



Policy Brief

Issue No: 1/2024

March 2024

A vehicle to articulate development issues and foster dialogue

Comparative Development Planning: Lessons for South Africa¹

Summary - South Africa's development planning system is a testament to the nation's commitment to addressing its historical challenges and paving the way for a future marked by growth, equity, and sustainability. While there are challenges, the structures and strategies in place provide a solid foundation. With focused improvements in planning integration, stakeholder engagement, and capacity building, coupled with lessons from global best practices, South Africa can further refine its development planning to meet its development goals effectively. The development planning experiences of South Korea, Singapore, and Taiwan - Province of China offer rich lessons for South Africa, particularly in terms of strategic planning, government role, public-private partnership, and the importance of a long-term, integrated, and flexible approach to development. By drawing on these lessons and adapting them to its unique context, South Africa can enhance its development planning framework and strategies to achieve sustainable growth and development.

1. Introduction

The development planning landscape in South Africa is intricate and multifaceted, a reflection of its history, contemporary socio-economic challenges, and the aspirations of its people. The strategic planning frameworks, from national to local levels showcase a concerted effort to address deep-seated issues while paving the way for inclusive growth and sustainable development.

1.1. Key Aspects of the Development Planning Landscape

- i. **National Development Plan 2030 (NDP 2030):** The NDP stands as the cornerstone of South Africa's development strategy. It is ambitious and aims to eradicate poverty, reduce inequality, and drive inclusive economic growth by 2030. The plan is comprehensive, with its structure around six pillars that align with global Sustainable Development Goals (SDGs) and regional Africa Agenda 2063, ensuring that South Africa's development trajectory resonates with broader international and regional development goals.
- ii. **Medium-Term Strategic Framework (MTSF):** The MTSF serves as the operational tool for the NDP, breaking down the long-term goals into actionable five-year segments. This framework is crucial as it ensures that the lofty goals of the NDP are translated into tangible policies and programs, with clear targets and performance indicators to track progress.²
- iii. **The Economic Reconstruction and Recovery Plan (ERRP):** The ERRP is the latest development framework. It was developed in 2020 to respond to the COVID-19 pandemic, and it envisions a comprehensive health response and interventions for economic recovery while controlling the health risks and building sustainable, resilient and inclusive economic growth. The Plan suggests a series of interventions to boost inclusive growth through an aggressive infrastructure investment plan, strengthening agriculture by focusing on smallholder farms and SMEs along

¹ This policy brief is an output of the Strategic Policy and Research Unit (SPRU) of the UNDP South Africa Country Office. The policy brief was prepared to stimulate policy debate on enhancing South Africa's development planning system. The views expressed in this policy brief are those of the author and do not represent the views of UNDP, the United Nations or any of its affiliate organizations.

² The current MTSF 2019-2024 was developed in 2019, approved by Cabinet at the end of October 2019 and officially launched with the State of the National Address (SONA) 2020 for implementation. It was subsequently revised based on critical new developments including the COVID-19 pandemic.

value chains, industrialization (which will support local industries, including those in economically depressed areas with significant potential for the creation of low-skill jobs), improvements in human capital development, support to services, tourism, and small and medium enterprises (SMEs). iv. **Provincial and Municipal Development Plans:** The alignment of Provincial Development Plans and Municipal Integrated Development Plans (IDPs) with the national framework is pivotal. It ensures that the development agenda responds and takes into account the local context and needs while contributing to the collective national goals.

v. **District Development Model (DDM):** The DDM represents a strategic innovation in governance and planning. It aims to eradicate the siloed approach of government operations, fostering a more integrated, collaborative, and coherent system of development planning and implementation. The focus on improving service delivery and ensuring that the benefits of development initiatives are tangible at the community level is particularly noteworthy.

vi. **Local Economic Development (LED):** The emphasis on leveraging local resources and capabilities to stimulate economic growth and job creation is commendable. The LED's grassroots approach ensures that development initiatives are relevant, sustainable, and owned by the local communities.

South Africa's development planning landscape is comprehensive and reflective of a concerted effort to address the nation's historical challenges while charting a course toward a prosperous and inclusive future. While the framework is robust, the key to its success lies in effective implementation, which requires enhanced integration, effective and efficient resource utilization, active stakeholder engagement, rigorous monitoring and evaluation, and sustained alignment with international development paradigms. Ongoing efforts to enhance integration, resource allocation, stakeholder engagement, and monitoring and evaluation will be key to realizing the full potential of these development initiatives.

2. Comparative Development Planning Experiences

The comparative development planning experiences of South Korea, Singapore, and Taiwan – Province of China provide valuable insights and lessons that can be beneficial for countries like South Africa, seeking to refine and enhance their development strategies.

2.1. Development Planning in South Korea, Singapore, and Taiwan –

Province of China: i. South Korea:

- **Strategic Focus:** South Korea's remarkable transformation from an agrarian economy to a leading industrialized nation was underpinned by a strategic focus on export-oriented industrialization and heavy industry development.
- **Government Role:** The proactive role of the government, especially through the Economic Planning Board (EPB), in coordinating and implementing development plans was pivotal.
- **Incentives and Investment:** The government's approach of providing incentives for private sector investment in key sectors and heavily investing in education and infrastructure laid the foundation for sustained economic growth and human capital development.

ii. Singapore:

- **Strategic Planning and Governance:** Singapore's success story highlights the significance of strategic long-term planning, good governance, and a focus on creating a competitive business environment.

- **Investment in Infrastructure and Human Capital:** The government's investment in physical infrastructure, education, and innovation was key in transforming Singapore into a prosperous economy.
- **Public-Private Partnership:** The Economic Development Board (EDB) played a central role in attracting foreign investment and promoting export-oriented industrialization, demonstrating the effectiveness of strategic public-private partnerships.

iii. **Taiwan – Province of China:**

- **Centralized Planning Approach:** Taiwan – Province of China's development was guided by a centralized planning approach, led by the Council for Economic Planning and Development (CEPD), which was instrumental in driving industrialization and economic growth.
- **Export-oriented Industrialization:** Like South Korea, Taiwan – Province of China focused on export-oriented manufacturing, which helped diversify the economy and enhance global competitiveness.
- **Decentralization in Recent Years:** Despite the initial centralized approach, recent shifts towards a more decentralized planning and implementation model indicate a flexible approach to governance and development.

These comparative country long-term development planning experiences offer valuable lessons for South Africa, including the importance of investing in infrastructure, education, and technology, promoting private sector investment, and diversifying the economy. South Africa can learn several lessons from these countries' development planning architecture, including:

- i. **Strong and Decisive Leadership:** The leadership in these countries was characterized by a clear vision and a strong commitment to economic development and social progress. South Africa can benefit from fostering strong leadership that can guide development planning efforts effectively.
- ii. **Integrated and Coordinated Planning:** These countries demonstrated that a coordinated approach to planning, encompassing economic, social, and environmental considerations, leads to comprehensive and sustainable development. South Africa might prioritize a similar integrated approach to ensure that development efforts are well-coordinated and aligned with national goals.
- iii. **Evidence-based Planning:** Development plans grounded in reliable data and evidence were key to the success of these countries. South Africa could focus on enhancing data-driven planning to ensure realistic, achievable, and impactful development strategies.
- iv. **Strong Institutional Framework:** The success stories of these countries highlight the importance of a strong institutional framework, including a well-functioning bureaucracy and a robust legal and regulatory environment. Strengthening institutional frameworks can be pivotal for South Africa in coordinating and implementing development plans effectively.
- v. **Engagement with the Private Sector:** Active engagement with the private sector and creating an enabling environment for private investment was crucial in these countries. South Africa could similarly foster public-private partnerships to drive economic growth and development.
- vi. **Long-term Perspective with Flexibility:** Adopting a long-term perspective, while being adaptable to changing circumstances, was a common trait among these countries. South Africa might benefit from incorporating a similar long-term vision in its development planning, ensuring that plans are sustainable and responsive to emerging challenges and opportunities.

3. How can South Africa improve its development planning system?

Improving the development planning system in South Africa is pivotal for steering the country towards sustained economic growth and holistic social development. The strategies outlined provide a comprehensive roadmap for enhancing the system's efficiency and impact. Here's a deeper look at these strategies and how they could be effectively implemented:

i. **Centralized Planning Framework:**

- Establishing a centralized framework can streamline decision-making and ensure that all levels of government are aligned with the national development priorities. This requires a strong institutional base and clear guidelines to ensure that policies are consistently implemented across various administrative levels.
- ii. **Strengthening Intergovernmental Relations:**
 - Enhancing communication and cooperation between national, provincial, and local governments is crucial. Regular forums and joint planning sessions can facilitate a more integrated approach to development, ensuring that policies are harmoniously executed at all levels.
- iii. **Effective Public-Private Partnerships (PPPs):**
 - Leveraging the strengths of the public and private sectors can lead to more efficient and innovative solutions, especially in areas like infrastructure and service delivery. Creating a conducive environment for PPPs, with clear policies and legal frameworks, can attract private investment and expertise.
- iv. **Community Involvement and Localized Planning:**
 - Development plans should be rooted in the realities of local communities. Encouraging community participation in the planning process ensures that initiatives are relevant and have a higher chance of success. This approach also fosters ownership and accountability at the local level.
- v. **Data-driven Decision Making:**
 - Policies grounded in empirical data are more likely to yield positive results. Investing in data collection, analysis, and dissemination will enable policymakers to make informed decisions and tailor strategies to the specific needs of different regions and sectors.
- vi. **Capacity Building:**
 - Strengthening the capacity of institutions involved in development planning is essential. This includes not just training personnel but also improving administrative processes and adopting best practices in project management and policy implementation.
- vii. **Monitoring and Evaluation Systems:**
 - Robust M&E systems are critical for tracking progress, identifying challenges, and making necessary adjustments. These systems should be transparent and results-oriented, providing real-time feedback on the performance of development initiatives.
- viii. **Sectoral Coordination:**
 - Ensuring that different sectors are not operating in isolation but are instead working in a coordinated manner can lead to more coherent and impactful development outcomes. This requires a holistic approach to policy formulation and implementation, considering the interdependencies between different sectors.
- ix. **Legislative and Regulatory Frameworks:**
 - Clear and enforceable legislative and regulatory frameworks are fundamental for guiding development planning and ensuring that all stakeholders adhere to the policies and standards. This also involves defining the roles and responsibilities of different entities involved in the development process.
- x. **Financial Coordination:**
 - Efficient financial management and the transparent allocation of resources are crucial for the successful implementation of development plans. Budgets should be aligned with national priorities, and there should be mechanisms in place to ensure accountability in the utilization of funds.
- xi. **International Best Practices and Partnerships:**

- Learning from the experiences of other countries and collaborating with international organizations can provide valuable insights and resources. Such partnerships can enhance the quality of development planning and open up new opportunities for innovation and growth.

By focusing on these strategies, South Africa can significantly enhance its development planning system, ensuring that it is more integrated, efficient, and responsive to the needs of its people. The successful implementation of these strategies requires commitment, collaboration, and a willingness to adapt and learn continuously.

4. Conclusion and Policy Implications

South Africa can draw valuable lessons from international examples like South Korea, Singapore, and Taiwan, emphasizing strong leadership, integrated planning, evidence-based policies, and robust public-private partnerships. To further enhance its development planning system, South Africa might consider:

- Strengthening Centralized Planning:** A cohesive framework ensuring alignment across government levels and sectors is essential.
- Enhancing Capacity and Collaboration:** Building institutional capacity and fostering effective collaboration between government, the private sector, and civil society.
- Data-Driven Decision Making:** Investing in robust data systems to inform evidence-based planning and policymaking.
- Comprehensive Monitoring and Evaluation:** Implementing strong M&E mechanisms to track progress, assess impacts, and inform adjustments in planning and implementation.
- Incorporating Global Best Practices:** Learning from international experiences to adopt innovative and effective planning, monitoring, and evaluation methodologies.
- Elevating DPME's Role:** Empowering the DPME to ensure effective policy coordination, robust M&E frameworks, and a strategic approach to long-term planning.

References

- Chang, C. P., and Chen, M. H. (2017). "Taiwan's Developmental State and Economic Planning: Lessons for Developing Countries," *Journal of Developing Areas*, 51(3), 357-369.
- Chen, S., (2018). "Singapore's Developmental State: A Comparative Analysis," *Journal of Contemporary Asia*, 48(4), 555-571.
- Cheng, J. L., (2012). *Economic Planning and Development in Taiwan: The Role of the State*, Routledge.
- Cheng, L. K., and Kwan, Y. K., (2018). "Singapore's Developmental State and Economic Planning," in *The Palgrave Handbook of Asian Entrepreneurship*, 53-70, Palgrave Macmillan, Cham.
- Chia, N., (2014). "Strategic Planning and Singapore's Economic Development: Some Lessons for Other Developing Economies," in *Asian Economic Systems in Transition*, 97-116. Springer, Berlin, Heidelberg.
- Chimhowu, A.O., Hulme, D., and Munro, L.T., (2019). "The 'New' National Development Planning and Global Development Goals: Processes and Partnerships," *World Development*, 120: 76–89
- Chung, Y. H. (2019). "Economic Development Planning in South Korea: From the 1960s to the 2000s," *Journal of Asian Economics*, 65, 101166.
- Department of Planning, Monitoring and Evaluation (2022). *Policy Framework for Integrated Planning 2022*, Available at <https://www.dpme.gov.za/keyfocusareas/Provincial%20Performance%20Publication/Documents/Policy%20Framework%20for%20Integrated%20Planning.%20DPME.pdf>
- Gumede, W., "Comparative Country Long-Term Development Planning: Lessons for South Africa," A *Background Paper of the How to Implement NDP Debate*, Available at <http://www.tambofoundation.org.za/wp-content/uploads/2014/12/Comparative-Development-Planningf-William-Gumede-22July14.pdf>

- Harrison, T., (2023). "The resurgence of national development planning and the challenge of alignment," ODI Working Paper, Available at https://odi.cdn.ngo/media/documents/DPF_WP_The_resurgence_of_national_development_planning_and_the_challenge_of_alignment.pdf
- Jang, S. M., (2009). "The Role of the State in Taiwan's Economic development: An Institutional Perspective," *Journal of Contemporary Asia*, 39(4), 561-579.
- Kim, S. and Lee, H., (2015). "Economic Development Planning in Korea: An Historical Overview," *Journal of Asian Economics*, 41, pp.69-82.
- Kim, Y., & Choi, S. (2015). "The Role of Government in Economic Development: The Case of South Korea," *Journal of Policy Modeling*, 37(2), 342-353.
- Lee, C. H., (2018). "Economic Development and Planning in South Korea: A Retrospective and Prospective Analysis," *Journal of International and Area Studies*, 25(2), 1-18.
- Lim, S. J., (2018). "South Korea's Development Experience: Lessons for Africa," *Journal of African Business*, 19(1), 1-15.
- Lin, J. Y., and Chu, Y. W., (2017). "Taiwan's Economic Development Experience: Lessons for Emerging Economies," *Journal of Asian Economics*, 49, 1-16.
- National Planning Commission – (NPC), (2023). *Ten-Year Review of the National Development Plan*, Available at https://www.gov.za/sites/default/files/gcis_document/202010/south-african-economicreconstruction-and-recovery-plan.pdf
- NPC, (2020). *A Review of the National Development Plan 2030: Advancing Implementation Toward a More Capable Nation*, Pretoria.
- NPC, (2015). *Reforming the South African Government Planning System: Discussion Document on the Role and Effectiveness of Planning and Implications for the Institutionalization of Planning*, Pretoria.
- NPC, (2012). *National Development Plan 2020: Our Future- Make it Work*, Available at https://www.gov.za/sites/default/files/gcis_document/201409/ndp-2030-our-future-make-it-workr.pdf
- South Africa Government (2020). *Economic Recovery and Reconstruction Plan*, Available at https://www.gov.za/sites/default/files/gcis_document/202010/south-african-economic-reconstructionand-recovery-plan.pdf
- National Planning Commission – (NPC), (2012). *National Development Plan 2020: Our Future- Make it Work*, Available at https://www.gov.za/sites/default/files/gcis_document/201409/ndp-2030-our-futuremake-it-workr.pdf
- Tan, K. C. (2018). "Strategic Planning and Policy Formulation in Singapore, in *The Palgrave Handbook of Public Administration and Management in Asia*, 181-201). Palgrave Macmillan, Singapore.
- Woo, W. T., (1991). "Development Planning and Industrialization in South Korea," *Economic Development and Cultural Change*, 39(1), 1-26.
- Yoo, K. H., and Lee, S. H., (2017), "South Korea's Economic Development and Planning Experience: Lessons for Developing Countries," *Journal of Developing Areas*, 51(3), 343-355.