

REVIEWING THE DISTRICT DEVELOPMENT MODEL IN THE EASTERN CAPE:

A case study and learnings on strengthening cooperation and coordination



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Glossary of terms

AG	Auditor General
APP	Annual Performance Plan
AR	Annual Report
BEPP	Built Environment Performance Plan
BOT	Build-Operate-Transfer
BT	Build-Transfer
CAPEX	Capital Expenditure
COGTA	Department of Cooperative Governance and Traditional Affairs
CONTRALESA	The Congress of Traditional Leaders of South Africa
CSIR	Council for Scientific and Industrial Research
DALRRD	Department of Agriculture, Land Reform and Rural Development
DBSA	Development Bank of Southern Africa
DDM	District Development Model
DEDEAT	Department of Economic Development, Environmental Affairs and Tourism
DFIs	Development Finance Institutions
DMCs	Development Management Committees
DoRA	Division of Revenue Act
DPME	Department of Planning Monitoring and Evaluation
EPWP	Expanded Public Works Programme
ETP	Economic Transformation Programme
GNI	Gross National Income
GTP	Government Transformation Programme
GVA	Gross Value Added
ICU	Implementation and Coordination Unit
IDC	Industrial Development Corporation of South Africa
IDP	Integrated Development Plan
IGR	Inter-governmental Relations

ISRDP	Integrated Sustainable Rural Development Programme
IUDF	Integrated Urban Development Framework
KPA	Key Performance Area
LED	Local Economic Development
LGFV	Local Government Financing Vehicles
LGTAS	Local Government Turnaround Strategies
MFMA	Municipal Finance Management Act
MGDS	Metro Growth and Development Strategy
MIG	Municipal Infrastructure Grant
MINMEC	Ministers and Members of Executive Councils Meeting
MPAC	Municipal Public Accounts Committee
NCOP	The National Council of Provinces
NDRC	National Development and Reform Commission
NEF	National Empowerment Fund
NVP	National Vision Plans
OPEX	Operational Expenditure
OTP	Office of the Premier
PCC	Presidential Coordinating Council
PEMANDU	Performance Management And Delivery Unit
PMO	Project Management Office
PPP	Public-private Partnership
SALGA	South African Local Government Association
SDF	Spatial Development Framework
SOC	State-owned Company
SOE	State-owned Enterprise
SPV	Special Purpose Vehicle
TIA	Technology Innovation Agency
ToR	Terms of Reference
URP	Urban Renewal Programme
WSIG	Water Services Infrastructure Grant

EXECUTIVE SUMMARY

The province of the Eastern Cape emerged in the post-Apartheid period, from a long settler colonial, Union and Apartheid history of local governance characterized by codified segregation, indirect rule in erstwhile ‘native territories or African areas, such as the Transkei, the Ciskei, KwaZulu, Bophuthatswana and Venda. Territorially, this framework of indirect rule involved the creation of discontinuous boundaries that divided South Africa between the ‘white Republic’ and nominally ‘independent’ black homelands.



The democratic era was then an opportunity to create a unitary state, with wall to wall boundaries, albeit with a quasi-federal character that devolved functions and powers to subnational spheres of government. The South African Constitution of 1996, committed the new country to national, provincial, and local spheres of government, brought together in a governance framework that would be ‘distinctive, interdependent and interrelated’. Under this framework, local government would not be a sphere subordinate to the interests or a function of national and provincial spheres, but rather an integral component of the democratic state in its own right.

While theoretically a way to manage the balance in negotiation between unitary and more federalist notions of what the new society should be; in practice, this approach has created an environment where there has been a ‘pattern of operating in silos’, which has given rise to incoherence in planning and implementation, which has made monitoring and oversight of government programmes difficult.

Initiated by President Cyril Ramaphosa in 2019, the District Development Model (DDM) emerged in recognition of these weak coordination outcomes and institutional incapacity. The DDM is a practical intergovernmental mechanism that brings together the forty-four (44) districts and eight (8) metros across the country, as ‘developmental zones’ built around the **strategic alignment of all three spheres of government** to guide strategic investments and projects.

Our study emerges from this focus and considers the early development of the DDM as a practical IGR mechanism and describes and analyses the planning and coordination system in the Eastern Cape, considering the draft One Plans developed by Districts in the Province.

In undertaking the study, we drew on a combination of methods, which included secondary data analysis, reviews of the Draft Plans, primary research interviews with officials in the Districts, the provincial and national sphere and a public survey administered online. Furthermore, the study considered the international experiences of long-term planning in subnational spheres of government in China, Malaysia, and Uganda. Significant lessons arise from these experiences. Critical among these is the need

for clear role distribution between different spheres, the need for an interface between technocratic, implementing, and political layers of authority and the critical role of crowding in non-transfer resources, by intentional design of implementation commitments rather than as a coincidence of planning.

The analysis also considered the alignment between the diagnostic, vision, mission and strategy-setting actions, and the implementation framework of earmarked activities and projects. This considered how the Plans were developed, where these Plans drew on existing planning instruments and whether implementation areas identified were in alignment with the envisaged end-state, or the economic, social, and spatial change sought.

Moreover, the study found a few critical insights worth mentioning. Firstly, the identification of ‘catalytic’ projects is drawn from the discretion of officials rather than any strategic framework. The outcome is a ‘grocery list’ of planned, ongoing, and envisaged projects, with no visceral link to the change sought. We propose in this study, a framework that considers **projects whose activities and impact span across geographical and spatial boundaries**, projects that **advance universal access to basic social and economic services**, those that **secure current and future bulk service requirements** and ultimately, those that **enable economic and spatial transformation and equity**.

Secondly, our case study focused on OR Tambo, found that while some of the catalytic projects can ‘catalyze’ economic and spatial transformations that enable the development of tourism and agriculture-related economic activities and enable social reproductive activities, the One Plan overlooks the significant task of stabilizing the governance and financial management environment in the local and District authorities in the District. Furthermore, from an infrastructure and service delivery perspective, a constrained macro-fiscal environment means that the local authorities will need to consider non-transfer means of financing their ambitious pipeline of projects. This will require significant improvement in project scoping and packaging, to crowd in non-state actors to overcome the funding gaps associated with many planned capital investment projects.

Thirdly, for the above to happen, there is a need for clear

signalling and information systems approaches, which strengthen the Centralized Data Management and Analytical System (CDAS), developed by the DPME in a way that allows for the aggregation of geospatial, financial and other project-level data across the 52 IGR impact zones that can give a meaningful ‘birds-eye’ image of what these projects mean for the broader spatial theory of change as encompassed in the National Spatial Development Framework and how this informs ongoing revision and iteration of the National Development Plan.

At an institutional and implementation level, there are numerous recommendations that emerge from the study. Projects deemed ‘catalytic’ and in greatest need of coordination and alignment between and across different spheres of government

i. Strengthen land markets

Furthermore, there are interventions required (drawing from Chinese experience) that transform land markets in a manner that enables the spatial transformation of critical transit nodes that arise from the successful completion of catalytic projects. These include the N2 in OR Tambo and the R72 in Sarah Baartman Districts, with the potential to crowd in private investment alongside mixed land tenure (private, communal, and traditional) and increasingly dense settlements.

In a constrained macro-fiscal environment, non-transfer forms of financing (DFI, multilateral and private) can augment CAPEX funding gaps and incentivize the development of critical economic infrastructure alongside these catalytic projects.

ii. Balance political, technocratic, implementation and local interests in a responsive institutional interface

The institutional interface that develops, reviews, and iterates One Plans as medium to long term planning instruments, requires a clear distribution of roles, authority, and responsibility. Our recommended institutional model requires interface and engagement between local (‘local authorities’), implementing (‘special purpose vehicles’), technocratic (‘Presidency Steering Committee on the DDM’) and political (PCC and Cabinet) layers, with entry and engagement points with provincial and national sector departments at multiple levels, and review and feedback loops that link the different layers.

iii. Resource greater uniformity in the development, operationalisation and review of One Plans

There is a need for greater resourcing at a local level, to ensure uniform and better alignment between existing development and spatial planning instruments with the One Plans, to ensure more participatory and targeted vision, mission, and strategy-setting processes. Such uniformity allows for clear terms of engagement of non-state actors, especially community organizations and private sector actors, who can play a role in confronting District-level CAPEX funding gaps. Consideration should also be given to the creation of District Investment Handbooks that can be an exposition of a bankable pipeline of investment projects.

iv. Prioritize building robust primary data gathering and alignment of secondary data sources in rolling out the DDM

The vision, mission and strategy-setting process need to be complemented by ongoing primary data gathering at a local level, on space, settlement patterns, current and envisaged economic activities, revenue drivers, areas of taxation, the spatial coverage of public goods and other social wage elements.

Currently, little capacity exists in local authorities to undertake these tasks, and there is a need for capacity building at this level, but also insofar as secondary data sources are concerned, a review within StatsSA (where such has not happened yet) of the ‘all of government’ spatialization of key secondary research publications across the markers of ‘people’ (household data such as the Census, Community Survey, the General Household Survey, and the Living Conditions Survey), ‘the economy’ (GDP, QES, QLFS, Manufacturing Production and Sales, census of provincial agricultural statistics, wholesale and retail trade sales and production data, tourism accommodation survey) and ‘space’ (building statistics for the private sector, financial and employment information of the construction industry, land transport survey, capital expenditure by public sector).

Such a data agenda is critical not only in diagnostic elements of the One Plan, but also plays a critical role in the monitoring and review of ‘change’ once activities are underway. In relation to implementation, the signal of implementation commitments in the One Plan requires clear articulation of the time horizon, impact on triple challenges, financing, repair and maintenance obligations and an outline of the employment potential and local value distribution possibilities associated with implementation commitments and catalytic projects.

v. Legislate the DDM by making the necessary amendments to the. IGR Framework Act

Officials who were engaged in the development of this study, highlighted the capacity issues and at a regulatory level, the need to embed the DDM in existing legislation as a requirement rather than just a ‘way of working’, but as an **implementation protocol as outlined in section 35 of the Intergovernmental Relations Framework Act 13 of 2005.**

We recommend an amendment to this section of the Act, that embeds the DDM while also considering whether the dispute resolution framework in section 39 and 40 serves as an adequate basis to manage conflicts and disputes between different spheres of government.

vi. Ensure active participation of communities and residents across the One Plan development and review lifecycle

Furthermore, there is a need to ensure community and resident involvement across the diagnostic, vision, mission, and strategy-setting phases of One Plan development, and continued accountability for progress on implementation commitments, and a framework that brings together existing oversight mechanisms with community social auditing of outcomes, to inform the review and iteration of the One Plans.

1. BACKGROUND AND INTRODUCTION

South Africa and the Eastern Cape emerge from a history of local government, characterized by codified segregation, indirect rule in erstwhile ‘native territories’ or African areas, such as the Transkei and Ciskei. This situation emerged in embryonic form in the period pre-dating the Union of South Africa. The Union government maintained the systems of indirect rule, with a limited franchise in the Cape and with the onset of Apartheid in 1948, this was soon codified into a clear system of race-based local authorities.

The Group Areas Act of 1950, best captured the qualitative difference introduced by the Apartheid regime on earlier experiments in racial segregation, skewed property relations and indirect rule;

‘When a group area for a non-European group has been proclaimed, the Minister may establish for such an area a governing body to be constituted in accordance with regulation. This body will be constituted wholly or mainly of members of the group for which the group area has been established and shall have such powers and functions as may be prescribed by regulation. These powers and functions will be exercised subject to the supervision of the (white) local authority’

This Apartheid system of ‘supervisory’ indirect rule was an extension rather than a departure from the colonial indirect rule.

The democratic breakthrough in the early 1990s was confronted with the task of proposing and implementing a qualitative departure from this system based on racial segregation, skewed property relations and indirect rule. The South African Constitution of 1996 committed the new society in its creation of national, provincial, and local spheres of government, to a governance framework wherein these spheres would be ‘distinctive, interdependent and interrelated’.

Local government would not be a sphere subordinate to the interests or a function of national and provincial spheres, but rather an integral component of the democratic state in its own right. The framework of cooperation this implied, recognized the complex nature of governance at multiple levels, and the challenges of establishing cohesive and synergistic spheres of government that work in a collaborative fashion.

This required an intergovernmental relations framework that, as the **1998 White Paper on Local Government suggests**, exhibits ‘multiple formal and informal processes, channels, structures and institutional arrangements for bilateral and multilateral interaction’. All of which are aimed at ensuring the optimal delivery of services and confronting the triple challenges of poverty, inequality, and unemployment.

The **Intergovernmental Relations Framework Act 13 of 2005**, drawing on the policy guidance provided in the White Paper, sought to give legislative effect to this intergovernmental relations vision flowing from the Constitution, by requiring that national, provincial and local authorities pursue the objectives of the Act, by among others, ‘coordinating their actions when implementing policy or legislation affecting the interests of other (spheres) of government’ and taking ‘reasonable steps to ensure that they have sufficient institutional capacity and effective procedures’ to enable co-operation, information sharing and responsive relations between these different tiers of government. The District Development arises out of this expectation, and perhaps the observed coordination failures that present significant constraints to service delivery and activities focused on social, economic, and spatial transformation.

The District Development Model

Initiated by President Cyril Ramaphosa in 2019, the District Development Model (DDM) emerged because of the observed variance from this policy vision of collaborative work which could underpin a ‘developmental’ approach to local governance. Government and other relevant stakeholders recognized the ‘pattern of operating in silos’, which gave rise to incoherence in planning and implementation, which made monitoring and oversight of government programmes difficult (COGTA, 2020). The DDM also arose out of a recognition that in practice, weak coordination and institutional capacity as identified by the National Development Plan are critical structural weaknesses that account for weak service delivery outcomes, uneven financial performance, and slow economic and spatial transformation.

The DDM as a response to these challenges seeks to bring together the forty-four (44) districts and eight (8) metros as ‘developmental zones’ built around **strategic alignment of all three spheres of government** to guide strategic investments and projects. The DDM, as a practical intergovernmental relations (IGR) mechanism, requires collaborative planning at a District level by all of government and ‘all of society’, drawing lessons from earlier initiatives such as the Integrated Sustainable Rural Development Programme (ISRDP), District Level Planning and Implementation Management Support Centers and respective Local Government Turnaround Strategies (LGTAS).

The DDM, as will be seen in the subsequent analysis of the process and outcomes of developing geo-spatially referenced ‘One Visions and One Plans’ draws increasingly on planning instruments within the government budgeting and planning cycles such as Built Environment Performance Plans (BEPPs), Spatial Development Frameworks (SDFs) and Integrated Development Plans (IDPs) to ensure targeted, spatially referenced and prioritized interventions across all tiers of government.

We consider then, the evolution of the DDM in this nascent phase, with a particular focus on the Eastern Cape, while also drawing lessons from some of the pilot areas, and below we consider the scope of our undertaking.

2. THE SCOPE OF OUR UNDERTAKING

This study, commissioned by the United Nations Development Programme (UNDP) on behalf of the Eastern Cape provincial government, the Department of Co-operative Governance and Traditional Affairs (COGTA), describes and analyses the planning and coordination system emerging in the development of draft One Plans across the Eastern Cape. In so doing, we consider the capacity of public servants, coordination processes and structures across different spheres of government, in relation to the planning, budgeting and implementation of envisaged actions in the long-term DDM One Plans.

As outlined in the ToR, a

‘KEY OBJECTIVE OF THIS ASSIGNMENT IS TO DESCRIBE AND ANALYZE THE PLANNING AND COORDINATION SYSTEM AS SET OUT IN THE ONE PLANS AS A CRITICAL PLANNING AND COORDINATION INSTRUMENT, AS WELL AS THE RELEVANT CAPACITY OF PUBLIC SERVANTS’

and administrations across the eight Eastern Cape District Municipalities, provincial and national government, to coordinate and align on identified commitments and actions.

This analysis will also draw on the experiences in the three national DDM pilot Districts (OR Tambo, eThekweni, and Waterberg). In doing so, the aim is to develop case studies of how long-term District Development Planning can be strengthened, using appropriate systems, practices, tools, data and evidence in the design and review of ‘One Plans’ and the related budgets of different tiers of government.

This Report is divided into three sections.

The first, is a **case study report**, including lessons, best practices and recommendations on how long-term District-level planning systems, tools and practices can make the best use of data, evidence and ongoing ‘bilateral and multilateral’ structures and processes to improve coordination in long term planning, implementation, and review of One Plans. This section draws on the review of these plans, in-person and virtual discussions with municipal officials and related stakeholders, and analysis of survey results. Our methodological framework focused on rigorous desktop work, primary research and data gathering (via informant interviews and an online survey), analysis of secondary data and participant observation.

The second area consists of the design principles that underpin a **set of online training materials** for a cohort of government planners, with tools, guides, visual and other materials. These materials serve as a complementary information management system for catalytic interventions, which assist practitioners with information, experience, and knowledge-sharing. In this report, we discuss the ‘design principles’ that can inform a pilot dashboard with critical insights on catalytic projects across IGR impact zones in the Eastern Cape province, which can be scaled beyond the province. The online materials informed by this design framework, focus on weaknesses identified in strategy-setting, propose a framework for the identification of catalytic projects, and information-gathering tools that can build province and national-level ‘spatialized’ dashboards of catalytic projects in a visual aggregation of all these interventions.

The third area of the Report focuses on **recommendations based on the two preceding areas** of analysis, which can inform the strengthening of District-level planning and implementation processes.

We begin our discussion by considering the literature on coordination in long-term planning across different spheres of government, with a focus on the international experiences of China, Malaysia, and Uganda.

3. WHAT DO WE LEARN FROM INTERNATIONAL EXPERIENCES OF DISTRICT-LEVEL COORDINATION, PLANNING AND IMPLEMENTATION? A view from China, Malaysia and Uganda

The way governments coordinate their specific actions in pursuit of a common set of goals or outcomes, within a sphere of intergovernmental relations, is a relatively understudied topic. While extensive studies exist looking at the ‘design’ of intergovernmental relations systems and the contradictions and opportunities inherent in them, few studies explore how coordination and alignment of processes (for planning, budgeting, implementation, and monitoring) across the different tiers of government occurs, with what limitations and possibilities.

So, while there is a vast literature on the structure of governments, there is little on the political economy of the ‘actual points of contact between different tiers and levels of government’ and the implications these have on the six pillars of the DDM (demographic change and people, economic positioning, spatial restructuring and the environment, infrastructure engineering, integrated service provisioning and governance and finance).

This literature review aims to string together some evidence of how governments have successfully and unsuccessfully coordinated with the purpose of drawing potential lessons for the DDM.

In the discussion below we consider experiences from China, Malaysia, and Uganda. We consider these experiences for a few reasons worth exploring, with considerable relevance to the South African case.

Firstly, we consider these three countries because of the role of ‘external aggression’ and colonialism (via indirect rule) in determining the boundaries, settlement, and other features of the societies, which while post-colonial experiences may seek to depart from these, continue influencing the ‘path dependence’ of post-colonial ‘state-formation’. While the experiences of indirect rule, the role of pre-capitalist forms of authority (such as traditional leadership), can be found in many places, it can be said that there are features that are peculiar to South Africa or Southern Africa. Yet, the choice of these three countries is informed by the ‘features in common’ with our experience, and these as observed by Thozamile Botha in 1993, long histories of ‘inorganic’ settlement and migration -

‘Patterns of land occupation in South Africa are not the result of a long and relatively organic settlement, but the consequence of relatively recent colonial conquest, immigration, mass relocations, major and dramatic industrialization, including migrancy and rapid urbanization and enforced balkanisation’ (Botha,1993:42)

China, Uganda, and Malaysia share to different degrees this common history of conquest, relocation and the impacts of prior experiences industrialization, urbanization, and balkanization .

Secondly, the chosen nations sit across the continuum of ‘federal, quasi-federal and unitary’ states. China is a unitary state, which like South Africa, also has, ‘various regions which have different levels of economic, political and cultural development’, but has opted for a distinctly unitary state with power (as we shall see) centralized at the top. Uganda, on the other hand, has had a fierce contest around the suitability of federal or unitary notions of the state, emerging from a history of colonially imposed federalism, incorporating the Buganda monarchy under colonialism, and the subsequent quasi-federal 1962 Constitution, which at the 1961 Lancaster Constitutional Conference. This conference was confronted with the vexing matter of how to afford legitimacy to the Kingdom of Buganda in exchange for the recognition of the new Ugandan state (Olum, 2012). However, the National Resistance Movement (NRM) government in Uganda has continued to emphasize its vision of a unitary state in Uganda. In Malaysia, the governance framework, while constitutionally a federal system, it has been a federal system that centralizes a considerable amount of power in the national state in practice (Ostwald, 2017).

Thirdly, all three nations undertake long-term planning which, to varying degrees draws on contextual understandings of change needed at a subnational level, in pursuit of broader national or regional goals. The One Plans we consider in much of this study are long-term plans, and the experiences of China, Malaysia, and Uganda to varying degrees make use of long-term planning at a local level as an input into national-level planning.

We will consider some of these issues in greater detail below –

¹In Uganda this experience of contestations over boundaries, the concept of the nation, during colonialism can be seen in the episode of the Kabaka crisis. In Malaysia, the post-colonial governance framework, much like South Africa has sought to embed a multi-ethnic notion of Malaysian nationalism, rather than a ‘Malay nation-state’ and in China, the building of a unitary rather than federal state from 1922 became the common ‘national perspective’ of both the Communist Party of China and the Kuomintang (KMT).

1.1.1. China

The administrative structure of the People's Republic of China consists of four sub-national levels – provincial, prefectural, county and township. The provincial levels cover larger city regions under the direct control of the national assembly, such as Beijing and Shanghai. At a prefectural level, there are a hybrid set of institutions, some reporting directly to the national government and some reporting to provincial authorities, depending on the level of urbanization. At the county level, there are districts, counties, and county-cities. Districts are in urban areas and counties in generally rural areas. The township level is the lowest level of administration (Wang and Herd, 2013)

In China, there is significant centralization of both revenue raising and expenditure functions, in a system where subnational authorities, unlike in South Africa, 'are effectively agents acting on behalf of the central government' (Wang and Herd, 2013:10). Appointment and the management of the performance of local officials, rests with the higher authorities. However, the 'real expenditure' (both on and off-budget) is undertaken by subnational spheres, with the national government spending only around one-fifth of the total expenditures. In South Africa in contrast, the national government spends over two-fifths of the national expenditure envelope.

Put simply, national authorities set the agenda and determine the 'agents', but local institutions administratively spend the money, overseen by higher levels of government. We consider the agenda-setting process and the institutional interface around planning in China below -

The architecture of local planning in China

Planning in the Chinese context is driven from 'the centre'. The implementation of the Communist Party of China's Central Committee policies and decisions on 'development and reform', are undertaken by a ministerial-level department of the State Council, the National Development and Reform Commission (NDRC). The State Council, alongside the Party and the People's Liberation Army form part of the 'three interlocking branches of power'. Having started in 1952 as the State Planning Commission, the NDRC oversees the work of provincial administrations. It anchors much of the society-wide planning and 'sub-plans' to be implemented by government entities across all levels of the administration.

As Andrew Murray, former CEO of ECSECC suggested in an interview, what we might also learn from China is the 'utility' and value of detailed long-term planning;

'You need to know where you want to be and then work backwards in terms of how you're going to get there ... identify your economic drivers and how you get behind them. It's the same for the country level, you can't have a spatial plan divorced from a broader theory of change. So, what is it? If we want the national output to increase by X, we want employment, we want inequality to reduce, we want economic inclusion and we also want spatial inclusion...' (Interview with Andrew Murray, Virtual, 23 August 2022)

One of the main functions of the NDRC is to 'advance and implement strategies for co-ordinated regional development'. These include overseeing the urbanization strategy, strategies for regional development, formulation of regional development plans, programmes to resuscitate old industrial bases, improve regions with minority ethnic groups, and rural areas inter alia. For instance, in the case of infrastructure engineering, one of the pillars of the DDM, the NDRC is involved in spatial planning and the macro-aspects of project and investment management in the built environment. Some of the responsibilities of the Commission include inter alia

- To plan the layout of key construction projects and productivity; to formulate regulatory targets, policies and measures concerning the total size and structure of fixed asset investment in the whole society
- To arrange and coordinate dedicated plans that involve central government investment and key construction projects in accordance with balanced needs; to arrange fiscal expenditure for the construction of economic infrastructure; to approve, authorize, and review key construction projects, foreign-funded key projects, key investment projects for overseas resources development, and investment projects utilizing a large amount of foreign exchange as mandated by the State Council (NDRC, 2020)

Furthermore, the Commission receives, participates in, and approves sub-national plans, coordinates monitoring and evaluation and critical spatial and economic transformation plans (i.e., 'development of the Western Region, Revitalization of the North-Eastern Region, the Central Region and management of urbanization).

(The Commission's task is to 'guide and coordinate regional economic co-operation', which implies an interface with local planning institutions. China's local government institutions are separated into planning and governance units. Development Management Committees (DMCs) and Local Government Financing Vehicles (LGFV) purely act to focus on economic development, the development of master plans and the delivery of specific development objectives. Local authorities are left to manage things like basic services, healthcare, and waste management. DMCs are generally charged with the implementation of projects whereas LGFVs oversee financing using land sales or land as collateral (see below).

Statutory planning by the local government in China can only take effect if examined and approved by higher levels of government. Therefore, unlike in South Africa, where local authorities have relative autonomy in specific areas, in China, the role of upper levels of government places an obligation on local government to negotiate and bargain in the planning phase over prioritization of specific actions and projects and prospective plans requiring multi-institutional implementation and coordination.

Local municipalities shoulder a large share of the local expenses on public and social services, as mentioned above. Due to the tax sharing system introduced in 1994, local revenues are shared upwards to the central government, most local municipalities need to find other sources of revenue. By far the largest source of revenue is the income from land sales and leases as this is exempt from tax-sharing arrangements. This contrasts with the Eastern Cape, whereby the bulk of revenue in districts comes from transfers from the national government, with weak formal land markets albeit significant commercial and development potential. Furthermore, in China, the actual provision of services is conducted by both the local authority and a combination of private and non-profit contractors. The Chinese example is an illustration of a centre-focused coordination approach with a significant need for approvals, interface, and other interactions with local authorities, that make for bargaining and contestation around vision and priority-setting.

Furthermore, it highlights at the level of institutions the importance of the separation not just of functions (economic versus social infrastructure), but of roles (planning, execution, and financing) and the role of functional land markets and land use planning as a mechanism to transform the spatial and economic form of local areas. Furthermore, the role of coordination in China is also about urban growth and population management,

which is a critical lesson for South Africa facing the service and infrastructure challenges associated with historic and growing rural-urban migration. It is concerning as we shall see below that even some of the large metros in the Eastern Cape do not track and monitor data on inward migration to their areas, which presents significant challenges across the DDM pillars.

Below, we consider, with a particular focus on the DDM pillar 2 (economic positioning) and pillar 4 (infrastructure engineering), how catalytic projects are financed and executed in China, and the implications for the South African case.

The risks and possibilities of 'local government financing vehicles' - lessons from China

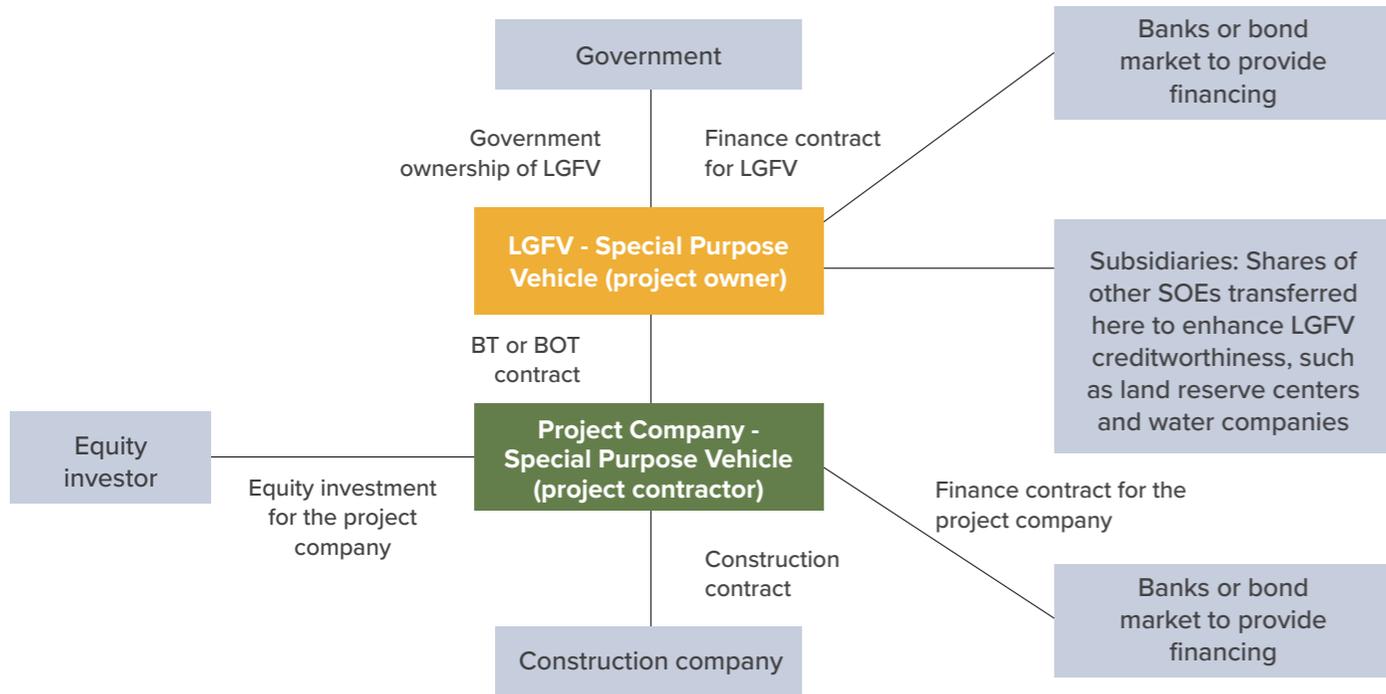
Following the export shock arising from the 2007-8 financial crisis, the Chinese government launched a four-trillion-yuan stimulus plan, with a significant focus on infrastructure development. In the process, local governments borrowed heavily, largely through commercial bank loans, but some of the borrowing also included, especially after 2012, off-budget loans. According to Chen et al (2017), this led to a 'stimulus-loan-hangover' effect, where local authorities who received stimulus loans following the financial crisis, had to repay these loans in three-to-five years, while the infrastructure projects they financed were longer in duration.

In response to this 'maturity mismatch', local governments engaged in 'regulatory arbitrage' by dipping into shadow banking, effectively creating the Chinese corporate bond market, much like railroad financing underwrote the emergence of a bond market on Wall Street in an earlier period (Chen et al, 2017: 48).

Furthermore, because the 1994 tax reforms removed control over local tax revenues for local government, and prevented them from running budget deficits, by the time of the 2009 stimulus, only one trillion yuan came from the central government, meaning that the infrastructure financing gap of three trillion yuan was met through local government financing vehicles (LGFVs).

In recent times these LGFVs have courted significant controversy, as the Beijing government recently cracked down on shadow banking, off-budget capital raising via bonds and what the IMF sees as 'unregulated public-private partnerships' where the repayment challenges of LGFV bonds (via the sale of land nearby the location of infrastructure projects), have presented fiscal risks.

Figure 1. Illustrative example of Local Government Financing Vehicle (LGFV) as a 'project owner'.



Note: BT is Built-Transfer; BOT is Build-Operate-Transfer.

Source: Jin and Rial, 2016.

For the purposes of our discussions below, these LGFVs are of interest to the South African case.

Firstly, because they are involved in developing long-term infrastructure projects that go beyond the annual budgetary cycle alongside private investors. Secondly, the LGFVs are state-owned enterprises, which are off-budget entities, not subject to regular budgetary or procurement-related constraints. Thirdly, and relatedly, the requirement before 2015, for local government to only borrow with central government approval, created an incentive for local authorities to use LGFVs and other special purpose vehicles to raise capital, execute infrastructure and attract investment, outside of traditional procurement mechanisms. Moreover, the 'financing gap' of local infrastructure requirements, also presents, for the purposes of our discussion, the need for a dynamic and responsive (but well-regulated) municipal bond or debt markets, focused on catalytic infrastructure investment.

This is relevant in the South African case as we see below, with the proliferation of 'development agencies' linked to District municipalities and the growing calls for 'blended financing' of long-term economic infrastructure projects with predictable cash flows and payoffs.



1.1.2. Uganda

The Republic of Uganda gained independence from the United Kingdom in October 1962, making provisions in its first Constitution for federal states, Districts, and the Territory of Mbare. The federal states included the Kingdoms of Ankole, Bunyoro, Toro and Busoga. The 1962 Constitution recognized the pre-Independence revenue-raising powers of the federal states. While this Constitution was repealed in 1966 by the Milton Obote government, and three other subsequent constitutions have been adopted, the role of federal or subnational spheres remains a contentious issue in Uganda.

Local government in Uganda is a multitier (Districts, Local Governments and Councils) system based on the principles of “subsidiarity and integration without subordination”. This state of play was a significant departure from the successive regimes of Milton Obote and Idi Amin, where local administrations became extensions of the central government (Golooba-Mutebi and Hickey, 2013). The emergence of the National Resistance Movement (NRM)-led government following the second Obote government in 1986, was associated with the devolution and decentralization of power and authority, over resource mobilization and the planning and delivery of services.

Districts which comprise lower local governments are meant to incorporate the plans of lower local governments in their integrated development plans. This is important as the majority (over 90%) of the population in Uganda is rural, with only 5% of the entire population to be found in the main city Kampala, compared to say Johannesburg, where close to 10% of the national population lives in South Africa (COGTA, 2020, OECD, 2019).

Lower local governments in turn are meant to incorporate the plans of lower councils within their own jurisdiction. The District is also meant to monitor and support lower governments. Much like the ‘regional development’ expectation of Districts in the 1998 White Paper Local Government. At a national level the Ministry of Public Service, the Ministry of Finance Planning and Economic Development are responsible for the coordination of policies to be implemented at a local level. These ministries also provide monitoring and support services for local governments.

The Local Government Act of 1997 in Uganda, made provision

for local governments to levy, charge and collect rates, rents, royalties, registration and licensing fees and other taxes. According to Golooba-Mutebi and Hickey (2013), there has been significant variation in revenue raising capacity across local authorities, with some able to raise revenue like the ‘graduated tax’ (a poll tax which ended in 2006), and others unable to do so, and reliant on national transfers and donations and aid from multilateral actors.

Local government revenues are mainly composed of transfers from the central government (almost 80%). Local governments are responsible for most services to their citizens, including primary education, healthcare, roads, agricultural extension and water and sanitation. While local governments are often providing these services, they are done in collaboration with national departments. For instance, school construction is the responsibility of local governments, but the national and provincial departments of education and sport have oversight and spearhead curriculum development and the appointment of personnel. This creates a one-to-many relationship within the Ugandan political system. Each local government is required to coordinate with a different national department when engaging in its basic functions.

This does not appear to be a central hub for this coordination to take place, which stands in contrast to the DDM where a district is a centre of trans-sphere coordination and the ICU in Malaysia (see below). When services are finally rendered, they are done so by a combination of private contractors and the local government itself. These private services are tendered out by the local governments, much like the situation observed in South Africa.

District Development Plans in Uganda

Uganda makes use of five-year District Development Plans. These are a legal requirement for local and national authorities. The Plans serve as a tool for tracking the implementation of government programmes and are formulated by a ‘District Planning Unit’, alongside a ‘political’ District Executive Committee (National Planning Authority, 2022). The upper echelons of the local authorities are expected to submit the plans prepared by the District Planning Unit, the City Council and District Executive Committee to the National Planning Authority, for integration into the National Development Plan.

Considering the Adjumani District in Northern Uganda, there are clear similarities in the ‘form’ of the five-year District Plans and

the longer-term South African District ‘One Plans’. Both have long-term vision and mission statements, with that of Adjumani being, ‘*a prosperous and harmonious people, enjoying high standard of living in a beautiful District by 2040*’.

The Ugandan District Plans also follow a similar sequence to the One Plans. They include a situational analysis (like the ‘diagnostic’ in One Plans), include a ‘strategic direction and plan’ and include an implementation, co-ordination and partnership framework, and conclude with a monitoring, evaluation and communication strategy. The Ugandan District Plans include a project profiles section, which is ‘similar’ to the District-level Implementation Commitment section, yet in the Ugandan case, these profiles include significantly more information than is often found in the geo-spatial referencing of projects in national and provincial APPs in South Africa and the ‘grocery list’ of projects to be found in the District One Plans.

The District Plans in Uganda also include a section on financing frameworks and strategies, which identify main sources of revenue to finance earmarked interventions, revenue mobilization approaches, and specification of whether initiatives will be funded on or off-budget inter alia. The project profile section of the Ugandan District plans includes critical information, with relevance for how One Plans are developed in South Africa. These information sections include, the department undertaking the work, the implementing agent, the location of the project, planned expenditure, funds secured, recurring expenditure requirements, the envisaged start and end date, the target beneficiaries, a brief project motivation and project work plans, budgets and importantly, operation and maintenance plans and the outcomes of environmental impact and mitigation plans. Sector ministries, departments, and agencies (called ‘MDAs’ in Uganda) are also required to develop sector development plans consistent with long-term national development plans. These sector plans provide strategic direction over key sectors (agriculture, energy, ICT, health inter alia) spelling out

interventions, objectives, stakeholder inputs expected and target indicators.

As we shall see in the following section of our discussion on Uganda, these sector plans are informed and derived from the periodic reviews of local District plans.

How are the District Plans evaluated?

There are three reviews and evaluations of the five-year District Plans discussed above. The first is an ‘annual joint review’ occurring in May/June of every financial year, attended by key stakeholders (including community and citizen groups), the second is a mid-term evaluation which occurs two-and-a-half years into the implementation of the Plan, to assess progress on implementation and to document lessons learnt from the early implementation phase to inform the remaining outer years of the Plan. The report from this mid-term review is presented to the District political leadership, and also shared with the National Planning Authority and MDAs to inform the development of subsequent sector plans and the National Development Plan. Thirdly, there is also an ‘end-of-plan evaluation’ which is conducted after five years of the Plan’s implementation, assessing the achievement of outcomes against the set objectives and targets. This is often undertaken by independent consultants examining whether large meta-targets are associated with the five-year Plans.

Key lessons that emerge from the Ugandan experience, suggest that for an institutionally similar subnational government framework, South Africa and the Eastern Cape would want to consider the strengthening of local revenue-raising instruments, coordination of medium to long-term planning with upper structures of government, continuous review and interface with sector departments with the medium-to-long term plans of these departments and agencies drawing from local priorities, and detailed information signalling in project outlines in District Plans and three-stage review and evaluation of implementation against the District Plans

1.1.3. Malaysia

In Malaysia, policies are planned, implemented, and monitored through the Implementation Coordination Machinery framework. At the top of this framework, is the National Action Council. The National Action Council decides what the overall policies and implementation strategies will be, and the Council ensures that they are in line with National Vision Plans (NVP). The Council also coordinates development issues related to the environment and evaluates the implementation strategies of projects in the NVP.

Feeding into the National Action Council, is the National Working Committee. Their role is to ensure decisions of the National Action Council are effectively implemented. They do this by monitoring and coordinating 'sector' ministries and agencies which are responsible for implementing policies and identifying constraints and limitations on implementation. Finally, they develop new procedures and systems for monitoring and evaluation.

Also feeding into the National Action Council is the State Action Council which again has to ensure National Action Council's policies are implemented, but this time at the state level. They are also responsible for monitoring at the state level. The State Working Committee ensures that State Action councils decisions are carried out effectively and to coordinate and monitor programs at the state level. They are also tasked with the evaluation of impact of programs at the state level and to recommend any policies or changes to the state action council.

At the district level, the District Action Working Committee evaluates the impact of development programs at their district/divisional level. If they identify any problems that they themselves cannot solve, they are pushed up to the State Action Council via the State Working Committee. This contrasts with the South African case, whereby districts themselves serve as places of coordination between various ministries. Importantly, most points of contact are facilitated through the Implementation and Coordination Unit (ICU). In the case of the DDM in South Africa, this structure at the political level would be the President's Coordinating Council. This Council consists of Ministers, Premiers, Executive Mayors of metropolitan municipalities and the South African Local Government Association (SALGA).

How does prioritization of interventions, projects and actions occur in Malaysia?

On priority project selection, Malaysia exercises a separation of institutions, roles, and functions similar to China. Since 2010, this has been done through two separate but linked programmes, the Government Transformation Programme (GTP) (addressing cost of living, crime, corruption, improving basic rural infrastructure, public transport and improving living standards of poor households), while the Economic Transformation Programme (ETP) spearheaded by PEMANDU, a performance management and delivery unit (a hybrid of the DPME and investment and infrastructure unit in the Presidency in South Africa), 'is essentially an industrial policy entity picking industries, choosing projects to accelerate the development of these industries and supporting their implementation' (World Bank, 2017:24).

The ETP focused on twelve key economic areas namely, oil and gas, palm oil and rubber, financial services, tourism, business services, wholesale and retail, education, healthcare, communications, electronics, agriculture, and the Kiang Valley. The ETP initially identified 131 entry point projects ('catalytic projects in the DDM framework'). From the Malaysian experience, we also see the same distinction and separation not just in function and institution, but also in thematic areas of intervention.

While the 12 key economic areas may be many, the separation of enabling economic interventions (more likely to attract private sector co-investment due to predictable cash flows and payoffs) and social infrastructure interventions (likely to be funded from existing macro-fiscal resources and any multilateral support). The decision-making approach in the identified ETP projects, for instance, focuses on actions that will contribute GNI and in the case of projects where public money will be spent, the focus is on GNI per ringgit of public expenditure invested, with the performance management and delivery unit (PEMANDU) expected to report on progress to all stakeholders.

WHAT DO WE LEARN? -

Concluding reflections from these international experiences

The lessons we draw from international experience in so far as the co-ordination of actions and intent at a local level are the following -

- 1** There has to be a **structured approach to what we coordinate on** (what areas of delivery, what projects and how do we make use of existing structures?), **clear role definition for different institutions** (who raises the money, who executes and who monitors implementation, who holds performance data?) and **what spatial and economic vision of change underpins these actions** (what future would we like to see, and what informs this)?
- 2** As seen in the case of both China and Malaysia, notwithstanding our local government framework of 'distinctiveness, interdependence, and interrelatedness' there is a need for projects identified as 'catalytic' or requiring coordination and alignment, to be driven (from planning through to monitoring) and **anchored in institutions vested with enough political authority to resolve conflicts, manage unproductive bargaining and to ensure flexibility in an iterative review of policy actions.**
- 3** In a **constrained macro-fiscal environment that compels policymakers to consider how non-transfer sources of financing** can fund catalytic and necessary social and economic infrastructure at a district level there is a need for a coherent framework to confront such financing gaps, whilst avoiding the lessons of unregulated public-private partnerships from China. We also see in the Ugandan example, that rather than ambitious plans and 'blue-sky thinking', there is also a need to clearly clarify funding sources for envisaged actions, and where these are funded by non-transfer or off-budget resources, a clear articulation of funding gaps to be met.
- 4** The off-budget and non-state financing of catalytic initiatives could benefit from **private-public partnership frameworks that are clearly articulated with the necessary safeguards based on an assessment of the financing and other risks** associated with greater use of leverage and blended financing approaches to project delivery and execution.
- 5** The ability of anchoring planning and the monitoring of implementation and its alignment to policy objectives may require some centralization. This is what we may draw from the Malaysian and Chinese cases, where such strong centralization of 'big plans' and the monitoring of execution towards them, may make decision-making around review and iteration quicker than a consultative bottom-up and at times fragmented process. Furthermore, **review and evaluation activities, as we see in Uganda, need to have a strong feedback loop into the National Development Plan development process**, and in the development and exposition of priorities in the sector plans of sector departments, ministries, and agencies.

4. THE DISTRICT DEVELOPMENT MODEL – WHERE DOES IT COME FROM AND WHAT DOES IT AIM TO RESPOND TO?

The District Development Model derives its existence from the White Paper on Local Government (1998), which aims at ensuring that “local government is capacitated and transformed to play a developmental role”. The White Paper says developmental local government “is local government committed to working with citizens and groups within the community to find sustainable ways to meet their social, economic and material needs and improve the quality of their lives”.

The White Paper on Local Government of 1998 envisaged that a ‘developmental local government’ would signal a decisive and qualitative shift away from a local government framework characterized by racial segregation, balkanization, skewed property distribution and indirect rule. Towards a form of local government guided by principles that promote accountability, transparency, consultation, and openness in government (White Paper on Local Government, 1998).

Delivering the 2019 Presidency Budget Vote Speech in Parliament, President Cyril Ramaphosa identified across different government spheres, a lack of coherent, consultative, and collaborative planning and budgeting, which makes implementation and monitoring of government delivery of public goods and services suboptimal. There is a strong need for coordination and integration to foster effective service delivery to better the lives of South Africans and to confront the persistent silos which affect the integrated delivery of services and the social, economic, and spatial transformation of Districts as IGR impact zones (Presidency Budget Speech, 2019).

In recent years there has been a growing concern whether it is mainstream media, analysts, academics, or politicians that our government spheres are not working in sync. This happens although there are many structures designed to ensure such synchronous planning and execution of functions and responsibilities, such as the Presidential Coordinating Council (PCC) and various MINMEC and MUNIMEC structures.

This led to the President’s call for a new better way of doing things in government to strengthen government’s ability to deliver services “a new integrated district-based approach to addressing our service delivery challenges [and] localize[d] procurement and job creation, that promotes and supports local businesses, and that involves communities...” (State of the Nation Address, 2019)

It is understood that for this approach to work, requires that all three spheres of government should work together, jointly, and collaboratively when planning is being done in local, district and metropolitan areas leading to a single geospatially referenced One Plan for every 44 districts and 8 Metropolitan municipal areas. The One Plan outlines strategic long-term and catalytic projects that should contribute to the social, economic, and spatial transformation of these areas.

Fundamental to developmental local government is having four interrelated characteristics which are “maximizing social development and economic growth; integrating and coordinating; democratizing development; and leading and learning” (White Paper on Local Government, 1998). National and Provincial governments must support and strengthen municipalities to effectively manage their ability to run their affairs.

Therefore, the District Development Model is an attempt to develop a practical Intergovernmental Relations (IGR) mechanism, bringing together the three spheres of government alongside communities and all stakeholders, to plan, budget and implement in accord.

All three spheres of government, sector departments and state entities are expected to work as a single unit towards the achievement of developmental objectives and outcomes. This however does not discard that each sphere, sector, or entity has its distinct constitutional powers, functions, and responsibilities. Rather than recognizing these, the DDM requires that these spheres cooperate and undertake collaborative planning, budgeting and implementation processes converging efforts at the District/Metropolitan level. Important to this joint work is the formulation of the vision, mission and associated long-term strategies and projects in the District One Plan which is a long-term strategic framework which guides service delivery and investment in each District/Metropolitan level.

The case for the District Development Model:

The DDM encourages collaboration in planning at district and metropolitan levels together by all of government and indeed, ‘all of society’, through a detailed, technically driven consultative process within government and with communities and stakeholders; resulting in a single strategically focused One Plan for each of the 44 districts and 8 metropolitan geographic spaces in the country. The Model is very firmly based on analysis of previous and current initiatives to improve developmental outcomes at a local level, wherein a District-level theory of social, economic, and spatial change is shaped and owned at that level in partnership with communities, citizens, and social actors.

Critical to the effective implementation of these plans is the stabilization of local authorities, in a context where sixty-four (64) out of the 257 municipalities in South Africa were found to be ‘dysfunctional’ in the 2021 State of Local Government Report (COGTA, 2021). Many of these dysfunctional municipal authorities have battled to implement turnaround plans and have been the site of numerous section 139 interventions in the Eastern Cape.

The DDM seeks to strengthen and complement many earlier reform initiatives such as Project Consolidate, the Integrated Sustainable Rural Development Programme (ISRDP), the Urban Renewal Programme (URP), District-level Planning and Implementation Management Support Centres, the Local Government Turnaround Strategy (LGTAS), and Back to Basics. All of these were aimed at improving the quality of life of residents by ensuring institutional reforms that build the capacity of these municipal administrations and councils to undertake integrated and effective service delivery. Recent reforms in the budgeting processes, especially Built Environment Performance Plans (BEPPS) and alignment with Integrated Urban Development Framework (IUDF), have sought to facilitate greater spatialization of government work and prioritizations that makes public investment

spending more effective. (COGTA, 2020). Arguably there is no significant literature and credible research on the failures or challenges related to the many reforms and initiatives put before DDM and to some degree, one might argue that the DDM in the formulation at least, is a continuation of many of these.

The DDM is not introduced as a 'replacement' or substitute of these earlier interventions, but rather it presents an opportunity for government programmes and initiatives to be rolled out collaboratively and in an integrated and synchronous fashion. Viewed in this way, it represents incrementalism and is an outcome of an evolving policy arena.

This view is best captured in the website of the Integrated Urban Development Framework, where it responds to the common view that the DDM is a replacement for existing frameworks like the IUDF -

"The DDM is not divorced from existing government policies ... but if implemented properly, will amplify, and seek to facilitate the implementation of the short- and long-term priorities. District and metropolitan spaces are a perfect starting point to improve the performance and coherent service delivery as they are close to the ground which ensures that the whole of government is responsive to the need of communities" (IUDF latest News, 2020).

The South African government makes the argument that the DDM has not been introduced to replace or sever links with the existing policies but rather to strengthen coordination, planning and execution of existing policies and programmes. As some local government practitioners have recently suggested, local government has been

6 Disorganized because of poor horizontal, vertical and spatial integration of policies, plans and budgets, and an inability to implement 9 (SALGA, 2020).

It remains to be seen whether the 'localization' and 'spatialization' of all spheres of government work, will improve service delivery outcomes, unlock the spatial and economic potential of Districts as areas of intervention, and edge closer to the realization of the true spirit of 'co-operative governance' While there might be no explicit admission of the design problems of existing policy instruments, there is however an admission of a failure to coordinate policies to create more effective relations and integration in implementation within and across the various spheres of government.

In our consideration of these experiences, we consider the process of the development of One Plans in Eastern Cape Districts and Metros in the following section, considering the process, strategies and implementation commitments, and the associated requirements for coordination and the social, economic, and spatial transformations envisaged.

In the next section, we consider One Plans as an instrument within the DDM framework providing an exposition of the context, envisaged strategic actions and the social, spatial, and economic transformations envisaged. We consider the draft One Plans developed across the Eastern Cape, how they are developed, how their missions and strategies are outlined and the implementation commitments around which co-ordination and collaboration under the DDM are envisaged.



5. ASSESSMENT OF ONE PLANS IN THE PROVINCE OF THE EASTERN CAPE

The Eastern Cape province consists of six Districts (Alfred Nzo, Amathole, Chris Hani, Joe Gqabi, OR Tambo and Sarah Baartman) and two Metro (Buffalo City and Nelson Mandela) areas. In the case of the former, there are numerous 'local municipalities' and District administrations that co-exist within these municipal boundaries with different areas of exclusive and concurrent authority as defined by the 1996 Constitution, Municipal Structures Act 117 of 1998 and the Municipal Systems Act 32 of 2000.

The Post-Apartheid Structure of Local Government

Chapter 7 of the Constitution established categories of municipalities, the powers and functions of these municipalities, the composition, and terms of municipal councils. The Constitution, with reference to the respective 'schedules', also outlines areas of competence or 'authority' for these municipal authorities, which include air quality, childcare facilities, electricity, local tourism, water and sanitation, municipal markets, and trading regulations among others. Schedule 4 of the Constitution, outlines areas of concurrent national and provincial competence, such as airports, health, education, disaster management, human settlements, and gambling. While Schedule 5 outlines the areas of exclusive competence of provincial authorities, such as abattoirs, ambulance services and liquor licenses inter alia.

This distribution of authority guides the actions that are undertaken by the respective authorities and other tiers of government. As such, it may be helpful to underscore at this stage, the observation from many of the interviews undertaken in the Eastern Cape, of the 'confusion' that arises, when Districts (as a territory or 'IGR impact zone') are conflated with District authorities as a 'tier of government'. The DDM focuses on the former rather than solely on the latter as some might suggest.

The notion of an IGR impact zone, as a 'space' rather than an institution, is critical as it frames the important role of geospatial mapping and referencing of public actions at multiple levels.

Furthermore, as we discuss below, the cross-cutting visions, theory of social change and associated strategies and actions

that arise to respond to observed challenges and opportunities in a particular 'space', give rise to the need for alignment of intent, actions, and visions.

In this discussion, we consider three related issues -

- The process of developing situational analyses ('as is' or 'status quo' analysis) and the opportunities and limitations observed by those crafting the Draft One Plans
- Based on the diagnostic 'situational analysis', what vision, stakeholders (within and outside the state) believe can respond both to the challenges and opportunities identified in the District area
- Drawing on this vision, analyze what strategies, actions and implementation commitments can contribute to the pursuit of the visions adopted in the Draft One Plans

Our analysis in this section will also unpack, some challenges regarding the latter issue, as it is at this level of concrete action and practical application, that coordination and alignment of efforts, resources and interventions can give effect to the need for alignment within the state and across the state and society, so that 'One Plans can truly be 'all of society agendas' for social, spatial and economic change'.

Below, we consider how Districts and Metros in the Eastern Cape have taken to this task of crafting District-wide visions of the change they envisage.



5.1. HOW WERE THE 'ONE PLANS' PUT TOGETHER?

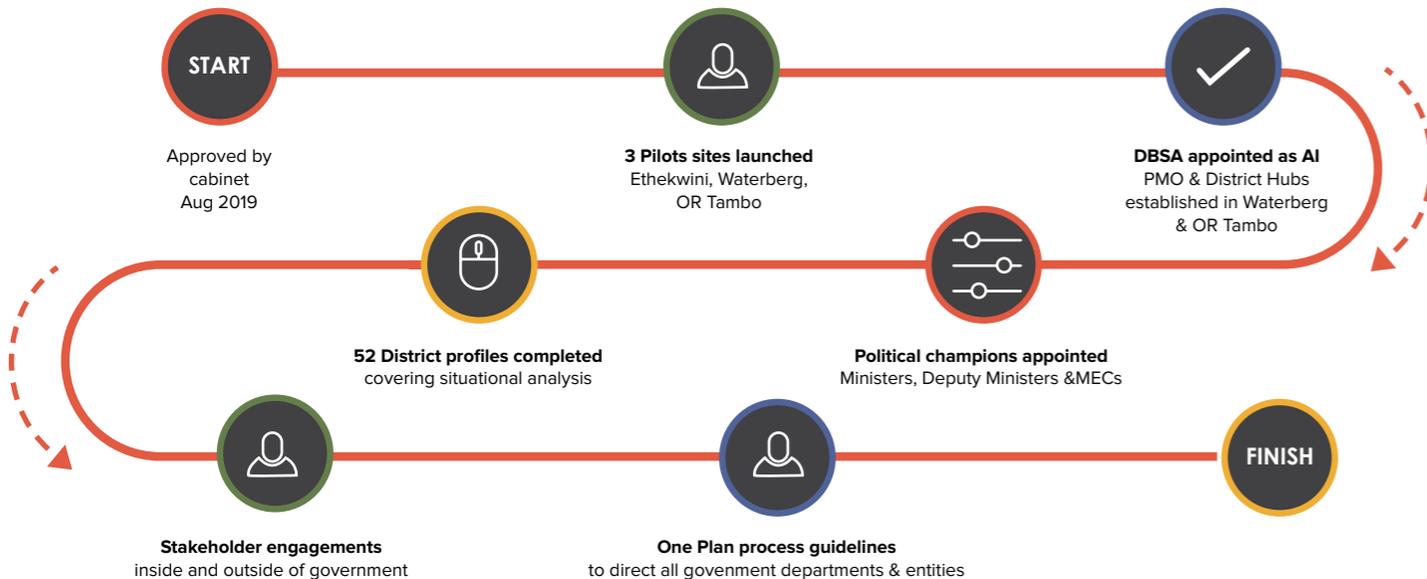
In the District Development Model, the 'One Plans' serve as a long-term strategic framework that anchors and holds together multiple actions, all focused on ensuring synergistic planning and execution of critical interventions. The One Plans are 20-30 year strategic plans that are responsive to the specific contexts of the said District as an 'impact zone' for public and societal investments.

Firstly, they serve as a mechanism across different tiers of government that 'brings together' planning, budgeting, implementation and monitoring and evaluation' activities in one long-term instrument. Secondly, the One Plans facilitate the 'spatialization' of seemingly disparate actions found at multiple spheres of government.

Thirdly, when developed with adequate consultation and capacity, they serve as a 'prioritization' instrument facilitating the prioritization of programmes, capacity, and budgets across the three spheres of government over the short, medium to long term. In the One Plan frame, Districts (as territories and spaces, rather than 'administrations') serve as spaces for convergence of intent, resources, and actions. In this section, we consider some of the actions that preceded the compilation of the District Plans, with a particular focus on the OR Tambo District as a pilot.

As can be seen in Figure 2 below, the processes that preceded the development of the One Plans included engagements in Cabinet, and the launch of 3 pilot sites (eThekweni, OR Tambo and Waterberg).

Figure 2. Sequencing of the development of the District Development Model (DDM)



Source: Lodi (2020)

Following the launch of the pilots, the Development Bank of Southern Africa (DBSA) was appointed in Waterberg and OR Tambo to develop a Project Management Office (PMO) and District Hub, which began its tasks by developing profiles for the 44 Districts and eight (8) Metros.

5.1.1. Development of District Profiles and Diagnostic Exercises

The process of developing District profiles had a specific focus on what COGTA referred to as the critical features of any District as an 'impact zone' for the purposes of the DDM. These features include the following - **endowment structure**, areas of **comparative advantage** and the envisaged or **optimal industrial structure**. These arise from the focus of the DDM on 'people, space and the economy'. In the case of the OR Tambo, the District profile was prefaced with the following high-level assessment of the District;

‘The district includes the bulk of the Wild Coast and a string of coastal nature reserves and indigenous forest reserves as well as proclaimed marine reserves, it is considered to have the richest natural resources and the most fertile areas in the country with good soils and climatic conditions’

While the statement focuses on the endowments and implicitly the comparative advantages in tourism and agriculture, by reference to the rich natural environment, it does little to offer a view of the 'optimal industrial structure' envisioned. The content of the District profiles includes a social profile, an analysis of economic drivers, service delivery and governance and management. The profiles also include an assessment of 'game changer' projects and key recommendations. In our discussion with the DBSA, PMO and District Hub in OR Tambo, Mzwandile Sokupa, the head of the Hub suggested that these profiles were subsequently followed by a diagnostic analysis or 'situational analysis' that considered an 'as is' state of the District, to which the vision and strategy setting process would respond;

'The DBSA sought the services of multidisciplinary teams ... one of the main areas of focus was the diagnostic study over and above what the profile says. (We considered) how then to reframe what we see from the profile in terms of what is happening on the ground, what we can diagnose as the weaknesses and opportunities that are not taken up, which could take us somewhere if somebody zooms into them and makes sure that we make a meal of those opportunities or endowments that are available within the District' (Interview with Zwai Sokupa, Mthatha, 02 August 2022)

The multidisciplinary teams that worked on the diagnostic exercise included engineers, economists, GIS specialists, and policy advisors inter alia. This was subsequently followed up, according to Sokupa, 'by going back to stakeholders and asking, does this paint a picture (that resonates)?'. These stakeholders included municipal officials, traditional authorities, business representatives, co-operatives, and representatives of civil society.

We return to the 'content' of the diagnostic analysis for OR Tambo in the case study section below. Having considered the profile development and diagnostic analysis, the next step in the One Plan development process involves the development of a District Vision Statement.

5.2. REFLECTIONS ON VISION-SETTING AND STRATEGY SETTING PROCESSES

While the Draft One Plans of Districts across the Eastern Cape outline at a very high level what the respective IGR impact zones seek to achieve, it is worth considering the process that gave rise to these ‘vision-statements’.

While many of these Vision Statements may not be ‘controversial’ or ‘contentious’, the process of developing these visions, gives an insight into what trade-offs and difficulties those visions may have, when translated into strategy, programmatic actions, and concrete projects. These visions, as they emerge in the One Plans are outlined in **Table 1** below.

Table 1. District and Metro Vision Statements of IGR Impact Zones in the Eastern Cape

District/Metro Area	One Vision
Alfred Nzo	“A District whose communities are self-sustaining and enjoy a good quality life, equitable access to basic services and socio-economic opportunities.”
Amathole	“Building a smart District”
Buffalo City	“Buffalo City: well-governed, connected, green and innovative.”
Chris Hani	“A viable municipality that enables vibrant and eco-friendly economic development through capable and active citizenry guided by consistent and accountable leadership”
Joe Gqabi	“A district with an improved quality of life for all of its citizens”
Nelson Mandela	“An iconic, friendly, ocean city driven by innovation, service excellence and economic development – a destination of choice.”
OR Tambo	“A developmental and responsive municipality’ ‘A new coastal smart city”
Sarah Baartman	“A vibrant and productive district based on its participative, people-centred, developmental approach”

According to the OR Tambo Hub, the vision-setting process is focused on envisioning the kind of District space, different state and non-state actors would wish to see in the long term. In the case of OR Tambo, according to Sokupa, this process was led by the Minister of COGTA, Dr Nkosazana Dlamini-Zuma, who had sessions with the municipalities, traditional authorities and other stakeholders who were ‘excited’ about the vision of a new coastal smart city, anchored by agriculture, tourism, and the oceans economy. We return to this theme in our dedicated discussion on OR Tambo below. Outside of the pilot District however, the vision-setting it seems drew on existing ‘policy visions’.

A few issues are worth mentioning, insofar as these ‘Visions’ are concerned. The first is that some of these visions arose not out of a consultative process aimed at a ‘long term vision’ central to a long-term planning, budgeting, and implementation process, but rather out of short-term legislative, compliance and budgetary requirements.

In some of our respondent interviews, municipal officials suggested that the short time frame to deliver the draft One Plans incentivized many of them to draw heavily on existing short- and medium-term plans in development in their areas, or those that have been fully developed. As one IGR official in an Eastern Cape Metropolitan Municipality suggested, the requirement of a ‘common understanding of the status quo’ to inform vision-setting may also give rise to this phenomenon.

‘...common or cross-cutting themes (have been) identified and planning happens through the different phases of the IDP (and) it starts from having a common understanding of the status quo situation and analysis, moving on to the identification of strategies, vision setting, obviously objectives and so forth, and then projects and programs’

While this may not necessarily be a bad thing, in the sense that the DDM must complement and draw on existing plans, it presents the DDM with the same challenges that confront integrated planning at a municipal level, the same challenges it seeks to resolve. An overreliance on existing planning instruments may foreclose the space for deep ongoing observation, discussion, and reflection, on the changing reality of even the seemingly most uneventful of rural Districts, let alone metropolitan areas subject to continuous change, flux and contestation. The same official suggested, even for the ambitious vision, complex scope and long-term duration of the One Plans, the human resourcing of the vision, strategy and prioritization process is fraught with resource challenges;

‘... the IDP is already intensive, the legislative process adopted by Council is already demanding enough as it is... the One Plan, the whole DDM thing, it is also very labour intensive. I’m the manager, I’ve got two IDP coordinators and one Admin Officer. That is the capacity of only three people’

Officials in the Buffalo City Metro indicated that in order to confront these capacity challenges, they drew on existing diagnostic and other exercises which informed the BCM’s Metro Growth and Development Strategy (MGDS) which was also a long-term planning instrument which earmarked catalytic

interventions and actions. While drawing on existing strategies for diagnostic and situational analyses and spatial strategies may make for coherence and quicker development of Draft One Plans, the ‘compartmentalization’ of long-term planning functions in the IDP or IGR offices of municipalities and metros, may have the unintended consequence of incentivizing non-participation by ‘sector departments’ across the planning, budgeting, implementation and monitoring cycle, as a BCM official suggested to us;

‘...we were already looking at catalytic projects. For the last couple of years before this, before the One Plans kicked in. So, it was easier to extract the One Plan. I mean the catalytic projects and put these into the One Plan. But the challenge with that is, that there’s somebody who needs to look at the progress of the catalytic projects and somebody needs to monitor that. It cannot be she and I, who were involved in drafting the document... (Interview with Darby Gounden, East London 04 August 2022)’

Officials, especially in the Metros, drew heavily on not only the IDP but also other spatial and built environment plans, which exhibit a heavy reliance on sector departments whose participation in the DDM process is often uneven. The BCM officials also highlighted, as was indicated by the District Hub, that the expectation had been that IGR impact zones would receive the diagnostics (emerging from multidisciplinary analysis) and the situational profiles from the provincial and national government (or the Hubs), and this did not occur in the case of the BCM.

These officials highlighted a recurring theme that emerged throughout our engagements with District and Metro officials across the province, which suggested that much of the dedicated support, was lent to the pilots, suggesting that in future, One Plan review support ought to be delivered through dedicated multi-disciplinary teams located in the District Hubs.

‘... the municipalities that were not part of the pilots did not get the support from national and provincial governments. They were told that these are the timeframes you need to adhere to, and you need to deliver on it’

This lack of support can be seen if we consider the strategies that flow from the analysis of strategies and interventions envisaged to move the IGR impact zone from the current situation (as outlined in the situational analysis) to the desired end state.

We look below at some examples from three Districts, the OR Tambo District, Sarah Baartman, and the Chris Hani District.

Chris Hani Strategy Formulation

The Chris Hani District One Plan, drawing on its vision statement (see table above) outlines a few key focus areas. These include, but are not limited to, building economically self-sustaining villages, developing critical infrastructure linked to economic growth opportunities, transforming land use and ownership, reviving the small towns and industrial areas in the District, and enabling effective and efficient municipal administrations in the area. These focus areas are linked to ‘key strategic goals’. For instance, in the focus on creating resilient villages, one of the ‘strategic goals’ is to ‘enhance the entrepreneurial and business management’ capability of villagers and firms in these villages.

The strategic targets that then subsequently flow from this ‘grand vision’, rather than being well sequenced and recognizing contemporary challenges, engage in the kind of ‘blue-sky thinking’ that presents significant limitations to realistic planning. The targets include ‘commercialization using 4IR technologies...

6 where rural villages by 2035 will be more self-sufficient and export their crops to various towns and by 2025 (in the next three years). 9

Further, the targets also include business analysis and agro-processing skills which will be imparted to these citizens, working alongside national institutions like the Council for Scientific and Industrial Research (CSIR) and the Technology Innovation Agency (TIA). Unfortunately, such a vision of economically self-sustaining villages fails to confront the glaring absence of reliable critical ‘network investments’ (in water, energy, connectivity, roads, rail, and other infrastructure) that enable or discourage commercialization and export opportunities.

Where these are addressed in the second focus area on infrastructure, the focus is correctly on ‘universal access’ to basic water and sanitation and energy.

However, beyond this focus on universal and catalytic infrastructure through the building of capability for bulk services, there is limited ‘economic strategy’ or an economic theory of the kind of change envisaged - *what production, where in the District, underwritten by whom, responding to what demand and market signals?*

Concerningly, while the District Development Model foregrounds the stabilization of the governance and finances of local authorities (the District Municipality is under a section 139 provincial intervention, and the main industrial centre in the Enoch Mgijima Local Municipality is under a national Cabinet intervention) receive little attention in strategic reflection in the District’s One Plan.

A provincial official we spoke to, who was involved in the earlier provincial section 139 intervention in the Enoch Mgijima Local Municipality (EMLM), lamented the critical role of the weaknesses and ‘toxic politics’ in the political-administrative interface, that constrained the implementation of financial turnaround plans, infrastructure related weaknesses (*no maintenance plan or energy sector master plans*), bloated organograms and legacy issues associated with the post 2015 merger of three municipal authorities to make the EMLM, which is the main economic node in the District.

Image 1. The Ezibeleni side of the Komani Industrial Park, one of the catalytic projects earmarked by the Chris Hani District in its One Plan, for revitalization, refurbishment and ultimately the attraction of industrial investors.



Source: Xesibe Holdings

OR Tambo Strategy Formulation

Having benefited from multi-disciplinary support from the District Hub, the OR Tambo District One Plan's strategy section identified three corridors - the primary corridor (Qumbu to Qunu), several mobility corridors and the 'tourism corridor' on the Wild Coast between Coffee Bay and Port St Johns. The One Plan went to some length, driven by this spatial focus on these corridors, to develop 'separate strategies' for local municipalities in the IGR Impact Zone. This according to the OR Tambo one plan is, '[because] the economic sector anchor drivers are unique for each municipal area', even though there is considerable overlap.

Image 2. EPWP workers work on the municipal gravel road in Shawbury, on the road to Tsitsa Falls which is part of the Umzimvubu Multipurpose Project, one of the OR Tambo District catalytic projects.



Source: Xesibe Holdings

These strategies focused on socio-economic, economic, services, infrastructure, and governance-related areas for the five local municipalities and the District municipality. Without restating the detail of these (which can be found on pages 62 to 64 of the One Plan), it is clear the strategic focus areas remained at a general and 'non-committal' level.

Take for instance the case of the Ingquza Hill Local Municipality, whose strategic focus on the economy is to 'increase household income', or which also says on infrastructure, the strategy would be to 'map existing bulk infrastructure capacity for human settlements', and 'determine bulk infrastructure requirements to support integrated human settlements'.

Interestingly, the strategy section of all the local authorities was the same, seemingly copied and pasted, with slight variation and change in the case of the OR Tambo District. This suggests that many local authorities, even with the support from multi-disciplinary teams, suffer from deep capacity challenges to undertake meaningful and participatory long-term strategy development exercises.

Much of the profiles developed by COGTA and to some degree the OR Tambo One Plan places significant focus on the 'District Municipal' administration and its capability to administer, spend and monitor progress on project activities associated with capital expenditure on bulk service-linked areas (especially water and sanitation). This may be a correct approach if one considers the functions the District oversees, and the rural and spatially dispersed nature of the District which makes waterborne sewerage and water reticulation difficult to administer. However, a significant limitation of this approach is that it obscures the constraints and possibilities embedded in other tiers of government and state-owned entities with ongoing activities and projects in the area, which is the true function of the DDM.

That notwithstanding, there are significant concerns about how even existing resources are spent, and the capacity to spend these. The One Plan recognizes that institutional performance is linked to the human resource component, with 53% vacancy rates affecting technical services, engineers, environmental specialists, and planners. Furthermore, it is concerning, as a parliamentary oversight report observed, that this not only affects the ability to 'spend' capital budgets (largely by way of intergovernmental grants), but also the capability to scope and specify project activities and as the DBSA District Hub suggested, challenges in contracting and procurement of infrastructure-related professional service (PMG, 2020:7, COGTA, 2021, Sokupa, 2022).

The parliamentary oversight report placed particular focus on the municipal infrastructure grant (MIG), recognizing that a portion of the MIG had been halted in 2016/17 due to improper reporting, non-registration of projects and the slow uptake of projects. Spend on the MIG by the end of the financial year 2019/20 was 46.2%, and while some might suggest this had to do with COVID-19 restrictions that may have affected project activities, the disaster regulations only kicked in in the last quarter of the 2019/20 municipal financial year (April to June 2020).

This is concerning, if one considers that in the 2020/21 financial year, the MIG constituted nearly 60% of the entire capital budget of the District Municipality. The 'strategies' outlined in the One Plan, give passing reference rather than focused and strategic 'engagement' with these challenges.

These challenges manifest in the lack of knowledge and document management, reporting capability, and the lack of a commonly understood data and evidence base on inward migration and population growth, for instance, to inform land use and infrastructure requirements for human settlements. Or even to communicate to financiers within government within the DoRA or even the investors the District wishes to crowd in. Furthermore, the absence of technical sector departments in the development of the One Plans leads, in the case of the integrated service provision and infrastructure engineering pillars, to a broad and generic strategic focus, that fails to capture the detail of spatial and economic visions that could crowd in other state and non-state actors. Thirdly, a lack of spatial specificity and coordination between overlapping agricultural and tourism economic visions may create unnecessary duplication.

Furthermore, as is the case with Chris Hani municipal authorities, the challenges of governance and financial stabilization may trip up even the most well-intentioned and evidence-based interventions in the area. The provincial government in August 2021 moved to invoke a section 139(1)(c) intervention after serious governance issues such as irregular payments to suppliers and of vehicle allowances, payment for personal travel and accommodation for Councillors, irregular procurement of personal protective equipment and chronic operational budget deficits.

While this may be the situation for the OR Tambo District Municipality, it is not an uncommon occurrence even in some of the other local authorities, and without a strategic thrust in the long term One Plans to resolve these pillar six issues of governance and financial management, much of the economic, service delivery and infrastructure related visions and strategies may fall under the weight of toxic political and administrative environments.

Sarah Baartman Strategy Formulation

The outline of the strategy corresponding with the District vision and responding to the diagnostic undertaken, in the case of the Sarah Baartman District is done according to the six DDM pillars. This approach allows for clear articulation of the theory of the kind of change expected in the respective pillars. However, rather than being a strategy, the ‘strategy section’ of the Sarah Baartman One Plan ‘signposts’ a series of ‘plans’, ‘strategies’ and ‘initiatives’ that should be developed rather than engaging how the challenges faced by the District, can in the short, medium and long term draw on the areas of comparative advantage and endowments, to draw closer to the vision. Furthermore, how resources (human and financial) can be drawn on across and within the state and beyond it, to achieve these objectives.

Image 3. The Wesley-Ciskei Wind Farm in the Ndlambe Local Municipal Area.



Source: Xesibe Holdings

Furthermore, in the short term, the strategies by pillar, in signposting fail to engage existing spatial, built environment and land use plans with a bearing on people, the economy and spaces. This might be an outcome of a challenge noted by the Municipal Manager of the Sarah Baartman District Municipality, of an absence of participation by sector departments at a local, provincial and national level in the development of the One Plan;

‘...what we have been struggling with since day one, ever since we started working on the One Plan, is that sector departments refused to come to the party. We spent about two or three months asking them for their plans, through to maybe a year. For this current year, we are going into ... you could know the name of the project but sometimes the budget was not clear where it was coming from ... (Interview with Unati Daniels, Gqeberha, 10 August 2022)

As we shall see below, this is a challenge that not only plagued the strategy development process but also limited the insight that could be drawn from the section on implementation commitments which we discuss below. From observation, it seems that there are challenges in getting ‘ownership’ of the District One Plan across government, rather than relying on it being a ‘District Municipal’ plan. The Sarah Baartman officials suggested that one way to overcome this challenge would be to ensure that the anchor or pilot institution for the DDM would be in an institution vested with enough authority such as the Office of the Premier to ensure participation and engagement by sector departments, rather than leaving the entire process to the development planning, IGR or IDP units in the District municipality.

Image 4. A 2.6 megalitre elevated tower sewer pump station built in Port Alfred to serve the Thornhill settlement which will house 50000 households, built by ABSA Development Company on behalf of the Ndlambe Local Municipality and funded by the Office of the Premier of the Eastern Cape.



Source: Xesibe Holdings

Lastly, the Sarah Baartman District Municipality is confronted by its own peculiar challenges and unique possibilities and opportunities. Regarding the former, issues of climate change and the water crisis continue to confront the area. Yet significant projects (see **Image 4**) are being undertaken by local authorities in the area to deal with bulk service challenges in water and sanitation primarily. However, because the District municipality is not a water services authority in the area, they may not have detailed sight of these interventions, enough for these to feature in the 'strategic' rather than implementation focus of the District's One Plan.

Take for example the Thornhill Ministerial Housing Project in Port Alfred, which unfortunately does not appear in the Sarah Baartman District One Plan. R6.2m was budgeted for it in the 2019/20 financial year, with R10.47m recently allocated in the Ndlambe Local Municipality for the pump station and mains (see **Image 4**) and a further R46m for the linking of sanitation lines and roads to the main sewer pumps, in the 2022/23 budget. Earlier in 2018/19, the Office of the Premier in the Eastern Cape, allocated R63 million from the Small-Town Revitalization Grant to Ndlambe, of which R57 Million was spent on the elevated water tower, pump and pump mains seen in **Image 4**.

These omissions signal the challenges of getting sector departments at a provincial and municipal level to contribute to One Plan Development. Furthermore, the Thornhill Housing Project, from a human settlements and water and sanitation infrastructure perspective also indicates the long-time horizons and complicated implementation and financing responsibilities, which are open to some shifts in projects spanning over a decade, aimed at shifting the spatial form. The project was first launched in 2010, targeting 500 households in a mix of subsidized, bonded, and affordable rental units, and twelve years later is yet to be fully completed. A key element then is how the long-term strategies envisioned can be 'broad and high-level' enough, while also engaging the practical and strategic implications of the constraints and possibilities of ongoing long-term projects and interventions of differing degrees of complexity and timeframes.

In the next section, we consider how these implementation commitments have been outlined in the One Plans of the different Districts and respective Metros, in the province of the Eastern Cape.

5.3. ANALYSIS OF IMPLEMENTATION COMMITMENTS – NATIONAL, PROVINCIAL, DISTRICT AND LOCAL

Having set the scene by considering the context, key challenges, and opportunities in the diagnostic; and having considered the vision and strategies that inform how the District One Plans navigate the challenges and embrace the opportunities and possibilities in their respective IGR impact zones.

We now consider the implementation commitments of different spheres of government, which ideally should be responding to the context laid out in the diagnostic report and correspond to the aspirational vision outlined in the respective One Plans.

According to OR Tambo Draft One Plan (2021), 'implementation commitments' are a consolidation of key regional initiatives, programmes and projects and reflect on the respective commitments required from different government spheres, state owned entities and parastatals', to enable the achievement of the envisioned future state of development in the District (OR Tambo One Plan, 2021, p.7).

How were these implementation commitments compiled?

The implementation commitments were compiled by way of a project list, which considered regional and catalytic projects in every municipal space, as well as projects from the respective IDPs and other available documents. Ostensibly, consideration was given to programmes and projects with a high impact, although it was unclear what measure of impact was employed to make such an assessment. The process also involved the alignment of municipal strategic objectives with One Plan development goals. This area in the Eastern Cape One Plans is rather uneven and may benefit from uniformity in the packaging of these commitments. Some One Plans (see Buffalo City) foregrounded the implementation commitments in macro-planning and strategic perspectives (SONA, Division of Revenue/National Budget, State of the Province), with a specific focus on nodes, corridors, and spatial targeting drawing heavily on the Built Environment Performance Plans required by the National Treasury of all the Metros.

Table 2. The Number of Projects in different Eastern Cape Districts and Metros, across different national government departments.

NUMBER OF PROJECTS AT NATIONAL LEVEL IN DIFFERENT DM's								
DEPARTMENT	ADM	ANDM	BCMM	CHDM	JGDM	NMBMM	ORTDM	SBDM
Environment, Forestry and Fisheries	5	0	2	13	10	4	2	44
Small Business Development	9	0	9	9	9	12	1	9
Eskom	19	0	28	3	0	0	5	4
Agriculture, Land Reform and Rural Dev	19	0	0	10	17	0	5	23
Telecommunication and Postal Service	0	0	3	4	4	3	0	4
Higher Education and Training	69	0	1	3	0	9	0	2
Transport	0	0	2	0	0	1	0	0
Water and Sanitation	3	0	0	7	2	0	1	10
National Treasury	0	0	0	0	0	0	4	0
Trade and Industry	0	0	0	0	0	0	3	0
Mineral Resources	0	0	0	0	0	0	3	0
Sports, Recreation, Arts and Culture	0	0	1	0	0	1	0	0
Science and Technology	0	0	1	0	0	0	0	0
SANRAL	0	0	6	0	0	0	3	17
PRASA	0	0	11	0	0	0	1	0
SEDA	0	0	0	0	0	0	1	0
ACSA	0	0	4	0	0	0	0	0
TRANSNET	0	0	16	0	0	0	1	0
Total	124	0	84	49	42	30	30	113

While some (see Joe Gqabi, Nelson Mandela Bay and Alfred Nzo) just placed a table in the section or annex on implementation commitments. Some included budgetary commitments, and some included extensive sections dedicated to government departments across spheres including state owned entities, while others included a one-page table listing only provincial departmental commitments (Alfred Nzo) without any input on any implementation commitments by the national sector departments. Conversely, in the case of Joe Gqabi District, there are some projects earmarked for the national level, but no associated projects listed for provincial sector departments. Similarly, the annual performance plan (APP) of the provincial department of human settlements, lists in an annex all the projects in the OR Tambo District to be undertaken totalling R382m, yet as can be seen in Table 3, the OR Tambo Draft One Plan does not include any of these projects. Similarly, the said annex in the human settlements APP does not list some of the projects to be found in the District One Plans of the IGR impact zones who have listed projects corresponding with the provincial human settlements department (Amathole, Buffalo City, Chris Hani, Nelson Mandela Bay and Sarah Baartman). In the case of the provincial department of rural development and agrarian reform (DRDAR), four areas of intervention are earmarked - spring water, rural market centres, rural enterprise development and the profiling of sustainable rural livelihoods across the Districts.

An official in the spring water programme at DRDAR, indicated two related challenges worth mentioning. The first is that there is often a major challenge in securing access to information from local authorities (District and local municipalities) to inform project planning at a provincial sector department level, with some officials only providing such information, when a request is ultimately escalated to the Office of the Premier.

Secondly, while the DRDAR leads the 'rural development working group', which includes the economic development and tourism department (DEDEAT), COGTA and the Office of the Premier (OTP), it is unclear whether such horizontal collaboration can unlock

synergistic use of resources, beyond maybe the use of the ‘political clout’ and authority of the OTP to ensure compliance with informational requests. The official also lamented the challenges of ‘horizontal’ duplication across different provincial sector departments, due to weak coordination, which may suggest mechanisms to pool resources need to be designed and instituted at a planning and budgeting level if there is to be any meaningful impact in rural development initiatives (Tamba, 2022).

Table 3. The Number of Projects in different Eastern Cape Districts and Metros, across different provincial government departments.

NUMBER OF PROJECTS AT PROVINCIAL LEVEL IN DIFFERENT DM's								
DEPARTMENT	ADM	ANDM	BCMM	CHDM	JGDM	NMBMM	ORTDM	SBDM
Economic Dev, Environment Affairs & Tourism	0	0	4	2	14	20	15	3
Rural Development and Agrarian Reform	16	32	12	3	0	0	1	25
South African Polica Service	0	0	0	0	0	0	0	8
Transport	8	5	4	2	0	3	3	25
Health	11	28	59	2	0	56	0	57
Public Works	3	6	0	4	0	0	0	5
Human Settlement	8	0	49	23	0	68	0	24
Social Development	3	3	7	2	0	5	1	11
Education	0	74	126	0	0	281	1	72
Eastern Cape Parks and Tourism Agency	0	0	0	0	0	0	0	8
Corporate Governance and Traditional Affairs	1	0	1	0	0	0	14	0
Office of the Premier	3	4	0	0	0	0	0	0
Sports, Recreation, Arts and Culture	4	2	3	0	0	2	0	0
Safety and Liason	4	0	0	0	0	0	0	0
Amatola Water	0	0	2	0	0	0	0	0
ELIDZ	0	0	7	0	0	0	0	0
TOTAL	61	154	274	38	14	417	35	238

While it might be suggested that these implementation commitments may have suffered from limited input from different spheres of government (and sector departments in these spheres) due to tight timeframes for the submission of the Drafts, the uneven quality of the submissions is indicative of the need for common and clear resourcing of all Districts and respective Metros in the development of these long-term plans.

Moreover, a **common reporting framework** is needed, which we discuss in further detail below, which can guide ‘implementation commitments’ and project reporting in the annexes of local (IDP, SDBIP and BEPPs), provincial (APPs and PSDFs) and national (APPs, MTSF and NSDF) development and spatial planning instruments.

Furthermore, the One Plans in which the implementation commitments are listed, does not draw a link between the vision, mission and strategies outlined in the same One Plan, and the list of projects earmarked for implementation. Only the One Plan of OR Tambo included a diagrammatic illustration of how the implementation commitments envisaged in the local sphere, interfaced with the strategies and visions outlined in the preceding sections for the District and municipal areas within it. **Future One Plan development processes and provincial and national departments’ strategic and performance plans (APPs) may benefit from a similar illustration that links strategies and visions in sector departments with spatially referenced interventions and commitments.**

Table 4. The Number of Projects in different Eastern Cape Districts and Metros, across different local authorities.

NUMBER OF PROJECTS AT LOCAL LEVEL IN DIFFERENT DM's	
DISTRICT	NUMBER OF PROJECTS
ADM	206
ANDM	0
BCMM	122
CHDM	18
JGDM	111
NMBMM	4
ORTDM	74
SBDM	41

In the next section we consider the projects deemed ‘catalytic’ from the implementation commitments. This focus arises out of what the OR Tambo District One Plan sees as the need to prioritize which projects are in greatest need of coordination.

5.4. WHAT PROJECTS ARE CATALYTIC AND REQUIRE COORDINATION AND WHY?

The OR Tambo One Plan defines catalytic projects as those that cut across wards and administrative boundaries, that focus on reinvigorating previously neglected areas, covering all the pillars of the DDM. By this definition, these are programmes and interventions which have a primary aim of increasing economic opportunities, opportunities for thoroughgoing spatial transformation and job creation. By this definition, these are projects with economic, social, and spatial spinoffs beyond the initial investments in time, money, social and political capital. We however propose below, a framework to consider what is ‘catalytic’ as incorporating not just economic production-focused considerations, but also those that extend to social reproductive activities enabled by investments in social infrastructure.

Our discussion of which projects can be deemed ‘catalytic’ and in greatest need of coordination, first requires that we consider some of the observed challenges of even ongoing projects, with the potential to shift the economic and spatial form within an IGR impact zone. Many of these challenges present within them, need to be considered in relation to whether better coordination, allocation and prioritization of resources and investment within and across different government spheres can resolve these. In some cases, coordination can resolve the issue. In some cases, not. Here we consider some of the experiences that could be ameliorated and resolved through better coordination.

In the case of OR Tambo, a 2020 parliamentary oversight report indicated the following challenges, among many others, with capital projects undertaken at a District level through the municipal infrastructure grant –

- A number of projects were delayed due to contractors experiencing cash flow challenges related to the District Municipality delaying the awarding of the contract long after the tender proposals were submitted.
- Project contracts do not comply fully with the requirements for Small Medium and Micro-sized Enterprises (SMMEs) development of sub-contractors, local content suppliers of materials as well as training and skills transference that allows a subcontractor to graduate towards a higher Construction Industry Development Board (CIDB) grading.
- Oversight over the MIG projects was lacking by the oversight structures of the district municipality. The overall success of a project is reliant on regular oversight, more specifically at least a monthly physical inspection of the project site is needed to ensure that project implementation is taking place according to plan, and the quality of work done is up to standard.

While the same challenges may not necessarily be found in all Districts and Metros, these challenges not only affect the ‘delivery of infrastructure’, but also have social and economic implications for areas historically starved of social and economic investment.

Furthermore, many projects have suffered from the failure to incorporate community groups in subcontracting, employment, and other economic opportunities, creating hostility which in many cases has translated into the disruption of these projects, creating delays that often take years to resolve. These challenges at a national, provincial and District level, complicate the identification of ‘catalytic projects’ that crowd in multiple government entities and non-state actors. Fully aware that whatever choices are made about where to plough increasingly limited public resources, will always be open to political, inter and intra-institutional and societal contestations.

5.4.1. Defining catalytic

As indicated above, the definition of ‘catalytic’ provided in the OR Tambo One Plan considers the **spatial span** (‘across wards and administrative boundaries’), **equity** (‘reinvigorating previously neglected areas’) and **economic multipliers** (‘with economic spinoffs beyond the initial investments in time, money, social and political capital’). The OR Tambo Plan also recognizes that even with such a definition proffered, it is still, ‘unclear why [certain] projects have been identified as catalytic projects’, as in some cases the identified projects stand at odds with the priority areas outlined in the District profiles developed by the District Hub. The OR Tambo One Plan also suggests that it’s One Plan development also prioritized the identified or submitted projects on the time horizon for implementation (short, medium or long term) and by priority. With regard to the latter, it is unclear how elsewhere the prioritization is determined.

The Buffalo City One Plan sees catalytic programmes as a

‘series of interdependent mutually reinforcing or complimentary built environment projects, drawing on the ‘Built Environment Performance Plan’ (BEPP).’

The BEPP is a plan required for any allocations within the DoRA for infrastructure capital grants to metropolitan municipalities. These are the only two One Plans which venture a definition of what is deemed ‘catalytic’. In our proposed formulation below we will aim to synthesize these perspectives and offer a recommended approach to commonly define and screen projects, defined as catalytic and in need of coordination across spheres.

It is not just about a grocery list of ‘implementation commitments’ and projects, but rather what the choice of catalytic projects tells us about the **theory of societal change** that informs how these Districts view critical projects and actions and their role in achieving the vision outlined in the One Plan. The identification process far from being a technical or administrative choice, as an experienced retired Eastern Cape technocrat and policy advisor, Andrew Murray suggested, is often an outcome of a political rather than a ‘scientific process’

‘Government’s never really been knowledge-driven. You know, I think a lot of the planning is about, you know, different interests and accommodating and tradeoffs across different interests. So it’s quite political, if I can say that it may often be tied into sort of patronage, you know, local patronage kind of politics and things like that. So not only interests at the sort of level, but even very sort of direct interests. And that always kind of clashes with, you know, a perspective that says, you need very objective prioritization criteria’ (Interview with Andrew Murray, Virtual, 22 August 2022)

Understandably so. Yet the pursuit of an objective guide, in the least, allows for a tangible link between the vision, strategies and implementation focus, across different tiers, which at least can pursue the management and accommodation of trade-offs, divergent foci and interests. All of which occur in an uneasy balance of power between different spheres of government. Furthermore, such projects must be ‘sustainable’ not only in the sense that there is a plan on how they’ll be maintained and refurbished and where the money might come from but in a way where their economic and social spinoffs trigger forms of economic activity that can generate ‘second, third and fourth wave’ value and spinoffs for municipal residents, administrations, households and firms in the District area, as Murray suggested.

‘What are the drivers of this kind of growth and future revenue streams? You know, so you really need the economic side to really be in the front and centre of your planning because ultimately, municipalities are a kind of business. They’ve got to generate revenue. And as soon as you are on that slippery slide away from revenue increasing above population growth, as soon as that ratio of indigent to ratepayers’ slips. Starts climbing in on the side of the indigent, or part of that ratio, you’re in trouble, basically’ (Interview with Andrew Murray, Virtual, 22 August 2022)

Despite this focus on economic areas (including economic infrastructure), there also is a need for a focus in the stabilization of local authorities, of foregrounding investment in future bulk service requirements, which provide certainty of supply and crowd in investment that supports the economic multipliers and ‘positioning’ outlined in the second of the DDM pillars.

Image 5. *Wilsonia MetroRail Train Station, in the industrial area of Wilsonia in Buffalo City, passing below the N2 on the Mdantsane-East London Corridor. This is one of the projects earmarked in the Passenger Rail Agency South Africa (PRASA), in the Buffalo City One Plan.*



Source: Xesibe Holdings

The approach we propose considers projects according to the following considerations;

- 1) Encouraging public investments whose benefit, value and institutional involvement span across geographical and spatial boundaries cuts across wards, municipal and in some cases District-level boundaries
- 2) Advancing universal access to basic social and economic services
- 3) Securing current and future bulk service requirements (in water, energy, rail, road, telecommunications)
- 4) Enabling economic and spatial transformation and equity.

Table 5. *Draft Analytical Approach to Screen ‘Catalytic’ Projects, Programmes and Actions*

Objective	Key questions	Catalytic Project Features
Encouraging investments whose benefit, value and institutional involvement spans across geographical and spatial boundaries	<ul style="list-style-type: none"> o Does the project cut across different institutional (municipal, sector departments and spheres) boundaries in ‘horizontal’ and ‘vertical’ fashion? o Does the value derived from the investment accrue to a wider set of social and economic actors than those to be found in a specific ward or municipal area? o Is the policy guidance, financing (within the DoRA) and implementation of the project undertaken by an SOC, Provincial and National Sector Department? o Does the said investment require horizontal coordination among different institutions in the local government sphere? 	<ul style="list-style-type: none"> o Projects or activities with significant interdependency for outcomes across space, institutions, spheres of government and functions (where applicable)
Advancing universal access to basic social services	<ul style="list-style-type: none"> o Does the project address backlogs in access to services? o If so, how many people and areas benefit from the ultimate provision of services expected to arise? o Does the investment bring government and other services and opportunities closer to the people, on terms more favourable than before? o Does the project involve the building, maintenance or refurbishment of bulk infrastructure required for the provision of services, in more than one municipal area or ward? 	<ul style="list-style-type: none"> o Long-term projects with the capability to unlock developmental potential of the District o Alignment to spatial development and transformation corridors and strategy
Securing current and future bulk service requirements	<ul style="list-style-type: none"> o Does the project involve securing the capability to meet the current and future service requirements of firms and households? o Does the project, in providing for bulk services, enable the Municipal area to provide services in a cost-effective manner? o Does the provisioning of bulk services build the resilience of the District residents to acute shocks and chronic stresses (disaster, drought, flooding and social polarization etc.)? o Does the provisioning suffer from a market or co-ordination failure (i.e. large initial capital, long gestation periods etc.) that makes private provisioning unfeasible or undesirable? 	<ul style="list-style-type: none"> o Positive economic and social spinoffs for local industry and upstream sectors o Mutually reinforcing and enabling of existing and nascent areas of comparative advantage
Enabling economic and spatial transformation	<ul style="list-style-type: none"> o Does the provisioning of the infrastructure have the potential to crowd in other economic activity beyond the build phase during the working life of the asset? o Does the infrastructure connect the erstwhile unconnected areas of the District? o Does the infrastructure lower the cost drivers for firms and poor households associated with economic and social reproductive activity? o Does the infrastructure complement and enable value added activities in upstream building supplies and other project requirements? 	<ul style="list-style-type: none"> o Complement existing planned, in implementation and concluded interventions at multiple levels

5.4.1.1. Encouraging public investments whose benefit, value, and institutional involvement span across geographical and spatial boundaries cuts across wards, municipal and in some cases District-level boundaries

Catalytic projects that are in greatest need of coordination are those where there is significant and long term 'inter- and co-dependency' for outcomes between a diverse set of institutions, within the state (across different spheres) and beyond it. The OR Tambo One Plan considers only the 'spatial' span of projects it deems in greatest need of coordination. Our proposed consideration goes further. Catalytic projects are those that not only span across different spatial boundaries but also those where value and benefit accrues to a wider set of economic and social actors than firms and households in a specific locality or ward. Furthermore, these would be projects which require 'vertical' (within the ambit of the Division of Revenue Act) and horizontal coordination across the wall-to-wall boundaries that connect different IGR impact zones.

This is not to suggest that all projects funded under the MIG for instance would be deemed 'catalytic', but rather that the combination of factors (spatial span, value and benefit distribution and need for horizontal and vertical institutional synergies) is what ought to be considered in whether they are 'catalytic' or not.

5.4.1.2. Advancing Universal Access to Basic Services

Many of the rural localities in the Eastern Cape suffer from severe service infrastructure backlogs. The 2021 General Household Survey published by StatsSA indicates that the Eastern Cape (alongside Limpopo) has relatively, the lowest number of households with tap water inside their dwellings, the largest number of households serviced with ventilated pit toilets and the second highest number of households without access to the internet (StatsSA, 2022). While considerable progress has been made in broadening access to electricity, sanitation, and other services in the province, much of the existing infrastructure, according to the Eastern Cape Infrastructure Plan 2030, is aged and 'large allocations for infrastructure will be required' (OTP, 2016:85).

Furthermore, the Eastern Cape alongside other largely rural provinces is also faced with a rising urban population and in the rural areas, 'adverse topography, dispersed settlements and poor access roads which increase the costs of achieving universal access to basic services' (OTP, 2016: 85). As one respondent suggested, sometimes the allocative formulae in the DoRA do not factor in objective challenges that confront the universal provisioning of basic services in a province like the Eastern Cape;

'I think it's a correct perception that the fiscal formula does not favour the Eastern Cape. You know, it's kind of determined by headcount, not by, you know, actual service delivery costs, which are much higher in the Eastern Cape, given our dispersed population and the kind of state of the different institutions, whether they be schools, hospitals or whatever the case may be ...'(Interview with Andrew Murray, Virtual, 22 August 2022)

Furthermore, catalytic investment in underserved and neglected areas can unlock spillovers across the different pillars of the DDM, and not only unlock better 'economic positioning' but contribute to better outcomes in other pillars, such as that on People and Demography. An example of this was highlighted in a discussion with a District Official who highlighted the interface between better educational outcomes and investments in infrastructure, as one District official in the education department suggested, because many schools are, 'scattered all over the district', and municipal investments in access roads (and consequently, scholar transport) influences the conditions under which learning, and teaching occur (Ndembe, 2022).

Catalytic projects in this case, as noted in the OR Tambo One Plan, must have an element of 'equity' (bringing services to erstwhile neglected areas) and alongside this focus, also incorporate the refurbishing and maintenance of existing infrastructure in response to population and household growth. Concerningly, a large economic node and industrial centre like Nelson Mandela Bay admitted in its One Plan, 'that the city does not have credible information' on migration patterns (NMB One Plan, 2021 :10). This suggests that there is no framework or underlying data to assess current and future service requirements, and the growing informality of settlement patterns, especially in the two Metros in the Province. Furthermore, patterns of outward migration, from villages to urban centres, or from the Province to other Provinces, especially the Western Cape has implications for how the provision of services is planned. As one District education official in Chris Hanu District suggested, migratory patterns affected the learning experience of pupils whose parents moved and subsequently returned, which also has an impact on school closures and rationalizations;

'It is not the intention of the department to close schools... but our issue is the numbers. It is a challenge created by the parents themselves. Remember, most of the learners, particularly here in this part of Eastern Cape, they are moving to the Western Cape' (Interview with Madoda Ndembe, Komani, 30 August 2022)

Such semi-migration to other provinces or urban centres within the Province is a defining feature of the lives of many citizens of working age in the Province, which presents complications in the planning for

the provision of services, that requires continuous investigation and data collection to inform policy responses.

In relation to advancing 'universal access' to basic services, the failure to have credible 'primary data' on current and expected population and settlement growth patterns, creates considerable challenges for the ability of Districts and Metros to properly scope interventions around the upgrade and modernization of informal settlements or even benefit from IGR grants such as the Upgrade of Informal Settlements Grant. Furthermore, the inability to scope this within the IGR impact zone, also makes the case for large catalytic capital spending difficult to make, even on the discredited basis of 'headcount' that Andrew Murray makes mentions above.

Image 6. The Dedisa Peaking Power Station in Ngqura, a 335MW open cycle gas turbine (OCGT) peaking plant.



Source: Xesibe Holdings

What examples are there of catalytic projects focused on bulk service provision? An example of a such a project in the Nelson Mandela Bay, would be the Dedisa Peaking Power Plant (pictured above), which is a 335MW source of emergency peak energy, not only for ward 60 where it is located in Nelson Mandela Bay, but is critical to ensuring national energy security, by supplying additional energy during peak demand to the national grid, under a power purchase agreement between the private owners of Dedisa and Eskom. The same applies to any related infrastructure investments, such as the construction of substations and transmission lines from the Plant. Unfortunately, this project, nor the envisaged 'balance of plant', substation and transmission investments do not feature in the Nelson Mandela Bay One Plan.

Therefore, projects or activities deemed catalytic, insofar as integrated service delivery is concerned, must address backlogs, enable equity considerations and improve service coverage (beyond a particular ward or municipal area).

5.4.1.3. Securing Current and Future Bulk Service Requirements

A critical feature of catalytic projects is the ability to secure bulk service requirements. Both current and future requirements. Such a focus is out of a recognition that the core business of municipal authorities and local government broadly defined, is to provide services to households and firms, and raise revenue from the provision of such services. However, as discussed above, there are critical challenges that confront local authorities. As the 1998 White Paper on Local Government observes, settlement dynamics, population density, the character of a local economic base, the cost of the installation of services and the levels of affordability of households, all influence approaches to the delivery of services and the associated institutional arrangements that enable the provision of these services.

In the Eastern Cape, especially in the rural hinterland the interface between these factors presents significant complications - sparsely distributed settlements with limited density, no meaningful economic base to speak of, high costs of service installation and coverage and households reliant on social transfers for income.

Image 7. A sports field in the township of Ekuphumleni in Kenton-on-Sea funded by the Municipal Infrastructure Grant.



Source: Xesibe Holdings

In such a context bulk service requirements, rather than being funded from own revenue, are largely financed through intergovernmental transfers. Based on the discussion above, one might suggest that because there is an equity component and institutional relationships arising from DoRA allocations to the MIG, Water Services Infrastructure Grant and other similar allocations, that such projects would be catalytic by virtue of being funded by other spheres of government introducing coordination challenges.

5.4.1.4. Enabling Economic and Spatial Transformation

Catalytic projects do not only need to ensure that land use and spatial strategies facilitate the integrated delivery of services in a manner that cuts across wards and administrative boundaries, but as also emphasized earlier they have to also bring the potential for significant economic multipliers and the ‘crowding-in’ of economic activities and production where such might not have existed before.

Furthermore, catalytic projects, which by nature span across different wards or municipal boundaries, also have to play a role in subverting the Apartheid spatial form. For our discussion herein, the Apartheid spatial form took on a character that subverted any potential trans-District livelihood and economic opportunities, in order to secure a stable supply of cheap labour in the area for the urban mining sector in Gauteng, the Free State and the North West and rural commercial agriculture, within the province and in the Western Cape.

This is not always the case, as the example in Image 7 depicts a football field in the township of Ekuphumleni in the Sarah Baartman District. The field in question is clearly for the use of the people in that township, with limited scope for the trans-local benefit and further scope for benefit by communities beyond the township. This is clearly a ‘local’ project with a clearly defined beneficiary mix whereas the mooted R1.2bn Ndlambe Water Treatment Works and the Belmont Valley Wastewater Treatment Works in Makana for example, may be in a position to benefit a wider set of communities and crowd in other economic and social activities, beyond just the provision of water and sanitation. Similarly, not all ‘catalytic’ projects are all ‘provincial and national’. Some, while funded by intergovernmental grants such as the MIG, can be ‘local’ such as the R226m Maclear Water Treatment and Distribution Upgrade project in the Joe Gqabi District, which will not only benefit the residents of Maclear but also assist in meeting household and firm-level water requirements in Maclear and surrounding villages and areas such as the timber producing neighbouring area of Ugie.

Image 8. The construction of the N2 Wild Coast highway by SANRAL, at the Tsolo junction intersection in the OR Tambo District, is an example of a ‘catalytic’ project where the expansion of the roadway can create transit-oriented economic opportunities but also facilitate the movement of goods and people between the rural hinterland of the Eastern Cape and the KwaZulu Natal commercial corridor towards eThekweni.



Source: Xesibe Holdings

This is not a novel insight, Govan Mbeki in his seminal work, *The Peasants' Revolt* notes that the 1954 Tomlinson Report on the Socioeconomic Development of the 'Bantu Areas' earmarks the area around Mthatha in what is now the OR Tambo district, as an area with significant potential for industrial development. Mbeki however laments the absence of what Rosenstein-Rodan refers to as the 'minimum quantum of investment' necessary to push a country or a region into self-sustaining growth (Rosenstein-Rodan, 1943, Mbeki 1964). This minimum quantum of investment in 'social overhead capital' (energy, transport and communications) has as its most important product, investment opportunities created in other industries, and these kinds of 'infrastructure' Mbeki felt presented the most significant constraint to economic development in the former Transkei;

'I think it's a correct perception that the fiscal formula does not favour the [Apartheid] government has made no mention of developing power and communications - essential factors in industrial production and the distribution of the finished product respectively. The Transkei, which is being advertised as the government showpiece, has very poor railway facilities. Four rail lines terminate either just inside the border - like the railheads at Maclear, Matabele, and Kokstad - or about 100 miles from the heart of the area. But then the purpose of the railheads is to serve as funnels for the draining off of labour from the reserves. A system of poorly developed roads act as tributaries along which labour flows to railway' (Mbeki, 1964, p.39)

Rosenstein Rodan felt that 'an underdeveloped country' needed to invest between 30 to 40% of its total investment into such overhead capital or fixed investment. It is clear then that catalytic projects, by their nature, must be able to subvert this spatial and economic paradigm, by not only building network industries or social overhead capital but also laying the basis for the subversion of the cheap labour basis of many of the areas in the rural Eastern Cape.

This can be done, as the National Treasury highlighted in its 2019 document, *Towards an Economic Strategy for South Africa* by the modernization and expansion of network industries and the prioritization (through enabling incentives and targeted procurement frameworks) of growth in labour-intensive sectors (National Treasury, 2019).

These sectors, according to Tregenna (2011:23), with the highest labour-to-capital ratio are 'other products' (washing and cleaning of textiles, hairdressing, beauty treatment, funeral, and related activities etc.), clothing, leather and footwear, furniture, construction and civils, tourism ('catering and accommodation') and wholesale and retail trade.

As can be seen in the discussion above, catalytic projects like the N2 Wild Coast (see **Image 8**), have the capability to not only have the capability to not only have economic and employment multipliers in the multi-year construction phase of these projects but were accompanied by creative land-use management approaches alongside the roadway, can unlock economic opportunities in some of the labour-intensive economic sectors mentioned above. This approach to transit-oriented development needs to resolve land tenure issues as a primary task, to crowd in public and private investments in the rural Eastern Cape, and we return to this theme in the recommendations section.

Furthermore, projects like the N2, where designed with such an end in mind, could pool the resources, energies, and technology of contractors, to undertake modernization of access roads that connect different villages to each other, let alone to the main arterial route the N2. *The Eastern Cape Infrastructure Plan 2030* prioritizes access roads to 'economic activity nodes' (industrial estates, tourism nodes and agricultural nodes), which while important, overlook the latent productive potential of linkages between rural village-level production to markets in secondary towns like Mthatha, Komani, Qonce and Gcuwa among others.

Rather than piecemeal and incremental projects, interventions that are catalytic, must be those that have the potential to not only change trans-District flows of economic activity, but also contend with and subvert the Apartheid and colonial spatial form imposed through decades of indirect rule and migrant labour flows out of the Province.

In the next section, we consider these issues, in the context of a dedicated case study considering one of the Pilot IGR Impact Zones of the DDM, the OR Tambo District.



6. THE O.R. TAMBO DISTRICT AS AN IGR IMPACT ZONE: WHAT DO WE LEARN?

Below we consider the case of the One Plan development process in the OR Tambo District. The OR Tambo District is one of the three ‘pilot’ DDM districts in the first phase of the rollout, alongside the eThekweni Metro in KwaZulu Natal and the Winterberg District in Limpopo. We consider the case of OR Tambo across the six DDM pillars, and what we learn about the identification of the strategies, catalytic actions, and projects and whether these correspond to the challenges and opportunities identified in the diagnostic exercise, and the vision and mission statement set out in the Draft One Plan.

The OR Tambo District is one of the six District municipalities in the Eastern Cape province, with a territory spanning over 12 141 square kilometres (OR Tambo DDM Profile and Analysis, 2020, p.6). In this District, several of the former Transkei magisterial districts have been incorporated into five local municipalities, which are: the King Sabata Dalindyebo, Port St. Johns, Mhlontlo, Ingquza Hill and Nyandeni local municipalities.

The District in the National Spatial Development Framework falls within the National Coastal Transformation Corridor, which because of its agricultural land and favourable climate conditions, has identified agricultural investment as the most urgent short-to-medium term, strategic spatial development catalyst. The Eastern Cape Provincial Development Plan 2030, published in 2014, expects the District to, ‘be the third most significant economic hub in the Province’, with an increase in activity in the knowledge economy, agribusiness, tourism, and property development (Provincial Development Strategy, 2014, p.10). The Provincial Development Plan also flags the role of the N2 as a gateway to the key export node (eThekweni and KwaZulu Natal) as something that could improve economic outcomes for the region.

Having considered these identified areas of nascent and observed comparative advantage, below we consider these within the framework of the six DDM pillars.

6.1. PEOPLE AND DEMOGRAPHY

The OR Tambo District is one of the most populous areas in the province of the Eastern Cape. In 2019, the OR Tambo District was ranked the fourth most populous district in South Africa, with a population of 1 514 306 and 354 168 households (OR Tambo DDM Profile and Analysis, 2020, p.17). Due to migration patterns associated with a long history of migrant labour, only 46.7% of the population are male, while 53.3% of the residents are female, with a significant part of the District’s working age population still to be found in the urban nodes of Cape Town, eThekweni, and Johannesburg (OR Tambo DDM Profile and Analysis, 2020, p.16).

Consequently, more than half (57%) of the households are women-headed, with just under a third of households in the District living below the poverty line (OR Tambo DDM Profile and Analysis, 2020, p.17). The District has a youthful population since more than half (52%) of the people are aged between zero and 19. According to the OR Tambo One Plan, the majority of the population is concentrated around the N2 corridor, in the areas around Mthatha,

Tsolo and Qumbu, which also happen to be the areas where relatively better economic opportunities can be found.

On the educational front, there have also been significant improvements in literacy and educational outcomes. The number of people with a ‘matric only’ in the District, increased by 43 900 to 124 000 or 8.2% of the population, and those who acquired ‘matric and a certificate/diploma’, and ‘matric with a Bachelor’s’ have increased with an annual average rate of 4.94% and 5.11% respectively (OR Tambo DDM Profile and Analysis, 2020, p.24).

While these figures on educational attainment may be relatively lower than the proportion of the population with a matric in eThekweni (37.1%) or those with a post-school qualification (12.3%), the resident survey we undertook shows that residents of the District see ‘demographic change and people development’ as one of the areas, where some progress has been made. Most importantly, the number of people without any form of education decreased from 2008 to 2018 with an average annual rate of 3.19%. Which is much lower than the figure for eThekweni (4.2%) (StatsSA, 2011). Notwithstanding these advances in literacy and educational outcomes in the District, economic opportunities to absorb this increasingly educated working age population are scarce. Based on the official definition of unemployment, the unemployment rate in OR Tambo was 37.71% and this figure was higher than the provincial unemployment rate in the Eastern Cape (OR Tambo DDM Profile and Analysis, 2020, p.23).

The OR Tambo One Plan, recognizing advances in some areas around human capital development, also observes with concern, that economic sectors in the area (most notably agriculture), are yet to develop to their full potential, ‘with vast available agricultural land that is currently lying underdeveloped’ (p.39). One of the critical constraints to the attraction of agriculture and tourism investments in the District, has to do with the weaknesses in service coverage and suitability, with roads, energy, water and other service infrastructure challenges.

Furthermore, significant spatial scattering of human settlements makes the delivery of basic services (water, energy, refuse removal inter alia) difficult, with the One Plan making the case for settlements to be ‘re-planned, relocated and concentrated’ closer to bulk services or areas with provision for basic infrastructure services. This theme, of densification of spatially dispersed settlements, while earmarked as a key root cause of the challenges confronting people in the area, has very little by way of ‘specific actions’ earmarked in the One Plan on this score. We return to this theme in subsequent sections.

6.2. ECONOMIC POSITIONING

As considered above, the OR Tambo District has been distinguished as a district with poor economic performance, low employment levels, weak industrial performance and private sector participation, and a household income structure reliant on social transfers. Yet, as shown above, the national and provincial development and spatial plans envisage that the District will be a critical growth node in the Province.

In 2018, the OR Tambo District's Gross Domestic Product was R41.1 billion, contributing 11% to the total provincial output of the Eastern Cape (OR Tambo DDM Profile and Analysis, 2020, p.28). With the District being the third largest output generator in the province among comparable Districts. From an economic growth perspective, the OR Tambo district had a negative growth of -1.15%, in contrast to the Eastern Cape's positive annual growth of 0.78% (OR Tambo DDM Profile and Analysis, 2020, p.28). From a sectoral perspective, the community, social and personal services sector (which includes government), wholesale and retail trade and the finance sector are the greatest generators of Gross Value Added (GVA) of the OR Tambo district. They accounted for 38.4%, 23.0%, and 19.5% of the total GVA, respectively (OR Tambo DDM Profile and Analysis, 2020, p.28).

How then does the draft One Plan contend with this sectoral composition of output? The OR Tambo District One Plan identifies Agriculture, Tourism, and Informal Economies in its diagnostic as critical areas for action. As discussed above, the latter two economic sectors exhibit considerable labour intensity as measured by labour-capital ratios, as compared to other economic activities. The One Plan diagnostic laments, in the case of agriculture, inadequate investment in agricultural infrastructure and skills, unsuitable land tenure forms, poorly maintained irrigation schemes and weak market and export linkages.

Image 9. The SPAR Mthatha Distribution Centre, just off the R61 connecting Ngcobob and Mthatha, and a few kilometres away from the planned Wild Coast SEZ is an example of how land use alongside transit nodes like the R61 and N2 can link with planned developments like the SEZ and the Airport Upgrade, and as a market for local agricultural production.



Source: Xesibe Holdings

Insofar as tourism is concerned, the One Plan highlights the challenges of accessibility and transport infrastructure (no local airports, rail or road networks of suitable quality) to and from tourist attractions, as a key challenge, and the insufficient supply of bulk services (electricity, water and sanitation), as a drag on agricultural and tourism-related investment in the area.

Furthermore, in terms of informal economies, there is a challenge noted of lack of access to markets and inadequate support, yet our own observations in the King Sabata Dalindyebo, Nyandeni and Mhlontlo local areas were that informal traders were well integrated into transit nodes and high footfall areas within towns like Mthatha, Qumbu and Libode, yet they suffered from the same challenge of inadequate access to public goods crucial for their operations (water, waste management facilities, secure trading and storage facilities), alongside significant input challenges.

Yet very little in the OR Tambo One Plan's catalytic actions and implementation commitments is focused on overcoming these challenges identified in the diagnostic. Or in as significant a manner as may be required. Very few of the catalytic projects identified in the OR Tambo One Plan involve actions that can enable investment in agricultural infrastructure (including irrigation) or the establishment of market and export linkages with existing wholesale and retail trade operators in commercial nodes like Mthatha.

As can be seen in **Image 9** many national retailers see the Eastern part of the Eastern Cape as a major consumer market, yet very little in the One Plan looks to position agricultural production in the province for value addition and ultimate incorporation into these dominant retail supply chains or for alternative markets (in informal trade for instance). This can be seen in the SPAR Mthatha Distribution Centre just off the R61 towards Ngcobob, and recent announcements by Famous Brands about their intentions to secure a cross-docking facility in the area (Famous Brands, 2022). Such investments are not only aimed at attracting the base of consumers in Mthatha as a node and its surrounding villages but also stand to benefit from growth in the informal sector in the area. As a result of having minimum barriers to entry, since the required capital and skills are relatively lower compared to other sectors, the wholesale, retail, and trade sector recorded the highest number of informally employed people in 2018. The sector had a total of 22 100 employees, and it accounted for 39.52% of the total informal employment. The district's informal employment declined by 2 200 between 2008 and 2018, to an estimated figure of 56 000 in 2018, contributing 25.28% to the total employment of the Eastern Cape province. Therefore, any agribusiness-related interventions need to not only consider markets in the formal sense but also leverage the demand-side opportunities that exist via informal trade.

In terms of tourism,

‘access road improvement is critical’

Access roads in areas with popular tourist attractions (such as Port St Johns and Mhlontlo) leave a lot to be desired. The Mhlontlo Local Municipality's identified catalytic projects, consider water service provision, but very little by way of fixing for instance, the road network that connects the historic church mission of Shawbury and the Tsitsa and Tina Falls as key tourist attractions. However, the picture improves somewhat for tourism if one considers the link between the vision, strategies, and implementation commitments of the Port St Johns Local Municipality, which include procurement of land from traditional authorities for agricultural and tourist activity, the licensing of three boat launch sites and a mooted waterfront development, which all link directly to the focus on tourism and unlocking its latent potential in the area. Furthermore, projects pursued by other sector departments, such as DEDEAT's plan to develop and upgrade hiker's huts, on a hiking trail from Port St Johns to Coffee Bay, further complement these initiatives.

Furthermore, while the focus (linked to natural endowments in land and labour) is correct, the critical task of economic interventions in the area, is to ensure that producers and 'service providers' (in the case of tourism) are able to access high-value markets, to improve GVA from the targeted sectors, and this requires infrastructure that can facilitate and enable foreign and local tourist arrivals, and in the

case of both agribusiness and tourism, infrastructure-related investments in road, air and rail transport and connectivity (telecommunications and energy). Viewed in this way then, the list of catalytic actions in the Draft One Plan, covers these areas, with a focus on the expansion of roadways, the upgrade of air infrastructure and the improvement of electricity substations inter alia. The critical weaknesses remain in rail and communications connectivity.

6.3. SPATIAL RESTRUCTURING AND ENVIRONMENTAL MANAGEMENT

As discussed in 6.1. the spatial organization of human settlements, network and bulk service infrastructure in the OR Tambo District presents significant socio-economic challenges. The predominant settlement pattern in the OR Tambo District, according to the 2020/21 IDP of the District Municipality, consists of rural villages in grouped homesteads scattered along ridge crests in the uplands or along valleys on flat land. Inward migration into key economic nodes like Mthatha and other areas on the N2 corridor and other smaller areas like Lusikisiki and Port St Johns have made the challenge of integrated spatial planning much more important.

For instance, the spatial analysis in the Mhlontlo Local Municipality's spatial development framework (SDF) covering towns such as Tsolo and Qumbu, confronts the question of spatial change and the issue of density. The Mhlontlo SDF notes an 'urban inner core' located in the 'urban residential areas' surrounding the core under-developed central business district (CBD) area, alongside formal township areas with limited diversification of land use; all of which are 'small' relative to surrounding rural settlements. Relatively new phenomenon, include the emergence of transitional 'informal settlements' close to the CBDs or alongside old formal townships, and high-density rural settlements close to major arterial routes, such as the N2 corridor.

The SDF suggests that rural settlement patterns, 'are closely related to migration patterns, livelihood survival strategies and the ability to access certain services and infrastructure' (Mhlontlo, 2019, p.33). Settlements congregate around areas where transport routes run, and are heavily influenced by land need, forced removal and livelihood strategies rather than orthodox spatial planning paradigms. These challenges are not unique to Mhlontlo but find expression across the entire District area.

While the main arterial roads such as the N2 are in relatively good condition and are being upgraded, the rural access roads are in a deep state of disrepair requiring substantial upgrading. The Mhlontlo SDF, much like those of other local areas (see Nyandeni and Umzimvubu SDF) is aimed at ensuring greater predictability in land use, while promoting a desired spatial form with vibrant urban or peri-urban nodes servicing spatially disperse 'satellite villages' connected with functional access roads connecting villages to key arterial routes.

The Port St Johns SDF draws out the visceral connection between the expansion of human settlements and bulk service infrastructure provision. The urban nodal strategy of the Port St Johns SDF identifies development nodes in need of densification driven by the desired spatial form. These areas, as outlined in the nodal development strategy include legacy infrastructure (former naval base, airport, and the CBD) and under-developed areas with the potential for ecotourism and high value residential real estate (Mtumbane Village, Second Beach and Mpantu). Furthermore, and linked to this, is the expansion of different types of 'housing' in a manner that raises revenue for local authorities and reduces the demand for subsidized or freely provided services. Put differently, what land use approach can achieve a judicious balance between high income, affordable, subsidized, rural and rental housing stock, and say, tourist accommodation along the coastline?

Very little of these tensions are highlighted in the OR Tambo One Plan, or where reference is made to these, it is at a high level, with wording such as, '*review housing policies to prioritize spatial location... or develop integrated settlement plans to improve spatial integration*', and so on.

Image 10. The Tsitsa Falls in the Mhlontlo Local Municipality are a site with immense potential for tourism. They are found on the 'Tourism Route' of the Mhlontlo SDF, which includes Shawbury Mission, Tina Falls and Mbongweni.



Source: Xesibe Holdings

What the One Plan does recognize however is the need to resolve land tenure and ownership contestations to unlock developmental land use approaches, by resolving land claims and invasions. Furthermore, the communal nature of much of the land in the District requires the active participation of traditional authorities in any work towards any envisaged spatial changes, especially those located alongside relatively well populated and increasingly densified arterial routes such as the N2.

Furthermore, there are other existential challenges such as acute environmental shocks which necessitate the functioning of dynamic disaster response and management structures. The One Plan notes extreme weather events such as flooding and drought, rising sea levels and climate variability. In response, the OR Tambo District Municipality has developed a Municipal Climate Change Strategy and Action Plan focused on adaptation and critical response measures. Yet even in many of the ecologically and environmentally sensitive and vulnerable areas in the District, the implementation commitments flagged in the One Plan, give little or no attention to mitigation and adaptation measures to these risks. This is concerning, because such risks are more pronounced in their impact on the areas of agriculture and tourism at the centre of the development strategy of the OR Tambo District, as outlined in the Draft One Plan.

6.4. INFRASTRUCTURE ENGINEERING AND INTEGRATED SERVICE DELIVERY

Infrastructure engineering, in line with the pillars of the DDM, gives due regard to both routine and mega projects that have the capability to shift and change the economic and spatial form of Districts. It seems the ‘mega-projects’ are in most cases driven and resourced by other spheres of government and arise from planning and formulation processes driven from ‘above’, notwithstanding some participation or comment from the local sphere in IGR fora.

Routine projects, on the other hand, are focused on areas within the prioritization framework and ‘resource envelope’ of local authorities, often spanning a shorter time horizon to completion than mega or ‘catalytic’ projects.

Declines in the real value of routine projects under construction

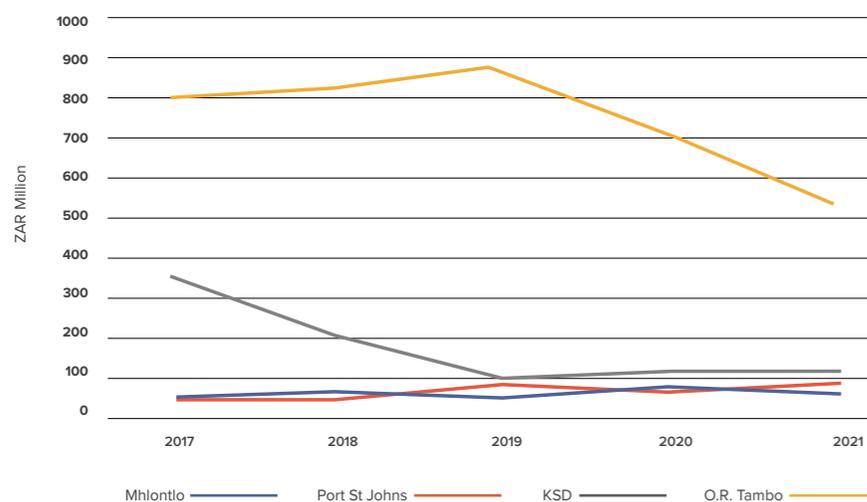
The draft OR Tambo One Plan earmarks some of these ‘routine’ infrastructure-related challenges across critical priority areas. These include insufficient irrigation infrastructure to enable labour intensive agriculture, lack of adequate and accessible infrastructure to enable tourism development. The area also is confronted by ageing bulk service and reticulation infrastructure, with significant water losses and wastage for instance.

In this regard, the draft OnePlan of the OR Tambo District, identifies a few water and energy related infrastructure projects in a list of ‘catalytic’ projects. These include the Mzimvubu bulk water project.

This is also the case for electricity infrastructure, where the District One Plan observes that the old energy infrastructure requires rehabilitation and maintenance. In the case of energy, new substations in Taweni and Hombe, the refurbishment of the 132kV line connecting Tyalarha, Qunu and Vuyani; and the extension of the Qunu and Qumbu substations. Add to this insufficient stormwater drainage, dangerous access roads and mountain passes and what the One Plan suggests are, ‘relatively low budgets in relation to road infrastructure requirements’, and one can see that many of the infrastructure backlogs effectively ‘lock out’ many communities from social reproductive and economic tasks. In Figure 3 we map out, based on municipal financial census data, infrastructure assets under construction in a particular year across some of the local authorities in the OR Tambo District.

We consider these, as these are projects scoped, funded, contracted for and ultimately ‘in process’, covering areas of ‘routine’ infrastructure build projects linked to the powers and functions of local authorities.

Figure 3. The value of infrastructure assets under construction in Mhlontlo, Port St Johns, King Sabata Dalindyebo and OR Tambo municipalities, 2017- 2021.



Source: Municipal Financial Census, 2017 - 2021. StatsSA

What becomes clear from the figure above, is that the value of infrastructure assets funded by own revenue or via intergovernmental grants (a theme we return to in 6.5.) that can be categorized as ‘routine’ builds, have experienced a negative growth rate in real terms between 2017 and 2021, save for the projects in Port St Johns. In the case of the economic node of the District (King Sabata Dalindyebo), such expenditure has declined -7.6% in the period, and for the District authority, charged with water and sanitation, the value of construction works underway declined by -20.02% in the same period (StatsSA, 2021).

Crowding in resources for ‘catalytic projects’

In the case of ‘catalytic’ infrastructure projects, the OR Tambo One Plan takes its cue directly from the Provincial Infrastructure Plan 2030, which suggests that ‘there are several large strategic projects at various stages of planning, implementation and completion’ (Office of the Premier, 2016, p.9). Yet the One Plan developed in 2020, says little in its choice of ‘catalytic projects’ drawn from the Infrastructure Plan 2030 about progress on these projects (in instances where some are ongoing) and the envisaged time horizon of project activities.

Why is this important? For two related reasons. Firstly, it sends a signal across the state and beyond it, of when incidental and at times complementary actions by other spheres of government or other societal actors need to kick in. Secondly, if we accept that District level long term plans can influence the next iteration of a ‘spatially-referenced’ National Development Plan, then it matters what ‘futuristic’ thinking is embedded in proposed implementation commitments, especially for the projects identified as ‘catalytic’ (Drost, 2022).

Viewed in this way, revisions and reviews of the One Plans need to actively consider the inclusion of not only planned and ongoing projects but also the broad outlines of ‘future’ projects which may achieve the spatial and economic vision of the District. Not only those deemed ‘catalytic’, but also those focused on responding to the needs and requirements arising from population growth, inward migration and shifting settlement patterns. Furthermore, and as discussed above, the OR Tambo One Plan’s diagnostic also observes that ‘infrastructure in small towns was never designed to cope with much larger populations’ (p.33) and this is further compounded by the absence of human settlement and urban planning capability to confront the scattered and low-density nature of residential settlement and increasing inward migration to economic centres in the District.

If one considers the implementation commitments of each of the local authorities (including the District Municipality), which have a direct influence on infrastructure development, the majority of these are focused on areas of infrastructure aligned to the powers and authority that each institution is vested with. In the case of the District municipal authority, the focus is on the upgrade of network infrastructure (road, rail and port access is a key focus) that can enable agriculture, tourism and the oceans economy, and in the case of the largest economic node in the District (King Sabatha Dalindyebo) the focus is on the improvement of electricity infrastructure, including line refurbishment and the extension or introduction of new substations.

However, in many of the other local municipalities, the section in the One Plan focusing on infrastructure engineering is written in ‘broad’ and at times ‘vague’ terms. Take for example the Port St Johns section, which highlights from an infrastructure perspective, ‘the provision of structures’ for informal economic activity, or a general reference to the ‘provision of infrastructure and services’ and a commitment to determine the need for bulk services to enable economic development. This arises out of two related weaknesses observed in our primary and secondary inquiries - **project preparation** and **execution** and **crowding in resources to underwrite funding gaps**.

Project preparation and execution

The integration of infrastructure planning, preparation, execution, and monitoring activities across different spheres of government is something the DDM will have to confront head on. Considering our discussions above, it is clear that routine versus catalytic projects require different levels of co-ordination of institutions, and as such, there should be capacity for ‘macro-level’ infrastructure planning as suggested by the Provincial Infrastructure Plan 2030.

Furthermore, there is a need to build a strong pipeline of well-designed, well-packaged, specified, and strategic projects that can leverage private investment. All these require strong capability in project preparation and packaging at a municipal level, or even attempts to crowd in

capacity in other spheres for this purpose. In discussions with the DBSA-led OR Tambo District Hub, it became clear that in the District, institutions vested with the largest allocations for construction works, suffered from significant administrative and project related challenges. These included contracting, design, and quality assurance weaknesses (Sokupa, 2022). This, alongside challenges in coordinating land use and the absence of functional land markets, makes this concern even more pronounced. An OR Tambo District Municipality official indicated that there is a ‘minimum’ level of capacity required to ensure that ‘land markets’ function in the first instance, to then crowd in private investment in critical social and economic infrastructure;

‘We need to coordinate and consult to make land available, infrastructure available. But in terms of the actual business being done, then the private sector comes in. Hence, we look at investment attraction, attracting private investors through packaged projects that are ready and by making the land available because as a municipality we don’t have the skill. And, I can say the ability to say we are going to own a shopping complex and run that shopping complex, but we need to make the land available, survey the land and ensure that it is set aside for that development to consult investors’ (Interview with Andiswa Dunywa, Planning and Development Unit, OR Tambo District, 10 August 2022)

This view reflected the importance (relatively less than in the Chinese case discussed in the earlier section on international experiences) of land markets as an avenue for change in the spatial and economic form, in a context of a relatively insignificant taxable base. Land markets, as a critical feature of project preparation, are complicated in OR Tambo by the presence of hybrid land tenure forms - communal, private title, public and ‘permission to occupy’, with limited interface with standing land use and town planning capability. The Provincial Infrastructure Plan 2030 highlights one of the OR Tambo catalytic projects as in need of ‘resolution of land issues’, especially in instances where controversial matters such as relocations, land owned by traditional communities and receiving informed and prior consent from these communities. As such, there is a need for long-term project preparation activities for such tracts of land to be identified, and long-term compacts with traditional leaders and communities arrived at, especially land alongside critical transit nodes and catalytic projects such as the Mzimvubu Multi-purpose Project and the N2 Wild Coast roadway.

The other challenge observed is in the institutional co-ordination of where resourcing of infrastructure projects sits, and we discuss this below.

Financing the infrastructure funding gaps

In relation to these service delivery-related and catalytic projects, the Provincial Infrastructure Plan 2030, calls for the ‘identification of infrastructure funding gaps and helps motivate for new funding streams to confront these gaps. The need for complementary funding was also highlighted in a discussion with an official of the OR Tambo District Municipality, who suggested that the financing of the build, and even the refurbishing and maintenance of economic infrastructure assets without a corresponding grant (considering weak own revenues - see section 6.6.), posed a significant challenge;

‘There are limited resources for the implementation of the projects that have been identified in the DDM One Plan ... we do not have any form of grant funding that one can say is specifically dedicated to the development of industries or enterprise development’ (Interview with Andiswa Dunywa, Planning and Development Unit, OR Tambo District, 10 August 2022)

While bulk service and social infrastructure to some degree can be funded through intergovernmental grants, there are challenges in underwriting the development of economic infrastructure that can crowd in private investment, which might explain the reluctance to undertake ‘blue sky’ or futuristic thinking on projects outside of those earmarked by provincial and national authorities as ‘catalytic’ or strategic, as the OR Tambo District official suggested;

‘These projects fail because there is not enough private investor appetite in the region of OR Tambo. But if we work together to change the image of the region, we can convince investors that we have enough bulk infrastructure, then we will be able to bill them and at the same time get some returns out of it’ (Interview with Andiswa Dunywa, Planning and Development Unit, OR Tambo District, 10 August 2022)

The official recognised that ensuring security and predictability of service provision and public goods, could crowd in private, multilateral, and intergovernmental complementary resourcing of catalytic economic infrastructure. Yet to first understand better what the ‘private sector’ needs, and the size and scale of the complementary resources required, we first do so by considering the ‘capex funding gap’. **The capex funding gap** is the difference between the current and future capital expenditure needs of a District and the sum of the value of intergovernmental capital transfers and own revenue earmarked for capital spending on infrastructure assets.

$$\text{CAPEX FUNDING GAP} = [\text{MUNICIPAL CAPITAL EXPENDITURE NEEDS}] - [\text{LOCALLY GENERATED FUNDS} + \text{INTERGOVERNMENTAL TRANSFERS}]$$

Computation of this ‘gap’ requires, based on District service infrastructure master plans (water, sanitation, energy and so on) a costing of current and future infrastructure needs based on an assessment of the present value of the true cost of upgrade and replacement of infrastructure, routine maintenance and repairs and some of the capital costs of key Integrated Development Plan (IDP) priorities, and a three-year computation of budgetary expectations of own revenue to be earmarked for capital spending and the path of capital transfers as outlined in the MTEF.

This approach, rather than being based on the long-term planning of the ‘resource envelope’ available to fund existing or ongoing projects, is based on an acceptance that the infrastructure needs of Districts like OR Tambo far exceed their revenue-raising ability or existing path of macro-fiscal transfers. Future One Plans will have to map these funding gaps and amend these accordingly in line with periodic reviews.

Therefore, future iteration and review of District One Plans must ensure that some of the detailed work already undertaken in planning processes such as the Spatial Development Plans and the project and site identification undertaken therein, finds expression in the section of the One Plans in a manner that outlines the links between the vision, strategies, and implementation commitments.

Moreover, this becomes important, as infrastructure engineering is the one area (alongside pillar 2) that lays the basis for crowding in other non-state actors (private sector, financiers and so on) in underwriting the much needed spatial and economic transformation of these areas. Furthermore, as found in the resident survey (see results in Annex 3), infrastructure engineering is one of the areas respondents felt the District (alongside governance and financial management) did not do really well in.

We now turn our attention to the sixth pillar of the DDM focusing on governance and financial management, which sits at the centre of local government stabilization attempts in the Eastern Cape.

6.5. GOVERNANCE AND FINANCIAL MANAGEMENT

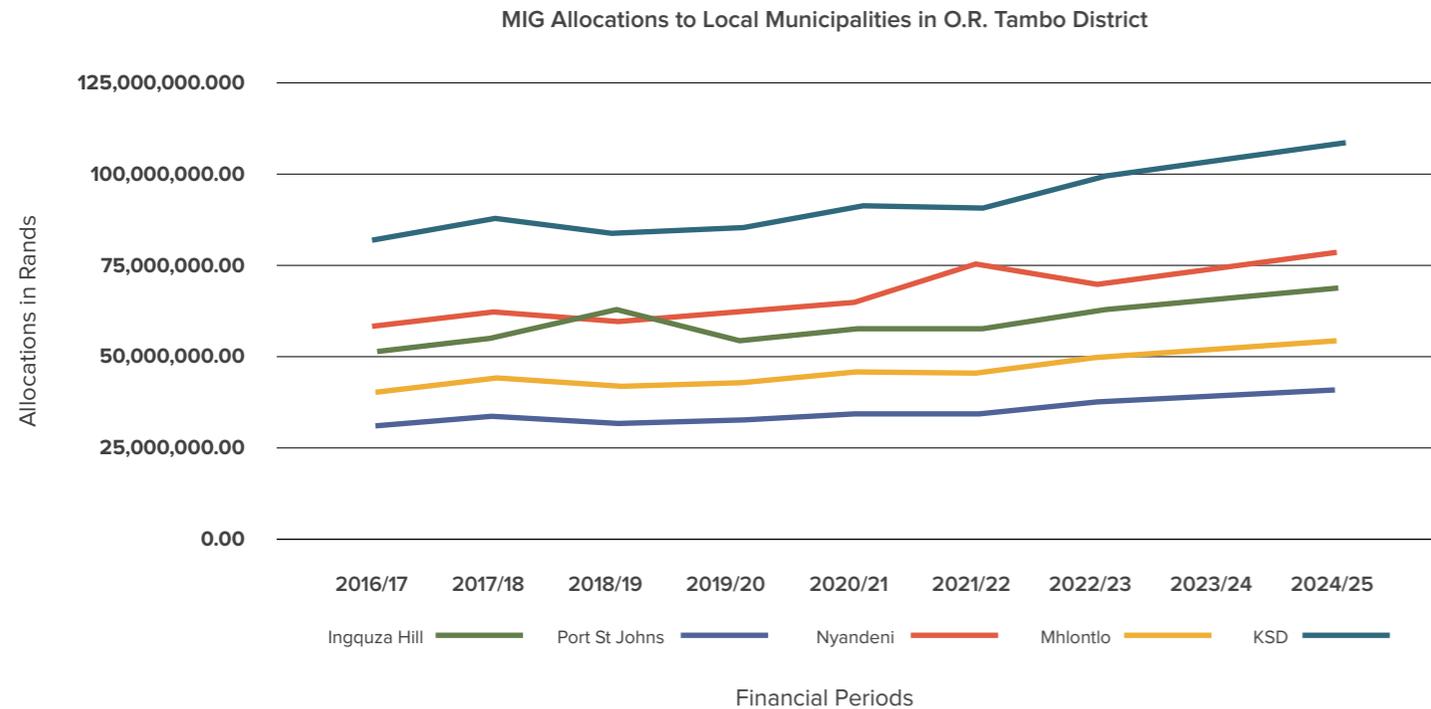
In this section we consider the sixth pillar, on governance and financial management. As with the other pillars, we consider alignment of earmarked actions and interventions in the draft One Plan with the corresponding vision, mission, and strategies, emerging from the diagnostic exercise undertaken. We consider the overarching framework guiding allocations, the management of these and other resources (including human resources) and key features emerging from oversight reports that require intervention. Governance and financial management are an area of concern noted in the resident surveys (see Annex 3) and in numerous respondent discussions, and is a key feature of the stabilization efforts required to turnaround local government

We first consider the path of intergovernmental fiscal transfers to authorities in the OR Tambo District Area. Secondly, we consider, despite limited own revenues, how much of the budgeted capital and operational expenditures are funded from own revenue. Lastly, we will consider the picture emerging from oversight reports (section 47 provincial reports and municipal public accounts committee reports) at the provincial and local sphere.

6.5.1. Expenditure on conditional grants – MIG and WSIG

Amongst other grants, the Municipality Infrastructure Grant (MIG) is one of the conditional grants that are allocated to municipalities by the National Government. The purpose of this grant is to eradicate infrastructure backlogs for poor households, microenterprises and social institutions servicing poor communities by providing capital funds for the building of related service infrastructure.

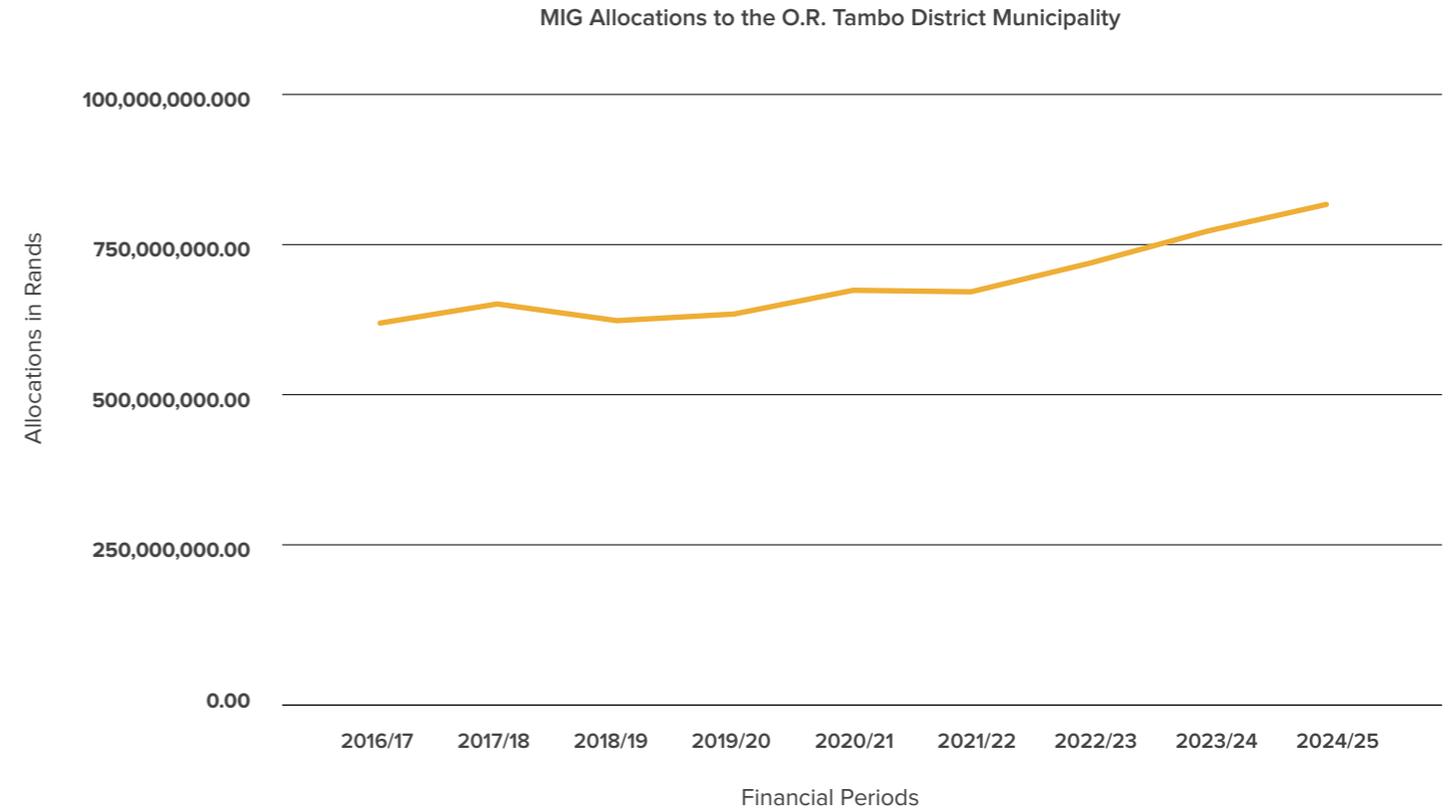
Figure 4. The amount of the Municipal Infrastructure Grant that is allocated to local municipalities in the OR Tambo District from the 2016/17 to 2024/25 financial years.



Source: Division Revenue Bill (2016 - 2022)

Figure 4 illustrates the allocation of MIG from the 2016/17 financial year to the 2024/25, which are estimated allocations. From this graph, we can observe that while King Sabatha Dalindyebo has been receiving a significant amount of this grant, Port St Johns has been receiving the lowest allocation of this grant, when compared to other local authorities in the OR Tambo District. We can also see that the allocations have been increasing with time and they are estimated to increase even further in the next two coming financial years.

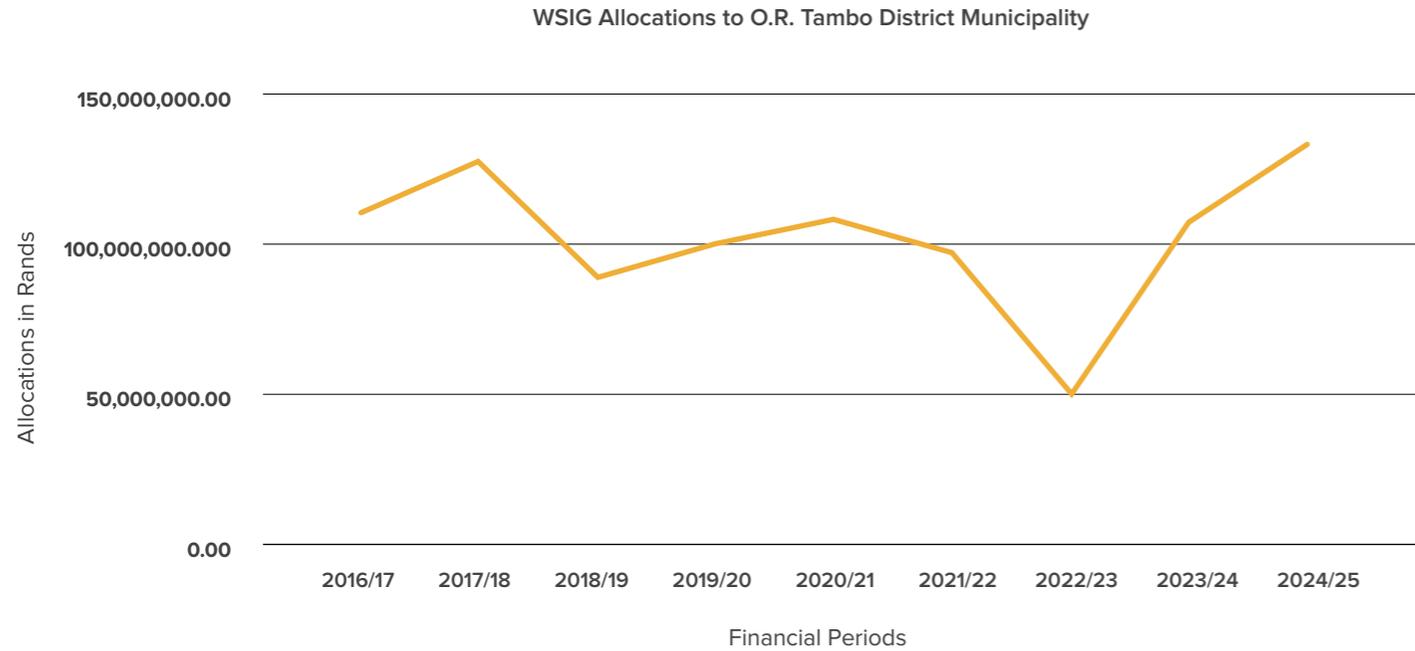
Figure 5. The amount of the Municipal Infrastructure Grant that is allocated to the OR Tambo District Municipality from the 2016/17 to 2024/25 financial years.



Source: Division Revenue Bill (2016 - 2022)

When we consider the District municipal authority, the MIG allocation to the OR Tambo District Municipality is significantly greater than that of the local municipalities, due to the scale and complexity of District-wide investments that the municipality is expected to undertake in the areas of water and sanitation. The allocations are expected to increase in the 2023/24 financial period to over R700 million and to just above R800 million in 2024/25 financial year.

Figure 6. The amount of Water and Services Infrastructure Grant that is allocated to the OR Tambo District Municipality from the 2016/17 to 2024/25 financial years.



Source: Division Revenue Bill (2016 - 2022)

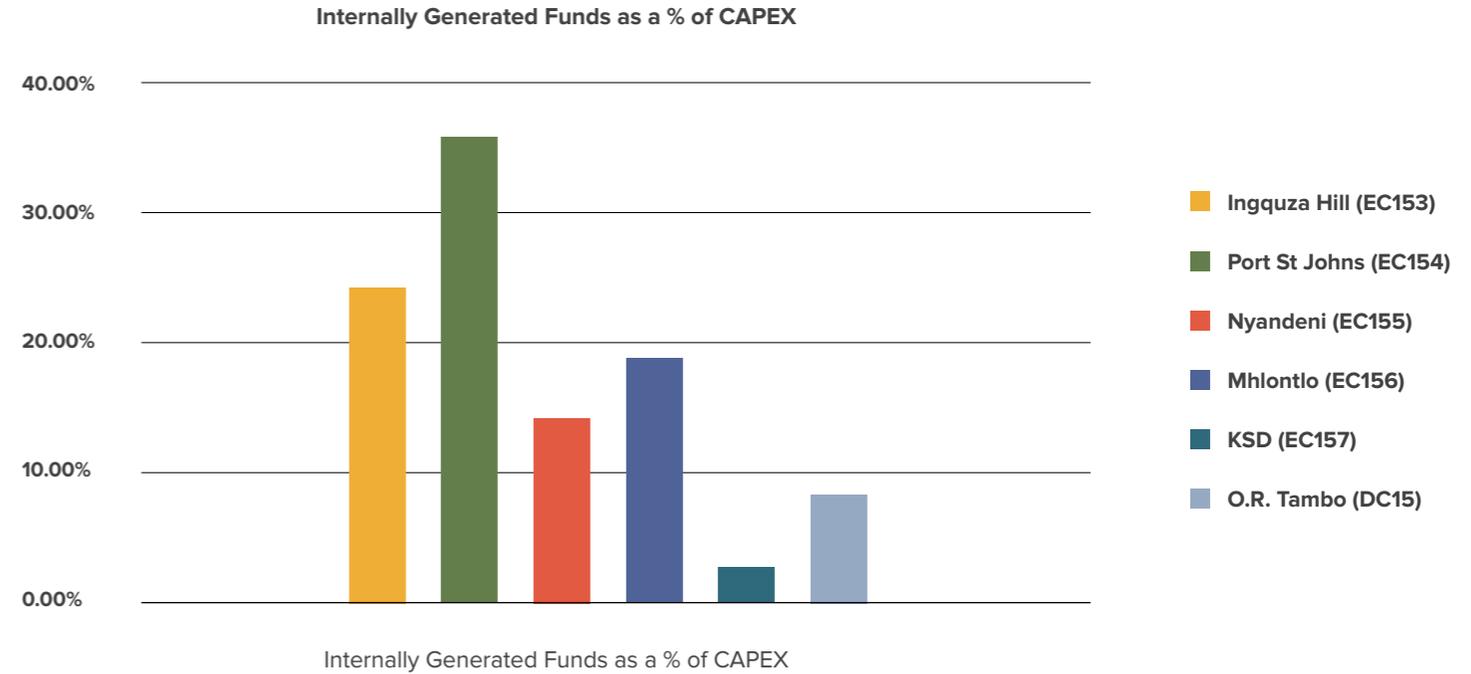
If we consider water and sanitation-related conditional grants, Figure 6 shows the allocation of Water Services Infrastructure Grant (WSIG) to the OR Tambo District Municipality. The purpose of this grant is to increase the number of households with access to reliable, safe drinking water and sanitation services. We observe that the allocations of this grant, have been subject to considerable variability in the last five years, with the 2016/17 allocation greater than what was allocated in the 2022/23 financial year. The allocation is expected to increase to over R120 million in the 2024/25 financial period.

6.5.2. Funding of Capital and Operational Budgets from Own Revenue

As discussed above, the OR Tambo District is confronted with significant resourcing challenges, in no small part, due to the economic challenges it confronts which constrain its ability to have a dynamic and viable local tax base. Alongside government grants and subsidies, municipalities' own revenues are generated through property rates and service charges, as the 'own revenues' they are constitutionally enabled to raise in their localities.

When municipalities can raise their own revenue, they tend to become less dependent on conditional grants in the macro-fiscal framework for capital and operational expenditures. Viewed in this way, the ability to raise own revenues, or to finance short to medium-term operational expenditures from revenue raised by the municipal authorities is important to our consideration of governance and financial management challenges facing authorities in the OR Tambo District. To analyze the ability of the local municipalities from the OR Tambo District to generate their own revenue, we observe data from the Annual Financial Statements of the local authorities for of the financial period 2019/20, as a proportion of their capital spending commitments.

Figure 7. Internally generated funds of different municipalities in the OR Tambo District as a percentage of each municipality's Capital Expenditure.



Source: Annual Financial Statements

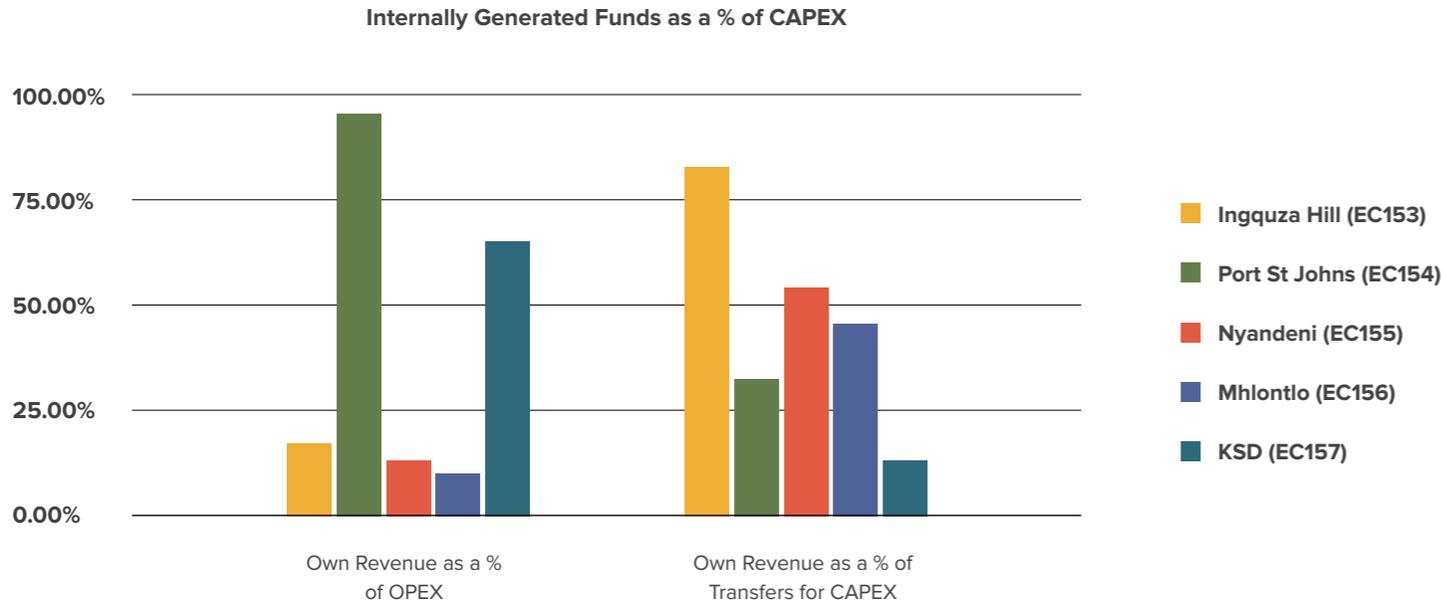
From this figure, it is observed that none of the municipalities' own revenue as raised from its local tax base, can cover at least 40% of its capital expenditure requirements in 2019. King Sabatha Dalindyebo's internally generated funds as a percentage of capital expenditure are way less than that of the other municipalities; consequently, it is the worst performing municipality with regards to funding its own capital expenditure from its 'own revenue'.

This could result from having a significantly higher capital expenditure required as the main economic node in the District, relative to revenue that is generated internally since KSD is the best performing municipality when it comes to internally generated funds. Put differently, KSD is heavily reliant on other tiers of government to fund its capital expenditure, notwithstanding a relatively better local tax base.

Port St Johns can cover at least 35% of its capital expenditure. As a result, it is less dependent on other spheres of government to fund its CAPEX, relative to other municipalities. Moreover, it can carry its capital spending requirements better than all the other municipalities. This could be due to significantly fewer capital expenditure requirements flagged by municipal authorities.

Our analysis also considers, how local authorities finance their day-to-day operational expenditures like paying salaries, bulk services and other OPEX needs. We also consider an analysis of internally generated funds as a percentage of Operational Expenditure (OPEX). Furthermore, if we accept that much of the capital transfers that finance the capital spending needed to undertake critical projects comes from other spheres of government, we also consider these transfers as a proportion of the own revenue raised.

Figure 8. The revenue that is collected by local authorities at different local municipalities in the OR Tambo District, as a percentage of each local municipality's Operations Expenditure and Transfers for Capital Expenditure from other tiers of government.



Source: Annual Financial Statements

We can note in Figure 8 that King Sabatha Dalindyebo and Port St Johns are the only municipalities that could cover more than 65% of their operating expenses using internally generated funds while all the other municipalities were failing to cover even 20% of their OPEX with their own revenue in the financial year 2019/20.

Furthermore, we can see that the total funds that were internally generated by Ingquza Hill are equivalent to more than 80% of the capital transfers from other spheres of government. Alongside Nyandeni, Ingquza Hill local municipality as can be inferred from the above analysis does not generate enough own revenue to finance their operational AND capital expenditure requirements.

According to the OR Tambo One Plan, Ingquza Hill is identified as one of the poverty hotspot areas where there are few economic opportunities. Moreover, it is one of the less populated areas in the District, resulting in less capital expenditure, or conversely higher capital costs to connect sparsely populated areas.

The above analysis suggests that a critical feature of any programme aimed at social, spatial and economic change in the District, will have to have a forward-looking perspective on not only how to confront the ongoing municipal capacity challenge, but prioritize actions and interventions that make the taxable base in these areas much more dynamic and resilient. This will require crowding in private investment that can gainfully employ local residents and also serve as the base from which a billable cohort of households and firms can be drawn into the revenue net of local authorities.

Furthermore, and as we discuss below, this will also require attention to be paid to how to build a viable framework that can exercise scrutiny and political oversight over the activities of municipal administrations.

6.5.3. MPAC Oversight Analysis

Our discussion next considers, how such political oversight over activities of local authorities (as determined in integrated planning and other prioritization mechanisms), is undertaken in line with what is expected. It is mandatory for all municipalities to form a municipal public accounts committee (MPAC). MPACs are responsible for looking at unauthorized, irregular, fruitless, and wasteful expenditures in municipalities.

They report to Councils and this positions them to provide oversight over the executive and the administration. The purpose of these committees is not well prescribed but is seemingly determined by the political vagaries of the Council these MPACs are found in. The effectiveness and dynamism of the DDM will require as a necessity, functional and critical MPACs. Here we consider briefly some of the reflections of the District-level MPAC in OR Tambo.

Below are some of the insights emerging from the report of the ORTDM MPAC in the 2020/21 financial year;

- Material misstatements of the Annual Financial Statements -
- Validity of the Institution's Asset Register which requires auditing of all the assets of the Municipality - Failure to do data and information management and the registration of assets is poor.
- Consistent non-adherence of the management to the Management Audit Action Plan's (MAAP) remedial actions
- Delays and incomplete submissions
- Weak Community Involvement - Communities are engaged on roadshows however the MPAC feels there is no consistent feedback, it is undertaken as though it is a tick-box exercise. Members of communities are never too sure if their inputs are taken seriously.
- Functionality and capacity of MPAC to conduct investigations on irregular expenditure. The key feeder division that can enable the committee to do its work is not capacitated both quantitatively and qualitatively.
- Legal division lacks capacity with few personnel
- Internal audit lacks capacity with few personnel
- Research and management of the committee being shared with other important Committees thus making the workload impossible to bear.
- These above-stated reasons make it impossible for the MPAC in OR Tambo to be proactive and perform to its maximum potential.

The effective functioning of local institutions, which are crucial to progress in pursuit of the aims of the DDM. Yet it is quite clear that financial, governance and capacity challenges, mean that even the well-intentioned local authorities are severely constrained in their capability to discharge their obligations, requiring both technical, economic, and undoubtedly, 'political' solutions.

Below we consider another layer of oversight on local authorities, provincial oversight, through reports required as per section 47 of the Municipal Systems Act, which requires the MEC of Local Government (or currently Co-operative Governance and Traditional Affairs), to annually compile and submit to the provincial legislatures and the Minister a consolidated report on the performance of municipalities.

Below we consider this report in the case of local authorities in the OR Tambo District.

6.5.4. Provincial Section 47 Reports

The OR Tambo District has not performed well in the different performance areas considered in the section 47 report. In the 2019/20 financial year, much of the criticism in the MEC's report was around the failure of the Local Municipalities and the District Municipality to submit reports. The report considers municipal performance in a few areas, which we consider below –

Municipal Transformation and Organizational Development

Most local municipalities in the O.R. Tambo District still had over 15% of approved posts vacant and they have failed to submit reports for the Employment Equity indicator. A Performance Management System was adopted by the Municipal Councils; however, it was not implemented fully by the local municipalities.

Basic Service Delivery

The local municipalities have prioritized providing information on the provision of electricity and free basic electricity; however, some municipalities failed to provide information on planned new road infrastructure. The OR Tambo District Municipality continued to fail to provide reports on the provision of potable water, free basic water, sanitation, and free basic sanitation. This resulted in the District Municipality being one of the worst performing municipalities.

Local Economic Development

Most of the municipalities under the OR Tambo District have LED units that are effective. The posts that have been approved are budgeted for and they are filled. The OR Tambo District has established an LED Agency called Ntinga Development Agency. Credible LED strategies and plans have been developed and adopted by the council; however, they are unevenly implemented by the municipalities.

Municipal Financial Viability and Management

Most local municipalities in the OR Tambo District are dependent on grants due to poor revenue collection and non-implementation of revenue enhancement strategies. The Municipal Infrastructure Grant budget has been spent appropriately by most of the local authorities; however, Mhlontlo and Nyandeni are the only municipalities that utilized at most 70% of their capital budget. Most municipalities have adhered to a norm ranging between 25% to 40% of the operational budget for employees' salaries.

Good Governance and Public Participation

Ingquza Hill and Mhlontlo did not submit reports on different KPIs under this Key Performance area; consequently, it has been recorded as a regression in these municipalities' performance. None of the municipalities performed excellently in the development of the IGR Strategy; moreover, most of these municipalities performed poorly in the Corruption Prevention Mechanisms indicator due to not adopting fraud prevention policies.

Having considered the OR Tambo District governance and financial management environment it is clear that local authorities in the OR Tambo District are heavily dependent on intergovernmental grants to provide basic services. This is due to the municipalities struggling to generate their own revenues. This dependence on conditional grants is expected to increase in the upcoming financial years, resulting in an increased burden on other tiers of government, at a time when the fiscal perspective is one of 'consolidation' rather than expansion. These municipalities are also faced with the challenges of incapability to collect revenue while also seemingly being challenged by the capability to finance bulk purchases, capital, and operational expenditures from their own revenues. Suggesting that without significant national and provincial financial assistance and support, they are entirely unviable and thus not, being 'distinctive' in essence, but rather in form.

While oversight structures exist, significant financial, political, implementation, reporting and governance challenges confront many of the distressed municipalities in the Province. These, it seems, require 'political' rather than solely technical solutions. For instance, one of the failures of financial turnaround plans in municipal provincial and now, national interventions, rests on the reluctance to confront resourcing issues (human and financial) which include weak adherence to financial controls, oversized operational expenditure (especially on employee-related costs) and weak capacity to execute on capital projects.



7. DESIGN PRINCIPLES OF ONLINE LEARNING MATERIALS FOR PRACTITIONERS

Below we consider the catalytic projects of OR Tambo. The District Development Model would benefit from a shared web-based tool, which across the 52 IGR impact zones in South Africa would map catalytic projects, in greatest need of intergovernmental coordination and institutional alignment, in a common repository. The ongoing technical design of evaluation tools, especially undertaken by the DPME, may benefit from the specification at a District level drawing on the DDM. The information matrix in Table 6, may give government officials, practitioners, and other relevant audiences access to crucial micro-level information on performance against catalytic projects in the DDM.

A common repository would be similar to that, which the DPME is working on, which is the *Centralized Data Management and Analytical System* (CDAS) which is a database that produces data at District level, in line with the DDM. The CDAS also allows for the spatial disaggregation of data on government and project-level performance.

An official at the Department of Performance Monitoring and Evaluation (DPME) suggested that while it would be great for the CDAS to enable ‘spatialization’ of key performance areas within the Medium-Term Strategic Framework (MTSF), they had experienced some challenges in trying to do so;

‘During the development of the MTSF, when we asked the Departments to provide examples of catalytic projects and some of their priority projects, there was a very low level of capacity and capability to actually give us coordinates or detailed information on location. So we have compiled every basic technical guide to explain what geospatial information is, how it needs to be captured in order for it to be valuable, to be mappable and so on’

The DPME official also indicated that they are also working on tools to assist national and provincial sector Departments that might not have in-house geographical information system (GIS) capability, which would allow them to upload information about their projects, which would then be mapped by the DPME.

In **Table 6**, we outline the key information markers, which alongside location, need to feature in any tool that would be valuable to practitioners and even non-state actors in a position to underwrite, complement and support ‘catalytic projects’.

Such a tool would allow for geospatial, financial, and other forms of analysis (how many jobs are created across the life of a project etc.), which when aggregated across the 52 IGR impact zones, can give a meaningful ‘birds-eye’ image of what these projects mean for the broader spatial theory of change as encompassed in the National Spatial Development Framework and how this informs ongoing revision and iteration of the National Development Plan.

Currently, the DPME receives quarterly progress reports from national and provincial sector departments, on the geo-spatially referenced, in a format informed by the Infrastructure Management and Reporting Tool (Drost, 2022). This tool is for reporting against the projects outlined in the annual performance plan of sector departments at provincial and national level. While this approach (of ‘spatial referencing’) and providing information within annual plans that allows for ‘spatialization’ and progress reporting, it is encouraging that some annual performance plans (such as that of the Department of Transport in the Eastern Cape) outline in an annex a five-year set of projects, with coordinates, project lead, project description and budgetary allocations and the District area where the actions will occur. Such reporting allows across spheres for there to be an understanding of **where** projects are happening, **how** they are progressing and **what** resources (time, money, and political capital) are being spent on these activities.

The budgetary implications of projects also matter in relation to the issue discussed in the OR Tambo case study, to map across the 52 district/Metro areas the CAPEX funding gaps for social and economic infrastructure, that requires prioritization in future macro-fiscal allocations or that may need to be plugged in any public-private partnership.

Therefore, in the case of provincial and national authorities, the information drawn from the IRM system can be used to populate in a web-based tool, the information categories outlined in Table 6 above. Such information, then captured would be used to produce a ‘heatmap’ of catalytic projects across the country, allowing for the development of insights on how greater synergies and complementarity can be drawn from activities which were combined could yield greater impact.

Table 6. List of OR Tambo District Catalytic Projects

Project name	Area and coordinates	Department	Budget	Duration	Status	Total expenditure up to date	Target number of jobs	Number of jobs created
N2 Wild Coast Highway	Between East London and KZN border	SANRAL	N/A	N/A	Construction phase	N/A	N/A	N/A
Mthatha Airport Upgrade	Mthatha	Department of Transport	N/A	N/A	Yet to begin	N/A	N/A	N/A
Mzimvubu Multi-Purpose Project	Mhlontlo, Umzimvubu	Department of Water and Sanitation	N/A	N/A	Stalled	N/A	N/A	N/A
Wild Coast Meander Road	From PSJ to Kei-Mouth	SANRAL	N/A	N/A	N/A	N/A	N/A	N/A
Wild Coast SEZ	PSJ, Mbizana, Coffee Bay	DEDEAT/DTIC	N/A	N/A	Yet to begin	N/A	N/A	N/A
Zalu Dam - Lusikisiki Regional Water Scheme	Lusikisiki Town	Department of Water and Sanitation	N/A	N/A	N/A	N/A	N/A	N/A



8. RECOMMENDATIONS AND AREAS FOR CONSIDERATION

The DDM presents an opportunity for South Africa and for the purposes of our study, the Eastern Cape to consider a renewed approach to coordinating the work of government and its interactions with society and building an ethos of collaboration and synergy across the different spheres of government.

While the DDM remains a contested concept or mechanism, this work shows that where well-considered and applied, it presents possibilities of alignment that can yield significant social, economic, and spatial benefits. Least of all in many under-capacitated and chronically challenged rural municipalities in the Eastern Cape.

Having considered the international experience, the process of developing Draft One Plans in the Eastern Cape and the specific experience of the OR Tambo District, and the institutional environment in that pilot IGR impact zone, we now outline some recommendations and areas for consideration-

8.1 WHAT DO WE LEARN FROM INTERNATIONAL EXPERIENCE?

The experiences of China, Malaysia and Uganda discussed in an earlier section, provide some instructive lessons on how co-ordination between different spheres can be undertaken to enable ambitious projects and interventions aimed at meaningful social, economic, and spatial transformation.

The first lesson involves the **separation not just of functions** (economic versus social infrastructure), **but of roles** (planning, execution, and financing) and **the role of functional land markets** and **land use planning** as a mechanism to transform the spatial and economic form of local areas. Furthermore, what we learn from the experiences, is the **importance of continuous evaluation of performance, review, and iteration** of the One Plans.

In China, for instance, absent significant intergovernmental transfers from above, local authorities generate revenue from land sales to private developers and local government financing vehicles, who in turn are responding to rapid migration from rural areas into secondary towns and industrial cities.

Similarly, we learn the importance of 'bottom-up' planning, driven at a subnational level in the experience of Uganda, in how District level plans are 'spatially aggregated' in successive National Development Plans. We may also want to learn some examples from Malaysia on sectoral targeting and programme packaging, and from China as well, what to avoid in the financing of development at a local level. Furthermore, in all these experiences, we also learn that no system is 'purely' federal or unitary in character, with all of these systems (including even China) having degrees of discretionary and other powers devolved to local authorities, that require clear frameworks of accountability and co-ordination.

From these experiences, we recommend the following -

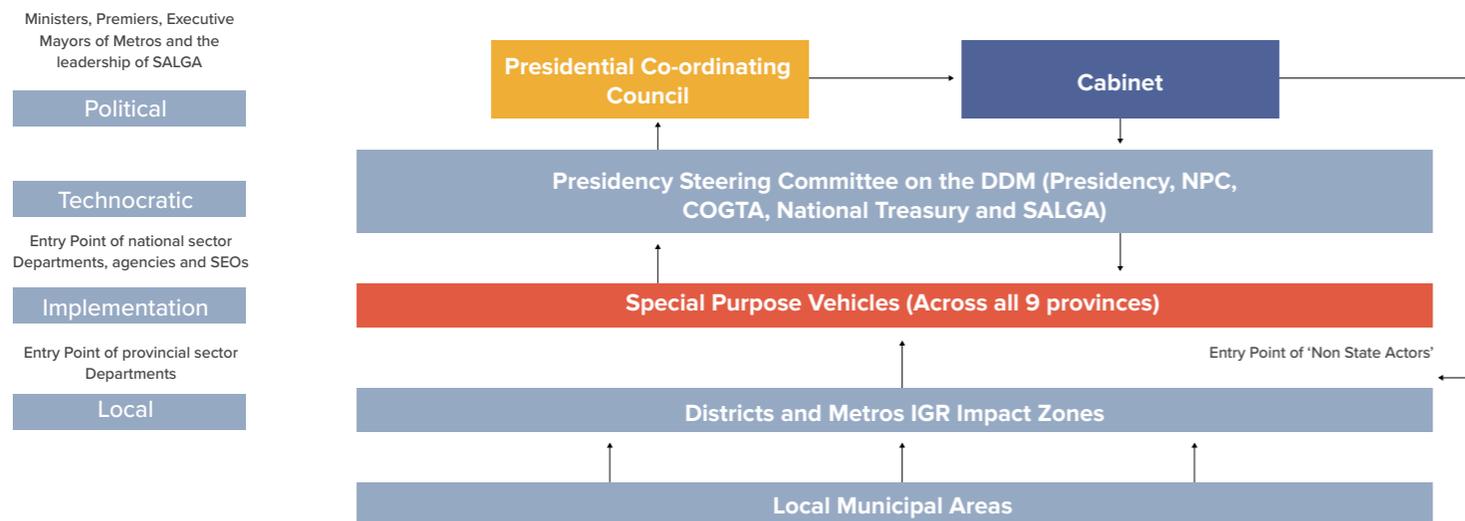
- Projects identified as 'catalytic' or requiring coordination and alignment, to be driven (from planning through to monitoring) and anchored in institutions vested with enough political authority to resolve conflicts, institutions which can mitigate unproductive bargaining and ensure flexibility in iterative review of policy actions.
- National-level agreement (via CONTRALESA, the NCOP and COGTA) is required on the rapid release for commercial development of traditional, communal and Trust land alongside critical transit, industrial and tourism nodes (such as the N2 in OR Tambo and the R72 in Sarah Baartman), with expressions for interest received from private actors, for 50-year leases on the land with the option for renewal. This can create a dynamic land market alongside critical SANRAL and other trans-District road networks for logistics, industrial and other value-adding economic activity, crowding in private investment alongside mixed density and tenure settlements.
- Concessional financing from DFIs (NEF, IDC, and DBSA or even a State Bank) for developers in long-term leases, developing critical economic infrastructure on these transit nodes.

- In a constrained macro-fiscal environment, policymakers ought to consider how non-transfer sources of financing can fund catalytic and necessary social and economic infrastructure at a district level. The OR Tambo One Plan considers the use of SPVs/Public Private Partnerships to augment CAPEX funding gaps. These SPVs if they are to be properly structured, need to facilitate avenues for the participation of long-term investors such as pension funds, private developers, and others, in a framework that manages some of the financial risks associated with the capital structures of these vehicles, through covenants that restrict over-leveraging and create independent governance and capital allocation structures that co-finance catalytic projects alongside on-budget resources.
- Emerging also from the international experience is the importance of periodic review and course correction on such plans. Duration of medium to long-term plans differ. In the case of Uganda, District and sector Plans are shorter in duration (five-year plans), whereas in China ‘five year’ national plans (from which District Planning emerges) are shorter in scope than some ‘sector plans’ - for instance China’s hydrogen plan runs for a fifteen year period. For South Africa, we caution against the allure of ‘long term visions and plans’ unaccompanied by shorter-term review and monitoring mechanisms. Drawing from the Ugandan experience, **South Africa may want to consider having the District One Plans as medium-term (5 year) instruments aligned to the MTSF (and cost within the three-year MTEF drawing on IDPs, Annual Performance Plans and the Division of Revenue), with the ‘District One Vision’ being a longer-term vision (25 years) around which society can be mobilized and a vision that can filter into longer term National Development Plans.**
- Periodic three-stage review of the One Plans is recommended.** This would include ‘annual reviews’, mid-term reviews (at year 3), and an end-of-cycle review at year 5. The mid-term review and end of cycle reviews would be wider in scope than the annual review process, which could be included as an annex of the SPVs annual reports (see 8.2.)

8.2. AN INSTITUTIONAL INTERFACE FOR EFFECTIVE OUTCOMES AND IMPACT

The DDM because of its nature as a practical IGR mechanism requires some framework to guide institutional interface and engagement between and across the different spheres of government. In this regard, there is a need for a clear guiding framework on the distribution of roles, authority, and responsibility for key elements in the design and review of One Plans or ‘One Visions’ as long-term planning instruments. We propose such a framework in Figure 9.

Figure 9. The institutional model for the development, review and coordination of the One Plans



Source: Xesibe Holdings

Recommendations on how the interface between different spheres and institutions of government and how this interface can be designed, takes into account some contextual issues emerging from the One Plan development process in the Eastern Cape. In the diagram above, we begin from the Local Municipal Areas, and work our way up to the PCC and Cabinet, considering both implementations, technocratic and political layers of authority-

At an implementation level of the One Plans

- Local Municipal Areas (Local, District and Metropolitan Municipalities):** At a local level, municipal authorities submit the projects prioritized in their IDPs, SDBIPs and even the future-looking sectoral plans (BEPPs, Water Master Plans inter alia) to the special purpose vehicles, these are all collated for the IGR Impact Zone
- Provincial Sector Departments:** Provincial sector departments participate in the One Plan development process and submit their provincial development plans, spatial development frameworks, strategic plans, annual performance plans (APPs) and programmes to the SPV. These plans inform but also draw from (in a bi-directional manner) from the One Plans/Visions. The actions earmarked in plans at this level, should be spatially referenced within the respective IGR impact zones.
- National Sector Departments:** National sector departments participate in the One Plan development process and submit their sector and strategic plans aligned to the medium-term strategic framework, annual strategic and performance plans, and geospatially referenced plans per respective IGR impact zone.
- Special Purpose Vehicles or ‘Hubs’:** The SPVs, consist of multi-disciplinary teams with engineers, economists, planners, GCIS specialists, futurists, environmental consultants, and social facilitation experts. The SPVs receive inputs from sector departments and local authorities and facilitate the participation of these sector departments and local authorities, they also anchor and hold, in every province the One Plan development and review process, and monitoring of progress on catalytic projects.

At a technocratic level

- Presidency Steering Committee on the DDM:** The PSC, which is an existing structure, provides strategic oversight of the implementation of the DDM, to troubleshoot and intervene in the implementation of catalytic projects. The PSC is constituted of representatives from the Presidency, COGTA, National Treasury, DALRRD and SALGA. The PSC works across six workstreams - advancing catalytic projects, service delivery interventions and local government stabilization, integrated planning and budgeting, monitoring, evaluation and information systems, communications and stakeholder management and support to political champions.
- Furthermore, the Steering Committee must factor in, in its receipt of work and insights from the SPV and its elevation of key priorities to Cabinet and PCC level, shifts in the diagnostic or objective situation in the Districts as a basis for iteration and ongoing review and identification of strategic projects – projects identified in the implementation commitments should not be cast in stone and immutable irrespective of whatever changes, shifts or shocks that might arise

At a ‘political level’

- President’s Coordinating Council (the PCC) and Cabinet:** The PCC is a consultative forum and a coordinating body consisting of Ministers, Premiers, Executive Mayors of metropolitan municipalities and the leadership of SALGA. The PCC and the Cabinet will review and approve revisions to the One Plans and consider alignment with broader objectives of the National Development Plan.

8.3. DEVELOPING & FINALIZING THE ONE PLANS FOR EFFECTIVE PLANNING, IMPLEMENTATION & MONITORING?

It is clear from the above, that there are qualitative differences in how the One Plans have been developed, with those entities with existing Planning instruments (such as BEPP or well-developed spatial plans) have drawn on these and the OR Tambo One Plan Draft benefitted from multi-disciplinary capacity support notwithstanding relatively uneven inputs from the District and Local Municipalities. There are a few areas that require significant strengthening, and we recommend the following. There are also serious challenges in so far as not only participation by national and provincial level sector departments, but also concerns around the lack of meaningful participation by communities in vision, mission, and strategy development of the One Plans.

In this regard, we recommend the following -

- Better and equitable resourcing of local authorities, and allocation of District Hub Resources across the different Districts and Metros.
- National, Provincial and State-owned entities must be able to offer support for local sphere be it financial or non-financial resources to equip them from planning to implementation or the plans and projects and further help with the alignment with national and provincial priorities.
- Uniformity in the definition of vision and mission-setting process as distinct from existing IDP processes, as some One Plans draw 'cut and paste' from existing planning instruments (Metro Growth and Development Strategies, IDPs, BEPs etc....) While there should not be a contradiction between these, the long-term vision ('the One Plan/Vision') must be futuristic and underscore the significant trade-offs, sequencing, and variables subject to significant change in the short, medium and long term.
- Future projects and programmes must develop a DDM framework and guidelines for participation by civil society, also assisting community-level groups in the collation of their priorities in line with the DDM pillars, and assistance in the development from ward-level to District, of community-level theories of social change. These initiatives can be led from the Office of the Premier and provincial COGTA, and jointly resourced by the government and its relevant partners (including multilateral agencies like the UNDP).
- Development of a District catalytic investments handbook outlining key features, status, and resourcing requirements of catalytic projects. This handbook will include an outline of critical District-level Capex funding gaps and a pipeline of bankable investment projects that could be undertaken using blended financing and collaboration with non-state actors.

8.4. BETTER ALIGNING THE VISION AND STRATEGY-SETTING PROCESS TO A DATA-DRIVEN AGENDA

As mentioned above, the vision, mission and strategy-setting in the One Plan drew heavily due to time and other capacity constraints from existing planning instruments. This meant that many of the One Plans also suffered from the strategic weaknesses of those existing instruments, such as an overreliance in the 'as-is-analyses' on secondary data sources.

In this regard, we recommend the following -

- Prioritization of ongoing primary data collection to complement secondary data sources, by pillar as outlined in
- Primary data collection focused on informing a long-term vision of the following - space, settlement patterns, economic activities, revenue drivers/taxation areas, public goods, and social wage elements
- Analysis of future bulk service requirements and the inclusion of a spatial vision or theory of change (which confronts Apartheid spatial planning) which is a challenge for many Districts without Town Planning capability

Table 7. Primary data that could be collected to enable evidence-based planning

Pillar	Description	Type of Data	Source
People Development and Demographic Change	Population Growth Taxable Base Number of grant recipients as a % of the population School Enrolment	Primary Data	Home Affairs (# Registration of births, issuance of IDs) Municipality (#of Municipal Accounts Opened) SASSA (#of Grants paid by type) DBE (#of enrolments)
Economic Positioning	Informal Sector (Number of stalls, details of products sold) Taxi operators (Number of ranks, Number of vehicles) Wholesale and Retail Trade (Zoning, Operating License and Municipal Health Approvals) New industrial investment /incentives attracted (new building and zoning approvals and Industrial Park/SEZ tenants) PES Registrations	Primary Data	Municipality (traffic department, technical services) Taxi associations Business Chambers Development Agencies and LED units DTIC Consumer Goods Council DEL
Spatial, Environment and Land Use	Densification (Number of Households/ homestead per km/squared) Households in informal and formal settlements Building Plan Applications Approvals New Planned Settlements	Primary Data	Municipality (# of Municipal Accounts Opened OR number of indigent households receiving FBS) Department of Human Settlements
Integrated Services Provision	Access to electricity, Access to running water Access to proper sanitation and waste removal Access to recreational facilities	Primary Data	Municipality (number of new connections) Department of Water and Sanitation DSRAC
Infrastructure Engineering	Roads earmarked for repair/refurbishment and construction Telecommunications Network Infrastructure Substation/Transformer Improvement Railway Station and Line Improvement	Primary Data	SANRAL/Department of Transport Broadband Infracom/Telkom/UAASA Municipality Eskom PRASA/Transnet
Governance and Financial Management	Progress on Financial Turnaround Administration Organogram Reprioritization Council Resolution Matrix Oversight Reports	Primary Data	Office of the Municipal Manager Municipality Councils Municipal Public Accounts Committee

Furthermore, the above proposed research and primary data gathering agenda needs to be harmonized with the information systems and indicators focused on spatialization and localization of the DDM as driven by the DPME. At a specific level, the proposed Centralized Data Management and Analytical System (CDAS), which is aimed at the spatial disaggregation of government performance, must also include data driven by the seven pillars as baseline indicators, or markers against which performance is measured.

8.5. WHAT RECOMMENDATIONS MIGHT WE HAVE ABOUT THE COLLATION, MONITORING AND REVIEW OF THE IMPLEMENTATION COMMITMENTS AT MULTIPLE LEVELS?

Most of the One Plans had long lists of projects and most of them had no corresponding budgetary allocation (or reference to source of funds), and the timeframes for the projects were not specified (short, medium to long term), and the grocery list of projects needed to identify 'catalytic' projects. There is a need for a uniform and vigorous criterion in the determination of catalytic projects, and a common rubric of what is catalytic or not.

Having considered the key considerations that inform which projects are catalytic or not, we recommend a uniform approach to report on these projects, in the short term, with the following information

- Longevity and time horizon of the said project/activity
- Implication of these projects on the triple challenges (unemployment, poverty and inequality)
- Role in undoing spatial Apartheid form, and the Apartheid distribution of economic activity
- Number of work opportunities across the lifecycle of the project (EPWP, contractor and permanent)
- Who repairs and maintains it? Where will the resources come from?
- Community benefit and local value distribution (SMMEs, local contractors - grading requirements, work packages set aside etc.)

8.6. ALIGNING CATALYTIC PROJECTS TO A CORRESPONDING DIAGNOSTIC AND VISION?

The OR Tambo One Plan, while focusing on agriculture and tourism, many of the projects deemed catalytic are drawn from the projects focused on social overhead capital or infrastructure, that has some indirect relation, but there is a critical absence of projects that aggregate agriculture and tourism-related infrastructure. Such infrastructure is not only about making these investments accessible through transit-oriented infrastructure, but also the pooling of downstream value-adding activities in the case of agriculture or the pooling of tourism-enabling infrastructure.

Moreover, the alignment of catalytic actions within the shifting context (as captured in the objective diagnostic and subjective aspiration captured in the 'vision' and 'strategy' setting) must factor in the **prioritization** and **sequencing** of these actions.

For instance, it is clear in the Eastern Cape (and even emerging from the public survey) that service-related infrastructure investments are the greatest area of need, and so too are interventions enabling the improvement of economic value addition and productivity. In this regard then, District level sequencing and prioritization must outline (informed by the diagnostic) which pillars at what moment will guide the District One Plan, so that such a signal is sent firmly to sector departments (at a national and provincial level) and non-state actors.

8.7. RECOMMENDATIONS ON AMENDMENTS TO THE IGR FRAMEWORK ACT 13 OF 2005

Many officials lamented that work in developing Draft One Plans disproportionately fell on planning and IDP units in local authorities. Furthermore, the concern raised in numerous discussions across the Province and in sector departments at provincial and national levels highlighted the need to embed the DDM as a legislative requirement either in existing legislative, regulatory or policy instruments. In this regard, we recommend that the DDM as it is a 'way of working', constitutes not an IGR platform or forum as outlined in sections 16 (provincial fora) and 28 (horizontal local fora) of the IGR Framework Act, but rather an 'implementation protocol' as outlined in section 35.

The amendment of section 35 therefore, needs to be prioritized, driven by the Presidency Steering Committee on the DDM and reviewed and approved at a political level by the PCC (see 8.2.). This work needs to also consider whether the framework outlined for the resolution of intergovernmental disputes in sections 39 and 40, would be adequate to resolve any intergovernmental disputes surrounding the DDM

as a long-term planning and implementation instrument. Furthermore, such a framework would allow, at the level of a national aggregation of the 44 District and 8 Metro One Plans, the emergence of key mandate papers, emerging from the PCC and Cabinet, which would guide budgetary planning and prioritization within the medium-term expenditure period.

8.8 ENABLING PARTICIPATORY FORMS OF PLANNING, DEVISING IMPLEMENTATION COMMITMENTS AND COMMUNITY-LEVEL MONITORING

Public participation is one of the critical components of the post-Apartheid democratic project. Chapter 152 of the South African constitution of 1996, the constitution put an emphasis on the importance of the public being involved, engaged, and participating in matters of local government. This is to allow the needs and concerns of communities to be encompassed in planning and decision making and furthermore public participation enhances transparency and accountability. According to the National Policy Framework on Public Participation (2007) from the then Department of Provincial and Local Government (DPLG), there are 'legally required' areas where municipal authorities are required to engage with communities, in addition to the processes of adopting local planning instruments such as the IDP. These include their annual reports, budgets, by-laws, the disposal of capital assets, access to council meetings, the development of disaster management plans and the valuation of property inter alia.

These obligations arise from the Municipal Systems Act and preceding it, the Local Government Structures Act, which places an obligation on decision-makers at a local level, to undertake consultations with communities. Yet this obligation rests at a local, rather than 'all of government' level. The DDM can only be able to succeed and be effective if there are also channels for similar community participation, in relation to catalytic actions deriving from both the national and the provincial sphere, and not only the local sphere.

As the One Plans are the 'heart beat' of DDM, and long-term visions and plans of the kind of change envisaged at a societal level, there is a need for the involvement of communities throughout their development, review and iteration. Below we recommend the approach to public involvement required at each stage of the DDM roll out -

- **Diagnostic Phase:** While the first stage of formulating the One Plans has largely involved multidisciplinary expert teams, sector and planning departments, the 'design' of the diagnostic phase (via convening, surveys, community-led imbizo) must also involve community organizations working in areas associated with strategic issues of concern or opportunity.
- **Vision and Mission Setting:** During process of formulating the vision statement, members of the community must be consulted through DDM One Plan Forums, these must be in the form of community meetings to present to the public on what are the trade-offs and difficulties as the long-term vision is being developed to the enable the public to review, comment and engage any emerging visions and missions.
- **Strategy Setting:** Our resident survey (see Annex 2) already indicates at a 'perceptive' level, the issues that communities have - which are primarily focused on governance and financial management ('local government stabilization'), infrastructure and service delivery. Therefore, the strategy review by communities, could focus on these areas, and outline the rationale informing particular approaches to key trade-offs and sequencing of catalytic actions (*'why are we doing this now, as opposed to later, what spin-offs do we feel it will yield, for which groupings and what informs that?'*)
- **Implementation Commitments:** The implementation commitments as we have seen, arise from other planning functions (IDP, SDBIP, SDF and BEPP), all of which have a requirement of public participation. However, there is a need where such commitments do not arise from these processes, for there to be meaningful and informed participation of communities in the identification and prioritization of implementation commitments, and in the case of catalytic projects, clear local value distribution mechanisms (incorporating youth, women, SMMEs and other stakeholders)
- **Monitoring, Feedback, Review and Iteration:** One of the key challenges identified in oversight reports, relates to the lack of clear monitoring on project progress, especially in the case of infrastructure development. There is scope for community and civic organizations, supporting the MPACs to play a role in project monitoring. Furthermore, the periodic review and iteration of the One Plans (which the resident survey is seemingly split on whether should be annual or every five years), needs to have dedicated convenings for communities, community organizations and labour formations to share their perspectives which can be incorporated into the final review.

9. CONCLUDING REMARKS

The District Development Model, drawing on the vision outlined in the 1998 White Paper on Local Government calling for ‘developmental local government’, is a practical IGR mechanism aimed at encouraging joint planning, budgeting, execution, and review of government priorities. Coordination of the work of government across the different spheres requires that we focus our attention on the activities in greatest need of alignment and coordination. Furthermore, this also requires that the focus shift to areas where investments of time, human and financial resources will yield the greatest returns in pursuit of economic, social, spatial transformation and change. Such a pursuit requires a strategic review of what capabilities such alignment requires from different spheres, what implementation frameworks can hold each of the institutions accountable? The above discussion has sought to venture some perspectives, insights, and recommendations on how these can be undertaken drawing on the experiences in the nascent development of draft One Plans in the province of the Eastern Cape, with particular focus on the pilot District of OR Tambo.

Our discussion recognizes that while nascent, the DDM can enliven in the experiences of South African citizens, the notion of ‘One Government, One Society’ rather than a governance framework with complicated, by at times fractious and charged institutional relations between different spheres. Whether it emerges as a ‘game-changer’ in the Eastern Cape as suggested by COGTA, remains to be seen.

However, what is beyond dispute is that at this stage, significant work, capacity and political resolution of unproductive bargaining, organizational weaknesses and other challenges will need to be confronted. Without this, the ambitious commitments made in the draft One Plans under review, will constitute a desirable but incongruous set of commitments. The DDM will have to guard against this, while leveraging the significant opportunity that arises from greater collaboration and synergy, in pursuit of a better life for all.

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11. ANNEX 2: SEMI-STRUCTURED INTERVIEWS

Table 8. List of various national and provincial role-players and stakeholders who took part in semi-structured interviews.

Person interviewed	Institution	Date	Location
Mr Monwabisi Somana - Administrator	Enoch Mgijima Local Municipality	Wed, 27 July	Virtual
Mr Zwai Sokupa - District Hub Manager	Development Bank of Southern Africa	Tues, 02 Aug	DBSA Office, Mthatha
Ms Faith Qebanya - Manager IDP/Budget Integration	Buffalo City Metropolitan Municipality	Thurs, 04 Aug	BCM Office, EL
Ms Darby Gounden - Manager International and Intergovernmental Relations			
Ms Thulisiwe Hangana - Executive Manager Property Planning, Development and Management	Buffalo City Metropolitan Development Agency	Fri, 05 Aug	BCMDA Office, EL
Ms Patience Tamba - Chief Director Rural Development	Department of Rural Development and Agrarian Reform	Fri, 05 Aug	Virtual
Ms Unati Daniels - Municipal Manager	Sarah Baartman District Municipality	Wed, 10 Aug	SBDM Office, PE
Mr Michael Bendle - Development IDP Planner			
Mr Nkosana Dunjana - Development IDP Planner	Nelson Mandela Bay Metropolitan Municipality	Wed, 10 Aug	NMBMM Office, PE
Ms Andiswa Dunywa - Director Planning & Development	OR Tambo District Municipality	Wed, 10 Aug	Virtual
Ms Debbie Hendricks - Operations Executive	Mandela Bay Development Agency	Wed, 10 Aug	MBDA Office, PE
Mr Lindokuhle Ntanti - Business Development Manager	Coega Development Corporation	Thurs, 11 Aug	CDC Office, PE
Ms Vuyokazi Gwabeni - Investment Promotion Manager Business Development			
Mr Xola Mkontwana - Business Strategy Manager	Transnet National Ports Authority (TNPA)	Fri, 12 Aug	Transnet Head Office, PE
Mr Andrew Murray	Former ECSECC CEO	Tues, 23 Aug	Virtual
Mr Mzileni - LED Manager	Enoch Mgijima Local Municipality	Wed, 24 Aug	EMLM Office, Whittlesea
Ms Shirley Batyi - Acting Municipal Manager	Mhlontlo Local Municipality	Wed, 24 Aug	Virtual
Mr Mtshiselwa - Winery Chairperson	Mayime Winery	Wed, 24 Aug	Whittlesea
Bea Drost - Sector Expert: Spatial Planning and Urban Development	Department of Planning, Monitoring and Evaluation	Tues, 30 Aug	Virtual
Mr Ndembe – Deputy District Director	Department of Education	Tues, 30 Aug	Queenstown
Ms Lindiwe Gunuza - DDM Champion	Chris Hani District Municipality	Tues, 06 Sep	Queenstown
Ms Bulelwa Ganyaza - Acting Director Communications			
Ms S. Tywabi - District Director	Department of Health	Tues, 06 Sep	Queenstown
Mr Ntandazo Vimba - CEO	Municipal Infrastructure Support Agent	Tues, 27 Sep	Birchwood Hotel & Conference Centre
Dr Nangamso Nombekela-Madiba Chief Director for Policy Planning and Research Coordination	Office of the Premier	Thurs, 20 Oct	Virtual
Ms Stefanie Chetty - Director of Spatial and Urban Development Planning	Department of Cooperative Governanc and Traditional Affairs	Fri, 18 Nov	Virtual

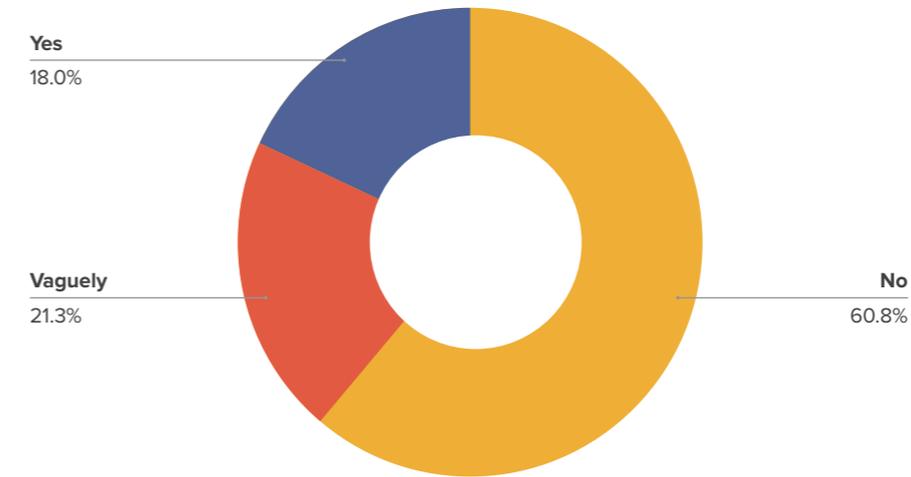
12. ANNEX 3: ONLINE SURVEY RESULTS

As discussed in the body of the Report our methods included the administering of an online survey, to a non-representative and self-selected sample of respondents, who responded to a call to action. The aim of the online survey was to find out whether the public was aware of DDM One Plans and the DDM more broadly.

Secondly, the survey also probed whether respondents had a view on how municipalities are performing across the different DDM pillars. Four hundred respondents from all six Districts and two Metros in the Eastern Cape completed the survey, from different stakeholder groups, namely: Government, Business, Labour, Community Organizations and Residents.

Figure 10. Responses to the question “Are you familiar with the DDM and the One Plan Process in your District/Metro?” from the survey.

Are you familiar with the District Development Model and the One Plan Process in your District/Metro?



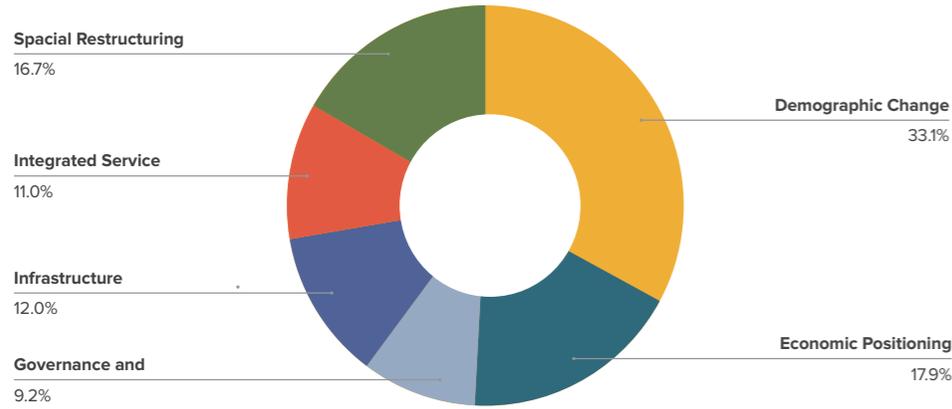
Source: Xesibe Holdings

Out of a total of 400 people who have completed the survey, the majority (29.7%) were drawn from Chris Hani District and the least number of respondents (1.7%) are from the OR Tambo District. Over 60% of the respondents were not familiar with the DDM One Plan, with only 21.3% familiar with it.

The majority of the respondents who indicated familiarity with the DDM and the One Plan process belong to the ‘Government’ stakeholder group, while the lowest proportion of respondents who indicated that they know about it, was drawn from ‘Community Organizations’ and ‘Labour’. Approximately 68% of respondents who indicated that they were clueless about the DDM were residents.

Figure 11. Responses to one of the questions from the survey asks, “Which pillar of the delivery focus of the DDM do you think your Metro/District performs relatively well in?”.

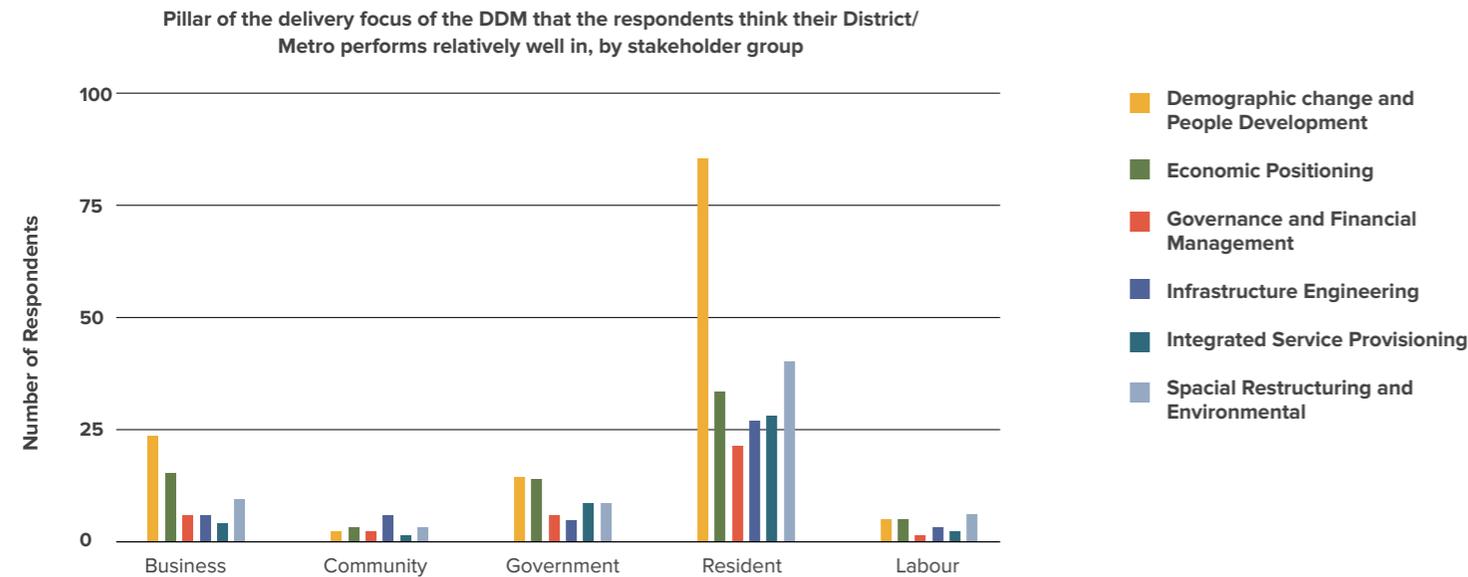
Which pillar of the delivery focus of the District Development Model do you think your District/Metro performs relatively WELL in?



Source: Xesibe Holdings

Demographic Change and People Development and Economic Positioning have been identified as the top two pillars in which the districts and metros are performing well. The lowest number of respondents chose ‘Governance and Financial Management’ as the pillar that their districts are excelling in.

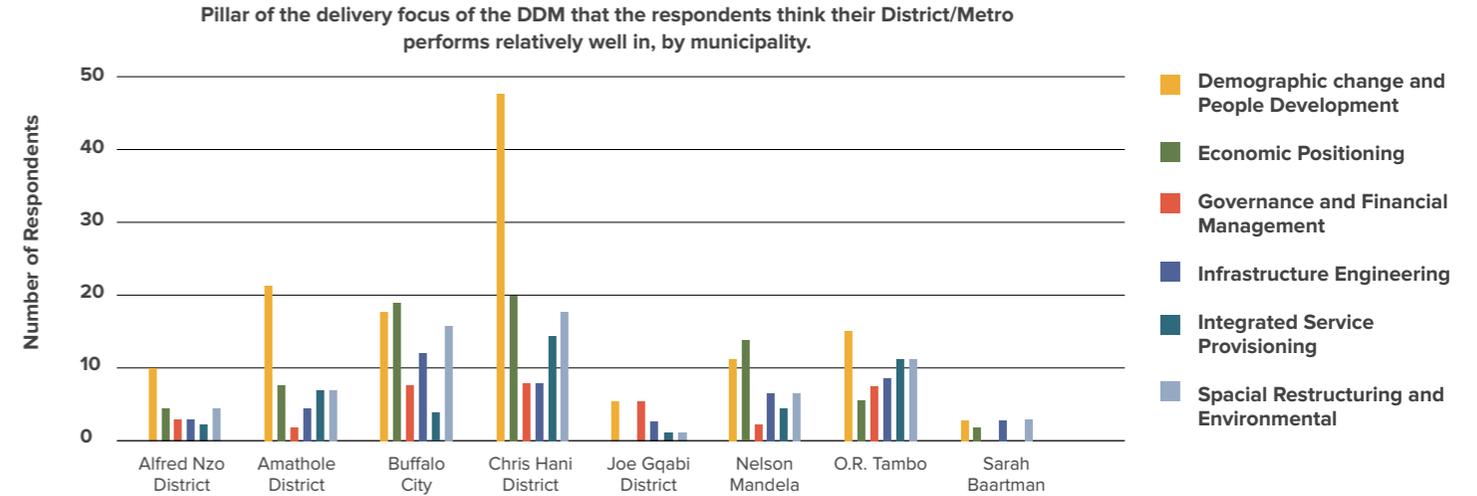
Figure 12. Pillar of the delivery focus of the DDM that the respondents think their Metro/District performs relatively well in, by stakeholder group.



Source: Xesibe Holdings

Across different stakeholder groups, most respondents shared that their Metros/Districts are performing relatively well in Demographic Change and People Development as well as in Economic Positioning.

Figure 13. Pillar of the delivery focus of the DDM that the respondents think their Metro/District performs relatively well in, by municipality.

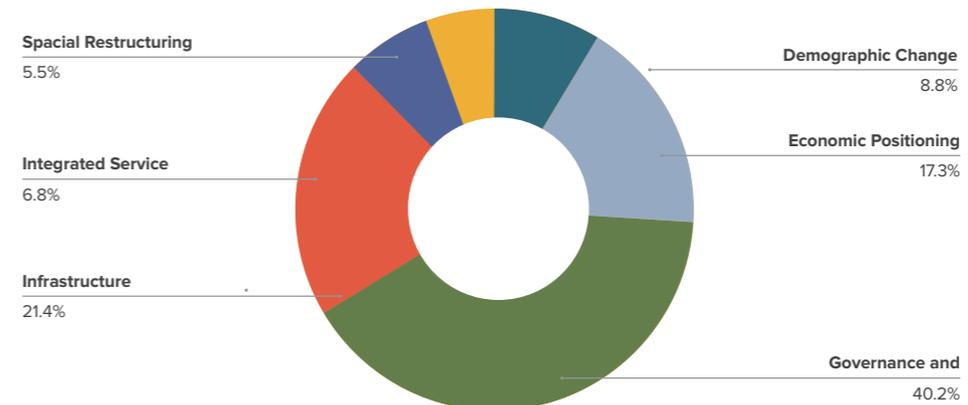


Source: Xesibe Holdings

While the respondents from Alfred Nzo, Amathole District, Buffalo City, Chris Hani District and Nelson Mandela Bay think that Demographic Change and People Development as well as Economic Positioning are the top 2 well-performing pillars in their Districts/Metros, the respondents from Joe Gqabi District, OR Tambo and Sarah Baartman do not think Economic Positioning is part of the top 2 pillars.

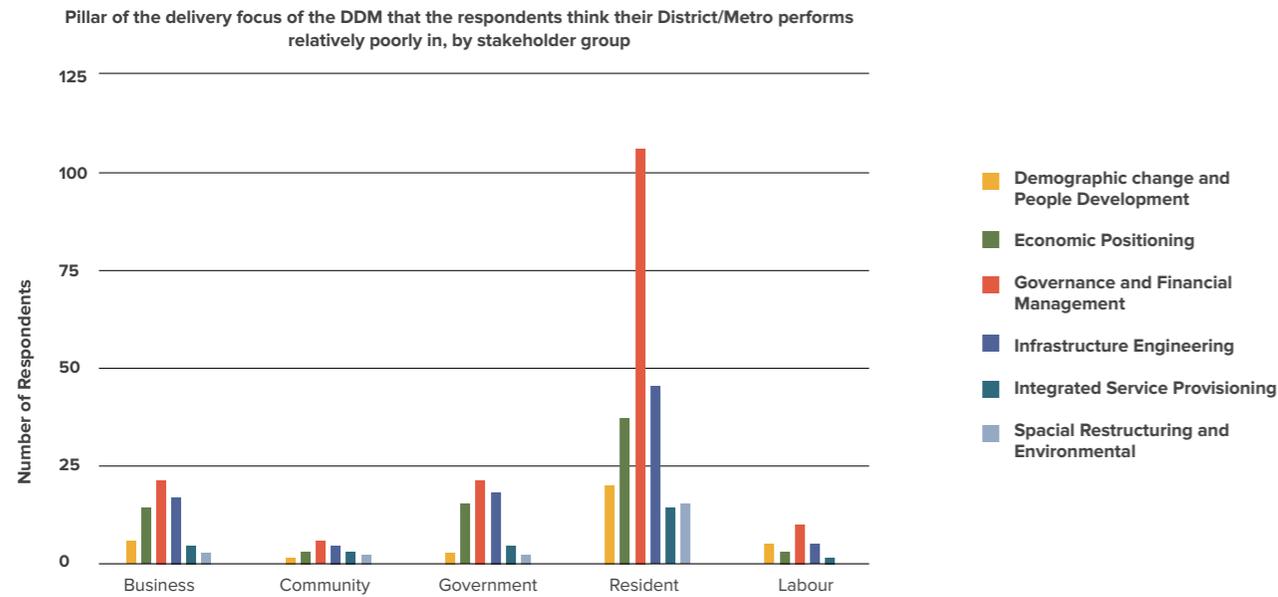
Figure 14. The respondents’ answers to one of the questions from the survey ask them to identify the pillar of the delivery focus of the DDM that they think their Metro/District performs relatively poorly in.

Which pillar of the delivery focus of the District Development Model do you think your District/Metro performs POORLY in?



Source: Xesibe Holdings

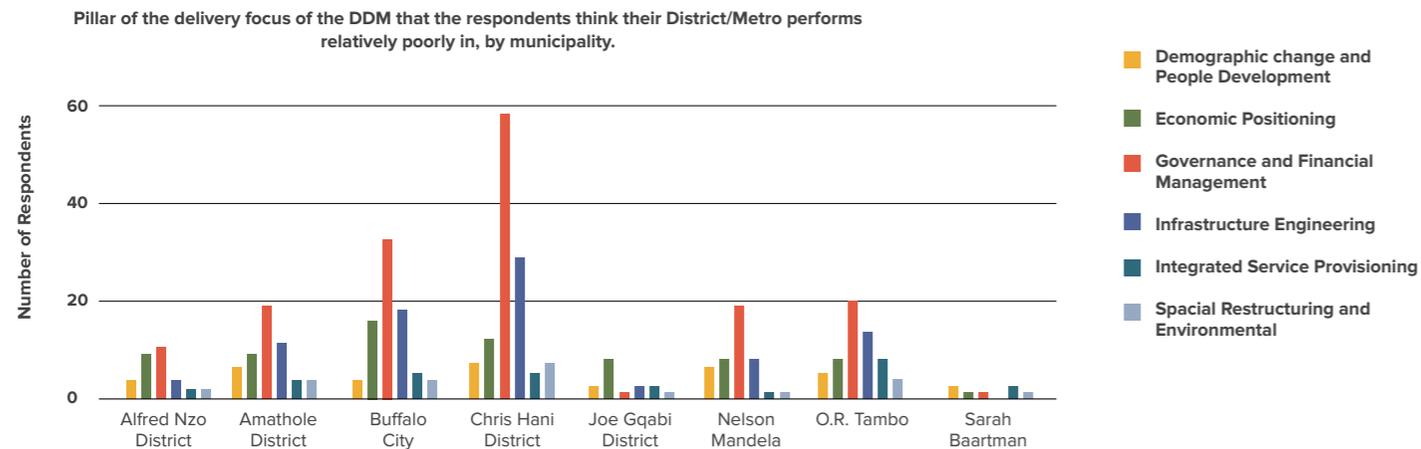
Figure 15. Pillar of the delivery focus of the DDM that the respondents think their Metro/District performs relatively poorly in, by stakeholder group.



Source: Xesibe Holdings

From this graph, we can observe that Governance and Financial Management is the pillar that most respondents from different stakeholder groups think that their municipalities are not performing well in.

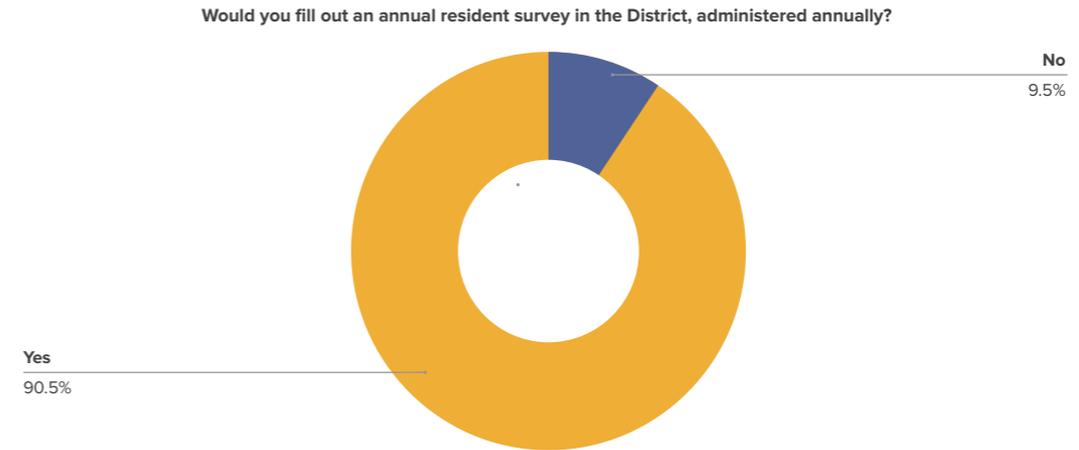
Figure 16. Pillar of the delivery focus of the DDM that they think the respondents Metro/District performs relatively poorly in, by municipality.



Source: Xesibe Holdings

In contrast to Joe Gqabi District and Sarah Baartman District’s results, most respondents across different municipalities think that their municipalities are failing when it comes to Governance and Financial Management.

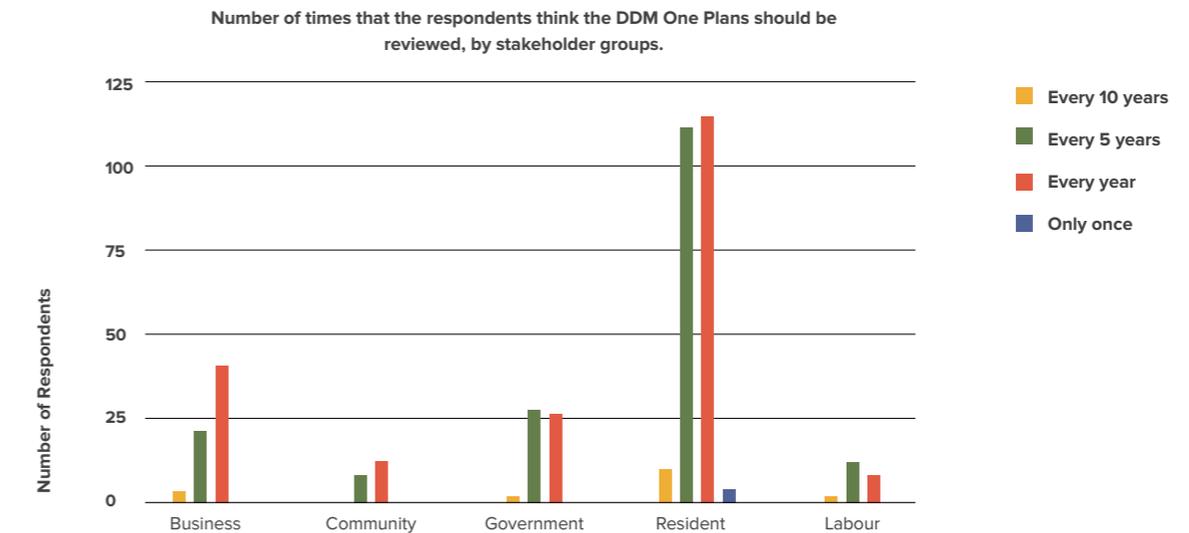
Figure 17. The responses to the question “Would you fill out an annual resident survey in the District, administered annually?”.



Source: Xesibe Holdings

90.5% of respondents said they were willing to complete an annual resident survey. This could help with the collection of data. Moreover, where it is done annually, the data could be used for different planning and service delivery functions. Lastly, almost 50% of the respondents think that the Metro/District One Plans should be reviewed every year.

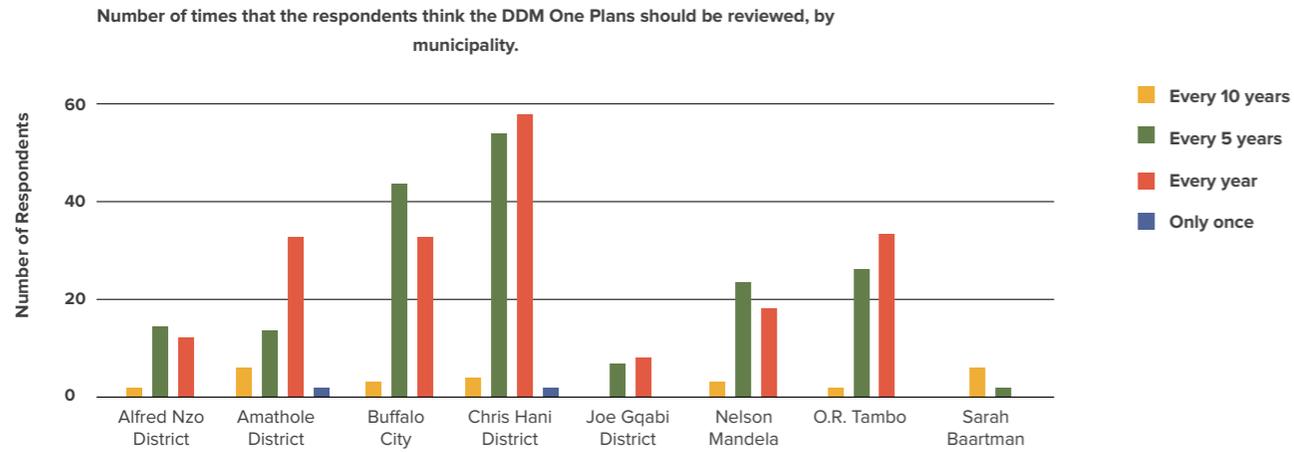
Figure 18. Number of times that the respondents think the DDM One Plans should be reviewed, by stakeholder groups.



Source: Xesibe Holdings

From this figure, we can observe that the majority of respondents who represent government and labour think that DDM One Plans should be reviewed every 5 years while most respondents from other stakeholder groups think that they should be reviewed every year.

Figure 19. Number of times that the respondents think the DDM One Plans should be reviewed, by municipality.



Source: Xesibe Holdings

Most respondents from all different districts and metros think that DDM One Plans should be reviewed every year or every 5 years. In Alfred Nzo District, Buffalo City and Nelson Mandela Bay, the number of respondents who think reviews should be done every 5 years exceeds the number of those who think that they should be done every year.



