructure, regional integration, governance, and the military.

Socio-economic dimensions

Human Development Index (HDI)

Graph 1: South Africa HDI score, 1994 - 2019



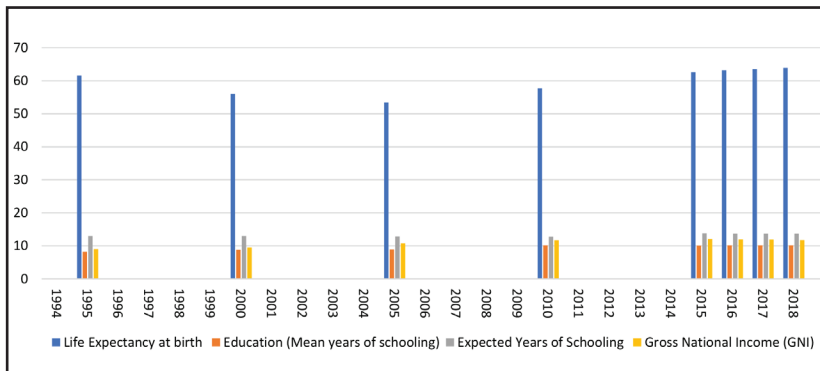
Source: UNDP (UN Development Programme), *Human Development Report 2019. Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century*, 2019. <http://hdr.undp.org/en/indicators/137506>, accessed 3 March 2020.

¹ This section was compiled by Luanda Mpungose, with inputs from Renette Collins and Cyril Prinsloo.

Graph 1 shows South Africa's steady improvement in the Human Development Index² after its decline from the late-1990s to the early 2000s, linked to a drop in life expectancy partly as a result of HIV/AIDS. Between 1994 and 2018, South Africa's HDI value rose from 0.646 to 0.705, an increase of 9%.

The areas that need urgent attention are poverty, inequality, education and environmental sustainability. South Africa scored relatively highly in areas such as trade and financial flows, mobility and communication, and gender.

Graph 2: HDI indicators per component



Source UNDP (UN Development Programme), *Human Development Report 2019. Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century*, 2019. <http://hdr.undp.org/en/indicators/137506>, accessed 3 March 2020.

Table A elaborates on South Africa's progress in each of the HDI indicators – life expectancy, education and gross national income (GNI). From 1995 to 2018, South Africa's life expectancy at birth increased by 2.3 years, mean years of schooling increased by 2 years, expected number of years of schooling increased from 13 to 13.7 years, and South Africa's GNI per head increased from \$9,023 to \$11,756 (or by 30%) .

2 Indicators are inequality, poverty, gender, human security, income/composition of resources, work, employability and vulnerability, environmental sustainability, trade, education, health, demography, socio-economic sustainability, mobility and communication.

Table A: South Africa's HDI indicators per component

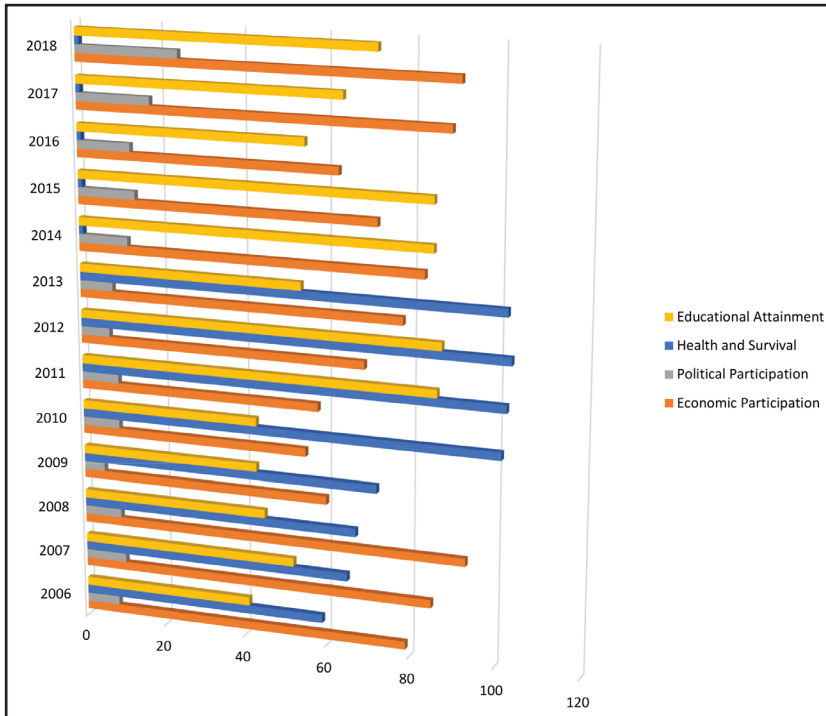
| | 1995 | 2000 | 2005 | 2010 | 2015 | 2016 | 2017 | 2018 |
|--|-------|-------|--------|--------|--------|--------|--------|--------|
| Life expectancy at birth (years) | 61.6 | 56.0 | 53.4 | 57.7 | 62.6 | 63.2 | 63.5 | 63.9 |
| Education (mean years of schooling) | 8.2 | 8.8 | 8.9 | 10.2 | 10.1 | 10.2 | 10.2 | 10.2 |
| Expected years of schooling | 13.0 | 13.0 | 12.9 | 12.8 | 13.8 | 13.7 | 13.7 | 13.7 |
| Gross national income GNI-2011 PPP \$) | 9,023 | 9,498 | 10,798 | 11,723 | 12,052 | 11,908 | 11,864 | 11,756 |

Source: UNDP, *Inequalities for Human Development in the 21st Century: Briefing Note for Countries on the 2019 Human Development Report*. http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/ZAF.pdf, accessed 24 March 2020.

Gender equality

The World Economic Forum (WEF) Global Gender Gap Index examines the gap that exists between men and women in the following categories:³ 1) economic participation and opportunity; 2) educational attainment, 3) health and survival; and 4) political empowerment. Graph 3 illustrates how South Africa is ranked globally in bridging the gender gap between men and women across the four indicators.

3 Economic participation and opportunity: female labour force participation, wage equality between women and men for similar work, female estimated earned income over male value, female legislators, senior officials and managers over males, and female professional and technical workers over males. Education attainment: female literacy over males, female net primary and secondary enrolment rate over males and female gross tertiary enrolment ratio over male. Health and survival: sex ratio at birth and female life expectancy over male. Political empowerment: females with seats in Parliament over males, females at ministerial level over males and number of years with female head of state over male.

Graph 3: Gender gap per indicator, South Africa ranking 2006 - 2018

Source: WEF (World Economic Forum), *The Global Gender Gap Report 2018*, Geneva: WEF, 2018. <https://www.weforum.org/reports/the-global-gender-gap-report-2018> (accessed 23 February 2020)

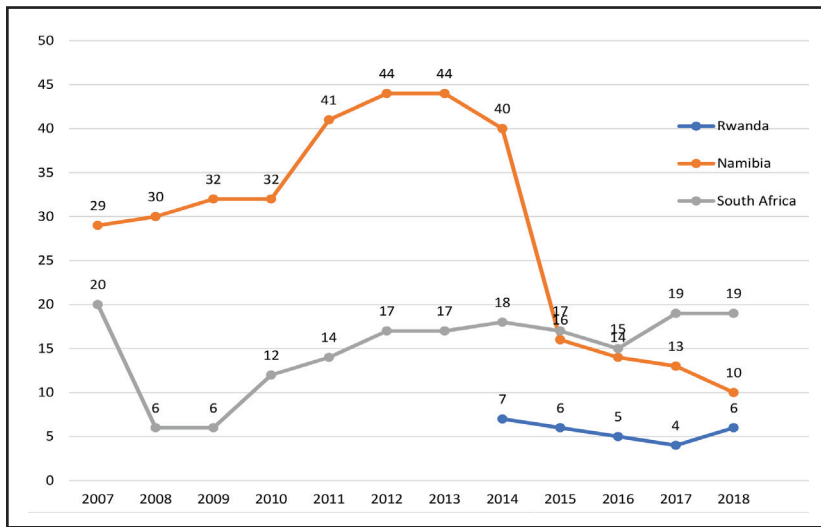
According to the WEF Gender Gap Index, South Africa reached parity on the health and survival indicator in 2014. In regard to the other indicators, the country has a bigger gender gap in economic participation and educational attainment compared to political participation, where the gap is significantly smaller.

Nevertheless, compared with other countries on the index, between 2006 and 2018 South Africa has dropped in the economic participation, political empowerment and education attainment rankings. (The closer to one in the rankings, the lower the gender gap between women and men.) In 2009, South Africa ranked fifth globally in political empowerment but regressed to 25 in 2018 indicating that the gender gap is widening in women's political participation. where South Africa has generally performed relatively better in this category, because of the voluntary quotas by political parties and legislated quotas at sub-national level that

require 50% of candidates in local elections to be women.⁴ The gap in economic participation (ranked 79 in 2006 and 92 in 2018) continues to widen because of wage gap inequality that persists despite women and men holding similar positions and experience. Furthermore, 19% of publicly listed firms have female board members but only 0.29 firms are owned by women.⁵

Female literacy and overall educational attainment by women at primary, secondary and tertiary level remains an area of disparity, ranked 41 in 2006 but deteriorating to 72 in 2018.

Graph 4: Top 3 African countries ranking in Global Gender Index, 2007-2018



Source WEF, *The Global Gender Gap Report 2018*, Geneva: WEF, 2018. <https://www.weforum.org/reports/the-global-gender-gap-report-2018> accessed 23 February 2020.

South Africa’s best performing years as illustrated by graph 4 were between 2008 and 2009 when it ranked number six globally out of 153 countries that are measured in the index. The top three African countries in the Global Gender Index are South Africa, Namibia and Rwanda. Although Rwanda only joined the index in 2014, it has emerged as the leading

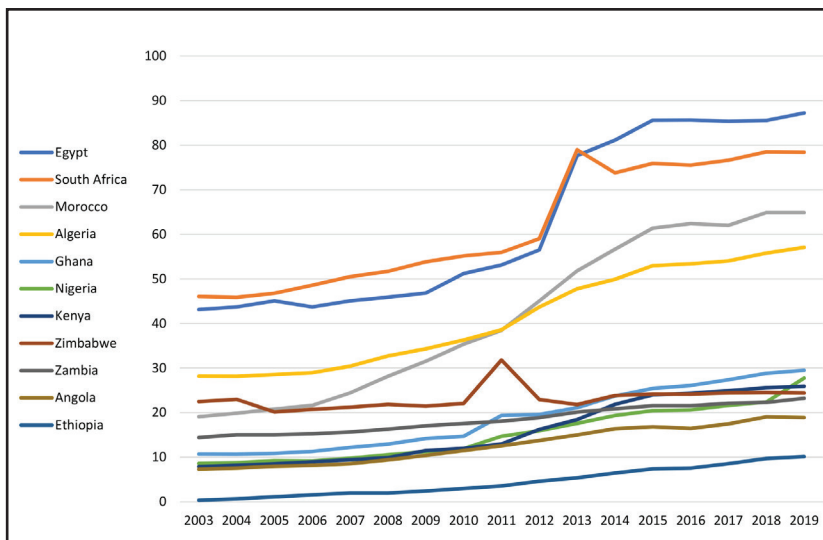
4 IDEA. 2020. Gender Quotas Database: South Africa. <https://www.idea.int/data-tools/data/gender-quotas/country-view/310/35>, accessed 30 March 2020.
 5 Van Staden C and Mpungose L, 2018. BRICS Should Adopt a Gender Inclusive Approach to Women. Policy Insights 63, South African Institute of International Affairs.

African country in bridging its gender gap across the four indicators. Since 2015 Namibia has also overtaken South Africa.

Economic dimensions

Infrastructure

Graph 5: Infrastructure development score of select African countries, 2003-2019



Source: African Development Bank. 'Infrastructure'. <http://dataportal.opendataforafrica.org/zjqnio/infrastructure>, accessed 15 January 2020.

South Africa has a modern and well-developed transport infrastructure, which is ranked among the best on the continent.⁶ However, Graph 5 shows that Egypt is currently leading in infrastructure development, having overtaken South Africa in 2014.⁷ Egypt continued on an upward trajectory from scoring 81.12 in 2014 to 87.23 in 2019 while South Africa

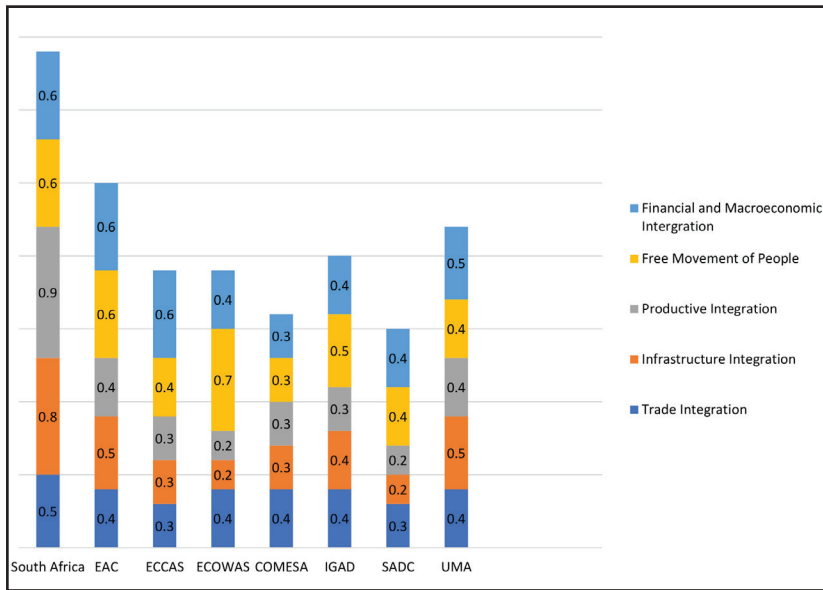
6 Tralac. 2018. Connecting Africa: Role of Transport Infrastructure. Working Paper No. 72, Export-Import Bank of India. <https://www.tralac.org/images/docs/12896/connecting-africa-role-of-transport-infrastructure-exim-bank-working-paper-march-2018.pdf>

7 Indicators for infrastructure development: transport, electricity, ICT, water and sanitation

lagged behind at 78.43. Morocco’s and Algeria’s rankings demonstrate an increase in their infrastructure development in relation to the rest of the continent.

Regional integration

Graph 6: UNECA Regional Integration Index, 2019



Source: AU (African Union), Africa Regional Integration Index Report 2019. <https://www.integrate-africa.org/fileadmin/uploads/afdb/Documents/ARII-Report2019-FIN-R39-21may20.pdf>

Graph 6 gives a breakdown of South Africa’s performance in the five regional integration dimensions and provides a comparative analysis of South Africa’s ranking against the major regional blocs in Africa.

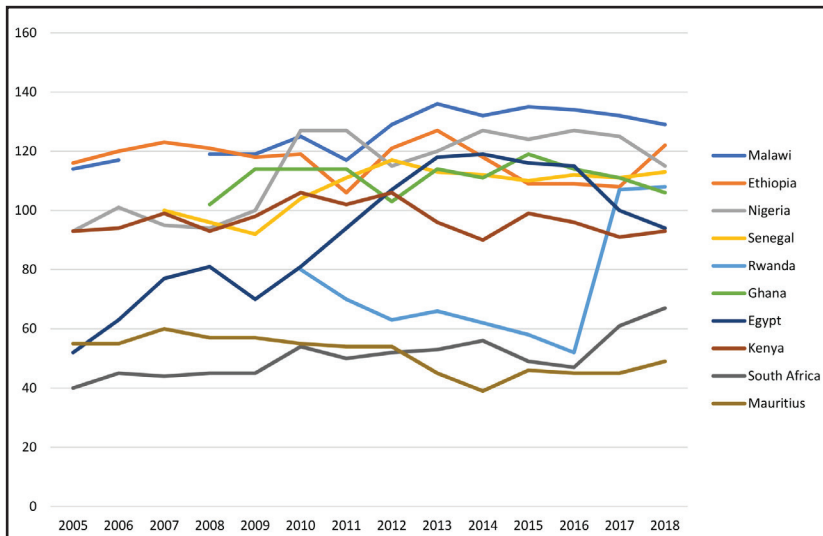
South Africa scored highly on productive integration. Its relatively high performance on trade integration is owing to its 0.01% applied tariff within the Southern Africa Development Community (SADC), the second lowest import tariff within SADC. Typically, the West African region (ECOWAS) ranks relatively higher on the free movement of people owing to its common passport and open visa policy. South Africa scored highly in this dimension given that nationals of the SADC bloc do not require a

visa to enter the country and it has ratified the SADC Facilitation of the Movement of Persons Protocol.

South Africa, the East African Community and Economic Community of Central African States (ECCAS) are the highest performing in the financial and macro-economic dimension, scoring an average of 0.6, followed closely by the Arab Maghreb Union (UMA) (0.5), Intergovernmental Authority on Development (IGAD) ECOWAS and SADC (0.4).

Competitiveness

Graph 7: Competitiveness Index, 2005-2018



Source: WEF. *Global Competitiveness Report 2019: How to end a lost decade of productivity growth*, Geneva: WEF, 9 October 2019. <https://www.weforum.org/reports/global-competitiveness-report-2019>, accessed 15 January 2020.

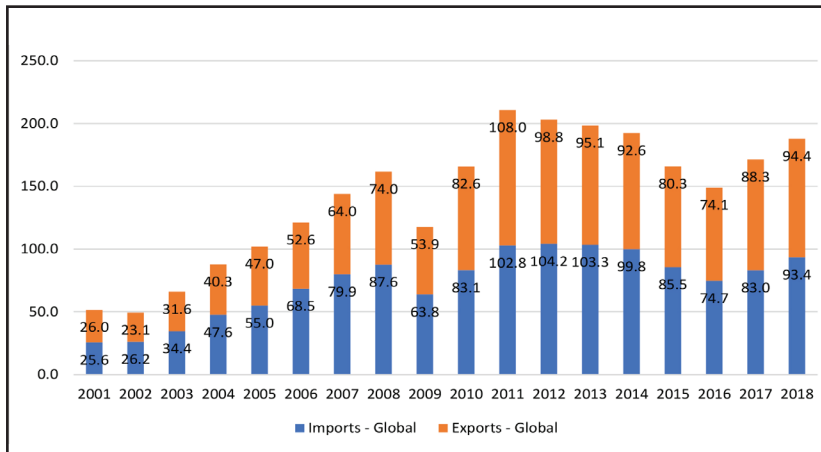
South Africa's competitiveness ranking was the highest in Africa between 2005 and 2012, owing to its advanced transport infrastructure, sophisticated financial markets and market size.⁸ However, since 2013

⁸ Competitiveness is measured using variables that are organised into 12 pillars: institutions, infrastructure, ICT adoption, macroeconomic stability, health; skills, product market, labour market, financial system, market size, business dynamism, and innovation capability.

Mauritius has overtaken South Africa. In 2018, Mauritius ranked number 49 globally, followed by South Africa which ranked 67. South Africa fell behind in the time it takes to start a business while Mauritius’ competitive edge was strengthened by its high score on strong institutions. Mauritius and South Africa are the only African countries that made it to the top half of the index.⁹

Trade profile

Graph 8: South Africa total trade, 2001- 2018 (\$ billion)

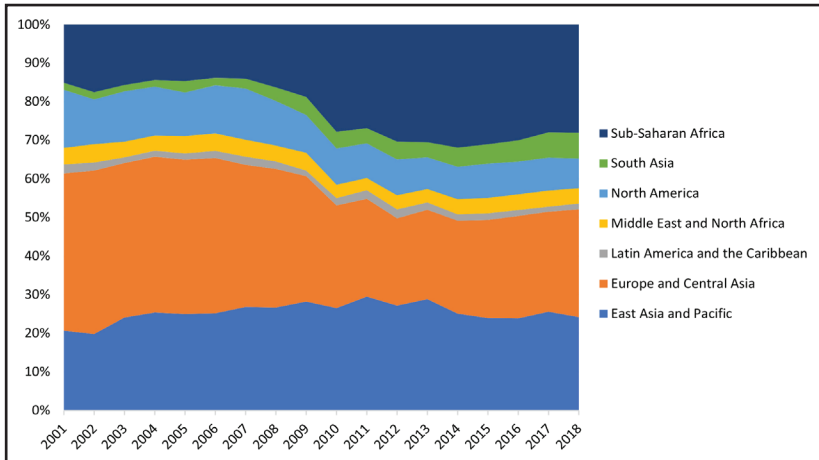


Source: ITC TradeMap, www.trademap.org, accessed 4 September 2019.

Graph 8 illustrates the growth in South Africa’s trade with the rest of the world over the last two decades (2001-2018). Significant declines are clear during the global financial crisis (2009) and then again in 2016, when growth in China slowed down. Total trade volumes in 2018 were still below the high-water mark in 2011.

⁹ Kazeem, Y, Africa’s economies are still too far off fulfilling the “Africa rising” narrative, 19 October 2018. Quartz Africa, <https://qz.com/africa/1428438/global-competitiveness-report-2018-african-economies-rank-low/>, accessed 23 February 2020.

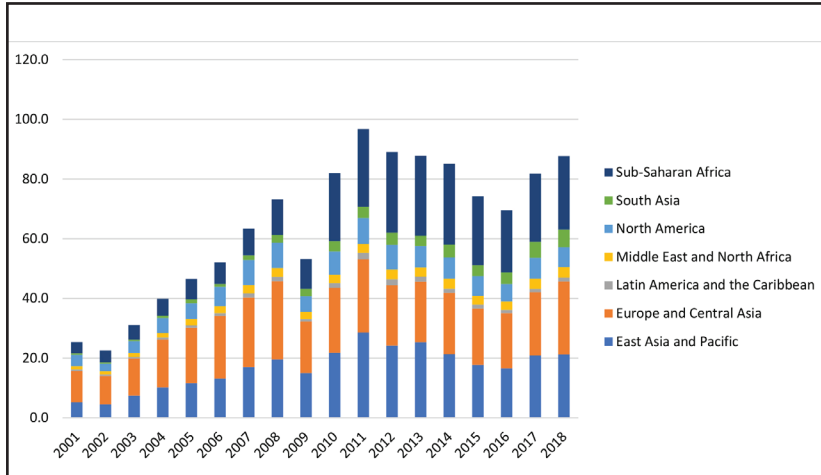
Graph 9: South African global export composition by region, 2001-2018 (%)



Source: SARB, *Response for Query: Data Request: Foreign Liabilities and Assets of South Africa 2001 -2017*, accessed 4 March 2019.

Graph 9 provides a regional breakdown of South Africa's exports between 2001 and 2018. The geographic distribution of South Africa's exports has changed since 2001. Europe and Central Asia formed the largest proportion in 2001 (\$10.3 billion). While that region is still important, exports to sub-Saharan Africa have grown significantly in that period (from \$3.8 billion in 2001 to \$24.6 billion in 2018), as have those to East Asia and Pacific (from \$5.2 billion in 2001 to \$21.2 billion of total exports in 2018).

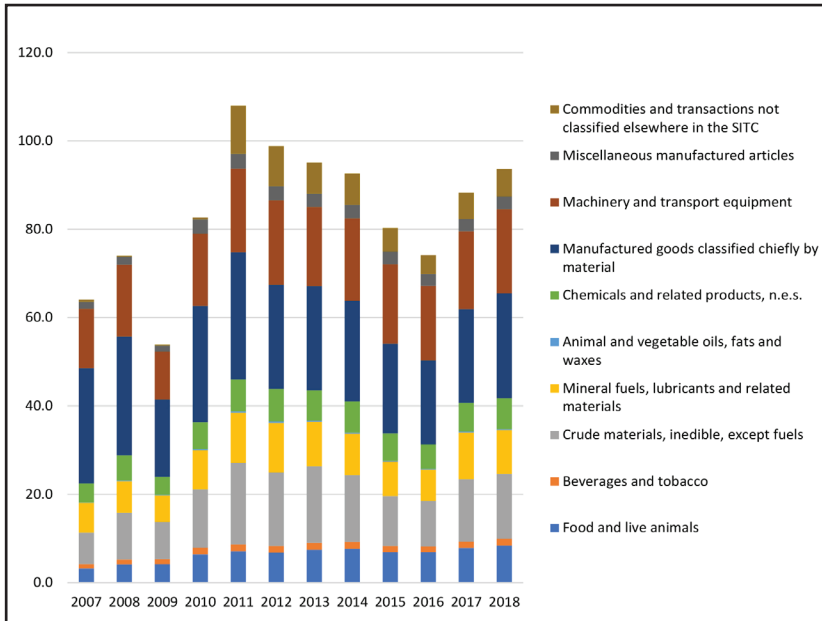
Graph 10: South Africa global export composition by region, 2001 - 2018 (\$ billion)



Source: ITC Trade Map, *Trade Statistics for International Business Development*, [https:// www.trademap.org](https://www.trademap.org), accessed 4 September 2019.

Although China has been South Africa’s top trading partner, trade has ebbed and flowed as the GDP and trade growth in China has fluctuated between 2016 and 2018. South Africa’s top five export destinations in 2018 were China, Germany, the United States, the United Kingdom and India.

Graph 11: South African global export composition (2007-18, SITC 4, \$ billion)

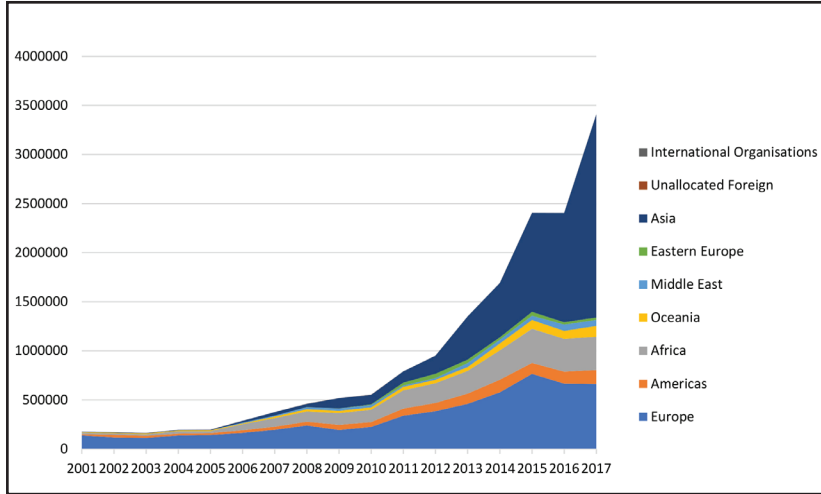


Source: UN Comtrade (UN Commodity Trade Statistics Database), <https://comtrade.un.org/>, accessed 30 March 2020.

Graph 11 above illustrates the change in South Africa's export basket between 2007 and 2018. South Africa's total exports have fluctuated drastically over the past decade. The first dramatic drop in exports (2009) was due to suppressed demand from global partners following the global financial crisis. The second significant drop from 2012 to 2016 was a combination of the global commodity crisis and reduced demand from China (South Africa's biggest trading partner) following reduced economic activity in that country. Nevertheless, Graph 11 highlights some positive trends. Over this period, there has been a gradual increase in exports of agricultural products and agri-processed goods. At the same time South Africa remains a major exporter of manufactured goods and machinery – both labour-intensive industries that alleviate socio-economic pressures in South Africa. Overall, the diversified nature of South Africa's trade profile is positive and helps it avert global crises in particular sectors.

South Africa's investments abroad: 2001-2017

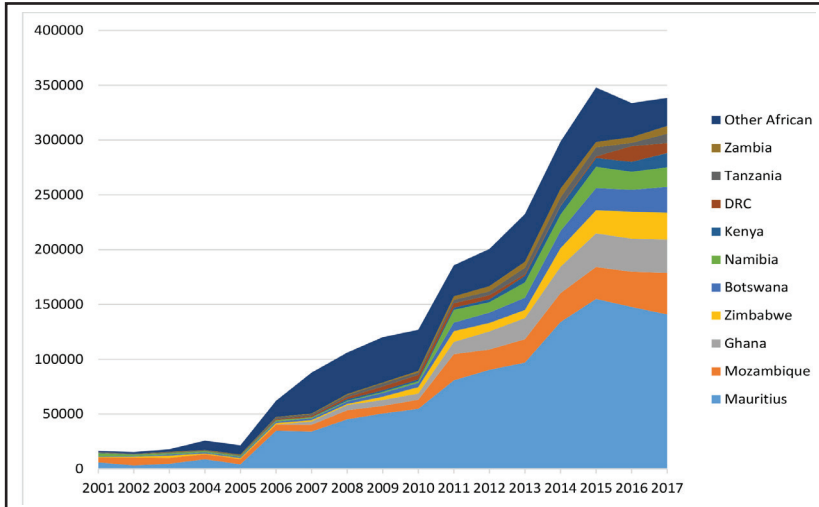
Graph 12: South African foreign assets, 2001-2017 (direct investment, R millions)



Source: SARB, *Response for Query: Data Request Foreign Liabilities and Assets of South Africa 2001 - 2017*, accessed 4 March 2019.

South African FDI in other regions outside of Europe has expanded over the last past decade (2007 – 2017). By 2017 the country's foreign assets were diversified geographically, with Asia and Europe dominating as destinations, followed by Africa.

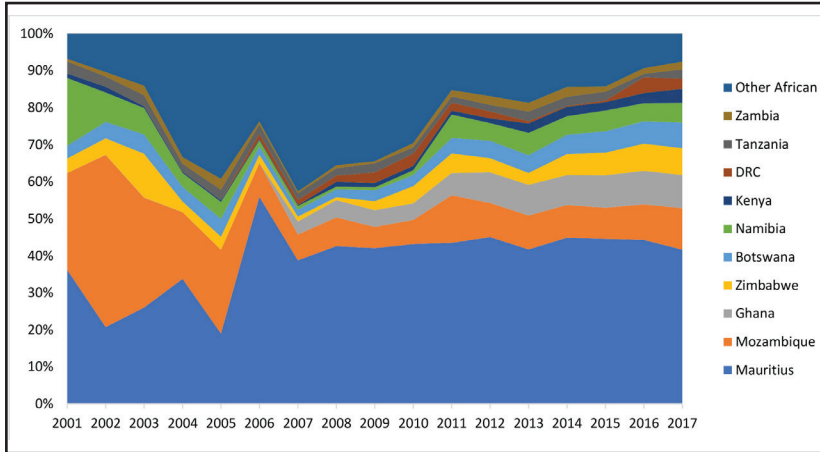
Graph 13: South African assets in other African markets (direct investment, R million)



Source: SARB, *Response for Query: Data Request Foreign Liabilities and Assets of South Africa 2001 - 2017*, accessed 4 March 2019.

South Africa's foreign assets in the rest of Africa are mostly concentrated in other SADC economies. In Mauritius, the top destination for South African investment, FDI is largely concentrated in the financial sectors. Mauritius' share of South Africa's FDI remained largely stable over the past decade, at around 40% of total outward FDI. In terms of absolute FDI this has increased from ZAR5.9 billion in 2001 to ZAR140.9 billion in 2017. The high figures in Mauritius relate to its role as a tax haven, which means that the beneficial ownership of that investments is located elsewhere (including in South Africa). FDI in mineral and mining sectors dominate in other countries such as Botswana and Mozambique. South Africa's services and retail companies (such as Woolworths, Mr. Price, Shoprite) also dominate in Southern African markets. Ghana is used as a hub in the ECOWAS region.

Graph 14: South African assets in other African markets (direct investment, %)

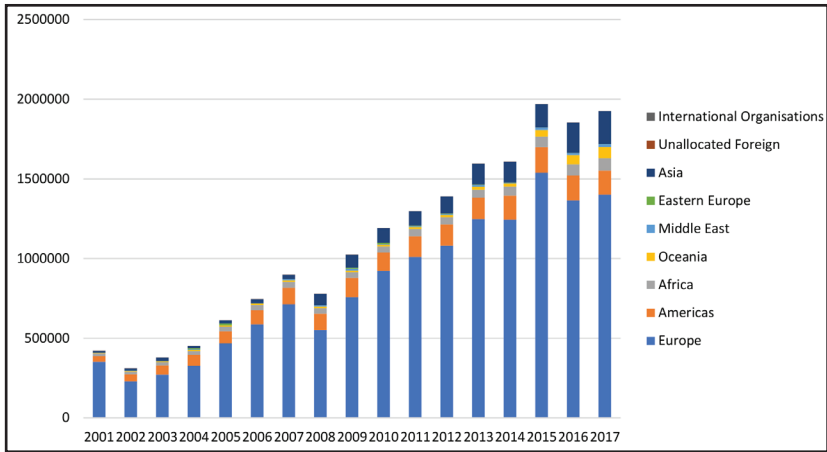


Source SARB, *Response for Query: Data Request Foreign Liabilities and Assets of South Africa 2001 - 2017*, accessed 4 March 2019.

Graph 14 illustrates the South Africa's investments in the rest of Africa proportionately. In the mid-2000s there was more South African investment in the category 'other African', but that has declined proportionately since the global financial crisis.

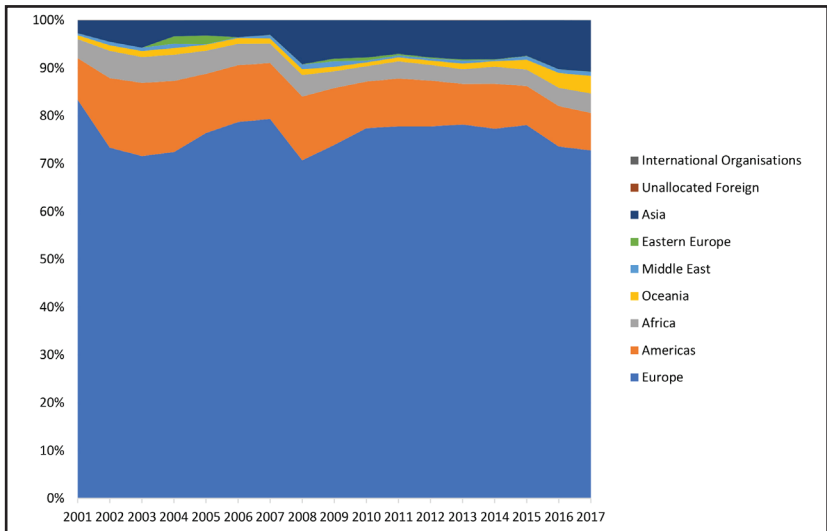
Foreign direct investment in South Africa: 2001-2017

Graph 15: South African foreign liabilities (direct investment, R million)



Source: SARB. *Response for Query: Data Request Foreign Liabilities and Assets of South Africa 2001 - 2017*, accessed 4 March 2019

Graph 16: South African foreign liabilities, 2001-2017 (direct investment)

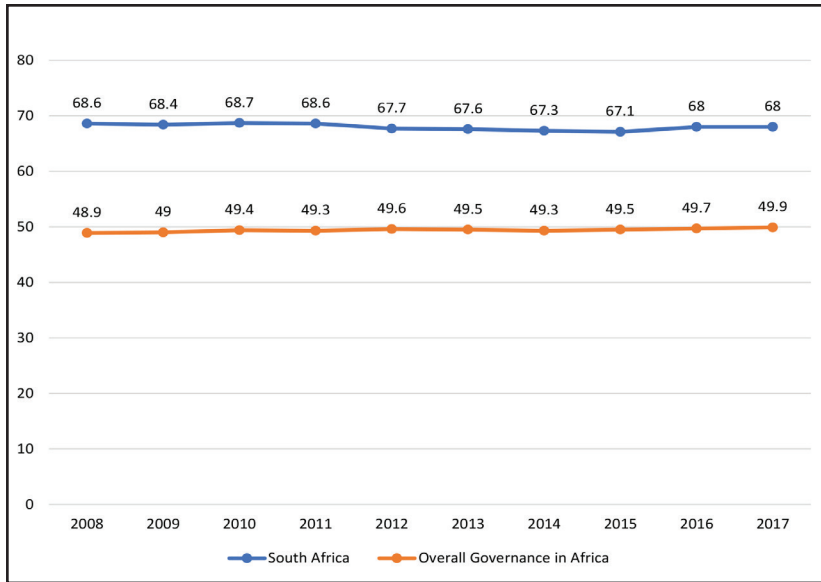


Source: World Bank, *Country and Lending Groups*, <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>, accessed 5 September 2019.

Between 2001 and 2017 Europe’s share of FDI in South Africa remained relatively stable, at between 70% and 80% of total FDI. The only marked increase over this period has been Asia, which increased its share from single to double digits.

Governance

Graph 17: Mo Ibrahim Governance Index - South Africa, 2008-2017



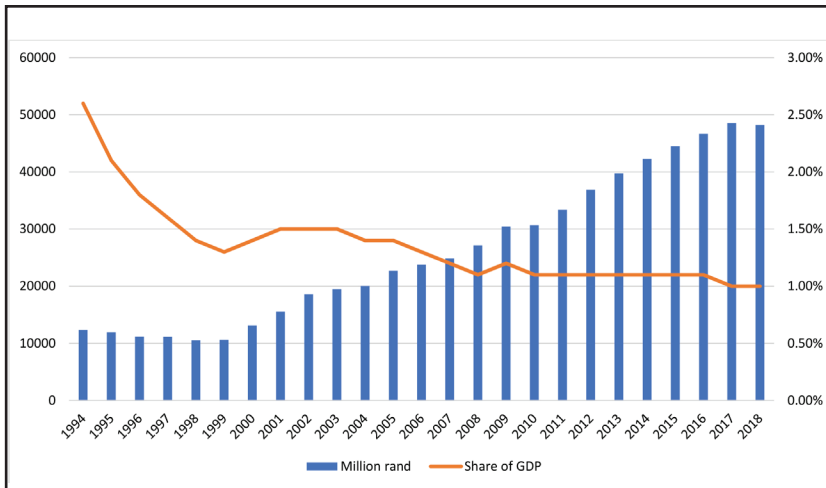
Source: Mo Ibrahim Foundation, *Ibrahim Index of African Governance 2018 African Governance Report*. <https://mo-s3.ibrahim.foundation/u/2018/11/27173840/2018-Index-Report.pdf>

This graph shows South Africa’s performance on the Mo Ibrahim Governance Index using the following indicators: 1) safety and rule of law, 2) participation and human rights, 3) sustainable economic opportunity and 4) human development. Between 2008 and 2017, South Africa scored relatively higher in comparison to the governance scores of other African countries. In 2018, South Africa ranked ninth in Africa, behind Mauritius, Botswana, Namibia, Cabo Verde, Seychelles, Ghana, Sao Tome Principe and Senegal. The 0.06 deterioration in the past decade

is attributed to a decline in the categories of personal safety, transparency and accountability.¹⁰

Military

Graph 18: Military expenditure in South Africa, 1994-2018



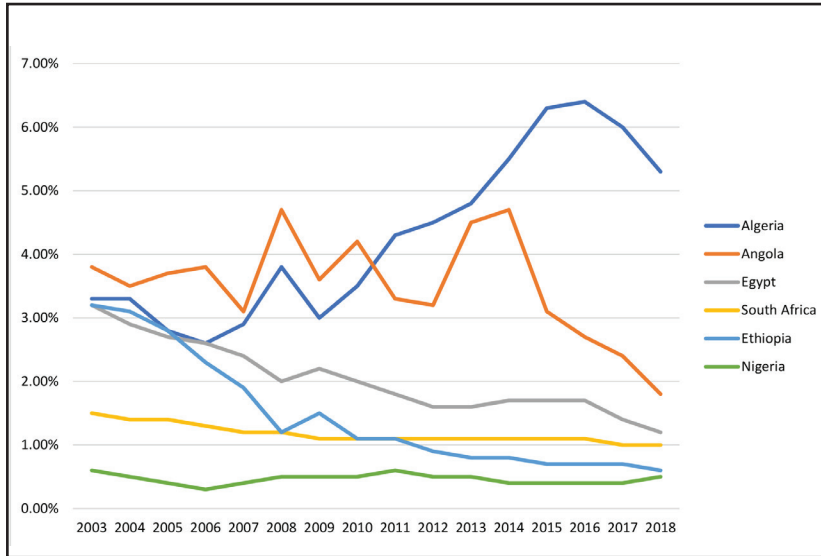
NOTE: The graph is in current prices

Source: SIPRI (Stockholm International Peace Research Institute), SIPRI Military Expenditure Database, <https://www.sipri.org/databases/milex>, accessed 14 January 2020

Military expenditure as a proportion of GDP has been declining steadily since 1994, from over 2.5% to about 1% in 2018.

¹⁰ Allison S, 'Mo Ibrahim: Africa's Decade of Lost Opportunity', *Mail and Guardian*, 30 October 2018. <https://mg.co.za/article/2018-10-30-mo-ibrahim-africas-decade-of-lost-opportunity/>

Graph 19: Military expenditure of select African countries (as % of GDP)



Source: SIPRI (Stockholm International Peace Research Institute), SIPRI Military Expenditure Database, <https://www.sipri.org/databases/milex>, accessed 14 January 2020.

Graph 19 illustrates South Africa’s military expenditure in relation to other African countries. Algeria spends the highest proportion of its GDP on military expenditure – above 5%, followed by Angola and Egypt which are both under 2%.